



e - Quality Edge

bringing quality information to South Africans since 1996

SAQI
The South African Quality Institute

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CONTENTS

PAGE

SAQI wishes all its members and associates a happy and prosperous 2020

1

SAQI Handover

By Paul Harding

2

Management Review revisited

By Paul Simpson

3

What Companies practising Quality-based Management are doing regarding Environment:

An Empirical Inquiry

By N. (Ram) Ramanathan

4

The passing of Brian Tomlin

4

Boards that Play the Infinite Game

By Jené' Palmer & Terrance M. Booysen

5

Making good decisions

By Dr Richard Hayward

7

SAQI Quality Training 2020

8

SAQI wishes all its members and associates a happy and prosperous 2020



Paul Harding

In this month's edition we make an important announcement regarding the leadership of SAQI. After leading SAQI for the past eleven years I will be stepping down and we are pleased to announce that Jacques Snyders will be taking over the role of Managing Director.

Paul Simpson follows up on his series of articles by questioning the need for a separate Management Review. My IAQ colleague Ram Ramanathan gives feedback from his presentation at the conference in Lisbon on the link between Quality Management and environmental issues.

Jene' Palmer continues our series on ethics in the Boardroom and discusses Boards the play the infinite game.

Our regular contributor Richard Hayward gives his Quality in Schools message and helps us to make good decisions.

Although I am handing over the reins of SAQI to Jacques I will continue to edit our monthly newsletter.

If any of you would like to contribute to future newsletters please contact us.

Please feel free to pass on our newsletter to your network and we look forward to input from you for our next edition.

Paul Harding

Editor



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Quality:

helping South Africans live, learn and work better

SAQI Handover

by Paul Harding



Jacques Snyders : SAQI MD

After managing the affairs of the organisation since August 2008 I am finally retiring as the Managing Director of SAQI. I will not be lost totally to the organisation as I will continue to edit the monthly newsletter, be involved in presenting some of the training courses and continue to assist in aligning our courses to enable accreditation to the QCTO.

I am pleased to announce that my long-time colleague, Jacques Snyders, will be taking over as the Managing Director of SAQI from the 1st January 2020. Jacques and I worked together at Nissan South Africa where Jacques played a major role as part of the team that introduced a new Quality Management System into the organisation that satisfied the requirements of ISO 9001. I followed Jacques subsequent career with interest as he successfully improved the quality and productivity of a number of the automotive supply organisations. Jacques did an excellent job of implementing Lean & Six Sigma Methodologies into South African sewing plants that produce fabric and leather trim covers for some of the major automotive OEMs. After 14 years in the motor industry, Jacques made the break from manufacturing and moved into the service industry with an equal amount of success making him an ideal candidate for this position.

Jacques has been working as a Senior Member and lead facilitator at SAQI since August 2014 and has contributed to

SAQI's ongoing development. Jacques is passionate about promoting Quality in South Africa and I am sure that he will continue the legacy that SAQI has established over the past few years. Since coming on board Jacques has set up excellent career path development programs in the construction, service and the food and cosmetic industries to supplement our well established manufacturing program.

2020 will be the start of a new era for SAQI with the establishment of a new Board of Directors. I will continue for a while liaising with the new Board into this very challenging period.

I would like to take this opportunity to thank all the loyal SAQI members and staff particularly Vanessa du Toit who supported me through the very lean years after departing from **the dti**. It was particularly challenging when we commenced operating from our new home at the CSIR with just one small office and a storeroom.

There are more challenging times ahead for South Africa and now more than ever we need to continue to improve the quality of life of all our citizens and release their potential.

[back to contents page](#)

Management Review revisited

by Paul Simpson

Recently, on the CQI LinkedIn page, I came across a post asking about an article I wrote many years ago for the CQI's Quality World magazine. Due to the LinkedIn word limitations, I am reproducing it here. The article is dated, referring to the 2000 edition of ISO 9001 and to Product Realization, but the thoughts are still relevant today.

I was in a discussion with a very earnest young man recently and one of the topics we covered was Management Review as part of his ISO 9001 quality management system. Let's just say the conversation was a little heated in places and that led me to write the piece for QW. My earnest friend was of the opinion that Management Review was something new and special - perhaps invented by those wise people in ISO - when it is in fact merely a term for planning and monitoring - activities that responsible businesses have been doing for years. Now I understand the need for standard terms and for ISO to define these terms so that users of these standards have a common understanding. But here's the rub - it is not the place for standard users and in particular quality professionals to continue to use these terms in their daily life. The more we use terms like Management Review, Management Representative and, my personal favourite, Product Realization in both work conversations and management systems documents the further we take these systems away from the people that matter - the users. So once we understand the term we need to go back to our organisation and understand what process(es) we have in place that already satisfy the requirements.

