













# Enhancing Competitiveness of Nigerian Companies through Excellence

Nigeria Quality Awards, 2017

Sunil Thawani Member, Board of Directors, ASQ CEO, Quality Indeed Consulting, UAE

Lagos, 22d Nov. 2017

# Objectives

- Inspire Nigerian Organizations including Government
   Departments to adopt Excellence Model to enhance,
   maintain and sustain their competitiveness and market
   leadership.
- 2. Inspire Nigerian professionals to build competencies in Excellence Model.
- 3. Use Excellence Model to enhance prosperity for the people of Nigeria and community in general.



# Our Life Depends on Quality





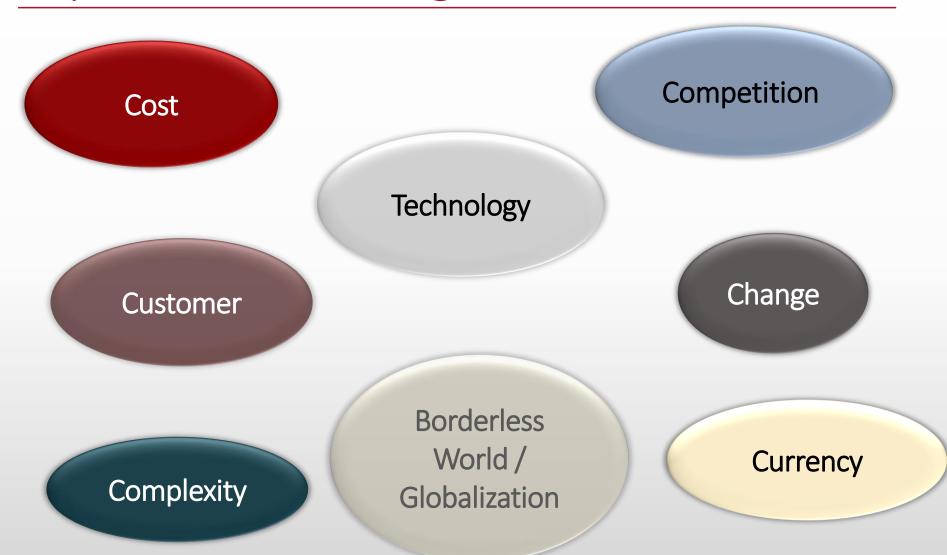




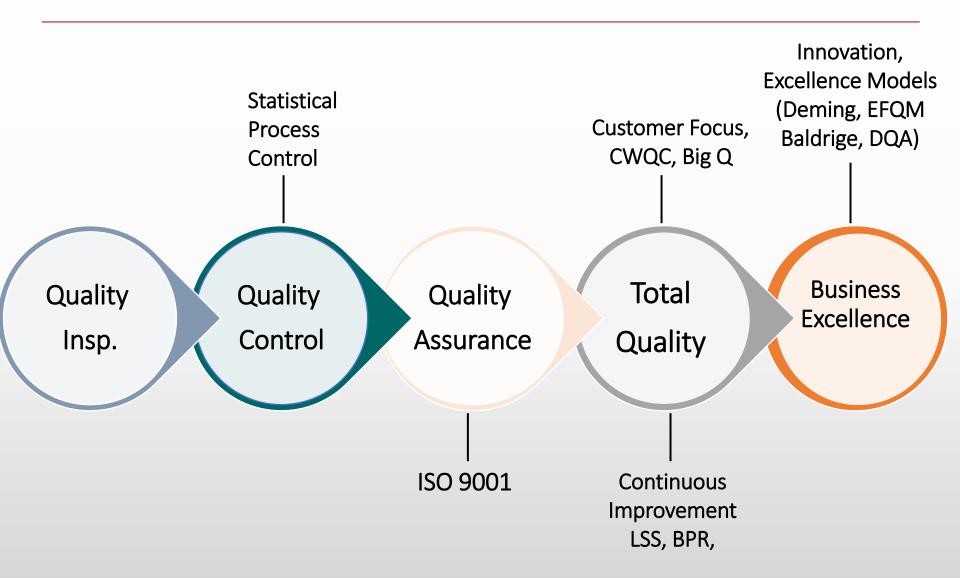




# Key Business Challenges



# Quality Mgt. has Evolved to Keep Pace with Business Needs





# Why Go For Excellence?

### Business Need is to Become Global Market Leader

- ✓ Agility & speed of response
- ✓ Product / Services Differentiation
- Cost consciousness
- Culture of excellence
- Ethical work practices
- ✓ Systems driven organization
- Continual improvement, innovation & learning
- ✓ Engaged, competent, committed people
- Fact based decision making
- Business intelligence
- ✓ Strategic partnerships
- ✓ Brand image
- ✓ And.....

