National Quality Vision & Reform
By Dr. Kamran Moosa

Towards Quality
PAKISTAN
Contents

Part 1
Our Global Standing

Part 2
Learning from others

Part 3
Setting it Right

Excellent without passion is a body without spirit
Part 1
Our Global Standing

Definition of ‘Reform’

Oxford
make changes in (something, especially an institution or practice) in order to improve it.

Wikipedia
Reform means the improvement or amendment of what is wrong, corrupt, unsatisfactory, etc.
Reform may be at most redressing serious wrongs without altering the fundamentals of the system. Reform seeks to improve the system as it stands, never to overthrow it.
Quality and quality management is no longer only about meeting specifications and eliminating defects and complaints; it is also being used in building and meeting renewed, better and competitive national and organizational goals or performance standards; as well as reforming & changing nations and organizations with innovative, new or better policies, strategies, practices and processes.

Quality is about setting and meeting competitive targets, goals and standards of organizations, sectors, clusters and countries; While Quality Management is a set of processes to make the change happen.

Targets of Outcome vs Output

Organization → OUTCOMES → QUALITY OF OUTPUT → OUTPUT
KPIs: Key Performance Indicators

**Organizational or National PROCESSES**

**Process KPIs** (Leading KPIs)
- Education Enrollment %
- Education Quality %
- Infrastructure, Investment
- Corruption %, Crime% (!!!!)
- Security of people
- Labor Market Efficiency, etc

**Product/Service KPIs** (Lagging KPIs)
- GDP %
- National Income
- National Character (Ethos)
- Sustainability
- Peace

**INPUTS**

**OUTPUTS**

**BALANCED SCORECARD**
Tool for making & aligning KPIs with organizational goals

% GDP (an important KPI of a country)
% GDP Growth and our Governments

Pakistan GDP Growth (annual %)

GDP Growth and our Governments

Some Global KPIs Measurement Systems

- Global Competitiveness Index by World Economic Forum
- Human Development Index by UNDP
- Corruption Perception Index by Transparency International
- World University Rankings by British Quacquarelli Symonds (QS)
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GCI for the last 4 years

Ref:
Global Competitiveness Index
By World Economic Forum 2014

3 Development stages of nations

Global Competitive Index
129 / 144

Stage 1 Basic Factors Driven
134 / 144
1. Institutions
2. Infrastructure
3. Macro-economic environment
4. Health & Primary Education

Stage 2 Efficiency Driven
101 / 144
5. Higher Education & Training
6. Goods Market efficiency
7. Labor market efficiency
8. Financial market development
9. Technological readiness
10. Market size

Stage 3 Innovation Driven
83 / 144
11. Business Sophistication
12. Innovation
Three levels of Competitiveness

Level-Wise Comparison of Rating
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GCI Some key Factors

GCI: Education Enrollment

ICQI 2014 - PAKISTAN
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Education Quality

Governance
Macroeconomic Environment

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pakistan</th>
<th>India</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Govt Budget Balance</td>
<td>134</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Gross National Savings %GDP</td>
<td>120</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Inflation</td>
<td>133</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Govt. Debt</td>
<td>106</td>
<td>110</td>
<td>97</td>
</tr>
<tr>
<td>Country Credit rating</td>
<td>121</td>
<td>55</td>
<td>32</td>
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</tbody>
</table>

GCI: Business Sophistication

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Pakistan</th>
<th>India</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Supplier Quantity</td>
<td>66</td>
<td>94</td>
<td>93</td>
</tr>
<tr>
<td>Local Supplier Quality</td>
<td>58</td>
<td>58</td>
<td>64</td>
</tr>
<tr>
<td>State of Cluster Development</td>
<td>93</td>
<td>64</td>
<td>88</td>
</tr>
<tr>
<td>Nature of Competitive Advantage</td>
<td>87</td>
<td>74</td>
<td>74</td>
</tr>
<tr>
<td>Control of International Distribution</td>
<td>115</td>
<td>115</td>
<td>115</td>
</tr>
<tr>
<td>Production Process sophistication</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extent of Marketing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Willingness to delegate authority</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ICQI 2014 - PAKISTAN
Most Problematic factors for doing business in Pakistan (Ref: GCI Report 2014)

