

APPLYING THE EFQM EXCELLENCE MODEL AT THE GERMAN STUDY LINE WITH FOCUS ON THE CRITERION "CUSTOMER RESULTS"

Ilieș Liviu, Pitic Diana, Brătean Diana

¹*Babeș-Bolyai University, Faculty of Economics and Business Administration, Department of Management, Cluj–Napoca, Romania*

²*Babeș-Bolyai University, Faculty of Economics and Business Administration, Department of Economics and Business Administration in German Language, Cluj–Napoca, Romania*

³*Babeș-Bolyai University, Faculty of Economics and Business Administration, Department of Economics and Business Administration in German Language, Cluj–Napoca, Romania*

liviu.iles@econ.ubbcluj.ro

diana.pitic@econ.ubbcluj.ro

diana.bratean@econ.ubbcluj.ro

Abstract: *This article presents a stage of the implementation process of the EFQM Model in a higher education institution, namely at the German study line within the Faculty of Economics and Business Administration, “Babeș - Bolyai” University, Cluj–Napoca. Actually, designing this model for the higher education sector means highlighting the basis for the implementation of a Total Quality Management model, seen as a holistic dimension for the perception of quality in an organization. By means of the EFQM method, the authors try to identify the performance degree of the criterion „Customer Results”, related to the students’ satisfaction level. The students are seen as primary customers of the higher education sector and have an essential role in defining the quality dimensions. On the one hand, the customers of the higher education sector can surface the status quo of the quality in the institution and on the other hand they can improve the quality. Actually, the continuous improvement of quality is highly linked to performance. From this point of view, the European Foundation for Quality Management model is a practical tool in order to support the analysis of the opportunities within higher education institutions. Therefore, this model offers a customer focused approach, because many higher education institutions consider the students to be the heart of teaching and researching. Further, the fundamental concepts are defined and the focus is pointed in the direction of customer approach, which highlight the idea that excellence is creating added value for customers. Anticipating and identifying the current and the future needs of the students by developing a balanced range of relevant dimensions and indicators means taking an appropriate action based on the holistic view of quality in an organization. Focusing and understanding students’ and other customers’ requirements, their needs and expectations, follows the idea that performance can be achieved by involving people in the continuous development of the process, they work in.*

Keywords: *EFQM Model, Higher Education Sector, Performance Degree, Customer Satisfaction, Customer Results, Excellence.*

JEL classification: *I23.*

1. Introduction

The higher education sector is perceived as a centre of opportunities and the global change requires a continuous improvement of teaching, learning and research. For this reason, it is vital to develop an excellence model in order to identify the status quo of the quality dimensions within a certain institution, but also to deduct viable strategies for its future development.

According to ENQA Report (2005) the higher education institutions should have policies and procedures to quality assurance in order to achieve performance. In the same time, the higher education institutions should also commit themselves to the development of a culture, which provides and recognises the importance of quality and implements strategies for the continuous enhancement of quality.

Further, the ENQA Report suggests, that it is not sufficient to define these developments in terms of new trends in higher education, since there are relevant factors that contribute to this. Facing the pressure from a range of stakeholders, the higher education sector is linked with the challenge of reorienting its approaches to more customer focused activities (Hides, Danes and Jackson, 2004).

Moreover, the Sheffield Hallam University Report (2003) highlights that the European Foundation for Quality Management has been tested and applied within higher education by using the customer – focused approach. This situation is congruent with the objectives of many education institutions, which put the students in the centre of learning and teaching.

Sallis (2005) admits that education is defined as a provider of services and concerning this matter, the customers are a very diverse group. Because quality means meeting the customers' needs, it is important to be clear whose needs should be satisfied. The author makes a distinction between:

- primary customers: who directly receive the service;
- secondary customers: such as government, employers or parents;
- tertiary customers: who have a less direct, but crucial stakeholding in education;
- internal customers: employees of the institution.

By using this structure, the primary customers are seen in this paper as paramount, namely the students.