To address these needs and more, leaders are in constant search for comprehensive frameworks

# Excellence Models Established to enhance Competitiveness, Sustainability of Organizations & Economies





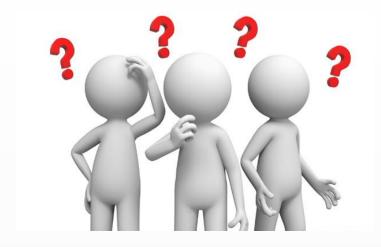


1951, Japan

1987, USA

1989, Europe

The Models have adapted and evolved over time to reflect changes in the global market place



What is Excellence Framework? How Does It Compare with ISO:9000?

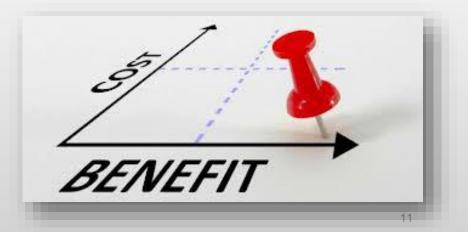
# Excellence Model is Strategic Framework

- Managing business
- II. Reviewing and improving business performance
- III. Measuring progress on improvement
- IV. Achieving culture of excellence & improvement
- V. Benchmark against best-inclass achievements



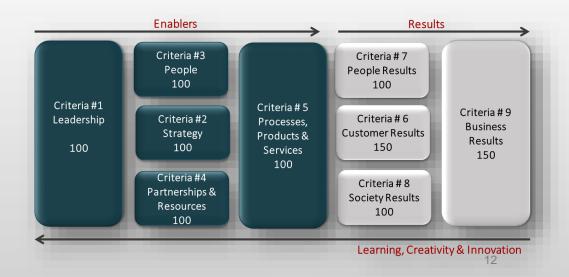
### **Excellence Model**

- I. Provides leadership for Quality & Excellence
- II. Help change mind sets of people
- III. Focuses on all stakeholder
- IV. Helps examine current business practices
- V. <u>Develops people</u>

