

Which Way for The Future of Quality in Canada

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Quality Matters For Our Success

- Canada is embracing a new era of globalization with very broad free trade agreements where the quality of our goods and services and the quality of our leadership will determine success
- The world is moving ahead of Canada in the use of quality systems as a competitive advantage in free trade agreements.

Good Enough Is No Longer Good Enough

“ Honestly, one of the things I ‘m really sick of is “best Canadian finish” I want to be the best in the world. That’s essentially what I am working towards.”

*Mohammed Ahmed- Globe & Mail
August 5, 2017*

Canada must play to its strengths on Intellectual Property-it is important that...we carefully analyze our national goals and current situation so we can strategically play to our strengths.....Presently we have very few companies that compete globally based on their own innovation.

Globe and Mail August 5, 2017 : Dan Breznitz & Mark Fox

Impact of Trade on Canadian Economy

- In 2015, exports accounted for 31.5% of GDP, up from 25% before Canada signed a series of free trade agreements starting in 1988. Exports were 36% of GDP before the global recession began in 2008.
- Exports directly and indirectly accounted for 2,942,400 jobs in Canada in 2011 according to Statistics Canada, or 16.7% of all employment.
- Trade overwhelmingly is still oriented to the United States. The stagnation of exports to Europe and Japan in recent years was offset by increases to Asia.... Canada has little direct trade with Mexico.
- Firms in Canada that export have significantly higher productivity than firms that do not export.

The Fraser Institute- October 2016 "The Importance of International Trade to the Canadian Economy- An Overview

The World Wants More of Canada?

- **Minister of Foreign Affairs Chrystia Freeland**

“the path we choose must be one that serves the interests of all Canadians and upholds our broadly held national values; that preserves and nurtures Canadian prosperity and security; and that contributes to our collective goal of a better, safer, more just, more prosperous, and sustainable world. One we can pass onto our children and grandchildren, with a sense of having done the right thing.....June 2017

- *Is the quality movement and the use of quality systems aligned with where we in Canada want to be in a world of free trade agreements? Are we seen as partners to government, business and social sector organizations?*

To Get To Where We Want To Be Cannot Forget Our History

- Quality systems and national excellence frameworks were developed in the mid 1980s early 1990s.
- Leaders at that time in business and government were concerned that North America was losing the competitive edge to other countries. Quality systems emerged as a foundation for doing business in an ever increasing and more complex international environment.
- *Development of national frameworks- Baldrige, EFQM and Excellence Canada (NQI)*

What Are We Recognized For?

” The companies that survive longest are the ones that work out what they uniquely can give to the world not just growth or money but their excellence, their respect for others, or their ability to make people happy.....

Some call those things a soul. “

“ The Age of Unreason” Charles Handy- 1989

Leadership Matters- Then & NOW!

- *"We wanted to talk about quality, improvement tools, and which programs work. He wanted to talk to us about management, cultural change, and senior managers' vision for the company."*

A Ford executive in 1990, regarding a consultation with W. Edwards Deming.

