



Research report summary

The economic value of accredited management systems certification



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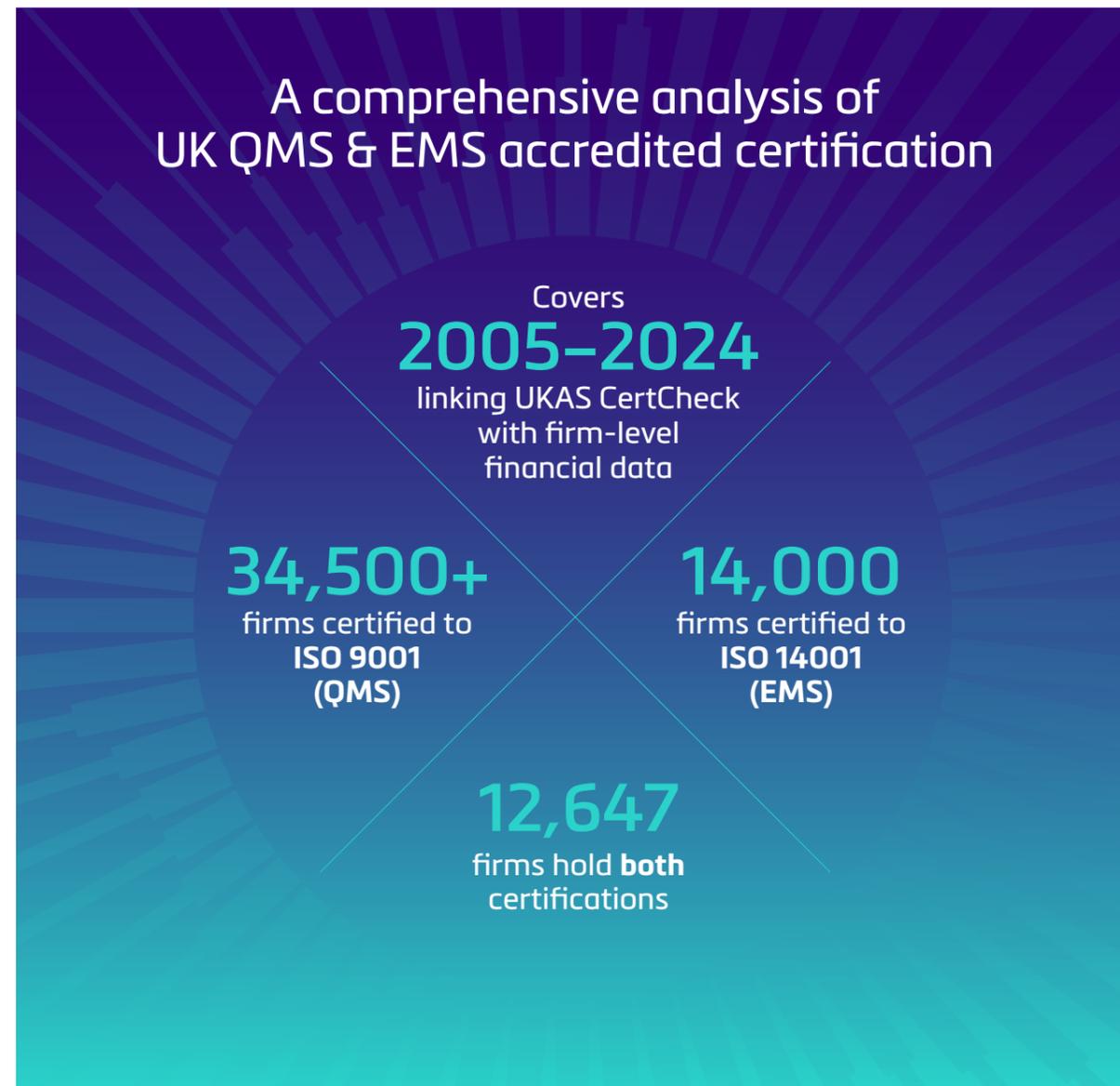
About the research

This research is a comprehensive study evaluating the economic value of accredited management system certifications, specifically ISO 9001 Quality Management Systems (QMS) and ISO 14001 Environmental Management Systems (EMS), among UK firms. It leverages a large-scale, linked longitudinal dataset combining UKAS's CertCheck certification records with firm-level financial data from Moody's Analytics Orbis from 2005 to 2024 – the largest current study of its type.

UKAS has partnered with leading academics to conduct the largest current study into the uptake, impacts and economic value of accredited management systems certification for UK businesses.

Over 34,000 firms were included in the research that held certification against ISO 9001 & nearly 14,000 that held ISO 14001 in the time period. Over 12,000 of these held both.

