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TRAINING PROGRAMME

Welcome to our September edition of our e Quality Edge



**Paul Harding** 

This July SAQI celebrated its thirtieth anniversary. It has been an eventful journey, but we are pleased to report that SAQI is still going strong and is playing a leading role in promoting quality in our Country. South Africa, like many other Countries it is not without challenges but we are optimistic about our future.

This edition contains an article from our colleague Dawn Ringrose from Canada who brings us up to date with the latest global assessment on the current state of organizational excellence. Along the theme for meaningful quality improvement

our Indian colleague Prashant Hoskoté tells us that monitoring the cost of poor quality is a goldmine for improvement. Truida Prekel advises on new ways to improve quality. This brings us to the announcement of the SAQI theme for National Quality Week for 2023. We then celebrate thirty years of SAQI with a reflection of the journey from 1993. On a serious note, Terry Booysen informs us that failed governance in State Organisations is not a simple bailout. On a more positive note, Richard Hayward reminds us that paying attention has huge paybacks.

If any of you would like to contribute to future newsletters, please contact me on **paulhoshin@gmail.com** 

Feel free to pass on our newsletter to your network and we look forward to input from you for our next edition and stay safe.

l Harding

Sincere wishes

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Paul Harding SAQI retired Chairman

Quality:

helping South Africans live, learn and work better

# Global Assessment on the Current State of Organizational Excellence

#### by Dawn Ringrose

The 'Global Assessment on the Current State of Organizational Excellence' was launched in May 2015 by the Organizational Excellence Technical Committee QMD ASQ. It was supported by the Global Benchmarking Network, ISO Technical Committee 176 and International Academy for Quality and was conducted voluntarily by Organizational Excellence Specialists in Canada. Since that time, three interim reports have captured the aggregate results and been made available here:

https://organizationalexcellencespecialists.ca/workshops-events/global-oe-index/

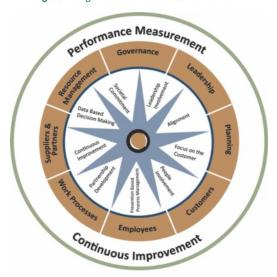
To date, the study has attracted 2,931 respondents from organizations across size, industry sector and region. It has provided feedback on the extent to which organizations are characterized by a culture committed to excellence and have deployed the best management practices common to high performing organizations.

So how is the world doing?

#### 1.0 Assessment Tool

The assessment tool used in the research was based on the Organizational Excellence Framework publication depicted by the illustration in **Figure 1** (Copyright © 2014, 2010 Dawn Ringrose). The publication 'integrates the leading global excellence models' that define the Principles and Best Management Practices of high performing organizations and is unique in that it 'provides implementation guidelines' used by management consulting professionals. The publication is available for download at no charge at <a href="https://organizationalexcellencespecialists.ca/">https://organizationalexcellencespecialists.ca/</a> and a high-level version of the assessment tool is found in Appendix 3 of the publication.

Figure 1. Organizational Excellence Framework



#### 2.0 Culture Committed to Organizational Excellence

A subjective scale (0.0 to 10.0, low to high) was used by respondents to gauge the commitment to organizational excellence or the extent to which 9 Principles were characteristic of their organizational culture.

#### The 9 Principles included:

- Leadership involvement ensuring senior management is committed and actively involved in establishing and communicating direction.
- ii. Alignment understanding the organization is a system of interrelated and interconnected work processes and all activities need to be aligned with the established direction.
- Focus on the customer ensuring the primary aim of everyone in the organization is to understand and meet the needs of the customer.
- iv. People involvement nurturing and reinforcing cooperation and teamwork and giving employees the opportunity to develop their full potential.
- Prevention based process management establishing consistency in work processes and developing a mindset of prevention.
- vi. Partnership development developing and maintaining value-adding relationships with suppliers and partners.
- vii. Continuous improvement harnessing the collective knowledge, skills, and creativity of stakeholders to relentlessly pursue improvement.
- viii. Data based decision making basing decisions on performance measurement findings.
- ix. Societal commitment striving to understand and demonstrate corporate commitment to society.

The aggregate results revealed most respondents rated the Principles quite positively (Figure 2). The highest rated Principles were Leadership Involvement and Focus on the Customer, while the lowest rated were Prevention Based Process Management and Data Based Decision Making.

Respondents that provided slightly higher ratings had the

following characteristics: Leadership role, large size (1000+ employees), Professional Scientific Technical sector and South Asia region. On the flip side, respondents that provided lower ratings were: Staff role, Small size (26-100 employees), Government type, Agriculture Forestry Fishing sector and North America region.

