**Benefits of Certification to the Customer**

​In today’s competitive business environment, effective management systems are indispensable. Customers want to be confident that they are doing business with an organization that can deliver quality parts in a timely manner and that meet the legal obligations of the industry. No customer wants to find out they do business with a shop that is one agency visit away from being indicted. In automotive recycling these management system are defined through certification programs.

A certification system promotes and facilitates consistency and improvements in a process or product. It improves operational efficiency. **Facilities that have achieved certification communicate to the market that they have successfully undergone a comprehensive assessment and their process and organization meet defined standards.** An industry specific certification program may not follow the ISO *or International Organization for Standardization* criteria but it is founded on the same principles.

ISO 14000 is a family of standards related to **environmental management** that exists to help organizations minimize how their processes negatively affect the environment, comply with applicable environmental laws and regulations, and continually improve. ISO 14001 is similar to ISO 9001 **quality management** in that both pertain to the process of how a product is produced, rather than to the product itself. Certification is performed by a third-party auditor. Currently there is no ISO standard for **safety management** but industry accepted BS OHSAS 18001, *Occupational Health and Safety Management Systems Requirements,* is an internationally applied British Standard for occupational health and safety management systems. It exists to help all kinds of organizations put in place sound occupational health and safety performance. ISO 45001 is an as yet unpublished Occupational Health and Safety Management Standard, set to replace OHSAS 18001.

Auto recycling certification programs are patterned after environmental, safety and, to some degree, quality management systems. The **value** of using a recognized management system as a platform for certification programs is that customers from outside of the auto recycling industry will understand the significance of the certification. The **purpose** of a certification system is to instill a cycle of continuous improvement at the certified facility. System may follow the well-known the Plan-Do-Check-Act cycle.

**Plan: set the standards.** Environmental certification standards are based on the regulations that govern the industry and a gap analysis of the membership’s processes to determine areas of improvement. These "environmental aspects" assists the certification program in establishing environmental objectives or standards. The standards, which should ideally be measurable, serve to identify relevant legal requirements.

**Do: implement the standards.** Using the information in the certification program, the auto recycling facility implements the changes to meet the standards. Often these changes are identified in the initial on-site audit process.

**Check: measure the processes against the standard.** During the on-site third-party or self-audit assessment, the facility identifies processes that do not meet the certification standard and grades the processes that do.

**Act: take action to improve.** After identifying deficiencies in meeting the certification standard, the facility takes action and makes the changes recommended to meet the standard.

**Continual Improvement Process.** These recommendations are incorporated through a continual improvement cycle into the facility’s operation and into the certification program based on changes in the law, advancement in technology and improved industry standards.

Environmental management systems are meant to prevent pollution through accidently release and maintain compliance. Safety management systems prevent accidents while maintaining compliance too.

The added benefit of a safety system is creating a climate where employees and customers can be safe from harm. The certification standards for safety take into account legal requirements and information about risks. A safety system is also the best way to defend a facility from fines for minor infractions. An occupational health and safety management system promotes a safe and healthy working environment by providing a framework that helps organizations to:

 **Identify and control health and safety risks**

 **Reduce the potential for accidents**

 **Aid legal compliance**

 **Improve overall performance**

Safety management systems can be aligned with existing quality and environmental management systems through certification programs. Many organizations start with the quality management system then add the environment management requirements. The next generation of certification will include ramping up quality management standards.

The ISO 9000 quality management system is designed to help facilities meet the needs of customers while meeting regulatory requirements related to a product such as department of transportation laws governing salvage vehicles. ISO 9000 deals with the fundamentals of quality management systems, including the eight management principles upon which the family of standards is based. While the basic foundation of quality management remains the same, ISO 9000 is being updated in 2015. The changes are mostly geared toward ensuring management support at the highest level.

The eight principles are: customer focus; leadership; involvement of people; process approach; system approach to management; factual approach to decision making; and mutually beneficial supplier relationships.

Auto recycling certification programs address some of the principles of quality management in the standards set for licensing and permitting as well as the general business standards for aesthetics. There is opportunity for enhancement to the certification program or in creating an optional “gold standard” to certification by implementing one or more of the quality principles.

For example, the first principle in quality management is CUSTOMER FOCUS. In selling used auto parts this would likely be a set of standards for parts grading using the existing industry accepted protocol. To attain a quality certification all parts would require grading in the inventory process so that the information is available to the customer while shopping. Another example would be to set shipping standards for parts shipped to customers so that the parts arrive free of damage and in a package that promotes the professionalism of the industry.

Customer feedback becomes part of the CONTINUOUS IMPROVEMENT CYCLE, another principle, by identifying customer needs and expectations and then setting standards to consistently meet them.

Another principle is the PROCESS APPROACH familiar in other continuous improvement programs such as Total Quality Management (TQM), Six Sigma and the like that existed while ISO standards were being set.

The process approach is a very useful tool especially in creating meaningful measurements of critical processes such as parts delivery. Delivering a part to the customer is a process made of many other sub-processes. Measuring on time parts delivery may identify a problem but the solution can only become apparent if the sub-processes have been adequately measured to see which smaller process created the breakdown.

Probably the biggest benefit of addressing a quality system as a group through a certification component is that the membership can benefit from looking at industry process failures collectively to determine trends in customer disappointment with used auto parts as a product.

For instance, an older survey of body shops found that parts availability was a factor detrimental to the sale of used auto parts. If that perception is still true today, then a process approach identifying ways in which customers can better access parts availability data would address the issue. Quite possibly the parts were available but the customer did not know where to look. That is a different problem than not having used parts available for the type of repair on deck. It also reaffirms the need for the auto recycling industry to work together to address problems or perception of problems as opposed to an individual shop ramping up their advertising budget.

Clearly defined **environmental standards** help auto salvage operations minimize any negative affect on the environment and comply with applicable environmental laws and regulations. **Safety standards** help certified auto recyclers put in place sound occupational health and safety procedures. **Quality standards** can help establish professionalism in the marketplace.

Certified recyclers communicate to the market that they have successfully undergone a rigorous assessment and their company meets the standards of excellence. Proudly posting your certification achievement may just be the thing that differentiates your facility from the competitors!



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