Information:
European Foundation for Quality Management EFQM®

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:: Our team comprises of project experience EFQM®-Assessors (DGQ) who will accompany and consult you in the introduction and implementation of a quality management system on the basis of the EFQM® approach.

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The European Foundation for Quality Management (EFQM®) is a membership based, not for profit organisation, created in 1988 by fourteen leading European businesses, with a Mission to be the Driving Force for Sustainable Excellence in Europe and a Vision of a world in which European organisations excel.

By January 2000, membership had grown to over 800 members from most European countries and most sectors of activity. In addition to being the owner of The EFQM Excellence Model (EFQM Model) and managing The European Quality Award process, it also provides a portfolio of services for its members.

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Introducing excellence: using the EFQM Excellence Model to improve performance

Introduction

This brochure provides a brief description of the EFQM Excellence Model and the fundamental concepts upon which the Model is based; it also outlines how organisations can use the Model and the process of Self-Assessment to improve performance, and how they can benefit from making applications for The European Quality Award.

The EFQM Excellence Model is flexible and can be applied to organisations large and small, in the public as well as the private sector.

The EFQM Excellence Model

The EFQM Excellence Model, a non-prescriptive framework based on nine criteria, can be used to assess an organisation’s progress towards excellence*. The Model recognises there are many approaches to achieving sustainable excellence in all aspects of performance. It is based on the premise that:

Excellent results with respect to Performance, Customers, People and Society are achieved through Leadership driving Policy and Strategy, People, Partnerships and Resources and Processes.

* Excellence is defined as outstanding practice in managing the organisation and achieving results, all based on a set of 8 fundamental concepts.
The arrows emphasise the dynamic nature of the model. They show innovation and learning help to improve enablers which in turn lead to improved results.

Definitions of the nine criteria and the sub-criteria are given in Appendix 1. For convenience, we use the terms "Enablers" and "Results" to designate two categories of criteria. Enabler criteria are concerned with how the organisation undertakes key activities; Results criteria are concerned with what results are being achieved.

At the heart of the Model lies the RADAR logic. The elements of RADAR are Results, Approach, Deployment, Assessment and Review. The elements of Approach, Deployment, Assessment and Review are used when assessing "Enabler" criteria and the Results element is used when assessing "Results" criteria.

Within this non-prescriptive framework, certain fundamental concepts underpin the Model. Behaviours, activities or initiatives based on these concepts are often referred to as Total Quality Management. This is what we mean when we use the words "Total Quality Management" in this brochure.

The concepts are not listed in any particular order and the list is not meant to be exhaustive. They will change as excellent organisations develop and improve.
Fundamental Concepts of Excellence

Results Orientation

Excellence is dependent upon balancing and satisfying the needs of all relevant stakeholders (this includes the people employed, customers, suppliers and society in general as well as those with financial interests in the organisation).

Customer Focus

The customer is the final arbiter of product and service quality and customer loyalty, retention and market share gain are best optimised through a clear focus on the needs of current and potential customers.

Leadership & Constancy of Purpose

The behaviour of an organisation’s leaders creates a clarity and unity of purpose within the organisation and an environment in which the organisation and its people can excel.
Management by Processes & Facts

Organisations perform more effectively when all inter-related activities are understood and systematically managed and decisions concerning current operations and planned improvements are made using reliable information that includes stakeholder perceptions.

People Development & Involvement

The full potential of an organisation's people is best released through shared values and a culture of trust and empowerment, which encourages the involvement of everyone.

Continuous Learning, Innovation & Improvement

Organisational performance is maximised when it is based on the management and sharing of knowledge within a culture of continuous learning, innovation and improvement.

Partnership Development

An organisation works more effectively when it has mutually beneficial relationships, built on trust, sharing of knowledge and integration, with its Partners.

Public Responsibility

The long-term interest of the organisation and its people are best served by adopting an ethical approach and exceeding the expectations and regulations of the community at large.
Adoption of the process of Self-Assessment is the EFQM’s recommended strategy for improving performance. The EFQM is convinced that, applied rigorously, Self-Assessment will help organisations, large and small, in the private and public sectors, work more effectively.

Self-Assessment is a comprehensive, systematic and regular review of an organisation’s activities and results referenced against the EFQM Excellence Model.

