

**CEN Horizontal European Services
Standardization Strategy
(CHESSS)**

In response to Mandate M/371

**Module 3
Safety in the Delivery of Services**

Final Report

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1. EXECUTIVE SUMMARY

Module 3 "Safety in the Delivery of Services" set out to review the possible roles of standards for improving the safety of services especially in the context of the already existing regulatory framework, and to derive the future demand for horizontal European service safety standards.

To achieve this the research in Module 3 involved desk research, expert interviews, a company survey, and a series of World Cafés.

Based on the survey of the relevant literature and on the expert interviews, the work in Module 3 focused on the safety of consumers in the delivery of services, on the three safety aspects "life and health of consumers", "financial security", and "data security" as well as on the safety related service sectors "leisure and tourism", "health care", and "passenger transport".

Findings from the four research strands were brought together, and from the findings a number of conclusions were drawn on:

- the need for and the feasibility of horizontal European service safety standards;
- the need for European service safety regulation;
- the role of standards in support of safety regulation;
- the relation between standards and regulation in service safety;
- safety related requirements to be addressed in a future horizontal European service standard;
- the challenges in relation with stakeholder engagement and adequate stakeholder representation in horizontal service safety standardization;
- possible ways to help overcome those challenges.

Based on the conclusions we address four recommendations in relation with safety in the delivery of services to the European Commission and to CEN, and suggest next steps for their implementation.

Recommendation 1 concerns the setting up of a horizontal European legislative framework covering the safety of services, and the close cooperation of European policy makers with standardization bodies.

Recommendation 2 is about the development of a guideline for the implementation of existing European service safety related Directives.

Recommendation 3 deals with the provision of information on the relation between regulation and standardization in service safety in the guidance document developed within Module 1.

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Recommendation 4 is about the development of a horizontal European service standard, and on the service safety related requirements that this proposed standard should address.

2. INTRODUCTION

Due to the increasing importance of services for the European economy, the role of safety in services experiences also a higher attention. European standards may be able to support existing regulations aiming to improve the level of safety of services and in service sectors. Due to the increasing cross-border trade of services the safety aspect is also touched and gains further relevance. This phenomenon also raises the question of the role of safety standards for regulations, including the new Directive on services in the internal market. This module was designed to review the possible roles of standards for improving the safety of services especially in the context of the already existing regulatory framework, and to derive the future demand for horizontal European service safety standards.

Based on this background, the module had the following objectives:

- To provide a systematic overview and analysis of the role of standards for improving the safety of services and in service sectors;
- To identify the role of standards in supporting the regulations related to safety aspects in services;
- To derive future demand for European Standards in the area of service safety.

Based on theoretical derivations, empirical findings from the screening of the relevant literature and on the interviews with stakeholders of the European service industry, experts in the field of service standardization, academics, and representatives from the European Commission and the European Parliament, the work in Module 3 focuses on “safety for consumers in the delivery of services”. Occupational health and safety aspects as well as safety aspects in business-to-business relations are not in the focus of the research. For further explanation on the consumer safety focus, see Annex A, Section 1.1.

Furthermore, Module 3 concentrates on the three following safety aspects:

- life and health of consumers;
- financial security;
- data security.

On the “safety related” sectors which have been identified during the screening of the literature:

- Leisure and Tourism
- Health Care
- Passenger Transport.

For further explanation on the focus on specific safety aspects and safety sectors, see Annex A, Section 1.2.

The work in Module 3 was carried out by the German Institute for Standardization (DIN) together with independent researchers from

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Fraunhofer Institute for Systems and Innovation Research at Berlin
University of Technology.

3. METHODOLOGY

The work in Module 3 “Safety in the delivery of services” involved four steps:

- Desk research;
- Expert interviews;
- Company survey;
- World Cafés.

3.1 Desk Research

The desk research for Module 3 covered

- An analysis of definitions and economic implications of standards and standardization in the service sector;
- An analysis of the most recent literature on service standards;
- A quantitative overview of service standards;
- A qualitative overview of service standards and regulations, specifically on:
 - Existing regulations for service safety at the Community level and in Member States
 - Standards in the leisure and tourism sector
 - Standards in the passenger transport sector
 - Standards in the health care sector

The research included screening of the most recent literature on standards in the service sector as well as service standards already in existence and future standardization activities. It included literature on service safety that covers the relevant safety aspects. The regulatory dimension has also been taken into account. In order to get an overview of European regulations on safety in services we screened the database EUR-Lex. In large part, the desk research was based on databases containing scientific literature such as:

- ECONLIT;
- Web of Science;
- ProQuest Database.

Finally, official documents of the European Commission and other relevant political institutions related to the safety of services were considered. Besides the survey of the most recent literature, the identification of the actual stock of formal service standards has been performed using a database for standards, PERINORM.

The completed work of the desk research and the quantitative overview of the stocks of current service standards are presented in Annex A.

3.2 Expert Interviews

After completion of the desk research its results were used to develop an interview guideline for face-to-face and telephone interviews with key representatives from the national and European service industry trade associations, members from the national standardization bodies, representatives from European and national consumer councils, politicians, and employees from the European Commission. For the interview guideline, see Annex B.

The rationale for conducting the interviews with the stakeholders of the European service industry was to obtain initial perspectives from the European stakeholders as well as academics and politicians on the relevance of standards for achieving the safety of services for consumers.

As for the stakeholders from the European service industry, we tried to contact stakeholders from different European countries. In total, about 50 industry trade associations, consumer organizations, academics and national standardization bodies (NSBs) from all over Europe were contacted and 21 persons from those organizations responded to our request and took part in the interviews. For example, we tried to interview persons from the Norwegian, Danish, Dutch and German standardization bodies but only the German NSB expert was available. We tried to contact the industry trade association HOTREC, which represents the European tourism sector but we could only reach representatives from German trade associations in the tourism sector. We also tried to get in touch with the European Consumer Organization (BEUC) but we received only positive answers from the Austrian and German consumer organizations. One reason for this might be that people from German speaking countries felt more comfortable about the interviews, because they had the opportunity to answer the questions in German.

We could, however, obtain views from different Member States. Fortunately, Mrs Evelyn Gebhardt, Member of the European Parliament, Mr Richard Collin from European Commission Directorate, Nina Klemola from ANEC (representing consumer organisations from the European Union Member States and the EFTA) and Mr. Toffalletti from NORMAPME (European Office of Crafts, Trades and Small and Medium-Sized Enterprises for Standardization) answered to our request and contributed in obtaining perspectives from the European level. We could also conduct a number of face-to-face interviews which allowed vivid discussions and often took much more time than initially planned. However, the majority of the 21 interviews were carried out as telephone interviews. Serious time restrictions of some interview partners made written answers necessary. Last but not least, it is important to mention that we initially targeted some 15 interviews, and that this number was broadly exceeded with the 21 interviews conducted in this second research step. For the complete list of interview partners see Annex C, Section 1.1, Figure 3.

The interview guideline covered questions that deal with success factors and the importance of standards for the cross-border trade of services, what measures companies implement in order to make the service delivery safer and how the market surveillance for services works in practice. We also wanted to know from the interview partners how they assess the current European and national regulations and how they contribute to making the service delivery safer. Finally, we asked for arguments for and against European harmonisation of standards and regulation and we asked about benefits and disadvantages of horizontal service standards. The guideline that we used for the expert interviews is included in Annex B.

3.3 Company Survey

Based on the results of the desk research and the expert interviews, a questionnaire for a company survey covering Europe was developed in English and German and was distributed to European service companies. The focus was on the “safety related” sectors identified during the desk research, that is, the tourism and leisure industry, the passenger transport sector and the health care sector. The English and the German version of the survey are included in Annex D.

The survey was distributed to European service companies with the aim of obtaining their perspectives on service safety and the development of horizontal safety standards. In short, the company survey aims at obtaining arguments and opinions from the provider side of "the market".

The questionnaire was specifically designed to answer questions regarding the relevance of standards. The goal of the survey was to better understand the role of standards in the success of service companies, what types of standards are currently in use and what standards these companies will require in the future. The survey also focused on whether or not the service companies are active only on the national market or whether they deliver their services throughout the European Single Market (and beyond).

This research especially sought to understand the link between the role of service standards and consumer safety. In order to establish the relevance of consumer safety, companies were asked about the frequency of injuries and damages to consumers in the last three years. These included problems arising from injuries, financial damage or data infidelity. To this end, we asked the companies what standards and regulations they currently follow to ensure safety in the delivery of services and prevent injuries and damage to consumers. In order to establish safety standards, companies must be actively involved in their development, therefore companies were also questioned about their motives for participating in the European service standardization process. Finally, the survey was designed so that we can compare our survey results to past surveys on service standards. This

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approach allowed us not only to verify the current results but also to draw inter-temporal comparisons¹,.

The survey was carried out as an online survey with two links, one for the English and one for the German questionnaire. The companies were contacted via e-mail and received the links to the online questionnaires. With the help of company databases (HOPPENSTEDT-Database² to identify German companies and the AMADEUS-Database³ for the other European Member States) it was possible to identify e-mail addresses of about 3,000 European service companies using the NACE code to identify the companies in the relevant service sectors.⁴

Specifically, we used the 4 digit NACE Code to identify the service companies. For example, companies in the health care sector included hospitals (NACE Code 85.11), medical practices (NACE Code 85.12) and the corresponding subcategories. It must be noted that the category “hospitals” includes private as well as publicly owned hospitals which means that we also include some G2C services (Government to consumer). The same is true for the transport sector in which governments still own assets from passenger transport companies.

The German Travel Association supported the online survey by forwarding the questionnaire to members of their association. In addition, approximately 180 participants from the CHESSS World Cafés in London, Tallinn, Copenhagen and Madrid were asked to fill out the questionnaire. The companies and World Café participants were also contacted via e-mail with a link to the online questionnaire.

The online survey was open to answers from these companies from August 16th, 2007 until September 16th, 2007. However, due to a low response rate during that period, the survey was extended until the end of December 2007. In total, companies from 21 countries could be identified. Some countries, such as the Czech Republic, Poland, Germany and Slovakia were overrepresented in comparison with that country’s contribution to the EU 27 GDP, while other countries, such as France and the UK, were slightly underrepresented.

3.4 World Cafés

As a fourth research step we conducted a session on Module 3 in each of the four CHESSS World Cafés that took place in London, Tallinn,

¹ Blind, K. (2003) *Standards in the Service Sector: An Explorative Study*, final report to DG Enterprise of the the European Commission. Karlsruhe: Fraunhofer ISI and Fraunhofer ISI (2007). *Bericht über die Befragung zur Rolle von Standards für die Internationalisierung von Dienstleistungen*.

² The HOPPENSTEDT-Database includes over 225.000 profiles of German companies, banks, their branches and the major industrial association in Germany

³ The AMADEUS-Database is a pan-European database containing financial information on about 9 million public and private companies in 38 European countries

⁴ NACE = Nomenclature Générale des Activités Economiques dans L`Union Européenne (General Name for Economic Activities in the European Union) is a European industry standard classification system

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Copenhagen and Madrid in October and November 2007. The aim was to obtain opinions on the subject of safety in the delivery of services from the whole of Europe, to find out whether there were regional differences, and to be able to compare opinions and identify differences and commonalities. We also wanted to use the World Cafés to validate (verify or falsify) findings from other research steps, in particular those conducted before the World Cafés, namely the desk research and the interviews with stakeholders.

The four Module 3 Sessions during the CHESSS World Cafés were dedicated to the discussion of two relevant questions in relation with horizontal European service safety standardization. In order to encourage and enable the participants to give the CHESSS team their opinions and ideas a short introduction into the subject was given. We made a point of not presenting ready-made opinions, or research findings in order not to prejudge certain aspects of the World Café discussion.

The 15 minute presentation on Module 3 (see Annex E) therefore merely introduced participants to the subject of safety in the delivery of services, stimulated reflection on the various dimensions in connection with service safety and standardization, led up to the two discussion questions and encouraged participants to contribute to the discussions.

The presentation gave the three main objectives of Module 3, namely to identify the role of standards in the safety of services, to analyze how safety standards can support service regulation and to identify the feasibility of horizontal European service safety standardization.

Participants were then given reasons as to why safety of consumers in the delivery of services is an important issue. One reason given was that the consumer is the weakest link in the chain and therefore needs protection from someone or something, especially when it comes to safety of life and health, financial security and data security. Other reasons given were that consumer protection is an area of European Community action, and that to date there are more safety standards for products than there are for services.

The main dimensions that previous research in Module 3 had identified in connection with the subject of horizontal European service safety standardization were then explained to the participants. The relevant dimensions were:

- the three main safety aspects "life and health", "data security" and "financial security";
- the regional level of standardization or regulation, namely national, European or international;
- the degree of bindingness of an agreement, ranging from company standards, industry or consortium standards, informal and formal standards to regulation;
- the different strategic approaches, namely the vertical, horizontal or combined approach;

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- the stakeholder perspective, to show that views on the subject of Module 3 differ heavily from stakeholder group to stakeholder group. Relevant stakeholder groups that were mentioned in this context were service providers, trade associations, customers, government, academics.

The explanation of the last dimension was used to lead up to the discussion questions, and to make participants feel comfortable with giving their unbiased opinions on the subject of horizontal service safety standardization in the World Café session.

After the presentation, the first question was posed and left displayed for participants throughout the discussion.

Question 1:

What makes Consumers feel safe and how can Service Providers reassure their customers that the service they purchase is safe?

One reason for asking this specific question was to involve service providers as well as service customers in the discussion and to find out if and where service providers see their role in enhancing service safety by means of standardization. Another reason was to make all stakeholders reflect on the mechanisms behind certain levels of service safety and the underlying principles of service safety in relation to standardization. What we wanted to achieve was also to raise awareness for the fact that safety in the delivery of services is important both for service providers and service customers. The way the question was asked also allowed us to identify commonalities between providers' and customers' opinions, and to identify aspects that were common to many services and safety aspects.

When the discussion time was over, participants changed tables and discussed the second question.

Question 2:

How can standards assist in making services safe?

The reasoning behind this question was to find out if and where participants see a role for (horizontal) standardization in improving service safety.

Following the discussions, table hosts presented their table findings to the wider group. After this, participants had the opportunity to prioritise those aspects, ideas or contributions they considered most important.

The design of World Cafés and the way they are conducted does not allow for a quantitative analysis of the results. Therefore a qualitative analysis was conducted. In this analysis we specifically looked for:

- Multiple occurrences of opinions/aspects/ideas at different tables during one World Café and at different World Cafés;
- Agglomerations of voting dots, priorities given by the participants

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- Regional differences or similarities across Europe;
- Confirmation of or contradiction to the results from other three research steps (verification/falsification);
- Aspects identified as horizontal;
- Specific ideas on what the role of (horizontal) standards could be in service safety.

For a detailed description of the World Café methodology, see the main report.

4. FINDINGS

The findings from the four research steps are numbered, the number of a finding is put in brackets behind the respective finding. All findings are summarized in table XX. This allows to later link the conclusions and recommendations to the findings. In the numbering:

- DR stands for Desk Research;
- EI is short for Expert Interviews;
- CS stands for Company survey;
- WC stands for World Café.

4.1 Desk Research

The desk research revealed that the safety of consumers, as opposed to that of service providers (occupational health and safety) and that of businesses in B2B relations, is most important when looking into safety in the delivery of services. (DR1)

The most important service aspects are (DR2):

- the safety of life and health;
- financial security;
- data security.

The three most important service sectors that involve risks for the consumer are (DR3)

- the leisure and tourism sector,
- the health care sector, and
- the passenger transport sector

A finding that is not surprising but nevertheless important to mention is the very close relation between standardization and regulation in service safety. When researching the subject of service safety standardization, the regulatory dimension has to be considered. (DR4)

In this context, we found that there are numerous regulations in place, both vertical and horizontal. (DR5) At the same time formal vertical and horizontal standards also contribute to safe service delivery. (DR6)

Table 1 shows examples of European directives and regulations that make the service delivery safer. This is true for all safety aspects covered in this Module. Specifically, European directives can take the form of horizontal regulations as in the case of data protection. In addition, European directives can regulate specific sectors, such as the Package Travel Directive. In this case, one directive can regulate all three safety dimensions. In the passenger transport sector, European directives regulate the behaviour of

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the service provider insofar as drivers engaged in the carriage of passengers must hold a certificate of professional competence.

Table 2 gives examples of formal standards in the service sector that contribute to safe service delivery. As the example for diving lessons shows, standards can specify qualifications and skills of service providers. Furthermore, standardized quality management processes and the certification of hospitals or other institutions in the health care sector can enhance the quality of the delivered service and thus contribute to the safety of the consumers. In addition, the international standards designed to specify the usage of health cards in the health care sector are examples for standards that are concerned with the issue of privacy of personal data. Finally, standards can also take the form of specifications for equipment used in the provision of the service.

Regulation/Directive	Scope	Description
Directive 95/46/EC	Horizontal	Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data
Directive 2002/58/EC	Electronic Communication Sector	Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector
Regulation (EC) 45/2001	Data Protection in EU Institutions	This Regulation aims to protect personal data within European Union (EU) institutions and bodies.
Directive 90/314/EEC	Tourism Sector	The Directive sets out minimum standards concerning the information provided to the consumer, formal requirements for package travel contracts, to provide compulsory rules applicable to the contractual obligations and to achieve an effective protection for consumers in the case of the package tour organiser's insolvency
Council Regulation No 3820/85	Transport Sector	Demands drivers engaged in the carriage of passengers must hold a certificate of professional competence
Directive 2003/20	Transport Sector	Forces all passengers in vehicles of less than 3.5 tons to use safety belts

Standard	Sector	Description
ISO/IEC 27001	Horizontal	ISO/IEC 27001 "Information technology - Security techniques - Information security management systems - Requirements" I

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ISO/IEC 27002	Horizontal	ISO/IEC 27002 "Information technology - Security techniques - Code of practice for information security management"
ISO/IEC 27006	Horizontal	ISO/IEC 27006 "Security techniques: Requirements for bodies providing audit and certification of Information Security Management Systems (ISMS)"
EN ISO 12402-1 to 5	Leisure and Tourism Industry	Specification of technical features for buoyancy aids
EN 14144	Leisure and Tourism Industry	Specification of technical features for lifebuoys
EN ISO 15027, Parts 1 to 3	Leisure and Tourism Industry	Specification of technical features for immersion suits
ISO 6185	Leisure and Tourism Industry	The standards specify the floating stability, driving performance and consumer information of inflatable boats
EN 14467 EN 14413	Leisure and Tourism Industry	Specifies the knowledge for diving instructors, diving schools and dive centres
Draft Standard EN 15565	Leisure and Tourism Industry	Specifies the requirement for the provision of professional training and qualification programmes of tourist guides
BS 8848.	Leisure and Tourism Industry	The standard is for adventurous activities abroad, aiming to reduce risk from injury or illness
ISO 14813-1:2007 ISO 14825:2004	Transport Sector	Standards for Intelligent Transport Systems
ISO 15623	Passenger Transport Sector	Standard for forward vehicle collision warning systems
EN 50126 EN 50128 EN 50129 EN 50159	Passenger Transport Sector	Standardized management processes for the reliability, availability, maintainability and safety for lifecycle of technical railway systems
EN 1060-1 to 4	Health Care	Non-invasive sphygmomanometers
EN ISO 13485:2000 EN ISO 13488:2000	Health Care	Standards for the quality management to be applied to producer of medical devices
ISO 9001:2000	Health Care	Standard for the quality management in hospitals and mobile nursing service
NTA 8009:2007	Health Care (Netherlands)	The standard contains for instance principles for the responsibilities of the board of directors and management board of the hospital, and principles for leadership, for the report of incidents, for change management and for risk analysis
ISO 21549 ISO 20301	Health Care	Standards for the usage of health-cards

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ISO 20302		
EN 14484	Health Care	EN 14484 “Health informatics” standard deals with the international transfer of personal health data that is covered by the EU data protection directive. The European Standard provides guidance on how to implement the requirements of Directive 95/46/EC for third country (Non-EU) organizations
ISO 17090-1	Health Care	The international standard defines the basic concepts underlying the use of digital certificates in healthcare and provides a scheme of interoperability requirements to establish digital-certificate-enabled secure communication of health information
ISO 10993-1	Health Care	Biological evaluation of medical devices - Part 1: Evaluation and testing within a risk management system
ISO 17090-2	Health Care	The international standard details the use made of digital certificates in the health industry and focuses, in particular, on specific healthcare issues relating to certificate profiles
ISO 17090-3	Health Care	The international standard deals with management issues involved in implementing and using digital certificates in healthcare

To sum up, safety in the delivery of services is ensured by governmental regulations, because the service supplier is obliged to obey those laws. Formal standards do also play a role in the safe delivery of services, be it complementary, supportive or independent of regulation. (DR4, 5, 6)

The complete results of the desk research, including the analysis of definitions and economic implications of standards and standardization in the service sector, the quantitative overview of the stocks of current service standards, and the bibliography are presented in Annex A.

4.2 Expert Interviews

Same as in the desk research, we found in the expert interviews that there is a strong relation between standardization and regulation when it comes to service safety. (E11)

The most important finding from the expert interviews is that different stakeholder groups and even individual representatives within one stakeholder group have different opinions on practically every question that was asked in relation with service safety and (horizontal) standardization. Stakeholders have conflicting views on the role of and need for (horizontal)

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standards and the potentials and benefits of (horizontal) standards for increasing the safety of consumers in the delivery of services. (E12)

The little consensus among the stakeholders related mostly to general benefits of service standards, and not specifically to safety in the delivery of services or to horizontal standardization. (E13) The majority of the interviewees agree that standards are important for the cross-border supply of services. Also, most interviewees agree that standards ensure that supply of services is transparent for the consumer.

As for the evaluation of standards in general for the success of businesses, some of the interviewees mention that standards are important for the success of businesses in the service sector. However, it was also mentioned that standards are not important for SMEs. (E12-1)

There is dissent concerning the importance of service safety for the success in business. While the consumer councils argue that providing safe services is crucial for the success in business, other interviewees warn that consumer councils overemphasize the safety aspect for the success of companies. (E12-2)

With respect to market surveillance of standards, academic experts believe in the market forces to ensure the delivery of safe services. Consumer councils and the politicians from the European Parliament, however favour the implementation of a European agency for the surveillance of service safety. (E12-3)

There is also strong dissent concerning the current safety level of services. The consumer councils call for action in service safety, e.g. by extending the New Approach to services. The industry representatives argue that governmental regulations already implemented lead to the delivery of safe services. (E12-4)

Furthermore, the interviewees were asked to give arguments for and against horizontal safety standards and regulations. In general the consumer councils favour horizontal regulations over standards to tackle the problem of safety in services. Some call for a legislative framework, complemented by standards. Not all representatives from consumer councils are in favour of one single horizontal safety standard. It was argued that the service sector is too broad to implement a horizontal safety standard for all services. But it was also argued that the service sector is too broad to have vertical standards for all sectors that are not conflicting. On the whole, the majority of the interviewees from the consumer councils favour a horizontal safety standard that has to be complemented by vertical standards. The academic experts favour the implementation of vertical safety standards. However, it was also suggested that for data security and financial security of consumers a horizontal safety standard could be implemented. Furthermore, the academic experts do not preclude a horizontal safety standard that could be complemented by vertical standards. Finally, the representatives from the service industry do not support the implementation of a horizontal safety

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standard. It was argued that the implementation of a horizontal standard would not lead to a competitive advantage. In addition, the representatives argued that the costs of searching common elements of a horizontal safety standard are not worth the result. (EI2-5)

To sum up, the interviews with the stakeholders from the service industry revealed various disagreements:

- First, the interviewees do not agree on the appropriate method of market surveillance. (EI2-3)
- Second the interviewees do not agree on the current safety level in services and the appropriateness of current safety regulation and safety standards. While the consumer councils see a north-south and east-west divide in terms of safety levels in Europe, and consequently call for better, and harmonized safety regulations and standards, the industry representatives argue that the current regulatory framework ensures that safe services are delivered and that the safety level is equal across all Member States. (EI2-4)
- Third, there are disagreements concerning the implementation of a horizontal standard. Some interviewees, especially the consumer councils, support the implementation of a horizontal safety standard. Other interviewees, specifically the industry representatives, do not support the implementation of a horizontal safety standard. (EI2-5)

The arguments given by the interviewees are summarized on posters that were displayed at the CHESSS Brussels Event on 2 May 2008, see Annex F.

For the complete report on the expert interviews see Annex C.

4.3 Company Survey

With respect to the results from the company survey we have to point out some limitations of the study. Although the response rate (1.8%) and the survey results regarding the preference for European or international standards are comparable to other studies on service standardization, and although the non-response analysis showed that the low response rate is not due to the subject of service safety, the number of companies that participated is very low (54). Hence we cannot claim that the current sample is representative for the European service sector. We can therefore merely use the results as a rough indicator and as a means to validate findings from other research steps. (CS1)

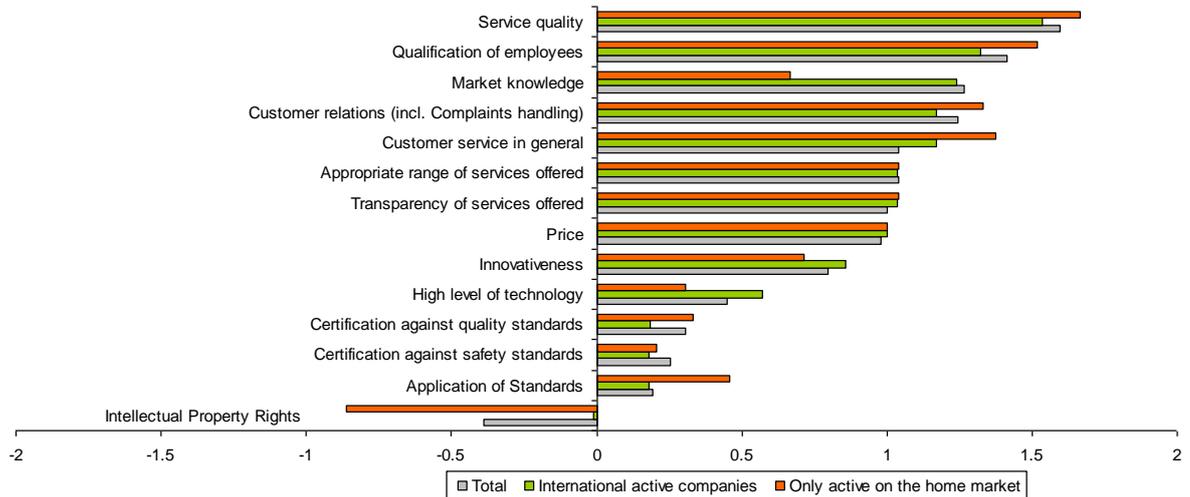
For a description of the sample and the results of the non-response analysis see Annex G.

Regarding the success factors for service companies, the survey results indicate that service quality is most important (see Figure 3). Also, it is important for the success in business to offer a transparent service to the consumers. Regarding the relevance of standards and certification against standards for the success of service companies, the survey results reveal

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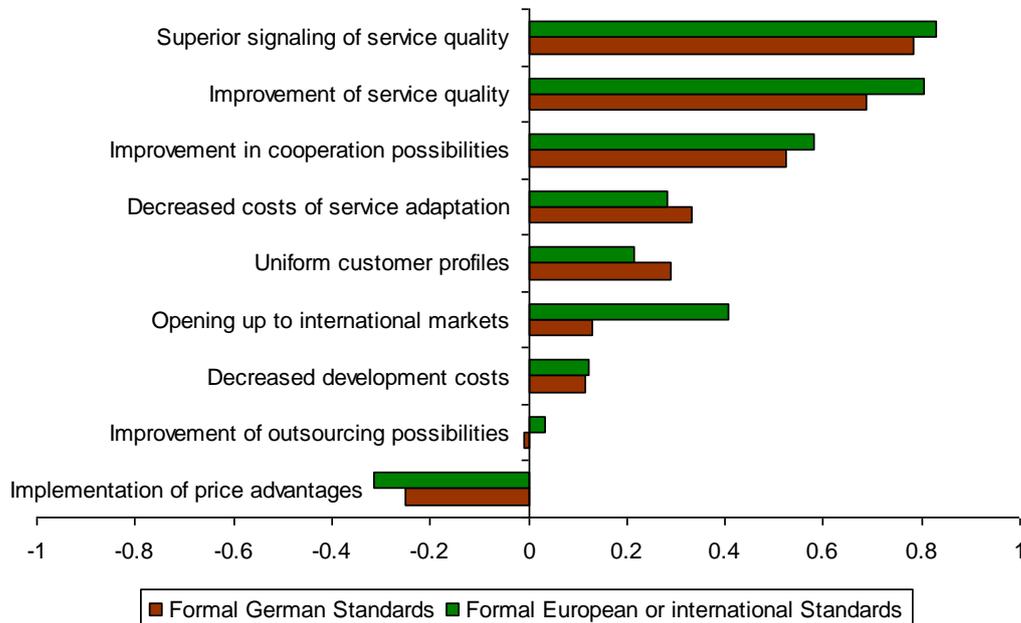
that the application of standards is rather moderate compared to other success factors. However, past surveys showed that standards have not only a positive impact on service quality but service standards are also a means to signal service quality to consumers (see Figure 4). Hence, we conclude that the application of service standards is an important contribution for the business success of service companies. (CS2)

Figure 3: Success Factors for Service Companies (-2 = very unimportant +2 = very important)



Fraunhofer ISI 2008

Figure 4: The Importance of Formal Standards for the Internationalization of Services (-2 = very low importance +2 = very high importance)



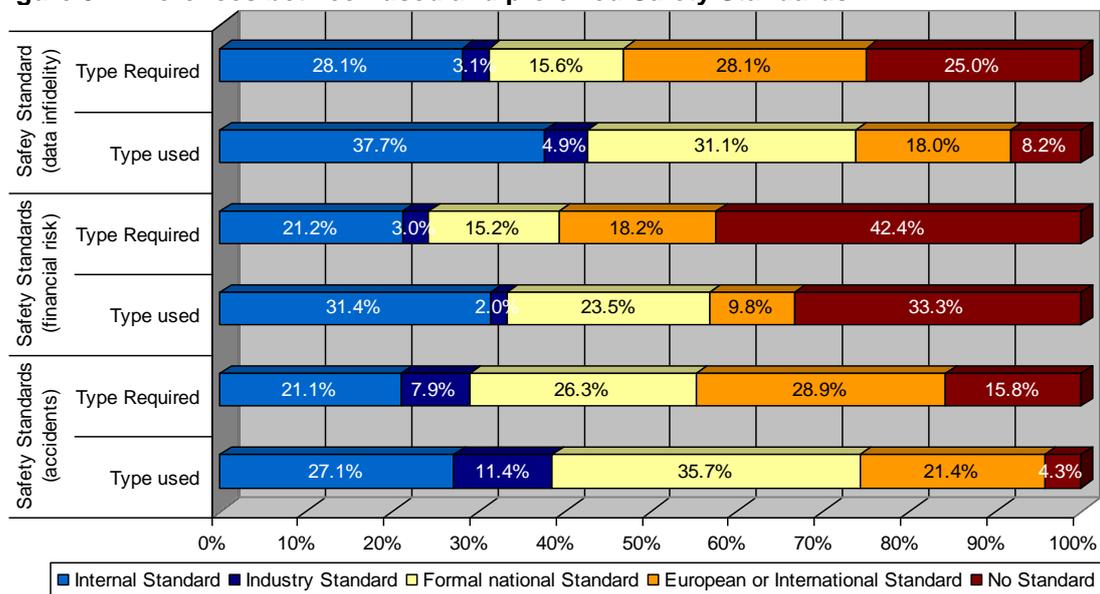
Fraunhofer ISI 2007

Concerning the internationalization of services, the survey results indicate that diverse standards in general and safety standards in specific can act as barriers to the cross-border trade of services. (CS3)

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As for the current application of and future preferences for service standards, service companies do currently apply more national than European or international standards for various service related aspects, but wish to implement more European or international standards (see Figure 5). It is noteworthy that for financial security, a high percentage of 42% of the companies do not require any type of standard. For the safety of life and health of the consumer, the need for formal standards is highest (CS4). These results were confirmed by inter-temporal comparisons with past surveys⁵. Also, formal standards play a bigger role than company standards and industry standards for service safety (CS5). The fact that companies use more national than European or international standards can ultimately be considered a potential barrier to the trade in services, at least in the case of diverging national standards in different Member States (see CS3).