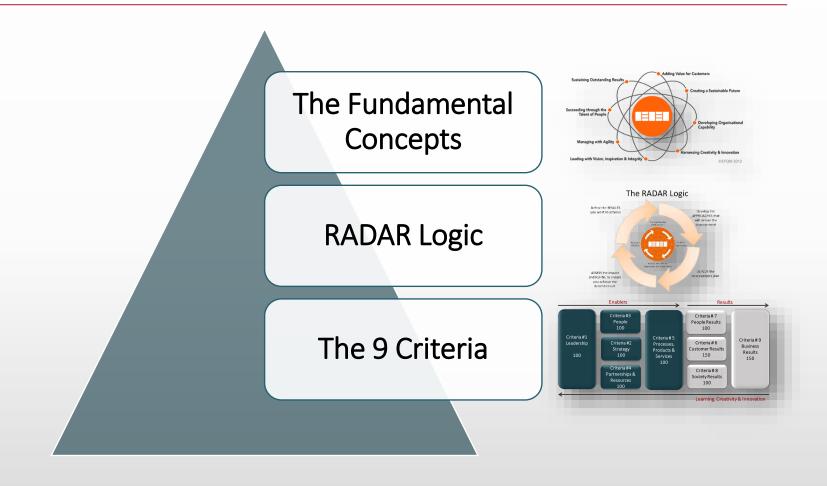


### **Excellence Model**

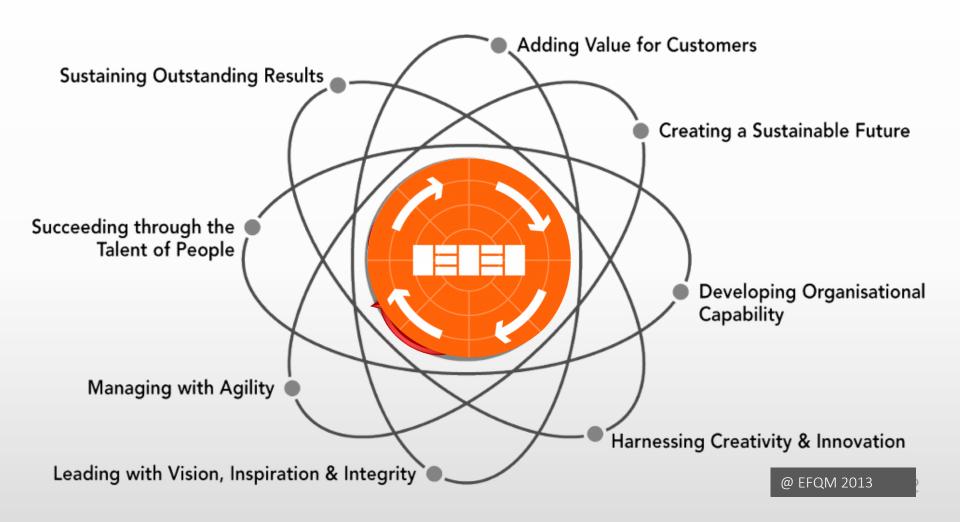
- Provides a framework to manage organization through a framework of processes
- II. Fact based decision making
- III. Helps organizations become role model
- IV. Practical.
- V. Can be applied to all sizes & types of businesses



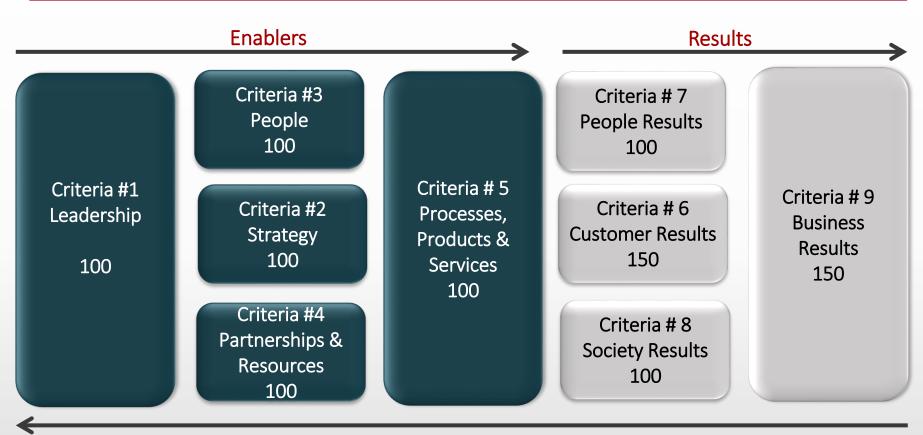
# EFQM Model@-3 integrated components.



# Component # 1. Fundamental Concepts\* (Principles)



# Component # 2 – EFQM Model Criteria



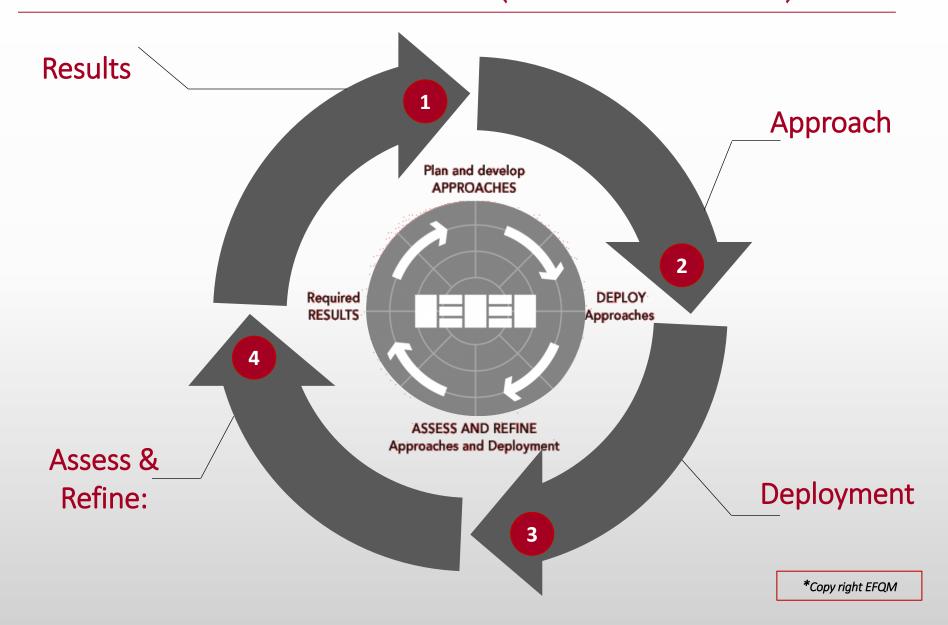
Learning, Creativity & Innovation

Enabler Criteria (How) = 500 points

Results Criteria (What) = 500 points

Total = 1000 points.

