

Executive Briefing

Independent Validation & Verification (IV&V) – Adding Business Value

What is IV&V?

IV&V is fast becoming standard practice where there is a business requirement to provide comfort to Boards that products, functions, services, departments and terms of reference are fulfilling requirements and specifications for their intended purposes. This practice involves meeting the criteria, validated and verified by an Independent Party using unbiased consultants who have no conflict of interest and are able provide an objective, professional opinion based on experience and knowledge.

IV&V has been primarily driven by Governance Risk & Compliance initiatives (GRC), various governance codes and senior management requiring governance implementation in areas that are susceptible to failure and put the organisation at risk. The areas include Safety and other Operational and Workplace Legal Compliance where the risk is criminal leading to prosecution and/or civil leading to claims. IV&V Solutions can go further than just validating and verifying compliance but also can consider criteria to create additional business value, for example identifying missed opportunities for:

- Improving and accelerating performance
- Reducing expenditure and cost efficiencies
- Different approaches to mitigate risk efficiently
- Delivering better control, coordination, communication, cooperation and competence
- More value to stakeholders
- More agility or lean organisation

The question is of efficiency – what if you are wasting time, money and resources and introducing errors just simply because of poor management?

IV&V has also been associated with the Health & Safety function for many years in the form of audits of Health & Safety Management carried out by certified independent bodies so far as OHSAS 18001. The problem is this is narrowly focused around Safety and not around other business criteria that also present compliance and risk issues; this might include a lack of effective and efficient delivery. For example during the audit the criteria could also include the life cycle of document trails, defendability and authenticity of record keeping as this would not necessarily form part of an 18001 audit however very significant to GRC. Nor would the resilience in resources or infrastructure that would support a Safety Management System, again significant to Corporate GRC under performance.

Tailoring Your IV&V Solution

We are in an era of fast, adaptive strategies where unprecedented change impacts organisations who constantly need to revise their business and operating models. All of these said business entities need to be factored into building your IV&V requirements.

IV&V Solutions are best developed from the standpoint that different organisations have different risk appetites and different cultures for determining compliance style and enforcement. These 'differences' also need to be taken into account when building your IV&V requirements.

With tailoring any solution the ultimate test is 'does the exercise create measurable business value?' Whether that is testing resilience e.g. what if your own suppliers functions was not providing 'suitable and sufficient' measures to comply with Health & Safety policies because there was a poor capability to provide audit trails and deliver? Or what if your employees or external contractors are performing below stakeholders standards and thus putting your organisation at risk?

IV&V Benefits

The benefits in using our IV&V methodology:

- Greater visibility into progress and quality
- Early detection, identification and mitigation of risks
- Increased ability to make more informed and better timely decisions based on objective evidence
- Early adjustments and corrective actions to meet or fulfil delivery
- Reduction in costly re-work, or incidents, schedule delays and cost inefficiencies
- Greater ability to report status
- Increased customer & supply chain satisfaction
- Adherence to quality best practices, industry standards and compliance
- Receive an unbiased evaluation
- Drive down in cost efficiencies, do more with less and more effectively
- The experienced evaluator will ultimately act as your trusted advisor

Methodologies of IV&V

The methodologies used for IV&V:

- Prospective validation; the missions conducted before new products, functions, services, departments and terms of reference are released to make sure the characteristics of the interests are functioning properly, providing value and meeting safety standards.
- Retrospective validation; a process for products, functions, services, departments and terms of reference that are already in use. The validation is performed against the written specifications or predetermined expectations, based upon their historical data/evidences that are documented/recorded.
- Re-validation/Locational or Periodical validation; carried out, for products, functions, services, departments and terms of reference that are changed, revisited, integrated/coupled, relocated, or after a specified time lapse.

Our Clients and How We Help

1) Major Financial Services Organisation - we provided the following IV&V solutions:

- Physical inspections of their properties within the USA, France, Italy, Sri Lanka and across the UK to verify risk control status
- Consideration and assessment of compliance with both the Group Policy and local legislation along with a comparison with UK legislation
- Validation and verification of current OHS Management System and Risk Assessment approach across their portfolio
- The provision of recommendations and guidance in developing a multi-jurisdictional approach to Risk Management and Assessment

2) FTSE 100 Property Investment Company - we provided the following IV&V solutions:

- Verification of managing agents occupational Health and Safety Management System across Europe and the UK
- Consideration of compliance with British Land Policy and local legislation
- Third Party Assessment of the Managing Agents Emergency Preparedness and Defendability audit programmes across the Retail Centres in the UK

3) PLC Property Investment Company - we provided the following IV&V solution:

- Verification of managing agents Health and Safety arrangements covering its portfolio across Continental Europe

4) PLC Major Retail Company - we provided the following IV&V solution:

- Independent surveys of stores to determine extent of its planned and preventative maintenance programme

5) FTSE 100 Retail Property Company - we provided the following IV&V solution:

- Third party assessment of its Emergency Management Procedures and Training Programme across its UK portfolio

Why Us?

We have over 18 years' experience in providing major and global organisations with our tailored IV&V solutions specialising in Property and the Corporate market. If you would like to find out more how we can add business value to your organisation please contact us.