

# Business Excellence Principles Self-Assessment Questionnaire

This questionnaire is to assess your company's "Business Health". It does this by having you assess how well your company applies the 10 Principles of Business Excellence. Companies that apply these Business Excellence Principles usually perform significantly better than those that do not. The 10 Principles are:

## **Principle 1 Senior Executives as Role Models**

*The senior executives' constant role modelling of these Business Excellence Principles and creation of a supportive environment are necessary to achieve the organisation's potential.*

## **Principle 2 - Focus on Achieving Goals**

*Clear direction allows organisational alignment and a focus on achievement of goals.*

*Alternatively: Mutually agreed plans translate organisational direction into action.*

## **Principle 3 - Customer Perception of Value**

*Providing what your customers value – now and in the future – must be a key influence in your organisation's direction, strategy and action.*

## **Principle 4 - To improve the outcome, improve the system**

*In order to improve the outcome; improve the system and its associated processes.*

*Corollary: All people work in a system: outcomes are improved when people work on improving the system*

## **Principle 5 - Improved Decisions**

*Effective use of facts, data and knowledge leads to improved decisions.*

## **Principle 6 – Variability**

*All systems and processes exhibit variability, which impacts on predictability and performance.*

## **Principle 7 - Enthusiastic People**

*Potential of an organisation is realised through its people's enthusiasm, resourcefulness and participation.*

## **Principle 8 - Learning, Innovation and Continual Improvement**

*Continual improvement and innovation depends on continual learning.*

## **Principle 9 - Corporate Citizenship**

*The organisation's action to ensure a clean, safe, fair and prosperous society enhances the perception of its value to the community.*

## **Principle 10 - Value for All Stakeholders**

*Sustainability is determined by an organisation's ability to create and deliver value for all stakeholders.*

You need to decide for which level of your company you are answering these questions. We suggest that you first answer for your most immediate work group. (If you are part of a large organisation, you may later choose to answer as part of the larger group of which your work group forms a part.) A full description of the Principles and each question can be found on our web site [www.netgm.com](http://www.netgm.com). You can answer the question without reading any of it if you wish.

## Principle 1 Senior Executives as Role Models

The senior executives' constant role modelling of these Business Excellence Principles and creation of a supportive environment are necessary to achieve the organisation's potential.

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
1.1	We have a climate of trust.		Make an estimate out of 10 of the level of trust.
1.2	We regularly measure employees' perception of senior executive's belief in the 10 Business Excellence Principles (eg, measurement of "trustworthiness" of the senior executive, "fear" and overall "morale").		Estimate out of 10 the extent this is deliberately done. That you measure, not the result.
1.3	Employee opinion survey results show that the employees think that the senior executives are a consistent role model for the 10 Business Excellence Principles (eg, trustworthy, believable, with high integrity, committed to the Principles).		Make an estimate out of 10 of how close the results are to 100%.
1.4	CEO is actively involved in leading improvement efforts (ie, executives participate and are involved as team members in improvement teams).		Make an estimate out of 10 of the degree of participation.
<b>Go to Question 2.1 now.</b> That is, don't answer the following 6 questions until you have answered all the others. Come back to 1.5 later. It makes it easier.			
1.5	Our CEO/president and all our senior executives role model the 10 Business Excellence Principles (ie, they believe in them, make all decisions in that context).		Estimate out of 10 the extent this is deliberately done.
1.6	We have strategic plans to increase our scores on all 10 Business Excellence Principles.		Estimate out of 10 the extent this is deliberately done.
1.7	We measure and report our progress with all 10 Business Excellence Principles.		Estimate out of 10 the extent this is deliberately done.
1.8	The reward structure for our CEO/president and senior executives rewards behaviour that is in accordance with these 10 Business Excellence Principles. (eg, the reverse would be "does the reward system for your CEO & executive reward behaviours that are <u>not</u> in line with the 10 Principles?")		Estimate out of 10 the extent this is deliberately done.
1.9	Our senior executives have created (and maintain) a supportive environment within which alignment with the 10 Business Excellence Principles can flourish.		Estimate out of 10 the extent this is deliberately done.
1.10	Our senior executives are knowledgeable about the 10 Business Excellence Principles (eg, how the Principles add business benefit and the specific requirements of a Business Excellence Framework).		Make an estimate out of 10 of the extent of their knowledge.
<b>Total for Principle 1</b>			
Add up your scores and write the total above. ↑			
This is your score out of 100 for Principle 1			

## Principle 2 - Focus on Achieving Goals

Clear direction allows organisational alignment and a focus on achievement of goals.

