SPRING Case Study: Driving Growth towards becoming a Global Singapore Enterprise

SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the enterprise development agency, SPRING works with partners to support growth and expansion of local enterprises through financing, capability and management development, technology and innovation, and access to markets.

One of the high potential enterprises that SPRING hopes to bring to the next stage of growth towards becoming a global brand is a Singapore-based interior furnishing company, which is currently a leading supplier of interior wall-coverings, in South East Asia and widely recognised market leader in the interior furnishing industry. This company, SG Enterprise¹, has its business well established in major countries in the Asia and extended operations in Dubai to serve the Middle East region. While it sees high performance in most of the Asian markets including China, its business in India has been below expectations. Success in India for SG Enterprise is a critical milestone for its overall success in Asia, which will lay the strong foundation to catapult its growth into other regions to establish a global presence.

SG Enterprise, which started in 1983 in Singapore, has grown in the Asia region to span 8 markets: Singapore, China, Hong Kong, India, Indonesia, Malaysia, Thailand and UAE. Its expansion strategy has been mainly focused on horizontal integration of product lines – carpets, flooring and fabrics - and new market entry through direct investment in offices and galleries, partnerships with channel partners and appointment of distributors. Its key customer segments include architects, interior designers, turnkey builders or contractors, developers and owners of buildings, offices and residences in different markets. SG Enterprise has also been successful in adopting a contrarian approach to expansion – enter a market during its downturn – to start from scratch and capture the wave of growth that follows. Much of its successful execution of these strategies is owed to its Chairman/CEO and founder who is a visionary leader with uncanny business acumen and dedication to see SG Enterprise’s business grow.

SPRING is looking for a breakthrough solution that will propose a winning strategy for SG Enterprise’s success in the Indian market. The solution can leverage on strategies that SG Enterprise has found successful in the past or propose a new strategy that will point to key parameters that are required to succeed in the Indian market and is easy to adopt and execute for SG Enterprise.

¹ Company wishes to maintain anonymity. SG Enterprise will be used to refer to the company in this case and during the competition.
Enterprise. The solution should address various aspects of SG Enterprise’s India business - defining the market segments to be targeted within India, developing appropriate products and services and their positioning, formulating innovative business models, identifying operational strategies, and taking into account people and cultural aspects, and financial viability.

SPRING also requires the solution to incorporate its Business Excellence (BE) framework requirements, which is based on an internationally benchmarked model for managing an enterprise for excellence. This framework helps organizations know where they are on the excellence journey and what they need to do to achieve higher levels of business performance. The BE framework scoring system ensures all round success of an enterprise by scoring the organization on 7 dimensions or categories – Leadership, Planning, Information, People, Processes, Customers and Results. The solution for SG Enterprise’s India business should be scored based on this framework and it should show significant improvements that would address the findings of the assessment of SG Enterprise against the BE framework requirements.

**SG Enterprise through the Years**

SG Enterprise was setup in 1983 in Singapore by the current chairman and CEO of the organization. From humble beginnings with a 600 square feet office and 7 people, SG Enterprise started off primarily as a wall covering company. Their growth ever since has been rapid, supported by the demand for their products in Singapore and neighboring countries like Malaysia and Indonesia and by the timely expansion of the business by the CEO. Within 7 years, the company employed 27 people, owned a two-storey industrial building, which comprised of a warehouse, showroom and office. By 1991, SG Enterprise had offices in Kuala Lumpur and Jakarta and also expanded their product lines to offer carpets as well. The yearly turnover then was low, at around a SGD 1 million. With a visionary target turnover of SGD 30 million by 1996, the CEO set out on an expansion drive into larger markets like China, Hong Kong and Thailand at the height of the Asian financial crisis. Although business suffered in the initial stages, persistence and commitment to investments in these markets showed positive results during recovery after the crisis.

In 2002, the Singapore headquarter was established followed by focus on brand development from 2003 - 2006. The chairman launched several initiatives during this period, which resulted in a strong brand identity for SG Enterprise, which sought to portray SG Enterprise as a global player. The UAE office opened in 2007, followed by significant brand revitalization in the East Asian markets through establishment of larger showrooms, galleries and presence in up market premises. In 2008, the India office was established. **Exhibit 1** shows market revenue breakdown as a percentage of total group revenue. SG Enterprise has grown its brand and business in these markets to become a leading provider of interior furnishings such
as wallcovering, carpet, flooring and fabrics, in the region. Throughout the years, SG Enterprise has been recognised for its initiatives and progress through awards from various organizations, including SPRING.

