

# PROCESS MANAGEMENT EVALUATION USING THE EFQM MODEL

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**SUMMARY:** The paper presents the Evaluation of process management based on the EFQM model for the company Glorious Lighting SRL from Braila. According to the scores obtained, a radar chart is made which shows that it has leadership problems.

At the end it is specified that an application will be made that will improve this part in half a year, through a telephone message that reminds on the first Monday of each month, what is the flow of the process in each department and when it is a new process or a modified one, will send a notification with that information on that day.

Keywords: EFQM, application, leadership

## 1. Introduction

The study aims to identify based on the EFQM model and the actual evaluation of the management in order to improve the practices of transfer to the company and to identify areas with potential for improvement with the help of the radar chart..

**Table 1. EFQM**

Criterion	Factors															Results																		
	Leadership					Strategy				People					Partnerships & Resources					Process, Products and Services					Customer results		People results		Society results		Key Results			
Criterion part	A	B	C	D	E	A	B	C	D	E	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
Adding value for customer			X				X															X	X	X	X	X	X	X		x				
Leading with vision, inspiration and integrity	X			X				X						X															X		X			
Managing by process		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	x				
Nurturing creativity & innovation			X				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	X	X	X		X	x	x	X						X	X			X				x		X	x			x		X	X	x		

for a sustainable future																														
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X – Text from fundamental concept directly reflected in the criteria part  
 x – Adaptation of text from fundamental concept appears in the criterion part

### 2. Process management assessment

At this time, management does not announce when a change in the flow of departments is changing, and most of the time employees do not know the flow of the department they belong to.

1. *Leadership* - Excellent Leaders develop and facilitate the achievement of the mission and vision. They develop organizational values and systems required for sustainable success and implement these via their actions and behaviors. During periods of change they retain a constancy of purpose. Where required, such leaders are able to change the direction of the organization and inspire others to follow.

1. b. Leaders are personally involved in ensuring the organisation’s management system is developed, implemented and continuously improved.  
 This may include:

- Aligning the organisation’s structure to support delivery of its policy and strategy; (1)
- Ensuring a system for managing processes is developed and implemented; (2)
- Establishing clear ownership of processes; (3)
- Ensuring a process for the development, deployment and updating of policy and strategy is developed and implemented; (4)
- Ensuring a process for the effective governance of the organisation is developed and implemented; (5)
- Ensuring a process for the measurement, review and improvement of key results is developed and implemented; (6)
- Ensuring a process, or processes, for stimulating, identifying , planning and implementing improvements to enabling approaches e.g. through creativity, innovation and learning activities, is developed and implemented. (7)

#### 1b. Strengths

- Leaders are helping each other with all the information so the organization’s structure to support delivery of its policy and strategy. (1) – 65%
- Company has implemented the ISO 9001:2015 and the leaders have developed and implemented management system work procedures. (2) – 75%
- Leaders help employees in their free time at work so they can be happy and the job can be easier most of the time at work.(3) – 60%
- When the time is enough, leaders are teaching the employees the no how method, they do some trainings to evolve the team and some nice application so the team can learn and do something fun.(7) – 75%

#### 1b. Areas for Improvement

- After the certification ISO 9001 was done, the leaders don’t update anymore in real time the working procedures. (4) – 35%

- The flow of the organization is not respected all the time by leaders and sometimes the flow is changed and no announce is done. (5) – 25%
  - Leaders don't have developed and implemented a process for the measurement, review and improvement of key results. They have in the inbox of e-mail the reviews. (6) – 10%
2. **Policy and Strategy** - Excellent Organizations implement their mission and vision by developing a stakeholder focused strategy that takes account of the market and sector in which it operates. Policies, plans, objectives, and processes are developed and deployed to deliver the strategy.
2. d. Policy and Strategy are communicated and deployed through a framework of key processes. This may include:
- Identifying and designing and communicating the framework of key processes needed to deliver the organization's policy and strategy; (1)
  - Communicating policy and strategy to stakeholders and evaluating the awareness of it; (2)
  - Aligning, prioritizing, agreeing, cascading and communicating plans, objectives and targets as well as following up achievements; (3)
  - Establishing organization wide reporting mechanisms to track progress (4)

