

**Public Discussion Document**  
**National Standardization Strategic Framework**  
**September 2002**

## 1. Introduction

### **An opportunity for improved economic performance through standardization?**

#### **Background**

The link between standardization and economic performance, at a macro UK economic level and at micro business level, is widely documented but often under recognised. Standards are a critical aspect of many industries and services. At a macro level it has been estimated that effective use of standards can contribute 1% or more of GDP. The UK is acknowledged as having stable economic conditions, a skilled workforce and world-class technology – yet it also has a productivity gap compared with other major economies. Closing that gap is vital for the prosperity of UK business, and a key objective of government. Given the economic impact of standardization, can it be used as one of the means by which UK productivity is improved?

The UK has one of the leading National Standards Bodies (NSB) with a good reputation around the world, BSI British Standards. BSI operates under a Royal Charter and is recognised as the UK's NSB through a Memorandum of Understanding (MoU) with DTI<sup>1</sup>. This is a good start.

However, successful standardization relies on the whole of the National Standards Infrastructure (NSI) both working at peak and in a relatively co-ordinated fashion, and it has been known for some time that there are considerable opportunities for improvement. The Infrastructure is made up of those that need standards, the providers of standardization services, those that fund the components of the infrastructure, the users of standards, the standardization processes and its deliverables. It is necessarily complex.

This discussion paper sets out where some of the potential opportunities for improvement lie and seeks views on them, in relation to the needs, benefits and uses of standardization.

#### **Creating the strategic framework**

The DTI (Department of Trade & Industry), CBI (Confederation of British Industry), and BSI (British Standards Institution) have come together to understand the situation and to scope some new directions aimed at increasing the value derived from the system for us all.

This paper is the first output of this joint exercise. The aim is to establish a strategic framework to move the standardization infrastructure forward to deliver economic improvements, specifically productivity improvements in the UK. This framework is a broad one and should be seen as being developed by and for all stakeholders in the standardization infrastructure in the UK.

The purpose of this document is to share the latest thinking on the state of the NSI, describe a vision for the future and layout some objectives for achieving that vision. This document is the first part of a discussion process and is being shared with a wide number of stakeholders, in order to gain consensus as to the future and how we get there.

It is recognised that each sector of the UK economy and each group of stakeholders view standardization slightly differently, have varying levels of use and understanding of standardization and the infrastructure. We have tried to maintain an overall perspective whilst undertaking this work.

The main output from the work to date is summarised by this paper. Further information, including papers outlining the benefits and opportunities for standardization affecting UK business and government is available by visiting [www.bsi-global.com/nssf](http://www.bsi-global.com/nssf)

---

<sup>1</sup> A full text version of the MoU is available at [www.bsi-global.com/Corporate/News+Room/dti-mou.pdf](http://www.bsi-global.com/Corporate/News+Room/dti-mou.pdf), and [www.dti.gov.uk/strd/funding.htm](http://www.dti.gov.uk/strd/funding.htm)

## 2. The Vision

### Introduction

The vision has been developed from a review of the standardization infrastructure, which included identification of where the key issues lie.

### Vision of the future

- 2.1 Standardization is understood and deployed by UK business as a key lever to improve competitiveness and productivity at both technical and strategic levels
- 2.2 Standardization is effectively used by the public sector, including being deployed as a key vehicle for effective policy and regulatory implementation
- 2.3 A standardization infrastructure that enables timely and efficient standards development that meets the needs of all stakeholders
- 2.4 An infrastructure that is responsive to market need, monitors market trends and as a consequence reacts and responds competently
- 2.5 A stable and sustainable funding mechanism that provides the appropriate level and scope of standardization in the UK
- 2.6 The UK providing the most accessible and influential gateway to international standardization in the world
- 2.7 Development processes and deliverables that are clearly articulated and are clearly linked to requirements and needs
- 2.8 Standardization will be included in research & educational programmes to underpin the wider understanding and more effective use of standards in the UK

### Background to the vision

This vision has been developed on the basis of the opportunity that standardization provides to the UK economy, UK businesses, government (both central and local), and society generally.

