Truly excellent organisations are measured by their ability to achieve and sustain outstanding results for all their stakeholders, such as customers, employees, shareholders and the community. This requires a management approach based on eight fundamental concepts:

**Results Orientation:** The needs of stakeholders are met and balanced. Stakeholders may include employees, customers, suppliers, shareholders and society.

**Customer Focus:** There is a clear understanding of the needs of both current and potential customers, and a passion for meeting needs and exceeding expectations.

**Leadership and Constancy of Purpose:** Leaders have a clear sense of direction and purpose, which they communicate effectively throughout the organisation.

**Management by Process and Facts:** All activities are managed in a systematic and effective way, taking into account all stakeholders’ perceptions.

**People Development and Involvement:** A culture of trust and empowerment that allows all employees to develop and contribute to their full potential.

**Continuous Learning, Improvement and Innovation:** Knowledge is shared to maximise performance, with learning, innovation and improvement encouraged.

**Partnership Development:** There are mutually beneficial relationships with all partners.

**Public Responsibility:** The organisation fosters a positive and mutually beneficial relationship with society and the community.

N.B. There is no significance in the order of these concepts.
The fundamental concepts behind the Model have been described previously, but the key question is “How does the Model help drive business improvement?”

This is achieved through the application of RADAR philosophy, which is at the heart of the Model. It consists of four elements:

1. **Determine Results required**
2. **Plan and develop an integrated set of Approaches**
3. **Deploy the approaches**
4. **Assess and Review the approaches, to identify, prioritise, plan and implement improvements.**

The Excellence Model has nine criteria that are broken down into two main groups: enablers and results. The five enablers are the things an organisation does in order to achieve the desired results. This result/enabler breakdown provides a valuable way for you to classify your organisation’s activities and performance.

The philosophy is that an organisation needs to:
- Determine the Results it is aiming for from its policy and strategy.
- Plan and develop an integrated set of Approaches.
- Deploy the approaches.
- Assess and Review these approaches, to identify, prioritise, plan and implement improvements.

The theme of innovation and learning spans the Model and reinforces the feedback mechanisms that drive the improvement in your organisation’s performance.

Business Excellence is not just another initiative, but a way of pulling several initiatives together in a focused and practical way. There is wide-ranging evidence from around the world that supports the benefits to be gained from following a philosophy of Excellence in business. This data comes from research into organisations that have won national and international Excellence awards, such as the UK Quality Award, the European Quality Award, the Japanese Deming Prize and the Malcolm Baldrige National Quality Award (MBNQA) in the USA, studies of Quality Award winning organisations proving that TQM improves the operating performance of an organisation.

It includes:
- Research, carried out by the European Centre for Business Excellence supported by the BQF and published in the ‘X-Factor’ report, reveals overwhelming verification of the links between Excellence, improved business performance and outstanding business results.
- A study of European companies using the concepts of Excellence showed that these companies outperformed their industry median, on four different financial indicators over a five-year period. For example, profit per employee in 79% of the companies was higher, 76% of the companies had a higher return on assets and 76% of the companies showed higher profit margins than their industry medians.
- A study carried out over 5 years into the effects of TQM after the first year of implementation. Results showed that winners of various quality awards (from international to smaller scale awards) outperformed their benchmark in many different aspects of their performance. The study also measured the improved stock prices of almost all of the 140 award winners.

(refer to Appendix 2 for references).
1.3 Chapter 3 Layout

Chapter 3 of this book is divided into sections according to the nine criteria of the Model, and each section is introduced by the definition of that criterion and its sub-criteria, plus an illustration of linkages between the sub-criteria within that criterion, and between all the enabler criteria.

Each of the nine sections then examines the sub-criteria that combine to make up the criterion, with each sub-criterion occupying a double-page spread, containing the definitions of the criterion and sub-criterion, plus a list of activities within an organisation that the particular sub-criterion could be applied to.

For each sub-criterion there are three examples to illustrate how it is put into practice in three different types of organisation – a large private sector company, a large public sector organisation and a small-to-medium business, or a division of a large private sector organisation. The logo at the top of the box cross-references to that in Appendix 1 to indicate which of these three sectors the example is from.

The lower boxes for each sub-criterion indicate the links to the fundamental concepts. Further links can be investigated within BQFsnapshot.
2.1 Introduction
As in version 1, this chapter shows how the examples in this book, together with other sources of information, can help you implement improvement in your organisation. Space does not allow a comprehensive description of all improvement approaches, but there is enough detail in this chapter to get you started.

