

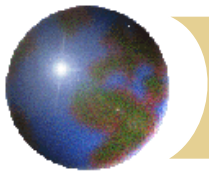
EFQM

Fundamental concepts and links

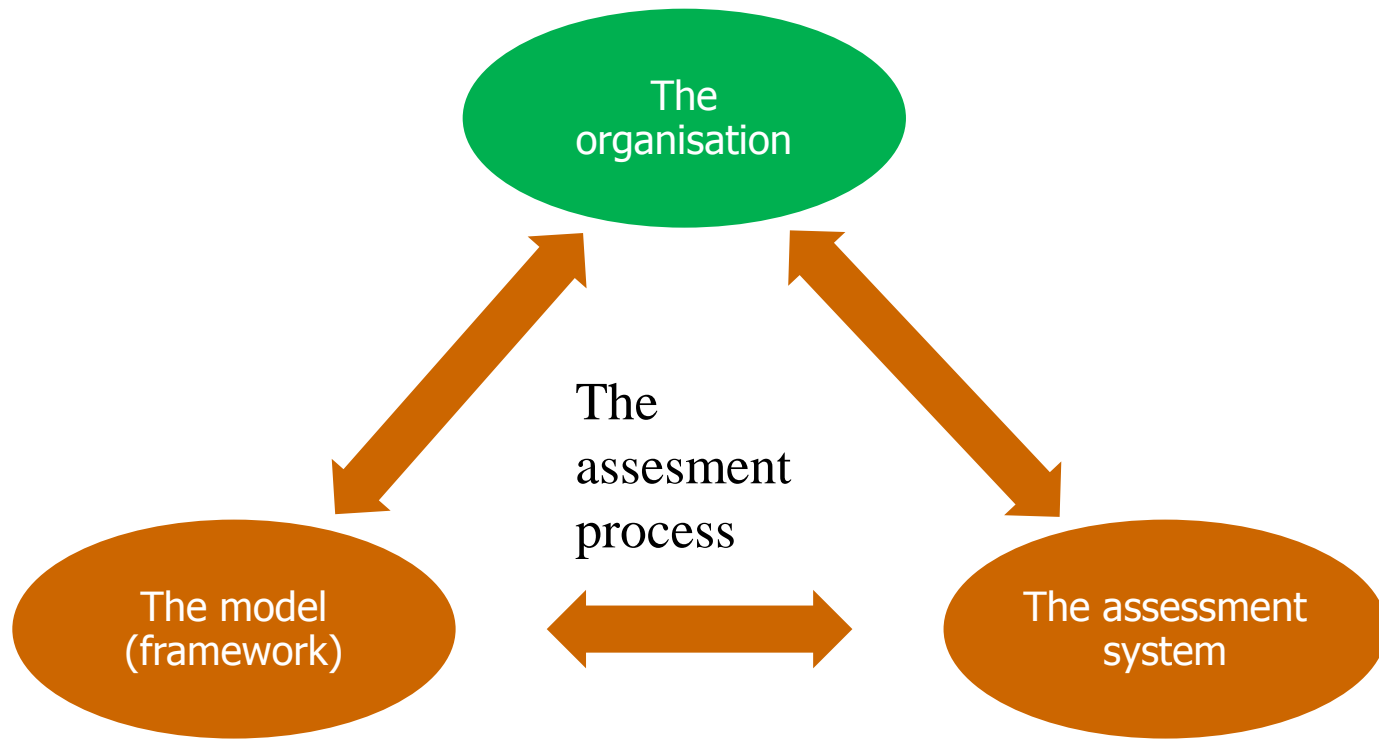


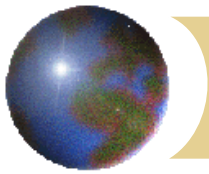
Dr. Carlos Machado, UAB (VUB-EhB).





