# Investigating How Organisations Successfully Implement Business Excellence

***Summary:***

This paper aims to increase our understanding of the tools and strategies used by organisations in order to successfully implement Business Excellence (BE). A mixed methods approach was utilised whereby a combination of questionnaire, discussion groups and semi-structured interviews were used to collect data from organisations across the 5 Asian countries of Republic of China Japan, India, Thailand and Singapore. The study found that organisations experienced in BE outperformed their less experienced counterparts in 7 key business performance areas. It also found several statistically significant differences between the 2 types of organisation in terms of the BE strategies, the tools used and the effectiveness of these tools. The results of the study give advice to organisations wishing to become more experienced in BE (thereby improving their business performance) and is one of only a small number of studies investigating the effect of BE on organisational performance in Asia.

***Track:***

Operations, Logistics and Supply Chain Management

***Word Count:***

6,159

## 1. Introduction

This paper aims to investigate how organisations successfully implement business excellence (BE) tools and techniques. Numerous previous studies have advocated the positive impact BE implementation has on organizational development (e.g. [Naylor (1999](#_ENREF_36)), [Ritchie and Dale (2000](#_ENREF_42)), [Leonard and McAdam (2002](#_ENREF_32)), [Blazey (2011](#_ENREF_6)), [Hakes (2011](#_ENREF_21)), [Mohammad et al. (2011](#_ENREF_35)), [Talwar (2011](#_ENREF_47)), [Brown (2013](#_ENREF_9))). However, there is a significant dearth of research that compares organisations that are experienced in BE with those who are less experienced in BE in terms of the tools and techniques they use. Similarly, the vast majority of work published on BE concentrates on western organisations, with only a small minority investigating issues associated with Asia ([Arumugam et al., 2008](#_ENREF_3), [Haffer and Kristensen, 2008](#_ENREF_20), [Yong and Wilkinson, 2001](#_ENREF_53)). This study therefore aims to address these issues by conducting such a comparison, investigating the differences between the two sets of organisation in terms of the tools and strategies used, as well as their business performance. A questionnaire survey was used alongside discussion groups and interviews across the 5 countries of India, Republic of China, Japan, Singapore and Thailand, with a total of 74 organisations taking part in the study.

The paper is structured as follows: a literature review is conducted and the research questions are identified. The research methodology used in the study follows before the findings are discussed and the conclusions of the study are then presented.

## 2. Literature Review

BE has a long standing relationship with Total Quality Management (TQM), with some believing that BE replaced TQM ([Dahlgaard-Park, 2011](#_ENREF_12)) due to the negative reputation TQM had obtained by the mid 1990s ([Adebanjo, 2001](#_ENREF_1)). Sold as a means for raising productivity and competitiveness in the 1980s, the term TQM became rather ambiguous, as there were too many different interpretations and methods of implementation ([Mann, 2008](#_ENREF_33)). As a result, large numbers of TQM failures were reported with many citing the lack of understanding and clarity offered by the TQM philosophy as the major factor ([Black and Revere, 2006](#_ENREF_5), [Evans and Lindsay, 2005](#_ENREF_15)). In response to this, BE Models were created; the 2 most popular BE Models are the European Foundation for Quality Management (EFQM) model and the Baldrige Model, both of which include a set of criteria based on key principles deemed crucial for inspiring high organisational performance. The introduction of BE models allowed organisations to be objectively assessed based on how they were managed and the results they were achieving, with those that incorporate the core principles and values of BE being deemed “BE organisations” ([Mann et al., 2011](#_ENREF_34)). Following on from the introduction of these BE models, BE awards were developed to reward those organisations that had particularly embraced the BE values and principles. While some scholars believe that attempting to fulfil the BE award criteria can actually detract an organisation from achieving other business goals ([Oakland and Tanner, 2008](#_ENREF_37)), others have found that BE award winners outperform non-winners in terms of the business results achieved ([Hendricks and Singhal, 1997](#_ENREF_24), [Jacob et al., 2004](#_ENREF_27), [Kumar et al., 2009](#_ENREF_30)).