Figure 5: Differences between used and preferred Safety Standards



Fraunhofer ISI 2008

Regarding the role of service standards and consumer safety, the survey results confirmed the relevance of the three safety dimensions “life and health of consumers”, “data security” and “financial security” since the survey results demonstrate that consumers have come to harm with respect to all three safety aspects. (CS6)

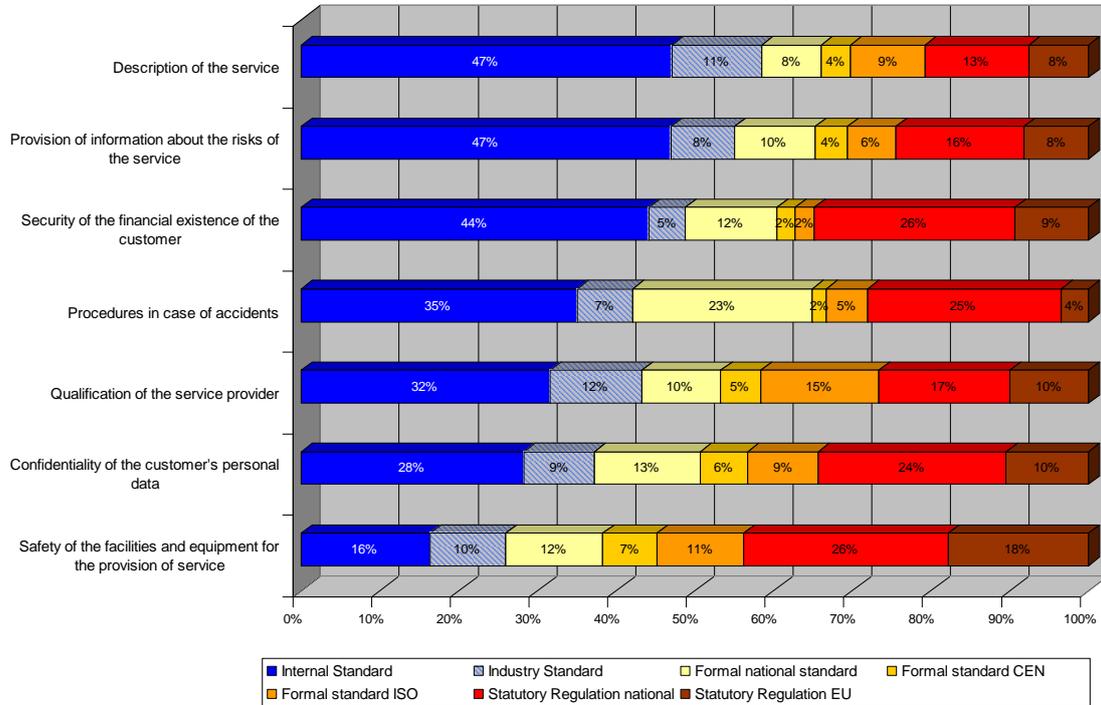
As for the standards or regulations that are most important in the companies to ensure safety in the delivery of services, the survey results indicate that national and European statutory regulations play an important role, and that formal national and European or international standards together are seen as equally important as regulations. (CS7) Service companies apply more standards and obey regulations for the safety of the facilities and equipment than in other categories (see Figure 6) (CS8). This might be explained by the concept of the New Approach in which European Directives define the

⁵ Blind, K. op.cit. and Fraunhofer ISI, op. cit.

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essential safety requirements for product trade within the European Single Market and harmonized standards lay down the technical specifications of the product.

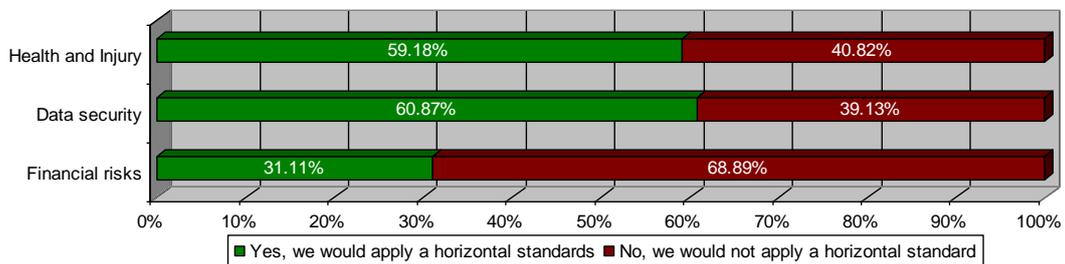
Figure 6: Factors to accomplish Safe Service Delivery



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When asked for their preferences in applying horizontal safety standards, approximately 60% of the service companies answered they would implement horizontal standards to prevent injuries that could occur in the delivery of services and to guarantee data protection. However, only 31% would apply a horizontal standard to ensure the consumer's financial security (see Figure 7) (CS9).

Figure 7: Preferences for Horizontal Safety Standards



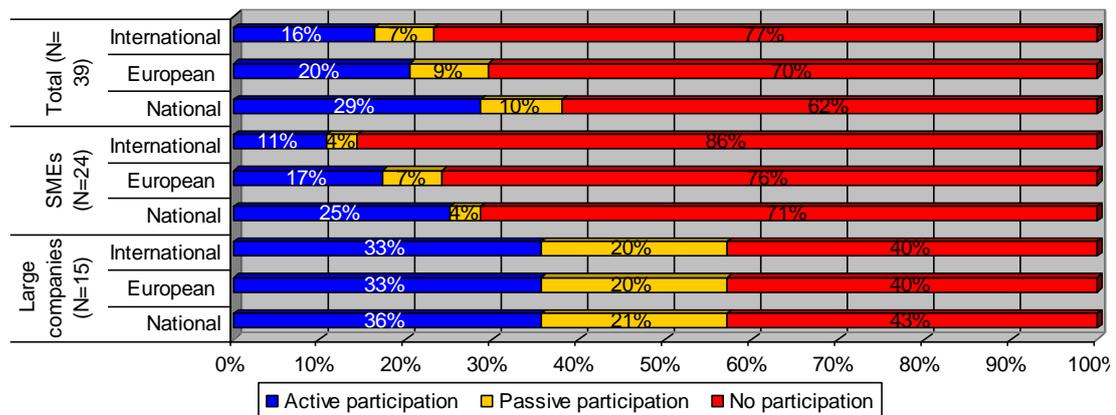
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As for past participation in service standardization processes and motives for participating in standardization, the survey results show the following. The differentiation by company size reveals that larger companies are more active in the standardization processes compared to SMEs and this is especially true for participation in European and international service

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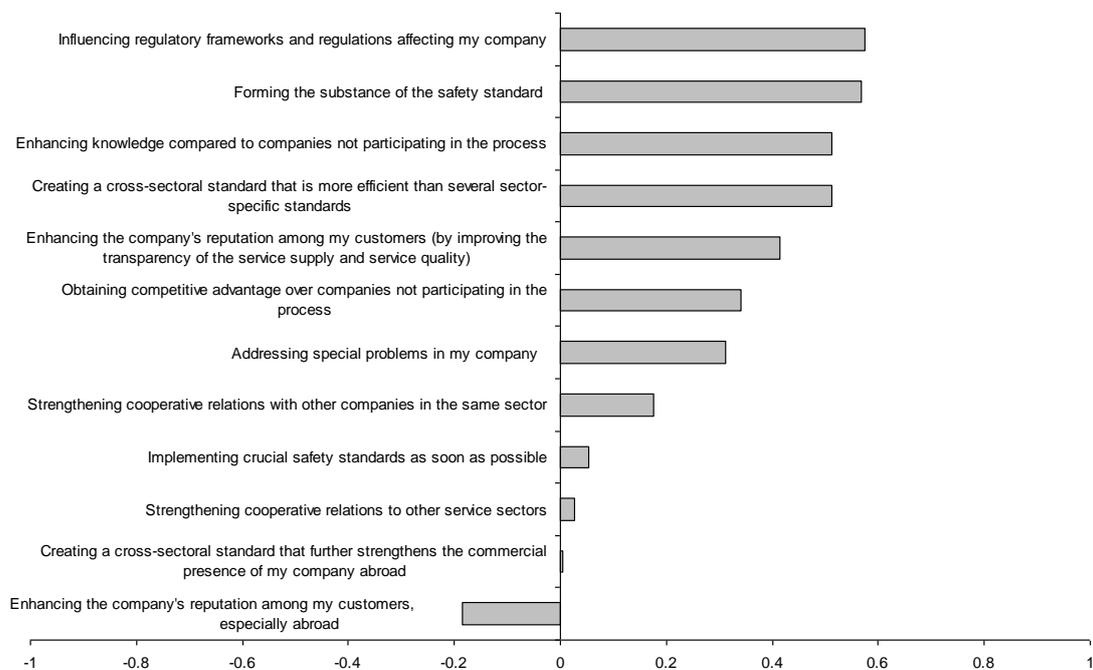
standardization processes (see Figure 8) (CS10). The motives for taking part in horizontal service safety standardization reveal that it is most important for service companies to influence the regulatory framework of the service sector and to form the substance of the safety standard. The motive "creating a cross-sectoral standard that is more efficient than several sector specific standards" is more important than "Implementing a crucial safety standard as soon as possible." This indicates that it is more important for service companies to produce a qualitatively valuable standard than to save time. In addition, service companies state that an important motive for participation in horizontal standardization activities is to produce standards that make the services offered more transparent for the consumer (see Figure 9) (CS11).

Figure 8: Participation in Standardization Processes



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Figure 9: Importance of different Motives for participating in Formal Standardization Processes for Horizontal Safety Standards (-2 very unimportant; +2 very important)



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To sum up, we found that:

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- Companies apply formal national standards more often than formal European and international standards. (CS4)
- Companies require more European and international safety standards than they use, especially for protection against accidents and for data protection. (CS4)
- Formal standards play a bigger role than company or industry standards for the safety of services. (CS5)
- Formal standards are seen as equally important as regulations to ensure safe service delivery. (CS7)
- 60% of the companies would implement a horizontal service safety standard for protection against accidents and for data protection, compared to 31% for financial security. (CS9)
- A lot less SMEs participate in standardization processes than large companies, especially on the European and international level. (CS10)
- Important motives for participating in horizontal service safety standardization are exertion of influence on the specification of standards, gaining competitive advantages, creating a high-quality standard, and making the services offered more transparent. (CS11)

For the complete report on the company survey, including results from previous studies and inter-temporal comparisons see Annex G.

4.4 World Cafés

When analyzing the sample of participants that attended the four World Cafés, we found that participants from Germany were underrepresented in comparison with participants from those countries that hosted the World Cafés. This fact is however not considered a problem, especially as in the expert interviews and the company survey, Germans were overrepresented. We can therefore assume that the research in Module 3 took adequate care of the German perspective.

For a description of the World Café sample in terms of country, service sectors, providers and customers, see main report.

The World Café results show that participants from across Europe, from across the service sectors they represent and independent of whether they are providers or customers, are not so controversial on the subject of service safety and standardization as were the interviewees. The results gave a clear indication of the ideas, aspects and opinions of the participants and their priorities. The picture we gained was a consistent one. All the more so as comparison between the results from the four World Cafés showed a lot of similarities in the things mentioned and also in the priorities given to the individual ideas. (WC1)

In the following summary of findings from the World Cafés we therefore concentrate on the aspects that were mentioned several times, or received voting dots from the participants.

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Question 1:

What makes Consumers feel safe and how can Service Providers reassure their customers that the service they purchase is safe?

The ideas and opinions that participants gave us in response to question 1 are considered as their requirements for a safe delivery of services. The data from the four World Cafés permitted clustering in the following three categories: (WC2)

- Psychological;
- Contractual and legal;
- Physical and technical.

For the participants, the psychological category is the most important, which can be seen from the fact that the largest number of requirements fall in this category. There were also a number of requirements, that although they are grouped in the physical/technical or the contractual/legal category, still relate closely to the psychological dimension. (WC3)

Table 3: Psychological requirements for save service delivery

Psychological (WC4)	
Requirement	Explanation
<ul style="list-style-type: none"> ▪ Information 	Information on the service is vital for safe service delivery from both customers' and providers' points of view
<ul style="list-style-type: none"> ▪ Quality 	Participants see quality as being directly related to safety. Many even said that quality and safety are one and the same thing
<ul style="list-style-type: none"> ▪ Insurance ▪ Liability ▪ Guarantee ▪ Compensation 	Both customers and providers said that insurances, guarantees and compensation contribute to the customers feeling safe. It reassures them, that they are taken care of, if something goes wrong in the delivery of a service. These requirements belong to the contractual/legal category, but have a strong psychological aspect to them
<ul style="list-style-type: none"> ▪ Safety standard ▪ Certificate ▪ Quality mark ▪ Brand ▪ 2nd and 3rd party assessment ▪ Audit 	In the customers' point of view the application of safety standards, certificates etc. makes them feel safe. Providers use standards and demonstrate compliance with standards to the customer by means of certificates, quality marks etc. to signal quality and to advertise safety and thereby to reassure them

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<ul style="list-style-type: none"> ▪ Trust ▪ Confidence 	<p>If customers trust and have confidence in a company, a service provider, and a service, this also contributes to them feeling safe. Service providers consider it important to generate trust and confidence. There is a relation between this requirement and the previous one (safety standards etc.)</p>
<ul style="list-style-type: none"> ▪ Corporate social responsibility ▪ Code of conduct ▪ Business ethics 	<p>These requirements relate to the Company that provides the service, but were not mentioned as often and given as much priority as the other requirements listed above</p>
<ul style="list-style-type: none"> ▪ Risk/fun 	<p>It was mentioned several times during the World Cafés that there are services in which it is not the customer's intention to feel safe or to be protected from risks. On the contrary. It was said that the risk involved in the service can be the fun part of the service and therefore the reason the customer chooses the service. Examples given are bungee jumping and other "risky" or adventurous services</p>

Table 4: Contractual and legal requirements for save service delivery

Contractual and Legal (WC5)	
Requirement	Explanation
<ul style="list-style-type: none"> ▪ Insurance ▪ Liability ▪ Guarantee ▪ Compensation ▪ redress system 	<p>Although with these aspects it is not self-evident in how far they relate to the customer feeling safe, it was said that for the customer it is important to know that provision is made in case something goes wrong in the delivery of the service, e.g. the customer being injured, or losing his money. Because of the strong relation to the psychological category the requirements are listed in the psychological category as well</p>
<ul style="list-style-type: none"> ▪ Legal protection ▪ protection by legislation 	<p>This relates both to contracts and to safety regulation</p>

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Table 5: Physical and technical requirements for safe service delivery

Physical and Technical (WC6)	
Requirement	Explanation
<ul style="list-style-type: none">▪ Provider▪ Consumer	It was said that the individuals involved in the service delivery play a role in the safety of services. For the provider this relates mostly to aspects like qualification, competences, experience, appearance, and attitude. For the consumer it relates to potential disabilities, knowledge, and age.
<ul style="list-style-type: none">▪ Equipment▪ Premises	The equipment and premises were also mentioned as being important for the safety of the service. If the equipment is in good condition and safe the customer also feels safe. The same was said for the premises.
<ul style="list-style-type: none">▪ Visibility▪ Accessibility	Customers feel safe, if safety measures are visible, if the responsible person is directly accessible, and if there is easy access to emergency procedures.

An aspect that was very prominent in every one of the World Café sessions on Module 3 and that applies to many or all services, was that the provision of information contributes to consumers feeling or being safe, and that service providers should provide information in order to reassure their customers. Information provision was also mentioned in relation with question 2 as a possible content for a (horizontal) standard. (WC7)

It was said that service providers should provide information on:

- Risks involved in the delivery of the service;
- Service itself (resources, delivery process, outcome, specifications);
- Service provider/personnel (qualification, competence, education, training);
- Roles and responsibilities;
- Premises, equipment, subcontractors;
- Safety measures;
- Emergency procedures;
- Insurance;
- Guarantees;
- Compensation funds;
- Redress system;
- Contact possibilities, helpdesk.

This information should be:

- Clear;
- Simple;
- Complete;
- Transparent;

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- Correct;
- Exact;
- Reliable;
- (Publicly) available;
- Accessible.

Another aspect that was often mentioned in the discussion on question 1 in relation with information provision, and as being common to many services, was risk assessment. Risk assessment was also mentioned in relation with question 2 as a possible content for a (horizontal) standard. It was however explicitly said that this does not mean standardization of risk assessment as such or of a risk assessment tool, but that the requirement to have a risk assessment should be included in a (horizontal) safety standard. (WC8)

Question 2

How can standards assist in making services safe?

When answering the second question, participants identified a number of possible contents, roles, and benefits of (horizontal) service safety standards, that are summarized in the following tables. (WC9, WC10)

Table 6: Possible contents of (horizontal) service safety standards

Possible contents (WC9)
Requirement for information provision (see WC7)
Requirement for risk assessment (see WC8)
Terminology; define safety
Qualification of supplier
Specification of service

Table 7: Possible roles and benefits of (horizontal) service safety standards

Roles and benefits (WC10)
Shall standards (obligatory)
Certifiable standards
Checklists
Guidelines, guidance documents, provide guidance (for more details on guidance document, see Module 1 report)
Best practices
Explain legislation in a comprehensive guidance document, write into legislation that standards are needed
Fill gaps, provide details – legislation to provide basis
Bridge / umbrella for national and regional development

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Harmonizing <ul style="list-style-type: none">▪ EU safety standards▪ Regulations▪ Services across Europe▪ Safety aspects independent of country
Equal terms => equal handling => safety
Clear specification of service
Making services safe by: <ul style="list-style-type: none">▪ Identifying risks▪ Assessing risks▪ Preventing actions that result in risks▪ Addressing responsible persons▪ Providing methods to react/fix the problem▪ Providing documentation (for all safety aspects in the complete life cycle of the service)
Making safety evident, proof of mistakes, Supervision
Safety elements in standards generate confidence
Allow warranty/redress
Keeping out companies who do not meet requirements
Process clarity
Provide consistency
Provide transparency
Making services comparable
Better customer protection
Better provider performance
Better quality of service
Involvement of all stakeholders
More benefits for customer than for provider
Guarantee to be in accordance with the law (benefit for provider as well)
Voluntary standards fulfillment values higher than compliance with legislation

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Participants however also mentioned the following reservations concerning (horizontal) service safety standards. (WC11)

Table 8: Reservations concerning (horizontal) service safety standards

Limitations and reservations (WC11)
Where life and health is in danger, a legal basis / legal protection is required
Standards are just one tool in the tool box
A horizontal standard is nice to have, but is it worth the effort?
The cost-benefit-relation needs to be considered

5. CONCLUSIONS

The findings from the four research steps, desk research, expert interviews, company survey, and World Cafés lead to conclusions on the feasibility of horizontal European service safety standards. Based on the findings and conclusions we give recommendations on possible measures to be taken, on the who, when and how to implement those measures.

For each conclusion, we refer to the findings, that the conclusion is based on. For quick reference, the numbered findings are listed in the following table.

Table 9: List of findings

Finding Number	Finding
Desk Research	
DR1	Consumer safety is most relevant
DR2 (= CS6)	Most important service aspects are life and health, financial security and data security
DR3	Safety related service sectors are leisure and tourism, health care, passenger transport
DR4 (= E11, relates to WC10)	Close relation between standardization and regulation in service safety
DR5	Numerous regulations in place (vertical and horizontal)
DR6	Formal (vertical and horizontal) standards contribute to service safety
Expert Interviews	
E11 (= DR4, relates to WC10)	Strong relation between standardization and regulation
E12	Different stakeholders have different opinions in relation with service safety and (horizontal) standardization
E12-1 (relates to E13, CS2, CS11)	Dissent on importance of standards for success of businesses
E12-2	Dissent on importance of service safety for success of businesses
E12-3	Dissent on market surveillance
E12-4	Dissent on current safety level and appropriateness of current safety regulations and standards
E12-5	Dissent on horizontal or vertical regulations or standards for service safety

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EI3 (relates to EI2-1, CS2, CS11)	Little consensus relates to general benefits of service standards for cross-border trade and for transparency of service
Company Survey	
CS1	Limitations of the survey, sample not representative, use results only as indicator
CS2 (relates to EI2-1, EI3, CS11)	Success factors for businesses: service quality is most important, offering transparent services is also important, standards have a positive impact on service quality and are a means for signalling service quality
CS3 (relates to CS4)	Diverse (safety) standards can act as barriers to trade
CS4 (relates to CS3)	Companies apply more national than European or international standards, but require more European and international standards than they use. For financial security, 42% of the companies do not require standards. For the safety of life and health of the consumer, the need for formal standards is higher than for data protection and financial security
CS5	Formal standards play a bigger role than company or industry standards
CS6 (= DR2)	Confirmation of safety aspects. Companies report that consumers have come to harm with respect to all three safety aspects
CS7	Regulations and formal standards play an equally important role in companies to ensure service safety
CS8	Companies apply more standards and obey regulations for the safety of the facilities and equipment than in other categories
CS9	60% of companies would apply a horizontal standard for prevention against injury and for data protection, 30% for financial security
CS10	A lot less SMEs participate in standardization especially on European and international level compared to large companies
CS11 (relates to CS2, EI2-1, EI3)	Important motives for taking part in horizontal service safety standardization: influencing regulatory framework, forming substance of standard, produce a qualitatively valuable standard, make service offered more transparent for the consumer

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World Café	
WC1	consistent ideas and opinions of participants across Europe, across sectors and independent of whether they are provider or customer
WC2	3 Categories of requirements for safe service delivery: psychological, contractual/legal, physical/technical
WC3	Participants regard the psychological category as the most important
WC4 (relates to WC10)	Psychological category includes information, quality, insurance, liability, guarantee, compensation, safety standard, certificate, quality mark, brand, 3rd party assessment, audit, trust, confidence, corporate social responsibility, code of conduct, business ethics
WC5	Contractual/legal category includes insurance, liability, guarantee, compensation
WC6	Physical/technical category includes provider, consumer, equipment, premises, visibility, accessibility
WC7	Information provision is prominent requirement that applies to many or all services, and the requirement for information provision is a possible content of a (horizontal) standard
WC8	Risk assessment is common to many services, and the requirement to have a risk assessment should be included in a horizontal standard
WC9	Possible contents of (horizontal) service safety standard (see table Possible contents in section 4.4)
WC10 (relates to WC4, DR4, EI1)	Roles and benefits of (horizontal) service safety standards (see table Roles and benefits in section 4.4)
WC11	Reservations concerning (horizontal) service safety standards

Conclusion 1:

At present, a single horizontal European service safety standard covering all safety aspects and all service sectors is not feasible.

The main reason for this conclusion is the strong dissent among the stakeholders, and the fact that there is not enough stakeholder support across all sectors and for all safety aspects. All in all, the need for such a standard is not clearly enough pronounced.

The views that were expressed during the interviews are so fundamentally different that consensus, let alone standardization activity backed by all stakeholder groups seems impossible. (EI2, EI2-1, EI2-2, EI2-3, EI2-4, EI2-5, EI3). During the expert interviews and the World Cafés, participants

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expressed reservations with respect to a horizontal European service safety standard, specifically that the cost/benefit relation is unclear (EI2-5, WC11). In the company survey we found that a considerable number of companies would implement horizontal standards on safety of life and health and on data protection, but not on financial security (CS9). We also found that not very many SMEs participate in standardization activities, especially on the European and international level (CS10).

Conclusion 2:

For financial security and for data security, the need for further horizontal European service safety standards is negligible.

The main reason for this conclusion is that there already are vertical and horizontal regulations and standards in place for data protection and financial security (DR4, DR5, DR6). Interviewees said that the existing regulations and standards guarantee safe service delivery, and gave examples of regulations and standards they use to protect their customers (EI2-4). In the case of data protection, the European Data Protection Supervisor EDPS is responsible for protecting personal data and privacy and for promoting good practice in the EU institutions and bodies. In the case of financial security the company survey results show that 42% of the companies do not require standards on financial security (CS4), and only 30% indicate that they would implement a horizontal standard on financial security (CS9).

Conclusion 3-1:

In the event that European legislation is introduced for the safety of life and health of consumers, there will be opportunities for European service safety standards to contribute to the safety of life and health of consumers.

In the case of future European legislation on service safety, policy makers and standardization bodies could jointly contribute to service safety by taking into account existing service safety standards and by allowing for voluntary standards to further shape and underpin legislation.

We draw this conclusion, because we found in all research steps that there is a close relation between regulation and standardization when it comes to service safety (DR4, EI1, WC10). The desk research has shown, that formal standards support regulations. This is especially true for harmonized standards covered under the New Approach directives and applied for equipment and devices used in the provision of a service. This shows that co-regulation is already successfully implemented for product safety (DR5, DR6). In the company survey this was confirmed, because here we found, that companies apply both regulations and standards to protect their customers (CS8). Specifically, service companies apply more standards and obey regulations for the safety of the facilities and equipment than in other categories (CS8), which might as well be explained by the successfully implemented concept of the New Approach in which European Directives define the essential safety requirements for product trade within the

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European Single Market and harmonized standards lay down the technical specifications of the product.

Although consumer protection is covered in several European legislative measures, the requirements for consumer protection are either on a very generic level or services are not in the scope. Therefore there is a strong interest from the stakeholders we engaged with to supplement the regulations with standards.

Although a detailed analysis of all European legislation was outside of the remit of this work, the following regulations concerning consumer protection are relevant examples of this:

i. Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market

In this directive there are links to consumer aspects on a very generic level. This Directive is consistent with Community legislation on consumer protection, such as Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market (the Unfair Commercial Practices Directive) (2) and Regulation (EC) No 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws (the Regulation on consumer protection cooperation).

To achieve a European market for services and to help the consumers in their decision to obtain a service from other Member States Article 21 states: "Member States shall ensure that recipients can obtain, in their Member State of residence, the following information: (a) general information on the requirements applicable in other Member States relating to access to, and exercise of, service activities, in particular those relating to consumer protection; ..."

ii. Directive 2001/95/EC of the European Parliament and the Council of 3 December 2001 on the general product safety

This directive on general product safety leaves the safety of services outside of its scope. Clause 9 states that "This Directive does not cover services, but in order to secure the attainment of the protection objectives in question, its provisions should also apply to products that are supplied or made available to consumers in the context of service provision for use by them. The safety of the equipment used by service providers themselves to supply a service to consumers does not come within the scope of this Directive since it has to be dealt with in conjunction with the safety of the service provided."

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This evidence clearly demonstrates that current European legislation for the protection of consumers does not adequately address consumer safety in relation to services and standards could provide a useful supplement.

Furthermore, in the expert interviews it was said mainly by consumer representatives that life and health of the consumer are so important that there should be a legislative framework for it (EI2-5). ANEC in particular called for an extension of the New Approach to all service areas and favours therefore the co-regulation of safety aspects. In order to achieve a high safety level for consumers in the delivery of services, a European Directive for safe services should be implemented, and the technical details should be specified by European standards (EI2-5). This was further confirmed in the World Cafés, where participants saw a role for horizontal standards to fill gaps and provide details where legislation provides a basis (WC10).

Conclusion 3-1 is further backed by the results of the company survey, where we found that safety in the delivery of services is important, because companies stated customers were injured during the service delivery (CS6). When asked for their motives for taking part in service safety standardization, companies replied that "influencing regulatory framework", and "forming substance of standard" are important motives (CS11).

Conclusion 3-2:

The decision, whether in case of co-regulation horizontal or vertical standards should be developed, has to be taken by the stakeholders at a later stage.

We draw this conclusion of postponing the decision, because we found indications for both approaches in the research. In the expert interviews, some interviewees are opposed to horizontal standards, and say vertical standards are more appropriate to address specific sectors. On the other hand, some interviewees are in favor of horizontal standards. They think the service sector is so heterogeneous, that it is impossible to have vertical standards for all services, and at the same time make sure they are not contradictory (EI2-5). In the company survey, we found that approximately 60% of the responding companies would implement a horizontal standard to protect consumers from injuries in the service delivery (CS9). But we have also found in the expert interviews, that a large number of the stakeholders who will need to develop the standards are opposed to horizontal standards and favor vertical solutions (EI2-5). Finally the company survey has shown, that not very many SMEs actively participate in standardization activities, especially on the European and international level (CS10).

Conclusion 4-1:

A guideline for the implementation of existing European Directives that impact on service safety would be beneficial for the safe delivery of services in the European Union.

The fact that violations of data protection have been reported in the company survey (CS6) suggests that the existing regulations (DR5) lack full

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implementation. A reason for this might be a lack of understanding the abstract wording of European Directives. Standards in the form of a guidance document or a code of practice, could help fill this gap. This was confirmed by World Café participants who saw a possible role of standards for service safety in explaining legislation in a comprehensive guidance document, and more generally in providing guidance in the form of guidelines (WC10). The desk research has shown that there are examples of European standards that work in such a way (DR6). The European standard EN 14484 “Health informatics – International transfer of personal health data covered by the EU data protection directive” provides guidance on how to implement the requirements of the Directive 95/46/EC for third country (Non-EU) organizations. EN 14484 provides not only an example for cooperation between standardization and legislation but can also serve as a role model for a horizontal standard concerning the implementation of European Directives (see also conclusion 4-2). Future horizontal European standardization activities should address this matter and provide guidance on how to implement European Directives.

Conclusion 4-2:

It would also be beneficial to provide clear and publicly available information on the relation between regulation and standardization in service safety. This information should take the form of a guide and include examples and good practices.

This conclusion is drawn from findings that indicate that in service safety, regulation and standardization are related (DR4, E11, WC10). Companies apply both regulations and standards to make service delivery safe (CS7). They also require more European and international safety standards in the future than they use today (CS4). At the same time we found that there are reservations with respect to safety standards, namely that a legal basis / legal protection is required, where life and health is in danger (WC11). Here information on the possible synergies between standards and regulation would help meet those reservations, and make clear to stakeholders that it does not need to be one or the other, but that the two can successfully work together (DR5, D6, CS8).

Conclusion 5-1:

A future horizontal European service standard should address requirements, that:

- **contribute to safety in the delivery of services;**
- **make the service supply more transparent to consumers;**
- **at the same time are relevant for many or all services.**

For service safety, those requirements are:

- **information provision;**
- **risk assessment;**
- **terminology.**

The World Café results show clearly that information provision is a prominent requirement that applies to many or all services, and that the requirement for information provision is a possible content of a horizontal standard (WC7,

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WC9). The same is true for risk assessment (WC8, WC9). Terminology was also named as a possible content of a horizontal standard (WC9).

Because information provision, risk assessment and terminology all enhance transparency, multiple findings from other research steps further back this conclusion. Findings EI3, EI2-1, CS2, CS11, WC10 relate to the need for transparency, the importance of transparency for the success of service companies, the benefits of standards for a transparent service offer and service supply, and the motivation of companies to produce standards that make the services offered more transparent for the consumer.

Conclusion 5-2:

A future horizontal European service standard should be developed in a way that permits certification, and 1st, 2nd and 3rd party assessment.

This conclusion is drawn from the World Café finding that in the psychological category of requirements for service safety – which is the most important of the three categories (WC3) –, safety standards, certificates, quality marks, and 3rd party assessment were listed as requirements that contribute to consumers feeling safe and are used by providers to reassure their customers that the service they deliver is safe (WS4). Certifiable standards were also mentioned as a role for a horizontal service safety standard (WC10).

Conclusions 5-1 and 5-2 are taken up into the main report, so that the main report's recommendation for a horizontal service standard takes into account the Module 3 considerations on service safety.

Conclusion 6-1:

It will be a challenge to find experts willing and capable of developing horizontal European service safety standards. At the same time it is important to adequately represent all stakeholder groups in service safety standardization activities, and to avoid the development of conflicting national standards in the Member States.

This conclusion is based on findings from the expert interviews, company survey and world cafés. In the expert interviews we have seen that in particular, industry representatives are opposed to the development of a generic European service safety standard (EI2-5).

On the other hand we have seen that safety standards, especially standards that make the service more transparent, are success factors for businesses and for the cross-border trade of services (CS2, EI2-1, EI3, CS11).

We found that 60% of the companies would implement a horizontal standard for the protection against accidents (CS9). Furthermore, when asked for their preferences in applying horizontal safety standards, approximately 60% of the service companies answered they would implement horizontal standards to prevent injuries that could occur in the delivery of services and to

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guarantee data protection. However, only 31% would apply a horizontal standard to ensure the consumer's financial security.

The company survey has shown that not very many SMEs actively participate in standardization, especially on the European and international level (CS10). According to the expert interviews (EI2-5) a horizontal safety standard would however bring benefits especially for SMEs, because in that case they would only have one standard to comply with instead of many different vertical ones.

Also, the specifics of the service industry and service standardization have to be taken into account. The service sector predominantly consists of Small and Medium Sized Enterprises (SMEs) and therefore SMEs, or organizations presenting SMEs in standardization processes (e.g. NORMAPME) should be adequately represented in the standards development. The same is true for consumer representatives, who call for a legislative framework and complementing standards (EI2-5). Service standardization has to be demand driven insofar as the consumer organizations and government representatives (due to their important intermediary role in some service sectors, for example health care) have to be involved and adequately represented in standardization. As we have seen in EI2-5 and CS10, service standardization suffers from missing stakeholder participation at the supply side that pushes forward the standardization process. It is therefore necessary to identify companies and industry representatives that act as key players and would push service standardization forward.

