
TechnoÖkonomieKolloquium

Working title:

Transforming EFQM to operational and personal excellence

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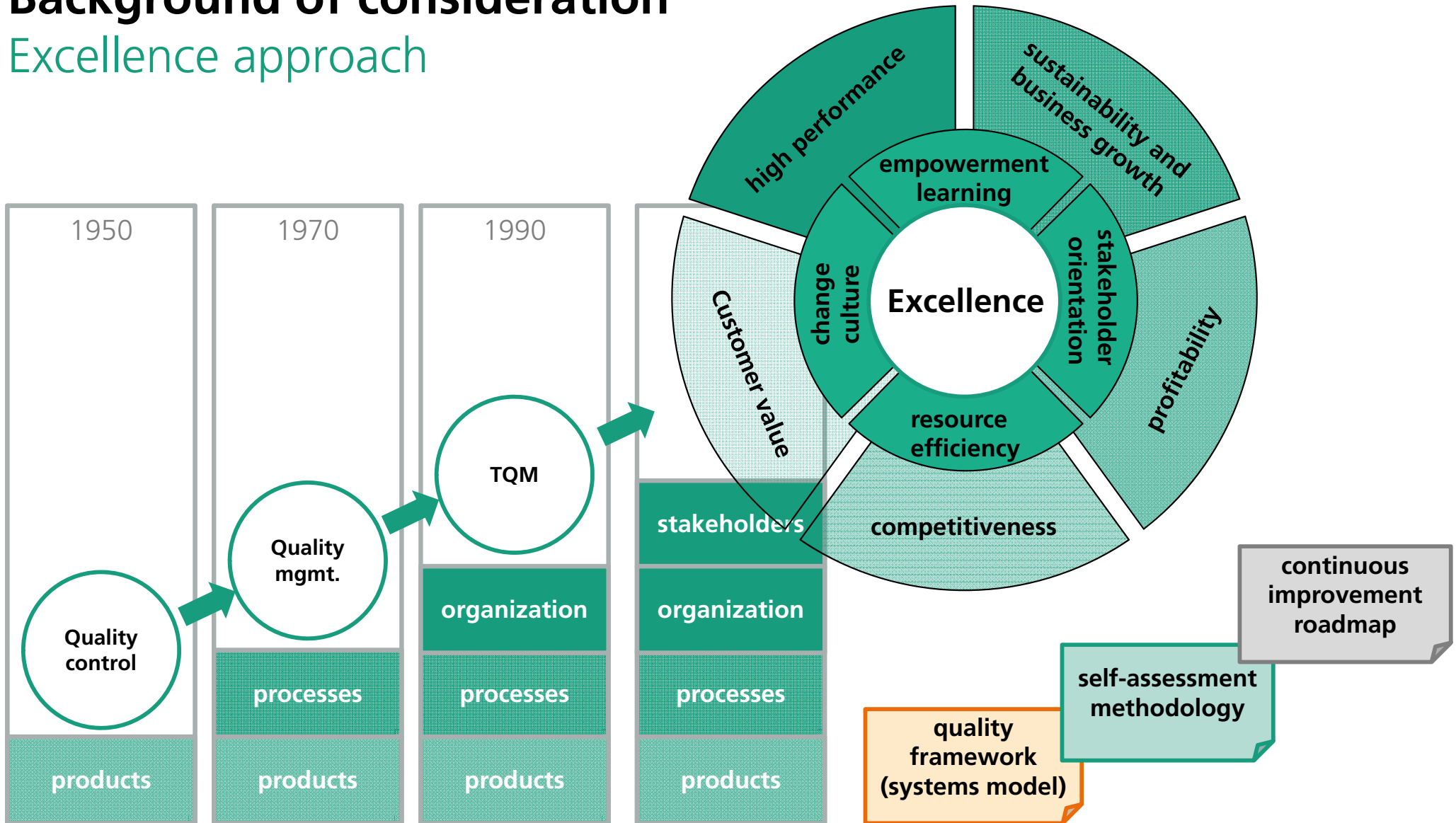
Structure of presentation

Transforming EFQM to operational and personal excellence

- Background of consideration – business excellence
- Introduction of the EFQM model
- Challenges and need for research
- Research questions and objectives
- Systematic proceeding
- First results
- Open points and discussion

Background of consideration

Excellence approach



Literature Review: History from Operational Excellence (OE) towards Operations Excellence (OsE)

OE 2.0: Value discipline of cost minimization

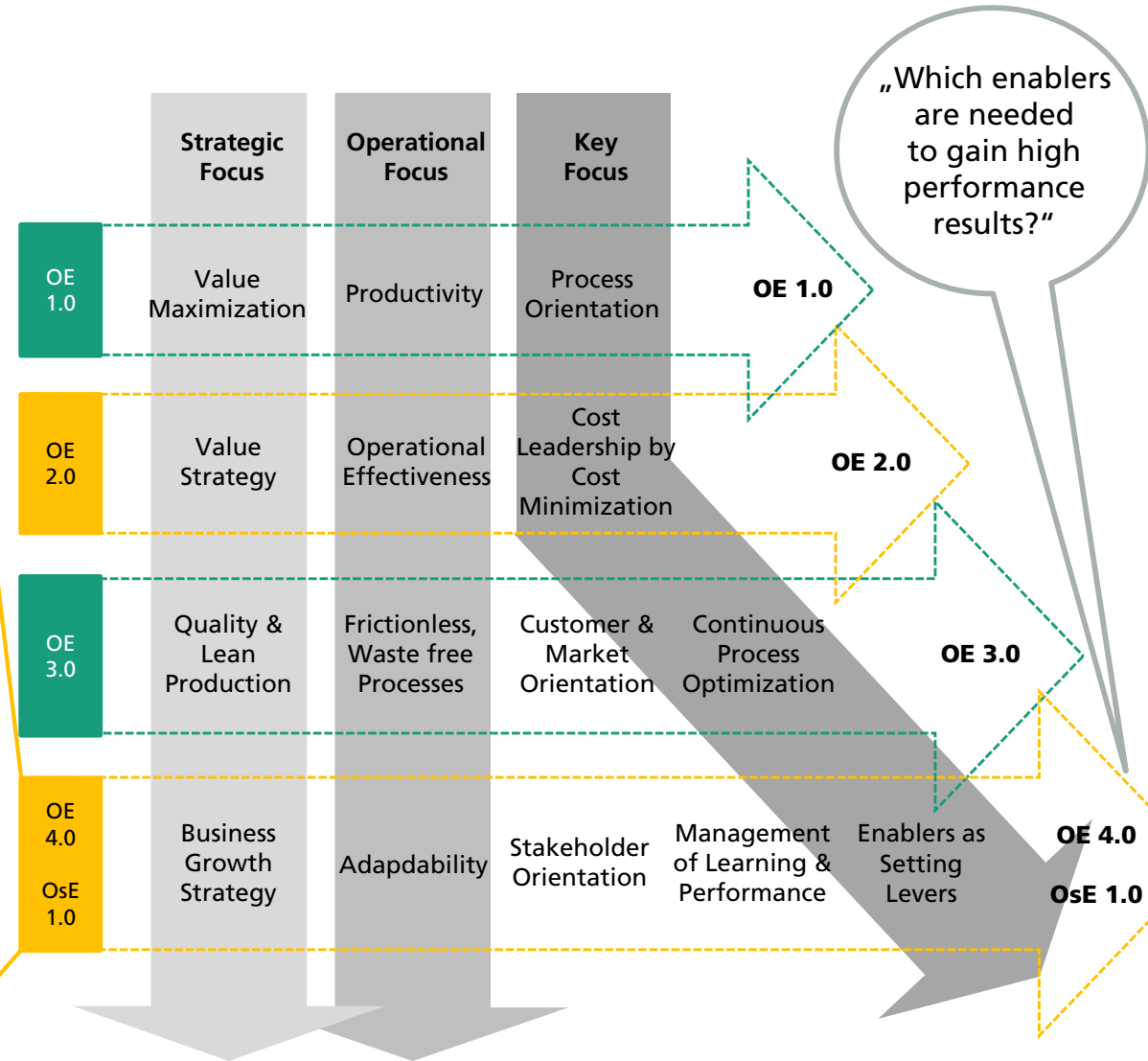
Reliable products or services	■				■			■	3
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OE 3.0: Lean Management as key element

