

BUSINESS EXCELLENCE FRAMEWORK

SPRING Singapore
2 Bukit Merah Central #19-00 Singapore 159835
Tel: +65 6279 3811 • Fax: +65 6273 0151, +65 6278 3181
Website: www.spring.gov.sg





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FOREWORD



T. S. Cham

Prof Cham Tao Soon
Chairman
SQA Governing Council

Whether an organisation is from the public or private sector, manufacturing or services, big or small, it must manage its resources well to achieve superior performance. With changing global economic conditions, it needs to be nimble and adaptable to ensure its sustainability. Over the last 15 years, the business excellence initiative has helped organisations enhance their management systems and processes to achieve sustained growth.

Organisations use the business excellence framework as a roadmap for their business excellence journey. It helps them to assess where they are on the journey, identify gaps, and take actions for improved performance.

Based on feedback from industry, we have reviewed the framework to ensure that it continues to be relevant in meeting the changing needs of organisations. This review was also done to ensure our framework continues to be aligned with the frameworks adopted in leading countries, so that standards set are internationally comparable and acceptable.

As a result of the review, various enhancements have been made to the framework while retaining its overall structure which is still relevant and appropriate. These enhancements include new requirements to address areas of growing importance to our organisations in a challenging business environment, such as corporate governance and risk management.

I hope you will find this publication on the framework useful in preparing your organisation to scale greater heights in business excellence.

THE BUSINESS EXCELLENCE JOURNEY IN SINGAPORE

Singapore launched the business excellence initiative in 1994 and positioned it as a journey for organisations. The call to have separate criteria for SMEs, the public sector, and other industry sectors was resisted and the position maintained that the criteria for world class excellence, regardless of industry, size, structure or stage of development, are universal. This challenges assessors to be thinking assessors and to understand the business environment and constraints the organisation operates in. After all, business excellence is about developing and strengthening management systems and processes to deliver superior results for stakeholders.

The business excellence initiative helps organisations to know where they are on the excellence journey and what they need to do to achieve a higher level of performance. This is done through a thorough assessment of organisational performance against the requirements of an internationally benchmarked business excellence backdrop, the business excellence framework.

Business Excellence Framework

The business excellence framework is aligned with excellence frameworks adopted for the US Malcolm Baldrige National Quality Award, EFQM (European Foundation for Quality Management) Excellence Award, Japan Quality Award and the Australian Business Excellence Awards. It comprises seven categories, namely, Leadership, Planning, Information, People, Processes, Customers and Results (Figure 1).

The business excellence framework has the following basic elements:

DRIVER

Senior leaders set the organisational directions and seek future opportunities for the organisation.

Systems

The systems comprise a set of well-defined processes for meeting the organisation's performance requirements.

Results

The results deliver ever-improving customer value and organisational performance.

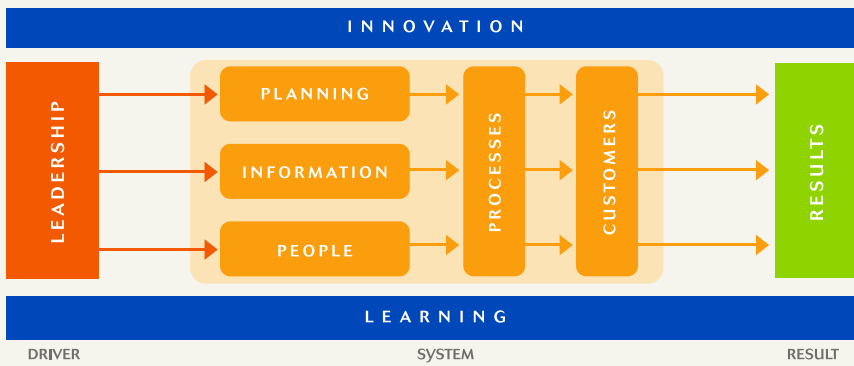
Business Excellence Standards

The business excellence framework provides a holistic standard that covers all the critical factors, processes and results for business excellence. These are addressed in the seven categories of the framework. Supporting this holistic standard are the three niche standards of the framework for people, innovation and service. Each of these standards focus on the organisational capabilities required for a key enabler of business excellence, such as people, innovation and service. Based on their needs and strategy, organisations could use any of the business excellence standards to enhance their capabilities.

All business excellence standards provide intermediate milestones of achievement for organisations on their excellence journey (Figure 2). Thus, the milestones for the business excellence standard based on the excellence

framework are the Singapore Quality Award (SQA) and the Singapore Quality Class (SQC). The milestones for the niche standard for people are the People Developer (PD) certification and People Excellence Award (PEA).

Figure 1:
Business Excellence Framework



Certifications and Awards

Organisations are certified for attaining a commendable level of performance on the various standards. Certified organisations are provided with developmental opportunities to learn from the best practices of leading organisations. Organisations that demonstrate outstanding performance on the various standards are recognised through the Business Excellence Awards.

While the SQA is the pinnacle award for the overall business excellence standard, an SQA winner does not automatically win any of the niche awards. The SQA winners have demonstrated the best of the best overall performance on the business excellence framework. However, they might not have achieved the best of the best performance for a particular niche area.

The same type of relationship applies at the class level between the SQC and the niche level certifications such as People Developer (PD), Singapore Innovation Class (I-Class) and Singapore Service Class (S-Class).

The SQA with Special Commendation recognises past SQA winners for scaling greater heights of excellence. This special award is given to recipients at least five years after winning the SQA. These winners have demonstrated sustainable global leadership in key business areas, products or services and are recognised as benchmarks and icons internationally. They have continued to make significant improvements in their performance after winning the SQA.

Figure 2:
Business Excellence Certification and Awards

Holistic level

STANDARD	CERTIFICATION	AWARDS
Business Excellence	Singapore Quality Class	Singapore Quality Award and Singapore Quality Award with Special Commendation

Niche level

STANDARD	CERTIFICATION	AWARDS
BE Niche (People)	People Developer	People Excellence Award
BE Niche (Innovation)	Singapore Innovation Class	Innovation Excellence Award
BE Niche (Service)	Singapore Service Class	Service Excellence Award

Benefits of Adopting the Business Excellence Framework

Organisations that adopt the business excellence framework benefit in three main ways.

Health Check:

By adopting the business excellence framework, organisations can participate in the assessments which indicate how well they are doing. All organisations that have been assessed are given feedback reports to help them identify strengths as well as opportunities for improvement.

Performance Improvement:

The business excellence framework helps organisations put in place processes and systems that enable performance improvement. *A study by the National University of Singapore has shown that over a period of five years, organisations awarded the Singapore Quality Award, have enjoyed a higher sales growth by an average of 75% compared to the industry average over the same period. By pursuing business excellence, the organisation's capabilities to manage business performance improve and so does its business results.*

Learning from Best Practices:

The framework provides organisations with a set of common requirements that can form the basis for benchmarking best practices and sharing and learning among the organisations. Annually, since 1995, the Business Excellence Awards Conference and best practice sharing seminars have been organised.



Business Excellence Award Winners in 2008

Benefits to Organisations

Singapore Technologies Engineering Ltd (2007)

On winning the 2007 Singapore Quality Award with Special Commendation, Mr Tan Pheng Hock, President & CEO, Singapore Technologies Engineering Ltd said,

"The business excellence framework has served as a powerful learning tool as we reviewed our performance and applied the requirements to our business. We attribute much of our success to using these criteria to drive our business approach. Today we enjoy a worldwide reputation for high quality products and systems."

Teckwah Industrial Corporation Ltd (2006)

On winning the 2006 Singapore Quality Award, Mr Thomas Chua, Chairman and Managing Director, Teckwah Group of Companies, said, "Our experience proves that regardless of the size and nature of the business, it is the confidence in the business excellence framework, and the willingness and perseverance to adopt it that can propel us to achieve excellent results. The Singapore Quality Award is another milestone in our Quality Journey. It sets a new benchmark for Teckwah's performance in the years ahead."

Housing and Development Board (HDB) (2008)

HDB won the 2008 Singapore Quality Award with Special Commendation. Mr Tay Kim Poh, Chief Executive of HDB, said, "Going through the business excellence processes has rewarded us with fresh insights and enriched our perspectives. It highlighted our strengths and weaknesses, opened our eyes to further opportunities for excellence, and affirmed our global standing. The Award will encourage us to build upon our achievements and to be an outstanding organisation that fulfills the aspirations of Singaporeans for homes and communities that all are proud of."

MANAGEMENT OF THE BUSINESS EXCELLENCE AWARDS

Industry and Public Support

The strong support from industry and government is fundamental to the success of the business excellence initiative. This is evident from the number of organisations that have embarked on the journey. Some 700 organisations have already been certified to the various business excellence standards. These certifications are for the Singapore Quality Class, People Developer, Singapore Innovation Class and Singapore Service Class.

SQA Governing Council and Management Committee

The Business Excellence Awards are managed by a three-tier administrative structure comprising the SQA Governing Council, a Management Committee and a Panel of Assessors (Figure 3).

The Governing Council draws up policies and guidelines for the awards programme and approves the award recipients.

Figure 3: Awards Administrative Structure



The SQA Management Committee reviews the award requirements, develops the guidelines for training and certifying the assessors, and short-lists award applicants.

Business Excellence Assessors

The Business Excellence assessors evaluate the applications, conduct site visits and prepare feedback reports. These industry practitioners volunteer their time as assessors without being paid for their services. To ensure integrity and objectivity of the business excellence award evaluation process, assessors abide by a code of conduct and confidentiality.

SPRING Singapore

The awards and certifications are administered by SPRING Singapore, whose mission is to grow competitive and innovative enterprises. It also provides professionals for the secretariat support of the awards and certification process.

Global Excellence Model Council

SPRING Singapore is a member of the Global Excellence Model (GEM) Council. The GEM Council members are administrators of business excellence programmes from the United States,

Europe, Japan, Australia, India, South America and Singapore (Figure 4). The Council meets regularly to share knowledge and experiences, explore opportunities for collaboration, and review the criteria to keep them current and relevant. This affiliation ensures that SPRING's business excellence framework reflect the world's best validated principles and practices for managing organisations.

Awards Assessment Process

The process begins when an organisation submits an award application to SPRING Singapore. The application and supporting documents are reviewed for completeness and a site visit is scheduled and business excellence assessors appointed. The assessors will evaluate the award application and conduct a site visit to assess the organisation based on the business excellence standards. After the site visit, the assessors will review the findings, write the feedback report and make a recommendation on the outcome of the assessment. Applications which meet the award requirements are submitted to the SQA Management Committee for consideration. The SQA Management Committee will shortlist and recommend applicants for the awards. The SQA Governing Council will approve the award recipients. All applicants will receive a feedback report highlighting their strengths and areas for improvements.

