

In Pursuit of Business Excellence

A BusinessFirstNZ Workshop Report

Held 28 August 2024
in The Refectory
Manawatū Campus
Massey University
Facilitated by Mr Atif Baig
with Dr Wayne Macpherson
from the School of Management

Executive Summary

This report summarises the 19th workshop in the *BusinessFirstNZ (BFNZ)* SME Business Development series, hosted by the Massey Business School to engage local businesses. The initiative seeks to assist business leaders in highlighting business problems and seeking practical solutions in their pursuit of business excellence and sustainable competitive advantage.

Facilitated by Mr Atif Baig, School of Management PhD candidate, this workshop aimed to help business leaders and managers explore strategies to excel in today's competitive business environment. The session focused on core topics, including Understanding Business Excellence (BE), Organizational Excellence Architecture (OEA), BE Assessments, Benchmarking Tools, and the role of Artificial Intelligence (AI) in achieving excellence.

Key takeaways from the workshop included:

1. **Organisational Excellence Frameworks:** The Baldrige Criteria and other business excellence models provide structured frameworks for assessing and improving organisational performance.
2. **Regular Assessments:** Conducting regular self-assessments and health checks is crucial for identifying strengths and areas for improvement, fostering a culture of continuous improvement.
3. **Benchmarking:** Learning from best practices through benchmarking is essential for enhancing organisational performance and adapting successful strategies to fit specific contexts.
4. **OEA Design Toolkit:** The toolkit developed from research includes over 60 self-reflection questions to help organisations evaluate their strengths and identify improvement opportunities.
5. **Leadership and Commitment:** High-performing organisations emphasise the role of leadership, staff training, and resource allocation in driving business excellence initiatives.
6. **AI Applications:** Successful examples of AI implementation in (government) organisations demonstrate how technology can improve operational efficiency and service delivery.
7. **Holistic Approach:** A systems perspective is vital for managing organisational performance, ensuring that all components work together towards common goals.
8. **Sustained Effort:** Achieving business excellence is a long-term journey that requires ongoing commitment and deliberate action from all stakeholders.

Other Highlights and Contact

Check out this article, "[Business development the focus of a new micro credential](#)," published by Massey University the *BFNZ* micro credential course on [SME Business Development](#). This is the first of a series of proposed new short courses designed to support local business people to work '*on their business rather than work in their business*.' You will build the essential skills and knowledge needed to review current operations, and develop effective plans and strategies for sustained growth and success. Funding support from Regional Business Partners available.

More information on past [workshops reports](#), our [first industry report](#), [second industry report](#), and two pieces in The Conversation ([here](#) and [here](#) for quick reference) can be found on the *BFNZ webpage*.

If you have any questions or would like to suggest or request any specific workshops, please contact the *BFNZ* team at bfnz@massey.ac.nz.

1. Businesses in Attendance

The *BusinessFirstNZ* workshops afford businesses time and space to engage with other local businesses and academic staff with expertise in various business disciplines. With a focus on advancing engagement and advancing business prosperity, these workshops support business leaders to explore challenges and opportunities in the current environment, and work through practical solutions supported by cutting edge research findings.

Across the *BusinessFirstNZ* workshops to date, the following business have been represented:

Business	Sector	Business	Sector
Ace Electrics	Electrical	Hague Consulting	Management Consulting
Advantage	IT Support	Henergy	Poultry Products
AFC Motorcycles	Powersports Products	IPU	Education
Ali Arc Industries	Metal Fabrication	JR's Orchards	Apple and Pears
Avatar Honey	Honey Production	Manawatech	IT Sector Promotion
BakerAg	Agricultural Services	Manawatu Business Chamber	Business Development
Bed Barn	Household Furniture	Mid-Central DHB	Health
Betacraft NZ	Workwear	Ngatihaiti	Community Support
Business Central	Business Development	NZ Delphiniums	Horticulture
Carousel Confectionary	Confectionery Manufacturing	OBO	Sports Protection
Cartwheel Creamery	Cheese Products	Palliser Estate	Wine Production
CEDA	Economic Development	Plumbing World	Plumbing Supplies
Cyber Consulting	Online Security and Networks	Prepack	Food Preparation
E&T Consultants	Education & Training	Property Brokers	Real Estate
ExportNZ	BusinessNZ Division	Quest Industries	Plastic Moulding
FieldAir	Aviation Engineering	Speirs Foods	Food Preparation
Flamingo Scooters	Scooter Sharing	Steelfort	Machinery & Equipment
Gallagher Fuel Systems	Fuel Dispensing Systems	Tasman Tanning	Leather Production
Garden Barn	Garden Supplies	Thrive	Insurance
GasNet	Gas Delivery	Toyota	Mobility
Genoese Foods	Food Preparation	Turks Poultry Farm	Poultry Production
Gillard Honey	Honey Production	UCOL	Education
Gropak	Agricultural Services	Whanganui District Council	Government

2. Workshop Overview

The workshop began with an introduction to the concept of Business Excellence, emphasising the need for a structured framework to ensure continuous improvement and competitiveness. It focused on the design and implementation of organisational excellence through integrated efforts and frameworks, particularly in the context of New Zealand SMEs. It emphasised the importance of self-assessments and benchmarking as tools for enhancing performance, which are especially relevant for SMEs striving to compete in a dynamic market.

Participants explored the Baldrige Criteria and other models that guide the pursuit of excellence, discussing how these frameworks could be adapted to fit the unique challenges and resources of New Zealand SMEs. The session also introduced a toolkit developed from Atif's research findings, which included an assessment tool to evaluate strengths and identify opportunities for improvement tailored to the needs of smaller organisations.

Real-world applications of AI in organisations, such as the Ministry of Interior in the UAE and the Ministry of National Guard Health Affairs in Saudi Arabia, were highlighted to illustrate how technology could support performance enhancement and operational efficiency. These examples provided valuable insights for New Zealand SMEs on how to leverage technology to improve processes and service delivery.

IN PURSUIT OF BUSINESS EXCELLENCE

*A workshop exploring strategies to excel in
today's competitive business landscape*

WEDNESDAY, 28TH AUGUST
2:00PM – 5:00PM
THE REFECTORY 2.01
REFECTORY DRIVE, MASSEY UNIVERSITY, PN

You will learn about:

- Organisational Excellence Architecture (OEA)
- BE Assessments and your journey to Excellence
- Benchmarking Tools
- Artificial Intelligence (AI) and Excellence

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Business Excellence and
Benchmarking consultant

3. Key Areas of Focus

3.1. Understanding Business Excellence

Atif introduced Business Excellence to set the stage for attendees to understand the fundamental concepts and frameworks that guide organisations in their pursuit of high performance.

A Definition of Business Excellence: Business Excellence is defined as the quality of being outstanding or extremely good, achieved through a systematic approach to improving organisational performance. It encompasses not just operational efficiency but also stakeholder satisfaction and sustainable practices.

Importance of Integrated Efforts: The pursuit of Business Excellence requires integrated efforts across various functions and levels within an organisation. This holistic approach ensures that all parts of the organisation work together towards common goals, fostering a culture of collaboration and continuous improvement.

Core Components: The workshop highlighted that Business Excellence is operationalised through specific models and frameworks. These include strategies, business practices, and stakeholder-related results, which collectively contribute to an organisation's overall performance.

Philosophical Underpinnings: The session referenced Aristotle's quote, "We are what we repeatedly do. Excellence, then, is not an act, but a habit," emphasising that excellence is not a one-time achievement but a continuous journey that requires consistent effort and commitment.

Frameworks for Business Excellence: The Baldrige Performance Excellence Framework was introduced as a key reference model. This framework provides criteria for assessing organisational performance and includes core values and concepts that underpin successful organisations.

