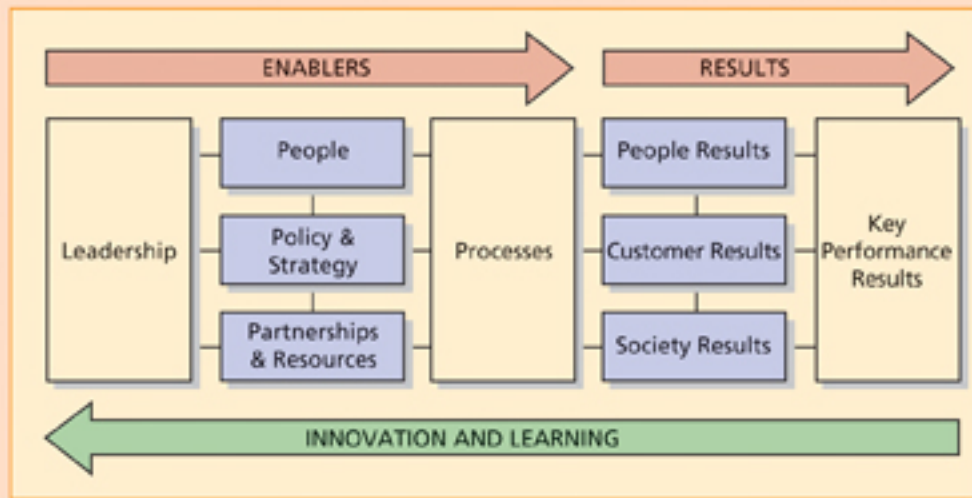


A MANAGEMENT GUIDE

The EFQM Excellence model

For Assessing Organizational Performance



The EFQM Excellence Model
For Assessing Organizational Performance
A Management Guide

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The EFQM Excellence Model For Assessing Organizational Performance

A Management Guide

Chris Hakes



Colofon

Title:	The EFQM Excellence Model For Assessing Organizational Performance – A Management Guide
Author:	Chris Hakes (Leadership Agenda Ltd)
Editor:	Jayne Wilkinson
Publisher:	Van Haren Publishing, Zaltbommel, www.vanharen.net
ISBN(13):	978 90 8753 027 3
Print:	First edition, first impression, June 2007
Layout and design:	CO2 Premedia bv, Amersfoort - NL
Copyright:	2007, Van Haren Publishing / Leadership Agenda Ltd

All content in this document is based on the EFQM Excellence Model. This Model is a core component of EFQM added value for the European business community. This book reproduces the so called 'upper level' of the Model including the Model diagrams, the names of the criteria and criterion parts in their original form. For consistency with the full EFQM Model these elements of the Model are totally unchanged and EFQM copyright to these parts of this publication is hereby fully acknowledged: 'Copyright © 1999 – 2007 EFQM'. Many additional and informative model-related publications can be obtained from EFQM via www.efqm.org

All other texts describing how to apply the Model and examples of good practices, that will enable readers to learn from what leaders in excellent organizations have done, are the work and views of the Author with copyright being assigned to the publisher: 'Copyright © 2007 Chris Hakes, Leadership Agenda Limited, UK.' Additional leadership development materials of the Author can be obtained from www.leadershipagenda.com

The approach taken in this book is deliberately practical, it is informed by hands-on experience working with and analyzing the success of several EFQM Excellence Award winners, and a very broad range of organizations in the Public Sector. We hope we have succeeded in writing the book in a language of 'business' which we hope and believe will be relevant to all organizations, public or private, large or small. Clearly not *all* practices described will be relevant for *all* organizations and we rely on readers applying commonsense to contextualise the practices and their relevance for their own organization.

For any further enquiries about Van Haren Publishing, please send an e-mail to: info@vanharen.net

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Introduction and Acknowledgements

For a long time I was determined *not* to write this book. For many years, in the period 1993 to 1999, I authored publications on the then-entitled technique of ‘Self Assessment’, first published by Chapman and Hall, and then by Blackwell’s and others, all now out of print and dated, in my mind, by their titles alone. Those books contained overviews of the history and evolution of what were then called Business Excellence Models, detailed analyzes of the various ways by which organizations could ‘self-assess’ their performance against such models, and a *simple* tool kit to enable them to do assessments against the EFQM (then known as the European Foundation for Quality Management) Excellence Model.

I had thought that the days of using such simple techniques were gone, but how wrong I was. Many organizations appear to have evolved from *simple* but effective techniques of performance assessment to rigorous but overly complex methodologies (and are now seeking a path back). Additionally, awareness of the benefits of such assessments is leading new generations of users to seek practical ways to do it. Anyway, the fact is that, after frequent requests to reprint the pro-forma approaches contained in the original handbooks, I’ve given in. This publication is the result.

This practical management guide gives only a simple review of the history and evolution of the EFQM Excellence Model and of the related approaches that it contains (as much freely available details can be obtained from sources such as www.efqm.org and many other openly available internet sources), but first time readers may appreciate noting that:

- EFQM is a not-for-profit membership foundation. Founded in 1989 by the CEOs of prominent European businesses. EFQM is a hub of globally-minded organizations in all sizes, sectors, both private and public, seeking to learn from each other and to improve their performance.
- EFQM is the creator of the prestigious EFQM Excellence Award which recognizes the very top performing European organizations each year.
- Perhaps most importantly, EFQM is the guardian of the ‘EFQM Excellence Model’ which provides organizations with a framework within which they can achieve and measure their success. The pro-forma assessment techniques in this book are based on techniques founded on this model.