Figure 4: Global Excellence Model (GEM) Council

Country/Region of GEM Council members	Business Excellence Award
USA	Malcom Baldrige National Quality Award
Europe	EFQM Excellence Award
Australia	Australian Business Excellence Awards
Japan	Japan Quality Award
India	CII-Exim Bank Award for Business Excellence
Iberoamerica	Iberoamerican Award for Quality
South America	National Quality Awards of South American Countries
Singapore	Singapore Quality Award for Business Excellence

ABOUT THE BUSINESS EXCELLENCE FRAMEWORK

Good Management Through Business Excellence

The adoption of the business excellence framework encourages good management practices and allows an organisation to progressively attain higher standards of excellence. Good management practices can be cultivated by ensuring that several key attributes are in place in the organisation such as visionary leadership, customer-centric excellence and an innovation focus.

Good management engenders a culture that supports high performance. The business excellence (BE) framework is a simple, structured and universally proven model that helps organisations to excel by providing:

- A robust framework, benchmarked against world-class standards;
- A clear view of what needs to be done to continuously improve;
- An approach to rally and energise everyone in the organisation to move in the same direction to create customer value; and
- A roadmap for sustainable development.

Adopting the business excellence framework is not just about winning awards. Besides achieving high business performance through the improvement of management systems and practices, the business excellence framework is also a great tool for motivating and energising staff to strive for a better quality of work life.

In Singapore, the framework is used by many organisations, from government agencies to home-grown small businesses like Avi-Tech and Teckwah Industrial Corporation to

international giants like Philips and the ST Engineering group. This demonstrates that any organisation can adopt the framework to improve performance.

Key Attributes of the Framework

The key attributes of the business excellence framework define the characteristics of well-managed and high-performing organisations in a challenging environment.

The 10 key attributes are:

1. Visionary Leadership
2. Customer-Centric Excellence
3. Innovation Focus
4. Organisational and Personal Learning
5. Valuing People and Partners
6. Agility
7. Knowledge-Driven System
8. Corporate Social Responsibility
9. Results Orientation
10. Systems Perspective

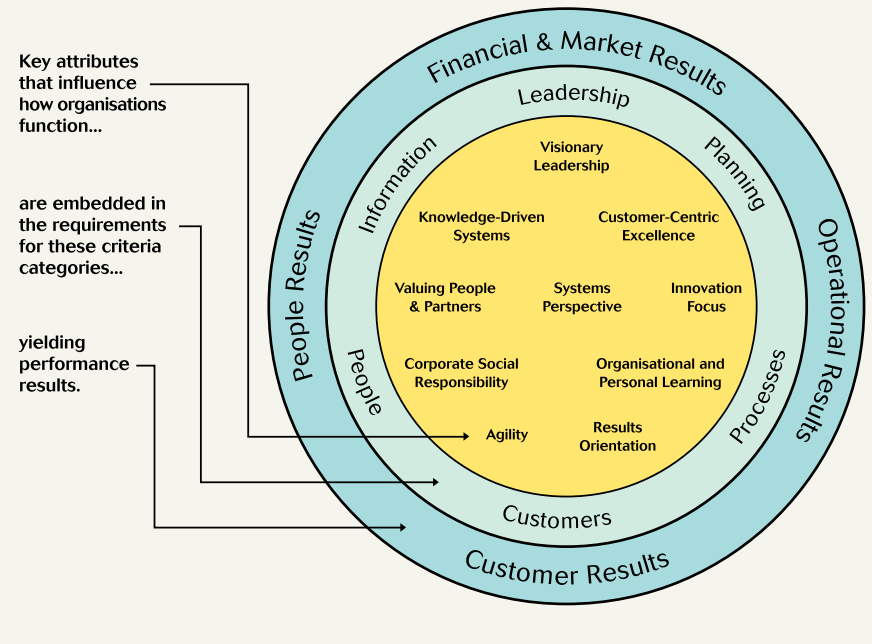
These attributes are embedded in the framework requirements in the six categories of leadership, planning, information, people, processes and customers, which enable the organisation to achieve performance results (Figure 5).

Hence, the attributes provide the foundation for integrating the requirements of the framework. The emphasis on these attributes may vary from organisation to organisation depending on the operating environment and challenges.

They are often cited as universal core values for organisational excellence and are applicable to both the private and public sectors, SMEs and non-SMEs.

Figure 5:

Key Attributes and Criteria Categories of the Framework



a. Visionary Leadership

Visionary leaders set the direction, promote clear and visible values, have high expectations. They develop strategies, systems and methods for achieving excellence, stimulating innovation, and building knowledge and capabilities. These values and strategies should guide all activities and decisions of the organisation.

The leaders should inspire and motivate the workforce and should encourage involvement, development and learning, and creativity of all employees. By being personally involved in activities such as planning, communication, coaching, performance review and employee recognition, the leaders serve as role models in the organisation.



Avi-Tech's leadership that creates value to customers

For Avi-Tech, a leading total burn-in solutions provider to the semiconductor industry, the key to the organisation's success is its customer-focused leadership. Said Mr Lim Eng Hong, founder and CEO of Avi-Tech Electronics Limited: "Our primary focus has been on delivering value-added services to our customers". Over the last five years, Avi-Tech has enjoyed a 100 per cent customer retention rate due to its value-added proposition to customers. Some of its key customers, such as Panasonic and Infineon, have been with the organisation for over 15 years.

Led by a visionary leader, the leadership team has tacit knowledge of the business and is highly visible and involved in all aspects of the business. Strong analysis and knowledge of the competition and the industry is evidenced by a team of dedicated experts across all three business divisions.

The organisation adopted the BE framework and was first awarded the Singapore Quality Class (SQC) certification in 1998 and went on to renew its certification in 2001, 2003 and, 2005. Since then, Avi-Tech has grown from strength to strength. It has moved from a Build to Design strategy to a Design and Build approach. Its system integration arm grew from just 2 per cent of revenue in 2006 to 58 per cent of revenue the next year. Sales from the US increased to 32 per cent of group revenue in 2007, from only 2.1 per cent the year before. On average, the organisation has achieved a compounded annual growth rate of 35 per cent between 2004 and 2007. Avi-Tech won the Singapore Quality Award in 2008.

b. Customer-Centric Excellence

The quality of a product or service is judged by customers. An organisation should take into account all product and service features and attributes that contribute value to its customers, create differentiating factors, and lead to greater customer satisfaction, customer referrals and loyalty. It should pay attention to both current as well as future customer and market needs, and respond to them efficiently and effectively. Organisations should also manage customer relationships and measure customer satisfaction.

c. Innovation Focus

Innovation is about making changes to the organisation's products, services, processes, technologies and management practices so as to create significant value for stakeholders. Innovation is not just the responsibility of the research and development department. It should be part of the culture and

daily work of the organisation. To succeed, organisations need to build up their competencies for managing and sustaining innovation.



Innovation @ ST Engineering

ST Engineering recognises innovation as a crucial element for the growth of the organisation. The organisation has in place a rigorous innovation management process that provides a systematic framework, originating with idea management to implementation of product, processes, market or organisational innovation. The approach is geared towards developing intellectual property and leveraging on innovation to provide a competitive edge in a global market.

Supporting this process are various people engagement mechanisms aimed at encouraging creative thinking and the innovativeness of individuals and teams at all levels. These include EVA Projects, Kaizen Team, TRIZ, Value Innovation Teams/6 Sigma, IQC Team, R&D Ideas and IPR (Intellectual Property Rights) Activities.

In-house ideas are also tapped through initiatives such as the annual ST Engineering Innovation and Idea Competition. The competition rewards innovation at the input stage (i.e. idea generation), as well as the output stage (i.e. developed products and services). New green idea categories were subsequently launched in 2008

to support ST Engineering's thrust in this new business area and in support of the Group's corporate social responsibility portfolio.

As part of ST Engineering's Business Excellence Council, the TII (Technology, Innovation & IPR) component committee oversees creativity and innovation on all fronts, including assessing the robustness of innovation activities, IPR management system and updating technology edge targets for Strategic Thrusts.

Leveraging on technology to enhance competitiveness and the performance of its products and services has resulted in a growing number of patents. The patents filed/granted each year far exceed the challenging targets set. The IPR processes turn ideas generated into valuable intellectual assets for the organisation. The IPR sub-committee also implemented an advanced IP Management system and regularly conducts sharing sessions with its closest counterparts to exchange innovation and IP management knowledge. As at end 2007, 126 patents were granted and 292 patents filed.

ST Engineering's multi-industry applications have enabled it to grow new businesses (e.g. digital media and education) and expand into new markets. Some examples of ST Engineering's innovative efforts are:

- B757-200 passenger-to-freighter conversion
- Pegasus 155mm 39 Calibre Light Weight Howitzer
- Hybrid Electric Tow Tractor
- DiskCrypt – Encrypted Notebook Hard Disk Drive
- Infra-red Fever Screening System (IFsTM)
- iTransport



Innovation – The lifeblood of the Singapore Police Force (SPF)

The SPF operates a robust, innovative and systematic corporate planning process that enables visionary long-term planning and agility to adapt to unpredictable changes in the operating landscape. To ensure alignment and ownership, all levels of employees are actively involved, through the use of a top-down and bottom-up approach. Guided by its Mission, Shared Vision and Strategic Thrusts, the SPF corporate planning process covers four phases, namely Strategy Innovation, Strategy Making, Strategy Implementation and Strategy Learning.

In the **Strategy Innovation** phase, environmental scans are performed to provide the SPF with an early warning capability to detect possible threats and opportunities within its operating environment. Through the use of innovative tools such as Blue Ocean thinking, the SPF creates value for its customers. Value innovation, in particular, takes progress beyond incremental improvements by identifying areas where existing customers have yet to be served. Through delivering a compelling new value proposition, the SPF is then able to scale the value curve and transform itself, from a reactive police force to one which embraces community policing. By continuously creating innovative value, the SPF policing approach has readily transformed itself from a reactive ‘Dial-a-Cop’ model to a community-based policing system and finally to the community engagement model today,

where the community and businesses take ownership of their own safety and security issues.

In the **Strategy Making** phase, the Planning Community meets at the Annual SPF Corporate Retreat to formulate short and long-term corporate objectives. These strategies crystallise SPF’s Corporate Strategy Map and provide focus for the various perspectives in the Balanced Scorecard. The various strategies are then cascaded to each unit to support the achievement of strategic and business outcomes. At the **Strategy Implementation** phase, SPF applies risk management principles and uses portfolio management to make constant trade-offs and ensures that it derives maximum return on investment from scarce resources. Finally, in the **Strategy Learning** phase, KPIs and work plans are monitored through the Balanced Scorecard (BSO) and the Quarter-to-Quarter (Q2Q) review system. This process ensures that resources can then be moved quickly in response to changes in the dynamic environment to derive maximum value. By leveraging on strategic conversations at all levels within the organisation, the SPF has instilled a culture of continuous learning and innovation, ever seeking improvements and scaling new heights.

