

## Best practice

In an age of increasing deregulation, technological change and new competitive attitudes, businesses must become nationally and internationally competitive. To do so, it is essential to pursue “best practices” – comprehensive, integrated and co-operative approaches to the continuous improvement of all parts of an organisation’s operations. Leading-edge companies achieve world-class standards of performance in this way.

The following are general principles of best practice:

### 1. Develop a shared vision and strategic plan

Central to achieving best practice is a vision of world-class performance, shared by everyone in the business, and translated into action through a strategic plan.

### 2. Provide a flatter organisational structure

Competitive businesses respond to customers’ needs in a timeframe acceptable to the customer. Flatter organisational structures are better able to deliver a quick response, because there are few layers of management from which approvals must be obtained.

### 3. Work towards a co-operative industrial relations environment

Best practice workplaces promote effective communication and consultation throughout an organisation structures.

### 4. Create a learning environment

Two key qualities of a learning organisation are its commitment to continuous improvement, and recognition of the contributions of everyone in the organisation.

### 5. Develop and implement innovative human resource policies

Occupational Health and Safety, Equal Employment Opportunities, career path planning, new remuneration systems, flexible working hours, part-time work, work-based child care and literacy training are just a few examples of innovative workplace initiatives.

### 6. Focus on your customers

Customers determine the success of any enterprise. Organisations responsive to customers’ demands will profit in a variety of ways – increased market share, increased staff and customer satisfaction, and a reduction in the need for marketing.

## 7. Develop closer relationships with your suppliers

Leading-edge organisations involve their suppliers as an integral part of their change processes. These links can cut inventories, create innovative opportunities, and ensure a higher quality of end product. This is called *supply chain management*.

## 8. Pursue innovation in technology, products and processes

Market leaders have developed and employed integrated technology to ensure continuous improvement of production systems. Technology is not viewed in isolation, but as part of the whole system.

## 9. Use performance-measurement systems and benchmarking

If you really want to compete, you will have to match and improve on the performance of the nation's or world's best. Benchmarking is a tool for organisations committed to achieving high standards of performance.

## 10. Think “green”

Increasingly, the integration of environmental management to all operations is becoming a component of competitive strategy.

## 11. Develop external relationships

Networks can enhance an organisation's competitive capabilities – through the sharing of information, by gaining access to services that individual organisations may not have been able to afford, in developing new technology or products, by exchanging staff to minimise costs associated within entering new markets, and so on. Networks can facilitate the pursuit of best practice programs.

## Further information

The following fact sheets provide further information on these issues:

- Business communications
- Business management tips
- Business planning
- Business process improvement (BPI)
- Employees
- Staff training
- Supply chain issues