#### 2d. Strengths

- Employees are informed about the policy and strategy of the organization from the first days. (1) – 90%
  - Policy and strategy of the organization is communicated via telephone or e-mail to stakeholders, but sometimes the company is missing evaluating the awareness of it (2) – 55%
  - Top management analyze the plans and necessary things that the employees from company should do and give the information throw away to leaders. From there, the leaders are prioritizing the objective and targets and share the responsibilities of the team, after which they follow the results. (3) - 95%
  - Top management and leaders have different ways to track the process, such as: an excel with the day-to-day action plan, from the email that employees send that day, last week's results, and so on. (4) – 85%
3. **People** - Excellent organizations manage, develop and release the full potential of their people at an individual, team-based and organizational level. They promote fairness and equality and involve and empower their people. They care for, communicate, reward and recognize, in a way that motivates staff and builds commitment to using their skills and knowledge for the benefit of the organization.
3. c. People are involved and empowered. This may include:
- Encouraging and supporting individual and team participation in improvement activities; (1)
  - Encouraging and supporting people's involvement e.g. through in-house conferences, ceremonies and community projects; (2)
  - Providing opportunities that stimulate involvement and support innovative and creative behavior; (3)
  - Training managers to develop and implement guidelines empowering people to take action; (4)
  - Encouraging people to work together in teams.(5)

### 3c. Strengths

- When the samples are painted people that are involved have to stay with the painters and observe the whole process they go through and if they encounter problems will try another option for optimal results. (1) – 95%
- People are involvement weekly in-house conferences with others departments and they discuss about what it's new and what everyone has to do. (2) – 90%
- The best example of stimulating involvement and supporting innovative and creative behavior is the situation where I needed to do some tests that will eliminate some additional costs in mass production and I implemented it with the help of the team. (3) – 95%
- When a team have a task, the coordinator encouraging people to collaborate and help each other for things to go smoothly. (5) – 80%

### 3c. Areas for Improvement

- Sometimes managers have some trainings regarding developed and implemented guidelines empowering people to take actions (4) – 20%

4. **Partnerships and Resources** - Excellent organizations plan and manage external partnerships, suppliers and internal resources in order to support policy and strategy and the effective operation of processes. During planning and whilst managing partnerships and resources they balance the current and future needs of the organization, the community and the environment.

#### 4. b. Finances and managed

This may include:

- Developing and implementing financial strategies and processes for using financial resources in support of overall policy and strategy. (1)
- Designing the financial planning and reporting to cascade the financial stakeholders expectations throughout the organization. (2)
- Establishing reporting mechanisms (3)
- Evaluating investment in and divestment of both tangible and non-tangible assets (4)
- Using financial mechanisms and parameters to ensure an efficient and effective resourcing structure (5)
- Developing and introducing methodologies for managing risks to financial resources to all appropriate levels in the organization (6)
- Establishing and implementing core governance processes at all appropriate levels in the organization. (7)

#### 4b. Strengths

- With help of the cash flow that is do it weekly, the developed and implemented financial strategies and processes are used in support of overall policy and strategy. (1) – 80%
- Purchasing team give an approximate cash flow to the suppliers. (2) – 85%
- Mechanisms of reporting is by e-mail of at phone calls. (3) – 85%
- Financial department use tables in excel in order to ensure an efficient and effective resourcing structure. (5) – 90%

#### 4b. Areas for Improvement

- In this moment company don't evaluate investment in and divestment of both tangible and non-tangible assets. (4) – 0%
- Developing and introducing methodologies for managing risks to financial resources to all appropriate levels in the organization is not respected all the time. – 15%
- In this moment in company we don't establishing and implementing core governance processes at all appropriate levels in the organization. – 0%

#### 4. d. Technology is managed

This may include:

- Developing a strategy for managing technology that supports the organizations policy and strategy; (1)
- Identifying and evaluating alternative and emerging technologies in the light of their impact on business and the society; (2)
- Managing the technology portfolio including the identification and replacement of outdated technology; (3)
- Exploiting existing technology; (4)
- Developing innovative and environmentally friendly technology (i.n. conserving energy and resources, minimization of waste and emissions, encouraging recycling and re-use); (5)
- Using Information and Communication Technologies to support and improve the effective operation of the organization; (6)
- Using technology to support improvement. (7)

#### 4d. Strengths

- The company bought automatic machines like conveyors and automation packaging machine in order to satisfy the organizations policy and strategy (1) – 80%
- Company manage the technology, within the allocated budget, they bring sometimes high-performance machines to make work easier. (3) – 80%
- The current technology is exploited as the painting lines when the staff is enough the conveyor goes at a much higher speed. (4) – 70%
- Company encouraging recycling with help from the client ( the bags are a percentage recycled), R&D department are in develop with the concrete base instead of EVA base, Quality team do evaluate the components and give it to rework if it is possible. (5) – 95%
- Company use the technology to support improvement such as the automatic packaging machine is better on the pallet that the normal packing with straps because is not damaging the extern packing. (7) – 80%