The Self-Assessment process allows the organisation to discern clearly its strengths and areas in which improvement can be made. Following this process of evaluation, improvement plans are launched, which are monitored for progress. Organisations carry out this cycle of evaluating and taking action repeatedly so that they can achieve genuine and sustained improvement.
Organisations using the EFQM Excellence Model for Self-Assessment have found the exercise results in a wide range of benefits, notably:

- Provides a highly structured, fact based approach to identifying and assessing an organisation's strengths and areas for improvement and measuring progress periodically;

- Educates people on the Fundamental Concepts and framework for managing and improving the organisation and how it relates to their responsibilities;

- Integrates the various improvement initiatives into normal operations;

- Facilitates comparisons with other organisations, of a similar or diverse nature, using a set of criteria that is widely accepted across Europe as well as identifying and allowing for the sharing of "good practice" within an organisation.

To summarise, the Self-Assessment process offers organisations an opportunity to learn: to learn about the organisation's strengths and weaknesses, about what “excellence” means to the organisation, about the organisation's progress on the journey to excellence, how far it still has to go and how it compares with other organisations.

The process of Self-Assessment is explained in greater detail in the EFQM’s brochure Assessing Excellence - a practical guide for Self-Assessment.
Organisations based in Europe that have been practising Self-Assessment may be interested in applying for The European Quality Award. The Award has been run annually by EFQM since 1992, when it was launched by Mr Martin Bangemann, Vice President of The European Commission. The Commission and EOQ (European Organisation for Quality) are joint sponsors of the Award with the EFQM.

By applying for the Award, organisations based in Europe can reap many benefits: the application process provides an unbiased external assessment of an organisation’s position against the EFQM Excellence Model and sharpens the focus of its Self-Assessment procedures.

Eligibility to apply for the Award was broadened in 1996 to include Public Sector organisations and in 1997 a special category for Small and Medium sized Enterprises (organisations of less than 250 employees) was introduced.
The application document (maximum 75 pages for large companies and Public Sector organisations and 35 pages for Small and Medium sized Enterprises (SMEs)) is based on the organisation’s Self-Assessment data. Brochures available from EFQM explain the format and information required, define terms, and describe the scoring system. Putting the application together is a tough, demanding and rigorous process, but applicants find it a very worthwhile adjunct to Self-Assessment.

Applying for The Award not only points the way towards continuous improvement, but provides the tools for success. It gives people a clear and tangible objective, stimulates their interest and increases their pride in themselves, their jobs and their organisation.

Applications for Awards have to be submitted in February or March. The application documents are then assessed by teams of 4 to 8 assessors - especially trained senior managers. The panel of jurors (distinguished European businessmen and academics) select finalists, who will then receive a site visit. These visits allow the assessors to verify the application document's contents and check points which are unclear. Site visits are an excellent opportunity for people in the organisation to develop a strong collective desire to perform well, and this winning spirit can be capitalised on in the future.

Based on the assessing team's findings, the jurors select the European Quality Prize winners - organisations which have clearly demonstrated that their approach to Excellence has significantly contributed to satisfying the expectations of their customers, employees and other interested parties over a number of years. The European Quality Award is then presented to the organisation judged to be the best among the Prize winners.

**Feedback report**

In August, applicants receive a feedback report from the team assigned to assess their application. This report gives a general assessment of the organisation, a scoring profile for the different criteria and a comparison with the other applicants' average scores. For each sub-criterion in the EFQM Excellence Model, the report lists key strengths and areas for improvement. The feedback report for those organisations that were visited is more detailed because of the additional information available to the assessors.

The applicants greatly appreciate receiving this independent, external view of their organisation, and see the report as invaluable in identifying strengths upon which to build and improvements that will carry them forward. For many applicants the feedback report is the main reason for applying for the Award.

**Benefits**

Some organisations consider that applying for The Award is a splendid way to get expert evaluations at a very reasonable price. Others use the process to measure, validate and calibrate their internal Self-Assessment procedure. But all applicants value it as an ideal opportunity to learn from experienced managers outside their own organisation.

When a company applies for The Award, many people in the organisation get involved in gathering data, assembling and analysing the information, and preparing the application document. Good teamwork is fostered and people are provided with a clear aim and an exciting challenge to life at work.
Receiving a site visit heightens people's awareness of TQM and increases their involvement and commitment.

The application document itself is a valuable communication tool. It shows people how the organisation runs its business and what kind of results it has achieved. Some applicants produce copies for their employees, existing and potential customers, and suppliers.

