

British Standards Institution (BSI)

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History of organization

British Standards Institution (BSI) was the world's first national standards body, founded in 1901 in London. As of 2011, BSI operates in 150 countries with about 2,730 employees.¹ It was started by Sir John Wolfe-Barry who wanted to create a committee to standardize iron and steel sections.² BSI has since developed a wide range of standards across many industries. It is a not-for-profit company that creates and enforces standards, as well as issuing certifications.³

BSI oversaw the "first ever Commonwealth Standards Conference," leading to the "establishment of the International Organization for Standardization (ISO)."⁴ According to their website, BSI "publishes over 2,500 standards annually," all of which range from "clear billing to energy management and disability access to nanotechnology spanning sectors including aerospace, construction, energy, engineering, finance, healthcare, IT, and retail."⁵ BSI has created their own symbol to signal compliance, Kitemark, "a registered certification mark owned and operated by BSI... one of the most recognised symbols of quality and safety and offers true value to consumers, businesses and procurement practices."⁶ They also created the world's first management systems quality standard, BS 5750, inspiring the popular ISO 9000 series. By 2009, BSI issued more than 1 million ISO 9001 certificates in 178 countries.

BSI is accredited by Social Accountability International to provide SA8000 certifications. As BSI advertises, SA8000 is the "first auditable standard, suitable for organizations of all sizes anywhere in the world, and provides a framework for assuring all of your stakeholders that social accountability is being stewarded by your management."⁷

Purpose of the organization and services offered

BSI's publicized mission is to "help organizations make excellence a habit - all over the world... Our business is enabling others to perform better."⁸ BSI sets and maintains standards across various fields, provides training in these standards, and offers certifications of compliance. BSI provides a wide variety of ISO certifications that cover almost every industry, from CSR and governance to risk management and aerospace.⁹ The only social audit (of

¹ [BSI Website, About page](#)

² [BSI Website, History page](#)

³ [BSI Website, Governance page](#)

⁴ [BSI Website, History page](#)

⁵ [BSI Website, About page](#)

⁶ [BSI Website, Kitemark page](#)

⁷ [BSI Website, History page](#)

⁸ [BSI Website, Main page](#)

⁹ [BSI Website, Industries and Sectors page](#)

factories involved in labor-intensive industries) that BSI offers is SA8000, which “assesses that minimum standards are upheld the workplace and ensure that workers are getting a fair deal.”¹⁰

BSI also offers training courses, which teaches employees to “meet standards, shape and develop standards, carry out audits and assessments.”¹¹ This includes many different modes of training, including in-company training, classroom training, distance training, and online training. With regard to factory audits, BSI offers “auditing skills training course.”¹² Part of this training involves “moving from internal audit to internal control.”¹³

Members of organization

There are 24 companies listed as clients of BSI, including:¹⁴

- First: Transforming Travel
- Vodafone
- Mercedes GP Petronas: Formula One Team
- Nissan
- Sheffield Hallam University
- Suffolk County Council
- ACO
- Bracknell Forest Council
- APS group: Print Management Services
- FMG: Thinking Ahead
- Capability Scotland
- Field International
- DB Construction
- GKN PLC
- Eco Cover
- Cambridge City Council
- Shades of Comfort
- Hammer
- Nimlok
- Independent Insurance Services
- Network Rail
- Pulse: Home Products Ltd.
- H + H
- Johnson Matthey

BSI’s partners include “international standards bodies, industry associations, and independent consultants that help implement standards.”¹⁵ They have an Associate Consultant

¹⁰ [BSI Website, SA8000 page](#)

¹¹ [BSI Training Brochure](#)

¹² [BSI Registered Auditor Qualifications Terms and Conditions](#)

¹³ [BSI Registered Auditor Qualifications Terms and Conditions](#)

¹⁴ [BSI Website, Our Clients page](#)

¹⁵ [BSI, Partners](#)

Program (ACP) which connects independent consultants to businesses that need advice on management systems. BSI also works with standard bodies all over the world, assisting with standards and codes, including ISO, IEC, CEN.¹⁶

Governance

BSI is governed by a Board of Directors, “responsible for the success of the business.”¹⁷ Committees are arranged for the separate functions of audit, remuneration, nominations, social responsibility, standards policy/strategy.¹⁸ The Board is “supported by formal Audit Remuneration and Nominations Committees, on which the Non-executive Directors are the primary participants, as well as by the Standards Policy and Strategy Committee and the Social Responsibility Committee.”¹⁹ The Board is responsible for the operations of BSI, including “ensuring compliance with the Company’s Royal Charter and Bye-laws, its strategy and management, organisation and structure, financial reporting and controls, internal controls, risk management, approval of significant contracts, determination of corporate policies, consideration of significant matters relating to the raising of finance, acquisitions and disposals and corporate governance matters.”²⁰

The executive committees include the Group Executive and Operational Executive Committee, Banking and General Purposes Committee, NSB Code of Conduct Oversight Committee, Certification Body Impartiality Committee, and Certification Body Management Committee.²¹

