



Foundation's Mission

“To enable New Zealand organisations to achieve and sustain proven World-Class performance and results”

We provide:

A range of services, advice and assistance to support NZ organisations in their business improvement activities including -

- Access to knowledge and an 'organisational excellence' community'
- Frameworks & Templates for Business Improvement
- Business Assessment services
- Events and Networking opportunities
- Training– in-house and public courses
- Mentoring and advisory services
- Internationally-calibrated Award programmes

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NZBEF Membership

ACC
AJ Park
Anglesea Hospital
Auckland Council
Auckland University of Technology
Bartercard NZ
Bay of Plenty DHB
Cambridge Resthaven
Canterbury DHB
City Care Ltd
Cleantastic New Zealand
Counties Manukau DHB
Cubic Defence NZ Ltd
Early Childhood Council
Electrix Ltd
Fisher & Paykel Appliances Ltd
Ford New Zealand Ltd
Freightways Express Ltd
Fuji Xerox
Gisborne District Council
Group O NZ Ltd

Hamilton City Council
Hospice North Shore
Housing New Zealand
Hutt City Council
IANZ
Independent Living Services
Insurance Brokers NZ
IRD
Kamo Home and Village Charitable Trust
Leadership New Zealand
Lumley Insurance
Maritime NZ
MASH Trust
Mercy Hospice
Ministry for Primary Industries
Muscular Dystrophy Association
Nelmac Ltd
NZ Institute of Management
NZ Defence Force
NZ Fire Service
NZ Police

NZ Trade & Enterprise
Nurse Maude Association
Order of St John
Porirua City Council
Quest Serviced Apartments (NZ) Ltd
Recreational Services Ltd
Richmond NZ Ltd
Royal New Zealand Navy
Saint Clair Wine Estate
Spectrum Care
Telarc SAI Ltd
The Business Factory Ltd
UGL
VERO Insurance NZ
Waikato District Council
Waikato Regional Council
Waitaki District Council
Waikato Institute of Technology (Wintec)
Western Bay of Plenty District Council
Westland Milk Products Ltd



What is Business Excellence?

- Baldrige - a holistic non-prescriptive and adaptive framework
- Aimed at assisting organisations – irrespective of size and nature
- Enables you to assess where you are now – and where you want to be
- Asks a series of questions which work together to help you:
 - Align your resources
 - Identify **strengths** but also **opportunities for improvement**
 - Improve communication
 - Gain efficiencies
 - Ensure your products and services meet the needs of your customers
 - Measure the effectiveness of what you are doing
 - Deliver on your strategy



What is it?

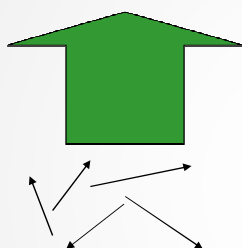
- Allows the organisation to select the tools appropriate to them
- Based on seven key criteria common to effective organisations:
 - Leadership
 - Strategic planning
 - Customer focus
 - Measurement, analysis, and knowledge management
 - Workforce focus
 - Operations focus
 - Results

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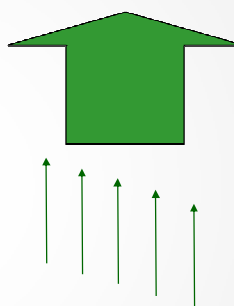