#### 4d. Areas for Improvement

- The company does not identify and evaluate alternative and emerging technologies in light of their impact on business and society, for example, we do not have a generator for light in production lines. (2) – 10%
- At the metal process they use information and communication technologies to improve the problems we regard like the spinning marks. (6) – 25%

#### 4. e. Information and Knowledge are managed

This may include:

- Developing a strategy for managing information and knowledge that supports the organisations policy and strategy; (1)
- Identifying the organisations information and knowledge requirements; (2)
- Collecting, structuring and managing information and knowledge in support of policy and strategy; (3)
- Providing appropriate access, for both internal and external users, to relevant information and knowledge; (4)
- Using information technology to support internal communication and information and knowledge management; (5)
- Assuring and improving information validity, integrity and security; (6)
- Cultivating, developing and protecting unique intellectual property in order to maximise customer value; (7)
- Seeking to acquire, increase and use knowledge effectively; (8)
- Generating innovative and creative thinking within the organisation through the use of relevant information and knowledge resources. (9)

#### 4e. Strengths

- Organisations information and knowledge requirements are specified from first days and are different from one department to another. (2) – 75%
- According with ISO 9001 company have collected, structured and managed information and knowledge in support of policy and strategy in procedures. (3) – 60%
- Some of the informations are provided at reception in the company, to be visible for internal and external users and the rest for the information that are necessary for provided to the internal user at needed time. (4) – 55%
- Departments use the email and the application WeChat to support internal communication and information and knowledge management. (5) – 95%
- Once of week the IT company ensures and improves the validity, integrity and security of information. (6) – 80%
- In the weekly meetings all the involved department comes with ideas in cultivating, developing and protecting unique intellectual property in order to maximise customer value. (8) – 80%
- The relevant information and knowledge resources are getting from different types of standards trying to generating innovative and creative thinking. (9) – 75%

#### 4. e. Areas for Improvement

- In this moment, the company don't have a strategy for managing information and knowledge that supports the organisations policy and strategy. (1) – 0%
  - Company don't progress with cultivating, developing and protecting unique intellectual property in order to maximise customer value. (7) - 0%
5. **Processes** - Excellent organizations design, manage and improve processes in order to fully satisfy, and generate increasing value for, customers and other stakeholders.
5. a. Processes are systematically designed and managed

This may include:

- Designing the organization's processes, including those key processes needed to deliver policy and strategy; (1)
- Identifying process stakeholders and managing interface issues inside the organization and with external partners for the effective management of end-to-end processes; (2)
- Establishing the process management system; (3)
- Applying systems standards covering, for example, quality management systems, environmental systems, occupational health and safety systems in process management; (4)
- Implementing process indicators and setting performance targets; (5)
- Reviewing the effectiveness of the process framework in delivering the organizations policy and strategy. (6)

#### 5a. Strengths

- In conformity with the working procedures and system for ISO 9001, company have designed the organization's processes, including those key processes needed to delivery policy and strategy. (1) – 100%
- Organization identify process stakeholders and for all the issues inside the organization they find a solution internal to can solve the problem and with external partners it do the deviations for issues that it found and send it to the suppliers so can appears again. (2) – 90%
- The process management system will be found in working procedures that all the departments implemented it for standard ISO 9001. (3) – 75%
- All the system standards are applied in company with help of necessary departments. (4) – 90%

#### 5a. Areas for Improvement

- Implementing process indicators was done in the procedures for ISO 9001, but the company doesn't set a performance targets. (5) – 45%
- In most of the time, the company doesn't review the effectiveness of the process framework in delivering the organizations policy and strategy. (6) – 20%

6. **Customer Results** - Excellent organizations comprehensively measure and achieve outstanding results with respect to their customers.

#### 6. b. Performance Indicators

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

Depending on the purpose of the organisation examples of measures that may be made, include:

- image (1) : number of customer accolades and nominations for awards; press coverage.
- sales and after sales support (2) : demand for training; handling of complaints; response rate.
- product and services (3) : competitiveness; defect, error and rejection rates; seals of approval, environmental labels; guarantee provisions and warranty provisions; complaints; logistic indicators; product life cycle; innovation in design; time to market;
- loyalty (4) : duration of relationship; effective recommendations; frequency/value of orders; lifetime value; numbers of complaints and compliments; new and/or lost business; customer retention.

