

The Value of Quality

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www.thecqi.org

UK Economy: Current climate

8% of population unemployed

21% of under 25s unemployed

Growth 0 - 0.3%

Inflation 2.8%

Manufacturing and construction output falling

Lending fell by 2.7bn in 2012 Q4

UK Economy: Quality Contribution

£90bn (6% of total GDP)

Potentially another £52bn

ROI (reduced costs) = 16:1

Potentially another £8.6bn in tax receipts

Potentially another 455,000 jobs

2012 Centre for Economics & Business Research

When Quality is ignored...



Consequences....



Deaths; 6 babies, 2 Sanlu executives

Reputational; Made in China 'brand', Fonterra

Financial; RMB20bn, \$NZ139m,

The Company; Sanlu no longer exists

When Quality is ignored...



Consequences....



Reputation; HM Government, Minister?, civil servants

Cost; £50m+

When Quality is ignored...



Consequences....



Deaths; 0, but it was close....

Brand; Compromised

Financial; \$50m per week

When Quality is ignored...



Consequences....



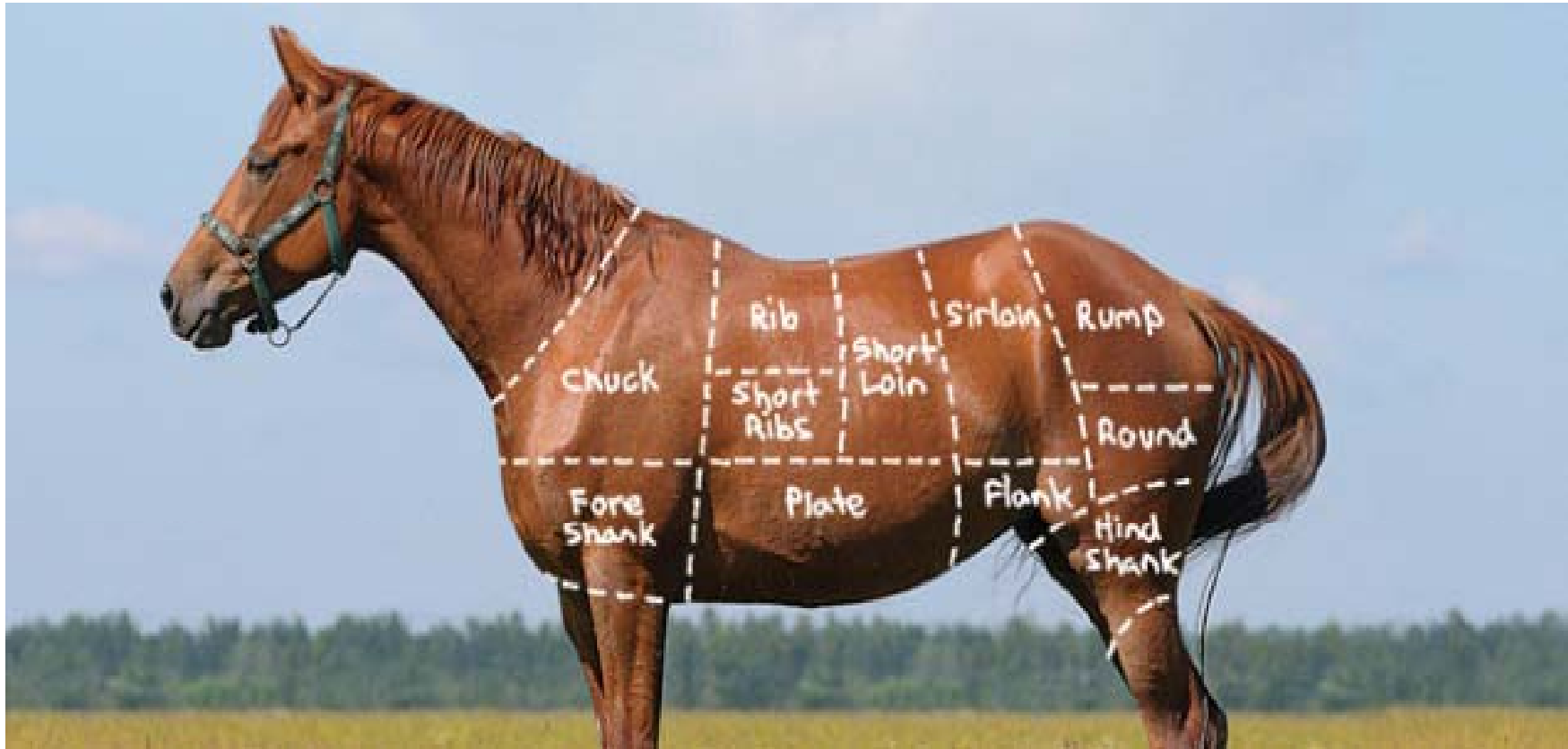
Deaths; 11

Brand; Compromised

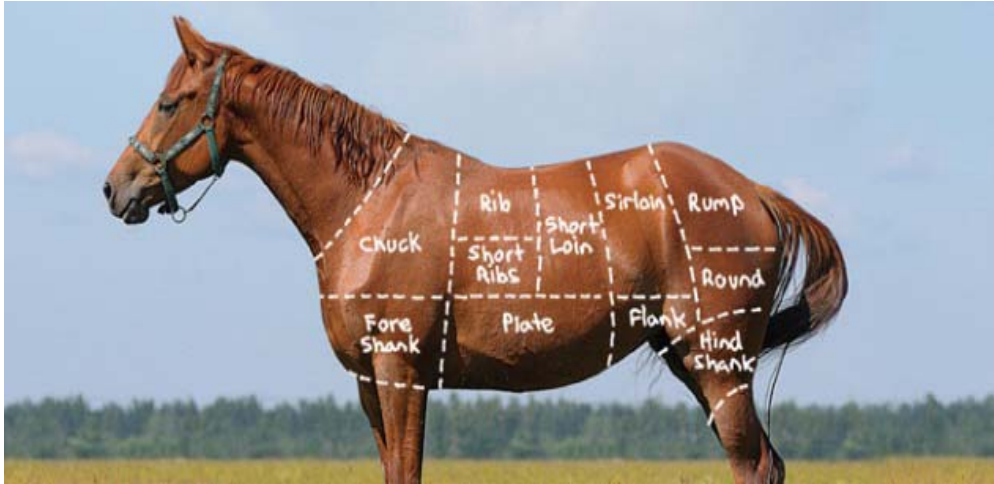
Financial; £50bn and rising

Environmental; Catastrophic

When Quality is ignored...



Consequences....



