

Using the EFQM Model in Selected Organization

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Abstract: *The task of the thesis is the analysis and subsequent application of statistical methods in quality management and improvement of the quality system. The paper determines appropriate methodology and discusses quality issues by managing quality, characteristics, history, description and self-assessment of the EFQM excellence model. The goal of the paper is to process and evaluate the state of the state according to the EFQM model in the organization (SMZ, a.s. Jelšava). Suggested solutions should increase the perception of workers that they are part of an exceptional organization.*

Keywords: *self-assessment, review, improvement, results.*

INTRODUCTION

The main purpose of this work is to evaluate the performance of a specific organization using the EFQM method. The paper deals with the analysis of the complex presentation of the EFQM Model of Excellence [1,6]. It is necessary to present a graphical representation of this model where it is possible to monitor the interconnection of the individual criteria of this model. It is necessary to introduce and define each criterion in terms of leadership, people, strategy, partnership, resources and processes. And as well as each of the criteria found in the results area, where results - people, results - customers, results - the company and the key results of their design and usage [7,8].

In the selected organization, EFQM model data applied to the selected method is described in the theoretical part. The application of the EFQM Excellence Model is followed in order to capture non-financial performance indicators in the organization [2,5,6].

Improving the quality of management processes and introducing modern quality systems is one of the ways to stay in the labor market in today's competitive times. The Model of Excellence EFQM offers a complex and diverse network of organizations that currently operate on the market a unique scale of criteria that makes it possible to compare each organization objectively [2,3].

The objective of article was to analyze the EFQM (European Foundation for Quality Management).

Another part was the analysis and complex presentation of the EFQM Model of Excellence. It is necessary to introduce and define each criterion in terms of leadership, people, strategy, partnership, and resources and processes, as well as each of the criteria found in the results area - the results - people, results - customers, results - the company and the key results [4,9].

MATERIAL AND METHODS

The EFQM excellence model was implemented in SMZ, a.s. Jelšava. The production program is aimed at the production of loose dead-burned magnesite refractory products, caustic magnesites and slag-forming additives and crude magnesites. The production of the organization is mainly for the steel industry, the production of fire materials, the chemical industry, agriculture and construction.

Sub-criteria - Leading - Leadership 10%

1a) assessing whether executives are at the same time leading figures and a model in applying the culture of excellence in SMZ, a.s. Jelšava,

1b) assessing whether executives are personally committed to ensuring the development, implementation, and continuous improvement of the organization's management system,

1c) assessing whether they engage in relationships with customers, partners and other

interest groups,

1d) assessing whether managers are motivating, promoting personal development and valuing workers,

1e) whether policy and strategy are consistently implemented in the organization.

Sub-criteria - Workers – People 10%

2a) whether human resources are planned, managed and developed,

2b) whether the knowledge and skills of workers are identified, developed and maintained,

2c) whether the staff of the organization are engaged and empowered to carry out individual processes,

2d) whether the workers and SMZ, a.s. Jelšava communicates and leads a dialogue together.

Sub-criteria - Policy and strategy 10%

3a) whether policy and strategy are based on current and future needs and expectations of interest groups in SMZ, a.s. Jelšava,

3b) whether the policy and strategy is based on information from surveys, education and application of other creative activities,

3c) whether the organization's policy and strategy is being developed, reviewed and innovated,

3d) whether policy and strategy is focused on all key processes,

3e) whether workers are appropriately remunerated and whether public forms of their recognition are used.

Sub-criteria - Partnership and resources 10%

4a) whether external partnerships are managed,

4b) whether the financial resources of SMZ, a.s. Jelšava are managed,

4c) whether the necessary care is devoted to buildings, facilities and materials,

4d) whether there are technological processes in the organization,

4e) whether information and knowledge are managed in the organization.

Sub-criteria - Processes 10%

5a) whether processes are systematically designed and managed,

5b) Whether processes are improved as needed with the use of innovation to fully satisfy and create added value for customers and other stakeholders,

5c) whether products and services are designed and developed based on customers' needs and expectations,

5d) how to realize the production, delivery and service of products and services in the organization SMZ, a.s. Jelšava,

5e) how the improved customer relationships are managed.

Sub-criteria - Results in relation to workers 10%

6a) what are employees' perceptions of the organization and whether they include an area of motivation, employee satisfaction in SMZ, a.s. Jelšava,

6b) what performance indicators are, in particular, in the area of competence transfer and whether they exist.

Sub-criteria - Results in relation to customers 15%

7a) whether or not there are customer perceptions of the organization, including the overall image of the organization - production, sales and service,

7b) whether there are other performance indicators in the SMZ, a.s. Jelšava that the organization uses to monitor, understand and improve customer perception.

