

6TH D. L. SHAH MEMORIAL LECTURE

'Quality for "Make in India" Vision 2020'

by Padma Bhushan Dr. M. B. Athreya, Lecture Proceedings

Sixth D. L. Shah Memorial Lecture was held on February 21, 2015 at Hall of Harmony Nehru Centre Worli, Mumbai – 400 018.

- Mr. B. Banerjee, President of NCQM, welcomed the guests and dignitaries, who included, among others, Chief Guest Padma Bhushan Dr. M. B. Athreya, New Delhi, Mr. H. K. Taneja – Trustee of DLShah Trust (DLST), Mr. Khushroo Khambatta – CEO of DLST, Shri Mahesh V. Gandhi, Trustee of NCQM.
- Mr. H. K. Taneja – Trustee of D. L. Shah Trust, gave an update on profile and achievements of Late Shri D. L. Shah and on the activities of the D. L. Shah Trust.
- Shri Mahesh V. Gandhi gave an update on NCQM activities and achievements.
- Mr. B. Banerjee introduced the chief guest and speaker, Padma Bhushan, Dr. M. B. Athreya.
- Dr. M. B. Athreya delivered the lecture on 'Quality for "Make in India" Vision 2020'.
120 plus professionals from more than 52 organizations attended this prestigious events.

Ten elements of the lecture comprised

(i) the origin of MiI (Make in India) (ii) the goals of MiI (iii) the scope of MiI (iv) quality challenges of MiI (v) advances in quality management (vi) Deming prize winners (vii) lessons from Deming winners (viii) values for MiI quality (ix) quality executives' competencies and (x) action plan for quality execution. Details on them are subsequently brought out in Dr. Athreya's lecture.

- Mr. H. K. Taneja presented a silver plaque memento as a gesture of appreciation to Dr. M. B. Athreya,
- Mr. Santosh Khadagade – Hon. Secretary, NCQM proposed a vote of thanks to all concerned who made the event successful.

The evening concluded with refreshments and tea & coffee.

Few Snap Shots of the Memorable Event



L-R Mr. Khushroo Khambata, Mr. Mahesh V. Gandhi, Dr. M. B. Athreya, Chief Guest and Mr. H. K. Taneja, Trustee, DL Shah Trust garlanded Late Shri D. L. Shah's Photo



Mr. Mahesh V. Gandhi, Trustee of NCQM welcoming Dr. M. B. Athreya with a flower bouquet



Mr. H. K. Taneja, Trustee of D. L. Shah Trust giving an update on Late Shri D. L. Shah and the Trust



Mr. Mahesh V. Gandhi, Trustee of NCQM giving an updates on NCQM Activities and Achievements



Mr. B. Banerjee, President, NCQM introducing the speaker & chief guest. Seated on the dais (L to R) Mr. Mahesh V. Gandhi, Padma Bhushan Dr. M. B. Athreya, Mr. H. K. Taneja and Mr. Khushroo Khambata



Padma Bhushan Dr. M. B. Athreya delivering the lecture



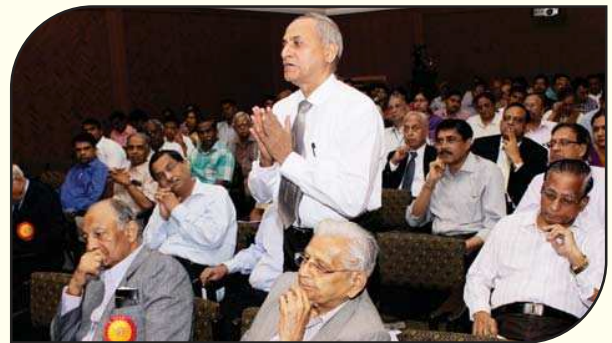
A section of the Audience listening to the speaker with rapt attention



Another Section of audience engrossed in the lecture



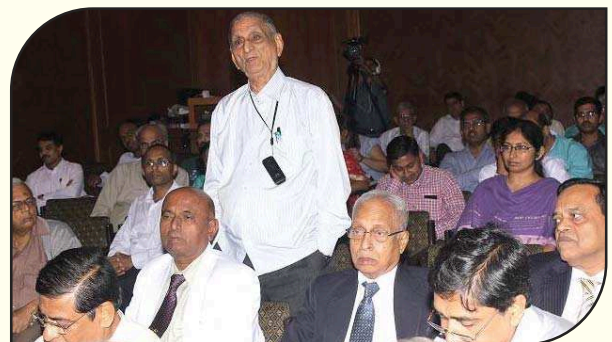
Mr.H.K.Taneja and Mr. & Mrs Khambata appreciating the lecture



Question-Answer session in progress



Dr.H.M.Mehta, Trustee, NCQM narrating his contribution towards education & upliftment of under privileged women.



