

PRESS RELEASE

'Revised EFQM Business Excellence Model prepares companies to face emerging global challenges': Pierre Cachet - EFQM

New Delhi 17th December: With globalization taking centre-stage since the last two decades, the entire business dynamics has changed forever. One of the pioneering organisations which stood in the forefront promoting Quality concepts has been the Brussels-based European Foundation for Quality Management (EFQM). The EFQM Business Excellence Model is a widely respected best practices philosophy when incorporated can help companies completely re-orient to meet the ever increasing competition across the globe. Now the catchphrase in almost all boardrooms is 'incorporate best practices to roll out quality products and services'.

Speaking at the 17th Quality Summit organised by CII Institute of Quality here the Chief Executive Officer of EFQM Mr. Pierre Cachet said that considering the fast changing economic landscape, EFQM felt that there was need to revise the Business Excellence model so that companies can integrate well into the highly globalised competition. He said that companies adopting the revised EFQM business excellence model will prepare them to face the emerging global challenge with much ease. This is the first time that Mr. Cachet has spoken about the 2010 updated version of EFQM model in a public forum outside of Europe.

Since 1989 EFQM has been supporting institutions to achieve better results by sharing experiences and Best Practice in areas such as Quality, Innovation, Productivity Improvement and Leadership. Of late the element of sustainability has got firmly entrenched on the agenda of almost all management boards around the world. Even in this sphere EFQM has been playing a pivotal role in assisting organisations in defining what sustainability means and providing approaches for its implementation and ensuring consistency between all stakeholders.

Mr. Cachet said that the "EFQM Excellence model is a non-prescriptive framework for understanding the connections between what an organisation does and the results it is capable of achieving. It is used to structure a logical and systematic review of any organisation, permitting comparisons to be made with similar or very different kinds of organisation. It is also used to define what capabilities and resources are necessary in order to deliver the organisation's strategic objectives."

The Foundation felt there was an urgent need to update the EFQM model that is in tune with the fast changing needs and expectations of various stakeholders and ensures it remains relevant and applicable to all organisations. In this backdrop an updated version of the EFQM Excellence Model was launched on 29 September 2009. The

revised model while keeping the fundamentals intact has added complementary design principles which are more holistic and help companies to take on challenges head-on and seize emerging opportunities in the global market. The revisions to EFQM model will be applicable for 2010 Awards process. Mr. Pierre said that “The EFQM Business Excellence model should not be restricted only to Quality managers in the company but it should be accessible to all managers who in turn can play an important role in implementing the quality tools and bringing about desired results that was planned for.”

Today, EFQM's network includes well over 600 organisations. These enterprises work together to improve their capabilities in understanding and implementing what delivers higher performance. EFQM's key belief lies in learning through exchange. EFQM is a globally-recognised brand. Thousands of organisations across the world use the principles of EFQM to guide their business strategy and operations in alignment with their mission and goals

Box: One

Evolution of EFQM

In the 1950's Quality Assurance was gaining ground in Europe. It was a well-developed discipline, practiced by many companies in a variety of formats. However, it was believed that an actual European focus on Total Quality Management (TQM), in which the best ideas from around the world could be brought together, was missing. For that reason, 14 CEOs of prominent European businesses created the European Foundation for Quality Management, later referred to as EFQM. On October 19, 1989, the terms of reference of EFQM were established. Mr. Cornelius van der Klugt, then CEO of Philips, was confirmed as the first President of the EFQM. Achieving Balanced Results, Adding Value for Customers, Leading with Vision, Inspiration & Integrity, Managing by Processes, Succeeding through people, Nurturing Creativity & Innovation, Building Partnerships, Taking Responsibility for a Sustainable Future

The Fundamental Concepts, the Excellence Model and RADAR all changed:

- Fundamental Concepts: There are still eight concepts, but there are important changes in emphasis and content
- The nine-box Model: There are still nine criteria and 32 criterion-parts. However, some names changed and significant changes to criterion-part content were made.
- There is a much more explicit link to the Fundamental Concepts. RADAR: There are some significant changes to RADAR.