Alignment and Integration



Not aligned

- Unfocused
- Opportunistic
- Gaps



Aligned

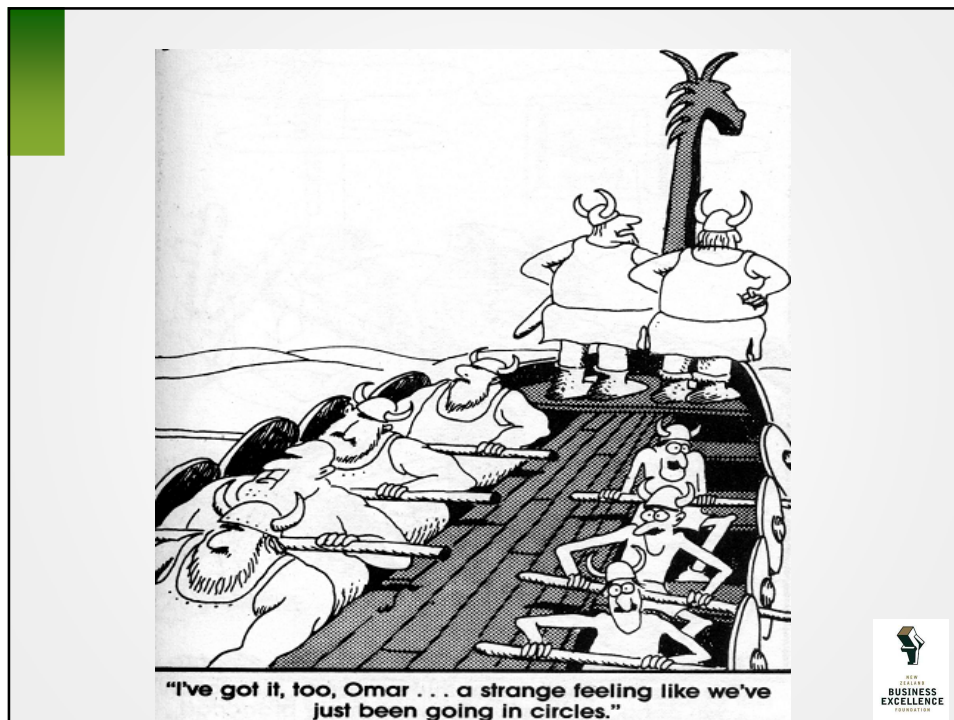
- Focused
- Continuous Improvement

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INTRODUCTION TO BUSINESS EXCELLENCE

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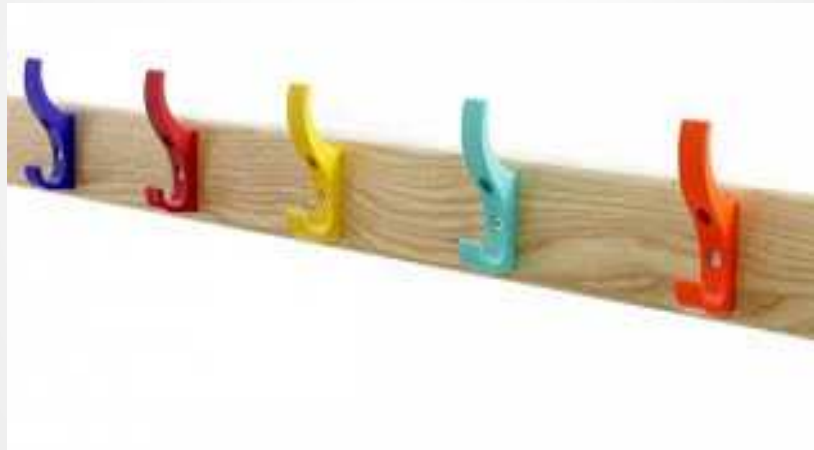




The Categories and their Linkages



In reality - a place to align your activities



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“ I see the Baldrige process as a powerful set of mechanisms for disciplined people engaged in disciplined thought and taking disciplined action to create great organisations that produce exceptional results.”

- Jim Collins, best selling author of *Good to Great* and *Why Some Companies Make the Leap And Others Don't*.

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The Criteria

Leadership

How do your senior leaders lead the organisation to:

- Set the vision and values –how do they share this with the workforce, suppliers, customers and key stakeholders
- Create a successful organisation
- Create a focus on action including ***innovation*** and ***intelligent risk taking***



The Criteria

Strategic Planning

How does the organisation:

- Conduct its planning and what are the key process steps
- Ensure the process encourages organisational agility and operational flexibility
- Define its organisational core competencies and determine its future competencies
- Implement its strategy and measure it



The Criteria

Customer Focus

How does the organisation:

- Interact with and listen to its customers to obtain actionable information
- Segment its customer base
- Listen to potential customers
- Know if its customers are satisfied – or not

