INNOVATION EXCELLENCE FRAMEWORK

Lim Boon Whatt
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- 32 years in Philips Singapore covering Product Development, Manufacturing, Supply Chain Management, Warehousing, Supplier Assessments, Internal Consultancy and Business Excellence.

- As Philips Internal Consultant, implemented various process and productivity improvement projects across Philips Manufacturing Sites in Asia.

- In 2006, led Philips Video & Multimedia Applications Business Unit to win the Singapore Innovation Excellence Award.

- In 2015, develop Operational Excellence program to help Singapore SMEs on manufacturing excellence.

- SPRING Singapore Business Excellence Lead Assessor since 2001, conducted more than 100 BE assessments including Award Winners, ranging from public to private sector, healthcare, manufacturing, service and education

- EFQM Assessment team International member conducted EFQM Recognized for Excellence Global Assessment for BOSCH Diesel in 2013.

- Support TATA Group in their Business Excellence program, by participating in their annual BE Assessments.

- 2016 Prize Assessment team International member for Australian Business Excellence Awards

Contact: limbw@outlook.com
What Is Business Excellence?

An integrated approach to organizational performance management that results in:

• Ever-improving value to customers and stakeholders, contributing to organizational sustainability and covering the triple bottom line

• Continuous improvement of overall organizational effectiveness and capabilities

• Continuous organizational and personal learning
Baldrige Excellence Framework
(Also adopted by Thailand Quality Award)

Thailand Quality Award Framework
EFQM Model Framework

Enablers

Leadership

People

Processes, Products & Services

Strategy

Partnerships & Resources

Results

People Results

Customer Results

Society Results

Business Results

Learning, Creativity and Innovation

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Singapore Business Excellence Framework
Business Excellence Models

• Non prescriptive
• Generic
• Comprehensive
• Strategic tool for sustained improvements
• Provides systematic review of organization’s activities
• Means to measure progress on improvement
• Robust benchmark against best-in-class achievements
Sustainable Innovation

• Holistic model needed to make Innovation sustainable

• Innovation Vision comes from Senior Leaders

• Corporate culture of companies and the mindset of workers at many levels may hamper innovative, creative thinking.

• Thus conducive Culture needed to create the innovativeness and entrepreneur spirit.
Benefits of an Innovative organization

Best Company to Invest In

Owner and Shareholder
- Increased enterprise value
- Business growth
- New markets
- Better margins

Innovation
- Increased demand
- Enhanced customer experience
- Increased brand value
- Customer base retention / expansion

Employees
- Energized and engage staff
- Improved working conditions
- Enhanced employee skills

Customers and End Users
- Deeper relationships with partners and suppliers
- Lower Costs
- Increased business / morale / support

Partnership and Supplier
- Preferred Partner to have

Great Place to work

Brand to Buy
INTRODUCTION TO INNOVATION EXCELLENCE
“What can I do to continuously improve?”
“Is there something I can use, to get better?”

The Innovation Excellence Framework provides a comprehensive set of management standards, illustrating the cause and effect relationships between the drivers of performance, and the results achieved.

The feedback loop of Learning and Innovation improves the effectiveness of the enablers in driving the organization's performance.
“How do I develop a clear vision and mission in my organization, that is not just easily understood, but reinforced at all levels to bring improvement in day-to-day activities?”

**Leadership** sets the strategic direction for the Organization and drives the mindset of excellence.

**Customer-centricity** demonstrate the focus on anticipating customer needs and creating value for them.

“How do I know what customers’ want, and how do I collate customer feedback & convert them into actionable info?”
“Do I have a systematic approach to analyzing data and developing strategy? Do I review my people, process and result systems?”

Strategy is developed based on understanding internal and external stakeholder requirements, which guide the development of People and Process capabilities to achieve desired Results.

Knowledge supports decision-making and drives improvements.

“How do I make use of what I already know to drive new ideas and initiatives? How is this repository of knowledge shared across my organization?”
“What unique circumstances do I operate in? What challenges do I face, and what paradigms of excellence should I aspire towards?”