The application document can also be a valuable in-house training tool. Very often Excellence or Self-Assessment courses use a case study as a teaching aid or a discussion point. What better example for employees than their own organisation's application document? The information is realistic, relevant and recognisable, and they can start applying what they have learned immediately. They then have a sound basis from which to develop their own improvement action plans.

Of course, the winning organisations gain even more benefits. Public recognition of excellence can attract new customers and additional business opportunities. Using the Prize or The Award logo adds prestige to products and services. Each year the winning organisations are invited to share their experience with others in a series of conferences throughout Europe. These events offer a further opportunity for winners to display their status as leading organisations.

Some comments we have received from previous winners:
“"The European Quality Award is for organisations with world-class status or world-class aspirations. The former will receive the recognition they deserve, the latter can use it to further their aspirations. Other types of organisations may still exist, but not for long.“

“Throughout Europe we’ve created a common goal to improve and to be the best. Eventually winning The Award will be our demonstration of this.”

“The European Quality Prize we received increased our belief in our own abilities and was the starting point for a new period of improvement for us.”

“Winning a Prize added to the company’s prestige - a very important advantage in a fiercely competitive business environment.”

“Winning The European Quality Award was wonderful recognition of all the hard work done over many years by all our associates in Europe. But the real benefits come from the learning as you go through the Self-Assessment process.”

“Adopting Self-Assessment as the basis for our strategic business model has led to improved overall performance. However, whilst winning The European Quality Award is recognition of everyone’s efforts, we must never forget that this represents only a step on the pathway of continuous business improvement.”

The list of previous winners of The European Quality Award is presented in Appendix 2.
The EFQM works in partnership with many national organisations in Europe and licenses a number of organisations to deliver training courses related to its Excellence Model.

The EFQM also organises a number of events throughout Europe related to its Excellence Model.

Further information on these organisations and events are available via the EFQM website. (www.efqm.org)

### Associated Brochures

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<td><strong>Introducing Excellence</strong></td>
<td>Overview of the Model, the Concepts, the Award &amp; Self-Assessment</td>
<td>General enquiries on the EFQM, its Model and Model related activities</td>
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<td><strong>Eight Essentials of Excellence</strong></td>
<td>To persuade senior executives that the Model has value, and is based on sound business sense</td>
<td>Senior Executives &amp; people who need to persuade Senior Executives</td>
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| **The EFQM Excellence Model**              | To provide full details on the Model, including the RADAR card, Criteria, sub-criteria and areas to address information | - Award applicants  
- Self-Assessment practitioners  
  - Assessors, Award or Internal  
  - Quality Professionals |
| **The EFQM Excellence Model for the Public Sector** | The same as above plus Public Sector specific differences | The same as above plus people with a specific interest in using the Model in the Public Sector |
| **Assessing for Excellence**               | To provide a summary of what Self-Assessment is, the value of it, the different approaches to Self-Assessment and their respective risks and benefits | - People either charged with, or involved in, developing Self-Assessment strategies in their organisation.  
- People who wish to benchmark their current Self-Assessment approach |
| **Determining Excellence**                 | A simple aid to Self-Assessment using 50 questions related to the EFQM Excellence Model | People wishing to organise a Self-Assessment |
Appendix 1

The EFQM Excellence Model

The EFQM Excellence Model is presented diagrammatically below.

The percentages shown are those used for assessing applications for The European Quality Award.

Organisations practising self-assessment may use the percentages shown but they may also, of course, select percentages more appropriate to the particular features of their own organisation. Furthermore, some organisations prefer not to "score" their internal self-assessment but to concentrate on the "strengths" and "improvements" that are highlighted. (See EFQM brochure: Assessing for Excellence: a practical guide to Self-Assessment.)

Definitions of the criteria and sub-criteria in the EFQM model are given below - a further more detailed description of the model in terms of "areas to address" for each sub-criterion is given in "The EFQM Excellence Model" also available from the EFQM.
The Criteria

1. Leadership

How leaders develop and facilitate the achievement of the mission and vision, develop values required for long term success and implement these via appropriate actions and behaviours, and are personally involved in ensuring that the organisation’s management system is developed and implemented.