I make no academic or research-based claims for this work, nor do I suggest exclusivity of thinking for the ideas tabled here; all I can assure you is that there are many users and several winners of the EFQM Excellence Award who have benefited from learning the proven good practices listed in the pro-formas and finding simple ways to assess themselves and their progress against them.

Finally, I would like to acknowledge and thank all those who have assisted, persisted, influenced, or generally helped to maintain my sanity during the production of this book. Particular thanks are due to friends and colleagues at EFQM and other global or regional awards administrations, along with my clients, with whom the learning journey has always been a two-way experience and, for me at least, a great pleasure. It is an old saying that, 'there is no finish-line in the race to excellence – the race never ends'. Sometimes, however, it is important for some to remember to begin the race and for others to renew the vigour with which they compete. I hope this book can help you begin or renew your journey to excellence.

May 2007, Chris Hakes

Content

Introduction and Acknowledgements	V
Content	VII
Why should you consider using the EFQM Excellence Model?	1
The Development of EFQM and its Excellence Model	2
EFQM and its Networks today	7
The Concepts behind the EFQM Excellence Model.....	11
EFQM Excellence Model content and structure.....	15
A five step plan for an effective Assessment of your organizations performance against the EFQM Excellence Model.....	22
Step 1. Build understanding of and commitment to the Model	22
Step 2. Be clear, from the start, on your reasons for doing it	23
Step 3. Be clear on the part of the organization you are going to assess and its strategic context.....	24
Step 4. Choose and use an effective method of Assessment.....	26
Step 5: Conclude Actions Arising.....	28
Appendix 1: A set of x32 Analysis Pro-Forma's.....	30
Appendix 2: Scoring Tools	96
Appendix 3: Comparison Tables showing 104 Applicants in period 2004-2006	104

Why should you consider using
the EFQM Excellence Model?

Why should you consider using the EFQM Excellence Model?

The world's capital markets are becoming increasingly focused on the anticipated future or potential earnings of commercial organizations, as well as the value of their current, tangible assets and past successes. For all organizations, the processes by which success is evaluated are changing. For public sector organizations, governments, acting as the majority shareholders, are typically imposing ever-increasing challenges for enhanced efficiency, accountability, and performance. An ability to respond in line with rapidly changing government policy is more important than ever before. To address such challenges, in a world filled with rapid complex change, turbulence and ambiguity, successful organizations are shifting from a position where they exploit their historical successes, resources and positions, to one where their ability to sense a new opportunity / risk, and to respond to it in a timely and effectively way, is key.

"We have learned that . . . the past will be a poor guide to the future and that we shall forever be dealing with unanticipated events. Given that scenario, organizations will need individuals who delight in the unknown."

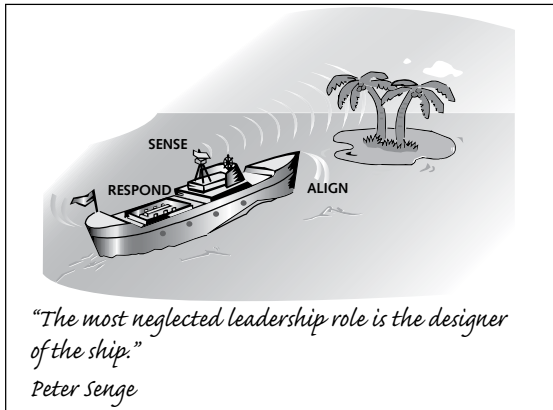
Charles Handy

Increasingly organizations and leaders of the future will be able to make sense, meaning and opportunity out of the flood of signals received from the broader environment, will bring their creativity to bear in developing innovative opportunities, products and services from this analysis, and will align their people, organizations and processes with such new opportunities with effectiveness and appropriate speed.

"In the old economy, the challenge for management was to make product. Now the challenge for management is to make sense."

John Seely Brown

Effectively addressing such challenges, in today's world, has significant consequences for both individuals and organizations. Harmonising the behaviours and expectations of people within the systems and environment in which we expect them to operate is key, for it is the behaviours of individuals, their collective relationships and the processes they work within, that creates clarity, unity of purpose and the environment, in which an organization and its people perform, excel or fail.



Maintaining world class levels of performance for the 'ship' above (of the processes to be *aligned* within the organization, the data streams for *sensing opportunity/risk* and the people and 'culture' of the organization necessary to ensure effective *response*) requires innovation and ever evolving ways of thinking and leading. It means constantly reviewing, even totally challenging, the status quo.

"Some men see things as they are and say why. I dream things that never were and say why not."

Robert Kennedy

To be successful in today's world many leading organizations adopt management frameworks and policy deployment mechanisms within which the values, attitudes, beliefs and behaviours of individuals can be understood, be in harmony and develop, in alignment with the goals, visions and aspirations of the organization. It is in this context that many organizations believe Excellence models have a role and, if in Europe they look towards Brussels and the EFQM Excellence Model for support.

