

UKAS Efficiency Progress Review Report

Summary of a report by Hedra Plc

September 2007

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Department for Innovation Universities & Skills

<http://www.dti.gov.uk/innovation/strd>

September 2007

URN 07/1444

Efficiency Progress Review Report - Executive Summary

Background

UKAS is the sole national accreditation body recognised by the UK government to assess, against internationally agreed standards, organisations that provide certification, testing, inspection and calibration services. Accreditation by UKAS demonstrates the competence, impartiality and performance capability of these evaluators. UKAS is a non-profit-distributing company, limited by guarantee, and operates under a Memorandum of Understanding with the Government through the Secretary of State for Trade and Industry.

UKAS occupies a unique position as the sole national accreditation body recognised by Government. In 2004, Hedra, a leading UK management consultancy firm, were commissioned by the DTI as the sponsoring Department, and UKAS, to undertake an efficiency review to provide independent assurance of UKAS's efficiency and quality of service provision.

This report, again commissioned by the DTI and UKAS, considers the progress that has been made towards implementing the 2004 review recommendations. In some cases, recommendations made in the review have been implemented in full, in these cases we have assessed how effectively they have been implemented.

Aims and Objectives of the Progress Review

The aims of the review were to:

- Assess UKAS's current business strategy, change drivers and operational context and identify any factors that may have changed since the 2004 review;
- Determine current status and progress made towards implementing the previous review's recommendations;
- Determine progress on service initiatives that were already underway (such as time recording and holistic assessment) and the benefits delivered;
- Identify any new service issues that may have arisen and strategies for addressing these;
- Examine the customer satisfaction survey process and results achieved;
- Examine the effectiveness of business and management information reporting;

The review was conducted over a two-month period and reported to the DTI in May 2007. The review involved one-to-one consultations with staff and telephone interviews with customers to assess the progress that has been made with implementing the recommendations and the current level of service being provided by UKAS staff.

Findings and Conclusions.

In general this review has found that the recommendations made in the 2004 report have been implemented effectively and that significantly higher levels of customer service are being delivered. UKAS is operating even more efficiently and has improved its financial performance enabling a restructure and simplification of prices resulting in a reduction in accreditation fees for the majority of customers. During our study we found examples of UKAS intensifying the use of its resources and looking to drive performance still higher in the years ahead.

UKAS have a clear Business Strategy and Plan and all the leaders in the business are behind it, developing their area of responsibility.

Budget constraints meant that only a small sample of customers could be contacted as part of this study, however their responses were consistent. They included large and small Certification Bodies, laboratories and trade associations. Interviewees commented that processes and service levels have improved. Even when the person they initially speak to on the telephone can't answer their query, they know within a few days someone will call them back with either an answer or an idea of when their Assessment Manager will be able to discuss the matter with them. Some customers said there is still room for improvement in some areas such as the process for close down of corrective actions and the need for greater electronic interaction / communication. Urgent scope extensions to meet a customer's business need are accommodated wherever possible. Often delays in processes are caused by customers not getting back to UKAS with the correct information in the necessary timeframe, an area customers have admitted is challenging particularly with respect to addressing non conformities. However Hedra have conducted a review of key internal processes and uncovered evidence of a small number of customers who impede the smooth process of accreditation in turn causing additional cost and delays to all customers. We have also observed UKAS staff regularly doing more work for customers than they actually charge for, for example squeezing in an Extension to Scope whilst conducting a regular visit. The nature of the work carried out by certification bodies means that UKAS receives a high volume of enquiries relating to that work, (frequently relating to disputes between a CB and its customers). This results in a high administrative burden on UKAS in the CB section.

Where recommendations made in our previous report have not been implemented in full or even in part we have commented where these should still be considered.

UKAS could also benefit from reviewing the roles and responsibilities within the customer service area and with the Assessment Managers, to ensure teams work as effectively as possible in delivering to the customer.

Recommendations

Based on the findings in this report, there are several recommendations on the way forward. These have been grouped into 3 key areas and are outlined below:

- 1) Continuing to Improve Customer Service
 - a. Support and drive the Customer Service Programme to embed culture change and ensure all staff understand what constitutes the highest levels of customer service and commit to delivery of these in the medium term
 - b. Continue to maintain and refine the Customer Satisfaction Survey, acting upon findings

- c. Improve customer response times and availability of information to customers e.g. provide detailed invoice information
 - d. The principles of Holistic Assessment should continue to underpin the approach to changes going forward.
- 2) Continue to Streamline Business Processes
- a. Complete a detailed review of the visit booking process
 - b. Review scheduling systems with a view to implementing a system to improve current processes for the scheduling of visits
 - c. Improve the close-out process, working with customers to follow progress addressing non-conformities
 - d. The processing of Extension to Scope requests and the related communications has been recently reviewed, with a view to improving customers' understanding of the process and responsibilities combined with the tracking of requests so that both staff and customers can see what the current and next step is and who is responsible for it. This has improved the situation, but UKAS appreciate that further work is required in this area
- 3) Launch a programme to develop, assess and drive greater electronic interaction with customers
- a. A tracking system for applications and extensions to scope that customers can access electronically should be considered. Customers have said they would welcome this.
 - b. Self-service customer access to tracking of non-conformities should also be considered.
 - c. The UKAS IT infrastructure will need to be replaced to accommodate the above proposals. This will be a major project for UKAS. HEDRA has conducted a review of UKAS's IT systems and processes and has prepared a separate report identifying strategic options for the modification of IT within UKAS.

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