

Management Review Meeting ISO 9001:2015

Emarat Aloula

AWI 106 Att. 8 Rev. 4 30 Jan. 2019



AGENDA:

- Actions from previous MRM
- Changes to the Management System
- Internal Quality Audits and its Results
- Review of Quality Policy and Objectives
- Customer Feedback
- Process Performance and Product Conformity
- Risk & Opportunities and review of actions
- Changes affecting IMS
- Improvement of the product & services
- External Providers Performance
- Resource Needs
- Opportunity / Continual Improvements Actions

Actions from previous MRM

- 3 DWIs are under final review.
- QA department is coordinating with the respective department to revise the procedures to cover the effect of management change.
- Further action has been planned to complete the same by last week of December 2019.

Present Status:

- All relevant procedures were revised based on the company new management structure.

Changes to the Management System

- Revised the IMS manual in line with the ownership change and Company Name change

Internal Quality Audits

Internal Audits:

- Totally 27 internal audits conducted in the year 2020 including Emarat Aloula Contracting and Emarat Aloula Industries.

Operations (Projects):

- Audits Conducted – 15 Nos.
- NCRs Issued – 03 Nos.

Operation Services & Support Facilities (Departments):

- Audits Conducted – 10 Nos.
- NCRs Issued – 0 Nos.

EAI:

- Audits Conducted – 2 Nos.
- NCRs Issued – 03 Nos.

