

IAQ World Quality Forum

IAQ Panels

Quality Strategies for Global Competitiveness

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Chair: Bjørn Andersen, Norway

09:00 Chair's Introduction

09:10 *Shan Ruprai* (Australia): Cradle to Success: Ups, Downs & Best Practice QMS

09:25 *Thomas Prefi* (Germany): Quality Culture – How to Set up a Framework for Quality Oriented Thinking and Behavior

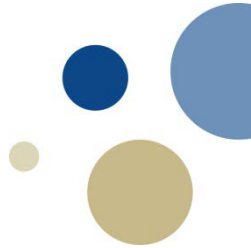
09:40 *Glenn Mazur* (USA): Quality Function Deployment (QFD) for Global competitiveness in Product Development Using ISO 16355

09:55 Panel Discussion

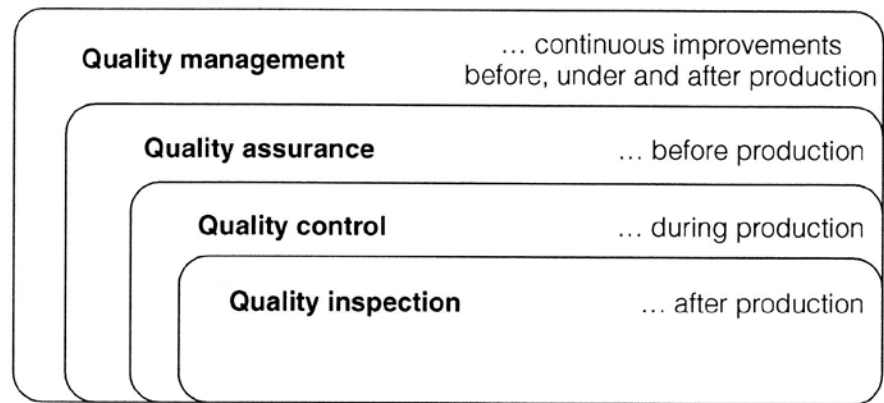
10:10 Open Discussion

10:25 Chair's Concluding Remarks

10:30 Coffee Break

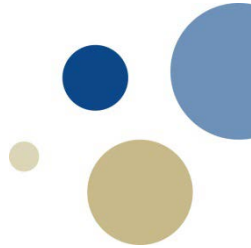


A Brief Quality History



- Pre-industrial revolution: Skilled craftspeople served both as manufacturers and inspectors, building quality into their products through their considerable pride in their workmanship
- The industrial revolution (1600s-1700s): The concept of “interchangeable parts”, industrial production
- Scientific management (1900-1920): Separation of tasks, destroyed the holistic nature of manufacturing, the need for quality inspectors, quality a matter of weeding out the bad products
- Statistical approaches (1920-1940): New monitoring approaches, determine quality problems in advance
- Post WWII: Deming and Juran exported quality thinking to Japan, fully embraced by Japanese top managers as key to national survival, starved markets consumed “everything”, the West saw little need to improve quality
- Changes (1970s-1980s): USA and partly Europe beaten by Japanese, later Korean, competitors.
- Total Quality Management (1980s-1990s): The awakening of the West, TQM developed based on Japanese/Deming thinking, spread to “all sectors”, ISO 9000
- Today: TQM as term almost disappeared, but the principles are very much alive!

So Why Is Quality Important?



- Competition gets harder and harder, as it has always done
- Customers have more and more information available when making choices
- In cases of lack of quality, the word spreads extremely fast
- Needs and technologies change so fast, no-one can “sit back and relax”
- The consequences of quality breaches are becoming more severe (fines, loss of license to operate, injury, loss of life, etc.)
- The world is in a state where many other factors than price (and quality alone) determine competitiveness; product ecosystem, environmental performance, ethics, etc.

Bad Strategy (Rumelt, 2011)

- Four characteristics typify most bad strategies:

1. **Fluff**, empty slogans filled with trendy buzzwords take the place of important insights

Bank: “Our fundamental strategy is one of customer-centric intermediation,” or, translated into plain English, “Our bank’s fundamental strategy is being a bank.”

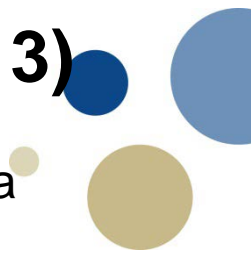
2. **Failure to face the challenge**

3. **Mistaking goals for strategy**, objectives are just a wish list if you don’t pair them with action steps

4. **Bad strategic goals**, leaders must set overarching, but always realistic, aims

- Bad strategy is distressingly common because it is much easier to conceive than good strategy, which involves rigorous analysis, logical thinking, difficult choices and focused action
- Bad strategy often involves fill-in-the-blank, template-style thinking

Six Strategy Traps (Lafley & Martin, 2013)



- The do-it-all strategy: failing to make choices, and making everything a priority
- The Don Quixote strategy: attacking competitive “walled cities” or taking on the strongest competitor first, head-to-head
- The Waterloo strategy: starting wars on multiple fronts with multiple competitors at the same time
- The something-for-everyone strategy: attempting to capture all consumer or channel or geographic or category segments at once
- The dreams-that-never-come-true strategy: developing high-level aspirations and mission statements that never get translated into concrete where-to-play and how-to-win choices, core capabilities, and management systems
- The program-of-the-month strategy: settling for generic industry strategies, in which all competitors are chasing the same customers, geographies, and segments in the same way

Panel Presentations



- Shan Ruprei will look into quality management systems; the history of QM systems, where and how these were born, ups and downs, the reasons for successes and failures of the QMS and outline the way forward
- Thomas Prefi will discuss how culture affects quality behavior. There is an obvious layer of behaviour that can be addressed easily and a hidden one that is not easy to change. It is called the company culture. Prefi will show how quality culture determines the profitability of a company and provide a framework to evaluate and maintain a company quality culture
- Glenn Mazur will explore the evolution of QFD up to current modern applications and will present examples from case studies across a variety of industries and applications, including healthcare, education, industrial products, service products, and software products

Questions for Discussion



- How is a QFD gemba visit different than a Six Sigma gemba visit?
- How is a QFD gemba visit different than other market research?
- What is ISO 16355 and how is it different than ISO 9001?
- What is this AHP method for getting customer priorities?
- How does quality differ across the world?
- What will the role of quality be in future global competitiveness?
- Which strategies are suitable to ensure quality in a global marketplace?
- Who will be the future global quality winners?

Questions from the Audience