Figure 2 - Principles



#### 3.0 Deployment of Best Management Practices

The deployment of best management practices was gauged by an objective scale (0.0 to 10.0, low to high) that asked respondents to consider each Practice with respect to approach, deployment and results.

The Practices fell into 9 Key Management Areas and there were 51 Practices for micro-size organizations (1-25 employees) and 102 Practices for small, medium and large-size organizations. At a high-level the Practices were:

- Governance identifying governance responsibility to stakeholders, implementing an effective governance system and acting as a model of good practice to internal and external stakeholders.
- ii. Leadership –creating a culture committed to excellence, developing a strategic plan and communicating it to stakeholders, sharing responsibility and accountability throughout the organization, communicating openly about organizational performance, and removing barriers to organizational effectiveness.
- iii. Planning creating a business plan that aligns with strategic direction, communicating the plan to stakeholders, allocating resources to ensure effective implementation, monitoring and reviewing the plan regularly and making changes as required.
- iv. Customers understanding the customer, aligning employees on the importance of the customer, making it easy for the customer to do business and provide feedback, and reaffirming the organization's presence and approach in the marketplace.
- Employees undertaking human resource planning that supports organizational plans, recruiting, selecting, training, and developing employees, encouraging employees to share suggestions and ideas aimed at

improvement, rewarding and recognizing strong performance of individuals and teams, and ensuring a healthy workplace environment.

- vi. Work Processes designing, documenting, and managing work processes, analyzing and improving work processes, taking corrective action when problems occur, preventing recurrence of problems by making changes to work processes, and using benchmarking to evaluate performance.
- vii. Suppliers & Partners using criteria to select suppliers and partners, developing win-win relationships, sharing information about strategic and business plans, and working together to develop products, services and standards.
- viii. Resource Management defining resource requirements, developing a strategy to manage resources wisely, managing the adverse impact of operations on the environment and society, and preparing for resource interruptions.
- ix. Continuous Improvement and Performance Measurement

   evaluating and improving the approach to each
   management area, measuring performance in each
   management area, and measuring overall organizational
   performance.

The aggregate ratings across the 9 Key Management Areas were significantly lower (Figure 3) than the ratings on the Principles. The highest rated Key Management Areas were 'Customers' and Performance Measurement (Organization) while the lowest rated areas were 'Planning' and 'Suppliers and Partners'.

Figure 3 - Key Management Areas



Respondents that provided higher ratings for the Key Management Areas had the following characteristics: Management role, Large size, Business type, Electricity Gas Steam Air Conditioning sector and East Asia and Pacific. By comparison, respondents that provided lower ratings were: Staff role, Microsize (1-25 employees), Government type, Public Administration Defence Social Security sector and North America region.

#### 4.0 Where to Focus Effort?

To improve ratings on the lower rated Principles and Practices, it important to consider the direct relationships between such. The

Organizational Excellence Framework publication highlights the 'related practices' for each Principle and Practice.

While the Principles are related quite positively in the study, it would appear the focus should be on addressing the lowest rated Practices. These high priority Practices fall into 3 Key Management Areas and include:

- 'Planning':
  - Practice 3.3 'Develop contingency plans for unforeseen events'
  - Practice 3.6 'Conduct a capability gap analysis for resources'
- 'Work Processes':
  - o Practice 6.10 'Use external data to compare performance to other organizations'
- 'Suppliers and Partners':
  - o Practice 7.5 'Involve suppliers and partners in the development of social and environmental standards'

This work can be done by working collaboratively with internal and external stakeholders such as board members, employees, suppliers and partners, excellence professionals and associations.

It is also important to note, that each respondent in the study represents an organization with a unique 'current state' that must consider their own individual results to determine the best course of action.



#### 5.0 Why is the Global OE Index Important?

Since commencing the global research study in 2015, the intention of the study has been to deliver a Global OE Index that will provide value for the excellence community in general and for the working population at large.

Today, the excellence community has an index that reflects the current state of organizational excellence by size, industry sector and region. As such, it informs the undertakings that are designed to help organizations improve performance:

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In addition, the working population participating in the study has had an opportunity to see how their organization 'measures up', 'compares to others' and can 'improve performance'.

It has been a fruitful effort aimed at realizing the stepwise

'Formula for Success' that is available with an excellence model and has been validated by global research over the past three decades:

Formula for Success = Implement the practices, Develop a culture committed to excellence,

Achieve exceptional results across a balanced set of measurement.

This formula offers many long-term benefits with higher performing organizations ultimately contributing to their local economy, trade and resident quality of life - hiring employees, buying goods and services, contributing to the community, trading with others. With scale, these higher performing organizations enable more countries to participate sustainably in the global economy and make the world a better place for future generations.