Results of Internal Quality Audits

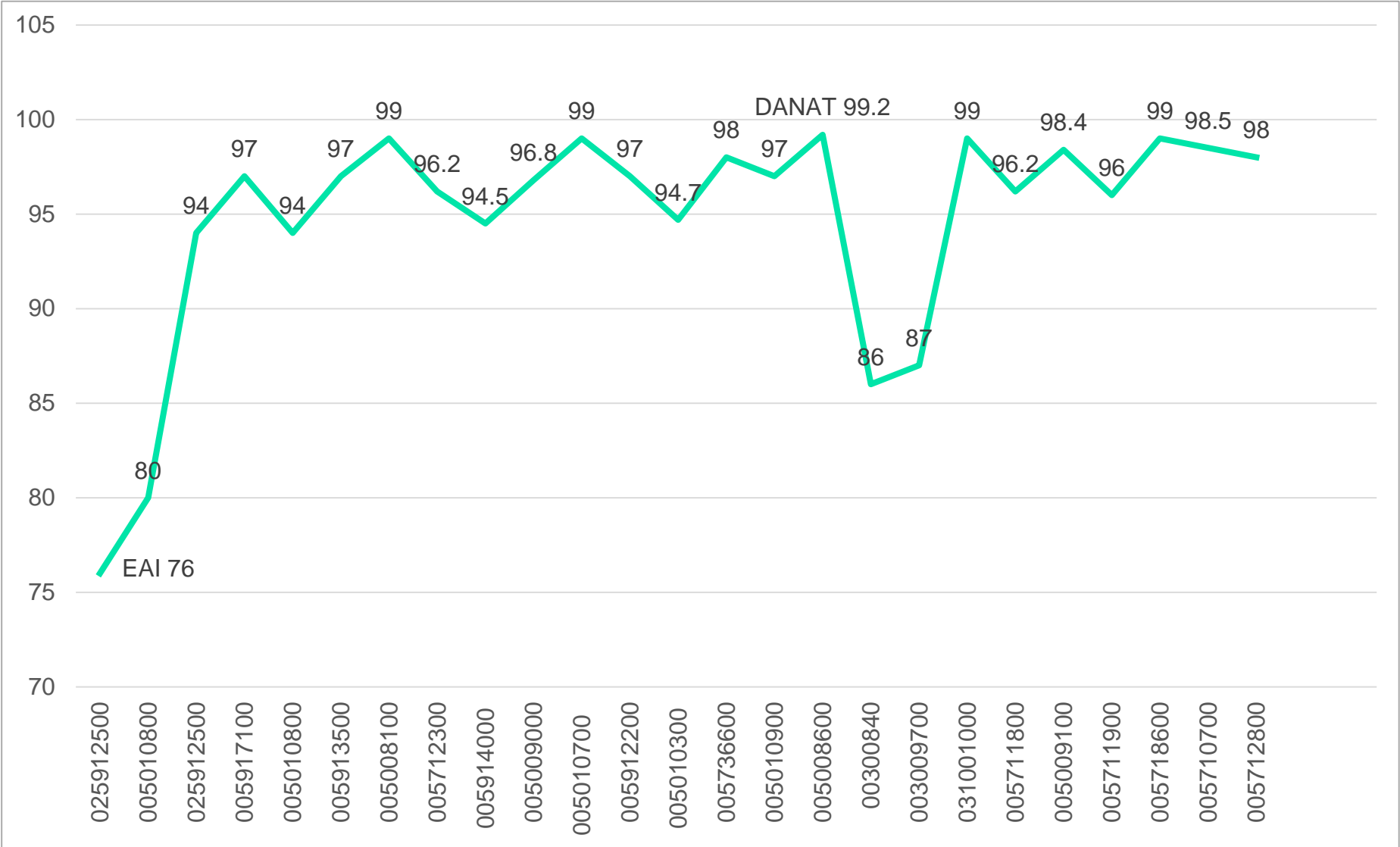
Overall Company Score : 94.70%

- **Best Score – FM Hard Services for DANAT Hospital - 99.20%**
- **Least Score - Emarat Aloula Industries - 76.00%**

Results of Internal Quality Audits

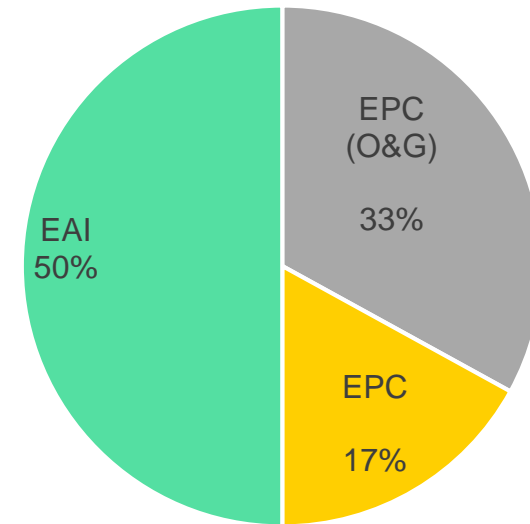
	Highest	Score	Lowest	Score
Department	Insurance Department	98	Procurement	96
Service Unit	Scaffolding Unit & Calibration Lab	97	Emarat Aloula Industries	76
EPC (MEP) Projects	DIA-Dubai-Upgrade of Storm Water Drainage (MEP Works for Pumping Stations)	87	Emaar - Dubai - DHE District Cooling Plant 01	86
EPC (O& G) Projects	AGP – BDAP - 75% of Engineering Phase-Project Home Office	94	AGP – BDAP - 25% of Engineering Phase-Project Home Office	80
Facility Management	Abu Dhabi-FM Hard Services for DANAT Hospital	99.2	ADSCC-O&M OF MAFRAQ/ ZAKHER WWTWs	94.7

Results of Internal Quality Audits



Internal Quality Audit NCRs

Business Line		NCRs	%
EPC (O&G)		2	33%
EPC		1	17%
Sub Total		3	50%
FM	FM – Institutional & Commercial	-	-
	FM - Industrial Services (Sewage Works & Water Networks)	-	-
	FM –Industrial Maintenance	-	-
	Sub Total	0	0
Operation Services & Support Facilities		-	-
EAI		3	50%
Total		6	100%



The overall NCR indicator (total number of non-conformances to the total number of actual audits) of Emarat Aloula is **0.22** in the year 2020.

