Overview of the Organizational Excellence Framework

Principles	Micro	S-M-L
1. Leadership involvement – ensuring senior management is actively involved in establishing and communicating direction.		
2. Alignment – understanding the organization is a system of interrelated and interconnected work processes and all activities need to be aligned with the established direction.		
3. Focus on the customer – ensuring the primary aim of everyone in the organization is to understand and meet the needs of the customer.		
4. People involvement – nurturing and reinforcing cooperation and teamwork and giving employees the opportunity to develop their full potential.		
5. Prevention based process management – establishing consistency in work processes and developing a mindset of prevention.		
6. Partnership development – developing and maintaining value-adding relationships with suppliers and partners.		
7. Continuous improvement – harnessing the collective knowledge, skills, and creativity of stakeholders to relentlessly pursue improvement.		
8. Data based decision making – basing decisions on performance measurement findings.		
9. Societal commitment – striving to understand and demonstrate corporate commitment to society.		

Key Management Area and Best Management Practices	Micro	S-M-L
1.0 Governance		
1.1 Identify governance responsibility to stakeholders (e.g. core values, policies, regulations, process)		
1.2 Implement an effective system of leadership, authority, decision making, accountability, and control		
1.3 Ensure governance system meets legal, financial, ethical, and reporting obligations*		
1.4 Establish governance processes at all appropriate levels in the organization (i.e. roles, powers, responsibilities) and links to stakeholders		
1.5 Act as a model of good practice for employers and people in the community		
1.6 Communicate policy and strategy to stakeholders		
2.0 Leadership	Micro	S-M-L
2.1 Develop corporate statements (e.g. vision, mission, core values) *		
2.2 Communicate corporate statements to all levels in the organization *		
2.3 Identify factors that will contribute to organizational success		
2.4 Develop a strategic plan with goals and objectives that will guide the organization toward its vision		
2.5 Use risk management to assess strategic goals and objectives		
2.6 Monitor and review the strategic plan on a regular basis		

	Micro	S-M-L
2.7 Ensure senior management demonstrates a commitment to continuous improvement *		
2.8 Ensure senior management participates in professional bodies, conferences, and seminars		
2.9 Remove barriers to organizational effectiveness		
2.10 Promote teamwork amongst employees *		
2.11 Communicate openly to employees about organizational performance		
2.12 Share responsibility, accountability, and leadership throughout the organization		
2.13 Link senior management rewards and recognition to organizational performance		
2.14 Demonstrate responsibility to society and the environment *		
2.15 Learn from ideas and good practices and share them internally and with other organizations		

3.0 Planning

	Micro	S-M-L
3.1 Use factual information to provide input to the business planning process *		
3.2 Create a business plan that identifies, prioritizes, and incorporates a balanced set of objectives, measures, and initiatives that support the strategic direction *		
3.3 Develop contingency plans for unforeseen events		
3.4 Communicate and integrate the business plan internally and externally		
3.5 Allocate resources to ensure effective implementation of the business plan		
3.6 Conduct a capability gap analysis for resources (e.g. financial, assets, technology, knowledge, information)		
3.7 Reallocate resource requirements to adjust to changing circumstances		
3.8 Monitor and review the business plan on a regular basis *		

	Micro	S-M-L
3.9 Make changes to the business plan aimed at continual improvement *		

4.0 Customers

	Micro	S-M-L
4.1 Use research to define and segment customers *		
4.2 Determine customer needs and expectations *		
4.3 Communicate the value of products and services to the customer *		
4.4 Align employees on the importance of the customer *		
4.5 Train and empower employees to be advocates for the customer *		
4.6 Ensure positive customer experiences by identifying and managing customer contact points *		
4.7 Make it easy for the customer to do business and provide feedback *		
4.8 Respond successfully to customer feedback *		
4.9 Reaffirm presence in established markets or the requirement to change market approach		

5.0 Employees

	Micro	S-M-L
5.1 Undertake human resource planning that supports organization goals and objectives *		
5.2 Recruit and select people for mutual success*		
5.3 Promote equal opportunity and diversity		
5.4 Ensure people understand and commit to the strategic direction and improvement goals		