Organizational Key Factors sets the context for the way the organization operates and serves as an overarching guide for how the framework is applied.
KEY ATTRIBUTES TO INNOVATION EXCELLENCE
Key Characteristics of Excellence

What an Excellent organization must have

Characteristics of Excellence describe key characteristics of high performing organizations are embedded in the requirements for these criteria categories yielding performance results.
Key Attributes to Innovation excellence
Innovation Excellence Framework

Organizational Key Factors

Enablers

Leadership

Strategy

Knowledge

People

Processes

Results

Customers

Customer Results

Financial and Market Results

People Results

Operational Results

Learning, Innovation & Improvements
Innovation Excellence Framework

**LEADERSHIP**
- Sets Directions
- Develop Innovation focused Values
- Create and promote Innovation Culture
- Role-modelling
- Ethical business
Innovation Excellence Framework

STRATEGY
• Create Platforms and Strategies for Innovation
• Establish Short and Long Terms Goals, action plans and targets
• Measure performance against plans and targets
• Adapt strategies to overcome challenges and disruptive business trends
Innovation Excellence Framework

CUSTOMERS

• Segment customers to intimately understand their requirements
• Discover customer insights to identify innovation opportunities
• Resolve and analyze customer feedback to drive improvements
Innovation Excellence Framework

KNOWLEDGE

• Capture and use knowledge for Innovation
• Share knowledge, encourage learning
• Select and use comparative and benchmarking information for improvements
• Leverages on data analytics for decision-making, performance management, and in creating new value for customers
Innovation Excellence Framework

PEOPLE
- HR Planning for Innovation
- Recruit talents supporting the Innovation Culture
- Learning & Development needs
- Engaging Staff in Innovation
- Encourage cross-functional activities and cross-cultural learning
- Conducive work environment
- Assess employees well-being and satisfaction
- Aligns performance management and recognition to support Innovation
Innovation Excellence Framework

**PROCESSES**

- Gather creative ideas and implements them to create new products or services
- Implement and validate innovation projects
- Seeks breakthrough improvements in key processes
- Engages Suppliers and Partners in innovation activities
Innovation Excellence Framework

RESULTS

Examines the organization’s performance in key areas. (Follows BBSC approach)

- Customer Results
- Financial & Market Results
- People Results
- Operational Results

This includes qualitative and quantitative results, as well as comparative data and competitive analysis.
# Innovation Excellence Framework Criterion

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SENIOR LEADERSHIP

1.1a Mission, Vision, Values.
- How MVV is developed, what is being considered, who is involved.
- Values – Explanation of Values, specific behaviors for different employee segments.
- Communication sessions to consistently re-inforce the MVV and what the organization is doing to move to MVV.
- Communication sessions at various levels (Division, Department, Section)

1.1b Commitment and champions innovation excellence.
- Programs, events on Ideas creation, Innovation.
- Senior management involvement

1.1c Evaluates and improve leadership effectiveness.
- Soliciting of Feedback through Employee Surveys, 360deg, Skip level meetings, Tea sessions, Customer Surveys
- Personal Evaluation, Performance Appraisal
- Evidence of Improvement actions on Organizational leadership and Personal leadership.
Strategy

2.1 Strategy Development
• Disruptive trends, External Scan, Internal Scan
• Determine External and Internal Risks
• Develops strategic thrusts / goals
• Develop long term strategies (3-5 years)
• Engaging people in strategy development process

2.2 Strategy Implementation
• Develop short term / operational strategies (1 year)
• Allocating resources, set KPIs, targets
• Business plan, Innovation roadmap, operations and technology roadmap, Marketing plans
• Strategic Map
• Monitor and review the progress of the strategy plans.
Strategy Process

Typical strategy to execution lifecycle

- Data gathering
- Executive retreat
- Employee reviews
- Strategy implementation
- Strategic & ops reviews
- Budgeting process

How well does this work in your organization?
Disruptive Technologies

Twelve technologies have significant potential to disrupt

Disruptive Dozen

IT and how we use it

- Mobile internet
- Cloud technology
- Internet of Things
- Automation of knowledge work

Changing the building blocks of everything

- Next-generation genomics
- Advanced materials

Machines working for us

- Advanced robotics
- Autonomous and near-autonomous vehicles
- 3D printing

Rethinking energy comes of age

- Energy storage
- Advanced oil and gas exploration and recovery
- Renewable energy