# Component # 3: Assessment (RADAR Concept\*)



### Mapping Initiatives to Excellence Model Framework

Enablers Results

### Leadership 100

- · Shared Vision, Mission
- Living and Sustaining Values
- Personal Leadership Behaviour
- Code of Standards & Ethics
- Management Systems
- Engagement with all stakeholders
- Change Management
- Etc...

#### People 100

- HR Strategy
- Manpower plan
- HR Processes
- Succession Planning
- Employee Surveys
- Training
- Performance Management
- Employees Welfare Program
- Etc...

#### Strategy 100

- Strategy Deployment
- Communication Strategy
- Performance Monitoring (KPIs, Projects, Priorities)
- · Balanced Score Card (B.S.C)

## Partnerships & Resources 100

- Suppliers & Partners Engagement Financial Mgt
- Resources / Assets.
- Risk Management (ERM)
- Knowledge Management
- · Technology management
- Etc...

### Processes, Products & Services 100

- Policies, Procedures, Manuals
- ISO 9001 (Quality)
- ISO 14001 (Environment)
- ISO 31000 (Risk)
- Mystery Shopping
- Lean
- Innovation
- Designing & Delivering Services
- Customer Surveys
- Etc...

#### People Results 100

- Employees' Engagement Survey results
- Employees' related KPIs

#### Business Results 150

- Financial
- Project
- Partners Performance
- IT System Results
- Strategy Execution related results
- Process Performance
- Sales etc.

# Customer Results 150

- Customers Related KPIs
- Customer Satisfaction Survey Results

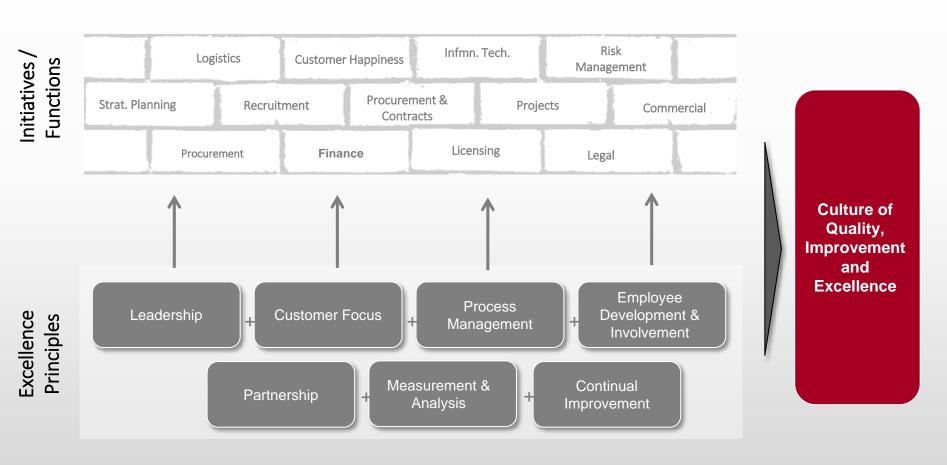
### Society Results 100

- C.S.R Strategy
- Legal & Regulatory Compliance
- Health, Safety & Environment
- Media Coverage