<table>
<thead>
<tr>
<th></th>
<th>Inadequate supply of infrastructure</th>
<th>14.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Corruption</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>Inefficient government bureaucracy</td>
<td>10.2</td>
</tr>
<tr>
<td>4</td>
<td>Policy instability</td>
<td>8.5</td>
</tr>
<tr>
<td>5</td>
<td>Access to financing</td>
<td>7.6</td>
</tr>
<tr>
<td>6</td>
<td>Government instability</td>
<td>7.3</td>
</tr>
<tr>
<td>7</td>
<td>Inadequately educated workforce</td>
<td>6.4</td>
</tr>
<tr>
<td>8</td>
<td>Poor work ethic in national labor force</td>
<td>6.3</td>
</tr>
<tr>
<td>9</td>
<td>Crime and theft</td>
<td>5.6</td>
</tr>
<tr>
<td>10</td>
<td>Tax rate</td>
<td>4.7</td>
</tr>
<tr>
<td>11</td>
<td>Inflation</td>
<td>3.7</td>
</tr>
<tr>
<td>12</td>
<td>Tax regulation</td>
<td>3.5</td>
</tr>
<tr>
<td>13</td>
<td>Insufficient capacity to innovate</td>
<td>3.3</td>
</tr>
</tbody>
</table>
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UNDP’s HDI (2013)

Human Development Indicators

<table>
<thead>
<tr>
<th>Human Development Index</th>
<th>Index</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.537</td>
<td>146 / 187</td>
</tr>
</tbody>
</table>

Trends 1980 - Present

HDI Trend 1980-2010

years of schooling. The income component is measured by GNI per capita (PPP$). In 2013, 187 countries were included in the Index, which seeks to expand its coverage as additional statistics become available.

To highlight a country, click its line in the chart or search for it below. You can highlight multiple countries.

Pakistan X  India X
Malaysia X
Iran (Islamic Republic of) X
Bangladesh X
Type a Country
3. Transparency International

CORRUPTION PERCEPTIONS INDEX 2013

Service-wise Bribe %

<table>
<thead>
<tr>
<th>Service</th>
<th>India</th>
<th>Bangladesh</th>
<th>Pakistan</th>
<th>Nepal</th>
<th>Sri Lanka</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>43</td>
<td>17</td>
</tr>
<tr>
<td>Registry etc</td>
<td>50</td>
<td>49</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Services</td>
<td>49</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customs</td>
<td>29</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>20</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Revenue</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Judiciary</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical Services</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education System</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

K. MOOSA 33
4. QS University Ranking

<table>
<thead>
<tr>
<th>WORLD</th>
<th>ASIA</th>
<th>UNIVERSITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>480-490</td>
<td>129</td>
<td>NUST</td>
</tr>
<tr>
<td>701+</td>
<td>181</td>
<td>LUMS</td>
</tr>
<tr>
<td>701+</td>
<td>251-300</td>
<td>UET LAHORE</td>
</tr>
<tr>
<td>701+</td>
<td>201-250</td>
<td>UNIVERSITY OF KARACHI</td>
</tr>
<tr>
<td>701+</td>
<td>123</td>
<td>UNIVERSITY OF LAHORE</td>
</tr>
<tr>
<td>701+</td>
<td>106</td>
<td>PIEAS</td>
</tr>
<tr>
<td>701+</td>
<td>116</td>
<td>Aga Khan University</td>
</tr>
<tr>
<td>701+</td>
<td>123</td>
<td>Quaid-e-Azam University</td>
</tr>
<tr>
<td>201-250</td>
<td>201-250</td>
<td>COMSATS</td>
</tr>
<tr>
<td>201-250</td>
<td>251-300</td>
<td>University of Punjab</td>
</tr>
<tr>
<td>251-300</td>
<td>251-300</td>
<td>University of Agriculture</td>
</tr>
</tbody>
</table>

Thus, we must recognize that

- Measuring KPIs are at the heart of any Reform Program; both at the corporate or national level. Quality Managers must focus on KPIs to drive for improvement.
- We need to monitor our global competitiveness objectively and use them in our government, education, media and national policies.
- We are at a danger line of competitiveness.
- We need Immediate attention and plans for Reforming our government, educational institutions and organizations.
- We must learn from others who have gone through similar crises, chaos and difficult situations.
Part 2
Learning from Others

Some benchmarks

- Turkey
- (Singapore)
- Malaysia
- (South Korea)
To create oneness or unity within a multi-religious and multi-cultural nation; while ensuring social justice, trust and cohesiveness.

An ambitious 10 years program of change to transform the Government into an efficient and people-centered institution.

GTP 1: 2009-2013
GTP 2: 2013-2015
GTP 3: 2015-2020

To transform Malaysia into a developed nation by 2020; raising per capita to $15,000.