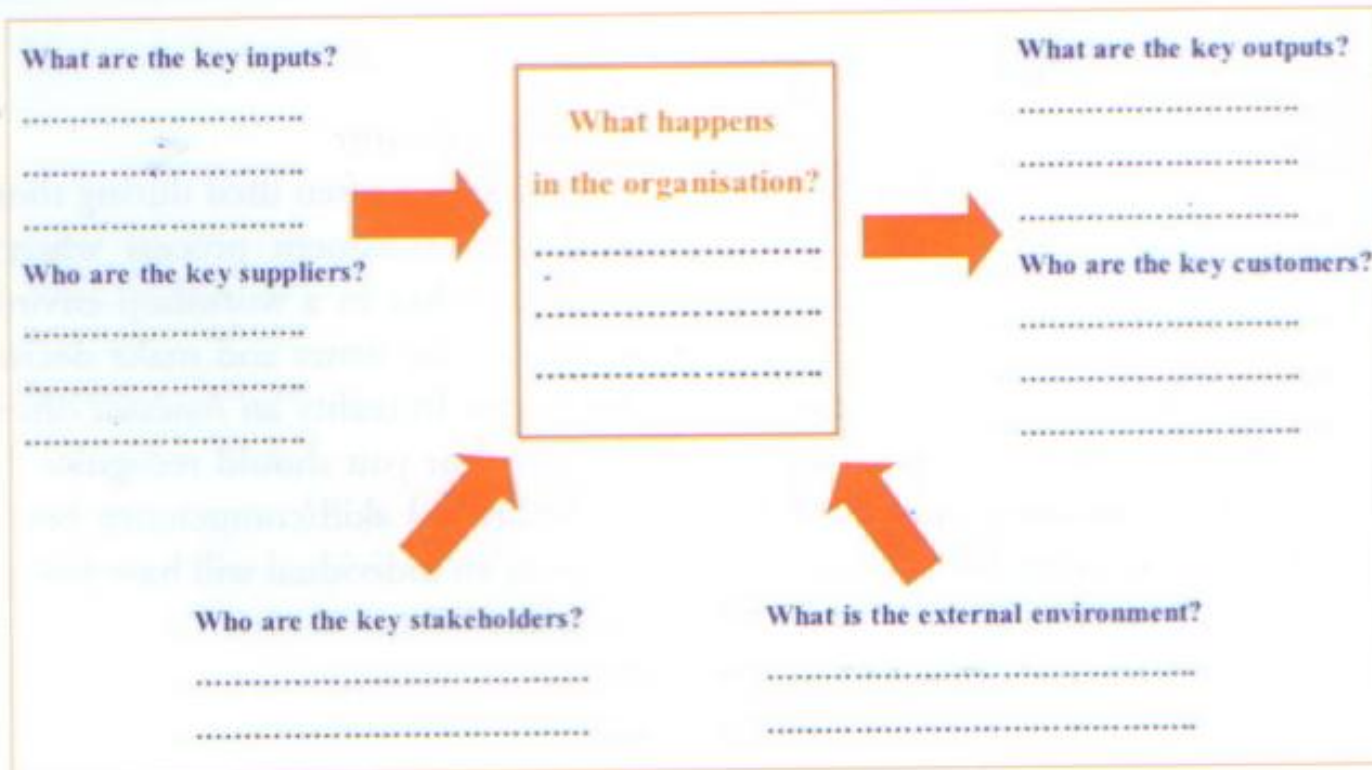
Self-assessment structure: an effective assessment

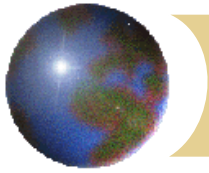




✚ Organisational model

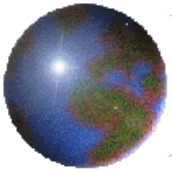
– Organisational Context





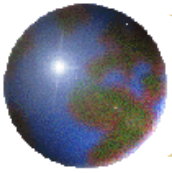
Key factors

- ⊕ The key facts about the organisation which help assessors to gain an insight into the context of the organisation and therefore provide a basis for commentary that is highly relevant and adds real value for the organisation



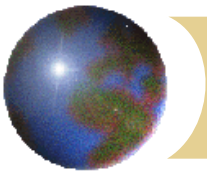
Key factors - overview

- ⊕ Used as a tool by assessors to help improve relevance and value of commentary; does not form part of assessment output
- ⊕ Identified within 5 categories