#### About the Author:



Dawn Ringrose MBA, FCMC is Principal of Organizational Excellence Specialists and Author of the Organizational Excellence Framework publication and accompanying turnkey toolkit. Building on her work with organizations across size and sector over the past 40 years, she was driven to make the improvement journey more simple, straightforward, time efficient and cost effective. Her work has been recognized with client organizations earning national excellence awards, articles and chapters being published in

reputable journals and encyclopedias, presentations being made at international conferences and the toolkit being selected for nation building projects and entrepreneurial programs. She currently serves on the Executive Team of the Organizational Excellence Technical Committee QMD ASQ and Board of the ISCM Foundation. She can be reached at dawn@organizationalexcellencespecialists.ca



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## New ways to improve quality

### Growing Leadership, Culture and Ideas

#### by Truida Prekel, updated with Muimeleli Mutangwa and Lu-Marie Sobey

Adapted from an article, first published in Quality Edge Yearbook in 2001 by the South African Quality Institute (SAQI) – promoter of nationwide Quality.

Operational excellence (OE) is achieved when an organisation implements its strategies by effectively and efficiently executing streamlined activities that create and deliver value, while keeping key stakeholders' delighted. In current unpredictable business environments, many organisations are adopting a strategic goal of achieving OE as it promises sustainability and gaining competitive advantage by maintaining improved performance and quality at optimised operational costs. Such improvements could affect product, service, process and organisation.

Five key building blocks of OE are:

- Strategy deployment
- Performance management and governance
- Process excellence
- Technology and digital transformation
- Leadership, culture and team performance.

This article focuses on the last building block by presenting an innovative approach to building a positive culture and improving team performance, which contributes directly to OE outcomes of improved performance and quality.

"The quality of our actions depends on the quality of our thinking. The quality of our thinking depends entirely on how we are feeling." - Nancy Kline. Therefore to improve quality we have to look at how a positive climate improves thinking and actions to improve quality and productivity.

- Would you like to find new ways to improve quality to which everyone buys in?
- Would you like to develop creative solutions and new approaches to complex challenges?
- Would you like to have productive fun with colleagues while building team spirit?
- Would you like people around you to be more open-minded and creative?
- Would you like to promote trust, understanding and collaboration in your work groups?

Many organisations do not have an effective way to get breakthrough ideas that drive new growth opportunities, improve quality and achieve operational excellence. However, there is a proven approach to succeed in exactly this, by:

- Creating a climate where people feel safe to express new, and even outrageous, thoughts
- Listening for ideas in what others say

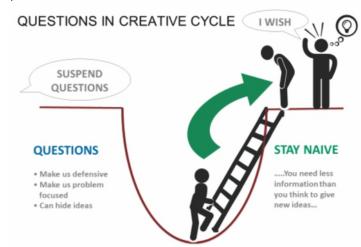
- Speaking for easy listening and understanding
- Developing intriguing ideas into possible novel solutions.

This approach is part of the internationally renowned Synectics approach, developed in the USA in the late 1950s, successfully used worldwide since then, and in South Africa by SynNovation since 2000.

The approach has not been "invented" in the normal sense. It does not require the participants to believe in some theoretical model of behaviour, but has been derived from observing how people work, solve problems and invent products in the real world. The innovation programme is managed by highly skilled facilitators, using key concepts distilled from techniques that high-performing inventors and entrepreneurs use spontaneously. With their customer-centric solutions, Synectics were the forerunners of several of the key design thinking principles. We will share some with you.

#### **Bringing together diversity**

For Synectics and SynNovation diversity and inclusion of different people and views was always a core principle. The name Synectics comes from the Greek words syn and ectics, meaning bringing together diversity. Various people who provide different perspectives are brought together and suggest a wide range of possible solutions.



Often those close to a problem are like someone in a hole – the more they grapple with the problem, the deeper they dig themselves into the hole and the more aware they are of what doesn't work. Outsiders (outside the hole) are valuable resources who can see new solutions and possibilities (like passing a rope ladder or lifeline into the hole).

So for problem-solving, customers, people from other departments or even outsiders — experts from other fields or individuals who are naïve regarding the problem in hand — can provide useful fresh approaches and insights.

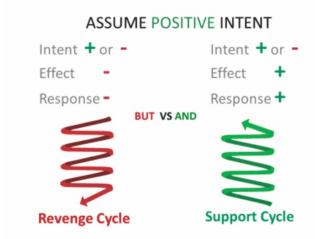
#### Creating a supportive climate

Excellence is achieved through people. People and ideas excel only in the right climate. In many work groups, people are competitive and shoot down another's ideas. In fact, challenging others' ideas is often part of the business culture in many organisations, and people often "test" how robust a new idea by asking questions. This often results in more energy and time going into point scoring and protecting turf than into problem-solving.

