

QUALITY MANAGEMENT INDIAN SCENARIO

25TH MARCH 2013
HKSQ



ABOUT MYSELF

S. P. DAMLE

Pronounced
as
Daam- lay

B. Tech. In Metallurgy 1979

Masters in Personnel Management 1991

22 years in Manufacturing,

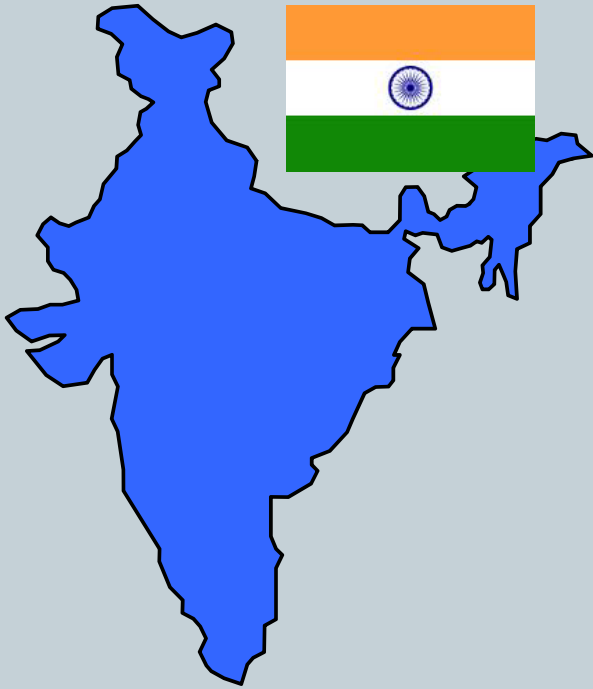
10 years in Certification

IRCA Tutor for 9001 Lead Assessor

Lead Auditor for TS 16949 & ISO 50001

Presently doing only TRAINING

INDIA



- 1.2 bn people
- 5000 years of history
- 22 languages
- GDP US\$ **1.85 Trillion**
- Gross Electricity consumption 4th Largest

NEED FOR QUALITY PRODUCTS

**OIL IMPORT
BILL**

**NEED TO
EXPORT**

**Fear of
Competition**

**NEED TO IMPROVE
QUALITY**

JOURNEY FOR QUALITY



NEED TO IMPROVE QUALITY

German
(& rest Europe)
Engg.

Japanese
Management
+
Harvard Gurus

ISO 9001
Certification

Indian Business acumen, Hard work & Intelligence

QMS CERTIFICATION



- **European Dominance**
 - BV, TUV, DNV, Lloyds, SGS etc.
- **Fragmented business**
- **45 CBs+ Many Franchisee (JAS-ANZ)**
- **Companies Certified 46,000 in 2007 & sloped downwards**

QMS CERTIFICATION 1993-2003

- Companies with European contracts
- Large Corporation
- Slow percolation to medium scale companies
- Provided the administrative structure, common language & Culture for Quality

QMS CERTIFICATION 2003-07

- Rapid growth in Small Scale co. in Engg. Sector
 - Govt Subsidy to Small Scale co.
- Rise of IT sector
- Food Processing & Export units
- Small Beginning in Education & Health
- Erosion of value began with CBs competing for numbers

QMS CERTIFICATION 2007-12



- Small Scale co. In Engg. either discontinued or went to unauthorized CBs
- **Erosion of value in a big way as rat-race amongst CB for numbers**
- Steady inroads in Education and Health
- Not able to penetrate in other service sectors like Banking, Insurance, Telephony

AUTO- COMPONENTS & QMS



- **1947-1985 No Competition, low volumes**
 - **Protection to Small Scale industry**
- 1985 JV with Suzuki, Eicher, Nissan & Mitsubishi
 - Eye opener for Quality
 - OEMs needed a vendor-base
 - Engr. and other inputs were available locally
- Supplier Cluster Improvement Programmes by vehicle OEMs Suzuki, Toyota, Eicher etc.
 - 5 S, JIT, SMED, Quality Circles, Quest for Deming Prize