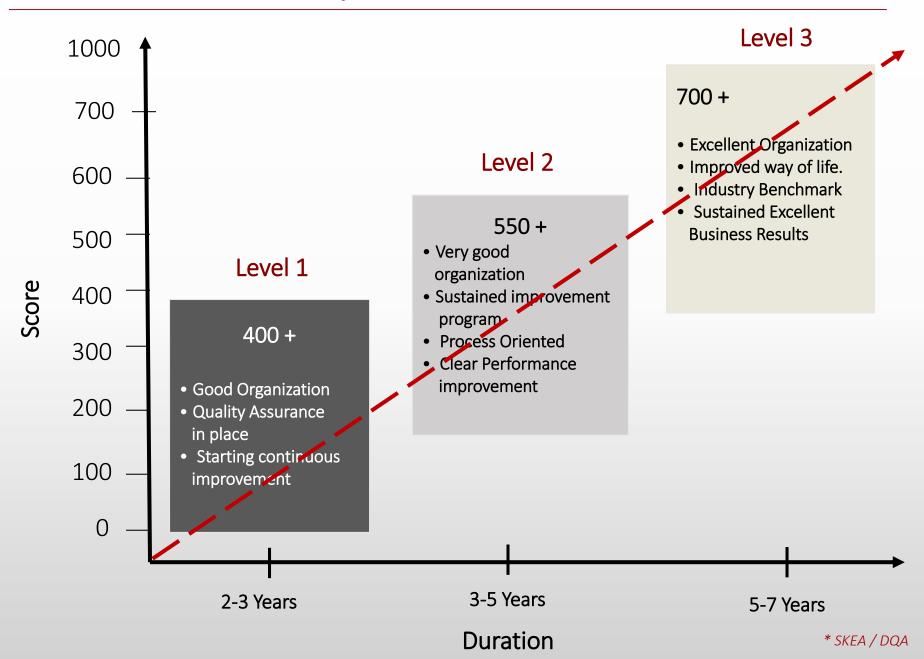
Learning, Creativity & Innovation

# One of the Biggest Challenge – Integrating Quality & Excellence in Routine Work

Only through integrating Excellence into the day-to-day operations across all of Company's functions, organization can successfully create and sustain a culture of Customer Service, Improvement & Excellence



# Excellence Maturity\*



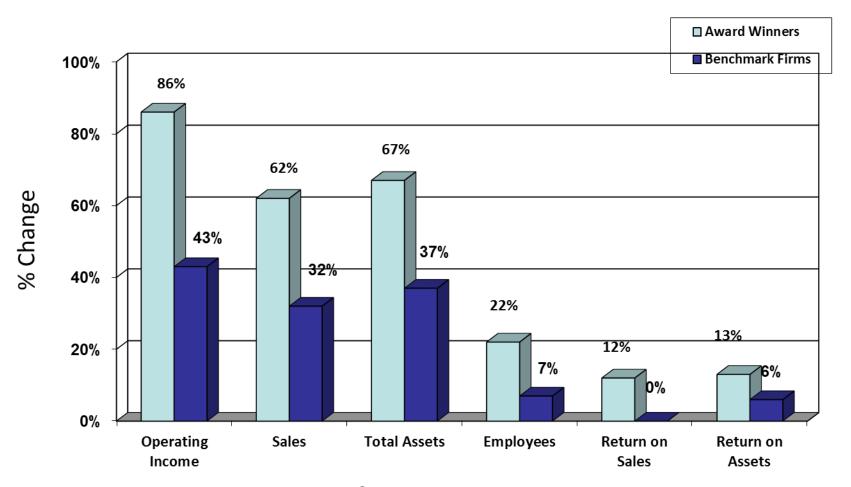
# Excellence Model is Beyond ISO: 9000 Standards

- 1. ISO:9000 is start of organization's quality journey
- 2. Does not cover all / limited in scope. e.g.
  - X Leadership aspects (Vision, mission, values, Ethics...)
  - X Strategy Management
  - X Finance Management
  - X HR Management (Succession planning, Employee welfare...)
  - X Culture
  - X Change management
  - X Corporate Governance
  - X Knowledge management......