SPRING has been instrumental in SG Enterprise’s growth through expertise, financial support and recognition based on the Business Excellence framework (BE) assessment of the company\(^2\). The BE Initiative launched by SPRING in 1994 enables small and medium enterprises (SMEs) like SG Enterprise to know where they are on their journey, and what they need to do to achieve higher levels of performance. SG Enterprise has achieved the Singapore Quality Class (SQC) certification and targets to achieve the Singapore Quality Award in the future.

**Products and Services**

SG Enterprise’s vision is to be the leading global brand in interior decoration, leveraging on innovation to enrich the environment where people live, work and relax. Sustained by its core values of teamwork, integrity, delighting customers, staff commitment and continuous improvement, SG Enterprise is working towards becoming the global brand in interior decoration and being an employer of choice.

SG Enterprise’s brand proposition focuses on beautifying interior spaces with imaginative design and self-expression, and on showcasing one’s taste in life that ultimately conveys a story. (The products of SG Enterprise address most of key aspects of interior decoration – wall covers, flooring, carpeting and fabric). **Exhibit 2** shows product revenue breakdown as a percentage of total group’s revenue

**Wallcovering**

Wallcoverings come in various types and made of different materials to suit different purposes. Paper wallcovering refers to wallcovering with a paper substrate/ground combination upon which the decorative layer is printed and is usually washable. Vinyl wallcovering has a substrate laminated to a solid vinyl decorative surface which is classified as scrubbable and strippable, and are suitable in most areas. Textile wallcoverings can replicate the beauty and richness of textile and should not be subject to abuse. They require great care in their cleaning and have very fine vertical threads, which may be of a man made material or natural fibre such as silk or linen laminated to a paper type substrate. Specialty Wallcoverings

can include acoustic material suitable for studios, concert theatres, conference halls, etc. Other materials ranging from grass cloth, straw, metallic foils, ceramic chips, cork veneer and to whiteboard wallcoverings are also available.

Carpets

SG Enterprise carries an extensive range of carpet products for Commercial, Hospitality & Residential.

SG Enterprise represents a few reputable carpet tile manufacturers from USA, Europe & China. For Commercial markets, SG Enterprise offers a wide variety of carpet tiles in different fibres such as Invista Nylon 6, Universal Nylon 6, Antron Nylon 6,6 or Dupont Sorona (green fibre). They are available in size of 50cm x 50cm and 60cm x 60cm and can be in PVC backing or PVC Free (cushion) backing. SG Enterprise definitely has the right product for your every commercial application. Either you are looking for value-for-money or high performance carpet, SG Enterprise will have something to offer. If sustainability is your top priority, there are carpet products made of bio-based and rapidly renewable fibres which not only offer performance but also easy to maintain.

For Hospitality markets, SG Enterprise offers a wide collection of carpets, rich in design and quality which will suit any concept of style from modern to classical. Customization designs are available for almost any color and pattern combinations. We combine nylon with wool to give greater strength to the carpet. Our carpets are equipped with excellent appearance retention, durability & dimensional stability.

For Residential, SG Enterprise also does customization of designs and colors to match any interior setting that you have. Our rugs come in pure new wool, nylon, viscose, silk and bamboo or a blend of these yarns. These options are available in an array of colors and designs in standard and custom sizes.

Fabrics

High performance fabrics are one of the products that SG Enterprise provides. These categories of fabrics are designed for high tolerance of abrasion, durability and easy maintenance cleaning. Fabric quality is ensured by putting them through rigorous abrasion tests prior to making them available in showrooms. Some fabric products are also USA-certified fire retardant fabrics. The fabrics are usually sewn and fabricated into finished products such as drapery (day, night, black-out), seat upholstery and covers (leather and various fabrics materials), roman/roller blinds, bed heads & linen. SG Enterprise also provides accessories such as aluminum tracking, pole rods, wood rods for window treatments and installation services.
Flooring

SG Enterprise is an authorized distributor of reputable brands of flooring providers from all over USA and Europe. Some of the types of flooring offered by SG Enterprise are, laminate flooring, engineered timber flooring, vinyl flooring and outdoor decking.

The product mix offers a rich variety and choice of interior decoration for any purpose and thus SG Enterprise has become a one-stop shop. Its products and services (installation and maintenance) are regarded for their top quality and affordable prices. Its products come in a range of designs and collections providing the customers with a variety of options to choose from. Thus their products and services are positioned along the lines of variety, quality and competent prices. Products are priced traditionally on a per-square feet basis and the underlying material used.