As for potentially conflicting national standards, we have seen in the company survey, in the comparisons with previous surveys, and in the World Cafés that companies apply more national than European or international standards. They require more European and international standards (CS4, CS3). The survey also showed that conflicting (safety) standards can act as barriers to trade (CS3), and that a role or benefit of a European horizontal service safety standard would be to provide a bridge or an umbrella for national and regional developments, and to harmonize safety standards, regulations, services, and safety aspects across Europe (WC10). Future standardization projects in the field of service safety should thus focus on the development of European or even international standards.

However, we found in the expert interviews that it is easier for service companies to achieve a consensus among the interested parties in the national standardization process because less interested parties are involved (EI2). This is further confirmed by the company survey results, where we found that SMEs in particular participate in national rather than in European or international standardization activities (CS10). In case stakeholders on a national level are committed to starting standardization activity, it is vital that the proposals be immediately sent to the European level using the INFOPRO (INFORMATION PROCEDURE) platform in order to avoid development of heterogeneous safety standards by different Member States on the same topic.

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In addition, it is clear that companies have a special interest in developing standards to minimize their risks or to promote more transparency in their course of business. We therefore suggest that rather than developing a specific single generic safety standard for services, safety should be taken into consideration in a generic service standard without impeding the ability for specific service sectors to supplement this with sector specific service safety standards.

Conclusion 6-2:

Stakeholder involvement and awareness raising campaigns should focus on:

- **success factors for businesses;**
- **success factors for cross-border trade in services;**
- **motives for participating in standardization;**
- **roles and benefits of horizontal European service safety standardization.**

This conclusion is based on findings CS11, CS2, EI2-1, EI3, WC10, WC4 that standardization in general and horizontal service safety standardization in particular have benefits for the trade in services, the success of service companies, the quality, safety and transparency of services. The results also show that stakeholders are already aware of those benefits. In order to gain further support from stakeholders for the development of standards, we should therefore focus on acknowledged benefits and success factors.

6. RECOMMENDATIONS and NEXT STEPS

The recommendations in this section refer back to findings from the research steps and to conclusions drawn in section 5. For quick reference, we therefore repeat the conclusions in the following table.

Table 10: List of conclusions

Conclusion Number	Conclusion
Conclusion 1	At present, a single horizontal European service safety standard covering all safety aspects and all service sectors is not feasible.
Conclusion 2	For financial security and for data security, the need for further horizontal European service safety standards is negligible.
Conclusion 3-1	In the event that European legislation is introduced for the safety of life and health of consumers, there will be opportunities for European service safety standards to contribute to the safety of life and health of consumers.
Conclusion 3-2	The decision, whether in case of co-regulation horizontal or vertical standards should be developed, has to be taken by the stakeholders at a later stage.
Conclusion 4-1	A guideline for the implementation of existing European Directives that impact on service safety would be beneficial for the safe delivery of services in the European Union.
Conclusion 4-2	It would also be beneficial to provide clear and publicly available information on the relation between regulation and standardization in service safety. This information should take the form of a guide and include examples and good practices
Conclusion 5-1	<p>A future horizontal European service standard should address requirements that:</p> <ul style="list-style-type: none"> ▪ contribute to safety in the delivery of services; ▪ make the service supply more transparent to consumers; ▪ at the same time are relevant for many or all services. <p>For service safety, those requirements are:</p> <ul style="list-style-type: none"> ▪ information provision; ▪ risk assessment; ▪ terminology.
Conclusion 5-2:	A future horizontal European service standard should be developed in a way that permits certification, and 1 st , 2 nd and 3 rd party assessment

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Conclusion 6-1:	It will be a challenge to find experts willing and capable of developing horizontal European service safety standards. At the same time it is important to adequately represent all stakeholder groups in the service safety standardization activities, and to avoid the development of conflicting national standards in the Member States
Conclusion 6-2	Stakeholder involvement and awareness raising campaigns should focus on: <ul style="list-style-type: none">▪ success factors for businesses;▪ success factors for cross-border trade in services,▪ motives for participating in standardization;▪ roles and benefits of horizontal European service safety standardization

Recommendation 1:

Requirements relevant for service safety should be addressed by the single horizontal European service standard recommended in the CHESSS main report. Those safety related requirements are:

- **information provision;**
- **risk assessment;**
- **terminology.**

This recommendation builds on conclusions 5-1 and 5-2. We recommend that the standard to be developed:

- includes requirements for information provision and risk assessment;
- provides guidance on what information should be provided and how this should be done;
- defines safety-related terms;
- be developed in a way that permits certification, 1st, 2nd, and 3rd party assessment.

We do however recommend that specific risk assessment tools, systems, or methods not be included in this standard.

In the case of **information provision**, as a starting point for the proposed standard, the compilation done by the World Café participants should be used:

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Table 11: Information provision

Service providers should provide information on:	This information should be:
<ul style="list-style-type: none"> ▪ Risks involved in the delivery of the service 	<ul style="list-style-type: none"> ▪ Clear ▪ Simple ▪ Complete ▪ Transparent ▪ Correct ▪ Exact ▪ Reliable ▪ (Publicly) available ▪ Accessible
<ul style="list-style-type: none"> ▪ Service itself (resources, delivery process, outcome, specifications) 	
<ul style="list-style-type: none"> ▪ Service provider/personnel (qualification, competence, education, training) 	
<ul style="list-style-type: none"> ▪ Roles and responsibilities 	
<ul style="list-style-type: none"> ▪ Premises, equipment, subcontractors 	
<ul style="list-style-type: none"> ▪ Safety measures 	
<ul style="list-style-type: none"> ▪ Emergency procedures 	
<ul style="list-style-type: none"> ▪ Insurance 	
<ul style="list-style-type: none"> ▪ Guarantees 	
<ul style="list-style-type: none"> ▪ Compensation funds 	
<ul style="list-style-type: none"> ▪ Redress system 	
<ul style="list-style-type: none"> ▪ Contact possibilities, helpdesk 	

The proposed standard can also build on the Guideline produced by the Finnish Consumer Agency, which is a good example that shows how a standard for the provision of information can work in practice⁶.

As for **risk assessment**, we have seen in the desk research, that the assessment of potential risks for the consumer in the delivery of services has been a subject for sectoral standards (DR6). Examples include EN ISO 10993-1 (Biological evaluation of medical devices - Part 1: Evaluation and testing within a risk management system), that describes the assessment of the biological safety of a medical device, and BS 8848:2007 (Specification for the provision of visits, fieldwork, expeditions, and adventurous activities, outside the United Kingdom), that demands the service provider undertakes a threat and risk analysis and ensure that they are monitored before and during the venture. In the passenger transport sector, the association of German Transport Undertakings developed a guideline for all companies in the passenger transport sector that contains all governmental regulations to be obeyed, risk assessment for companies and procedures in case of accidents or catastrophes (E12-4).

We therefore recommend, that the proposed horizontal European service standard should build on these different approaches insofar as to find common elements of those approaches and compile them into one standard.

Furthermore, the World Café participants listed aspects that make services safe, (WC10). This list can also be used for the proposed standard. Participants said that services are made safe by:

- Identifying risks;
- Assessing risks;

⁶ Holkko, L. (2007). *The Safety of consumer services in Finland: legislation and surveillance*. Presentation at the Consumer Service Working Party meeting November 6th 2007.

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- Preventing actions that result in risks;
- Identifying responsible persons;
- Providing contingency plans;
- Providing documentation.

According to the World Café participants, this is relevant for all safety aspects in the complete life cycle of the service (see explanation on service life cycle in reports on Module 4 and 5 and Module 1)

For a more specific recommendation on how **terminology** should be addressed in the proposed standard, we refer to the recommendations developed within Module 2.

For the proposed standard, stakeholder engagement and adequate representation of stakeholder groups will be challenges. For recommendations on how to address these challenges, see conclusions 6-1 and 6-2.

With respect to suggested next steps for recommendation 1, we refer to the respective recommendation in the main report.

Recommendation 2:

Develop a guideline for the implementation of existing European Directives that impact on service safety.

This recommendation is based on conclusion 4-1, that is in turn derived from findings indicating that such a guideline would enhance successful implementation of safety Directives and thereby contribute to service safety.

For the development of the proposed guideline, the standards developers can learn from European standards that work in such a way (DR6). A good practice example is the European standard EN 14484 “Health informatics – International transfer of personal health data covered by the EU data protection directive” provides guidance on how to implement the requirements of the Directive 95/46/EC for third country (Non-EU) organizations. EN 14484 provides not only an example for cooperation between standardization and legislation, but can also serve as a role model for a horizontal standard concerning the implementation of European Directives (see also conclusion 4-2).

We recommend that the setting up and development of the proposed guideline be done by CEN and that the setting up should take place within 3 months after approval of this recommendation.

For recommendations on how best to gain stakeholder support and find appropriate experts for the development of the guideline, see conclusions 6-1 and 6-2.

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Recommendation 3:

Provide clear and comprehensive information on the relation between regulation and standardization in service safety in the guidance document developed within Module 1. Include examples and good practices. Make the guidance document publicly available.

This recommendation is directly derived from conclusion 4-2. If this recommendation is transferred into practice, this will assist both regulators and standardizers in service safety, and prevent future misconceptions on the differences, roles, and benefits of regulations and standards.

This aspect is already covered in the guidance document proposed by Module 1. Please refer to the report on Module 1 for further details on the guidance document.

Recommendation 4:

In the event that European legislation is introduced for the safety of life and health of consumers, European policy makers should work with European standardization bodies to ensure that standardization can support such legislation.

Conclusions 3-1 and 3-2 lead us to recommending that cooperation between regulation and standardization be emphasized and strengthened on the European level in the area of safety of life and health of consumers. The European Commission should indicate which areas will be regulated, and in which areas the stakeholders of the European service industry are encouraged to develop voluntary service safety standards. A possibility would be to follow the example of the New Approach and to consider mandated standardization projects to further underpin regulation, and to help overcome difficulties in finding experts for service safety standardization activities (conclusion 6-1). For suggestions on how to gain stakeholder support, find experts, and adequately involve stakeholder groups see conclusions 6-1 and 6-2.

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ANNEX A:

CEN Horizontal European Service Standardization Strategy (CHESSS)

1st Research Step: Desk Research

Module 3 Safety in the Delivery of Services

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1. Desk Research

The desk research for Module 3 covers

- An analysis of definitions and economic implications of standards and standardization in the service sector (section 1.3),
- An analysis of the most recent literature on service standards (section 1.4)
- A quantitative overview of service standards (section 1.5)
- A qualitative overview of service standards and regulations, more specifically on (section 1.6)
 - Existing regulations for service safety at the Community level and in Member States
 - Standards in the leisure and tourism sector
 - Standards in the passenger transport sector
 - Standards in the health care sector

The research included screening of the most recent literature on standards in the service sector as well as service standards already in existence and future standardization activities. It included literature on service safety that covers the relevant safety aspects. The regulatory dimension has also been taken into account. In order to get an overview of European regulations on safety in services we screened the database EUR-Lex. In large part, the desk research was based on databases containing scientific literature such as:

- ECONLIT
- Web of Science
- ProQuest Database

Finally, official documents of the European Commission and other relevant political institutions related to the safety of services were considered. Besides the survey of the most recent literature, the identification of the actual stock of formal service standards has been performed using the database PERINORM.

Theoretical arguments and empirical findings from the desk research led to a focus of Module 3 on

- the safety of **consumers**, as opposed to the safety of service providers (occupational health and safety) or the safety of businesses in business-to-business service delivery (section 1.1).
- **three predominant safety aspects** (section 1.2), namely
 - life and health of consumers
 - financial security
 - data security

- the **three most important service sectors** in terms of safety (section 1.2), namely
 - leisure and tourism
 - health care
 - passenger transport

1.1. Focus on safety of consumer

In this section we will derive the focus on consumer safety from a theoretical point of view and from empirical findings. Theoretically, compared to businesses, the consumer is in a more vulnerable position and needs to be protected. In contrast, the safety dimension in service contracts between businesses can be efficiently organised in a bilateral way. Empirically, there is a lot of evidence for a need for consumer protection in service delivery, but not for the protection of businesses in B2B relations. We also discuss in this section why we exclude occupational health and safety aspects.

Theoretical arguments for focus on consumers

The consumer is the weakest link in economic relations and this is especially true for children and elderly people. Compared to companies, the consumer is in an inferior position in terms of know-how, financial resources and resources to acquire information about the good or service that he or she wants to purchase. The consumer therefore needs governmental support either via governmental regulation or via the establishment of standards in order to correct for structural imbalances between businesses and consumers.

Consumers can only handle a certain amount of information that businesses offer. Therefore, consumers need governmental support or the support of standards in terms of what kind of information – and how - companies have to provide their customers with. Currently, governmental regulations or standards require companies to disclose detailed information about products or services in areas where the consumers' health is an issue, for example in the food or pharmaceutical industry. Thus, to provide detailed information for the consumer is part of consumer protection.

In addition, consumers' interests are not as organized as those of companies. Unlike most companies, consumers are not organized in trade associations. Although national and European consumer organizations represent the consumers' interests, the representation of those interests is limited to a certain extent due to financial constraints (compared to industry trade association) of those organizations. Thus, consumers suffer from not being organized in organizations that help in case of injury or damage. Such organizational difficulties increase the need for regulations and standards for consumers. In contrast, companies negotiate at arm's

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length in a pre-contractual stage and do not need the support of governmental regulations or safety standards to receive information.

Companies have sufficient time resources to determine whether a product or service is safe. The need for safety standards in services is further decreased because companies have sufficient resources in order to deal with the contractual partner at arm's length in the event of a lawsuit.

Finally, as a group, companies do not face organizational difficulties in comparison to consumers. Companies in almost every sector are organized into trade associations or chambers of industry and commerce that regularly provide their members with all kinds of information, including insight into risky investments or business practices. Trade associations and chambers of industry and commerce also give legal advice to their members, which further decreases the need for safety standards for businesses.

Empirical findings regarding focus on consumers

The theoretical arguments described above are backed by empirical findings. The Desk Research on the safety in the delivery of services revealed that only the consumer explicitly demands a higher level of service safety. Screening of the most recent literature on service standards and service safety did not indicate a demand for an increased service safety level for the B2B area. We used the following scientific literature databases for our Desk Research:

- ECONLIT
- Web of Science
- ProQuest Database

In addition, we also screened the papers published by various European institutions and came to the same result. In order to get an overview on European regulations subject to safety in services we screened the database EUR-Lex. The result was that there are several European Directives in place that aim to increase the safety level for consumers, but there is no evidence to increase the safety level for businesses. This result applies to all three safety aspects that we cover in this Module:

- Safety of life and health
- Financial security
- Data security

The most viable source concerning consumer safety in services is the European Union. Strictly speaking the following documents (among others) give unambiguous evidence that safety of *consumers* during the service delivery is most important:

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- Directive 2006/123/EC of the European Parliament and the Council of 12 December 2006 on services in the internal market (European Parliament and European Council 2006),
- the Commission Green Paper on the Review of the Consumer Acquis (Commission of the European Communities 2006)
- the Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee on the EU Consumer Policy strategy 2007-2013 (Commission of the European Communities 2007)
- the Report from the Commission to the European Parliament and the Council on the safety of services for consumers (Commission of the European Communities 2003)
- European Parliament resolution of 27 September 2007 on the obligations of cross-border service providers (European Parliament 2007)

Also, consumer protection in general is and has been an area of community action. The EC Treaty recognizes consumer policy in Article 153 and constitutes the legal basis for actions subject to European consumer policy. The European consumer policy aims at protecting the health and life of consumers and strengthening their economic and legal rights. In addition, Article 95 of the Treaty acknowledges that all directives affecting the internal market must be based on a high level of consumer protection. A certain number of directives have been based on this Article, for instance, the Directives on package travel and unfair terms of consumer contracts.

Within this framework, the European policy makers aim to improve the safety of services for consumers. In a consultation paper from 2002 the Directorate-General for Health and Consumer Protection (DG SANCO) argues that contrary to consumer *goods* there is no general Community legal framework to address safety risks in the delivery of *services* (European Commission DG Health and Consumer Protection 2002). In this paper DG SANCO proposes a number of voluntary and non-voluntary policy instruments meant to enhance the safety of services for consumers.

DG SANCO suggests that information about currently used non-regulatory instruments, such as codes of practise and voluntary standards should be exchanged among member states and that codes of good practice should be established at the community level. In addition, DG SANCO proposes a general legally binding safety obligation for all consumer services that would correspond to the general safety obligation for products under the General Product Safety Directive. It was further proposed that such a horizontal and legally binding safety obligation could be complemented by a framework of European safety standards for specific services.

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In response to public consultations the European Commission adopted a report on the safety of services for consumers in 2003 (Commission of the European Communities 2003). The major finding of the report was that a substantial lack of data and information exists regarding the factual aspects of risks and safety aspects of services and that there is no evidence of specific barriers to intra-EU trade and cross border supply of services due to different safety requirements in member states. Therefore, the European Commission decided not to implement a legally binding safety obligation for all consumer services. Instead, the European Commission chose to improve the knowledge base on the risks of services for consumers.

The Commission also stated that European standards for specific services sectors may support national measures to enhance the safety of services for consumers. Recently, the European Parliament called on the Commission to submit a proposal for a horizontal instrument in order to strengthen the consumer protection in cross-boarder trade of services (European Parliament Committee on the Internal Market and Consumer Protection 2007). The European Parliament explained that in comparison to measures meant to promote the Internal Market and consumer protection for the cross-border supply of goods, a deficit remains for services. In particular, common obligations of the service provider and the remedies of the consumer have not been met.

Finally, in the Green Paper published in February 2007, the European Commission started to review the European Consumer policy with the objective to achieve the right balance between consumer protection and the competitiveness of enterprises (Commission of the European Communities 2007). The Green Paper discusses three main options concerning the European consumer policy: full harmonisation, possibly complemented on a case-by-case basis by mutual recognition for certain areas; minimum harmonisation with mutual recognition; and minimum harmonisation with the country of origin approach.

Exclusion of Occupational Health and Safety

In the remainder of this section we will explain the reasons for excluding occupational health and safety aspects in this Module.

First of all we have to state that during the service delivery two entities are involved in the market transaction: the service provider and the service customer, both of whom are prone to accidents and violations of economical and legal rights. Thus, safety in services deals with the question of both occupational health and safety and with consumer protection.

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The Commission for Occupational Health and Safety (OH&S) and Standardization advises against the implementation of European wide standards for occupational health and safety (KAN 2006). Currently, safety at work is subject to national legislation of most member countries. Therefore, the Commission for OH&S and Standardization strongly advises that requirements for the safety at work should not be implemented in formal standards because this country-specific regulation is already existing. The service provider is required to obey the occupational safety regulations in his member country.

In addition, the issue of occupational health and safety is one of the areas for which no complete harmonization is intended. On the contrary, each member state is free to adopt regulations beyond the minimum requirements laid down in the European directives based on Article 137 of the EC Treaty which allows member states to respond to national needs. The directives based on Article 137 – unlike Article 95 which forms the basis of the New Approach - do not define any particular tasks to be fulfilled by formal standards. Thus no provision is made to assign European standardization projects in the area of occupational health and safety (KAN 2002). Finally, in the EC Resolution on “The role of standardization in Europe” from October 28th 1999 the Council mentions in paragraph 38 that member states are permitted to specify their own national requirements concerning the occupational health and safety of workers at the workplace (The Council of the European Union 1999).

To sum up, theoretical arguments and empirical findings from the desk research presented in this section point unambiguously to the fact that ‘service safety’ is an area predominantly relevant for consumers. The work in Module 3 therefore focuses on ‘safety of consumers in the delivery of services’.

1.2. Focus on safety sectors and safety aspects

In the consultation paper ‘Safety of Services for Consumers’ the European Commissions’ DG SANCO notes that different services involve different risks for the consumer. Some services, e.g. in the tourism and leisure sector, involve risks for the life and health of consumers. For other services, the economic interest of consumers can be endangered. In addition, the technological revolution brought about by the Internet brings new challenges for consumer protection. That is, due to the growing usage of Information and Communication Technology (ICT) across all service sectors the privacy of consumers’ personal data is at risk.

The relevant safety aspects therefore are:

- life and health of consumers
- financial security
- data security

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The relevance of the selected safety aspects was subject to discussion among the module 3 partners and was confirmed during interviews with the stakeholders from the European service industry, especially with the national and European Consumer Councils.

Concerning the service sectors, the work in Module 3 focuses on “safety related” sectors. The sectors have been identified during literature review and their relevance has been discussed within the module 3 consortium. Specifically, the Commissions’ report (Sec (2003) 625) on the safety of services for consumers refers to transport, health and leisure services as consumers services with risks for the life and health of individuals. Therefore, the service sectors considered in Module 3 are:

- leisure and tourism
- health care
- passenger transport

The remainder of this section provides some information about the involved risks in each sector.

Statistics in the Transport Sector are well developed at the European level. Figures about road fatalities are published by the Directorate General Energy and Transport on an annual basis (European Commission DG for Energy and Transport 2006).

Concerning the risks in the Passenger Transport Sector 148 persons lost their lives in coach or bus accidents in 2004 in the EU 15 compared to 75 railway fatalities. In aviation, 135 lives were lost over the EU 25 territory in 2005. There are no statistics on fatalities caused by passenger ships in the European Union. The number of accidents with personal injury in road traffic in 1999 was 1.3 million. However, it must be noted that a significant part of this is not connected to services, but to people driving their own cars.

It is also noteworthy that the numbers in the European Union vary significantly from country to country. The number of fatalities per 10 billion passenger kilometres was 406 in Latvia and 291 in Poland but only 44 and 49 in Sweden and the United Kingdom, respectively. In conclusion, the statistics in the Transport Sector are sufficiently detailed to indicate that the Passenger Transport Sector involves risks for the life and health of consumers, and at the same time provide information about variations in the safety level in different European countries.

In the health care sector specific aggregate European statistics on fatalities or injuries connected to services are not available. However, ANEC, the European consumer voice in standardization, notes that elderly care services and cosmetic

surgery services represent a risk for the life and health of consumers (ANEC 2003). Similarly, there is no specific aggregate information at the Community or national level in the tourism and leisure sector.

However, the accident in Interlaken, Switzerland in 1999, where 19 people drowned in a flooded river, the fire at a discotheque in Gothenburg, Sweden in 1998 where 90 people died and the tragedy at the Roskilde Rock festival in Denmark in 2000 where nine people died are examples of cases where safety of services in the tourism and leisure sector has been an issue. In addition, ANEC has stated that different leisure services (e.g. diving lessons, horse riding and the use of swimming pools) and services related to the tourism sector (hotels, holiday apartments) may present risks for the health and life of consumers.

To sum up, the data available on accidents in the Transport Sector and the literature provided by ANEC led to the conclusion that the selected service sectors considered in the work of Module 3 are indeed “safety related” and may represent a danger for the health and life of consumers, so that they should be taken into consideration when researching the need for generic service safety standards.

1.3. Standards and Standardization: Definitions and economic implications

Standardization is generally defined as the “activity of establishing and recording a limited set of solutions to actual or potential problems directed at benefits for the party or parties involved, balancing their needs and intending and expecting that these solutions will be repeatedly or continuously used during a certain period by a substantial number of parties for whom they are meant” (de Vries 1999). The International Standardization Organization (ISO) defines standards as “documented agreements containing technical specifications or other precise criteria to be used consistently as rules, guidelines, or definitions of characteristics, to ensure that materials, products, processes and services are fit for their purpose” (de Vries 1999).

In sum, the main objectives of standardization are fitness for purpose, compatibility, interchangeability, variety control, safety, protection of the environment, and the product itself (Blind 2006). Standards can either be developed by companies, industrial consortia, professional societies, in an open source environment, or by formal standard organizations (de Vries 2006). Formal standards, being available to everyone, are in the focus of this report.

The economic effects of standardization occur both at the microeconomic and macroeconomic levels. At the company level, harmonized European and International Standards allow businesses to reduce e.g. their trading costs. In a company survey carried out in Germany, Austria and Switzerland, 54% of the businesses surveyed stated that European and International Standards had lowered

trade barriers in their sector and 62% stated that these standards simplified their contractual agreement (Blind, Grupp 2000) As a result of using standards, companies can reduce transaction costs, that is, they save costs in gathering information before or during negotiations in the supplier-client relationship.

Furthermore, standards can help businesses avoid dependence on a single supplier, because the application of standards enables companies to enter the market, which increases the competition among suppliers. Standards can also contribute to safer products and services for consumers since representatives of consumer organisations generally participate in standardization processes, particularly when there are questions of safety. Through the participation of consumer organisations, safety requirements are more likely to be included in standards and their involvement has the potential to increase industries' awareness of the importance of safe products and services.

Standardization is not only beneficial for companies but also for the economy as a whole. In order to sustain economic growth in a high tech economy it is not sufficient for national policies to stimulate innovation but they must also ensure their efficient diffusion. Standardization by non-government standards bodies is an instrument for disseminating new ideas, products and technology (Blind, Grupp 2000). Hence, the activities of national, European and international standardization organisations initiate the diffusion of knowledge and new technologies. Previous research in the manufacturing sector has shown the importance of standards for promoting the diffusion of new technologies and increasing the knowledge base of the economy.

Therefore, common international and regional standards are instruments to encourage international and regional trade and knowledge diffusion. This aspect is also important for services since more and more services are tradable. International standards are able to establish a world wide integrated service economy (Blind 2006). Therefore, the European Commission supports the development of European service standards to enhance the intra-EU trade of services (Commission of the European Communities 2004). In the "Programming Mandate M/340 addressed to CEN, CENELEC and ETSI in the field of services" the European Commission asks the European Standardization Bodies to develop a work program and to give preference to those areas where the stakeholders of the European service industry see the benefits of service standardization (European Commission Enterprise Directorate-General 2003).

1.4. Standards in the service sector: Overview of recent literature

Standardization in services is a rather new field of research, which began in the 1990s when the service sector became the dominant sector of the economy. The current shortage of research in the field can be explained by the few and only recently established standardization activities of services. Analyses of standards in the service sector are mostly case studies since single service standards do not

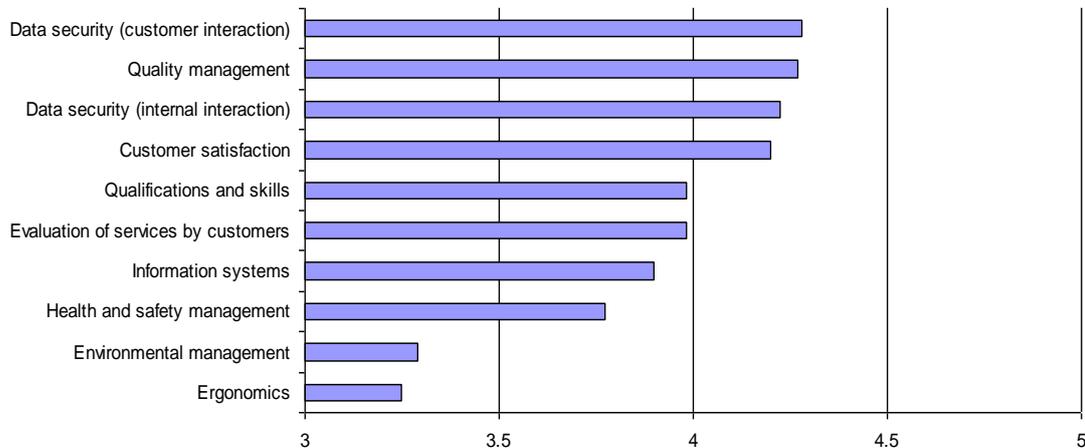
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allow for empirical investigation. Furthermore, these studies focus mainly on the quality aspect of services (Blind 2006).

In 2001 DIN in cooperation with several project partners conducted a survey among service providers, service consumers and experts in the field of standardization with the aim to identify the demand of standards in the service sector. In total, 115 people responded to the questionnaire. Within the questionnaire, the people were asked to assess the relevance of safety aspects. 65.2 percent of the respondents assessed the issue of “data security” as important and only 2 percent assessed the issue as “unimportant”. Concerning the potential of future standardization activities, also 65.2 percent of the respondents assessed the issue of “data security” as important (DIN 2002).

In order to ascertain the importance of service standards and the future need for service standards Blind (Blind 2003) conducted an online survey among European service companies. Altogether 364 service companies answered the questionnaire. Firstly, the companies were asked to assess the importance of service standards in comparison to other success factors in businesses. The survey results reveal that the direct impact of formal standards for success of companies is rather moderate compared to other success factors. Service quality was identified to be the most important success factor for service companies. However, since formal standards have a positive influence on the service quality, it should be noted that formal standards have a major although indirect impact on the success in businesses. Regarding the importance of already implemented standards, figure 1-1 presents the ranking of service related aspects.

Figure 1-1: Importance of standards for service related aspects (3 = medium 5 = very high importance)



Source: Extract from Blind (2003)

From the twenty-three service related aspects named by the companies in the survey figure 1-1 shows the eight aspects that were ranked highest and the two aspects lowest ranked. Aspects regarding the data security (in customer interaction and internal data security) were ranked as highly important. The same is true for issues of quality management and customer satisfaction. In addition, standards for qualifications and skills of employees, standards regarding the evaluation of services by customers and standards for information systems and the service process are of high importance. By contrast, standards for environmental management and ergonomics are evaluated as medium importance. Additionally, the companies were asked to name the types of standards that are implemented for the twenty-three different aspects. Hereby, the types of standards are distinguished by origin: company specific standards, industry standards, formal national, European and international standards.

Regarding the types of standards used for the twenty-three aspects, the survey results point to the fact that on average ten out of twenty-three aspects were implemented through company specific standards. The companies surveyed make use of less than four industry and national standards, but five international and European standards.

It is interesting to note that the use of national and international standards is highest in medium sized companies, which can be explained by the fact that the need for standards increases with the firm size but the substitution of company specific standards by formal standards also increases with the firm size. The differentiation of companies by sector reveals that the transport, communication and business related sectors have implemented a higher number of European and international standards.

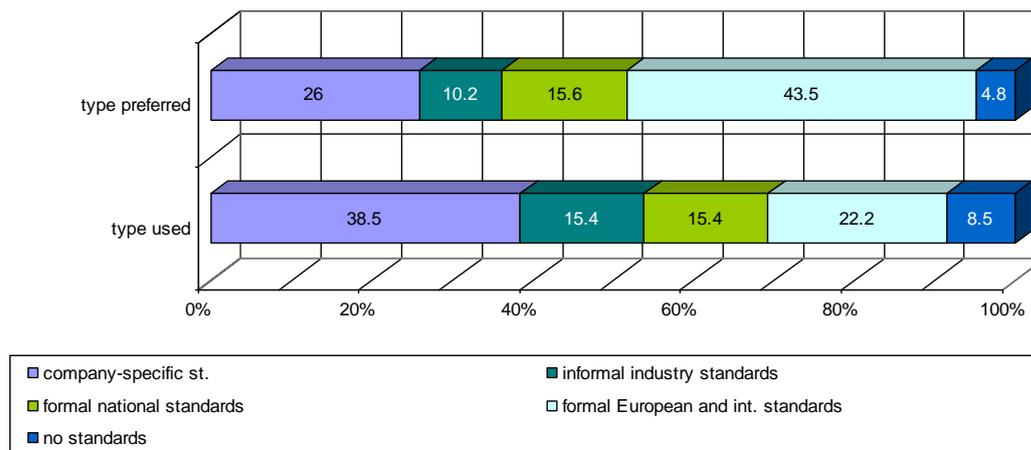
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In sum, the number of used standards is higher for those companies that deliver commercial services whereas non-commercial services, such as education and social services, implement fewer service standards.

It was furthermore possible to differentiate the companies in exporting and non-exporting companies. The differentiation allows conclusions to be made about the use of European and international standards. The results point to the fact that exporting companies make use of European and international standards whereas the non-exporting companies make use of national standards.

In order to detect the need for standards in the service sector a discrepancy analysis was carried out. The results show that the discrepancies between actual use and preferred use of standards are highest in data security (internal and customer interaction), environmental, health and safety standards. Furthermore, the survey results indicate a lack of standards for data flow formats (internal and customer interaction) and for terminology standards. Figure 1-2 shows that most companies use company internal standards to deal with data security issues in customer relations (38.5%) but would like to implement formal European or international standards (43%).

