



## QUALITY REVIEW

# NEWSLETTER

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### MESSAGE OF FINANCE MINISTER

It is a great pleasure to learn that Finance Division has completed three years of successful implementation of Quality Assurance Programme (QAP). The Finance Division was the first Division which has been ISO Certified and has since been continued to meet international standards of performance. I want to express my gratitude to the members of Quality Assurance Programme (QAP) team and to all officials.

We are all aware of the importance of ISO Certification; it is a tool for organization to significantly improve the efficiency and effectiveness of their operations leading to enhanced stakeholder satisfaction. The objective of good governance can only be achieved by measuring stake holder's expectations and satisfaction level and incorporating their views in government policies to improve service delivery.

Providing tranquil services, harnessing human resources, implementing a system build upon efficiency and coherent team work are some pre-requisites to achieving the objective of good governance. I feel privileged to say that Finance Division has an organized system of measuring stakeholder's satisfaction under the umbrella of Quality Management System. In the coming years, I am sure Finance Division will continue to improve its service delivery under the guidance of experienced and professional senior management. My best wishes are with Quality Assurance Programme (QAP) team and I hope they would achieve the status of being one of the most progressive public sector organizations in Pakistan.



### MESSAGE OF STATE MINISTER

It is our pleasure to bring to you first edition of Finance Division Newsletter for Financial Year 2010-11. It is an initiative of the Finance Division to share with you, that events, news and activities of Quality Assurance Programme (QAP).

It is a useful tool to enable us to involve you to enhance the effectiveness, efficiency and performance of Finance Division.

Being the Chairperson of Strategic Quality Management Committee, my commitment and support to smooth and effective functioning of Quality Assurance Programme (QAP) will always be there.

I am sure that competent, efficient and capable leadership of Finance Division will maintain the status of Finance Division as a role model for other line ministries.

I hope this newsletter will update with the latest development in the Finance Division.

### Three Es of process Excellence.

What makes a good process? When a process operates, how do you determine whether it is successful or not? Processes appear Simple yet seems to cause so many problems and the very word 'process' can strike fear into the hearts of many people.....Continued on page (2)





*Message of Mr. Salman Siddique,  
Finance Secretary*

I am delighted to find out that Quality Assurance Programme (QAP) has successfully completed its preliminary stage and is entering into an advanced stage of implementation.

In pursuance of the goals and targets set by the program, the division is fulfilling its promise of improvement in performance and creating conducive environment by developing a strong relationship between the quality service delivery and the functioning of the division.

I hope regular issuance of Newsletter, "Quality Review", would act as a channel between the division and the customers by providing two-way flow of information and quality feed back.

It will have positive reflection on performance of the program and build a reservoir of goodwill.

I also like to express my sincere appreciation to our Quality Assurance Programme (QAP) team, senior management and staff of Finance Division for the hard work and efforts in making the program a success.



*Dr. Abdul Hafeez Shaikh,  
Finance Minister  
Introduction*

Dr. Abdul Hafeez Shaikh is an economist of international repute with over 20 years of experience in economic policymaking, management and implementation. Dr. Abdul Hafeez Shaikh had a highly successful tenure as Minister for Finance, Planning & Development in Sindh Province during 2000-2002. He was the architect of the financial recovery of Sindh, restoring financial discipline, reducing taxes, increasing revenues, paying over Rs. 20 billion of old bills, clearing the overdraft of State Bank of Pakistan of Rs. 11 billion, increasing allocation for poverty alleviation, social sector and development, and enhancing relationship of Sindh Government with international donor agencies. His three years as the Federal Minister for Privatization & Investment were the most successful in Pakistan's history. 34 transactions worth over US \$ 5 billion were completed in a transparent fashion. Using the slogan of "Privatization for the People", shares in several companies were given to 0.8 million people, creating board ownership. The period saw foreign direct investment increase from \$ 1 billion to \$ 5 billion. Dr. Abdul Hafeez Shaikh was awarded Pakistan's "Man of the Year" in 2004 by the business community in recognition of his contributions to the country.

From page..... (1) Three E's of process Excellence.

### **The Two Standard E's.**

You can measure inputs and outputs and everything in between in process, but most measures boil down to two E's: **Efficiency** and **Effectiveness**. Ask anyone who has been around process for a while and these two words will surely appear.