Studies have shown that implementing BE has numerous benefits, including a positive impact on overall organisational performance, organisational learning and innovation performance ([Hung et al., 2011](#_ENREF_25), [Salaheldin, 2009](#_ENREF_43), [Valmohammadi, 2011](#_ENREF_50)), increased revenue and sales and reduced costs ([Boulter et al., 2005](#_ENREF_8), [Kuruppuarachchi and Perera, 2010](#_ENREF_31)), improved job satisfaction ([Tutuncu and Kucukusta, 2009](#_ENREF_49)) and improved customer satisfaction and employee relations ([Kumar et al., 2009](#_ENREF_30)) to name just a few.

Despite these benefits, implementing BE is easier said than done, with [Vora (2013](#_ENREF_52)) highlighting that implementation requires significant time and effort as well as substantial change management. BE should not be seen as an individual tool or technique that can be adopted but rather an organisation-wide initiative that requires a number of approaches and systems alongside the tools and techniques in order to be implemented successfully ([Bolboli and Reiche, 2013](#_ENREF_7), [Saunders et al., 2008](#_ENREF_45), [Van der Wiele et al., 2007](#_ENREF_51)). A strong strategy is therefore required in order to implement BE and improve the BE ‘score’ on an annual basis. [Bolboli and Reiche (2013](#_ENREF_7)) suggest a structured approach to BE implementation should be preferred in order to ensure the BE programme is sustainable; [Bauer et al. (2005](#_ENREF_4)) further this by suggesting that less complex organisational structures allow organisations to be more successful with their BE implementation due to the reduced rigidity of formalised rules and supervision. [Saunders et al. (2008](#_ENREF_45)) also highlight the need for organisations to seek the advice, training, seminars, publications, conferences and workshops offered by BE custodians (the administrators that manage the BE awards) in their region. Other strategies for implementing BE have been identified in the literature; [Porter and Tanner (2004](#_ENREF_40)) describe a generic route for BE assessment, [George et al. (2003](#_ENREF_17)) investigated how a UK local authority implemented the EFQM model, whilst [Tossaint (2010](#_ENREF_48)) documented how Philips implemented and sustained BE over a long period. Another study asked senior executives in Singaporean organisations for their opinions on the key factors in successfully implementing BE in their organisation ([Spring Singapore, 2010](#_ENREF_46)); senior management commitment and a desire to improve were rated as the most important factor, while transparency, the ability to manage change and getting buy-in from staff were also considered important. In terms of the individual tools and techniques, the difficulty involves knowing which particular tool or technique to implement; [Mohammad et al. (2011](#_ENREF_35)) identified 35 tools as important for BE success, [Mann (2008](#_ENREF_33)) found 65 such tools, whilst others believe there are over 900 such tools to choose from ([Adebanjo and Mann, 2008](#_ENREF_2), [Harrington and Lomax, 2000](#_ENREF_23)). It is therefore of no surprise that there is no general consensus as to which tools to use in order to implement BE successfully. Some tools do appear more frequently in the literature than others and as such 60 such tools were identified and reviewed before a final selection of 24 were included in this study.

As would be expected, due to the plethora of strategies, tools and techniques used to implement BE, there has been much debate in the literature surrounding methods for assessing an organisation’s level of experience in BE. Numerous different approaches have been suggested in the literature ([Crosby, 1979](#_ENREF_11), [Garvin, 1991](#_ENREF_16), [Peters, 1994](#_ENREF_39), [Kaye and Dyason, 1995](#_ENREF_29), [Dale, 1996](#_ENREF_13), [Huq and Stolen, 1998](#_ENREF_26), [Prabhu et al., 2000](#_ENREF_41), [Kanji, 2002](#_ENREF_28), [Oakland and Tanner, 2008](#_ENREF_37)) but it is the 7-stage implementation process suggested by [Dale and Smith (1997](#_ENREF_14)) that has received the most attention (see table 1).

|  |  |  |
| --- | --- | --- |
|  | **Stage** | **Description** |
| **1** | Unaware | Organisation unaware of BE |
| **2** | Uncommitted | Organisation understands BE but does not see the benefit of implementing a BE programme |
| **3** | Initiators | Organisation is in the early stages of BE implementation |
| **4** | Drifters | Organisation drifts between numerous BE initiatives, achieving results in the short term |
| **5** | Improvers | Organisation-wide BE initiative implemented and run by small number of staff |
| **6** | Award Winners | BE initiative becomes integrated with strategy of organisation and involves all staff |
| **7** | World Class | Full BE integration with organisational strategy; BE becomes a “way of life” |