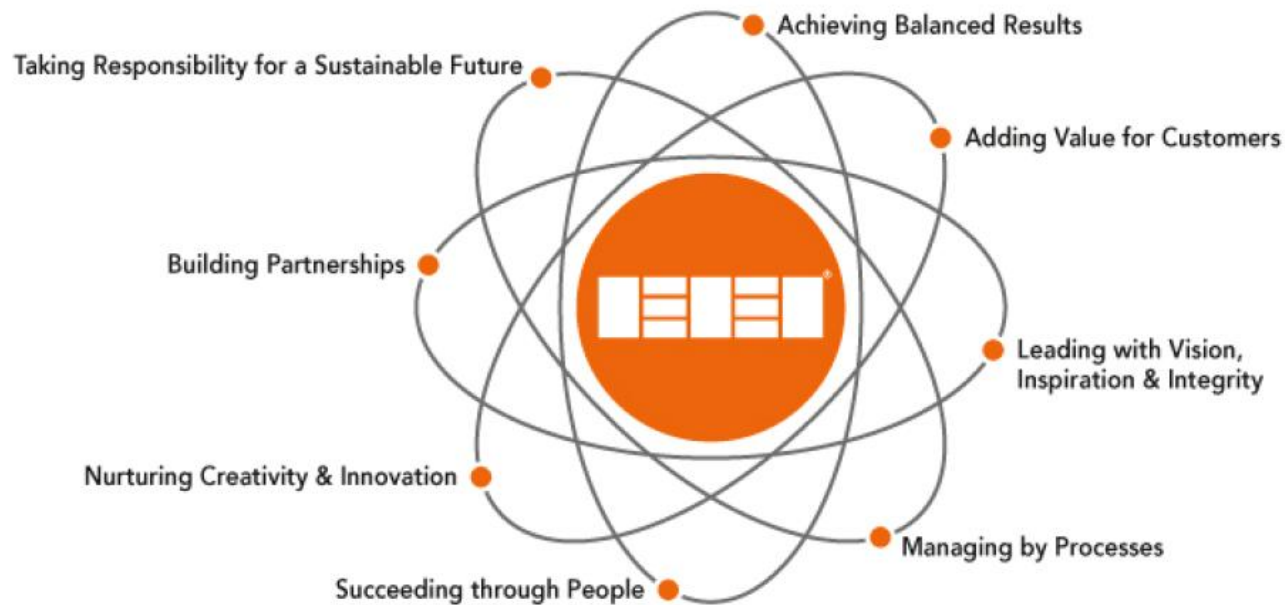


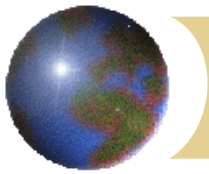
Key factors - categories

- ⊕ Organisational environment
- ⊕ Organisational relationships
- ⊕ Competitive environment
- ⊕ Strategic challenges
- ⊕ Performance Improvement system



Fundamental concepts

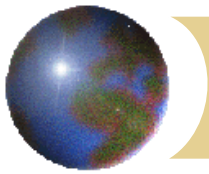




Results orientation

- ⊕ Objective: to achieve results that satisfy all the organisation 's stakeholders

- ⊕ Advantages:
 - Added value for all stakeholders
 - Sustainable success for all stakeholders
 - Understanding of the current and future requirements for performance in order to set targets
 - Alignment and focus throughout the organisation
 - Satisfied stakeholders



Customer focus

- ✚ objective = to create a sustainable customer value
- ✚ Advantages

Satisfied customers

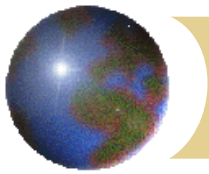
Strong customer loyalty and retention

Enhanced market share

Sustained success for the organisation

Motivated employees

Understanding of competitive advantage



Leadership and constancy of purpose

- ✦ objective= visionary and inspirational leadership, coupled with constancy of purpose
- ✦ Advantages

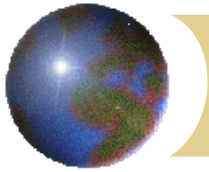
Clarity of purpose and direction within the organisation

A clear identity for, and within, the organisation

Consistent and role model behaviours throughout the organisation

A committed, motivated and effective workforce

Confidence in, and within the organisation, even in turbulent and changing times



Management by processes

- ✦ objective = to manage the organisation through a set of interdependent and interrelated systems and processes

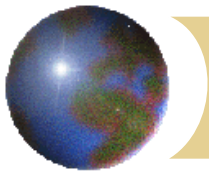
- ✦ Advantages

 - Maximised effectiveness and efficiency in delivering the aims of the organisation and its products and services

 - Effective and realistic decision-making

 - Effective management of risk

 - Enhance confidence of stakeholders



People development and involvement

- ✦ objective = to maximise the contribution of employees through their development and involvement

- ✦ Advantages

Shared ownership of the organisation 's aims and objectives

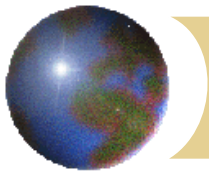
A committed, loyal and motivated workforce

Highly valuable intellectual capital

Continuous improvement of capability and performance of individuals

Increased competitiveness through enhanced image

Achieved potential



Continuous learning, innovation and improvement

- ✦ objective = to challenge the status quo and effecting change by utilising learning to create innovation and improvement opportunities

