

# **Filipino “SUGOD” (Move-on Together): Roadmap/Framework for a Sustainable Quality Improvement**

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## **Abstract**

*Rapid globalization made it imperative for the Philippines to improve quality and productivity to enhance competitiveness. More than 99% of the country’s businesses belong to the micro, small, medium enterprises (MSMEs) based on number of workforce. Most of them need assistance in business management focused on a sustainable total quality anchored on continual improvement. A Filipino “SUGOD” (move-on-together) road map cum framework had been successfully employed in selected companies. Quantified measures of effectiveness were reported in case studies presented internationally. “SUGOD” is the acronym for Survey, Unite, Grow, Operationalize, Develop. As a road map, it guides a company to Survey their situation, develop strategies to Unite towards a goal, then Grow in capabilities necessary for effective strategy implementation in Operations to achieve the company’s unified goals. When “S-U-G-O-” had successfully progressed, documented results are reviewed to Develop approaches for improvement. A second cycle from S to D is initiated based on lessons gained from the first Cycle as documented in D. Thus, continual cycles of improvement are observed as the business is seen to be better organized and professionally run per cycle. As a framework, “SUGOD” provides a well-documented overall picture of the company’s efforts to sustain continual improvement.*

**Keywords:** *workplace cooperation, globalization, productivity, competitiveness, workforce*

## **Introduction**

For many years, the small and medium enterprises (SMEs) in the Philippines repeatedly mentioned their great difficulty to find the right approaches to improve then sustain their quality level. Most of them expressed the problem of maintaining product quality in their respective operations. Because of its dynamic nature, there had been many proposed globally acceptable approaches to total quality. Some of these were found useful under Philippine situations. Significantly, after many years of assistance to companies in their efforts towards continual improvement utilizing some of these approaches and in consideration of observed Filipino behavioral patterns, it was noted that the interventions employed, virtually followed a step by step process. This was labeled as “Phases” towards total quality. It appeared that for the Philippines, a culture-sensitive approach was necessary to provide a model for entrepreneurs to follow. The “Phases” served as a *road map* to pursue the quest for continual improvement which, after completion of the five steps, enabled a well-supported review of progress made. The overall picture of progress after the first cycle of implementation served as a *framework* against which improvement in performance was observed. Thus, the next cycle of improvement provided baseline information to move-on to a second higher level of quality practices and so on to increasing number of cycles, which could be without end. The approach was validated in selected companies and was documented as case studies presented internationally (Gatchalian, JC. *et. al.* 2002; Gatchalian JC *et.al* 2004; Gatchalian, M.M. 2012). It was noted that the approach could work regardless of industry type or whether they are from the SMEs or large companies and with or without a union. Most Filipino shop floor people and management together appreciated the program

and in some cases enabled Filipino companies to make a successful turn around (Gatchalian, JC et al, 2002; Mamon, 2014). Lately, the “Phases” which focused on uniting everyone to achieve a common goal was given the Filipino name “SUGOD” which means “move-on-together” in English.

“SUGOD” (“move-on together”) is a culture-based *ROADMAP cum FRAMEWORK* for a continuous cycle of improvements to achieve total quality. It is actually an acronym of 5-phases: Phase I(P1)-Survey, P2-Unite, P3-Grow, P4-Operationalize, and P5-Develop that aims to involve everyone in the organization to work together for a common goal. “SUGOD” enables the organization to make an overview of its overall direction (*framework*) while providing a step by step (*road map*) guide for everyone to work together to achieve a shared company direction (Gatchalian, M.M. 2012). Logically, it starts with gathering data and information about the organization’s current situation (Phase 1-SURVEY) where information gathered provides the *baseline to move-on together* in the journey towards total quality (see Figure 1).