It begins by describing a simple change process that you may use. This has four key steps, based around the RADAR (Results, Approach, Deployment, Assessment and Review) approach that underpins the philosophy of Excellence, described in Chapter 1.

A key feature of the approach is that it focuses on the results that you want to achieve. It makes use of the linkages within the Model and refers to the examples in Chapter 3 as a source of ideas for improvement action. The examples provided in the previous version can also be used in the same way.

In addition to referring to the examples, this chapter also includes other approaches that you may wish to consider, including some widely used and well-recognised tools and techniques. This should further assist you in the implementation of improvements, as the examples provide ideas and aid communication of the benefits of using the Excellence Model. These have been revised and updated with current approaches in addition to those provided in Version 1.

2.2 A Simple Change Process
   Using RADAR

2.2.1 Introduction
RADAR, described in Chapter 1, is based on the widely known ‘Plan-Do-Check-Act’ continuous improvement cycle that some organisations have been following since the 1950s.

The concept is to:

- **Plan** what you need to do to achieve your goals.
- **Do** the action/activity.
- **Check** or review that the action/activity was successful.
- **Act** on the results of the review, for example, by taking additional actions if you were not completely successful.

The improvement approach described below, and shown in Figure 2.1, follows similar lines.

1. Consider where there is a need for improvement based on the results your organisation aims to achieve. These may concern People, Customers, Partners, Society and Key Performance results. These main stakeholders were discussed in the introduction.

2. Decide what approaches need to be implemented or improved in order to achieve your aims. Things are never simple and there is always a variety of options that you may take. A key part of this step is to select the action to be taken.

   **Step 1:** Establish and prioritise the improvement needs – the Results being aimed for

   Whoever gave the advice ‘State destination before boarding train’ must have had experience of racing off to take action before understanding exactly what the purpose of the action was.

   Another trap is to plan to take too much action, which often leads to no action being taken at all. All organisations have limited resources, be these financial and/or human, etc. Therefore it is important to choose to take action where there is going to be the greatest payback against the chosen objectives.

   Even if you think you know what needs to be done this is often based on perception and not fact. The first stage of the improvement process, therefore, is to analyse the current situation and clearly state your aims.

   Many methods may be used for this analysis. Organisations that are familiar with the Excellence Model may already be practising ‘self-assessment’ leading to an abundance of improvement opportunities.

   Additionally, you can get an insight from other activities. As part of an organisation’s strategic planning activities it may perform regular SWOT analyses that include a review of the organisation’s current strengths and weaknesses as well as a check on the opportunities and threats. Another source could be specific feedback from a stakeholder, such as a customer, or from the results of a benchmarking exercise.

   When discussing analysis a key message is that you get what you pay for. An organisation that seeks detailed data on which to make decisions is likely to make better decisions than one that makes decisions just on perceptions or, as is often the case, ‘gut feel’. Care should be taken to avoid ‘analysis paralysis’, however, as things can be taken too far.
Despite these concerns it is important to choose an approach for the analysis that suits the situation. There are many ways of conducting self-assessments against the Excellence Model, including such diverse techniques as a group of managers sitting in a room for a couple of hours to get their view on where they perceive there are gaps, or conducting an ‘award’ style self-assessment lasting several months that involves collecting lots of data. Both methods are suitable in different situations depending on the purpose of the exercise, which can also be diverse. More detailed explanations of the methods of self-assessment are available from The British Quality Foundation in the publication How to use the Model. The analysis, whichever way it is done, should lead to the point where you may answer several questions. Every organisation will have their own set of questions, but they are likely to include the following:

1. What are the most important overriding issues that the organisation has to address?
2. Which stakeholders are those issues affecting in a positive way?
3. Are there any stakeholders who will lose out?
4. What is the current performance in this area?
5. By how much must current performance improve to meet targets?
6. What will it take in terms of resource to achieve this level of performance, and can the organisation afford it?

From this list of questions it should be possible to select the priority actions. It should also be possible to screen out any improvements that are outside the organisation’s current capabilities, be these market requirements, financial resource requirements, human resource availability or skill availability.