Actually, the performance of an institution depends on its capacity to ensure the resources in order to achieve the main objective, which refers to the providing of knowledge and skills embodied in people and technologies. The value of this knowledge is defined by the customers of the institution in term of quality, relevance and utility (Spaapen et al. 2007; Marginson 2007, Benneworth & Jongbloed, 2010).

2. Objective

This paper aims to present the methodology and the importance of implementing the European Foundation for Quality Management model in the higher education sector, because regardless the culture, size or tradition the higher education needs to develop excellence in order to be successful.

The EFQM Excellence Model

The „European Foundation for Quality Management (EFQM)”, founded 1988, resulted as part of an initiative assumed by managers of large European companies,

offering a possibility in adopting a Total Quality Management Model. (The European Foundation for Quality Management, Introducing excellence, 2009) Within this paper we will focus on the current used version of the model, namely the 2010 version. Figure 1 represents the graphic structure of this model.

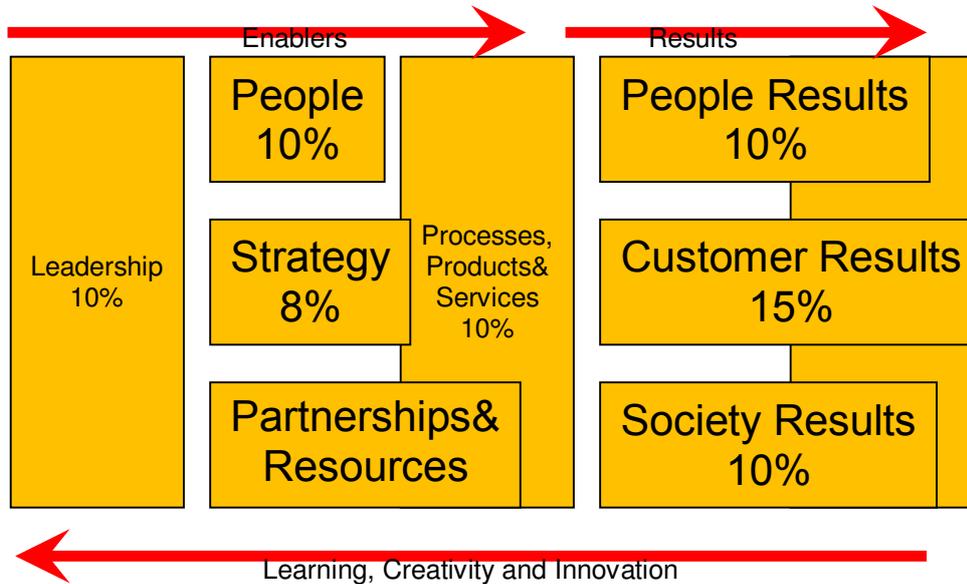


Figure 1: The new weighting of criterions within the EFQM model, version 2010
 Source: Introducing the EFQM Excellence Model 2010,
http://www.efqm.org/en/PdfResources/EFQMModel_Presentation.pdf, p.21 and p.42

Five of the criteria are grouped within the category „Enablers”, and four of them are grouped within the category „Results”. Therefore, the category „Enablers” contains all efforts taken by the organization and necessary resources in order to achieve excellent results, and integrating the feed-back contained within the category „Results”, the organization may improve its enablers.

