

THE AUSTRALIAN BUSINESS EXCELLENCE

F R A M E

W O R K

2004

12 Principles to help you:

Increase revenue

**Reduce operating costs
& staff turnover**

Increase productivity

**Improve customer
satisfaction**

Boost profits



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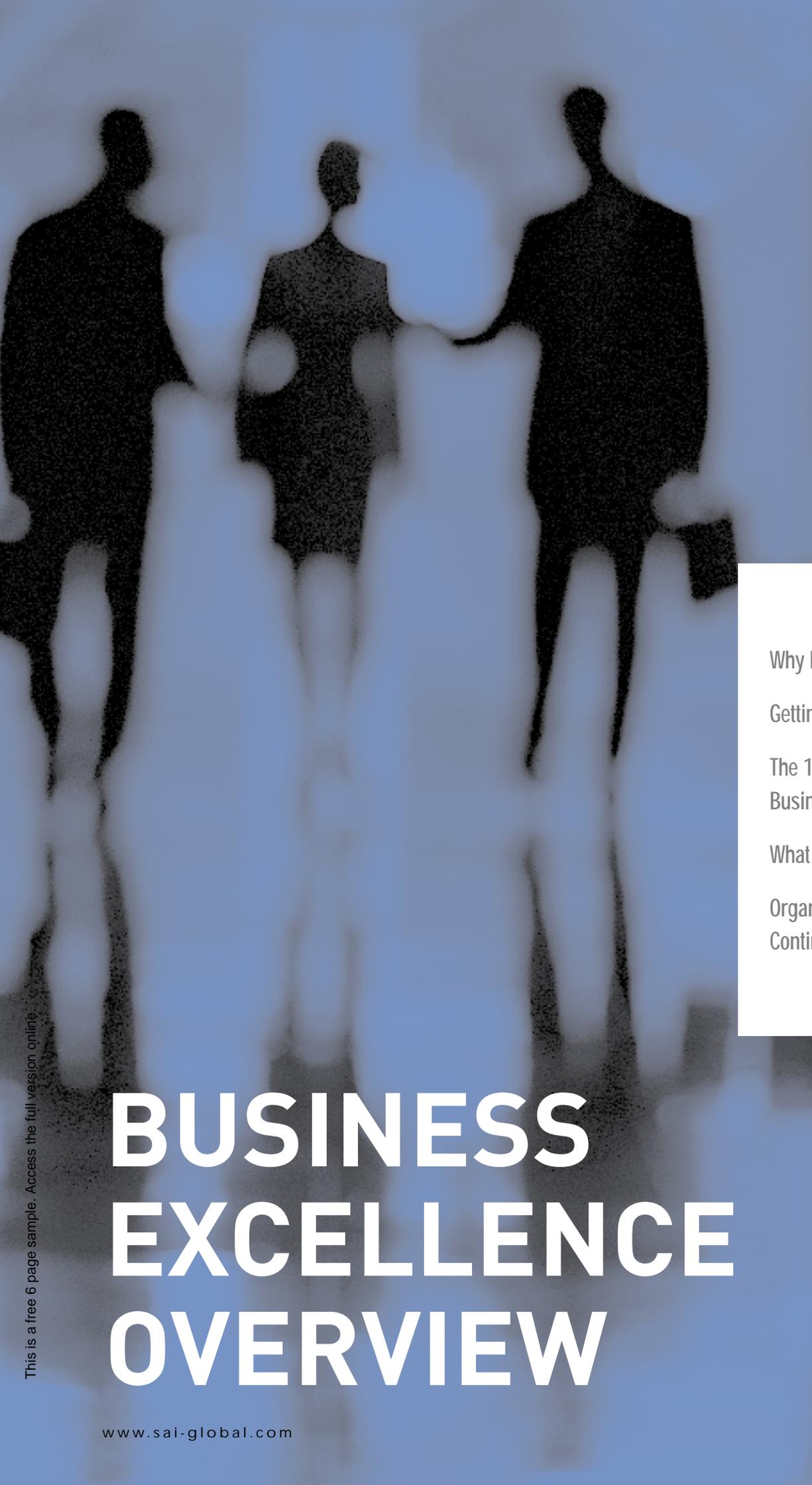
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SECTION

1

Why Business Excellence?

Getting Started

The 12 Principles of
Business Excellence

What is the Framework?

Organisational Learning &
Continuous Improvement

BUSINESS EXCELLENCE OVERVIEW

WHY BUSINESS EXCELLENCE?

What is the Business Excellence Framework?

The *Australian Business Excellence Framework* – the ‘Framework’ — describes an integrated approach to leadership and management that is based on the proven practice capable of achieving outstanding **success** and **sustainability** and **long-term sustainability**. The *Framework* draws on a vast body of knowledge, developed by leading theorists and practitioners, that provides practical guidance to any organisation.

The Australian Business Excellence Framework has been designed to enable any organisation to use this knowledge to choose how it can best pursue business improvement, recognising the unique nature of each enterprise.

Business Excellence provides organisations with a systematic and structured approach to assess and improve the performance of its leadership and management systems, in the key areas of organisational capability, namely:

- Leadership
- Strategy and Planning
- Data, Information and Knowledge
- People
- Customer and Market Focus
- Innovation, Quality and Improvement
- Success and Sustainability

When an organisation embarks on a journey for excellence, it is challenged to look within and address key questions, such as ‘how are we really performing as an organisation?’, ‘what are we good at?’, ‘what do we need to improve?’. An internationally recognised model such as the *Australian Business Excellence Framework* ensures that the focus of the organisational review remains holistic, is a collective discovery encompassing all levels of the organisation, and considers factors that can influence performance. This approach clarifies the issues that may inhibit organisational advancement. It identifies strategies and enables organisations to facilitate improvement through targeted strategies.

What is in the Framework?

The *Australian Business Excellence Framework* (illustrated on page 15) is an integrated leadership and management system that describes elements essential to sustainable organisational excellence. It is based on a set of 12 proven Principles (refer to page 10 to 13) of leadership and management, which are translated into a set of criteria with 7 Categories containing 22 Items (refer to pages 16 to 17). It also includes a system of self-assessment based, on the concepts of organisational learning (refer to pages 40 to 41).

A Glossary of Terms is provided in Appendix A.

Why do organisations use the Framework?

Organisations use an internationally recognised framework such as the *Australian Business Excellence Framework* to:

- Measure the performance of the organisation’s leadership and management systems at all levels.
- Build the results of this diagnosis into the organisation’s strategic planning processes and achieve consistency of direction.
- Engage and involve people from all levels of the organisation in the assessment and improvement planning.
- Integrate business improvement into normal business operations.
- Establish benchmarks relative to best practice.
- Focus the organisation into business improvements aligned with organisational goals.
- Progressively upgrade the capabilities of the organisation to drive improvement.
- Be recognised for their achievements in excellence and best practice through the Australian Business Excellence Awards.
- Demonstrate to key stakeholders (i.e. customers, shareholders, boards, community, employees) that the organisation has a structured and systematic approach to improving and achieving best practice and excellence.



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