SOURCE: McKinsey Global Institute analysis
Customers

3.1 Customer requirements:
How current market and customer requirements are determined and future needs are anticipated

3.2 Customer relationship:
How the organization manages its relationship with customers to improve customer loyalty and enhance customer experience

3.3 Customer Satisfaction:
How the organization knows its customers are satisfied and remains satisfied.

Customer Requirements
- Customer / market segmentation
- Identification of needs
- Mapping the Customer Journey / touch-points
- Setting service standards at various touch-points

Customer Relationship
- Customer Relationship management system
- Customer meetings, Key Account mgmt., Focus group discussions
- Complaint Management System
- Empowerment, Resolving of complaints, Service recovery

Customer Satisfaction
- Customer Surveys
- Net Promoter Score
Customer Segmentation Process

1. Understand Customer needs
2. Group customers by need groups
3. Identify most attractive segments
4. Develop unique value propositions by segment
5. Develop unique Go-To-Market strategies by segment
Customer Decision Journey

1. The consumer considers an initial set of brands, based on brand perceptions and exposure to recent touch points.

2. Consumers add or subtract brands as they evaluate what they want.

3. Ultimately, the consumer selects a brand at the moment of purchase.

4. After purchasing a product or service, the consumer builds expectations based on experience to inform the next decision journey.
Customer Journey

3 Steps To Delivering Integrated Customer Experience

- Understand your customers’ journey
- Decide when to get feedback
- Deliver better customer experiences
Customer Journey

Start By Mapping The Key Journeys of The Customers

Social Media: See a tweet
Online: 'Like' on Facebook, purchase on website, email delivery confirmation
In Person: Visit store for advice, phone local store for stock checking, register for a customer service callback
Contact Centre: Find nearest store on Google, Navigate IVR
On Mobile: Confirmation by SMS
Customer Journey

Decide When To Get Feedback

After mapping the key journeys of your customers, brands can setup some survey mechanisms to capture customer feedback - ideally both during and at the end of these journeys so we can understand both moments of truth and the overall experience.
Decide When To Get Feedback

Running in-the-moment (sometimes called real-time) programmes alongside end-of-journey feedback is becoming increasingly common. This is because they serve different, but yet equally valuable, purposes.

In short, real-time feedback is great for the real specifics of an individual experience.

The end-of-journey surveys capture more considered responses. Recollection of specifics may be a little hazier than in the real-time surveys, but it will show the net result of our combined efforts to delight the customer.
Collect the Voice of the Customer feedback and bring it into the heart of the business. By intelligently managing both the individual and overall customer experience, you will put your brand ahead of the competition, breed loyalty and encourage customers to visit again and again, as well as spending more.
**B2B Customer Decision Journey**

- **Identify**
  - Customers and influencers gain insights into available options to fill the need

- **Consider & Evaluate**
  - Customers and influencers establish key buying criteria and compare options

- **Buy**
  - Customers place a request, often in writing, specifying SLAs, pricing, warranties, etc.
  - Customers engage in negotiation and close on a purchase

- **Use & Service**
  - Loyalty Repurchase

- **Research**
  - Customers see a need for a new product or service
  - Customers identify a problem or opportunity

- **Trigger**
  - Customers trust brand/product/service enough to skip research/consideration phase and move directly to repurchase

  - Customers experience the product & fulfill aftermarket services until identifying a new need, or making a new purchase
4.1 Knowledge Management

Basic KM Framework:
• Identification of needs
• Identification of knowledge resources
• Acquisition, creation, or elimination of knowledge related resources /processes /environments
• Retrieval, application and sharing of knowledge
• Storage of knowledge

Using and Managing Information:
• How the information is translated for use by the front staff / shop floor.
• IT systems, SAP, CRM, R&D system
• Business Continuity management
Knowledge Management

Identify and Collect information for Strategy, Innovation, Decision Making

- Market, Customer
- Financial, Costs
- Process
- People
- Benchmarking
4.2 Analytics for performance management:

In addressing Criteria statements:

- Show examples of how analytics are used to uncover trends, additional customer / stakeholders needs
- Innovate to create new products, service, enhance customer satisfaction

Simple analytics:

- Excel based, trends, figures
- Examples of improvements initiated as a result of trending / data analytics

Examples of Analytic Tools:

- Google Analytics
- IBM Watson Analytics

Comparative and benchmarking information:

- Formal or informal benchmarking, comparison.
- Important is to bring the learning back to improve own organization
People
5.1 HR Planning

The strategic HR planning process has four steps:
• Assessing the current HR capacity
• Forecasting HR requirements
• Gap analysis
• Developing HR strategies to support organizational strategies

There are five HR strategies for meeting your organization's needs in the future:
• Restructuring strategies
• Training and development strategies
• Recruitment strategies
• Outsourcing strategies
• Collaboration strategies
Engaging the Millennials

Diversity and Generational Change

Millennials make up 50% of the workforce in the US and more than 60% elsewhere.