Efficiency is about saving time, costs and otherwise removing waste. This is a traditional focus for quality professionals and its history can be traced back to the days of Work Stopwatches and cilporads. Effectiveness means delivering what is wanted; effectively meeting stated and implied needs. In the traditional definition of quality, it is 'conformance to requirements'.....so what is the **third E ...?**

### **The third 'E' Consider first two Es,**

We aim to be efficient primarily for our managers and the organization, which really mean the shareholder, although time and cost savings can, ofcourse, always be passed on to customers and Effectiveness is primarily for customers, meeting their stated and implied needs such that they are satisfied with our services and consequently remain loyal, become less price - sensitive and so on.

Customers and shareholders are two major stakeholder groups, **but who is missing? Employees** of course. And what do they want of a process (that is, their work)? They want work that is interesting, challenging and fun: in short, **Enjoyable (Which gives us the third E).**



## ISO 9001:2000

### WHAT IS ISO?

ISO (International Organization for Standardization) is the world's largest developer and publisher of International Standards. ISO is a network of the national standards institutes of 159 countries, one member per country, with a Central Secretariat in Geneva, Switzerland, that coordinates the system.

ISO is a non-governmental organization that forms a bridge between the public and private sectors. On the one hand, many of its member institutes are part of the governmental structure of their countries, or are mandated by their government. On the other hand, other members have their roots uniquely in the private sector, having been set up by national partnerships of industry associations. Therefore, ISO enables a consensus to be reached on solutions that meet both the requirements of organization and the broader needs of society. Pakistan is also the member of ISO. In Pakistan the member organization is The Pakistan Standards and Quality Control Authority (PSQCA).

The Pakistan Standards and Quality Control Authority, under the Ministry of Science and Technology, is the national standardization body. In performing its duties and functions, PSQCA is governed by the PSQCA Act, 1996. PSQCA came into operation since 1st December 2000, working with 81 scientists/engineers and 254 supporting staff as self-finance organization, been given the task of not only formulation of Pakistan Standards, but is also responsible for promulgation. PSQCA has also been established to advise the Government on standardization policies, programme and activities to promote industrial efficiency and development, as well as for consumer protection.

The main function of the Department is to foster and promote standards and conformity assessment as a means of advancing the national economy, promoting industrial efficiency and development, ensuring the health and safety of the public, protecting the consumers, facilitating domestic and international trade and furthering international co-operation in relation to standards and conformity assessment.

## WHY STANDARD MATTER?

Standards make an enormous and positive contribution to most aspects of our lives. Standards ensure desirable characteristics of services such as quality, environmental friendliness, safety, reliability, efficiency and interchangeability-and at an economical cost. When services meet our expectations, we tend to take this for granted and be unaware of the role of standards. However, when standards are absent, we soon notice. We soon care when services turn out to be of poor quality, ISO 9001 is a series of three standards of quality system which is applicable both for product and service provider organization and used for external quality assurance purposes.

## IMPORTANCE OF ISO 9001:2000 CERTIFICATE

Establishing quality standards is crucial for the success of any organization and this is the reason why a number of organizations are approaching ISO certification that is a series of globally recognized rules and standards defining an effective quality system. Certification bodies by conducting private assessment services are providing evidence that the services and systems of the organization match with the ISO standards.

In Pakistan Finance Division is ISO 1<sup>st</sup> certified governmental /ministry/division/public sector organization which meets/confirm the international standards of management, performance, efficiency and services. This confirmation, verification and validation generally known as an ISO assessment auditions process which includes assessments and measurements for the satisfaction of customers and the management capability of the organization, assessed by impartial body of certification which provide registration, surveillance and assessment services to their clients round the globe. Designing quality management system, which fulfils all the requirements of the ISO difficult task, was achieved by getting consultancy services from PIQC, Lahore to build systems that comply with the requirements of the ISO standard and got certification after a hectic effort within least required time and in most convenient way.

In this way, the finance division improves their customer satisfaction and service quality with reduced rework and waste and improved tracking of problems. Audits conducted by such expert professionals provide with public recognition that is dedicated to provide service quality to its customers.

## FINANCE DIVISION GOT RENEWAL OF ISO 9001:2008 CERTIFICATION FOR FURTHER THREE YEARS, 2010 - 2013

An Internal Audit (Third Party) Audit was carried out on August, 9-13, 2010 in order to renew the ISO9001:2000 Certification expired on 28<sup>th</sup> February, 2010. The Audit Team found the QMS Programme implemented in Finance Division compliant to ISO Standard 9001:2008 and Certification continued.



