

IPLOCA 2023

SPIECAPAG QUALITY AWARD SUBMISSION

Determination of Cost of Non-Quality



Overhaul of Non-Conformance Process



Promotion of Reporting of Non-Conformance from Senior Management

Toolbox meetings covering importance of early identification of QA issues

Periodic review of past lessons learnt

Stop work authority promoted for quality issues

Communication on the Impacts of Non-Conformance on the Business and Projects

Process for determining the cost of Non-conformances

- Schedule Impact
- Rework Cost
- Reputation Impact



Categorisation and communication in a similar manner to Safety Incidents



		IMPACT CATEGORIES			
		Product	Schedule	Business	Reputation
CONSEQUENCE	Catastrophic	Critical component / Long Lead item - irreparable	Critical Path affected more than a week	Loss > \$10M. Loss of service provision.	Trading Suspended. Loss of reputation.
	Critical	Critical component / Long Lead item – Significant repairable damage	Critical path affected less than a week	Loss \$1M-10M. Prolonged reduction in service provision or productivity.	Legislative breach. Prohibition Notice. Certification Failure. Sustained Adverse Publicity.
	Significant	None critical item – irreparable	1 crew extending duration more than a week	Loss \$100K- \$1M Disruption in service provision or productivity.	Improvement Notice. Non-conformance Report.
	Moderate	Moderate damage – i.e. Pipe body damage, parent material still within thickness tolerance	1 crew extending duration on site between 2 & 6 days	Loss \$10K - \$100K. Interruption to service provision.	Moderate Client/public concern with short term impact.
	Minor	Minor damage – Coating, low value items (nuts, gaskets washers)	Minor loss in production for a day	Loss < \$10K No loss to service provision.	Minor Client/public annoyance with negligible impact.

Field Joint Coating Defect

What Happened?
Defects were discovered on the Red Lake Coating (Deep-Arest 220C) application NOV 2019.

What Was The Root Cause?
During the inspection process, it was identified that the issue was caused by improper coating application. The field joint was not fully coated. The issue was due to the coating not being applied to the field joint. The issue was caused by the coating not being applied to the field joint. The issue was caused by the coating not being applied to the field joint.

What Can We Do Differently?
We will provide additional training to the field joint coating crew. We will provide additional training to the field joint coating crew. We will provide additional training to the field joint coating crew.

What Is The Estimated Cost?
The current estimate for the rectification of this non-conformance is \$11,000.

Quality Flash

Authority to Stop Work for Quality Non-Compliance

