

Evidence for Excellence



Contact Details: Professor Tony Bendell at The Centre of Quality Excellence at the University of Leicester www.le.ac.uk/cqe

Background

Excellence pays is the result of a recent study by The Centre of Quality Excellence at the University of Leicester.

To those devoted to the pursuit of excellence, it is self evident that excellence makes money, however, excellence does not happen by accident. To ensure that the pursuit of excellence pays, an organisation and its leaders need to do the right things in a consistent, focused and structured way.

The principles of excellence underpinning the Excellence Model are our current summary of the right things to do. The question asked by the team at Leicester was “Do companies that have been serious about pursuing Excellence do better than those who have not?”

In order to determine the answer, the performance of 120 companies that had won the Excellence Award were compared against companies similar in size and operating in the same industries that had not. In order to obtain credibility, the analysis started 5 years before the first award was made, the “implementation period”, and ended 5 years after, the “post implementation period”.

Benefits

The results are remarkable. The study found that, compared to other companies, the award winners experienced higher increases in share prices, sales, capital expenditure over assets and sales, higher growth in assets and further reduction in costs.

The post implementation results for the three and five year periods are reproduced below:

	3 years	5 years
Sales	Up 17%	Up 18%
Sales over assets	Up 5%	Up 28%
Capital expenditure/sales	Up 4%	Up 30%
Assets	Up 20%	Up 44%
Costs	Down 1.4%	Down 4.5%
Share value	Up 36%	Up 77%

To the enlightened, the pursuit of excellence is obvious. The results above now make the business case for sceptics: excellence pays across a range of financial measures and, most importantly, excellence pays in terms of return to shareholders.

For more information on the study, contact the Professor Tony Bendell at The Centre of Quality Excellence at the University of Leicester www.le.ac.uk/cqe

For a consultative meeting or additional information, please contact a member of our sales team on 020 8460 3345. Alternatively, e-mail us at sales@stadius.uk.com