Germany, Japan, and even China and US will soon have negative population growth.

Africa, the youngest country in the world, is expected to make up 25% of the global workforce by 2050.
Engaging the Millennials

Millennial Expectations Are Changing Work

- 80% want to give performance appraisals to the boss
- Their "team mates" are the most important people at work
- 60% think 7 months of tenure means they're "loyal"
- 2/3 want to be "creative" at work in their job
- Expect feedback weekly and progression annually

Deloitte Millennial Survey, n=70,000, Spring 2016
Engaging the Millennials

Change in the nature of a Career

Job- and career-hopping is the new normal

Half-life of skills is approximately 2yrs

Lack of personal reinvention leads to income inequality
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Case-Study: Singapore Public Utilities Board

Innovation at all levels in PUB

Professional Level → Technology Groups
Managerial Level → $10k-Ideas
Operational Level → I-Deas I-Circles

Competence

Connections

Water for All Conserve, Value, Enjoy

Creating Value
Case-Study: Singapore Public Utilities Board

I-deas & I-Circles

- Well established since 1980s
- A platform for staff to suggest ideas and implement improvements at workplace
- At corporate and departmental level, there are also regular ideas generation sessions
- Annual Value Creation Day
Technology Groups

- 6 Technology groups
- Comprising officers from various departments
  - Interested in enrichment beyond their normal scope of work
- Twin axis career development
- Contributions recognised in performance appraisals
Case-Study: Singapore Public Utilities Board

$10k-Ideas

• About 10K-Ideas Programme
  – Launched on 1 Apr 2004
  – Target is to achieve 100 nos. of $10k-ideas every 6 months
  – Managers are empowered to directly approve and implement ideas up to $10,000 in their work units
  – To date, about 700 ideas totaling some $138m in cost savings/cost avoidance have been generated

Creating a “Safe to Fail” Environment

“Innovation is about risk-taking, so we will recognize that not all ideas will work. But we must be willing to try them out, and if they don’t quite succeed, we can change or discard them; and encourage those who have dared to accept and implement them to try again.”

CE PUB
On launch of 10k-Ideas Challenge
Innovation Clock

Timed to match consumer expectations

- Beginning with the end in mind..
- Products are introduced at consumer shows and Christmas / CNY sales periods.
- Innovation is planned ahead to enable timely introduction along with the products
Innovation process

**Structured and Robust**

- Well defined and deployed
- Related processes linked
- Sensitive towards market needs
# Innovation Excellence Criteria: 7) Results

**RESULTS** examines the organisation’s performance in key areas. This includes qualitative and quantitative results, as well as comparative data and competitive analysis.

<table>
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<tr>
<th>CUSTOMERS RESULTS</th>
<th>7.1 a</th>
<th>Current levels and trends for Customer satisfaction and retention indicators (e.g. customer satisfaction, complaints)</th>
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<tbody>
<tr>
<td>7.1 b</td>
<td>Current levels and trends for Product and service performance (e.g. Customer returns)</td>
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</table>

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<th>Sub-criteria</th>
<th>Areas to address (include current levels and trends in key measures of these areas)</th>
<th>Examples (may be quantitative &amp; qualitative)</th>
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<td>- Customer satisfaction survey,</td>
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<td>- Customer Compliments/Complaints</td>
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<td>- Loyalty program membership</td>
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*Different market and customer segments should be addressed*

- Customers adoption of new products/services
- Customer Returns (Warranty)
Innovation Excellence Criteria: 7) Results

RESULTS examines the organisation’s performance in key areas. This includes qualitative and quantitative results, as well as comparative data and competitive analysis.