Table 1: The 7 stages of BE implementation (according to [Dale and Smith (1997](#_ENREF_14)))

Numerous implementation models have been created based on Dale and Smith’s framework (including [Saunders and Mann (2007](#_ENREF_44)) and [Mohammad et al. (2011](#_ENREF_35))) and after reviewing the literature, the authors of this study proposed a 5-point categorisation that combines elements of many of these, as shown in table 2.

|  |  |  |
| --- | --- | --- |
|  | **Stage** | **Description** |
| **1** | Awareness | Organisation is aware of BE but no one has been trained in BE; management not sure how to apply BE to organisation |
| **2** | Understanding | Organisation understands BE and how it can be implemented; training of employees begins |
| **3** | Progressing | Organisation has been assessed against BE model at least once and are taking steps to improve; many employees trained in BE |
| **4** | Competence | Numerous BE assessments have been conducted; organisation can evidence performance improvements due to BE implementation. Employees aware of BE model used by organisation and use it to improve how they work |
| **5** | Advanced | BE principles are embedded throughout the organisation; organisation can evidence performance improvements on an annual basis due to BE implementation. All employees aware of BE model and use it in their day to day operations |

Table 2: The 5 stages of an organisation’s BE implementation

For simplicity, this study will use the above model and group the participating organisations based on their level of BE implementation; participants of this study were therefore deemed either “**Inexperienced**” organisations (this includes all organisations in the Awareness, Understanding and Progressing stages) or “**Experienced**” organisations (this includes all organisations in the Competence or Advanced stages).

#### 2.1 Research Questions

Based on the literature review, 4 research questions were proposed:

1. Do organisations experienced in BE utilise **different strategies** to their inexperienced counterparts?
2. Do organisations experienced in BE utilise **different BE tools** to their inexperienced counterparts?
3. Do organisations experienced in BE **achieve better effectiveness of these tools** than their inexperienced counterparts?
4. Do organisations experienced in BE **outperform** their inexperienced counterparts?

## 3. Research Methodology

The study was conducted using a questionnaire survey and discussion groups with senior managers of for-profit organisations across the five countries of India, Republic of China, Japan, Singapore and Thailand. This data was further supported with additional data from interviews with senior managers of some of the organisations that had participated in the survey and discussion groups. This mixed methods approach allowed for a vast quantity of rich data to be obtained and has been recommended by many to increase the validity of research findings through triangulation ([Gerring, 2006](#_ENREF_18), [Patton, 1987](#_ENREF_38)).

The questionnaire survey was made available both online and in hard copy format; it was translated into Japanese, Chinese and Thai in order to improve response rates. 74 completed questionnaires were returned, of which 30 were either current or past winners of a BE Award. In order to increase the reliability and validity of the data, participants were invited to attend a workshop prior to completing the questionnaire that enabled them to clarify any questions they had.

Six discussion groups took place in India, 4 occurred in Republic of China, Thailand and Singapore and 3 took place in Japan. In terms of composition, each group included 4-8 senior managers of different organisations; these managers were all involved with BE in some manner within their organisation. During the discussion groups, the questionnaire was also promoted, allowing another opportunity for participants to ask for clarification if necessary.

Finally, 13 interviews were conducted with CEOs of BE award-winning organisations that had completed the questionnaire. Three interviews were conducted in Thailand, Japan, Singapore and India and 1 interview was conducted in the Republic of China.

The quantitative data collected from the questionnaire was analysed using the SPSS Statistics software package, whilst the qualitative data (which was collected mainly via hand-written and flip chart notes) was analysed using the open coding technique as suggested by [Goulding (2002](#_ENREF_19)).