Fig. 1. “SUGOD” roadmap showing Phases towards total quality (Gatchalian, MM, 2012)

Because of its cyclic pattern, Figure 1 can also be presented as a never-ending continual improvement series of activities as shown in Figure 2 where the Phases follow Deming’s PDCA cycle

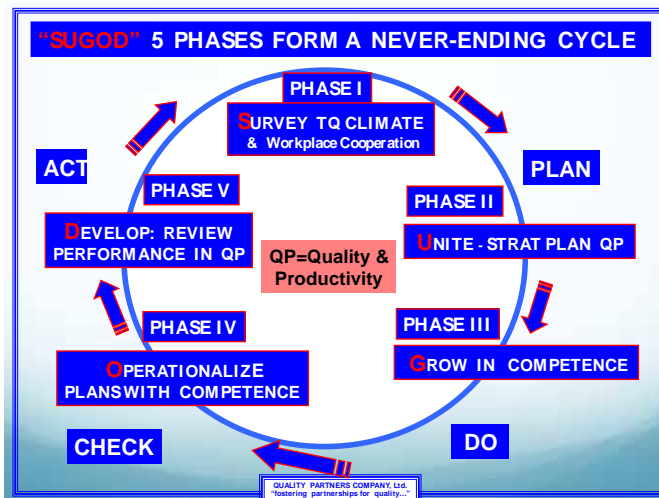


Fig. 2. “SUGOD” Framework a never-ending cycle of quality efforts Towards continual improvement (Gatchalian, MM, 2011)

(Plan, Do, Check, Act) after the “Survey” stage. Phase I- ”Survey” emphasizes the need to have as much knowledge about the situation in the company before making plans to initiate the improvement process. Although there are successful businesses that do not start with a “survey”, it cannot be denied that less errors are committed if there are enough information before initiating change.

## “SUGOD” As a Roadmap and Framework

To succeed in the journey to total quality via the “SUGOD” approach, certain pre-requisites need to be confirmed to be in existence in the organization, which include the following: (a) Full support and leadership by Top Management – spearheaded by the Human Resource Development (HRD) head; (b) the understanding that “SUGOD” is both a *road-map* and a *framework* towards Total Quality (TQ); (c) acceptance that activities towards TQ is sustained through continual improvement activities; and (d) transparency of Top Management in sharing agreed approaches to implementation towards TQ including measurement of financial growth. Absence of any of these pre-requisites will greatly affect progress of the intervention process. Therefore, it is imperative that both top Management and the HRD work together to realize these pre-requisites.

### Phase 1 - SURVEY of Company Situation for Quality

This Phase involves collection of as much data and information about the organization to have a good understanding of their current workplace condition and practices. Information gathered provides the baseline data necessary for the preparation of a well-designed intervention that facilitate progress in the journey to total quality.

1. Obtain concrete information on: (a) work place perception of relationships among owners, managers and employees (focus-group survey); (b) existing equipment needed in operations; (c) status of products and processes and extent of documentation; and (d) other pertinent data. The search for information can utilize as guide the 5Ms of quality such as: Manpower, Materials, Methods, Machines and Measurement.

2. Introduce “workplace cooperation” (Gatchalian, MM and Gatchalian, JC, 2008) which is the process and structure that ensures sustainability of the organization’s quest for total quality where everyone is involved with building quality at the workplace (see Figure 3).

3. Obtain other information necessary to better evaluate existing conditions and practices in the company and its immediate environment, to facilitate short and long-term planning.

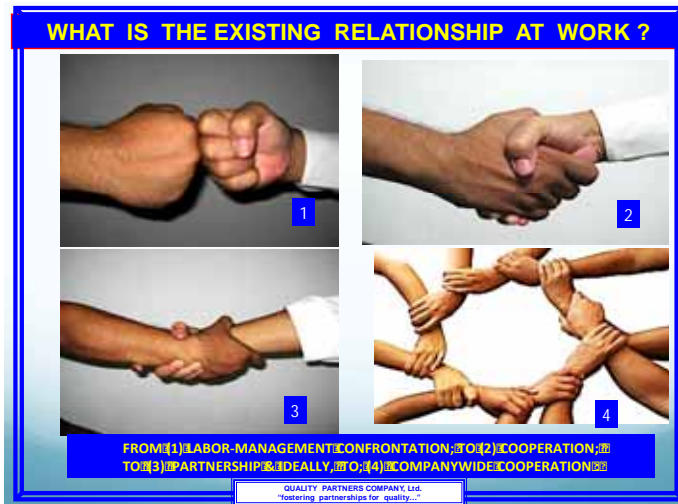


Fig. 3. Survey of the climate for workforce cooperation.

