



ENGAGE  
*and Network*

ERT Excellence  
Roundtable

## TRANSCRIPT: ASQE 2023 ERT – World Quality Month

0:01

Hello everyone, and welcome to our final ASQE event of the year, the Excellence Roundtable.

0:07

In celebration of World Quality Month.

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We're glad to have everyone here today and also for you to enjoy the keynote and panelists that we have as part of today's discussion.

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We also want to take a moment to acknowledge and thank our sponsor for the 2023 World Quality Month Excellence Roundtable, and that is ASQ.

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We'll you'll hear more about this later on as far as the partnership between ASQE and ASQ, but we want to acknowledge and thank them for their contributions to helping us make this event happen.

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In today's Excellence Roundtable, we're going to be covering a few broad things as far as getting ourselves off to a start with association announcements and other insights as far as the benchmarking season recap and highlights that many of the organizations that are on today's events have participated within the Insights and Excellence Benchmarking Tool season.

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And one of the things that we're really pleased to speak to you about today is how to prepare, if you haven't been in the benchmarking season before, how to join that in next year's efforts.

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You'll also hear from an ASQ fellow, Willy Vandenbrande, and his expertise on how quality methodologies drive

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sustainability, performance, maturity.

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And then we'll have a panel discussion that talks more about what that looks like in the real world.

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And then at the final part of that, we'll have a breakout session for you all to be able to connect with each other and discuss how your own organization's approach sustainable development and environmental social governance.

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And then we'll summarize everything and wrap up with a few key reminders on how to celebrate the World Quality Month throughout the month of November.

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At this time, it's my honor to introduce to you all our Chair and past Chair of ASQExcellence.

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Steve Wilson is our current Chair of the 2023 Board of Directors, and Dani Picciotti is our past Chair of ASQE, the Board of Directors.

2:04

They're both going to share some association highlights with you all, and we're really proud to have them to be a part of this event today.

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So on behalf of ASQE, please welcome both of our board members, and I'll turn it over to Steve to get things started.

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Thank you, Erin.

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Thank you everybody for joining.

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I appreciate this.

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ASQE has been in operation now for approximately 4 years and it is a Trade Organization.

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This is about the organization themselves versus individual members as persons.

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But we do a similar mission.

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So we inspire excellence in trying to get these organizations moving up.

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This is the major point of what we do.

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And again, we're a global Trade Organization.

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The fun part is being on the board.

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I have to I have to say that this board is constantly driving US board members into an excellence status.

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For over 75 years, ASQ has empowered individuals and communities around the world to advance excellence through quality.

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But to remain at the forefront of progress and meet the professional needs of our current and future members, we must also continually seek to improve, adapt and evolve.

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This graphic here shows the connected journey of alignment between ASQ and ASQE that brings the latest research and thought leadership opportunities forward to create deeper member connection and engagement.

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On the left, we see the extensive benefits of ASQ's long-standing history, serving individuals through education, publications, events and communities.

3:48

And on the right, ASQE's membership benefits and offerings serve organizations and their affiliated employees as a Trade Organization.

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This includes certification, operations and preparation, and the Insights on Excellence benchmarking tool and research.

4:04

As you see, Insights on Excellence, or IoE for short, as we often call it, is the heart of the connected journey between ASQ and ASQE.

4:15

This ecosystem utilizes the annual IoE benchmarking data and learnings from published reports, which can be used by members, the quality community and subject matter experts to drive thought leadership and educational content to develop quality skills to improve organizational performance.

4:33

At member-exclusive events such as this Excellence Roundtable, we are pleased to introduce the latest IoE perspectives and data to foster conversations for you to all engage and understand how to drive our own team's performance forward.

4:53

The board function is more strategic, so this is a quick overview of the board Board of Director responsibilities.

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We are, we do have the duty as Board of Directors to execute the purposes and objectives of the corporation of ASQE and they're responsible for the oversight of ASQS culture, finances, operation, risk management and strategic planning.

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The issue, the difference here is we are not the actual doers.

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The ASQE staff do do all the hard work and they do a lot of hard work, Erin being one of them.

5:28

What our role is, is to be a mirror, to stand there and you know, talk on a business standpoint.

5:37

Are we doing the right thing?

5:38

Should we do differently?

5:40

Should we exit?

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Should we do more projects along these lines?

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What's your thinking, What's your strategy?

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And of course we constantly talk about budget and the risk of the budget.

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So it's a corporation level discussion and it's quite enticing.

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To that end, I want to introduce the ASQE board members and thank those who have contributed to their talent in time this year.

6:11

You, I, you don't need to thank me.

6:12

I'm the chair.

6:13

These, these are the people that that work hard to make me look good.

6:17

And I appreciate that.

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We also have Dani Picciotti on the line.

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She's the past chair.

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She was the one who was instrumental in setting up ASQE, and now she's moving on to other things.

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Barrie Simpson, our treasurer, excellent work.

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Jerry Rice is our Technical Communities Council liaison from ASQ.

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Blanton Godfrey is the ASQ past year that has a role on the board.

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Kenneth Giles is our membership member, representative director, one of them and that is also Fred Martin and Patti Trapp.

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Rajesh Sharma also a member director.

6:54

Jim Templin is the CEO of ASQE.

6:58

Tremendous job. Ann Jordan was the ASQ Chief Executive Officer before she was on the board until May when she transitioned to another position and it then Sid took over as the interim ASQ Chief Executive Officer this year.

7:21

You have the pleasure of me returning one more year.

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We'll, we will look and see just what my report card looks like at the end of that.

7:28

The chair elect is under discussion now and we we should be announcing that very soon.

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Barry Simpson will return as the treasurer.

7:38

Francisco Santos is now the ASQ past chair, so he will transition onto the board.

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We still have not formalized the TCC Council Liaison.

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That will be coming soon.

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Kenneth Giles and Fred Martin are returning.

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We have a new member representative in Julio Abreu and I'm butchering names, so I apologize to anybody at this point.

8:02

Jim Templin always is our Chief Executive Officer and doing a bang-up job and Sid is in now since he's the interim ASQ Chief Executive Officer, he will be staying as well.

8:12

We have a a small but highly effective board.

8:15

We're very impressed.

8:22

So what I'd like to do now is to hand this over to Dani Picciotti, who will give you a lot more detail on the work we do and on the insights on excellence research.

8:32

Dani, thanks so much, Steve, and thank you everyone for joining today.

8:37

There's a lot of great information that's coming at you and will be discussed with our keynote speaker, but I'd like to just give you some highlights on what's happening in our Insights on excellent space.

8:48

So as we continue to enhance the IoE or Insights on Excellence experience, I'm excited to provide the latest announcement around our IoE benchmarking tool and research development.

9:00

Since the inception of 2020, the IoE Benchmarking Tool established a global data set of organizational performance excellence metrics across 8 categories such as operations, workforce, leadership, and strategy.

9:14

For the last two years, the Product Development Team has been actively working with the results of the 9th and newest category, environmental, social, governance or ESG.

9:24

Depending on your industry experience.

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This topic goes by many names such as sustainability, the triple bottom line, 3 PS or People, Planet, Profit, Green Business, or Net Zero Operations.

