



## PROPOSAL FOR A NEW FIELD OF TECHNICAL ACTIVITY

**PROPOSER:**

**BIS, INDIA**

**DATE OF CIRCULATION:**

Click or tap to enter a date.

**CLOSING DATE FOR VOTING:**

Click or tap to enter a date.

A proposal for a new field of technical activity shall be submitted to the Office of the CEO (to [tmb@iso.org](mailto:tmb@iso.org)), which will process the proposal in accordance with [ISO/IEC Directives, Part 1, Clause 1.5](#).

Furthermore, a proposal will be considered as complete if every information field is complete and follows the guidelines for proposing and justifying a new field of activity given in the [ISO/IEC Directives, Part 1, Annex C](#).

**TITLE**

(Please see the [ISO/IEC Directives, Part 1, Annex C, Clause C.4.2](#))

### **Fundamentals of Services**

**SCOPE**

(Please see the [ISO/IEC Directives, Part 1, Annex C, Clause C.4.3](#))

Standardization of generic and fundamental aspects of services including, but not limited to, terminology, classification, human skills, planning, contracts, agreement, delivery modes, performance, measurements, monitoring, analytics, security, customer expectation and other related aspects of services.

Excluded: “*Standardization in the field of excellence in service*” covered by *ISO/TC 312 - Excellence in Service*.

**PURPOSE AND JUSTIFICATION** (Please use the field immediately below or attach an annex.)

(Please see the [ISO/IEC Directives, Part 1, Annex C, Clause C.4.13](#))

The aim of establishment of new Technical Committee (TC) on ‘Fundamentals of Services’ is to develop a comprehensive framework addressing the fundamental aspects of services for laying down guidelines on core concept of services and service principles. Once this conceptual framework is established, it will serve towards development of sectorial service standards, in turn leading to enhancing quality and efficiency of services across various sectors. This will also help in creating

common understanding of services at the global level that will in turn lead to increase in trade in services and improve competitive positions of organizations as well as nations, especially developing nations.

Standardizing service fundamentals is crucial for ensuring consistent delivery of service quality and bridging the gap between service delivery and customer expectations. The absence of universally accepted standards on the fundamentals of services lead to multitude of challenges, including inconsistency in service quality, uncertainty for both service providers and consumers, diverse interpretations of service terms that may confuse or mislead consumers, inadequate service specifications leading to perception gap between what customers expect and what is actually delivered that can result in disputes, dissatisfaction, complaints and service failure. For addressing these issues, there is a need for formulating standards on service fundamentals to ensure consistency and delivering quality of service.

By integrating these standardized fundamental aspects into service development, service providers can create a strong foundation for delivering quality service, meeting customer expectations, and minimizing the risk of failure. These fundamentals help ensure consistency, reliability, and customer satisfaction, ultimately contributing to the long-term success and sustainability of the service provider.

Developing common understanding of services at the fundamental level will also help service designers come up with service ecosystem including focused delivery models with calibrated features and characteristics and attendant flexibility of incorporating value adds dependent on customer expectations based on segments, demographics, cultures and geographies.

A major determinant of service delivery and service quality is human behavior which is subject to variability and uncertainty. The proposed suite of standards on fundamentals of services will address risks and opportunities related to human behavior and organization culture, and recommend strategies for harnessing human capital for business advantages.

Due to unique characteristics of services, such as intangibility, perishability, heterogeneity, inseparability, complexity, simultaneity of generation of service request & response, service delivery and consumption, services require a different approach for standardization as distinct from products. The proposed horizontal standards on services aim to help in developing sound approaches for

application of these unique features in domain specific service standards. One of the key beneficiaries of these approaches will be service standard writers.

The service sector is a dominant driver in the world economy, accounting for a significant portion of GDP, employment, and international trade in most countries. The importance of services will continue to grow as countries make progress. The growth of services has outpaced growth in other sectors in recent years in many countries, including India. However, services suffer from lack of standards which adversely affects businesses and the entire economy. For instance, in healthcare services, lack of standardized protocols can increase the risk of errors which may result into irreparable damages to human health and loss of patient confidence in the health service provider. According to recent research in the UK, poor customer service costs UK businesses £11.4bn a month in lost productivity with employees spending one day a week dealing with problems on an average. Similarly, the IBM State of Marketing 2013 survey showed that around USD\$83 billion is lost each year in the United States alone due to poor customer experiences which results from poor service standards. These examples highlight the importance of standards for service delivery.