The criteria of the „Enablers” category would be (The European Foundation for Quality Management, Introducing excellence, 2009 and Introducing the EFQM Excellence Model 2010):

- Leadership: Referring to leader’s behaviour, manner of initiating, implementing and communicating change within the organization. Assuring good relationships to external partners, clients and suppliers would also be leader’s responsibilities;
- Strategy: The vision of the organization and the goals deriving from that vision ground on the future needs and expectations of the stakeholders, meaning that latter should be inserted into the strategy;
- People: Orientation towards human resources refers to the capability of the organization in using employees’ competencies in order to continuously improve the performances of the organization. Therefore, the evaluation within this criteria focuses on the way the organization plans its resources, the way the organization plans the needs regarding competences and abilities and the way the employees are involved in achieving the goals of the organization;

- Partnerships and resources: Issues addressed within this topic rely on the way partnerships and resources are used and managed so as to sustain the policy of the organization. The term „resources” is used to gather both financial, material, technological, informational and other sorts of resources the organization uses. Therefore, this criterion deals with the way an organization establishes relationships with partners (suppliers, clients, sponsors, etc.)
- Processes, Products and Services: Addresses the design and management of processes. Measures that facilitate continuous improvement, creativity and innovation are greatly encouraged.

The criteria corresponding to the category „Results” are (The European Foundation for Quality Management, Introducing excellence, 2009 and Introducing the EFQM Excellence Model 2010):

- Customer results: Has a greater weight within the model, compared to other criteria, because it is thought to be the best instrument in achieving the goals of the organization. Issues addressed within this topic deal with the initiatives taken in order to satisfy both internal and external clients. Also, it has to be clearly stated which kinds of measures are currently taken by the organization so as to determine and measure clients’ satisfaction. In this respect, the organization should take into account new indicators in order to measure clients’ satisfaction.
- People results: This criterion focuses on establishing the performance of the organization from employers’ perspective, but also to evaluate organizations’ results through the involvement of employees. Therefore, motivation and satisfaction are important issues.
- Society results: Within this criterion, public opinion is of great value. Self-assessment of the organization should underline if it is able to satisfy the needs of the society: responsibility towards the environment, quality of life, involvement in different social activities, etc.
- Key Results: The main goal is to maintain and improve the results of the organization. Hence, this criterion deals with organization’s achievements in relation to their planned performance. Therefore, one can easily identify the link between the criterion “Processes, Products& Services and Key Results, because latter offers information about past data and “Processes, Products and Services” about the future, meaning that the success of an organization is only partially covered by Key Results, hence the source of improvements lies in the criterion “Processes, Products and Services”.

Taking into account the goal of this paper, an important aspect is to be noted within this revised version of the model, namely the proposal in measuring the achievement of the criteria “Customer Results”. As mentioned within (Introducing the EFQM Excellence Model 2010), the assessors should pay attention both to customer perceptions and performance indicators. According to prior cited publication, first issue to be measured, perception, could be measured using customer surveys, focus groups, customer complaints, generally direct contact to the customer. Second issue, performance indicators, focuses on external recognition, delivery of products and services, assessing the efficiency and effectiveness of an organization (Introducing the EFQM Excellence Model 2010). Presented in the Sheffield Hallam University Report (2003) the benefits of the implementation of an EFQM Model are:

- the model offers a holistic approach of the quality in the organization;
- the approach can be adapted to suit to all the requirements of the

- organization;
- the model is designed to suit to individual organizations;
- the method offers a way in which a common focus can provide a new way of working in the organization;
- it also provides a balanced set of results indicators;
- it has been tested in a range of sectors;
- it provides a framework through the kernel of a certain organizations' issues can be surfaced and improved.

It is also to be noted, that the academic culture plays an important role when implementing an EFQM model in the higher education institutions. Galler and Ghobadian (2004) state, that the successful adoption and practice of Quality Management requires probably modification to organizational culture. Davies (2007) admits that there is support for carrying out the cultural assessment before implementing a quality management model in order to identify potential barriers and help in designing the implementation program.

This article illustrates the results of the performance degree of the customer satisfaction; this dimension being integrated in the results section. Mainly, the section "customer results" is structured in the sub criterion customer perception and internal indicators. This research illustrates the results obtained by analyzing the Bachelor students' perception regarding the quality of the educational services at the German study line.