Business culture & system					■				1
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OE 4.0 & OsE 1.0: Enablers as setting levers

Dynamic capability (adaptability)			■						1
Continuous improvement			■	■					2
Synchronization & alignment of resources	■	■							2
OE as strategic approach			■	■		■			3
Qualitative products	■					■	■		3
Cost effectiveness	■					■	■		3
Efficiency of processes			■	■	■		■		4
Enabler focus (incl. examples)	■	■	■	■			■		5
▲ INDICATOR									
SOURCE ►	(Schneider, 2001)	(Gleich and Sauter, 2008)	(Schwientek and Schmidt, 2008)	(Schenk, 2010)	(Duggan, 2011)	(Sutton, 2012)			
							SUM OF CITATION ▲		



Operations Excellence (OsE) 1.0

Working definition

OE 2.0: Value discipline of cost minimization

Reliable products or services	■					■				■	3
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OE 3.0: Lean Management as key element

Strategic Focus

Operational Focus

Key Focus

„Which enablers are needed to gain high performance results?“

“The philosophy of Operations Excellence is a **management approach** based on the continuous pursuit of creating a superordinate, agile system as a setting lever

aimed at the maximization of the operations ability

to **identify** and **provide** the adequate and optimal **setting of enablers** that are brought into **alignment** down and across the **business strategy** to gain sustainable, customer-driven **results** at the process level over the entire value chain.”

“In the setting of enablers, particularly but not only intangible criteria such as culture, strategy, development, and empowerment are considered.”

(Working definition by Jaeger; publication in progress)

SOURCE ▶ (Sch) (Gle) (Sch) (Sch) (Dun) (Sum)

