

The Sixth *QHE* Seminar

The End of Quality?

Birmingham, 25–26 May, 2001

QUALITY - THE END OR JUST THE BEGINNING?

1 INTRODUCTION

This paper builds on the work of the author and a consortium of collaborators drawn from Cranfield, Durham, Salford and Ulster universities and Dearne Valley College. Funded by the Higher Education Funding Council (HEFCE) under the Developing Good Management Practice Initiative, the consortium is evaluating the benefits of applying the EFQM Excellence Model in a Higher Education context. The consortium is also comparing and contrasting the principles and practices presented by the EFQM Excellence Model with the UK quality assurance frameworks, Investors in People, the Balanced Scorecard, The Learning Organisation concept and the Service Profit Chain.

The paper sets out to describe the evolution of the concept of ‘organisational excellence’, to highlight some of the early findings from the consortium and to draw out some initial distinctions between the different approaches. It puts forward the view that ‘quality’ is just the starting point for the journey towards organisational excellence.

2 THE EVOLUTION OF ORGANISATIONAL EXCELLENCE

Quality has been variously described as:

‘Fitness for purpose’ – Juran¹

‘Conformance to requirements’ – Crosby²

‘Quality should be aimed at the needs of the customer, present and future’ - Deming³

‘Meeting customer requirements’ – Oakland⁴

‘Consistently meeting customer requirements’

‘Delighting the customer’

‘Achieving customer loyalty’

Organisations typically take a journey which embraces the stages of inspection, quality control, quality assurance to Total Quality Management (TQM) that has been defined by Kristensen, Dahlgard and Kanji⁵ as follows:

TQM is the culture of an organisation committed to customer satisfaction through continuous improvement.

TQM is characterised by features such as focused vision, continuous improvement, managing internal customer-supplier relationships and leadership. TQM seeks to involve everyone in the organisation in the improvement of the processes they work in. Programmes are usually tailored to suit the needs of a specific organisation and are 'led from the top'.

The European Foundation for Quality Management (EFQM) was created in 1988 by 14 leading European businesses. They had been inspired by the philosophies of Total Quality Management (TQM) that had transformed parts of the manufacturing sector in Europe, the US and Japan, and had started to transfer to other sectors across the world. Their objectives were '*to stimulate, and where necessary, to assist management in adopting and applying the principles of Total Quality Management, and to improve the competitiveness of European industry*'. Taking into account research from across the world on other quality awards and systems, such as the Baldrige Award in America, and the Deming Prize in Japan, the EFQM launched the European Quality Award in 1991.

Since the European Quality Award was launched in 1991, the underlying 'model' known as the EFQM Excellence Model[®] has been adapted for application to the public and voluntary sectors and small businesses. The EFQM Excellence Model[®] is advocated in the Modernising Government as a practical tool to assist the improvement in the efficiency and effectiveness of public services. It has been adopted widely in the UK public for example in central and local government, the NHS, police forces, the National Probation Service, the Crown Prosecution Service, the Benefits Agency, the Employment Service, the Post Office, schools – and HEFCE.

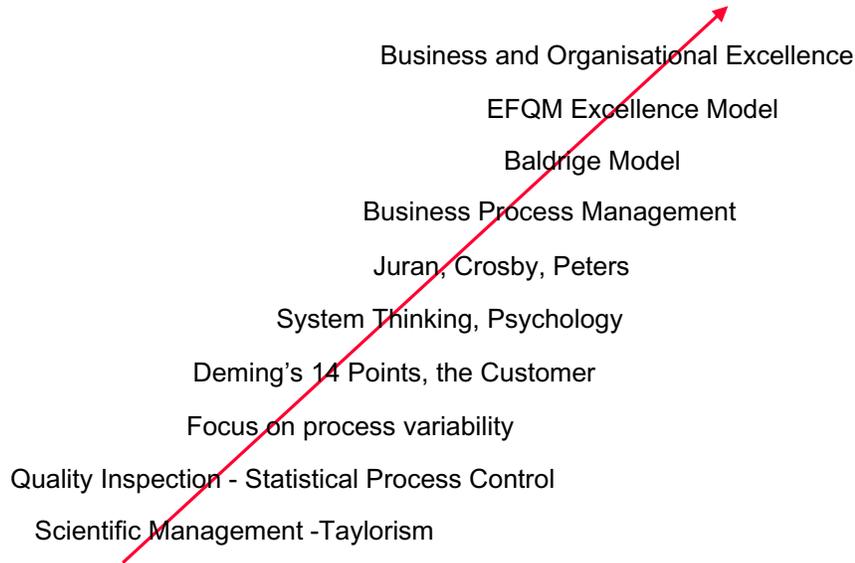
In 2000, the European Quality Award for the public sector was won by the Inland Revenue Accounting Office, Cumbernauld. A prize was also won by Foxdenton School in Oldham. This clearly showed that the Model could be used to recognise excellence in the public sector, whether in a small organisation or part of a much wider network.