Instead, with the SynNovation approach, participants learn to recognise one another's ideas and build on them, using ground rules that promote authentic collaboration and mutual support, often long term. In this open climate people have fun while producing rich new ideas. People usually incorporate this new way of working into their work and personal lives, as it is both enjoyable and effective. It also subtly boosts productivity.

#### **Assuming positive intent**

The personal assistant of a CEO phoned us after her company's managers had attended a workshop we had facilitated: "What have you done to the guys?" "What is wrong?" we asked. "No! what is right! They're no longer shouting at each other – they're talking to each other!"



In the workshop, they had discovered new ways of relating and working together. A ground rule that helps to build trust is "Assume positive intent." Usually we don't know whether others mean what they say or do, positively or negatively. Unsure, particularly if we are coming up with new or untested ideas, or if the others had in the past criticised our work or us, we easily become defensive and oppose the others' next ideas. This way the relationship spirals downward—and there is no winner.

However, if we assume that others' intentions are positive (give them the benefit of the doubt) the effect on us and therefore our response will become positive. This way we build cooperative relationships. Although this may seem a bit optimistic — even naïve – it is an amazingly effective approach.

#### Being open-minded

According to LinkedIn, Creativity is regarded as the number one skill for which companies look. Many people were brought up to be critical of others'- and often their own - opinions and ideas. To become creative people need to "unlearn their critical reflex." We must learn to be open to and play with ideas. Even ridiculous, illegal, impossible suggestions can be used as stepping stones to other ideas, improved and developed until they are practical, doable solutions. Often the ideas that lead to real breakthroughs start out as way-out silly ideas.

The innovative problem-solving approach we use has three main stages.

*Idea generation* – open-minded exploration of any thoughts associations/ beginning ideas that could suggest starting points for possible solutions;

**Selection** – the "task owner" or client selects from suggestions based on intrigue and promise rather than feasibility – exploring the most creative ideas that could produce real breakthroughs if we can find a way to make them work. Selecting on feasibility, as often happens in many brainstorming sessions, defeats the objective of the exercise. If an idea is immediately feasible, it can't possibly be new.

Idea Development – the group helps the task owner to overcome concerns and obstacles to make intriguing ideas feasible. The benefit of the group having worked with the task owner to develop and refine the selected idea/s is that they also have ownership of the solutions and tend to work together enthusiastically to implement them – even if their own ideas were not chosen from the many ideas that emerged from the first stage.



#### Turning ideas into actions

All too often, traditional brainstorming or creativity work is fun but doesn't lead to tangible results. However, the SynNovation approach guides clients to ensure promising ideas that can make a

real difference, are turned into action plans with responsibilities and deadlines allocated. This ensures implementation of innovation that leads to bottom-line benefits.

#### Meetings that work

Make meetings and conferences more productive and participative. As people learn which behaviours help—or hinder—success in meetings, interpersonal relations and meeting efficiency can improve dramatically.



A person who normally takes minutes at management meetings was amazed after they had attended a strategy workshop using this approach.

"Meetings are far more effective than they used to be. The managers participate actively, and support one another, instead of shooting others down. They take decisions and use new ways to formulate action plans — which they follow through. And we get through agendas in half the time."

You may find the following results achieved through this approach interesting.

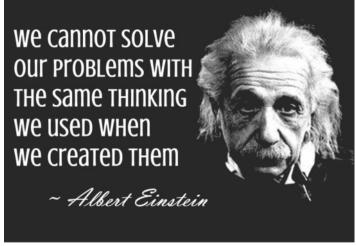
- An engineering firm had great conflict between the engineers and their colleagues responsible for maintenance, resulting in huge costs and customer dissatisfaction. In a two-day workshop, we developed new ways for them to collaborate: they gained new insights into one another's work and requirements and both the climate and service delivery improved dramatically.
- A materials manufacturer had been battling to produce reliable quality standards in a particular product with which its competitors were having a great deal of success. This issue came up during a two-day strategy workshop. A product innovation session we did enabled them to use new creative solutions to overcome some of the technical problems and improve their manufacturing process. They gained a competitive advantage with this product.
- An IT company was looking for ways to grow their market.
   Firstly, they developed a tactic to persuade their parent company to allow them to relocate (away from head office) to be closer and more accessible to their clients. They also used metaphors and novel ideas to solve problems that involved how to help their clients to enhance their performance.

One of the intriguing ideas was "I wish we could feed our clients birth control pills." Using the approach to build feasibility into way-out, intriguing ideas, helped them to look for ways that such a "pill" would "stop the recurring birth of new problems" which made it difficult to administer their systems.