2.2.3 Step 2: Select the improvement activity – the Approaches to be introduced or improved

a. Introduction

It is vital that senior people are on board at this stage, to ensure you have their support for all future actions, as any improvement activities are more likely to occur and be successful if the leaders support them. Therefore, ensure you communicate with your senior people and educate them at all stages of the improvement process.

Rarely is it possible to say ‘Yes, that’s the action we must take’. In business things are complicated and there are several options that may be followed.

From all the alternatives, it is necessary to choose an option that best suits the results required. This objective should be positive and SMART (Specific, Measurable, Achievable, Realistic and Timely). The following activities may help:

1. Generate options of improvement actions that could be taken.
2. Select the option that describes what is actually going to be done.
3. Define the actual approach or approaches that are to be introduced or improved.

At this stage no consideration is given to how the implementation of the action will be managed, as this is the focus of the next step. You simply concentrate on what needs to be done to achieve the performance that was defined in the first step in terms of the approaches that have to be introduced or improved.

b. Option generation – what could be done?

So far all you have is an objective to improve the organisation’s performance, but do not know how this will be achieved. Here you can turn to the Excellence Model to generate some options detailing what could be done to reach the required level of performance. However, first you need to understand a bit more about the Excellence Model.

Figure 2.2 – A Basic Form of the Excellence Model.

People manage the organisation's processes that deliver the level of performance. It follows that, if the performance is not at the level required, you can look at either the processes, the way that people are being managed and developed, or a combination of both to find opportunities for improvement. Understanding these linkages turns the Excellence Model into a powerful diagnostic tool.

As you saw in Chapter 1, the full Excellence Model is a little more complicated, but the principles remain the same. The elements show how the drive for Excellence is measured and supported.

The enabler criteria of the Excellence Model are concerned with how the organisation approaches Excellence:

• Leadership – how behaviours/actions support a culture of Excellence.
• Policy and Strategy – how policy and strategy are deployed into plans/ actions.
• People – how the organisation releases the potential of its people.
• Partnerships and Resources – how the organisation manages resources effectively/efficiently.
• Processes – how the organisation manages and improves its processes.

The results criteria of the Excellence Model are concerned with what the organisation has achieved and is achieving:

• Customer Results – what is the customer's perception of your organisation and what are your performance indicators in this area?
• People Results – what is the staff's perception of your organisation and what are your performance indicators on this subject?
• Society Results – how does society perceive your organisation and what are your performance indicators on this subject?
• Key Performance Results – what is the organisation achieving in relation to its planned performance?
6. Customer Results
A. Perception measures: overall image, products and services, sales and after-sales support, loyalty.
B. Performance indicators: overall image, products and services, sales and after-sales support, loyalty.

7. People Results
A. Perception measures: motivation, satisfaction.
B. Performance indicators: achievements, motivation and involvement, satisfaction, services provided to the organisation's people.

8. Society Results
A. Perception measures: performance as a responsible citizen, involvement in the communities where it operates, activities to reduce and prevent nuisance and harm from its operations and/or throughout the life cycle of its products, reporting on activities to assist in the preservation and sustainability of resources.
B. Performance indicators: handling changes in employment levels, press coverage, dealings with authorities, accolades and awards received.

9. Key Performance Results
A. Key performance outcomes (lag): financial (share price, dividends, gross margin, net profit, sales, meeting of budgets) and non-financial (market share, time to market, volumes, success rates).
B. Key performance indicators (lead): processes, external resources including partnerships, financial, buildings, equipment and materials, technology, information and knowledge.
An understanding of the linkages across the Model allows you to identify potential areas for improvement. These linkages may be found at two levels:

1. Across the Model itself between results and enablers, e.g., if there is a need to improve the People Results the key question is where to look for the approaches that could be improved.

   Figures 2.4–2.7 illustrate these key linkages (based on the work of Diane Dibley in 1999, Information Technology Services Agency, DSS).

2. The second level of linkages is within each criterion, e.g., for Policy and Strategy the sub-criteria follow a logical sequence, and identifying which part of the chain may be weak leads to ideas for improvement. The technical description for each sub-criterion has been given in Table 2.1. Figures 2.8–2.12 detail the linkages between sub-criteria within criteria, and within the set of enablers, using everyday language. There is one figure for each of the five enablers of the Excellence Model.