#### 6b. Strengths

- The sales and after sales support are supported like: the involved departments have regulated trainings with the client, all the complaints are solved by the quality department and all the time the client receive a respond from our involved departments.(2) – 100%
- The products from company is: competitiveness because we give one of the lowest price, the defects, errors, rejection rates and also complaints are few, the quality department has the best KPI compared to the other suppliers of our client, all the articles have seals of approval have environmental labels, time to market is shorter because we have a lot of suppliers and also the product life cycle is better than another suppliers. (3) – 75%
- The company is one of the best suppliers for our customer at loyalty because: we collaborate and keep the retention with customer from more than 3 years, we have the products ready for delivery in a high frequency of orders, we have low numbers of complaints and the R&D department develop new products any time when is required. (4) – 80%

#### 6b. Areas for Improvement

- The image, including the number of customer accolades and nominations for awards and press coverage are not applied in the company , one of the reason probably is that the company have just one client. (1) – 10%

9. **Key Performance Results** - Excellent organizations comprehensively measure and achieve outstanding results with respect to the key elements of their policy and strategy.

#### 9. b. Key Performance Indicators

These measures are the operational ones used in order to monitor and understand the processes and predict and improve the organization's likely key performance outcomes.

Depending on the purpose of the organization examples of measures that may be made include:

- Financial (1): Cash flow; Depreciation; Maintenance costs; Project costs; Credit ratings
- Non-Financial (2): Processes (performance; assessments; innovations; cycle times); External resources including partnerships (supplier performance; supplier price; number and value added of partnerships; number and value added of joint improvements with partners); Buildings, equipment and materials: (defect rates; inventory turnover; utilization); Technology: (innovation rate; value of intellectual property; patents; royalties); Information and knowledge: (accessibility; integrity; value of intellectual capital).

#### 9b. Strengths

- The financial part do the cash flow weekly, the maintenance costs twice a month and the project costs every time a part of our product increase or when a new product appear. (1) – 75%
- The production measure the cycle times and management do the assessments annually, purchasing team evaluate the performance of the supplier and add the supplier price in ERP, maintenance department register the defect rates of equipment and the production help with the utilization of materials. – 55%

### 3. Discussion and Radar analysis

I learned to apply a structured model that allows me to see in correlation the strengths and areas for improvement in the company. Improvement projects are structured and prioritized from the identified areas for improvement.



Table 2. Radar chart

No.	1b	2d	3c	4a	4d	4e	5a	6b	9b
Percentage	49.28%	81.25%	76%	50.71%	62.85%	57.77%	70%	66.25%*1.5	65%*1.5
Score	49	81	76	51	63	58	70	99	97.5

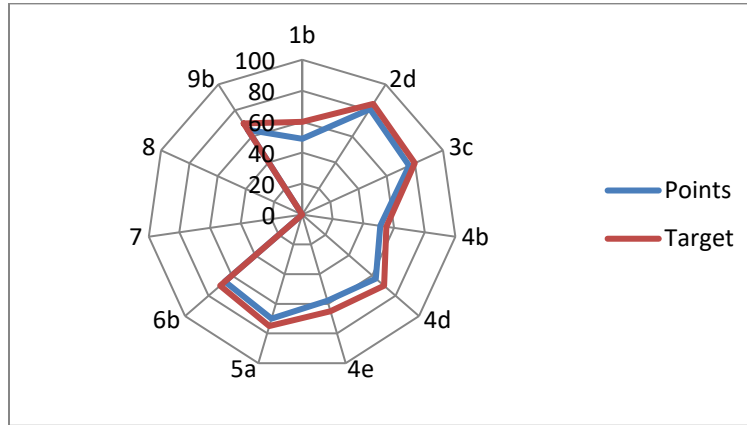


Figure 1. Radar chart

#### 4. Conclusion

The area where there is maximum potential for improvement in conformity with radar graphic is „Leadership”. In half year the company intends to reach 60 points on the 1b line with the implementation of an application that will remind with a message by phone, on the first Monday of each month, what is the flow of the process of each department and when is new or changed process, the application will give a notification with this information in that day.

The selfassessment will be relaunched after the improvement project implementation to assess the effectiveness. Positive results are expected based on the preliminary implementation.

#### 5. References

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