A New Perspective on Organisational Self Assessment

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Outline of Presentation

• Introduction
• Background
• Aims and Objectives of the Research
• Research Methodology
• Major Findings
• Limitations
• Conclusions
Introduction

• Definition of a Organisational Self Assessment
• Sustainable Competitive Advantage
• Existing Models
  - ‘Deming, MBNQA, EFQM EM, SACEM’
• Management Functional Assessment Model’ (MFAM)
  - Model Constituent Parts
  - Application
• Rationale behind Organisational Self Assessment
• Key Concepts of Leadership, Personnel and Development
• MFAM Model addresses the critical issue of competitive advantage
• Based on previous works of Deming, MBNQA and EFQM EM
• Originality in providing the linkages between organisational activities
Aims & Objectives of the Research

• To explore the linkages between organisational activities within a framework of corporate profitability and stakeholder satisfaction, and corporate excellence.

• To develop a MFAM for addressing the critical issue of competitive advantage.
Research Methodology

Phase 1: Exploratory in nature

Phase 2: Quantitative Approach based on questionnaire survey (Russia and UK)
Competitive-Oriented Management

Fig 1.0: Three Principles of Competitive Achievement

- Sustainable Org Competitiveness
- Personnel
- Leadership
- Development
- Management System
Constituent Parts of the Tetrahedron

Leadership
• Role of Senior Management Critical to the success of any change (employees have to be given time and skills)

Personnel
• Employers have to be motivated to engage in culture (Empowerment)

Development
• Consideration of both business processes and environmental issues
Linkages between TQM and CA

- TQM Improved their efficiency and effectiveness.

Other Sources of Competitive Advantage
- Benchmarking Best Practice (Shakantu and Talukhaba, 2002)
- Organisation Learning (Jashapara, 2003)
- Alliances (Ngowi, 2001)
- TQM Chileshe and Watson (1997; 2000)
Management Functional Assessment Model

1. Forecasting and Planning (Future Strategy)
2. Organising (Business Processes)
3. Motivation
4. Control (Dependent upon constant feedback)
5. Co-ordination
6. Communication (Measured within the context of five other functions)
Components of MFAM  (Figure 2.0)

- MFAM
  - Estimation Part
    - 1.0 Marking Criteria
  - Scoring Criteria
    - 2.0 Four Score Approach
- 3.0 Summary of Results
## Application of MFAM

### Estimation Part

**Table 1.0: Marking Criteria for MFAM**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Assessment Category</th>
<th>Max</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Planning</td>
<td>1.1 through 1.5</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>2. Organising</td>
<td>2.1 through 2.5</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>3. Motivation</td>
<td>3.1 through 3.5</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>4. Control</td>
<td>4.1 through 4.5</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>5. Coordinating</td>
<td>5.1 through 5.5</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Total Management Estimation</td>
<td>1.1 through 5.5</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>
Application of MFAM

- Calculation of Criterion Total (CT)

\[
CT = \sum_{i=1}^{5} W_i x_i
\]

Where \( W \) = score of the attribute
Min = 0 and Max = 4
\( n \) = number of divisions in item scale
### Table 2.0: Scoring Criteria

<table>
<thead>
<tr>
<th>Score</th>
<th>Criteria for Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>No activity demonstrated</td>
</tr>
<tr>
<td>1</td>
<td>Activity not consistently utilised</td>
</tr>
<tr>
<td>2</td>
<td>Activity is deployed but dependent upon the situation</td>
</tr>
<tr>
<td>3</td>
<td>The activity is deployed permanently and systematically</td>
</tr>
<tr>
<td>4</td>
<td>The activity is deployed permanently and systematically, monitored and reviewed via benchmarking for improvement</td>
</tr>
</tbody>
</table>
Application of MFAM

- Example of Application

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Assessment Category</th>
<th>Max</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Planning</td>
<td>1.1 Setting the objective</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.2 Gathering and analysing information related to clients and markets</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.3 Detailing business-processes</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.4 Gathering and analysing the information about competitors and benchmarking</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.5 Resources planning</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Criterion Total</td>
<td></td>
<td>20</td>
<td></td>
</tr>
</tbody>
</table>
Application of MFAM

Table 3.0: Summary of Results

<table>
<thead>
<tr>
<th>Level</th>
<th>Total Score</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>0-20</td>
<td>No Methodology or System</td>
</tr>
<tr>
<td>II</td>
<td>21-40</td>
<td>Potential for Development</td>
</tr>
<tr>
<td>III</td>
<td>41-60</td>
<td>Systems are in evidence</td>
</tr>
<tr>
<td>IV</td>
<td>61-80</td>
<td>Constant quality checks</td>
</tr>
<tr>
<td>V</td>
<td>81-100</td>
<td>Maximum Outcomes</td>
</tr>
</tbody>
</table>
Communicating MFAM Pentagonal Profile

Fig 3.0

Corporate Profile
Potential Application of MFAM

- Managerial Implications of MFAM
- Process Improvement
- Attaining an organisation’s objectives
- Benchmarking Key Performance Indicators (KPI’s)
- Development of Clear, concise action plans resulting in a focussed policy and strategy
- Integration of Improvement initiatives into normal operational activities
- Development of group/team dynamics
Application of RADAR

Figure 4.0

Plan

Action

Check

Do
The Deming Plan, Do, Check, Action

**Action**: Possible Change of Plan based on the Diagnosis

**Plan**: Policy Deployment

**Do**: Policy development

**Check**: Auditing Diagnosing Reporting
Conclusions

The Good
• Recognises that sustainable excellence in all aspects of performance
• MFAM addresses the key deployment issues and empowers the resulting benefits

The Bad
• Not Empirically Validated

The Ugly
• Still in the development Phase
• Potential for bias due to self assessment
The End

Thank You...

Any Questions?