Group Reflection: Participants were encouraged to reflect on their own organisations by considering the tools and systems they currently employ to enhance efficiency and how they cultivate a culture of continuous improvement. This interactive element aimed to foster engagement and practical application of the concepts discussed.

3.2 Understanding the Baldrige Criteria

Attendees delved into the Baldrige Performance Excellence Framework, a comprehensive model designed to help organisations improve their performance and achieve sustainable excellence.

An Overview of the Baldrige Criteria: The Baldrige Criteria consist of a set of standards that organisations can use to assess their performance across various dimensions. The framework is built on eleven interrelated core values and concepts that guide organisations in their pursuit of excellence.

Core Values and Concepts: The workshop highlighted the importance of these core values:

- **Visionary Leadership:** Leaders must create a clear vision and direction for the organisation.
- **Customer-Focused Excellence:** Organisations should prioritise customer needs and satisfaction.
- **Valuing People:** Engaging and empowering employees is crucial for achieving high performance.
- **Agility:** Organisations must be adaptable and responsive to change.
- **Focus on Results:** A results-oriented approach is essential for measuring success and driving improvement.
- **Systems Perspective:** Understanding the organisation as a system of interrelated parts is vital for holistic improvement.

Categories of the Baldrige Framework

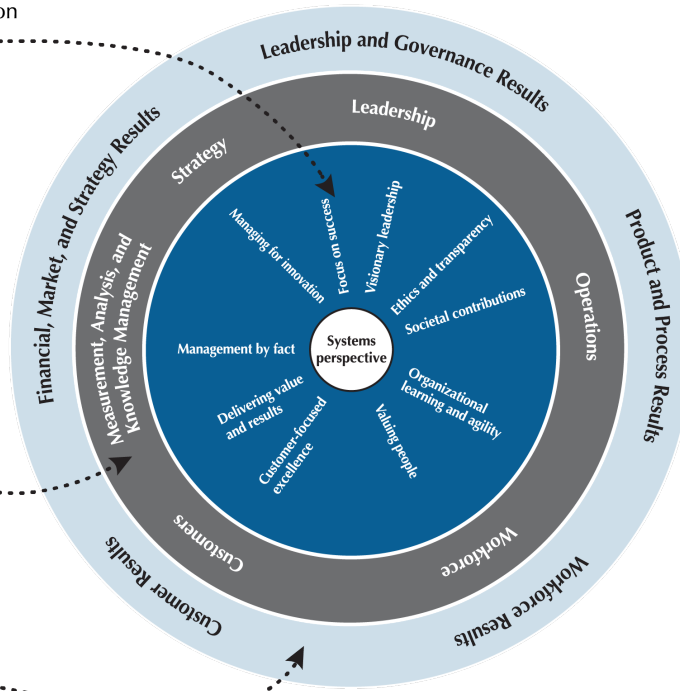
The Baldrige Excellence Framework consists of six criteria categories: Leadership; Strategy; Operations; Workforce; Customers; and, Measurement, Analysis, and Knowledge Management. This is followed by the seven performance criteria as per the diagram below.

The Role of Core Values and Concepts

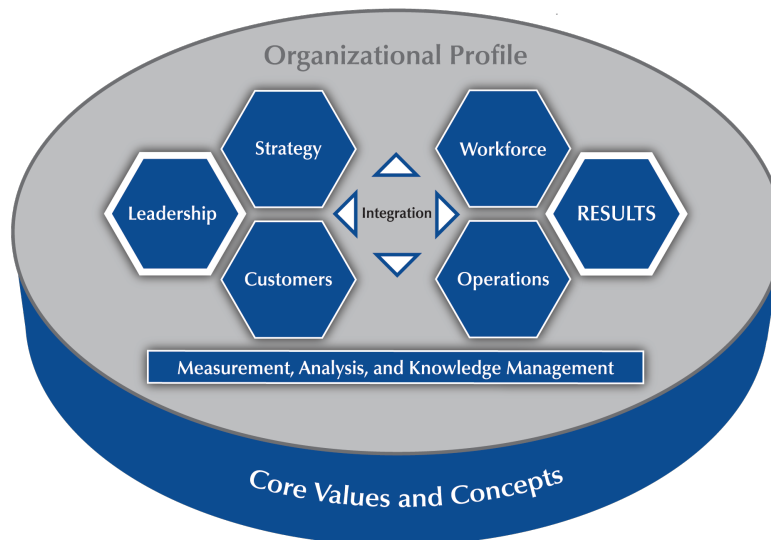
The Baldrige Criteria build on core values and concepts