The Criteria

Measurement, Analysis and Knowledge Management

How does the organisation:

- Select and use performance data to track daily operations and overall organisational performance
- Effectively use comparative data
- Share best practices
- Collect, retain and share knowledge

The Criteria

Workforce

How does the organisation:

- Assess its workforce capability and capacity needs
- Set competencies, qualification levels etc
- Prepare the workforce for changing capability and capacity needs
- Engage its workforce to ensure success

The Criteria

Operations

How does the organisation:

- Design its services and processes
- Determine its key operational requirements
- Control its costs
- Manage its suppliers
- Manage for innovation

The Criteria

And last but definitely not least – RESULTS

How does the organisation:

- Know the results of the activity in the other 6 criteria
- Show it is doing the right thing – and being effective in its delivery
- Benchmark to show continuous improvement

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Common characteristics of World Class Organisations

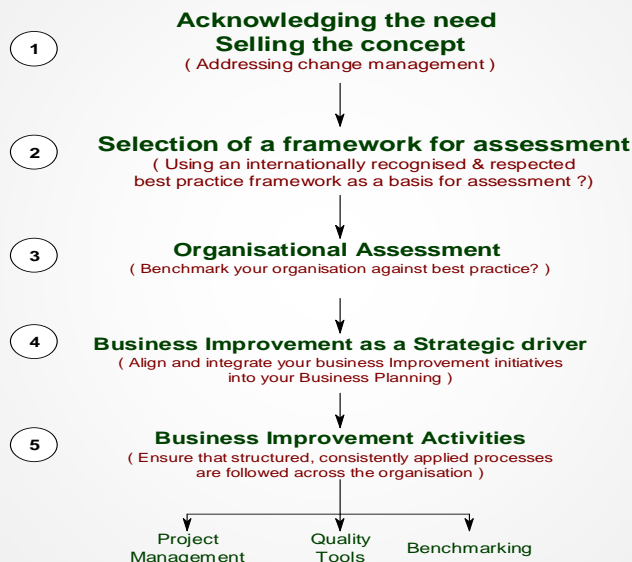
- Visionary leadership
- Customer focused excellence
- Valuing people
- Organisational Learning and Agility
- Focus on success
- Managing for innovation
- Management by fact
- Societal responsibility
- Ethics and transparency
- Delivering value and results
- Systems perspective

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Planning your Business Improvement Programme

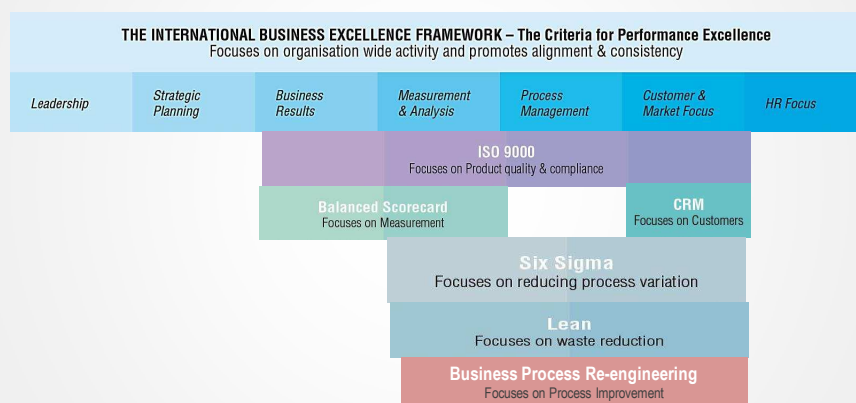


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Organisational Improvement Tools



