

DETERMINING THE PRIORITIES OF THE CRITERIA OF EFQM’S EXCELLENCE MODEL TO BEST FIT THE TURKISH CONTEXT

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ABSTRACT

As defined by the European Foundation for Quality Management (EFQM), excellence is the outstanding practice in managing the organization and achieving results. As can be understood from the existence of several quality award models (even if they are very close in the essence), there is no unique way to reach it. The path to excellence is influenced by the value system, education and training, culture, living style, motivators and similar national characteristics. It is believed in this study that forming the alternative model for the Turkish National Quality Award by only redefining the weights of criteria while keeping the basic criteria framework the same as the European Quality Award’s Excellence Model is needed. Considering this, the judgments of outstanding quality specialists in Turkey were obtained and evaluated by using Saaty’s Eigenvector methodology to yield an alternative model proposal specially designed for National Quality Award.

Keywords: Turkish National Quality Award, Excellence Model, Prioritization, AHP.

1. INTRODUCTION

The rapidly changing and highly complex environment that involves organizations today increases the diversity of internal and external factors that may influence organizational performance, while simultaneously maximizes their inter-dependence, thus submitting organizations to a set of conditions that represent threats or opportunities regarding their survival, competitiveness and success. The existence of a management system within the organization in order to identify, treat and check these conditions in a continuous and systematic way has, therefore become a strategic need for organizational performance improvement towards market competitiveness. In order to cope with this context, many organizations worldwide have implemented total quality management (TQM). However, most of them did not succeed in obtaining an effective TQM implementation, mainly due to the lack of adequacy of their organizational culture regarding the changes required by TQM to occur within the organization (Obadia et al., 2007)

Total Quality Management is a management approach that originated in the 1950's as Total Quality Control and has steadily become more popular since the early 1980's. Total Quality is a description of the culture, attitude and organization of a company that strives to provide customers with products and services that satisfy their needs. Since early 1980s quality management or total quality management (TQM) has emerged as a significant element of business/corporate strategy (Bardoel and Sohal, 1999).

Regardless of sector, size, structure or maturity, to be successful, organizations need to establish an appropriate management structure. Excellence models provide companies with such a framework.

The EFQM Excellence Model was introduced at the beginning of 1992 as the framework for assessing organizations for the European Quality Award. It is now the most widely used organizational framework in Europe and it has become the basis for the majority of national and regional Quality Awards. [3]

2. EXCELLENCE MODEL

As defined by the European Foundation for Quality Management (EFQM), *Excellence* is the *outstanding practice in managing the organization and achieving results*. Excellent organizations are those that strive to satisfy their stakeholders by what they achieve, how they achieve it, what they are likely to achieve and the confidence they have that the results will be sustained in the future. [3]

The EFQM Excellence Model is a non-prescriptive framework having 9 criteria. Five of these are “Enablers” and the other four are “Results”. The “Enabler” criteria are about what an organization does whereas the “Results” criteria cover what an organization actually achieves. “Results” are caused by “Enablers” and “Enablers” are improved using feedback from “Results”. [3] The model can be seen in Figure 1. The arrows emphasize the dynamic nature of the Model. They show innovation and learning helping to improve enablers that in turn lead to improved results. [3]

