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Eskom becomes SAQI's first Platinum member

At a handover ceremony at Eskom's SHEQ forum held at Megawatt Park on the 13th October Eskom's Chief Executive Brian Dames accepted a special plaque presented by the South African Quality Institute's Managing Director Paul Harding. This Platinum membership is awarded to organization's that have or are in the process of developing wide reaching quality improvement programmes across all sections of their operations. Eskom has been particularly active over the last two years in supporting SAQI's National Quality Week campaign and encouraging their employees to develop quality initiatives and to attend quality training courses and quality forums.



At the handover ceremony Brian Dames received the platinum award and signed the SAQI pledge to quality on behalf of his organization and emphasised the following values.

(Below) Eskom's Quality Pledge

Core Values of Quality	Approach to Quality
Trust: Engender trust and values of quality	Respect the environment and treat it responsibly
Honesty: To be honest and transparent	Continuous improvement of products and services is fundamental to growth and survival
Respect: To respect the dignity and diversity of individuals	Acknowledge that customers and their needs are the reason for our business
Empowerment: Empower individuals and organizations to improve their Quality	Foster South African Trade and always expect high quality as consumers and suppliers of goods and services
Competitiveness: Promote competitiveness as a key ingredient for success	We strive to improve the Quality of life in the workplace, in our own families, society in general and especially in the communities we serve
Good ethics Promote, practice and advance good ethics at work and in family life	Be role models for Quality in all that we do.

The Eskom Chief Executive also requested that the supplier base to Eskom follow the principles of quality as stated in his pledge.



South Africa to build world's largest solar park

South Africa is on its way to becoming a leader in the green energy revolution with a giant solar park which, once fully built, will be the largest in the world.

The multibillion-rand park - earmarked for the hot, dry Northern Cape province - will be built over thousands of hectares and provide 5 000 megawatts (five gigawatts) of electricity, which will be fed into the national grid. The pre-feasibility study has already been done, and the results are "extremely favourable", according to the Department of Energy.

The park will be built in stages over nine years, but the first sections will be operational as early as 2012. Massive job creation, lucrative private-sector investments, local industry development and a cleaner, more secure power supply are among the benefits of a large-scale park such as this. The project is a partnership between government, state power utility Eskom and the Clinton Climate Change Initiative (CCI). An investors' conference, to run from 28 to 29 October, is hoped to draw in additional stakeholders from the private sector.

What is a solar park?

A solar park is a concentrated zone of solar plants that are built in clusters, sharing common transmission and infrastructure. Together, these clusters generate thousands of megawatts of electricity. The types of technologies used are solar photovoltaic (PV) and concentrating PV (CPV), which operate with semiconductors and solar panels, as well as concentrating solar power (CSP), which uses mirrors to reflect the sun's rays.

PV systems make a direct conversion into electricity, and are ideal to use at peak load times. The only problem is that there is no cost-effective way to store this power, so it's only viable when the sun is shining. CSP, on the other hand, captures the sun as heat and turns it into steam to power turbines, which in turn generate electricity - much like coal-fired plants. The advantage here is that it's very cheap and efficient to store heat, so power can be supplied round the clock. This makes CSP an excellent source of clean base load power.

South Africa's solar park will use a combination of PV and CSP technologies, although the actual breakdown of the mix is yet to be decided. The investors' conference in Upington, where the heart of the park will be, will gauge private contractors' interest in the project - thereby indicating which technologies are most bankable.

According to the Department of Energy, the cost of the R150-billion Park will be split between the national fiscus and private investors. The fiscus contribution is likely to be millions of Rands, while the latter is hoped to bring in billions. Some R1.8-billion from the R26-billion World Bank loan, granted to Eskom earlier this year, will also go towards the park's establishment.

Northern Cape: best spot in the world

The levels of solar radiation in South Africa, particularly in the Northern Cape, are the best in the world, says Ira Magaziner of the CCI, the project's technical adviser. There are also large tracts of government-owned land available in the province; an abundance of water from the nearby Orange River; and easy access to good roads, an airport and major power transmission lines. It's not too dusty, the land is flat and sparsely populated, and there are no geological or climate risks, meaning that the sun can be used year-round.