In addition, SG Enterprise recognizes the importance in conserving the natural resources of the environment and has compiled a series of flooring products, under their own in-house collection, featuring all products that are certified green and environmentally friendly.

Customers

SG Enterprise’s target customer base can be segmented into two categories viz. commercial and residential. At the group level, commercial customers contribute to the majority of the revenue. Commercial customers consist of hospitality (hotels), corporate offices and others such as airports, educational institutions and religious buildings. Within the commercial customer segment, the bulk of the business comprises hospitality and corporate customers.

Residential end users and homeowners contribute to a smaller part of the group revenues. However this varies from one market to another. While Indonesia sees almost an equal split of revenues from both commercial and residential segments, markets like China and Singapore have predominant revenues from commercial segments.

SG Enterprise reaches its customers through two distinct channels. In the initial years, SG Enterprise sold their product book samples, which is a consolidation of all the designs and materials that they have in stock, to dealers that own their own showrooms - both large and small. Dealers, who also acquire a wide range of products from SG Enterprise and its competitors, reach out to their own customers through their showrooms. Although this was good during the initial stages
as it brought in a steady stream of revenue, SG Enterprise soon realized that higher margins can be achieved through integrating vertically into the value chain by getting as close as possible to the end customers. Dealers were extremely price sensitive in spite of higher quality products and services offered by SG Enterprise. Thus, they adopted another channel – to partner with the interior designers who work out the specifications for clients. The focus on this channel over the years has expanded the revenue streams with higher margins and now is the most predominant channel through which SG Enterprise sells its products and services. As an inference, SG Enterprise earns more profit per dollar of sales than most of its competitors who have predominant sales channel through dealers.

**Value Chain**

SG Enterprise acts as the middleman between manufacturers and the market for their products. Manufacturers have their own designs from which SG Enterprise selects based on their judgment on those designs that they think will sell in the market. After the choices are made, SG Enterprise invests in sample books, which are a consolidation of all the selected materials and designs from different manufacturers. Sales staff of SG Enterprise present these sample books to the interior designers employed by the end customers. Alternatively, SG Enterprise also stocks up designs and materials in their warehouse, which have high demand in the market and sell out quickly. All sample books and stock piled items are sold under SG Enterprise’s label. The disadvantage of this approach is that, sales of these products are geographically limited. SG Enterprise can only sell with exclusive rights for limited markets. The manufacturer could have sold the same products and designs to competitors with rights to sell in other markets. This way of sourcing contributes to majority of SG Enterprise’s different streams of sourcing.

SG Enterprise has also developed design competency in China. A group of designers have been employed to develop creative designs or make choices from trendy designs, which will be given as a bulk order to manufacturers. Bulk orders usually satisfy minimum order quantity requirements set by the manufacturers. SG Enterprise signs a contract of exclusivity on these orders, which prevents the manufacturers from selling these colors and designs to its competitors. Also, another advantage of generating their own collection of products and designs is that it can be sold in any market without geographical restrictions.

With a combination of their ability to choose designs from manufacturers that will appeal to customers and their own in house designs, SG Enterprise is able to bring the best products to end customers. Their showrooms, sales staff that partner with interior designers and their brand are the key value additions that SG Enterprise brings to the value chain.
Operations

Manufacturers are mostly located in the U.S., Europe and Japan; and the OEMs engaged by SG Enterprise for their own designs could be from established players in the above markets but with manufacturing facilities located either in these countries or lower cost countries in Asia. Except for the fast selling designs, SG Enterprise does not stock pile their products. They have adopted a pull strategy for most of their orders. Turnaround time is usually 1 to 2 weeks from the point of sale to delivery of the products. SG Enterprise also engages sub-contractors who are in charge of installation in most of their markets, except China. In China, SG Enterprise focuses exclusively on supplying their products to the interior designer at the installation site. End customers or the interior designers they employ make their own choices in installation. In other markets, SG Enterprise recommends sub-contractors to the customers and also provides instructional and supervisory services for installation if requested by the client. SG Enterprise also has in-house installers who are deployed for residential and some of the highly critical commercial projects where a significant level of supervision and careful installation is required.