OE 3.0

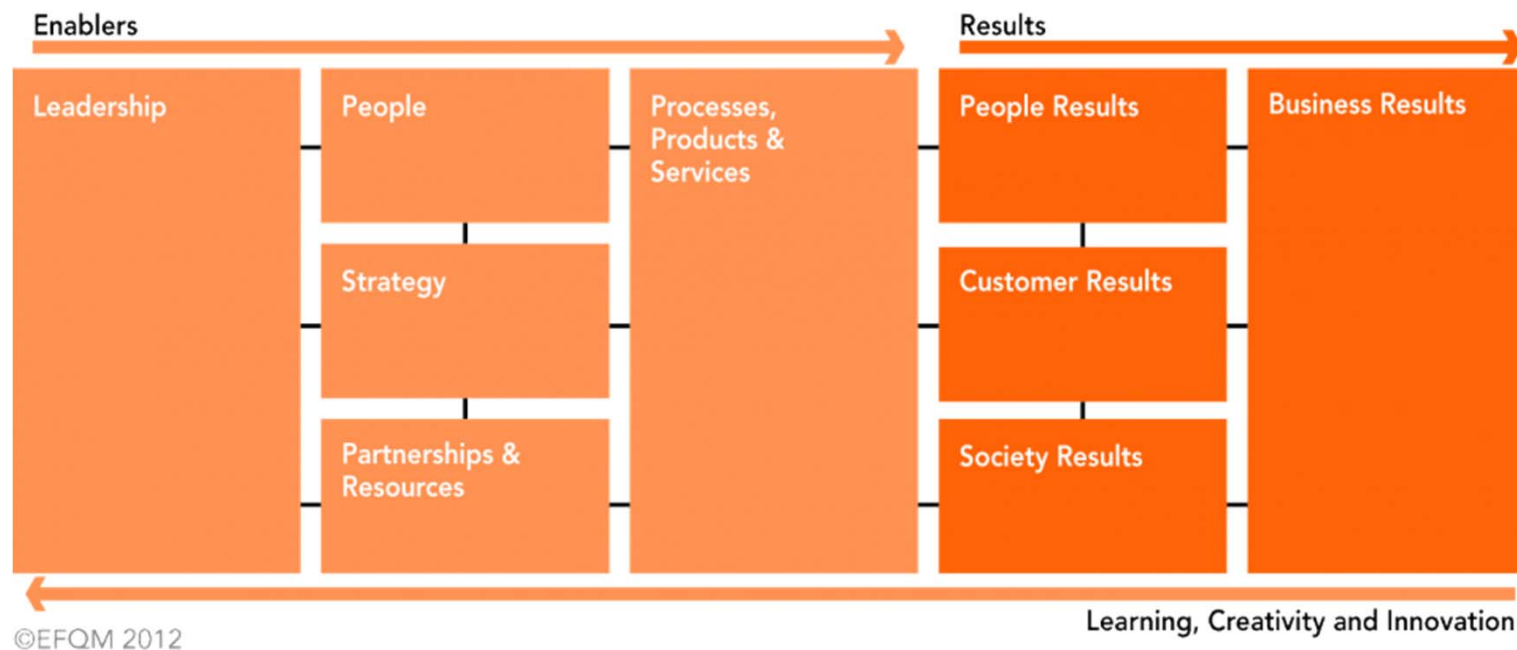
OE 4.0

OsE 1.0

EFQM model for business excellence

Mission

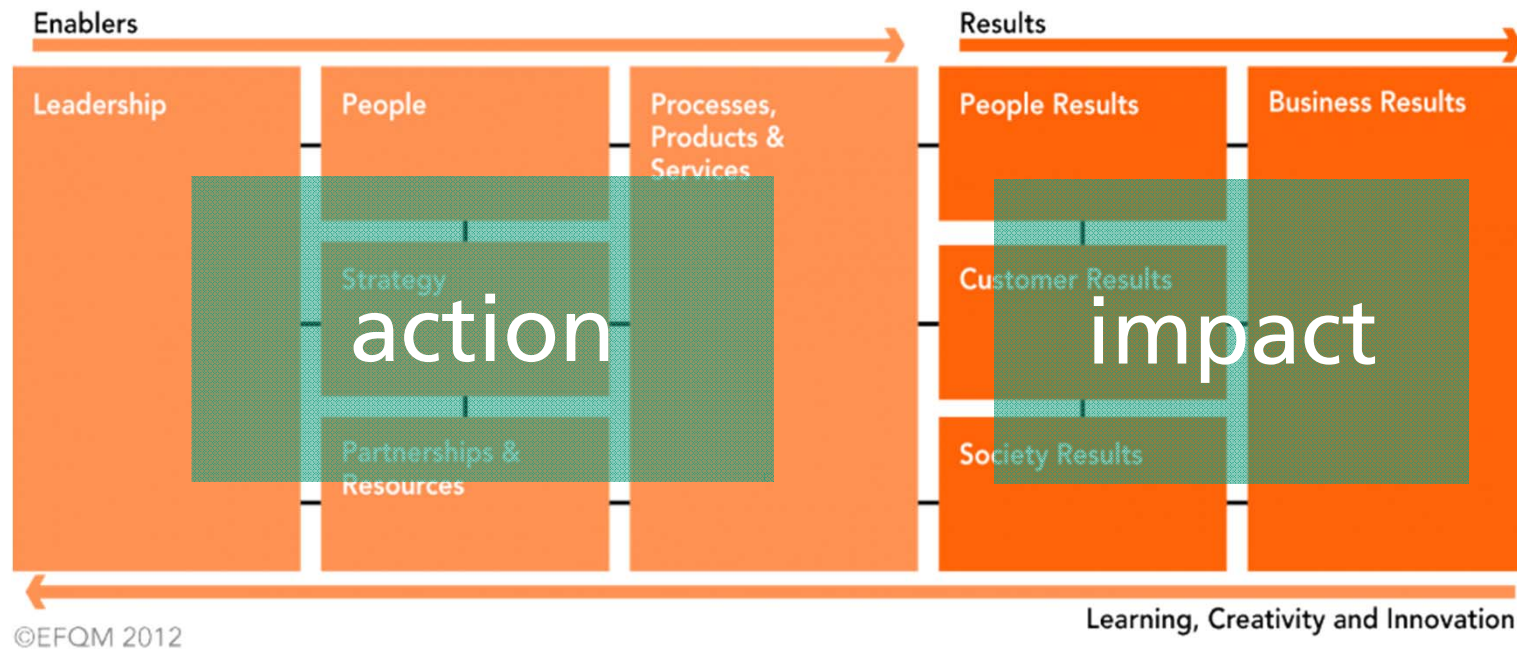
- To assist organizations striving toward business excellence, the EFQM provides
 - **fundamental concepts** of excellence
 - the EFQM excellence **model**
 - the RADAR **scoring system**
- as basis for self-assessment



EFQM model for business excellence

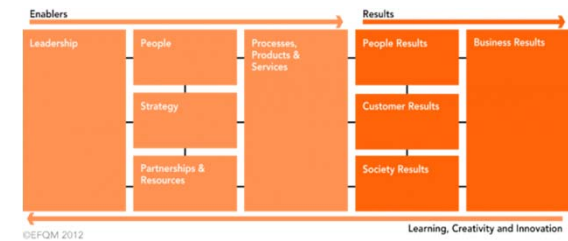
Terminology

- *“EFQM allows people to understand the cause and effect relationships between what their organization does and the results it achieves.” (EFQM, 2012)*
- **Enabler criteria** are regarded as drivers that positively influence other enablers or related results.
- **Result criteria** represent achieved effects through the promotion of enablers and the prevention of inhibitors.



EFQM model for business excellence

Praise and approval

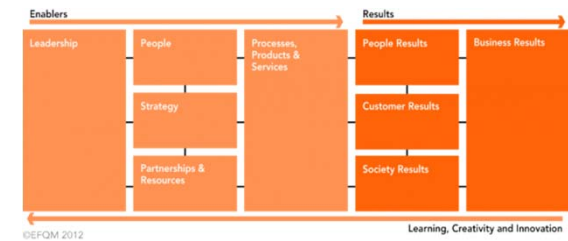


EFQM

- is globally **accepted** by both academics and industry.
(Wongrassamee et al., 2003)
- is proven towards its relative **success in application**.
(Lee and Quazi, 2001; Rusjan, 2005)
- is, as any other excellence model, not scientifically verified ... but has a **positive economic impact** as it **strengthens a company's competitiveness**.
(Bergholz, 2008; Gavrila et al., 2005; Hertz, 2012; Jacob, 2004)
- is confronted with the criterion problem. Thus, *"not to be complete"*.
(Blessin and Wick, 2014; Garvin, 1991; Küßner, 2003; Leonard and McAdam, 2002; Simms et al., 1992).
But EFQM's **useful configuration** of **enabler and result criteria** is proven.
(Bou-Llusar et al., 2009; Russell, 2000)
- is famous for its pioneering role in drawing **correlations** between **enablers and results**.
(Calvo de Mora et al., 2005; Eskildsen et al., 2001; Gomez et al., 2011)