The Development of EFQM and its Excellence Model

1950: In the early 1950s, the Union of Japanese Scientists and Engineers (JUSE) instituted the ‘Deming Prize’ to recognize both organizations and individuals who had made an exemplary contribution to the performance and excellence of their organizations. While the Deming Prize was undoubtedly the first recognizable ‘Excellence Model’, its adoption as an internal self-assessment process, within global organizations, was generally low outside Japan. For today’s status and further insights visit <http://www.juse.or.jp/e/deming/04.html>

1983: In the US, a White House Conference on Productivity was held, with keynote speeches from President Reagan, Vice President Bush (Snr) and Commerce Secretary Malcolm Baldrige. The report published following the conference opened with a very blunt headline statement: *“America is the most productive nation in the world, but its growth in productivity has faltered. Some of the factors contributing to slower productivity growth are within our control and some are not, but it is important that we respond to this challenge.”* A long and wide-ranging debate ensued, and resulted in agreement from both political and business leaders that corporate performance excellence should be recognized through the establishment of a highly prestigious national award presented annually by the President. Thus, the Malcolm Baldrige National Quality Award (MBNQA) was launched in 1988. The Award was first presented in 1988 to Motorola, Westinghouse and Globe Metallurgical. It is based on the use of a transparent, widely communicated, performance Excellence model and has continued to the present day. For more insights go to: <http://www.quality.nist.gov/>

1988: The Presidents of 14 European companies came together to create the European Foundation for Quality Management. EFQM was formally established on 15 September 1988 in Brussels at the Chateau of Val Duchesse, where, thirty years earlier, the European Economic Community had begun. The Presidents of Bosch, BT, Bull, Ciba-Geigy, Dassault, Electrolux, Fiat, KLM, Nestlé, Olivetti, Philips, Renault, Sulzer and Volkswagen attended this important meeting and became the founders of EFQM.

1989: On 19 October 1989 in Montreux, EFQMs Mission, Vision and Objectives were officially presented. A policy document was signed by the Presidents of the 14 founding companies and the 53 co-founder companies. The EFQM mission was three-fold: to support the management of European companies as well as to stimulate and, where necessary, to assist all segments

of the European community. EFQM planned to achieve these aims through becoming a not-for-profit network of member organizations and creating a prestigious business award to promote the use of a performance assessment framework.

1991: The EFQM Excellence Model was born. From 1988 to 1991, the newly established EFQM focused its activities on and around the development of a member network and the EFQM Excellence Model. It was intended that the model be used as the framework against which applicants for a European Excellence Award could be judged. The work brought together a small core team of 10 so-called 'thinkers' supported by approximately 300 in-company experts from across Europe consisting primarily of the founders and early key corporate members of EFQM.

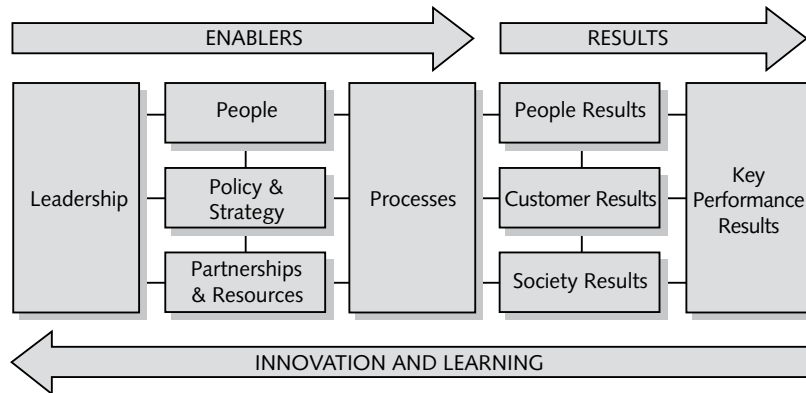


Figure 1: The EFQM Excellence Model (copyright: EFQM)

The criteria for the EFQM Excellence Model were developed by taking the best from other business standards and models, including the Deming Prize, the MBNQA process and through lengthy consultation with leaders in the business community. The criteria established by this approach thus reflected a consensus of what best practice looked like at the time (and this has been maintained by periodic reviews ever since). Although the ongoing annual award presentations are perhaps the most visible outcome of this work, in practice, the vast majority of users of the Model do so within their organizations, with no intent to apply for an award. Part of the ongoing success and popularity of the Model is due to the development of case studies

of excellence, based on real-life examples. In addition, assessor training is widely available, and serves to develop and calibrate teams of assessors, who can apply this learning both to their own organizations and to award applicants.

1992: The first European Quality Award was presented to Rank Xerox, by the King of Spain at the EFQM Forum in Madrid.

1995: In the beginning, EFQM tended to focus on commercial organizations which were large businesses and their subsidiaries. But after the first year of the award, it became apparent that the Model was equally applicable to the Public Sector and to Small and Medium Enterprises (SMEs). EFQM, supported by the European Commission began to encourage such organizations to use the EFQM Excellence Model and potentially to apply for the European Excellence Award.

EFQM and its Networks today

EFQM and its Networks today

Partner Networks:

Since 1991, agreements have been signed with national not-for-profit Excellence Organizations which now form the network of EFQM National Partner Organizations (NPOs). They have similar aims and objectives to EFQM and there are currently 24 NPOs. These NPOs represent EFQM within their countries and provide a range of services to their members and customers in the local language.

National Partner Organization contacts:

AUSTRIA: <http://www.oevq.at> and <http://www.afqm.at>

BELGIUM: <http://www.bbest.be> and <http://www.vck.be>

CZECH REPUBLIC: e-mail: hnatek@centrum.cz

DENMARK: <http://www.cfl.dk>

FINLAND: <http://www.laatukeskus.fi>

FRANCE: e-mail: philippe.bianchi@afnor.fr

GERMANY: <http://www.dgq.de>

GREECE: <http://www.eede.gr>

HUNGARY: e-mail: info@mik.hu

IRELAND: <http://www.eiqa.com>

ITALY: <http://www.aicq.it>

POLAND: e-mail: pcbc@pcbc.gov.pl or ara@kig.pl or tadeusz.buchacz@umbrella.org.pl

PORTUGAL: <http://www.apq.pt>

RUSSIA: <http://www.cepvok.ru> or <http://www.mirq.ru>

SLOVENIA: <http://www.mirs.si>

SPAIN: <http://www.clubexcelencia.org>

SWEDEN: <http://www.siq.se>

SWITZERLAND: <http://www.saq.ch> or <http://www.arq.ch>

TURKEY: <http://www.kalder.org>

UKRAINE: <http://www.qualitykiev.org>

UNITED KINGDOM: <http://www.quality-foundation.co.uk>

NORTHERN IRELAND: <http://www.cforc.org>

SCOTLAND: <http://www.qualityscotland.co.uk>

WALES: <http://www.walesqualitycentre.org.uk>

Full details of NPO contact points are listed at <http://www.efqm.org>.