John Roberts, CEO of the Post Office and former President of EFQM describes business or organisational excellence as

The way of working that enables an organisation to achieve balanced stakeholder (i.e. customer, employee, society and shareholder or government) satisfaction so increasing the probability of long-term success.

Figure 1 summarises the various stages in this evolution in a way that ‘transcends and includes’.

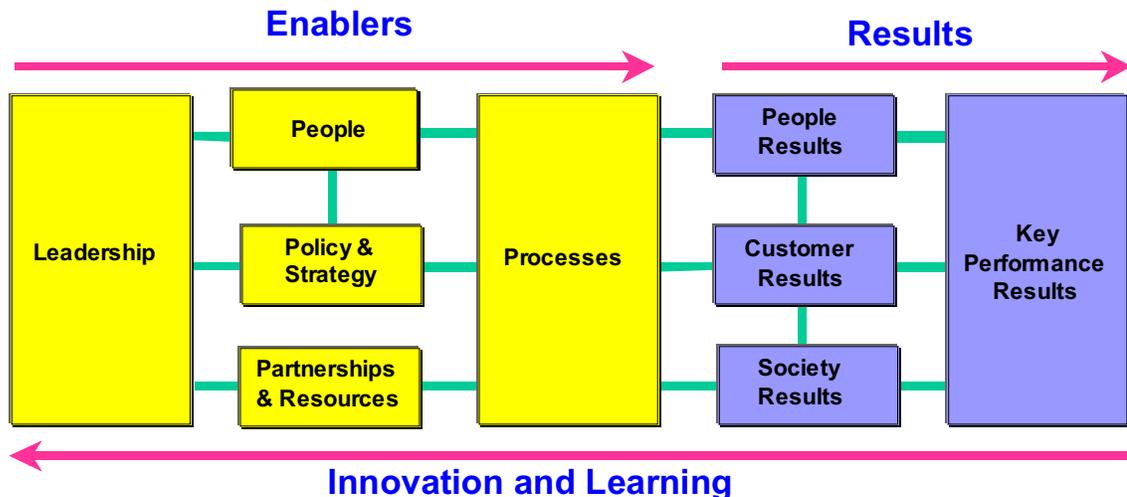
Figure 1 The Evolution of Organisational Excellence



3 THE EFQM EXCELLENCE MODEL®

The EFQM Excellence Model® is described as *a practical tool to help organisations establish an appropriate management system by measuring where they are on the path the Excellence, helping them to understand the gaps, and then stimulating solutions*. The Model, shown in Figure 2, is a non-prescriptive framework based on nine criteria, with five ‘Enablers’ and four ‘Results’. The enabling criteria cover what the organisation does, and the results criteria cover what the organisation achieves. ‘Results’ are caused by ‘Enablers’.⁵