Figure 1-2: Data security in customer interaction

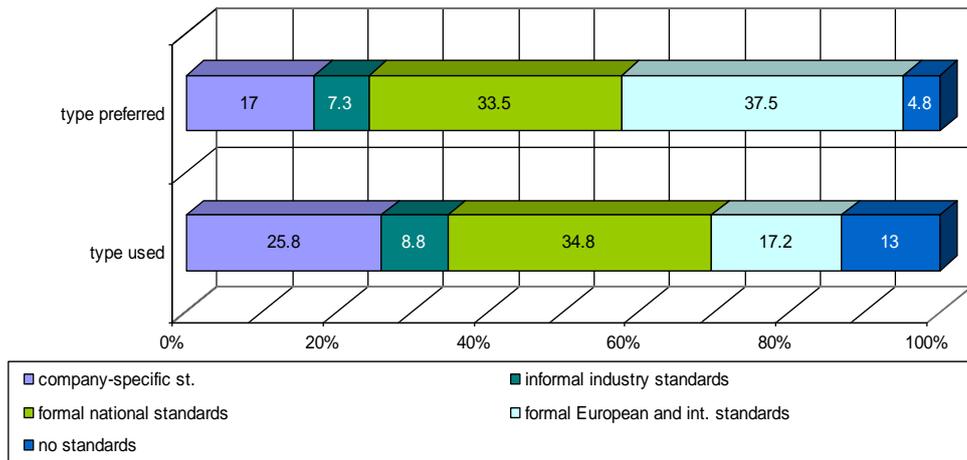


Source: Blind (2003, p. 46)

Regarding the aspect of health and safety management, the survey results indicate a discrepancy between the use of and preferred type of standards. Figure 1-3 reveals that most companies currently use national standards (33.5%) but prefer European or international standards to manage problems of health and safety (37.5%).

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Figure 1-3: Health and Safety Management



Source: Blind (2003, p. 49)

To sum up, figure 1-2 and figure 1-3 indicate a need for standardization activities in the field of data security in customer relations and health and safety management respectively. In the field of data security in customer relations, companies prefer European and international standards over company specific standards.

Regarding the safety and health management, companies wish not only to implement European and international standards (37.5%) but also national standards (33.5%). Based on the results from the company survey Blind (2003) concludes that further standardization efforts should focus on these standards where the discrepancy between used and preferred types of standards are highest. Hence, future standardization activities should take place in the field of data security (external and customer relations) as well as in the field of health and safety management.

In summary, the study on the use of service standards carried out by Blind (2003) concludes that the growth of international service trade and the increasing use of national service standards lead to a growing need of European standards in the service sector.

In order to detect the characteristics of services and the need for service standards, Vad (2004) conducted a survey among 1020 service companies active in the international sales of services. The results of this survey show that more than 40 percent of the companies provide services to the customer that are standardised in the broader sense. A relatively low share of these companies indicated that their services require the physical presence of the customer in the delivery of the service. One third of the surveyed companies answered that their services require only a one time meeting with the customer during contract negotiations.

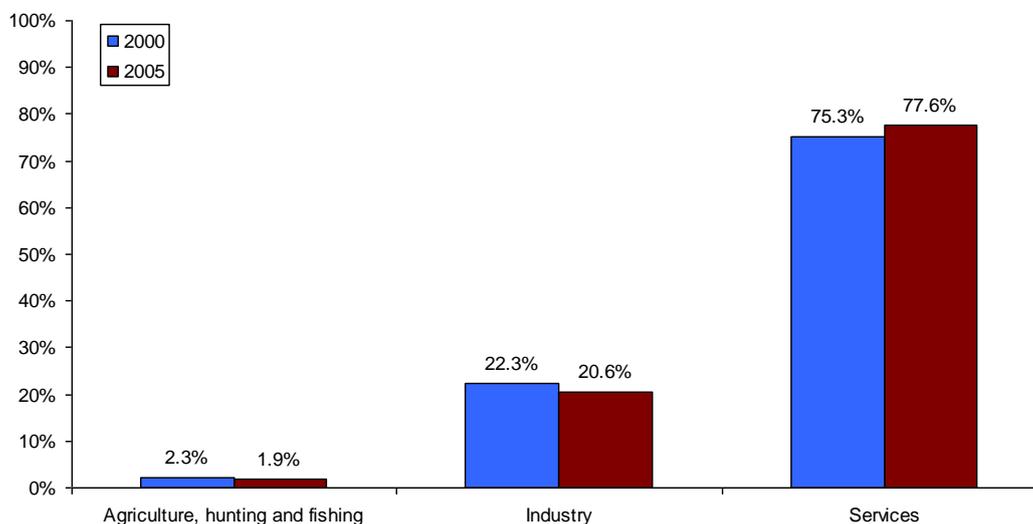
This confirms the tendency of decreasing direct customer interaction in services. According to Blind (2006, p. 404) the decreasing customization in conjunction with the increasing competitive pressure forces service companies to increase their productivity and the de-facto industrialisation of services which leads to a greater

need for service standards. A further company survey, conducted among Danish services companies, asked the participants to name barriers to trade in the cross border trade of services. From the 361 service companies surveyed, 133 answered that they face trade barriers within the EU. Specifically, service companies experience problems with rules and practices of public procurement in the European Union. Vad (2004) therefore concludes that there is a major need for service standards in the area of public procurement.

1.5. Quantitative overview of service standards

The rise of the service sector is the predominant feature of structural change in modern economies, one which is reflected in a growing share of services in the gross national product and employment. Figure 1-4 shows the contribution of economic sectors in the EU 25 to the gross value added in 2000 and 2005, respectively. The share of the service sector to the total gross value added within the EU 25 amounted to 75.3 percent in 2000 and increased to 77.6 in 2005. This confirms the European trend towards a service economy. The growing share of services in the economy leads to greater importance of service standards (Blind 2006).

Figure 1-4: Contribution of economic sectors to GDP in the EU 25 (as percentage to GDP)



Source: Eurostat Yearbook 2006/2007

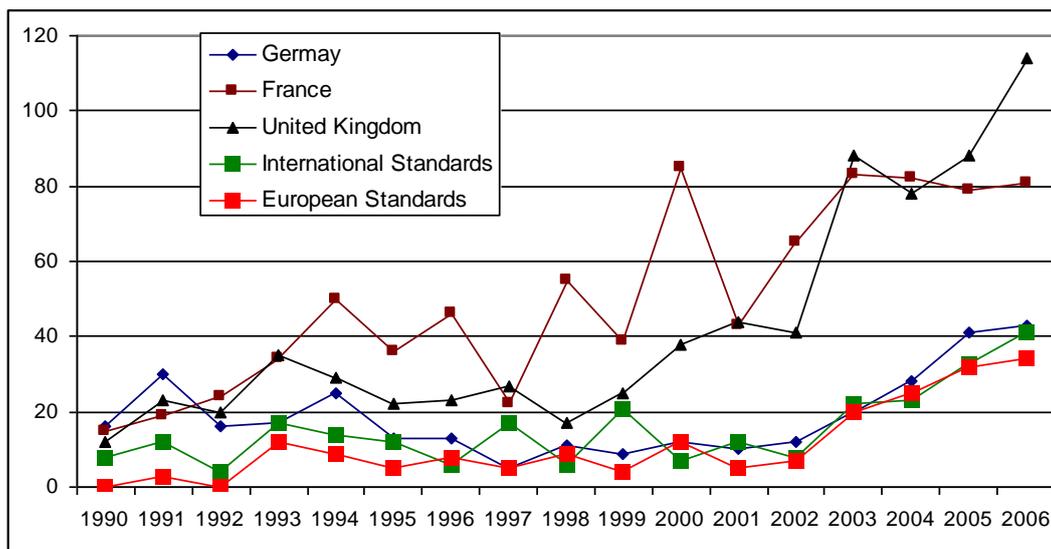
Besides the structural change, other factors have to be considered which contribute to the growing importance of service standards. According to Blind (Blind 2006) the growing importance of standards in the service sector can be explained by the privatisation of formerly government controlled activities such as telecommunication and postal services which lead to an increase in the number of companies in those

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markets. In order to enable the compatibility and interoperability of the network based technologies, such as the mobile telephone systems, the most important private companies have started to establish a system of standards. In addition, government policies increasingly rely on standards as detailed specifications of regulatory directives. The greater need for standardization in the service sector can also be explained by the increased competitive pressure which has led to decreasing interaction between service provider and service customer, and the decreasing labour intensity in services. Thus, the competitive pressure forces service companies to increase their productivity and this "industrialisation" of services leads to a greater need for standardization in the service sector. To sum up, the deregulation and privatisation of many services sectors generated additional demand for service standards.

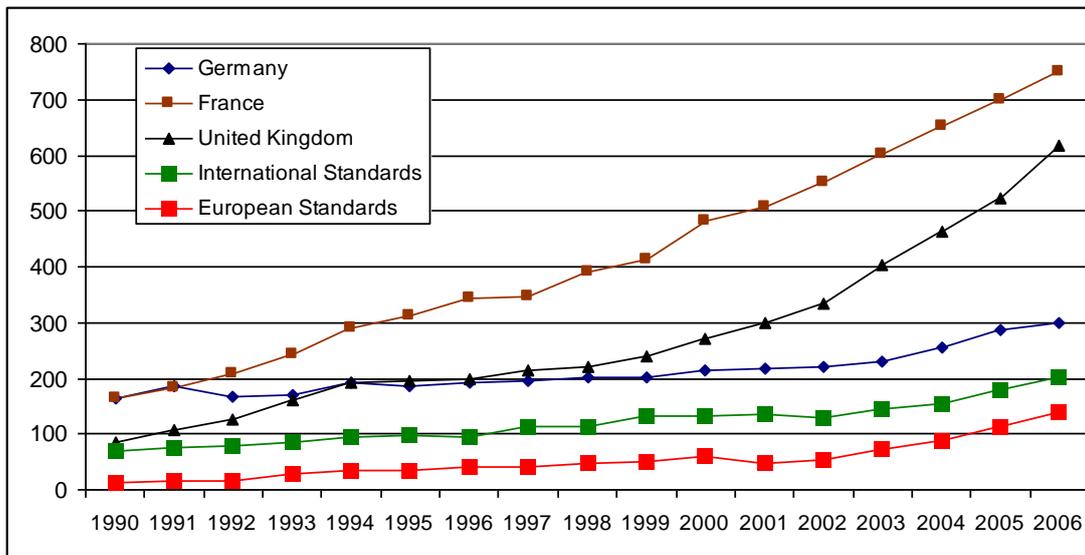
In order to evaluate the quantitative importance of formal service standards, a research in the PERINORM database was performed. Within this research, the published standards of the three most active national standardization bodies (AFNOR, DIN and BSI) and standardization activities at the national and international level were included. Figure 1-5 shows the annual output of service standards from 1990 to 2006 and figure 1-6 shows the development of the stock of service standards from 1990 to 2006. Both figures indicate that the annual output and the stock of service standards at the national as well as the international level are a positive trend. However, compared to the total stock of standards (for instance in Germany, the stock of standards accounts for 35,000 standards (PERINORM database 2007/07)) these figures indicate a marginal importance of service standards. Thus, the important share of the service sector does not correspond to the low share of service standards at the national and international level.

Figure 1-5: Development of annual output of service standards from 1990 to 2006



Source: PERINORM database 2007/07; own calculations

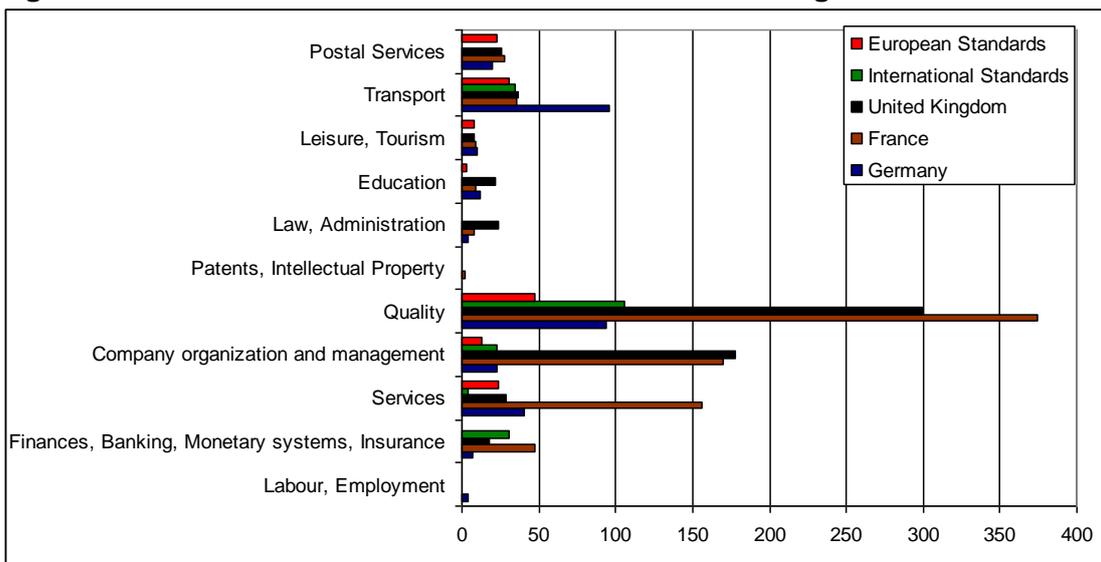
Figure 1-6: Development of the stocks of service standards from 1990 to 2006



Source: PERINORM database 2007/07; own calculations

Concerning the distribution of different aspects of service standards within the International Classification of Standards (ICS), figure 1-7 illustrates the focus of service standards in several subcategories. Figure 1-7 shows that the quality related aspects are most important in the field of service standards followed by standards dealing with company organization and management.

Figure 1-7: Stocks of service standards in several subcategories in 2006



Source: PERINORM database 2007/07; own calculations

1.6. Qualitative overview of service standards and regulations

In this section the currently used standards as well as future standardization activities in the service sector will be presented in a descriptive manner. Since the work in this Module focuses on three different service sectors, the remainder of this section will shed light on the use of service standards in the Transport Sector, the leisure and tourist sector and in the health care sector. In addition, this section aims at looking at the safety related aspects of the work in Module 3, that is, standards to protect the consumer from accidents, standards to protect the personal data of consumers and standards to secure the financial existence of consumers. Furthermore we also take the regulatory dimension into account. That is, analogous to the service standards that ensure the consumers health, we also provide information on European directives and national legislation.

1.6.1. Existing regulations for service safety at the Community level and Member States

To date, there is neither general horizontal legislation for service safety nor a legal framework for the development and application of service standards that ensure the safety of consumers during service delivery. In contrast, for products there is the General Product Safety Directive at the Community level. In the Member States Finland, France, Portugal, Spain and Sweden have introduced horizontal safety regulations. Other Member States, for instance Ireland and the UK have general safety requirements as part of their legislation on safety at work. The horizontal legislative framework in those countries provides a safety net where not specific legislation applies (Commission of the European Communities 2003). In addition, Finland has a form of a “New Approach” for services. In Finland the General Product Safety Directive has been extended to services. The legislation is quite general by nature and complemented by so called “Guidelines” published by the Finish Consumer Agency. The legislation requires service providers to provide safe services for consumers and requires service companies to supply correct and adequate information to consumers. The “Guidelines” published by the Finish Consumer Agency demand specific requirements from service providers. To date the Finish Consumer Agency has published the following “Guidelines” (Holikko 2007):

- Down Hill Skiing Slopes / Centres
- Go-Carting Centres 1997
- Public Indoor Swimming Pools and Water Parks
- Outdoor and Adventure Services
- Equestrian Services
- Information to be supplied in respect to consumer services and products 2006

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However, the “New Approach” does not cover all sectors. For example, the Finish Health Care sector is regulated by sector specific legislation. Nevertheless, the Finish example shows how cooperation between legislation and standardization in the service sector can work in practice.

As for the safety of personal data, the Directive 95/46/EC⁷ protects individuals from data infidelity with regard to the processing of personal data and the free movement of such data. Directive 2002/58/EC of the European Parliament and of the Council of 12 July, 2002 deals with the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications). The Regulation (EC) 45/2001 is concerned with the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. The European Data Protection Supervisor EDPS is responsible for protecting personal data and privacy and for promoting good practice in the EU institutions and bodies. Finally, the Working Party 29 of the European Union’s area of “freedom, security and justice” is, among other functions, responsible for providing expert opinion from member state level to the Commission on questions of data protection.

With regard to horizontal standards for data security, there are already standards in place specifically meant to protect data. For example, the ISO/IEC 27000-series consists of information security standards published by the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC). Already published standards in this series are ISO/IEC 27001 that lays down the requirements for security techniques; ISO/IEC 27002 consists of a code of practice and ISO/IEC 27006 is a guide to certification with regard to information security management. In addition to the ISO/IEC 27000-series, there are also sector specific standards regarding data security. For instance, in the health care sector the EN 14484 “Health informatics” standard deals with the international transfer of personal health data that is covered by the EU data protection directive. Specifically, this European Standard provides guidance on how to implement the requirements of Directive 95/46/EC for third country (Non-EU) organizations. The European Standard EN 14484 provides one more example for cooperation between standardization and legislation. Specifically, Directive 95/46/EC sets down requirements for the protection of personal data and EN 14484 helps organizations to implement the requirements in practice.

1.6.2. The Leisure and Tourist sector

Some services in the tourism and leisure sector involve risks for the life and health of consumers. Examples include diving lessons and activities on the water.

⁷ Directive 95/46/EC of the European Parliament and the Council of Europe of 24 October 1995

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Therefore, CEN (European Committee for Standardization) has developed standards for diving lessons. Specifically, EN 14413 (Recreational Diving Services- Safety related minimum requirements for the training of scuba instructors) specifies the diving knowledge of instructors and EN 14467 (Recreational diving services - Requirements for recreational scuba diving service providers) specifies the practices and requirements for diving schools and dive centres (CEN 2004).

Cornelissen (2002) from the Consumer Council at DIN describes how standards help to minimize and avoid drowning accidents. In his overview of standards for swimming equipment, he describes how product standards can enhance the safety of leisure activities in the water.

Two major groups of equipment are involved: 1) Items used for pleasure in the water, e.g. aquatic toys and floating islands, and; 2) equipment constructed for individual protection. For both groups, consumer safety can be enhanced through standardization by providing product information and information about dangers on and in the water. The standards specify the information, e.g. a number of obligatory warnings and behaviour instructions, printed on the product. Safety related standards exist for inflatable boats, surf boards, buoyant aids for swimming instructions, life jackets and others. Examples are the ISO 6185-series for inflatable boats that specify the floating stability, driving performance and consumer information. EN ISO 12402-1 to 5 "Personal flotation devices" specify the technical features of buoyancy aids. For instance, the technical features specify the suitability of life jackets for unconscious persons. EN 14144 (Lifebuoys – Requirements, tests) standardizes technical devices of lifebuoys, and provides instruction on throwing the device effectively. EN ISO 15027 (Immersion Suits), Parts 1 to 3, standardize immersion suits. The aim is to prevent death from hypothermia. The two examples presented here show that the safety of consumers in leisure activities can be achieved by specifying the equipment used in the provision of the services and by specifying the qualifications of the service provider.

The British Standardization Institute (BSI) has developed a standard for adventure activities outside the UK (BS 8848). The standard is for adventurous activities abroad, aiming to reduce risk from injury or illness. It specifies requirements that have to be met by an organiser of adventurous trips conforming to good practice. It is aimed at organisers of overseas activities including university and academic fieldwork, gap year experiences, adventure holidays, charity challenges and research expeditions.

In addition to the mentioned safety standards, different standardization activities in the tourist sector are underway. One example is the European draft standard prEN 15565 (Tourism Services - Requirements for the provision of professional training and qualification programmes of tourist guides) that will specify the requirement for the provision of professional training and qualification programmes of tourist guides (CEN 2006).

In addition to the mentioned standards, European directives are in place that ensure the consumers' financial existence. For instance, in the tourism sector the Directive 90/314/EEC (Package Travel Directive) regulates:

- that information provided to consumer must not be misleading;
- that no price changes are allowed, except under special circumstances;
- that the travel organizer is liable for damages;
- that the financial security of consumer must be ensured in case of insolvency of the travel organizer.

1.6.3. The Passenger Transport Sector

Contrary to the leisure and tourist industry, the improvement of transport safety is an area for Community legislation. Measures to improve the safety of different modes of transport are part of the European common transport policy which is laid down in Article 71 of the EC Treaty. The goal at the EU policy level is to develop uniform, standardized approaches to different problems to be adopted throughout Europe. Therefore, different European directives have been initiated with the aim to improve the safety of transportation services. Examples include the Council Regulation No 3820/85 (European Council 1985) that demands drivers engaged in the carriage of passengers must hold a certificate of professional competence or the Directive 2003/20 that forces all passengers in vehicles of less than 3.5 tons to use safety belts (European Parliament, Council of the European Union 2003).

Although the passenger Transport Sector is a highly regulated sector, different service standards have been developed. Holler et al. (1997) analyses the European transport policy and the role of standardization in the European transport market. The European transport market underwent considerable changes during the last years. One issue is the deregulation of the European transport market. The liberalization of the airline industry has led to the opportunity that more than one airline per country can serve international traffic. In the railway industry the deregulation policy enables private transportation companies to enter the market.

Standards in the Transport Sector can be divided into two groups: 1) standards to increase the uniformity of services and policies, and; 2) standards to increase the compatibility at interfaces and national borders. While the former aim at internalizing negative external effects leading to improvement in the quality and safety of the network, the latter is concerned with internalizing positive external effects and amounts to increasing the network. Further justification for an increase in the uniformity of the transportation services through standardization include general improvement of the safety, fairness and efficiency of the service.

Irrespective of the regulations, the International Organization of Standards (ISO) is especially active in the field of standards for the Transport Sector. Examples are ISO 14813-1:2007 and ISO 14825:2004 standards for Intelligent Transport Systems

or ISO 15623 for forward vehicle collision warning systems, which also contributes to the road safety. These standards are developed by ISO but are adopted by the European and national standardization bodies (e.g. DIN EN ISO 14825 or BS EN ISO 14825:2004). Examples in the railway sector include European Standards EN 50126, EN 50128, EN 50129 and EN 50159 that define standardized management processes for reliability, availability, maintainability and safety for lifecycle of technical railway systems.

Interestingly, the deregulation in the Transport Sector has changed the nature of standardization processes. Before deregulation took place, standardization in this field was mainly hierarchically controlled by national carriers. However, the growing number of new companies in the market has led to committee based international standardization activities. In the railway industry for instance, newly founded standards committees deal with the growing number of interfaces between subsystems, whereas traffic control and safety issues are controlled by national railway companies

1.6.4. The Health Care Sector

The main objective of standardization in the health care sector is to provide safe and high quality conditions for the patient as well as for the health care provider. The scope for standards in the health sector is broad. Standards in the health sector apply to different areas: standards exist for medical technologies, e.g. the measuring instruments for blood pressure (EN 1060-1 to 4), but also for quality management in health care. Safe services in the health care sector are also related to the quality of the delivered service. It is self-evident that health care services with high quality are also safe services. EN ISO 13485:2000 and EN ISO 13488:2000 are standards for quality management and can be applied to the manufacturers of medical devices. ISO 9001:2000 can be applied to the quality management in hospitals and also in mobile nursing services.

Quality management is monitored by so-called audits and is documented with a certification for the user of the quality management. However, since ISO 9001:2000 is not fully applicable for medical services, further quality management schemes were introduced.

In Europe the EFQM “European Foundation for Quality Management” developed a dynamic quality management system. This system is based on self-assessment and the user does not obtain a certification.⁸ In German doctors' practices, the KTQ⁹ (Kooperation für Transparenz und Qualität im Gesundheitswesen), the QEP¹⁰ (Qualität und Entwicklung in Praxen) and the qu.no¹¹ are used for quality

⁸ <http://www.efqm.org/>

⁹ <http://www.ktq.de/>

¹⁰ <http://www.kbv.de/themen/qualitaetsmanagement.html>

¹¹ <http://www.kvno.de/importiert/quno0501.pdf>

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management. The KTQ uses a self-assessment approach on the basis of a catalogue. On the other hand the users of QEP and qu.no models can obtain a certification. In the Netherlands, the Technical Agreement (NTA) 8009:2007 “Safety management system for hospitals and institutions which deliver hospital care” deals with certifications of hospitals. This standard includes principles for a safety management system for Dutch hospitals and was published in 2007. The standard contains for instance principles for the responsibilities of the board of directors and management board of the hospital, and principles for leadership, for the report of incidents, for change management and for risk analysis.

Besides quality management in the health care sector, standards are developed that affect not only the safety of life and health of consumers but also deal with the problem of personal data security. Besides the already mentioned EN 14484, the ISO 21549, ISO 20301 and ISO 20302 specify the usage of patient health cards. Specifically, ISO 21549 specifies the basic structure of the data contained with the health card and ISO 20301 and ISO 20302 are designed to confirm the identities of both the health care provider and the health card holder in order to exchange information by using cards issued for healthcare services. According to the PERINORM database ISO 21549 is also part of German and British standardization (DIN ISO 21549-4 to 6 and BS EN ISO 21549-1 to 4 and 7). The standard ISO 17090 is also related to data security in health care sector. Since paper based healthcare prescriptions are more and more replaced by e-prescriptions and the threats for unauthorized access to health information are also increasing, health care providers need security measures that minimize the unauthorized risk of data infidelity. ISO 17090 helps to tackle this issue by presenting how digital certificate technology can be used in the health care sector. Specifically, ISO 17090-1 defines the basic concepts underlying the use of digital certificates in healthcare and provides a scheme of interoperability requirements to establish digital-certificate-enabled secure communication of health information. ISO 17090-2 details the use made of digital certificates in the health industry and focuses, in particular, on specific healthcare issues relating to certificate profiles. ISO 17090-3 deals with management issues involved in implementing and using digital certificates in healthcare.

To sum up, standards for the safety of consumers in the delivery of health care service have a broad scope. On the one hand, standards for medical devices and standards for quality management ensure the safety of life and health of consumers. On the other hand, standards for medical informatics aim to protect the personal data of consumers, for instance, in the application of health cards.

2. Summary

The desk research revealed that the safety of consumers is most important when looking into safety in the delivery of services. The most important service aspects are:

- The safety of life and health,
- Financial security, and
- Data security

The three most important service sectors that involve risks for the consumer are

- the leisure and tourism sector,
- the health care sector, and
- the passenger transport sector

Table 2-1 shows that there is a multitude of European directives and regulations installed that make the service delivery safer. This is true for all safety aspects that we covered in this Module. Specifically, European directives can take the form of horizontal regulations as we have seen in the case of Data protection. In addition, European directives can regulate specific sectors, such as the Package Travel Directive. In this case, one directive regulates all three safety dimensions. As we have seen in the passenger transport sector, European directives regulate the behaviour of the service provider insofar as drivers engaged in the carriage of passengers must hold a certificate of professional competence.

As presented in table 2-2, formal standards in the service sector contribute to safe service delivery. These standards can take the form of specifications for products to ensure the safety for the consumers. In addition, as the example for diving lessons has shown, standards can also be applied to specify the skills for the service provider. Furthermore, standardized quality management processes and the certification of hospitals or other institution in the health care sector can enhance the quality of the delivered service and thus contribute to the safety of the consumers of the service. Finally, the international standards designed to specify the usage of health cards in the health care sector are examples for standards that are concerned with the issue of privacy of personal data.

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Regulation/Directive	Scope	Description
Directive 95/46/EC	Horizontal	Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data
Directive 2002/58/EC	Electronic Communication Sector	Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector
Regulation (EC) 45/2001	Data Protection in EU Institutions	This Regulation aims to protect personal data within European Union (EU) institutions and bodies.
Directive 90/314/EEC	Tourism Sector	The Directive sets out minimum standards concerning the information provided to the consumer, formal requirements for package travel contracts, to provide compulsory rules applicable to the contractual obligations and to achieve an effective protection for consumers in the case of the package tour organiser's insolvency
Council Regulation No 3820/85	Transport Sector	Demands drivers engaged in the carriage of passengers must hold a certificate of professional competence
Directive 2003/20	Transport Sector	Forces all passengers in vehicles of less than 3.5 tons to use safety belts

The following table 2-2 summarizes formal standards that were mentioned as examples in this report.

Standard	Sector	Description
ISO/IEC 27001	Horizontal	ISO/IEC 27001 "Information technology - Security techniques - Information security management systems - Requirements" I
ISO/IEC 27002	Horizontal	ISO/IEC 27002 "Information technology - Security techniques - Code of practice for information security management"
ISO/IEC 27006	Horizontal	ISO/IEC 27006 "Security techniques: Requirements for bodies providing audit and certification of Information Security Management Systems (ISMS)"
EN ISO 12402-1 to 5	Leisure and Tourism Industry	Specification of technical features for buoyancy aids.
EN 14144	Leisure and	Specification of technical features for

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	Tourism Industry	lifebuoys.
EN ISO 15027, Parts 1 to 3	Leisure and Tourism Industry	Specification of technical features for immersion suits.
ISO 6185	Leisure and Tourism Industry	The standards specify the floating stability, driving performance and consumer information of inflatable boats
EN 14467 EN 14413	Leisure and Tourism Industry	Specifies the knowledge for diving instructors, diving schools and dive centres.
Draft Standard EN 15565	Leisure and Tourism Industry	Specifies the requirement for the provision of professional training and qualification programmes of tourist guides.
BS 8848.	Leisure and Tourism Industry	The standard is for adventurous activities abroad, aiming to reduce risk from injury or illness.
ISO 14813-1:2007 ISO 14825:2004	Transport Sector	Standards for Intelligent Transport Systems
ISO 15623	Passenger Transport Sector	Standard for forward vehicle collision warning systems
EN 50126 EN 50128 EN 50129 EN 50159	Passenger Transport Sector	Standardized management processes for the reliability, availability, maintainability and safety for lifecycle of technical railway systems.
EN 1060-1 to 4	Health Care	Non-invasive sphygmomanometers
EN ISO 13485:2000 EN ISO 13488:2000	Health Care	Standards for the quality management to be applied to producer of medical devices.
ISO 9001:2000	Health Care	Standard for the quality management in hospitals and mobile nursing service.
NTA 8009:2007	Health Care (Netherlands)	The standard contains for instance principles for the responsibilities of the board of directors and management board of the hospital, and principles for leadership, for the report of incidents, for change management and for risk analysis.
ISO 21549 ISO 20301 ISO 20302	Health Care	Standards for the usage of health-cards
EN 14484	Health Care	EN 14484 "Health informatics" standard deals with the international transfer of personal health data that is covered by the EU data protection directive. The European Standard provides guidance on how to implement the requirements of Directive 95/46/EC for third country (Non-EU) organizations.
ISO 17090-1	Health Care	The international standard defines the basic concepts underlying the use of

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		digital certificates in healthcare and provides a scheme of interoperability requirements to establish digital-certificate-enabled secure communication of health information.
ISO 10993-1	Health Care	Biological evaluation of medical devices - Part 1: Evaluation and testing within a risk management system.
ISO 17090-2	Health Care	The international standard details the use made of digital certificates in the health industry and focuses, in particular, on specific healthcare issues relating to certificate profiles.
ISO 17090-3	Health Care	The international standard deals with management issues involved in implementing and using digital certificates in healthcare

To sum up, safety in the delivery of services is ensured by governmental regulations, because the service supplier is obliged to obey those laws. Formal standards do also play a role in the safe delivery of services, be it complementary, supportive or independent of regulation.

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ANNEX B:

Guideline for the expert interviews



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CHESSS – CEN Horizontal European Service Standardization Strategy

Module 3 – “Safety in the delivery of services”

Questionnaire for interested parties

1. What are the success factors for the business of companies in the service sector?
2. In what areas of service companies and in which phases of the service providing process are standards important for service providers and the consumers of services?
3. How important are standards in general for the cross-border trade of services?
4. What significance has the safety of consumers for the overall success of companies in the service sector?
5. What significance have the consumer safety issues for the cross-border trade of services?
6. What kinds of safety aspects for consumers are relevant for companies in the service sector differentiated by the provided services?
7. How are these consumer safety issues realized in companies?
8. How does the surveillance of implementation of standards in general and of consumer safety standards in specific take place?
9. How do you judge the regulations and standards already implemented at the European and national level for the safety for consumers?
10. Which arguments speak for and against homogeneous regulations and standards at the European level for the safety for consumers to improve (a) the consumers' safety for health and life (b) the consumers' security of the financial existence (c) the consumers' data security?
11. What arguments speak for and against: horizontal regulations, sector specific regulations to improve (i) the consumers' safety for health and life (ii) the consumers' security of the financial existence (iii) the consumers' data security?
12. What arguments speak for and against: (a) horizontal standards, or (b) sector specific standards to improve the three safety aspects?