Knowledge Networking:

One advantage of using the EFQM Excellence Model is that it provides a framework and common language by which to learn and seek performance insights from outside of your organization. The EFQM Knowledge network provides contact with over one thousand organizations which operate globally across various sectors. EFQM maintains a strong knowledge base in the area of performance excellence and continuous improvement, most of it formatted around the 'language' of the EFQM Excellence Model. A comprehensive website with links to all of this knowledge can be found at www.efqm.org.

A sub-site called 'Excellence One' is their key knowledge sharing area. Here they package a compilation of recent articles on management topics, best practices from various industries, over 400 articles on the implementation of business excellence and a number of learning tools and resources. Any user is able to see the basic level of information available; if you register your contact details, you will be able to read the most recently published articles; if your Organization is an EFQM Member, you have access to all the tools and resources.

This database includes:

- benchmarking Reports and Benchmarking Data
- a Good Practice Database
- over 400 articles on excellent management practices
- process Survey Tools
- extracts from Award Winners 'Applications' and assessments
- video interviews from CEOs
- presentations on EFQM for your own use

You can access this source at <http://excellenceone.efqm.org>

Key Facts:

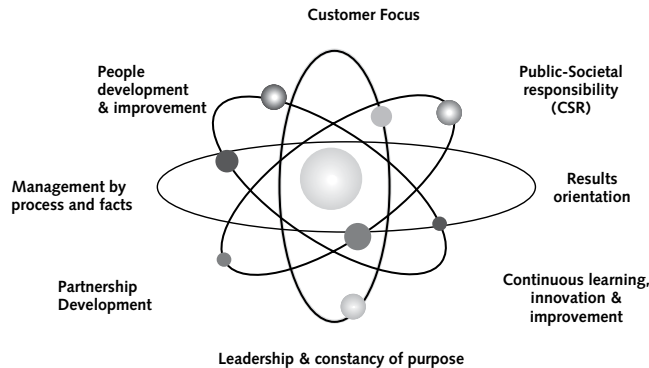
- EFQM continues to operate an annual European Excellence Award; 2006 winners are BMW Group Chassis and Driveline Systems Production, Grundfos A/S, TNT Express GmbH, St. Mary's College Londonderry.
- A 'Levels of Excellence' scheme engages organizations at the early stages of their journey to excellence (for more details see <http://www.efqm.org>).
- The EFQM member network is composed of approximately 1,000 organizations in 35 countries.
- Research shows that 60% of Europe's largest companies use the EFQM Excellence Model to improve their business performance.

The Concepts behind the EFQM Excellence Model

The Concepts behind the EFQM Excellence Model

Underpinning the EFQM Excellence Model, on which this Management Guide is based, is a set of eight 'core values'. These so-called 'Fundamental Concepts' created by EFQM in the early 1990s, were then, and continue to be, informed-renewed by their networks and users. They thereby represent a consensus on the key management principles and beliefs that will drive the sustainable success of European organizations. The Excellence Model itself (see the next chapter) is simply a framework to translate these concepts into action. For an organization to maximize the benefits of adopting the EFQM Excellence Model, a management team must first ensure that it is comfortable with these concepts. Clearly, if these concepts are not fully understood and accepted then progress with adopting the Model will be difficult and potentially meaningless.

The Fundamental Concepts are:



A detailed and free brochure, further describing these Fundamental Concepts can be downloaded from www.efqm.org.

Figure 2: Fundamental Concepts of Excellence

The eight Fundamental Concepts of excellence that underpin the EFQM Excellence Model can be summarised as follows:

1. **Leadership and Constancy of Purpose:** Excellence is about visionary and inspirational leadership, coupled with constancy of purpose.

“If you don’t know where you are going” the Scarecrow said to Dorothy, “it doesn’t matter which road you take.”

The Wonderful Wizard of Oz, L. Frank Baum

2. **Continuous Learning, Innovation and Improvement:** Excellence is about challenging the status quo and effecting change by utilising learning to create innovation and improvement opportunities.

“We’ll have to learn from the mistakes that others make. We can’t live long enough to make them all ourselves.”

Anon

3. **People Development and Involvement:** Excellence is about maximizing the contribution of employees through their development and involvement.

“The task of the leader is to get his people from where they are to where they have not been”

Henry Kissinger

4. **Partnership Development:** Excellence is about developing and maintaining value-adding partnerships.
5. **Customer Focus:** Excellence is about creating sustainable customer value.
6. **Management by Processes and Facts:** Excellence is about managing the organization through a set of interdependent and interrelated systems, processes and facts.

“Most of what we call management consists of making it difficult for people to get their jobs done”

Peter Drucker

7. **Corporate Social Responsibility:** Excellence is about exceeding the minimum regulatory framework in which the organization operates, and to strive to understand and respond to the expectations of their stakeholders in society.
8. **Results Orientation:** Excellence is about achieving results that delight all the organization’s stakeholders.