EFQM model for business excellence

Criticism and need for improvement



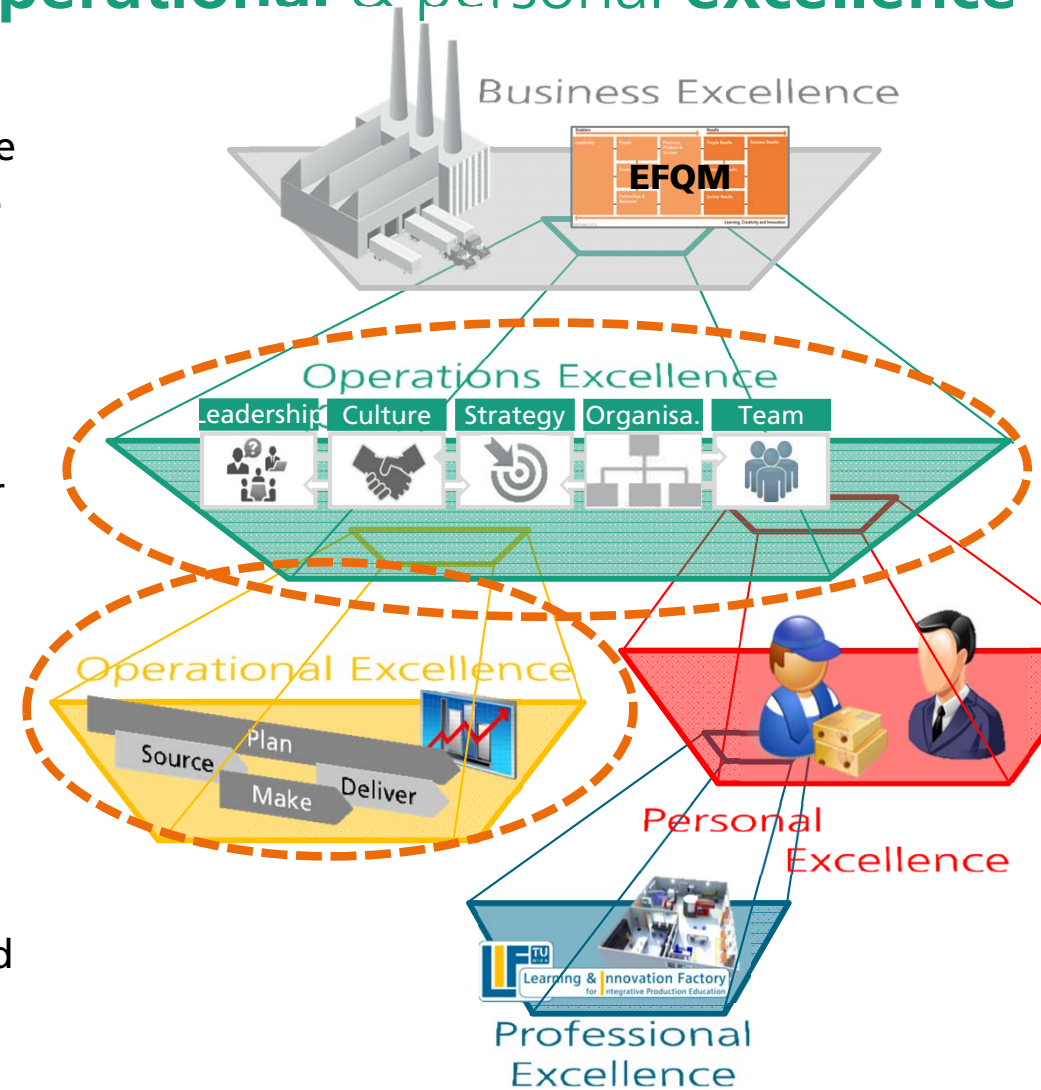
EFQM

- requires high efforts for assessment preparation and execution. ***“No explicit methods for successful implementation exist (...) and research should concentrate on how to implement strategic performance frameworks, i.e., the EFQM Excellence model, effectively in specific types of organizations.”***
(Ahsen, 2010; Eskildsen et al., 2001; Lee and Quazi, 2001; Wongrassamee et al., 2003)
- does not **explicitly** draw the **cause–effect logic** between specific enablers and results.
(Calvo de Mora et al., 2005; Sadeh and Arumugam, 2010; Ulfers, 2007)
- does not offer any **specific guidelines** for problem identification or potential formulation and does not provide a **structured approach** to exploit strengths or to **classify and prioritize areas of improvement** for the future.
(Kanji, 2001; McAdam and O’Neill, 1999; Rusjan, 2005; Ulfers, 2007)

Challenges and need for research

Transformation into the context of **operational & personal excellence**

- For many organizations, the definition and **interpretation of business excellence** as well as the **transfer to excellence in operations** is too abstract. (Estampe et al., 2010; Gomez et al., 2010; Hohmann, 2009; Hughes and Halsall, 2002; Sandbrook, 2011)
- In recent years, the interpretation of excellence in operations moved towards the **development, composition** and **expansion of enablers** as basis for continuous improvement and change. (Schwientek and Schmidt, 2008; Sutton, 2012)
- The EFQM **statements** and **scoring criteria** are too generally defined, as EFQM needs to be applied to a **wide range of industrial sectors**. (Li and Yang, 2003; Sandt, 2005)
- The EFQM self-assessment **criteria** need to be adjusted to fit an **organization's specific requirements** and to be adopted in any **industry-specific language**. (Dalluege, 2012; Medhurst and Richards, 2006)



Challenges and need for research

Transformation into the context of operational & personal excellence

- The **dilemma of business, professional and private** related objectives and its **procedure of measurement** is especially present in countries where labor plays a key role in manufacturing plants.

(Kalman & Liu, 2010)

- Organizations

- face the challenge to design **organizational personnel development** and to support **individual personal development** in a coherent and balanced way.

(Throop and Castellucci, 2010; Wiese, 2004)

- are failing to introduce sufficient **measures** to ensure a sensible **work-life balance** for their employees.

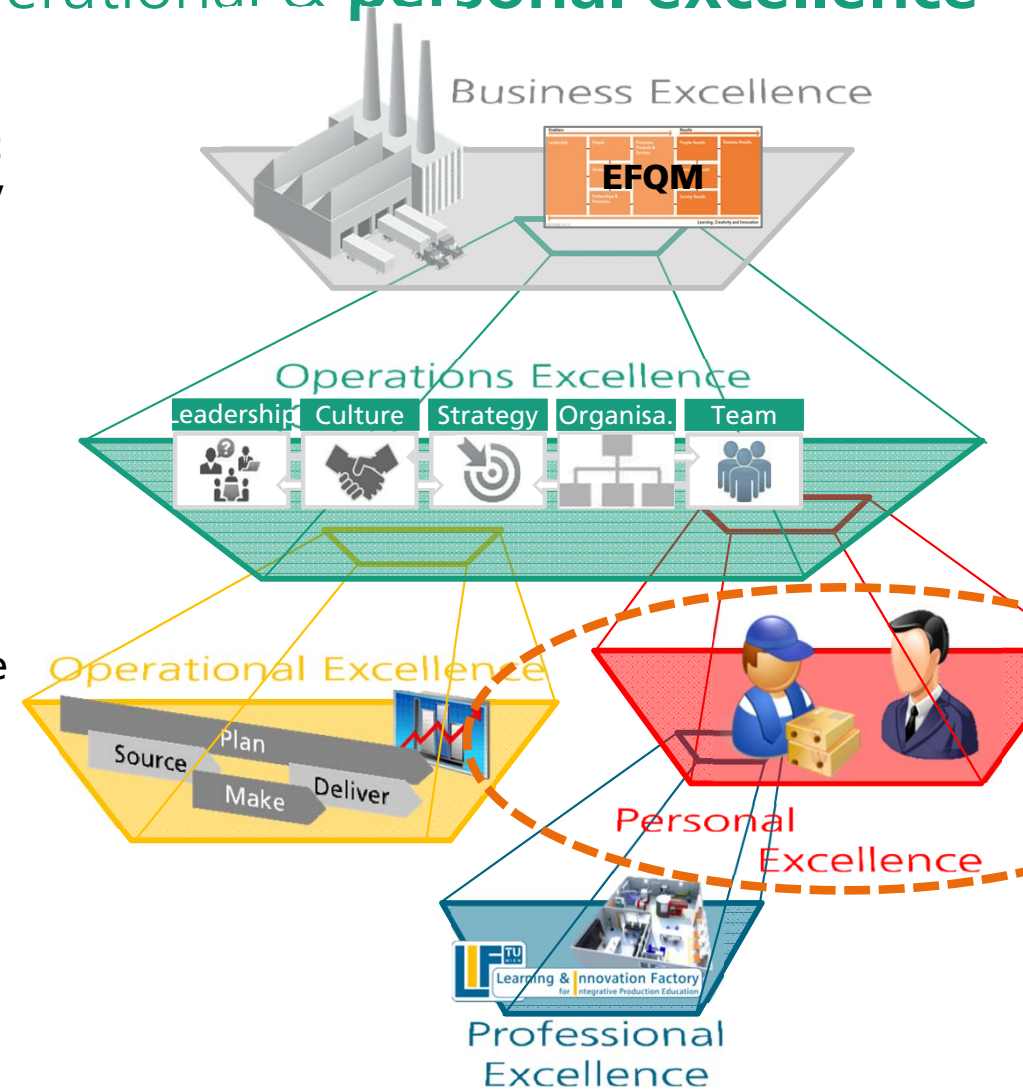
(Bloom et al., 2009)

- lack in having skills, methods and a mind-set for **assessing** their employees.