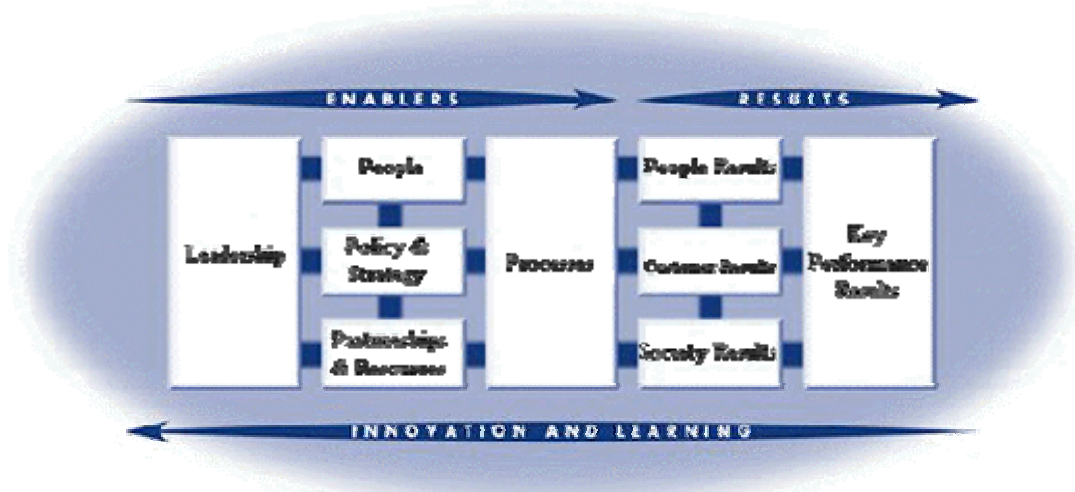


Figure 1. EFQM's Excellence Model

Turkey uses the EFQM's excellence model as is. We believe that the criteria weights of the model will define a list of precedence relationships for organizations' activities (ie. priorities of actions), so it should change from country to country. So, the rest of this paper is about a study conducted in Turkey to define appropriate weights for a National Quality Award.

3. METHODOLOGY OF THE STUDY

The problem has a subjective and intangible nature where the Analytic Hierarchy Process (AHP) is usually considered the most appropriate method. AHP method which is developed by Saaty [4] uses pair-wise comparisons of the elements of each hierarchy by means of a nominal scale. Then, comparisons are quantified to establish a comparison matrix, after which the eigenvector of the matrix is derived, signifying the comparative weights among various elements of a certain hierarchy. Finally, the eigenvalue is used to assess the strength of the consistency ratio of the comparative matrix and determine whether to accept the information.

First of all, a hierarchical structure representing the model is constructed. Enablers and Results are at the first level of hierarchy of this model, whereas the 9 criteria are at the second one (the first five of them are below the “enablers”, and the rest are below “results”). After that, a survey was formed to

compare each criterion with another. The surveys were filled by 3 academics, 2 KalDer (A non-governmental organization which is the Turkish member of EFQM) Executive Committee members, 1 KalDer trainer and 3 business people who are experts on Quality Awards.

Expert Choice program is used to evaluate the surveys. The acceptable inconsistency level is taken as 10 %.

4. RESULTS OF THE SURVEY

The criteria weights are found as in Table 1.

Table 1. The existing and calculated criteria weights.

	FROM (%)	TO (%)
LEADERSHIP	10	19,1
POLICY AND STRATEGY	8	9,3
PEOPLE	9	8,7
PARTNERSHIP AND RESOURCES	9	4,3
PROCESSES	14	8,6
CUSTOMER RESULTS	20	17,4
PEOPLE RESULTS	9	13,1
SOCIETY RESULTS	6	4,1
KEY PERFORMANCE	15	15,4

Some of the significant changes in the criteria weights are as below:

- 1- The weight of *Leadership* in the existing model is 10%. It increased to 19.1%. This is a large change. Leadership is very important to implement TQM in a company. Leaders can change the organizations way by improving the corporate culture. Since there is not a systematic approach of management in many companies in the growing countries like Turkey, the importance of leadership is far more than the same in many European countries.
- 2- The weight of *Partnership and Resources* criterion decreased from 9% to 4.3%. The reason may be unawareness of the companies about the benefit of a win-win relationship.
- 3- The weight of *Processes* criterion decreased from 14% to 8.6%. The reason is thought to be the same with the reason of the increase in *Leadership*.
- 4- The weights of *Customer Results* criterion decreased from 20% to 17.4% and *Society Results* criterion decreased from 6% to 4.1%. This is mainly because of the increase of the weight of *People Results* criterion (from 9% to 13.1%). The last thing that is measured and tried to be increased especially in the Turkish SMEs is employee satisfaction. Such an increase in the people results will emphasize the importance of the human capital which is one of the main dimensions of intellectual capital.

5. CONCLUSION

Companies need some models to use to reach to TQM for improving their performance. EFQM's Excellence Model is a good guide to help companies in this quest. However, the differences of nations affect the success of the application of this model. We suggest that, slight changes especially in the weights of criteria, according to the national context, will increase the efficiency of the model. Starting with this idea, an AHP based model is built and a new set of national criteria weights are proposed as in Chapter 4.

6. REFERENCES:

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