

It starts with the vision, goals, strategies and mission that must be fully thought through, agreed and shared in the business. What follows determines whether or not these are achieved. The building blocks of the mission that are critical to success – the critical success factors (CSF's) – must then be identified, and the measures associated with them – the key performance indicators (KPI's) – indicate whether the CSF's are being achieved.

Once the CSF's and KPI's have been identified, so too must the organisation's core processes. If these are not understood, it is difficult to implement the rest of the framework. Process analysis, self-assessment and benchmarking are used to identify what will probably be a very long list of improvement opportunities, which will include people development. These opportunities must be prioritised, to identify those processes in need of continuous improvement, and those in need of re-design.

All the selected processes, whether for continuous improvement or re-design, must be subjected to performance measurement, and the results fed back into the benchmarking and strategic planning activities.

The following sections cover each of the elements of the framework in turn and provide practical guides for implementation.

Vision and mission

The organisation's vision is a statement that describes what the organisation wishes to be in the future - an expression of the organisation's aspirations, the touch stone against which all actions, or proposed actions, can be judged, and is long-term. The mission is a statement of what the organisation wants to achieve. The typical content is:

- The role or contribution of the business
- The definition of the business
- Specific, distinctive competencies
- Indications of future direction

There must be open and spontaneous discussion during the generation of the vision and mission statements, particularly among the senior management team. The outcome must be one clearly understood statement, of, ideally, no more than four sentences. If the mission statement is not right for the organisation, everything that follows will be wrong too.

CSF's & KPI's

The development of a mission for an organisation, business or unit is not enough to ensure its implementation. It must be developed into its building blocks – the critical success factors (CSF's). The first step in doing this is to brainstorm all the possible impacts on the mission, and from this generate no more than eight CSF's – what the organisation must accomplish to achieve the mission, the must have's or need's, e.g:

- We need new products to satisfy market needs
- We must have motivated, skilled employees

Each CSF should have an "owner", who is a member of the senior management team.

The mission and the CSF's provide the **what's** of the organisation. They must be supported by measurable key performance indicators (KPI's), which are accompanied by clear targets. The KPI's are used to monitor progress and as evidence of success for the organisation. The owners of each CSF should:

- Define and agree its KPI's and associated targets
- Ensure the appropriate data is collected and recorded
- Monitor and report progress towards achieving the CSF
- Review and modify the KPI's and targets as necessary

Core processes

The core business processes describe what is, or needs to be, done to deliver the CSF's.



Each process that is necessary for a CSF to be achieved must be identified, and together, all the processes listed must be sufficient for all the CSF's to be achieved.

A typical CSF/KPI/core process data sheet, for completion by the CSF owner, might look like this:

CSF No.	3	CSF Owner:	MW		
CSF: We must have innovation and continuous improvement.					
KPI's: Customer facing:		Shared savings on baseline contracts. Increased demand revenue through new services. Customer perception of innovation & improvement.			
Company facing:		People's perception of improvement. Number of ideas/suggestions coming forward and implemented (customer/company facing). Projected value of business improvement initiatives.			
Core processes impacting on this CSF:					
Process No.	Process	Impacts on other CSF's	Priority Score	Sponsor	
A	Develop new product offering	5	24	JC	
E	Manage human resources	9	39	RW	
F	Manage suppliers	7	27	IR	
I	Manage internal communications	5	35	SB	
K	Manage improvement	7	28	LS	
L	Planning and strategy	9	19	BH	

Each core process should have a sponsor, preferably a member of the same management team that agreed the CSF's. The sponsor should:

- Ensure that appropriate resources are available to map, investigate and improve the process
- Assist in selecting process improvement team leaders and members
- Remove barriers to the teams' progress
- Report progress to the senior management team

The sponsor may form a team to take quality improvement to the next stage, but before this happens, some form of prioritisation is needed to enable effort to be focused on the most important areas for improvement. This can be done using impact matrix analysis, where the number of CSF's impacted by each core process is determined, together with the current performance status of that core process, ranked on a scale of A to E:

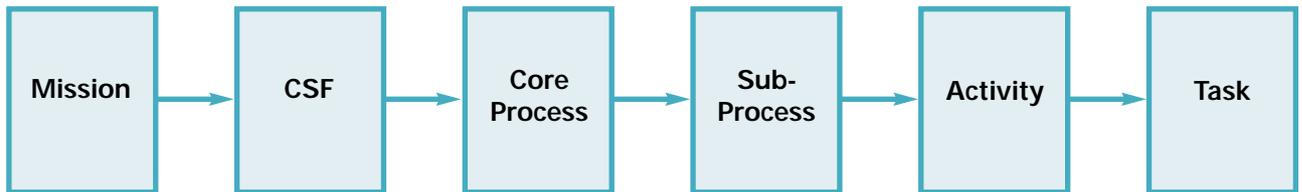
No.	Core Process	CSF No.									No. of CSF Impacts	Status	Priority	Rank
		1	2	3	4	5	6	7	8	9				
E	Manage human resources	.	.	.	.	.	.	.	.	.	9	D	39	1
G	Manage business & info systems	.			.	.	.	.	.	.	6	D	36	2
I	Manage internal communications	.	.	.				.	.	.	5	D	35	3
B	Market the "product"	.		.	.	.	.	.	.	.	8	D	34	4
K	Manage improvement	.	.		.	.	.	.	.	.	7	C	28	5
F	Manage suppliers	.	.		.	.	.	.	.	.	7	C	27	6
H	Win contracts	.			.	.	.	.	.	.	5	C	25	7
J	Deliver the service	.			.	.	.	.	.	.	5	C	25	5
A	Develop new product offering	.	.		.	.			.	.	5	C	24	9
D	Manage relationships	.			.	.			.	.	4	C	24	4
L	Planning & strategy	.	.	.	.	.	.	.	.	.	9	B	19	11
C	Manage finances	.			.	.					3	B	13	12