FINANCIAL AND MARKET RESULTS

7.2 a Financial performance (e.g. revenue growth, profit growth, profit margin, value-added, revenue from new products/services)

7.2b Marketplace performance (e.g. market share, product / service positioning, impact of new products/services)

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<td>7.2 Financial &amp; Market Results</td>
<td>a. Financial performance, including financial results and economic value</td>
<td>- Revenue growth, net income and profitability.</td>
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<td>b. Marketplace performance, including growth and market share, position and acceptance</td>
<td>- Productivity figures like value-added, return on investment, asset utilisation.</td>
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<td></td>
<td>Competitors and industry standards should be considered</td>
<td>- Percentage of Sales from new products/services.</td>
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<td>- Profits from launch of new products, services or business.</td>
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<td>- R&amp;D Expenditures.</td>
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Innovation Excellence Criteria: 7) Results

**RESULTS** examines the organisation’s performance in key areas. This includes qualitative and quantitative results, as well as comparative data and competitive analysis.

### PEOPLE RESULTS

- **7.3a** Employee engagement and well-being (e.g. engagement levels in suggestions, innovation teams, overall employee satisfaction)
- **7.3b** Employee learning and development (e.g. training and development levels and expenditure)
- **7.3c** Employee performance and recognition

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<td>c. Employee performance and recognition</td>
<td>- Engagement levels in innovation activities</td>
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<td>- Talent development programmes and retention rates</td>
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<td>- Generic factors such as safety, absenteeism.</td>
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<td>- Other organisation-specific HR factors</td>
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## Innovation Excellence Criteria: 7) Results

*RESULTS* examines the organisation’s performance in key areas. This includes qualitative and quantitative results, as well as comparative data and competitive analysis.

### OPERATIONAL RESULTS

- **7.4a** Innovation performance (eg. Time-to-market, % successful innovations)
- **7.4b** Process performance (eg. Quality, Speed, Cost, productivity indicators)
- **7.4c** Suppliers and partners performance (eg. Supplier rating, # of co-creation projects)

### Sub-criteria

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</table>
| a. Innovation performance  
b. Process performance  
c. Suppliers and partners performance  
Results from Key and supporting processes should be addressed | - No. of Innovation projects undertaken  
- Innovation cycle time, average time-to-market  
- Number of patents granted, copyright, trade marks, licenses  
- Relevant indicators on productivity, efficiency and such as inventory turns and delivery time  
- Specific indicators on process performance  
- Supplier quality, delivery, cost indicators  
- Supplier rating  
- Supplier development projects / co-creation projects. |
Innovation Excellence Framework

Organizational Key Factors

Enablers

Leadership

- Strategy
- Knowledge
- People
- Processes

Customers

Results

- Customer Results
- Financial and Market Results
- People Results
- Operational Results

Learning, Innovation & Improvements
INNOVATION EXCELLENCE SCORING GUIDELINES
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<td>1.2 Organisational Culture</td>
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<tr>
<td></td>
<td>1.3 Corporate Governance and CSR</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>2. STRATEGY</td>
<td>2.1 Strategy Development</td>
<td>35</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>2.2 Strategy Implementation</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>3. CUSTOMERS</td>
<td>3.1 Customer Requirements</td>
<td>30</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td>3.2 Customer Experience</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.3 Customer Satisfaction</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>4. KNOWLEDGE</td>
<td>4.1 Knowledge Management</td>
<td>35</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>4.2 Analytics for Performance Management</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>5. PEOPLE</td>
<td>5.1 Human Resource Planning</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>5.2 Employee Learning and Development</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.3 Employee Engagement and Well-Being</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.4 Employee Performance and Recognition</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>6. PROCESSES</td>
<td>6.1 Innovation Capabilities</td>
<td>70</td>
<td>160</td>
</tr>
<tr>
<td></td>
<td>6.2 Process Management</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.3 Supplier and Partner Management</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>7. RESULTS</td>
<td>7.1 Customer Results</td>
<td>100</td>
<td>400</td>
</tr>
<tr>
<td></td>
<td>7.2 Financial and Market Results</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.3 People Results</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.4 Operational Results</td>
<td>120</td>
<td></td>
</tr>
</tbody>
</table>
## Scoring Guidelines