In recognition of its commitment to organisational excellence, the SPF received the Singapore Quality Award in 2002. The commitment to organisational excellence and the drive to relentlessly improve itself were subsequently validated when the SPF achieved the SQA with Special Commendation in 2007. There are however no plans for the organisation to rest on its laurels. As SAC Ang Hak Seng, Senior Director, Planning & Development of SPF puts it, **“Continued Innovation is an Imperative, not a luxury or an afterthought”**.

d. Organisational and Personal Learning

Organisations need to continuously improve their existing approaches and processes and adapt to change. They should also help employees learn through education, training and opportunities for sustained and continuous growth.



McDonald’s succeeds through employee development

Training and career development is the foundation of McDonald’s service excellence culture. On average, a McDonald’s Restaurant Manager spends more than 2,000 hours of training over four years. The organisation has developed a learning culture geared towards service excellence through its comprehensive and structured classroom and on-the-job training programmes. This training culminates in a diploma in “Hamburgerology” from McDonald’s Hamburger University. Restaurant Managers are also given the opportunity to obtain a degree in hospitality through the prestigious McDonald’s University Accredited Programme.

McDonald’s also understands that excellent service can only be provided by happy employees. That is why it takes pains to provide a “fun and energised working environment where our people feel valued, and inspired to do their best for our customers in the restaurants. Our people develop

personal ownership of our goals,” explained Mr Alex Yeo, the managing director of McDonald’s Restaurants.

“The success of McDonald’s is built upon the success of our people. At McDonald’s, we believe that it is our responsibility to add value to our employees’ stay with us, and so we strive to provide the best service training in Singapore. Winning the Service Excellence Award is a glowing testament to the dedication and pride our 7,000 people have, in going the extra mile to serve our customers every day.” The organisation won the Service Excellence Award in 2008.

e. Valuing People and Partners

Organisations need to involve employees in enhancing performance and customer satisfaction. Reward and recognition systems need to reinforce employee participation. The health, well-being and motivation of employees should also be a goal of the organisation.

Organisations also need to build internal and external partnerships for mutual benefit. Strong partnerships internally (e.g. cross-functional teaming and collaborating with unions) and externally (e.g. with customers and suppliers) can help organisations to achieve their performance goals, boost their operational effectiveness and establish new market opportunities.



Conrad Centennial's vision and focus on people and customer service

The Conrad Centennial is a luxury business hotel that exemplifies success with people through business excellence. The many awards it has won are testimony to this. At the 2007 World Travel Awards, the Conrad Centennial was named Singapore's Leading Business Hotel. In 2006, Conde Nast Traveller magazine put it on the Gold List of world's best hotels to stay in. The previous year, Travel + Leisure magazine named it one of the world's best hotels while at the 2004 Hospitality Asia Platinum Awards, the Conrad won numerous awards, including Best Business Hotel, Service Excellence, Best Business Hotel General Manager and Best Human Resource Department.

A major part of Conrad's success is in finding, training and keeping the right staff. According to Conrad Centennial's executive assistant manager Cheong Hai Poh: "Of the three Ps we follow – people, product and profitability – people are the most important. That's why we put that P first."

The hotel has a comprehensive human resource strategy to attract, motivate, retain and develop its team. Its training process, the Conrad Real Time Training Process for Results, is able to address service delivery issues within a month of discovery. All department managers in Conrad

are empowered to assume the role of trainers. They are supported by a team of 120 rank-and-file staff (a full quarter of the staff strength) who are appointed as "buddies" for new staff, all of whom undergo an intensive five-day orientation programme over three months.

The focus on human resource is supplemented by the hotel's strong focus on customer service. The Conrad has a structured process to track how its customers feel about the hotel. Every day, feedback and comments left by guests using the comments card are reviewed using the hotel's Satisfaction and Loyalty Tracking (SALT) system, allowing the hotel to identify problems quickly. Every month, service quality meetings are held to review service levels.

Mr Heinrich Grafe, the general manager of Conrad Centennial Singapore, sees much value in winning the Singapore Quality Award and Service Excellence Award in 2007. "Our existing business performance ties in closely with the business excellence framework," he said. "Being conferred with two prestigious awards is indeed an important milestone for Conrad Centennial Singapore as it further strengthens our capabilities, strategies and corporate values, and helps us to achieve better results for the organisation in the long term."

f. Agility

Today's competitive markets demand that organisations show great flexibility. Organisations face ever-shorter cycles for the introduction of new or improved products and services. Increasingly, speed and flexibility in responding to customers are critical requirements. Major improvements in response time often require simplification of work units and processes and the ability to change rapidly from one process to another.

g. Knowledge-Driven System

The achievement of superior performance requires the use of data, information and knowledge to enhance judgment and enable better decision-making. The data can also be used to track performance measures and indicators.

h. Corporate Social Responsibility

An organisation should be responsible to the society, community and the environment and practise good corporate citizenship. These cover business ethics, the protection of public health, safety and the environment, community services, and the sharing of best practices with the business community. The potentially adverse impact on public health, safety, and the environment as a result of an organisation's operations as well as the life cycle of its products and services is a key consideration. In addition, organisations need to emphasise resource and waste reduction at the source.

i. Results Orientation

An organisation's performance system needs to focus on results that are guided and balanced by the interests of all stakeholders – customers, employees, shareholders, suppliers and partners, and the community. Using a balanced composite of performance indicators, organisations can effectively communicate requirements, monitor actual performance, and marshal support for improving and sustaining results.

j. Systems Perspective

All activities and functions of an organisation are linked to a larger system, and the outputs depend on how the organisation manages the system and develops the relationship within and around it. A systems approach will enable organisations to optimise the inter-relationships of its functions and to focus on the value-added factors of all processes within a larger context. It also promotes the development of a proactive culture by emphasising continuous improvement and corrective action at early stages of all activities.

Seven Categories in the Business Excellence Framework

(1) Leadership

While it is important for an organisation to define a clear vision and mission, it is even more important for it to demonstrate visible leadership that inspires its people to attain its vision and succeed. A good leader is able to set a purpose that shapes what the organisation aspires to achieve and if needed, change the set-up and structure of the organisation to make it a reality. Hence, under the business excellence framework, leaders would need to :

- Develop the mission, vision, values and ethics and be role models of a culture of excellence
- Be personally involved in ensuring that the organisation's management system is developed, implemented and continuously improved
- Interact with customers, partners and representatives of the community
- Instill and reinforce a culture of excellence with the organisation's people
- Identify and champion organisational change

(2) Planning

The organisation should realise its vision and mission through a well-defined strategy that takes into account the market or industry conditions in which it operates. All its policies, plans and processes should be in line with this strategy. Hence, the strategic planning process should be :

- Results-oriented and based on the present and future needs and expectations of all the stakeholders of the organisation
- Based on information from performance measures, research, learning and other related external activities

(3) Information

This category has been described as the 'brain center' for aligning the organisation's operations with its strategic objectives. In order to have an effective measurement, analysis and knowledge management system, the following are important:

- Good use of performance measurement by managers to track work-group and process level performance weighed against the organisation's targets
- The use of comparative and benchmarking data and information to know where the organisation stands in relation to others, and to better understand the organisation's processes and performance
- Conduct of organisational reviews that cover all areas of performance. This will help guide improvements that are in line with the organisation's goals and core competencies
- Ensure effective knowledge management, by making readily available data, information, software and hardware for the workforce through the intranet and user-friendly systems
- Continuously learn, innovate and adapt through the use of technology, information and knowledge

(4) People

In order to excel, the organisation should develop and tap the full potential of its employees at the individual, team-based and organisational levels. Fairness and equality among employees must be practised and people at every level should be involved and empowered to make changes. Employees should be cared for, rewarded and recognised so that they are motivated to perform to their best ability and stay committed to the organisation.

This can be done through the following:

- Human resource planning, development and management should be done in alignment with the organisation's strategic goals
- 'High-performance work' should be enabled. Such work is characterised by flexibility, innovation, knowledge and skills-sharing, good communication and information flow, customer focus and alignment with organisational needs
- Compensation and recognition systems should be in place. These can be in the form of profit-sharing or rewards for best team performance
- Learning and development opportunities should be provided
- A knowledge management system should be established so that knowledge can be shared to maintain the high performance of employees even through transition periods
- A supportive work environment should be in place through facilities such as recreational activities and career counseling
- Workplace safety standards should be enforced

(5) Processes

Process management ensures that the organisation's work systems are designed in a way that create value for its customers, prepare for potential emergencies and achieve organisational success and sustainability. Effective process management could include:

- Designing work processes in line with the organisation's goals and competencies

- Maintaining clear and detailed information of all the key processes of the organisation including all the work processes and their specific requirements
- Considering cycle time, productivity and delivery processes when designing the work processes; this may include detailed mapping of processes and redesigning some of them to achieve better outcomes
- Improving processes using information from organisational performance reviews, sharing successful strategies across the organisation, and performing process analysis and research, benchmarking and customer reviews

(6) Customers

The organisation should constantly seek to engage its customers, with a focus on meeting customers' needs, building relationships, and ensuring customer loyalty. This engagement is an important outcome of a customer-focused culture. The voice of the customer and the customer results provide vital information for understanding the customers and the marketplace. This information may affect the sustainability of the organisation in the marketplace.

(7) Results

The Results category provides a results focus that encompasses the organisation's customer results, financial and marketplace performance, workforce results and operational results. Through this focus, the organisation sustains the superior value of its offerings as affirmed by its customers and the marketplace, and high organisational performance. This category provides the measures of progress made by the organisation in achieving its vision, strategies and goals.

Key Characteristics of Framework Criteria

The Criteria are Non-Prescriptive

The criteria are made up of performance-oriented requirements which are non-prescriptive. They do not describe how an organisation is to be managed or organised.

This is because:

- a. The focus is on outcomes derived by adopting appropriate methods, tools or techniques. Organisations are encouraged to develop and demonstrate creative, adaptive and flexible approaches for meeting the requirements.
- b. The selection of tools, techniques and systems, usually depend upon many factors such as business size, business type, the organisation's stage of development and employees' capabilities.

The Criteria Are Comprehensive

The criteria address all internal and external requirements of an organisation, including how all work processes are managed. New or changing strategies may be readily adapted within the same set of criteria requirements.