"The costs of building solar plants within a solar park in South Africa are significantly less than those of building stand-alone plants in the south-western US deserts," Magaziner says, because of the higher solar radiation levels here; affordable labour; and the benefits of a solar park framework - which cut costs due to economies of scale.

Benefits of solar over coal or nuclear

The global solar industry is still developing, with less than 25 gigawatts of installed generation capacity worldwide, but is expected to grow significantly over the next decade. Increased use of new, improved technology coupled with efficient government policy could drive down the cost of solar power to levels that are competitive with fossil fuel-fired power, the CCI says.

An advantage of utility-scale solar plants versus coal-fired or nuclear plants is that they can be built in stages, spreading the necessary investments over time. Plants within a solar park can be built as fast or slow as desired, and once operational, are very inexpensive to operate, Magaziner adds. By 2020 the cost of solar power should be less expensive than it is today, as there are opportunities to cut costs through engineering improvements. In contrast, the cost of coal-fired power is likely to increase in time, as the technology is mature and the price of fossil fuels is likely to escalate.

What SA will get out of it?

According to the Department of Energy, about 15 300 jobs will be created through the solar park to boost the economy of the Northern Cape, where there are currently high levels of unemployment. The park will also diversify the province's industry profile, which is currently limited to mining and agriculture. The CCI believes South Africa has the potential to become a hub manufacturer of solar equipment, which can lead to the export of solar components and create many times the number of direct jobs the department mentions. Demand for materials already produced in South Africa, such as steel and glass, is also expected to grow.

Who will manage it?

A number of government working groups, spanning several departments, are currently working on the best ownership and management structure for the solar park. Once established, this authority will lease out land to private solar plant developers. The Northern Cape provincial government is expected to play a strong role in park management.

This article first appeared on the 27th October 2010 in Energy Matters and was issued by the Government, Communication and Information System



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SA National Quality Week 8 - 12 November 2010

World Quality Day – 11 November 2010

Theme for 2010:

Moving the Borders of Quality

For a long time quality has been associated with manufacturing organizations rather than the public sector and service providers.

Quality has also been seen in terms of a generic description of Quality Control or the responsibility of a Quality department or a Quality auditor or maybe a Quality inspector.

This year SAQI is promoting the theme for National Quality Week through the concept of **“Moving the Borders of Quality”**

This means that quality should not just be thought of as a minimum product or service requirement within a defined specification, but rather to extend the quality experience to give consistent and unexpected customer satisfaction. It also means that all our stakeholders whatever they do should perform in a quality way. Responsibility for quality, therefore, should not just lie with the inspector or the last person in the chain or the customer care department but with everyone involved in the process.

Last year SAQI's theme for NQW was **“Placing Quality at the Heart of every Organization”** We are now extending that quality message not just to be placed inside our organizations but to extend it to reach all stakeholders inside and outside of each and every organization to reach the very fabric of South African society.

Why National Quality Week?

World Quality Day was introduced by the United Nations in 1990 to increase worldwide awareness of the important contribution that quality makes towards a nation's and an organisation's growth and prosperity.

The purpose of World Quality Day is to promote awareness of quality around the world and to encourage individuals' and organisations' growth and prosperity.

In a global economy where success depends on quality, innovation and sustainability, World Quality Day is our chance to reinforce these as the foundations of your organisation and focus on the importance of Quality.

For more information visit www.saqi.co.za



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Quality of Directors

Terry Booyesen

CEO: CGF Research Institute (Pty) Ltd and newly appointed SAQI Director

DIRECTORS AND MANAGERS SHOULD KNOW – BUT DO THEY WANT TO?

There is no doubt that the liabilities attached to directors and managers have steadily increased on a worldwide basis. This phenomenon has caused directors, most particularly in first world countries such as the United States, to think twice about not only their positions on boards, but indeed the many consequences attached to their actions as fiduciaries. Recent evidence shows that concerned directors are retiring themselves from their very onerous positions. According to the Booz & Company Annual Survey 2008; the departure of CEOs rose on a global basis from 13,8% (2007) to 14,4% (2008). While 50% of these surveyed CEOs from 2500 of the largest public companies were due for retirement, 35% of the departures were forced out of their positions due to dismissals related to poor financial performances, irreconcilable differences or ethical lapses of judgment.

