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**A CONCEPTUAL FRAMEWORK FOR
STARTING THE BUSINESS EXCELLENCE (BE) JOURNEY
IN NEW ZEALAND SERVICE ORGANISATIONS**

A dissertation submitted in partial fulfilment of the requirements for
the degree of

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ABSTRACT

The services sector is important to the New Zealand economy in that it currently contributes 68% to the gross national product and has consistently contributed the most to economic growth since 2002 (Statistics New Zealand, 2005). It has been suggested by the Workplace Productivity Group (2004) that much of the growth in the economy has been due to people working longer hours and that attention now needs to be given to improving productivity and organisational performance. In response to the need to improve performance New Zealand service organisations are adopting business excellence (BE) and an associated BE framework, the Baldrige Criteria for Performance Excellence or CPE (NZBEF, 2005) to guide their improvement journey. Anecdotal evidence suggests that once the decision has been made to adopt BE, the next challenge is how to start the improvement journey.

BE is an internationally recognised business practice that has evolved from total quality management (TQM) principles and practices. Researchers argue that not all TQM practices are transferable to services (Behara & Gundersen, 2001; Sureshchanda, Rajendran & Anatharaman, 2001) and that not all TQM practices are relevant for the start of the improvement journey (Banerji, Gundersen & Behara, 2005). Although organisations are known to adopt a BE framework to guide the improvement journey, much of the TQM literature to date has focused on the validity of BE frameworks as measurement tools and the organisational results achieved by BE organisations. There has been limited attention given to how organisations start the improvement journey being guided by a BE framework.

The aim of this study is: “To develop a conceptual framework that represents how New Zealand service organisations start the BE journey”. The term BE journey was defined by the researcher for the study, as “an improvement journey being guided by a BE framework, such as the Criteria for Performance Excellence or CPE (NZBEF, 2005)”. An initial conceptual framework was developed through researching the existing relevant literature. This framework was then developed further through obtaining empirical evidence from New Zealand service organisations. The proposed conceptual framework represents the start of the BE journey as an organisational development and change process, with five aligned and integrated elements (1) organisational profile, (2) improvement processes, (3) key practices and people, (4) intermediate outcomes, and (5) organisational results. The study contributes to the existing knowledge base for BE in service organisations, and has the potential to inform BE theory development and to guide BE practice.

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