



Business Excellence Australia

PRINCIPLES WORKSHOP FOR SA LEADERS



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Our Purpose

To encourage Australian organisations to adopt the Business Excellence Framework as they key enabler of competitiveness.

Our Mission

To promote long term organisational excellence.

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PURPOSE AND AGENDA

Purpose of Today's Workshop

- Demonstrate the value of the Australian Business Excellence Framework (ABEF) as a guide for long-term success and business resilience
- Apply the Business Excellence Principles to your own organisations
- Further develop your knowledge and capability

Agenda

- Welcome (Natasha)
- Introductions and Context (Ravi)
- Principles – Discussion and Activities (Heather, Peter and Ravi)
- Wrap Up (Ravi/Natasha)

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INTRODUCTIONS

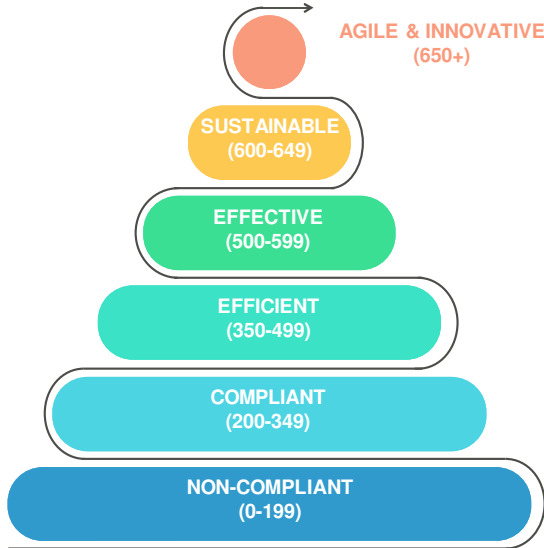


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WHAT IS EXCELLENCE?



...continuous improvement of outcomes delivered to all customers and stakeholders



THE 7 CATEGORIES

“Leadership” and “knowledge of customers and stakeholder requirements” drive “strategy and planning”, the work of “people” and “process management” leading to “results and sustainable performance”



In order to make all of this work you need “information and knowledge” to make good decisions

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THE 9 PRINCIPLES OF BUSINESS EXCELLENCE

(statements of fundamental truth)



- | | | |
|---|---|--|
| <p>1 Clear direction, mutually agreed plans enable organisational alignment and a focus on the achievement of goals</p> | <p>4 Engage people's enthusiasm, resourcefulness and participation improves performance</p> | <p>7 Variation impacts predictability, profitability and performance</p> |
| <p>2 Understanding what customers and other stakeholders' value, now and in the future</p> | <p>5 Innovation and learning influence the agility and responsiveness of the organisation</p> | <p>8 Sustainable performance is determined by an organisation's ability to deliver value for all stakeholders in an ethically, socially and environmentally responsible manner</p> |
| <p>3 All people work <i>in a system</i>. Outcomes are improved when people work on the system.</p> | <p>6 Effective use of facts, data and knowledge leads to improved decisions</p> | <p>9 Leaders determine the culture and value system of the organisation through their decisions and behaviours</p> |

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1. *Clear Direction and Plans*

Clear direction and mutually agreed plans enable organisational alignment and a focus on the achievement of goals.

This means:

- Clarity and understanding of purpose
- Need clear and agreed plans
- An aligned effort
- Leadership and governance is critical
- Measuring success against the goals

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Activity – Principle One – Clear Direction & Plans

Key questions:

- Do you have a long-term strategy?
 - How is this decided and communicated?
- Do you have a plan to achieve your strategy?
- What are your short and long term goals?
- How do you track progress?
 - What tools do you use to monitor progress?
 - What feedback loops exist to improve the organisation?
- Do people know their roles and how they contribute to the organisation's purpose?

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Understanding what customers and other stakeholders value, now and in the future, enables organisational direction, strategy and action.

2. Customer and Other Stakeholder Value

This means:

- Finding out what your customers & stakeholders value (now and in the future)
- Stakeholders have different perceptions of value
- Align the business model to deliver value
- Includes competitive advantage, partnerships, customer acquisition and advocacy

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Activity – Principle two – Customer and Other Stakeholder Value

Key questions:

- Who are your customers and key stakeholders?
 - Do your staff know who they are?
 - Do you segment your customers?
 - Do you have customer profiles?
- How do you understand what your customers value?
 - How do you get feedback?
 - Is the feedback shared with staff?
- How is feedback used to design strategy, processes and services?
 - Is feedback used for improvement?

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All people work *in* a system. Outcomes are improved when people work *on* the system and its associated processes.

3. *Systems Thinking*

This means:

- Your organisation is a collection of interrelated processes and relationships
- You can only improve stakeholder value by improving the system
- The system impacts the performance of your people
- People need to be engaged in working *on* the system

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Activity - Principle Three - Systems Thinking

Key questions:

- What is your business model?
 - Is your business model and the key processes communicated?
 - Does your team understand how different parts of your organisation work together?
- Does your business model support your strategy?
 - Do you know how your business model – and its different components – need to change as your organisation evolves?
- Is your business model at the heart of improvement?
 - Do you allow yourself and your team time to improve processes and systems?