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The reason for the focus here is that the organizations can provide career pathing opportunities for their quality professionals in advance in their ESG performance journey, with a common alignment of ESG practices with known quality methodologies such as total quality management, quality management systems, and environmental management systems.

10:00

There's also a clear need for quality skills such as risk management, auditing, root cause analysis and systems thinking to be more widely adopted as needed to meet the ESG requirements.

10:12

So in 2023, ASQE published 6 IoE reports using the research coming out of the benchmarking tool, and this content has helped drive the 8 events hosted by ASQE, including today's Executive Roundtable Excellence Roundtable.

10:28

All IoE research stacks together to complement one another and it's designed to assist both ASQE and ASQ's global quality community to build a holistic understanding of performance trends.

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And you can find all of these reports and more at the Insights on excellence.org website.

10:53

As an example of the IoE content coming to life within our ASQE events, ASQE has hosted multiple ASQ member leaders with our Ascend Webinar series and Engage in Ascend Discussion series to provide their subject matter expertise and perspectives and real-world experiences.

11:11

In March, Russ Snyder expanded on the IoE data, describing the challenges within supply chain optimization and how critical it is to understand and develop strong, transparent supplier relationships.

11:26

In July, Nicole Radziwill provided her expertise around the various factors that contributed to digital technology creating unique industry outcomes, considerations for return on investments and how workforce skill sets need to align with risk management and rapidly changing conditions.

11:44

And in August, Dr. Joe Fierro provided profession fresh perspectives on treating quality as culturally sensitive issue by understanding how our brains process information, especially under situations of high stress, and how leaders need to understand how their mindsets can influence the work environment and culture.

12:05

All three of these subject matter experts returned to participate in our Engage & Ascend Discussions, where attendees were able to interact with each other and discuss key points that each of the experts provided within their own serious topics.

12:19

And lastly, Russ and Nicole contributed to the Quality Experts Sidebar in our 2023 IoE Category Report published in early September.

12:29

The expert sidebar provides more content and context around key themes emerging from the IoE data from the perspective of a quality professional's viewpoint.

12:42

Another example of an ASQ member leader bringing ASQE's IoE research to life is the work of our long-time collaborator, Stephanie Gaulding, a director of ASQ's Technical Communities Council.

12:54

She's on the ASQ Board and product segment leader.

12:58

Stephanie has partnered with ASQE on a variety of presentations and workshops at ASQ events, utilizing the IoE trends and data and building the case for human development and leadership with quality operations.

13:12

In September, Stephanie presented the ASQE-powered breakout session "Open to Change" at the Quality Innovations Summit in Boston, featuring the latest data on the IoE Category Report about leadership and workforce needs.

13:27

Stephanie's work helps bridge the connection between the two associations and shows how ASQ's experts can utilize the IoE research from member development and event programming.

13:44

But there's even more room and effort to grow.

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Since January 2023, our TCC liaison, Jerry Rice has been a driving force creating an initiative to map the ASQE's IoE research content with the vast library of ASQS quality body of knowledge or QBoK that's been developing over the past 75 years across multiple industries and proven methodologies.

14:14

This work provides our technical communities council and member communities with the opportunity or our member experts to incorporate the IoE trends with ASQ's QBoK and help optimize the existing materials or even create new materials, case studies, training courses, etcetera.

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And these opportunities come in multiple forms, including webinars, articles, books, even member events like the Ascend Webinar series or the Quality Innovations Summit.

14:48

IoE content can also provide inspiration for events within the geographic or technical communities, such as member meetings, webinars, and discussions.

14:58

Overall, there are multiple ways which our communities and members can engage, learn and excel with our IoE data.

15:07

To explain a little bit more about the IoE, I'll turn it back over to Erin Bauer from ASQE.

15:14

Thank you, Dani, and again, hello, everybody.

15:16

And I just want to say a few notes of sincere thank you to both Steve and Dani for their leadership and guidance over these last three years, now going into our fourth year.

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So we appreciate you both and everything that you do for the society.

15:29

For those of you who I have not met yet, I am the product development manager for ASQ Excellence and my team and I lead the efforts around events such as this with the content that you're seeing today.

15:40

But we also are in charge of the IoE benchmarking tool and the research that comes out of that.

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And that really is one of the flagship products that ASQE has to offer to our organizational members.

15:52



So if you're new to IoE, this these next couple of slides are going to give you just a little bit of what it is and how to engage with it.

16:00

And I just want to take a few moments to acknowledge the successful benchmarking season that we had this last year.

16:06

Benchmarking season for us is a way for org members to directly connect with the research and actually contribute to the research's efforts.

16:15

There's an online tool that we've developed actually going back three years now already.

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And this online tool is very easy to access.

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It's actually part of your org membership benefits and it's a single sign on through your asq.org account.

16:29

So it's very easy to access.

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And it's also nice for the primary contacts that manage their organizational benefits to gather their teams around and understand where their own performance is.

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Mark is stacking up when we look at global benchmark data.

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So a screenshot here of the tool is showing this is actually a dashboard view.

16:50

When you're done with the 35 minutes or so of the survey, it'll give you a dashboard that you can play around with.

16:56

You can compare certain data points, you'll see the global benchmark, you'll see your own score.

17:01

And it really what it's meant to do is give you a very clear insight as to how you perceive your own organization's operations.

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And as Dani mentioned in her slides, this goes through all nine of the IoE categories.

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So that's including operations, strategy, workforce barriers and disruptors, technology and so on.

17:21

And there's more information on the our website that can give you a a much deeper dive into how the tool works.

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But it's really designed to be user friendly, intuitive.

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And over this last year we've had thirteen of our ASQE org member companies participate.

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They can have as little as three members participate all the way up to 100 employees.

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We really encourage the more the better since that'll give you the most robust data set.

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From those 13 companies, we had 171 of their employees participate, which was fantastic.

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And then in our own research efforts that we do with Forbes Insights, which is how we got started with the IoE research, they supplied us with 501 respondents from across their global network of connections.

18:04

And in those reports that we published, you'll see more of this demographic information.

18:09

In case you're curious of how the participants are rated as far as like a large company to a small company and also what industries they represent and as well as what their positions are.

18:20

So one thing to keep in mind is each year this database grows with global benchmark scores.

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And it is designed for us to then bring that research to you in the various forms of the reports like Dani mentioned or the events that you're experiencing today.

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But what is the main benefit for an ASQE org member and, and why is it so important to participate?

18:41

So a benchmarking season opens up every February and we end it usually about Q3 or so looking at about August as far as the the time of the cut off.

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But what you get when you participate in benchmarking is again, you get that dashboard of scores, but you also receive custom reports based on your perceived operations or your perceived scores of performance.

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So in total, you'll actually receive 9 reports out of the tool.

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That includes a summary report and then also category of specific reports.

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So for example, if you notice that you scored rather low in something, let's say it's workforce development, you can download that specific report and the tool will tell you here's the areas for improvement.

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What's nice about these reports too, is it also links you through to ASQ resources that are available today through that quality body of knowledge that Dani mentioned.

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And that's where we're also looking for our technical communities and our ASQ member leaders to help bring forward their knowledge from working in the field of how to address these common quality challenges.