ANNEX C:

CEN Horizontal European Service Standardization Strategy (CHESSS)

2nd Research Step: Expert Interviews

Module 3 Safety in the Delivery of Services

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1. Expert Interviews

1.1. Methodology for the Interviews

The rationale for conducting the interviews with the stakeholders of the European service industry is to obtain initial perspectives from the European stakeholders as well as academics and European politicians. As for the stakeholders from the European service industry, we tried to contact stakeholders from different European countries. In total, about 50 industry trade associations, consumer organizations, academics and national standardization bodies (NSBs) from all over Europe have been contacted and 21 persons from those organizations responded to our request. For example, we tried to interview persons from the Norwegian, Danish, Dutch and German standardization bodies but only the German NSB expert was available. We tried to contact the industry trade association HOTREC, which represents the European tourism sector but we could only reach representatives from German trade associations in the tourism sector. We also tried to get in touch with the European Consumer Organization (BEUC) but we received only positive answers from the Austrian and German consumer organizations. Nevertheless, we could obtain views from different Member states. Fortunately, Mrs Evelyn Gebhardt, Member of the European Parliament, Mr Richard Collin from European Commission Directorate, Nina Klemola from ANEC (representing consumer organisations from the European Union Member States and the EFTA) and Mr. Toffalretti from NORMAPME (European Office of Crafts, Trades and Small and Medium- Sized Enterprises for Standardisation) answered to our request and contributed in obtaining perspectives from the European level. We could also conduct a number of face-to-face interviews which allowed vivid discussions and often took much more time than initially planned. However, the majority of the 21 interviews were carried out as telephone interviews. Serious time restrictions of some interview partners made written answers necessary.

Based on the results of the desk research, an interview guideline has been developed. The questionnaire covered questions that deal with success factors and the cross-border trade of services, what measure companies implement in order to make the service delivery safer and how the market surveillance for services works in praxis. We also wanted to know from the interview partners how they assess the current European and national regulations and how they contribute to make the service delivery safer. Finally, we asked for arguments for and against European harmonisation of standards and regulation and we asked about benefits and disadvantages of horizontal service standards. In figure 1 we present the guideline that we used for the Expert interviews.

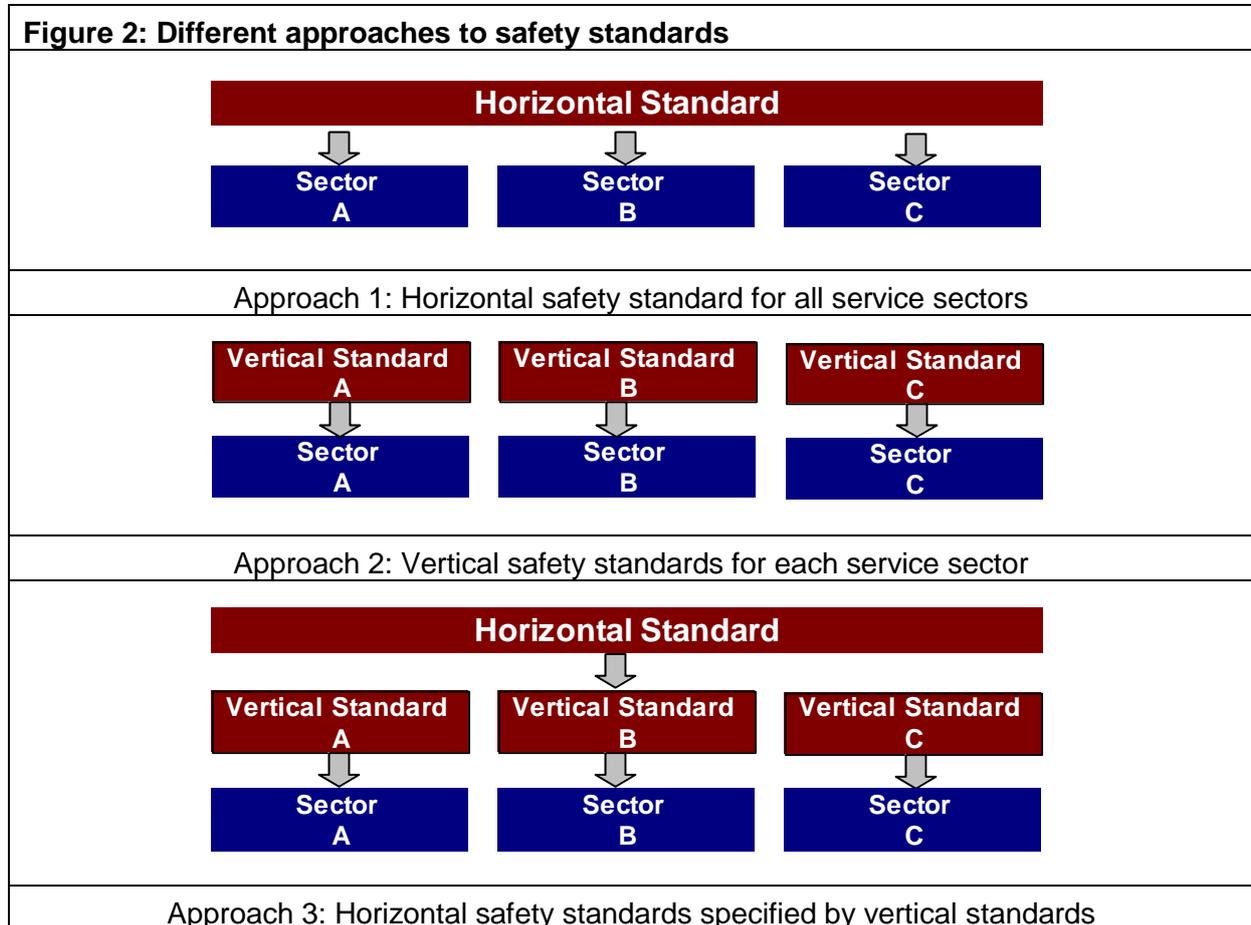
Figure 1: Guideline for the expert interviews

	<p>Deutsches Institut für Normung e.V.</p>	<p>Berlin University of Technology Chair of Innovation Economics Prof. Dr. Knut Blind</p>	
<p>CHESSS – CEN Horizontal European Service Standardization Strategy</p>			
<p>Module 3 – “Safety in the delivery of services”</p>			
<p>Questionnaire for interested parties</p>			
<p>13. What are the success factors for the business of companies in the service sector?</p> <p>14. In what areas of service companies and in which phases of the service providing process are standards important for service providers and the consumers of services?</p> <p>15. How important are standards in general for the cross-border trade of services?</p> <p>16. What significance has the safety of consumers for the overall success of companies in the service sector?</p> <p>17. What significance have the consumer safety issues for the cross-border trade of services?</p> <p>18. What kinds of safety aspects for consumers are relevant for companies in the service sector differentiated by the provided services?</p> <p>19. How are these consumer safety issues realized in companies?</p> <p>20. How does the surveillance of implementation of standards in general and of consumer safety standards in specific take place?</p> <p>21. How do you judge the regulations and standards already implemented at the European and national level for the safety for consumers?</p> <p>22. Which arguments speak for and against homogeneous regulations and standards at the European level for the safety for consumers to improve (a) the consumers’ safety for health and life (b) the consumers’ security of the financial existence (c) the consumers’ data security?</p> <p>23. What arguments speak for and against: horizontal regulations, sector specific regulations to improve (i) the consumers’ safety for health and life (ii) the consumers’ security of the financial existence (iii) the consumers’ data security?</p> <p>24. What arguments speak for and against: (a) horizontal standards, or (b) sector specific standards to improve the three safety aspects?</p>			

The remaining part of this section explains the structure of the interview guideline in detail. The first three questions are meant to obtain an opinion on the relevance of standards for the success of businesses and the cross-border trade of services. Question 2 asks in which phases of the service providing process standards are important in order to obtain a perspective on the relevance of standards in the delivery of services. Question number 4 and 5 connect the relevance of standards to the safety aspect.

We wanted the stakeholders to assess to what extent the safety of consumers is relevant for the overall success of service companies and to what extent variations in safety standards across Europe may hamper the intra-EU trade of services. Question 6 was designed to confirm the appropriateness of the selected “safety-related” services areas. Questions 7 to 9 are configured to gain insights on the current situation subject to the implementation of safety standards in service companies, the market surveillance of safety standards and the current situation regarding the European safety level of services. Finally, questions 10 to 12 tackle the issue of future actions subject to the safety of consumers in the delivery of services. In

specific, question 10 asks for arguments for the Europe-wide harmonisation of safety standards and questions 11 and 12 ask whether a higher safety level in services can be obtained through vertical standards, horizontal standards or a combination of both approaches. Figure 2 shows the three different approaches in a graphical account.



It must be noted that these different approaches are not only valid for standards but also for regulation. In addition to that, the different approaches can either be implemented in member states or at the European level.

Figure 3 presents the interview partners that were ready to answer the questionnaire for Module 3. The professional background and the type of interview are also presented in this table.

Figure 3: List of Interview Partners in Module 3

No.	Interview Partner	Professional Background	Type of Interview
1	Univ. Prof. Ing. Dr. Karl	Austrian Consumer Council	T

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	Kollmann		
2	Nina Klemola (ANEC)	ANEC	T
3	Prof. Dr. Carl Heinz Moritz	German Consumer Safety Group	F
4	Jürgen Schneider	European Passengers' Federation	T
5	Kristina Unverricht	Consumer Council Deutsches Institut für Normung, e.V.	F
6	Oliver Aitcheson	German Association for the Help of Elderly and Handicapped People	T
7	Joachim Bullmann	German National Railways	W
8	Jürgen Prinzhausen	Association of German Transport Undertakings	F
9	Torsten Schäfer, Corinna Kleinert	German Travel Association	F
10	Willy Weiland	German Hotel and Restaurant Association	F
11	Markus Luthé	German Hotel Association	F
12	Claudia Gilles	German Tourism Association	T
13	Sebastiano Toffaletti	NORMAPME	T
14	Dr. Holger Mühlbauer	Deutsches Institut für Normung e.V.	F
15	Dipl.-Wirtsch.-Ing. Marc Hübbers	Research Institute for Operations Management (FIR), Germany	T
16	Torben Vad, M.Sc., Ph.D.	DAMVAD (independent Danish-based research and consulting company), Denmark	T
17	Henk de Vries	School of Management, Erasmus University Rotterdam, The Netherlands	T
18	Prof. Dr. Dieter Kurt Tscheulin	Department of Business Administration University Freiburg, Germany	T
19	Dipl.-Wirtsch.-Ing. Inka C. Mörschel	Fraunhofer Institute for Industrial Engineering (Fraunhofer IAO), Stuttgart, Germany	T
20	Evelyn Gebhardt	Member of the European Parliament, member of the Committee on the Internal Market and Consumer Protection	T
21	Richard Collin	European Commission, DG Enterprise and Industry, Unit I3 Standardisation	T

Legend	
COUNSUMER COUNCILS	F = Face to Face Interview
NSB MEMBERS	T = Telephone Interview
ACADEMICS	W = Written Answer
INDUSTRY REPRESENTIVES	
POLITICIANS	

In total, twenty-one persons answered the questions: five interviewees were representatives of national or European Consumer Councils and eight were key representatives from German or European service industry trade associations. It was further possible to contact five academics active in the field of service standardization. One NSB expert was willing to answer the questionnaire. Finally, Mrs Evelyn Gebhardt, Member of the European Parliament, and Mr Richard Collin from European Commission Directorate-General Enterprise answered to our request. Being situated in Berlin, it was possible to conduct six out of twenty-one interviews in face-to-face meetings. Although most of the interviewees represent German trade associations and companies, the representation of various consumer groups and politicians leads to a balanced group of interested parties for the standardization process as a whole.

1.2.Summary of the Expert interviews

The following section summarizes the interviews conducted with the stakeholders from the European service industry, the academic experts and the members from the European political decision making level. The approach here is to summarize the answers from the different groups, e.g. the industry members and consumer councils, and to point out the common and opposing arguments among those groups.

1.2.1. Success Factors of Services Companies and cross-border Trade (Q1 to Q5)

Concerning the success factors of companies in the service sector, the majority of the interviewees mentioned that service quality is the decisive factor for success in business. It was further acknowledged that meeting customer expectations and providing customer tailored services are important success factors. Besides simply having as many customers as possible (Jürgen Prinzhausen), other success factors named by the interviewees included the qualification of the service providers and continuous innovation in the supply of services (Mr. Hübbers). Mrs. Unverricht (DIN Consumer Council) thinks that providing safe services is crucial for the success in business. However, Mr. de Vries argues that consumer councils tend to overemphasize the importance of the safety aspect for the overall success of service companies and that other factors are more important. Jürgen Schneider also argues that better or more safety standards do not lead to a higher demand for services.

As for using standards in the supply of services, Mr. Hübbers argues that the ability to standardize services is also important for the success of service companies. However, this was not brought forward by the industry trade associations. Specifically, Mr. Toffalietti (NORMAPME) says that in general, standards are not very important for SMEs and especially not for small companies not involved in the cross-border trade of services. Concerning the phases of the service providing process (question 2), almost all interviewees agree that standards are most important for the consumer during the delivery of services. Mrs. Unverricht also argues that standards have to be considered in the development phase of services in order to ensure the safe delivery of services. However, Mr. Aitcheson warns that the bureaucratic costs of implanting a standard must not exceed the benefits that could be obtained from implementing standards. Mr. Hübbers argues that standards help to reduce information asymmetries between the service provider and service customer.

In the international passenger transport sector (Mr. Prinzhausen) and in the health care sector (Mr. Aitcheson), the industry representatives argue that standards are especially important for the cross-border supply of services since they ensure that the supply of the service is transparent for the customer and facilitates the internationalization of services.

The representatives from the tourism sector agree on this point and cite the standards for the quality of hotels as an example. Mr. Hübbers adds that companies implementing European and international standards have a competitive advantage over companies that use solely national standards. Mr. Toffalietti argues that standards may harm SMEs in the cross-border trade of services since standards are developed by large companies and the implementation of standards is too costly for SMEs. However, the majority of the interviewees see standards as very important in the cross-border supply of services since they help to provide information about the service.

1.2.2. Implementation of Service Safety Aspects (Q6 to Q7)

As for the implementation of service safety aspects, the consumer councils agree that European regulations are the best means to ensure that safe services are provided. In specific, the Austrian consumer council is concerned with the implementation of voluntary standards and self-regulations since they are set by the industry themselves and not transparent for the consumer. ANEC calls for an extension of the New Approach to all service areas and favours therefore the co-regulation of safety aspects. In order to achieve a high safety level for consumers in the delivery of services a European Directive for safe services should be implemented and the technical details should be specified by European standards. In addition, ANEC claims that the implementation of European safety standards would lead to a competitive advantage for companies implementing these safety standards. However, Mr. de Vries argues that companies in general try to avoid regulations and prefer national over European standards since in the national standardization process less interested parties are involved and a consensus among the interested parties is easier to achieve. This argument was confirmed by Mr. Vad who estimates that 90 percent of the

service companies implement the safety aspects either through company internal standards or through self-regulation in the relevant industry at the European or international level.

According to the representatives from the industry trade associations service companies use different means to implement the safety issues. The association of German Transport Undertakings developed a guideline for all companies in the public transportation sector that contains all governmental regulations to be obeyed, risk assessment for companies and procedures in case of accidents or catastrophes.

According to the representatives in the tourism sector, European Directives are most important to ensure that safe services are supplied. For instance, Directive 90/314/EEC on package travel is designed to protect consumers who contract package travels in the European Union. The data security for consumers is regulated by the Directive on Privacy and Electronic Communications (Directive 2002/58/EC).

According to Mr. Aitcheson, governmental regulations are most important to ensure the provision of safe services in the health care sector. Examples are the HeimG (Heimgesetz) that regulates minimum standards for the health care of elderly and handicapped people in nursing homes. The SGB XI (Sozialgesetzbuch, Elftes Buch) regulates not only the qualification of the service provider in nursing homes but also the data security of the customer. In addition, Mr. Aitcheson mentioned that the regulatory framework for the health care sector is very heterogeneous across Europe. Germany and Scandinavia have regulations on the quality management in health care but in Great Britain and Spain no such regulations are implemented.

1.2.3. Method of Market Surveillance (Q8)

There is a strong dissent among the interviewees about market surveillance of safety standards and regulations. The consumer councils agree that the market surveillance needs to be increased. The Austrian consumer council suggests the creation of a European agency for the surveillance of service safety. Mrs. Evelyn Gebhardt also argues that the possibility of establishing an agency for the market surveillance has to be examined.

In contrast, the academic experts, e.g. Prof. Tscheulin, argue that the market forces ensure that safe and high quality services are provided and an agency for market surveillance is unnecessary. The competition among the service providers results in the market exit for companies providing unsafe or low quality services. Concerning the current mode of market surveillance, the representatives from the service industry confirm that public authorities are responsible for monitoring service companies. This is especially true for the issue of health and physical integrity of the consumer.

Mr. Weiland from the German tourist sector mentions that the issue of fire safety is permanently monitored by governmental authorities. Mr. Aitcheson argues public authorities are responsible for monitoring the safety aspects in hospitals and nursing homes. In the passenger transport, the equipment used in the delivery of services is done by public authorities. In Germany, for instance, the Eisenbahnbundesamt monitors the safety of railways and trains. As for quality management standard, monitoring and certification is done

by independent certification audits. According to Mrs. Mörschel, the ISO 9000 series for quality management is widely used in the service sector and ensures that high quality services are supplied.

1.2.4. Assessment of European and National Regulations and Standards (Q9)

There is also strong dissent among the interviewees concerning the appropriateness of current regulations and standards for the safety of consumers. The consumer councils argue that services are unsafe across the European Union and call for more regulations and standards for the safety of consumers in the delivery of services.

In contrast, the representatives from the service industries strongly refuse more regulations and standards. In specific, the German consumer council sees an East-West and North-South divide, that is, the safety of services is at a higher level in North and West European countries and lower in eastern and southern countries.

The academics agree with the consumer councils on this point. Mr. de Vries argues that for most service areas there are no regulations implemented and that there is need for further action. Mrs. Mörschel finds that the provision of information for services is not adequate. The representatives from the service industries argue that the safety level of services is sufficient to provide safe services for consumers. In specific, the representatives from the tourism sector argue that the current European Directives ensure a safe delivery of services.

Mr. Aitcheson mentions that in Germany the safety of consumers in the delivery of services in the health services is ensured by various governmental regulations. However, he points to the fact that the safety level in the European Union is inhomogeneous: In Germany and the Scandinavian countries the safety level is very high but in Great Britain and Spain there are no governmental regulations concerning the quality management of nursing homes. Concerning passenger transport, the representatives argue that the existing regulations in Germany are sufficient. However, as Mr. Prinzhausen points out, the new member countries have to implement the European Directive and standards as fast as possible to ensure a high safety level across Europe.

1.2.5. Arguments for and against Europe-wide Harmonisation of Safety Standards and Regulations (Q10)

The interviewees were asked to assess the possibility of homogenous regulations and standards at the European level. Almost all interviewees agree that harmonized safety standards would lead to an advancement of the European Single Market. Mr. Hübbers argues that common European standards have to be developed in order to achieve a single market for services. In addition, it was argued that harmonized safety standards and regulations would have an effect outside the European Union, that is, harmonized safety standards could enhance the competitiveness of European service companies. However, Mrs. Unverricht argues that there is no need for harmonization of standards for those services that are only supplied at the national market. Prof. Tscheulin warns that the

harmonization of safety standards across Europe would lead to a general decline of the safety level. Mr. de Vries is also sceptical about the harmonization of safety standards since this could lead to overregulation of service companies in the service sector.

1.2.6. Arguments for and against Horizontal or Vertical Standards or Regulations (Q11 and Q12)

In the last two questions, the interviewees were asked to give arguments for and against the implementation of safety standards. That is, the experts and stakeholders from the European service sector as well as the actors from the European decision making level were asked to weight the approaches presented in figure 4-2.

The consumer councils agree that horizontal regulations analogous to the Product Safety and Product Liability Directive are better than standards to improve the safety level of services. The Austrian consumer council is in favour of one horizontal standard compared to many different vertical solutions since one standard is easier to implement for the service companies. Thus, the Austrian consumer council favours the Approach 1 in figure 2. ANEC also favours the implementation of a horizontal standard. Mrs. Klemola from ANEC argues that the service sector is too broad to find vertical solutions for each sector and thinks that a horizontal standard can close gaps in the current regulation subject to service safety. However, ANEC favours the Approach 3 in figure 2. That is, ANEC calls for a horizontal safety standard specified by sector specific standards.

Mrs. Gebhardt from the European Parliament is also in favour of Approach 3. She argues that a horizontal safety standard is easier to recognize for the consumer. However, she admits that one horizontal safety standard cannot contain all relevant information on service safety. Therefore, she thinks that some aspects have to be regulated by vertical standards. Mr. Collin from the European Commissions DG Enterprise brings forward similar arguments. Asked for the reason to mandate horizontal as well as vertical projects to the European standardization bodies, he responded that the Commission anticipated that some safety issues might be regulated by a horizontal standard while others might be regulated by vertical standards. The broad mandate addressed to CEN leaves open all approaches shown in figure 2.

Prof. Moritz from the German consumer council favours the Approach 2 in figure 2. He argues that the service sector is too broad to implement one safety standard for all services. However, he also suggests that a horizontal standard might be developed faster than many sector specific standards. Therefore he also sees the possibility of Approach 3. The only NSB expert, Dr. Mühlbauer, is in favour of vertical solutions. He argues that in the standardization process, that is, the development of a standard, it is crucial that experts with a common terminology work together. Since the service sector is too broad to find experts with a common terminology, it is unlikely that common elements for a horizontal safety standard can be found. In contrast, Dr. Mühlbauer argues that vertical standards are appropriate to address sector specific problems in the relevant service sector.

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The academic experts bring forward similar arguments. On the one hand some academics argue that the consumer's health and life are too important to leave to voluntary standards and therefore this issue should be tackled by governmental regulations. On the other hand, Prof. Tscheulin is against horizontal regulations or standards since the service sector is too broad to find common elements for all service areas.

As for the horizontal safety standard, Mr. Hübbers takes into consideration that a horizontal safety standard could lead to cooperation between different service areas. Mr. Vad takes into consideration a horizontal safety standard for financial existence and data security of consumers. According to his arguments, these are areas that are common in different service sectors. Thus, Mr. Vad favours Approach 1 for the issue of financial existence and data security of consumers.

In conclusion, the majority of the academic experts agree that the vertical solutions are better suited to address sector specific safety issues. However, the academic experts do not preclude Approach 3, that is, a horizontal safety standard specified by vertical safety standards for the various service sectors. Finally, the representatives from the service sector favour Approach 2. They argue that the service sector is too heterogeneous to implement a horizontal safety standard. The representatives from the tourism sector say that a horizontal safety standard would be too imprecise and not specific enough to tackle the issue of consumer safety in the service sector. In addition they argue that a safety standard or a certification for safe services would not lead to a competitive advantage for companies in the tourism sector. The representatives from the transport sector argue against a horizontal safety standard. According to them, the costs of searching common elements for a horizontal standard are not worth the result.

2. Findings from the Expert Interviews

In the remainder of this section the main findings will be presented. As for the evaluation of standards for the success of businesses, some of the interviewees mention that standards are important for the success in business for companies in the service sector. However, it was also mentioned that standards are not important for SMEs. There is also a dissent concerning the safety of the provided services for the success in business.

While the consumer councils argue that providing safe services is crucial for the success in business, other interviewees warn that consumer councils overemphasize the safety aspect for the success of companies. The majority of the interviewees agree that standards are important for the cross-border supply of services. There is strong dissent among the interviewees concerning the market surveillance of standards. While the academic experts believe in the market forces to ensure the delivery of safe services, the consumer council and the politicians from the European Parliament favour the implementation of a European agency for the surveillance of service safety.

There is also strong dissent concerning the current safety level of services. The consumer councils call for action in service safety, e.g. by extending the New Approach to services. The industry representatives argue that governmental regulations already implemented lead to the delivery of safe services. Furthermore, the interviewees were asked to give arguments for and against horizontal safety standards and regulations. There is also strong dissent among the interviewees. The consumer councils favour horizontal regulations over standards to tackle the problem of safety in services. In addition, there is no majority among the consumer councils to implement a horizontal safety standard. It was argued that the service sector is too broad to implement a horizontal safety standard for all services. Therefore, the majority of the interviewees from the consumer council favour a horizontal safety standard that has to be complemented by vertical standards. The academic experts favour the implementation of vertical safety standards. However, it was also suggested that for the problem of data security and the financial existence of consumers a horizontal safety standard could be implemented. Furthermore, the academic experts do not preclude a horizontal safety standard that could be complemented by vertical standards.

Finally, the representatives from the service industry do not support the implementation of a horizontal safety standard. It was argued that the implementation of a horizontal standard would not lead to a competitive advantage. In addition, the representatives argued that the costs of searching common elements of a horizontal safety standard are not worth the result. To sum up, the interviews with the stakeholders from the service industry revealed various disagreements. First, the interviewees do not agree on the appropriate method of market surveillance. Second the interviewees do not agree on the current safety level in services. While the consumer councils call for more and better safety regulations and standards, the industry representatives argue that the current regulatory framework ensures that safe services are delivered. Third, there are disagreements concerning the implementation of a horizontal standard. Some interviewees, especially the consumer councils, support the implementation of a horizontal safety standard. Other interviewees, specifically the industry

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representatives, do not support the implementation of a horizontal safety standard. In conclusion, the disagreements among the stakeholders of the service industry do not support the development of horizontal safety standards.

Annex D

Questionnaire on the Role of Standards for Customer Safety during Service Delivery

This survey is part of CHESSE (CEN Horizontal Service Standardisation Strategy, (www.chesss.eu)), a project initiated by the European Committee for Standardization (CEN). On behalf of the German Institute for Standardization (DIN) the Chair for Innovation Economics at the Technical University of Berlin (www.isi.tu-berlin.de) conducts a study about possible use and need for cross-sectoral safety-standards.

The European Service Industry is competing in performance and quality in the national and European markets. The initiation of the Directive on Services in the Internal Market is further strengthening the efforts of companies aimed at the European Single Market. Providing better and better quality is beneficial for companies and their customers. Establishing a uniform standardisation lets companies compare quality and builds customer confidence thus strengthening competition further. In addition, a Cross-sectoral European Standardisation will encourage competition between national markets and a desired uniform European and global market.

Based on your answers (treated as strictly confidential) the results of this survey will be used to start new activities in the development of standardisation better suited for the industry and the current European market to help build transparency. The successful implementation of new standards requires active participation among the targeted industries. This in turn will build a future European Single Market that satisfies quality, reliability and safety across all services.

All participants will receive a summary of the results if desired.

Please fill out the questionnaire until the **16th of September 2007**. This will only take you 15 to 20 minutes.

Thank you very much for your participation

I. Basic Company Economic Information

1. In which area is your company active?

Tourism	Passenger Transport	Healthcare Services
Hotels <input type="checkbox"/>	Railway <input type="checkbox"/>	Hospital <input type="checkbox"/>
Youth Hostels <input type="checkbox"/>	Bus <input type="checkbox"/>	Elderly Residence <input type="checkbox"/>
Camping Grounds <input type="checkbox"/>	Public Transportation <input type="checkbox"/>	Handicapped Residence <input type="checkbox"/>
Tour Operator <input type="checkbox"/>	Car Rental <input type="checkbox"/>	Child Day-Care <input type="checkbox"/>
	Taxi Service <input type="checkbox"/>	
	Water Transportation <input type="checkbox"/>	
	Air Transport <input type="checkbox"/>	
Other (please specify) <input type="checkbox"/>	Other (please specify) <input type="checkbox"/>	Other (please specify) <input checked="" type="checkbox"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

2. How many employees did you employ (including subsidiaries) in the year 2006?

In total	Working in other countries
<input type="text"/>	<input type="text"/>

3. How high was your total turnover in the year 2006?

Turnover

Mio Euro

II. Success Factors in Your Business

4. Please indicate the importance of the following success factors for your business

(-2 = very unimportant; +2 = very important)

Success Factors	-2	-1	0	+1	+2	not applicable
Price	<input type="radio"/>					
Service quality	<input type="radio"/>					
Transparency of service offered	<input type="radio"/>					
Innovativeness	<input type="radio"/>					
Appropriate range of services offered	<input type="radio"/>					
Customer service in general	<input type="radio"/>					
High level of technology	<input type="radio"/>					
Qualifications of employees	<input type="radio"/>					
Market knowledge	<input type="radio"/>					
Customer relations (incl. complaints handling)	<input type="radio"/>					
Intellectual property rights (Patents and trademarks)	<input type="radio"/>					
Application of standards	<input type="radio"/>					
Certification against quality standards	<input type="radio"/>					
Certification against safety standards	<input type="radio"/>					

III. Utilization of Standards, and Need for Standards

5. Please indicate the current use and the need for different types of standards used in your company's service delivery. We differentiate between

CHESSS

	stand ard	CEN	ISO	natio nal	EU
Safety of the facilities and equipment for the provision of service	<input type="checkbox"/>				
Qualification of the service provider	<input type="checkbox"/>				
Provision of information about the risks of the service	<input type="checkbox"/>				
Procedures in case of accident	<input type="checkbox"/>				
Description of the service	<input type="checkbox"/>				
Security of the financial existence of the customer	<input type="checkbox"/>				
Confidentiality of the customer's personal data	<input type="checkbox"/>				

11. If Quality or Safety standards are used in your company please specify the kind of certification given.

(multiple answers possible)

Certification	General Certification Authority	Sectoral Certification Authority
Quality standards	<input type="checkbox"/>	<input type="checkbox"/>
safety standards	<input type="checkbox"/>	<input type="checkbox"/>
Data security standards	<input type="checkbox"/>	<input type="checkbox"/>

12. Has your company been involved in formal standardisation activities in the last three years?

Formal Standardisation	Active participation	passive participation	no participation
National	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
European	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Obtaining competitive advantage over companies not participating in the process	<input type="radio"/>					
Enhancing knowledge compared to companies not participating in the process	<input type="radio"/>					

14. Please specify which of the horizontal standards mentioned below you would implement in your company

Horizontal Standard for:	yes	no
Health and physical integrity of the customer	<input type="radio"/>	<input type="radio"/>
Standards as a protection against financial risks for the customer	<input type="radio"/>	<input type="radio"/>
Data security	<input type="radio"/>	<input type="radio"/>

VIII. Role of Standards in the Context of the Directive on Services in the Internal Market

15. After the ratification of the Directive on Services in the Internal Market with the basic idea of the “country of reception principle”, national and European standards have a special role in the shaping of a uniform European Single Market for Services. Please evaluate the possible contribution of national and European/international service standards for accomplishing a uniform European Single Market for Services.

(very low -2 bis very high +2)

Importance	-2	-1	0	+1	+2
Higher transparency of customer preferences (e.g. public or private procurements with reference to standards)	<input type="radio"/>				
Harmonisation of customer preferences (e.g. by referencing effects of standards in public or private	<input type="radio"/>				

Email address:

Please check if you want to receive the summarised results of the survey

yes

no

10. General comments

11. Please remember to click the Submit button below.

Thank you very much for your time and cooperation!

SUBMIT THE SURVEY

Workshops

Within the CHESSS project there are currently five workshops planned at venues across Europe during the later months of 2007 and early 2008. The materials gathered for each of the 7 modules will be presented and discussed at these events. If you are interested in the further discussion regarding the development of horizontal (cross-sector) standards, please don't hesitate to apply for the offered workshops [here](#).

Annex E

Presentation used to stimulate discussions around safety in the delivery of services, at the CHESSS World Cafés, held October, November 2007.

SLIDE 1



Module 3

Safety in the Delivery of Services

AENOR



DIN



SLIDE 2



CHESSS – Module 3

DISCUSSION QUESTIONS

1. “What makes Consumers feel safe and how can Service Providers reassure their customers that the service they purchase is safe?”
2. “How can standards assist in making services safe?”