Standardization reduces operational costs by streamlining processes and cutting down resource allocation inefficiencies. This improved efficiency not only lowers costs but also frees up resources to be utilized in other productive areas of the business, thereby increasing profitability. Moreover, standardized practices promote innovation within the industry, encouraging service providers to develop new and improved service offerings. Finally, a standardized framework facilitates trade by providing a common ground for businesses to interact, negotiate contracts, and deliver services, thereby contributing significantly to the expansion of the global market.

The social benefits of standards in services include efficient use of available resources for social services, ethical employment practices, increased inclusivity, which in turns contribute to greater community engagement and well-being. Satisfied service recipients feel a sense of belongingness towards the service providers and help grow the business.

**PROPOSED INITIAL PROGRAMME OF WORK** (Please use the field immediately below or attach an annex)

Please see the [ISO/IEC Directives, Part 1, Annex C.4.4 and C-4.5](#))

For each item, the initial work programme shall define the deliverable type and target dates. The initial work programme shall also assign priorities to the different items.

Even though service terms and vocabulary have been referred in various ISO standards, these are contextual to the sectors or subject. The following suite of standards will be sector agnostic and provide common understanding of the terms:

## **1. Fundamentals of Services – Vocabulary**

This vocabulary standard will identify the distinct terms used in the provision of services and define the terms cogently to enable common understanding of frequently used terms such as service description, service transaction, service request & response, digital transaction, service contract and agreement, customer engagement, payments and fees, security, service quality, service monitoring, service performance indicators and so on.

## **2. Classification of Services**

It is essential to develop a comprehensive system of service classifications. One of the key purposes of standardizing service classifications will be to provide guidance to the service developer, how each classification parameter impacts the end-to end-service cycle, and the actions needed to control their production and delivery in compliance with agreed or expected performance level on a consistent basis.

## **3. Service Communications**

Services deal with different phases of communications, like pre, during, and post-delivery communications with different parties involved in the service delivery cycle. Formulating standards on fundamental aspects of service communications will help streamline operations and improve communication effectiveness among the involved parties. This will improve response times and can avoid service failure due to lack of communication.

## **4. Service Monitoring**

Delivering quality services requires comprehensive monitoring at various stages, such as pre, during and post-delivery of services. By formulating fundamental service monitoring standards across these stages, it is aimed to identify an exhaustive suite of performance indicators and service monitoring methods at generic level which can be adopted for sectorial applications. Standardization of monitoring will lead to significantly enhancing service quality.

## **5. Human Factors in Services**

Effective human involvement is one of the fundamental elements of service delivery to ensure the service quality and achieve consumer satisfaction. Several standards have been formulated and are being developed on various aspects of human resources in organizations but currently there are no standards specifically bring out human factor and touch point in services. The standard on human factors will identify and lay down guidelines for leveraging human involvement in effective and efficient services delivery.

## **6. Service Contract and Agreements**

Service Contracts constitute a very important element in service delivery cycle, ranging from informal understanding to elaborate legally supported documents. However, several failures and

disputes arise due to inadequately executed service contracts. The standard on service contract will aim to identify common elements as well as essential requirements that should be considered in service contracts. The standard will be generic and exhaustive to enable adoption for different nature of service contracts.

In addition to above, the following subjects will be taken in future for formulation of standards under this committee:

- a) **Customer expectation, perception measurement methods**
- b) **Service performance indicators**
- c) **Service quality measurements**
- d) **Service delivery channels – modes of communication**
- e) **Service process risks**
- f) **Customer/ data security**
- g) **Service – use of ICT**
- h) **Template for vertical services standards**

#### **RELATION OF THE PROPOSAL TO EXISTING INTERNATIONAL STANDARDS AND ON-GOING STANDARDIZATION WORK**

- The proposer has checked whether the proposed scope of the new committee overlaps with the scope of any existing ISO or IEC committee or JTC1 sub-committee
- If an overlap or the potential for overlap is identified, the affected committee has been informed and an agreement has been reached between proposer and committee on
  - i. modification/restriction of the scope of the proposal to avoid overlapping,
  - ii. potential modification/restriction of the scope of the existing committee to avoid overlapping.
- If agreement with the existing committee has not been reached, please explain why the proposal should be approved.

Although we have checked there is no overlap between proposed Technical Committee (TC) on “*Fundamentals of Services*” and ongoing standardization work. However, there is a strong synergy between the proposed TC and “ISO/TC 312 – Excellence in Services”. As already approved, the scope of ISO/TC 312 is as follow:

*‘Standardization in the field of excellence in service’.*

Whereas the proposed TC will focus to standardization work on fundamental and conceptual aspects of services.