which are embedded in systematic processes... (Criteria categories 1–6)

yielding performance results (Criteria category 7).



From Baldrige Performance Excellence Program. 2019. 2019–2020 Baldrige Excellence Framework: Proven Leadership and Management Practices for High Performance. Gaithersburg, MD: U.S. Department of Commerce, National Institute of Standards and Technology. <https://www.nist.gov/baldrige>.



From Baldrige Performance Excellence Program. 2019. 2019–2020 Baldrige Excellence Framework: Proven Leadership and Management Practices for High Performance. Gaithersburg, MD: U.S. Department of Commerce, National Institute of Standards and Technology. <https://www.nist.gov/baldrige>.

Each category contains specific items that organisations must address to achieve excellence.

Assessment Process: The framework is used to assess the maturity of organisations, guiding them from the initial stages of improvement to achieving world-class performance. The assessment

process involves evaluating how well the organisation meets the criteria and identifying areas for growth.

Scoring System: The Baldrige Criteria include a scoring system that evaluates responses to criteria items based on various dimensions and factors. This systematic approach provides organisations with critical feedback on their performance.

Group Reflection: Participants engaged in a group reflection exercise, discussing how the Baldrige Model's core values are reflected in their organisations. They also shared their views on the systems perspective and its contribution to organisation-wide improvement, fostering a collaborative learning environment.

3.3 Implementing Business Excellence with Self-Assessments and Benchmarking

This section focused on the critical roles of self-assessments and benchmarking—the tools essential for identifying strengths, weaknesses, and opportunities for improvement.

Importance of Self-Assessments: Self-assessments serve as a foundational step in the journey toward excellence. They allow organisations to evaluate their current performance against established criteria, helping to identify areas that require improvement. The process encourages a culture of reflection and accountability.

Objectives of Self-Assessments: The primary objectives of conducting self-assessments include:

- **Understanding Current Performance:** Organisations can gain insights into what they do well and where they fall short.
- **Identifying Improvement Opportunities:** Self-assessments highlight specific areas for development, enabling targeted action plans.
- **Fostering Continuous Improvement:** Regular assessments promote a mindset of ongoing enhancement, encouraging organisations to adapt and evolve.

Seven Steps of Self-Assessments: Atif outlined a structured approach to self-assessments, which includes the following steps:

1. **Preparation:** Gather relevant data and resources.
2. **Engagement:** Involve key stakeholders in the assessment process.
3. **Evaluation:** Use the Baldrige Criteria to evaluate performance across categories.
4. **Analysis:** Analyse results to identify strengths and opportunities for improvement.
5. **Action Planning:** Develop action plans based on assessment findings.
6. **Implementation:** Execute the action plans and monitor progress.
7. **Review:** Regularly review and update the assessment process to ensure relevance.

Benchmarking: Benchmarking is a systematic process of comparing an organisation's performance with that of high-performing peers or best-in-class organisations. It serves as a valuable tool for learning and improvement. Key aspects of benchmarking discussed included:

- **Types of Benchmarking:** Participants learned about different types of benchmarking, including internal, competitive, and functional benchmarking, each serving unique purposes.
- **Learning from Others:** Benchmarking allows organisations to identify best practices and innovative solutions that can be adapted to their specific contexts.
- **Setting Performance Goals:** By understanding how top performers operate, organisations can set realistic and ambitious performance goals.

