



VERSION 2.0

Approved for Release – May 2017

What You Need to Know About



Standards of Practice

The International Standards Organization (ISO)
has recently approved a set of Standards of Collaborative Practice.

The standards represent the “keystone” that enables the “archway” of collaborative design architecture and best practices to bridge the span across organizational boundaries.

The resulting “System of Collaborative Excellence” is elegant, simple, inspiring, proven, and logical.

ISO 44001 Standards of Practice promises to catalyze the transformation of business enterprises – triggering new flows of innovation, generating new sources of value, reducing risks & litigation, and diminishing value-destroying behavior that has historically plagued business and commerce.

by Robert Porter Lynch

Chairman, International Collaborative Leadership Institute (ICLI)
Chairman Emeritus, Association of Strategic Alliance Professionals (ASAP)



Table of Contents

1.	What is ISO?	3
	About Preparing ISO Standards of Practice & Excellence	3
2.	What is the ISO 44001 Standard?	3
3.	When & How does ISO 44001 take affect?	4
4.	How can Our Organization Achieve Success?	4
	Key Phases of Implementation.....	4
	Will Compliance Make Us Successful?	4
	Three Foundational Pillars of Success	4
5.	How well have these Standards & Practices been Tested?	4
	Extensive World-Wide Testing	5
6.	Where can the Standards of Practice be Applied?	6
7.	What Types of Organizations are affected?.....	6
8.	Why is it so important?.....	6
	For Business	6
	For Government.....	7
	For Not-For-Profits.....	7
	For Educational Institutions	7
	For Health Care	7
9.	What Implications will ISO 44001 have on Your Organization’s Future?	8
10.	Who is Affected?.....	8
11.	What will happen if we do nothing?.....	8
	Private Sector is at Risk	8
	Becoming the Partner of Choice	8
	Not-For-Profit Excellence	9
	Educational Mandate	9
	Health Care.....	9
	Rebuilding Trust in Institutions	9
12.	What are the most important things to know before getting started?.....	10
	It Starts with Leadership	10
	Collaboration Life Cycle.....	10
	Planning, Training, Implementation, Auditing & Certification.....	10
	Appendix One -- The Collaborative Journey – Historical Perspective.....	11
	Appendix Two – Pathway to Collaborative Excellence – Overview	12
	Appendix Three – Structure of the Standards	13
	Introduction – Definitions & Context.....	13
	Phase 1 – Preconditions for Success - Leadership, Planning, & Support	13
	Phase 2 – Implementing for Results.....	14
	Phase 3 – Improvement, Innovation, & Audit.....	15
	Annex Section -- Informative	15

1. What is ISO?

ISO stands for the “International Standards Organization,” which is worldwide federation of national standards bodies (ISO member bodies).

About Preparing ISO Standards of Practice & Excellence

ISO represents and integrates a global consensus on standards of practice from countries from different parts of the world to define operating excellence – regardless of culture, national laws, native language or industry sector – to provide:



- Requirements, specifications, guidelines or characteristics to consistently ensure that materials, products, processes and services are fit for their purpose,
- The best operating outcomes based on a set of standards that determine effective practice,
- A common language and design system, including metrics and frameworks, for evaluation of operating practices

The work of preparing International Standards is typically carried out through an ISO network of Technical Advisory Committees representing experts in the subject area.

International organizations, governmental and non-governmental, in liaison with ISO, typically take part in the work to develop standards. In the United States, ISO’s member is the American National Standards Institute (ANSI). In Canada it’s the Standards Council of Canada (SCC). Both organizations represent members of industry, government, academia and the public interest.

Every industry and every profession has standards of excellence, whether for doctors, automobile safety, or pharmaceutical toxicity.

Now, collaborative management has standards of excellence that will enable other organizations -- internally or externally -- to engage each other with reliance.