Alternatively: Mutually agreed plans translate organisational direction into action.

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
2.1	We have clearly defined goals ( <i>ie, our definitions of success</i> ).		Estimate out of 10 the extent this is deliberately done.
2.2	Our strategic plan addresses meeting the needs and expectations of all our key stakeholders ( <i>ie, owners, organisation, customers, employees, community, alliance partners</i> ).		Estimate out of 10 the extent this is deliberately done.
2.3	We use these 10 Business Excellence Principles to strategically improve the organisation.		Estimate out of 10 the extent this is deliberately done.
2.4	We have plans to reach all our targets.		Estimate out of 10 the extent this is deliberately done.
2.5	Our plans to reach new targets describe how we will change ( <i>eg, by improving process or systems, or applying resources</i> ).		Estimate out of 10 the extent this is deliberately done.
2.6	People know what is expected of them ( <i>eg, through being involved in the planning process, having performance agreements and job descriptions</i> ).		Estimate out of 10 the extent this is deliberately done.
2.7	Everyone is enabled ( <i>ie, given skills, knowledge, authority, resources</i> ) to implement plans.		Estimate out of 10 the extent this is deliberately done.
2.8	We measure our progress towards our goals.		Estimate out of 10 the extent this is deliberately done.
2.9	We measure the extent that our plans are being implemented ( <i>ie, everyone who should be carrying out our strategies and plans is doing so</i> ).		Estimate out of 10 the extent this is deliberately done.
2.10	We now do our strategic work better than we did three years ago.		Estimate out of 10 the extent you have improved.
<b>Total for Principle 2</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 2</i>			

### Principle 3 - Customer Perception of Value

*Providing what your customers value – now and in the future – must be a key influence in your organisation’s direction, strategy and action.*

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
3.1	We understand clearly what our customers value about our products and services ( <i>eg, we ask them</i> ).		Make an estimate out of 10 for how well you have asked each customer segment. Take the average.
3.2	We have a very good understanding of what our customers don't like about our products and services – the dissatisfiers ( <i>eg, we ask our customers "what is it about our products and services that you don't like?"</i> )		Estimate out of 10 the extent this is deliberately done. The extent you seek to understand. Not the extent of dissatisfaction.
3.3	We actively seek customer complaints and use them to make better products and services ( <i>ie, remove dissatisfiers</i> ).		Estimate out of 10 the extent this is deliberately done.
3.4	We are working to eliminate (or minimise) all of the things that are part of our products and services but which are not of value to our customers. ( <i>Ie all those 'you must do it like this to use it' things, eg price, payment method &amp; terms, ease of use, ease of access, availability, timeliness, accuracy, reliability.</i> )		The extent of work to eliminate or minimise. Not the extent of dissatisfaction.
3.5	We have designed all aspects of our company to provide what our customers value.		The extent out of 100% that the company is designed to provide value. Not the extent of satisfaction.
3.6	We manage our customer contact to ensure the contact is made easy for our customers.		The extent out of 100% that customers think that contact is easy.
3.7	All our customer contact staff are specially recruited and enabled ( <i>ie, provided with skills, knowledge, resources, power and authority</i> ) to make the contact easy for our customers.		Estimate out of 10 the extent this is deliberately done.
3.8	We build a relationship of trust with our customers ( <i>eg, we keep our promises, we do not over-promise or promise to do what we cannot do</i> ).		Estimate out of 10 the extent this is deliberately done.
3.9	Our Information Technology Systems make it easy for us to record and retrieve information about our customers ( <i>ie, they help make the customer contact easy for the customers and easy for us to do our work</i> ).		Estimate out of 10 the extent this is deliberately done.
3.10	We measure how well we provide what our customers value.		How well you measure. Not how good the results.
<b>Total for Principle 3</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 3</i>			

## Principle 4 - To improve the outcome, improve the system

*In order to improve the outcome; improve the system and its associated processes.*

*Corollary: All people work in a system: outcomes are improved when people work on improving the system*

