



Photo: Oil rig in the Caspian Sea by Mark Ireland

Better Than Oil

Futurists and industry observers all agree that data is the underlying currency of the Information age. Peter Sondergard, senior vice president, Gartner group adds to this chorus. "Information is the oil of the 21st century and analytics is the combustion engine."

If data is oil then the assessment industry is sitting right on top of one of the largest data oilfields in the information age. The Assessment industry is made up of thousands of people whose primary function is the gathering of data on quality, compliance, risk and excellence across millions of business. If we could mine that data, refine it, convert it to knowledge and understanding we could be releasing untold riches and fundamentally change industry forever.

It can be further argued that data is better than oil. This is because it can multiply and grow. Adding one data set to another data set can exponentially increase knowledge. Adding one barrel of oil to another would only get you two barrels of oil.

To put this in the context of the quality sector let's take a simple example. Let's say that several independent Quality organisations are assessing quality in an industry. They will all know what individual quality standards are against a best practice framework. But as soon as you add those different databases together you get new knowledge on quality issues effecting the whole industry. And then if you have a similar exercise in another industry you can start to understand how the different industries compare and what quality issues prevail throughout the country. Comparing knowledge of one country to another or one ISO criteria to another adds further knowledge dimensions. Throw in a time dimension and you can monitor and evaluate change to ensure continuous improvement.

Early Stage Digital

The Assessment industry is at the very early stages of digital as the industry struggles to evolve from a culture of spreadsheets and paper. As an example, ISO sells PDF's or paper based products. You download manuals and templates. In a digital world ISO would be selling apps that would be connected to a database and would be selling products like benchmarking and dashboards.

The assessment industry today looks like the accountancy industry of last century. In the 1970's accountancy was carried out using pencil and paper or mainframe computers customised for the use

of large corporations. In the 1980's spreadsheet technology like VisiCalc, Lotus123 and Excel started to emerge as technologies for financial measurement. It was only in the 1990's that universal platforms for accountancy like MYOB, Sage, White Plains, Intuit, gathered momentum. These were widely distributed software packages that automated the process of accounting, leading to knowledge and productivity gains.

Accountancy is now entering the age of SaaS and connectivity, enabled by the internet and cloud computing. Cloud accounting systems like Xero will change the world forever. Clients and accountants can become interconnected, processes can be commoditised, applications and information shared and costs of repetitive functions driven to zero.

As was first initiated by larger accounting organisations, some of the larger assessment corporations have built computer driven assessment systems. But these are largely for internal use and for control of the assessment function. Their focus has been on automating their own assessment process and integrating it with their own management and control systems. These systems in themselves are for internal use and are not connected to the databases.

To date, proprietary software developed for individual organisations is being obsoleted by systems developed for the industry in general by specialist software developers. This has been for three fundamental reasons - economics, specialisation and accelerated learning. Software developed for the industry is financed in its development by multiple companies, and hence has a larger research and development funding base, and there is a focus on continuous improvement of the software. Emerging will be new available software for professional and self-assessment as we have seen in accountancy.

Digital Adoption Will Deliver Further Benefits.

Digital adoption will not only deliver superior knowledge but will at the same time reduce cost, increase the quality of services and speed up delivery. A full summary of the benefits of a digital system are listed below:

Reduced Costs

- Automation of manual processes such as data gathering and reporting, make it faster and easier for assessors to deliver services.
- Elimination of double entry reduces error and duplication of effort.
- Client self-assessment and on-line tools enable better preparation for an audit and lower costs of the audit overall.

Improved Assessment Quality

- Easier to use tools with functionality and information are available at the assessors fingertips.
- Collaboration improves between teams of assessors and clients in different localities.
- Assessors are profiled to identify assessor bias and training needs.
- On demand training allows learning while doing.

Speedier Responses

- Better prepared clients save time by directly inputting data and evidence.
- Inputs from all parties (clients, assessors, stakeholders) can be conducted concurrently on the same document.
- Report generation is accelerated as assessment input can be automatically turned into reports.

- On-line action planning can speed up agreement of activities, allocate responsibilities and send out timely reminders.
- Deeper insights are gained from captured data.
- Continuous improvement is achieved through measuring and monitoring.

Improved Knowledge

- Assessments are automatically captured to a database and provide deeper insights of communities and clusters.
- Multiple organisations are able to operate independently but collaboration enables benchmarking and strategic analysis of data.

Monitoring And Evaluation For Continuous Improvement

- Enables everyone responsible for change to know what is going well and what needs to improve.

A Final Word:

Knowledge industries are using knowledge technologies to reduce cost, speed up delivery and most importantly offer clients deeper insights with the data they can harvest. There is no doubt that professionals engaged in the assessment and continuous improvement of quality need to use knowledge technologies if they are to maintain relevance and competitiveness.

The time is now. The assessment industry is following a similar trajectory to the accountancy industry with information technology making a contribution to the work we do – enhancing quality, improving turnaround time and providing cost savings.

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