2. What is the ISO 44001 Standard?

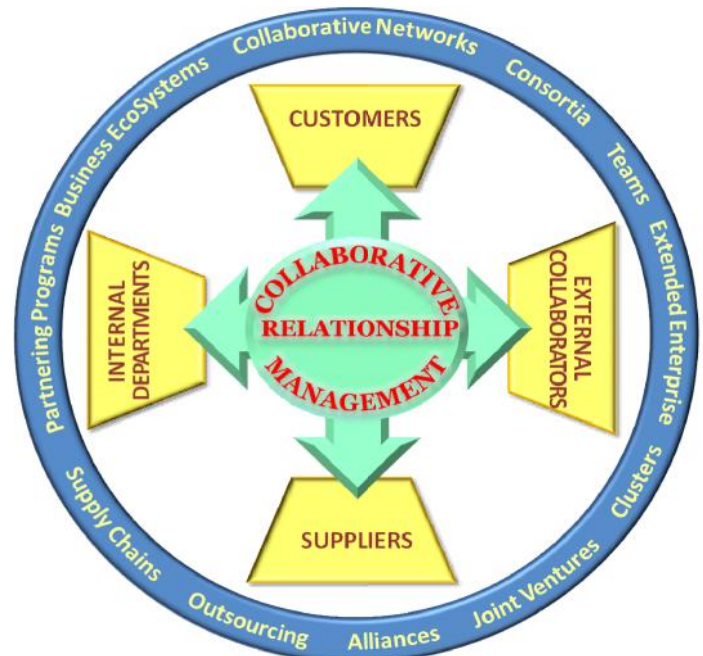
ISO 44001 was issued in 2017 to enable organizations to *work better* through collaboration – both *within* and *between* organizations. (see Figure 1)

The Collaborative Relationship Management Standard specifies the best *Structure* to identify, develop, and manage collaboration, alignment, teamwork, and trust-building. (See Appendix Three – Structure of the Standards)

The Association of Strategic Alliance Professionals and the International

Collaborative Leadership Institute are two organizations that have developed and implemented the *Strategic Architecture* and *Best Practices* that *operationalize* the *Standards* – what we refer to in this document as “Standards of Practice.”

Figure 1: Realm of ISO 44001





3. When & How does ISO 44001 take affect?

The 44001 Standards are now in effect. Adopting the standards is 100% voluntary.

There is no legal mandate and there are no regulatory penalties for non-compliance.

4. How can Our Organization Achieve Success?

Key Phases of Implementation

The ISO Implementation Journey consists Three Phases (see Figure 2 & Appendix Three – Structure of the Standards)

Each of the Phases of Implementation consists of key factors for success, methods of implementing the principles, processes, and practices, and engaging people in the design and delivery of the implementation.

Will Compliance Make Us Successful?

While meeting the 44001 Standard will certainly make your organization better, it alone does not make you successful.

As an analogy, simply constructing a home that meets building *code* does not make your home beautiful, livable, or marketable. Those are a function of the *design architecture* and the *quality of the workmanship* (best practices).

Three Foundational Pillars of Success

A successful 44001 program consist three “pillars”:

- **System Design Architecture** that customizes the 44001 Journey to your organization’s unique requirements, strategic conditions, & culture
- **Operational Best Principles, Processes & Practices**, which ensure the very best methods for producing high performance
- **44001 Standards of Excellence** providing a common organizational interaction platform.

The 44001Standard carefully integrates the three pillars of success into implementation phases. Importantly, without Collaborative Leadership, nothing will really ever get off the ground.

5. How well have these Standards & Practices been Tested?

Collaborative business practices have been used for centuries. In the 1700s and 1800s, shipping ventures, insurance, railroad expansions, and mining exploration all used joint ventures extensively. During the early 1900s, to innovate, manage risk, and expand distribution, collaborations were prominent in a wide range of industries, including electronics, chemicals, pharmaceuticals, aerospace, and transportation. However, during the first centuries of usage, no one ever bothered to document the best practices, principles of success, or standards of excellence.