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
4.1	We understand the Process Capability of our main processes.		Estimate out of 10 the extent this is deliberately done.
4.2	We set targets for improvement of our processes based on the needs of the customers of those processes.		Estimate out of 10 the extent this is deliberately done.
4.3	We make and implement plans to reach our targets when those targets are outside current capability.		Estimate out of 10 the extent this is deliberately done.
4.4	When we want a different result, we change the system.		The extent you always change the system.
4.5	Our performance management system is based on an understanding of Process Capability.		The extent that it is. The opposite would be based on 'appraisal of performance' with no reference to 'system capability'.
4.6	Our managers work on improving processes as a major part of their job function.		Score 10 if managers spend 40% of their time on improving processes. Not delegating this to someone else.
4.7	We work to reduce rework and waste.		Estimate out of 10 the extent this is deliberately done.
4.8	We document our important processes.		Estimate out of 10 the extent this is deliberately done.
4.9	We measure the output and outcomes of our processes.		Estimate out of 10 the extent this is deliberately done. Not how good the results are; but that you measure.
4.10	The improvements we have made to our systems have resulted in improved outcomes ( <i>ie, they move us closer to our Goal and are not "improvements" that lead no where</i> ).		Make an estimate out of 10 for how much the outcomes improved as a result of your efforts.
<b>Total for Principle 4</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 4</i>			

## Principle 5 - Improved Decisions

*Effective use of facts, data and knowledge leads to improved decisions.*

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
5.1	We always base our daily operational decisions on facts, data and knowledge.		Estimate out of 10 the extent this is deliberately done. The opposite is 'gut feel', 'rumour', 'innuendo'.
5.2	We have criteria to stop us gathering data we will not use.		Estimate out of 10 the extent this is deliberately done.
5.3	We treat our strategies as "experiments" and measure their success.		The extent that you check for success. The opposite is to assume that everything you try is taking you in the right direction.
5.4	We rigorously use data to check our assumptions about our business.		The extent that you check assumptions. The opposite is to not know what assumptions you make.
5.5	We always check what we "know" by gathering facts and data.		Estimate out of 10 the extent this is deliberately done.
5.6	We have KPIs for and measure our success in reaching our Mission, Vision and all our important objectives and Goals.		Estimate out of 10 the extent this is deliberately done. Not the results; but that you take the measurement.
5.7	We use data to make comparisons between different parts of the organisation and with external organisations.		Estimate out of 10 the extent this is deliberately done; especially external comparisons. Not how good you are compared with others, but that you check.
5.8	We have processes that let us know everything that is going on in our business environment.		Estimate out of 10 the extent this is deliberately done.
5.9	We treat knowledge as a major organisational resource and manage and leverage off our organisational knowledge.		Estimate out of 10 the extent this is deliberately done.
5.10	We formally review our process for making decisions.		Estimate out of 10 the extent this is deliberately done. Not that you have got better at it; but that you 'formally review'.
<b>Total for Principle 5</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 5</i>			

## Principle 6 – Variability

*All systems and processes exhibit variability, which impacts on predictability and performance.*

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score ← out of 10	Suggestions
6.1	The CEO and senior executive clearly understand that all systems and processes exhibit variability, which impacts on predictability and performance.		Make an estimate out of 10 the executive's demonstrated understanding.
6.2	Managers and staff have been given the skills to allow them to understand variation.		Estimate out of 10 the extent that skills were provided; not how good people are at it.
6.3	Data is always presented in such a way as to allow interpretation of the variation.		Estimate out of 10 the extent that this is done; not how good people are at interpreting it.
6.4	We use control charts extensively for data presentation.		Estimate out of 10 the extent that this is done for all data; not how good people are at interpreting them.
6.5	We work to make processes more stable by reducing special cause variation.		Estimate out of 10 the extent this is deliberately done.
6.6	We work to make processes more capable by reducing common cause variation.		Estimate out of 10 the extent this is deliberately done.
6.7	We know that reducing variation reduces costs.		Estimate out of 10 the extent that this is an underpinning belief; not how good your company is at it.
6.8	We are working to reduce variation in all our products and services.		Estimate out of 10 the extent this is deliberately done.
6.9	We calculate our Process Capability for our main products and services.		Estimate out of 10 the extent this is deliberately done.
6.10	We work to reduce variation in the early steps of all processes.		Estimate out of 10 the extent this is deliberately done.
<b>Total for Principle 6</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 6</i>			

## Principle 7 - Enthusiastic People

Potential of an organisation is realised through its people's enthusiasm, resourcefulness and participation.