AENOR



DIN



SLIDE 3

CHESSS – Module 3



OBJECTIVES

- Role of standards in safety of service
- Safety standards in support of service regulation
- Identify feasibility of generic service safety standards

AENOR



DIN



SLIDE 4

CHESSS – Module 3



IMPORTANCE OF SAFETY IN SERVICES

- Total consumer protection is a EC priority
- Safety of life, health, financial existence and personal data
- Consumer protection is an end in itself
- There are more safety standards for *products* than for *services*
- Need for action

AENOR



DIN



SLIDE 5

CHESSS – Module 3



DIMENSIONS OF SERVICE SAFETY STANDARDIZATION

- Horizontal and Sector-specific approach
- Service sector is broad and diverse
- Consumer safety could be at risk
- Take care of common safety elements
 - Focus on your service
 - Increase consumer confidence in services
 - Avoid conflict in standards

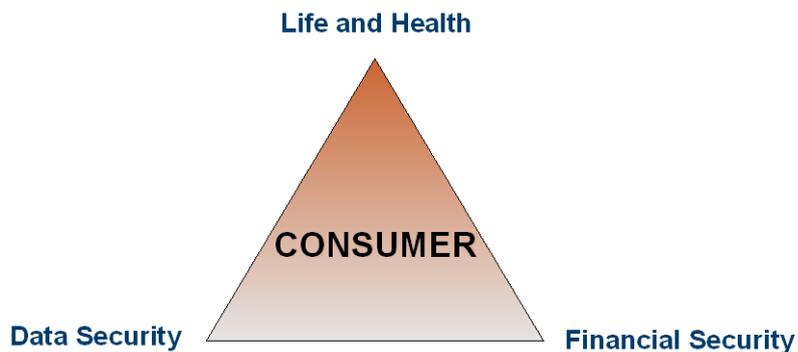


SLIDE 6

CHESSS – Module 3



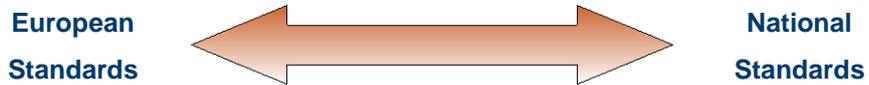
DIMENSIONS OF SERVICE SAFETY STANDARDIZATION



SLIDE 7

CHESSS – Module 3 

DIMENSIONS OF SERVICE SAFETY STANDARDIZATION



Standardization can occur nationally or at European level, depending on where the *need* is strongest

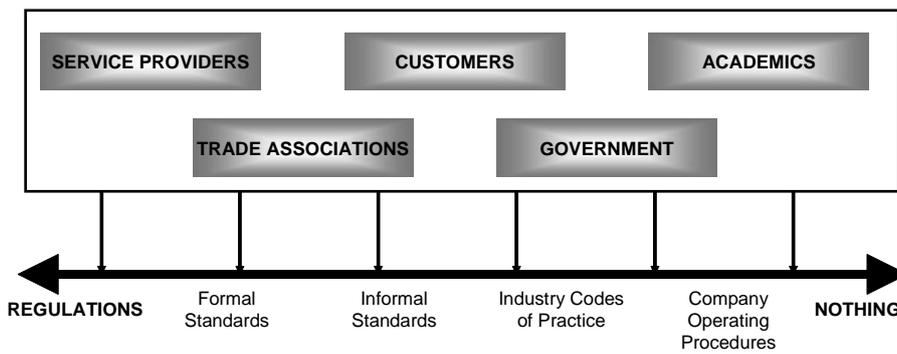


SLIDE 8

CHESSS – Module 3 

DIMENSIONS OF SERVICE SAFETY STANDARDIZATION

Perspectives on service safety differ



Annex F

Visual display material relating to Module 3, used at the CHESSS Seminar, Brussels 2008-04-02





**CHESSS Module 3 “Safety in the Delivery of Services”
Results from Expert Interviews**



The current regulations and standards are completely inadequate to ensure safe service delivery. Unlike in the product area, there is no general Liability Directive for services. There is also no Service Safety Directive. In addition, there are gaps within the sector specific safety regulations (*consumer representative*).

In Germany, the safety in health services is ensured by various governmental regulations. However, the safety level in the EU is inhomogeneous (*industry representative*).

The current safety regulations and safety standards are too weak to ensure the safe delivery of services for consumers (*consumer representative*).

**Appropriateness
of existing
European and
national
regulations and
standards for the
safety of
consumers**

The current regulations and standards are absolutely sufficient to ensure safe service delivery. There is no need for further action (*industry representative*).

The provision of information for services is not adequate (*academic*).

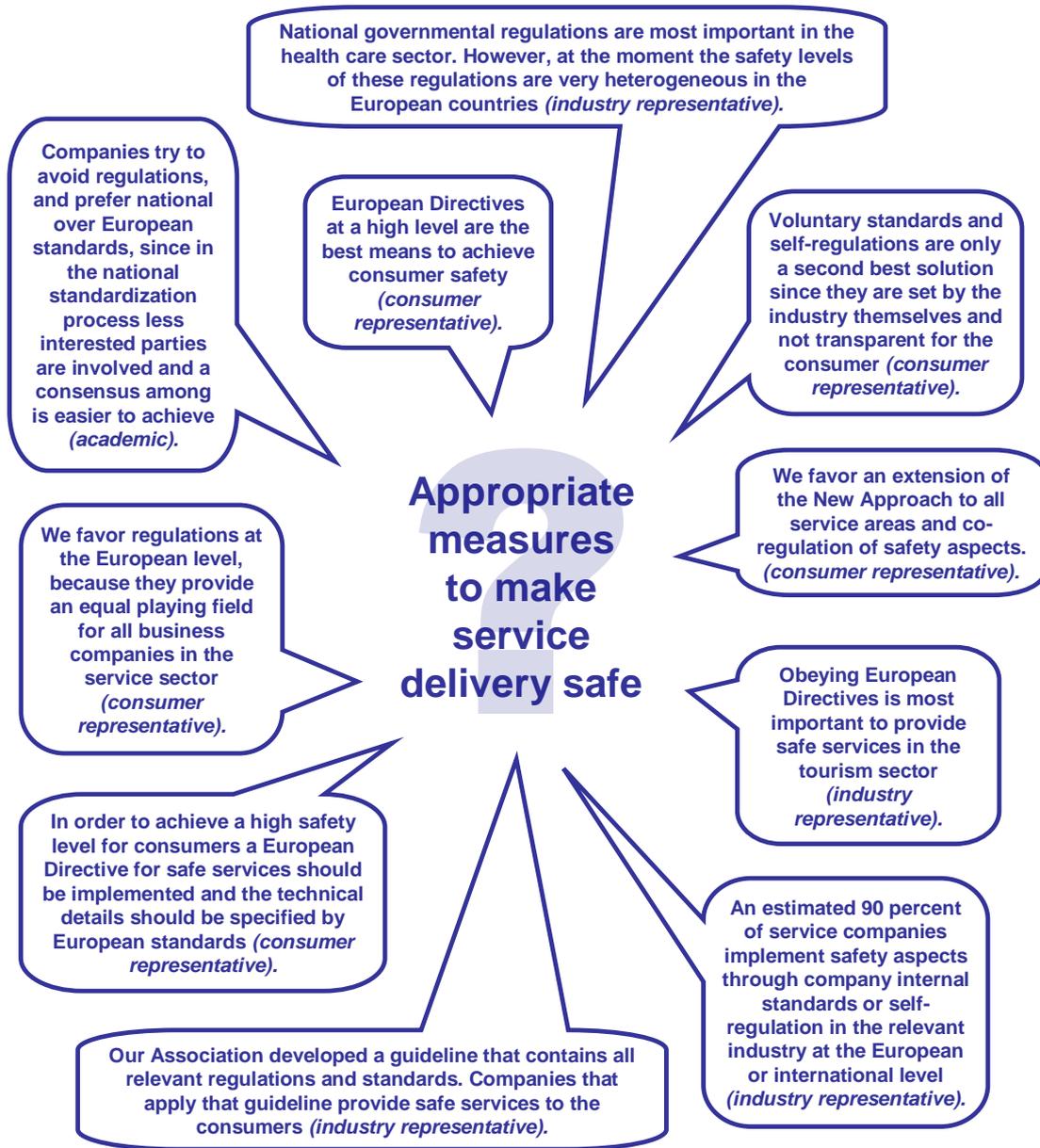
For most service areas there are no regulations implemented. There is a need for further action (*academic*).

The current standards and regulations are sufficient all over Europe. Countries with a lot of experience in the tourism industry developed very good safety standards over time. Some eastern European countries need to catch up (*industry representative*).





CHESSS Module 3 “Safety in the Delivery of Services” Results from Expert Interviews



AENOR

BSI
British Standards

DIN

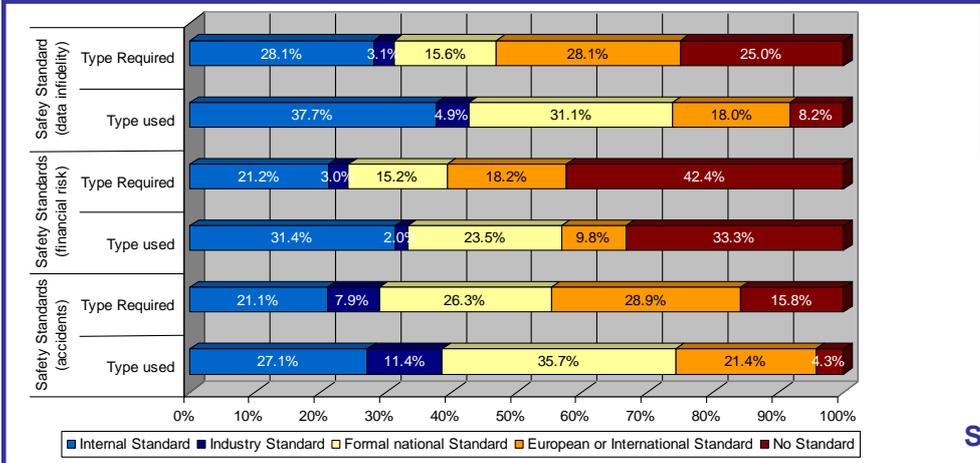
DS
DANISH STANDARDS

EVS

NEN



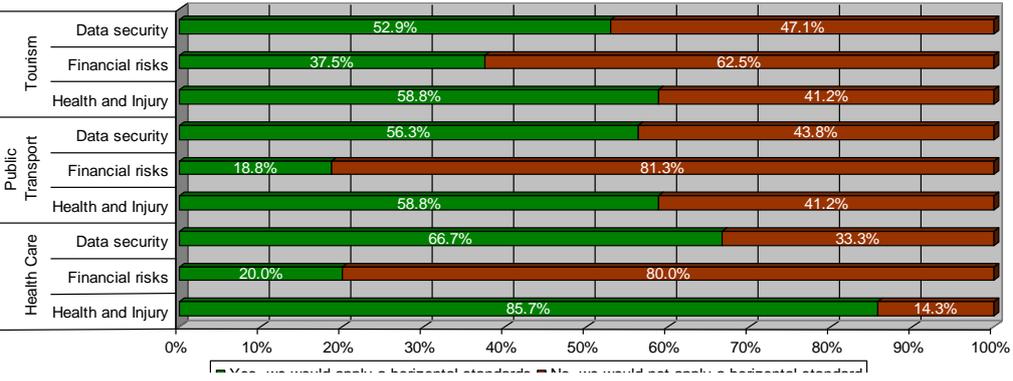
CHESSS Module 3 "Safety in the Delivery of Services" Results from Company Survey



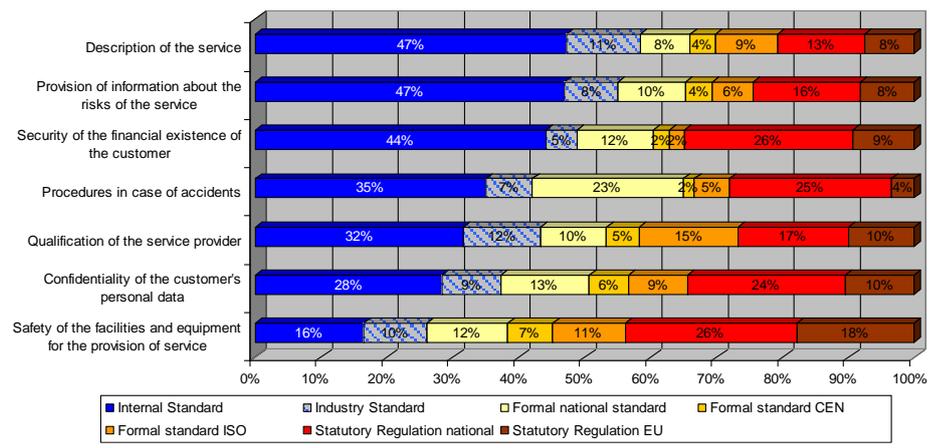
N = 3180
n = 54

Differences between used and preferred Safety Standards

Which horizontal standard would you implement in your company? Sectoral Differentiation



Which standards and regulations are most important in your company to accomplish the following safety factors?



ANNEX G:

CEN Horizontal European Service Standardization Strategy (CHESSS)

3rd Research Step: Company Survey

Module 3 Safety in the Delivery of Services

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 - 1.1.2. Sample Description: Regional, Sectoral and Size Distribution of the Companies **Error! Bookmark not defined.**
 - 1.1.3. Activities on International Markets **Error! Bookmark not defined.**
 - 1.2. Importance of Service Standards for the Success in Business **Error! Bookmark not defined.**
 - 1.3. Preferences for Service Standards **Error! Bookmark not defined.**
 - 1.4. Safety in the Delivery of Services **Error! Bookmark not defined.**
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 - 1.6. Summary of the Results **Error! Bookmark not defined.**
- References **Error! Bookmark not defined.**

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1. Company Survey

Background

After a review of the most recent literature on standards in service sectors during the first research step (desk research) and, after completing interviews with stakeholders from the European service industry during our second research step, the company survey was distributed to European service companies with the aim of obtaining their perspective on service safety and the development of horizontal safety standards. In short, the company survey obtains arguments and opinions from the provider side of "the market".

Based on interviews with experts and the results of desk research, a questionnaire for a company survey covering Europe was developed. The questionnaire focuses on "safety related" sectors that have been identified during the desk research, that is, the tourism and leisure industry, the public transport sector and the health care sector.

The questionnaire was specifically designed to answer questions regarding the relevance of standards and the certification against standards. The goal of the survey was to better understand the role of standards in the success of services companies, what types of standards are currently in use and what standards these companies will require in the future. The survey also focuses on whether or not the service companies are active only in the national market or whether they deliver their services throughout the European Single Market (and beyond).

This research especially seeks to understand the link between the role of service standards and consumer safety. In order to establish the relevance of Consumer safety, companies were asked about the frequency of damages to consumers in the last three years, these included problems arising from physical damage, financial damage or data infidelity. To this end, we asked the companies what standards and regulations they currently follow to ensure safety in the delivery of services and prevent damage to consumers. In order to produce safety standards, companies must be actively involved in their development, therefore companies were also questioned about their motives for participating in the European service standard process. Finally, the questionnaire was designed so that we can compare our survey results to past surveys on service standards. The approach allows us not only to confirm the current results but also to draw inter-temporal comparisons.

Methodology

The survey was carried out online. The companies were contacted via e-mail and a link to the online questionnaire was included. With the help of company databases (HOPPENSTEDT-Database¹² to identify German companies and the AMADEUS-Database¹³ for the other European member states) it was possible to identify e-mail addresses of about 3000 European service companies using the NACE code to identify the companies in

¹² The HOPPENSTEDT-Database includes over 225.000 profiles of German companies, banks, their branches and the major industrial associations in Germany

¹³ The AMADEUS-Database is a pan-European database containing financial information of about 9 million public and private companies in 38 European countries

CHESSS

relevant service sectors.¹⁴ Specifically, we used the 4 digit NACE Code to identify the service companies. For example, companies in the health care sector included hospitals (NACE Code 85.11), medical practices (NACE Code 85.12) and the corresponding subcategories. It must be noted that the category “hospitals” includes private as well as publicly owned hospitals which means that we also include some G2C services (Government to consumer). The same is true for the public transport sector in which governments still own assets from public transport companies.

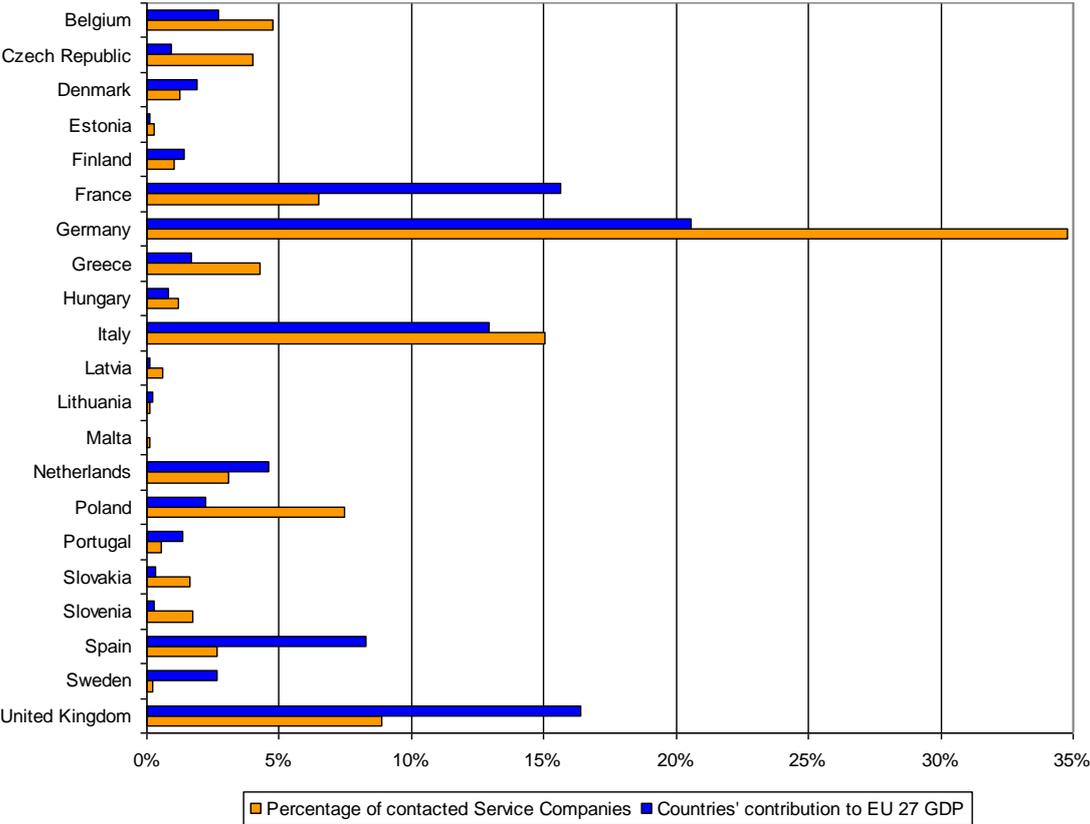
The German Travel Association supported the online survey by forwarding the questionnaire to members of their association. In addition, approximately 180 participants from the CHESSS World Café’s in London, Tallinn, Copenhagen and Madrid have been asked to fill out the questionnaire. The companies and World Café participants were also contacted via e-mail with a link to the online questionnaire.

The online survey was open to answers from these companies from August 16th, 2007 until September 16th, 2007. However, due to a low response rate during that period, the survey was extended until the end of December 2007.

In total, companies from 21 countries could be identified and in figure 1.1 the regional distribution of the contacted companies is presented. This figure also presents each country’s contribution to the GDP of the 27 countries of the European Union. Figure 1.1 demonstrates that some countries, such as the Czech Republic, Poland, Germany and Slovakia are overrepresented in comparison with that country’s contribution to the EU 27 GDP while other countries, such as France and the UK, are slightly underrepresented.

¹⁴ NACE = Nomenclature Generale des Activites Economiques dans L`Union Europeenne (General Name for Economic Activities in the European Union) is a European industry standard classification system

Figure 1.1: Regional distribution of contacted companies



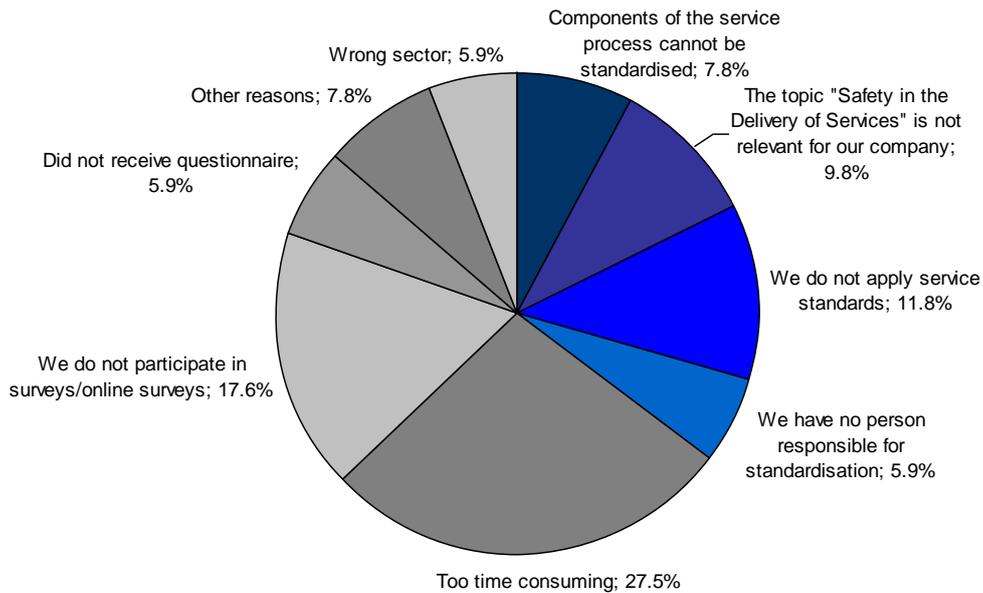
1.1. The Sample

In order to interpret the results of the survey it is important to describe the target group and the responding companies. 55 companies responded to the online questionnaire of which 54 could be used, making the effective response rate 1.8 percent. The response rate is rather low, however, it is similar to other voluntary online company surveys for the same sector. For instance, the company surveys by (Blind 2003) on standards in the services sector and by Mörschel/Schwengels (DIN 2002) on service standards obtained a response rate of 2 and 5 percent, respectively.

1.1.1 Non-Response Analysis

In order to ascertain whether the low response rate was due to the topic “Safety in the Delivery of Services” or a general aversion against participating in surveys, a non-response analysis was performed. 28 companies answered to the non-response analysis in which multiple answers were allowed.

Figure 1.2: Reasons for not responding to the survey



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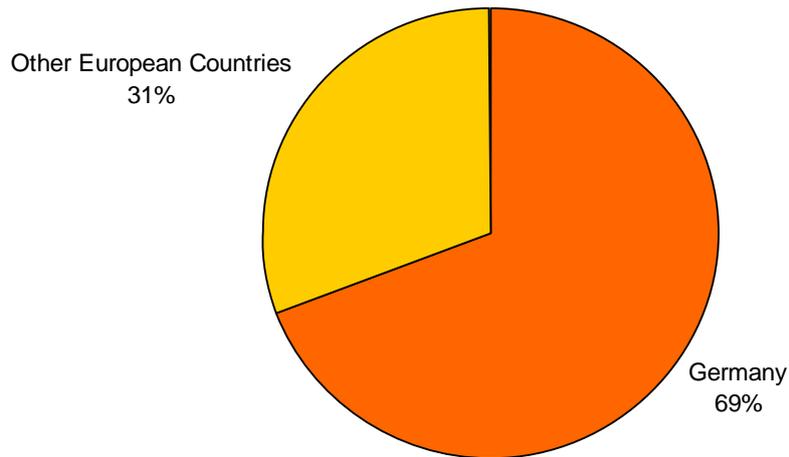
The results show, depicted in figure 1.2., that only 9.8 percent of the respondents answered that the topic “Safety in the Delivery of Services” was irrelevant for their company while 7.8 percent indicated that components of the service process cannot be standardized and 11.8 percent indicated that they do not apply service standards in their company. 5.9 percent of the respondents did not participate in the survey because they do not have a person responsible for standardization issues. 27.5 percent of the respondents did not participate due to time restrictions and 17.6 percent did not participate in surveys or online-surveys in general. Finally, 5.9 percent of companies surveyed replied that they did not receive the Email with the link to the online questionnaire and 5.9 percent answered that they simply do not operate in the three sectors we were focusing on.

Due to the low number of respondents who stated that the topic of “Safety in the Delivery of Services” is not relevant for their company and due to the fact that the majority of the reasons for not responding were due to general aversions against surveys and time restrictions, it can be assumed that the low response rate was not a consequence of the subject “Safety in the Delivery of Services for Consumers.”

1.1.2. Sample Description: Regional, Sectoral and Size Distribution of the Companies

The main characteristics of the sample are described in this paragraph. Figure 1.3 shows the regional distribution of the sample. Although we contacted companies in 21 European countries, the majority of the respondents are German service companies. Only 31 percent of the respondents are from other European countries which include companies from Estonia, Spain, Denmark, Latvia and others. However, from figure 1.3 it is clear that German companies are overrepresented.

Figure 1.3: Company Sample – Regional Distribution



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Despite the overrepresentation of German companies, the sample includes all the “safety related” service sectors that have been identified during the screening of relevant literature. Figure 1.4 shows the sectoral distribution of the sample. One third of the service companies are active in the tourism sector, which includes hotels, tour operators and travel agencies. 43 percent of the companies provide services associated with the public transport sector. Businesses in the public transport sector include railway companies, public transportation services in general (busses and street cars), taxi services, air transportation services and one company that operates a mountain railway. 14 percent of the companies in the sample are active in the health care sector. Companies in the health care sector include outpatient care services, elderly residences, handicapped residences and physical therapy services. Finally, 8 percent of the companies are active in other service areas such as cleaning and consultancy services, among others. Although small in sample size, sample distribution can be considered a success in that it includes responses from companies active in all three safety-related service sectors.

Figure 1.4: Company Sample – Sectoral Distribution

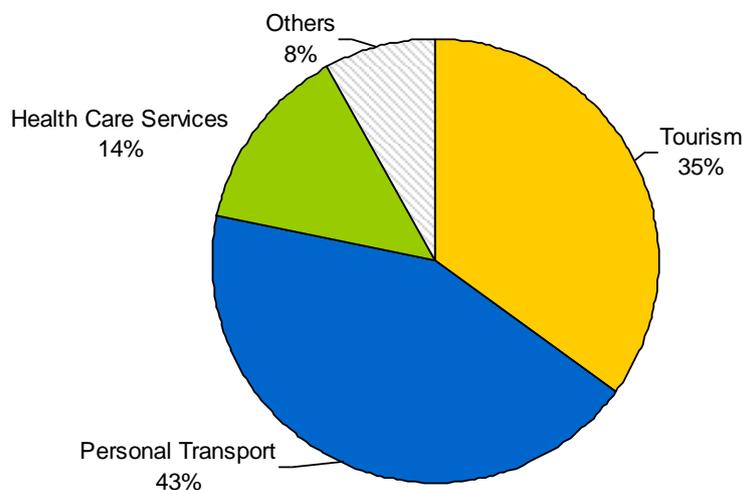
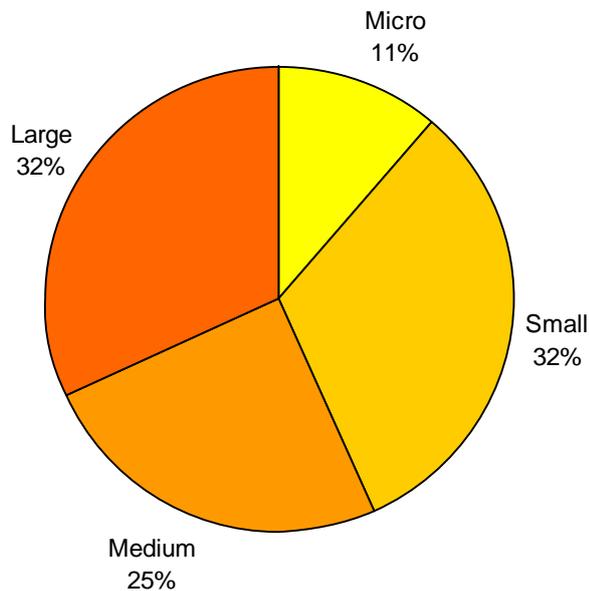


Figure 1.5: Company Sample – Size Distribution by Employees



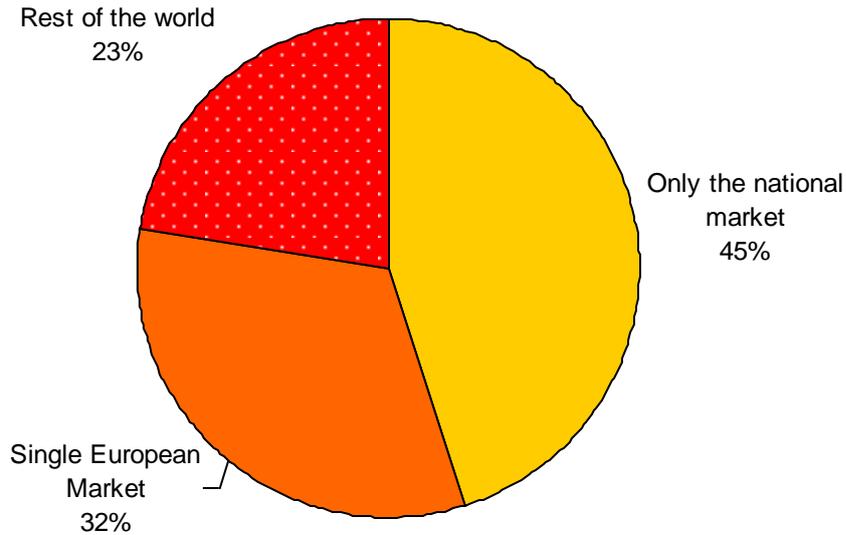
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Figure 1.5 presents the distribution of the companies by size using the European Union’s definitions of SMEs (Small and Medium sized Enterprises) to determine whether a company is a micro, small, medium or large enterprise. According to the European Union, micro companies have less than 10 employees, small companies less than 50 employees and medium sized companies can have up to 249 employees (Institut für Mittelstandsforschung 2004). In the sample, 11 percent are micro enterprises, 32 percent are small enterprises and 25 percent are medium sized companies. 32 percent of the companies in the sample have more than 249 employees and are classified as large companies. It is noteworthy that the majority of the companies in the sample are small and medium sized enterprises, a typical characteristic of the service sector in general. Thus, we can state that despite the regional bias towards Germany the sample represents company size characteristics of the European service sector.

1.1.3. Activities on International Markets

Not all service companies in the sample deliver their services internationally. 29 of the 54 companies are active in international markets while 25 companies are active only on the national market. Figure 1.6 presents the regional distribution of the target regions. 45 percent of the companies deliver only to the national market and 55 percent deliver internationally with 32 percent active in the Single European Market and 23 percent in countries outside the European Union.

Figure 1.6: Company Sample – Target Regions of International Activities



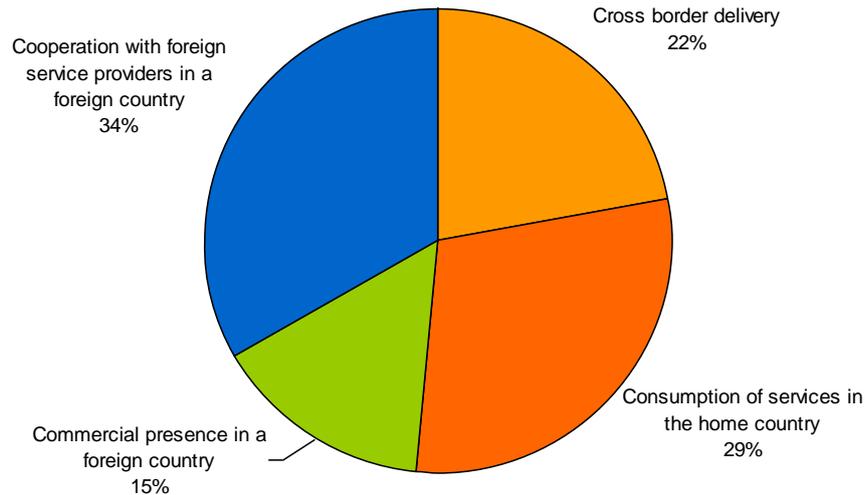
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We also asked the companies what types of supply they use in the cross border supply of services. We differentiate between four types of supply:

1. "Cross border delivery": Companies deliver the services similar to trade in goods, e.g. through use of electronic data transfer or the internet.
2. "Consumption of services in the home country": Companies produce the service for international consumers in their home country.
3. "Commercial presence in a foreign country": Companies deliver the service in a foreign country through subsidiaries.
4. "Cooperation with a foreign service provider in a foreign country": Companies deliver the service in a foreign country with the help of a foreign services provider.

Figure 1.7 presents the different types of supply used by the companies in the sample. 22 percent answered that they deliver their services similar to the trade of goods, e.g. through the use of electronic data transfer or the internet. 29 percent of the respondents indicate that they produce the services for international consumers in their home country. 15 percent deliver the service in a foreign country through subsidiaries and the final 34 percent cooperate with foreign service-providers to deliver the service abroad.