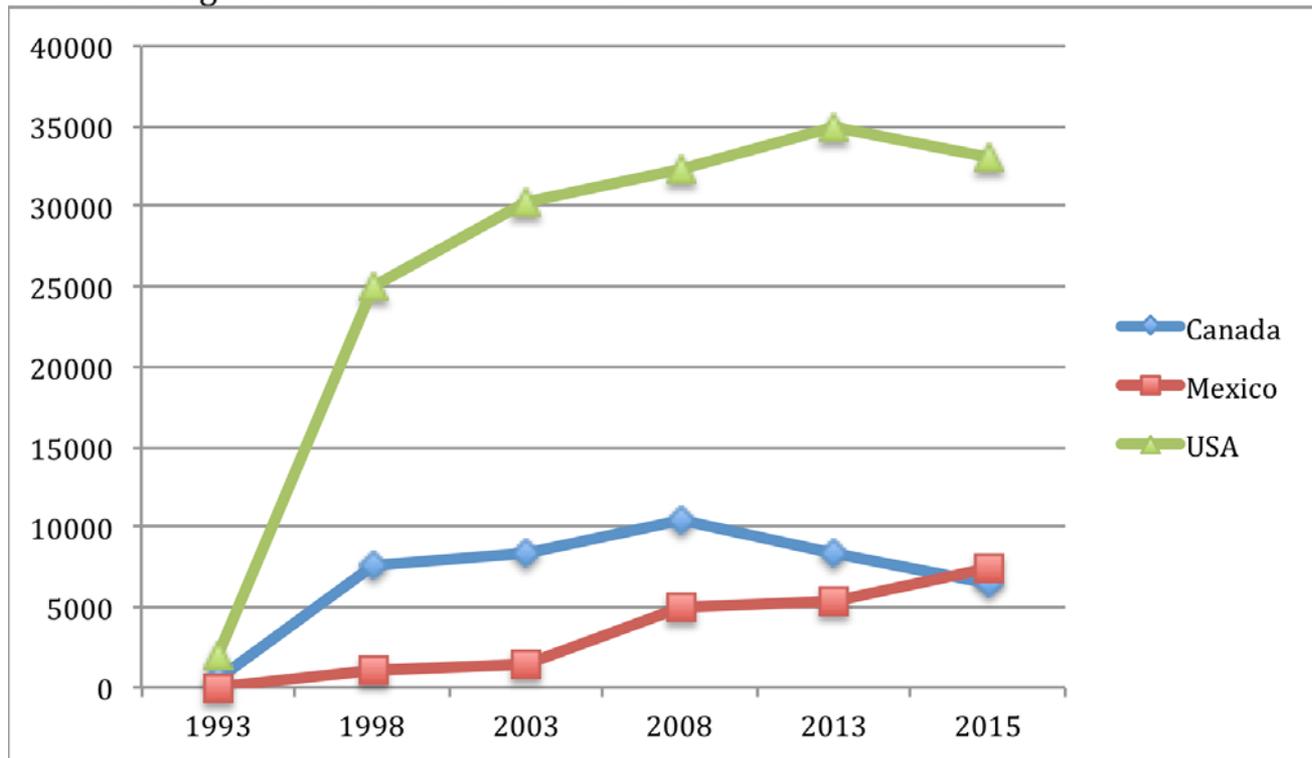
- *Canada Quality Council- a partnership with leaders in business, government and institutes, lead to formation of National Quality Institute*

My Journey with Quality

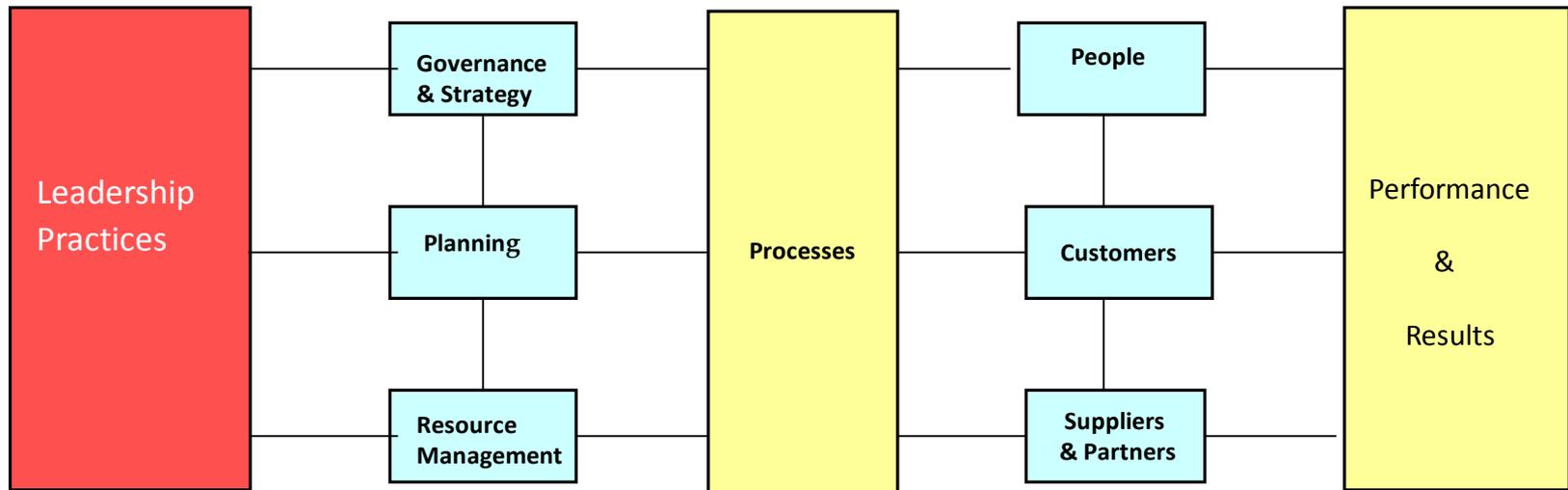
- Manufacturing plant in the 1970's- serious operating problems first use of QIP- quality assessment.
- Worked with a team of academics and managers to develop a quality system for St. Lawrence College which became the first post-secondary college in North America to receive ISO registration.
- President of NQI as it evolved to a national non-profit organization supported by member organizations- positioned the Canada Awards for Excellence as the national recognition program.