**Further, in the proposal submitted at the time of setting up new committee on Excellence in Services (ISO/TC 312), the following was excluded:**

- a) *It does not focus on providing basic customer service which organizations should already have in place (refer scope statement of Form 1 of ISO/TC 312)*
- b) *ISO/TC 312 would be responsible for standardization of mindsets and procedures how to achieve outstanding customer experiences through the provision of excellent services including terminology, principles, elements, metrics, implementation, amongst others.*

The above two statements unambiguously clarify that the new proposed technical committee is not overlapping the work of ISO/TC 312 and rather proposed scope of new technical committee will supplement the work of ISO/TC 312.

Majority of service failures and errors occur due to lack or inadequate incorporation of essential features relevant to the context during service design, due to lack of appropriate pre-delivery checks, process controls and monitoring checks during service delivery and post-delivery evaluation. The underlying causes are not covered under the scope of ISO/TC 312, and also there are insufficient standards on fundamental service concepts; service classification and its impacts service design; service communications; human qualifications specific to services; monitoring and measurement of service specifications and delivery norms; integration of digital and web technologies etc.

The fundamental standards will create foundational and common understanding in these areas and their application will significantly reduce service errors and failures.

- Have proposals on this subject been submitted into an existing committee and rejected? If so, what were the reasons for rejection?

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#### **LISTING OF RELEVANT DOCUMENTS (SUCH AS STANDARDS AND REGULATIONS) AT INTERNATIONAL, REGIONAL AND NATIONAL LEVEL**

(Please see the [ISO/IEC Directives, Part 1, Annex C, Clause C.4.6](#))

<b>S. No.</b>	<b>Doc. No./IS No.</b>	<b>TITLE</b>
<b>1.</b>	IS 20000:2024	SERVICES – GLOSSARY OF TERMS
<b>2.</b>	UNDERDEVELOPMENT	GUIDELINES FOR SERVICES CLASSIFICATION

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#### **LISTING OF RELEVANT COUNTRIES WHERE THE SUBJECT OF THE PROPOSAL IS IMPORTANT TO THEIR NATIONAL COMMERCIAL INTERESTS**

(Please see the [ISO/IEC Directives, Part 1, Annex C, Clause C.4.8](#))

LEBANON, BERMUDA, CHINA, UNITED KINGDOM, JAPAN, GERMANY, FRANCE, INDIA, SWITZERLAND, RUSSIA, SPAIN, MEXICO, NETHERLANDS, SINGAPORE, GREECE, DENMARK, PORTUGAL, SWEDEN, BRAZIL, ITALY, CANADA, AUSTRALIA, INDONESIA, TURKEY, SAUDI ARABIA, BARBADOS, BELGIUM, CYPRUS, FINLAND, IRELAND, REPUBLIC OF KOREA, NIGERIA, TRINIDAD AND TOBAGO, UGANDA, BULGARIA, COLOMBIA, CZECH REPUBLIC, EGYPT, HUNGARY, KENYA, MALAYSIA, NORWAY, SOUTH AFRICA, THAILAND

#### **LISTING OF RELEVANT EXTERNAL INTERNATIONAL ORGANIZATIONS OR INTERNAL PARTIES (OTHER THAN ISO AND/OR IEC COMMITTEES) TO BE ENGAGED AS LIASONS IN THIS WORK**

(Please see the [ISO/IEC Directives, Part 1, Clause C.4.9](#))

1. ISO/TC 68 – FINANCIAL SERVICES
2. ISO/TC 228 – TOURISM AND RELATED SERVICES

3. ISO/TC 232 - EDUCATION AND LEARNING SERVICES
4. ISO/TC 315- COLD CHAIN LOGISTICS
5. ISO/TC 314 – AGEING SOCIETIES
6. ISO/TC 324 – SHARING ECONOMY
7. ISO/TC 321- TRANSACTION ASSURANCE IN E-COMMERCE
8. ISO/TC 295 - AUDIT DATA SERVICES
9. ISO/TC 312 – EXCELLENCE IN SERVICES
10. ISO TC 331 – BIODIVERSITY
11. ISO/TC 344 – INNOVATIVE LOGISTICS

**IDENTIFICATION AND DESCRIPTION OF RELEVANT AFFECTED STAKEHOLDER CATEGORIES**

(Please see [ISO Connect](#))