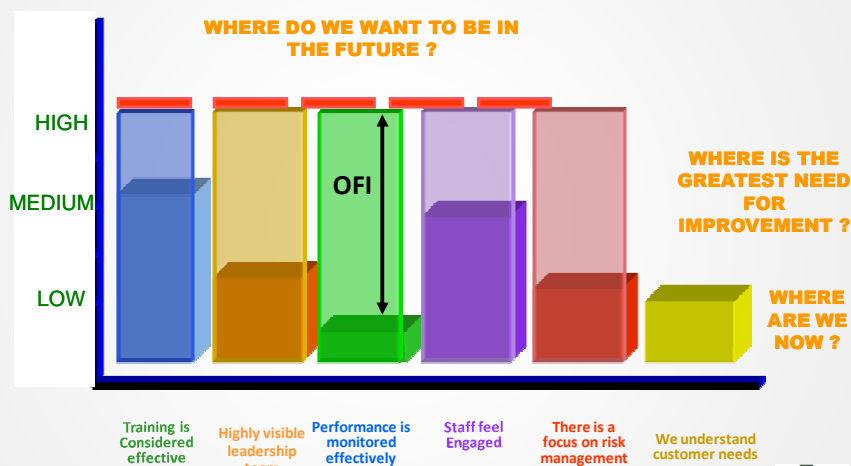
Source – NZ Ministry of Economic Development

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Identifying and Prioritising the Opportunities

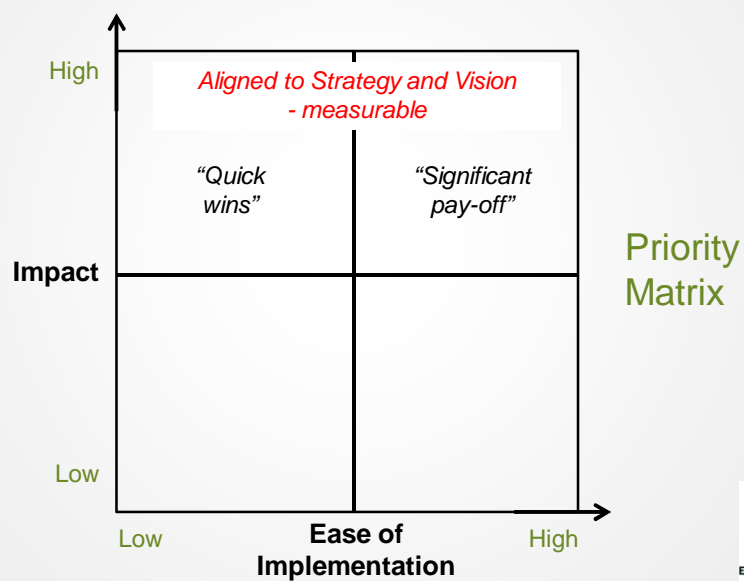


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What do we focus on?