### Phase 2 - UNITE Towards a Clear Company Direction

Based on the data and information gathered from the “SURVEY” in Phase I, the Leaders will analyze, integrate and interpret results to obtain a concrete understanding of the existing situation. At this time, the company’s strengths, weaknesses, opportunities and threats (SWOT) are identified and become very useful for planning purposes. The baseline knowledge also provides a good starting point for firming-up company directions while identifying appropriate interventions. The strategic plan developed should be shared company-wide by the leaders to obtain everyone’s support.

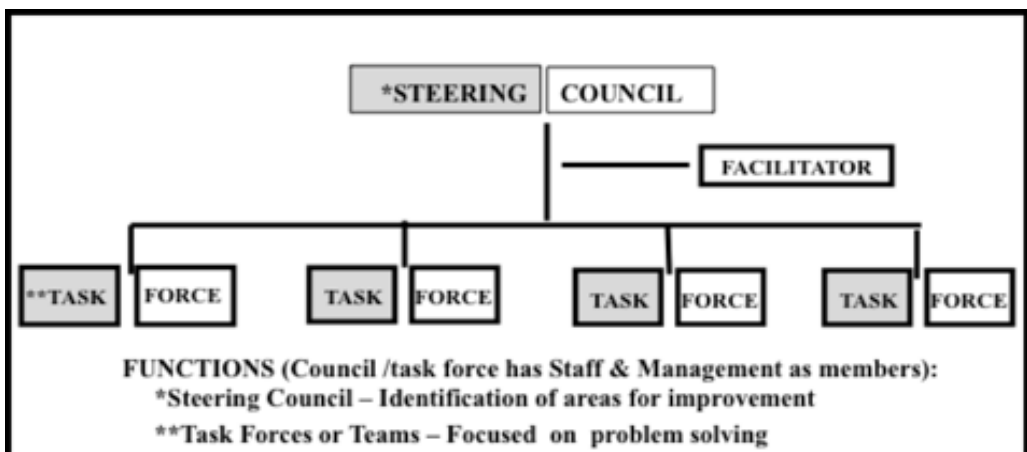
1. Utilizing the “*SURVEY*” results (areas for improvement identified), determine the approaches necessary to develop appropriate plans for workplace/workforce improvements and the overall direction to ensure a sustainable, productive and competitive business. The organization’s Vision, Mission and Policy should be developed (if not yet done) or reviewed to be updated and kept attuned with the current situation (see Figure 4). An external facilitator may be needed at this stage to ensure that the plans are clearly understood and prepared.

2. Develop strategic plans (short and long-term), then share with everyone in the organization for his or her understanding and acceptance. This is important in order to *move-on together* towards total quality. It is imperative that sincere “buy-ins” are obtained especially from leaders responsible for the proper implementation of the agreed direction.

3. Agree on the organizational structure with specific functions that will take charge of running the total operation as dictated by the strategic plans. Identify indicators necessary to measure progress in strategy implementation and monitored by the appointed leaders. This is a major part of *workplace cooperation* where the process and structure introduced in Phase 1, is activated by the creation of the Workplace Steering Council (WSC) that provides the opportunity for everyone to actively participate in the quest for total quality (Figure 5).

**Fig. 4. Planning for company directions, the case of Enchanted Kingdom**

4. At the end of Phase 2 (UNITE) a strategic plan that presents the major directions of the company (Figure 6) is developed which unifies the organization to *move-on* together with clear implementation plans and targets.



