

# Sustainable Growth

## A Quality Management Approach to Time, Speed and Agility

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# Introduction

- Evolution of the Concept of "Quality Management"
- Latest addition: considering the factors of Time, Speed and Agility.
- Revisiting and amending existing standards

# The Value of Time

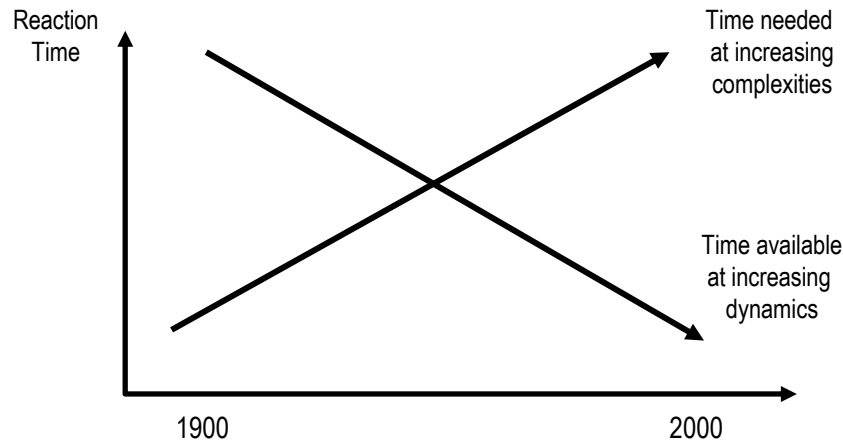
- Time, an invaluable resource
- A commodity of the process
- Tool for improving efficiency and profitability.
- Technology changed the sense of time to individuals and organizations

# The Value of Time Cont'd

- Quality Management of Time is a two fold concept:
  1. Process cycle time, timeliness, time to market and response time
  2. Change over time/ rate of change, in business environment, technology and markets.

# The Value of Time Cont'd

- Sustainable growth and competitiveness in turbulent business environment requires Agility based on Management Intelligence, adaptability and innovation.



# What is Agility?

Definition:

Agility is the ability to adapt to, or to lead, accelerated, uncertain and unpredictable change by sensing and responding to business opportunities in order to stay innovative and competitive in a turbulent and quickly changing business environment.

# What is Agility? Cont'd

- Turning ever-changing business environment into an opportunity for successes
- Realizing sustainable growth by being ready with capability to *innovate* based on *learning* .
- Capability to recognize changes/needs in external business environment.

# Levels of Agility

Agility

**Agile:** Principle-based adaptability; conscious change engineering

**Managed:** Change managers appointed; company-wide process installed

**Defined:** Formal change process initiated, change matrices deployed

**Repeatable:** Prior successes form the basis for “lessons learned” change

**Accidental** No Formal process, changes occur on an ad hoc basis

# Sustainable Growth

- A strategic intent that an organization sustains itself.
- An organization needs to adapt to changes in order to sustain itself.
- An organization should fully understand and use its own strength and characteristics when adapting to changes.

# Aspects of Agility

- **Learning,**
- **Risk Management**
- **Knowledge Management**
- **Innovation**

# Learning

- Indispensable need to change itself in a timely manner.
- Focus on heterogeneity among its people by fostering a culture to prompt changes through divergence and introduction of new thoughts and ideas

# Learning

Learning is done through the following:

1. Collect information and external business environment
2. Analyze and gain an insight from external events including business environment
3. Integrate personal competence to organizational competence: abilities to integrate knowledge and thinking/behavioral patterns of the people in the organization into the value system of the organization.

- ▶ ▶ Organizations with advanced learning ability are able to effectively use organizational and people experience, to build core competence of the organization, and to endorse continual improvement and innovation.

# Risk Management

- Identifying risks derived from rapid changes in business environment
- evaluating risks
- Working out and implementing the tactics such as elimination, mitigation, removal and possession of the risks
- Re-reviewing appropriateness of the tactics in response to changes in situations

# Knowledge Management

- The management of information about external and internal environment for attentive response.
- Examines **how** organization selects, gathers, analyzes, manages, and improves its data, information, and **knowledge assets**.
- Measurement, analysis, and knowledge management serve as a foundation for the performance management system.