## Personal Knowledge Theory: A Reflection on Leadership



In society, one cannot read a business paper without stumbling upon articles that deal with knowledge and the power of a knowledge. Knowledge exhibits the self determination that is situating totally on us as we relate it to critical thought. Some one who has enduring legacy to promote equality and to live to the truth, that "All men are created equal", if this was the truths that some one spoke of and believed in. The quest in life is to be your own self, believing in knowledge that you chose to believe in. This challenged that thought process and you wondered if ability to evaluate knowledge and critically address assumptions hinges on the ability for knowledge to be passed in essence from synergy to synergy. The notion of this inclusion experience forged you into the center of cognitive thought and change. For societies to continue to advance, it will be imperative for the breakdown of common conjectures specific to one's own leadership to channel the streams of man. We are uniquely positioned to help people make, manage and move visual and mental images. In the corporate environment, doing something new, different, unique, and innovative are keys to selling your product or idea and maintaining your knowledge equity and position within the minds of your target market/people. Personal philosophy is different than change. People in general dislike and resist change. Changes are events, while personal philosophy is a process. Innovating involves changing philosophies, methods, practices, and overall functions of thought. Knowledge management skills are now being considered as part of the competencies any individual can have. Personal philosophy leads to fundamental changes in strategy, particularly how one operates, and sheds light on why an entity operates the way it does. By indulgent personal knowledge and its strengths, and raising

self-awareness, a deeper understanding of how the individual knowledge fit the larger spectrum of self collaboration. The experience showed that effectiveness can be dismantled into smaller components. Individual effectiveness is geared toward a narrow based outcome and longer synthesis process.

Knowledge commitment, personal pride, and interpersonal attraction all seek to attribute collective thought and disposition. Knowledge conceptualization exhibits and creates an environment that fosters effectual Trans,' cultural elements, using intervention and diagnosis to ensure the highest level of competency to meet the demands of strategic business and organizational success.

Be a thinker that exhibits and creates a knowledge environment that fosters effectual Tran's cultural elements, using intervention and diagnosis to ensure the highest level of competency to meet the demands of strategic business and organizational success. Practice- To become a knowledge acquisition base using best practices in deductive reasoning to exploit meditative capabilities in large-scale systems integration to enable synergy for dynamic precision network-centric advancement.. Knowledge has been associated with management skills such as Planning, Leading, Organizing and Controlling.

Knowledge is a process and nature of reflective thoughts is, "active, persistent, and careful consideration of any belief or supposed form of knowledge in the light of the grounds that support it and the further conclusion to which it tends".. This development is a direct correlation to an individual's ability to process knowledge critically. The attribution of this emotional and logical attrition is the effect of critical analysis. The way a person will be intuitive in their thought provides a type of acquisition of higher level knowledge.



## WORKPLACE ETHICS - THE BASICS

The word "ethic" is defined as, "The body of moral principles or values governing or distinctive of a particular culture or group" or "A complex of moral precepts held or rules of conduct followed by an individual".

It has been said that having ethics is doing the right or moral thing when no one is looking. Ethics is a personal choice and therefore, how workplace ethics are governed depends upon the personal ethics of those who are in authority over that workplace and also those who work in that environment.

## RE-STRUCTURING OF FINANCE DIVISION

- Finance Division has been re-structured and 17 Wings have been reduced to 14 Wings.
- Administration, Quality Assurance Wing & HRD Wing have been merged and re-named as HRM Wing.
- PMSP has been merged into Investment and re-named as Investment/PMSP Wing.

## PROJECT STEERING COMMITTEE (PSC) MEETING



## AUSTERITY MEASURES IN FINANCE DIVISION.

- In compliance to the Prime Minister's directive non-development expenditure has drastically been reduced. Efforts are being made to explore the possibility to further squeeze the expenditure to help out the flood effectess.

## WORKPLACE ETHICS PERSONAL STANDARDS

Workplace ethics are an extension of the personal standards or lack of them that is inherent in the people who make up the workplace. With all of the news and attention upon those who have proven that they were devoid of moral ethics in the way that they conducted their business, it behooves us to look at the basis for ethics that will stand the test and the trial of temptation in a world that seems to reward the "shady deal." It seems that the current worldview deems that the only wrong things about shady business dealings and improve workplace ethics is in getting "caught".

## WORKSHOP ON GENDER RESPONSIVE BUDGETING (GRB)



Mr. Salman Siddique, Finance Secretary is addressing on the occasion of farewell arranged in the honor of former Additional Secretary (Reg) Mr. Yawar Zia, Joint Secretary (Reg) Malik Mehar Sher Muhammad and DS(Coord) Mr. Muhammad Nawaz on their retirement.