- Status Key: A = Excellent; B = Good; C = Fair; D = Poor; E = Embryonic.

The outcome is a set of "most critical processes", with the highest priority and ranking numbers, that should receive priority attention for analysis and improvement or re-design.

Sub-processes, activities and tasks

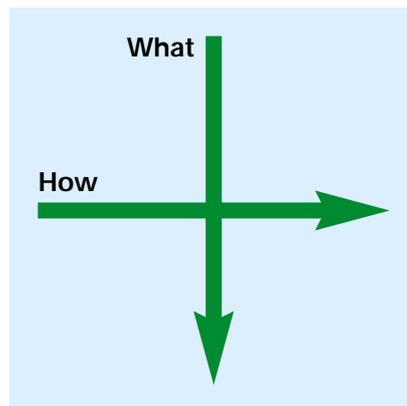
The most critical processes in need of attention have now been identified, using impact matrix analysis, self-assessment, benchmarking, or a combination of these. They must now be mapped, as described in the section on tools, and broken down into sub-processes, activities and tasks, to allow the opportunities for continuous improvement or process re-design to be identified:



When the processes have been analysed in this way, it should be possible to develop metrics for measuring the performance of the processes, sub-processes, activities and tasks. These must be meaningful in terms of the inputs, outputs, customers and suppliers of the process.

Goal translation

One of the keys to integrating excellence into a business strategy is to use a "goal translation", or "policy deployment", process. This ensures the "what's" are converted into "how's", passing this right down through the organisation, however, large or small.



At the top of the organisation, measurable goals are identified (the "**what's**") together with the "**how's**" to achieve them. The "**how**" becomes the "**what**" for the next layer down in the organisation. This continues down through the structure until the top level goals have been translated through the

what/how → **what/how** → **what/how**

matrices to individual tasks within the organisation, unit or business.

The outputs from the continuous improvement or re-design activities are then fed back into the strategic planning process and so the journey to organisational excellence is becomes embedded in the successful organisation's culture and is never-ending.

When all these elements are combined into a holistic view of a business, they can make the difference between a good organisation and a world class one.

Benefits of quality management

Managing quality to achieve excellence means managing an organisation, business or unit so that every job, every process, is carried out right, first time, every time. To be successful this must be viewed as a holistic approach that affects, and involves, everyone – employees, customers, suppliers, shareholders and society. It must be driven from within the organisation, as it cannot be imposed from outside and is not a simply a cost-cutting or productivity improvement exercise.

The reputation of any organisation, be it public, private, small or large, is built on the quality and excellence of the products and/or services it provides. Quality management is a very powerful, competitive weapon that any business wishing to be, or stay, successful cannot afford to ignore. Reputations for poor quality last a very long time, ignore it at your peril!

Never-ending improvement is the process by which greater customer satisfaction and, if appropriate, greater market share are achieved. In a commercial organisation, these show up on the bottom line.

Achievement of quality and excellence

Before embarking on this journey, clarify your motives and the level of commitment that is present within your organisation, particularly at the senior management level.

There are two basic approaches to quality management implementation:

- The “blitz” approach, where the whole organisation is exposed very rapidly to the concepts and mass education is started. This can lead to many problems associated with not knowing what to do next (or first), leading to an unhealthy situation that is neither the implementation of quality nor “business as usual” .
- The slow, planned purposeful approach that causes a gradual change to take place, so that “business as usual” becomes “the implementation of quality and excellence” in a near seamless transition. An important first stage is for the organisation’s leaders to be role models of a culture of quality and excellence, so that these ideas permeate the organisation with support from the top.

The task of implementing a quality/excellence programme can be daunting, the first major decision being where to begin. Some organisations never get passed this point – total quality paralysis! The preliminary stages of understanding, commitment and leadership are vital and form the foundation of the whole programme.

If an organisation is already past these initial stages, and a good understanding already exists, then the strategic planning stage can begin straight away.

The never-ending improvement cycle ensures that an organisation learns from its results, standardises what it does well in a documented system and improves operations and outputs from what it learns. This must be done in a planned, systematic and conscientious way to create a climate and culture of quality and excellence that permeates the whole organisation.

The three basic principles will never change:

Focus on the **customer**

Understand the **process**

All **employees** committed to quality and excellence