SG Enterprise’s Success Strategy

SG Enterprise has been successful in the past with their contrarian strategy for geographical expansion. They made significant investments during the economic downturn in S.E Asia (during the Asian economic crisis) which gave them the solid ground and a head start over their more conservative competitors who did not expand geographically as fast. This geographical spread across 8 different markets has not only created a large number of business opportunities, but has also created a global recognition of the brand. Geographical expansion has either been through partnerships with distributors in the target country or through direct entry by setting up an entity of SG Enterprise and its end-to-end operations.

Also key to their success is their rapid expansion of product lines that they offer. They started off only with wallcoverings, but now they have 4 different product lines for the same purpose – interior decoration. By horizontally integrating into these new product lines – carpets, flooring and fabric – SG Enterprise created additional sources of revenues for a relatively smaller increase in operational expenses. The product line variety combined with operational synergies lead to larger profits.
SG Enterprise has also managed to create sustainable competitive advantage by investing in continuous productivity improvements and staff development and welfare. These two strategies are clear differentiating factors for SG Enterprise in this industry.

**Employee Welfare**

Salespersons in the company are critical sources of creating and retaining a strong customer base. The salesperson at SG Enterprise is always very pro-active in approaching the interior designers and is very effective in meeting the needs of the end customers to close a deal. Thus retaining sales people who share the relationship with all the end customers of the company becomes critical for SG Enterprise’s success. Sales people are paid a very attractive package, which is a flat base and commission-based model. Commission bonus payouts are given out every quarter to ensure that sales people are recognized for their efforts in a timely manner and thus remain satisfied. Apart from an attractive salary package, there are number of activities organized by the senior management teams to ensure that employees are engaged in the company. Senior management is directly involved in these activities to show their interest in meeting employee needs. Managers of each business unit, especially the sales unit, personally bond with every employee to build a very closely-knit community where employees feel connected and motivated to work as a team. Employees are also free to approach senior management to discuss their problems bypassing their supervisors if necessary. As a result of very good employee welfare which is a clear differentiator in terms of competition in the industry, SG Enterprise has managed to keep their staff turnover rate low compared to industry standards.

**Operational Excellence**

Continuous improvement of their internal processes and monitoring, leveraging on SPRING’s BE framework, is a key enabler in providing SG Enterprise the operational advantage over its competitor over time. The BE framework has enabled it to set high standards in operational excellence.

SG Enterprise has operations set up in all the important markets. This facilitates cross selling of products and services and internal transfer of sale opportunities with relative ease. This is especially very effective with corporate clients who have their offices across different markets. For a corporate client who is currently a client of SG Enterprise in Singapore, SG Enterprise is able to offer the same products and services in their overseas office in Thailand or India through their local offices. Competitors in the industry however are restricted by the countries they are domiciled in and are unable to sell
products outside their country. The establishment of regional offices that are able to deliver consistent service to clients is a source of sustained competitive advantage.

SG Enterprise also has very well defined process from the point of sale to service delivery. These effective process, many of which are automated ensure timely delivery while keeping operational costs very low. One of the new initiatives undertaken by SG Enterprise is to enable their global inventory to be tracked on a real-time basis. There have been considerable investments in IT systems to enable inventory tracking which, in the long run will be extremely beneficial in terms of shortening delivery time, reducing wastage and optimizing inventory management.

**SG Enterprise’s Current India Challenges and Outlook**

SG Enterprise ventured into the India market in 2005. In line with its traditional expansion strategies, it explored an opportunity to partner with a local player in India offering wallcovering products. The proposed joint venture, which would have merged the local player under the SG Enterprise brand, was however dropped and SG Enterprise made a decision to setup its own representative office in Bangalore. This office was set up to test the market and understand its needs before making any further investments.

Within a year, SG Enterprise moved its representative office to New Delhi, which seemed to be a more attractive market. In a typical representative office model, SG Enterprise did not have the burden of invoicing its sales and therefore did not need to employ finance and administrative staff to file the accounts. A representative office is one established by a company to conduct marketing and other non-transactional operations, generally in a foreign country where a branch office or subsidiary is not warranted. Such offices are generally easier to establish than a branch or subsidiary, as they are not used for actual “business” (e.g. sales) and therefore there is less incentive for them to be regulated. They have been used extensively by foreign investors in emerging markets such as China, India and Vietnam although they have restrictions in not being able to invoice locally for goods or services. Consequently, Representative offices tend to be used by foreign investors in fields such as sourcing of products, quality control, and general liaison activities between the Head Office and the Representative Offices overseas.³

SG Enterprise’s representative offices in India thrived because of its lean setup and its ability to leverage fully on the capabilities and guidance from the headquarters in Singapore. It was able to service clients directly and even execute complex operations like “protecting specifications” (when faced with the threat of being substituted by competitors, sales

³ Source: http://en.wikipedia.org/wiki/Representative_office
representatives were able to replace design and material of wallcovering to suit client’s price and taste so that they are able to still close the deal).