7 Key NKRAs (National Key Result Areas)

<table>
<thead>
<tr>
<th>#</th>
<th>NKRAs</th>
<th>Headed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reducing Crime</td>
<td>Minister of Home Affairs</td>
</tr>
<tr>
<td>2</td>
<td>Fighting Corruption</td>
<td>Law Minister</td>
</tr>
<tr>
<td>3</td>
<td>Improving Students Outcomes</td>
<td>Minister of Education</td>
</tr>
<tr>
<td>4</td>
<td>Raising living std of low income household</td>
<td>Minister of Women, Family and Community Development</td>
</tr>
<tr>
<td>5</td>
<td>Improving Rural Development</td>
<td>Minister of Rural &amp; Regional Development</td>
</tr>
<tr>
<td>6</td>
<td>Improving Urban Public Transport</td>
<td>Minister of Transport</td>
</tr>
<tr>
<td>7</td>
<td>Addressing Cost of Living</td>
<td>Deputy Prime Minister</td>
</tr>
</tbody>
</table>
Results have been encouraging

<table>
<thead>
<tr>
<th>NKPIs</th>
<th>2010</th>
<th>2011</th>
<th>2012 (up to July)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Public Transport</td>
<td>107%</td>
<td>108%</td>
<td>18%</td>
</tr>
<tr>
<td>Crime</td>
<td>168%</td>
<td>130%</td>
<td>159%</td>
</tr>
<tr>
<td>Rural Basic Infrastructure</td>
<td>91%</td>
<td>123%</td>
<td>34%</td>
</tr>
<tr>
<td>Education</td>
<td>156%</td>
<td>188%</td>
<td>108%</td>
</tr>
<tr>
<td>Low Income Household</td>
<td>79%</td>
<td>103%</td>
<td>33%</td>
</tr>
<tr>
<td>Corruption</td>
<td>121%</td>
<td>134%</td>
<td>77%</td>
</tr>
</tbody>
</table>

Overall Composite Scoring

121% 131% 71%

*As of 20 July, including Cost of Living NKRA

Example KPIs (Crime)

Targets for 2013 till 2015

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>2013 Goal</th>
<th>2014 Goal</th>
<th>2015 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Reduce reported index crime</td>
<td>-5%</td>
<td>-5%</td>
<td>-5%</td>
</tr>
<tr>
<td>2 Reduce reported house break-in</td>
<td>-5%</td>
<td>-5%</td>
<td>-5%</td>
</tr>
<tr>
<td>3 Improve Public Safety Perception Index</td>
<td>55%</td>
<td>60%</td>
<td>65%</td>
</tr>
<tr>
<td>4 Increase investigation papers opened brought to trial</td>
<td>30%</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>5 Improve public's satisfaction of PDRM services</td>
<td>75%</td>
<td>80%</td>
<td>85%</td>
</tr>
</tbody>
</table>
ETP: Economic Transformation Program

12 NKEAs (National Key Economic Areas)
1. Greater Kuala Lumpur
2. Oil, Gas and Energy
3. Financial Services
4. Wholesale and Retail
5. Palm Oil and Rubber
6. Tourism
7. Electrical & Electronics
8. Business Services
9. Communications
   /Infrastructure
10. Education
11. Agriculture
12. Healthcare

6 SRIs (Strategic Reform Initiatives)
1. Competition, Standards and Liberalization
2. Public Finance Reform
3. Public Service Delivery
4. Narrowing Disparity
5. Reducing Government Role in Business
6. Human Capital Development

First year ETP results are equivalent to a vertical takeoff
8 Steps National Transformation Process

1. **STRATEGIC DIRECTION**
   - Surveys and identification of Key Focus Areas by Cabinet

2. **LABS**
   - Establish in detail what needs to be done with the stakeholders/experts

3. **OPEN DAYS**
   - Share Lab output with people and seek their feedback

4. **ECONOMIC ROADMAP**
   - Establish roadmap and set projects/activities with stakeholders

5. **KPIs TARGETS**
   - KPIs are developed, monitored and reviewed on weekly/monthly basis

6. **IMPLEMENTATION & EXECUTION**
   - Resource provision, execution and coordination of Entry Point Projects

7. **AUDITS & VALIDATION**
   - Yearly audit by PwC and validation of ETP results

8. **PUBLIC REPORTING & ACCOUNTABILITY**
   - Sharing results with public

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**PEMANDU – Org’l Structure**

**NKEA STEERING COMMITTEE**

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chairman</strong></td>
<td>Prime Minister</td>
</tr>
<tr>
<td><strong>Members</strong></td>
<td>Deputy Prime Minister, Lead Minister(s), CEO of PEMANDU, Secretary Generals (KSAOs), EPP Owners (from public and private sector), Economic and Planning Unit (EPU), Ministry of Finance (MOF)</td>
</tr>
</tbody>
</table>

**Meeting frequency:** Once a month per NKEA

**Roles of the NKEA Steering Committee**

- Provide ideas and solutions to alleviate roadblocks in implementation.
- Evaluate and decide on new proposals (new EPPs/ROs, additional funding, changes to current plans).
- Track and monitor progress of EPPs.