Integration of Self-Assessments and Benchmarking: The workshop emphasised that self-assessments and benchmarking should be integrated into an organisation's strategic planning process. This integration ensures that performance improvement efforts are aligned with organisational goals and objectives. By regularly evaluating their performance and learning from others, organisations can foster a culture of continuous improvement and drive meaningful change.

Group Discussion: Participants engaged in a group exercise focused on self-assessment reflections. They discussed specific "Enabler" questions related to their organisations, fostering collaboration and sharing of insights.

Area to be assessed: Scope of citizen/customer satisfaction and engagement measures					
3.3 We obtain useful citizen/customer satisfaction, dissatisfaction and engagement information and this information is acted upon					
Evidence: <ul style="list-style-type: none"> ▪ Is pro-active follow-up done with a large sample of our citizens/customers to determine their satisfaction and level of engagement with our services/products? ▪ Do we measure citizen/customer satisfaction frequently and use adequate sample sizes? ▪ Do we thoroughly evaluate citizen/customer satisfaction and engagement levels by collecting data on such factors as response accuracy, timeliness, repeat business, complaints, refunds, warranty repair, praise letters and timeliness and do we use this data to continuously improve our relationships with citizens/customers? 					
Where do you stand today? Consider the statement above and the evidence. Put an x in the relevant box					
1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>
No / We don't do	Plans drawn up	On the way	Most of the way	Fully met	World-class
Strengths			Opportunities for Improvement		

Area to be assessed: Trends on supply chain management results					
7.4 We measure the performance of our supply chain. Our performance results are indicated below.					
Evidence: <ul style="list-style-type: none"> ▪ Are we obtaining the most relevant supply chain management data that helps us to assess our performance against our vision/mission and goals? For example, cost of suppliers, reliability of suppliers, responsiveness of suppliers, supplier training hours on new service/product processes, cost of inventory, audit hours that vary by supplier experience or specification complexity, joint process and service/product development, supplier and partner audits, just-in-time delivery, and acceptance results for externally provided, services/products, and processes. ▪ What levels of performance do our main indicators for assessing supply chain management show? ▪ What trends are there and over what period of time? ▪ Do we understand why our performance has decreased or increased? ▪ How does our performance compare against other agencies and organisations for supply chain management and how objective and relevant is the comparison data? 					
Where do you stand today? Consider the statement above, the evidence and the three conditions for selecting a box. Select a lower scoring box if all three conditions cannot be met. Put an x in the relevant box					
1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	6 <input type="checkbox"/>
No results, or performance poor	One or two relevant results, performance fair	Some relevant results, performance good	Many relevant results, performance good	Many relevant results, performance excellent	Many relevant results, performance world-class
No trend data or mainly adverse trends	Some trend data, mix of positive & adverse trends	Some trend data, most trends are positive	Trend data shown for most results, trends are positive	Trend data shown for all results, trends of 3yrs+ are positive	Trend data shown for all results, trends of 5yrs+ are positive
Comparative information is not reported.	Comparative information is not reported.	Little or no comparative information is reported.	Comparative data indicates moderate to good relative performance	Comparative data indicates good to excellent relative performance	Comparative results show many areas of industry and benchmark leadership
Strengths			Opportunities for Improvement		

3.4. Business Excellence Implementation – The OEA Design Toolkit

This section introduced the Organisational Excellence Architecture (OEA) Design Toolkit, a comprehensive resource developed from research findings to assist organisations in evaluating their performance and identifying opportunities for improvement.

Purpose of the OEA Design Toolkit: The toolkit was created to provide organisations with a structured approach to assess their strengths and weaknesses in the context of organisational excellence. It aims to facilitate the implementation of best practices and continuous improvement initiatives.