All the Internal Quality Audit NCRs were closed in 2020.

Feedback on Internal Quality Audit

- **During audit a common concern was received and observed in all the projects irrespective of the business line;**

All the projects highlighted performance outage on account of shortage of materials at projects. Even lot of LPOs are found to be in open condition for more than six months.

Cost Centers are making more Cash purchases as material procurement is getting delayed through LPOs .

Lot of LPOs are being cancelled as the material being procured through cash in different stages.

Review of Quality Objectives

- The current Quality Objectives are in line with the present requirement and being reviewed and revised annually as per the directions of AWI 110.
- **Project specific KPI** (*Key Performance Indicators*) are developed during project commencement execution phase in line with Scope of Project.
- The Quality objectives achievement level verified during the internal audits and actions are updated.

Compliance Policy

- The Organization's Compliance Policy is amended and distributed.

COMPLIANCE POLICY



The Organization's Compliance Policy is a commitment to conduct its business according to applicable laws and its own work standards, policies and procedures.

The principles of the Compliance Policy are:

- **Fair Competition**
To pursue business only through fair competition, and therefore, not to indulge in any activities aimed at restricting competition.
- **Integrity in Business Dealings**
To prevent corruption and follow the established integrity requirements while conducting its business and to oblige the Subcontractors and Suppliers to uphold total and unyielding integrity in their dealings.
- **Upholding Foreign Trade Laws**
To comply with the requirements of all national and foreign trade laws applicable to its business.
- **Ethics in Workplace**
The employees are obliged to:
 - conduct business in the full spirit of honest and ethical behavior;
 - conduct themselves in a professional manner at all times, demonstrating a positive attitude, and showing respect for co-workers, customers and their property;
 - avoid any activities involving conflict of interest.The Organization is an equal opportunity employer and is committed to equal opportunity without regard to race, religion, color, sex, age, national origin, citizenship or disability
- **Confidentiality of Proprietary Information**
To safeguard confidential information, including systems, software, procedures and technology
- **Transparent Financial Reporting and Record-keeping**
To establish and maintain adequate financial controls for ensuring that all transaction details for financial and accounting purposes are fully and rightly captured.
To ensure proper documentation and record-keeping of key business processes
- **Cooperation with Governmental Authorities**
The organization shall take all the necessary steps to attain full compliance to the legal and regulatory requirements.
To remain cooperative in its dealings with all governmental authorities and submit all information required by law promptly.