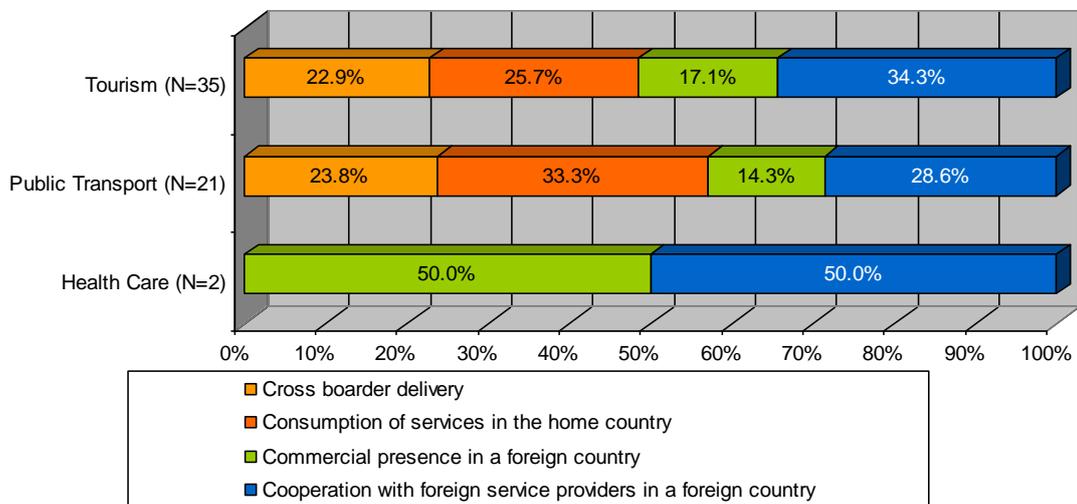
Figure 1.7: Method of international service delivery



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In figure 1.8 we present the methods of international service delivery differentiated by the three “safety related” sectors. The sectoral distribution reveals that only the tourism and public transport sector are engaged in significant international activities. In the tourism sector the cooperation with foreign service providers is the dominant method of international service delivery, followed by consumption of the service in the home country and cross border delivery. Only 17 percent of the international active service providers own a subsidiary abroad. The dominant method of cross border service delivery in the public transport sector is the consumption of services in the home country followed by cooperation with a foreign service provider and cross border delivery. As in the tourism sector, only a small number of companies own a foreign subsidiary. Only two companies in the health care sector are active in international markets, one of them through a subsidiary and the other through cooperation with a foreign service provider.

Figure 1.8: Method of International Service Delivery – Sectoral Distribution

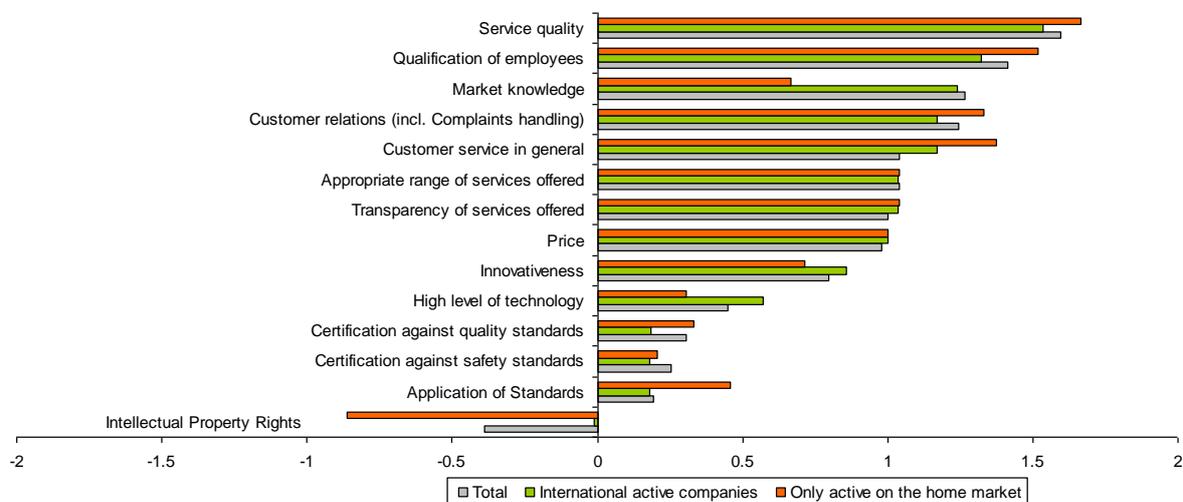


1.2. Importance of Service Standards for the Success in Business

This part of the questionnaire was designed to identify the role of standards and the certification against different types of standards as success factors for service companies. Also, in this part of the questionnaire we are concerned with problems that could occur in the internationalization of services and what role standards play in the internationalization process. To this end, we asked the service companies to evaluate the role of formal standards and certification against standards compared to other business instruments for the success of their business.

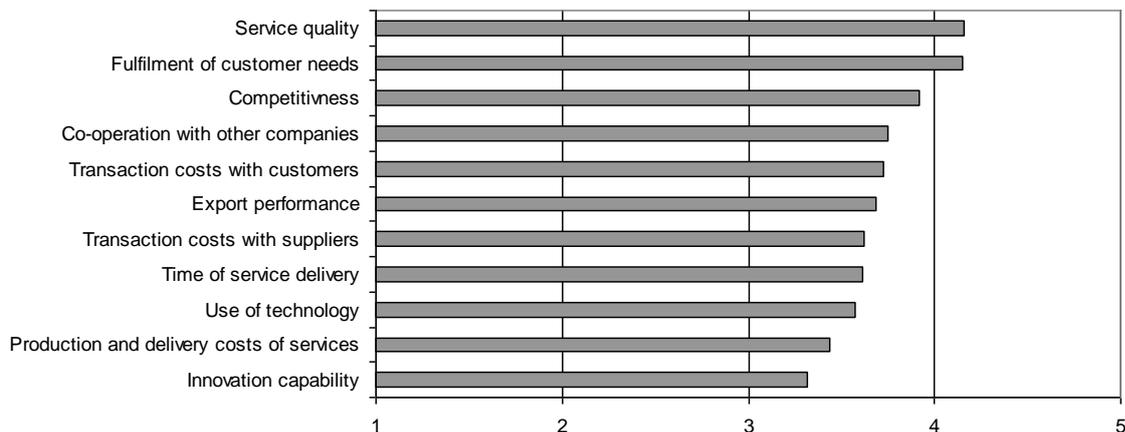
Figure 1.9 presents the ranking of success factors by importance. The service companies assess “Service quality” to be the most important success factor followed by “Qualification of employees”. “Customer service in general” and “Customer relations” are also assessed to be important for the success of businesses. It is noteworthy that “Transparency of services offered” is ranked higher than “Price”, “Market knowledge”, “Innovativeness” and “High level of technology”. As for standard related factors, we find the factors “Application of standards”, “Certification against quality standards” and “Certification against safety standards” at the bottom of success factors but above “Intellectual property rights”. Going into greater detail, figure 1.9 represents the success factors for service companies that are active in the international market compared to companies that are active only in the national market. From these responses we can conclude that companies active only in the national market attribute greater importance to the “Application of standards”, “Certification against quality standards” and “Certification against safety standards” as success factors. To sum up, the survey results show that the impact of using formal standards and the certification against quality and safety standards is rather moderate compared to other success factors such as service quality.

Figure 1.9: Success Factors for Service Companies (-2 = very unimportant +2 = very important)



In large, the survey results confirm results from past studies. For instance, the survey by (Blind 2003) on standards in the services sector also showed that “Service quality” is the most important success factor for service companies and that “Application of service standards” is not the last but a minor success factors. However, as shown by (Blind 2003), the ranking of the influence of formal standards on various aspects related to the success of services companies (figure 1.10) confirms that the application of formal standards has a positive influence on other performance indicators of service companies. This is especially true for service quality. Hence, (Blind 2003) concludes that although the impact of standards in comparison to other success factors is rather moderate, standards have a positive impact on important assets of service companies, especially quality. Finally, it must be noted that companies that are active only in the national market put a higher importance on the application of standards and certification of quality and safety standards.

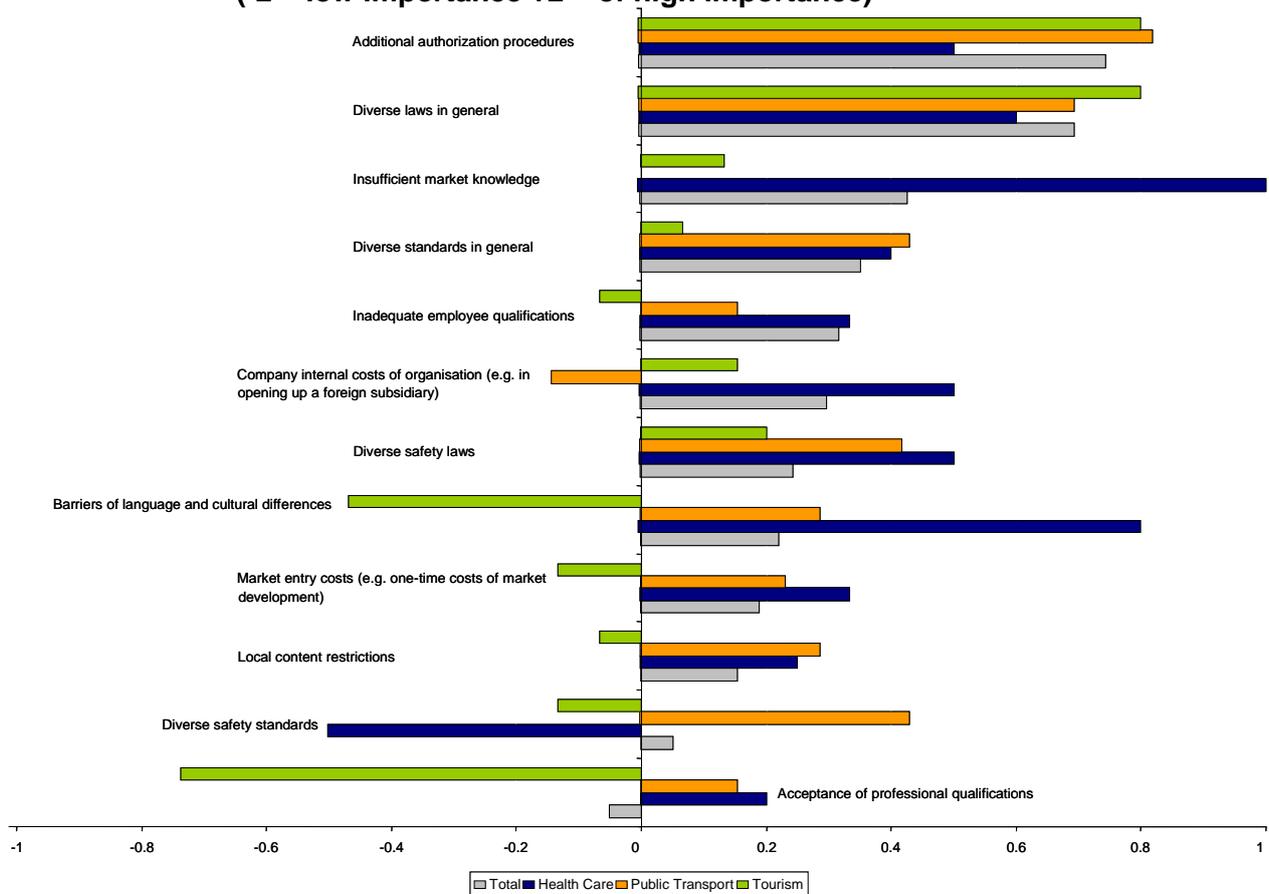
Figure 1.10: Impacts of Formal Standards on Important Assets for Service Companies (1 = very negative to 5 = very positive)



(Blind 2003)

We also asked the service companies to evaluate the difficulties that occurred or could occur during the internationalization of services. Figure 1.11 presents the results ranked by importance and differentiated by sectors. The figure reveals that all companies evaluate “Additional authorization procedures” and “Diverse laws in general” to be the factors that cause most problems. The same is true for “Diverse safety laws” to a lesser extend. In addition, companies in all sectors, except the tourism sector, agree that diverse standards in general can cause problems in the internationalization process. Regarding “Diverse safety standards” the figure reveals differences among the sectors. Companies in the tourism and health care sector do not see diverse national safety standards as factors that can hamper internationalization of services. In contrast, companies in the public transport sector evaluate “Diverse safety standards” to be a factor that causes problems during internationalization of services. It seems that companies in the public transport sector face different problems in the internationalization process.

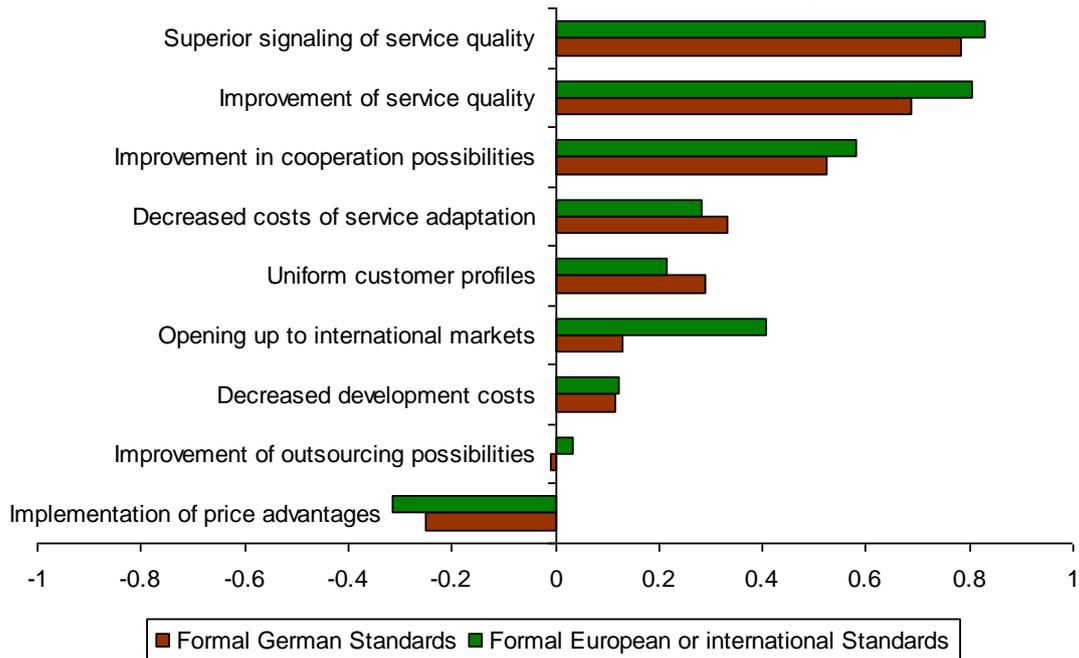
Figure 1.11: Problems with Internationalization of Service
 (-2 = low importance +2 = of high importance)



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To find out what role formal standards play in the internationalization we can use the results from past studies. In specific the project “Standard:IS Service standards in successful internationalization strategies” asked companies to asses the impact of formal standards on different aspects in the internationalization process. In figure 1.12, we present the results ranked by importance. The figure reveals that formal standards are most important in signalling service quality and to improve service quality. Comparing the impact of formal German and formal European or international standards, the figure reveals that formal European or international standards are better suited to signal or improve service quality. In large, the figure shows that formal German and European or international standards have a positive impact on different aspects of the internationalization process. However, the service companies do not agree that formal standards are important to realize price advantages in large scale production of services. An explanation for this result might be the limitations of large scale production of services because many services are still customized services. Nevertheless, we can state that formal standards are important for various aspects of the internationalization process. This is especially true for signalling and improving service quality.

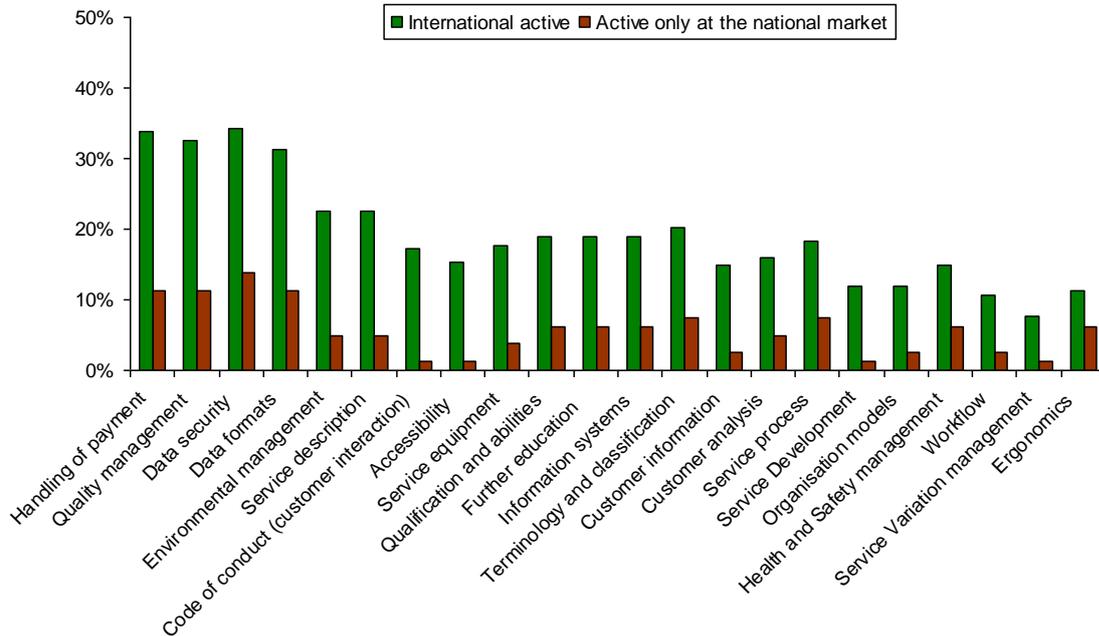
Figure 1.12: The Importance of Formal Standards for the Internationalization of Services (-2 = very low importance +2 = very high importance)



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In conclusion, we can use the results from past studies not only to show that formal European or international standards have a positive impact for the internationalization process of service companies but also to assess, if internationally active service companies apply formal European or international standards more frequently than companies that are only active in the national market. Figure 1.13 represents the results of the study “Standard:IS Service standards in successful internationalization strategies.” The figure reveals that internationally active companies apply European or international standards more frequently than companies that are only active in the home market.

Figure 1.13: Application of Formal European or International Standards differentiated by Internationally Active Service Companies and Service Companies active in the National Market

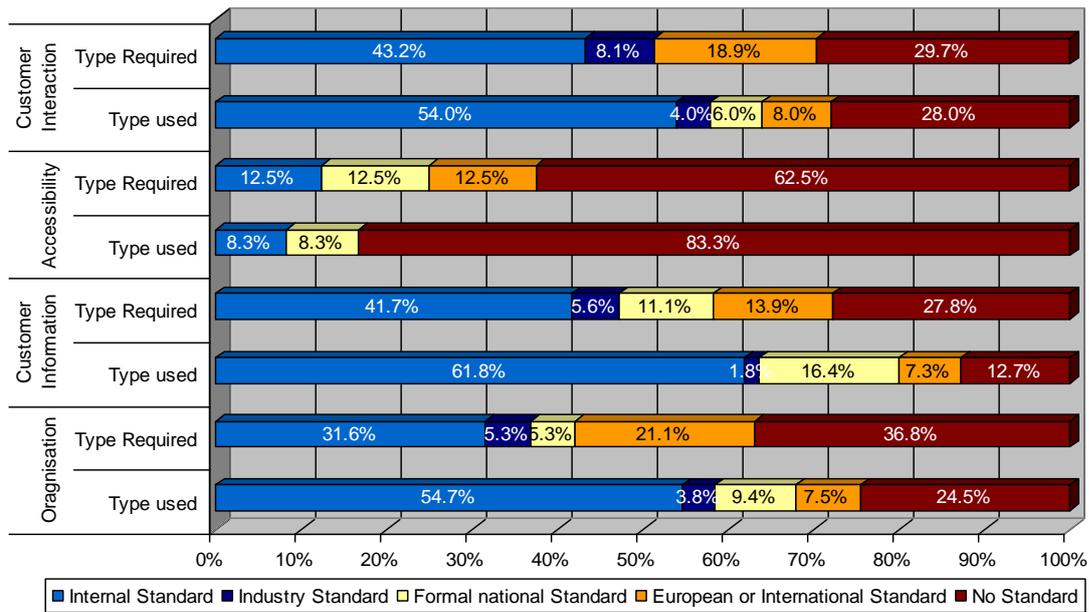


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1.3. Preferences for Service Standards

In the following section we present the answers of the survey about the current use of standards and companies' preferences for standards. We asked the services companies what kinds of standards they used and what kinds of standards they preferred. We differentiate between internal, company-specific, industry standards used by a limited number of companies, and formal national and European or international standards. Companies were also allowed to answer that "No Standard" was used. All answers have been normalized to lie between 0 and 100 percent. In figure 1.14, we present the findings asking for the need and preferences for service standards.

Figure 1.14: Differences between used and preferred Standards (part 1)



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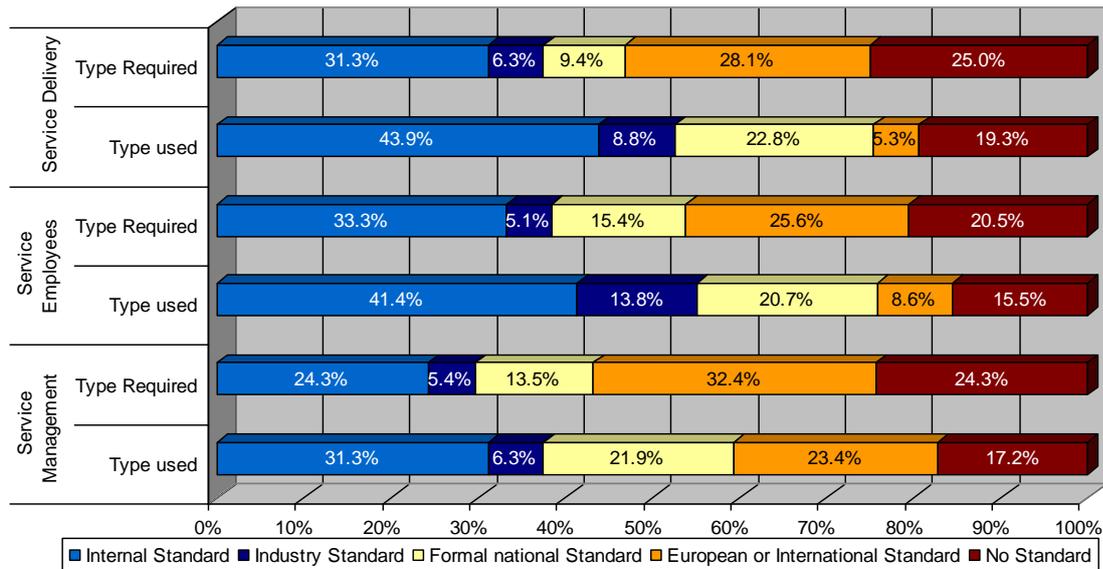
Figure 1.14 makes evident that more than half of the surveyed companies use company internal standards to standardize procedures in the supplier-Consumer relationship. Only 6 and 8 percent use formal national or European and international standards, respectively. However, it is notable that 18.9 percent of the respondents indicate that they require formal European standards for the Consumer interaction.

Regarding the issue of accessibility for elderly and handicapped persons, more than three quarters do not use any standards and 62,5% do not demand the creation of standards to provide accessibility to elderly and handicapped persons, although 25 percent indicate that they require national or European and international standards.

To inform the Consumer about the services offered, 61.8% use company internal standards. It is interesting to note that while 16.4 percent currently use formal national standards, only 7.3 percent use European or international standards despite the fact that 13.9 percent responded that they require European and international standards.

Finally, to address organizational issues in the company (work flow, information systems) more than half of the respondents use company internal standards and only 9.4 percent and 7.5 percent use formal national or European/international standards, respectively. Although 36.8 percent said they did not require further standards, 21 percent require the development of European or international standards.

Figure 1.15: Differences between used and preferred Standards (part 2)



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Figure 1.15 summarizes the second part of the results on the use and preferences for standards. Regarding the three aspects “Service delivery”, “Service employees” and “Service management” presented, it is noteworthy that the respondents use first and foremost company internal standards. Furthermore, it is interesting that the companies wish to implement European and international standards to tackle the three issues presented above.

The current use of service standards and the preferred use of service standards reveals the following picture: The service companies use mostly company internal standards to address the issues we have mentioned above (except “Accessibility”) followed by formal national standards (except “Service Management” and “Customer Interaction”). Standards from industry consortia play a minor role in all aspects, barely reaching 6 percent on average. As for the preferred use of standards the survey results show that companies prefer the implementation of European or international standards. With the exception of “Accessibility”, these results indicate a higher demand for formal European or international standards compared to formal national standards.

Finally, we can compare the results with past surveys on the use and preferences for service standards. The rationale for this approach is to compare the survey results over time and to analyze the developments that occurred over time. Specifically, we will concentrate on the demand for European and international standards. In doing so, it is useful to compare the results to two other surveys. One is the survey by (Blind 2003) “Standardisation and the Service Sectors – An explorative study” (called ‘Fraunhofer ISI 2003 in fig. 1.16) and the second is “Standard:IS Service standards in successful internationalization strategies” on behalf of the DIN (called ‘ (Fraunhofer ISI 2007) in fig. 1.16). We benefit from the comparison because more companies answered the other two surveys. In (Blind 2003) 364 service companies answered the questionnaire and 281 companies responded to the

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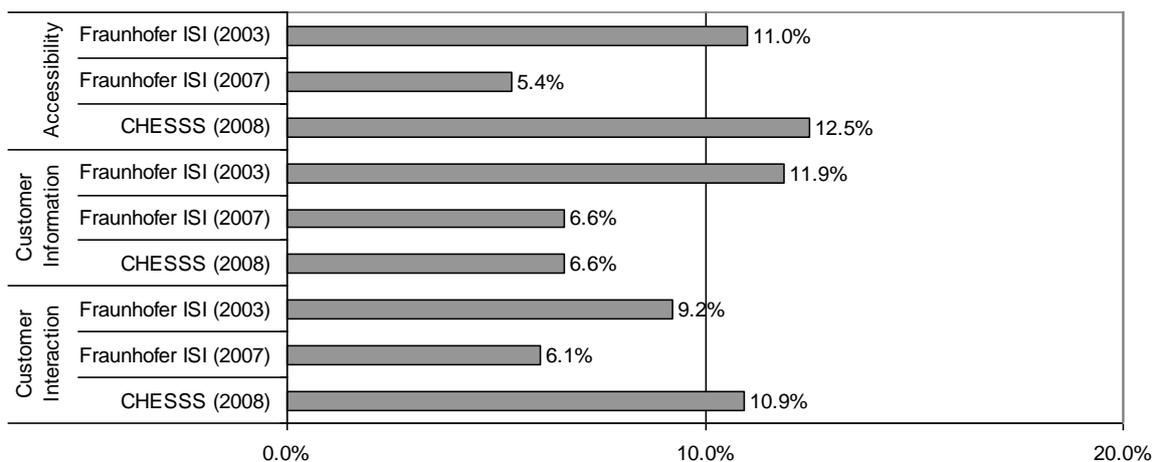
STANDARD:IS survey. Figure 1.16 presents the differences between the used European or international standards and preferred European or international standards.

As for the factor “Accessibility” we observe that the difference between the used European or international standards and required European or international standards lies between 1.4 percent in the 2007 survey and 12.5 percent in the current survey. Thus, based on the past results we can confirm that there is still demand for more European standards in the aspect of “Accessibility”.

As for the aspects “Consumer information”, we can observe a decreasing but still positive demand for European standards. Whereas the difference between used and required European standard was 11.9 percent in 2003, the survey results in 2007 and 2008 show a difference of 6.6 percent.

The comparison for the aspect of Consumer interaction reveals that the difference between used and preferred European standard was at its lowest in 2007. Nevertheless, the comparison confirms the results of the current survey.

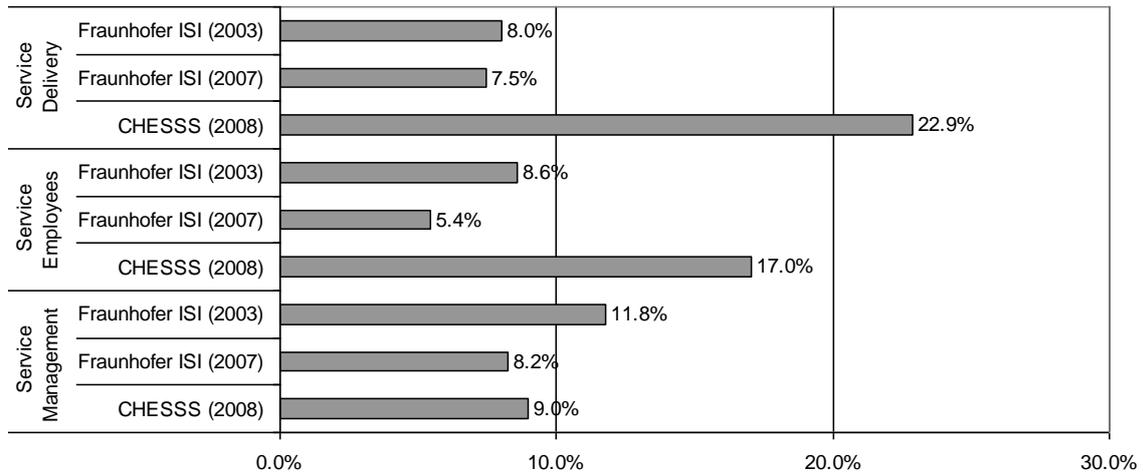
Figure 1.16: Differences between used and preferred European or International Standards - Inter-temporal Comparison (part 1)



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In figure 1.17 we present the second part of the inter-temporal comparison regarding the aspect of “Service delivery”, “Service Employees” and “Service Management”. With regard to service delivery, we observe an increased demand for European or international standards, with a peak of 22.9 percent in the current survey. The same is true for the qualification of service employees; the difference between used and preferred European or international standards is highest in 2008, which could indicate an increased demand for these types of standards. Finally, we observe a decreasing demand for European or international standards over time for the aspect of Service Management, although demand remains positive.

Figure 1.17: Differences between used and preferred European or International Standards - Inter-temporal Comparison (part 2)

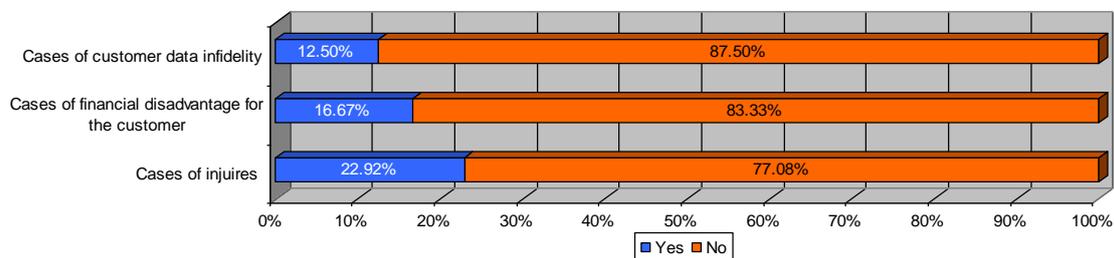


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1.4. Safety in the Delivery of Services

In the following section we present the detailed results of the questions on the safety in the delivery of services. In order to determine which of the three safety aspects prevail in what sectors, we asked the service companies how frequently their Consumers have been harmed in the last three years. In figure 1.18, the results are presented. Almost 23 percent of the companies admit that a Consumer has been injured during the delivery of the service and about 17 percent acknowledge cases of financial disadvantage for the consumer. 12.5 percent admitted that their Consumers were not sufficiently protected. From these answers it is evident that the topic “Safety in the Delivery of Services for Consumers” is an important subject.