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So for those of you who are primary contacts within your organization's, please plan ahead to participate with your teams.

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Details will be coming in early 2024 from ASQE.

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But again, if you have any questions, you can always contact our Member Success Team or we welcome you also to go onto our website and the links will be put in the chat for you to access.

20:04

One final note again is just to reiterate that the data that comes through that benchmarking tool is what drives the insights that we publish.

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So these come in various different forms.

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Our team this year has completed 4 category-specific studies that includes topics such as operations and barriers and disruptors or workforce.

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And then also we do a a larger publication every year called our Category Report.

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And that gives an overview of all of the categories within the tool and really brings forward the statistically significant trends that have emerged across the categories and the quality challenges that persist within each of those categories.

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So if you haven't accessed these yet today, they are all available for you on Insights on excellence.org, which is just our vanity URL to go to our website.

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But I really encourage everyone to download these reports.

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It's a ton of information and then that can help you with your own challenges that you're trying to overcome within your own organizations.

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But again, if you have any questions about these, please feel free to contact us.

21:04

So moving forward, today's focus truly is on that environmental social governance or that sustainable development category that we built a few years back, as Dani mentioned.

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And we're really excited about this because when we think about ESG or environmental social governance and quality, there's a ton of overlap.

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We know that quality principles are really the bedrock of pushing forward that continuous improvement that ESG absolutely depends on.

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And so when ES, when ESG was defined by ASQ would be a few years ago, this is the definitions that we took to be our most important focus in developing this content and bringing this topic forward for you all.

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So we define ESG as the practice of conducting business within a complex interdependent world for long term success.

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And that means operating with respect to society in an a way that incorporates total quality and environmental management.

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And by using this approach, it gives users a systems approach to give voice to stakeholders, reduces our financial risk, strengthens competitive advantage, minimizes impact to ecosystems, and truly fosters innovation.

22:14

And for the companies that have embraced ESG and are doing this well, which you'll hear from examples today in the panel, this is really the new way of quality doing business in the 21st century.

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And we couldn't think of any better people today to bring this forward to for you all.

22:29

So I'm very excited to introduce our keynote speaker, Willy Vandenbrande, and he might be familiar to many of you who've been around ASQ for several years.

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He's an ASQ fellow and he's also an International Academy of Quality Accommodation.

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He's also been a reward wit recipient from ASQ and he's now actually started his own nonprofit called Quality for Nature.

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And just so you're aware, all these slides are going to be shared with you all.

22:56

They're already in the ASQE Events Portal.

22:58

So this recording and all the things that they're going to be sharing with you today, no worries, you'll have access to all this content.

23:05

But Willy's been fantastic to work with over the years.

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He's been working in the field of quality management for over 35 years versus a quality management and then later as a consultant and within his management experience and all that, that's given him the fuel to deliver many presentations at international conferences, including ASQE's or I'm sorry, ASQE's events and as well as ASQ's World Conference on Quality and Improvement.

23:28

He's also written numerous articles on quality management and we've included a few of those in the resources for you as well.

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So his current main topics of interest are sustainability, the future of quality and service quality, and he's also the current chair of the Quality and Planet Earth Concerns Think Tank, which is part of IAAQ.

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So with that, I'm wanting to bring Willy forward then to take the screen and he can get started with his keynote.

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So thank you, Willy, and welcome.

23:58

Oh, Willy, you're on mute.

24:05

There you go.

24:06

Thank you.

24:07

Try again.

24:08

Thank you very much, Erin for the kind introduction and thank you all for.

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I'm sorry, Willy, if you could also share your screen.

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Sorry it didn't advance.

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I'll do that.

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Thank you.

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OK, let's see if we got everything sorted out now technically.

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OK, Thank you very much.

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You're welcome.

24:34

Thank you, Erin.

24:35

Thank you everybody for joining me.

24:37

Good afternoon.

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Because I'm talking to you from Belgium.

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So it's around 4:30 PM here.

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At this point in time, I'll be talking about quality methodologies that drive

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sustainability, performance, maturity, and let's start immediately with the an overview of the content.

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I'll give a little introduction as to the why.

25:00

Why is this so important?

25:04

I'll present a model overview that can help us with the what.

25:08

And this is an matrix linking sustainability to quality.

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And then we'll have a look at practical applications.

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And that's the how and, and basically what I want to show you is how the application of quality tools can bring a major improvement of sustainability of your organization.

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We'll also look at ways to do that even better.

25:37

And I'll give you one example of how to adapt quality tools to apply them to sustainability, but we'll also look at some other things that are there to help you out and to make this better.

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And I'll end with a couple of slides looking more towards the future and towards more holistic thinking starting from the current ecosystem status and the observation that we will need to move from reduce to restore, but that will become clear when I give some examples there.

26:12

Now why?

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Why is it needed?

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One of the best of measurements of sustainability are the United Nations Sustainable Development Goals, and this graph here shows the World Index from the starting point in 2015 until the last available data point.

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That's the 2022 data point.

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So what you see is that there is an improvement, but it's a rather slow improvement.

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Now the highest scoring country is Finland and they score 86.8.

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Now suppose we say we would aim for 85 as an excellent score.

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Then it's clear that at this rate, we will not get there by 20-30, which is the objective timeline the the finish line for the SDGS.

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So that's one problem.

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It's not going fast enough.

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There's a second problem and that has to do with the categories.

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I think it was already mentioned about Triple P and the likes.

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United Nations use 5 PS As you can see here, unfortunately our planet has not become safer over these seven years.

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So that's a negative, but the overall gain is coming from these 4 categories and they're not equal.

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They're not really balanced.

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If you put them in this pie chart, you will see that most of the improvement is done in the prosperity part.

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In the Triple P model, that would be the profit part.

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There's serious improvement in people and partnerships and the only one that's lagging is a little bit the planet.

27:57

Now generally when you talk to people about sustainability, their first reaction will be environment, planetary situation.

28:09

However, the data is showing us that sustainable development seems to be about pretty much everything except the planet.

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And that's not a good thing.

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So that's one of the points, being a chair of the quality and planet Earth concerns think tanks.

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That concerns us very much.

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So there's really a need to improve.

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And how could we improve?

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Well, we could improve by applying quality and this model that I have called the AAA model is also explained in one of the publications that you will get along with with all the other material.

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This follows a logic where we have an awareness and adoption and an achievement phase, but which is actually very much following the way quality has been developed.

29:03

Because the awareness phase in the operational phase is to remove the false contradiction between sustainability and profitability.

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And that is what we have done with quality.

29:14

We had to remove the false contradiction between quality and productivity and and profitability.



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After that, we've enriched it, we've increased the area of influence and we looked at the overall company total quality management.

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Now this is where when it's becoming strategic, in the end it'll have to become holistic.

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And this work, as you advance, you will influence the three aspects of sustainability, financial, environmental and social, using these quality tools and methods.

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Now this is a general overview, but the question is, does it work?

30:03

Are there sufficient examples to show that if you do this, you do achieve these things?

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And I will introduce to you an award that we have started that tries to get examples exactly of that.

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Now, whatever you do, in order to be successful, you will need leadership, awareness and commitment.

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That's, that's without any doubt that's, that's valid for pretty much everything you want to do.