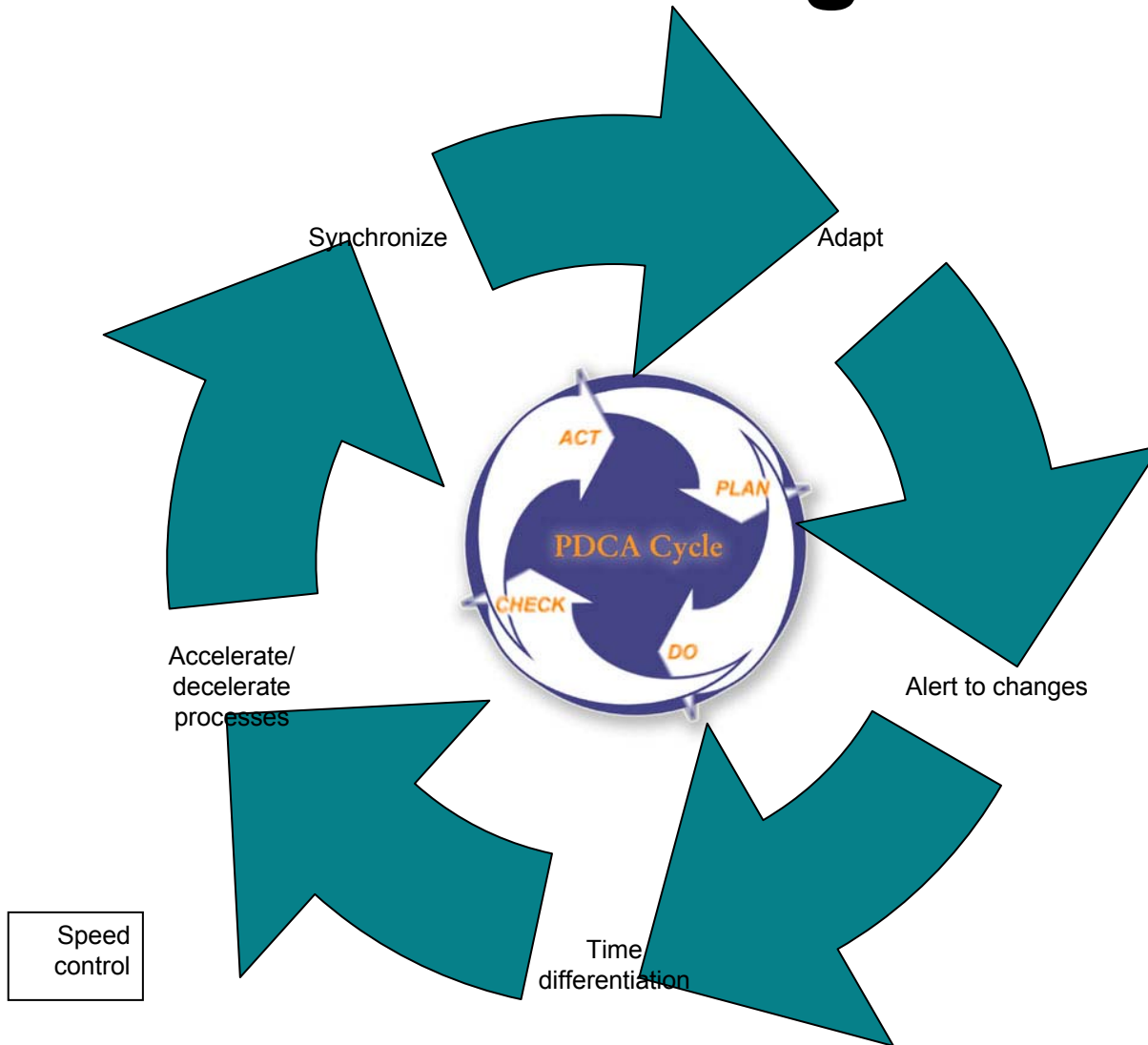
# Innovation

- Sustainable growth is possible when the organization recognizes changes in its business environment, comprehends its core competence and works on the innovation of its competitiveness edge by reconstructing a new framework gained from the previously mentioned organizational and individual Learning,