The primary driver of Customer Results will be how customer-facing processes are designed and operated, i.e., the design and development of products and services (5c), the production, delivery, and servicing of products and services (5d), and the customer relationship management processes (5e). As these processes are operated by the organisation, the development of customer handling skills (3b) and active involvement in improvement (3c, 5b) will be a strong influence.

A further, potentially longer team, influence on customer results is the degree to which the organisation clearly established customer needs and expectations (2a) and factors these into the development of plans and strategies (2c). This is a leadership responsibility, which is partly addressed through active leadership involvement (1c).

In addition, people satisfaction and motivation will be affected by the extent to which they input to, and identify with, the organisational strategies and plans (2a, 2c, 2e), the availability, relevance, and usefulness of resources (4b, 4c, 4d, 4e) and the management and improvement of work processes (5a, 5b).

The key drivers of People Results are clearly the people management and support systems detailed in 3a, 3b, 3d, and 3e. However, satisfaction and motivation will be strongly influenced by organisational ways of working detailed across all the enabler criteria. Of particular relevance are the management systems within the organisation (1b) and the actions and behaviours of leaders (1a, 1d).

In addition, people satisfaction and motivation will be affected by the extent to which they input to, and identify with, the organisational strategies and plans (2a, 2c, 2e), the availability, relevance, and usefulness of resources (4b, 4c, 4d, 4e) and the management and improvement of work processes (5a, 5b).
CHAPTER 2

Figure 2.6 – Linkages between Society Results and Enablers.

Society Results will reflect the degree to which the organisation takes its corporate social responsibility seriously, seeks inputs and develops appropriate plans and strategies for engaging with the wider community (2a, 2b, 2c, 2e).

Some of this will be the responsibility of leaders through their personal involvement (1c), any wider partnership relationships that are developed (4a), management of resources (4c), and the extent to which leaders communicate and encourage their people to become involved on a wider basis (1d, 3a).

Figure 2.7 – Linkages within the Leadership Criterion.

It is leader role to set the direction for the organisation and then manage it. The first requirement is to clarify the purpose (Mission/ethics (Values) and long term objectives (Vision) for the organisation (1a). There is a clear link from 1a to the planning process (2) and 1a also leads directly to development of the systems required to manage the organisation, its resources and processes (1b).

There is a strong link from 1b into the business planning process (2) management of partnerships and resources (4) and management of processes (5a, 5b). There is additionally a link from 1b into the Results criteria as the measurement framework (6, 7, 8 and 9) is a key part of the management system development.

Further leadership responsibilities are involvement outside the organisation (1c) with customers, partners and the community (links to 4a, 5e) and the motivation and support of people (1d-links to 3a, 3b, 3c, 3d, 3e).

Figure 2.8 – Linkages between Key Performance Results and Enablers.

Key Performance Results, are those planned by the organisation related to the purpose and objectives. These normally reflect the outcomes expected or required by those funding the organisation (i.e. shareholders or government).

A major link is clearly the business planning process, derived from the Mission and Vision developed by leaders (1a), where stakeholder needs are input, reflected and communicated (2a, 2c, 2e). The resulting strategies, plans and policies are delivered by efficient and effective operation of all processes (5a, 5b). In addition, maximising the value added by people (3b) and the management of financial and other resources (4b, 4c, and 4d) will have a strong linkage to both outcomes and indicators.

Results-Results Linkages

Although there is no diagram to depict such linkages it should be understood that there will be a correlation between performance as measured across all the results criteria.

Customer Results will be strongly influenced by People Results—demotivated people rarely offer the best in customer service. In turn, unsatisfactory Customer Results are unlikely to reflect into good Key Performance Results measured by output, achievement or profitability.

Levels of customer service, awareness of employee (people) satisfaction and overall corporate performance and image, will ultimately influence Society Results.
Human resources plans and HR management systems (3a) will be driven from, and should clearly link to, the overall business plan (link 2). This HR plan will, in turn, define the knowledge and competence required by people to do their job, which provides the framework necessary for assessing individual performance and development needs (3b). Individual performance and development (3b) will be closely related to work processes (link 5).

Performance improvement at the wider organisation level can only be achieved by gaining involvement of people and giving them the freedom to innovate (3e) which links closely to improvement of work processes (link 5b, 5e) and is encouraged and supported by leaders (link 1d).