You would expect the board to discuss the effectiveness of the organisation's management system in ensuring it delivers products and services to meet customer requirements. Customer feedback, internal quality measures and the status of improvement plans and programmes would be topics of interest to any managing director. All well and good so far - these topics should also address the requirements of ISO 9001 clause 5.6.2. But, rather than get a regular slot on the board agenda where the responsible manager reports to the board the poor old quality manager generally calls a one-off meeting called a 'Management Review' with a cut and paste agenda of the standard. The agenda is slavishly followed until the board is bored into submission and everyone can breathe a sigh of relief, go back to the 'real' job and drop quality until next year. Worse still the board avoids the meeting as a waste of time - sometimes to the extent that records of reviews are fabricated for meetings that either didn't take place or where necessary participants couldn't spare the time. I've lost count of the number of wry smiles seen when I float this seemingly ridiculous notion. It is easy to criticize top management commitment in these situations but the responsibility for making the review relevant to busy senior managers is ours. In a previous role as the new quality manager, I presented the plan for management review to the board of my ISO 9001 certified company and was faced not with hostility but with blank looks. It took a full eight months of one to one discussions and translation of ISO terms into activities and measures they were familiar with before we completed our agenda but I am confident the outcome was much more relevant.

The real challenge for the quality professional is to keep it real and get quality up the agenda so that quality performance is seen to be a leading indicator of financial performance. The changes to the 2000

edition of ISO gave us a real opportunity with the requirements for top management to get involved in establishing meaningful objectives and for process measures to be part of regular quality monitoring - right up to board level. Until those objectives and measures are meaningful and can be seen to be the main route to a sustainable business then we are condemned to a checkbox approach to review.

When I'm talking to my boss we talk about the Board meetings we hold. I have a presentation slot at each meeting and my presentation follows on from and covers edited highlights of a quarterly report received by the other board members before our meeting. Those in the meeting are aware they are covering our management system and that they are looking back over past performance and forward to our objectives and plans for the future. These measures, objectives and plans address the elements of ISO's management review clause but we cover many other things in our meetings. Board members are probably not aware following our meetings that they have fulfilled the ISO 9001 requirement for Management Review and our records and system makes no reference to this. If an external auditor asks how we satisfy the ISO requirements we show them. If they are looking for the ISO term within our documentation they will be disappointed.

Paul Simpson
Chair of ISO TC 176 Sub Committee 2 - Quality Systems

Editor's comment

To a degree I support what Paul Simpson has said in the preceding article. However, from my personal experience organising many Management reviews for a large automotive assembly company I found them to be very useful. Of course the Board would discuss Quality performance at their monthly Board meetings. Also there were various other forums where quality performance was discussed. These ranged from daily department meeting to monthly quality ops meetings. There would also be a quarterly quality performance review. Generally these meetings were focused on concerns raised, customer feedback and problems that needed to be addressed in the shorter term. We were fortunate that the executive took the Management Review meeting very seriously and almost without exception all the directors would attend. I also didn't like the ISO 9001 requirement to hold a Management Review at a regular interval that most organisations interpreted as once a year, purely to satisfy the requirement. When the QMS was first set up in our organisation there would be four Management Reviews a year. As the system matured this was reduced to two a year. I don't object to the Management Review being replaced as a normal Board item but there is always the danger that quality would take a back seat particularly in times of crisis. As long as the Board realised that there is a formal Quality Management System in place and that the system is being religiously followed and improved from time to time to obtain the desired results continuously and not just prior to an audit, then I have no problem. However, like Paul has pointed out, many minutes of MR meeting were hurriedly produced the day before the audit.

Comments are always appreciated.

[back to contents page](#)

What Companies practising Quality-based Management are doing regarding Environment: An Empirical Inquiry

by N. (Ram) Ramanathan

Environment (or sustainability) is not into the mainstream of quality yet. Its position in the criteria of awards such as the Deming Prize or the Malcolm Baldrige has been inching up, but is still in the periphery.

Business organizations pursuing quality-based management exhibit characteristics such as high customer and employee satisfaction, successful new products, high efficiency, vibrant improvement activities, observably high capabilities and resilience, or even vigorous practice of social responsibility activities. It is less common though to witness any exceptional outcome or capability with regard to environmental concerns. Despite some successes in applying quality to environmental concerns, it would seem that environmental matters are not central in the objectives of these companies.