Figure 2 The EFQM Excellence Model



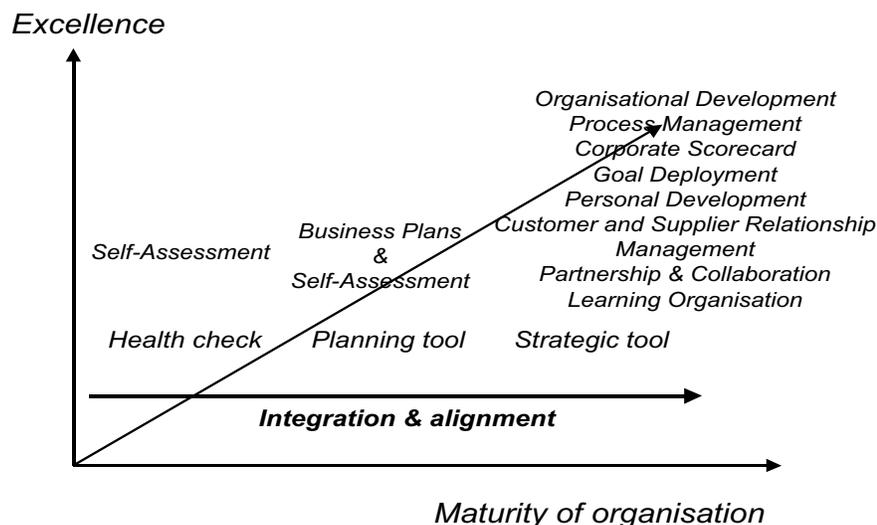
The Model is underpinned by what is termed the ‘eight essentials of excellence’, or the *fundamental concepts*. The EFQM believe that the achievement of excellence requires management commitment and acceptance of these concepts. These concepts come out of the body of knowledge that is called TQM:

- Results Orientation
- Customer Focus
- Leadership and Constancy of Purpose
- Management by Processes and Facts
- People Development and Involvement
- Continuous Learning, Innovation and Improvement
- Partnership Development
- Public Responsibility

Whilst forming the basis of quality awards in most countries in Europe and many regions in the UK, the predominant use of the Model is for self-assessment linked to performance improvement and benchmarking. The self-assessment framework enables an organisation to identify what it is doing well and where it can improve. This is not just in terms of identifying excellence in performance results but excellence in *how* it does things. Actions to improve can be developed and prioritised.

As organisations grow in maturity so does the use of the EFQM Excellence Model®. Initially self-assessment generates a set of potential action points that can be seen as separate from business planning. With increasing understanding of the potential of self-assessment, actions can be integrated into the business planning process. Finally the organisation begins to realise the potential for ‘joined-up’ thinking and the use of the EFQM Excellence Model® as a strategic tool (Figure 3).

Figure 3 The Excellence Journey



4 APPLYING THE EFQM EXCELLENCE MODEL

Each of the nine criteria of the EFQM Excellence Model ‘unpacks’ into 32 sub-criteria each with a set of areas to address.

Assessment against the Model is flexible dependant on the size, type and maturity of the organisation. Assessment can be internal (self), external (assessed by people outside the assessment unit), or a mix of both. The main types of assessment methods are shown in Figure 4:

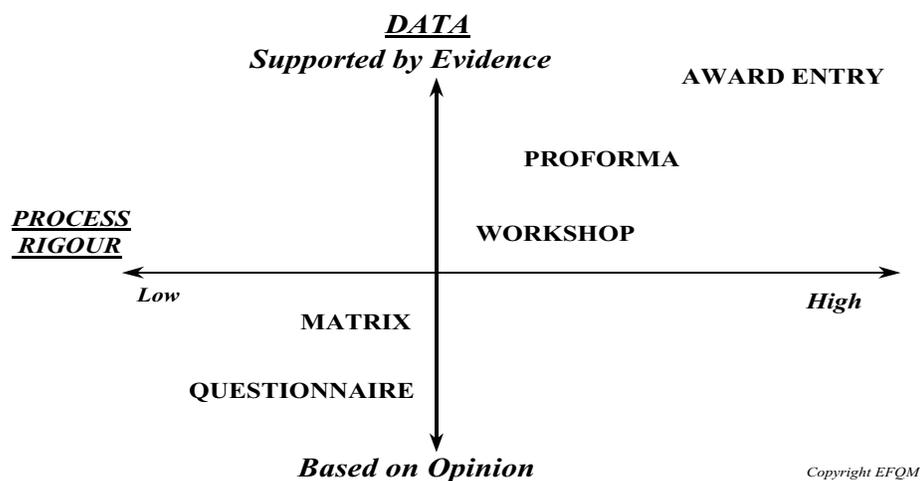


Figure 4 Assessment options

Each assessment method has a ‘standard’ approach, but because of the nature of many of the assessment methods (particularly if being used as part of a self-assessment rather than an external assessment) these are flexible and can be adapted to meet the timescales and resources of individual organisations. The evaluation work of the consortium has focused on the workshop, proforma and questionnaire methods.