Closer to home, South Africa has seen a flood of new legislation and there has been, over the last decade, an average of 6 new acts passed each month. Notwithstanding the overwhelming number of new laws being passed -- including the introduction of King III -- directors and managers are seemingly choosing to shrug off the consequences of the legal implications or not taking these matters seriously.

This situation appears to be getting worse -- notwithstanding all the legal frameworks -- and there is generally speaking very few cases where non-performing executive leaders have been taken to task, besides those of a few high profile cases such as Khaya Ngqula of SAA and Arthur Brown of Fidentia.

More worrying is the fact that many organisations in South Africa are forcibly placing directors on their boards for the purpose of rectifying either their BEE scorecard, and/or their equity and gender numbers. Not only are many of the boards' members becoming much younger (with often less experience), but alarmingly these directors are quite frankly not up to scratch when compared with their more experienced director counterparts. Never before has it been more vital to have experienced members on a board, particularly due to the increased exposure directors (and managers) now face with the substantially increased director duties and liabilities introduced in the new

Companies Act 2008. More significantly, directors are required to not only look after the affairs of the company, but indeed also hold themselves accountable to each other. Incompetent directors and those who are self serving, clearly will expose themselves, their colleagues and ultimately the companies they are meant to serve.

And so one needs to question not only the board dynamics and its composition, but indeed its maturity as well as the value each member brings. Considering that the board represents the ultimate leadership of a company; why is it that so many boards fail in their duty to provide the correct leadership and strategy? Could this be due to the fact that so many company boards have inadvertently become entrenched in their own history of non-performance, or possibly that they do not understand their true function, or that they simply just don't care because they have never been challenged regarding their individual value and functions?

Interestingly, the Tower Watson 2010 Global Workforce Study shows that company shareholders expect senior leaders to be trustworthy (71%), to care about the well-being of others (62%) and be highly visible to employees (56%). Whilst these are just some of the desired attributes expected, one questions whether in fact this is the reality of our leaders who so often demonstrate their contempt of the laws and business recommendations?

Transformational business leaders, who are described as those who respect their employees, customers and the law, are those who also set clear standards of ethics and business practices throughout their supply chains. Above all, these factors constitute good business practices; transformational leaders unequivocally show their commitment to the importance of company officer induction, coaching, mentorship and training. These are unmistakably the hallmarks of a great leader; one who can lead their team with confidence from behind if need be. Paradoxically, the Deloitte Best Company To Work For Survey 2009 shows a rather stark difference of opinion regarding the priority employers and employees have regarding training and development, where employees score this engagement driver with a weighting of 65% important, while employers

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(executive leadership as defined by each participating company) only score it at 47%.

Moreover, the survey shows a glaringly different view regarding the following factors:

- having skills and resources to do my job properly - employees score this priority as 76.5%, while employers only at 48%;
- being able to add value - employees score this priority at 70%, while employers at 45%; and
- knowing and believing in the company's vision, mission and values - employees score this priority at 59%, while employers at 34%.

Clearly there are issues companies need to deal with in order to ensure that their directors and managers are skilled and equipped to satisfy the requirements of their job functions, save for the company and its company officers being severely punished - either financially, or being faced with civil or criminal charges. Of course what is also very disconcerting is the fact that companies themselves may not know just how disenchanted their company officers may in fact be. Deloitte's paper entitled *Managing Talent In A Turbulent Economy; Keeping Your Team Intact 2009*, shows that non-financial employee concerns far out-weight the financial factors and cite a lack of trust and confidence in leadership as one of the many reasons as to why they would leave their company.