(Garvin et al., 2008)

- encounter problems in how to approach the **measurement**, for example through self-assessment, and how to get the **evaluation process** started.

(Hillman, 1994; Ritchi, 1999; Samuelsson and Nilsson, 2002)



Challenges and need for research

Research questions

Main research question:

How can operations and individual excellence be assessed by applying the EFQM model for business excellence as fundamental approach?

	Business Excellence	Operations Excellence	Personal Excellence
Evaluation Object	organizations	operations management	individuals
Context	business	Business of production and logistics	private and work life
Evaluation Subject	managers, external assessors	managers, shop floor workers, and their supervisors, external moderators	oneself, supervisor
Assessment Target	organizations' enablers and results	operations' enablers and results	personal, personnel and professional maturity and results
Data Basis	reports, analysis, surveys, KPIs	KPIs, management interview, expert discussion, site inspection	inquiry, feedback, self-reflection
Stakeholders	business environment	Related to production and logistics	private and occupational sphere
Model	EFQM excellence model	Various but not based on EFQM need for research	need for research
Methodology	award modus, assessments, questionnaires	need for development	need for development

Challenges and need for research

Research questions

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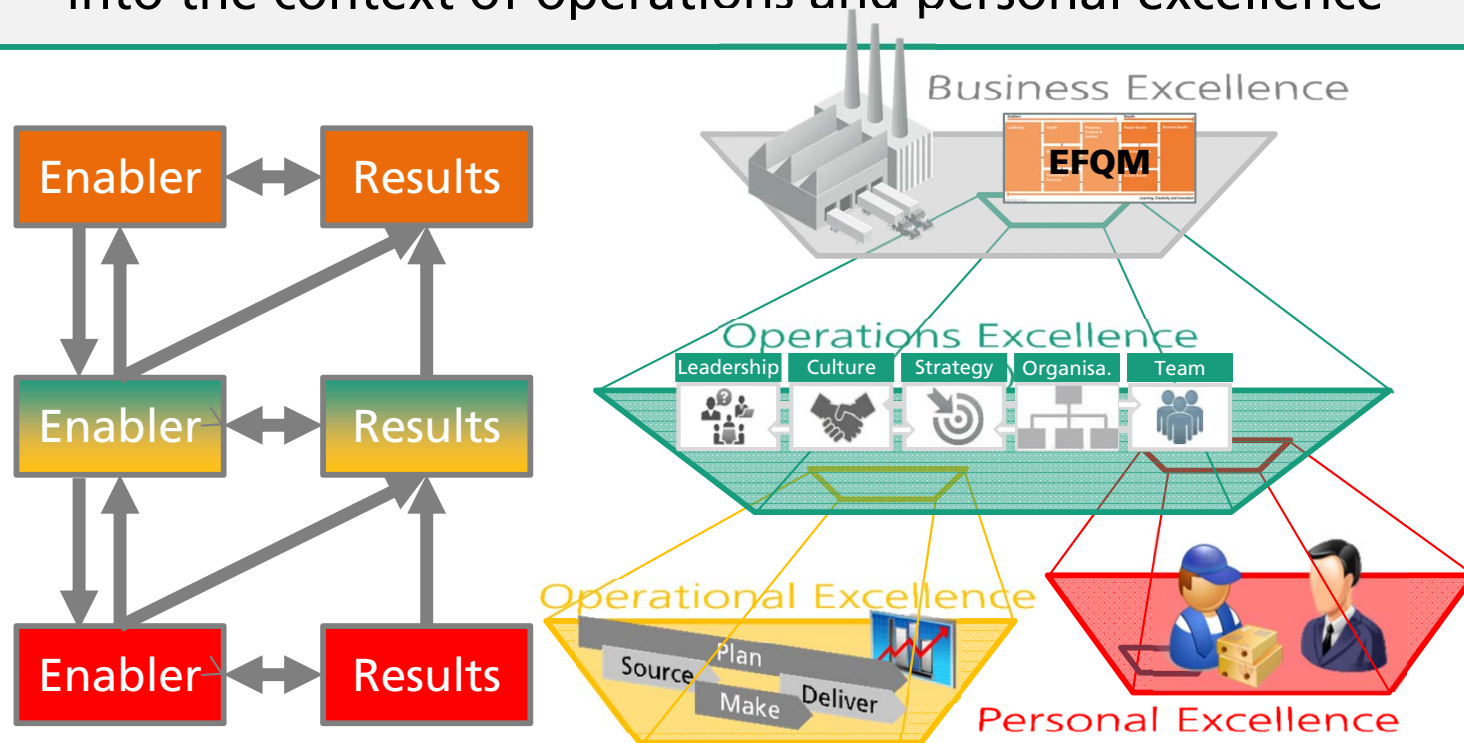
Sub research questions:

- What is the **interpretation** of excellence in operations and of individuals in the organizational context?
 - What are reasonable **working definitions**?
- What is the design of a **model framework** for operations excellence and personal excellence?
 - based on the philosophy of the EFQM model for business excellence
 - with **clear terminology** of criteria for the **production and logistics sector**
- How can the model frameworks be operationalized through **self-assessment methodologies**?
 - with high transparency of **cause-effect relationships** and instructions **how to assess** them
 - with a clear **assessment structure** for a **simplified** and **user-friendly applicability**