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You will need leadership, awareness and commitment.

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And I think many leaders are aware and committed, but there's also external pressure that could help.

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There's going to be more and more customer pressure.

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There's going to be government pressure, and that can be legal.

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That can be tax pressure.

30:57

Note pressure always sounds negative.

31:00

It can also be support.

31:02

If you want to do things that promote ESG, you could get subsidies and support.

31:10

But an interesting one and one that I think will become more and more critical, is a war for talent pressure.

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You will want, you will need young people to come and work for you.

31:23

If you are not being a socially responsible or an environmentally responsible organization, you might have difficulty to attract these young people or they will prefer to work for somebody else who does work on ESG.

31:42

Now the second aspect is showing that quality can contribute and that quality must contribute requires also an awareness and commitment from quality and the people in the quality organizations.

31:58

Why is quality so important?

32:00

Because in the end it's all about improvement.

32:04

And if it's improvement, it's what we know.

32:06

We have an extensive body of knowledge.

32:09

We have an extensive quality toolbox all directed on improvement.

32:16

And we also know that improvement works project by project as we were thought by Joe Duran.

32:23

Of course.

32:24

Now based on this thinking and the AAA model within IAQ, we started in 2020 the International Quality Sustainability Award.

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And the idea of this award is to recognize projects, as I just said, project by project, to recognize project, project teams that show how a quality approach leads to proven results in one or more of the SDGS, meaning sustainability results through quality.

33:02

The idea is to create meaningful examples and in fact, over the three years that it has been running, the final of this year's session will be on December 5.

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About 150 project teams have applied for this award.

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You can find the details on the website indicated here.

33:21

And you can also find more details on the excellent article by John Dew in Quality Progress of May of this year titled Project by Project.

33:34

Now, What do we see when we analyze the projects that come in?

33:42

First of all, the award looks at two types of projects.

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There are projects that work on improving current processes, making current processes more sustainable, using less energy, less raw material, less water and that sort of thing.

34:04

And secondly, we have projects bringing new offerings to customers, projects that are innovative and the two are presented.

34:17

We have the two types of projects being applied.

34:21

However, most projects until today focus on improving current processes.

34:28

Very often the starting point is cost reduction and it leads to a clear sustainability effect and I think this is extremely important because I said one of the things is that we need to remove the false contradiction between sustainability and financial results.

34:52

In reality, it is a no brainer because if you reduce the impact on the environment by using less water, less electricity, less dumping of waste, etcetera, etcetera, you automatically get a bottom line gain.

35:12

It's it's a direct profit to the bottom line and these projects prove that over and over and over.

35:20

On the website you find one-page summaries of most of the projects and there you can see a lot of examples and all of them show how improving sustainability brings money to the organization.

35:34

The focus of all these projects is on reduce impact OK.

35:40

Also most of them have an impact on several SD GS in one project that has to do a little bit with the structure of the SD GS that makes them saw the linked and this automatically happens.

35:53

Typically breakthrough results on at least one where they focus on what we see from a point of view of quality application.

36:02

We see application of standard quality tools as you see here in this upper right cell.

36:08

These are used very, very often.

36:11

Many of the projects are PDCA plan to check ACT are 6 Sigma projects and they lead to proven results.

36:21

One of the somewhat weaker points is in the innovation projects where actually quality also has a lot of tools and a lot of methods like design for Six Sigma Tris company wide application of lean and and total productive maintenance.

36:41

But they are not either not known that well or not used that well.

36:47

It is one of the improvement aspects that we need to think about in the future.

36:55

But All in all, if you want to see examples of how quality promotes sustainability and leads to results, have a look at the website and you'll find dozens of them.

37:07

OK.

37:09

What do they impact?

37:11

As I said, we, we, we work from the quality and planet Earth concerns and focus very much on the environmental part.

37:17

If you look at the planet related sustainable development goals that that noted here and as you can see this is a Pareto by SDG number affected by these projects.

37:32

A lot of them work on responsible.

37:35

Well, the SDG is responsible consumption and production.

37:39

They work on responsible production.

37:41

They make a better less polluting production and obviously a lot of it linked to SDG 13 climate action.

37:54

So many of the projects focus on reducing CO2 exhaust, for instance, which automatically leads to lower energy consumption.

38:03

Item 7 is about energy and energy use and they do that through 9, which is a innovative changed process.

38:16

So these are present very strongly.

38:19

There are some projects on clean water and sanitation, mainly on using less water, using less drinkable water for instance in production processes.

38:32

But something you also notice is that there are two planet related SDGS that lag behind and these are life below water and life on land.

38:45

And fundamentally, you could say that the two major issues from a point of environment, climate change, global warming on the one hand and loss of biodiversity on the other, are totally different.

38:59

When we look at this, we see how companies have a big impact on the one, but a much smaller impact on the other.

39:08

And I'll come back to that towards the end of my presentation to see how can we also work more on these aspects because it's an equally big problem, of course.

39:23

Now what are the opportunities for improvement and expansion?

39:26

Well, first of all, of course, much more companies applying for the award, which would be a great thing because they only have more examples that we can share again with the world.

39:36

But there are also things happening that can help people with or without an award to work on sustainability in a better way.

39:47

And the first thing has to do with the fact that ESG reporting is becoming almost a must in in Europe, there's an A European Union corporate sustainability reporting directive.

40:04

That'll be the law.

40:05

So all companies will have to do that.

40:08

So you will have an ESG report.

40:13

There are similar systems, there's B Corps, there's Global Reporting Initiative, there's the science based targets, but.

40:22

Anyway, you'll see that more and more companies will be required to create a sustainability report, and

there are many companies working on that, that there are many consulting agencies, their software being developed and so on.

40:38

Now this will be a great source to find new projects to work on and to improve and in this case from an ESG point of view, from an ESG starting point.

40:53

So that will be a great help.

40:56

And you know, we we have a lot of complex tools, but there's one very simple one called Pareto.

41:04

And if we have this report and we make a Pareto on the sustainability impacts, we have a great input to what to start working on.

41:13

The second issue is what I just mentioned.

41:17

We need more and also better innovation projects and and specifically more than better use of quality techniques and maybe more and better knowledge of these quality techniques within organizations.

41:32

I think that could also be a task for organizations like ASQ to focus more on how the development process can also benefit a lot from applying quality tools.

41:45

Another interesting point is reduce before a technology change, especially in energy projects.

41:54

What I mean with that we see several projects that the the essence of it is a change in energy source from burning gas or coal or fuel to solar or wind or something else.

42:12

Now the the good way to work is to first look at how can I reduce the energy consumption of this process and after that switch to the new technology that will save you a lot of money and get you a better result.

42:29

And something that's also gradually happening are adapted quality tools.

42:37

Sometimes by doing just a small addition to an existing tool, you can have a much bigger impact and focus on sustainability issues.

42:48

And I'll give you an example and that's this.

42:53

Most of you will recognize this immediately as a value stream map.

42:57

This is an example from a award winner of last year, a Portuguese company.

43:03

And what they did, they expanded their values tree map with what they call green data.

43:12

This is just an overview, but actually the idea is quite simple.

43:16

To make your values tree map, you have to walk the process, you have to gather data, you have to look at every step.