The first studies of cross-boundary collaboration began at Harvard in the mid-1960s. Formalization of collaborative business practices began in 1985 with the research, codification, and cate-

Figure 2: Phases of Implementation



Figure 3: Foundation: Three Pillars of Success



gorization of best practices for collaboration in business. The first book on the subject dates to 1987, (written by this author). Subsequently, in 1989 executive training programs were sponsored by the American Management Association followed by the Canadian Management Centre. Over the course of three decades, scores of books have been written by a wide range of authors and training programs have been sponsored by business associations and some universities.

Extensive World-Wide Testing

The Association of Strategic Alliance Professionals (ASAP) was founded in 1998 (by this author) for the purpose of bringing together professionals across multiple industries internationally with the intent of sharing and assessing collaborative frameworks, practices, and tools. ASAP members upgraded, tested, and developed new principles, practices, and tools to optimize effectiveness.



Collaborative professionals quickly realized their best practices were improving operating success by as much as threefold (in comparison to operators who did not use best practices and or relied on less rigorous methods), with demonstrated improvements typically in the 50% to 80% range.

Further testing and refinement of these best practices continued to yield positive results across multiple sectors, with the added benefit of catalyzing more rapid innovation between companies.



Momentum was building globally. In 2006, the British began formulating collaborative standards. By 2010 a collaborative framework (ref: 11000) evolved (with input from ASAP) through the British Standards Institute (BSI). The ASAP best practices (contributed by this author) were upgraded in 2012

based on input and experience from its global, cross-industry membership base. (see Appendix One -- The Collaborative Journey – Historical Perspective)

In 2014 ASAP partnered with the American National Standards Institute (ANSI) to form a Technical Advisory Group (TAG) to integrate the ASAP Best Practices with the British Collaborative Standard. The Technical Advisory Group worked jointly with BSI to evolve common Standards of Practice for Collaborative Business Relationships (44001), which was then issued by ISO in March, 2017.



Experts from supply chain management, research & development, lean management, channel management, project management, human & intercultural behavior, high performance teamwork, outsourcing, and organizational transformation contributed their ideas and insights.

During the last thirty years, these *frameworks & standards of practice* have been proven to be reliable in increasing operating performance in thousands of organizations, cross-industry, and internationally in such diverse sectors as aerospace, automotive, chemicals, communications, construction, government, health care, hospitality, insurance, manufacturing, mining, pharmaceuticals, security, social services, supply chain management, and transportation, among others.

Thousands of executives have been trained in and are actively using elements of the Collaborative Business Relationships system across the globe.

6. Where can the Standards of Practice be Applied?

ISO 44001 can be used and applied to a wide range of relationships on several different levels:

- **Internal Teamwork**
(One-on-One Relationships, Small Groups, High Performance Teams, Innovation Centers, etc.)
- **Cross Functional Teams**
(Different Branches, Divisions, Operational Units, Program Rollouts, Integrated Service Delivery)
- **Project Management**
(Small Projects, Large Scale Projects, Complex Projects, R&D, Multi-Project Programs)
- **Complex Integrations** (Research-Development-Commercialization Centers, Education Centers / Programs, Institutions of Higher Learning, and Mergers & Acquisitions)
- **Business Collaborations**
(Partnerships, Alliances, Joint Ventures, Solutions & Service Delivery Partners, Systems Integrators, Customer Relationships, etc.)
- **Multiple Partner Relationships**
(Joint Ventures, Consortia; End-to-End Supply Chains, Networks, Extended Enterprise, Eco-Systems, Franchises, Commercial & Professional Associations, Inter-Governmental Affairs, etc.)

7. What Types of Organizations are affected?

ISO 44001 is applicable to private and public organizations of all sizes, including:

- **Multinational Corporations**
- **Small / Medium Enterprises (SME)**
- **Government Agencies**
- **Non-Government & Non-Profit Organizations**
- **Healthcare Systems & Service Delivery**
- **Educational Institutions**
- **Alliances, J-Vs, Franchises, Partnerships**
- **Mergers & Acquisitions**



The ISO Standard provides a stable platform to leverage collaborative architecture and best practices.