In the early stages of applying the self-assessment method, teams have been drawn from schools and departments across the university. After an initial briefing workshop, the teams have amassed evidence against the 32 sub-criteria. A final assessment workshop appraises the evidence and identifies the strengths and areas to improve. The areas of improvement are clustered around key areas and prioritised. These can be dealt with straight away or can provide input to the departmental or school business plan.

A further option is to score the evidence against the RADAR component of the EFQM Excellence Model. The Model is underpinned by the fundamental concept of continuous improvement and by the PLAN, DO, CHECK, ACT cycle of Deming. This forms the basis of the self-assessment scoring process and of RADAR (Figure 5)

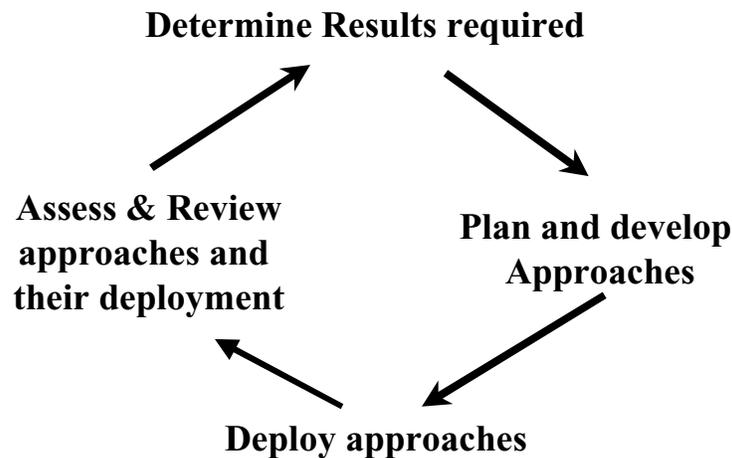


Figure 5 RADAR concepts

The RADAR scoring matrix in the EFQM Excellence Model guidelines considers under **Results:**

- Trends in results of 3 or more years
- Comparisons against target
- Comparisons with external organisations
- Evidence that results are caused by approach
- Whether the Results cover relevant areas

The **Enablers** are scored in terms of:

- Soundness of approach
- Whether approach is well integrated
- Extent to which approach is deployed in a systematic way
- How measurement of effectiveness of approach and deployment is measured
- How learning takes place
- Whether evidence of improvement and learning exists

In summary the EFQM Excellence Model is an holistic framework or management system that recognises that there are many approaches to achieving sustainable excellence (Figure 6). It is a tool that can be used purely in a measurement capacity, or can be developed and adapted to suit individual organisational needs as a management tool. It is not a replacement for other ‘quality’ tools and techniques, but provides an over-arching environment in which these tools can be applied to make specific improvements in areas identified as needing development. It allows organisations to look at all aspects of their operation at any level – micro, macro or even personal, giving everyone a common language to communicate their findings and build on their results together. It is a Model which is used widely in the UK and

across Europe and which is being promoted by both the Government and the Cabinet Office as a key part of any management portfolio.