## 4. Findings

Participating organisations were asked to grade themselves based on a more detailed version of the 5-point scale described in table 2. As mentioned earlier, they were then grouped into 2 groups based on their level of BE implementation: “**Inexperienced**” organisations (this includes all organisations in the Awareness, Understanding and Progressing stages) or “**Experienced**” organisations (this includes all organisations in the Competence or Advanced stages). Of the 74 participants, 43% were deemed to be inexperienced and 57% were deemed to be experienced.

The next section discusses the findings of the study based on the 4 research questions identified from the literature review.

#### 4.1 Do organisations experienced in BE utilise different strategies to their inexperienced counterparts?

The questionnaire asked participants to highlight the strategic approaches they adopted when implementing BE. A number of statements were presented and participants were required to state whether they agreed or disagreed with them; the statements were based on their organisation’s training strategies, the types of assessment they conduct, the frequency and scope of these assessments and the level of supporting structure for BE present within the organisation.

The Pearson Chi-Square test was used to identify associations between the level of BE experience and the strategies used by the organisations; the results are show in table 3.

|  |  |
| --- | --- |
| **BE Strategy** | **p value** |
| ***Training*** | |
| BE training programmes provided to a few employees | 0.236 |
| BE training programmes provided to majority of employees | 0.000 |
| BE training programmes provided to senior management | 0.148 |
| BE model used to develop company’s BE model | 0.133 |
| ***Assessment type*** | |
| Internal BE self-assessments are conducted | 0.038 |
| External BE assessments conducted by consultants | 0.514 |
| External BE assessments conducted when we apply for our national BE award | 0.004 |
| ***Assessment frequency*** | |
| BE performance assessed annually | 0.037 |
| BE performance assessed every 2 years | 0.528 |
| BE performance not regularly assessed | 0.435 |
| ***Assessment scope*** | |
| Our BE assessment covers entire organisation | 0.381 |
| Our BE assessments cover individual business units and departments | 0.437 |
| ***BE supporting structure*** | |
| Category leaders are present in our organisation | 0.054 |
| Improvement Teams are used | 0.013 |
| Assessment findings lead to improvement actions being applied | 0.009 |
| One BE Team oversees all of the organisation’s BE activities | 0.253 |
| One person in our organisation works full-time on BE | 0.190 |
| We have a dedicated team who work full-time on BE | 0.329 |
| Our senior managers are fully involved in BE | 0.000 |
| Our organisation fosters a ‘Culture of Excellence’ – we therefore do not need specific BE tools / techniques for it to succeed | 0.014 |

Table 3: Results of Pearson Chi-Square test investigating the relationship between the level of BE experience and the strategies an organisation uses

Any result with a p value lower than 0.05 is generally considered to be ‘statistically significant’ (i.e. there are differences between the 2 types of organisation in terms of the strategies they use and these differences are unlikely to be down to chance alone). Statistically significant differences were found for 8 of the 20 statements provided; BE training programmes provided to majority of employees (p = 0.000), Internal BE self-assessments are conducted (p = 0.038), External BE assessments conducted when we apply for our national BE award (p = 0.004), BE performance assessed annually (p = 0.037), Improvement Teams are used (p = 0.013), Assessment findings lead to improvement actions being applied (p = 0.009), Our senior managers are fully involved in BE (p = 0.000) and Our organisation fosters a ‘Culture of Excellence’ – we therefore do not need specific BE tools / techniques for it to succeed (p = 0.014). In all 8 cases the experienced organisations were more likely to agree with the statement than the inexperienced organisations. The results indicate that experienced organisations are better at utilising the resources available to them in order to implement BE strategies successfully. This suggests that a Resource-Based View (RBV) could be appropriate when assessing the level of BE experience; RBV argues that organisations can gain improved competitiveness in the marketplace by making effective use of human and material resources as well as the core competencies it has built up over a period of time ([Halley and Beaulieu, 2009](#_ENREF_22)).

Training in particular seems very different between the 2 sets of organisation, with 76% of experienced organisations ensuring training is given to most of their employees, whereas only 28% of inexperienced organisations give training to employees (and in the majority of these cases, training is only offered to a small number of employees). This result is most likely due to the difference between the 2 types of organisation in terms of the level of understanding in BE and the level of commitment to BE throughout the organisation. Successful BE implementations are those where all employees are involved, indicating that all staff should receive BE training on a frequent basis. The discussion groups confirmed this, as each of them highlighted the significance of training all members of staff, from those working on the shop floor to members of the senior management team.