The Criteria Emphasise Learning Cycles

The criteria call for learning (improvement) cycles in all parts of the organisation. The cycles have four stages: planning, execution of plans, assessment of progress and improvements based on assessment findings.

The Criteria Emphasise Alignment

The criteria support a systems perspective to maintain organisational goal alignment. This is achieved through the integrated structure of the key attributes, the criteria, and the results-oriented, cause-effect linkage among the criteria. Alignment in the criteria is built around connecting and reinforcing measures derived from the organisation's strategy. These measures are linked directly to customer value and overall performance.

The Criteria Support Goal-Based Diagnosis

The criteria and the scoring guidelines form a two-part diagnostic (assessment) system. The criteria are a set of performance-oriented requirements. The scoring guidelines spell out the assessment dimensions – Approach, Deployment and Results and the key factors used in the assessment relative to each dimension. An assessment thus provides a profile of the strengths and areas for improvement of an organisation relative to the requirements. This diagnostic assessment is a useful management tool that goes beyond most performance reviews.

Criteria Format

All the criteria are classified according to the types of information and/or data required from organisations. Each category, item and specific requirement to be addressed by the applicants are presented in the format shown in Figure 6.

Figure 6:
Criteria Format



CRITERIA FOR BUSINESS EXCELLENCE

Organisational Profile

Organisations should begin the process of addressing the business excellence criteria with the organisational profile. The organisational profile is a snapshot of the organisation, the key influences on how it operates and the key challenges it faces. It is important because:

- it is the starting point for self-assessment and for writing an application
- it helps the organisation to identify gaps in key information and focus on key areas of the business
- it is used by the assessors in the application evaluation, including the site visit, to understand the organisation, and what it considers important. The organisation will be assessed using the criteria requirements in relation to its environment, relationships, influences and challenges as presented in the organisational profile

The organisational profile should cover the following:

Organisational Description

Describe the organisation's business environment and its key relationships with customers, suppliers, partners and stakeholders

1 Organisational Environment

Describe the following :

- Organisation's main products and services and how are these delivered to customers
- Organisation's purpose, vision and values

- Core competencies of the organisation
- Employee profile, including number, type, educational level, etc
- Major equipment, facilities and technologies used
- Regulatory environment within which the organisation operates, including occupational health and safety regulations; accreditation, certification, or registration requirements relevant industry standards; and environmental, financial, and product regulations

2 Organisational Relationships

Relationship with the parent organisation:

- Outline the relationship with the parent organisation (if the organisation is a subsidiary of a larger organisation)
- If the organisation is a subsidiary, please state how large the organisation is in terms of employees compared to the parent organisation
- Describe how the products and services of the organisation relate to those of the parent and/or other units of the parent organisation
- Describe the key support services that the parent organisation provides, if any

Relationship with customers:

- State the organisation's major markets (local, regional, international, etc) and the principal customer types (consumers, other businesses, government, etc)
- State the key requirements for the products and services offered by the organisation.

Highlight significant differences, if any, in requirements among customer groups or markets

- Include any special relationship with key customer groups such as partnerships, whenever applicable

Relationship with suppliers and/or partners:

- Outline the relationship with suppliers and/or partners
- State the number and types of suppliers and/or partners
- Highlight the most important types of suppliers and/or partners
- Describe the key requirements for suppliers and partners
- Explain any limitations or special relationships that may exist in dealing with suppliers and partners

Organisational Challenges

Describe the organisation's competitive environment, strategic challenges, its organisational directions and key strategic challenges

1 Competitive Environment

- Identify the number and types of competitors, if any
- Describe the organisation's competitive position (relative size, growth) in the industry or markets served
- Outline the key factors determining the organisation's competitive success (productivity growth, cost reduction, innovation, etc.)
- Describe the key changes taking place that affect the competitive situation, including opportunities for innovation and partnering, as appropriate

2 Strategic Challenges

- Describe key business, operational and human resource strategic challenges

3 Organisational Directions

- Outline major new thrusts (e.g. changes in

products and entry into new markets/segments), new business alliances, introduction of new technologies, changes in strategy and unique factors, as appropriate

4 Performance Improvement System

- Describe the key elements of the organisation's performance improvement system



1 LEADERSHIP (120pts)

The Leadership category examines the organisation's leadership system, purpose, vision and values, and its responsibilities to the community, environment and the public

Excellence Indicators

- Senior leaders have developed a clear vision and mission which are easily understood and which drive the organisation towards excellence
- Senior leaders are personally involved in communicating the organisation's directions to all employees
- The vision, mission and goals of the organisation are regularly reinforced through a variety of programmes as well as in day-to-day activities
- Senior leaders are visibly involved in performance improvement activities
- Senior leaders recognise teams and individuals for their contributions to quality and performance improvement
- Senior leaders encourage staff and provide opportunities for them to experiment, innovate and take responsible risks
- All employees confirm that Senior leaders strongly support and drive the corporate culture
- Employees show a strong sense of identity and commitment towards the organisation's vision, and practise the corporate values in their work

- Senior leaders evaluate and improve their own leadership and work to improve their leadership
- The organisation has a well-defined policy, goals and programmes in relation to its contribution to the community and the environment in which it operates

1.1 Senior Leadership (50pts)

How senior leaders guide and sustain the organisation towards excellence

Areas to Address

- How senior leaders develop the purpose, vision and values for the organisation
- How senior leaders communicate, demonstrate and reinforce the organisational purpose, vision and values to employees and other stakeholders
- How senior leaders evaluate and improve the effectiveness of their personal leadership and involvement

Approach

Deployment

Notes:

- N1. "Senior leaders" refer to the organisation's highest-ranking officials and those reporting directly to those officials
- N2. "Stakeholders" refer to customers, stockholders, employees, suppliers and partners, and might include the community and the public
- N3. One way to see how senior leaders reinforce the organisation's purpose, vision and values, is to look at their involvement in performance review and improvement, training and development, and recognition
- N4. Evaluation of senior leadership and involvement might include an assessment of senior executives by peers, direct reports, board of directors, and employees

1.2 Organisational Culture (40pts)

How does the organisation develop a culture that is consistent with its values, and which encourages learning, innovation and achievement of the organisation's objectives

Areas to Address

- How the organisation translates its values into policies, practices and behaviours
- How the organisation creates and permeates a culture consistent with its values, and which encourages and supports learning, innovation and achievement of organisation's objectives
- How the organisation overcomes any differences between the current culture and the desired culture

Approach

Deployment

Notes:

- N1. "Organisational culture" refers to the underlying values, philosophy or beliefs held by members of the organisation, and the behaviours and practices that exemplify and reinforce them

1.3 Corporate Social Responsibility (30pts)

How the organisation addresses its responsibility to the community, environment and public, ensures ethical behaviours and practises good citizenship

Areas to Address

- The organisation's policy and goals in relation to its contribution to the community and the environment in which it operates
- How the organisation communicates its policy and goals to employees and external parties and involves them in achieving the goals
- How the organisation establishes its governance system for transparency and accountability that is consistent with statutory and regulatory requirements or guidelines, and the protection of stakeholder and stockholder interests, as appropriate
- How the organisation evaluates and improves its governance system, and its involvement and contribution to the community, society and the environment in which it operates

Approach

Deployment

Notes:

- N1. Responses to this item might include how the organisation anticipates public concerns and how it assesses the possible impact of its products, services and operations on society
- N2. Responsibility to the community might include efforts to strengthen local community services, education and health, sharing of best practices, and involvement in the activities of trade, business, or professional associations
- N3. Corporate governance is the system by which organisation are directed and controlled to ensure accountability to owners/ shareholders and stakeholders, transparency of operations, and fair treatment of all stakeholders
- N4. The corporate governance system would include approval of strategic directions, ensuring that financial and human resource plans are in place to meet strategic objectives, review of management performance, organisational controls and risk management, conflict of interest policies, disclosure, reporting and audits. The rights and responsibilities of key parties involved in the system such as the organisation's governance board, management, and owners/shareholders are specified in the corporate governance structure



2 PLANNING (70pts)

The Planning category focuses on strategic and action planning, deployment of plans, how plans are changed if circumstances require a change, and how progress is measured and sustained

Excellence Indicators

- Planning within the organisation is done systematically. The planning process is a closed-loop process that also involves regular reviews and modifications when necessary
- The planning process uses inputs from people throughout the organisation
- The organisation analyses both internal data (e.g. operational performance, quality indicators, etc.) as well as external data (customer feedback, market intelligence, industry trends, etc)
- The organisation's plans cascade down to all levels, and corporate goals are translated into departmental and individual objectives
- The organisation regularly evaluates its planning process, and the process is refined to improve the planning cycle time, planning accuracy and plan deployment
- The long-term and short-term goals are comprehensive and well-defined in measurable terms
- Targets set are challenging but achievable
- The planning process produces an overall business plan, not just a financial or budget plan
- The organisation has appropriate indicators and data which are regularly monitored to track the achievement of its plans and targets

2.1 Strategy Development and Deployment (70pts)

How the organisation develops its strategy and strategic objectives, and how they are deployed into action plans

Areas to Address

- How the organisation determines its strategic challenges, and how it develops its strategy and strategic objectives to address these challenges. Include how the organisation adopts a global perspective in its planning. Summarise the organisation's key strategic short-term and long-term objectives and goals
- How the organisation converts its strategic objectives into action plans. Include how the financial and other risks associated with the plans are managed and how resources are allocated to support the plans
- How the organisation reviews its performance relative to its plans, and how it establishes and deploys modified plans in a timely manner
- How the organisation evaluates and improves its strategic planning process

Approach

Deployment

Notes:

- N1. "Strategy development", as part of the strategic planning process, refers to the organisation's approach, formal or informal, to prepare for the future. The process might use various types of forecasts, projections, options, scenarios, knowledge (see 3.1 for relevant organisational knowledge), or other approaches to envisioning the future, for purposes of decision-making, resource planning and organisation-wide management
- N2. Strategy should be interpreted broadly. It might be built around or lead to new products, services, and markets. It might also lead to revenue growth from various approaches, including acquisitions, new partnerships, and employee relationships. Strategy might be directed at becoming a preferred supplier, a low-cost producer, a market innovator, or a high-end or customised product/service provider
- N3. The deployment of strategic plans refers to the translation of the plans into action and how resources are allocated to implement them
- N4. The action plans include annual plans, operational plans, human resource plans and marketing plans, as appropriate and should have details of resource commitments, key performance measures or indicators for tracking progress, and time horizons for achieving them



3 INFORMATION (70 pts)

The Information category focuses on the management of information, knowledge and the use of comparative and benchmarking information to support decision-making and improvements at all levels of the organisation