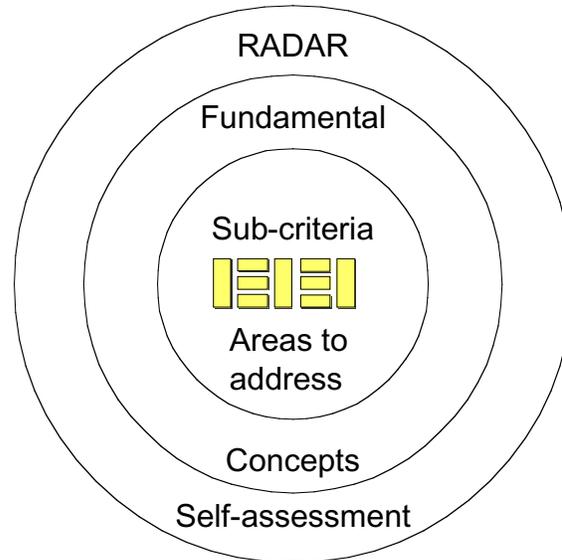


Figure 6 EFQM Excellence Model System

5 PRELIMINARY RESULTS AND LEARNING OUTCOMES

The phrase usually applied to TQM is that it is ‘no quick fix’! This applies equally to the application of the EFQM Excellence Model and the programme of evaluation is set to last for a further two years. Examples of activity undertaken at Sheffield Hallam University in the first year to eighteen months include:

- The Facilities Directorate, Human Resources, Corporate Information Systems and Academic Registrar’s departments, the Materials Research Institute the Centre for Sport and Exercise Science, the School of Computing and Management Sciences, the School of Engineering and the School of Environment and Development have engaged in self-assessment activity and are at various stages of their journey. Many of the remaining schools and departments have now scheduled self-assessments.
- An Organisational Development Programme Board has been set up to coordinate the development of improved approaches to process management, planning, leadership and communication. Process review projects being undertaken include timetabling, student finance, recruitment and school business manager effectiveness.
- The EFQM methodology has informed the planning process, a review of the enrolment process and a review of the internal quality systems.
- A team including the Deputy Academic Registrar has worked on the comparison of the EFQM methodology with the new QAA frameworks.
- As Programme leader, SHU has organised EFQM Assessor Training (2 days) where 71 internal staff and 22 external staff have been trained.

- An Advisory Board of external experts has been formed to back the project and two master classes have been run by members of the Board.
- The first series of internal Organisational Excellence Courses has been launched, offering “Organisational Excellence – A Quick Guide”, “Benchmarking”, “Why Self-Assessments Work” and a course that links the EFQM approach with business planning.
- The university won a THES/BT Higher Education Award for a project that will look at the potential for e-learning in the EFQM assessor training process. The project has engaged a small group of small businesses and schools to pilot the use of the Model.
- The School Leadership Centre within the School of Education is working with Lloyds TSB to introduce the EFQM Excellence Model to schools in South Yorkshire.
- The Schools of Education and Health & Social Care have identified the opportunities for synergy provided by wide-scale adoption of the Model by the National Health Service and schools.
- A conference, entitled "The Mirror of Truth", is being organised for the 7 June to present the findings of the first year of evaluation

Self-assessment has started to identify gaps in:

- approaches i.e. how things are things done and could be done better
- deployment i.e. how effective is an approach in reaching the relevant areas
- assessment and review i.e. organisational learning and continuous improvement
- measurement of results i.e. are we measuring everything we should to be able to manage effectively
- trends in results
- comparisons against 'best-in-class'
- integration or 'joined-up thinking'

Key learning outcomes include:

- the importance of leadership and organisational commitment: commitment must come from the very top of the organisation.
- the need for customer focus: on internal customers such as Schools and Departments and 'external' customers, the students.
- the need to adopt behaviours that focus on collaboration and cooperation.
- the need to improve measurement frameworks of key performance indicators and link to target setting and benchmarking.
- the need to integrate feedback from staff and student surveys into action and business planning.
- recognition of the need to manage processes more effectively and more consistently University-wide.
- the opportunity to gain ownership of process improvement.
- the opportunity for integration between self-assessment and business planning.

Departments that have undertaken self-assessment have found that there is also

6 THE EFQM EXCELLENCE MODEL AND QA FRAMEWORKS

The initial findings of the development work suggest that there is a high degree of congruence between the EFQM Excellence Model, internal quality review systems and the external QAA frameworks. Organisations being assessed against the EFQM Excellence Model would be expected to have approaches to managing quality and to be subject to external audit. The table below sets out some comparisons where there is clear synergy and where quality assurance approaches could be enhanced by the use of the EFQM Excellence Model.