'Trust' in the business' leadership should be parameterised in terms of those boundaries that make employees (and customers) comfortable. For example; if employees know without any reason for doubt, that a company and its leadership are in obedience of the laws and regulations intended for good business behaviour, why should there be any lack of trust? Simply put, the mistrust is caused as a result of business and its leadership flouting laws and regulations, and showing scant regard for ethical conduct.

Moreover, leaders earning 'fat cat' bonuses and living in opulent conditions beg the questions of fairness and transparent behaviour, especially under prevailing economic conditions where many employees have received single digit increases at best and bonuses remain a distant memory.

The final buck will rest upon the shoulders of the company's top leadership - there can be no excuse for ignorance of the law, neither the mismanagement of a company. Common law is quite clear; have the directors and management discharged their duties in the best interest of the company and did they endure the "fit and proper" test to hold office? Were the right leaders selected to protect and grow the shareholder's investment? These are but a few acid test questions deserving frank answers, but which are sadly avoided through political jostling in many boardrooms.

About CGF Research Institute (Pty) Ltd

CGF specialises in conducting desktop research on Governance, Risk and Compliance (GRC) related topics. The company has developed numerous products that cover GRC reports designed to create a high-level awareness and understanding of issues impacting a CEO through to all employees of the organisation.

CGF's capabilities extend to management consulting, executive learning and facilitation of Corporate Governance and Risk awareness workshops, which caters for large corporates to small and medium sized businesses.

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This article has been reproduced with kind permission of the CGF Research Institute. Thanks also go to Deloitte for their input.



**Quality is the
password
to success**

**QUALITY creates jobs and
makes us competitive on local
and international markets**

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BP Oil-Spill: The Facts

Terry Deacon MD Project Pro and SAQI member

No single factor caused the BP oil-spill tragedy in the Gulf of Mexico. Rather, a sequence of failures involving a number of different parties led to the explosion and fire which killed 11 people and caused widespread pollution in the Gulf of Mexico earlier this year.



A report released by BP on 8 September 2010 concludes that decisions made by “multiple companies and work teams” contributed to the accident which it says arose from “a complex and interlinked series of mechanical failures, human judgments, engineering design, operational implementation and team interfaces.” Incredibly, eight barriers designed to prevent the oil spill were breached.

The report, based on a four-month investigation conducted independently by a team of over 50 technical and other specialists drawn from inside BP and externally, found that:

- The cement and shoe track barriers – and in particular the cement slurry that was used – at the bottom of the Macondo well failed to contain hydrocarbons within the reservoir, as they were designed to do, and allowed gas and liquids to flow up the production casing;
- The results of the negative pressure test were incorrectly accepted by BP and Transocean, although well integrity had not been established;
- Over a 40-minute period, the Transocean rig crew failed to recognize and act on the influx of hydrocarbons into the well until the hydrocarbons were in the riser and rapidly flowing to the surface;
- After the well-flow reached the rig it was routed to a mud-gas separator, causing gas to be vented directly on to the rig rather than being diverted overboard;
- The flow of gas into the engine rooms through the ventilation system created a potential for ignition which the rig's fire and gas system did not prevent;
- Even after explosion and fire had disabled its crew-operated controls, the rig's blow-out preventer on the sea-bed should have activated automatically to seal the well. But it failed to operate, probably because critical components were not working.

Commenting on the report, which he commissioned immediately after the Macondo explosion, BP's outgoing chief executive Tony Hayward said: “The investigation report provides critical new information on the causes of this terrible accident. It is evident that a series of complex events, rather than a single mistake or failure, led to the tragedy. Multiple parties, including BP, Halliburton and Transocean, were involved.

“To put it simply, there was a bad cement job and a failure of the shoe track barrier at the bottom of the well, which let hydrocarbons from the reservoir into the production casing. The negative pressure test was accepted when it should not have been, there were failures in well control procedures and in the blow-out preventer; and the rig's fire and gas system did not prevent ignition.

“Based on the report, it would appear unlikely that the well design contributed to the incident, as the investigation found that the hydrocarbons flowed up the production casing through the bottom of the well,” Hayward said.