“The first responsibility of a leader is to define reality”

Max DePree The Art of Leadership

EFQM Excellence Model content and structure

EFQM Excellence Model content and structure

The EFQM Excellence Model translates these eight Fundamental Concepts of management into a dynamic and non prescriptive operational model, by which performance can be assessed.

At the highest level the model consists of nine criteria (see Figure 1):

- **five key enablers of excellence (leadership, policy and strategy, people management, resources and processes).**
These criteria provide ways to assess what is being done in the organization which, if effective, should be dynamically driving excellence in
- **the four results criteria (for customers, people, society and the business stakeholders)**
These criteria provide ways to assess what has been achieved.

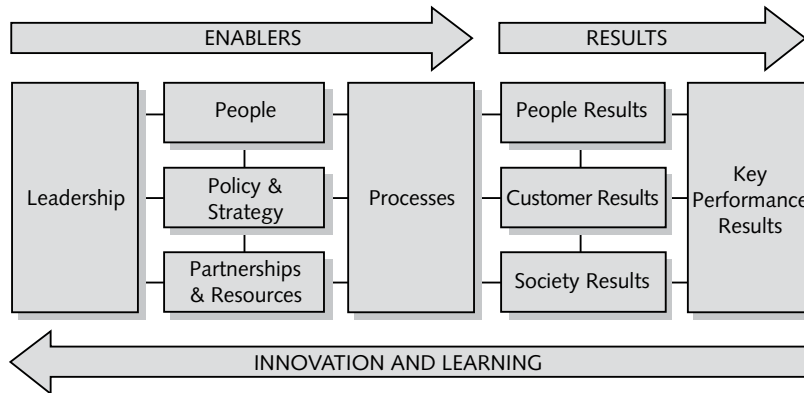


Figure 1: The EFQM Excellence Model (copyright: EFQM). See also page 5.

The arrows in Figure 1 emphasize the dynamic nature of the Model. The Model and its related scoring process (see Appendix 2) is a dynamic system. Innovation and learning must be present continually, to refine and improve the enablers that will, in turn, be likely to lead to improved future results.

Each of the nine criteria has a definition, which explains the high level meaning of that criterion. Beneath the nine criteria is a framework of 32 criterion parts; the criterion parts collectively provide a more detailed description of the Model.

The 32 analysis pro-formas in Appendix 1 provide the detailed description of each of the 32 criterion parts, they indicate how they relate to each other and list examples of good practices that leading organizations use to address the issues raised.

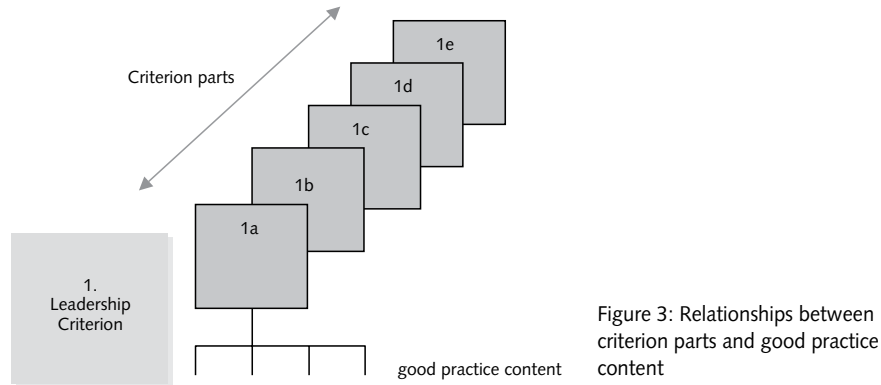
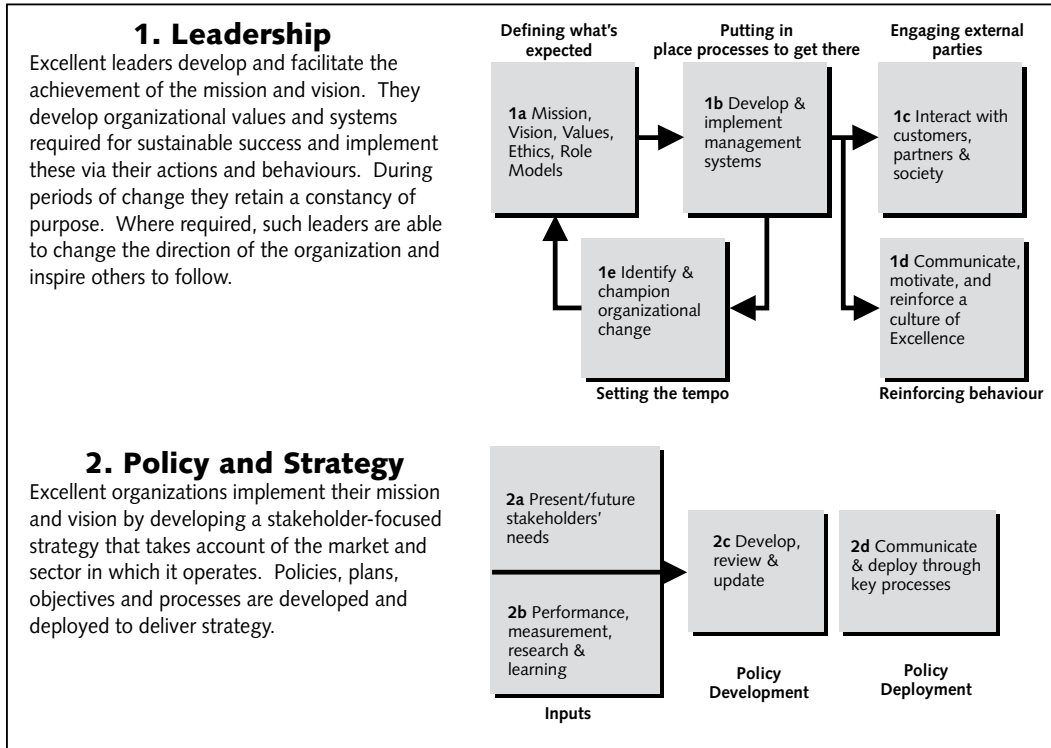