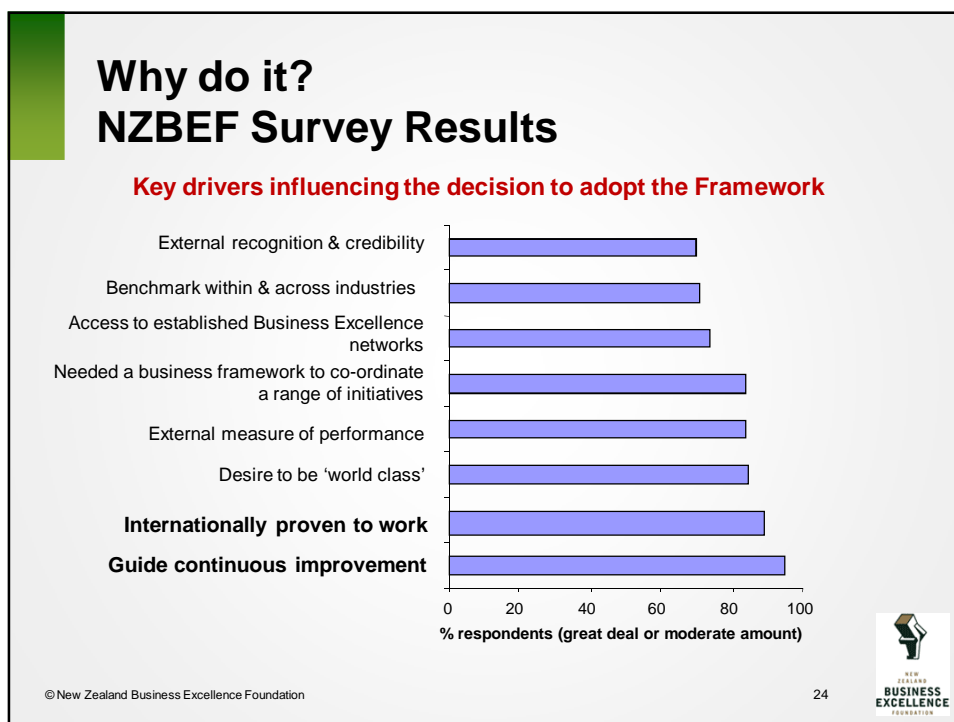
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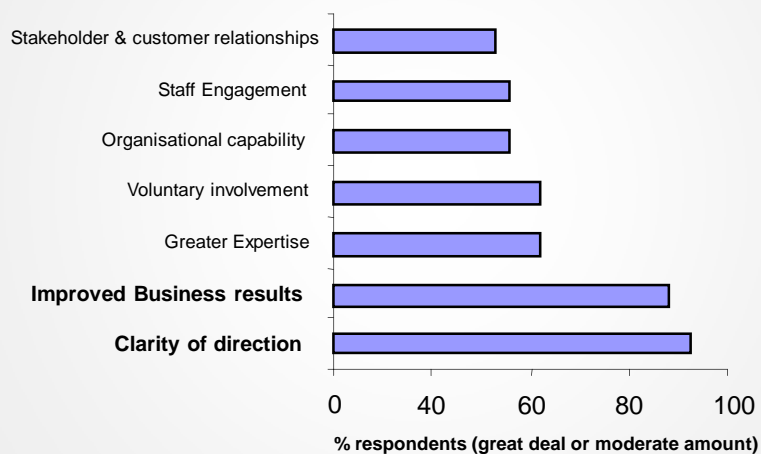


What does success look like? Is the effort worth it?

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Perceived Influence Over Time NZBEF Survey Results



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NZ Excellence Award Winners Since 2007

Year	Winner	Award Level
2014	Counties Manukau District Health Board	BRONZE
2014	MASH Trust	BRONZE
2013	Spectrum Care Trust	GOLD
2013	Western Bay of Plenty District Council	GOLD
2013	Waipa District Council	SILVER
2013	Bay of Plenty District Health Board	BRONZE
2012	Porirua City Council	BRONZE
2011	Hutt City Council	GOLD
2010	Spectrum Care	SILVER
2009	Royal New Zealand Navy	GOLD
2009	New Zealand Fire Service	SILVER
2009	Western Bay of Plenty District Council	SILVER
2008	Vero Insurance New Zealand	GOLD
2008	Whangarei District Council	SILVER
2008	Kerridge & Partners	SILVER
2007	New Zealand Aluminium Smelters Ltd	GOLD
2007	Kerridge & Partners	BRONZE



RNZ Navy Progress to World-Class

- 1998 - engaged a Business Excellence "Coach" and adopted a "Project" approach initially
- All sailors trained in the use of quality tools and business improvement tools
- Many key personnel received Baldrige assessment training and served as National evaluators
- Journey spanned the terms of 4 Chiefs of Navy
- Conducted full Baldrige assessments to track progress
- 2003 achieved Bronze award
- 2006 achieved Silver award
- 2009 achieved Gold award

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RNZ Navy Progress to World-Class



	2001	2003	2006	2009
Leadership	49%	60%	66%	73%
Strategic Planning	35%	55%	65%	78%
Customer	35%	31%	62%	70%
Measurement	38%	60%	66%	73%
Human Resources	49%	64%	66%	70%
Process Management	47%	51%	73%	75%
Results	29%	32%	53%	65%
TOTAL	37%	44%	60%	70%

Hutt City Council



Seven Year Journey

- Focus on the use of ratepayer funds and providing quality services
- 2004 – Commendation (Bronze)
- 2006 – Silver
- 2011 – Gold