The study aimed to analyse patterns of certification uptake, firm characteristics associated with certification, and the causal impacts of certification on firm performance, productivity and resilience, with particular attention to effects during economic shocks such as Brexit and the COVID-19 pandemic.



Key findings

Accredited management systems certifications are valuable strategic tools, that help certified firms build more compliant, efficient, robust and adaptable businesses; enabling them to consistently outperform their non-certified competitors, particularly in the long-term.

- + The research shows a widespread (but varied) uptake of ISO 9001 and ISO 14001 across industry and geographical sectors.
 - **Sectoral:** manufacturing & construction businesses dominate with 33% of all QMS & EMS.
 - **Regionally:** significant concentrations in South East, North West and West Midlands.
- + Results indicate that firms holding UKAS accredited certification consistently report significantly higher levels of both revenue and productivity than non-certified firms.
- + **Revenue:** median £12-14 million revenue for QMS and £18 million revenue for EMS certified firms, compared to under £10 million for non-certified firms.
 - Productivity: efficiency gains through increased revenue with either stable or decreased employment for firms with either QMS or EMS.
- + Businesses with accredited certification are more resilient to economic shocks (such as Brexit, COVID-19 and energy price spikes).
 - Certified firms maintain higher revenue and productivity than comparable non-certified firms.
 - Particularly so for SMEs, where certification provides critical organisational functions.

Certification dynamics: about the research sample

- + **ISO 9001:** over 34,500 firms certified, with high renewal rates indicated by the majority of certificates expiring beyond 2023. The number of new certifications peaked in 2021, with firms generally retaining certification once adopted.
- + **ISO 14001:** about 14,000 firms certified, with adoption accelerating since the early 2000s and a strong renewal pattern similar to QMS. The largest number of new EMS certifications occurred in 2023.
- + **Dual certification:** approximately 12,647 firms hold both QMS and EMS, with over half adopting both in the same year, while others adopt sequentially, often starting with QMS.

Certification clusters around key economic regions



Highest uptake is seen in the **South East, North West, and West Midlands**, mirroring broader patterns of UK industrial activity.

The uptake of ISO 9001 and ISO 14001 in the UK is widespread but unevenly distributed across sectors and regions. Certified firms also tend to be larger, older, and more established than the average UK business, reflecting self-selection by better-resourced and better-managed firms.

- Manufacturing and construction sectors dominate certification adoption, with manufacturing accounting for about one-third of QMS and EMS certifications.
- Construction shows a higher emphasis on EMS relative to QMS.
- Significant regional concentrations in the South East, North West, and West Midlands aligning with economic activity.
- Service sectors including wholesale and retail trade, professional and technical services, and administrative support also have notable certification shares.

Certification uptake

- + Larger and older firms are more likely to adopt certification, while pre-certification labour productivity does not significantly differ between future adopters and non-adopters.
- + Regional differences are modest once controlling for sector and firm characteristics, but sectoral variation is pronounced, with manufacturing firms more likely to certify than many service sectors.

Financial and structural characteristics

- + Certified firms are significantly larger and more capital intensive than non-certified firms.
- + For QMS-certified firms, the median revenue is around £13–14 million, with median employment approximately 35–54 employees, depending on certification status.
- + EMS-certified firms tend to be even larger on average, with median revenues around £18 million and employment near 62 workers.
- + Firms that maintain certification (“always certified”) or discontinue it (“stoppers”) are generally larger than new adopters or never-certified firms, highlighting size and resource differences among groups.

Performance patterns: revenue and productivity

Descriptive statistics reveal that certified firms report higher revenues and labour productivity than non-certified peers.

- Firms adopting QMS or EMS tend to increase revenue and net tangible assets post-certification, while employment often decreases or remains stable, suggesting efficiency gains rather than workforce expansion.
- Firms discontinuing certification typically show declines in revenue and assets, especially for QMS, indicating certification may support sustained business activity.

Revenue and productivity (short-run)

Using a difference-in-differences approach with firm and year fixed effects and matched controls, the study finds that average post-certification effects on revenue and labour productivity are small and statistically insignificant across most sectors.

The exception is construction, where ISO 9001 certification is associated with a significant labour productivity increase of approximately 16–17%, although pre-trend differences suggest some caution in causal interpretation.

ISO 9001 boosts productivity in construction

Certification is associated with a **16–17% increase in labour productivity**, highlighting the value of structured quality management in this sector.



Long-term benefits: resilience during economic shocks

The study assesses firms already certified before 2013 and their performance through major UK economic shocks, including Brexit, COVID-19, and energy price spikes.