Figure 3: Relationships between criterion parts and good practice content

So, for example for criterion 1, readers wishing to understand the full meaning of the criterion parts for leadership should first read Appendix 1, where the criterion parts 1a through to 1e are fully described, further flow diagrams provided and good practice insights given.

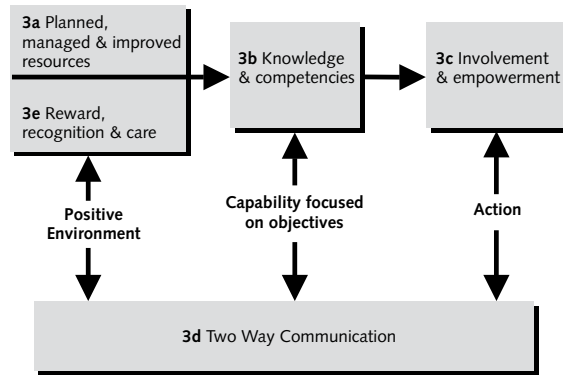
At the highest level nine criteria are defined as follows:

Note the light grey shaded boxes show the within criterion linkages, the dark grey shaded boxes show key related criteria that should be borne in mind during assessments.



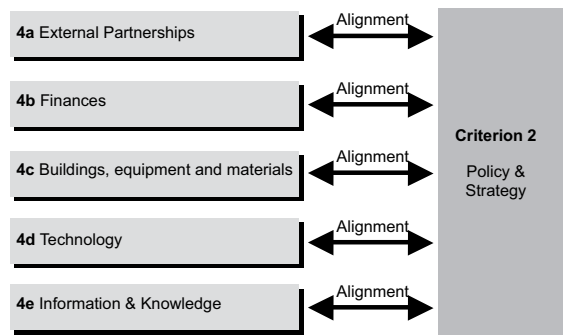
3. People

Excellent organizations manage, develop and release the full potential of their people at an individual, team-based and organizational level. They promote fairness and equality, and involve and empower their people. They care for, communicate, reward and recognize, in a way that motivates staff and builds commitment to using their skills and knowledge for the benefit of the organization.



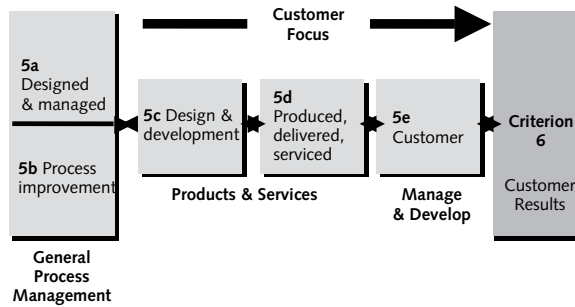
4. Partnerships and Resources

Excellent organizations plan to manage external partnerships, suppliers and internal resources in order to support policy and strategy and the effective operation of processes. During planning, and whilst managing partnerships and resources, they balance the current and future needs of the organization, the community, and the environment.



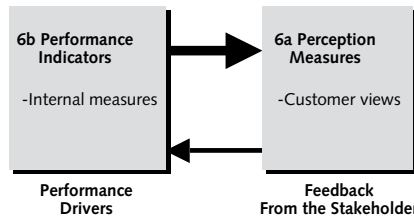
5. Processes

Excellent organizations design, manage and improve processes in order to fully satisfy, and generate increasing value for, customers and other stakeholders.



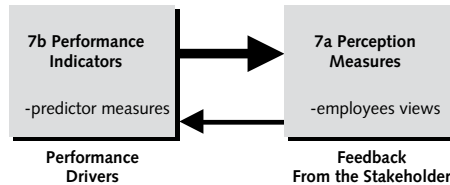
6. Customer Results

Excellent organizations comprehensively measure and achieve outstanding results with respect to their customers



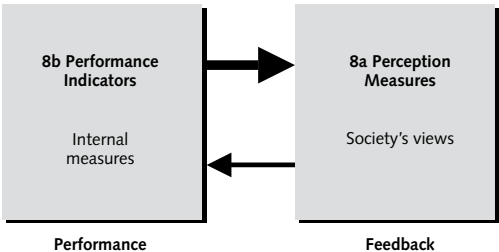
7. People Results

Excellent organizations comprehensively measure and achieve outstanding results with respect to their people..



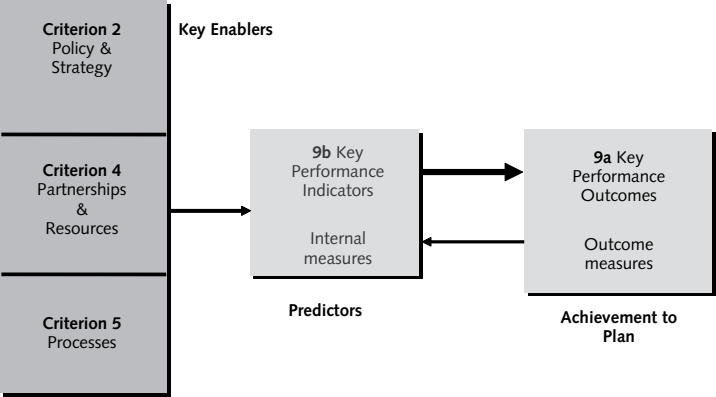
8. Society Results

Excellent organizations comprehensively measure and achieve outstanding results with respect to society.



