

## CASE STUDY

# SUMISETSU PHILIPPINES, INC. BECOME FIRST ORGANISATION TO BECOME ISO 9001:2015 CERTIFIED IN THE PHILIPPINES

ISSUED – MARCH 2016

### ABOUT THE COMPANY

Sumisetsu Philippines, Inc., better known to customers as "SPI", is an electrical and mechanical contractor, with its head office in Makati City, Philippines. Incorporated in 1990, SPI is an affiliate of Sumitomo Densetsu Co. Ltd., a company established in Tokyo, Japan in 1950 to address the electrical and other system needs of buildings.

SPI's main business activities are installation of electrical equipment; mechanical work; plumbing and sanitary work; air-conditioning and refrigeration work; elevator and escalator work; fire protection work; and communication facilities for industrial, institutional, and specialty projects.

SPI is licensed as a Category A contractor under the Philippine Contractors Accreditation Board. It has nearly 250 employees.

### TRANSITIONING TO ISO 9001:2015

Even before the final version of ISO 9001:2015 was released, SPI was adamant about risk management. With risk-based thinking in mind, the organisation was already performing the following activities:

- Risk assessment meetings
- Revision of procedures based on identified risks
- Project review and project closing meetings
- Weekly site patrol
- SEM quarterly audit



SPI also created and finalised their own Risk Assessment and Safety Worksheet in May 2015. The company's Risk Assessment team spearheaded this initiative, which was later approved by their headquarters, Sumitomo Densetsu Co. Ltd.

SPI aimed to become ISO 9001:2015 certified with the following targets in mind:

- To ensure that SPI's existing management system conforms with the requirements of the new standard, signifying robustness and relevance
- To confirm that SPI has effectively implemented its planned management systems
- To confirm that the management system is beneficial toward achieving the following policy objectives set by the Company:
  - Further improvement of occupational safety in the workplace

- To ensure quality work
- To raise construction standards in a continual upward improvement by religiously rotating the Plan-Do-Check-Act (PDCA) cycle. SPI employees have all gone through the PDCA cycle subconsciously during their daily work by incorporating different work methods, which is all part of the management's strategy

"This constitutes the ACT phase of the PDCA cycle. I always emphasise the importance of rotating PDCA. It is a step-by-step method for getting things done effectively and reliably. This is achieved by drawing up a plan, implementing it, checking the results, and carrying out any necessary corrective actions. The Japanese basically employ the same process. This means that it is important to continuously repeat the Plan-Do-Check-Act steps in all our management activities. Rotating the PDCA cycle is the best way to manage our operation."

– Mr. Takuro Suzuki, President of SPI.

## BENEFITS OF IMPLEMENTATION

With the ISO 9001:2015 management system in place, SPI can control resources better. Company losses that could result from services that do not meet customer specifications, or are below industrial or international standards, are reduced. This helps to build customers' trust and confidence in SPI.

Apart from cost reduction, SPI has achieved good cash flow and, impressively, maintained 0% debt. The company has become stricter in implementing 5S+1S, which stands for: Sort, Systematise, Sweep, Sanitise, Self-discipline + Sustain.

Open communication within the organisation has also improved. The concept of horensou (a Japanese term that means "to report") is widely used in the business, resulting in better understanding among SPI's staff.

For SPI's employees, knowing that there is an established management system in the company allows them to be focused in terms of working according to a specified standard and quality. Increased awareness of the risks in their respective divisions enables them to better manage such risks and contribute to minimising losses.

Problem-solving and decision making have also significantly improved. As employees become more conscious of priorities, they act on any problems that arise and efficiently provide solutions.

Employee engagement has increased as staff have become mindful of risk management within the company. This sense of involvement, knowing that they are contributors toward achieving the organisation's goals, motivates them to reflect on their accomplishments and to constantly improve the way of doing things at work.

"We employ PDCA in our daily tasks, leading to our company's objective of winning customer confidence through high quality work and zero accidents and incidents. This cycle allows the company's employees, subcontractors, and suppliers to work collaboratively toward sound management of on-site construction work. This further results in improved quality, costing, project delivery, safety measures and morale at every phase of our projects." – Mr. Takuro Suzuki, President of SPI.

## WHY SGS

SPI is the first organisation in the Philippines to become ISO 9001:2015 certified. SPI started their journey to ISO 9001 Quality Management System certification in 2001. In 2003, they achieved their first ISO 9001 QMS certificate, with SGS as their certifying body. "SGS audits helped us to clearly identify and to control both internal and external threats to the company. "We completed QMR trainings with SGS, where we learned about ISO 9001. We learned about the differences between ISO 9001:2008 and ISO 9001:2015 as well as the importance of quality and safety reports."

– Alicia Clarin, ISO Vision Manager

## ABOUT SGS

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