8. Why is it so important?

For Business

Across the globe, senior executives have expressed a deep desire to form more collaborative relationships, alliances, and competitive value chains/networks/eco-systems. These standards will also improve the success rates of mergers and acquisitions.

Until the issuance of the ISO 44001 Standards of Practice, there has been no common language or framework, no shared best practices, nor a tested methodology to enable joint initiatives.

On the investment side of business, investors and venture capitalists will have a set of standards to know which companies can truly create high performance collaborations.

We know from years of experience, that the best practices embodied in this system and standards of practice triple the chances of a successful collaboration, thus reducing risks dramatically.

For Government

Cooperation between government agencies at the federal, state/provincial, county, and municipal level is extremely important. Without coordinative processes, there is waste, inefficiency, and duplication of services, all of which costs taxpayers.

ISO 44001 provides coordinative practices and procedures for getting more done with less.

Economic Development authorities are now empowered with common standards of practices to enable companies in their jurisdiction to employ powerful tools and methods for creating competitive advantage.

Organizations that embrace Collaborative Standards of Practices will derive a multitude benefits, which include better productivity, improved customer satisfaction, higher employee retention, greater innovation, and improved profitability.

For Not-For-Profits

Unlike private industry, where inefficiency is weeded out by competition, the not-for-profit sector is often cited for inefficiency, lack of collaboration, failure to be held accountable, poor management, and unwillingness to share resources or collaborate to deliver services.

Up to now, donors who sponsor not-for-profit social service agencies have only had financial auditing procedures to determine accountability. With the issuance of ISO 44001, not-for-profits are encouraged to use best practices to improve their service delivery. Donors and community foundations will soon be requiring a 44001 Certification as a condition for releasing funds.

For Educational Institutions

Enabling students to be “Future Ready” is essential both at the high school and college levels.

Today business, technology, and healthcare sectors are highly reliant on both *internal* and *external* collaboration. Courses in the 44001 Collaborative Business Management System will be essential elements of career development for managers, technicians, and healthcare providers.

Further, educational institutions must collaborate with the business sector to ensure a smooth transition between academia and careers. Collaborative processes will help aid the interaction between business and academia when engaging in joint program development and delivery.

For Health Care

The entire healthcare industry is one of the most fragmented of all service sectors.

While healthcare dominates nearly 20% of the economy, studies continue to show a discouraging lack of collaboration both *within* healthcare organizations and *between* health care providers. Some studies reveal that over 80% of all work in healthcare adds no value to the patient’s health. Other studies indicate that those healthcare organizations that rigorously use collaborative practices cost 25% less and produce 25% better outcomes.



The Collaborative Structure and Practices will potentially revolutionize the healthcare industry.

Forward thinking organizations that recognize the massive value of being in the vanguard will begin the planning process right now.



9. What Implications will ISO 44001 have on Your Organization's Future?

In the short run, adopting 44001 Standards of Practice will result in your organization experiencing direct and indirect benefits such as:

- improved employee morale and engagement, with decreased turnover,
- better communications and alignment across functions groups,
- improved cooperation between operating units where “silos” have created negative productivity and barriers for high performance,
- significantly better supply chain and customer relationships, including innovation,
- leaner operations with better leadership focusing on value creation,
- customer relationships will likely improve, resulting in new revenues,
- supply chains will begin removing unnecessary transaction costs,
- alliances will begin to bear fruit.

In the long run, the impact on entire value chains will be dramatic, resulting in higher profits, stronger competitiveness, and growth of your organization.

The decision to adopt Collaborative Business Practices is not, however, without some stress. Changing patterns of behavior, adopting new practices, and reinforcing new behaviors requires good leadership, careful planning, and building internal support. The standards embrace this need for collaborative leadership and help guide in setting up the right preconditions for success.

10. Who is Affected?

The ISO Collaborative Standards are quite broad and universal, impacting virtually every sector of commerce, social service, education, healthcare, government, and community.