The results indicate that experienced organisations are significantly more likely to conduct self-assessment; this may be one of the factors leading to their superior business performance over inexperienced organisations. Self-assessments can offer a better performance improvement than external award-based assessments as they tend to involve more people within the organisation who are then allowed to identify strengths, weaknesses and opportunities for improvement, thus increasing buy-in from employees. These improvement opportunities can then be implemented quickly, as opposed to waiting for months on end in order to receive a feedback report from the external award-granting body. It is likely that experienced organisations are using self-assessment in order for them to subsequently apply for a BE award (especially as the BE awards ask organisations to prove they have achieved an improved level of performance as a result of implementing BE), whilst the inexperienced organisations may not utilise self-assessments due to a lack of awareness, or simply because there is a current lack of self-assessment tools / techniques in their region.

In terms of external assessments, again experienced organisations are more likely to undergo these; this is most likely due to them having to be externally assessed in order to apply for a BE award and as most of the participating experienced organisations are award winners, this is not a surprising result.

The results showed that 60% of experienced organisations review their business performance annually, whereas only 38% of inexperienced organisations do this. Again, this is likely to be due to the need to track business performance improvements on an annual basis in order to apply for a BE award. This belief was supported by the findings of the discussion groups, whereby participants highlighted the need to understand which tools would be most relevant for capturing this type of data.

In terms of support structure, the results show that experienced organisations are more likely to make use of category leaders and improvement teams and are more likely to identify and implement improvement actions. This could be a major factor for their improved business performance, particularly as [Bolboli and Reiche (2013](#_ENREF_7)) found that a structured approach has a greater likelihood of creating and supporting a successful BE implementation.

Similarly, 79% of experienced organisations have senior managers who are fully committed to their BE strategy (as compared to 38% of inexperienced organisations). This is most likely due to these senior managers understanding that BE needs to be “led from the top” in order for it to be successful. The findings of the discussion groups furthered this, as those in inexperienced organisations saw BE as an “initiative” or a “project” rather than a company-wide approach. The discussion groups in 3 of the countries confirmed the need for top management support in order for BE implementation to be successful, whilst the interviews with CEOs furthered this point by suggesting that the entire supply chain needed to be committed to the idea of continuous improvement.

Finally, the findings show that experienced organisations are more likely to feel they do not require specific BE tools in order for the organisation to succeed; the reason for this was found during the interviews, with CEOs of award winning organisations suggesting that once an organisation achieves a given level of BE experience, BE becomes embedded in its culture leading to it being seen as the modus operandi for conducting business.

#### 4.2 Do organisations experienced in BE utilise different BE tools to their inexperienced counterparts?

As mentioned in the literature review section, 24 tools used for successful BE implementation were identified after careful review of the literature. Participants of the questionnaire were given a description of each of these tools and were asked which of them they used on a regular basis. The Pearson Chi-Square test was used to identify associations between the level of BE experience and the tools used by the organisations; the results of this analysis are shown in table 4.

|  |  |
| --- | --- |
| **Business Area** | **p value** |
| 5S | 0.064 |
| Balanced Scorecard | 0.697 |
| BE Self-assessments | 0.038 |
| Best Practice Benchmarking | 0.002 |
| Business Process Re-engineering | 0.088 |
| Corporate Social Responsibility System | 0.928 |
| Customer Surveys | 0.468 |
| Employee Suggestion Scheme | 0.577 |
| Employee Surveys | 0.421 |
| Environmental management system | 0.34 |
| Improvement Teams | 0.053 |
| Informal Benchmarking | 0.023 |
| Knowledge Management | 0.015 |
| Lean | 0.021 |
| Mission and Vision Statement | 0.022 |
| Performance Benchmarking | 0.001 |
| Plan-Do-Check-Act | 0.403 |
| Quality Circle | 0.399 |
| Quality Cost | 0.007 |
| Quality Function Deployment | 0.223 |
| Quality Management System | 0.391 |
| Six Sigma | 0.614 |
| SWOT Analysis | 0.041 |
| Total Productive Maintenance | 0.014 |

