

ISO 14000 FOR ACME

Gethmini Jayasundara
Asian Representative of Sales at Acme

- Increase in the need of environmental standards around the world made ISO evaluate the need for International environmental management standards.

- Their main objectives were,
 - Promote a common approach to environmental management similar to quality management
 - Enhance organizations' ability to attain and measure improvements in environmental performance
 - Facilitate trade and remove trade barriers.

What ISO 14000 covers.....

- environmental management systems
- environmental auditing
- environmental performance evaluation
- environmental labeling life-cycle assessment
- environmental aspects in product standards

Acme's Asian Market



Acme's Asian market- Annual sales

- **China** - **\$1.34 billion**
- **Japan** - **\$1.00 billion**
- **Singapore** - **\$55 million**
- **Thailand** - **\$34.6 million**
- **India** - **\$99 million**
- **Sri Lanka** - **\$10 million**

PROBLEM STATEMENT

- A newly introduced rule imposed by the governments in most of the Asian countries was that they are not permitted to import the products into the country if the mother company that supplies the products does not comply with the ISO 14000 standards. This rule was imposed to maintain the high standards of the products that are imported into Asian countries.



FACTS TO CONSIDER

- ▶ The initial investment cost is high to obtain the ISO 14000 certification.
- ▶ If we do not comply with the standards required by our customers, we will lose the Asian market. Approximately 40% of our total production are imported to Asia. If we do not comply with ISO 14000 Acme will lose a big market share.
- ▶ But once the system is set it could be utilized for years and having ISO 14001 gives us the opportunity to market our products easily everywhere in the world with its standard recognition. When the volumes are high with regard to the production over a period of years, the cost that had been incurred for ISO 14000 will be very minimal with regard to the cost of one product.

IMPLEMENTATION OF ISO 14000

- ✓ Setting and documenting environmental objectives and targets.
- ✓ Proper definition and explanation of tasks assigned to all employees so that in case of inquiry they would know what they are doing .
- ✓ Getting the necessary equipments that are needed to the additional equipments used when ACME was ISO 9000.
- ✓ Documentation of all processes including all details for future retrieval.
- ✓ Constant checking and measuring of key characteristics of operations and activities that can have a significant impact on the environment, such as energy use, chemical use, and waste, air.

BENEFITS OF INTRODUCING ISO 14000 TO ACME

- **Higher standards provides a higher opportunity for sales, due to the high recognition.**
- **Capturing institutional knowledge - ISO 14001 ensures this information is properly documented, communicated and retained. The cyclical nature of this management system further ensures all system information is reviewed and updated at least annually.**
- **Increasing competitiveness.**
- **Increasing profits through potential process improvements and energy conservation.**
- **Increased awareness and participation - organizations benefit from better communication about environmental issues inside and outside the organization.**
- **Safety benefits which would enable improvements, there by protecting the company from law suits regarding safety**