HAYTHAM ABOULHASSAN
CHIEF EXECUTIVE OFFICER

CCM Issue 2 App. 1 Rev.1 01 Oct. 2020

www.emarataloula.com

Customer Feedback

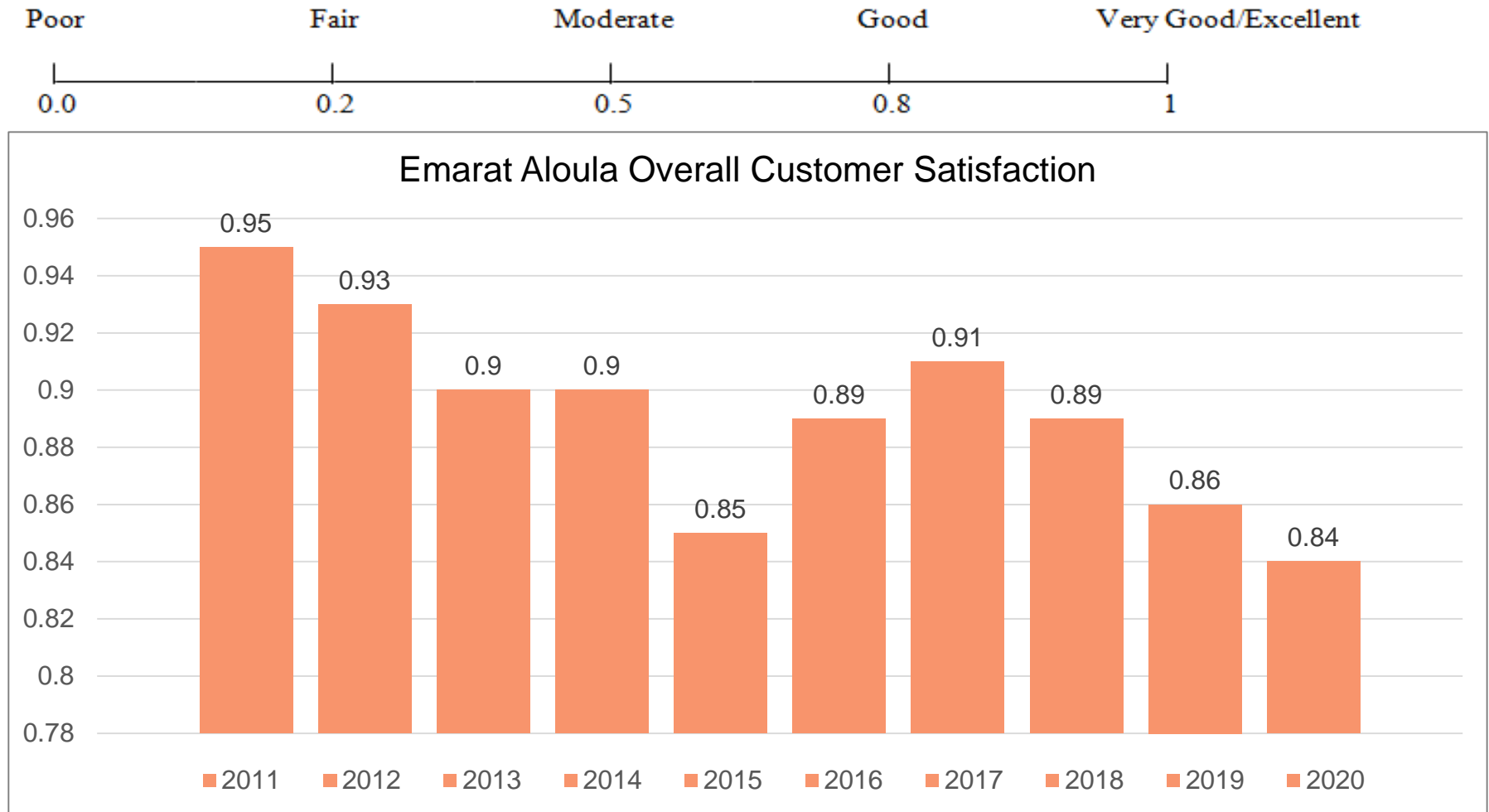
- Customer Satisfaction Index achieved for Year 2020 is 0.84 Vs 0.86 in 2019.
 - **28 Customer Satisfaction Assessment received from various projects.**
 - **FM (I&C) – 19 Nos. with average CSI Index of 0.82.**
 - **EPC & FM (I&S) – 03 Nos. with average CSI Index of 0.91.**
 - **EAI – 06 Nos. with average CSI Index of 0.87**

Main concern for the lower rate for customer satisfaction level was because of delay in on time arrangement of the required materials & tools and in turn delay in the execution. Management actions required to improve the customer satisfaction levels.

- 11 Customer appreciation letters/Certificates were received in Year 2020.
- 19 Non-conformities received from the Clients to various projects of Emarat Aloula. Majority of NCRs were noted to be received for EPC (Oil & Gas) & EPC Operations.
(Details are as given in the QMS annual report 2020)

Customer Feedback

Overall Customer Satisfaction Index (CSI) of Emarat Aloula for the year 2020 is **0.84**.



Process Performance and Product Conformity

- The process performance and product quality are ensured at the project sites through implementation of technical work instructions and stage wise inspections.
- Operational NCRs are issued for recording and implementing the corrective actions for improvement.
- The status of NCRs issued in 2020, related to product conformity are as follows;
 - **Operational NCRs – 05 Nos.**
 - **NCRs to subcontractors – 01 No.**
 - **NCRs to suppliers – 04 Nos.**

Note :The summary and analysis of Nonconformities are available in QMS annual report - 2020.