Table 4: Results of Pearson Chi-Square test investigating the relationship between the level of BE experience and the tools an organisation uses

The findings indicate that there is a relationship between an organisation’s level of BE experience and the specific BE tools they use. Ten of the tools showed statistically significant relationships including BE self-assessments (p = 0.038), best practice benchmarking (p = 0.002), informal benchmarking (p = 0.023), knowledge management (p = 0.015), lean (p = 0.021), mission and vision statement (p = 0.022), performance benchmarking (p = 0.001), quality cost (p = 0.007), SWOT analysis (p = 0.041) and total productive maintenance (p = 0.014). Further analysis of the data found that all of these tools were used more often by experienced organisations. These results concur with those of [Haffer and Kristensen (2008](#_ENREF_20)); they found that organisations that had fully implemented BE tools achieved significantly better organisational performance when compared to those that had only partially implemented the tools.

Looking at the results in table 4, it could be suggested that the 10 tools used more often by experienced organisations are the key differentiator between the 2 sets of organisation. It would therefore be beneficial for inexperienced organisations to implement these 10 tools in order to not only increase their level of BE experience but also their organisational performance.

#### 4.3 Do organisations experienced in BE achieve better effectiveness of these tools than their inexperienced counterparts?

Participants of the questionnaire were also asked to give their opinion on how effective each of the 24 tools was on a scale of 1 to 4 (1 = not effective, 4 = very effective). In order to identify relationships between the level of BE experience and the effectiveness of the tools, the Pearson Chi-Square test was used; the results are depicted in table 5.

|  |  |
| --- | --- |
| **Business Area** | **p value** |
| 5S | 0.771 |
| Balanced Scorecard | 0.026 |
| BE Self-assessments | 0.004 |
| Best Practice Benchmarking | 0.173 |
| Business Process Re-engineering | 0.117 |
| Corporate Social Responsibility System | 0.124 |
| Customer Surveys | 0.044 |
| Employee Suggestion Scheme | 0.226 |
| Employee Surveys | 0.225 |
| Environmental management system | 0.629 |
| Improvement Teams | 0.083 |
| Informal Benchmarking | 0.468 |
| Knowledge Management | 0.019 |
| Lean | 0.912 |
| Mission and Vision Statement | 0.057 |
| Performance Benchmarking | 0.235 |
| Plan-Do-Check-Act | 0.559 |
| Quality Circle | 0.489 |
| Quality Cost | 0.399 |
| Quality Function Deployment | 0.609 |
| Quality Management System | 0.372 |
| Six Sigma | 0.983 |
| SWOT Analysis | 0.071 |
| Total Productive Maintenance | 0.646 |

Table 5: Results of Pearson Chi-Square test investigating the relationship between the level of BE experience and the effectiveness of BE tools

The results highlight associations between the level of BE experience and the effectiveness of 4 tools in particular; balanced scorecard (p = 0.026), BE self-assessments (p = 0.004), customer surveys (p = 0.044) and knowledge management (p = 0.019). For these 4 tools, experienced organisations gave them higher effectiveness ratings than their inexperienced counterparts. It is rather strange that only 4 tools were rated more effective by experienced organisations; it would be expected that there would be a greater difference in effectiveness ratings for these tools between the 2 sets of organisation given that experienced organisations generally have better trained staff who are more open to change and have more detailed processes and systems, thereby allowing them to derive more effectiveness from the tools. [Conti (2004](#_ENREF_10)) found that organisations can adopt BE tools successfully without having to fully implement BE and this could go some way to explaining this surprising result.

These findings imply that inexperienced organisations should be motivated to increase their BE experience in order to gain higher effectiveness from their BE tools. This is supported by the interviews with senior executives, who explained that BE had enabled their organisations to incorporate the tools into their strategic goals and objectives, thereby increasing their level of BE experience and improving organisational performance simultaneously.