Components of the Toolkit: The OEA Design Toolkit consists of various tools and resources, including:

- **Assessment Tool:** A key feature of the toolkit, this tool includes over 60 self-reflection questions designed to help organisations evaluate their current state in relation to the OEA framework. The questions cover various aspects of organisational performance, including leadership, strategy, customer focus, and results.
- **Guidance Materials:** The toolkit provides guidance on how to effectively use the assessment tool, interpret results, and develop action plans based on findings.
- **Best Practices Repository:** Organisations can access a repository of best practices and case studies that illustrate successful implementations of the OEA framework in various contexts.

Utilising the Assessment Tool: Participants learned how to utilise the assessment tool effectively:

- **Self-Reflection:** Organisations are encouraged to engage in self-reflection by answering the questions honestly and thoroughly. This process helps to uncover insights about current practices and areas needing attention.
- **Identifying Strengths and Opportunities:** The assessment tool aids in identifying both strengths to leverage and opportunities for improvement, guiding organisations in their strategic planning efforts.

Action Planning: After completing the assessment, organisations are encouraged to develop action plans based on the identified opportunities for improvement. This involves:

- **Setting Priorities:** Organisations should prioritise areas for improvement based on their strategic goals and available resources.
- **Assigning Responsibilities:** Clear roles and responsibilities should be assigned to ensure accountability for implementing action plans.
- **Monitoring Progress:** Regular follow-up meetings and progress reviews are essential to track the implementation of action plans and make necessary adjustments.

Integration with Existing Frameworks: The OEA Design Toolkit is designed to complement existing frameworks, such as the Baldrige Criteria. Organisations can integrate the toolkit into their current performance management systems to enhance their overall effectiveness.

Group Discussion: Participants engaged in a group discussion about their experiences with assessment tools and frameworks. They shared insights on how the OEA Design Toolkit could be adapted to fit their specific organisational contexts.

3.5. AI Applications in Excellence

This section explored the transformative role of Artificial Intelligence (AI) in enhancing organisational excellence. Atif outlined two case studies from the Ministry of Interior in the UAE and the Ministry of National Guard Health Affairs in Saudi Arabia, highlighting real-world applications that demonstrate how AI can improve operational efficiency, decision-making, and service delivery. Key points discussed included:

Overview of AI in Organisational Excellence: AI technologies, including machine learning and robotic process automation (RPA), have the potential to revolutionise how organisations operate. By automating routine tasks and analysing large datasets, AI can free up human resources for more strategic activities, ultimately driving performance improvements.

Benefits of AI in Excellence:

- **Enhanced Efficiency:** AI applications can automate repetitive tasks, allowing employees to focus on higher-value activities that require human judgment and creativity.
- **Improved Accuracy:** By minimising human error in data processing and analysis, AI can enhance the accuracy of information used for decision-making.
- **Predictive Capabilities:** AI's ability to analyse historical data and identify patterns enables organisations to make informed predictions, leading to better planning and resource management.

Challenges and Considerations: While AI offers significant benefits, organisations must also consider challenges such as data privacy, the need for skilled personnel, and the integration of AI systems with existing processes. Addressing these challenges is crucial for successful AI adoption.

4. Proposed Next Steps

To continue our engagement among the business school and business community and we seek to support business prosperity in New Zealand, the following workshops are planned for 2024:

Workshop	Overview	Logistics
Thinking About the Future	<p>This is workshop #20 in the <i>BFNZ</i> series that commenced mid-2019, so quite a milestone. Attendees are invited to bring current issues and topics for a roundtable discussion, and for all to contemplate and dig down into. These can guide our <i>BFNZ</i> workshops in the immediate future, i.e., 2025.</p> <p>Join us for this fantastic opportunity to work on your business rather than in it, and network with like-minded business people.</p>	<p>Date: October 30th Time: 2pm to 5pm Charge: \$25 + fees Registration:</p>

Thank you

We would like to thank you for your continued participation in these workshops, and welcome any feedback, comments, ideas, or questions you may have. Please note, if there are any issues or amendments required, we would greatly appreciate your feedback on this report. Feel free to contact the *BusinessFirstNZ* team via Dr Wayne Macpherson, bfnz@massey.ac.nz.