Sub-criteria - Results in relation to the company 10%

8a) whether there are and what are the perceptions of the company, including, the issue of reducing the negative impact on the environment in SMZ, a.s. Jelšava,

8b) whether there are and what performance indicators are tracking changes in employment development, cooperation with foreign trade organizations, state authorities, etc.

Sub-criteria - Key outcomes of performance 15%

9a) what are the key outcomes achieved by SMZ, a.s. Jelšava - financial as well as non-financial,

9b) what are the key outcomes and performance indicators defined in relation to processes, external resources, assets, information, and so on.

Table 1 Overall score of the ORGANIZATION (SMC Jelšava) self-assessment report

| 1. Criteria - Assumptions | | | | | | | | | | | | |
|---|----|--|-----------|-----|----|-----------|----|-----|-----------|-----|----|-----------|
| Criteria number | | | 1 | % | 2 | % | 3 | % | 4 | % | 5 | % |
| Sub-criterion | | | 1a | | 2a | | 3a | | 4a | | 5a | |
| Sub-criterion | | | 1b | | 2b | | 3b | | 4b | | 5b | |
| Sub-criterion | | | 1c | | 2c | | 3c | | 4c | | 5c | |
| Sub-criterion | | | 1d | | 2d | | 3d | | 4d | | 5d | |
| Sub-criterion | | | 1e | | | | 3e | | 4e | | 5e | |
| Total | | | | | | | | | | | | |
| | | | | ÷ 5 | | ÷ 4 | | ÷ 5 | | ÷ 5 | | ÷ 5 |
| Rating achieved | | | | | | | | | | | | |
| <i>Note:</i> the score obtained is the arithmetic mean of the percentages of the individual sub-criteria. If the applicant provides convincing reasons why one or more parts are not relevant to his organization, the average of only those values should be counted. To exclude ambiguities (with no result), the subcriteria may be recognized as irrelevant, denoted in the above table as "NR". | | | | | | | | | | | | |
| 2. Criteria – Results | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | 6 | | % | 7 | | % | 8 | | % | 9 | | % |
| Sub-criterion | 6a | | x 0.75 | 7a | | x 0.75 | 8a | | x 0.50 | 9a | | x 0.50 |
| Sub-criterion | 6b | | x 0.25 | 7b | | x 0.25 | 8b | | x 0.50 | 9b | | x 0.50 |
| Rating achieved | | | | | | | | | | | | |

Using the EFQM model, the organization achieves a stable circle of subscription organizations with which it has maintained good business relations for several years [10].

RESULTS

Sub-criteria - Leading - Leadership 10%

Areas of improvement:

- strengthen the graphical presentation of the results in relation to employees,
- regular structured surveys with a steady form of presentation of the results,
- preparation of a new investment in the production of basic technologies,
- improving personal contacts with customers,
- direct support for communication in the supply chain,
- improving the achieved parameters of the machinery and equipment.

Proof:

- 1a) corporate newspaper, company policy,
- 1b) process model - process structures,
- 1c) Code of Ethics,
- 1d) controlled documentation,
- 1e) implemented policy.

Sub-criteria - Workers - People 10%

Strengths:

- Information and visualization of fulfilment of achieved parameters on the machinery.
- Stable team of employees
- Personal contact of leaders with employees

Areas of improvement:

- Employee motivation
- Improvement of the achieved machine parameters
- Improved communication at lower levels of control

Proof:

- 2a) Organizational documentation (guidelines, methodological guidelines),
- 2b) Satisfaction measurement questionnaire,
- 2c) Service Agreement,
- 2d) Reports from external testing audits.

Sub-criteria - Policy and strategy 10%

Strengths:

- Top technology and flexibility to respond to customer requirements,
- Close cooperation with suppliers and top buyers,
- Clearly formulated strategic goals,
- Regular monitoring of goals.

Areas of improvement:

- Analyzes of efficient production,
- Product innovation,
- To deepen and increase the focus on strategic partners - suppliers and consumers,
- Improve collaboration with colleges and universities.

Proof:

- 3a) enterprise information system,
- 3b) the SMZ, a.s. Jelšava web site,
- 3c) Quality certificates ISO 9001, ISO 14001, GMP + B2,
- 3d) evaluation of internal audits,
- 3e) company information systems.

Sub-criteria - Partnership and resources 10%

Strengths:

- Outstanding relationships both on the supplier side and on the customer side,

- Very good technical and technological equipment of the company,
- Continuous innovation of our product portfolio,
- Close cooperation supplier – customer,
- Excellent position within the region,
- Financial stability and high ability to pay.