**Fig. 5. Workplace Cooperation structure and process (Gatchalian, JC, et. al. 2002)**

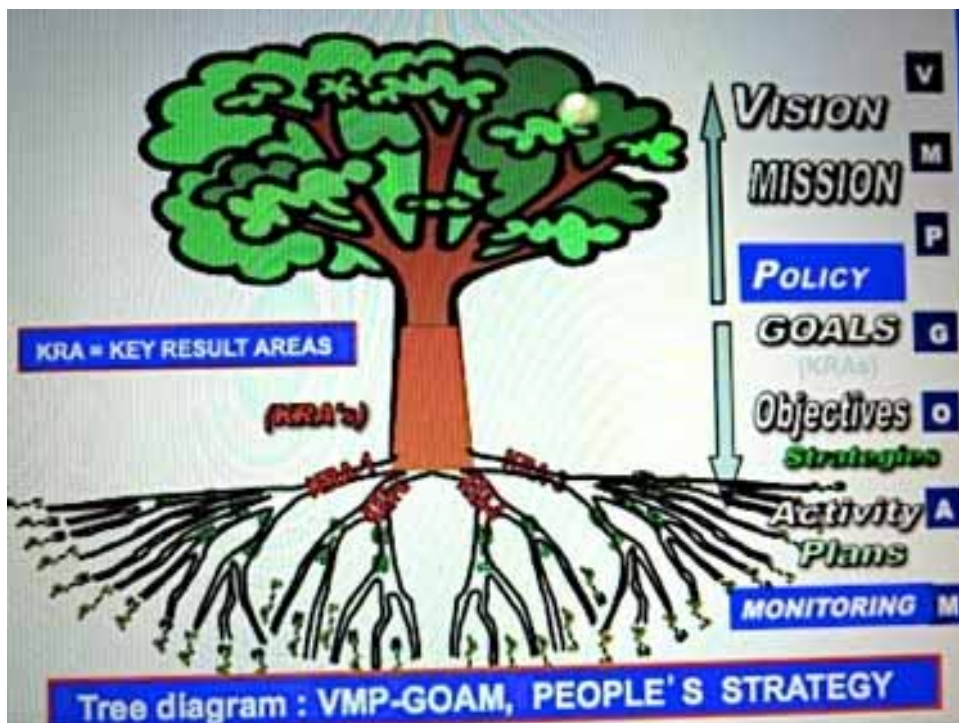


Fig. 6. Tree diagram showing VMP-GOAM (Gatchalian, MM. 2012)

### Phase 3 - GROW in Capability and Competence

Acquisition of additional knowledge becomes urgent especially after capabilities and skills identified in Phase 1 “SURVEY” are found to be wanting yet very important for Phase 2 “UNITE”. At this stage, short- and long-term directions are agreed upon by consensus. Necessary training programs are identified, and then scheduled for proper implementation especially in areas requiring improvement. This Phase is very necessary to effectively progress in the pursuit of the planned strategies in Phase 2 “UNITE”. Some continuing activities under “GROW” may overlap in terms of training period with those already required for implementation in the company’s operations (Phase 4 “OPERATIONALIZE”).

1. Gather as much additional information regarding knowledge and skills of employees required for the proper development and upgrading of the current practices and prepare a schedule for training or skills development (obtained from Phase 1 Survey).

2. Obtain additional templates for business development including: (a) financial considerations; (b) quality, productivity, profitability and competitiveness; and (c) standards of health and safety already employed successfully either locally or from neighboring countries with similar nature and conditions as the Philippines.

3. Identify additional perceived milestones that can provide a clearer picture of the extent of target accomplishments, as well as the approaches to measurement of identified indicators of progress developed in Phase 2 “UNITE”.

4. Study carefully the developed VMP-GOAM (Vision, Mission, Policy, Goal, Activities, Monitoring) in Figure 6 to determine the requirements for implementation in Phase 4. Some identified important requirements for growth are shown in Figures 7 and 8.