#### 4.4 Do organisations experienced in BE outperform their inexperienced counterparts?

The questionnaire asked participants to rate their current organisation’s performance in 7 business areas (identified from the Baldrige Criteria for Performance Excellence) using a scale of 0 to 10 (where 0 = very poor, 2 = below industry average, 5 = industry average, 8 = above industry average and 10 = world class). The means of experienced organisations were compared with those of inexperienced organisations, with the results detailed in table 6.

|  |  |  |
| --- | --- | --- |
| **Business Area** | **Inexperienced** | **Experienced** |
| Product and Service | 7.17 | 8.15 |
| Customer Focus | 6.96 | 8.2 |
| Financial and Market | 7.16 | 7.9 |
| Workforce Focus | 6.6 | 7.85 |
| Process Effectiveness | 6.56 | 7.61 |
| Leadership | 6.88 | 8.12 |
| Social Responsibility | 6.92 | 7.49 |

Table 6: Mean values of organisational performance between organisations experienced and inexperienced in BE

Upon reviewing table 6, experienced organisations have higher mean values for all 7 business areas. To investigate this further, the Pearson Chi-Square test was conducted to identify the relationship between organisational performance and the level of BE experience. The results of this test are depicted in table 7.

|  |  |
| --- | --- |
| **Business Area** | **p value** |
| Product and Service | 0.018 |
| Customer Focus | 0.019 |
| Financial and Market | 0.245 |
| Workforce Focus | 0.019 |
| Process Effectiveness | 0.089 |
| Leadership | 0.008 |
| Social Responsibility | 0.562 |

Table 7: Results of Pearson Chi-Square test investigating the relationship between the level of BE experience and organisational performance

Table 7 shows that there are relationships between an organisation’s level of BE experience and their performance in the areas of product and service (p = 0.018), customer focus (p = 0.019), workforce focus (p = 0.019) and leadership (p = 0.008).

Evidence from the discussion groups and interviews supported these findings; the groups unanimously believed that successfully implementing BE would enable their organisation to grow, particularly in the area of tackling current and future challenges. In fact, 1 discussion group concluded that BE actively encourages organisations to seek out and deploy best practices that will improve business performance. In terms of the interview results, 2 senior executives (from 2 separate organisations) concluded that BE had allowed their organisations to focus more on excellence, leading them to meet organisational goals in both the short and long-term.

Interestingly, the findings show no evidence of a relationship between the level of BE experience and organisational performance in the areas of financial and market, process effectiveness and social responsibility. A reason for this could be down to the sample size being too small to show a statistically significant difference (the p value for process effectiveness in particular was rather near to the 0.05 mark and may have shown a statistically significant result had the sample size been larger). An additional reason could be that government interventions may have a larger effect on social responsibility than BE does, whilst financial and market performance could be affected by numerous unknown factors, many of which are outside of the control of the organisation.

To summarise, the findings shown in tables 6 and 7 imply that experienced organisations perform better than their inexperienced counterparts in the areas of product and service, customer focus, workforce focus and leadership.

## 5. Conclusion

This study has identified statistically significant differences in the business performance, the BE strategies and tools used and the effectiveness of these BE tools between 2 types of organisation; those experienced in BE and those inexperienced in BE. In terms of the BE strategies used, 8 of the 20 statements about the strategies adopted by the organisations showed statistically significant differences. Ten out of the 24 identified BE tools were significantly more likely to be used by experienced organisations and these organisations also rated knowledge management, customer surveys, balanced scorecard and self-assessments higher in terms of effectiveness when compared to the effectiveness scores given by their inexperienced counterparts. Finally, the results showed that, on average, experienced organisations realised better business performance across all 7 business areas than inexperienced organisations.

With the results in mind, this research has given practitioners an insight into how to improve an organisation’s level of BE experience; it is obvious that organisations that wish to improve their level of BE experience should do so by adopting the tools and strategies utilised by the experienced organisations shown in this study. This study has shown that successful BE implementations are not simply about the tools that an organisation adopts; rather, the strategy for BE implementation is more important and is the key factor that will ensure the organisation becomes (and remains to be) more competitive.

In terms of limitations of the study, only 5 countries across the Asian region were considered; an interesting area of future research would therefore be to conduct similar research into other areas of Asia as well as the rest of the world to study if the results found here transcend geographical boundaries. Another limitation is the sample size, as there were only 74 respondents to the questionnaire. Future studies could look to increase the sample size and compare the results obtained with the ones found in this study.

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