Standards are an important contributor to economic performance. Many industries depend on standards to define key product features and ensure that products from different manufacturers can work together. Standards define crucial aspects of product and service safety, reliability and quality, which reassure customers and enable markets to work effectively. International standards help trade and entry into global markets<sup>2</sup>.

Standards can also help define best practice business processes. Standards affect most organisations to some extent and can be a vital source of competitive advantage. They affect the way markets operate, and understanding and using these mechanisms is a means of adding value.

Standards are also important in government policy, as means to achieve economic, social and regulatory objectives. Links between standards and policy can provide additional advantages for firms as well as for national well-being.

In terms of overall effect on the economy, it has been estimated that the use of standards contributes 1% or more of GDP. In a survey of business innovations in the UK standards were referred to more frequently as a source of knowledge than the science base.

---

<sup>2</sup> The value of standards and their uses in regional and international contexts are also summarised in a European Commission paper "European policy principles on international standardization". See [http://europa.eu.int/comm/enterprise/standards\\_policy/international/sec2001\\_1296\\_en.pdf](http://europa.eu.int/comm/enterprise/standards_policy/international/sec2001_1296_en.pdf).

## **The standardization environment**

The context for standardization, as for other parts of the business world and information and knowledge-based operations in particular, has altered dramatically in recent years. Globalisation of business, more rapid product cycles, fluidity and convergence of business, and the e-revolution, all impact on what the standards system needs to produce.

Standardization requirements are changing rapidly in response to these pressures. Not only are more standards being generated more quickly, but the standards institutions are also changing.

There has been a massive increase in the number and range of private standards development organisations (SDO's) outside the traditional routes, seeking faster and more flexible standardization. This has occurred mostly within the past decade or so. It affects a wide range of industries, especially, but not only, in the fastest growing areas of technology and innovation. There is a proliferation of types of standards aiming to provide solutions to the underlying demand for common specifications quickly and effectively. Standards are being used increasingly in service sectors as well.

Traditional standards organisations, the national standards bodies and other official committees, have been affected by these changes and are changing their focus in response. Membership and funding patterns are changing. Official standards organisations are seeking ways to ensure the continued value of their activities and meet the changing requirements of their membership. Operations may be streamlined and made more responsive to market and policy needs. New deliverables, in parallel with traditional full consensus standards, have been introduced.

With this background, the time is right to set some objectives for a National Standardization Strategic Framework. Standards represent a major opportunity for UK economic performance and other policy. This framework seeks to understand the opportunities that are available. In many cases the objectives outlined here are necessarily a process for change rather than detailed prescriptions. In some areas it is possible to identify specific steps. In others the object is strategic intent, or directions for change.

The strategic framework consolidates the interests of the main stakeholders involved in setting and using standards – industry, government, consumers and the national standardization body itself. It is intended and expected that stakeholders should participate closely in forming this framework and in carrying through the steps to make it effective.

The strategy can only have effect if it meets the needs of all UK standards participants and other stakeholders, and is supported and acted on. Comments and feedback from interested stakeholders are key to this process and their inputs are critical to the success of the strategy.

### 3. Objectives

#### Objectives for the strategic framework

The overall objective of the strategic framework is to deliver the vision as defined above. However there are a number of practical activities that need to be undertaken which will create detailed strategies required to meet that vision.

#### 3.1 Produce and deliver a standardization awareness and education campaign targeted at the business community achieving:

- ◆ Improved awareness of, and therefore use of, standardization generally within all sectors of the UK economy.
- ◆ Improved awareness of the benefits of standardization to individual businesses, markets as a whole and the UK economy i.e. how to use standardization to reduce costs, develop markets, support marketing & comply cost effectively with regulations.
- ◆ Improved awareness of how to engage with and use the standardization infrastructure.
- ◆ Improved awareness of standardization as a key strategic lever for competitiveness and productivity.