Based on its key findings, the investigation team has proposed a total of 25 recommendations designed to prevent a recurrence of such an accident. The recommendations are directed at strengthening assurance on blow-out preventers, well control, pressure-testing for well integrity, emergency systems, cement testing, rig audit and verification, and personnel competence.

BP said the report was based on information available to the investigating team. It noted that additional relevant information may be forthcoming, for example, when Halliburton's samples of the cement used in the well are released for testing and when the rig's blow-out preventer is fully examined now that it has been recovered from the sea-bed. There will also be additional information from the multiple ongoing US government investigations.

Editor's comment

This story puts into perspective the concept of applying an integrated approach when operating a management system. In this instance many of the key requirements of the management systems applying to Quality, Environment and Safety were all compromised. The common factor was the lack of sufficient risk analysis across all the boundaries of the operation.



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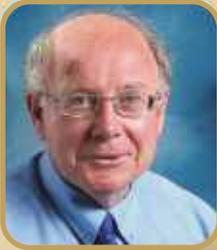


Quality in Schools

a regular column by Dr Richard Hayward

As most of our readers are parents themselves, we have asked SAQI's education editor Richard Hayward (rpdhayward@yahoo.com), a retired headmaster and published author to give us some words of wisdom on how to get quality principles instilled in young people.

A SMART way to end the school year



The school year has almost ended. Soon the final report card will arrive. When the envelope is torn open, there's often a quick glance. "Yeah, I've passed!" is exclaimed and for many children, the December summer holidays can really begin. How many families read the report carefully?

That last school report needs careful reading. How did the year end? Were the results as good as expected? Better?

Worse? Did the report highlight hidden talents, for example, a newly discovered creative flair at the easel or drawing board? A report card gives a child a wonderful opportunity to reflect on what has been achieved. Crucially though, the report card can help the youngster set future goals.

The last bit of homework for the year for the quality-focussed child, is to set SMART goals. A child can be guided to design goals according to the familiar format:

S - Specific

A goal needs to be direct and unambiguous. A vague goal such as, "Improving my soccer," is out. A specific goal would be, "I will be selected for the school Open soccer team."

M - Measurable

The goal should be measurable. An example would be the student who aims to get distinctions in English, Maths and Science. A future report card will record whether or not those goals have been achieved.

A - Achievable

Well-intentioned folk can set children goals that are unachievable. The youngster struggling to read and write properly is unlikely to get a distinction in that language the next year. Set goals that stretch a person but that are almost within reach.

R - Realistic

How many boys state that they're going to play for Bafana Bafana or the Springboks when they grow up?! It's good to dream occasionally and to dream big. Yet goals should be 'real' in that there's a reasonable chance of the goal becoming a reality.

T - Time-bound

Give the goal a time-frame. By a certain date, the goal or a step towards a bigger goal, should be reached. The medical doctor of 2023 is already a conscientious, hard-working boy or girl in a Grade Seven classroom today.

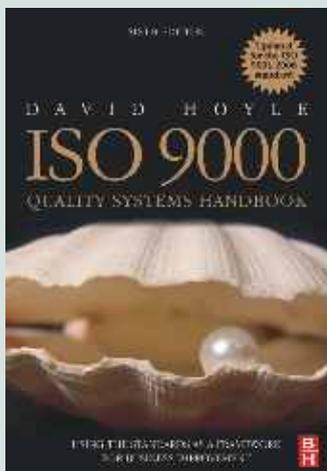
Smart Quality Kids give themselves SMART goals. Once the SMART goal-setting homework has been done, they really deserve to enjoy the December holidays!

Total Quality Education programmes are done at schools by Richard Hayward. Poor schools are sponsored. For more details, please contact Richard on 011-888-3262 (rpdhayward@yahoo.com). Alternatively, contact Vanessa du Toit at SAQI (012-349-5006).