Deaths; 0 (as far as we know)

Reputations; Suppliers, retailers, regulators, EU...

Financial; Significant

When Quality is ignored...



Consequences....



Reputation; Compromised

Financial; Significant, (\$34bn?), -loss of market share, etc.

When Quality is ignored...



Consequences....



Deaths; Several

Reputation; Compromised

Financial; c\$2bn

When Quality is ignored...



Consequences....



Deaths; c1,300

Reputation; Oversight ineffective

Financial; Now in administration

When Quality is ignored...



Consequences....

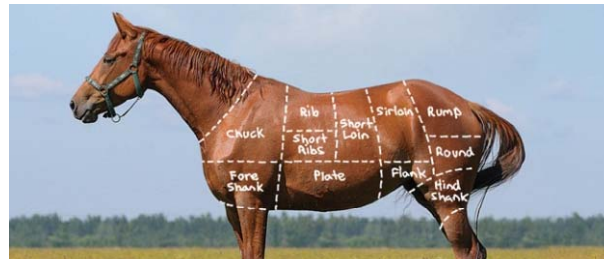


Deaths; Significant

Reputation; Japan government, Nuclear Industry...

Financial; Vast

When Quality is ignored...



Key messages...

Implementing quality saves....

Quality failures continue

Quality isn't understood

The profession doesn't sell itself

We have to do better

Key messages...

Quality professionals in short supply

2600 quality professionals

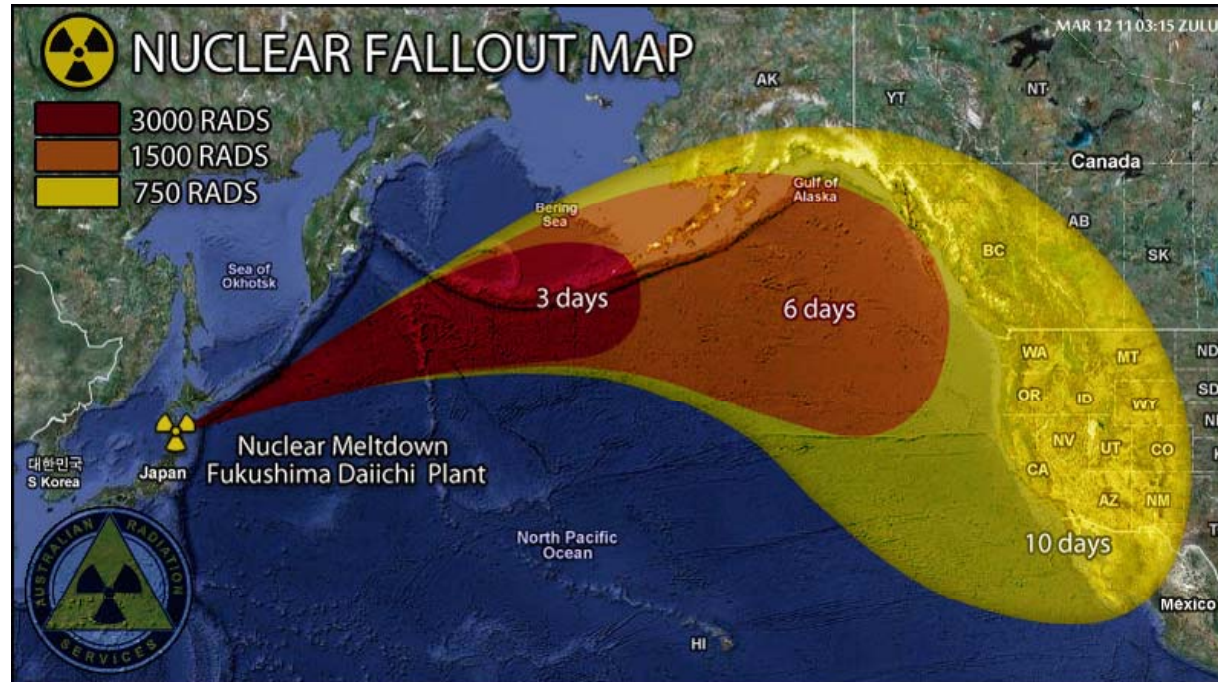
1200 – 1700 in next 10 years

Next two years vital

Ensuring proficiency (NucSIG)

Finally....

A bad day for quality in the nuclear industry is.....



....a bad day for the Northern Hemisphere.



Chartered Quality Institute

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