Internal communication (3d) is an important factor in supporting improvement and ensuring everyone is aware of developments in policies and plans (link 2e). Recognising and rewarding good work are key factors in ensuring satisfaction and maintaining motivation (3e). This is strongly linked to the behaviours and actions of leaders (link 1a, 1d) and the way they approach individual performance assessment (link 3b).

The ways in which external partnerships and internal resources are managed should be directly aligned to achieving the organisation objectives. There is, therefore, a strong and explicit link to criterion 2. In addition the generic approach to managing and improving process (link 5a, 5b) should be reflected into all partnership and resource management processes (4a, 4b, 4c, 4d, 4e).

There are additional links of importance. The role of leaders in developing and managing partnerships (4a) is critical (link 1c). People are the primary users of information and knowledge (4e) with a vested interest in ease of access and breadth of provision (link 3).

There is also a strong internal link between technology (4d) and information and knowledge (4e). Although the criterion parts have a clear differentiation, most organisations provide great reliance on a technology platform for their information systems.
If you want to increase customer satisfaction, you may have identified that your staff are not customer focused, and further investigation may reveal that this is not an issue that training alone will solve. Part of the cause may be the lack of direction or perhaps an inappropriate strategy. The key point here is that you want to open up as many opportunities as possible before deciding what to do.

The reason why these linkages have been presented is as an aid to identifying potential options for improvement action. To use this information it is suggested that you use the following guidance:

1. First review the output from Step 1, where you identified the performance level you are seeking to obtain for a particular stakeholder grouping.
2. Next review Figures 2.4–2.7 by stakeholder grouping to identify sub-criteria that could be targeted for improvement activity.
3. Studying the five enabler figures widens your search for potential improvements by seeing what linkages there are between the particular sub-criterion and linking criteria.
4. Reference to the examples in Chapter 3 will help you understand the detail of each sub-criterion and give you additional ideas.

For example, if your organisation’s objective is to increase its performance in customer satisfaction levels from 85 to 90%, refer to Figure 2.4 for Customer Results. This shows the linkages to certain enabler sub-criteria identifying possible areas for you to target for improvement, e.g. it links to 1C – Leaders’ involvement with customers.

Chapter 3 gives real-life examples of practices that have been carried out under this sub-criterion, and they may either be directly applicable to your organisation or lead to ideas for alternatives.

By the end of your search, you should have many potential areas for improvement activity. The next task in the process is to screen the options so that the most appropriate improvement action may be taken, i.e. prioritise.

c. Option selection – what are you going to do?

It is unlikely that there will be only one option as there is always the ‘Do nothing’ option that should be considered. It is more likely that by this point you will have a short-list of the actions that you could take. It is therefore useful to have simple tools for selecting the chosen action.

When taking improvement action there is a cost, in terms of people and money, and a benefit. It is normal that the higher the cost the greater the benefit. However, this is not always the case as simple things can be extremely effective and, if inappropriate action is chosen, no matter how much effort goes into implementation, the desired performance will not be achieved.

There are several ways to prioritise improvement activities, the detail of which is outside the scope of this book. However, an important point to note at this stage is that if your organisation focuses only on one thing, such as attaining ISO 9000 certification, or gaining Investors in People, there is a chance that something could be missed.

d. Option design – exactly what needs to be done?

Working through the previous sections will lead you to a decision on what improvement action you should take. Now is the time to put some more detail on the idea in preparation for implementation in the next step.

For example, it may have been decided to introduce an appraisal system, but the question ‘How will this work in practice?’ has yet to be answered. Process thinking, which is at the heart of the Excellence Model, provides the way forward to achieve this.

Capturing the new or revised approach as a process ensures that all aspects of the improvement can be covered and communicated effectively. In defining the approach the following areas should be covered:

1. What is the aim of the process?
2. What is the scope of the new or revised process? Where does the activity start and where does it end?
3. What is included and what is excluded in the activity?
4. What controls need to be in place to manage the process?
<table>
<thead>
<tr>
<th>Approach</th>
<th>Brief Description</th>
<th>Where it has an impact</th>
<th>Where to go for more information</th>
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</thead>
<tbody>
<tr>
<td>Activity Based Costing (ABC)</td>
<td>ABC is an approach for assigning overheads to products based on the way that costs are incurred. It involves establishing cost pools and cost drivers. The main benefit from the approach is more informed decision-making, but a major concern is the amount of effort required to collect the data on which to base the decisions.</td>
<td>*</td>
<td>Cokins, G., Activity-Based Cost Management: Making it Work: A Manager’s Guide to Implementing and Sustaining an Effective ABC System, Irwin Professional Publications, 1996.</td>
</tr>
<tr>
<td>Annual Appraisals and Development Planning</td>
<td>Usually the responsibility of the immediate manager, the approach is used to review past performance targets and translate current year process goals into individual objectives and agree action plans. The approach frequently includes identifying training and development needs. In some approaches, the result of the appraisal is linked to an employee’s pay.</td>
<td>*</td>
<td>Knowdell, R.L., Building a Career Development Program: Nine Steps for Effective Implementation, Consulting Psychologists Press, 1996.</td>
</tr>
<tr>
<td>Best Practice Benchmarking</td>
<td>The continuous, systematic search for, and implementation of, best practices that lead to superior performance; it involves comparing performance with leading achievers.</td>
<td>* • • •</td>
<td>American Productivity and Quality Center (APQC) BPI Best Practice Benchmarking Studies.</td>
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**Table 2.2 – Commonly Used Approaches (continued).**

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<th>Where it has an impact</th>
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<tbody>
<tr>
<td>Charter Mark Framework</td>
<td>Government award scheme for recognising and encouraging excellence in public service. It concentrates on results – the service the customer actually receives, putting the users first, and delivering a first-class service.</td>
<td>*</td>
<td>Publications and leaflets, e.g. Charter Mark, Guide for Applicants and Why You Should Apply, are available from the Charter Unit Publications Line on 0845 722 3242.</td>
</tr>
<tr>
<td>Communication Strategies</td>
<td>As part of the organisation’s overall policy and strategy, clearly defined guidelines for ensuring effective vertical and horizontal communications in all media, both within the organisation and externally. It is reviewed, updated and improved periodically, based on feedback from stakeholders.</td>
<td>* • • •</td>
<td>Hodgdon, L.A., Visual Strategies for Improving Communication, Quark Roberts Publishing, 1995.</td>
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Table 2.2 – Commonly Used Approaches (continued).