Excellence Indicators

- Data and information help in decision-making, and should be used to track the organisation's performance against its corporate objectives
- Data/information used for performance measurement and planning covers all significant areas including financial, sales and marketing, operations, product and service quality, supplier quality and customer satisfaction
- The organisation integrates data into a few key indicators to track overall performance
- The organisation has an effective system for collecting and managing data and information which is used in day-to-day management and to drive performance improvements
- All data/information has owners who review and ensure the accuracy, reliability and accessibility of the data/information
- The organisation has created systems to capture and disseminate knowledge
- The organisation has a systematic way of analysing data and information to support planning and review
- The organisation regularly evaluates and improves its management of data and information

- The organisation uses comparative data/information and/or competitive analysis to set challenging goals
- The organisation has a systematic way of collecting and analysing comparative data and information to drive performance improvements
- The organisation has a systematic approach to benchmark its processes against best-in-class organisations and adopt best practices to improve operational performance

3.1 Management of Information and Knowledge (50 pts)

How the organisation selects and manages information for planning, day-to-day management and performance evaluation. Describe how knowledge is systematically managed within the organisation, how it involves stakeholders, including customers, and how it creates value for the organisation

Areas to Address

- How information needed to drive planning, day-to-day management and improvements to the organisation's performance is selected and collected. List the key types of information and describe how they are related to the organisation's performance objectives and goals
- How the organisation ensures that information is reliable and accessible and how it is disseminated quickly to employees, suppliers/partners and customers. Include how the organisation shares information to encourage learning and innovation
- How information is analysed and used to support organisational planning and review.
- How the organisation manages knowledge to create value. Include how knowledge is used or acted upon for business improvements
- How the organisation evaluates and improves its management of information and knowledge

Approach

Deployment

Notes:

- N1. "Information" refers to data on indicators of process and organisational performance, and strategic success while knowledge refers to actionable information useful for creating value
- N2. "Knowledge assets" refers to both explicit and tacit knowledge within people, technology, systems and practices, work relationships, teams, networks and are actionable in nature. Explicit knowledge is knowledge documented or encoded in print, electronic, or audio-visual formats or embedded in prototype, equipment, or technology (e.g. intranet, manuals). Tacit knowledge is undocumented knowledge (e.g. expertise, past experiences of what works, and knowledge from informal network of co-workers)
- N3. Analysis of information might include trends, projections, comparisons, root cause analysis, and cause-effect correlation. Analysis should help organisations assess the financial viability and potential benefits or gains from its initiatives in relation to the associated risks
- N4. Management of knowledge might include how knowledge is collected, structured, analysed, stored, safeguarded, transferred and applied. Involvement of stakeholders might include employee contributions to the organisational knowledge base or the incorporation of customer and supplier knowledge to the existing knowledge/intellectual capital of the organisation
- N5. The information and knowledge management process should evaluate the usefulness of the information and knowledge gathered and how effectively that information and knowledge are used resource plans are in place to meet strategic objectives, review of management performance, organisational controls and risk management, conflict of interest policies, disclosure, reporting and audits. The rights and responsibilities of key parties involved in the system such as the organisation's governance board, management, and owners/shareholders are specified in the corporate governance structure

3.2 Comparison and Benchmarking (20pts)

How the organisation selects and uses comparative and benchmarking information to improve performance

Areas to Address

- a. How comparative and benchmarking information is selected to improve the organisation's performance
- b. How comparative and benchmarking information is used to improve processes and to set stretch goals and/or encourage breakthrough improvements. Include a summary of comparative and benchmarking activities and studies done
- c. How the organisation evaluates and improves its overall process of selecting and using comparative and benchmarking information

Approach Deployment

Notes:

- N1. Comparative information includes comparisons with competitors and/or comparable organisations
- N2. "Benchmarking" refers to finding good practices inside or outside the organisation's industry, and using the knowledge gained to achieve superior performance
- N3. Evaluation might address a variety of factors such as the usefulness of the information gathered, how effectively the information is used and the training of personnel in the acquisition and use of information



4 PEOPLE (100pts)

The People category focuses on how the organisation taps the full potential of the workforce to achieve high performance

Excellence indicators

- Human Resource (HR) is involved in the strategic planning process, providing its input as well as developing appropriate plans to support the organisation's short and long-term goals
- HR planning is proactive rather than reactive, covering all key issues including recruitment, retention, training and development, leadership succession, employee participation, recognition and reward, labour-management relations and employee satisfaction
- Many ways of encouraging employee participation at all levels, promoting teamwork and tapping on the innovative potential of its employees are in place
- The training and development needs for all employees are systematically identified, taking into account what is needed, and what the organisation already has
- The effectiveness of the training and development that employees undergo is systematically assessed
- The organisation systematically measures employee satisfaction, gets feedback from employees, and acts on issues arising from such feedback

- There is a fair and effective system to measure employee performance
- A wide variety of reward and recognition schemes are in place to support high performance and innovative and creative behaviour. These are linked to the corporate objectives and values
- The organisation regularly evaluates and improves all its major HR processes

4.1 Human Resource Planning (20pts)

How the organisation's human resource strategies address the needs and development of its workforce

Areas to Address

- a. How the organisation develops its human resource strategies, policies and plans. This includes how the human resource strategies, policies and plans are aligned to the strategic plans
- b. Describe the organisation's human resource requirements and plans, based on the organisation's strategic objectives and goals
- c. How the organisation uses feedback to improve human resource strategies, policies and plans

Approach Deployment

Notes:

- N1. Human resource plans should include job redesign, education and training, compensation and recognition, promotion of good labour-management relations, knowledge sharing and learning, HR outsourcing/outplacement, manpower planning and talent management
- N2. A review of the human resource plans should be based on factors like business changes and changes in employee-related performance data such as absenteeism, turnover and employee satisfaction levels

4.2 Employee Engagement (20pts)

How the organisation engages its employees to contribute to the achievements of its objectives and goals

Areas to Address

- a. The strategies adopted and the mechanisms available to encourage and support individual and team participation in achieving the organisation's objectives and goals
- b. The process of implementation of the mechanisms for employee engagement and the review of their effectiveness
- c. How the organisation evaluates and improves its overall employee engagement process

- Approach
- Deployment

Notes:

- N1. Employee engagement is often characterised by high-performing work environments in which people are motivated to do the best for their customers and contribute to the success of the organisation*
- N2. The organisation might use different ways to encourage different categories of employees to contribute to the organisational's goals and objectives. This would enhance a sense of belonging and engagement with the organisation. Examples include suggestion schemes, task forces, and teams*

4.3 Employee Learning and Development (20pts)

How the organisation engages its entire workforce in learning and development to achieve high performance

Areas to Address

- a. How the organisation identifies the learning and development needs for all employees to support its objectives and goals
- b. How learning and development opportunities are delivered, and reviewed for their contribution to individual and organisational effectiveness
- c. How the organisation evaluates and improves its overall learning and development process

- Approach
- Deployment

Notes:

- N1. Learning and development address the skills, knowledge, competencies and opportunities that employees need to contribute to the organisation*
- N2. The type of training needed should take into account job analysis (e.g. the types and levels of skills required), organisational direction, and the timeliness of training*
- N3. Learning and training delivery might occur inside or outside the organisation and involve on-the-job, classroom, computer-based, distance learning, or other types of delivery (formal or informal)*
- N4. Review of learning and development effectiveness might address the effectiveness of the training, verification of knowledge and skills acquired by employees, impact on the individual's performance, and impact on the performance of the organisation*

4.4 Employee Well-Being and Satisfaction (20pts)

How the organisation develops a work environment that enhances the well-being and satisfaction of employees. Describe the formal and informal ways of assessing employee satisfaction

Areas to Address

- a. How the organisation develops a supportive work environment that enhances employee well-being and satisfaction, and promotes a harmonious relationship between management and unions/employees. Include how the organisation supports the needs of a diverse workforce
- b. How the organisation measures and assesses employee well-being and satisfaction
- c. How the organisation evaluates and improves its approach to enhancing employee well-being and satisfaction

- Approach
- Deployment

Notes:

- N1. To enhance employee well-being and satisfaction, organisations could consider workplace health promotion, counseling, recreational activities, career and personal development, flexible work hours, and arrangements to make the work environment family-friendly through activities such as the provision of on-site childcare centres*
- N2. To measure employee satisfaction, employee feedback surveys could be conducted. To measure employee well-being, data on safety, absenteeism, turnover, grievances, and employee health and satisfaction levels could be gathered. The results of such measures should be reported in Item 7.3*

4.5 Employee Performance and Recognition (20pts)

Describe how the organisation's employee performance management and recognition systems encourage employees to achieve high performance

Areas to Address

- a. How the organisation's employee performance management and recognition systems support high performance, innovative and creative behaviours and achievement of objectives and goals
- b. How the organisation evaluates and improves its employee performance management and recognition systems

- Approach
- Deployment

Notes:

- N1. The organisation might use a variety of recognition approaches - monetary and non-monetary, formal and informal as well as individual and group approaches*



5 PROCESSES (90pts)

The Processes category focuses on the key processes the organisation uses to pursue its objectives and goals and how they are systematically designed and managed. The key processes include the innovation processes, their production and delivery system and supplier and partnering processes

Excellence indicators

- The organisation systematically acquires, evaluates and implements creative ideas from all sources
- The organisation translates customer requirements and expectations into product or service design, production and delivery
- External parties (customers, suppliers, business partners) are involved in key aspects of the design process (e.g. giving inputs, design review, product/ service reviews)
- The innovation and design processes are evaluated and improvements are made to shorten cycle time, improve design quality and reduce costs
- The key processes have clear objectives and targets (e.g. cycle time, quality level)
- The key processes are systematically measured and regularly reviewed to ensure that they meet performance standards or targets set
- There is a system to analyse root causes, fix problems and prevent future re-occurrences when a process fails to meet specified standards or targets set
- The organisation identifies and selects its suppliers and partners who support the overall organisational strategy

- The organisation communicates and proactively works to ensure that suppliers are able to meet their requirements (e.g. supplier audits, supplier rating and certification system)
- Key suppliers are helped to improve their ability to meet key quality and response time requirements (e.g. training, joint planning, long-term agreements, incentives and recognition)

5.1 Innovation Processes (40pts)

Describe how the organisation manages innovation and designs new products and services and their related production and delivery systems

Areas to Address

- How innovation management processes support value creation. Include how creative ideas are harvested, evaluated and implemented
- How new products and services and their related production and delivery systems are designed and introduced. Include how employees, customers and suppliers/partners are involved in the design process
- How the organisation evaluates and improves these innovation processes

Approach

Deployment

Notes:

- N1. Ideas from all sources are harnessed. This includes employee and customer feedback, research/benchmarking studies, and inputs from partners and suppliers
- N2. The design processes might address modifications and variants of existing products and services; and/or new products and services emerging from research and development or other product/service concept developments

5.2 Process Management and Improvement (30pts)

Describe how the organisation manages and improves its production/delivery processes (including support processes) for its products and services

Areas to Address

- Define the key production and delivery processes of products and services and the support processes. Include a description of their requirements and performance measures or indicators
- Describe how the organisation manages these key processes to meet process requirements and maintain process performance to ensure that products and services meet customer and operational requirements. Include how the organisation is able to sustain its operations in emergencies and disasters for business continuity
- Explain how the organisation evaluates and improves these key processes to achieve better process performance and improvements to products and services

Approach

Deployment

Notes:

- N1. The organisation has to define key processes for the production and delivery of products/services that are most important in running the business and maintaining or achieving a sustainable competitive advantage
- N2. The areas to address also cover key processes which support the organisation's production/delivery processes. These might include facilities management, legal, human resource, project management, finance and accounting, and administration processes
- N3. The organisation might adopt various approaches to improve processes. These include technology adoption, process research and development, use of process improvement tools, process reengineering, and benchmarking
- N4. Disasters and emergencies might be related to natural, human or technologically- related events that have the potential to disrupt and impact the continuity of operations. Natural events include weather-related and pandemic events. Human events are deliberate acts of man which include fraud and terrorism. Technological events include IT system and power failures
- N5. Response to disasters and emergencies would include prevention, mitigation, and management activities to support continuity of operations

5.3 Supplier and Partnership Management (20pts)

Describe how the organisation manages its key suppliers and/or partners for the production and delivery of its products and services

Areas to Address

- How the organisation identifies and selects its suppliers and partners. Include a description of the key performance requirements for suppliers and/or partners and how the relationship and partnership fit into the overall strategy of the organisation
- How the organisation communicates and ensures that its requirements are met by suppliers and/or partners and how timely and actionable feedback is provided to suppliers and/or partners
- How the organisation works with suppliers and/or partners to understand their needs, and the plans and processes established to help suppliers and/or partners improve their goods and services, as appropriate

Approach

Deployment

Notes:

- N1. To achieve organisational goals, identifying suppliers and partners to work with for a win-win approach is essential
- N2. "Suppliers" refers to external parties that provide goods and services to the organisation
- N3. "Partners" refers to external parties with which the organisation interacts collaboratively. "Partnership" might include relationships with distributors and regulatory bodies; and collaboration with competitors and complementary organisations. The partnership could take various forms, including strategic partnerships, joint ventures and alliances
- N4. Determining how requirements are met might include audits, process reviews, receiving inspections, certifications, testing and rating systems
- N5. Plans and processes might include supply/partnership chain resilience due to outsourcing, joint planning, partnerships, training, long-term agreements, incentives and recognition
- N6. Results of improvements in supplier/partner performance should be reported in item 7.4b



6 CUSTOMERS (100pts)

The Customers category focuses on how the organisation determines customer and market requirements, builds relationships with customers, and determines their satisfaction

Excellence indicators

- There is a logical method for segmenting customers
- There is a wide variety of “listening posts” (e.g. focus groups, frontline employees, surveys, feedback forms, etc.) to determine both current and future customer requirements and expectations by customer segment
- The organisation systematically collates, analyses and summarises various sources of customer feedback (e.g. complaints, customer interviews, focus groups, surveys, etc.) into actionable information. The marketplace is continually monitored to anticipate potential opportunities
- Customer requirements and expectations are systematically used as inputs in the planning process,

and incorporated into the strategic business and improvement plans

- Several methods are used to ensure ease of customer contact (e.g. toll-free lines, handphone for contact personnel, e-mail, account managers, etc.)
- Service standards are set at customer interfaces (e.g. answering calls within three rings, responding to complaints within 24 hours, etc.)
- Customer-contact employees are adequately trained and empowered to manage customer relationships and delight customers
- There is a system to ensure the prompt and effective resolution of all customer complaints
- Data about customer complaints are systematically tracked and used to initiate prompt corrective action to prevent future re-occurrence
- Different ways of measuring customer satisfaction (e.g. customer surveys, complaints/compliments, repeat business, feedback forms, warranty claims, customer interviews, etc.), are in place and these are regularly and systematically monitored
- The organisation’s ability to satisfy customers has been recognised in the form of customer awards, or other forms of recognition schemes
- The organisation regularly evaluates and improves on its processes and methods for determining customer requirements and expectations, managing customer relationships and measuring customer satisfaction

6.1 Customer Requirements (40pts)

Describe how the organisation determines the requirements of customers and markets to ensure the relevance of current products/services and how it develops new opportunities and/or markets

Areas to Address

- How the organisation segments its customers and/or markets. State the customer /market requirements for each segment
- How the organisation uses different listening and learning strategies to analyse current customer/ market needs and anticipate future ones
- How the organisation incorporates customer requirements and future market needs into strategic and improvement plans
- How the organisation evaluates and improves its processes for determining current and future customer requirements

Approach

Deployment

Notes:

- N1. The item aims to address how the organisation seeks to understand the voice of customers and market needs. The focus is on meeting customer’s expectations and requirements, delighting customers and building loyalty. The organisation needs to segment customers and markets
- N2. Examples of listening and learning strategies are customer focus groups, interviews with lost customers, use of customer complaint process to improve service, competitive comparisons, and survey/feedback information, including the use of the internet

6.2 Customer Relationship (30pts)

Describe how the organisation manages its relationship with customers for repeat business and/or positive referrals

Areas to Address

- How the organisation provides easy access for customers to conduct business, seek assistance and information, and make complaints. Describe key customer contact requirements and how these requirements are determined and deployed to everyone in the response chain
- How the organisation ensures that complaints are resolved effectively and promptly, and how complaints received are aggregated and analysed for use in overall improvement
- How the organisation evaluates and improves its customer relationship management

Approach

Deployment

Notes:

- N1. The item examines how the organisation builds customer relationships to acquire new customers, retain existing customers, and market. Customer relationships might include development of partnerships and alliances with customers
- N2. Examples of customer contact requirements include response time, reliability, service staff behaviour, and after-sales services
- N3. Effective analysis should lead to the elimination of the causes of complaints and to the setting of priorities for process, product, and service improvements
- N4. Improvement of customer relationship management might include equipping customer-contact employees with skills on service delivery, managing expectations and handling problems
- N5. Results against key customer contact requirements should be reported in Item 7.1

6.3 Customer Satisfaction (30pts)

Describe how the organisation measures customer satisfaction and how this information is used to improve its operations

Areas to Address

- a. How the organisation determines customer satisfaction
- b. How the organisation translates customer satisfaction feedback into strategic and improvement plans
- c. How the organisation evaluates and improves its overall process of determining customer satisfaction

Approach Deployment

Notes:

- N1. An effective customer satisfaction measurement system provides the organisation with reliable information about customer ratings of specific product and service features and the relationship between these ratings and the customer's future market behaviour
- N2. A key aspect of determining customer satisfaction is the comparison of satisfaction levels with competing or alternative offerings



7 RESULTS (450pts)

The Results category examines the organisation's performance and improvements in areas of importance to the organisation. It also examines performance levels relative to those of competitors and/or benchmarks

Excellence indicators

- There is a clear link between the strategy of the organisation and what it measures
- The organisation has key indicators looking at customer, financial and market, people, supplier and partner, and operational and financial performance results
- All results have targets and trends which are three years or more
- Absolute results are high relative to that of competitors or industry standards
- Results consistently meet or exceed targets
- There is a clear link between the results and the systems/processes adopted
- Adverse trends are explained and corrective action, already taken or planned, can be demonstrated
- There are comparisons done with benchmarks within the industry and across industries, as the organisation learns from the best
- The organisation demonstrates best-in-class performance in major or most areas of importance.

7.1 Customer Results (140pts)

Summarise the organisation's customer-focused results, including customer satisfaction and retention results, and product and service performance results

Areas to Address

- a. Summarise current levels and trends in key measures and/or indicators of customer satisfaction and retention. Address different customer groups and market segments, and include comparative data as appropriate
- b. Summarise current levels and trends in key measures and/or indicators of product and service performance. Address different customer groups and market segments, and include comparative data as appropriate

Results

Notes:

- N1. Customer satisfaction results reported in the item are derived from methods described in item 6.3. Results might be supported by customer feedback, customer's overall assessment of products/services, and customer awards. The indicators should go beyond satisfaction indicators to include relevant indicators of future success in the marketplace and organisational sustainability. These indicators could include those relating to customer loyalty, repeat business and longer-term customer relationships
- N2. The combination of direct customer measures/indicators in item 7.1a with product and service performance measures/indicators in item 7.1b provides an opportunity to determine the relationship between the organisation's product/service attributes and evidence of customer satisfaction, loyalty and positive referrals

7.2 Financial and Market Results (90pts)

Summarise the organisation's key financial and marketplace performance results

Areas to Address

- a. Summarise current levels and trends in key measures of financial performance, including aggregate measures of financial results and/or economic value, as appropriate. Compare results relative to competitors and/or benchmarks, as appropriate
- b. Summarise current levels and trends in key measures and/or indicators of marketplace performance, including market share/position, market acceptance, business growth, and new markets entered, as appropriate. Compare results relative to competitors and/or benchmarks, as appropriate



Results

Notes:

N1. The item examines the organisation's key financial and market results, with the aim of understanding financial sustainability and marketplace challenges and opportunities

N2. Results reported in this item might include aggregate measures such as Return on Investment (ROI), asset utilisation, operating margin, profitability, surplus, profitability by market/customer segment, liquidity, debt to equity ratio, value added per employee, and other financial activity measures

7.3 People Results (100pts)

Summarise the organisation's human resource results, including employee involvement, satisfaction and development

Areas to Address

- a. Summarise the current levels, trends and impact of employee engagement. Segment results by categories of employees, and include comparative data as appropriate
- b. Summarise the current levels, trends and impact on learning and development of all employees. Segment results by categories of employees and include comparative data as appropriate
- c. Summarise the current levels and trends of performance on employee well-being and satisfaction. Segment results by categories of employees and include comparative data as appropriate



Results

Notes:

N1. Results reported in this item should relate to the strategies and activities described in statements in the People category

N2. Results reported might cover generic and organisation-specific factors. Generic factors might include safety, absenteeism, turnover, satisfaction, and grievances

7.4 Operational Results (120pts)

Summarise the operational performance results that contribute to the achievement of key organisational performance goals, and the organisation's key supplier and partner results. Include appropriate comparative data

Areas to Address

- a. Summarise current levels and trends in key measures of design, production, delivery, and support process performance. Include productivity, cycle time, and other appropriate measures of efficiency and innovation. Compare results relative to competitors and/or benchmarks
- b. Summarise current levels and trends in key measures and/or indicators of supplier and partner performance. Include the organisation's results and/or cost improvement resulting from improvements in supplier and partner processes
- c. Summarise current levels and trends in key measures and/or indicators of the organisation's contribution to the community, society and the environment.
- d. Summarise current levels and trends of the organisation's key measures of its governance system



Results

Notes:

N1. Results reported in this item should address the organisation's key performance requirements and progress toward key performance goals as presented in the Organisational Profile, and in items 2.1, 5.1, 5.2, 5.3. Include results not reported in items 7.1, 7.2, and 7.3

N2. Supplier and partner results reported in item 7.4b should address requirements described in item 5.3

N3. Results on the organisation's contribution to the community, society and the environment reported in item 7.4c should address requirements described in item 1.3

N4. Results on the organisation's key measures reported in item 7.4d should address requirements in item 1.3 and include compliance, audit report findings, etc

SCORING SYSTEM

The business excellence framework provides a structured, analytical method for evaluating an organisation's performance system. A three-dimensional scoring system is used to evaluate the approaches adopted by an organisation to improve performance, the deployment of the approaches through all operations, and the results achieved both within the organisation and with its customers (Figure 7).

a. Scoring Guidelines

Organisations need to provide objective, quantifiable responses to comprehensively describe the required approach, deployment and the results dimensions of the scoring system.

