

Chapter 2

Business Excellence:

Definition and Approaches, Known Business Excellence Models, Measuring Business Excellence, Information Communication Technology

ABSTRACT

This chapter gives a broad review of the literature on business excellence. It considers the rise of business excellence and the meaning of the term, together with the use of business excellence models and awards. It focuses in particular on the fundamental concepts of excellence and the four criteria in the European Foundation for Quality Management (EFQM) model (customer results, people results, society results, and business results). There are a number of different international approaches used to measure business excellence in general and in UAE in particular, including the UAE-based business excellence scheme and Sheikh Khalifa Excellence Award. In addition, this chapter covers the concept of Information communication technology in general and its application in UAE.

INTRODUCTION

Definition and Approaches

The concept of business excellence first emerged in the 1980s, based on total quality management (TQM) principles (Adebanjo, 2001), and developed as a concept for three main reasons. The first was that managers adopting TQM wanted to see improvements and tangible results in a shorter time. The second was that small companies found it difficult to allocate the required budget and resources for TQM projects, and the third was the difficulties in implementing TQM in small and medium organizations (Adebanjo, 2001). Some researchers have argued that management theory served as the theoretical foundation for business excellence (Lu, Betts, & Croom, 2011). However, the most common definition of business excellence describes excellent organizations as those that attain and keep exceptional levels of performance that meet or go beyond the expectations of different groups of stakeholders (EFQM, 2013).

Alongside the rise of business excellence, models have been developed to operationalize this concept and provide a structured implementation process that can be used by different organizations (Ringrose, 2013). These business excellence models were established by different bodies that have also helped companies with implementation and developed excellence awards programs to celebrate their accomplishments (Ringrose, 2013). Companies that have adopted business excellence models have usually done so by using initiatives, tools, and techniques to achieve the desired results (Adebanjo, 2001).

A new concept associated with adopting excellence models is “self-assessment” as a tool to help organizations to identify their strengths and areas for improvement (EFQM, 2013). Effective self-assessment requires appropriate training for employees, and the commitment of the leadership, including top and middle managers (Hillman, 1994; Wiele & Brown, 1999).

The EFQM Model

The most common business excellence models are the EFQM model in Europe and the Malcolm Baldrige model in the United States (Peter Samuelsson & Lars-Erik Nilsson, 2002). More than 59% of business excellence models around the world, and 80% in Europe, are based on the EFQM Excellence Model (Boulter, Bendell, Abas, Dahlgard, & Singhal, 2005). Several studies have found that the EFQM model is more universally applicable, and can

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