Eventually, focusing on preventing the "birth of new problems" at conception stage rather than fixing it later, helped them to develop a performance improvement methodology which they use, and have also sold on to their clients.

People often think of creativity and innovation as the field of artistic people in terms of new products and services.

However, open-minded thinking and the ability to come up with new ideas is as important and rewarding both personally and financially, in quality management, and to ensure operational excellence in the wider sense.



As Einstein said: "Problems cannot be solved by thinking within the framework in which they were created". Next time you are grappling with a problem – stand aside, look at it from a different perspective or talk to others, and experience how distance can lend new insights to long-held views.



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## Costs of Poor Quality - A Goldmine for Improvement

by Prashant Hoskoté, President - Global Engagements, Striking Ideas LLC



Organizations normally identify the individual departmental costs. For example, production costs personnel costs, marketing costs etc. Back in the 1950s this concept of departmental costs had not been extended to the quality function other than the limited activities of inspection and testing. All other quality related costs were absorbed by the so-called departmental overheads.

More recently, there evolved a need for evaluating the quality related costs as a means for highlighting these costs. Over these years, the quality specialists extended their studies to various other departments. What follows is a compilation of the lessons learned in the quest for understanding quality related costs.



#### **Surprises**

When companies commenced their studies to quantify the quality related costs, some surprises emerged:

- 1. There was an initial resistance to see these costs as poor quality costs
- These costs were much larger than what appeared in the annual reports (For most companies who ventured into this search these costs were in the range of 20 to 35% of their operating costs. These costs did not just grow to this

- magnitude overnight. There was simply no clear responsibility for action to reduce them).
- 3. These costs were beyond the Factory (Manufacturing) / Operations (Service). Much of these were harbored in the non-manufacturing / non-operational areas.
- 4. The term quality costs mean different things to different people.

These surprises are findings from mainly two approaches that companies adopted to quantify the costs:

- To estimate the costs of poor quality through a one-time study. The purpose is to identify specific projects for improvement
- 2. Expand the accounting system to quantify quality costs on a continuing basis, more commonly called activity based costing (ABC).

Through these approaches the expectation is that figures once made known to the managers would stimulate for action now, however, by themselves, the figures did not stimulate action. It did happen where companies set up a structured process for quality improvement.

#### **Major Objectives**

The following are major objectives with which companies quantify quality costs. This is based on our experience with our clients across a cross-section of industries.

- 1. The magnitude of the costs being large will have an impact on top management
- 2. Publishing these figures may motivate managers to get on with it
- 3. To identify areas of major opportunity to reduce costs
- 4. Reducing customer complaints and associated costs
- 5. Challenge traditional budgetary and cost control mechanisms

#### Importance of the Language of Top Management

A vital finding along the journey is the importance of expressing these costs in the language of top management money the initial estimates of the costs in their language has enabled top managers to appreciate that:

- 1. The implications are enormous
- 2. These costs are beyond Manufacturing / Operations
- 3. These are clearly areas for improvement.

In the absence of the use of the money language, the communication would not be efficient and effective.

#### **Unconventional Quality Related Costs**

Various companies implement cost reduction drives and programs such as management by objectives, quality improvement programs etc. However, unfortunately, most of these initiatives address the conventional areas of cost reduction. They do not address the unconventional areas. These get usually buried in the overheads. The lesson learned therefore, is that a new system of continuous monitoring of these unconventional costs is needed to focus on and reduce these costs.



#### **Costs of Poor Quality Categories**

Most companies summarize the quality costs into four broad categories. More about the categories and typical subcategories are mentioned below:

#### **Internal Failure Costs**

These costs are incurred when defects are found prior to the product leaving the organization. In other words, these costs would not exist if no defects existed in the product prior to shipment. Examples of cost heads are scrap, rework, failure analysis scrap and rework at the supplier and 100% inspection, re inspection, retesting avoidable process losses.

#### External Failure Costs

These costs are associated with defects that are found after the product is shipped to the customer. Examples are warranty charges, complaint adjustment, price concessions made to customers due to quality reasons.

#### **Appraisal Costs**

These are costs incurred to determine the degree of conformance to quality requirements. Examples are in process and final inspection and testing, calibration costs, evaluation of stocks, etc.

#### **Prevention costs**

These are costs incurred to reduce failure and appraisal costs (the above three categories). Examples are quality planning, new product review, process planning, Quality audits, supplier quality evaluation, training (quality related).



#### **Helpful Hints**

It is useful to categorize the costs of quality in these four categories. It is not a hard and fast structure. In defining the costs of quality for your organization, the following points might serve as helpful hints.

