

Benefits of standardization



For all ...

- Optimized solution to repetitive technical problems
- Protect safety, health and property from hazards due to fire, explosion, chemicals, radiation, electricity
- Ensures interchangeability and interoperability
- Basis for procurement and assessment of quality
- Improvement guidance to organizations (Quality management systems, Environmental management systems)
- Common terminology facilitating communication
- Contribution to sustainability

For consumers ...

- safer, healthier, more environmentally sound products and services
- products with improved quality and reliability
- compatibility within and between products
- greater consistency in the delivery of services
- improved choice and access to goods and services
- lower costs
- better product or service information

For developing countries ...

- source of up-to-date technical information
- establishment of national standards as possible basis of regulations
- selection of technologies and equipment
- adapting products for export
- competitiveness of producers
- safeguarding national interests for imports
- retaining access to export markets

For industry ...

...Strategic significance

- Savings made through early application of standards in anticipation of adoption in regulations
- Support of economic integration of region
- Greater choice of markets and suppliers
- Opportunities for cooperation

... Competitive advantage

- Early (insider) knowledge arising from participation gives a competitive edge
- Direct involvement equates to opportunity to influence content
- Gained through international adoption of (already known) national standards
- Heterogeneous mix of committee participants provides a good forum for trends identification

... *Global markets*

- 1/3 of businesses use national standards in support of international trade
- Trading costs reduced
- Contractual agreements simplified
- Technical barriers to trade reduced
- Global development contributes to reducing fragmentation of markets

... *Cost reduction*

- Significantly lower transaction costs (information gathering, negotiating, market positioning, etc.)
- Create global markets with the fewest differences in requirements from nation to nation
- Production costs reduced (more through company standards than industry-wide)
- Improved interdepartmental communication very valuable

... *Supplier-client relationships & strategic alliances*

- Effect of standards higher on supplier than client
- Dependence on single supplier reduced
- Increased competition amongst suppliers
- Increased confidence in quality of suppliers providing products and services associated with standards
- Coding of knowledge through standards provides an environment that facilitates co-operation, particularly at the same position in the value chain
- Private (e.g. consortia), standards have potential for greatest support of co-operation

... *Research and development & innovation*

- Networking opportunities, supports dissemination of ideas
- Insights obtained can lead to less risk of investing in inappropriate technology
- Sharing of research through standards development beneficial to costs and speed of development
- Threat to innovation more perceived than actual risk
- More new standards are published in innovative sectors than elsewhere
- Indicators are that standards are keeping abreast of change
- New procedures and document types (PAS and IWA) have been developed to enhance responsiveness of standardization system

... *Product safety & liability*

- Contribute to safety, particularly when used in association with regulations
- Standards considered to reflect 'state-of-the-art', so use viewed as a means to demonstrate 'due-care' and assist in liability management
- Inclusion in standards increases awareness of importance of safety
- Product safety priority issue with consumers