



ASQ's 2008 Future's Study

The Forces of Change

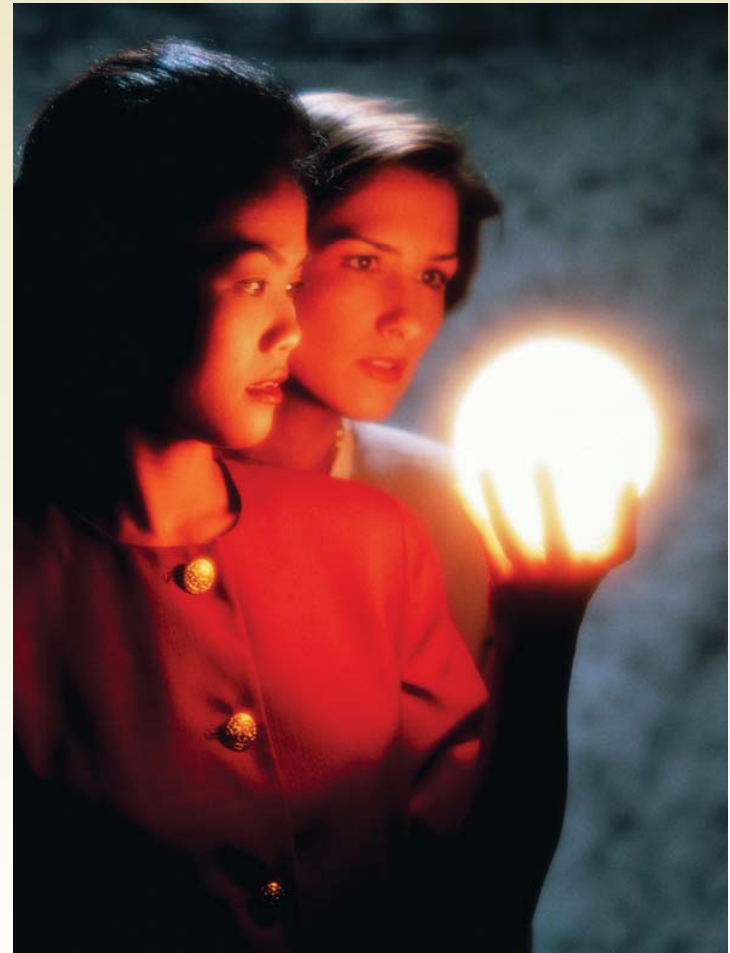


Paul E. Borawski, CAE
Executive Director and Chief Strategic Officer
American Society for Quality



My Plan for Today

- About ASQ
- About Futuring
- About the Future of Quality
- About Some Possible Implications



Success for Me

- Help move you into “future space”
- Set boundaries for quality’s future
- Get you thinking about implications





About ASQ



ASQ's Vision

By making quality a global priority, a business imperative and personal ethic, ASQ becomes the community for everyone who seeks quality concepts, technology, and tools to improve themselves and their world.





Two Roles, Two Objectives

(One Traditional, One Departure)

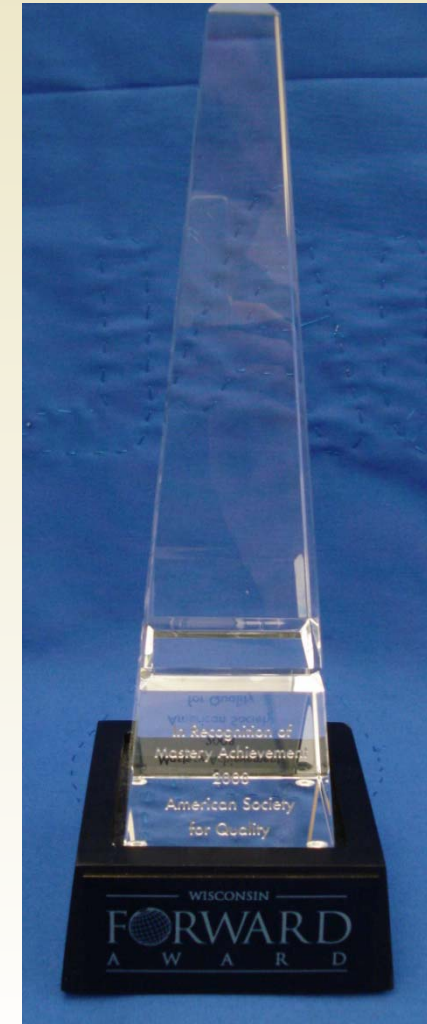
- To be stewards of the quality profession by providing member (customer) value
- To be stewards of the quality movement by providing increased value from ASQ activities





Basic Facts

- Founded in 1946 in New York
- 90,000 members
 - 85% North American
 - 140+ Countries
- 250 Sections, 22 Divisions
- ASQ Global
- Revenues \$36M
- Staff 180 +/-
- Markets – Manufacturing, Service Industries, Healthcare, Education, Government
- 2x Winner – Wisconsin Forward Award – Mastery Level





A Rich and Trusted Resource

- The world's largest/oldest organization dedicated to the cause of quality
- 60+ years of objectivity
- A 63 year collection of knowledge
- Breadth and Depth (Industry & Discipline)
- A network available to all
- A professional development vehicle
- A vehicle of global change





There's More, and...