- ✦ Advantages

 - Improved value generation

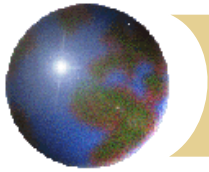
 - Improved effectiveness and efficiency

 - Increased competitiveness

 - Innovation in products and services

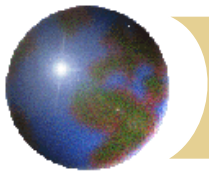
 - Knowledge capture and sharing

 - Organisational agility



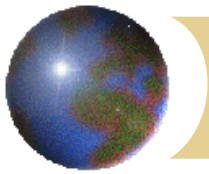
Partnership development

- ⊕ objective = to develop and maintain value adding partnerships
- ⊕ Advantages
 - Increased value for stakeholders
 - Improved competitiveness
 - Optimising core competencies
 - Improved effectiveness and efficiency
 - Improved chances of survival
 - Shared risk and cost



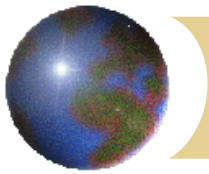
Fundamental concepts during different phases of 'organisational' maturity

Concept	Start up
Results on orientation	All relevant stakeholders are identified
Customer focus	Customer satisfaction is assessed
Leadership and constancy of purpose	Vision and mission are defined
Management by processes	Processes to achieve desired results are defined
People development and involvement	People accept ownership and responsibility to solve problems
Continuous learning, innovation and improvement	Improvement opportunities are identified and acted on
Partnership development	A process exists for selecting and managing suppliers
Corporate Social responsibility	Legal and regulatory requirements are understood and met



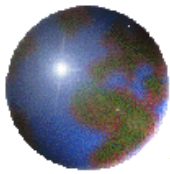
Phase II - Implementation

Concept	On the way
Results on orientation	Stakeholder needs are assessed in a structured way
Customer focus	Goals and targets are linked to customer needs and expectations. Loyalty issues are researched
Leadership and constancy of purpose	Policy, people and processes are aligned. A leadership model exists.
Management by processes	Comparative data and information is used to set challenging goals
People development and involvement	People are innovative and creative in furthering organisational objectives
Continuous learning, innovation and improvement	Continuous improvement is an accepted objective for every individual
Partnership development	Supplier improvement and achievements are recognised and key external partners are identified
Corporate social responsibility	There is active involvement in 'society'.



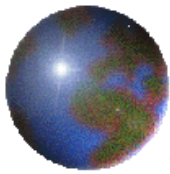
Phase III Maturity

Concept	Maturity
Results on orientation	Transparent mechanisms exist to balance stakeholder expectations
Customer focus	Drivers of customer satisfaction needs and loyalty issues are understood, measured and actioned
Leadership and constancy of purpose	Shared values and ethical role models exist at all organisational levels
Management by processes	Process capability is fully understood and used to drive performance improvements
People development and involvement	People are empowered to act and openly share knowledge and experience
Continuous learning, innovation and improvement	Successful innovation and improvement is widespread and integrated
Partnership development	The organisation and main partners are interdependent. Joint development of plans and policies based on shared knowledge
Corporate Social responsibility	Societal expectations are measured and actioned



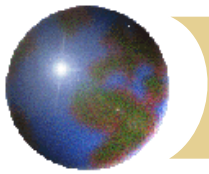
Overview – fundamental concepts

2010 version	2003 version	Main shift in content
Achieving Balanced Results	Results orientation	<i>Focus is now on developing the key set of results required to monitor progress against the vision, mission and strategy, enabling leaders to make effective and timely decisions.</i>
Adding Value for Customers	Customer Focus	<i>Focus is now on clearly defining and communicating the value proposition and actively engaging customers in the product and service design processes.</i>
Leading with Vision, Inspiration & Integrity	Leadership & Constancy of Purpose	<i>The concept is now more dynamic, focusing on the ability of leaders to adapt, react and gain the commitment of all stakeholders to ensure the ongoing success of the organisation.</i>
Managing by Processes	Management by Processes and Facts	<i>The focus is now on how the processes are designed to deliver the strategy, with end to end management beyond the “classic” boundaries of organisation.</i>



Overview – fundamental concepts

2010 version	2003 version	Main shift in content
Building Partnerships	Partnership Development	<i>The concept has been extended to include partnerships beyond the supply chain and recognises that these should be based on sustainable mutual benefits to succeed.</i>
Taking Responsibility for a Sustainable Future	Corporate Social Responsibility	<i>The concept now focuses on actively taking responsibility for the organisation's conduct and activities and managing its impact on the wider community.</i>
Succeeding through People	People Development and Involvement	<i>The focus is now on creating a balance between the strategic needs of the organisation and the personal expectations and aspirations of the people to gain their commitment and engagement.</i>
Nurturing Creativity & Innovation	Continuous Learning, Innovation and Improvement	<i>The concept now recognises the need to develop and engage with networks and engaging all stakeholders as potential sources of creativity and innovation.</i>



Achieving Balanced Results

Excellent organisations meet their Mission and progress towards their Vision through planning and achieving a balanced set of results that meet both the short and long term needs of their stakeholders and, where relevant, exceed them.