The definitions of the three evaluation dimensions and the requirements associated with them are given below:

Approach

"Approach" refers to how the applicant addresses the criteria requirements – the methods used. The factors used to evaluate approach include the following:

- Extent to which methods, tools and techniques are appropriate for the requirements
- Extent to which methods, tools and techniques are effective.
- Degree to which the approach is:
 - systematic, integrated and consistently applied
 - based upon information that is objective and reliable
- Evidence of innovation, including significant and effective adaptations of approaches used in other applications or types of business

Deployment

"Deployment" refers to the extent to which the applicant's approach is applied by the organisation. The factors used to evaluate deployment include the following:

- Appropriate and effective use of the approach in functional/operational areas
- Appropriate and effective use of the approach in interactions with customers, employees, suppliers/ partners of goods and services and the public
- Approach is applied consistently

Results

"Results" refers to the organisation's outputs and outcomes in achieving the requirements in items 7.1 to 7.4 (category 7). The factors used to evaluate results include the following:

- Current performance levels
- Performance levels relative to appropriate comparisons and/or benchmarks
- Rate, breadth and importance of performance requirements
- Linkages of result measures to key performance requirements identified in the Organisational Profile and Approach/Deployment criteria items

Figure 7:
Scoring Guidelines

Score	Approach	Deployment	Results
0 - 19%	Some form of approach exists but it is reactive and not systematic	Approach is deployed to few functional / operational areas of the organisation	Poor results Improvement trends and/or good performance levels in few areas of importance to the organisation Results not reported for most areas of importance to the organisation
20 - 39%	Direction for approach is defined Beginning of a planned and prevention-based approach	Approach is deployed to some major functional/ operational areas of the organisation	Improvement trends and/or good performance levels in some areas of importance to the organisation Early stages of obtaining comparative information Results reported for most areas of importance to the organisation
40 - 59%	A sound, effective approach is in place with evidence of prevention activities Approach is aligned with basic organisational needs identified in other criteria categories	Approach is deployed to most major functional/ operational areas of the organisation	Improvement trends and/or current performance levels are good in most major areas of importance to the organisation Favourable comparisons with external organisations and/ or benchmarks in some areas Results address most key customer, market and process requirements

Score	Approach	Deployment	Results
60 - 79%	<p>A proven and well-defined approach which is prevention-based with evidence of refinement through learning and improvement</p> <p>Approach is well-integrated with organisational needs identified in other criteria categories</p>	<p>Approach is deployed to all major functional/operational areas of the organisation</p> <p>Practised consistently by all levels</p>	<p>Current performance levels are good to excellent in all major areas of importance to the organisation</p> <p>Improvements trends are sustained in most areas</p> <p>Favourable comparisons with external organisations and/ or benchmarks in key areas</p> <p>Results address key customer, market and process requirements</p>
80 - 100%	<p>Exceptionally well-defined, innovative approach</p> <p>Approach is accepted as best practice in the field</p> <p>Approach is fully integrated with organisational needs identified in other criteria categories</p>	<p>Approach is deployed to all functional/operational areas within and outside the organisation</p> <p>Practised consistently by all levels</p>	<p>Current performance levels are excellent in most areas of importance to the organisation</p> <p>Excellent improvement trends and/or excellent sustained improvement in most areas</p> <p>Excellent comparisons with external organisations and/or benchmarks in most areas</p> <p>Results fully address all customer, market and process requirements</p>

b. Criteria Weightage

The seven categories of the business excellence framework have been allocated a total of 1,000 points. The overall weightage of points allocated for the driver and systems categories is 55% and the results category is 45%.

No.	Categories/Item	Point Values	
1	Leadership		120
1.1	Senior Leadership	50	
1.2	Organisational Culture	40	
1.3	Corporate Social Responsibility	30	
2	Planning		70
2.1	Strategy Development and Deployment	70	
3	Information		70
3.1	Management of Information and Knowledge	50	
3.2	Comparison and Benchmarking	20	
4	People		100
4.1	Human Resource Planning	20	
4.2	Employee Engagement	20	
4.3	Employee Learning and Development	20	
4.4	Employee Well-being and Satisfaction	20	
4.5	Employee Performance and Recognition	20	
5	Processes		90
5.1	Innovation Processes	40	
5.2	Process Management and Improvement	30	
5.3	Supplier and Partnership Management	20	
6	Customers		100
6.1	Customer Requirements	40	
6.2	Customer Relationships	30	
6.3	Customer Satisfaction	30	
7	Results		450
7.1	Customer Results	140	
7.2	Financial and Market Results	90	
7.3	People Results	100	
7.4	Operational Results	120	
	Total Points		1000

CRITERIA RESPONSE GUIDELINES

The guidelines given in this section are offered to assist the criteria users in responding effectively to the requirements of the criteria items.

- **Review the item format and understand how to respond to the item requirements.**

It is especially important to understand the multiple requirements contained in the Areas to Address. Both approach and deployment dimensions are used in the scoring of each item except for those in the Results category.

Item requirements are presented in question format. Some of the requirements in the Areas to Address include multiple questions. Responses to multiple questions within a single Area to Address may be grouped, as appropriate to the organisation.

- **Anticipate Assessment and Feedback**

A well-written response is one that gives clear information on the approach and on its relevant use (deployment). Anecdotal information or incomplete information should not be included as it is not possible for the assessors to prepare meaningful feedback on it. Examples used should illustrate clearly how the approach mentioned in the response is executed.

- **Respond Concisely**

All responses should be concise and factual. Statements should be supported with data wherever appropriate.

- **Cross Reference**

Although individual responses should be self-contained, there may be instances when responses to different items are mutually reinforcing. In such cases, it is advisable to refer

to those items, rather than repeat the information. In doing so, the references should be made specific, for example "please refer to item 6.2b".

- **Review Each Response**

Organisations should ensure that all responses address the item requirements. These responses should be consistent with their key business requirements and with information reported in related items.

- **Provide Description of Approaches**

Organisations should provide descriptions of a step-by-step process or detailed flowchart wherever approaches are asked for. Include an example to clarify the flowchart or process description, wherever appropriate.

- **Report Results and Trend Data**

Result items require data to demonstrate progress (trend data), achievement (performance levels and comparisons of results with others), and breadth of the deployment.

Organisations should report trend data to show progress and sustained performance. Time periods may span three years or more for some results. Trends may be shorter in areas where improvement efforts are new. Trends that show a significant positive or negative change should be explained.

The breadth of results is a major factor in evaluation. Hence, it is important to report data reflecting a wide deployment of improvement activities. Graphs and tables can be used to present results.

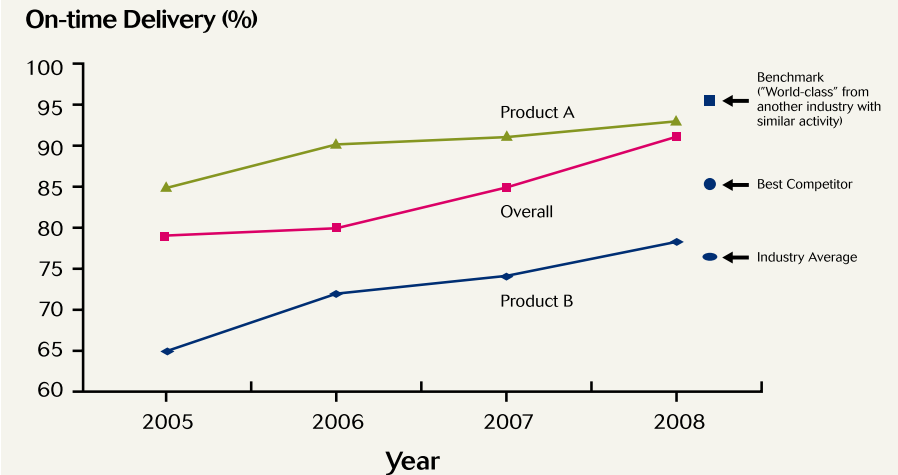
Graphs and tables should be integrated into the text,

wherever possible. Explain what the graphs represent and summarise the conclusions that can be drawn from the data depicted in the graphs.

Depict goals in graphs to indicate how close the actual performance is, compared to the desired performance.

The graph shown in Figure 8 illustrates how an organisation might present its results as part of a response to item 7.1 – Customer Results. In the Organisational Profile, the organisation has indicated on-time delivery as a key customer requirement.

Figure 8:
Example of a Graph



GLOSSARY OF KEY TERMS

This glossary defines and briefly describes terms used throughout the criteria booklet.

Action Plans

The term “action plans” refers to specific actions that respond to short and longer-term strategic objectives. Action plans include details of resource commitments, key performance measures or indicators for tracking progress, and time horizons for accomplishment. In the criteria, deployment of actions includes creating aligned measures for all departments and units.

Alignment

The term “alignment” refers to consistency of plans, processes, information, resources decisions, actions, results, and analyses to support key organisation-wide goals. Effective alignment requires the use of complementary measures and information for planning, tracking, analysis, and improvement at three levels: the organisational level, the key process level, and the work unit level.

Benchmarks

The term “benchmarks” refers to identifying processes and results that represent best practices and performance for similar activities, inside or outside an organisation’s industry and globally. Organisations use benchmark data as one form of comparative data to understand the current dimensions of world-class performance and to help set stretch goals and achieve quantum or “breakthrough” improvement.