Futuring

Living in the Future



Futuring

- A structured look into the future
- Aimed at enhancing anticipatory skills
- Involves:
 - Identifying the forces shaping the future
 - Scenarios in which those forces play out
 - Postulating the implications
 - Identifying sensors to signal changes
- Possibilities – large and small

No View of the Future Will Be Accurate

- Every view will be overtaken by unpredicted events
- That does not mean the identified forces are not still acting on the future
- Advantage still goes to those that anticipate
- Agility provides a premium in rapidly changing environments



Identifying the Forces of Change

- International Participation
 - 100 participants
 - 34 Different Countries
- Diverse Representation
 - Education, Government, Healthcare, Manufacturing, Not-for-Profit, and Service





Process

- All electronic involvement
- All anonymous entries
- Delphi technique – multiple approximations
- Seeded with 43 Forces from reference sources and past studies
- 3 Rounds of “Pick 10” and tell why
- Consider new suggestions, mergers of forces to create new ones, patterns...
- Final round – Rank Order

2008 Forces



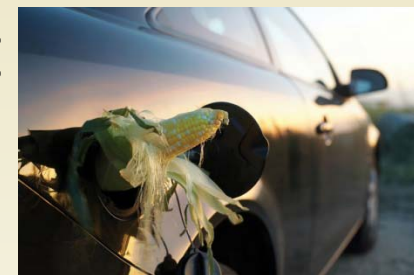
#1 Globalization (#1 in 2005)

- Dominant force.
- Only force that has been listed on each of the previous 4 studies.
- Creates urgent needs for global solutions.
- Importance of standards will continue to rise.
- Changing notions of space and time for work.
- Creating huge new consumer markets, which causes both opportunity and concern.
- Consumers are becoming global shoppers.
- National and regional will have less meaning over time.



#2 Social Responsibility (SR)

- Roared in place on list (#8 in 2005.)
- First of several forces that reflect the growing concern of citizens for the fate of our planet.
- Growing expectation that organizations will be stewards of the planet.
- Growing acknowledgement by organization that SR is “good business.”
- Company reputation will play a larger role in the criteria consumers use when making purchases.



#3 New Dimensions of Quality

- Tradition – control & improvement.
- Future ??? (change, transformation, value, creativity, innovation, systems)
- Learning at unprecedented rates.
- Near perfect product quality is an assumed requirement.
- Differentiation – Product? Service? Experience?



#4 Aging Population

- Life spans are increasing and organizations are responding to this large market need.
- Market opportunity and the crux of a social system crisis in most developed nations.
- Organizations will find it difficult to replace the knowledge and expertise as the older generation leaves the workforce.
- Creating new, longer life, work engagements. (Retirement a short-lived concept?)



#5 Healthcare

- Globalization is adding to the number of people expecting access to healthcare.
- Quality can play an important role in removing waste from the system and improving health outcomes.
- New quality sciences will need to be developed for the new technology being used to cure diseases and prolong life.
- Public policy may well look to quality to address its problems. This is a large system issue.
- Biotechnology and nanotechnology will radically change the healthcare landscape and require new quality tools.



#6 Environmental Concern

- Hasn't been on the list since 1999.
- Urgency now.
- Consumers expect organizations to reduce their environmental impact.
- Increased accountabilities.
- Scarcity will drive cost and cost will drive consumer behavior.
- Waste intolerable.



#7 21st Century Technology

- A challenge and an opportunity.
- Driving the rate of change the world is experiencing.
- Certain to provide surprises.
- May deliver solutions for energy, water, food shortages, healthcare, etc.
- New technologies – new quality concepts.





2008 Forces of Change

- Globalization
- Social Responsibility
- New Dimensions for Quality
- Aging Population
- Healthcare
- Environmental Concern
- 21st Century Technology



“On the Radar”

- Customer Expectations
- Consumer Sophistication
- Ethical Considerations
- Outsourcing (down from #2 in 2005)
- Quality of Life





A Common Reaction

- I'm not surprised by anything on this list so I'm not sure the study has done much to uncover the future.
- The value is not in "what's new," it's in "what's important" and more so "what you do in response to what's important."



What's Next?

- The study simply creates context for dialogue.
- “Stakeholder Dialogues”
- Implications to
 - Quality
 - Organizations
 - Quality practitioners
 - ASQ
- Three years of listening and responding.



Seven Implications

Ideas to stir the pot

All informed by the research

Challenge conventional thinking



ASQ

#7 Changes in Quality

<u>Tradition</u>	<u>Emergent</u>
Control	Change
Improvement	Transformation

#6 People Investments

- Knowledge half-life shrinking
- Knowledge needs changing
 - Quality literacy
 - Cultural literacy
 - Change/transformation
 - System/process



#5 Quality Integration

- Best lead in a system environment
- Leverages strategic value, which assures operational value
- Optimizes value
 - Top line, bottom line, enterprise, customer, stakeholders
- Limits “dead-end” tactics



#4 Value Based Customers

- Comply not enough
- Defect free not enough
- Without waste not enough
- Fast not enough
- Low cost not enough
- Experience emerging
- Informed consumerism growing
- Social responsibly looming



#3 Globalization

- Irreversible (can't ignore)
- Opportunity and threat (best to understand both)
- Leadership role (active vs. passive)
- Physical outpacing cultural
- Begs for global approaches (harmonization)
 - Standards
 - Management systems
 - Scorecard/measures



#2 Anticipation

- The rate of change is increasing
- The benefit goes to “First”
- Lifecycles are collapsing
- Multiple possible paths forward
- Volatility is certain
- Plans will be overtaken by reality



#1 Living Systems

- Complexity is growing everywhere
- Hierarchical models fail to anticipate consequence
- Processes live in systems – the tradition of quality is process
- People and organizations are biological not mechanistic
- Imperfect models are better than none



What's Left?

The specificity of which changes to address, in what order, and what implications most demand our attention.





Paul E. Borawski, CAE
Executive Director and Chief Strategic Officer
American Society for Quality