Ram's presentation explored environmental activities reported by ten companies, including Mazda, Deming Prize winning

companies like Mahindra, SRF and Ceat and the Tata Group, which mandates internal assessments of its companies based upon the Malcolm Baldrige Model, deriving information both from literature and from personal interactions. This enquiry went into the activities of such companies regarding product development, conserving materials, reducing energy demand, treating effluents, or recycling waste, and their connection to the mainstream objectives of these companies.

The presentation made suggestions to expand the definition of quality to 'causing no harm', and reformulate the aim of quality management: 'Through quality, enable humanity to thrive in a healthy planet.' It also suggested an expansion to Deming Prize criteria.

N. (Ram) Ramanathan
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The passing of Brian Tomlin



It is with sadness that we report on the sudden passing of Brian Tomlin on the 12th January 2020.

Brian spent many years working in the purchasing department at Nissan South Africa until his retirement. He then joined the SAQI team for a while where he used his communication skills to assist SAQI in promoting our membership. Brian was an active member of the Pretoria community and will be sorely missed.

[back to contents page](#)

Boards that Play the Infinite Game

By Jené Palmer CA(SA) (CGF Lead Independent Consultant) and peer reviewed by Terrance M. Booyens



Visionary leaders do not underestimate the power of the Corporate Governance Framework® in driving organisational culture. These leaders appreciate the importance of a governance framework in nurturing sustainability by driving values-based decision-making to "play the long game".

Vision

To build a sustainable business, true leaders instil a sense of purpose in the organisation. This purpose (or vision) usually underpins the organisation's values and answers the question: *why are we in business?* Inspirational in nature, the vision sets out the desired change which the organisation aims to achieve over the long term: it is the beacon which guides goal setting and implementation. Used correctly, the Corporate Governance Framework® can help leaders ensure that organisational decision-making is aligned with the corporate vision, especially in a business world where stakeholders and their demands are constantly evolving.

Ethics

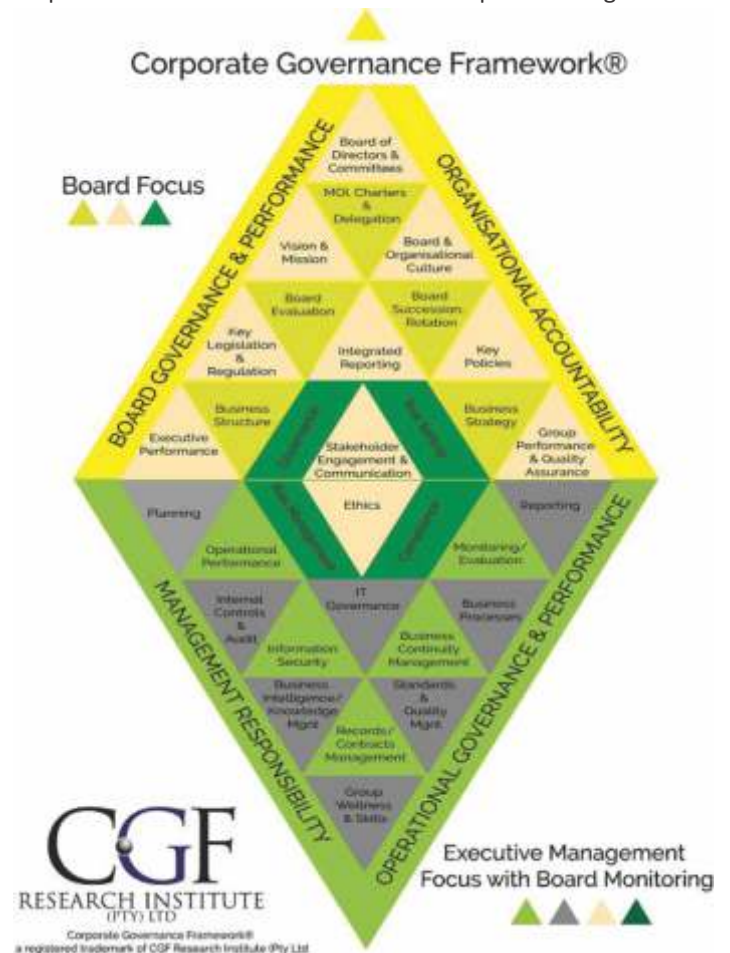
Some organisations adopt a Corporate Governance Framework® to tick the proverbial governance box. However, the real value lies in using the framework to create an environment of trust where employees are empowered and feel safe enough to use their discretion to make decisions which they believe are in the best interest of the organisation.