Figure 1.18: Cases of Customer Injuries, financial disadvantages, or insufficient data protection



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According to the European Commission (Commission of the European Communities 2003), the safety of services depends on several different factors:

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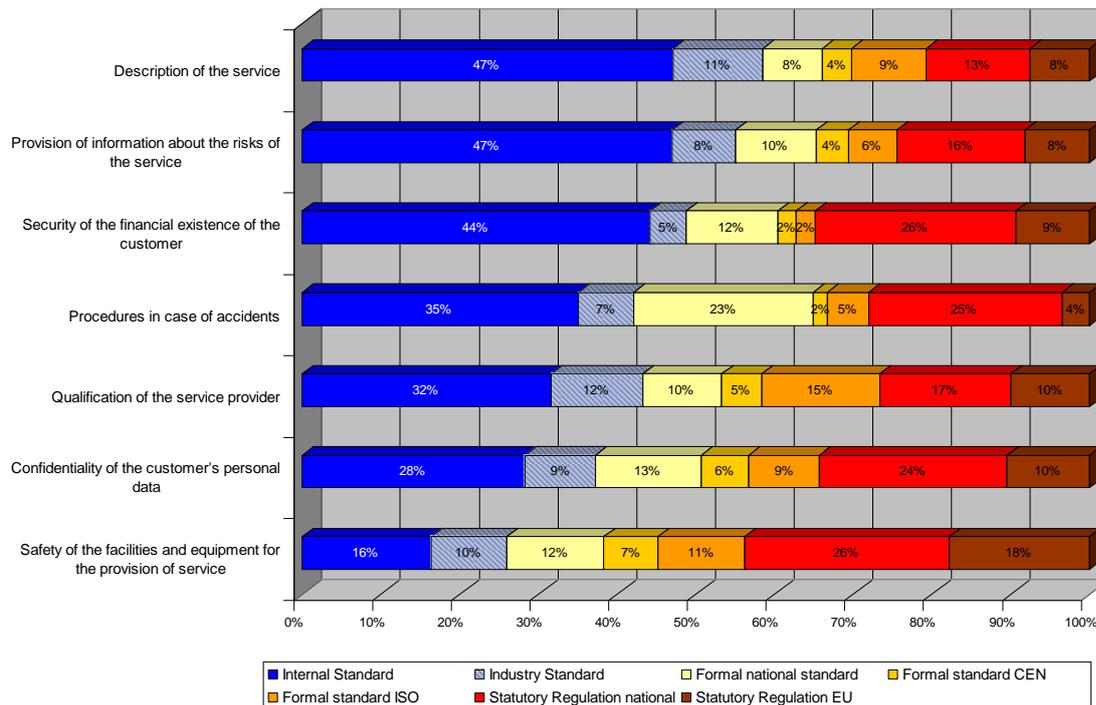
- The safety of the premises, structures and equipment used for providing the service;
- The qualifications of the service provider;
- The availability and quality of the information on the safety aspects of the service provided to the consumer of the service;
- The general abilities and behaviour of the consumer;
- The availability of emergency procedures and equipment to reduce damage in case of accidents.

In addition to these factors, we added the points “Security of the financial existence of the consumer” and “Confidentiality of the Consumers’ personal data” to cover the financial risks and risks for data infidelity. We asked the service companies if they used standards, legislative measures or both in order to accomplish the safety of their consumers. We differentiated the standards between company internal standards, standards from industry consortia, formal national, formal European (CEN) and formal international standards (ISO). In addition, we differentiated the regulations into national and European statutory regulations (Figure 1.17). The figure reveals that service companies apply different measures to maintain the safety factors mentioned above. Specifically, companies use mostly company internal standards for the description of the service, the provision of information about the risks of the services and the security of financial existence of the Consumers. If we take European and national regulations as one category, figure 1.19 shows that companies have to obey regulations for the safety of the facilities and equipment used for the provision of services. The same is true for the confidentiality of the Consumers’ personal data. However, figure 1.19 also shows that formal standards play a role in achieving safe service delivery. If we take all three formal standards into one category, formal standards are especially important for procedures in case of accidents, the qualification of the service provider, to avoid Consumers’ data infidelity and the safety of the facilities and equipment used for the provision of the service. From figure 1.19 it is evident that service companies apply more standards and obey regulations for the safety of the facilities and equipment than in other categories. This might be explained by the concept of the New Approach in which European Directives define the essential safety requirements for product trades within the European Single Market and harmonized standards lay down the technical specifications of the product. The concept of the New Approach applies only for products but not for services. As for the application of formal standards in general, the figure reveals that companies apply formal standards as often as they obey national or European regulations. Therefore, we can conclude that formal standards are quantitatively as important as regulations in order to make the delivery of services safer for the consumer. In addition, it must be noted that the service companies apply formal national standards more often than formal European or international standards for almost all safety factors. This is an interesting fact because formal national standards can act as non tariff barriers to trade. This is especially important since we have seen in chapter 1.2 that diverse standards in general and in part diverse safety

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standards are factors that cause problems in the internationalization activities of service companies. In addition, Blind and Jungmittag (Blind, Jungmittag 2005) could show in a macroeconomic approach for German trade flows that national standards are not fostering trade, but international and European standards are trade enhancing. Hence, future standardization projects in the field of service safety should focus on the development of European or international standards.

Figure 1.19: Factors to accomplish Safe Service Delivery

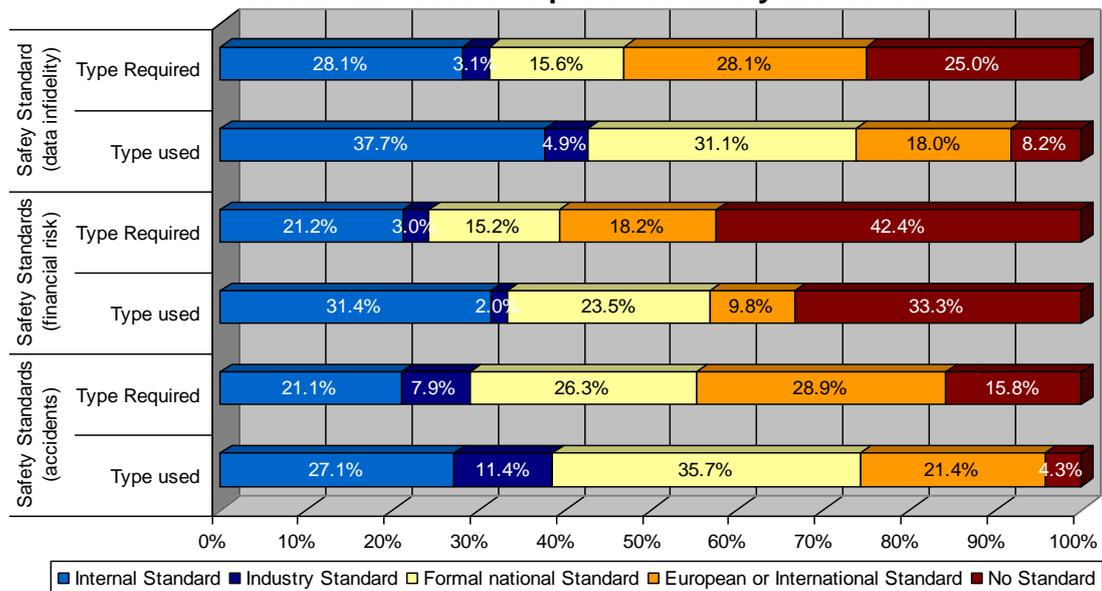


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We have seen in figure 1.19 that formal standards can play a significant role for the safety in the delivery of services. We have also seen that service companies currently apply formal national standards more frequently than international and European standards. Therefore, we asked the services companies, in addition to the factors mentioned in figure 1.11 and 1.12, what kinds of safety standards they apply and what kinds of safety standards they wish to implement in the future. The results are presented in figure 1.20. The companies apply mostly company internal standards (37.7 percent) to address the issue of data infidelity for the consumer followed by formal national standards and formal European or international standards (31.1 percent and 18 percent, respectively). The majority of service companies, however, would prefer to implement formal European or international standards (28.1 percent) and only 15.6 percent demand formal national standards. As for the standards protecting the consumer from financial disadvantages, most companies do not use a standard (33.3 percent) or use company internal standards (31.4 percent). 23.5 percent use formal national and 9.8 percent European or international standards. It must be noted that more than 40 percent of the companies do not require further standards that protect the consumers from financial risks. However, 18.2 percent of the respondents would prefer to apply formal European or international standards. Finally, service companies apply mostly formal national standards (35.7 percent) to ensure the consumer’s physical well-being during the delivery of services but would like to apply more European or international standards (28.9 percent).

To sum up, service companies currently apply more formal national standards than European and international standards but have a preference for European or international standards.

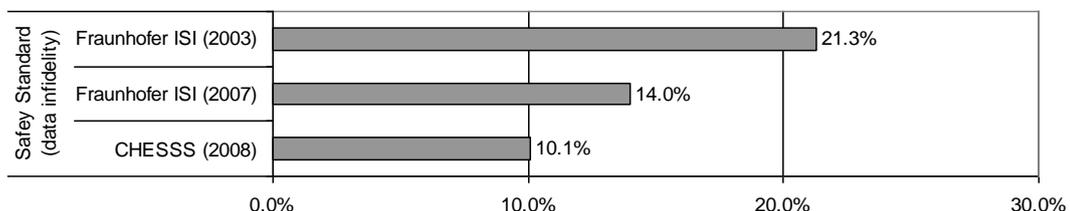
Figure 1.20: Differences between used and preferred Safety Standards



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In order to confirm the results regarding the used and preferred types of standards, we can compare the current survey results with the two surveys on service standards mentioned in chapter 1.3. However, since the two surveys did not pose questions regarding safety standards for the consumer’s protection against accidents and the financial security of consumers, we can only compare the results for the issue of data infidelity. In figure 1.21 we present the inter-temporal results. Figure 1.21 illustrates that the difference between used and preferred European and international standards has declined over time. The difference between applied and preferred standards in the 2003 survey was 21.3 percent but, albeit still positive, only 10.1 percent in the current survey.

Figure 1.21: Differences between used and preferred European or International Safety Standards - Inter-temporal Comparison

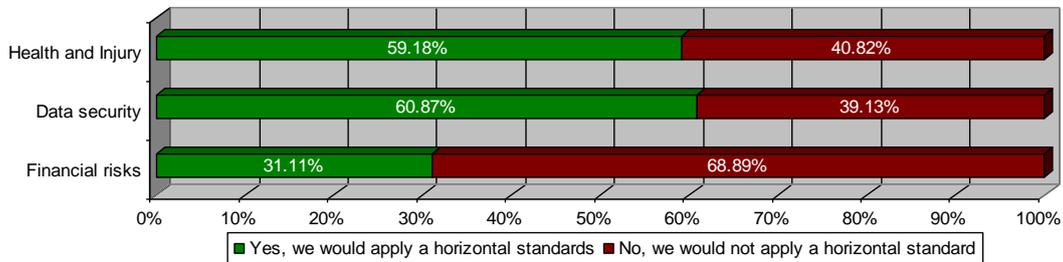


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Besides the need for safety standards mentioned above, we also asked if the service companies would implement horizontal safety standards. In a further question we wanted to know whether they would apply horizontal standards for the three safety dimensions (Figure 1.22). Figure 1.22 makes evident that more than 60 percent would use a horizontal standard

to protect consumers from data infidelity, about 60 percent would use a horizontal standard to protect the consumers' health and physical integrity and only 31 percent would implement a horizontal standard for the consumers' protection against financial risks during the service delivery.

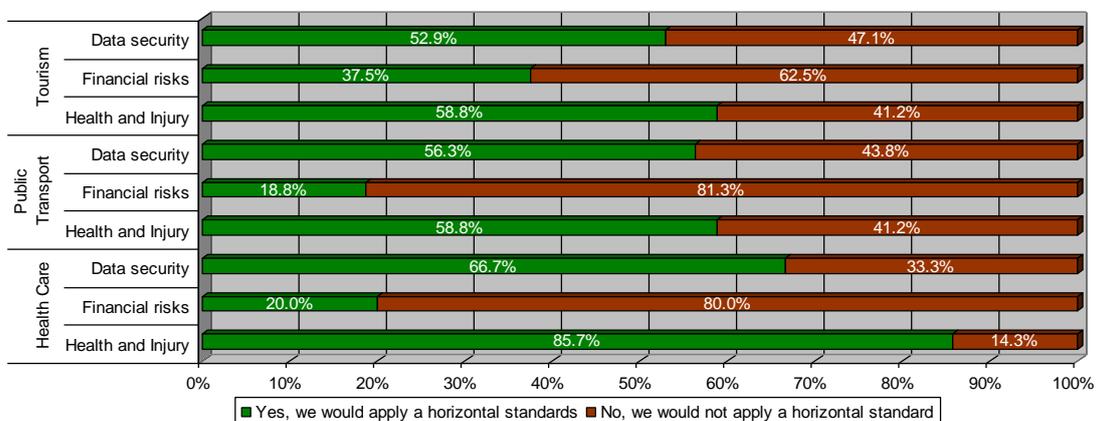
Figure 1.22.: Preferences for Horizontal Safety Standards



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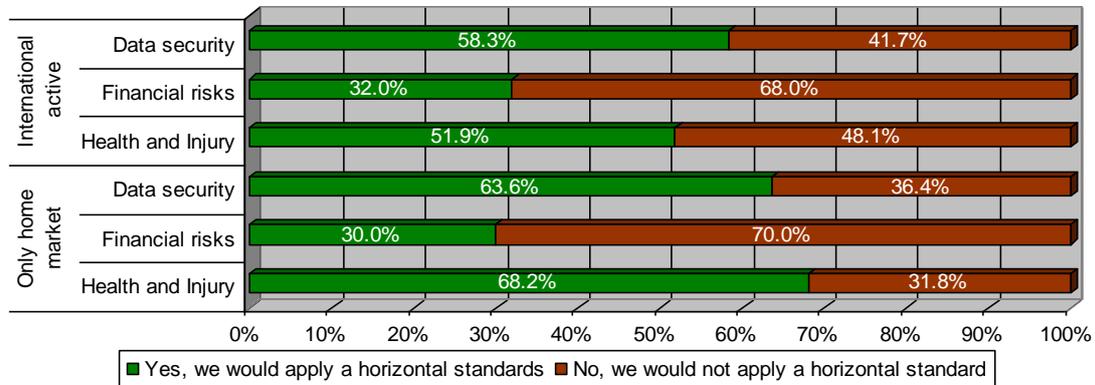
In figure 1.23 and 1.24, preferences for horizontal standards are again presented, differentiated by sectors and international activities, respectively. The sectoral differentiation confirms the results on the aggregated level. The results show that approximately 60 percent of the service companies in all three sectors would apply horizontal standards for data infidelity as well as standards to protect the consumers' health. The preference for the latter is especially high in the health care sector where 85.7 percent of the companies responded that they would implement a horizontal standard to protect the consumer's health. The preference for a horizontal standard to ensure the consumers' financial existence was low. The exception were companies in the tourism sector that seemed to have some preference for a horizontal standard to ensure the consumers' financial existence. Finally, the differentiation by international activities presented in figure 1.24 reveals that companies active only at the national level would rather implement standards for consumers' data security and standards to protect the consumers' health compared to internationally active companies. Figure 1.24 shows that about 70 percent of the companies would not apply a horizontal standard to ensure the consumer's financial existence.

Figure 1.23.: Preferences for Horizontal Safety Standards – Sectoral Differentiation



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Figure 1.24.: Preferences for Horizontal Safety Standards – Internationally active vs. only active in Home Market

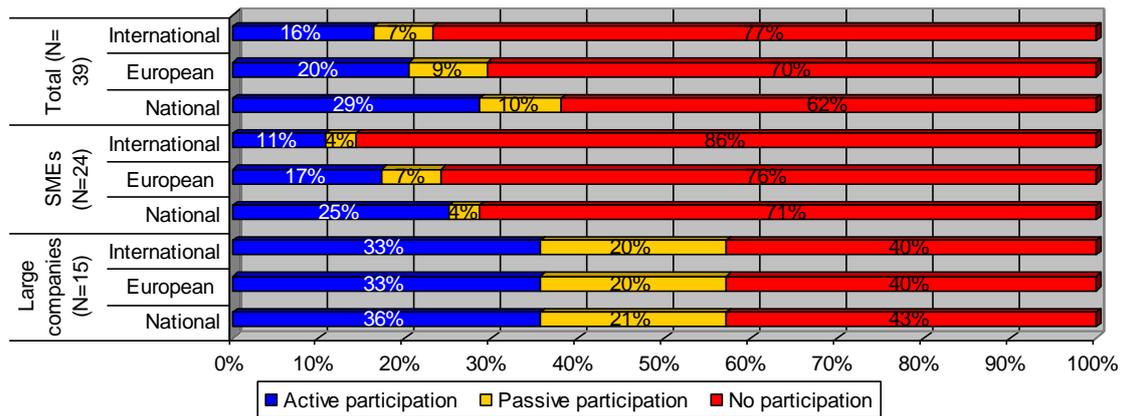


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1.5. Involvement in Standardization Activities

In the previous sections we have seen that there exists a discrepancy between the actual use of standards and the preferred use of standards. Specifically, we have seen that there is demand for European and international standards for almost all aspects we asked for. Also, the previous section has shown that a majority of the service companies would implement horizontal standards for the aspects of data infidelity and physical damages to the consumer. However, in order to produce formal service standards, service companies have to be actively involved in standardization processes. We designed one part of the questionnaire to focus on the involvement of service companies in standardization processes at the national, European and international level. In the first question we wanted to know whether the companies had been actively or passively involved in standardization processes. Figure 1.25 presents the percentage of service companies that have participated in standardization processes in the last three years. The figure also presents the differentiation by company size. In total, 29 percent are actively involved in standardization processes at the national level, 20 percent at the European and 16 percent at the international level. Figure 1.25 also illustrates that large companies are much more often involved in standardization processes at all levels.

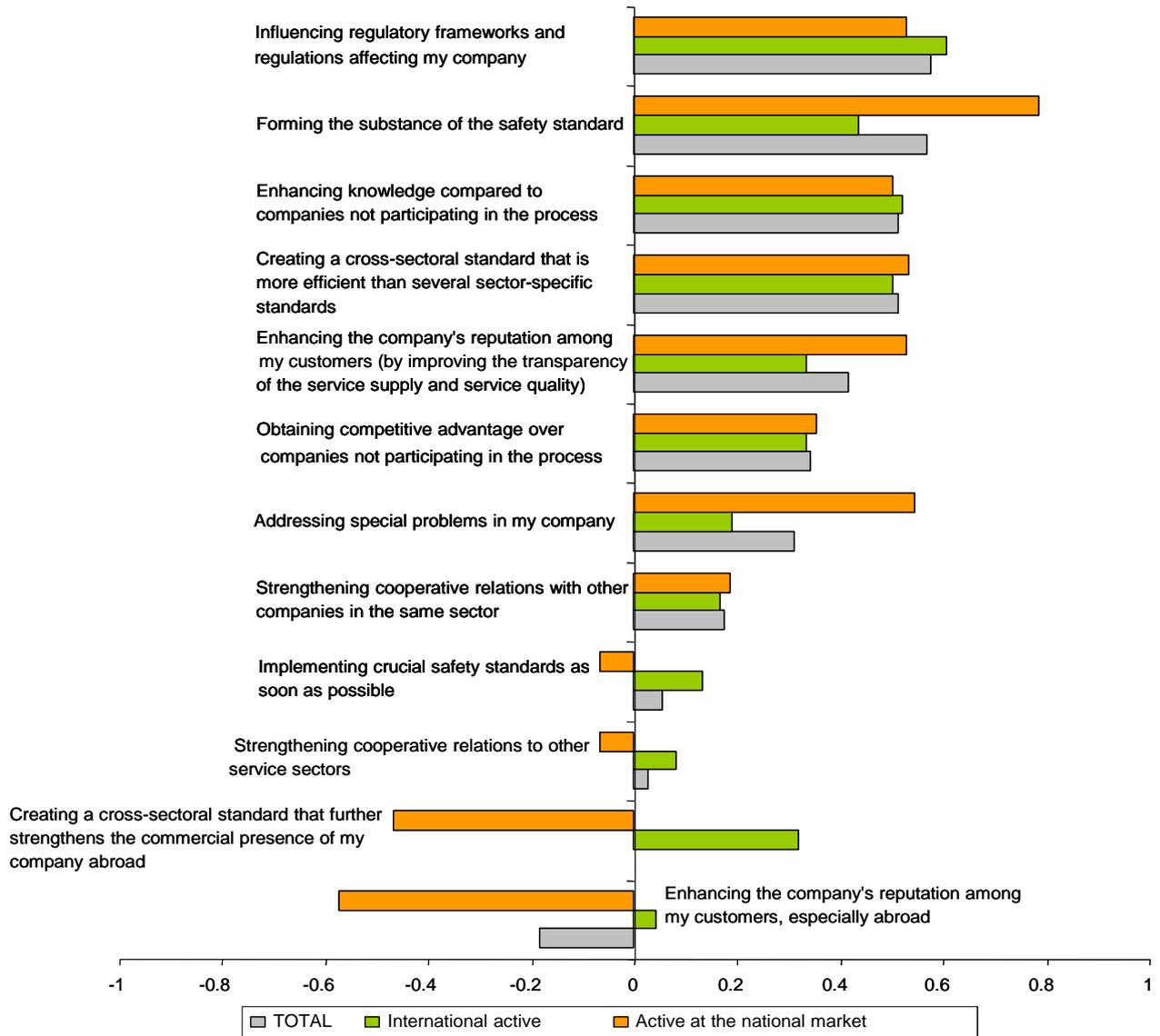
Figure 1.25.: Participation in Standardization Processes



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To complement this data we also wanted to know the service companies' motives for participating in formal standardization processes for horizontal safety standards. Therefore, we asked the companies to assess the importance of different motives for participating. Figure 1.26 displays the motives, ranked by importance and differentiated by service companies that are internationally active and active only in the national market. At the top of the ranking, we find "Influencing the regulatory framework and regulations" followed by "Forming the substance of the safety standards". These motives reflect the possibility to exert influence on the specification of standards. Hereby, the motive "creating a cross sectoral standard that is more efficient than several sector specific standards" is more important than "Implementing a crucial safety standard as soon as possible." The survey results indicate that it is more important for service companies to produce a qualitatively valuable standard than to save time. Service companies also evaluated the motive "Enhancing knowledge compared to companies not participating in the process" as important. The latter motive and "Obtaining competitive advantage over companies not participating in the process" reflect the opportunity of service companies to reach an advantage of know-how respective to non-participating companies. The service companies also see advantages in participation with respect to customer relationships. The respondents assessed the aspect "Enhancing the company's reputation among my customers by improving the transparency of service supply and quality" as an important motive to participate in the standardization process. Obviously, a transparent service supply is important for service companies in order to signal service quality to consumers. This is reflected in the success factor "Transparency of services offered" (figure 1.9) which is ranked higher than "Price" and other success factors. In addition, we can state that formal standards and especially European or international standards are important means to signal service quality to consumers, which was shown in figure 1.12. Thus, future standardization activities for horizontal safety standards may focus on standards that make the service supply more transparent to consumers. This is not only important for the success of service companies in the European Single Market but also to inform consumers about the services offered. Providing detailed information about the service - particularly in areas where consumer health is an issue - is a form of consumer protection.

Figure 1.26: Importance of different Motives for participating in Formal Standardization Processes for Horizontal Safety Standards (-2 very unimportant; +2 very important)



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1.6. Summary of the Results

The presented company survey was one research step in the Module 3 “Safety in the Delivery of Services” of the overall project CHESSS - CEN Horizontal European Service Standardization Strategy.

In the following section we summarize the results of the survey. Regarding the success factors for service companies, the survey results indicate that service quality is most important. Also, it is important for the success in business to offer a transparent service to the consumers. Regarding the relevance of standards and certification against standards for the success of service companies, the survey results reveal that the application of standards is rather moderate compared to other success factors. However, past surveys could show that standards have not only a positive impact on service quality but service standards are also a means to signal service quality to consumers. Hence, we conclude that the application of service standards is an important contribution for the business success of service companies. Concerning the internationalization of services, the survey results indicate that diverse standards in general and safety standards in specific can act as barriers to the cross border trade of services.

As for the current application of and future preferences for service standards, service companies do currently apply more national than European or international standards for various service related aspects, but wish to implement more European or international standards. These results were confirmed by inter-temporal comparisons with past surveys. Regarding the role of service standards and consumer safety, the present survey results confirmed the relevance of the three safety dimensions “life and health of consumers”, “data security” and “financial security” since the survey results demonstrate that consumers have come to harm by all three types. As for the measures to ensure consumer safety, the survey results indicate that national and European statutory regulations play an important role, although formal standards are also used as often as regulations. When asked for their preferences for applying horizontal safety standards, companies’ answers indicated that approximately 60 percent of the service companies would implement horizontal standards to prevent injuries that could occur in the delivery of services and to guarantee data protection. However, only 30 percent would apply a horizontal standard to ensure the consumer’s financial security. As for past participation in service standardization processes and motives for participating in standardization, the survey results can be summarized as follows. The differentiation by company size reveals that larger companies are more active in the standardization processes compared to SMEs and this is especially true for participation in European and international service standardization processes. The motives for taking part in service standardization processes reveal that it is most important for service companies to influence the regulatory framework of the service sector. In addition, service companies state that an important motive for participation in horizontal standardization activities is to produce standards that make the services offered more transparent for the consumer. Since transparency is important for the success of service companies, we conclude that future standardization activities for horizontal safety standards may focus on standards that make the service supply more transparent to consumers.

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Finally, we have to point out some limitations of the study. Although the response rate and the survey results regarding the preference for European or international standards are comparable to other studies on the same subject, the number of companies that participated is very low. It follows that we cannot claim that the current sample is representative for the European service sector. We can therefore merely use it as a rough indicator and as a means to validate findings from other research steps.

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Annex H

Module 3 presentation delivered at the CHESSS Seminar, Brussels 2008-04-02

Slide 1



Module 3

Safety in the Delivery of Services

Presented by Petra Weiler

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Slide 2

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INTRODUCTION

- Main objectives of Module 3:
 - Provide systematic overview and analysis of the role of standards for improving the safety of services and in services sectors
 - Identify the role of standards in supporting regulations related to safety aspects in services
 - Derive future demand for horizontal European standards that improve safety in the delivery of services

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RESEARCH METHODOLOGY

- 1st Step: Desk Research
 - Analysis of relevant standards, regulations, surveys, and literature
 - Relevant safety aspects, sectors, existing standards, and regulations
- 2nd Step: Expert Interviews
 - Obtain initial perspectives from stakeholder groups
 - Trade associations, consumer representatives, politicians, academics

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RESEARCH METHODOLOGY

- 3rd Step: Company Survey
 - Obtain perspective from the market
 - Focus on safety related sectors
- 4th Step: World Cafés
 - Obtain European perspectives
 - Validation of results from other research strands

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FINDINGS: DESK RESEARCH

- Predominant aspect of service safety is the safety of consumers
- Three most important safety aspects:



- Three most relevant safety-related sectors:



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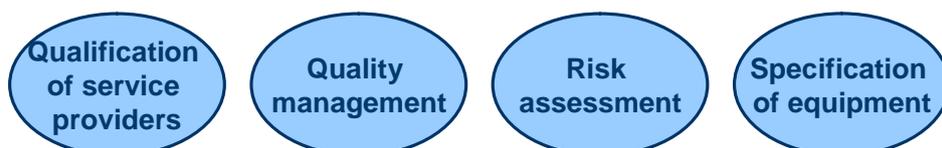
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FINDINGS: DESK RESEARCH

- Consider regulatory dimension
- European directives and regulations make service delivery safer
- Vertical and horizontal regulations in place
- Formal standards contribute to safe service delivery



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FINDINGS: EXPERT INTERVIEWS

- Strong relation between standardization and regulation
 - Different stakeholders have different views on
 - the role of (horizontal) standards
 - the need for (horizontal) standards
 - the potentials and benefits of (horizontal) standards
- in increasing the safety of consumers in the delivery of services

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FINDINGS: EXPERT INTERVIEWS

Dissent:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Appropriateness of current regulations and standards • Current safety level of services • Appropriate methods of market surveillance • Regulations, standards or both to improve safety level | <ul style="list-style-type: none"> • Vertical or horizontal standards to address safety issues • Best approach for each safety aspect • Whether costs of searching common elements for horizontal safety standards are worth the result |
|--|--|

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FINDINGS: EXPERT INTERVIEWS

Consensus:

- Ability to standardize services is important for the success of services companies
- Standards are important for the cross-border supply of services
- Standards ensure that the supply of services is transparent for the consumer

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FINDINGS: COMPANY SURVEY

- A lot less SMEs participate in standardization processes, especially on the European and international level, compared to large companies
- Formal standards
 - play a bigger role than company or industry standards
 - are seen as equally important as regulations

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FINDINGS: COMPANY SURVEY

- Companies apply formal national standards more often than formal European or international standards
- Companies require
 - more European and international safety standards than they use
 - safety standards for protection against accidents and for data protection rather than for financial security

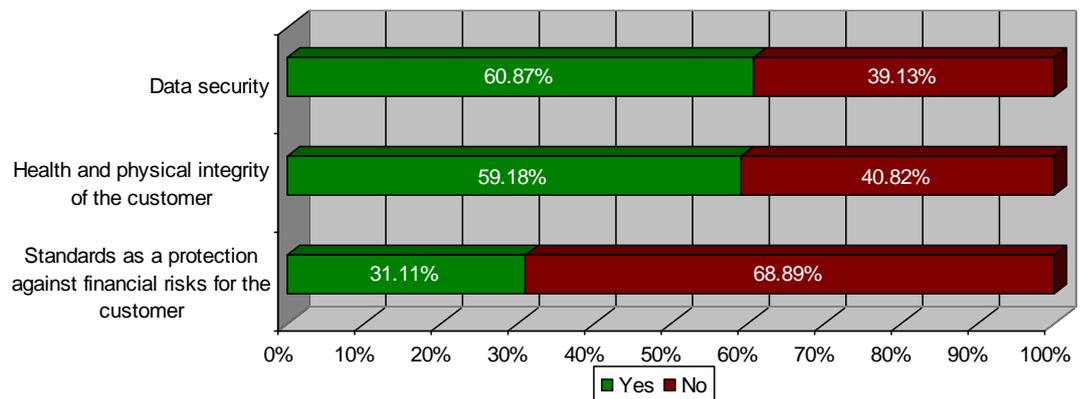


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FINDINGS: COMPANY SURVEY

Which horizontal standards would you implement in your company?



- 60 % of the companies would implement horizontal service safety standards for life and health and for data security



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FINDINGS: WORLD CAFES

Dimensions to be considered in service safety

- Contractual/legal
 - Guarantees
 - Liability
- Psychological
 - Trust and confidence
 - Certificates
 - Visibility
 - Quality/safety
 - Risk/fun
- Physical/technical
 - Equipment/Premises
 - Provider/Consumer



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FINDINGS: WORLD CAFES

Common safety related aspects or elements

- Information on
 - Risks
 - Service
 - Equipment, premises
 - Safety measures
 - ...
- Information to be
 - Clear and simple
 - Correct and complete
 - Accessible
 - ...



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FINDINGS: WORLD CAFES

Role for horizontal standards

- Risk assessment
- Terminology
- Fill gaps, provide details, legislation to provide basis
- Provide guidance (guidance document/checklist)
- Provide consistency, transparency, comparability
- Involvement of all stakeholders
- Clear specification of service
- Harmonize safety standards, and services
- Better service quality, provider performance, consumer protection

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CONCLUSIONS

1. At present a single horizontal European service safety standard covering all safety aspects and all service sectors is not feasible
 - Strong dissent among the stakeholders
 - Not enough stakeholder support in all sectors and for all safety aspects
 - Need not clearly enough pronounced, cost/benefit relation unclear

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CONCLUSIONS

2. The need for further horizontal European service safety standards is negligible
 - for data security
 - for financial security

because there already are horizontal and vertical regulations and standards in place

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CONCLUSIONS

3. There are opportunities for horizontal service safety standards

Elements common to all or many services and safety aspects

- Risk assessment
- Information on risks, service, equipment, premises
- Terminology

In view of a possible legislative framework

- Standards to fill gaps and provide details
- Voluntary standards to underpin legislation
- Extension of New Approach to services

Guideline for implementation of European Directives

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RECOMMENDATIONS

General

- Emphasize and strengthen cooperation between regulation and standardization on the European level
- Extend New Approach to services
- Find experts on national levels that act as key players in the relevant service sectors for horizontal European service safety standardization

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RECOMMENDATIONS

General

- Involve all stakeholders, especially consumer representatives, representatives of SMEs, and government
- Strengthen consumer representatives in standardization
- Make use of INFOPRO platform to avoid development of heterogeneous standards in different Member States
- Inform better on existing standards and regulations related to service safety

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RECOMMENDATIONS

Life and health of consumers

- Set up horizontal legislative framework for safety of services
- Close cooperation between European legislation and standardization bodies
- Follow example of New Approach, and consider mandated standardization projects to shape and underpin regulation

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THANK YOU FOR YOUR ATTENTION!

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