

Fundamental Concepts of Business Excellence...

Leadership



Visionary and inspirational leadership, coupled with clear directions & constancy of purpose.

Continuous Improvement & Innovation



Challenging the status-quo for and effecting change by using learning to create innovation and improvement opportunities.

Customer Focus



Creating sustainable customer value and exceeding their expectations.

Results Orientation



Achieving results that delight all the organization's stakeholders.

Inspiring High Performance



Maximizing the contribution of employees through their development and involvement.

Partnership Development



Developing and maintaining value-adding partnerships with all the stakeholders.

Impact on Society



Strive to understand and respond to the expectations of the society at large.

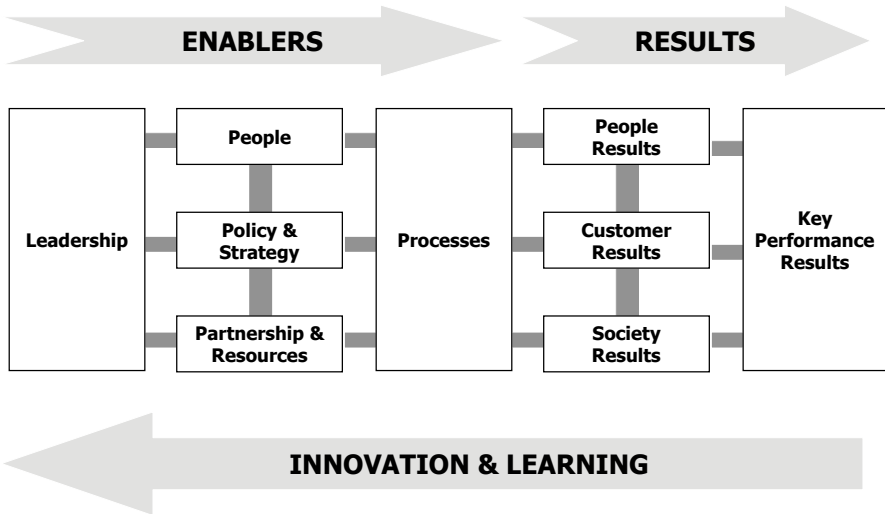
European Foundation for Quality Management (EFQM)

Business Excellence Award Framework

European Foundation for Quality Management

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 has become the basis for the majority of national and regional Quality Awards. The award is the **benchmark for business excellence**.

EFQM Business Excellence Framework



Enablers & Results

The EFQM Excellence Model is based on 9 criteria:

- Five of these are '**Enablers**' and four are '**Results**'.
- The 'Enablers' criteria cover what an organization does.
- The 'Results' criteria cover what an organization achieves.
- 'Results' are caused by 'Enablers'.
- 'Enablers' are improved by using the feedback from 'Results'.

Dynamic Model

Excellent results with respect to Performance, Customers, People and Society are achieved through Leadership driving Policy and Strategy, that is delivered through People, Partnerships and Processes.

The model gives lot of importance to innovation and learning for sustainable advantages. It shows how the innovation and learning can impact the 'Enablers' for maximizing the 'Results'.

EFQM Excellence Model

The model serves as:

- A tool for setting **right directions** for business excellence.
- A way to benchmark with other organizations.
- A guide to identify areas for improvement.
- A structure for the organization's management system.

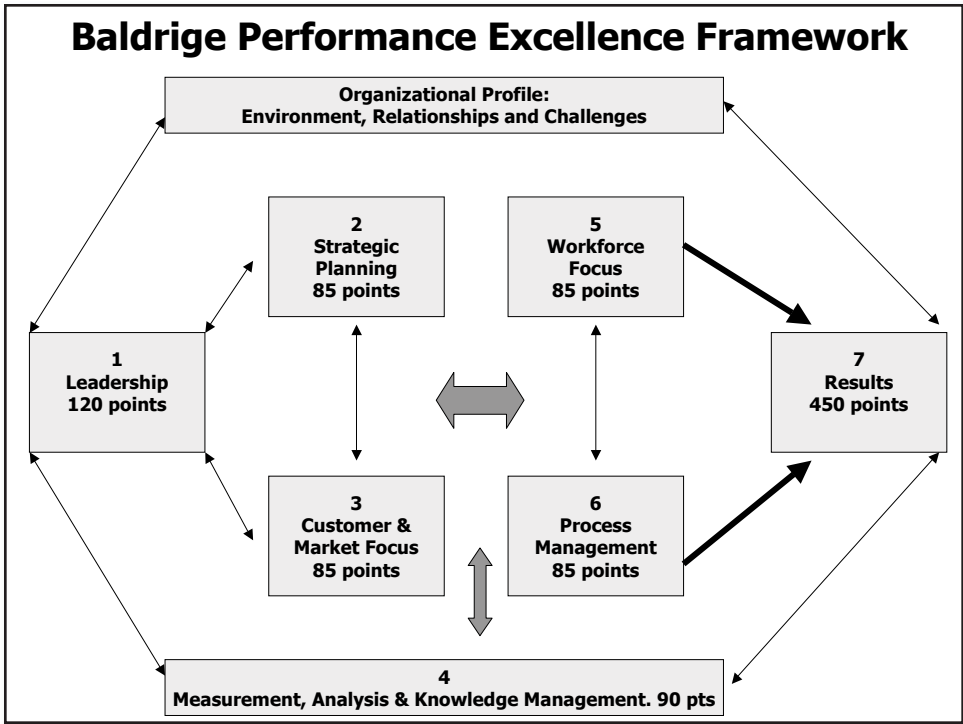
Malcolm Baldrige Quality Award & Performance Excellence Framework



Malcolm Baldrige Quality Award

The award was established by the U.S Congress in 1987 to raise awareness of quality management and recognize U.S companies that have successfully implemented quality management.

The U.S commerce department's National Institute of Standards & Technology (NIST) manages the award and the American Society for Quality (ASQ) administers it.



Award - Framework

Malcolm Baldrige Quality Award framework symbolizes the highest standards of quality. It is a benchmark for business excellence. The award is evaluated on the basis of 1000 points and is divided in 7 main criteria as shown in the above diagram.

The break-up of the points and key parameters are shown below.

1. Leadership

| <u>Criteria</u> | <u>Points</u> |
|--|---------------|
| • Senior executive leadership | 70 |
| • Governance & social responsibilities | 50 |
| Total | 120 |

Leadership Key Parameters

- Vision & values.
- Legal & ethical behaviour.
- Creating sustainable organization.
- Communicating with entire workforce.
- Fiscal accountability.
- Accountability for management's actions.
- Transparency in operations.
- Impact on society.
- Supporting key communities.