

Environmental Management Systems: From Burden to Opportunity

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There is rising concern that current approaches to environmental management systems are yielding little in the way of meaningful environmental performance improvement. No small concern because the scale of the investment in EMS is colossal, but often underestimated. Over 95% of the real economic cost of EMS is attributable to factors which are difficult to measure - time inputs from personnel working within organizations on program development (drafting and reviewing policies, procedures and the like), training (most personnel will be trained), auditing (internal and maybe 3rd party) and very especially the pre-audit blitz that precedes most audits by 3rd parties.

Concerns about the value derived from implementing and certifying EMSs have not impacted growth in the field. Indeed there has been a significant uplift in the level of activity with the European Commission, EU Member State governments, US State and Federal government agencies joining with industry sector associations and others in the call to promote – and in many cases require - the uptake of management systems and third party certification of them.

- US regulators in the state of Texas and other US states are offering meaningful incentives to organisations who meet a defined set of EMS requirements.
- The American Chemistry Council is requiring all of their members to implement certified EMSs by the end of 2006.
- The US EPA has included requirements for 3rd party approved EMS's in sentencing guidelines.

Those who are voicing concerns about the value of EMS point to an increasing body of anecdotal and empirical evidence which has found little or no correlation between certified EMSs and a variety of environmental performance metrics. The findings of these studies are surprising for many: the broad-based uptake of management systems in the environmental field was seen as a natural progression away from end-of-pipe thinking and most expected it to lead to significant operational efficiencies and other environmental performance gains.

Others – especially those with much experience in the field – anticipated that established approaches to EMS (structured bodies of documented policies and procedures with much training

and audits to assess implementation) would yield little in the way of meaningful performance improvement, because they do not take proper account of the how organizations and their leaders actually deliver results. Managers use a very broad range of techniques, which go way beyond the mechanical implementation of documented policies, procedures and work instructions to deliver the operational and business outcomes they are seeking (production output, cost control and the like). The quality of leadership, communication of a clear vision, native ability to judge character, the capacity to get the best out of people, tenacity, insight, charisma, ambition, energy, and creativity are all fundamental to an organization’s ability to produce great outcomes. Is it any different for environmental outcomes? Of course not! The right environmental outcomes will arise in an organisation if - and only if – mainstream operational managers apply the techniques they naturally use in the pursuit of their operational goals to address the environmental aspects of the activities for which they are responsible.

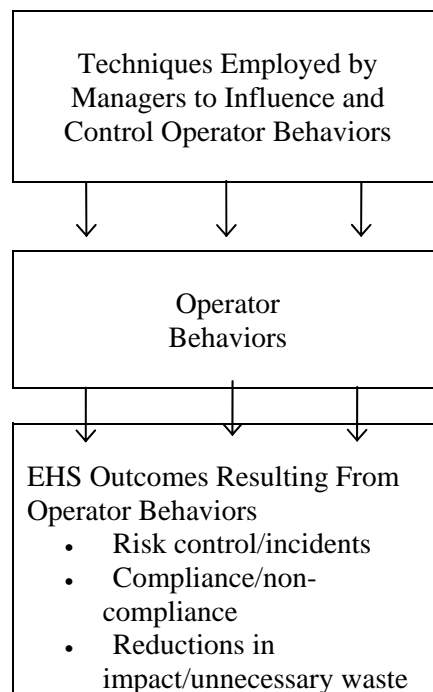


Table 1: Managers should employ behaviours themselves and an effective body of techniques, which will yield operator behaviours which should, in turn, deliver the right environmental outcomes on the ground.

Can organisations (and society) get a much better return on investment from EMS? The answer is yes and, emphatically so. But it will require implementers, auditors, trainers, consultants and very especially certifiers who operate in the field to shift their focus from documented conformance-centred approaches to the real dynamics of performance: management and the actual behaviours and techniques they employ to deliver results. This is not an academic perspective. Centring environmental management systems on behavioural aspects and the thinking and practice that underpins it has been well tested and is producing remarkable

environmental performance gains – reduced incident rates, much enhanced compliance with regulations and sharp reductions in ongoing impacts on people and the environment.

- 15 facilities located across three continents from two different corporations with mature health and safety programmes which certified their operations to OHSAS 18001 delivered reductions of 20-30% in their lost time accident rates.
- A processing plant which implemented ISO 14001 moved from near the bottom of their corporate environmental performance league table to close to the top whilst transforming their relationship with their regulators and the community within which they operate.
- An automotive component manufacturer slashed their number of regulatory non-compliances by implementing ISO 14001 in a style which focuses on behavioural aspect.