By 2010, the representative office in New Delhi was upgraded to a trading office. Trading offices function like branches of the headquarters and have to invoice all its sales and act according to local regulations. The main reason for upgrading to a trading office was to enable the India office to manage its own specifications directly with its clients and sales to distributors enabling larger reach and therefore higher sales. However, this meant that SG Enterprise had to hire more people to take care of finance and administration. Under this setup, SG Enterprise’s India office faced a lot of administrative issues with regards to filing of accounts and collection of payments from its sales. Execution of tasks in an orderly manner has always been a challenge in the India office. In spite of repeat visits made by personnel from the headquarters to train people and build capabilities for better administration in the India trading office, the situation barely improved causing a strained relationship with the headquarters. This led to a further decline in performance. Currently the India office just functions as a pseudo-trading office and carrying out only those tasks related to protecting specifications.

In spite of these challenges, clients in India, typically 4 and 5 star hotels, corporate offices of multinationals etc. have over the years trusted SG Enterprise’s brand and have placed orders directly with the head-quarters or its Hong Kong offices. In spite of repeat referrals to the India office, clients are hesitant for two reasons. One reason is because of import duty benefits that they qualify for through the EPCG (Export Promotion Capital Goods Scheme). Most are hotels, which can generate sufficient foreign exchange revenue to qualify for the EPCG scheme. Second reason is the convenience of dealing with the Hong Kong or Singapore offices, which provide higher quality of customer service.

SG Enterprise sees a tremendous potential in India due to revived optimism fuelling economic growth in the country as a result of the change in the political climate following the 2014 general elections. From past experience in the India market, SG Enterprise believes that there is room for growth in the number of 4 and 5 star hotels in India, and it foresees an expansion of such hotel chains across the country. These are opportunities which SG Enterprise can tap into, to capture market share and expand its presence in India.

The way forward

SG Enterprise believes that their success in India lies in reviewing their entire business in India with a fresh perspective. This ranges from understanding the complexities of the Indian consumer decision-making in this industry to adopting the best
operating model that will work in India in line with the regulatory requirements as well as the cultural characteristics of the country.

As a solution to this case, SPRING requires the holistic approach to address the BE framework requirements focusing on the 7 dimensions described in the following link:


These are the key elements of an ideal case solution:

- A comprehensive and holistic evaluation of the India interior furnishing industry.
- SG Enterprise’s strategy to capture high growth opportunities and to establish a successful business in India.
- A financial feasibility study using a region or city as test market.
- Scoring of the new strategy based on the BE framework and how it improves SG Enterprises’ assessment against the BE framework.

Exhibit 4 describes SG Enterprise’s self-evaluation based on the BE framework’s BEACON assessment tool for continuous improvement. For information on the BEACON assessment:

www.spring.gov.sg/QualityStandards/be/Documents/SQC_BEACON.doc
Exhibit 1

Markets Revenue breakdown as a percentage of total group’s revenue
Exhibit 2

Product Revenue breakdown as a percentage of total group's revenue

![Pie chart showing contribution by product in 2013. Wallcovering accounts for 75%, Carpet 10%, Fabric 9%, and Flooring 6%.]
Exhibit 3

Organization chart at Singapore HQ and Regional Office.

HQ Organisation Chart

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BOARD OF DIRECTOR

CEO

Group Exec Director
- Products
- HR & Admin

Chief Operating Officer
- Supply Chain Management
  - Procurement
  - Export
  - Logistics
- * Regional Offices & Galleries (8 countries)
  - Capability Development
  - Marketing
  - Finance
  - IT
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Singapore / Regional Office Organisation Chart

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Singapore / Regional Office

Sales
  - Outdoor (B-B)
  - Gallery (B-C)
Customer Support
Operations
Logistics
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Exhibit 4