ISO:9000 standards alone cannot help meet todays business needs

# Impact of Quality & Excellence on Corporate Performance

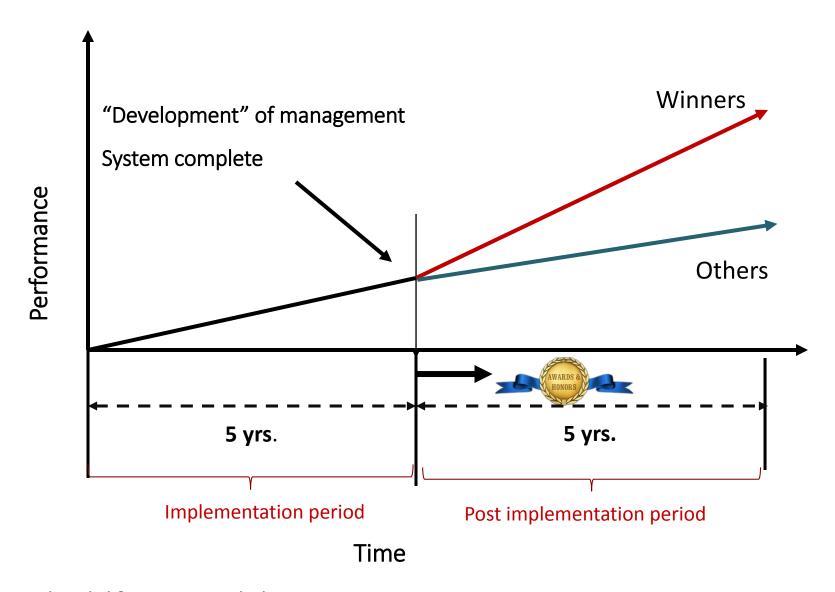
## Impact of Excellence on Performance



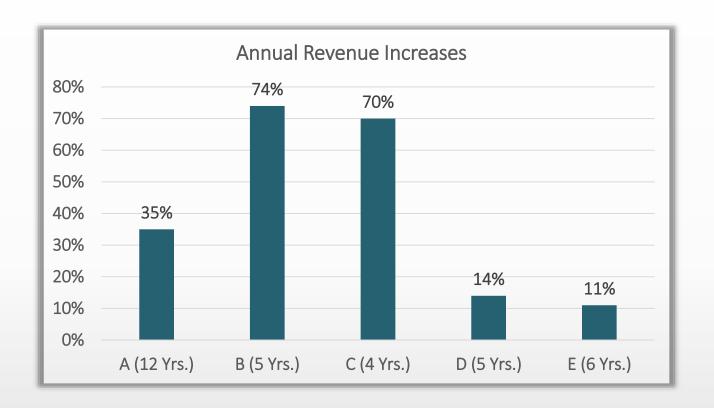
### **Performance Measures**

The Effect of Total Quality Management (TQM) on Corporate Performance by Prof. Vinod R. Singhal, Georgia Institute of Technology, Atlanta, USA

## Journey Towards Excellence Takes Time



# Baldrige Award Winners - Manufacturing



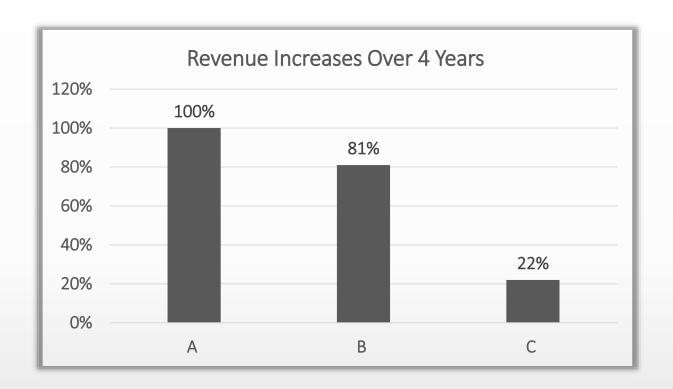
- 1. 20 % annual cost savings from energy conservation improvements for 3 years. (Honeywell FM & T)
- 2. 23 % annual decline in customer incidents (Cargill Corn Milling)

# Baldrige Award Winners - Manufacturing



- 1. 8 % employee turnover rate compared to 12 % industry average (Cargill Corn Milling)
- 2. Over 5 years, 42 % improvement in operational asset health. (Cargill Corn Milling)

# Baldrige Award Winners - Services



- 1. Nearly 7 % increase in market share over 3 year period (CH2M HILL)
- 34 % increase in assets and 54 % increase in profits over 5 years.
   (Caterpillar Financial Services Corp., US)