Challenges and need for research

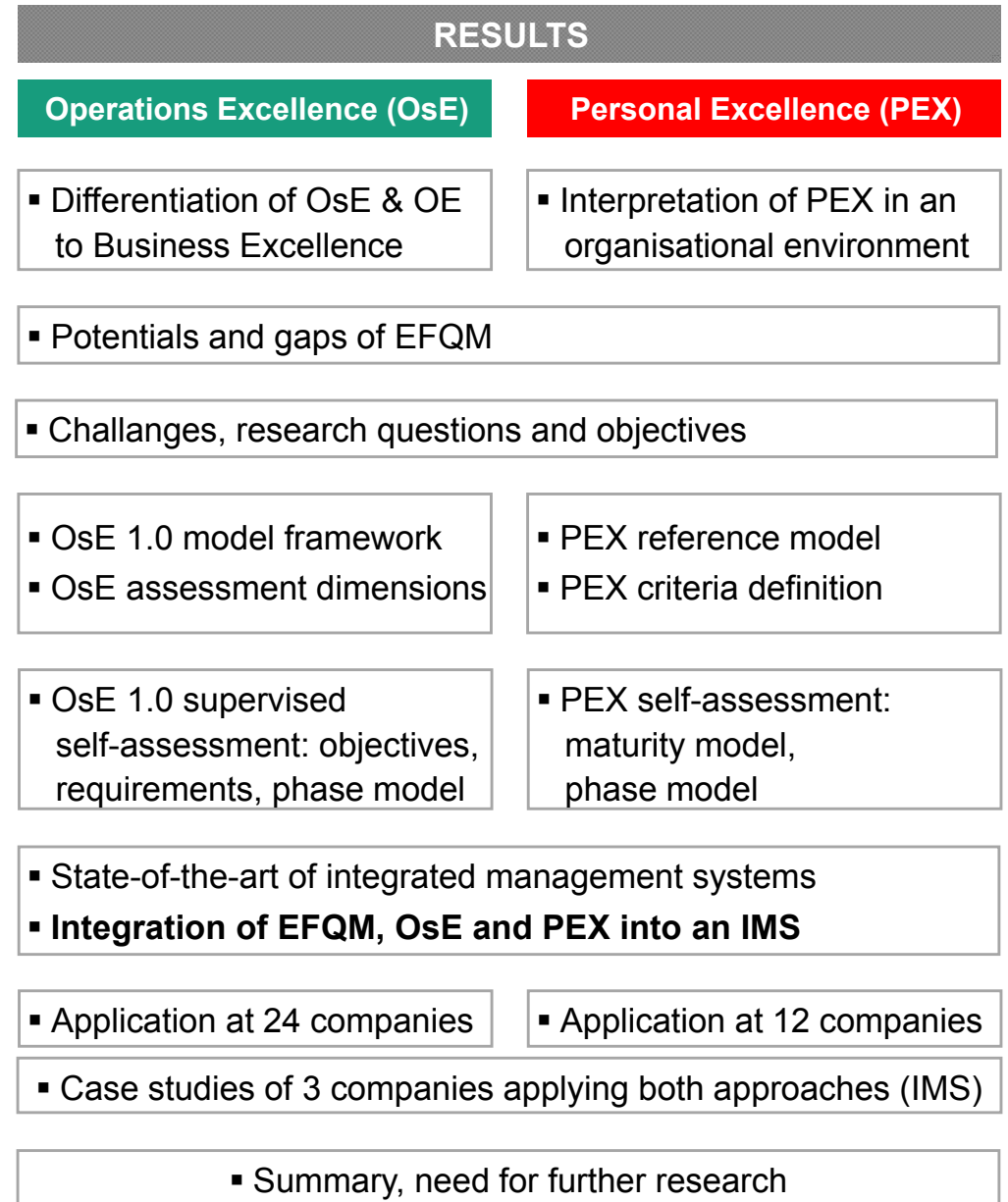
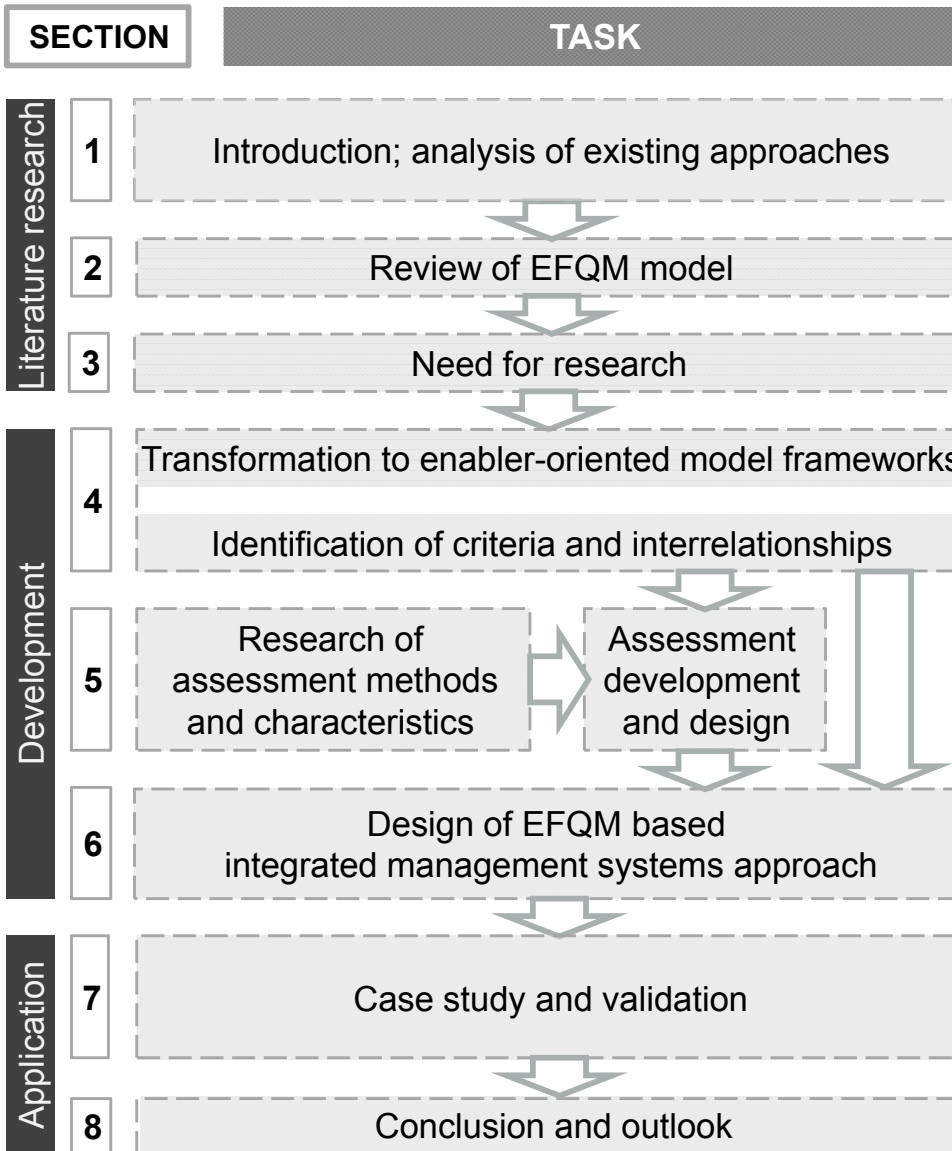
Objectives

Development of an integrated management systems approach by transforming the EFQM model for business excellence into the context of operations and personal excellence