SG Enterprise’s Evaluation

<table>
<thead>
<tr>
<th>CATEGORY/ITEM</th>
<th>SCORING BAND</th>
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<tbody>
<tr>
<td>1 Leadership</td>
<td></td>
</tr>
<tr>
<td>1.1 Senior Leadership</td>
<td>✔</td>
</tr>
<tr>
<td>1.2 Organisational Culture</td>
<td>✔</td>
</tr>
<tr>
<td>1.3 Corporate Social Responsibility</td>
<td>✔</td>
</tr>
<tr>
<td>2 Planning</td>
<td></td>
</tr>
<tr>
<td>2.1 Strategy Development &amp; Deployment</td>
<td>✔</td>
</tr>
<tr>
<td>3 Information</td>
<td></td>
</tr>
<tr>
<td>3.1 Management of Information and Knowledge</td>
<td>✔</td>
</tr>
<tr>
<td>3.2 Comparison &amp; Benchmarking</td>
<td>✔</td>
</tr>
<tr>
<td>4 People</td>
<td>✔</td>
</tr>
<tr>
<td>4.1 Human Resource Planning</td>
<td>✔</td>
</tr>
<tr>
<td>4.2 Employee Engagement</td>
<td>✔</td>
</tr>
<tr>
<td>4.3 Employee Learning &amp; Development</td>
<td>✔</td>
</tr>
<tr>
<td>4.4 Employee Well-being &amp; Satisfaction</td>
<td>✔</td>
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<tr>
<td>4.5 Employee Performance &amp; Recognition</td>
<td>✔</td>
</tr>
<tr>
<td>5 Processes</td>
<td></td>
</tr>
<tr>
<td>5.1 Innovation Processes</td>
<td>✔</td>
</tr>
<tr>
<td>5.2 Process Management &amp; Improvement</td>
<td>✔</td>
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<tr>
<td>5.3 Supplier &amp; Partnership Management</td>
<td>✔</td>
</tr>
<tr>
<td>6 Customers</td>
<td>✔</td>
</tr>
<tr>
<td>6.1 Customer Requirements</td>
<td>✔</td>
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<tr>
<td>6.2 Customer Relationship</td>
<td>✔</td>
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<td>6.3 Customer Satisfaction</td>
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</tr>
<tr>
<td>7 Results</td>
<td></td>
</tr>
<tr>
<td>7.1 Customer Results</td>
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</tr>
<tr>
<td>7.2 Financial &amp; Market Results</td>
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<tr>
<td>7.3 People Results</td>
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</tr>
<tr>
<td>7.4 Operational Results</td>
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</table>
Exhibit 4 Contd..

SG Enterprise’s Evaluation – Descriptors for scoring bands

<table>
<thead>
<tr>
<th>SCORE</th>
<th>BAND</th>
<th>DESCRIPTORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>The organisation’s score is in Band 1 of the scoring model. This means that the organisation has not adopted approaches to address the criteria requirements.</td>
</tr>
<tr>
<td>1 – 199</td>
<td>2</td>
<td>The organisation’s score is in Band 2 of the scoring model. This means that the organisation is in the early stages of developing and implementing some approaches to address the criteria requirements. However, important gaps exist in most of the categories.</td>
</tr>
<tr>
<td>200 – 399</td>
<td>3</td>
<td>The organisation’s score is in Band 3 of the scoring model. This means that the organisation has started to adopt defined and prevention-based approaches on its business excellence journey. The approaches are deployed to some major functional and operational areas. Improvements and performance levels meeting targets set are evident in some key result areas. However, major gaps exist in approach and deployment in some categories.</td>
</tr>
<tr>
<td>400 – 599</td>
<td>4</td>
<td>The organisation’s score is in Band 4 of the scoring model. This means that the organisation has implemented effective, systematic approaches that address many of the criteria requirements. These approaches are integrated with the organisation’s directions, and deployed to most major functional and operational areas. Improvement trends and good performance results are reported for most major areas of importance. Results also demonstrate some areas of strength relative to external organisations and benchmarks.</td>
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<tr>
<td>500 – 799</td>
<td>5</td>
<td>The organisation’s score is in Band 5 of the scoring model. This means that the organisation has implemented refined approaches that are deployed to all major functional and operational areas. The approaches are well-integrated with the business requirements and directions. Performance levels meet or exceed targets in all major areas of importance. There is good evidence of maturity and sustained performance in key areas. The organisation is an industry or benchmark leader in most areas.</td>
</tr>
<tr>
<td>800 – 1,000</td>
<td>6</td>
<td>The organisation’s score is in Band 6 of the scoring model. This means that the organisation has outstanding approaches, full deployment, and exceptional, sustained performance results. Exceptional integration and alignment are evident. National and world leadership is demonstrated in results that fully address key business requirements.</td>
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</tbody>
</table>