

Sweden's competitiveness in quality and innovation

According to the World Competitiveness Scoreboard 2009 of the International Institute for Management Development (IMD), Sweden ranked sixth overall among 57 economies, up three places from last year. The IMD's assessment showed that Sweden is globally competitive in terms of management practices, labor market, and business efficiency. The APO therefore organized a study mission to Sweden, 5–9 October 2009, to provide firsthand exposure to the best Swedish practices in quality and innovation. The mission was conducted in collaboration with the Swedish Institute for Quality (SIQ), the national body responsible for promoting quality development in all sectors of society.

"Sweden's competitiveness is strengthened by focusing on quality," stated SIQ Officer Michael Wester when briefing mission participants on Sweden, its economy and industry, and SIQ activities. Over the course of five days of site visits and company presentations, the participants learned of the efforts that Swedish companies had made to nurture a culture of innovation and environmental management, make quality and innovation management a growth priority, and add value to customers, products, and services.

The visit to RUAG, an independent international space equipment supplier, was a good example of a best-practices quality management system. Its relies on a customer-oriented process in accordance with ISO9001-2000 requirements. System processes are divided into three main categories: the core processes creating direct value for customers; management processes, which monitor the core processes; and support processes, which aid the core processes by creating indirect value for customers. The three main categories and all 58 subprocesses are monitored on a process map outlining where improvements could be made.

Volvo Aero Corporation (VAC), the 1996 Swedish Quality Award (SQA) winner, is an aircraft engine manufacturer noted for its dedicated, down-to-earth, environmentally aware management. VAC CEO Staffan Zackrisson explained



RUAG Quality Manager Claes Berlin (L) explaining the company's quality management system

management by objectives, a key element that had been integrated throughout the VAC to guide operations. Participants also visited Volvo Construction Equipment (VCE), the third most successful in the construction equipment market after Caterpillar and Komatsu. "The company has succeeded in implementing a methodical improvement process that pervades every aspect of operations. VCE is an excellent example of quality trends in Sweden," stated the SIQ's Wester. VCE Core Value Manager Peter Sedin listed VCE core values as quality, safety, and care for the environment.

All site visits, presentations, and discussions were moderated by APO expert Matao Ishii, who also delivered the keynote lecture on quality and innovation management in Japan. "This study mission was an opportunity to observe productivity and quality development in Europe and learn from the best practices in quality and innovation. Today there is no border between teacher and students. We have to learn from each other," said Managing Director and Vice Chairman Dr. Seyed Bagher Sharifzadeh, Havasan Co., IR Iran, a mission participant. 