

Where Did the Quality in Quality Assurance Go?

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Quality Assurance (QA) in contracts was introduced into Tasmanian government procurement for major civil construction works during the late 1980's, with third party certification of QA management systems becoming a requisite for pre-qualification of tenderers in the early 1990's.

In 1994 Austroads published 'Quality Assurance in Contracts'. The preamble stated the two main reasons for the introduction of QA contracts was to improve the way business is conducted, and the quest for greater national productivity.

In the nearly 30 years since the introduction of QA contracts for the procurement of major public infrastructure works, there have been many instances where those optimistic and hopeful expectations of better business conduct and greater productivity have not been realised.

The need for the publication of Austroads Guide to Construction Quality Assurance (AGPD05 2018) is a salient reminder that expectations of quality outcomes cannot be assumed on the basis of good project management procedures alone. The amount of re-work and repairs both during and post-construction of major road construction and resurfacing works undertaken in Tasmania over the last five years would suggest the current delivery method when weighed in the balance is found wanting.

The situation is certainly not limited to state government works, nor is the observed deficiency in system adequacy confined to Tasmania, with numerous cases of system failure identified in jurisdictions around Australia. As the recent Royal Commission into the banking industry in Australia has shown us, without appropriate checks and balances in place, people and organisations will not, under their own volition, always do the right thing.

Introduction

Markets are good, government is bad – sound familiar?

This was the title of an article by Laura Tingle, ABC News reporter¹, commenting on a visit to Australia in December 2018 by Professor Mariana Mazzucato from University College London in Economics of Innovation and Public Value.

Professor Mazzucato reminded us how the idea of '*the all-knowing private sector, and the public sector which is hopeless but just there to pick up the pieces when the private sector goes bad*', become engrained in the last 30 years.

In her article, Tingle reports *'somehow, not even the spectacular failures of the markets in the global financial crisis were able to shake the thought loose'* and *'when combined with the phrase "disregard for process", it can imply a collapse of understanding of what government does in a democracy. It leaves the question of what else the government thinks is okay to do without the process you would think would have been the past "normal"'*.

Context

During the 1980's the underlying premise for the introduction of QA was that industry and business entities were more efficient in the delivery of services and that there would be cost savings in the long-term by transferring quality assurance functions to the private sector and all would be well, *'assured'*, as long as the entities had second or third party accreditation that certified the QA processes. Coinciding with its introduction into government procurement, government agencies, particularly road managing agencies, began the withdrawal of inspection, surveillance and testing activities. In some states, this resulted in the total closure of materials testing laboratories and with it the loss of technical and engineering expertise related to road construction materials and construction practice.

Way forward

We need a suite of integrated measures to restore the balance and put an emphasis on output quality and the inputs and systems required to achieve it. An infrastructure asset management framework provides a way forward.

Asset Management (AM) is about whole-of-life management of infrastructure assets. Whilst AM processes have been broadly accepted and implemented into service delivery organisations, the maturity of most AM systems remains low and a considerable amount of work remains to be done. Organisations need to put in place mechanisms to measure performance, including that life-cycle design expectations are measured against as-constructed outcomes. This will require organisations to develop and implement procedures that can effectively measure and validate outcomes.

References

1. Laura Tingle ABC News December 2018, Alarming Mattis development leaves Australia vulnerable to Donald Trump's gaucherie. Viewed 22.12.2018 <https://www.abc.net.au/news/2018-12-22/mattis-development-leaves-australia-vulnerable/10647336>
2. Report exposed big problems in building and construction industry before Opal Tower drama January 7, 2019 10:21am <https://amp.news.com.au/finance/business/report-exposed-big-problems-in-building-and-construction-industry-before-opal-tower-drama/news-story/6f137590be94b9a42d59f39ea7e84eb7>