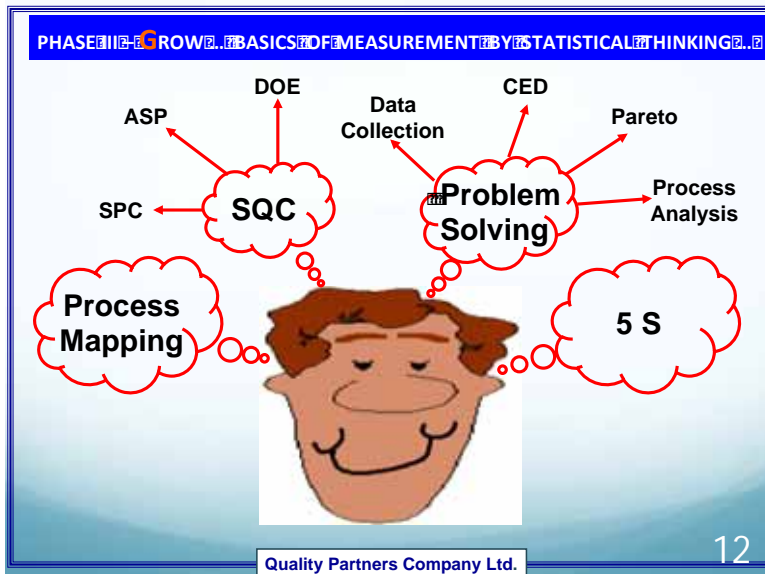


Fig. 7. Basic programs in “statistical thinking” for added skills



Fig. 8. Grow in competence especially in problem solving

#### Phase 4 - Operationalize Towards a Sustainable Product Quality

Provide the opportunities for effective application of the proposed improvement approaches based on all the information and data gathered in the previous phases especially with focus on the newly acquired ones obtained in the “GROW” phase.

1. Monitor, by actual measurement of change (using identified indicators), the progress of the improvements initiated in Phase 3 “GROW” and then identify targets to be achieved as set in Phase 2 “UNITE”. Enhanced competence obtained from the “GROW” Phase should now be employed in actual operations and improvements observed are recorded to show the effects of training.

2. Identify the activities in the shop floor as they relate to improvement of performance level of the 5Ms (Manpower, Materials, Machines, Methods, Measurement). Observe and measure changes in the areas where interventions were applied and determine the need for additional intervention.

3. Measure performance of success indicators in operations as seen in Figure 9 for the case of Enchanted Kingdom, Inc. When processes are in place and there is high competence and involvements on the shop floor, the cycle of improvements implies increasing employee involvements, higher productivity and profitability.

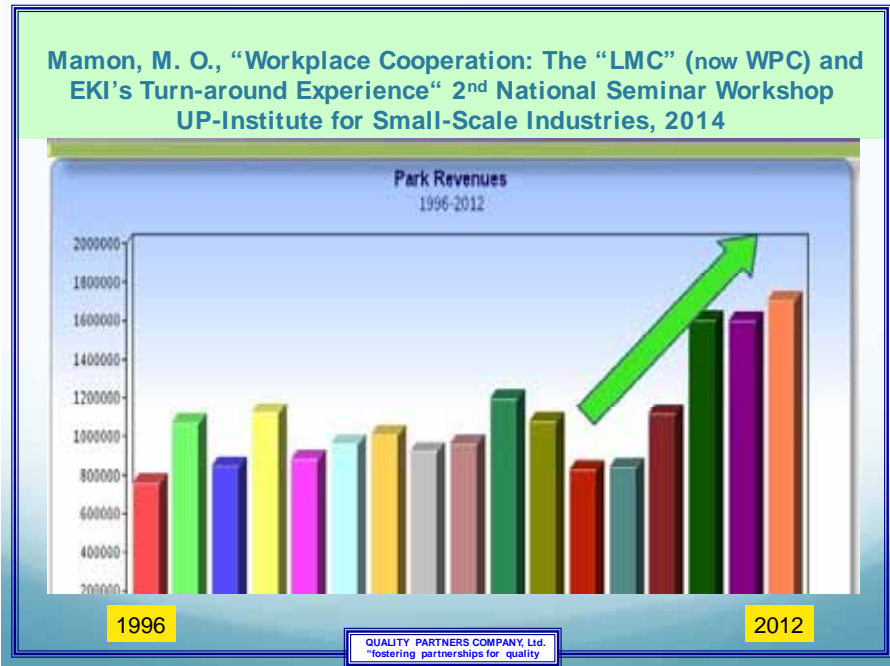


Fig. 9. Measurement of progress using agreed indicators (Mamon, 2014)

### 2.3.5 Phase 5 - Develop Approaches to Continual Improvement

Review Phases 1 to 4 (S-U-G-O\_) and determine the strengths and weaknesses observed in the process of attaining the targets set in Phase 2 "UNITE". Results of the review followed by "Development" of approaches for improvement marks the completion of "SUGOD" Cycle 1. All information gathered will serve as the baseline for planning the second cycle and "SUGOD" should continue to run 2 to 3 cycles more before total quality practices can be observed as having stabilized. The effects would be shown through positive trends obtained from measured indicators.