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Engaging people's enthusiasm,
resourcefulness and participation
Improves organisational performance.

4. People

This means:

- Supporting people to work effectively
- Supporting people to know the system and to be able to improve the system
- Ensuring safety and wellbeing
- A great place to work
- A committed, productive and innovative workforce

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Activity – Principle Four - People

Key questions:

- How do you develop your people?
- How do you look after your people?
 - What policies do you have to make your organisation a great place to work?
 - What do you do to maximise retention / reduce absenteeism?
- How do you monitor how people are going?
 - What feedback do you get?
- How do you develop careers?
 - What career pathways do you provide?
 - Do you have succession planning?
- How do you monitor and reward performance?

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Innovation and learning influence the agility and responsiveness of the organisation.

5. Improvement and Innovation

This means:

- Agile organisations succeed in a changing world
- Continuous learning
- Use of improvement methodologies
- Managing processes

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Activity – Principle Five – Improvement & Innovation

Key questions:

- How do you improve efficiency and effectiveness?
 - How do you capture, assess and prioritise good ideas?
 - What improvement methods do you use?
 - Do you benchmark with other organisations?
- How do you monitor what is happening externally?
- How quickly can the organisation adapt to changes?
- How are processes managed?

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Effective use of facts, data and knowledge leads to improved decisions.

*6. Use of facts,
data and knowledge*

This means:

- Knowledge is the capacity for effective action
- Facts and data enhance knowledge and lead to effective decision-making
- Planning to have the correct facts and data
- Understanding and interpreting variation

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Activity – Principle Six – Use of Facts, Data and Knowledge

Key questions:

- Do you have access data for decision making?
 - Is your key data readily accessible to you and your team?
 - What tools do you have in place to extract data?
 - Do you have the capability to analyse the data?
 - Is it the right data?
- What reporting do you have in place?
 - Do you know when action is needed?
 - How do you create a culture that ensures decisions are based on data rather than on personal opinion?

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Variation impacts predictability, profitability and performance.

7. Managing Variation

This means:

- Variation is a normal part of an organisation
- Variation can be managed for improvement
- Understanding and managing variation is related to standards used within the organisation
- Effective use of data is required
- Variation can occur from outside the system
- The role of contingency planning

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Activity – Principle Seven – Managing Variation

Key questions:

- Does anyone monitor variation in your organisation?
- What are some examples of managing variation?
 - Who is involved in looking at variation?
- How would you know whether the variation is too great?
 - What standards might you use?

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8. Sustainability

Sustainable performance is determined by an organisation's ability to deliver value for all customers and stakeholders in an ethically, socially and environmentally responsible manner.

This means:

- Being a responsible corporate citizen
- Good governance enables responsibilities to be met
- Managing risk
- Ethical, social and environmental responsibility are important

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Activity – Principle Eight - Sustainability

Key questions:

- How does your organisation contribute as a good corporate citizen?
 - What does the organisation do for the wider community?
- What environmental initiatives do you have in place?
 - How do you reduce your environmental footprint?
- How do you make sure that you meet your legal, ethical and regulatory obligations?
- How do you ensure good governance?
 - How are people kept accountable?

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Leaders determine the culture and value system of the organisation through their decisions and behaviour.

9. *Organisational Culture*

This means:

- Desired culture is defined
- Leaders model desired behaviour
- Effective leaders understand these Principles
- Purpose, values and strategies are aligned
- Purpose, values and strategies are communicated

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Activity – Principle Nine – Organisational Culture

Key questions:

- What type of culture are you aiming to create?
- Do people understand what this means in terms of their behaviour?
- How do leaders behave?
 - How do you monitor behaviour and provide feedback for development?
- How do you communicate values and behaviours?

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WHY USE THE AUSTRALIAN BUSINESS EXCELLENCE FRAMEWORK (ABEF)?

- Proven to result in organisational success
- Improves planning and assures resilience and sustainability
- Ensures the organisation is efficient and effective
- People are engaged in improving the organisation
- Fosters an agile mindset
- Focuses on delivering customer and stakeholder value
- Ensures inspirational leadership with excellent decision-making

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EXAMPLES OF USING THE ABEF TO DELIVER RESULTS

- Sustained increase in annual profit – International Education Services
- Expansion to over 100 service locations – ABM Electronic Engineering
- 42% reduction in overdue debt – Energy Retailer
- 8% increase in the customer base – Regional Bank
- Increased levels of customer satisfaction – City of Belmont
- Reduced staff turnover, increased retention / promotion - Computershare
- Consistently accredited to aged care standards & increased profitability – SummitCare
- Operating deficit turned into a surplus 1 year later – City of Marion

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Thank You

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