# "The Value of Standards & Certification in Organizational Risk Management & Health Care Resilience"

Bill Raisch Director



#### About InterCEP

World's First Academic Research
 Center Dedicated to Private Sector
 Preparedness & Corporate Resilience



- The Alfred P. Sloan Foundation Funds InterCEP Research on Incentives for Business Preparedness
  - insurance, rating agency, mitigating legal liability,
     supply chain, corporate governance
- Research Focus on the Linkage of "What" & "Why" of Corporate Resilience

#### What is a Standard?

& why it should matter to you...

#### What a real Standard is not...

• God's word from above.

- Just a general practice that "everybody does"
- The declaration of an individual or small isolated group
- A regulation

### A <u>True</u> Standard is ... the Product of a Process

- Wide representation on core body
  - Large "technical committee" of stakeholders
  - Develops "straw man" for wider comment
- Open and transparent process
  - Comments requested from entire community. All must be responded to with action taken & justification.
  - Ultimately ratified by a large representative body
- Ongoing maintenance (evergreen) to reflect evolving practice
  - Frequent revision cycle

#### Types of Standards

- Prescriptive
  - Tells you what must be done and how to do it
  - Evacuation stairways shall by "x" feet wide
- Performance-Based / Outcome Oriented
  - Tells you what must be done and you determine how to do it
  - Crisis Warning

#### So what?

- Standards can provide a convenient and efficient distillation of industry best practices.
  - Versus sole reliance on publications and conferences
  - Avoids each stakeholder having to create own definition of what good preparedness is/terminology
  - Can facilitate exchange or best practices, benchmarking
- Can provide a common tool for wider acknowledgement / rewarding of good practice.
  - Can mitigate legal liability
  - New rating agency review of "risk management"
  - Insurance
  - Supply chain management, etc.

### What are Key Standards & Guidance?

### What is the New Voluntary Certification Program...

...and why may it be of value to you?

#### Certification

Standard (criteria)

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**Audit Process** 

\_\_ Cer

Certification

## If can't measure it, you can't manage it...

...and you can't reward it!



#### International Center for Enterprise Preparedness

Bill Raisch
Director
InterCEP- New York University
212-998-2000
www.nyu.edu/intercep