1. Review the targets set in Phase 2 and identify areas where progress had not taken place as expected, determine the barriers that contributed to low performance in meeting the set goals.
2. Determine additional inputs necessary to reduce or totally remove the identified barriers and recommend alternative approach that could be utilized in the next cycle. This becomes one of the first sets of activities in the second cycle, again starting with Phase 1 "SURVEY".
3. Collect all the documented inputs and measured indicators of success (or failure) and utilize these to be part of the initial information for "SUGOD" cycle 2.
4. Recommendations arising from Phase 5 "DEVELOP" cycle 1 are seriously reviewed and internalized (Figure 10) before the start of the **second cycle** Phase I "SURVEY". This will identify whatever additional data are needed to be collected to know the current situation. All these form the basis for reviewing/updating strategic plans (Phase 2 "UNITE") and thus ensure sustainability of succeeding cycles towards total quality as shown in widening circles in Figure 11 from level 1 upward to the nth level.

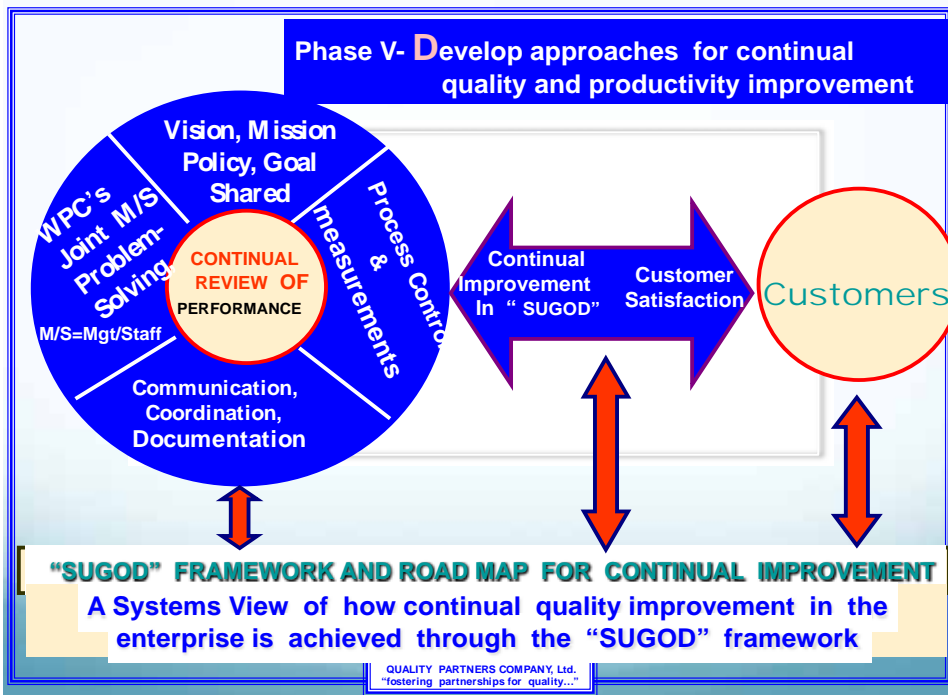


Fig. 10. Review documented steps to develop improvement approaches

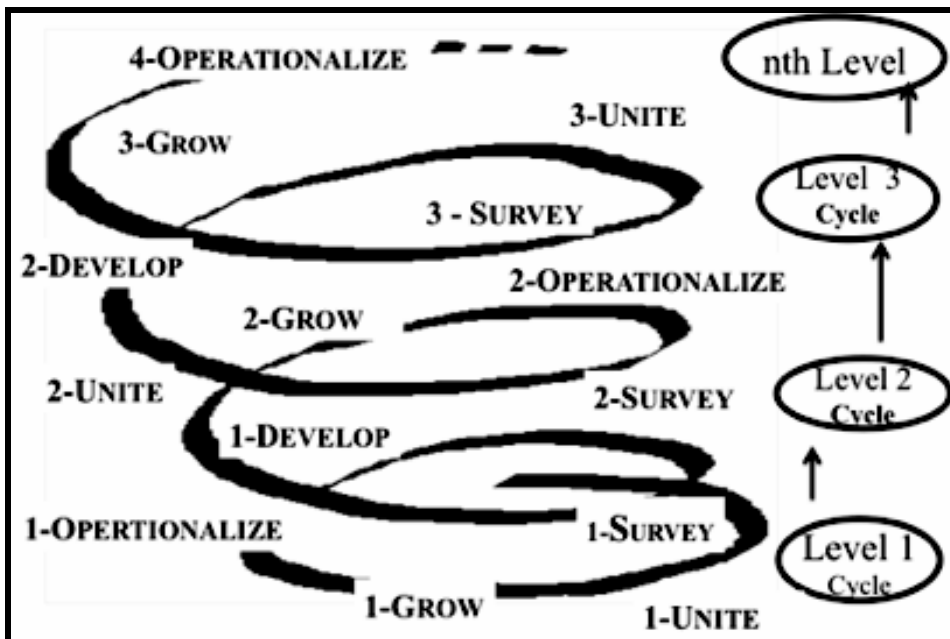


Fig. 11. The “SUGOD” cycles of improvement from level 1 up to nth level

5. Some companies assisted for “SUGOD” implementation also request for refresher programs to prevent “back-sliding” (a term used when people revert to old poor practices). The latest of these was the one done at the International Container Terminal Services Inc. (ICTSI) shown in Figure 12. Today, ICTSI is one of the biggest companies with many branches all over the world. In the three-day “refresher” course, the “workplace steering council” (WSC) and the various “task forces” created to do problem –solving, reviewed their past approaches and problems associated with implementation especially by the “Task Forces”. Sharing of successes and shortcomings enabled the Teams to zero-in on areas for improvement. For the ICTSI refresher, there was a realization that