- 1. The definitions of terms used should be customized for each organization
- 2. The cost headings used should be those of the organization not any standard textbook terms.
- 3. The vital categories are the two failure costs because that is where the opportunity lies. appraisal and prevention costs may not be of immediate importance. In most companies, prevention costs are negligible, and appraisal costs should ideally reduce if the failure costs reduce
- 4. Even before the data is collected on quality costs, there should be a common understanding of the various cost headings that need to be included. The first draft should be prepared by a task force consisting of the vital functional heads, the quality head and of course chaired by the head of finance
- 5. The quality costs concept should be broadened to include any activity in the company ie any activity that must be repeated or redone needs to be seen as a cost of poor quality
- 6. Costs that are routinely included and accepted as unavoidable and inevitable should be challenged and quantified as costs of quality.

More interesting aspects of this study in our forthcoming issue. Stay tuned...

#### About the Author



**Prashant Hoskoté**President and Lead L & S Custodian at Striking Ideas LLC

Prashant has over 30 years of expertise in the Quality, Customer Experience and Innovation domain and has served as a Member – On the National Board for Quality Promotion at the Quality Council of India, New Delhi, India. Vice-Chair – Quality Management Division - Global (Asia and Australia) at ASQ, USA.

## SAQI Celebrates thirty years

by SAQI Staff

In 1993 the idea was put to the South Arica government to form a South African Quality Institute (SAQI). The idea was to promote a Quality culture in the Country to improve business and society as a whole and grow the economy. Although another organisation, the South African Society for Quality (SASQ) had been in existance for some time it was focused on individuals and not organisations. Approval was given to the proposal and a budget was approved through the Department of Trade and Industry.

Initially SAQI was housed in a small office at the South African Bureau of Standards. A well known figure in industry, Doctor Micheal Carruthers was appointed as the first Managing Director with Doctor Daan Luyt as Chairman. A Board of Directors was appointed and the journey began. This was a significant period in South African history as it heralded the dawn of democracy in the Country. The stay at SABS was short lived and SAQI soon moved to offices at the Council for Scientific and Industrial Research (CSIR).

1994 saw SAQI's first International Quality Conference, many International speakers were invited and the conference was attended by over 600 delegates. Many more conferences would follow and SAQI established itself with many International partners. During this period SAQI established the South African National Quality Week. Although the UN had established a World Quality Day SAQI felt that a whole week should be set aside for the promotion of Quality. SAQI also launched its regular newsletter, the Quality Edge.

The Department of Trade and Industry set up the DTI village in Pretoria and invited SAQI to move into offices there to be among many of the role players in developing business expansion. Micheal Carruthers took early retirement and Tervern Jaftha was appointed as an interim Managing Director. During the period at the DTI, SAQI set up a Quality in Schools programme with the assistance of Doctor Richard Hayward with regular articles appearing in the SAQI newsletter and a quarterly Quality Education News being published.

2008 saw a major change to the fortunes of SAQI. The South African government decided to end the support of SAQI and the funding and staff was transferred to the agency of Small Enterprise Development (SEDA). The then SAQI Board of directors decided to continue its programme despite lack of financial support and moved back to the CSIR. Initially SAQI comprised of one small office and a storeroom. Paul Harding was appointed as tempory office manager and was given the task of resurrecting SAQI as a non funded organisation. The only previous employee to move to the CSIR was Vanessa du Toit who continued to run the office



administration and training part of SAQI. Paul Harding was eventually appointed as Managing Director along with the appointment of a new Board. The next few years were challenging but eventually the fortunes of SAQI turned around when a partnership was created with Jacques Snyders who helped SAQI create a robust career path development training programme. Paul eventually retired and Jacques took over as the Managing Director. With an absence of financial support from Government SAQI has managed to secure a firm financial position through its extended training programme. The focus of the organisation is still promoting a Quality culture through various sectors of the South African economy, and our newly appointed board represents our presence in industries such as Manufacturing, Construction, Service as well as the Food Industries. SAQI has also been represented on various forums including the SABS Technical committee for Quality (TC176). The the forum for the development of Quality training standards through the Services Sector Education Training Authority (SSETA). Technical committee for developing tourism quality standards and partnering with various universities for creating opportunities through the recognition of prior learning (RPL).

In celebration of 30 years of promoting quality and as part of our marketing strategy, SAQi has procurred its 1<sup>st</sup> branded vehicle for improving our exposure and visability. So look out for the SAQi branded vehicle in your area.