Adding Value for Customers

Excellent organisations know that customers are their primary reason for being and strive to innovate and create value for them by understanding and anticipating their needs and expectations.

Leading with Vision, Inspiration & Integrity Excellent organisations have leaders who shape the future and make it happen, acting as role models for its Values and ethics.

Managing by Processes

Excellent organisations are managed through structured and strategically aligned processes using fact-based decision making to create balanced and sustained results.

Succeeding through People

Excellent organisations value their people and create a culture of empowerment for the balanced achievement of organisational and personal goals.

Nurturing Creativity & Innovation

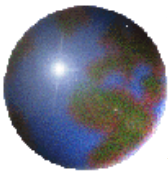
Excellent organisations generate increased value and levels of performance through continual and systematic innovation by harnessing the creativity of their stakeholders.

Building Partnerships

Excellent organisations seek, develop and maintain trusting relationships with various partners to ensure mutual success. These partnerships may be formed with customers, society, key suppliers, educational bodies or Non-Governmental Organisations (NGO).

Taking Responsibility for a Sustainable Future

Excellent organisations embed within their culture an ethical mindset, clear Values and the highest standards of organisational behaviour, all of which enable them to strive for economic, social and ecological sustainability.



Enablers

Leadership

People

Strategy

Partnership & Resources

Processes, Products & Services

Results

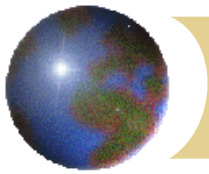
People Results

Customer Results

Society Results

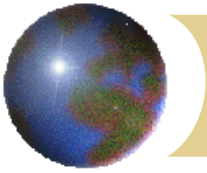
Key Results

Learning, Creativity and Innovation



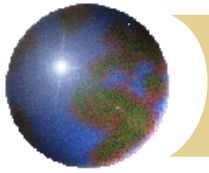
Leadership: Sub-indicators

- 1a. leaders develop the mission, vision, values and ethics and act as role models
- 1b. Leaders define, monitor, review and drive the organisation's management system and performance.
- 1c. leaders engage with customers, partners and representatives of society
- 1d. leaders reinforce a culture of excellence with the organisation's people
- 1e. leaders ensure that the organisation is flexible and manages change effectively



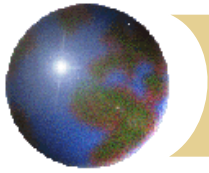
Strategy: Sub-indicators

- 2a. Strategy is based on understanding the needs and expectations of both stakeholders and the external environment
- 2b. Strategy is based on understanding internal performance and capabilities
- 2c. Strategy and supporting policies are developed, reviewed and updated to ensure economic, societal and ecological sustainability
- 2d. Strategy and supporting policies are communicated and deployed through plans, processes and objectives



People: Sub-indicators

- 3a. People plans support the organisation's strategy
- 3b. People's knowledge and capabilities are developed
- 3c. People are aligned, involved and empowered
- 3d. People communicate effectively throughout the organisation
- 3e. People are rewarded, recognised and cared for



Partnerships & resources : Sub-indicators

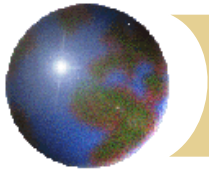
4a. Partners and suppliers are managed for sustainable benefit

4b. Finances are managed to secure sustained success

4c. Buildings, equipment, materials and natural resources are managed in a sustainable way

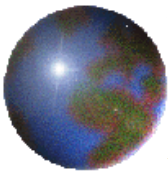
4d. Technology is managed to support the delivery of strategy

4e. Information and knowledge are managed to support effective decision making and to build the organisational capability