Areas of improvement

- Need for investment in basic production,
- The stock of colours and thinners is too far away.

Proof:

- 4a) Advertising Agreement from. 183/2011, Loan agreement,
- 4b) Service Agreement,
- 4c) Business News, Chairman of the Board Directives,
- 4d) Director-General Directives,
- 4e) Decision of the SMZ Director, a.s. Jelšava, Methodical Instruction of the Director of SMZ, a.s. Jelsava.

Sub-Criteria - Processes 10%

Strengths:

- the company has defined and formulated processes,
- use of systematic collection of information for innovative activities,
- use of multiple ways of promoting products,
- product management based on non-anonymous customer contact,
- support for different forms of dialogue with customers.

Areas of improvement:

- wider use of the advanced versions of software to model processes,
- supplementing technical equipment in response to new technical possibilities,
- introduction of new forms of market research .

Proof:

- 5a) Process Model - Process Structures,
- 5b) Business Infoweb - Guidelines, Business Negotiation Documents,
- 5c) Website SMZ Jelšava a. s., corporate newspaper,
- 5d) certificates and service activities, complaint handling,
- 5e) a set of corporate technical standards, entries from external audits.

Sub-criteria - Results in relation to workers 10%

Strengths:

- Stabilized team of employees,
- Frequent, personal contact with employees,
- Revised data collection about performance parameters,
- Occupation of employees,
- Informing and showing the current state of fulfilment of stakeholder parameters,
- Introduced upgrade program.

Areas of improvement

- Interpersonal communication,
- Transfer information through middle management to lower levels,
- Detecting feedback via questionnaires.

Proof:

- 6a) questionnaire to measure the satisfaction of employees of SMZ, a.s. Jelšava, reports from external employee testing,
- 6b) KPI system, methodological instructions of the SMZ Director, a.s. Jelšava, improvement of processes and activities in society.

Sub-criteria - Customer-related results 15%

Strengths:

- Direct daily contact with decisive clients,
- Customer requirements are verified and immediately resolved with specialist departments,
 - The customer then receives a qualified proposal to solve his problem,
 - Customer relationships are systematically built and consolidated through joint projects and development cooperation and new projects,
 - Ability to efficiently handle by optimization of order quantities.

Areas of improvement:

- Optimization of SCM in the use of production capacities and resource conservation,
- Increase professionalism in discovering causes and finding the essence of customer's problem,
 - Better organization of work and use of technological knowledge to maintain and strengthen its position at customers,

Proof:

7a) analysis, statistics, surveys - all managed documentation,

7b) analysis, statistics, surveys - all managed documentation.

Sub-criteria - Results in relation to the company 10%

Strengths:

- compliance with, and observance of, applicable laws and standards for the protection of the environment, health and safety at work,
 - support for entities in the region through the Foundation,
 - the economic impact of the organization and its image,
 - credibility of the organization.

Areas for improvement:

- Record awards and ,thank you letters,
- Record excursions made in the company,
- Analyze integrated marketing communications, - monitor media and publish it on the company's website,
 - Organize events and projects aimed at the public, respectively. with the participation of the wider public.

Proof:

8a) Corporate newspapers, print media

8b) Management report of SMZ, a.s. Jelšava, 2012, 2013, 2014, 2015

Sub-criteria - Key performance outcomes 15%

Strengths:

- A modern competitive company,
- A leader in the Slovak market and a major converter in Central and Eastern Europe,
- Market standing - Stable, mature transnational clientele both as exporter and importer,
- Customer Priority, Shareholder, Employee, Largest Employer in the Region.

Areas of improvement:

- Improving performance,
- Expansion of the product and service portfolio,
- Customer orientation,
- Raising expertise.

Proof:

9a) a comprehensive business plan,

9b) KPI - tracking key performance indicators.