43:26

It's very small extra effort to add green data, what they call green data.

43:33

How much water does every step use?

43:35

How much electricity, how much natural gas does it create?

43:40

Landfill all those things and then you can have a look at improvement projects that will work on this.

43:47

Now I said it's a no brainer because if you reduce all of these things, it'll bring you money immediately.

43:56

It's also something that will avoid cost in the future because everything that's in here within 5 or 10 years will be a lot more expensive.

44:08

So if you can avoid it now, you're already saving money for the future.

44:12

OK, I, I want to introduce a, a book that's going to be released shortly about mid-November.

44:21

And two of the writers are Beth Cudney and and Shetlow on lean sustainability.

44:28

And this is basically, I could say an expansion of the previous where they look at the various lean tools and various aspects of lean and how can we link that to sustainability.

44:40

And I think in the future, you will see more and more of this kind of thing being published, being generated, being studied so that we are able to apply our quality tools even more efficient towards sustainability goals.

45:01

And this brings us to what I would call a next paradigm shift in the AAA.

45:09

And that's the last phase and that was the holistic phase.

45:13

And that is from the observation that reduce sometimes it's not good enough.

45:23

And I'll, I'll illustrated by, by two articles in, in, in the newspaper that I read here that that were published very shortly one after the other.

45:33

And the first one indicated good news.

45:35

You don't often read good news in newspapers.

45:38

So this is a nice one to read.

45:40

And it said the deforestation in the Amazon region in July 2023 was 2/3 lower than in July 2022.

45:49

So that looks nice.

45:50

Now, one week later, in the same newspaper, there was an interview with Miss Luciana Gotti.

46:00

And see, she's a researcher who does a lot of work on the Amazon basin and its impact on climate change.

46:08

And her statement was we need to restore to reforest urgently 50,000 square kilometers if you want to avoid the Amazon region becoming a carbon producer.

46:25

Now that's quite a different message that not that's not such a good message, but it's an example of reducing negative influence will not be good enough, OK.

46:39

And and we cannot ignore that.

46:41

It means we will need to do more and just reducing and that means we will need as as a society more focus on the SD genes 14 and 15 that I mentioned on the slide of the impact being the ones that through the projects we get in are the least influenced.

47:04

And, and the reason for that is I think that the direct impact of organizations on these aspects is lower than it can be on energy consumption, raw material consumption and the likes.

47:21

It's more difficult to impact that.

47:23



There are some noticeable exceptions of thinking about mining, for instance, as a typical example, where you can look at doing that better so that you have less impact on the natural environment.

47:34

But that is a more critical and more difficult area.

47:39

I think the way we can contribute will be through innovation, an innovation aimed not aimed at reducing negative impact, but at really restoring.

47:53

I'll give an example in a second.

47:55

And another way might be to look at shared profits.

48:00

I'll explain what I mean in my final slide.

48:04

Now an example of an innovation is this Audi urban purifier.

48:11

It's it's in development and what it does, the idea is to have their, excuse me, to have their electrical cars equipped with this.

48:21

What it does is as it drives, it cleans the air, it'll clean particles out of the air.

48:30

And this is a typical example of a technology that allows you to improve the situation.

48:37

It's not we will generate less dirt, it's we will remove dirt.

48:43

OK, so that's an interesting one.

48:45

And we will need more of that sort of innovations.

48:47

The second aspect is of course low impact, low cost, low tech solutions.

48:53

We plant more trees and we support the planting of trees.

48:58

This is an example of urban trees and what all the advantages are.

49:02

Now there's a there's an interesting element to this as well, because the bigger the increase of energy consumption will be in poorer countries where these kinds of technologies will be absolutely needed.

49:21

I'll, I'll give you a bad example that are snow cannons.

49:25

In order to get more snow because of global warming, getting rid of it, snow cannons are not a good solution to that problem.

49:34

The basic issue is to think, think preventive and long term.

49:38

Now that is quality.

49:41

That's what we are for.

49:42

We need to think long term and preventive.

49:45

And I think for many years I have said we need to treat the ecosystem as a client, but I think we need to treat the ecosystem as shareholder and and maybe even donate shares to organizations that help restore ecosystems.

50:04

And if we do that and together with innovations that improve the situation, we may get there.

50:14

And with that, I want to thank you very much for your kind attention.

50:19

And I will hand it over back to Erin and Math who will guide you through the rest of the program.

50:27

Thank you so much.

50:29

Thank you so much, Willy.

50:31

Really appreciate it.

50:32

And for those that are caught up in everything that Willy is sharing right now, never fear, he is not going away.

50:41

We are going to continue to have access to his insights here as we move forward, but a great way to set the table for the discussion that we are heading into now is we're going to get to meet a few other panelists.

50:57

By quick way of greeting, my name is Matt Muehl Anders.

50:59

I work for an organization called Focus Training.

51:01

We're a leadership development firm that serves clients across North America, helping them to build their leadership pipelines.

51:07

I have had the wonderful opportunity to work with both ASQ and ASQE over the last 7 to 8 years.

51:15

In particular, I've had a lot of fun in the last several years partnering with ASQE on the Ascend and Engage series.

51:24

So if you've not been exposed to the series before, welcome because you're at the capstone event of that series.

51:31

So you, you are participating in this series, but the Engage and Ascend series as have been going on all year long.

51:40

It's a way for ASQE to bring forward some of the latest global insights from the IoE research, to bring some excellent subject matter experts forward to share their ideas.

51:51

And then in the Engage component, that's where I get to be a part of this fund, bringing leaders from around the world together like you to network and talk about these issues and to do some knowledge sharing.

52:07

The excellence round table, which we are here and a part of today is the capstone event of all of this.

52:14

And we are going to have a chance to do some of that networking and knowledge sharing very shortly.

52:19

I'm excited to get us started with that.

52:22

So as I mentioned, we are going to continue to hear from Willy, but I'm going to introduce a couple of additional esteemed panelists here in a moment so that we can have a conversation around how quality drives ESG performance maturity.

52:37

We know there's transformational change required to do what Willy described to align both the leadership in the workforce behind these efforts and that there's a huge opportunity for those of us who have access to quality methodologies and tools to use those in ESG practices to achieve a higher level of performance for our organizations.

53:01

And that's what we're going to get into today.

53:04

We know, and a lot of organizations are talking about the importance of this, Willy pointed out.

53:11

Not only the regulatory drivers here, but the the profit level drivers and the talent level drivers.

53:20

There's a lot of reasons to be talking about this.

53:23

And of course a lot of organizations are waking up to that.

53:26

So McKenzie recently reported 90% of the S&P 500 are publishing ESG reports.

53:34

Growth in Internet searches spiking around this term.

53:37

ESG.

53:38

Some of you may have Googled it this morning as you were getting ready for this session, that there's a lot of assets moving in to this space.

53:47

We are seeing both push and pull here and our panelists are going to bring forward some of what they're seeing.

53:54

As I mentioned, we will continue to have Willy here.

53:56

I'm not going to reintroduce him, but I'll be continuing to join us.

54:01

But I am excited to welcome two other panelists to join in our conversation today.

54:06

So first, we have John Bayless.