## CAPACITY BUILDING ACTIVITIES.

During the Financial Year 2009 - 2010, 25 officers availed foreign training from various institutes of different countries like, IMF Institute Singapore, RIPA International London, GTC London, IMF Institute USA, IMF Institute India, Asian Bank Development Institute Tokyo Japan, Malaysia and China, whereas 268 Officers/Officials got trainings from local institutes like as PIM, Lahore/Karachi, Public Procurement & Regulatory Authority (PPRA), Project to Improve Financial Reporting and Auditing (PIFRA), STI and NIBAF, Islamabad.



Training Course on Quality Assurance held in Finance Division.



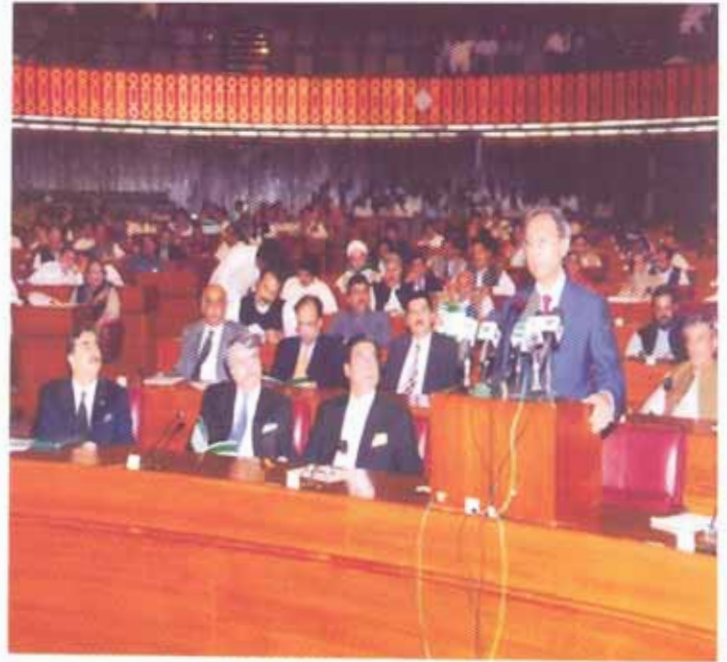
Mr. Asif Bajwa, Special Secretary Finance and Rana Assad Amin, AFS (Budget) during training workshop held in Finance Division.



Mian Muhammad Yousnas, Additional Finance Secretary holding internal meeting on NFC award in Finance Division.



## BUDGET 2010-11 IN PICTURES



Prime Minister Syed Yusuf Raza Gilani, Dr. Abdul Hafeez Shaikh, Finance Minister and Hina Rabbani Khar, Minister of State for Finance are coming to attend the Budget Session in the parliament.

Dr. Abdul Hafeez Shaikh, Finance Minister presenting Budget (2010-2011) in the parliament.



Dr. Abdul Hafeez Shaikh, Finance Minister, Mr. Salman Siddique, Finance Secretary and Mr. Asif Bajwa, Special Secretary Finance is at Post Budget Press Briefing.



Syed Yusuf Raza Gilani, Prime Minister of Pakistan, Dr. Abdul Hafeez Shaikh, Finance Minister, Mr. Salman Siddique, Finance Secretary and Mr. Asif Bajwa, Special Secretary Finance is at Budget (2010-2011) Signing Ceremony.



## ACTIVITIES OF QUALITY ASSURANCE SECTION

- 225 Officers got training under the Quality Assurance Programme.
- Quality Assurance Section conducted 02 Customer Satisfaction Feedback Surveys.
- To get involvement of employees of Finance Division in performance enhancement, Quality Assurance Section introduced suggestion scheme in Finance Division and have decided to award prize on best suggestion.
- Quality Assurance Section conducted 05 performance Internal Audits.
- 03 External Audits were conducted under the Quality Assurance Programme to certify that the performance standards of Finance Division are meeting the requirements of International Standards.
- Quality Assurance Section established Document Control Section.
- Only Finance Division have documented SOP's for every Officer (MOS/FS/AFS/JS/DS/SO) according to their post held.
- Eleven Officers have qualified Lead Auditor course under Quality Assurance Programme and are eligible to conduct Internal/External Audit in future.
- Strategic Quality Management Committee meetings were held annually.
- Latest Customer Satisfaction Feedback Survey is in process of compilation.

### IN FUTURE:

1. Training Course on Quality Assurance going to be held in October, 2010.
2. Preparation of Strategic Quality Plan for the financial years 2011-12, 2012-13 and 2013-14 is in process.
3. Strategic Quality Management Committee (SQMC) meeting will be held in October, 2010.



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