In the long run, the ISO Collaborative Business Relationship Standards and Best Practices could be the beginning of a revolution in the way commerce is conducted, as well as shifting the standards of excellence for the very structure of organizations and institutions.



11. What will happen if we do nothing?

Private Sector is at Risk

If you are in the business sector, doing nothing is risky.

Today's operating environment is a complex, highly networked, fast-moving playing field.

The ISO Standards of Collaborative Excellence provide a significant competitive advantage. If your company fails to start the collaborative journey, you stand the risk of being unprepared to compete in a fast moving, world where your competitors are rapidly taking the high ground.

Becoming the Partner of Choice

For external relationships, the best strategy is to build a great value chain by positioning yourself to attract and link up with the best alliance partners, thus creating the most powerful flow of value through the chain/network. This relegates 2nd and 3rd rate partners as leftovers for your competitors to team with.

For internal relationships, start building a world class culture of high performance teamwork and trust that improves productivity and morale.

The Standards of Practice are flexible enough to enable adaptation to a wide variety of applications and for new innovations to arise.

Not-For-Profit Excellence

For those in the Not-For-Profit industry, it will not be long before community foundations begin mandating ISO 44001 as one of the decisive evaluation criteria for receiving grants.

Be proactive – don’t wait to have to react at the last minute. Start the collaborative journey now.

Educational Mandate

Today business and technology is highly dependent on collaborative relationships. Educational Institutions from pre-school through college can provide added value to their student curriculum by including collaborative leadership training to ensure students are “Future Ready.”

Additionally, business and engineering schools need to teach managers and technicians about the collaborative imperative in commercial and technology development.

Health Care

The entire healthcare industry is fragmented, expensive, transactional, inefficient, burdened with non-value added work and distrust.

Collaborative Business Relationships Standards of Practice will improve healthcare both internally and across business interactions. Collaboration will be one of the most important strategies for cost containment.

Rebuilding Trust in Institutions

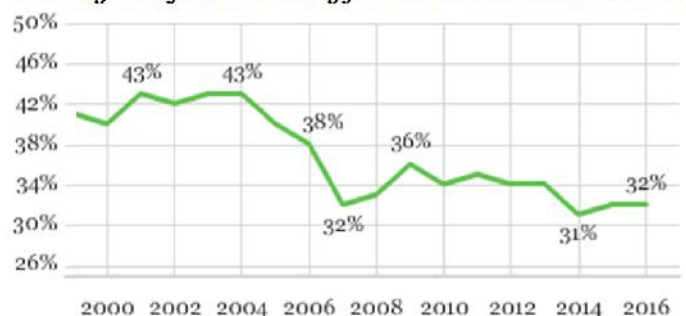
Trust in American institutions is at an all-time low. In Europe, the trend is similar.

The Collaborative Business Relationship System embodies important trust-building frameworks, practices, and processes that lay the right foundation for rebuilding trust in institutions.

The future is at stake.

Trust in American Institutions

Average Confidence Rating for All Institution 2000-2016



Source: GALLUP

Collaborative of Business Standards Practice will do three times more for commerce than strict legal contracts, because they will:

- *Reduce Risks of Doing Business*
- *Ensure Standards of Excellence*
- *Create Alignments as a Precedent to Transactions*
- *Foster Trustworthy Interactions*

Note: this does not mean lawyers will abandon legal contracts, but lawyers will learn to build collaborative standards into them.



12. What are the most important things to know before getting started?

It Starts with Leadership

ISO 44001 makes it clear – no implementation of any Collaborative Business Relationship Standards of Practice can be successful without senior executive commitment at the outset.

Getting your organization’s Executive Team and Board of Directors attuned and aware of the implications is the first place to start.