	<p>Write in this column your estimate of how completely your company does the question</p> <p>0 - never - ever            1 - never            2 - starting - just            3 - starting            4 - sometimes - rarely            5 - sometimes            6 - oftenish            7 - often            8 - always - almost            9 - always            10 - fantastic at doing it</p>	<p>Score out of 10</p>	<p>Suggestions</p>
7.1	We have created, maintain and support an environment where people volunteer their enthusiasm, creativity and resourcefulness aligned with the company's goals and objectives.		Estimate out of 10 the extent this is deliberately done.
7.2	We have formed an alliance partnership with our employees – each party working for the benefit of the other.		Estimate out of 10 the extent this is deliberately done.
7.3	We give our employees space to have their say, we show we care and we keep our promises.		Estimate out of 10 the extent this is deliberately done.
7.4	All our employees know what their job is, what is expected of them and how they contribute to the company's success.		Estimate out of 10 the extent this is deliberately done.
7.5	We make certain our employees are properly enabled to carry out their work ( <i>ie provided with sufficient skills, knowledge, resources and authority</i> ).		Estimate out of 10 the extent this is deliberately done.
7.6	We work to ensure our work environment provides value to our employees.		Make an estimate out of 10 of the extent that work environment provides value.
7.7	We pay our employees well and fairly ( <i>eg, we don't attempt to manipulate them by incentive schemes</i> ).		Estimate out of 10 the extent this is deliberately done. Negative marks for incentive schemes.
7.8	We actively search for what dissatisfies our employees and work to overcome those dissatisfiers.		Estimate out of 10 the extent this is deliberately done.
7.9	We measure how our employees feel about our company. ( <i>Eg that they get value from being part of it; that they are provided with sufficient skills, knowledge, resources and authority to carry out their work; that they are given space to have their say, we show we care and we keep our promises; that there is a climate of trust.</i> )		Make an estimate out of 10 of the extent that conduct the measurement. Not the level of satisfaction.
7.10	We measure the effectiveness of training and education ( <i>eg, that it changed what employees do</i> ).		Make an estimate out of 10 of the extent that conduct the measurement. Not how effective the program was.
<b>Total for Principle 7</b>			
<p>Add up your scores and write the total above.</p> <p>This is your score out of 100 for Principle 7</p>		↑	



## Principle 8 - Learning, Innovation and Continual Improvement

Continual improvement and innovation depends on continual learning.

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
8.1	We have created an environment of continual learning, continual improvement and innovation. (Eg, employees are prepared to try new ideas, experiment, innovate and take reasonable risks. People are encouraged to take initiatives and be pro-active.)		Estimate out of 10 the extent this environment exists.
8.2	We continually innovate (adapt; provide new products and services; do things differently; copy good ideas from everywhere we can – from: competitors, other industries, customers, between processes, technology, sales people).		Estimate out of 10 the extent this is deliberately done.
8.3	We use tools and techniques to generate new concepts.		Estimate out of 10 the extent this is deliberately done.
8.4	We systematically eliminate the barriers to innovation (eg structures, traditions, politics, fear in the workplace).		Estimate out of 10 the extent this is deliberately done.
8.5	When we implement new ideas, all the old structures that the new will impact are also changed (eg, reward and recognition systems; performance management system; technology; standard operating procedures; standards systems; communications systems; company structure; performance indicators; resources; job descriptions; performance agreements; organisation values; audit systems).		Estimate out of 10 the extent this is deliberately done.
8.6	We systematically overcome the barriers that prevent us implementing our innovations (eg, existing stock, past investment, no time or budget).		Estimate out of 10 the extent this is deliberately done.
8.7	We take a strategic approach to innovation, implementation and continuous improvement (eg, innovation and implementation objectives; resources provided to assist innovation and implementation - including seed funding and champions).		Estimate out of 10 the extent this is deliberately done.
8.8	We continually learn (from others; from what we do; from our mistakes; from our varied success; from our strategies and approaches; from our customers; from our competitors; from our employees; from technology; from each new idea we implement).		Estimate out of 10 the extent this is deliberately done.
8.9	We make time to reflect on what has happened or is happening, why it is happening.		Estimate out of 10 the extent this is deliberately done.
8.10	We take a strategic approach to learning (eg, we have learning objectives; and strategies to grow our core competencies and knowledge.)		Estimate out of 10 the extent this is deliberately done.
<b>Total for Principle 8</b>			
Add up your scores and write the total above. This is your score out of 100 for Principle 8		↑	

## Principle 9 - Corporate Citizenship

*The organisation's action to ensure a clean, safe, fair and prosperous society enhances the perception of its value to the community.*