<table>
<thead>
<tr>
<th>Band / Score</th>
<th>Approach</th>
<th>Deployment</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Limited 1 - 19%</strong></td>
<td>• Reactive and undefined</td>
<td>• Not Deployed</td>
<td>• Poor results</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• No improvement trends reported</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Results not reported for all key areas</td>
</tr>
<tr>
<td><strong>Fair 20 - 39%</strong></td>
<td>• Beginning of a planned approach</td>
<td>• Approach is deployed to few functional/operational areas of the organization</td>
<td>• Good results in few areas of importance to the organization</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Improvement trends and/or good performance levels seen in few areas</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Results address some key customer, financial, market, people and operational requirements</td>
</tr>
<tr>
<td><strong>Good 40 -59%</strong></td>
<td>• Sound approach aligned with basic organizational needs</td>
<td>• Approach is deployed to key functional/ operational areas of the organization</td>
<td>• Good results in key areas of importance to the organization</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Improvement trends and/or good performance seen in key areas</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Some comparisons and benchmarks in key areas relative to the Industry</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Results address most key customer, financial, market, people and operational requirements</td>
</tr>
</tbody>
</table>
## Scoring Guidelines

<table>
<thead>
<tr>
<th>Band / Score</th>
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<th>Deployment</th>
<th>Results</th>
</tr>
</thead>
</table>
| **Very Good** 60 – 79% | • Approach is effective, progressive and well-integrated with organizational needs. | • Approach is deployed to most functional/operational areas and is consistently practiced | • Good performance and sustained in most areas  
• Improvements trends are sustained in most areas  
• Favorable comparisons and benchmarks in key areas relative to the Industry  
• Results fully address all customer, financial, market, people and operational requirements |
| **Excellent** 80 – 100% | • Exceptionally innovative approach fully integrated with organizational needs  
• Approach is recognized as best practice in the field | • Approach is deployed to all functional/operational areas and is consistently practiced | • Excellent performance and sustained in all areas  
• Excellent improvement trends and/or excellent sustained improvement in most areas  
• Excellent comparisons and benchmarks in most areas with evidence of global best practices  
• Results fully address all customer, financial, market, people and operational requirements |
Scoring System

Scoring is based on the following:

**Approaches** adopted by an organization to drive performance

**Deployment** of approaches throughout organization

**Results** achieved within the organization & with its key stakeholders

Scoring the Enablers:

- Complete the Strengths and Areas of Improvements.
- Judge the soundness of Approach and depth of Deployment from the Strengths and Areas of Improvements
- Determine the Band where they are in
- Score within the band in steps of 5 (from Midpoint +/-)
Scoring System

Approach

“Approach” refers to how the applicant addresses the criteria requirements – the methods used.

What to check:

• Methods, tools and techniques used are appropriate;
• Approached is tested for effectiveness and improvements made;
• Approach is used consistently in all areas
• Evidence of innovation, including significant and effective adaptations of approaches used in other applications or types of business
Scoring System

Deployment
“Deployment” refers to the extent to which the applicant’s approach is applied by the organization.

The factors used to evaluate deployment include the following:

- Appropriate and effective use of the approach in functional/operational areas;

- Appropriate and effective use of the approach in interactions with customers, employees, suppliers/partners of goods and services and the public;

- Approach is applied consistently throughout the organization.
Scoring System

RESULTS

‘Results’ refers to organization’s outputs and outcomes in achieving the requirements in the Results Category.

The four factors used to evaluate results are:

- Levels
- Trends
- Comparisons
- Integration
“Levels” refers to current level of performance

- Performance ‘Levels’ refers to numerical information that places or positions an organization’s results and performance on a meaningful scale. Levels permit evaluation relative to past performance, projections, goals and appropriate comparisons
  - What levels are provided?
  - Is the measurement scale meaningful?

“Trends” refers to

- The numerical information that shows the direction and rate of change for results
- A minimum of three data points are needed to ascertain trend.
  - Are trends positive, negative or flat?
  - What is the rate of change (slope of trend)?
  - Are significant variations in trends explained in the application?
Scoring System

“Comparisons” refers to
• performance relative to appropriate comparisons, such as competitors or organizations similar to yours
• performance relative to benchmarks, best-in-class organizations or industry leaders
  • Are comparisons provided?
  • How does the organization compare against other organizations?