*EPPs: Entry Point Projects  
*ROs: Business Opportunities
Reforms in civil service
Promoting Creativity, Quality Standards and certification in Malaysian companies
Improving the quality of national education
Increasing Malaysia’s trade surplus
Private Investment

Private Investment Accelerated Post-ETP

Source: DOS

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment (USM bil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>7.1</td>
</tr>
<tr>
<td>2010</td>
<td>8.7</td>
</tr>
<tr>
<td>2015</td>
<td>9.5</td>
</tr>
<tr>
<td>2012</td>
<td>11.9</td>
</tr>
<tr>
<td>2013</td>
<td>12.8</td>
</tr>
</tbody>
</table>

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PM Modi expresses interest in PEMANDU model

-New Delhi: Prime Minister Narendra Modi on Tuesday praised the Performance Management and Delivery Unit (PEMANDU) model which has brought about a significant change in a short time span in Malaysia. He also expressed interest in using the PEMANDU model to plan and oversee government schemes.

Recently, the Prime Minister had been apprised about the functioning of PEMANDU by PEMANDU and the Sakal Media Group’s Delivering Change Foundation (DCF).

PEMANDU is an autonomous unit under the Prime Minister’s Office of the Government of Malaysia. Malaysia’s rapid growth in recent times has been attributed to the implementation of the PEMANDU model.

The PEMANDU model involves conducting a lab where the views of all stakeholders are taken into consideration for planning and implementation of various projects.

The responsibility for implementation is fixed and the progress is monitored regularly.

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Part 3
Setting it Right!

TQM Journey in Pakistan

- Inspection / Testing
- ISO Stds
- TQM / TPM

1980s
- Big Industry
- Automobile, Defence, Engg. Textile

1990s
- Six Sigma, SQCC Schools, HEC’s Self Assessment
- Automobile, Telecom, Banks, Software

2000s
- Engineering, Banks, Telecom universities

2010s
ISO 9000 Maturity

Maturity

Excellent 15%
Good 25%
Satisfactory
Acceptable

Time (months)
3 6 9

TQM Tools Application

%

ISO 9000 95
SPC 85
C. Survey 80
QCC
Benchmarking 30
Reengineering 25
Q. Award 25
Kaizen/5S 20
OPD 15
JIT 10
New Mgt Tools 5

ICQI 2014 - PAKISTAN

Strategic Change: From QC to QM

Product Based
Process Based
Performance Based
QC
QA
QM

National Reform Program

NATIONAL QUALITY REFORMS

Government Quality
Organizational Quality

Policies & Programs
KPIs System
Legal Framework
Civil Services Reform
Execution & Projects
Reform Directorate
Leadership for Quality
KPI System
TQM Programs & Certn’s
TQM Office
National Quality Vision & Reform
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1. Government:
   Leadership Role for National Quality Movement

1. **Mobilization**: Interest, Intent, & Initiative by the PM / CMs
2. **Performance Mgt Office**: Talented & Experts based Performance Management Office with liaison officers in other Ministries, Chambers and Regulatory Bodies
3. **Driving Force**: National Steering Committee (Key Ministers and Stakeholders) headed by the PM; monthly monitoring
4. **KPIs & Performance Mgt Program**: KPIs Development, Accountability, Monitoring, Reporting & Reviews by the Steering Committee
5. **Civil Services Reform Policy & Program**: Law & Regulations on Performance based civil services, including hiring & development
6. **Public Involvement & Say**: Voice of Citizens
7. **Projects**: Prioritization and Focus projects
8. **National Promotional Campaigns**
9. **Reward & Recognition schemes**
3. Quality Excellence and Reforms at Organizational level

QUALITY MANAGEMENT

Focus on Compliance, Improvement of standards to meet citizens or customers req'ts

LEAN MANAGEMENT

Focus on Reducing wastes, expenses & improving business & organizational efficiency

Corporate or National Goals of Quality & Excellence
National Quality Vision & Reform
By Dr. Kamran Moosa

TQM Culture – the ultimate goal

Successful TQM Deployment

TQM Values/Culture

TQM Project Management

TQM Frameworks

TQM Tools

Leadership & Cultural Processes

Project Mgt Processes

Learning Processes

Challenge: TQM Failure 75%

Success 25%

Failure 75%

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**Conclusion**

- Let's wake up before it's too late.
- Quality Managers and CEOs/National Leaders have great responsibility on their shoulders.
- Focus on Quality is MUST for any Quality Reforms, both at org’l and national levels; followed by proper vision, structure and programs.
- Let’s initiate personal capacities, group synergies and meaningful dialogues for Quality Reforms at corporate or national level with whatever means we have. Let’s make Quality as our Vision, Mission and tool for mutual societal growth, prosperity and harmony.
- It’s better to light a candle than to curse the darkness (saying).
References

- PEMANDU (pemandu.gov.my)
- UNDP (http://hdr.undp.org)
- Transparency International (http://www.transparency.org/)
- QS Top Universities (http://www.topuniversities.com/university-rankings)
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