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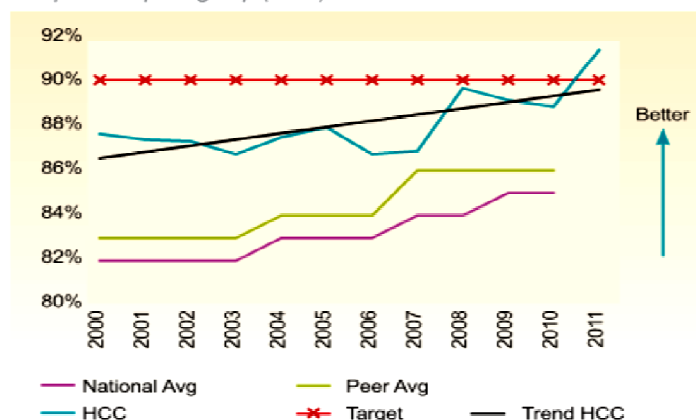
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Hutt City Council



! Figure 7.2a(1)-1 Resident Satisfaction average across all key services compared to peer group (NRB)



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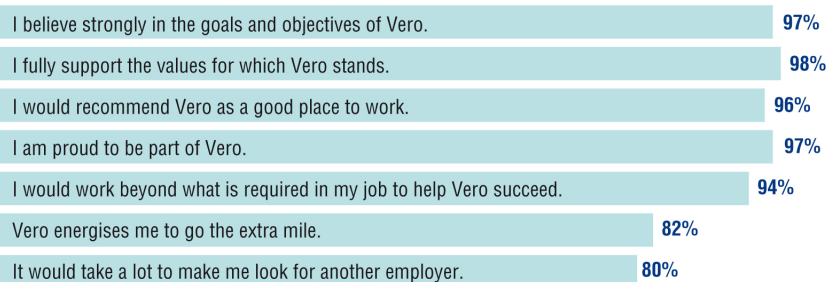


Vero Insurance



"Our Success is built upon the engagement of our people"

90% Overall Engagement



This average Engagement score of 90% from Vero staff contrasts with a score of 54% recorded by their largest competitor.

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Spectrum Care

Seven Year Journey

- NFP Charitable Trust
- Ministry funded
- Who is the customer?
- 2006 – Silver
- 2011 – Gold

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Spectrum Care - Vacancies

Fig 7.4-2 FTE Vacancies

Vacancies (FTE) 2008-2010



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Spectrum Care – complaints and compliments

Fig 7.2-1 Comparison of complaints and compliments
Complaints - Compliments (June 2010-August 2012)



Over the past three years, unsolicited compliments have been increasing, while complaints have been decreasing (Fig 7.2-1). Our aspirational target is zero complaints, but this must be tempered by the operating environment and the type of work we do.

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And the USA experience ...

- Lockheed Martin Missiles and Fire Control - cost savings of an estimated \$225 million annually through time reductions resulting from process and performance improvement programs in all lines of its businesses.
- MEDRAD (now a business of Bayer HealthCare) - increased its revenues from \$120 million in 1997 to approximately \$625 million in 2009.
- Cargill Corn Milling saved more than \$15 million from 2006 to 2008 by using ideas generated by employees.
- Honeywell Federal Manufacturing & Technologies' customer product quality and reliability reached 99.9% for traditional customers and 99% for nontraditional customers.
- Freese and Nichols achieved revenue growth between 12 and 16 percent over the four years leading to its Baldrige Award, exceeding the industry benchmark by 10 percentage points in 2009.

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In Summary

- The fundamentals of running a successful organisation in the public, private or not for profit sector are essentially the same.
- There is no better alternative than a structured, consistent, organisation-wide approach to business improvement.
- 'Journey' vs. 'programme' approach
- The journey never ends
- Even the smallest steps have value – it is the journey not the destination
- Business improvement is not an “add on”, rather, it's an essential part of running a successful organisation.

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“real people in real companies want to be part of a winning team. They want to contribute to producing real results. They want to feel the excitement and the satisfaction of being part of something that just flat-out works. When people begin to feel the magic of momentum when they begin to see tangible results and can feel the company start to build speed that's when they line up, throw their shoulders to the wheel, and push.”

Jim Collins on the 'fly-wheel concept'