3. Methodology

The paper seeks to explore the performance degree of the criterion "customer results". The research question which emerged from the above literature review is, Which is the performance degree of the criterion "customer results?". In order to get a variety of perspectives, the authors designed a questionnaire with 27 items that focus on quality dimensions regarding the students' satisfaction. The first section is focused in the direction of teaching and learning process, the second section in the direction infrastructure and the last section reveals the dimension "opportunities and service provided". We also ask the survey respondents to give suggestions for improvement for the above mentioned dimensions. The questionnaire was given to the Bachelor students at the German study line at the Faculty of Economics and Business Administration and a response rate of 72% was registered.

For this study, the authors used as statistical method the mean in order to identify the students' degree of satisfaction for the provided educational service (Table 1).

Table 1: Mean Values for the Bachelor students

Teaching and Learning Processes		Mean
1.	The curriculum of the specializations at the German study line presented on the web site of the faculty is useful and easy accessible	3.3210
2.	The knowledge gained within classes represent a good mix of theory and practice	3.0988
3.	The information about the elective courses are helpful, complete and available on time	3.2840
4.	The inclusion of both domestic and foreign teachers provide a successful mix of knowledge and skills	3.7099

5.	The teachers are available during tutorials whatever questions you may have	3.9753
6.	I also take the opportunity in visiting the teachers during the office hours within a semester	3.1790
7.	The tutors of all the specializations ensure adequate support during the academic year	3.3457
8.	During classes, soft-skills are also required (teamwork, communication skills, practical skills, etc.)	3.2531
9.	The presence at the course is a prerequisite for the acquisition of the specialized knowledge	3.2963
10.	A reasonable timetable contains 2-3 units daily	3.3951
11.	The knowledge acquired within all subjects in one semester are accessible, complete and appropriate	3.2222
12.	The language level at the courses meets my expectations	3.4568
13.	The difficulty of the taught material and the learning effort for the exam preparation are in balance	3.2963
14.	The rating system should be composed of several units (exam, homework, projects, attendance, etc.)	3.6235
15.	The final results of the tests are subject to the principle of fairness	3.5309
16.	The chances and opportunities to find a job as a graduate of the German study line provide a comparative advantage over other graduates	3.9630
Infrastructure		
17.	The premises have appropriate equipment (number of seats, heating, acoustics)	3.6049
18.	The technical equipment to carry out educational activities is in line with the expectations	3.7716
19.	I visit the "Robert-Bosch" library of the German study line at the during the semester and am aware of the current books fund	2.5185
20.	I am aware of the economic books fund at the Austrian library, the library of the German Cultural Centre and the German Institute	2.5926
Opportunities and Services provided		
21.	I am satisfied with the administration service (secretary)	3.1296
22.	The referee at the German study line informs me fully and on time about all organizational news and events on course	3.4630
23.	There is a reasonable amount of information about scholarships and internship opportunities	3.4877
24.	The opportunities for the recognition of professional services with the scope of awards (Rehau, EBS, etc.) are meaningful	3.3889
25.	The representative of the students of the German Study Line within the Council of the Faculty is known to me	2.9630
26.	I am fully aware of his duties. I also feel that my sphere of interest are well represented	2.9259
27.	The existing student organizations act to strengthen the intercultural competencies. I am therefore ready to participate actively in such an organization.	3.1974

4. Results

Further, in order to apply the EFQM Model at the German study line, the statistical values from the above table were integrated in the RADAR model. Supported by the Radar logic (Figure 2) the organization can systematically set goals (Results), develop actions (Approach) in order to achieve these goals, implement a plan for these actions (Deployment) and finally analyse the action plan and its implementation (Assessment and Review) (McCarthy, Gratbanks and Yang, 2002).