Dr.Poddar making a point on quality culture in Indian Industries.



Mr.H.K.Taneja asking a pertinent question.



Dr. Athreya and Mr. Banerjee handling Question-Answer session



Dignitaries at the dias (L-R) Mr. H. K. Taneja, Dr. H. M. Mehta, Mr. M. V. Gandhi, Dr. M. B. Athreya, Mr. B. Banerjee, Mr. S. Khadagade, and Mr. K. Khambata



The Tata Power Team along with Dr. Athreya



Mr. Taneja presenting to Dr. Athreya booklet titled "Quality : Best Practices" compiled by QCI and published by Shri D. L. Shah Trust



Mr. H. K. Taneja presenting silver plaque memento to Padma Bhushan Dr. M. B. Athreya



Mr. Santanu Simlai, GM – QA & I Tata Power interacting with Dr. Athreya



Mr. Santosh Khadagade, Hon. Secretary, NCQM proposing vote of thanks

Quality for “Make in India” Vision 2020

by Padma Bhushan Dr. Mrityunjay B. Athreya



Dr. M. B. Athreya receiving Padma Bhushan award from the President of India, Mr. Pranab Mukherjee

1. Introduction

I deem it a privilege to deliver this 6th Shri D. L. Shah Memorial Lecture. My respectful homage to the late Shri D. L. Shah, a visionary, practitioner and promoter of the highest global standards of quality, and quality culture in India. My appreciation of the sustained work of the dedicated trustees Shri H. K. Taneja and Shri Mahesh V. Gandhi. My compliments to the energetic quality teacher and consultant; and President of the National Centre for Quality Management, Mr. Basudev Banerjee. It is most appropriate that this lecture is being held in the Hall of Harmony, Nehru Centre, a symbol of science, technology and progress.

2. Quality for MiI

I have chosen for this important annual lecture, the theme of “Quality for 'Make in India'”. Reaching and sustaining quality is a challenge, at all times. The Make in India national mission adds additional challenges. In this lecture, I first look at the origin; goals; and scope of make in India abbreviated as MiI.

2.1 Origin of MiI

MiI **originated** as a call to the nation, by the Prime Minister (PM) Shri Narendra Modi, in his Independence Day speech, from the Red Fort, Delhi, on the 15th of August 2014. While China has already achieved “Made in China”, as, indeed, Germany, Japan, Korea and others had done earlier, the PM wants Indian industry to aspire to Make in India, on a big scale. The MiI campaign was formally launched, by the PM, on the 25th September 2014. A National workshop on MiI was held, in Delhi, on 29th December 2014. It covered Sectoral perspectives and initiatives.

2.2 Goals of MiI

MiI has challenging high **goals**. The first goal is to transform India into a **global manufacturing** hub. The second goal is to raise the **share** of manufacturing in GDP,

from the current low 16%, to a modest 25%, by 2022. China has already achieved 40%. The third goal is to create 100 million jobs by 2022. This is critical to harvest India's “demographic dividend” of a high share of youth in the population. If we fail to employ them gainfully, it could be a demographic “disaster”.

2.3 Scope of MiI

The **scope** of MiI is, naturally, wide, in order to achieve the above goals. 25 sectors of the Indian economy have been identified for the MiI thrust. This calls for two major policy initiatives by the government. First, make it easier and faster for Indian companies to invest, expand and build global scale. second, help new foreign investors to set up and expand factories in India. Both, Indian and foreign companies may manufacture both for the domestic market and for exports.

2.4 Quality challenges of MiI

Having covered the origin; goals; and scope of MiI, I now take up the **quality** challenges of MiI. First, the Indian consumer will expect **rising** quality. In any sector, existing companies will try to increase their share, by different strategies, including by offering better quality. In addition, there could be new domestic and foreign entrants. Second, to raise the share of manufacturing, and to create jobs, companies will have to reach new, untapped regions and segments. They will have to offer **widening** and relevant quality, at **affordable** prices. Third, for exports from India, firms will need to match **competitive, global** quality standards. Fourth, India should match or exceed Chinese quality levels, in order to gain a significant share of the 85 million jobs that China will be vacating, due to its rising wages and other costs, and pollution concerns. Fifth, the **quality** challenge for SMEs is even more. They constitute 90% of the units, and contribute 40% of India's exports.