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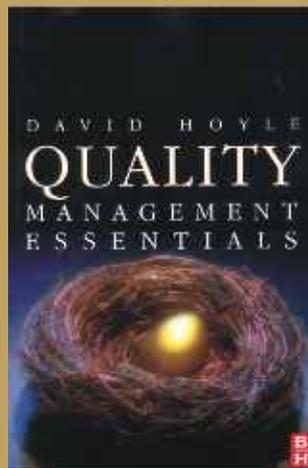
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SAQI Training Programme for 2010

All courses offered by the South African Quality Institute are presented in association with other course providers and are available to all organisations including SMMEs and corporates. SAQI can assist with the training of a company's workforce and all training packages can be run in-house at cheaper rates. A special 10% discount applies to SAQI members. **All prices include VAT.** For more information or to register contact Vanessa du Toit at (012) 349 5006 or vanessa@saqi.co.za

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SAQI reserves the right to change details of the programme without prior notice. Click on the course code for a synopsis or [click here](#) for all course synopsis in alphabetical order.

Code	Course	Days	Cost	Nov	Dec
B1	Cost of Quality	2	4,000		
B12	ISO 14000 overview	1	1,925		
B14	Integrated Management Requirements	3	3,870		
B16	Internal Quality Auditing	3	3,870		8-10
B20	Lead Auditor	5	9,660		
B24	How to write procedures	2	3,400	15-16	
B34	Statistical Process Control	5	9,660		
B38	Development of QMS	5	9,660	29 – 3 Dec	
B48	ISO 9001 Requirements Workshop	3	3,870	10-12	
B49	SHEQ Internal Auditing	3	3,870		
B50	EMS Lead Auditor	5	9,660		
B51	Development of SHEQ System	5	9,660		
B52	OHSMS Lead Auditor	5	9,660		
B53	SHEQ Trainer	3	3,870		
B58	Customer Satisfaction and Excellence	2	3,400		6-7
B64	Introduction to Quality Techniques	3	3,870	3-5	
B65	SAQI Certificate in Quality	10	18,320		



SAQI also offer the following courses on an inhouse basis for 10 or more delegates. Please contact vanessa@saqi.co.za for a quote.

- ◆ Business Plan Development (B54)
- ◆ Conducting Classroom Safety Training (B60)
- ◆ Continuous Improvement Program Facilitation (B30)
- ◆ Control Chart And process Capabilities (B31)
- ◆ Cost of Quality (B1)
- ◆ Customer Care (B39)
- ◆ Customer Satisfaction and Excellence (B58)
- ◆ Development Of A Quality Management System (B38)
- ◆ EMS Lead Auditor (B50)
- ◆ Effective Presentation Skills (B45)
- ◆ Executive Report Writing (B57)
- ◆ Exceptional Service (B32)
- ◆ HACCP (B47)

- ◆ Health And Safety Lead Auditor (B52)
- ◆ How To Write Procedures, Work Instructions And ISO 9000 Overview (B24)
- ◆ ISO 14000 Overview (B12)
- ◆ ISO 14001 Development Workshop (B13)
- ◆ ISO 9001:2008 Requirements Workshop (B48)
- ◆ Integration Of ISO 9001 14001 And OHSAS 18001 (B14)
- ◆ Internal Environmental Auditor (B44)
- ◆ Internal Quality Auditing (B16)
- ◆ Interpreting ISO 9001 For The Service Industry (B17)
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- ◆ Introduction To Quality Techniques (B64)
- ◆ Key Aspects of Six Sigma (A11)
- ◆ Lead Auditor - Organisational Quality Auditor (Preparation Course) (B20)

- ◆ Lean Manufacturing Course (B57)
- ◆ Managing the Safety Training Programme (B59)
- ◆ OHSAS 18001 Auditing (B19)
- ◆ OHSAS 18001 Requirements Workshop (B18)
- ◆ OHSAS System Development Program (Based on OHSAS 18001) (B46)
- ◆ Policy Deployment And Continual Improvement
- ◆ Project Management Demystified (TD1)
- ◆ Quality Control (B41)
- ◆ SHEQ Internal Auditing (B49)
- ◆ SHEQ System Development Programme (B51)
- ◆ SHEQ Trainer (B53)
- ◆ Six Sigma (BH1)
- ◆ Statistical Process Control (Basic Quality Control) (B34)
- ◆ Understand the changes to ISO 9001:2008 (B22)

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