Certification as an Investment: Who Pays, Who Benefits, and When

GUIDING QUESTION *Take the certification line out of your budget and write down what it actually costs, in hours and by department. Then write down which of the people who spend those hours will still be in the building when the benefit arrives.*

Property: _____ Completed by: _____ Date: _____

How to use this sheet: work through the four parts with the people who own the process. The left-hand text comes from the book; the empty columns are for what is true in your property.

1. Verification Pact: what the market says, what actually holds, and your property

What the market says	What actually holds	In our property
"Certification costs us the fee on the A&G line."	No. The fee follows the audit days the certification body determines under TECH-3-004 (formerly IAF MD 5) from effective personnel and complexity, and it is usually the smaller part. The larger part is internal: managers' hours in every department, which have to be estimated and stated as an estimate. At the Elliott Bay, on the case's assumptions, fees were a little over a third of the total.	
"If it earned anything, we would see it in the revenue."	No. The standard presents the potential benefits as capabilities: consistently providing conforming products and services, addressing risks and opportunities, demonstrating conformity. Their effect shows in market access, in due diligence and in failures that did not happen, none of which is a revenue line; a reasoned estimate with stated assumptions is possible, a measured return is not.	
"We are required to be certified."	No. The standard does not require certification: adopting a quality management system is a strategic decision, and certification is a further, separate choice. A customer contract, a tender or a scheme may require it, and then the requirement comes from them, not from ISO 9001. Internal audits remain a requirement of the standard whether or not the hotel is certified.	
"It is a quality department cost."	No. Top management has to ensure that the resources the system needs are available and that the system is integrated into the organisation's business processes. The cost is spent in every department, and funding it is a decision for whoever answers for the whole operation, not for the quality function alone.	
"We can drop it and pick it up again if a client asks."	Partly. A lapse is not permanent, but it is not free. Within six months of expiry the body can restore the certification if the outstanding recertification activities are completed; after that, at least a stage 2 audit is required, and after a long gap the hotel may be treated much like a new client. The certificate is not valid in the	

What the market says	What actually holds	In our property
	interval, the gap is visible in the public record, and from 31 March 2028 any new initial accredited certification is to the 2026 edition.	
"The operator can decide this alone."	Partly. It depends on the contract, not on the standard. ISO 9001 says nothing about who may discontinue a certification; the management agreement allocates that power between owner and operator. At the Elliott Bay a clause required the owner's approval; where an agreement is silent, the question turns on spending authority and on what the operator must report to the owner.	

2. Objective evidence: what an auditor would examine

Line	What to examine	Found? (Yes / Partly / No)	Notes and location
Record	Fees paid across the full cycle, and internal hours by department reconstructed from audit schedules, meeting records and the calendars of the managers involved.		
Read	The sales system by channel, identifying every account, framework or tender in which certification is a requirement or a scored criterion, with the revenue attached to each.		
Document	The management agreement clause governing third-party certifications, which determines who is actually entitled to take this decision.		
Told	What department heads say the audit costs them in a normal year. It is the only source for the largest component of the cost, and it has never been asked for.		
Seen	The system being used for something other than an audit (a complaint being closed, a requirement being determined before a contract is signed), which is the asset the certificate is a receipt for.		
Re-performed	One tender won or retained in the last cycle, traced back to establish whether certification was a threshold, a score, or irrelevant to the award.		
Absence	No statement anywhere of what the system costs in hours, and no statement anywhere of what share of revenue depends on holding the certificate.		

3. Common mistakes: self-check

Mistake	Why it matters	Present here? (Yes / Partly / No)
Counting the fee and calling it the cost.	At the Elliott Bay it was about a third of it; elsewhere the share will differ, but the rest is always spent by people who are measured on something else.	
Demanding a precise return on investment figure.	It cannot be measured, and insisting on one invites a number somebody invented; ask instead for a reasoned estimate with its assumptions stated and a range.	
Letting the party without the exposure take the decision.	In a managed hotel that happens by default every October.	
Treating a lapse as easily reversible.	Restoration is possible only within six months of expiry and on conditions; after that, at least a stage 2 audit is needed, and the interval is visible to anybody who checks the register.	
Keeping it out of loyalty rather than exposure.	A property with no doors that ask should be able to say so, and a book that could not accommodate that answer would be selling something.	

4. Action plan

Position from the book / gap found	Action in our property	Owner	Deadline

In brief

Certification is an investment evaluated as an expense, because in hospitality the cost and the benefit are separated by three boundaries: time, department and legal entity. At the Elliott Bay the fee was roughly a third of the true cost; the rest was the attention of managers whose budgets have no line for it. The return cannot be measured precisely, though it can be estimated with stated assumptions, and the more solid figure is the share of revenue arriving through doors where certification is required or scored, extracted from the sales system in a couple of days.

Source: The Helm and the Lens, Volume 2b: The Lens, subchapter 4.15. This sheet does not reproduce the text of any standard; work with your own copy of ISO 9001:2026 from an authorised source.