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<thead>
<tr>
<th>Approach</th>
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<th>Where it has an impact (1-5)</th>
<th>Where to go for more information</th>
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</thead>
<tbody>
<tr>
<td>Employee Surveys</td>
<td>These are used to gather information from employees about their needs, expectations and satisfaction. There are many ways to collect the information, including: focus groups, questionnaires, workshops, interviews, telephone and e-mail. The results should be analysed, publicised and responded to.</td>
<td>5</td>
<td>Folkman, J. and Zenger, J., Employee Surveys That Make A Difference: Using Customised Feedback Tools to Transform Your Organisation, Executive Excellence, 1999. Kraut, A.I., and Kraut, A.J., Organisational Surveys: Tools for Assessment and Change (Social and Behavioural Science) Jossey-Bass, 1996.</td>
</tr>
<tr>
<td>Flowcharting</td>
<td>A graphical method used to record the detail of processes by showing them as a series of tasks and activities using standard symbols. Use is normally made of software to draw the diagrams.</td>
<td>5</td>
<td>Boldt, M.H., et al., Essentials of Flowcharting, WCB/McGraw-Hill, 1995.</td>
</tr>
<tr>
<td>HASAW</td>
<td>The Health and Safety at Work Act (HASAW) seeks to secure the health, safety and welfare of persons at work, for protecting others against risks to health or safety in connection with the activities of persons at work, for controlling the keeping and use and preventing the unlawful acquisition, possession and use of dangerous substances, and for controlling certain emissions to the atmosphere.</td>
<td>5</td>
<td>Dibenartinos, L.J., Handbook of Occupational Safety and Health, John Wiley and Sons, 1998. Woodside, G., Environmental, Health and Safety Portable Handbook, McGraw-Hill, 1998.</td>
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<tr>
<td>Investors in People (IP)</td>
<td>A UK National Standard that sets a level of good practice for training and development of people to achieve business goals. The Investors in People certificate is awarded to organisations that pass an external assessment.</td>
<td>1 2 3 4 5 Results</td>
<td>Gilliland, N., Developing Your Business Through Investors in People, Gower Publishing Company, 1997.</td>
</tr>
<tr>
<td>Job Descriptions</td>
<td>Used to define the requirements of a specific job and as a reference for recruitment. They should contain, as a minimum, activities to be undertaken in performing the job and requirements of the individual in terms of experience, skills and training.</td>
<td>1 2 3 4 5 Results</td>
<td>Plachy, R.J., Results-Oriented Job Descriptions, More Than 225 Models to Use or Adapt – With Guidelines for Creating Your Own, Amacom, 1993. Plachy, S.J. and Plachy, R.J., More Results – Results-Oriented Job Descriptions: 226 Models to Use or Adapt – With Guidelines for Creating Your Own, Amacom, 1998.</td>
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<tr>
<td>Materials Requirement Planning II (MRP II)</td>
<td>Requirement Planning is a set of techniques that uses bill of materials, inventory on hand and on order, and the production schedule or plan to calculate the quantities and timing of materials. MRP II is a computer-based system that arises from an appreciation of the need to time and phase materials with resource availability so as to achieve a given output date.</td>
<td>2</td>
<td>Oden, H.W., et al., Handbook of Material and Capacity Requirements Planning, McGraw-Hill, 1993. Orlicky, J. and Ross, G.W., Orlicky’s Material Requirements Planning, McGraw-Hill, 1994.</td>
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<tr>
<td>Approach</td>
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<tr>
<td>Psychometric Tests</td>
<td>Methods to assess an individual’s behaviour and preferences by getting them to complete a questionnaire where they have to rate a series of statements. Two of the better-known tests are FROB (Fundamental Interpersonal Relationship Orientation Behaviour) Instrument and the Myers-Briggs Type Indicator. The first looks at the dynamics of relationships and the second is a tool for team development.</td>
<td>1 2 3 4 5 Results</td>
<td>Nunnally, J.C. and Bernstein, I.H., Psychometric Theory (McGraw-Hill Series in Social Psychology), McGraw-Hill College Division, 1994.</td>
</tr>
<tr>
<td>Quality Function Deployment (QFD)</td>
<td>A technique to compare the technical or operating characteristics of a product or service with customer needs. A multi-disciplinary team carries it out.</td>
<td>1 2 3 4 5 Results</td>
<td></td>
</tr>
<tr>
<td>Six Sigma</td>
<td>The number of standard deviations from the average setting of a process to the tolerance limit. In statistical terms, this translates to 3.4 defects per million. ‘Six Sigma’ has become an approach to managing the output of manufacturing operations to ensure high levels of quality.</td>
<td>1 2 3 4 5 Results</td>
<td>BQF Six Sigma Service,Breyfogle, F.W., Implementing Six Sigma: Smarter Solutions: Using Statistical Methods, John Wiley and Sons, 1999.</td>
</tr>
</tbody>
</table>

**Table 2.2 – Commonly Used Approaches (continued).**

<table>
<thead>
<tr>
<th>Approach</th>
<th>Brief Description</th>
<th>Where it has an impact</th>
<th>Where to go for more information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder Analysis</td>
<td>A way of analysing which stakeholders need to be managed when trying to manage change. Stakeholders, who can be internal or external, have a level of interest and a degree of power, e.g. stakeholders with high levels of interest in any change and who possess high levels of power need to be carefully managed. Other stakeholders may only need to be kept informed.</td>
<td>1 2 3 4 5 Results</td>
<td></td>
</tr>
<tr>
<td>Statistical Process Control (SPC)</td>
<td>Measurement of the output of a process at regular intervals. A simple mathematical calculation allows the determination of the quality level of the output. When plotted on a ‘Control Chart’, it is possible to differentiate the expected ‘normal causes’ of variation from ‘special causes’ of variation, which signal a problem with the process. The Control Chart also allows the process to be monitored over time and thereby the forecasting of future potential quality problems.</td>
<td>1 2 3 4 5 Results</td>
<td></td>
</tr>
<tr>
<td>Suggestion Schemes</td>
<td>A method for employees to propose ideas for improvement within the organisation by a number of routes, sometimes anonymously, using boxes placed around the workplace, or via their line manager, either informally or formally. The management considers all suggestions and responses are published.</td>
<td>1 2 3 4 5 Results</td>
<td></td>
</tr>
</tbody>
</table>
2.2.4 Step 3: Take action – Deploying the new or revised approaches

So far you have established what level of performance is required and what action you believe needs to be taken to deliver this level of performance. Now is the time to take the action.