- + Certified firms demonstrate greater resilience, maintaining higher revenue and labour productivity than comparable non-certified firms during these turbulent periods.
- + The revenue advantage narrowed during the peak pandemic years but re-emerged strongly during recovery.
- Employment impacts were similar across groups, indicating that resilience was achieved through operational adaptability rather than employment protection.

Robustness and resilience effects

The resilience premium is disproportionately driven by SMEs (firms with 100 or fewer employees), where certification provides critical organisational capabilities compensating for limited managerial and financial buffers.

Larger firms show weaker and less consistent resilience advantages.

The resilience benefits are mainly associated with ISO 9001 certification. Dual certification, or ISO 14001 certification alone does not confer additional resilience benefits beyond QMS alone.

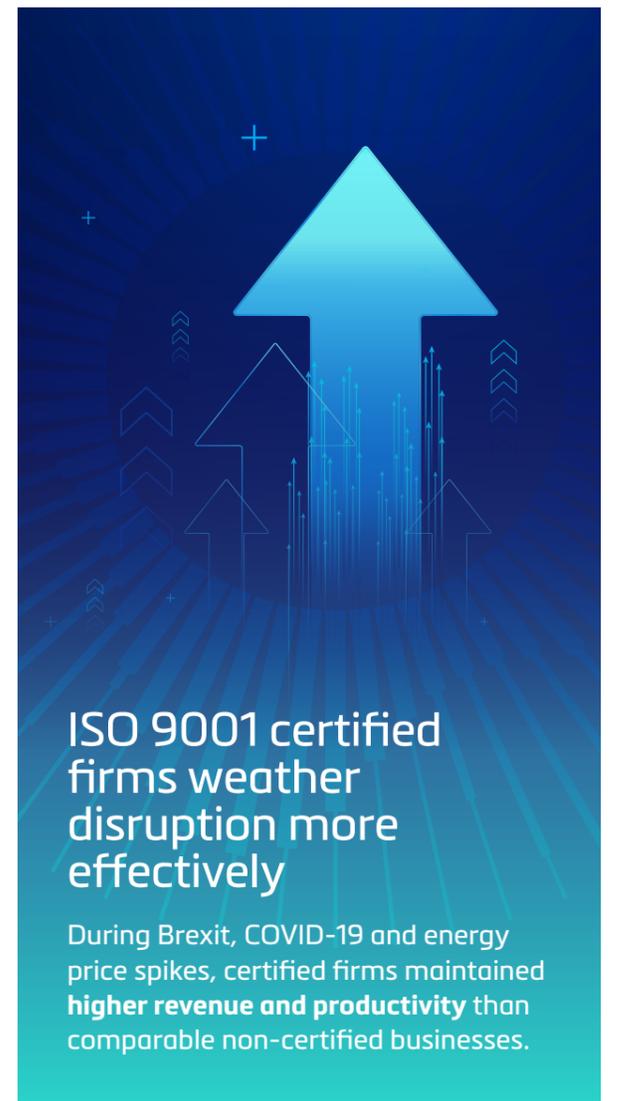
Manufacturing and construction lead adoption

These two sectors account for around **one-third** of all QMS and EMS certifications, reflecting their strong supply chain and operational drivers.



ISO 9001 certified firms weather disruption more effectively

During Brexit, COVID-19 and energy price spikes, certified firms maintained **higher revenue and productivity** than comparable non-certified businesses.



Conclusions and recommendations

The study concludes that accredited management system certifications are valuable strategic tools, especially for building resilience and meeting market or regulatory requirements.

While certified firms generally outperform non-certified peers, the short-run causal impact of certification on revenue and productivity is modest or statistically indistinct for recent adopters of mature standards.

1. Certification should be viewed as a long-term investment in capability and resilience, not a short-term growth lever.
2. Certification appears to consolidate existing good management practices rather than trigger rapid productivity gains.
3. Certification is a continuous process with benefits building over time.
4. The construction sector demonstrates clear productivity gains associated with structured quality management, post-certification..
5. Resilience benefits during economic shocks are a critical source of value, particularly for SMEs, where certification provides critical organisational structure and risk management capability.
6. Quality of implementation and maintenance is crucial; accredited certification bodies enforce rigorous standards that promote substantive improvements for certified organisations.
7. Policymakers and industry bodies should focus on supporting high-quality adoption, particularly among SMEs and sectors where certification is critical for competitiveness.
8. Certification's resilience benefits should be integrated into broader risk management and business continuity strategies.



Accredited certification strengthens smaller firms

For SMEs, certification provides critical organisational structure and risk-management capability, delivering a **notable resilience advantage** during periods of instability.