2.5 Advances in Quality Management

Indian industry has been **aware** of the many conceptual advances in quality. But, they lag behind in implementation. They need to improve quality culture; systems; processes; and practices. We began with Statistical Quality Control (SQC) in the 1960's. The output quality was measured against a mean, quality standard. Two standards deviations above or below the mean were broadly acceptable. The next step was to move to Statistical Process Control (SPC). The focus here was to measure and improve the process itself, to engineer and ensure quality. Another

idea that caught on was the setting up of Quality Circles of workers on the shop floor. This is a participative exercise, expected to increase worker involvement; ownership; suggestions; and actions to improve quality. As new quality ideas and practices arose in the advanced countries, some Indian companies tried them out. Japan gave practices like 5S, Kaizen, Ishikawa diagram etc. Europe led on IMS, Integrated Management Systems, leading to ISO, BS, ES etc. systems. US brought the idea of Six Sigma with the challenge of moving from percentage defects goals to only parts per million (PPM), Quality Assurance (QA) at a higher level, guided, audited and improved Quality Control (QC). Such innovations in Quality Management (QM) are continuing. Indian firms should not only catch up, but also innovate themselves.

2.6 Deming Prize Winners and Lessons

A few Indian companies have won the reputed **Deming Application Prize**. They include five companies of the TVS group, four companies of the Rane Group, M&M, Tata Steel, NEL, etc. The first lesson from such winners is that managements should give attention to both the “**small q**”, namely, **Product & Service** quality; and the **big Q**, i.e. Total **Company** quality. At the levels of Industry Associations; Apex Chambers like FICCI, ASSOCHAM and CII; and the government, the effort should also be to raise the macro **Q**, **National** quality image. There is some degree of frustration in Indian quality functional specialists that line executives do not fully practice quality in its true **spirit**; and that top managements do not **support** quality enough. Industry should accelerate its quality campaigns, for MiI. To demonstrate sustenance, more companies should lead by aiming for the **Deming Grand Prize** which has been won by only half a dozen companies in India.

2.7 Values for MiI Quality

For the many good systems and techniques of quality to be fully accepted and implemented, there is need for a strong quality **culture** in every organisation. The foundation of such a culture is a set of **core values**. I suggest the following five values for “MiI Quality”. First, and most important value is our **Dharma**, to the customer, who is the “**very reason for our existence**”, as Mahatma Gandhi said in 1931. Second, our relationship and **behavior towards the customer**. Treat her/him as Queen/King; even as Devi/Deva. Treat her/him as an honoured guest. Third, top/senior executives should follow the **Sreshtha Dharma**, the duty of the Leader, as mentioned in the Gita, which is to set the **Pramaan**, high global standards. Fourth **be a role model** of **Aacharan**, Quality Conduct and practices, for juniors, workers, vendors and dealers to emulate. Finally,

add **Bhakti**, Devotion, in addition to quality-related knowledge and skills. In particular, cultivate Desha Bhakti, Devotion to India, to make MiI succeed in raising economic growth, and creating jobs, especially for our youth, joining the labour force every year.

Similar values have actually been practised by countries which are global leaders in manufacturing and exports, such as Germany, Japan, South Korea and China.

2.8 Quality executives' competencies

There is a basic **KASH** model of four sets of competencies required in any role. They are: Knowledge; Attitudes; Skills and Habits. The quality executive should have **knowledge** of not only Quality Management concepts, but also of the company; the sector; competition; standards; etc. She/He should have the **attitudes**, derived from the core values, including a deep, unshakable commitment to MiI quality. Besides the quality-specific skills of SPC, RCA & RRCA etc. She / he should also have the **behavioural**, soft skills of change management; communication; collaboration; conflict resolution, etc. She / he should exhibit habits such as regular, relentless observation, analysis and action.

2.9 Action plan for the Quality execution

May I conclude with a draft Action Plan for consideration and execution by all the quality executives of India, a few present in this room, and thousands outside, all over India, especially in our SME. First, **learn** about the evolution of the MiI campaign, from 15th August 2014, till now. Second, keep **updated** on further developments in MiI, such as the Finance Minister Arun Jaitley's Budget for 2015-16; the initiatives of Chambers and Associations on MiI etc. Third, help the company where you are employed, or you are a quality consultant to **contribute** towards the nation's MiI goals of raising manufacturing share, and creating jobs. Every drop counts. Fourth, transform yourself into a **World Class** quality professional. Benchmark yourself with some of the best quality professionals, in the world, in your sector. Identify the gaps. Bridge them. Fifth, be a quality **evangelist**. Promote quality in your company; community; accessible NGO's; and at home.

3. Conclusion

In conclusion, we have a historic opportunity to put India on a higher growth path; make it a major manufacturing and exporting nation; and create jobs for our people. Quality has a vital role. Seize it. My best wishes, ashirvad (blessings); and prarthana (prayers) for your grand success.