### **SAQI National Quality Week Theme 2023**

6 - 10 NOVEMBER 2023

SAQI takes great pleasure in announcing its theme for NATIONAL QUALITY WEEK that takes place from the **6<sup>™</sup>TO THE 10<sup>™</sup> OF NOVEMBER 2023** with **World Quality Day** falling on the **9<sup>™</sup> OF NOVEMBER 2023**.



## uality for Improvement

In our modern world of Quality, which is in most industries defined by the need to implement and certify towards a typical ISO 9001, FSSC 22 000, or other industry relevant standard, we find ourselves in a "Quest to Comply" rather than a "Drive for Improvement".

The ultimate test of Quality for the Leadership of an organisation is not whether we certified, or re-certified for another three year cycle, but should be more a question of "whether our Quality Management System has assisted us in reducing our top 5 defects, or 5 top client complaints or if your internal corrective actions have reduced over the last 5 to 10 years since we have implemented our Quality Management System. So, the question to all Leadership is.....have you seen these types of improvement over the last couple of years, and if not "Why **not**". What is the purpose of **Quality** in your organisation?

So, this year's message during National Quality Week of "Quality for Improvement" OSAQI is aimed at creating a purpose for Improving Quality rather than a monotonous activity of trying to comply and maintain Quality.





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# Failed Governance in State Organisations is Not a Simple Bailout!

by Terrance M. Booysen (CGF Research Institute: Chief Executive Officer)

Given the multiple governance failures seen across South Africa, and mostly within the public sector, there is no doubt that this fragile situation is a national disaster. The costs of these governance failures are far worse than the actual monetary losses reported to date. Earlier this year the Reserve Bank estimated that the country's energy crisis alone is causing losses to the SA economy of approximately \$51 million (approximately R942 million) every day. Alarmingly, the "hidden" costs of the widespread state organisational dysfunction are not easily quantifiable; where citizens are subjected to more heinous crimes, systemic corruption, growing unemployment with escalating living costs, extreme levels of poverty and inequality, as well as increasing disinvestment.

Against a backdrop of a BB- grade (junk status) rating, a greylisting and low expectations of real growth in South Africa in the foreseeable future, it comes as no surprise that 115 leading SA corporations have agreed to roll up their sleeves and get involved as part of a collective effort to assist the government in rebuilding the country. Business has recognised that drastic action is required to arrest the downward trajectory of South Africa's state of governance. However, it is important that the enormity of the task at hand is not underestimated. Some critical questions need to be addressed upfront to ensure that this public-private 'partnership' achieves its desired objectives.

The pledge states: "As South African business leaders, we firmly believe in the immense potential of our country. We are committed to building it and have come together to address the current challenges with the aim of achieving sustainable, inclusive economic growth. Through strategic partnerships and focused interventions, we have the power to make a significant and positive impact on our nation, creating hope for all South Africans. We are resolutely committed to being a force for good".

Source: South African CEOs from over 115 companies pledge commitment to building the country (27 July 2023)

What will be the rules of engagement between the business leaders and the state-appointed board members of the state-owned entities being targeted for improvement and assistance? Ultimately, the state-appointed board members will still be held accountable for acting in the best interests of their organisations. With this in mind, what will happen if these board members are not prepared to take advice from the well-meaning business leaders? This scenario is not unlikely given the power struggles already evident in the public sector. It is therefore important that the terms and conditions of engagement be agreed in advance. A unified vision and strategy are required. In this regard, there is no time to waste, and egos will have to take a back seat as agile thinking and decision-making is needed to turn around failing

state entities and to reignite economic growth in South Africa. The reality is that the public sector processes and systems do not currently lend themselves to the concept of agility. As such, approving effective platforms for engagement and delegations of power will be critical to ensuring success.

Furthermore, a clinical approach will be required when determining the best course of action to sustainably optimise service delivery and performance. This begs the question of whether opposing ideologies will impede and/or render ineffective (necessary) solutions before they can even be implemented. To what extent will the role of government and the role of business need to be congruent? A change of mentality will be needed from both public and private representatives with the focus being on teamwork to achieve a common goal. No doubt a shared set of values will be necessary to ensure that the divide between capitalism and socialism can be bridged in a meaningful and sustainable manner for the long-term benefit of the nation. Sounds easy in theory, but definitely more difficult in practice. On the other hand, this presents both public and private sector leaders with an opportunity to unequivocally demonstrate that South Africa's broad and diverse knowledge, experience and cultures can indeed be nurtured to build a cohesive and productive nation.

As with any goal, success will need to be clearly defined and objectively measurable. Transparently communicating progress against pre-determined objectives will be essential in building trust amongst all of South Africa's stakeholders. Ideally, those involved in overseeing the improvements being implemented within the affected state-owned entities should be able to track the evolving state of governance within these entities and across the spectrum of entities being revitalised. Governance frameworks for measuring success and identifying areas for improvement will need to be considered and consistently applied to deliver timely data to facilitate informed decision-making.