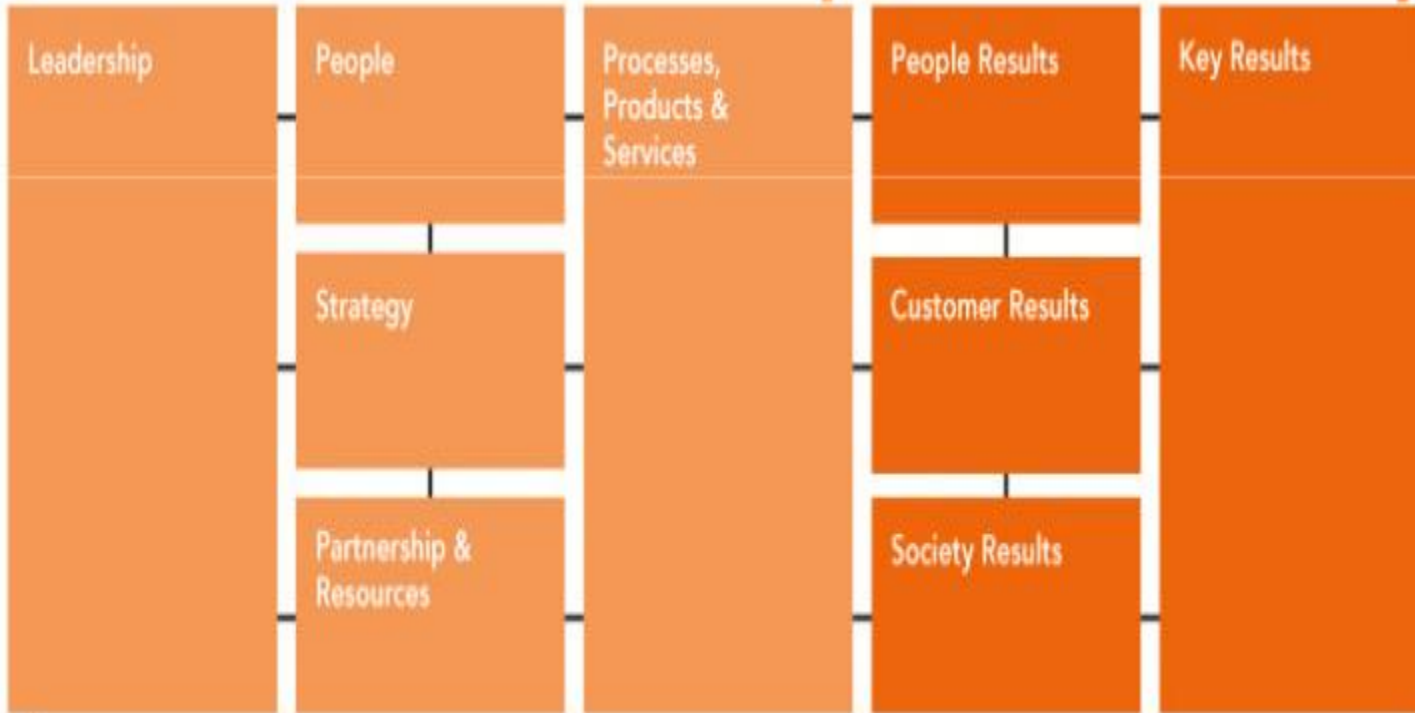


Processes, products and services

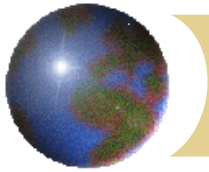
- 5a. Processes are designed and managed to optimise stakeholder value
- 5b. Products and Services are developed to create optimum value for customers
- 5c. Products and Services are effectively promoted and marketed
- 5d. Products and Services are produced, delivered and managed
- 5e. Customer relationships are managed and enhanced



Enablers



Learning, Creativity and Innovation



6 *Customer results*

6a. **Perception measures**

These are the customers' perceptions of the organisation. They may be obtained from a number of sources, including customer surveys, focus groups, vendor ratings, compliments and complaints.

These perceptions should give a clear understanding of the effectiveness, from the customer's perspective, of the deployment and execution of the organisation's customer strategy and supporting policies and processes.

Depending on the purpose of the organisation, measures may focus on:

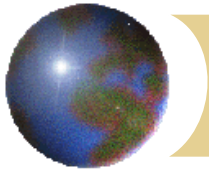
Reputation and image

Product and service value

Product and service delivery

Customer service, relationship and support

Customer loyalty and engagement



6 *Customer results*

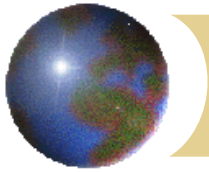
6a. **Performance indicators**

These are the internal measures used by the organisation in order to monitor, understand, predict and improve the performance of the organisation and to predict their impact on the perceptions of its external customers.