What is Happening to Quality Systems in Canada: example ISO registrations

ISO 9001 Registrations Canada-Mexico-USA

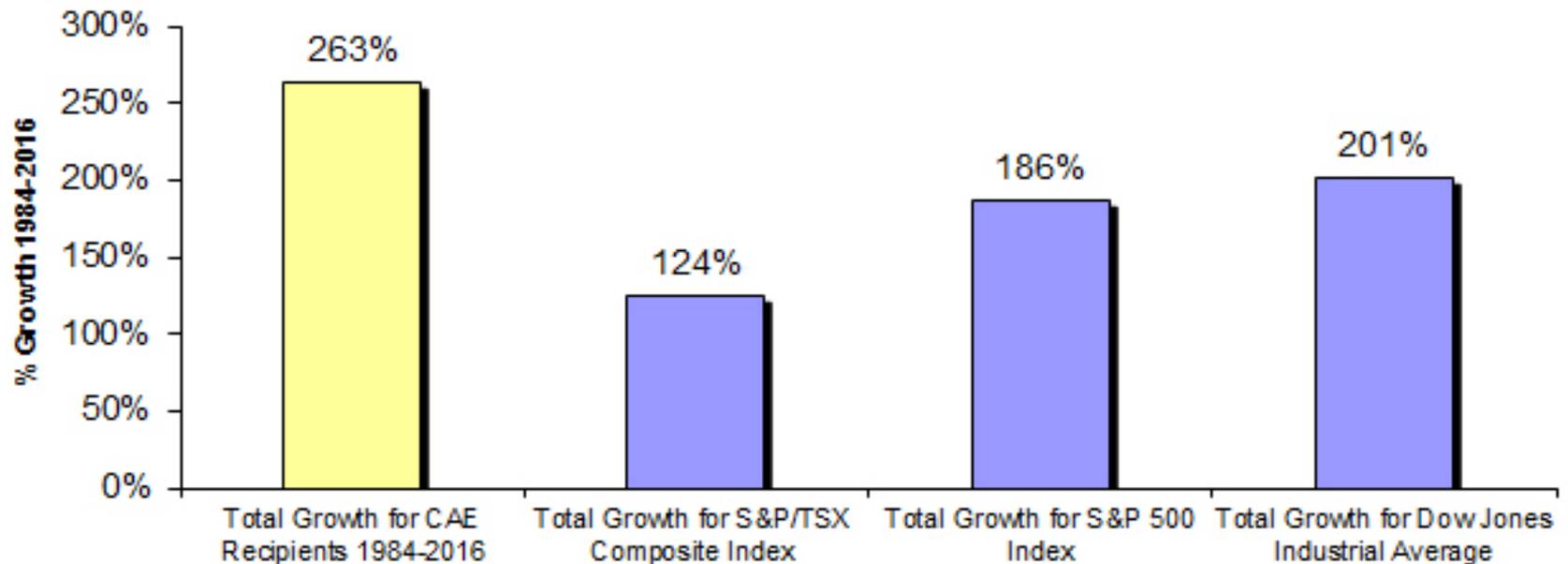


Excellence Frameworks Bring Organizational Alignment to Strategy



Commitment to Excellence Pays

**Comparison of Investment Growth for
CAE Award Recipient 1984-2016
(July 21, 2016)**



Source: (Stoehr, 2016 - Excellence Canada, Award Recipient Stock Market Study)

Positive change begins by asking the right question.

- What is the right question to ask about the future of quality in Canada?
- That begins with assessing societal and economic trends that will impact the future of work and organizations in Canada. Identifying and agreeing those trends provide a reference for how quality systems & organizational excellence and quality professionals need to adapt to remain relevant to meeting Canada's future needs.

Trends and Factors Affecting Future of Quality

- The Future of Work
- Impact of Artificial Intelligence
- National Directions- Desired Future
- The New Workforce
- Speed of Change
- Leadership
- New Role for Quality Professionals

Future of Work

- “The truth is that the nature of work has changed because of profound, and generally benign, global economic innovation.

This transformation, driven primarily by automation and the digital revolution, is broadly positive.