- **Operations are requested to follow up and close all the NCRs within the stipulated time.**

Process Performance and Product Conformity

- The distribution of NCRs for the year 2020 by areas of operations is as follows:

	Business Line						TOTAL
	EPC (O&G)	EPC (MEP)	FM – I&S	FM – I&C	EAI	Support Services	
Internal	2	1	-	-	3	-	6
Operational	-	-	-	-	5	-	5
Issued by Clients	14	5	-	-	-	-	19
Issued to Supplier	4	-	-	-	-	-	4
Issued to Subcontractor	1	-	-	-	-	-	1
Issued by External Auditors	-	-	-	-	-	-	-
Total	21	6	-	-	8	-	35

Risk & Opportunities and review of actions

- Orientations were conducted for AWI 272 (*Organizational Context & Management of Risks and Opportunities*) implementation in Project operations and Department level.
- Risk and Opportunities Control Matrix with actions were identified and implemented through out the Project operations and Department Functions.
- Compliance towards implementation of risks and opportunities actions were monitored regularly during the operations as well as during the Internal Audits.
- Risk & Opportunity Control Matrix and its actions are reviewed yearly basis or any major scope change accordingly.

Risk & Opportunities and review of actions

RISK & OPPORTUNITY CONTROL MATRIX											Revision No:	0	
											Date of Last Update:	14-May-20	
											Next Review Date:	13-May-21	
Department: Material Control Unit				Cost Center No: 005912200									
Sl. No.	Risk / Opportunity Description	Risk / opportunity	Discipline Responsible	Impact Assessment (Risk/Opportunities)	Risk Evaluation Before Control Measures / Mitigation			Control Measures/ Mitigation action	Risk evaluation after control measures / Mitigation			*Frequency Of Measurements/ Evaluation	Remarks
					Likelihood	Severity	Ranking		Likelihood	Severity	Ranking		
1	Wrong supply of materials	Risk	MCU	Wrong material supply from the suppliers will affect the project schedule.	2	4	8	Operations shall raise the material request with the required details so as to give correct information to the procurement to issue the purchase order with required details.	1	4	4	For each & Every Material Request	On Going
2	Rejection of materials	Risk	MCU	Material rejection at usage stage will affect the project Schedule (Especially for Cash Purchase Project Materials)	3	4	12	All materials purchases shall undergo material receiving inspections	1	4	4	For each & Every Receipt	On Going
3	Delay in preparing MRV (Material Receipt Voucher)	Risk	MCU	Delay in preparing the MRV will affect the supplier payment and material issuance to operations	3	3	9	Constant monitoring on the MRV preparations by store keeper shall be monitored and ensured as per company procedure.	1	5	5	For each & Every Receipt	Average processing Time 10-15 Days Percentage of entire MRV 95%
4	Improper handling & storage	Risk	MCU	Material damage and material shortage due to wrong handling & storage	2	3	6	Material handling with proper equipments, certified lifting tools & tackles. Material storage as per the production/vendor recommendations	1	5	5	For each & Every Receipt	On Going
5	Improper identification of materials	Risk	MCU	Wrong material issuance and material missing due to no traceability	3	4	12	Proper identification of the materials with store code and description and update the location in inventory log module	1	4	4	For each & Every Receipt	On Going
6	Improper Disposal of scrap & expired items	Risk	MCU	Improper disposal of material will affect environment leading violation of regulatory & statutory compliance	4	3	12	All scrap material disposal shall follow the regulatory & statutory requirements	5	3	9	For all scrap disposal	On Going
7	Lifting Accessories without Valid Certification	Risk	MCU	Failure of Lifting Accessories due to Not Certification	4	3	12	Centralized Controlling of Lifting Accessories available in all projects update every site. Ensure third Party Re Certification of Lifting Accessories and failed items to keep in Quarantine Area till return to Control Store / Disposal	3	3	9	Every Months	Not
8	Utilizing the inventory items	Opportunity	MCU	Regular update/intimation to the operations on the availability of inventory at different locations.								Monthly	On Going
9	Utilizing the Furniture and Fixtures available in Stores	Opportunity	MCU	Regular update/intimation to the operations on the availability of Furniture at Stores and Project locations.								Every 3 Months	Not
10	Utilizing the Tools and Office Equipments available in Stores	Opportunity	MCU	Regular update/intimation to the operations on the availability Fixed Assets at Stores and Project locations.								Every 3 Months	Not
Prepared By				Reviewed By				Approved By		Notes:			
Name:	Balaji Dharmalingam			Reji Mathavan				Amritha Sree					
Designation:	Superintendent Material Control			QA & QC Manager				Finance & Accounting Manager					
Signature:													
Date:	14-May-20			14-May-20				14-May-20					
** The review period is once in year/revision will be done as & when major changes identified.													
Legends:													
Likelihood				Severity				Ranking					
Low				Low				Low					
Medium				Medium				Medium					
High				High				High					