EFQM Excellence Model Criterion	Synergy with internal and external QAA frameworks	Opportunities for possible enhancement through EFQM approach
Leadership	<ul style="list-style-type: none"> • Development of internal quality systems • Identification of stakeholders and management of relationships • Communication strategies 	<ul style="list-style-type: none"> • Process orientation • Identification and management of key processes • Assessment of leadership effectiveness • Leadership actions and behaviour
Policy and Strategy	<ul style="list-style-type: none"> • Integration of internal and external quality audit findings with business planning • Integration of action planning resulting from student and staff surveys • Key performance indicator (KPI) input 	<ul style="list-style-type: none"> • Ownership of key processes • Deployment of policy and strategy through key processes • Communication of strategy • Balanced scorecard for performance management
People	<ul style="list-style-type: none"> • Staff development plans 	<ul style="list-style-type: none"> • HR management • Knowledge management approaches • Staff appraisal • Internal communication • Staff involvement and empowerment • Encompasses iP
Partnerships and Resources	<ul style="list-style-type: none"> • Collaborative provision • Learning resources: buildings, equipment, IT 	<ul style="list-style-type: none"> • Internal partnering practice • Financial effectiveness
Processes	<ul style="list-style-type: none"> • Quality standards • Codes of practice • Programme/course development 	<ul style="list-style-type: none"> • Process management approaches • KPI development • Customer relationship management practice • Process benchmarking
Customer Results	<ul style="list-style-type: none"> • Student experience survey • Complaints and grievances 	<ul style="list-style-type: none"> • Encompasses Charter Mark
People Results	<ul style="list-style-type: none"> • Staff experience survey 	<ul style="list-style-type: none"> • HR performance indicators
Society Results		<ul style="list-style-type: none"> • Community impact assessment
Key Performance Results	<ul style="list-style-type: none"> • Subject and institutional review outcomes 	<ul style="list-style-type: none"> • Financial performance • Process performance • Partnership performance
Self-assessment RADAR	<ul style="list-style-type: none"> • Evidence base • Subject benchmarks 	<ul style="list-style-type: none"> • Evidence of systematic deployment • Evidence of assessment and review • Trend data • Comparisons against target • Comparisons against best-in-class • Benchmark score for comparison within sector as well against public and private sectors

7 SUMMARY

The evidence is building from the initial developmental work that the EFQM Excellence Model can provide a powerful tool for self-assessment and for the enhancement of the overall effectiveness of a school or department and the whole university. It can offer a framework within which internal and external audits can nest together, offering significant enhancement of the overall scope of any assessment activity. It can be applied flexibly on a continuous basis at a time and pace to suit individual circumstances, and can work as an on-going method of preparation for any external or internal validation exercise. It can apply at university-wide as well school/faculty and departmental level and is most successful when synchronised with the business planning cycle of the institution.

The EFQM Excellence Model is used widely in both the private and public sectors. It provides a basis for objective benchmarking and for searching out good practice using a common language of excellence.

It is, in essence, a route-map for the journey towards excellence, taking institutions along a road into which all other 'quality' initiatives can merge. In fact it has the potential to be the 'Super-Highway' of quality.

REFERENCES

1. JURAN, J.M. (1989) *Juran on Leadership for Quality, an Executive Handbook* (The Free Press, New York)
2. CROSBY, Phillip B. (1979) *Quality is Free* (McGraw-Hill, New York)
3. SHERKENBACH, WILLIAM W. *Deming's Road to Continual Improvement*
4. OAKLAND, JOHN S.(1993) *Total Quality Management, the Route to Improving Performance 2nd Edition* (Butterworth-Heinemann Ltd, Oxford)
5. KRISTENSEN, K. DAHLGAARD, J.J., KANJI, G.K. *A comparison of TQM performance in the Nordic and Asian countries. Proceedings of the First World Congress for Total Quality Management* (Chapman and Hall)
6. EUROPEAN FOUNDATION FOR QUALITY MANAGEMENT *European Excellence Model for the Public and Voluntary Sectors (EFQM, Brussels)*

ACKNOWLEDGEMENTS

The author wishes to acknowledge the contribution being made by the partners in the consortium, Cranfield, Durham, Salford, Ulster universities and Dearne Valley College and colleagues in the schools and departments of Sheffield Hallam University.