#### 3.2 Produce and deliver a standardization awareness and education campaign across central and local government achieving:

- ◆ Improved awareness of, and therefore use of, standardization generally within the public sector.
- ◆ Improved awareness of the benefits of standardization to the UK economy.
- ◆ Improved knowledge of how to engage with and use standardization as a mechanism for implementing public policy, implementing regulation, and improving procurement.
- ◆ Improved utilisation of the existing infrastructure.

#### 3.3 Develop a new mechanism for the engagement between the SDO's and all parts of government achieving:

- ◆ Improved utilisation.
- ◆ Increased relevance of the work programme to delivering public policy.
- ◆ Increased use of standards as part of the new approach to regulation.
- ◆ The application of standardization to achieve specific departmental objectives.

#### 3.4 Develop a plan for and deliver an efficiency improvement programme for the NSB which in turn will provide competition induced improvements throughout the development community achieving:

- ◆ Greater efficiency in standards development.
- ◆ Increased speed of development and timeliness of deliverables.
- ◆ Improved image of standardization.

(The first two parts of this objective are already included in new developments underway within the NSB).

#### 3.5 Establish process and structures to monitor markets by engaging proactively with stakeholders, particularly in emerging, growth and innovative markets, achieving:

- ◆ Greater relevance of the standardization work programme.
- ◆ Increased responsiveness of infrastructure to stakeholder need.

(Elements of this objective are already included in new developments underway within the NSB).

#### 3.6 Develop new funding mechanisms tailored to the different needs and timescales of the work programmes and the infrastructure achieving:

- ◆ Long term assurance of funding.
- ◆ Improved relevance of government funding to identified public interest.
- ◆ Improved targeting of funding for infrastructure and competency development.

- 3.7 Plan and deliver a co-ordinated - government, NSB, business, society - efficiency lobby targeted at European and International formal standardization mechanisms achieving:**
- ◆ Mechanism efficiency improvement.
  - ◆ Promotion of the wider adoption of UK and European standardization processes internationally.
  - ◆ Optimisation of UK influence on the development of international standards organisations and structures.
- 3.8 Explore ways to expand the focus of the NSB to include broader interfaces and involvement with, including the provision of services to, global SDO's in establishing international standards (formal & informal) achieving:**
- ◆ Increased accessibility to international standardization via the UK.
  - ◆ Increased relevance of the NSB to the UK economy, particularly in developing sectors.
  - ◆ Increased provision of a full range of services by the NSB.
- 3.9 Develop the mechanisms for establishing strategic UK priorities for involvement in international standardization achieving:**
- ◆ Alignment of critical areas to the UK work programme.
  - ◆ Maximum resource & therefore influence targeted in critical sectors/areas.
- 3.10 Undertake a review of formal and informal standards deliverables and their providers and re-launch achieving:**
- ◆ Simplified language, definitions and accessibility.
  - ◆ Increased use of standardization.
  - ◆ Increased awareness of where to go and what is required to fulfil need.
  - ◆ Improved broader stakeholder accessibility.
- 3.11 Review standardization in education and develop plan for increased introduction into academic syllabi and research and professional programmes achieving:**
- ◆ Increased awareness of, and future use of, standardization in the workforce of the future.
  - ◆ Increased awareness of the use and benefits of standardization within targeted professions.
  - ◆ Increased competency on how to deploy standardization throughout the UK.
- 3.12 Establish an inclusive process whereby a) the market framework set by government encourages effective standardization and b) government and the NSB keep the public standardization infrastructure in good shape achieving:**
- ◆ A structured response mechanism for process concerns.
  - ◆ Continuous improvement of the whole infrastructure.
  - ◆ Improved ability to maintain public interest elements.
  - ◆ Potential incentives for increased participation by stakeholders.

**DTI/ CBI/ BSI  
September 2002**