Ethics lies at the heart of the Corporate Governance Framework®. As such, the framework helps business leaders (management and the board) assess whether a rules-based mentality permeates the organisation or whether a culture of accountability and "speaking up" has been inculcated. Experienced leaders know that it is foolish to merely rely on rules alone to govern the organisation as it is simply impossible to establish rules to cater for every eventuality. Ensuring that the words and actions of middle management and senior executives support the leadership and

ethical tone set by the board is preferable and proven to be more effective in building a sustainable organisation.

Strategy

Through its scorecard, the Corporate Governance Framework® fosters transparency and can be a useful tool in building brand loyalty. Although the framework requires each critical element of the business to be regularly evaluated, rather than just focussing on the absolute assessment ratings, the organisation's leadership should also review and interpret the assessment trends being reported over time. These trends can produce deeper insights into the effectiveness of governance improvement programmes as well as internal and external stakeholder behaviour and attitudes. Analysing benchmarks (even if these are internally established) can inform the board on the extent to which the organisation's decisions and actions are underpinning its strategic objectives. A well thought through, easy to use governance dashboard can help the board to immediately prioritise resource allocation and emphasise those areas of business which require a stronger focus.



A Corporate Governance Framework® helps business leaders assess whether a rules-based mentality permeates the organisation or whether a culture of accountability and "speaking up" has been inculcated.

...continue on page 6



Innovation

The business playing fields are being seismically impacted by the Fourth Industrial Revolution ('4IR'). Against this backdrop, it is important for the organisation's leaders to embed an appropriate risk and change management culture which reflects the organisation's values and drives balanced growth.

Leveraging innovation to drive resilience has become a key differentiator in the evolving game of business. However, innovation need not be limited to new technology. The Corporate Governance Framework® can act as a catalyst to identify and critically review the suitability (and if necessary, the agility) of systems, processes and business models with a view to developing and adopting novel or unorthodox approaches to improving efficiencies and effectiveness.



Talent management

Whilst the 4IR has increased the demand for "digital talent", few organisations are able to simply hire the talent they want and need, or to wait for enough graduates to be available. At this time, it is critical for leaders to leverage the outcomes of their governance framework to identify future workforce skills and experience requirements, monitor the effective performance of management and ensure that appropriate development, coaching and mentoring programmes are put in place to build a suitable workforce over time.

In this rapidly evolving and turbulent business world, achieving long-lasting success is becoming increasingly difficult. Implementing a Corporate Governance Framework® which creates value and does not simply add bureaucracy, has become a

critical business imperative. Stakeholders are becoming more vocal about their demands and are quick to publicly criticise attitudes and behaviours which are contrary to their expectations – often resulting in businesses (or their leaders) being side-lined or ultimately failing. The organisation must, therefore, have a clear view of its strategic and operational governance position which clearly separates the board's accountability from management's responsibility. Armed with this information, the board and its senior executives are empowered to exploit the organisation's competitive advantages and drive overall sustainability.

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[back to contents page](#)

Quality in Schools

Many of our readers are parents themselves or interact often with children. We have asked our education editor, a retired headmaster, to share thoughts on how to get Quality principles and practices instilled in young people.

By Dr Richard Hayward

Making good decisions



At about this time of the year, the school holidays begin. It's time for the children to relax, to 'chill out'. It's time to forget about school and what awaits next year. Yet just around the corner there are important decisions for next year that need to be taken. Being in a relaxed 'holiday mode' might be a good time to make decisions. What are those decisions needed for next year?

One decision area concerns extramural activities. The new school year is an excellent chance to do new activities. One sport could be changed for another; one new cultural activity is taken up and a sport dropped – or vice versa. Then, there are those decisions around leadership. A child could ask itself these questions, "Do I want a leadership role in the school next year? If so, what do I have to do to achieve them?"

When there's plenty of free time to think, it's often the best time to make the best decisions. Holiday time is such a time.

When making decisions, we think in mainly one of two ways or a mixture of both. Our decision-making process is broadly either **conscious thought** or **unconscious thought**. We would use conscious thought when, for example, we are choosing between buying one car or the other. We get as many facts and information as we can about the two cars. A list of pros and cons is drawn up. A final decision is then taken.

Unconscious thought takes a different route. Yes, a decision is eventually reached but the mind doesn't give it conscious attention. The mind allows itself to 'free float' different options. In time – which may take days or weeks – a preferred decision comes to the top of one's consciousness.

Which approach is best to make the best decision? Research has shown that in the example of choosing a car, conscious thought is

the better if there are only three or four criteria needed for consideration. Yet if there are many criteria to consider, unconscious thought is better. Why? Friedman (2014: 56) explains it thus:

... unlike conscious attention, which is limited in capacity, the unconscious is far better at processing large chunks of information simultaneously.