9. Key Performance Results

Excellent organizations comprehensively measure and achieve outstanding results with respect to the key elements of their policy and strategy.



A five step plan for an effective Assessment of your organization's performance against the EFQM Excellence Model

Step 1. Build understanding of and commitment to the Model

The EFQM Excellence Model provides a holistic approach to managing for improvement, and so is most successful when it has the full support of everyone in the Executive team of an organization.

To achieve this, over time, a systematic plan to raising awareness and dealing with any perceived barriers will be key. Such plans could include:

- providing reading materials, such as those published by EFQM and or translations made by National or Regional Award schemes using the EFQM Excellence Model;
- circulating copies of a published award-winning submissions;
- preparing a presentation on how the Model might relate to the organization;
- attending training courses;
- visits or conferences to meet face-to face with executives and/or organizations who have been using the Model for some time; and/or
- carrying out a simple first assessment; many users of the Model, when looking back at their early experiences comment that full awareness/understanding of both the process and its benefits was not fully attained until they undertook their first assessment.

Again, further supportive resources are available at www.efqm.org

Step 2. Be clear, from the start, on your reasons for doing it

After a period of learning-awareness leading to some degree of understanding and commitment there comes a time to undertake your first assessment. Although your answer to the question ‘why are we doing this?’ may change over time (as you become more experienced and robust with your assessments), it is vital to be clear on this at the start, particularly for your first assessment.

Organizations enjoy many potential benefits as a result of undertaking assessments using the EFQM Excellence Model. These include providing:

- a proven, structured, fact-based technique to identifying and **Assessing your Organization’s Strengths and Areas for Improvement** and measuring its progress periodically;
- a way to **Compare Performance** with others;
- a method that helps identify **Good Practices**, both internally and externally;
- as the basis for creating a **Common Vocabulary**, way of thinking and method to **Educate People** in your organization on the Fundamental Concepts of Excellence and how they relate to their responsibilities;
- a way to draw from and **Co-ordinate the Contributions of all Stakeholders** in a way that enhances a mutual learning and trust culture; and
- as a structure to help **Integrate the various projects and Improvement Initiatives** into your normal operational systems.

“Being able to learn faster than the competition may be the only sustainable advantage”

Arie de Geus. (“The Living Company”)

EFQM uses the term ‘Self-Assessment’ to describe a self (organizationally) led application of the Model. The EFQM definition of Self-Assessment is as follows: ‘*Self-Assessment is a comprehensive, systematic and*

regular review by an organization of its activities and results referenced against the EFQM Excellence Model. The Self-Assessment process allows the organization to discern clearly its strengths and areas in which improvements can be made and culminates in planned improvement actions that are then monitored for progress.'

Perhaps the last sentence is key and if you are not able to drive the result of the assessment activity to 'actions' perhaps you need to reconsider your thinking.

Step 3. Be clear the part of the organization you are going to assess and its strategic context

Right at the start of the project, it is essential to scope the assessment by defining the boundaries of the organization to be assessed and being clear on the strategic context for the assessment.

It may be, for example, that the organization is a division or sub-unit within a larger enterprise, with full accountability for some of its activities, but taking some of its internal services from the parent company; in this case the answers to some of the following 'Key Factors' may be complex.

To help you to ensure that these boundaries are clear in your mind (and we suggest also for you to obtain agreement from all those involved at the start), we suggest you create a *short document* (2-3 pages maximum) to list response to what EFQM calls 'Key Factors' that should be used to give strategic context to the application of the model.

There are five Key Factors to consider. Key Factors are those key facts about your organization which help to give appropriate strategic context to the way in which you apply the model in Assessment. See Figure 3.

KF1: Organizational definition/environment

Create a short list of the key facts that define your organization: history, values, vision and mission, its geographical sites, people, etc.

KF2: What is your performance improvement system?

List your key approaches to improving the performance of your organization: what tools are used?

KF3: Organizational relationships

List those who you regard as current and potential stakeholders: key partners, key suppliers, relationship with parent organization (if appropriate), internal customer supplier relationships, etc.

KF4: Competitive environment

List current and potential markets/intermediaries/competitors/customers, your position in different markets, the key customer needs, segmentations, major customers, use of distributors, etc.

KF5: Your main strategic challenges?

List key risks and opportunities in current and future value propositions: which ones are already achieved, what are the ones ahead in the near and further future?

