



Articles & Commentaries



p-Watch — Australia



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The productivity movement in Australia

This is an update of the productivity movement in Australia over recent years and brief comments on organizations that could be classed as potential NPOs, their mission, objectives, programs, and activities.

For many years, Australia was an observer at APO Workshop of Heads of NPOs and Governing Body meetings. As the Australian observer and General Manager of the Total Quality Management Institute (TQMI) and later with the Australian Quality Council (AQC), I attended many of those meetings. The AQC was formed from a merger of the TQMI and several other quality and productivity-oriented organizations. The AQC was recognized by the Australian government as the apex/NPO equivalent organization in the country.

When the AQC was disbanded, there was sufficient systemic quality management commitment to claim that the concepts of productivity and competitiveness were well entrenched in many organizational cultures. Several such organizations were recognized in the Australian Quality Awards (now Business Excellence Awards). There is probably no better example of national productivity achievement than the internationally publicized holding of the Sydney Olympics in 2000, when the public and private sectors worked together to deliver outstanding results, not only in the arenas and on the sporting fields, but also in terms of organizational planning, administration, customer satisfaction, and business results. The Olympic Games gold medal tally is an interesting international best practice scorecard. From virtually a score of zero more than 30 years ago, the Australian Olympic medal tally has increased to the point where the country was among the "top 10" for the past three Olympic Games. How did that come about?

The Australian Institute of Sport (AIS) adopted a deliberate improvement strategy, established with considerable federal government support, many years ago. The AIS leads in the development of elite sport and is widely acknowledged in Australia and internationally as a world best practice model for elite athlete development. The AIS therefore can be considered an NPO in Australia. While its focus is not on the performance of the agriculture, industry, or service sectors, the model can still be replicated and adapted for wider

"industry" application because it aims at productivity improvement through better performance. However, productivity leadership in Australian enterprises does not have an AIS equivalent since the demise of the AQC.

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Absent from the corporate scene is a vigorous, visible, and viable productivity/quality body recognized as the apex organization with the mission of promoting and promulgating to enterprises nationally the benefits of quality management and contemporary productivity principles and practices. The federal government has taken little tangible interest in continuing to support a national quality and productivity movement. Productivity and quality matters have been seen as the concern of individual enterprises. The government has seen its role as more to change the taxation, legal, and labor laws and regulatory frameworks inhibiting business from being more productive. It also provides targeted industry assistance programs to encourage innovation through AusIndustry and other agencies.

Having said that, at least two organizations can be considered to be productivity improvement bodies because they demonstrate some of the attributes of APO member country NPOs. Standards Australia, or SAI Global Limited as it is now known, is one of the world's leading business publishing, compliance, training, and assurance organizations with offices in North America, Europe, Australia, New Zealand, and Asia. Through its network of auditors and compliance and training professionals, SAI Global works with organizations to drive business process improvement. It delivers an integrated range of standards and business improvement-related products and services ranging from occupational health and safety systems to risk and environmental management training. Those services are based on Australian Standards, ISO standards, and foreign standards that are the common denominators in countless daily business transactions and facilitate trade between individuals, corporations, and nations.

Through complementary services like education, compliance, conformity assessment, and business excellence programs, SAI Global adds value through enhanced organizational intelligence and operational efficiency and delivers measurable competitive advantage in the marketplace. SAI Global has four operating divisions. The key remnants of the AQC's products and services, that is, the Business Excellence Awards, and the quality management courses were acquired and managed by Standards Australia (now SAI Global).

Another organization that in many ways is productivity focused is the Australian Institute of Management (AIM). AIM is Australia's leading management association with over 30,000 individuals and 3,500 organizations as members. For over 60 years, AIM has been providing managers and the business community with access to a unique and comprehensive range of services including education and training, speaker events, seminars, forums, a renowned bookshop and library, publications, online databases, and other resources. Its vision is to be the leading organization for managers in Australia, and its mission is to enhance the capability of managers.

Some of the key elements for an NPO are visible in the organizations

mentioned, but the leadership, coordination, and focus of a designated lead NPO are missing. What is needed is an organization equivalent to that of the AIS, or a reinvented AQC to lift the productivity game to the next level. This calls for a new national productivity institute (NPI) with a high-level, industry-led multipartite board and credible top management to pick up where the AQC left off. The government's stakeholder role would be to provide the necessary strategic support, recognition, and encouragement, such as that given to the AIS, and to use the NPI as a "think tank," a receptor and disseminator of best practice information for all industry sectors, including participation in the APO.

Being internationally competitive is very important in the Australian culture, but it appears to be more so in sports than in the economy. We are in the top 10 in world sports, so why not on the economic scorecard? The Business Council of Australia had a vision in the 1990s of putting the country "in the top 10 by 2010." But by 2005, "the sand in the hourglass is running out" on achieving that vision. Australia could well slip out of the "top 20 by 2020" unless a new look is taken at the role of quality and productivity in Australia's social and economic development and what is needed nationally to lead Australia into the next productivity improvement phase.



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