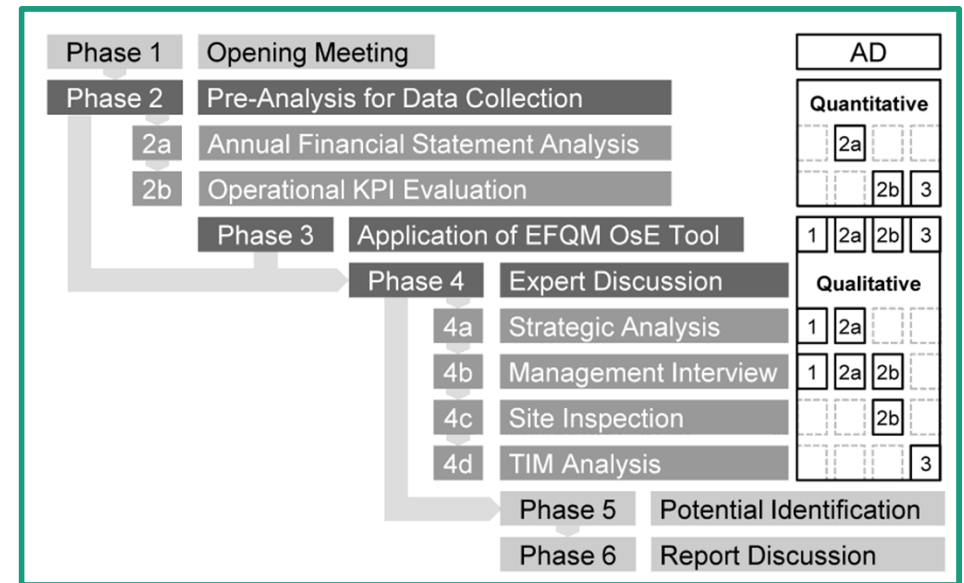
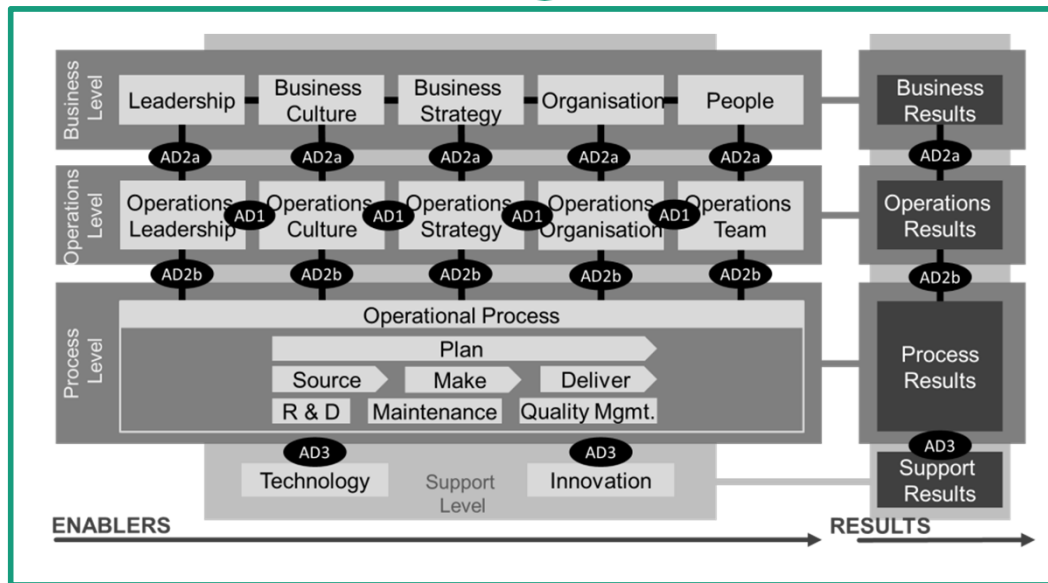
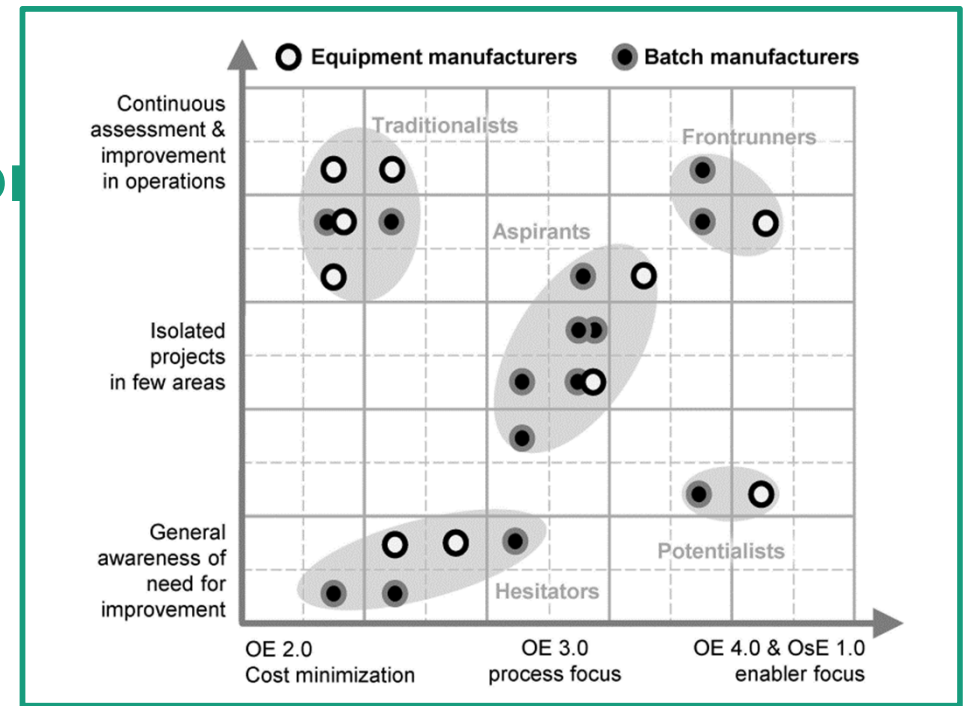
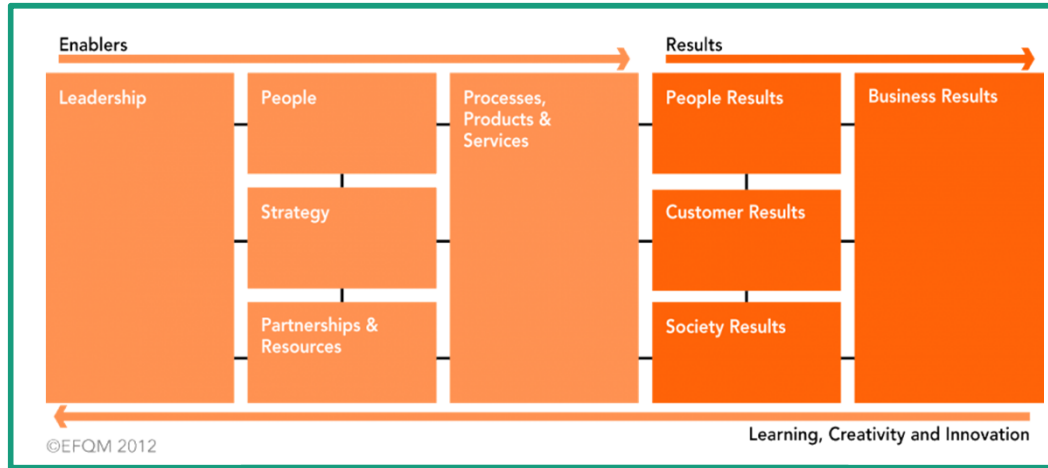
→ Assessment and increase of “joint optimization” of sociotechnical systems dimensions