1a. Leaders develop the mission, vision and values and are role models of a culture of Excellence

1b. Leaders are personally involved in ensuring the organisation’s management system is developed, implemented and continuously improved

1c. Leaders are involved with customers, partners and representatives of society

1d. Leaders motivate, support and recognise the organisation’s people

2. Policy and Strategy

How the organisation implements its mission and vision via a clear stakeholder focused strategy, supported by relevant policies, plans, objectives, targets and processes.

2a. Policy and Strategy are based on the present and future needs and expectations of stakeholders

2b. Policy and Strategy are based on information from performance measurement, research, learning and creativity related activities

2c. Policy and Strategy are developed, reviewed and updated

2d. Policy and Strategy are deployed through a framework of key processes

2e. Policy and Strategy are communicated and implemented
3. People

**How** the organisation manages, develops and releases the knowledge and full potential of its people at an individual, team-based and organisation-wide level, and plans these activities in order to support its policy and strategy and the effective operation of its processes.

3a. People resources are planned, managed and improved

3b. People’s knowledge and competencies are identified, developed and sustained

3c. People are involved and empowered

3d. People and the organisation have a dialogue

3e. People are rewarded, recognised and cared for

4. Partnerships and Resources

**How** the organisation plans and manages its external partnerships and internal resources in order to support its policy and strategy and the effective operation of its processes.

4a. External partnerships are managed

4b. Finances are managed

4c. Buildings, equipment and materials are managed

4d. Technology is managed

4e. Information and knowledge are managed
5. Processes

**How** the organisation designs, manages and improves its processes in order to support its policy and strategy and fully satisfy, and generate increasing value for, its customers and other stakeholders.

5a. Processes are systematically designed and managed

5b. Processes are improved, as needed, using innovation in order to fully satisfy and generate increasing value for customers and other stakeholders

5c. Products and Services are designed and developed based on customer needs and expectations

5d. Products and Services are produced, delivered and serviced

5e. Customer relationships are managed and enhanced

6. Customer Results

**What** the organisation is achieving in relation to its external customers.

6a. Perception Measures

6b. Performance Indicators

7. People Results

**What** the organisation is achieving in relation to its people.

7a. Perception Measures

7b. Performance Indicators

8. Society Results

**What** the organisation is achieving in relation to local, national and international society as appropriate.

8a. Perception Measures

8b. Performance Indicators

9. Key Performance Results

**What** the organisation is achieving in relation to its planned performance.

9a. Key Performance Outcomes

9b. Key Performance Indicators

Note: A simplified version of the EFQM Model is used for applications for the SME Award. This Model also uses nine criteria but these are subdivided into 22 sub-criteria. There is further more detailed exemplification of the EFQM Model in “Guidelines for Self-Assessment” available from the EFQM office.
Appendix 2

Previous Award Winners

1992
Award Winner:
Rank Xerox Limited
Prize Winners:
BOC Ltd Special Gases
UBISA - Industrias Del Ubierna SA
Milliken European Division SA

1993
Award Winner:
Milliken European Division SA
Prize Winners:
ICL Manufacturing Division
now called:
D2D-Design to Distribution Limited

1994
Award Winner:
D2D-Design to Distribution Limited
(an ICL subsidiary)
Prize Winners:
Ericsson SA
IBM SEAME SpA

1995
Award Winner:
Texas Instruments Europe
Prize Winner:
TN T Express (UK) Limited

1996
Award Winner:
BRISA - Bridgestone Sabanci Tire Co. SA
Prize Winners:
BT - British Telecom plc
NETAS - Northern Electric
Telekomünikasyon AS
TN T Express (UK) Limited

1997
Award Winner (large business category):
SGS-THOMSON Microelectronics
Prize Winners (large business category):
BT - British Telecom plc
NETAS - Northern Electric
Telekomünikasyon AS
TN T United Kingdom Limited

Award Winner (SME category):
BEKSA Steel Cord Manufacturing and Trading Inc.
Prize Winners (SME category):
GASNALSA

1998
Award Winner (large business category):
TN T United Kingdom Ltd
Prize Winners (large business category):
BT Communications Northern Ireland
NETAS - Northern Electric
Telekomünikasyon AS
SOLLAC
Yellow Pages
Prize Winners (public sector category):
AVE (A division of RENFE)
Inland Revenue Cumbernauld

Award Winner (Independent SME category):
Landhotel Schindlerhof

Prize Winner (Independent SME category):
DIEU

Award Winner (SME subsidiary category):
Beko Ticaret AS