These indicators should give a clear understanding of the efficiency and effectiveness of the deployment and execution of the organisation's customer strategy and supporting policies and processes.

Depending on the purpose of the organisation, measures may focus on:

- ✦ Products and services delivery
- ✦ Customer service, relationships and support
- ✦ Complaints and compliments
- ✦ External recognition



7 People results

7a. Perception measures

Motivation

Satisfaction

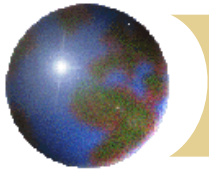
7b. Performance indicators

Achievements

Motivation and involvement

Satisfaction

Services provided to the organisations's people



8 Society results

8a. Society's perception measures

Depending on the purpose of the organisation this may include

Image

Social responsibility (equal opportunities, gender balance ...)

Involvement with local communities

Reduction and prevention of risks from operations (environment)

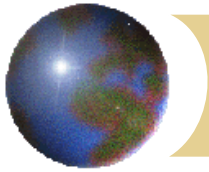
Preservation and sustainability of resources

8b. Performance indicators

Handling changes in employment levels

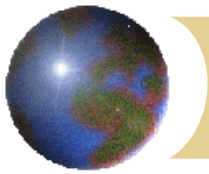
Certifications (clearances, register, product release)

Accolades and awards



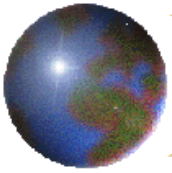
Key results

- 9a: Key Strategic Outcomes, focusing on what is achieved compared to what was stated in the strategy
- 9b: Key Performance Indicators, focusing on leading indicators used to predict the strategic outcomes

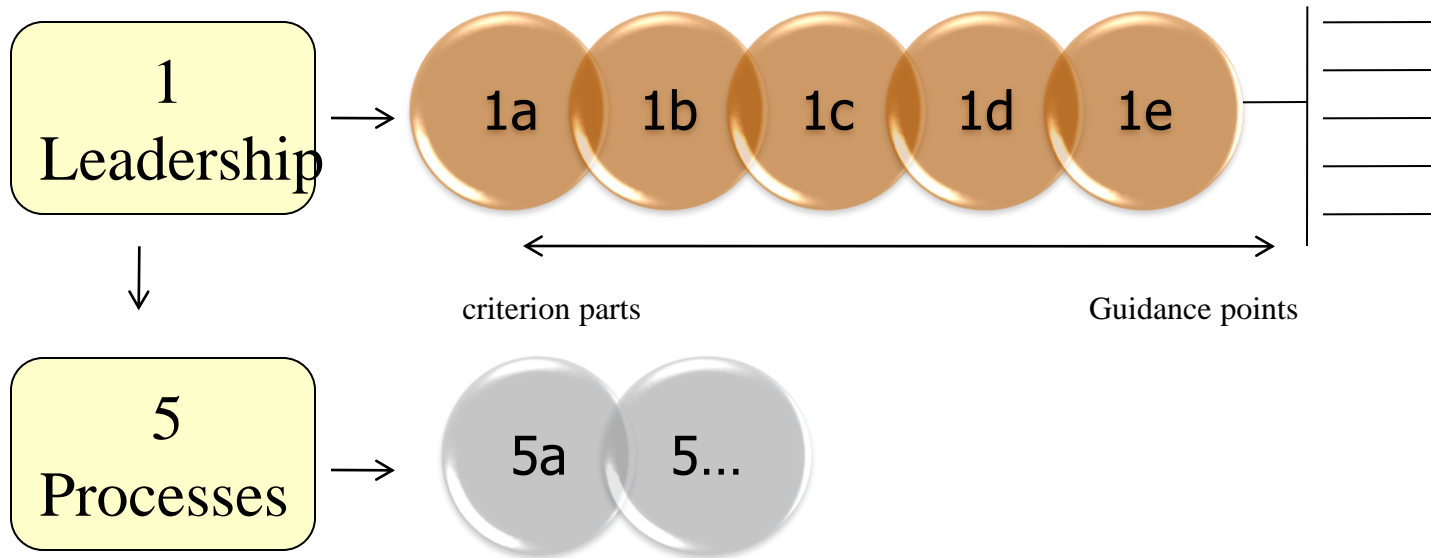


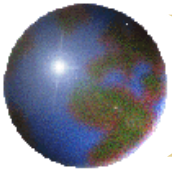
Integration of the fundamentals into the model