Systematic proceeding



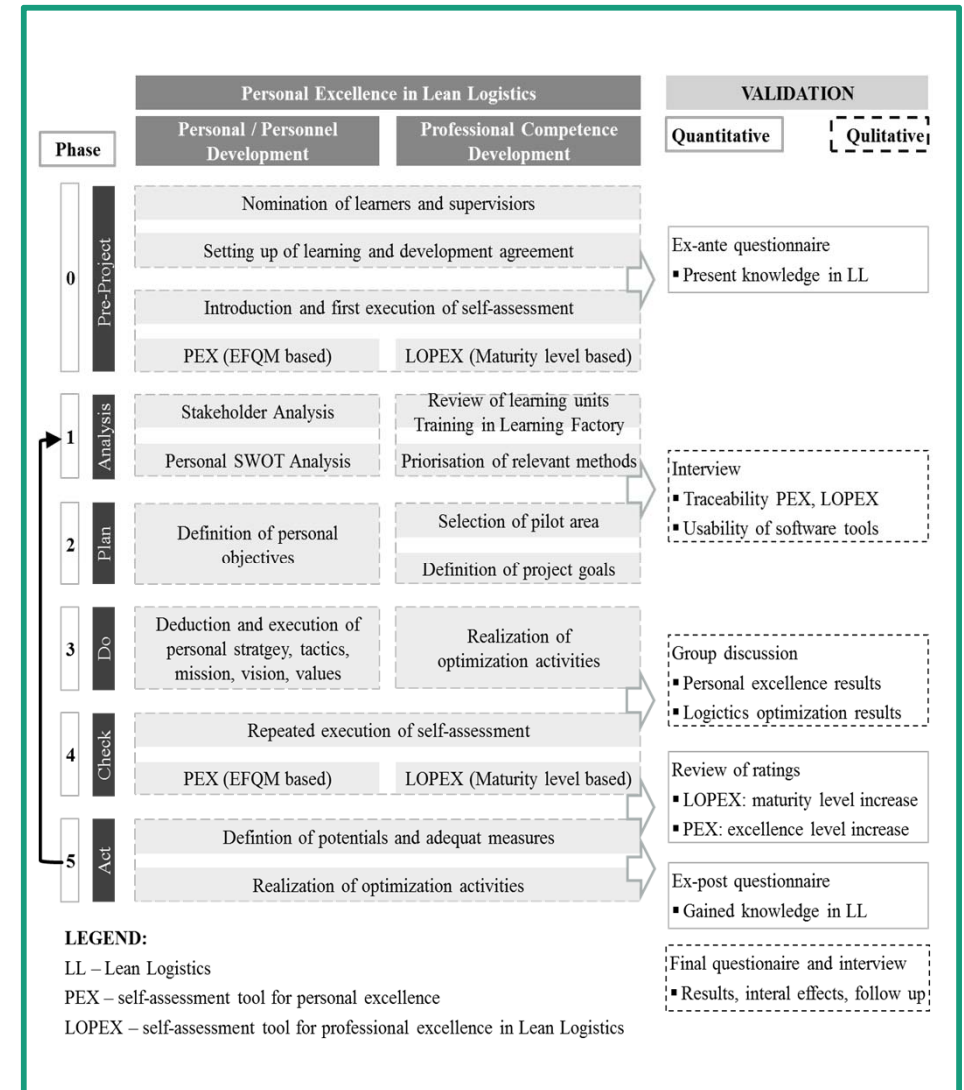
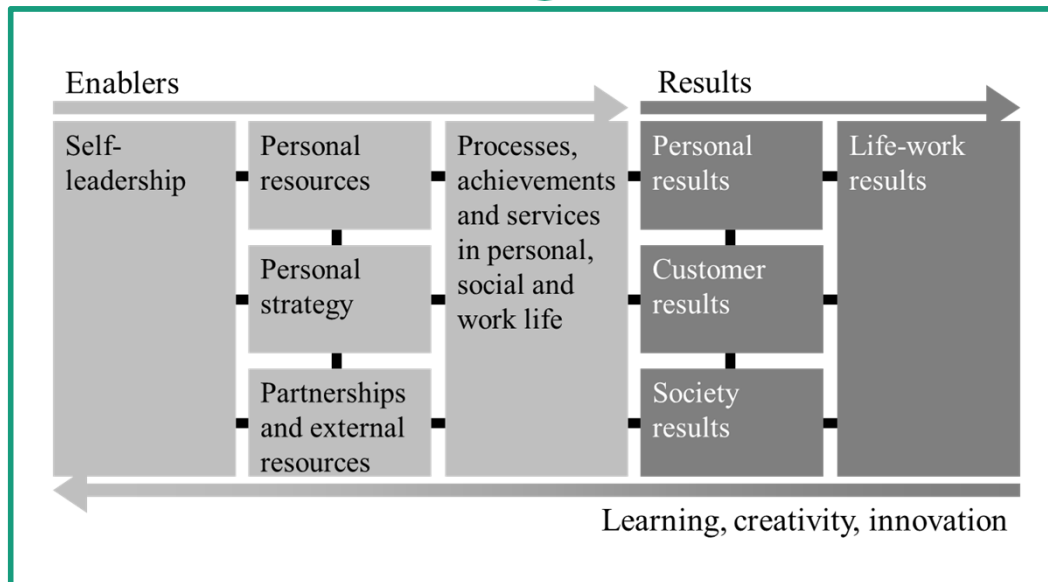
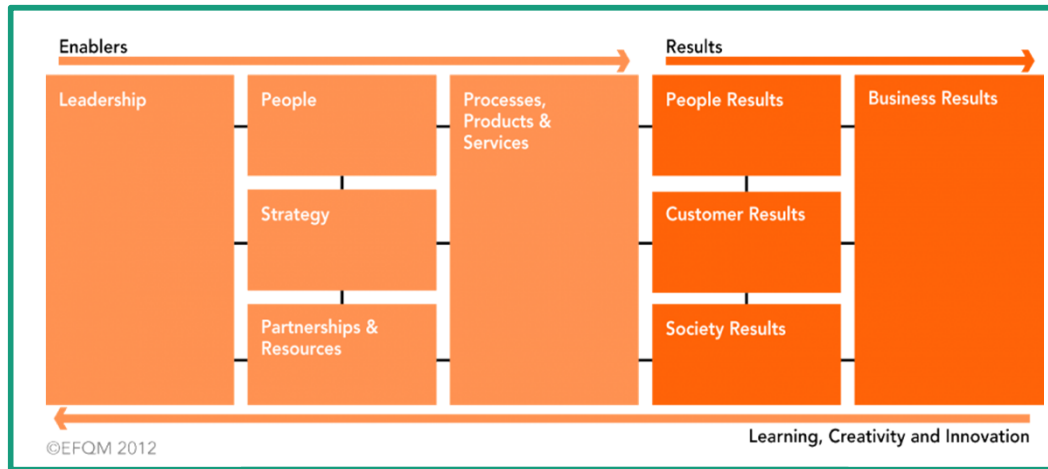
First results

EFQM-based approach for operation



First results

EFQM-based approach for personal excellence



Open points to be discussed

- Integrated management systems approach
 - Definition of system boundaries (demarcation or focusing options)

Questions





Thanks for
your attention...

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Questions