It is considered good practice to define the change using a project brief or terms of reference. This document builds on the definition of the aims of the change that were developed in Step 1. For small changes these can be quite brief documents and may include entries such as:

- The aim of the change together with performance objectives/ success measures.
- Scope of the change – what is included and what is outside the improvement activity, e.g. the improvement may be only deployed in one area of the organisation or at one organisational level.
- What benefits will be delivered as a result of the change and when will they be delivered?
- What the estimated cost of the change will be and over what time-frame.
- Who will be affected by the change, in both a positive and negative sense?

Not only does the project definition provide clarity over what is to be achieved, it also acts as a reference document that may be referred back to once the change is complete. Such a document also allows changes to the project to be implemented in a controlled way.

When implementing change it is important to recognise that it is not a good idea to simply announce the change, take the action and then expect that the improved performance will be maintained. Before taking the improvement action it is essential to get people on board and to spend time explaining why the change is necessary and that it is not a one-off exercise. The change will be made to meet future objectives and it is important to point out that more change will probably follow.

It is crucial to do this with the people the change will affect. The examples contained in Chapter 3 of this book can be used to explain what other organisations are doing as a way of educating people regarding change. They may also be used to overcome barriers and to show what is possible.

Once the change has been implemented action is often necessary to make the change stick, e.g. organisations may change their reward and remuneration policies to encourage certain behaviours and to make sure that old habits do not return.

Preparing a simple project plan will be a worthwhile investment to manage the changes in a controlled way. Any change has to balance three factors:

- What is achieved – the quality of the output.
- What it costs – what resource is required.
- What time – how long will it take.

To what extent was the scope of the project achieved? For example, to what

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Table 2.2 – Commonly Used Approaches (continued).

<table>
<thead>
<tr>
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<th>Where to go for more information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier Partnerships</td>
<td>The philosophy is that, through co-operation, rather than confrontation, both parties benefit. It is a long-term view, emphasising total cost rather than product price. Long-term, stable relationships are sought rather than short-term quick advantage transactions.</td>
<td>2 3 4 5 6</td>
<td>Hale, R.L., Managing Supplier Quality: How to Develop Customer-Supplier Partnerships That Work, Monochrome Press, 1994.</td>
</tr>
<tr>
<td>Total Productive Maintenance (TPM)</td>
<td>An approach developed in Japan to involve production workers in the maintenance of their own equipment such that manufacturing becomes more productive. Based on a ‘six pillars’ concept that includes training and continuous improvement as well as maintenance, the approach also has the benefit of increasing people involvement and team working.</td>
<td>2 3 4 5 6</td>
<td>Wilkott, R., Total Productive Maintenance: The Western Way, Butterworth-Heinemann, 1995.</td>
</tr>
</tbody>
</table>
extent was the detail of the project delivered and what was the quality of the outcome?

These factors are often traded against each other as an organisation seeks to implement the best solution in the shortest time possible and at minimal cost. Lengthening the timescale of a project to improve the output almost always increases the cost.

There are many tools and techniques that can be used to manage the balance of these three factors, a description of which is outside the scope of this book. Useful references for further information have been included in Table 2.2.

2.2.5 Step 4: Confirm the improvement – Assessment and Review

A key benefit from producing a project brief is that it provides a useful reference against which to determine the success of the improvement action. If the original aims have been achieved then the action may be closed. If not, it might be necessary to return to Step 2 and generate some more options for improvement activity.

Whatever the outcome of the assessment against the original aims, it is useful to conduct a ‘Post-Completion Review’ to record what has been learnt and how change may be handled more effectively in the future. Typical questions for a post-completion review include:

- Were the aims and objectives achieved?
- Did the project deliver on time?
- How did the actual cost compare with the estimated cost?
- How well was the team working?
- What went well?
- What could be improved? For example, were there any problems that could have been avoided?
- How was the project team perceived by the stakeholders in terms of how it delivered the project?

2.3 Summary

The aim of this chapter was to present a simple approach for improving the performance of your organisation based on RADAR. The approach includes several aspects of change management, including the need to establish clear objectives for the change, selecting the most appropriate actions and project managing the change.

The examples that follow in Chapter 3 may be used for many purposes, including as a source of information to stimulate ideas on what areas to improve. In addition, they also support the change process by using them:

- To educate people and communicate the approaches.
- To overcome barriers by demonstrating what is actually possible.
- To promote Excellence to all stakeholder groups, be these shareholders, customers, partners, society or people.