When we try to solve a problem consciously, we tend to think in a rigid and linear fashion. But when we absorb a problem and set it aside, the ideas that pop into our heads are far less obvious. The unconscious mind is less constrained in its approach, stumbling upon associations that are often inaccessible when we're focusing too hard.

The quality of creative thought can go up when we have unconscious thinking; when we're not thinking intensely on a matter. Albert Einstein, for example, would play his violin when he became overwhelmed by his scientific theories; Ludwig van Beethoven took hour-long strolls to calm his thoughts around his musical compositions. Archimedes had his "Eureka" (I've found it) moment to explain why objects float on water, while having a bath.

During the school holidays there's usually plenty of time to play. It's time to let off pent-up physical energy and emotional stress. It's also a time when emotional moods are heightened positively because of the release of endorphins. The endorphins help the brain absorb more information (Ibid: 61). That makes for a better decision-making capacity.

In reality, not every well thought-out decision turns out to be the best one. The unbelievable, the unexpected, the unplanned happens. A black swan (yes, they definitely do exist!) glides on to the scene. The future isn't always predictable. Information that would have made one make a different choice, is sometimes learnt much later.

Yet an incorrect choice isn't a failure. It's a learning lesson on how to do it better or differently the future. Once a decision has been made, move from the thought to the action. Don't let fear stop you. Be brave. Look for the great opportunity that your good thinking has created.

Reference

Friedman, R 2014. *The best place to work*. New York: Perigee.

[back to contents page](#)



SAQI TRAINING PROGRAMME 2020

All courses offered by the South African Quality Institute are presented in association with other course providers and are available to all organisations and individuals. SAQI can assist with the training of a company's workforce and all training packages can be run in-house at cheaper rates to 10 or more delegates. A special discount applies to SAQI members. For more information or to register contact **Angel Chiloeane** on **012 349 5006** or **info@saqi.co.za**

1. SAQI reserves the right to change details of the programme without prior notice.
2. All training takes place at the SAQI offices on the CSIR campus in Pretoria.
3. The courses listed below form part of a specific Certificate and all modules should be successfully completed to qualify for the Certificate.
4. ALL delegates will start at level 2.
5. All courses completed previously will receive credit when proof of successful completion is received – please submit copy of certificate and exam results.
6. All prices include VAT @ 15%.

Code	Course	Days	Cost	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
L2	Certificate in Quality Control for Manufacturing	10	23,920-00	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
B41	Introduction to Quality Control	2	5420-00	10-11					13-14			26-27	
B90	Introduction to Statistical Techniques	3	6540-00	12-14					15-17			28-30	
B91	Introduction to Statistical Process Control (SPC)	3	6540-00		9-11					3-5			16-18
B79	A3 Problem Solving	2	5420-00		12-13					6-7			19-20
L2	Certificate in Quality Control for Services	9	22,800-00	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
B30	Introduction to Quality Control	2	5420-00	17-18						17-18			
B31	Introduction to Statistical Techniques	3	6540-00	19-21						19-21			
B33	Introduction to Quality Circles	2	5420-00		16-17						7-8		
B34	A3 Problem Solving	2	5420-00		18-19						9-10		
L3	SAQI Certificate in Quality Assurance*	13	30,460-00	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
B48	ISO Requirements 9001:2015	3	6540-00			1-3					21-23		
B24	Knowledge Management	2	5420-00			20-21						12-13	
B16	Internal Quality Auditing	3	6540-00			22-24						14-16	
B92	Advanced Quality Techniques	3	6540-00				11-13						9-11
B77	Advanced Product Quality Planning (APQP)	2	5420-00				14-15						12-13
L4	SAQI Certificate in Quality Management*	14	37,020-00	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
B38	Development of a QMS	4	10,380-00					8-11					
B93	Policy Deployment (Hoshin Kanri)	2	5420-00						7-8				
B58	Operational Excellence	2	5420-00						9-10				
B74/B76	Lean for Manufacturing/Service Industries	4	10,380-00						27-30				
B01	Cost of Quality	2	5420-00							13-14			

For a list of other courses provided, please visit www.saqi.co.za | Inhouse courses provided to 10 or more delegates. Enquire from vanessa@saqi.co.za

Code	Course	Days	Cost	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
L1	Construction	2	5420-00	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
B101	Construction Quality Control Awareness	2	5420-00	25-26			28-29			27-28		22-23	
L2	Construction			Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
	Under Development												

For more information or to arrange a meeting to discuss your construction training requirements, please contact nicola@saqi.co.za

[back to contents page](#)