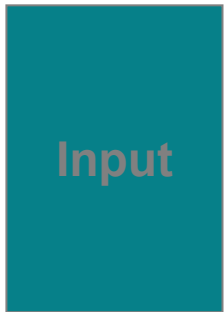
# Management Intelligence

- a process for discovering, developing, and delivering timely, relevant intelligence needed by decision makers wanting to make their organization more competitive and sustainable in a changing business environment.
- Intelligence is knowledge and foreknowledge of the world around us - the prelude to management decision and action.

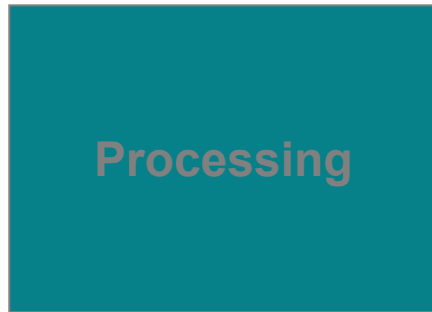
# Quality Management and Agility, Two Becoming One



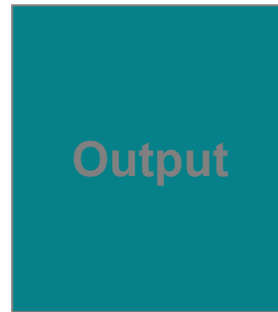
**Speed Control**



**Input**



**Processing**



**Output**



**Efficient use of time**

**Speed Control**



**Speed Control**

# Malcolm Baldrige award Criteria For Performance Excellence

1. visionary leadership
2. driven excellence-customer
3. organizational and personal learning
4. valuing employees and partners
- 5. agility**
6. focus on the future
7. managing for innovation
8. management by fact
9. social responsibility
10. focus on results and creating value
11. systems perspective

# Cultural Aspects of Time, Speed and Agility

- Time appreciation varies across **different countries and cultures**, depending on:
  - principles,
  - Values
  - Norms
  - traditions.
- In the industries where time and speed are "high risk elements", the concept of Agility has a strong foundation.

# How to Start being Agile?

- gap analysis
- effective Future objectives
- action plan
  - taking the factor of time and the changing environment into consideration

# Gap Analysis

- The gap analysis should cover different areas:
  - Enterprise
  - Customer
  - People
  - Competitors
  - Market
  - BUSINESS NETWORK
  - USE OF SCIENCE AND TECHNOLOGY
  - MANAGEMENT OF INFORMATION

# Gap Analysis Sample Checkpoints

## ▶ **ENTERPRISE**

- We are sensitive to accelerating time pressures and demands. We strive to continuously shorten our management and operational cycles.

## ▶ **CUSTOMERS**

- We understand that, to be effective in the digital commerce marketplace, we must educate and lead our customers.

## ▶ **PEOPLE**

- We understand that, in the digital commerce marketplace, our employee's intellectual properties are more valuable than our physical products.

## ▶ **COMPETITORS**

- We identify, capture and analyze our competitors' strengths, weaknesses, opportunities they provide and threats they represent.

# Gap Analysis Sample Checkpoints

## ▶ **MARKETS**

- We are sensitive to local customs, preferences and cultures of our customers and their environments.

## ▶ **BUSINESS NETWORK**

- We respond to the market by integrating our customers, suppliers, distributors and other business partners into an extended enterprise.

## ▶ **USE OF SCIENCE AND TECHNOLOGY**

- We use technology as an enabler, not as a driver, of change.

## ▶ **MANAGEMENT OF INFORMATION**

- We have in place a business strategy that places a premium on intellectual capital.

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