Even organisations which have had certified EMSs in place for a number of years have achieved very significant performance gains by shifting their focus onto behavioural aspects: much to the relief and even delight of senior management. “For the first time I can understand why I’m doing ISO 14001” a senior business leader of a major oil company commented following their shift to a behaviour and performance-outcome focused approach to EMS.

Using management systems and certification of them to deliver better performance outcomes through behavioural change (is there any other way?) means all involved in the implementation and certification of environmental management systems focusing their efforts on delivering sustainable behavioural change. The five simple steps set out below start with a diagnostic: before you do anything determine what suboptimal outcomes are currently arising within the operations and what the causes of these are in behavioural terms. You need to diagnose what is wrong with the patient before you prescribe a remedy!

First: establish an unambiguous case for change - which must be derived from a realistic assessment of the organization’s current performance both in terms of the environmental performance outcomes which are produced (focus on finding examples of non-compliance, poor risk control and unacceptable ongoing impacts) and the real (systemic) weaknesses in management which are giving rise to these. This assessment should be focused on actual shop-floor conditions and operator practices using root cause analysis to establish why these are arising at a management level.

Second: ensure personnel at all levels (and especially at the top of the organization) fully grasp the true status of environmental management to the point where they will *want* it to change: what sub-optimal outcomes are arising, why they are arising and what the implications of these might be in terms of the mission of the organization.

Third: build a team that will be accountable for delivering enhanced performance outcomes through behavioral change. The selected individuals need to be energetic, persuasive, tenacious, and credible *and* be excited by the vision of delivering meaningful change in environmental performance outcomes through behavioural change.

Fourth: develop and use new – systematic – outcome-focused methods and harness established management techniques and practices (those which are known to work effectively within the mainstream operations) to secure and maintain an enhanced body of operator behaviors which

will in turn deliver reliable and much enhanced environmental performance outcomes.

Fifth: follow through with ongoing behavior and performance-outcome focused audits and, where applicable, third party certification which will help sustain a body of behaviors which will yield reliable control of environmental risks, compliance with regulations and ongoing reductions in the environmental impacts arising from the operations – especially in the context of declining tolerance of same.

Third party certification generally yields a remarkable level of management engagement and where focused on the same behavioural dynamics will be a source of quite extraordinary support to those who are seeking to use management systems and certification of them to deliver meaningful performance improvements. Auditing management systems in a style which is focused on behavioural aspects in the context of certification to standards like ISO 14001 is relatively straightforward to grasp as a concept, but it does require a great deal of skill and practice to implement effectively.

Assessments conducted in this style should start with a detailed on-site assessment immediately after an opening meeting, where the assessment team will establish – through direct observation – if the organisation is producing the right outcomes on the ground. Experienced technically competent auditors will almost always encounter some level of non-compliance with regulations, examples of poor control of environmental hazards and some examples of unnecessary resource usage or waste generation. Assessors should use sophisticated causal analysis techniques to determine the management causes which have given rise to these sub-optimal outcomes they have observed. The content of the ISO 14001 standard is integral to this ‘bottom-up’ analysis.

Following the on-site assessment, deep discussion with mainstream operational management will reveal the techniques that they employ to drive mainstream operational aspects and the extent to which they use these techniques to drive environmental aspects. The ISO 14001 standard should be used as a detailed agenda for this ‘top-down’ discussion with management.

Throughout the course of the assessment and especially at the closing meeting techniques should be employed by the auditor to provide management with very deep insights into the overall effectiveness of their actions in addressing the environmental aspects of their operations. The environmental performance outcomes – good and bad - that arise from the organisation’s activities are a direct reflection of the extent and effectiveness of their engagement in driving these aspects. Management, almost always, gets what it deserves.

Closing Words

The implementation of environmental management systems and certification of them is a high profile resource intensive environmental initiative. For most organizations there probably isn’t a higher profile one. Unfortunately many will continue to approach EMS in the traditional way. They will continue to be disappointed with the results they obtain from the enormous effort they expend on EMS. Conversely, those who focus their EMS implementation efforts on those factors which are fundamental to performance improvement (changing the behaviors of people who work within the organization) can achieve extraordinary performance gains for their organizations. Do we have a choice?