Table 2 Overall Score ORGANIZATION (SMC Jelšava) self-assessment report

| 1. Criteria - Assumptions | | | | | | | | | | | | | | | | |
|--|----|----|-----------------|-------------|-------------|-------------|--------------|-------------|-----------|-------------|----------|-------------|----|----|----------|----|
| Criteria number | | | 1 | % | 2 | % | 3 | % | 4 | % | 5 | | | | | |
| Sub-criterion | | | 1a | 99 | 2a | 90 | 3a | 96 | 4a | 94 | 5a | 94 | | | | |
| Sub-criterion | | | 1b | 95 | 2b | 95 | 3b | 95 | 4b | 89 | 5b | 90 | | | | |
| Sub-criterion | | | 1c | 97 | 2c | 96 | 3c | 95 | 4c | 92 | 5c | 90 | | | | |
| Sub-criterion | | | 1d | 86 | 2d | 86 | 3d | 98 | 4d | 96 | 5d | 96 | | | | |
| Sub-criterion | | | 1e | 86 | | | 3e | 95 | 4e | 95 | 5e | 97 | | | | |
| Total | | | | 463 | | 367 | | 479 | | 466 | | 467 | | | | |
| | | | | ÷ 5 | | ÷ 4 | | ÷ 5 | | ÷ 5 | | ÷ 5 | | | | |
| Rating achieved | | | | 92.6 | | 91.7 | | 95.8 | | 93.2 | | 93.4 | | | | |
| <i>Note:</i> the score obtained is the arithmetic mean of the percentages of the individual sub-criteria. If the applicant provides convincing reasons why one or more parts are not relevant to his organization, the average of only those values should be counted. To exclude ambiguities (with no result), the subcriteria may be recognized as irrelevant denoted in the above table as "NR". | | | | | | | | | | | | | | | | |
| 2. Criteria - Results | | | | | | | | | | | | | | | | |
| | | | 6 | | % | 7 | | % | 8 | | % | 9 | | | | |
| Sub-criterion | 6a | 52 | x 0.75 | 39 | 7a | 52 | x 0.75 | 39 | 8a | 88 | x 0.5 | 44 | 9a | 86 | x 0.5 | 43 |
| Sub-criterion | 6b | 34 | x 0.25 | 8.5 | 7b | 82 | x 0.25 | 20.5 | 8b | 88 | x 0.5 | 44 | 9b | 74 | x 0.5 | 37 |
| Rating achieved | | | 47.5 | | 59.5 | | 88 | | 80 | | | | | | | |
| 3. Total points | | | | | | | | | | | | | | | | |
| Criteria | | | Rating achieved | | Coefficient | | Final rating | | | | | | | | | |
| 1 Leading / Leadership | | | 92.6 | | x 1.0 | | 92.6 | | | | | | | | | |
| 2 Workers / People | | | 91.7 | | x 1.0 | | 91.7 | | | | | | | | | |
| 3 Policy and strategy | | | 95.8 | | x 1.0 | | 95.8 | | | | | | | | | |
| 4 Partnership and resources | | | 93.2 | | x 1.0 | | 93.2 | | | | | | | | | |
| 5 Processes, products and services | | | 93.4 | | x 1.0 | | 93.4 | | | | | | | | | |
| 6 Results in relation to customers | | | 47.5 | | x 1.5 | | 71.25 | | | | | | | | | |
| 7 Results in relation to workers | | | 59.5 | | x 1.0 | | 59.5 | | | | | | | | | |
| 8 Results in relation to the company | | | 88 | | x 1.0 | | 88 | | | | | | | | | |
| 9 Key results | | | 80 | | x 1.5 | | 120 | | | | | | | | | |
| Total score points | | | | | | | 805.4 | | | | | | | | | |

Table 3 Average Rating of the EFQM Excellence Model Criteria

| Criteria | Max points | Self-assessment of the organization SMZ a. s. Jelšava | Evaluation of UNMS SR National SR Prize for Quality |
|---|-------------|---|---|
| Leading / Leadership | 100 | 92.6 | 48.7 |
| Workers / People | 100 | 91.7 | 65 |
| Politics and Strategy | 100 | 95.8 | 65.7 |
| Partnership and resources | 100 | 93.2 | 58.5 |
| Processes, products, services | 100 | 93.4 | 64.5 |
| Results in relation to workers | 100 | 71.25 | 50 |
| Results in relation to customers | 150 | 59.5 | 46 |
| Results in relation to the company | 100 | 88 | 59 |
| Key results | 150 | 120 | 98 |
| | 1000 | 805.4 | 555.4 |

CONCLUSION

Implementation of comprehensive quality management must be planned, this is a long-term change of processes, thinking of people. Without a clear long-term plan in the organization, quality cannot be improved. It is important to systematically plan the future of the organization. The necessity of introducing comprehensive quality management is a prerequisite for a qualified deal with this issue. Procedures for the implementation of comprehensive quality management are described in various scientific publications dealing with this issue. Since comprehensive quality management is mostly aimed to manage change, focusing on a comprehensive understanding of quality, involving all employees, it must be seen as a management model that will be embedded in continuous development and sustained improvement.

It is important to recognize that comprehensive quality management is the work of the entire management and all employees. The management decision for comprehensive quality management is the beginning of profound changes in the culture of the organization.

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