



ALcontrol Laboratories

## Case study – The connection between strategic growth and certified management systems

# From Compliance to Performance



### About ALcontrol

ALcontrol provides testing and analytical services for soil, water, food, oil, asbestos and air to help clients demonstrate compliance with regulations and achieve their health, safety and environmental goals.

Through a network of laboratories in 11 European countries and providing support to customers globally, ALcontrol aims to be the leading environment and food testing group in Europe.

### The numbers

- Around 1500 employees
- 30 laboratories and service centres conducting millions of tests per year
- Laboratories in 11 European countries

### Website

[www.alcontrol.com](http://www.alcontrol.com)

**Since being certified to the Environment Management Standard (EMS) ISO 14001 back in 2003 by LRQA, ALcontrol has put management systems at the heart of its organisation to drive competitive advantage, employee engagement and strategic performance. ALcontrol Laboratories is an organisation that believes that thorough understanding of their strengths and weaknesses leads to the identification of potential areas for competitive advantage. This strategic approach to being a sustainable, successful business is underpinned through its reliance on certified management systems as a management tool.**

ALcontrol, one of the world's leading environment and food testing companies, provides analytical services to organisations around the world. With around 1500 employees working in 30 laboratories and service centres conducting millions of tests per year, ALcontrol offers testing and analytical services for soil, water, food and oil to help clients demonstrate compliance with regulations and achieve their health, safety and environmental goals. Through a network of laboratories in 11 European countries and providing support to customers globally, ALcontrol aims to be the leading environment and food testing group in Europe.

### Achieving strategic business objectives

The ALcontrol management believes that there is a strong link between certified management systems and the achievement of strategic objectives. "Our objectives are firstly to increase

business and profits but to do so our objectives also include making sure we have got environmental, quality and health and safety controls in place." says General Manager of the Oil Testing Department, Bob Cutler. "Without having a management system, we could not monitor what we try to do and maintain our performance."

Iain Swinton, Business Director (UK and Ireland) for Land, adds: "Obviously, as an environmental laboratory, we are heavily focused on the environmental aspects of our business and it is very important that we behave in an ethical manner when it comes to the environment. Our EMS enables us to do that, and ensures that we are able to give our customers confidence that they can rely on us and that our environmental credentials are spread across the group."

A certified EMS is also a requirement from many of ALcontrol's major clients. This is particularly important for Cutler, and his side of the business, oil testing: "Our clients - which include oil companies - require their suppliers to possess the same standards as themselves. So without a certified management system, we would not be able to win business from many of our major customers."

Risk reduction is a strategic objective for most businesses and many of ALcontrol's clients demand certification as a way of reducing risk in their supply chains. "Management systems are very important in risk control," says Mike McCorkell - UK Managing Director Food & Water. "They ensure that risks are periodically reviewed

with clear mitigation plans in place – any attempt to manage risks in an ad-hoc manner would be a recipe for failure.

Management systems provide a framework for addressing issues in a structured way, which helps in the identification of practical solutions to mitigate those risks, and thereby serves to build business resilience.”

#### Driving improved performance

There is a clear consensus amongst the ALcontrol management that a strong link exists between management systems and improved performance, with all the ALcontrol executives referring to the benefits of monitoring and the continuous improvement that is driven by management systems. The company's experience is summarised by Cutler: “Since implementing our EMS, we have seen a tremendous improvement in our performance. The managers and staff can now see what is going on and everybody knows what they are supposed to be doing and what impact their work has on the key metrics. With our management system, if our employees see any drop in performance, they automatically put things right without any need for management intervention.”

A key component of the services provided by ALcontrol's assurance provider, LRQA, is 'themed surveillance' which describes the approach taken by assessors to identify the key strategic issues affecting an individual organisation and applying these as key targets to drive organisational compliance and performance. .

The ALcontrol senior management team identified significant advantages from this approach because it helped them to drill down to the issues affecting the objectives of greatest importance. McCorkell reports: “Generally, the benefits we have enjoyed from themed surveillance have come from technique rather than technology. Sometimes, there is an assumption that change will require heavy investment in new technology. However, we have found that benefits have come from simple changes in technique; staff engagement has enabled us to change behaviour and deliver some pretty impressive improvements.”

#### Energy efficiency

Another example of how organisational performance can be driven through management systems is energy efficiency. The rising cost of energy combined with increased regulatory pressure (such as the CRC Energy Efficiency Scheme) and a desire amongst many organisations to reduce their carbon footprint, is driving a focus on energy use and ALcontrol is no exception. As part of its EMS, the company has been looking for ways to improve energy efficiency for over 10 years and ALcontrol management believes that this is one of the ways in which management system certification has “provided a ten-fold payback.”

A common response by the ALcontrol management was a comment that the management systems appear to have “taken on a life of their own.” For example, McCorkell says “Once our employees become fully engaged in issues such as energy efficiency, they start

finding ways to improve performance that could never have been imagined at the outset.” A number of initiatives have been introduced to reduce energy. For example; a traffic light system enables staff to identify which electrical equipment can be safely turned off; extraction systems are only operated when needed and storage has been reorganised so that some walk-in cold stores could be de-commissioned. These measures, combined with good servicing schedules and staff awareness of energy usage, saw a reduction in ALcontrol's energy consumption by 17% equating to over 1.5 million kWh saved over two years, which is a cost saving of over £100,000.

#### Adding value

It is vitally important for the assurance provider to add value throughout the assessment and certification process. This is achieved in two ways. Firstly, reputation and credibility is important if current and future stakeholders – who often span multiple countries - are to be satisfied that the company's certification is helping to build business resilience. Secondly, the technical expertise of the assessor that conducts the assessments must be high. This was highlighted by the ALcontrol management who all commented on both the value of “an independent pair of eyes” and the advantages to be gained from an experienced LRQA assessor who understood their industry and was able to identify opportunities for improvement that would be of real value to the business.

Summarising, Swinton said, “By putting our management systems at the heart of our organisation, we are seeing tangible results which are helping to provide competitive advantage and business resilience; in today's tough market, independent management systems certification remains a compelling proposition and is extremely valuable to the ongoing success of our organisation.”

“Without a certified management system, we would not be able to win business from many of our customers.”

Bob Cutler  
General Manager, Oil Testing, ALcontrol

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