Collaboration Life Cycle

There is a “Life Cycle” to collaboration; the Standards of Practice provide a general sequence for implementation of the framework and best practices. This is a flexible framework and process – new ideas and innovations are encouraged. (see Figure 4)

Figure 4: Collaborative Leadership & Life Cycle



Collaborative Business Standards present a massive opportunity for leadership development at a time of major leadership losses with baby-boomers retiring at unprecedented levels.



Use ISO 44001 as the lever to train your next generation of trusted leaders.

Build a collaborative culture. Generate new value and a bold new future.

Planning, Training, Implementation, Auditing & Certification

Collaborative Excellence is a journey. It requires senior executive commitment, a plan, getting people trained in the best practices, baseline assessments, implementation in a phased sequence, evaluation, refinement, then audits prior to certification.

It’s important to understand that certification is actually NOT the objective. The objective is productivity, performance, and profitability in the for profit sector, and in non-profits and government it’s efficient delivery of services.

Certification is like product branding -- it makes you a "trusted brand" others can count -- people working together for the good of the whole.

In anticipation of the adoption of 44001 standards, the [International Collaborative Leadership Institute](#) has developed and tested a complete range of programs and assessments ready for implementation to support leaders and organizations ready to begin their journey.

**Appendix One -- The Collaborative Journey – Historical Perspective
the Evolution of the Collaborative Shift**

The Journey to Collaborative Excellence

DNA of Collaboration
Integrating the “Genetic Core”

- Systems Architecture
- Operations Best Practices
- Standards of Excellence





Appendix Two – Journey to Collaborative Excellence – Overview

Pathway to Collaborative Excellence



Foundation of Collaborative Excellence

Appendix Three – Structure of the Standards

The ISO Standards are divided into five sections:

- Introduction deals with *Definitions & Context*
- Phase 1 addresses the *Role of Leadership, Planning, & Support*
- Phase 2 focuses on *Implementation*
- Phase 3 outlines *Improvement, Innovation, & Auditing*
- Annexes (Appendices) with supplemental information

Introduction – Definitions & Context

Foreword & Introduction	vi
1. Scope	1
2. Normative references	1
3. Terms and definitions	1
4. Context of the organization	5
4.1 Understanding the organization and its context.....	5
4.2 Understanding the needs and expectations of stakeholders	5
4.3 Determining scope of Collaborative Business Relationship Management System ...	5
4.4 Collaborative Business Relationship Management System	6
4.5 Creation of value	6

Phase 1 – Preconditions for Success - Leadership, Planning, & Support

5. Leadership	6
5.1 Leadership and Commitment	6
5.2 Policy	7
5.3 Organization roles, responsibilities and authorities	7
5.3.1 Top management	7
5.3.2 Establishment of an organizational governance structure	7
5.3.3 Senior executive responsible	8
6. Planning	8
6.1 Actions to address Risks and Opportunities	8
6.2 Collaborative business relationship objectives & planning to achieve them	8
6.3 Identification and prioritization of collaborative business relationships	9
6.3.1 General	9
6.3.2 Identification of opportunities for collaboration	9
7. Support	10
7.1 Resources	10
7.2 Competence and behavior	10
7.3 Awareness	10
7.4 Communication	10
7.5 Documented information	11
7.5.1 General	11
7.5.2 Creating and updating	11
7.5.3 Control of documented information	11
7.5.4 Record of collaborative competencies	11
7.5.5 Corporate Relationship Management Plan	12



