

Global Excellence Update

Business Excellence into the Future

Ravi Fernando
SAI Global

17 November 2011



A Global Economy – more than ever

“In our increasingly interconnected world, no country or region can go it alone. We are bound together by our economic success—or failure”

Christine Lagarde – IMF Managing Director



The GEM Council



The members of the GEM Council are the guardians of the premier Excellence Models across the world. The GEM Council maintains a leading edge position on Excellence Models, reviews how business trends and external factors could impact the utility and application of Excellence Models and explores opportunities for new services and award programmes.



Pierre Cachet – CEO EFQM



**Sauw Kook Choy – Assistant CE
SPRING Singapore**



 SAI GLOBAL



**THE AUSTRALIAN BUSINESS
EXCELLENCE FRAMEWORK
(ABEF)**

 SAI GLOBAL

Australian Business Excellence Framework Why change?

- Commitment to regularly review and maintain alignment to latest thinking in Business Excellence
- Research and consultation pointing to key needs:
 - Greater focus on stakeholders
 - Increased emphasis on results and Financial Prudence
 - Value of the *ABEF* in promoting better governance



 SAI GLOBAL

The Principles of Business Excellence

- *Definition: Principle* — a governing law used as a basis for predicting and reasoning
- **Foundation** of Business Excellence and basis of unified theory of management
- **Interrelated** nature of the Principles
- Addition of a Principle to focus on “**variation**” providing **nine** Principles of Business Excellence

 SAI GLOBAL

Principle seven

- **VARIATION IMPACTS PREDICTABILITY, PROFITABILITY AND PERFORMANCE**
- Variation:
 - Natural occurrence of processes
 - Cannot be eliminated
 - Can be controlled
 - Needs to be understood and managed to enhance performance

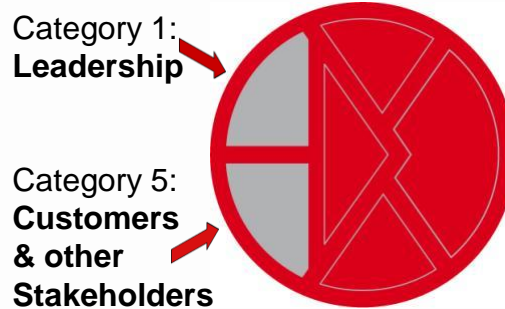


Categories and Items

- 16 Items in the *ABEF*
- Changes to two key Categories
- Core Practices in Items changed to “Considerations may include”
 - Reinforce the non-prescriptive nature of the *ABEF*
 - Considerations provided as guidance

Category Type: Drivers

- Factors that position the organisation in external environment
- Intent of organisation



Category: Leadership

- Emphasis on the alignment of organisational **direction** and role of leadership in achieving alignment
- The organisation defines its purpose, vision and values for organisational success and ensures it is understood and applied across the organisation

Category Type: Enablers

- Four Enabler Categories - unchanged
- Two Items in Category 6:
 - 6.1 Identification and Management of Processes incorporating
 - 6.2 Process Improvement and Innovation



 SAI GLOBAL

Category 6:
**Process
Management,
Improvement &
Innovation**



Category Type: Results

- Measures of success
- Comparison against past performance and the organisational objectives
- *Definition:* **Sustainable Performance (organisational)** — ability of an organisation to deliver high performance outcomes that continuously enhance the perception of value of its diverse stakeholders

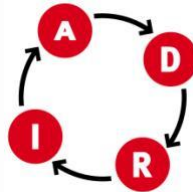
 SAI GLOBAL

Category 7:
**Results &
Sustainable
Performance**



ADRI and the Assessment Matrix

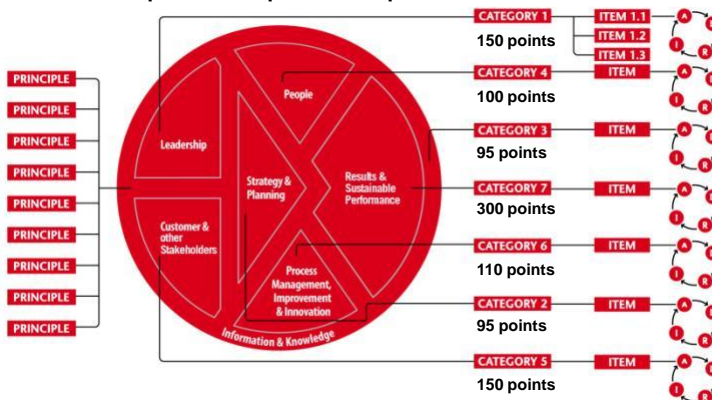
- Simplification of scoring - %
- Integration of statements to ensure consideration of all statements when determining the %
- Clear reference to the Principles of Business Excellence within the learning cycle
- Applying ADRI in the deployment of an Item and focus on a learning organisation



 SAI GLOBAL

Weightings

Drivers: 300 points Enablers: 400 points Results: 300 points



 SAI GLOBAL

Thank You!

- To all contributors:
 - Academics for providing initial research
 - Customers and other Stakeholders for providing input
 - GEM Council members for sharing their learnings
 - Core review team for their hard work
 - The Review committee for the comments and insights



Questions



Performance
observe
SOLUTIONS
develop LEARN

 SAI GLOBAL