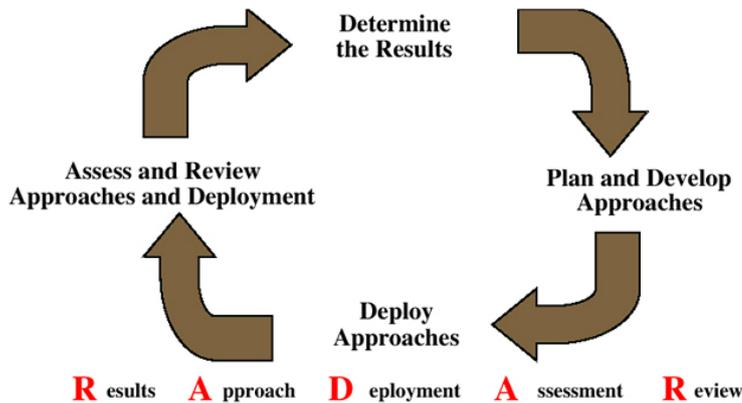


Figure 2: RADAR matrix cycle for the methodology of EFQM Excellence Model
Source: adapted after McCarthy, Gratbanks and Yang (2002)

According to Sohovic, Pavletic and Kern Pipan (2010) the tool of RADAR Matrix is used for the assesment of organizational performance and applied within the EFQM Excellence Model. The matrix is structured in five columns, each of the column beeing responsible for the achievement of a certain degree of performance, namely between 0 % and 100 % for each subcriteria of the criterion „ customer results”. In this case, there exist 27 subcriteria afferent to each question regarding the degree of students’ satisfaction. The authors took into consideration the following structure (Table 2) for the implementation of the RADAR logic in accordance with the mean values.

Table 2: Correlation between performance degree and satisfaction level according to mean values

Performance Degree	0%	25%	50%	75%	100%
Satisfaction Level (Likert –Skale): Mean Values	1-1,5	1,5-2	2-3	3-4	4-5

Moreover, the RADAR matrix for the above mentioned results are illustrated in Table 3.

Table 3: RADAR Matrix for the performance degree of the Bachelor students' satisfaction

Performance Degree	0%	25%	50%	75%	100%
Satisfaction Level (Likert –Skale): Mean Values	1- 1,5	1,5-2	2-3	3-4	4-5
Number of reviews	0	0	4	23	0
Values	0	0	200 (4x50)	1725 (23x75)	0
Sum	200+1725=1925				
Performance Degree	1925: 27 = 71, 3%				

Further, Figure 3 illustrates the RADAR diagram, which reveals that the performance degree of the criterion „customer results” is 71, 3%.

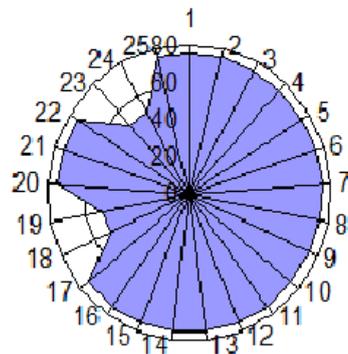


Figure 3: RADAR Diagram for the performance degree of the Bachelor students' satisfaction

5. Conclusions

The performed research proposed the implementation of the EFQM model and explored the continuous improvement in the educational services. By implementing the model, a performance degree of 71, 3% was registered for the criterion “customer results”. This result illustrates actually the satisfaction level of the students, regarding the quality at the German study line. There are undoubtedly factors, that lead to an increasing satisfaction level, namely the chances and opportunities to find a job as a graduate of the German specializations and the inclusion of both domestic and foreign teachers in order to provide a successful mix of knowledge and skills. The dimensions scored with 50 % performance degree are related to the mediated information about the German libraries and about the duties, that the students' representative have in the Faculty Council. According to the performance degree, one could say that the organizational philosophy supports the quality within the educational processes.

A framework for the implementation of the EFQM model is proposed and a guideline is provided in order to calculate the performance degree of the sub criteria “students' perception”. This paper concludes that the successful implementation of a EFQM model is the starting point in designing a total quality management in the higher

education sector. According to Venkatraman (2007) the developing of quality management systems determine the organisations to be aware of the customer needs in order to react immediately to their needs and in the same time to use the students' feedback for making improvements in a systematic and continuous way.

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