	<b>Benefits/Impacts/Examples</b>
<b>Industry and commerce – large industry</b>	<ul style="list-style-type: none"> <li>- Standards on Fundamentals of services streamline the processes and practices at the core level of service development that results improved service quality and efficiency.</li> <li>- After the adoption of standards on fundamentals of services by industries in their practices reduces errors, rework, and wastage of time leading to significant increase in the productivity of businesses</li> </ul>
<b>Industry and commerce – SMEs</b>	SME that will adopt these standards will have better possibility of recognition and selection as service suppliers to larger corporates and public sector.
<b>Government</b>	<ul style="list-style-type: none"> <li>- As government provides public services across broad sectorial range, these standards will be invaluable in improving the quality of public services, through the development of service standards, standardizing the processes and monitoring service outcomes.</li> <li>- Facilitation of trade.</li> </ul>

<b>Consumers</b>	The largest beneficiaries of these standards will be consumers both as service recipients as well as participants in service agreements, providing feedbacks etc.
<b>Labour</b>	<p>The inclusion of human involvement in suite of fundamental service standard will help in developing effective understanding human factors in service delivery thereby improving:</p> <ul style="list-style-type: none"> <li>- Employee motivation and engagement.</li> <li>- Working environment.</li> <li>- Work life balance</li> <li>- Employee career development</li> <li>- Learning &amp; development</li> </ul>
<b>Academic and research bodies</b>	<ul style="list-style-type: none"> <li>- Standards on fundamentals of services has a potential to open the doors to future research opportunities. The fundamental standards on services will provide opportunity to researchers to develop tools and software's for the implementing these standards across various service sectors.</li> <li>- The suite of fundamentals of services standards introduces new dimensions to global academic community.</li> </ul>
<b>Standards application businesses</b>	These fundamental standards will bring uniformity and help to understand the concept of services for testing and certification by accreditation bodies and their application to vertical standards. Hence, enhance the operational consistency, credibility, efficiency, compliance, market acceptance, and customer satisfaction.
<b>Non-governmental organizations</b>	NGOs are principally involved in providing services to communities, these standards will enable better program implementations, social impact to effective service design, service delivery, service monitoring, communication, delivery channels etc.
<b>Other (please specify)</b>	Service sector standard development organizations can reference horizontal standards on services for the development of vertical service sector standards.



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## **EXPRESSION OF LEADERSHIP COMMITMENT FROM THE PROPOSER**

(Please see the [ISO/IEC Directives, Part 1, Annex C, Clause C.4.12](#))

If ISO agrees to establish this Committee on 'Fundamentals of Services', BIS, India is willing to undertake the responsibility of the work of Secretariat. BIS has strong foundation, having initiated development of standards on 'Fundamental of Services' 03 years ago in National Committee on Basic Standards on Services Sectional Committee, SSD 19.

BIS has published one standard on 'Terminology of Services' and development of Indian standards on the following subjects are under progress:

- a) Guidelines of Service Classification
- b) Guidelines of Service Communication
- c) Guidelines for Service Monitoring.

The Sectional Committee, SSD 19, comprises stakeholders from various sectors including Academia, Ministries/Departments, Consumer Organizations, Industries and their associations, Technologists, Experts, Regulatory Bodies, State Governments, and R&D Organizations. They are actively involved in formulating standards on fundamentals of services. About 60 national experts have dedicated more than 1000 man-hours to laying the foundation work for the development of standards on the fundamentals of services. BIS, India, possesses a knowledge base and domain area experts for each of the identified subject for the proposed new Committee.

BIS has initiated research and development efforts on the subjects outlined in the proposed TC's program of work.

India has a very large service sector that contributes more than 50% of GDP, 30% of employment and 40% of total exports of India. In spite of global geopolitical uncertainties and economic disruptions, India's services exports surged by 11.4% to \$345 billion in 2023. Some of the key sectors that drives India's services growth include travel, transport, medical, and hospitality services. According to a recent report by Goldman Sachs titled "India's Rise as the Emerging Services Factory of the World", India's share in global services exports has doubled in last 18 years.

BIS possesses the necessary experience and resources to effectively manage the TC.

- The proposer confirms that this proposal has been drafted in compliance with iso/iec directives, part 1, annex c

**SIGNATURE OF THE PROPOSER**

BIS, INDIA

**COMMENTS OF THE ISO CENTRAL OFFICE (IF ANY)**

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