54:10

John's been with Brunswick Corporation for 19 years, during which time he's held a variety of roles focused on product development, including Mercury Marines large outboard Product Director, Mercury Marines Director of Strategy and Program Management, and Life Fitness's Vice President of Product Development and Engineering.

54:30

Today, John's working in Brunswick's corporate sustainability teams.

54:34

He has ABS in systems engineering from the US Naval Academy and MBA from the University of Michigan and an Ms.

54:40

in mechanical engineering from Marquette University.

54:43

John, thanks for being here today.

54:45

I also want to welcome Dr. Marcel.

54:49

I'm going to get this right, Minutolo.

54:53

I messed it up already.

54:54

Sorry, Marcel.

54:55

Dr. Marcel Minutolo, Professor of Strategic Management at Rockwell School of Business at Robert Morris University, has been an entrepreneur and a business development consultant for over 25 years.

55:07

He's also a former U.S.

55:08

Army Military intelligence company commander with multiple deployments.

55:12

He's currently a professor of strategic management with a focus on artificial intelligence at the Rockwell School of Business at Robert Morris University, teaching graduate and undergraduate courses in strategic management, data analytics, sustainability and corporate social responsibility.

55:27

He's a Six Sigma certified Black Belt and earned a Doctorate of Philosophy and Business strategy from the Joseph M. Katz School of Business at the University of Pittsburgh.

55:36

He has more than 45 peer reviewed publications and we are delighted to have him join this panel of experts today.

55:44

As we get ready to move into our panel discussion, we're going to have a conversation around 2 sort of larger data points pulled right out of the Insights on Excellence research, the first of which focuses on how companies are organizing themselves to work on ESG initiatives.

56:05

So as you can see on this infographic, there are a wide variety of ways that companies are choosing to pursue this.

56:15

Some of that is driven by the level of maturity they have around ESG initiatives in the 1st place.

56:20

Many of these choices are driven by the pressures of industry or the way that leaders think about getting this work done.

56:29

But what we're going to zoom in on is that a significant portion of reporting organizations are focusing on integration and embedding ESG work into cross functional teams and looking at ways to bring many different practice areas together around getting things done.

56:50

And I'd like to start our conversation by going right back to you, Willy, if you don't mind, help us bridge into this conversation.

56:59

You've worked with a lot of different organizations to support their work around this.

57:04

What are different approaches to organizing ESG team efforts that you've seen in your work to be effective?

57:12

What works when it comes to organizing?

57:15

Yeah, well, it's, it's, it's a question that has not like one firm answer because of course you're confronted with a lot of different situations.

57:31

I showed the sustainability quality matrix.

57:34

So you have companies in different states of of sustainability.

57:39

But, but the biggest impact I think is coming from the size of an organization.

57:46

And I work a lot with with smaller teams with with smaller companies.

57:52

And there you will see that of course, the, the leadership will play an enormously big role because he will not only be the overall leader, he will be the the driving person of ESG through the organization.

58:12

As organizations become bigger, I do think that as, as was indicated in in the graph here, cross functional teams work best.

58:25

It's, it's not, it's, it's I, I know that at some point in time you need somebody to coordinate it.

58:32

And then you have people like John Hood, you know, who are vice presidents of sustainability and the likes and, and, and you need that to keep it coordinated.

58:40

But on, on an operational level, especially when you're starting, it's important to involve the people that have the knowledge and the drive to be able to do that.

58:52

And that does work best in a cross functional team.

58:57

I appreciate that, Willy.

58:58

And actually that's a great bridge to my second question, which is for John.

59:03

John, you're sitting in the midst of this work at Brunswick leading and guiding and supporting these kinds of cross functional teams.

59:12

I'd love to hear a little bit about what this looks like specifically for you.

59:15

Can you walk us through an example of a project, how it came together, how leadership gets organized around it?

59:24

Yeah.

59:25

Thanks, Matt.

59:26

That's a great, great question.

59:28

And similar to, you know, what Willy was describing in his keynote and in his answer, I think probably Brunswick's organization somewhat reflects that.

59:38

When I think about how people are organized or assigned to sustainability projects, you might say that it starts with our leadership, whether it's a subcommittee inside our Board of directors who has responsibility for sustainability, you know, delegated directly to our CEO, who two years ago hired the company's first CSO chief sustainability officer.

1:00:02

And I joined her team as she was joining, you know, building this team for, you know, maybe the last last two years.

1:00:10

And from the CSO we run a sustainability council.

1:00:17

Which consists of strategy leaders, vice presidents, directors from all of our business divisions responsible for strategy.

1:00:25

And we use that council to help, you know, bring focus to ESG issues.

1:00:32

And I'm mostly, as you could tell probably from my bio, I'm mostly focused on environmental issues that relates to product.

1:00:38

So we, you know, use that work to to prioritize maybe using the Pareto, as you know, Willy described, to bring focus to work where we can have the biggest impact.

1:00:49

Once we break that down into our current state thing about our future state of goal, we'll start to form a team to make to make the change.

1:00:58

And that's where the cross functional teams, you know, come in where there might be someone who has the insight to bring about the future state.

1:01:08

So we might want to, for example, increase the amount of recycled aluminum that's used as an input to our products that are new.

1:01:16

So the lead person usually on that project might be a materials engineer, but there's no doubt that we also need quality engineers and we're going to also need our procurement professionals that have the relationship with our suppliers to help organize supply chains, the flow of material to make sure that the incoming scrap is of high quality.

1:01:38

That the that the ingot that we're eventually going to make it into our parts meets the material specifications.

1:01:45

And then the parts are made to, you know, the to the to parts to print, etcetera, just like like you would expect.

1:01:52

So you know, that's how we, you know, we kind of work it out from the the board of directors all the way to, you know, line managers in specific plants in this case, you know, with cross functional teams in between to turn our environmental ambitions into results through projects.

1:02:13

I appreciate you walking through that, John.

1:02:16

I mean, obviously at Brunswick, you're operating at a level of sophistication around this that not every organization is.

1:02:23

But as we think about organizations who are trying to move in this direction, you know, an example like yours is a good road map potentially.

1:02:32



We in our previous conversations preparing for this panel, all three of you shared, we eventually need somebody driving this and paying attention to it in the organization all the time.

1:02:45

But that's not the same as executing for this.

1:02:49

And you know, you pointed out in that discussion, John, and again just now, the execution needs to happen with a carefully selected team based on the nature of the project and what we're trying to get done.

1:03:00

We can't, we can't do it with only one of these two components, right?

1:03:04

We need that leadership support, driving resources and focus, but we also need the folks out there with the tools to do the work.

1:03:11

If we only have one of those two, we either lose direction or or don't have the resources we need, or we talk a lot and don't execute.

1:03:20

And so I know we're going to come back around to other stories and specific examples of successes you've had at Brunswick, and I look forward to hearing about that.

1:03:30

But this is actually a great bridge into the first question I have for Marcel.

1:03:35

We were talking about the idea of how do organizations get started, right, for those that may be earlier in this journey, and this concept of prioritization came up.

1:03:49

And Marcel, you had some thoughts around this the the importance of tying how we prioritize these efforts to our core business strategy.

1:03:58

Do you mind speaking to that a bit?