The nation has a vested interest in supporting these efforts of this public-private 'partnership' and in positively contributing to resolving the challenges facing South Africa. However, to build momentum in these efforts, government must make good governance tangible to all.

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# 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

## Paying attention has huge pay-backs



**Child musical maestro: Wolfgang Amadeus Mozart** 

It's a truism about high achievers. So often they don't always have the most natural talent nor are they gifted in any special way. Yet they leap-frog over others. How do they do it? Before they reach their fine achievements, they do two things.

Firstly, they put in the time. If the aim of long distance runners, for example, is to run the Comrades or the Two Oceans Marathon, they put in the sacrifices of their time. That lasts over many days, weeks, months and even years before the day of the marathon. There are the lonely exhausting runs on blistering hot summer days and the early-morning runs on icy winter mornings.

Wolfgang Amadeus Mozart was one of the greatest classical musical composers of all time. Was he exceptionally gifted? In one way, he was a child prodigy. As a young child he was able to play music instruments. By the time he was five, he had created one of his first simple compositions such as *Twinkle, twinkle, little star*. Leopold, his musician father, was encouraging him to spend many hours every day developing his innate talent.

Yet there are millions of people who put in the time but don't achieve. Maybe you might recall a subject from your own school days where you

put in many hours of work but received indifferent results. What could be a reason?

The second thing done by the high achiever is to pay intense attention or focus. The achiever concentrates single-mindedly on the task at hand. The person doesn't try to multitask – to do a number of different things at the same time. If, for example, a person is being spoken to, give the speaker full attention. Don't try and listen while at the same time typing on the laptop. Mozart himself once remarked:

The shorter way to do many things is only to do one thing at a time.

Distractions are kept at bay. Modern technology interrupters such as the internet, smart phone and WhatsApp are switched off.

Dandapani Satgunasingam has written a book titled, The power of unwavering focus in which he states that people don't know how to have intense focus when doing something, listening to others or thinking. He points out that teachers are endlessly telling children to pay attention and concentrate during lessons. These same teachers are giving the children hundreds of lessons on a range of school subjects. Yet have the teachers ever given a single lesson on how to have unwavering focus? The author gives simple-to-understand yet powerful strategies on how to be more attentive and focussed. There's also, there's a need to develop willpower which is, "... the channeling of all of one's energies towards one given point for a given length of time" (2022: 185). How does one develop willpower? The three steps to developing this mental muscle are:

- 1 Finish what you start;
- 2 Finish it well, beyond your expectations, no matter how long it takes;
- 3 Do a little more than you think you can.

Being able to give total attention to what we are doing, has huge advantages. We manage better with the demands of our 21st century world. In fact, we achieve better and are able to do more. We have less anxiety, fear, stress and worry. Satgunasingam (Ibid: 7) observes that:

The ability to focus is one of humanity's greatest assets. It is at the core of all human success and endeavor because the ability to concentrate is what helps a person manifest their goals in life.

#### References

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## SAQI TRAINING PROGRAMME 2023



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 Chiloane on 012 349 5006 or info@saqi.co.za

- 1. SAQI reserves the right to **change details** of the programme without prior notice.
- All training takes place at the **SAQI offices** on the CSIR campus in Pretoria.
- 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%.

#### MANUFACTURING OR SERVICES

- If you are currently working in the manufacturing industry you will start your development programme with Level 2 (blue). After successful completion you can move on to Level 3 (orange).
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L2 Certificate in Quality Control for Manufacturing  B41 Introduction to Quality Control  B90 Introduction to Statistical Techniques  B91 Introduction to Statistical Process Control (SPC)  B79 A3 Problem Solving  Certificate in Quality Control for Services  B30 Introduction to Quality Control  B31 Introduction to Statistical Techniques  B32 Introduction to Statistical Techniques  B33 Introduction to Statistical Techniques  B34 A3 Problem Solving  B35 Introduction to Quality Circles  B36 Introduction to Quality Circles  B37 Introduction to Quality Circles  B38 Introduction to Quality Circles  B39 Introduction to Quality Circles  B30 Introduction to Quality Circles  B31 Introduction to Quality Circles  B32 Introduction to Quality Circles  B33 Introduction to Quality Circles  B34 A3 Problem Solving  B35 SAQI Certificate in Quality Assurance*  B48 ISO Requirements 9001:2015  B49 Iso Requirements 9001:2015  B40 Iso Requirements 9001:2015  B40 Iso Requirements 9001:2015	1	Nov Nov 3-15 16-17
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