Other comparative data that organisations might use include industry data collected by a third party (frequently industry averages), data on competitors’ performance, and comparisons with similar organisations that are in the same geographic area or that provide similar products and services in other geographic areas.

Continuous Improvement

The term “continuous improvement” refers to the progressive value-adding to a product, process or services, which helps the company to achieve better standards and results as compared to the past.

Core Competencies

The term “core competencies” refers to the organisation’s areas of greatest expertise. An organisation’s core competencies are those strategically important capabilities that provide an advantage in the marketplace or service environment. Core competencies frequently are challenging for competitors or suppliers and partners to imitate, and they provide a sustainable competitive advantage.

Core competencies may involve technology expertise, unique service offerings, a marketplace niche, or particular business acumen.

Corporate Governance

The term “corporate governance” refers to the system by which organisations are directed and controlled to ensure accountability to owners/shareholders and stakeholders, transparency of operations, and fair treatment of all stakeholders. Organisations with good corporate governance have the capacity to maintain high-quality services and to deliver improvements.

Customer

The term “customer” refers to client, buyer, purchasers, actual and potential users of an organisation’s products, programmes, or services. Customers will include the end-users and the immediate purchasers such as distributors, agents, or others who need the products or services as a component of their products or services. They are the recipients or beneficiaries of the organisation’s output.

Customer-Centric Excellence

The term “customer-centric excellence” refers to products and services that are not only low in defects and errors but also include features and characteristics that differentiate them from competitive offerings.

Customer Relationship

The term “customer relationship” refers to the process of acquiring new customers, retaining existing customers, and developing new markets. This can also include the development of partnerships and alliances with customers. Customer relationship also involves the setting of service standards to ensure quality of service and success outcomes that require effective deployment of the service standards throughout the organisation.

Effective

The term “effective” refers to adequate accomplishment of a particular purpose whereby it produces the intended results.

Employee

The term “employees” refers to the staff working in the organisation that help to contribute to the work of the organisation. This includes paid employees (e.g. permanent, part-time, temporary, and telecommuting employees, as well as contract employees supervised by the organisation) and volunteers.

Employee Engagement

The term “employee engagement” refers to the extent of employee commitment, both emotional and intellectual, to accomplish the work, mission, and vision of the organisation. It is often characterised by high-performing work environments in which people are motivated to do their best for the customer and contribute to the success of the organisation.

Evaluate

The term “evaluate” refers to the review of approaches. It involves measuring progress made, and acquiring new knowledge through learning. This then leads to identifying and carrying out necessary changes or improvements. Learning includes individual as well as group organisational learning. The results obtained in the past and the learning acquired, including learning from other organisations, are of value only to the extent that they enable the organisation to review, plan,

and achieve progress. Organisations have to be committed to the continuous improvement of their approaches, leading constantly to better results.

Excellence

Excellence is about outstanding practices in managing the organisation and achieving results based on the key attributes of excellence.

Goals

The term “goals” refers to the desired results or achievements toward which organisational effort is directed.

Information

The term “information” refers to data on indicators of process and organisational performance and strategic success, while knowledge refers to actionable information which is useful for creating value (i.e. market value for private organisations).

Innovation

The term “innovation” refers to making changes to products, services, processes, technologies and management practices to create new, significant value for stakeholders. Innovation involves the adoption of an idea, process, technology, or product that is either new or new to its proposed application and managing it to fruition, to create value.

Successful organisational innovation is a multi-step process that involves development and knowledge-sharing, implementation, evaluation, and learning. Although innovation is often associated with technological innovation, it is applicable to all key organisational processes that would benefit from change, whether through break-through improvements or change in approaches or outputs. It could include fundamental changes in the organisational structure or the business model to more effectively accomplish the organisation’s work.

Integration

The term “integration” refers to the harmonisation of plans, processes, information, resource decisions, actions, results, and analyses to support key organisational goals. It is the extent to which the results measure (often through segmentation) address important customer, product and service, market, process, and action plan performance requirements identified

in the organisational profile and in criteria items. Integration is one of the factors of evaluation for an assessment.

Learning

The term “learning” refers to new knowledge or skills acquired through evaluations, study, experience, and innovation. To be effective, learning has to be embedded in the way an organisation operates. Learning contributes to the competitive advantage and sustainability of the organisation, and the employability of its workforce.

Mission

The term “mission” refers to the overall function of an organisation. The mission answers the question “What is this organisation attempting to accomplish?”. The mission might define customers or markets served, distinctive or core competencies, or technologies used.

Organisational Profile

The term “organisational profile” refers to a snapshot of the organisation, the key influences on how it operates, and the key challenges it faces.

Partners

The term “partners” refers to those key organisations or individuals who are working with the organisation to achieve a common goal or to improve performance. Typically partnerships are formal arrangements for a specific aim or purpose, such as to achieve a strategic objective or to deliver a specific product or service. They could include relationship with distributors and regulatory bodies; collaboration with competitors and complementary organisations, including strategic partnerships, joint ventures and alliances.

Performance

The term “performance” refers to outputs and their outcomes obtained from processes, products and services that permit evaluation and comparisons relative to goals, standards, past results, and other organisations. Performance can be expressed in non-financial and financial terms.

Process

The term “process” refers to linked activities with the purpose of producing a product or service for a customer within or

outside the organisation. Generally, processes involve a combination of people, machines, tools, techniques, materials and improvements in a defined series of steps or actions. Processes rarely operate in isolation and must be considered in relation to others.

Requirements

The term “requirements” refers to expectations, preferences, and the needs of customers and the market.

Risk

The term “risk” refers to the degree of probability of a loss to an organisation. Risk Management helps decision-makers make informed choices and also helps to prioritise actions and distinguish among alternative courses of action. It involves identifying sources of risk, areas of impact, events and their causes and their potential consequences. Comprehensive identification is critical, because a risk that is not identified at this stage will not be included in further analysis. Identification of risks should include whether or not their source is under the control of the organisation.

Stakeholders

The term “stakeholders” refers to customers, stockholders, employees, suppliers and partners, and might include the community and the public that has an interest in any activities or decision of an organisation.

Strategic Challenges

The term “strategic challenges” refers to those pressures that exert a decisive influence on an organisation’s likelihood of future success. These challenges frequently are driven by an organisation’s future competitive position relative to other providers of similar products or services.

Sustainability

The term “sustainability” refers to the organisation’s ability to address current business needs and to have the agility and strategic management to prepare successfully for the future business, market, and operating environment. This can be in the form of financial stability or sustainable competitive advantage.

The sustainability considerations might include employee capabilities and capacity, resource availability, technology, knowledge, core competencies, work systems, facilities, and equipment.

Suppliers

The term “suppliers” refers to external parties that provide goods and services to the organisation.

Systematic

The term “systematic” refers to the method or order that is put in place in the organisation’s approach or deployment.

Trends

The term “trends” refers to numerical information that shows the direction and rate of change for an organisation’s results. Trends provide a time sequence of organisational performance.

Examples of trends called for by the criteria include data related to product and service performance, customer and workforce satisfaction and dissatisfaction results, financial performance, marketplace performance, and operational performance, such as cycle time and productivity.

Vision

The term “vision” refers to the future desired state of the organisation. It describes where the organisation is headed, what it intends to be, or how it wishes to be perceived in the future.

Workforce

The term “workforce” refers to all people actively involved in accomplishing the work of the organisation, including paid employees (e.g. permanent, part-time, temporary, and telecommunicating employees, as well as contract employees supervised by the organisation) and volunteers, as appropriate.

BUSINESS EXCELLENCE MILESTONES

1994 Singapore Quality Award (SQA) launched with sponsorship from industry. The SQA was modelled on the best features of the US Malcolm Baldrige National Quality Award, Japan's Deming Prize and the European Quality Award

1995 First SQA winner – Texas Instruments Singapore Pte Ltd (now Micron Semiconductor Asia Pte Ltd)

1997 Singapore Quality Class (SQC) scheme launched to recognise organisations which have attained a commendable level of performance on the SQA framework, and are committed to reach the SQA standard. People Developer Standard (PDS) launched to recognise organisations with a total approach to managing people and achieving high performance through people systems.

1999 SQC adopted by the Singapore Civil Service

2000 Singapore joined the GEM (Global Excellence Model) Council. The members of the GEM Council are the guardians of the premier Excellence Models across the world. The mission of the GEM Council is to maintain a leading edge position on excellence models; explore opportunities for collaboration, and share knowledge on business excellence.

2001 People Excellence (PE) Award and Singapore Innovation Award (I-Award) launched. First PE Award Winners – PSA Corporation and Robinson & Co. Ltd. First I-Award winners – National Library Board, PSA Corporation and HP Singapore

2002 SQA criteria revised to include requirements on innovation. Singapore Innovation Class (I-Class) scheme launched to recognise organisations which have developed their innovation management capabilities

2003 Singapore Service Class (S-Class) scheme launched to recognise organisations which have developed their service capabilities to enhance service leadership, service agility, customer delight, and customer experience

2004 The integration of awards under a common umbrella of Business Excellence Awards announced. SQA remains the pinnacle award for business excellence, and the PE Award and the I-Award are positioned as niche awards.

2006 Enhancements made to the business excellence niche standards for people, innovation and service. These enhancements provide greater clarity on the relationships between the various standards under the business excellence framework

Service Excellence Award launched as a niche award for business excellence. The Singapore Innovation Award is renamed as the Innovation Excellence Award so as to adopt a consistent approach in the branding of the business excellence awards.

SQA with Special Commendation launched to recognise past SQA winners who have demonstrated sustainable global leadership in key business areas, products or services.

SMART (SME Management Action for Results) Initiative launched to help SMEs embark on the business excellence journey. Funding support provided for SMEs to engage consultants to help them develop their management systems and processes in areas of priority to the business.

2007 Business Excellence Mentoring Programme introduced to help SMEs already on the business excellence journey, to progress further. Each participating SME is paired with a mentor, which is a leading organisation on the business excellence journey. Mentor advises the SME on practical issues and improvement plans.

2008 Business Excellence framework is reviewed for relevance in meeting the changing needs of organisations. SQC STAR launched to recognise SQC organisations that achieve at least 550 points in their assessment and to encourage continuous performance improvements on their business excellence journey.

2009 SPRING Singapore designated by the Asian Productivity Organisation (APO) as its first Centre of Excellence (COE) for Business Excellence. The Centre would facilitate sharing of expertise and best practices in business excellence and help national productivity organisations (NPOs) strengthen their capabilities in business excellence.

Singapore is hosting the 10th meeting of the GEM Council in November.

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SPRING Singapore