Criterion	1					2				3					4					5					6		7		8		9			
	Leadership					Strategy				People					Partnerships & Resources					Processes, Products and Services					Customer Results		People Results		Society Results		Key Results			
	A	B	C	D	E	A	B	C	D	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E	A	B	A	B	A	B	A	B		
Achieving Balanced Results		X	X			X		X	X						X	X			X						X	X	X	X	X	X	X	X	X	X
Adding Value for Customers			X				X														X	X	X	X	X	X		X						
Leading with Vision, Inspiration and Integrity	X			X	X			X					X														X		X				X	
Managing by Process		X					X		X			X			X	X	X	X	X		X			X	X	X		X		X		X		
Succeeding through People	X			X						X	X	X	X	X													X	X	X					
Nurturing Creativity & Innovation			X				X		X			X						X	X	X	X						X	X	X	X	X	X	X	X
Building Partnerships			X			X	X								X							X			X	X	X	X	X	X	X	X		
Taking Responsibility for a Sustainable Future	X	X	X		X	X	X	X				X	X			X					X		X	X			X		X	X	X			



Structure of the enabler criteria





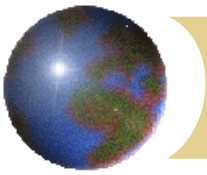
Relationships between criteria

- Some of the more obvious links between enablers and results criteria are:

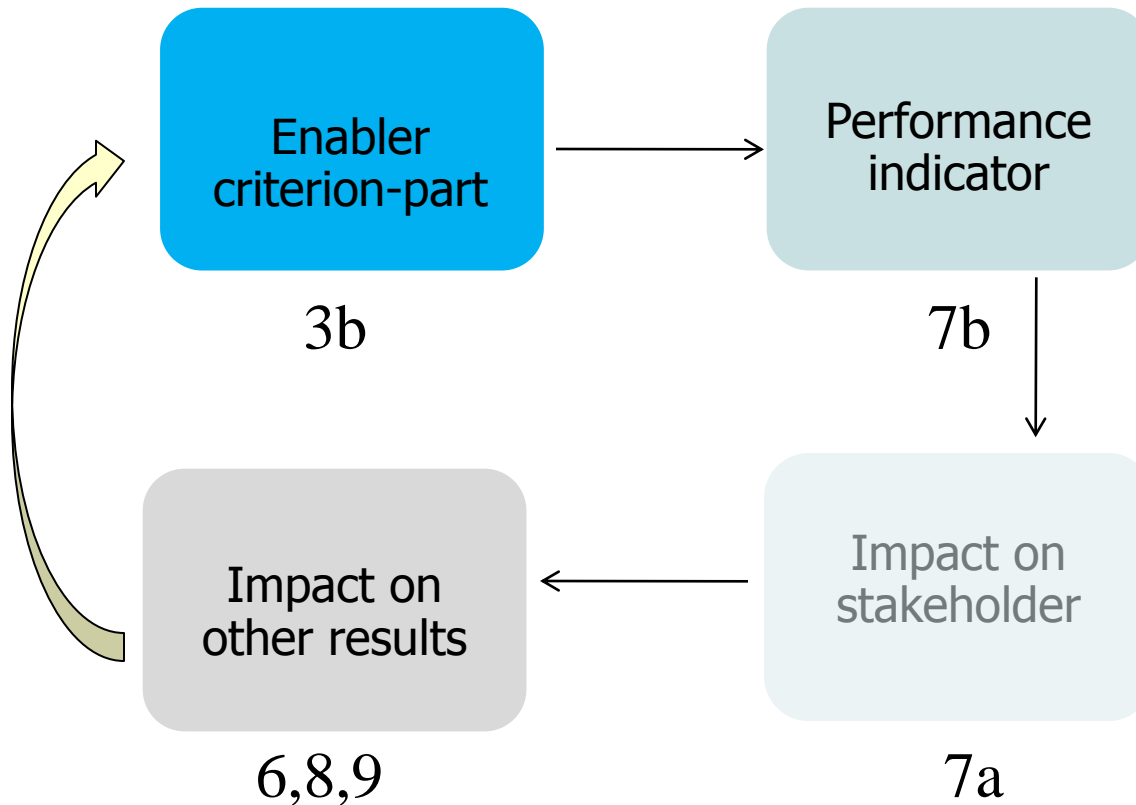
3 and 7

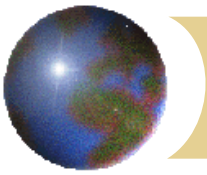
4/5 and 9

2 and 5/9



Relationships between criterion parts





Linkages people

