2024 Multi-site management system survey
sources and explanation - by Eric Kriesch

Thank you for completing the survey.

Here follows a short summary of what the literature research delivered, and then an overview of risks and rewards related to ISO and MD1 clauses when changing to a multi-site certification.

Literature research revealed that not much has been published on multi-site management systems and their certification. On the other hand, on integration of management systems a lot has been researched. Those publications have been used as framework to set up research and delivered the research subtopics.

> Knowledge and harmonization factors:
> **A** Formal requirements / ISO standard for multisite (as these are not available).
> **B** Interpretation differences of available documents on multi-site certification.
>
> Organizational factors:
> **C** organization aspects
> **D** implementation and operational barriers.

A The **requirements** of the (2015) ISO standards could be mapped according to the HLS/ HS structure. Next, the MD1 2018/2023 requirements were linked to this mapping. Main Requirements

(Non exhaustive description, this summary does not provide a complete checklist!)

The leadership requirements as expressed in Chapter 5 of the ISO standards are increased by MD1 requirements in definition 2.6 and Chapter 5.6.

To link the multiple sites a legal / contractual structure is required (MD1 Ch1, §3.3.1), a central function that is part of the organization (no outsourcing! MD1§5.2), and the scopes should be linked. (ISO CH1, MD1§2.7, §7.2.1).

Tasks and responsibilities are assigned (moved from local) to the central function (MD1 CH5):

1 Main part is focused on auditing: audit planning, execution, follow-up of findings. Specific for MD1 is §7.7 *the Certification Body shall require the organization to review the nonconformities to determine whether or not they indicate an overall system deficiency applicable to other sites.* Extending this requirement to internal audit findings and improvements can make this a reward of a multi-site system.

2 Other responsibilities include data is collected and analyzed from all sites, initiate organizational change as required, document & system control, management review over system / all sites, complaints and *statutory and regulatory requirements pertaining to the applicable standard(s).* This last responsibility means that the central function controls the legal, environmental and H&S registers and checks compliance.

B. Interpretation assessment of MD1 requirements was one of the objectives of this survey. By reframing the questions into statements and anonymizing the response but linking response to respondent's situation, this aspect could be investigated.

C The ISO standards and the MD1 require **organizational aspects** in management / organization setup. Responsibility assignment is a significant element in MD1. Rößler (2016) delivered a possible solution. He starts with a viewpoint (1. Requirements 2. Strategy 3. Organizational 4. Process 5. Compliance view, e.g.) and then maps the information

dependencies between the different departments / processes or functions. When a risk-based approach is used to setup the system and PDCA to improve it, the system can be lean.

Specific aspects apply to the external (certifying) **auditing process**, processing (audit) findings and driving improvements. A certified multi-site management system can deliver direct savings with a reduction on internal and external **audit days** based on the number of sites. Besides Permanent and Temporary site MD1 defines Virtual site. Virtual Site is a specific multi-site concept, aiming at departments located on physical sites, remote or at clients, doing the same processes (e.g. HR, R&D, QA-E-HS, services) By making use of the different site and scope definitions organization setup can be optimized, system documentation reduced and required audit days could be further reduced.

Indirect savings could be found with centralized document control, improvements and standardization of registers and reporting.

Maturity of a multi-site system has been assessed as organizational capability, the level of implementation and operation of specific multi-site aspects/ requirements of MD1 and the years of certification.

	organizational capability levels on multi-site
1	The organization recently set up the multi-site management system, which is not yet certified. There are no structured processes and procedures. (starting from scratch)
2	The organization recently has a multi-site management system implemented and is struggling to certify the system. Central function is not formally set up. Processes and procedures are usually ad-hoc and unstructured.
3	The organization has a multi-site management system implemented which is certified. Processes and procedures are formal and defined but executed unplanned (reactive) Virtual sites are not yet correctly defined.
4	The organization has a multi-site management system implemented which is certified > 2 years. Procedures and processes are proactively defined & planned and conform to the best practices. Virtual sites are defined.
5	The organization has a multi-site management system implemented which is certified > 4 years/ 1st re-certification passed. Processes and procedures are standardized and fully integrated in all departments. Moreover, they are continually monitored and reviewed for continuous improvement.

Table Abbreviated organizational capability levels on multi-site (E.Kriesch 2024)

D barriers When changing from individual certified sites to one multi-site certification, roles, responsibilities and requirements on individuals and organization will change. Five (merged) barriers (of 23) which are expected to be most significant were assessed in the survey:

Implementation, Social & Legal barriers	There is misunderstanding of the multi-site concept, due to unavailability of a formal multi-site ISO standard, support scheme or guidance document.
	There is an increased bureaucracy with more + different regulations & stakeholders.
Management & Resources barrier	There is a lack of resources, specialized auditors, expertise.
Cultural barriers	There are differences in local culture between multiple sites.
People barrier	There is a sense of distrust and resistance due to loss of autonomy.

Rewards

Possibility to establish and distribute/implement best practices to harmonize and optimize the way of working throughout the group, not only for QHSSE management and supporting processes bust also primary processes.

Reduction of external audit days and audits on sites, delivering financial and workload reductions. This is the main delivery, and it ramps up with more sites.

Possibility for increased document control, including enhanced comparability and connection of documents and registers, deliver a single management system and indirect savings.

Possibility to reduce reporting workload, and to improve reporting quality.

When merging & acquiring similar businesses, certification can be extended with less effort than a new certification setup.

Risks

When certification is a license to operate, one should be aware that a major non-conformity can endanger certification, and when certification is revoked, all sites lose certification, even if the non-conformity is not applicable to the scope of a (single) site.

MD1§7.7: *the Certification Body shall require the organization to review the nonconformities to determine whether or not they indicate an overall system deficiency applicable to other sites* this requirement is often overlooked or not correctly interpreted and executed. This can lead to a major non-conformity.

When divesting a part of the entities that are part of a multi-site certification, all entities can lose that certification. The processes assigned to the central function must also be copied / set up for the entities that need / want to keep certification and the certifying body must be contracted.