Managed fairly, it has the potential to increase prosperity for all – not just the global one percent.”

Minister of Foreign Affairs Chrystia Freeland

Artificial Intelligence & The Human Touch

- “Paradigm shift in production, operations, and service: a shift that will have direct consequences on the principles and practice of design, development, and quality management.
- The coming AI revolution represents an opportunity not just to streamline certain customer service processes, but to take stock of the human touch and consider in what ways it may become more important

Telus International –April 2017

Imbedding Quality Systems in Artificial Intelligence

- Define the needs of customers in the use of AI
- Need to understand how such technology will (is) transform our processes and services.
- Need within organizations for holistic integrated architecture to house data
- How does automation serve the needs of the customer & suppliers .
- Best processes to have humans and machines solving problems together
- Transparency of actions

Government of Canada: Advisory Council on Economic Growth

- First report October 2016 “

.... Despite Canada’s many strengths – a vibrant democracy, abundant natural resources, and a highly educated workforce – the Canadian economy, against the backdrop of persistently weakened global economic conditions, faces the prospect of materially slower growth and stagnation.

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Our initial diagnostic pointed to two powerful structural forces working against domestic growth: the aging of our population and our underperformance on productivity.

Aligning With Future Directions For Canada

Where do quality systems & excellence fit into national initiatives, such as identified by the Advisory Council on Economic Growth ?

Five recommendations from the Council

- Unlocking innovation to drive productivity and help new companies scale up more rapidly.
- Accelerating the building of a highly skilled and resilient Canadian workforce.
- Unleashing the growth potential of key sectors such as the agfood sector
- Positioning Canada more effectively as a central global trading hub
- Tapping into our economic potential through broader workforce participation

The New Workforce- Millennials

- Not so Different after all, just go about it differently.
- Millennial and non-millennial survey respondents alike say they want to add value to what they believe are great organizations that can make a positive difference in the world.
- At the same time, they want to feel connected to their coworkers.

source Deloitte Canada The Future of Work- a Reorientation Guide

Change at the Speed of....

- Rapid change is a paradox for quality systems as standards and data driven processes have to be agile to respond to and anticipate change.
- Integrating enterprise excellence- a centre for doing the right things right at the right time- information going up down and across the organization
- Alignment – information equity so people work on the right things at the right time. Also know what NOT to work on.
- Strategy transparent to all in the organization and perhaps to the world.

Leadership Will Be Needed to Optimize Quality Systems and Excellence

- Quality systems- excellence frameworks are about strategic and holistic change.
- Leaders therefore need to have a clear focus on how to stimulate change to create agile organizations and to have strategic agility as an integral core competence.
- Quality professionals should focus on ways to build capacity for positive organizational change.

Three Critical Points for Leaders & Quality Professionals

- Organizations as human systems- in the end, even with increased use of **Artificial Intelligence** results come from how effectively the human talent in an organization delivers the strategies, plans and actions
- Focus on organizational alignment to build sustainable capacity- people at all levels have a line of sight to strategy.
- Focus on core organizational strengths to sustain quality and excellence. If your central organizational belief is “our people are our strength” then leverage their strengths through engagement in quality initiatives.
- How does the use of **Quality/ Excellence** systems advance organizational strengths for strategic success?

As for the future- in Quality Systems

- Quality does matter now and even more so in the future as long as it is linked to creating value, enabling strategy and to engaging all of the intellectual capacity in the organization.
- Focus on creating continuous organizational capacity for flexibility and adaptability.
- That means having an organizational culture where quality is seen not just as a tool or a product but as a way to grow and thrive.

Ways to Influence the Future of Quality in Canada

- To re-engage leaders quality professionals need to speak their language and understand their issues.
- Quality professionals as “change agents” - not just technical experts
- Stop selling quality as a product or a tool and position quality systems and excellence as enablers of strategy and organizational success.
- Quality is not just for the professionals and consultants- have to look for practical ways to have employee teams as an integral part of an on-going quality/excellence assessment strategy.
- Advocacy is needed. Have to work to engage government and associations – to get the message in front of them that quality systems/excellence have to be imbedded in organizations for sustained success with international trade opportunities.
- We have to be better. Canada is behind when it comes to country success in having ISO registrations and in the use of Excellence Frameworks- Europe and Asia are much further ahead- that is what we are competing against.
- Influence future leaders- advocate for colleges and universities to incorporate quality management /excellence into program curriculum.

Thank You

Time for Questions?