1:03:59

Yeah, sure.

1:04:01

Thank you by the way, for the introduction, Matt, that was really kind.

1:04:06

I my personal technique I like to use is the analytical hierarchy process, and it's extremely important for us to tie our ESG efforts to our organization's mission.

1:04:21

Those two things need to be aligned there.

1:04:23

There's an infinite number of things that we could do to meet the UN Sustainable Development Goals, but not all of them are closely tied with what we do do.

1:04:34

And so it's important for organizations when they're looking for activities that they might engage in to meet their ESG goals is to make sure that they're tied together.

1:04:44

As an example, The Home Depot gives out funds through the Home Depot Foundation for home improvement projects for veterans, clearly aligned with their mission.

1:04:57

The Clif Bar Foundation for Clif Bar gives out donations to repair parks and recreational facilities.

1:05:06

The idea here being that if you're outside playing, you're going to buy Clif Bars to eat and, and it's tightly aligned with what they're doing.

1:05:14

So as organizations are thinking about getting their initiatives started, a good starting point is what is our, our core business and activity and what do we do and how do we tie in our attempts to meet the UN Sustainable Development Goals with that mission?

1:05:34

Excellent, I appreciate that perspective.

1:05:37

You know, what I found interesting about this discussion and many of them that we've had throughout the year with other subject matter experts is that these are not new templates, right, for how we make decisions.

1:05:48

So it shouldn't surprise us to hear some similar lines of thinking now applied to ESG when we were talking about transformative technology.

1:05:56

Choose technology that helps drive your strategy.

1:05:59

We're talking about ESG now.

1:06:01

Choose ESG initiatives that drive your strategy, right?

1:06:04

So we need those reminders.

1:06:05

It's not that these aren't useful insights, but the good news for all of us is these are the same tools.

1:06:12

We've got to keep coming back to those same tools.

1:06:15

Speaking of that, Willy, in our conversation, you talked a little bit about an approach to building influence around this.

1:06:23

Because as we know now, once we have these strategic priorities and leadership is saying we need to move in this direction, we still have to go build influence among the folks who are going to execute on this.

1:06:35

Now we have to go to that leader of product or that leader of procurement and say, let's work together and get this done.

1:06:42

And Willy, in our conversation, you made a, a comment that I, I wrote down and really liked change their mindset through doing.

1:06:49

Will you speak a little bit to how you've seen organizations build support role by role for these sorts of projects?

1:06:59

Yes.

1:07:00

Well, actually the, the, the aspect of of doing is one that I focus on a lot.

1:07:05

It's, it's, it's similar when you talk about culture, you know that, that, that are very nice words and you have value statements and the likes and, and they all sound great.

1:07:17

But of course, you know people, they will listen to what you say, but they will be much more impressed by what you do.

1:07:27

And even having the the nicest slogans on ESG, if it's not turned into reality, you will you will lose them, you will lose interest.

1:07:38

But when I say, you know, motivate by doing, it's something that that I have seen so often.

1:07:46

And, and as you just said, actually it's nothing new.

1:07:50

If, if you want to motivate people for quality and quality improvement by having them being part of an improvement team, that's the biggest motivation you could give them.

1:08:03

And it's the same with with sustainability.

1:08:08

Let's be honest.

1:08:09

I mean, there will be very few people who would fundamentally say we don't care about the environment, we don't care about social, we don't care about governments.

1:08:19

We all care.

1:08:21

The point is, can we contribute?

1:08:23

And if you're allowed to contribute, your motivation will just keep on increasing.

1:08:29

And I think that inherent motivation that is there must be fostered, Although what we, we sort of think we need to convince people.

1:08:37

I don't, I don't think so.

1:08:39

I think we need to involve people because many of them are already convinced.

1:08:45

I, I, I really appreciate that as a reminder, right?

1:08:50

Sometimes we need to help build some momentum for folks and that focus on doing is a great way to get started with any of this work.

1:08:59

You know, under the ESG umbrella, we also would include concepts around DEI.

1:09:04

Many of the DEI professionals that I work with talk about this same message.

1:09:09

Stop trying to perfectly measure everything before you get started.

1:09:12

Stop wasting time spending on what our priority should be.

1:09:16

Just start something and people will get on board as they see that activity happening.

1:09:20

I love that.

1:09:22

Another barrier that we talked about or or hurdle maybe to get past is this idea of upskilling.

1:09:28

Because while many of the tools that we are using are just as applicable to these ESG initiatives as they are to other work that we may have been engaged in in the past.

1:09:38

There are new terms, new concepts, new ideas that we will need to be preparing people for particularly around this idea of reporting and and some of the specific stakeholders that are going to be asking for that data.

1:09:56

So sort of a two-part question around this, John, if you would start, I'd love to hear a little bit from you around what some of that upskilling has looked like in a very practical sense at Brunswick.

1:10:12

Where have people needed to grow and learn around process and measurement tools, international regulations being current on those sorts of things?

1:10:21

And then in the second part, I'm going to ask to jump to Marcel to talk a little bit about how you help people see where they fit in the value chain more broadly.

1:10:30

So John, let's start with you.

1:10:31

What does this look like at Brunswick?

1:10:33

Yeah, I think I like before maybe I'll focus on the environmental side of ESG where where I'm currently working and I think we've done a few things to upskill the organization, but you know in a in a sense of like build awareness amongst the leaders and then within the individual compute contributors who become part of these cross functional teams.

1:10:55

So maybe just start with for our company we did two things.

1:10:59

We hired a third party consultant to help us build a baseline of what our organization's emissions were.

1:11:08

And in the process of doing that, you know in those series of report outs that that group made as they made their calculations, it raised the executives levels awareness of what is scope one, scope 2, scope 3 and things like that.

1:11:19

Or what are some, what are some of those issues?

1:11:22

At the same time, we engaged with a university in, in Illinois in order to start to connect with academics who are leaders in the field of environmental design, systems management, systems thinking and things like that.

1:11:37

Where we did a joint research project that helped to start to build a core team.

1:11:42

And and then once we had that, then with the joint research and then some, some careful planning,

organizational change management, we started to grow and cross train or upskill our cross functional team members.

1:11:56

The two main things that we're really focusing on right now in the design for sustainability kind of space is the environmental footprint, which usually is global warming potential that you know, that that brings out that's it's a lot of focus, especially for Brunswick.

1:12:13

We make internal combustion engines and so global warming potential is a big, big topic.

1:12:17

But we also in our method measure, you know, 17 other different environmental impact factors.

1:12:22

So like we're looking at 18 simultaneously.

1:12:25

So one way of upscaling this is helping engineers, procurement leaders, you know, the other members in the cross functional team understand how to conduct a life cycle analysis, what tools to use, what are the calculation means, you know, things like that.

1:12:40

That's the first tool.

1:12:41

The second one that we're really focused on is this concept of circularity.

1:12:45

So completing a circular circularity assessment for our products and what is the product's potential to participate in a circular economy?

1:12:54

And then what would we do?

1:12:55

What changes would we make or how might we design for more circular, higher circular potential in our product.

1:13:03

So those are two things, and I think that's where I would maybe focus on if you'd like to know more about how we're rolling out and how we send priorities and things like that.

