

- *From TQM to Business Excellence and the Excellence Model®*
- *Self-assessment to measure improvements and successes*
- *Statistical process control*
- *Benchmarking*
- *Business Excellence Award winner and finalist*
- *Rejects reduced from 12.4 to 0.2%*
- *Turnover and profits increased*

### • The Company

Vista Optics Ltd was formed in 1979 by David Walker, the Managing Director. Based in Stockport, Cheshire, with 17 employees, Vista manufactures medical device polymers for applications such as contact lenses and implantable intraocular lenses. The company has been committed to the Excellence Model® since 1995 and has submitted successful applications for the North West Business Excellence Award (winner of two categories in 1997) and the UK Business Excellence Award (finalist in 1998 and 1999 and winner in 2000).

*David tells of Vista's journey to excellence:*

### • Business Excellence

As a business, we realised we had to improve performance, and adopted the principles of Total Quality Management (TQM). Using the TQM techniques we knew we were improving but could not measure our success nor would we know when we had achieved our final destination! We were looking for something more concrete. We then discovered the Excellence Model® through the North West Business Excellence Awards, and in our initial stages of applying the Excellence Model® we used the matrix self-assessment method.

However, the real benefits came when external submissions were made, and independent assessments produced by trained assessors. The outcome was the assessor's feedback report, which highlighted missing vital information and introduced areas for improvement for the business. One key lesson is the approach that must be taken if the feedback report is to be of value - do not react defensively when reviewing the feedback - it is given on the basis of the assessors' collective experience, and should be viewed positively. If applied correctly to your business, it will help that business perform more effectively, as Vista can demonstrate.

The suggested areas for improvement are exactly that... areas where the business can improve... and the feedback is generic, not specific - it is up to the company involved to identify and conduct the specific improvement activities.

Early external feedback highlights key areas for improvement, often indicating the shortfalls of measurement systems, a key element in the Model. It is surprising how much anecdotal evidence companies, both large and small, use in their day-to-day workings. For instance, Vista had highlighted "On Time Delivery" as a critical requirement, but had no measures to indicate performance! The Excellence Model® requirement for three to five years of evidence of trends in an application clearly concentrates the mind, and ensures that proper management information reinforces any claims. The outcome is a document that clearly states your position today, and the feedback report a useful tool in becoming a better company tomorrow!

- **The Benefits**

The Model requires excellence in all aspects of a business, and views the business in a holistic way. The benefits to Vista have been many, and the key ones include:

- **Statistical Process Control (SPC)**

Reports indicated that there was a lack of evidence that processes were effective and properly measured. This led to the introduction of a comprehensive series of flowcharts including process flows at both product and company level. This was followed by the introduction of SPC control charts, which has given, in turn, a significant improvement in process performance, e.g, a reduction of edge rejects from an average of 12.4% to 0.2% for one product. The need for these controls was driven by the feedback reports.

- **Benchmarking**

The need to benchmark against other companies was viewed with suspicion at Vista. After all, what lessons could be learned? The company submitted data to the Department of Trade & Industry's UK Benchmarking Index and received over 50 comparative measures, using the business sectors of our choice. The early results showed that Vista was clearly a good performer in many areas, but in others, the company was seriously lagging behind its peers.

After the initial desire to justify this position, it was soon realised that performance could be improved in important areas by adopting best practice techniques. Changes were made, including reviewing the Credit Control system, and these were reflected in the improvements in performance data, e.g, moving from 13th to 26th percentile in Year 1, and from 26th to 35th percentile in Year 2, significantly improving the company's cash flow. Again, the feedback reports had indicated that use of benchmarking would prove beneficial, and it was.

- **Investing in our People**

People and People Results are key issues of any business and these are clearly represented in the Model. The need for results drove Vista's directors to measure the people's satisfaction more accurately, and the responses were more than interesting. As a result, there have been major changes in the way we work following the properly reviewed feedback, e.g, the incorporation of 360° appraisals highlighted that the staff perceived that I did not thank them enough for special efforts, and a later 360° appraisal showed a significant improvement in staff perception!

- **Listening to our Customers**

To be honest we thought we did! It is only after a concerted effort in this area, driven again by the desire for excellence that we really began to listen to the "real voice" of the customer. As a result, we have brought out new products, discovered new customers, forged partnerships with some customers and know a lot more about their real needs - 99.2% of all orders received by 4.00pm are now shipped the same day, an improvement from ca.90% in 1997, whilst substantially reducing stock levels during the same period.

- **Conclusion**

David firmly believes, " The Model has helped Vista focus on the key issues of successful business management, and turnover and profits have both increased as a direct result" .

- **The Future**

Vista is now firmly and permanently committed to excellence, planning to submit an award submission every year and is continually striving for higher levels of excellence. Current objectives and initiatives include a more rigorous strategy development process, better customer relationship management techniques and the incorporation of novel production techniques.