# Baldrige Award Winners - Services

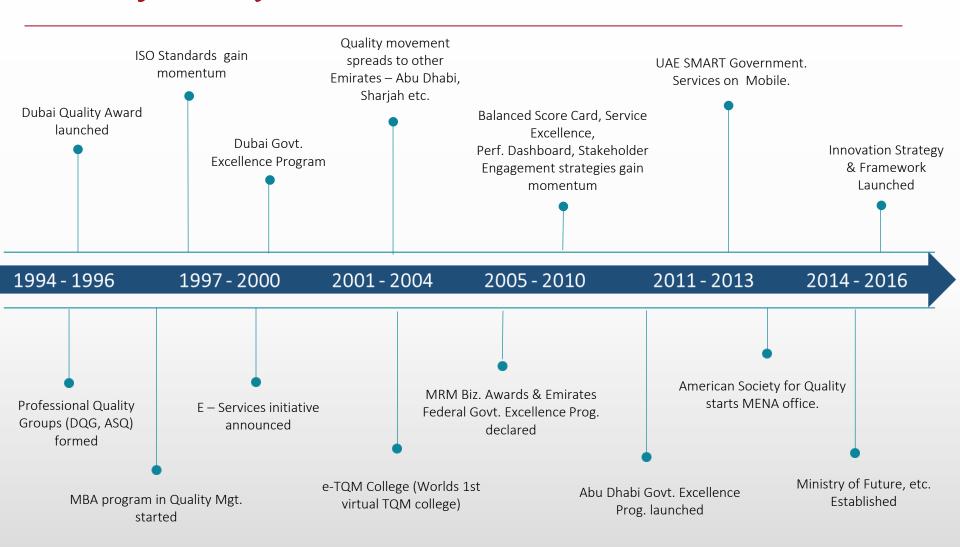


1. 95 % customer loyalty & 97 % customer retention. (Premier Inc.)



# Living the Experience "UAE Journey Towards Excellence"

### UAE's Journey Towards Excellence Started in 1990s



Note: Not all initiatives listed. Indicative time line. Not to scale.

By Sunil Thawani, ex Jury Member, DQA & Author, Business Excellence Awards, Strategies for Winning.

# Milestones on the road to excellence

Charting the growth of the Business Excellence Awards over two eventful decades

- KEY INITIATIVES WITH OUR STRATEGIC PARTNERS
- CONFERENCES VISIONS2 REALITY AND SHARE BEST PRACTICES
- SMART INNOVATIVE SOLUTIONS HAPPINESS METER WITH DUBAI SMART OFFICE
- TRAINING AND DEVELOPMENT GLOBAL RETAIL **ACADEMY**
- INTERNATIONAL AWARDS TIE-UP WITH ASO AND AWARDS INTERNATIONAL
- **EBM BENCHMARK PROGRAM**
- CSR INITIATIVES WITH MULTIPLE PARTNERS









### 1994

Launch of Dubai Quality Award (DQA) Promoting organisational excellence

### 2002

Launch of Dubai Human Development Award (DHDA) Recognising and rewarding HR initiatives by businesses

### 2002

Launch of Dubai Service Excellence Scheme (DSES) Promoting excellence in customer service standards in business community

### 2016

Launch of Business Award (GIBA) Transforming Dubai into the

Global Islamic capital of Islamic economy

#### FRUITFUL YEARS - PLANT YOUR FUTURE TOWARDS BUSINESS EXCELLENCE



DEVELOPMENT

3.000+

Organisations - DQA, DHDA, DSES

Assessors - DQA & DHDA

Mystery Shoppers - DSES



#### **APPLICATIONS** 1000+

Applicants - DQA & DHDA

DSES Outlets



H.H. Sheikh Mohammed Bin Rashed Al Maktoum, Ruler

of Dubai & President and Prime Minister of UAE presenting Dubai Quality Award.

#### FEEDBACK REPORTS

100.000+

Mystery Shopping Reports - DSES

Annual Feedback Reports - DQA, DHDA



Winner Organisations -DQA, DHDA, DSES

18 DQA and 3 DHDA Gold Winners

## Strategies to Implement Excellence Model

- ✓ Balanced Scorecard & Performance management
- ✓ Benchmarking & Best Practices (currently at infancy stage)
- ✓ Business Process management including Reengineering
- ✓ Corporate Governance
- ✓ Corporate Social Responsibility (catching on rapidly)
- Customer loyalty/ satisfaction measurement
- ✓ Employee engagement/ satisfaction measurement studies
- ✓ Enterprise Risk management (ISO:31000) & Business Continuity (ISO:22301)
- ✓ Financial management standards such as IFRS
- ✓ Innovation methodologies
- ✓ ISO standards such as 9001, 14001, 18001, 27001. UAE is leader in region.
- ✓ Kaizen / Lean Six Sigma
- Mystery shopping
- ✓ Stakeholder engagement
- ✓ Suggestion scheme
- ✓ Big Data Analytics etc.