AUTO- COMPONENTS & QMS

- 1991 Open door to Global market
 - \$ to Indian Rupee Disparity &
 - Japanese Q practices helped Auto-comp industry to supply to West
- 1998-2001 Recession & other developments in West: Western OEMs shifted base
- Today
 - every car OEM has factory in India
 - Indian suppliers are supplying to Western car factories
 - Indian Car/Truck mfg OEMs
 - Huge Market for two-wheelers & three-wheelers

AUTO- COMPONENTS & QMS

Passenger Vehicle Production 2011-12 = 3,124,000

Total Contribution
~US\$ 40 bn
In 2011-12



Auto Component Industry

AUTO- COMPONENTS & QMS

- Auto- components manufacturers approx 10,000
- Almost all ISO 9001 certified
- TS 16949 Certified Companies 3376
- Different expectations from US, German and Japanese OEMs
- Subsidiaries of large European suppliers bring in different style of Working/different benchmarks

SERVICE SECTOR & QMS

- IT Services
- Education
- Health
- Hotels and Hospitality
- Banking & Insurance
- Telephony
- Commerce/Trading

100% Certified to ISO 9001
Many certified to CMM & 27001
Few certified to 20000
Market leaders ahead of ISO requirements

SERVICE SECTOR & QMS EDUCATION & HEALTH

- Combination of Fully govt., Semi-govt and fully privatised sector
- Steady acceptance of accreditation for /professional
- Parallel agencies
 - NABH for hospitals
 - NAAC for colleges and Universities

**Big Awakening !
Restructuring expected**

SERVICE SECTOR & QMS

- **Low penetration in**
 - Banking and Insurance
 - Telephony
- **Low impact of Certification in Commerce/Trading related services**
- **Mixed response of Hotel & Hospitality**
 - Large hotels/star hotels certified to IMS incl FSMS
 - Certification of Food safety is a concern for Govt.

BUSINESS EXCELLENCE



- Mostly copied from Malcolm Baldrige (USA)
- At least 5-6 separate bodies carrying out Assessment and giving Awards--**Fragmented**
- BE models are not Tools for Process improvements, but provide
 - Criteria for Self-assessment and refining
 - Incentive for Improvements
- Used by Select club of “Very Good” Companies

BUSINESS EXCELLENCE



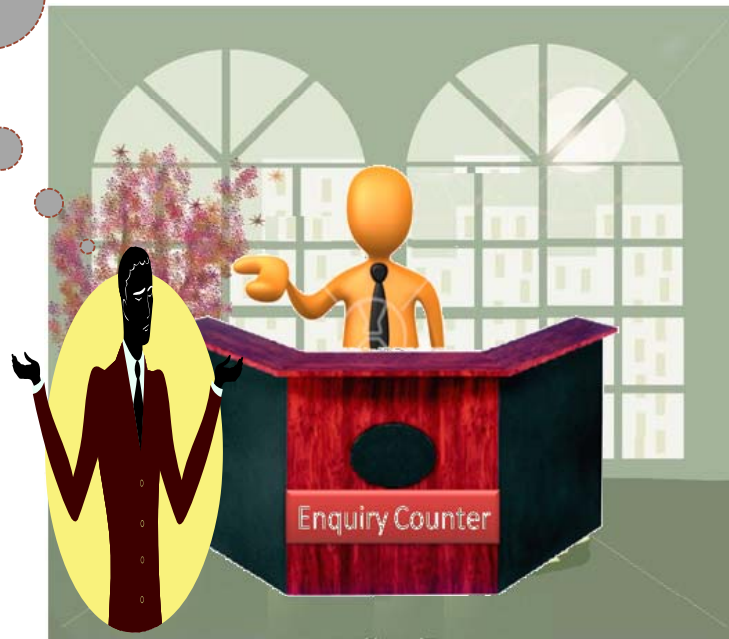
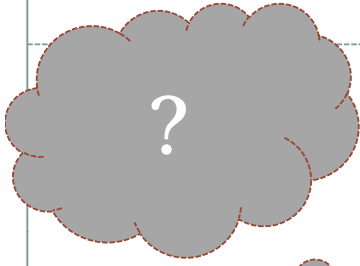
Categories for Awards

- **Large Corporations**
- **Small Companies**
- **Education**
- **Service Sector**

More Emphasis on

- **Application of Tools like TPM, 6 Sigma**
- **Green Initiatives**
- **Social Responsibility**

Any questions?



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THANK YOU



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