Strategic context for Assessments:

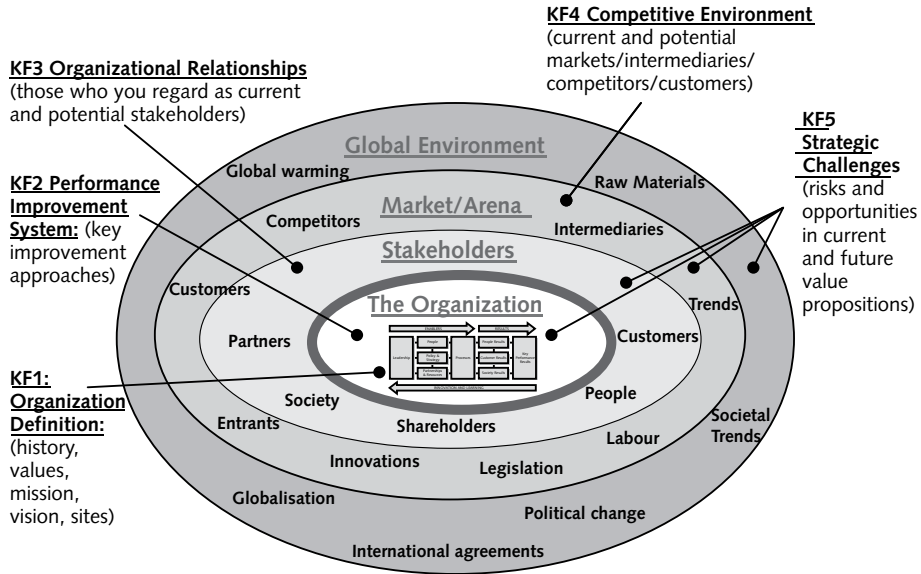


Figure 4: Strategic context for assessments

Step 4. Choose and use an effective method of Assessment

There is no definitive answer to the question ‘Which is the right way to apply the EFQM Excellence Model to perform an Assessment of my organization?’, the culture and structure of the organization, as well as the benefits desired should influence the decision as to which particular Assessment technique to adopt at any given moment in time. Options are often segmented into the following categories:

- **Use of Questionnaires** - This technique can be one of the least resource intensive and can be completed very quickly. It is an excellent method for gathering information on the perceptions of people within an organization. Some organizations use simple yes/no questionnaires; others adopt slightly more sophisticated versions that use a rating scale. Questionnaires can also be used as a method for widespread data gathering in support of a more detailed assessment technique. Examples can be downloaded at www.efqm.org
- **Assessment Workshops** - This is typically a facilitated event of between one and one-and-a-half days, that involves members of a team in a discussion and decision-making process linked to assessing evidence on data presented against each part of the model and reaching consensus on strengths and areas for improvement. Subsequently, a second discussion and decision-making process is used to prioritise the list of potential improvement actions, assign ownership and agree timescales for delivery of the improvements.
- **Award Simulation** - This technique is effectively a replication of entering for the EFQM Excellence Award. It involves writing for the individual unit or whole organization undertaking the Assessment a submission document presenting your organization's achievements across a range of areas relating to each sub-criteria of the EFQM Excellence Model.

The use of assessment data gathering pro-formas can help inform all approaches –This management guide contains a series of 32 pro-formas, one for each criterion part. By following the self explanatory steps on the forms in Appendix 1 and using a scoring approach as described in Appendix 2 users of this management guide can help inform any chosen method of assessment.

We recommend that a good first assessment approach is to use the pro-formas in this book to prepare for and undertake an Assessment workshop. With this approach, the Executive team (or a group of key players) comes together in a workshop environment to undertake a 'live' assessment over a one to one-and-a-half day period.

During the workshop, the team compiles agreed lists of strengths and areas for improvement against each of the elements of the Model. With appropriate facilitation, the team members can be prompted to ensure that they have addressed and scored/analyzed all the relevant areas.

Step 5. Conclude Actions Arising

Once an assessment is completed, you may have created a long list of strengths and areas for improvement. A good next step is to use a systematic approach to prioritisation and action planning.

If you have used the pro-forma's in Appendix 1 of this book the last question on each of the x32 pro-formas will have prompted you to assess strategic importance on a scale from 'not relevant' to 'useful' to 'important' to 'critical'. You will also have a % score for each criterion part. The next step is to plot each criterion part by its likely strategic impact, and the criterion part score you obtained, on a two-axis matrix. The horizontal axis should run from 0%, on the left, to the highest criterion part score you achieved in the assessment on the right. This should be bisected by the vertical axis, representing strategic importance at the halfway point.

It is likely that the plot will populate all four segments. In the top right, there are the high impact, high scoring criterion parts. These criterion parts are your sources of strength, and should be reinforced. The 'vital few' areas for improvement are in the top left quadrant. These are of high impact on the business, but are scoring at a low level and should be the subject of further debate and action.

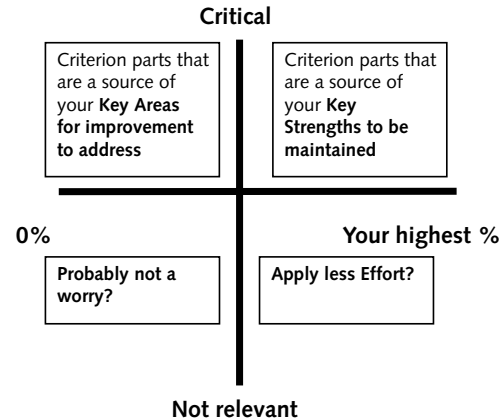


Figure 5: Criterion part score matrix

Final Conclusions:

After a first assessment, you will have to decide whether to integrate the approaches experienced into the existing management systems of the business or whether to run EFQM Model Assessments/ Excellence as a 'project' for a little while. In practice, this is often an evolutionary process. Many organizations start with an 'Excellence project' in order to satisfy themselves of its value, and to learn more, before integrating it into the existing planning cycle. If you choose a project-based approach, it is a good practice to create a project steering team. The role of the project steering team could include:

- creating, and managing, the overall project plan;
- raising awareness of Excellence throughout the organization;
- training as assessors and participating in further assessments;
- facilitating and co-ordinating improvement projects and reporting on progress.