“Integration” refers to the extent to which
• results measures (often through segmentation) address important customer, product, market, process, and action plan performance requirements identified in the Organizational Profile and in Process Items
• results include valid indicators of future performance
  • Are any key results missing?
  • Are the results segmented appropriately (e.g. by key customer segments, employee type, program or service or geographic location) to help organization improve?
INNOVATION EXCELLENCE INDICATORS
## Innovation Indicators

<table>
<thead>
<tr>
<th>Results Items</th>
<th>*Innovation Indicators</th>
<th>Description of Indicators</th>
<th>Private Mfg</th>
<th>Private Service</th>
<th>Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td>Customer Satisfaction</td>
<td>Quantified customer satisfaction survey results linked to innovation.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Customer Adoption Rate</td>
<td>Percentage of customers subscribing to new service/products/policies.</td>
<td>✓ ✓</td>
<td>✓ ✓</td>
<td>✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Revenue realised from offerings of new products/services</td>
<td>Percentage of product sales accounted for by new or improved products/services or increase in revenue with introduction of new products/services.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Brand Strength (third party)</td>
<td>Perception survey results of branding related to innovation or the introduction of new products/services.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Market Share (growth rate)</td>
<td>Percentage of increase in market share with the introduction of new product/service.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Market Creation</td>
<td>Serving unmet or unsatisfied customer groups. This could be reflected as new market segments.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td>Financial &amp; Market</td>
<td>Economic Growth</td>
<td>Value-add to GDP as a result of innovations.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Return on Investment (ROI)</td>
<td>Ratio of Profits from innovation and Costs of R&amp;D/innovation investment.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>R&amp;D Expenditures</td>
<td>Expenditure on R&amp;D as % of total amount of expenditure or, expenditure on R&amp;D as % of total sales or profit</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Percentage of sales from new products</td>
<td>Percentage of revenue origination from new products or services.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td></td>
<td>Profits from launch of new products, services or business</td>
<td>Net income from new product/service offerings.</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td>Results Items</td>
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<td>--------</td>
</tr>
<tr>
<td>People</td>
<td>Employee Satisfaction</td>
<td>Organizational climate survey on employee perception of and participation in innovation activities within the organizations.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Operational</td>
<td>Intellectual Property</td>
<td>Number of patents granted, copyrights, trade marks, exploitation of patents, number of licenses/franchises issued and revenue from licensing/franchising agreements.</td>
<td>✓✓ (Patents)</td>
<td>✓✓</td>
<td>✓✓</td>
</tr>
<tr>
<td></td>
<td>Innovation Cycle Time</td>
<td>Time between successful innovations (having a positive impact on the business).</td>
<td>✓✓</td>
<td>✓✓</td>
<td>✓✓</td>
</tr>
<tr>
<td></td>
<td>Average time-to-market</td>
<td>Time between an idea and its introduction into the marketplace.</td>
<td>✓✓</td>
<td>✓✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Quality and Application of Technology</td>
<td>Use of advanced technology to increase efficiency of business processes or new application of existing technology to enhance organizational performance.</td>
<td>✓✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Productivity Measures</td>
<td>Cost savings, cycle time reduction, waste reduction, efficiency in use of resources and increase service level as a result of innovation.</td>
<td>✓</td>
<td>✓</td>
<td>✓✓</td>
</tr>
<tr>
<td></td>
<td>No. of Innovation projects undertaken</td>
<td>Innovation projects having the potential to have significant impact on the business results (e.g. breakthrough innovation).</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>No. of publications written by staff</td>
<td>This would reflect the formal innovation environment within the organization.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Contribution to community/society/environment/world</td>
<td>Reducing emissions, enhancing standard of living, quality of life, reducing income inequality and creating new programs to solve social issues as a result of innovation.</td>
<td>✓</td>
<td>✓</td>
<td>✓✓</td>
</tr>
<tr>
<td>Others</td>
<td>External Accolades/Awards/Citations</td>
<td>Awards and citations given by credible third-party entity/expert that demonstrate the superior innovation capability of the organization as the sector-based, national or international levels. These awards and citations could cut across the result items.</td>
<td>✓✓</td>
<td>✓✓</td>
<td>✓✓</td>
</tr>
</tbody>
</table>

Legend: ✓✓ = Highly applicable
        ✓ = Somewhat Applicable
Thank You