5.5 Get people involved with improvement initiatives		
5.6 Encourage employees to share ideas and suggestions *		
5.7 Encourage employees to be innovative and take risks		
5.8 Determine training needs of employees and provide the necessary training *		
5.9 Ensure employees have adequate compensation and benefits *		
5.10 Reward and recognize strong performance of both individuals and teams *		
5.11 Ensure a healthy workplace environment and involve people in addressing issues related to health and wellness *		
5.12 Remove barriers to employee effectiveness		
	Micro	S-M-L
6.0 Work Processes		
6.1 Design and document key processes *		
6.2 Monitor and control processes to ensure service standards are met consistently *		
6.3 Monitor and control processes to ensure system standards are met consistently (e.g. quality, environment, health & safety) *		
6.4 Ensure processes are in place to anticipate or adjust for change (e.g. legislation, new venture, innovation)		
6.5 Take corrective action when problems occur *		
6.6 Prevent recurrence of problems by making changes to processes *		
6.7 Analyze processes on a regular basis and make changes aimed at continual improvement *		
6.8 Communicate changes in process to all employees that touch the process *		
6.9 Involve customers, suppliers, and/or partners in designing and analyzing processes *		
6.10 Use external data to compare performance to other organizations (e.g. benchmarks)		

	Micro	S-M-L
7.0 Suppliers & Partners		
7.1 Select suppliers and partners on the basis of criteria *		
7.2 Develop win-win partnering arrangements *		
7.3 Share information with suppliers and partners that links to strategic and business plans *		
7.4 Involve suppliers and partners in the development of new products and services		
7.5 Involve suppliers and partners in the development of social and environmental standards		

	Micro	S-M-L
8.0 Resource Management		
8.1 Define resource requirements (e.g. financial, asset, technology, knowledge, transportation) *		
8.2 Develop a strategy to manage resources effectively *		
8.3 Manage the security of resources		
8.4 Minimize the adverse impact of products and services on the environment and community *		
8.5 Manage the maintenance and utilization of assets to improve total life cycle performance		
8.6 Identify alternative and emerging technology and related cost-benefit to the organization and society		
8.7 Provide appropriate access for stakeholders to relevant knowledge and information		
8.8 Prepare for resource interruptions		

	Micro	S-M-L
9.0 Continuous Improvement and Performance Measurement		
9.1 Continuous Improvement - evaluate and improve the approach to each management area *		
9.1.1 Governance		
9.1.2 Leadership		
9.1.3 Planning		
9.1.4 Customers		
9.1.5 Employees		
9.1.6 Work Processes		
9.1.7 Suppliers and Partners		
9.1.8 Resource Management		
9.2 Performance Measurement (Management Areas) – measure performance in each management area		
9.2.1 Governance measures - stakeholder understanding of governance, community perception of organizational governance		
9.2.2 Leadership measures - management effectiveness & involvement, understanding about strategic plan, shared leadership, senior management sharing ideas and quality practices		
9.2.3 Planning measures - understanding about business plan, effective implementation of improvement plans, quality assessment findings		
9.2.4 Customer measures – perceived image of organization in the marketplace, customer awareness of the organization, perceived value of products and services, customer complaints, customer satisfaction, loyalty, confidence, and retention, market share		
9.2.5 Employee measures - employee motivation, degree of employee involvement, satisfaction, morale, effectiveness of		

training, suggestions & ideas submitted and used, dissatisfaction (turnover, grievances, absenteeism)		
9.2.6 Work process measures - cycle times, process design changes, process capability, level of service / product quality, performance of products and services (e.g. refunds, warranty claims, repairs, replacements)		
9.2.7 Supplier and partner measures – number of qualified suppliers / partners, quality & value of purchases, extent of supplier / partner involvement in new product/service development, extent of supplier / partner involvement in social and environmental standards		
9.2.8 Resource management measures – profitability, adherence to budgets, expenditure management, cost reduction / control, return on investment, return on assets, value of assets, effects of products and services throughout their life cycle, innovation rates, value of intellectual property, accessibility to knowledge and information, optimization of transportation		
9.3 Performance Measurement (Organization) – measure overall organization performance		
9.3.1 Organizational relevance to the marketplace		
9.3.2 Organizational capability to manage change		
9.3.3 Meeting stakeholder objectives		
9.3.4 Community perception of organization as model of excellence or employer of choice		
9.3.5 Quality of products or services *		
9.3.6 Performance accomplishments and program outcomes		
9.3.7 Customer satisfaction *		
9.3.8 Customer loyalty		
9.3.9 Customer confidence		
9.3.10 Employee satisfaction *		
9.3.11 Employee morale		
9.3.12 Financial performance *		

Legend:

- Micro- 1-25 employees
- SML - small (26-100 employees), medium (101-999 employees), large (1000+ employees)

Sources (2009)

- National Quality Institute, www.nqi.ca (currently Excellence Canada)
- Malcolm Baldrige, www.quality.nist.gov
- European Foundation for Quality Management, www.efqm.org
- SAI Global, www.sai-global.com

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