# UAE's Global Rankings 2017

### The Global Competitive Index - 17<sup>th</sup>

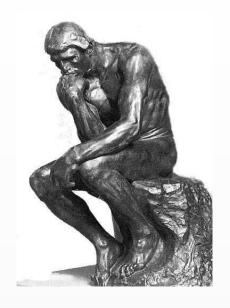
(Source: WEF)

### E-Smart Services Index – Top 10.

(Source: UN Report)

### World Happiness Report, UN - 21st

(Source: UN Report)



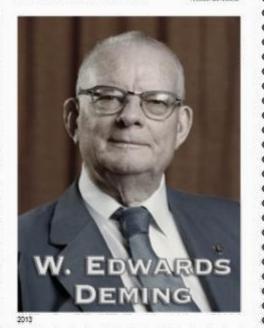
# **Closing Thoughts**

### Cost of Poor Quality – 15 % to 25 % of Costs







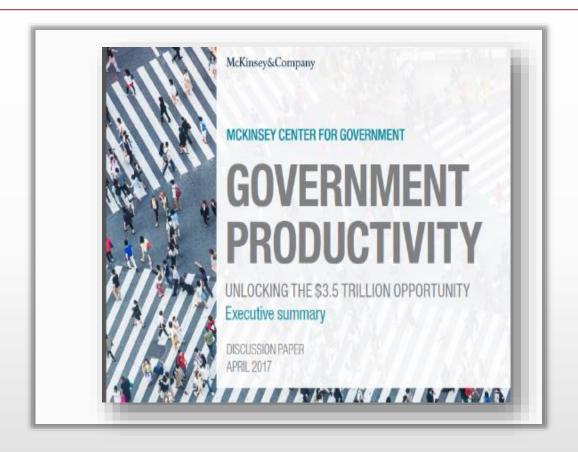


"We have learned to live in a world of mistakes and defective products as if they were necessary to life.

It is time to adopt a new philosophy in America."

Dr. W. Edward Deming 1900 - 1993

# Potential for Saving



"World's Governments can potentially save as much as USD 3.5 trillion a year by 2021"

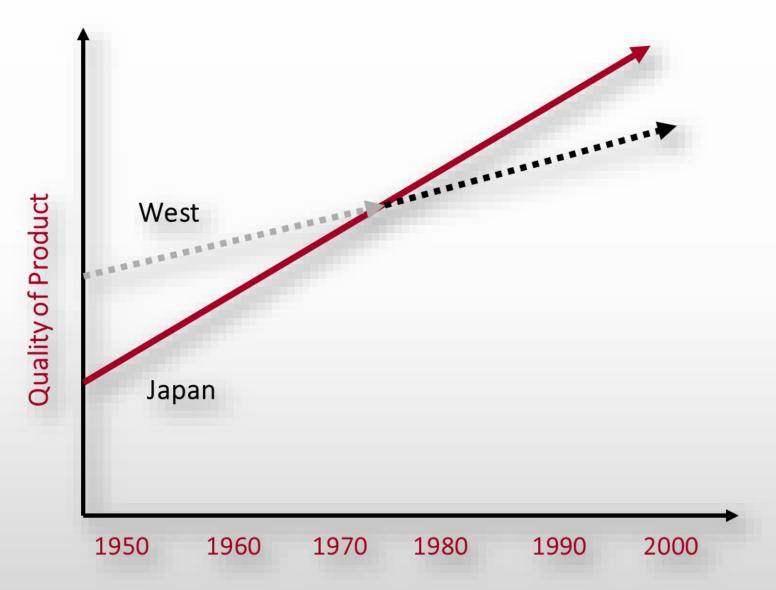
# Creating a Culture of Excellence



Go to next level. (Beyond ISO Management Systems)

Adopt international Business
Excellence Models in
Government and other
sectors of the economy

## Rate of Improvement Decides Winner in Market



Rate of Quality Improvement in Automobile Industry, From "Making Quality Happen" Juran Institute, 1988.





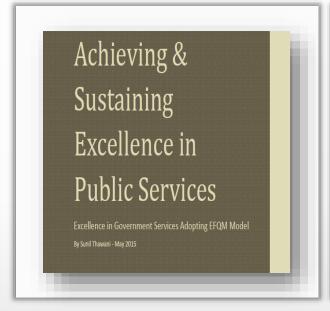
















## Q & A Thank You Sunil Thawani