Phase 2 – Implementing for Results

8 . Operation	12
8.1 Operational Planning and Control	12
8.2 Operational Awareness (Stage 1)	12
8.2.1 General	12
8.2.2 Duties of SER	13
8.2.3 Application and validation of operational governance structure	13
8.2.4 Identification of operational objectives and value	13
8.2.5 Establishment of value analysis process	14
8.2.6 Identification & prioritization of collaborative business relationships	14
8.2.7 Development of competencies and behaviour	14
8.2.8 Initial risk assessment	14
8.2.9 Establishment of the RMP	14
8.3 Knowledge (Stage 2)	15
8.3.1 General	15
8.3.2 Strategy and business case	15
8.3.3 Identification of key individuals' competence and behaviour	17
8.3.4 Knowledge management	17
8.3.5 Supply chain and extended enterprise risks and opportunities	17
8.3.6 Implementation of risk management process	17
8.3.7 Evaluation of the business case	18
8.3.8 Incorporation of knowledge into the RMP	18
8.4 Internal Assessment (Stage 3)	19
8.4.1 General	19
8.4.2 Capability and environment for collaboration	19
8.4.3 Assessment of strengths and weaknesses	19
8.4.4 Assessment of collaborative profile	20
8.4.5 Appointment of collaborative leadership	20
8.4.6 Definition of partner selection criteria	20
8.4.7 Implementation of the RMP	20
8.5 Partner Selection (Stage 4)	21
8.5.1 General	21
8.5.2 Nomination of potential collaborative partners	21
8.5.3 Partner evaluation and selection	21
8.5.4 Development of collaborative engagement & negotiation strategy	22
8.5.5 Initial engagement with potential partners	22
8.5.6 Assessment of joint objectives	22
8.5.7 Assessment of joint exit strategy	22
8.5.8 Selection of preferred partners	22
8.5.9 Initiation of joint RMP	22
8.6 Working Together (Stage 5)	22
8.6.1 General	22
8.6.2 Establishment of the joint governance structure	23
8.6.3 Joint knowledge management process	25
8.6.4 Establish joint risk management process	25
8.6.5 Operational process and systems review	26
8.6.6 Measurement of delivery and performance	26
8.6.7 Improvement of organizational collaborative competence	26
8.6.8 Establishment of a joint issue resolution process	26

8.6.9 Establishment of a joint exit strategy	27
8.6.10 Agreements or contracting arrangements	27
8.6.11 Establishment and Implementation of the joint RMP	28
8.7 Value Creation (Stage 6)	28
8.7.1 General	28
8.7.2 Establishment of the value creation process	29
8.7.3 Identification of improvement and setting of targets	29
8.7.4 Use of learning from experience	29
8.7.5 Updating of the joint RMP	29
8.8 Staying Together (Stage 7)	29
8.8.1 General	29
8.8.2 Oversight by the SERs	30
8.8.3 Management of the joint relationship	30
8.8.4 Implementation of monitoring of behaviour and trust indicators	31
8.8.5 Continual value creation	31
8.8.6 Delivery of joint objectives	31
8.8.7 Analysis of results	31
8.8.8 Issue resolution	31
8.8.9 Maintenance of the joint exit strategy	32
8.8.10 Maintenance of the joint RMP	32
8.9 Transformation or Exit Strategy Activation (Stage 8)	32
8.9.1 General	32
8.9.2 Initiation of disengagement	33
8.9.3 Business continuity	33
8.9.4 Evaluation of the relationship	33
8.9.5 Future opportunities	33
8.9.6 Review and updating of the RMPs	33
 Phase 3 – Improvement, Innovation, & Audit	
9. Performance evaluation	33
9.1 Monitoring, Measurement, Analysis and Evaluation	33
9.1.1 General	33
9.1.2 Exit evaluation	34
9.2 Internal Audit	34
9.3 Management Review	34
 10. Improvement	 35
10.1 Nonconformity and Corrective Action	35
10.2 Continual Improvement ..	35
 Annex Section -- Informative	
Annex A Assessment Checklist	36
Annex B Relationship Management Plan	40
Annex C Competencies and Collaborative Behavior	43
Annex D Relationship Maturity Matrix	45
Annex E Exit Strategy	48
Annex F Description of business relationship types	50
Annex G Application guidance	52
Bibliography	60



Task Force on ISO 44001



Contact us for more information on getting started with ISO 44001
Collaborative Business Relationship Practices

International Collaborative Leadership Institute

Christine@ICLIInstitute.org

Robert@ICLIInstitute.org

+1-239-537-6441

3510 Kraft Road Suite 200
Naples, FL 34105

www.ICLIInstitute.org