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score out of 10	Suggestions
9.1	We always operate using standards of ethics that are acceptable by the community.		Estimate out of 10 the extent this is deliberately done.
9.2	What we do adds value to the community. <i>(Rather than costs the community money in the long or short term.)</i>		Estimate out of 10 the extent this is measured.
9.3	We do nothing that will endanger the community's prosperity, health, safety or cleanliness.		Estimate out of 10 the extent this is a deliberate approach.
9.4	We are working strategically to reduce the harm we do to the environment. <i>(Eg, our dependence on mining and fossil fuels; our dependence on persistent, unnatural substances; and our dependency on nature consuming activities. We always try to do more with less.)</i>		Estimate out of 10 the extent this is deliberately done.
9.5	We work to reduce the waste and pollution our organisation produces.		Estimate out of 10 the extent this is deliberately done.
9.6	We use a set of Environmental Performance Indicators <i>(eg, we monitor environmental impact at production sites, the average environmental standard of products and profitability of our most environmentally sound products).</i>		Estimate out of 10 the extent this is deliberately done.
9.7	We work to reduce the unintended consequences (side effects) to the community of our actions and policies <i>(eg, we keep the community safe and do no harm — intentionally or unintentionally).</i>		Estimate out of 10 the extent this is deliberately done.
9.8	We constantly work to improve our industry <i>(eg, its code of conduct, how it operates, sharing of knowledge on what does and does not work well, changing regulations that affect us, and regulators' and community perceptions).</i>		Estimate out of 10 the extent this is deliberately done.
9.9	We share our knowledge about the Business Excellence Principles with others to help them prosper.		Estimate out of 10 the extent this is deliberately done.
9.10	We take a strategic approach to our Corporate Citizenship <i>(eg we plan our approach to all aspects of Principle 9; we measure our success as a Good Corporate Citizen).</i>		Estimate out of 10 the extent this is deliberately done.
<b>Total for Principle 9</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 9</i>			

## Principle 10 - Value for All Stakeholders

*Sustainability is determined by an organisation's ability to create and deliver value for all stakeholders.*

	Write in this column your estimate of how completely your company does the question 0 - never - ever 1 - never 2 - starting - just 3 - starting 4 - sometimes - rarely 5 - sometimes 6 - oftenish 7 - often 8 - always - almost 9 - always 10 - fantastic at doing it	Score ← out of 10	Suggestions
10.1	We have objectives, strategies and plans to address the needs of and to create and deliver value for <u>all</u> the organisation's stakeholders (eg, owners, customers, the organisation itself, employees, the community, and suppliers and alliance partners).		Estimate out of 10 the extent this is deliberately done for each of the 6 stakeholder groups. Take the average.
10.2	We deliberately invest (funds and effort) to meet the needs of each major stakeholder group. (We treat these as investment decisions to reach our Goals and objectives and to meet their needs.)		Estimate out of 10 the extent this is deliberately done for each of the 6 stakeholder groups. Take the average.
10.3	We negotiate a balance with representatives of all our major stakeholder groups.		Estimate out of 10 the extent this is deliberately done for each of the 6 stakeholder groups. Take the average.
10.4	Our reward and recognition systems focus on the long term best interest of the organisation (rather than the short term interest of the executives).		Estimate out of 10 the extent this is deliberately done.
10.5	We use innovative and inventive ways to create and deliver value for all our major stakeholder groups.		Estimate out of 10 the extent this is deliberately done for each of the 6 stakeholder groups. Take the average.
10.6	We measure the investment we make in meeting the needs of each major stakeholder group. (Eg, we measure the apportionment between the major stakeholder groups.)		Estimate out of 10 the extent this is deliberately done for each of the 6 stakeholder groups. Take the average.
10.7	We measure our success in meeting our objectives for all our stakeholder groups. (ie, success including and beyond financial performance by determining how we are achieving success for each of our stakeholders by integrating and balancing their needs)		Estimate out of 10 the extent this is deliberately done for each of the 6 stakeholder groups. Take the average.
10.8	We use a balanced set of performance indicators.		Estimate out of 10 the extent this is deliberately done.
10.9	We use lead indicators and other measurements to predict our long term sustainability.		Estimate out of 10 the extent this is deliberately done.
10.10	We keep our stakeholders informed of our progress.		Estimate out of 10 the extent this is deliberately done.
<b>Total for Principle 10</b>			
<i>Add up your scores and write the total above.</i>		↑	
<i>This is your score out of 100 for Principle 10</i>			
<b>Go back to Question 1.5</b> and answer the remaining 6 questions in Principle 1 now that you have more idea of what the Business Excellence Principles are.			