Changes affecting IMS

- QA department in coordination with respective departments and cost centers initiated the procedure revision to accommodate the changes that are relevant to the IMS (Quality).
- 13 Nos. of IMS procedures are revised to suite the changes

Improvement of the Product & Services

- No customer complaint was received in 2020.
- 19 NCRs received from Clients during project execution. Follow up actions are under progress to close out the same.
(The summary and analysis of Nonconformities are available in QMS annual report -2020).
- AWI 217 –Lessons Learnt identification and implementation actions are initiated both a project operations and department function level to identify the improvement action for the products and services *(part of EAC's organizational knowledge improvements).*
- Customer feedbacks on improvements of products and services are also collected and verified for identifying the improvement actions.
- IMS training provided for all the Newly joined employees up to November 2020. The training are remaining for some of the employees in BDAP project.

External Providers Performance

- 04 Nos. NCRs issued to Supplier in 2020.
- 1 No. NCR issued to subcontractors in 2020.

Resource Needs

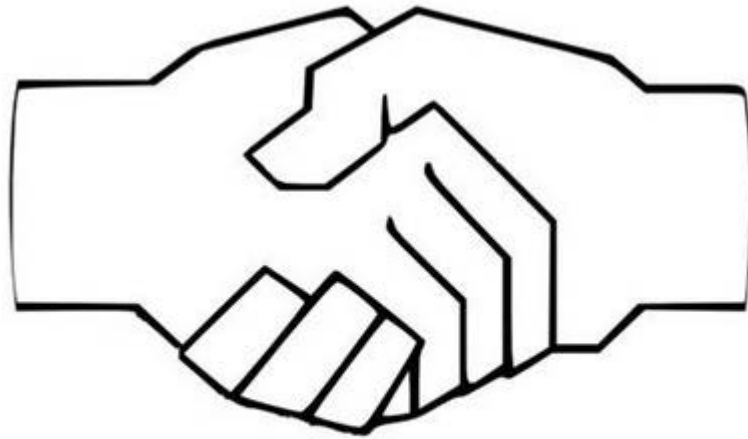
- The resources requirements are planned in line with the requirements of operations and being completed through the Supporting Departments & Service Units.

Opportunity / Continual Improvements Actions

- The internal audit results of year 2020 indicates an average audit score of 94.70% (Good Performance) which is an indication of improvement in the IMS performance.
- Customer Satisfaction Index achieved for Year 2020 is 0.84 Vs 0.86 in Year 2019.

Operations shall take corrective action to improve the customer satisfaction level

- As per AWI 217 Lessons Learnt identification and implementation action both at Project Operational and Department Function level shall be initiated for improvements.



THANK YOU