after more than five years of “WSC” implementation, there was a great need to update procedures and to document necessary changes in approaches. Thus, part of their major outputs from the refresher course was the documented procedures expected to serve as guide in the review of functions and responsibilities of the “WSC” and to determine how it relates with the “Task Forces”. These formed part of their updated “SUGOD” Phases.



**Fig. 12. Enhancing and sustaining workplace cooperation (in SUGOD) at ICTSI Refresher course at Holiday Inn, Pampanga, Philippines (June 3-6, 2015).**

## **Conclusions and Recommendations**

To achieve then sustain total quality, the “SUGOD”(Survey, Unite, Grow, Operationalize, Develop) *road map*, if properly followed, can ensure success. This enables the company to first *Survey* their existing situation to determine where and how to start the journey to total quality. Properly analyzed *Survey* results provide directions towards *Uniting* for shared goals companywide so that everyone can *move-on together* (“SUGOD”). In this connection, *Workplace Cooperation*, the structure and process to promote management and staff working together serve as the mechanism to identify areas for improvement or to solve problems together. Both the *Survey* and the *Unite* phases point to the need to *Grow* or enhance employee competence to progress in the directions set under *Unite*. All new knowledge and skills gained must be put into *Operation* where measurable indicators of achievements are properly recorded and documented. The latter provides evidences of progress, as well as, guideposts for traceability. At Phase 5 “*Develop*”, documented measures are reviewed to determine successes and/or failures and these are *outputs* for cycle 1 and *inputs* into planning for cycle 2 in the never-ending journey to total quality. “SUGOD” is not only a *road map*; it is also a *framework* to use for making an overview on the overall company performance in terms of quality, productivity and profitability. It serves both as a starting point and a monitoring tool in the quest for total quality

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