1:13:12

Maybe that's a separate question.

1:13:15

I'll stop there.

1:13:15

Yeah, thanks for that, Marcel.

1:13:17

Let's bridge that into helping people understand where we fit in this value chain.

1:13:23

Sure.

1:13:23

Yeah, I, I like the fact that that Willy said we, we have to involve people because that's exactly what what this is all about.

1:13:31

You know, on, on the one side of the equation, you have the CEO and the C-Suite and the board of directors getting pressure from external stakeholders to report more, right, to, to be more transparent with the activities that are going on within the organization.

1:13:46

And then on the other side of the equation, you have all of the people who are working in the organization who have to report that information.

1:13:56

And so part of the challenge that we have now is educating our workforce on their role, their place within the value chain and their contribution to achieving whatever the organization's ESG and sustainability goals are.

1:14:12

And, and that's not an easy feat to, to do because we can think about a lot of our, our quality people who are wondering how do they fit in to this ESG reporting.

1:14:23

And, and I keep saying, I'm, I'm, I'm on the pulpit here.

1:14:27

Preaching quality is essential to this entire thing because they're quality professionals are a necessary component to capturing the information necessary so that the C-Suite can report to external stakeholders for the pressures that they're receiving.

1:14:46

And, and there's just some simple ways we can do this later on.

1:14:49

You can Google Bert's Bees Dumpster days and watch the the YouTube video on this.

1:14:57

And, and Bert Bees dumps out everything in a dumpster onto a tarp and involves the entire corporate office and they look at what's in the dumpster and they ask themselves what's in there that doesn't have to be in that dumpster.

1:15:10

What is it that we're already recycling that didn't make it to the recycle and what's in there that we can remove from the waste stream all together?

1:15:18

So, so real simple activities like that to help people understand where they fit in on the value chain.

1:15:28

Excellent, appreciate that.

1:15:29

And the things that we're starting to talk about here are, I think, a really good bridge into our second data point from the IoE research, which has a little more of an emphasis on leaders.

1:15:42

We've talked a fair amount about the need for leaders to be bought in to both understand and engage with this, as Willy said, But there are a lot of barriers to that.

1:15:52

The good news is there are a lot of new drivers here forcing that along.

1:15:56

Willy referenced this.

1:15:57

You just mentioned it, Marcel.

1:15:59

Investors care about this, potential employees care about this, customers care about this.

1:16:05

But what we see in the data is still the majority of organizations are reporting that their leaders don't haven't quite wrapped their head around it or aren't investing in alignment with that.

1:16:18

So we may be saying the things, but are we spending the money and the time and the energy on this?

1:16:24

And in the final 5 minutes or so that we have to chat, I want to bring our conversation around to this idea of how do we, if I'm sitting in a position within my organization holding these quality tools and saying I see places where we can do something, How do we catch the attention of leaders who may not yet be engaged in this?

1:16:47

Or how do we bring to attention to their attention some of these drivers that we see coming?

1:16:54

And Marcel, if you don't mind, we'll, we'll stick with you here for a moment on this.

1:17:00

How do you, how do you recommend that someone out there listening to this make the decision of where to start when it comes to measuring and reporting or, or helping leaders see the need to do that?

1:17:17

Sure, I, I, I hate to keep beating this, this drum, but tied to the strategy, right?

1:17:25

Willy was talking earlier about how, you know, sustainable sustainability initiatives can have immediate impacts on the bottom line of an organization.

1:17:36

And some of them can be really small efforts.



1:17:39

And you know, I see now under the Inflation Reduction Act, great opportunities for organizations to get some government funding for some of these initiatives.

1:17:50

A local university over 1,000,000 square feet got 300, \$100,000 worth of money to invest in sensors under the auspices of improving the air quality in the building.

1:18:04

It just so happens to turn out it also improves the safety and reduces their energy reduction consumption.

1:18:12

And they estimate that from that \$300,000 they got from the government that they're going to save \$500,000 a year over the life of the sensors, which is roughly 15 to 20 years.

1:18:22

So articulating that cost benefit analysis and tying it in with the organization's strategy, it, it, it makes for a very easy argument for moving these projects forward.

1:18:34

So some of our quality leaders that are that are on the, the call.

1:18:37

Now if, if, if you're looking at projects that you engage in that can have real impacts, tie it in with the mission, tie it in with the strategy, tie it in with the cost benefit analysis.

1:18:51

And it just so happens that it's good for the environment as well.

1:18:57

Yeah, this, this takes me back to part of our conversation as we were preparing reference sort of the push versus pull that may be out there.

1:19:05

And many organizations are experiencing both at once that that push or pull drives us if we're in a position to try to influence to do some stakeholder analysis and say what are the different ways we can describe the value that are being created here to fit the needs of our audience.

1:19:24

So I want to bring this part of our conversation to a close with John.

1:19:30

John, we had talked a little bit about an example that you've experienced of a stakeholder analysis that you did at Brunswick.

1:19:39

Do you mind speaking to an example of that briefly and kind of what what the value that was that was revealed under the leadership of our CSO?

1:19:50

Brunswick sent out a stakeholder analysis like a a survey to all of our stakeholders, a group of customers in the engine and boat dealers as well like a business to business.

1:20:04

Customer, but also the boaters, the you know the the final consumer, our shareholders and our suppliers as well as employees, you know at various levels in the organization.

1:20:17

And the survey was designed to build our understanding of what our stakeholders, you know, felt was, was most important.

1:20:25

And you might imagine that when you get to the consumer level, if you ask them how important is, is our performance and environmental sustainability, you get a, you can get a wide range of answers.

1:20:38

But you know, across stakeholder groups in our industry, virtually everyone agrees that I think it's as, as someone else had mentioned earlier, everyone agrees that maintaining the waterways, you know, is something that's important.

1:20:53

And, and so conserving water and preserving the waterways themselves, the marine environment is something that we know all our stakeholders agree is, is, you know, is very important.

1:21:01

But that analysis, and not to get into the details, but that analysis helps us to make sure that when we're communicating our efforts to our stakeholders that we're, you know, helping to bring attention to the messages that we know are most important to them.

1:21:15

That's a great example.

1:21:16

And again, back to this idea of push and pull, as both Willy and Marcel have pointed out, governments are already telling you or are going to tell you what they need and want from you.

1:21:27

And so that message is going to be clear on on the pull side, what are you doing to pull the those insights from customers, investors, other people that may not be yelling at you about what they need and want?

1:21:40

You may need to go out and say, where's the value that we're creating here?

1:21:44

How do we tell this story?

1:21:45

Some proactive efforts to do that can bear a lot of fruit.

1:21:50

Gentlemen, let me say, I wish we had three hours to talk.

1:21:53

And the good news is I got to have access to that earlier, which was wonderful.

1:21:57

But for all of those in the audience that are hearing this and saying I want to hear more from these guys, I want to encourage you to stay plugged into the work that is happening in these engage and Ascend sessions.

1:22:09

These won't be the last conversations we have around this and encourage you to reach out to all three of these individuals to share insights, bounce ideas.

1:22:18

This is a a community that is growing fast.

1:22:22

Folks who are focused on ESG, we have some really esteemed experts on this panel that I know you're going to want more access to.