The members of the Board of Directors are Sir David Brown (Chairman, Motorola, President of the Federation of the Electronic Industry), Howard Kerr (Chief Executive, Associated British Ports-business, Chief Executive of Calor Group Ltd, UK and Senior VP on the International Management Board of SHV Gas in the Netherlands), Craig Smith (Group Finance Director), Dr. Scott Steedman (Director of Standards, Vice-President Policy for the European Committee for Standardization, former VP for the Royal Academy of Engineering and of the Institution of Civil Engineers), Pat Chapman-Pincher (Non-executive Director, experience in international public and private technology companies, Senior Non-executive Director of Pace PLC, Chairman of Cavell Group), Dr. Tom Gorrie (Non-executive Director, International positions with Johnson & Johnson, Trustee of Duke University), Anthony Lea (Non-executive Director and Senior Independent Director, Finance Director of Anglo American PLC, Chairman of Blackrock World Mining Trust PLC and Emerging Africa Infrastructure Fund), Dr. John Regazzi (Non-executive Director, Managing Director of Market Development at Elsevier, Chief Executive Director Elsevier Inc), and Luchinda Riches (Non-executive Director, Investment Banker at SG Warburg, Global Head of Equity Capital Markets and a Board Member at UBS Investment Bank).

¹⁶ [BSI Website. Our Partners page](#)

¹⁷ [BSI Website. Board page](#)

¹⁸ [BSI Website. Board Committees page](#)

¹⁹ [BSI Website. Governance page](#)

²⁰ [BSI Website. Governance page](#)

²¹ [BSI Website. Governance page](#)

The Social Responsibility Committee meets at least twice a year. Part of their responsibility includes “enhancing BSI Group’s attention to social responsibility and driving an implementation program toward the guidelines of ISO 26000.”²³

The ISO 26000 Standards committee includes Thomas Gorrie, Sir David John, Sir David Brown, and John Regazzi.²⁴

Geographical focus

BSI spans the globe with no particular geographic focus. They have around 70,000 clients in 150 countries with 58 offices, with headquarters in the United Kingdom.²⁵

Finances and payment for services

BSI is a Royal Charter Company and has a no share capital system; BSI is a “non-profit distributing company”²⁶ because profits are re-invested back into the business. As a Royal Charter Company, “BSI is not, therefore, subject to the oversight by investors as is found in joint-stock companies but nevertheless applies the principles of the FRC’s UK Corporate Governance Code where applicable and has established internal governance procedures that reflect best practice.”²⁷ BSI has no major grantors.

Role the organization plays in monitoring, costs of inspection, and training of auditors

Individual inspectors must take internal or lead auditing training courses, complete an “Audit Pack” (which consist of documentation of “evidence of audit planning and reporting”), undergo a half-day qualifying review, and continue on to provide 3 Audit Packs a year.²⁸ Auditors Qualifications include: successful completion of Internal Auditors Course & Advanced Auditors Course, completion of 6 audits (18 hours of audit activity with 6 audit reports). Lead Auditor certification is “only available to individuals involved in audits on regular basis... They carry out supplier audits, managing audits, managing audit schedules or audit teams.”²⁹

Standards and code of conduct

BSI conducts audits on the topics of Corruption, Supply Chain Security, Corporate Social Responsibility, Environment, Quality, and Codes of Conduct.³⁰ Methods for audit include factory

²² [BSI Website. Board page](#)

²³ [BSI Website. Board Committees page](#)

²⁴ [BSI Website. Board Committees page](#)

²⁵ [BSI Website. Facts and Figures page](#)

²⁶ [BSI Website. Governance page](#)

²⁷ [BSI Website. Governance page](#)

²⁸ [BSI Website. BSI Certified Auditor page](#)

²⁹ [BSI Registered Auditor Qualification Terms and Conditions](#)

³⁰ [BSI Brochure. BSI's Supply Chain Verification Service](#)

tours, employee interviews, documentation reviews, supply chain reviews, and supplier risk profiles.³¹ Some of the notable standards BSI uses include ISO 90001:2008 (quality management), SA8000 (Child labor, Forced, labor, Health & Safety, Freedom of Association, Discrimination, Working hours, Challenges in Auditing, Remuneration Control of Suppliers), ISO 26000 (guidance on Social Responsibility: international recommendations for making organizations more responsible).³² Social Responsibility audits do not seem to be an integral part of BSI's operations and are not significantly advertised or described.

Wage requirements

BSI does not discuss wages in any publicly available material.

Attitude towards unions, freedom of association rights, and worker input

BSI does not discuss unions or freedom of association in any publicly available material.

Monitoring protocols

BSI does not publish monitoring protocols or give details about their factory auditing process.

Transparency

BSI lacks transparency regarding its factory audits. The website offers brief descriptions of services (such as certification and training) but does not display any processes or protocols. Very little information about BSI's operations exists outside of the company website. The names and locations of factories that have been inspected by BSI and any audit reports are not made public. Because BSI is such a large and diverse company, CSR and factory audits are not a high priority. Virtually no information about their approach towards factory audits, workers rights, or social accountability are made public.

Track record

BSI has not been implicated in any published accounts of factory violations, but they have been linked with the internal factory inspection systems of Madura Fashion (which owns Louis Philippe, Van Heusen, Allen Solly, Peter England, People, Planet Fashion, and The Collective and Adidas).³³ BSI trained Adidas auditors and was hired to conduct audits for Madura Fashion.³⁴

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³¹ [BSI Brochure, BSI's Supply Chain Verification Service](#)

³² [BSI Website, SA8000 Advanced Training Webinar page](#)

³³ [Madura Fashion Website, List of companies](#)

³⁴ [Adidas Group](#)

³⁵ [Madura Fashion Gets 27001 Certification](#)