

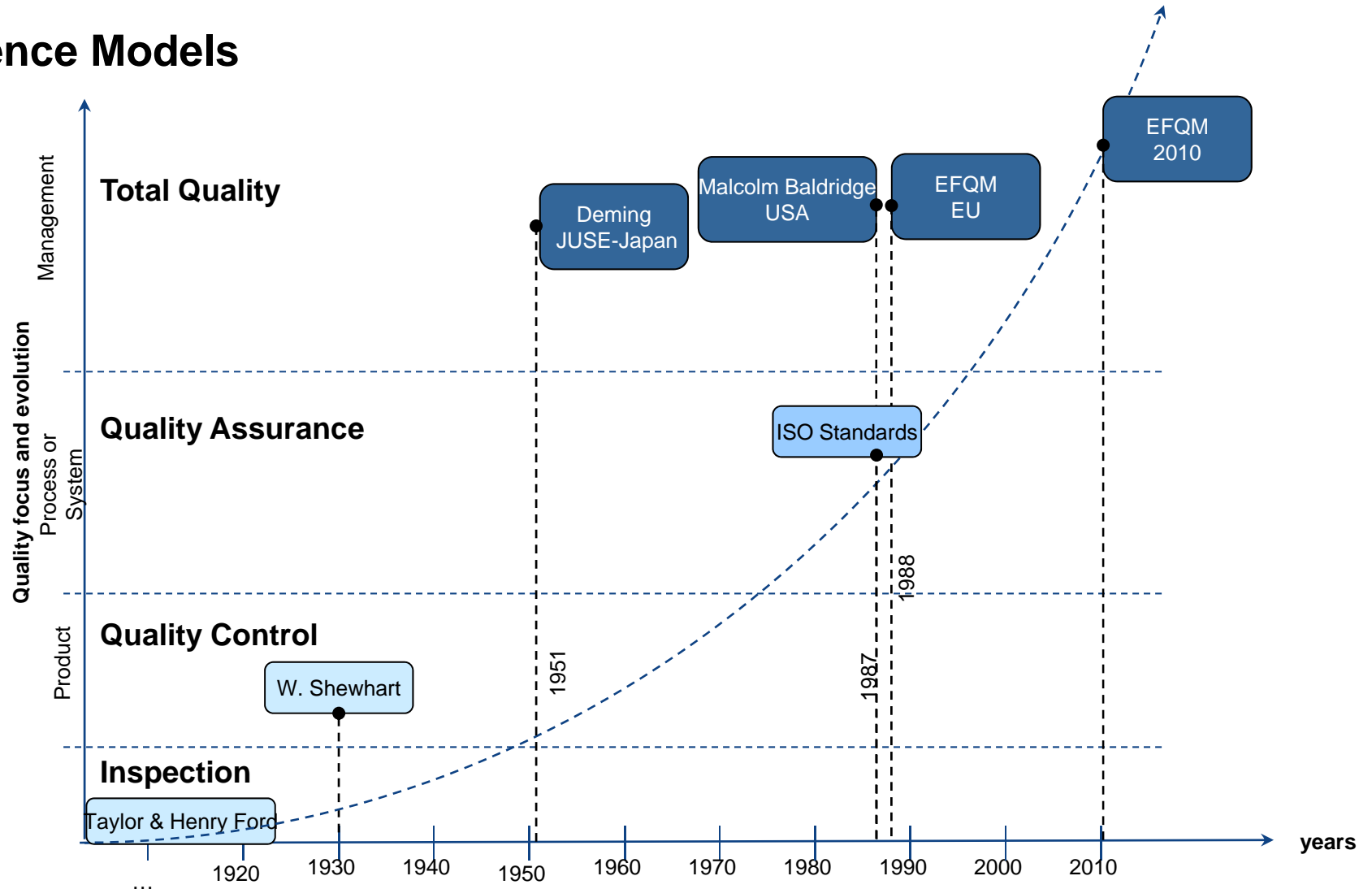
Learning Excellence

A Benchmarking Approach

- Istanbul, 12-14. May 2010 -

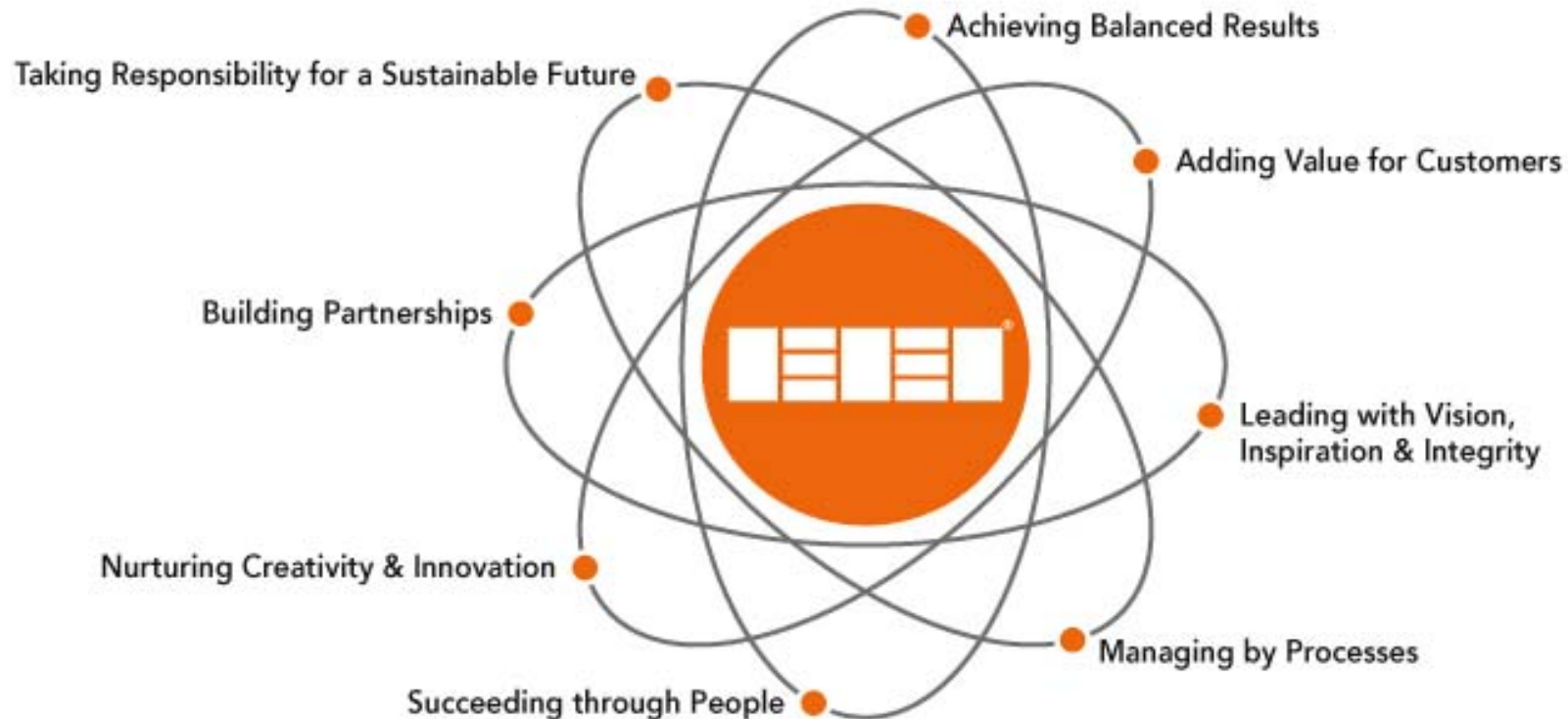
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Reference Models



The benefits of implementing the EFQM Excellence Model will be realised based on how well the management team apprehends the fundamental concepts.

Below the Fundamental Concepts are shown, which are continuously adapted and improved:

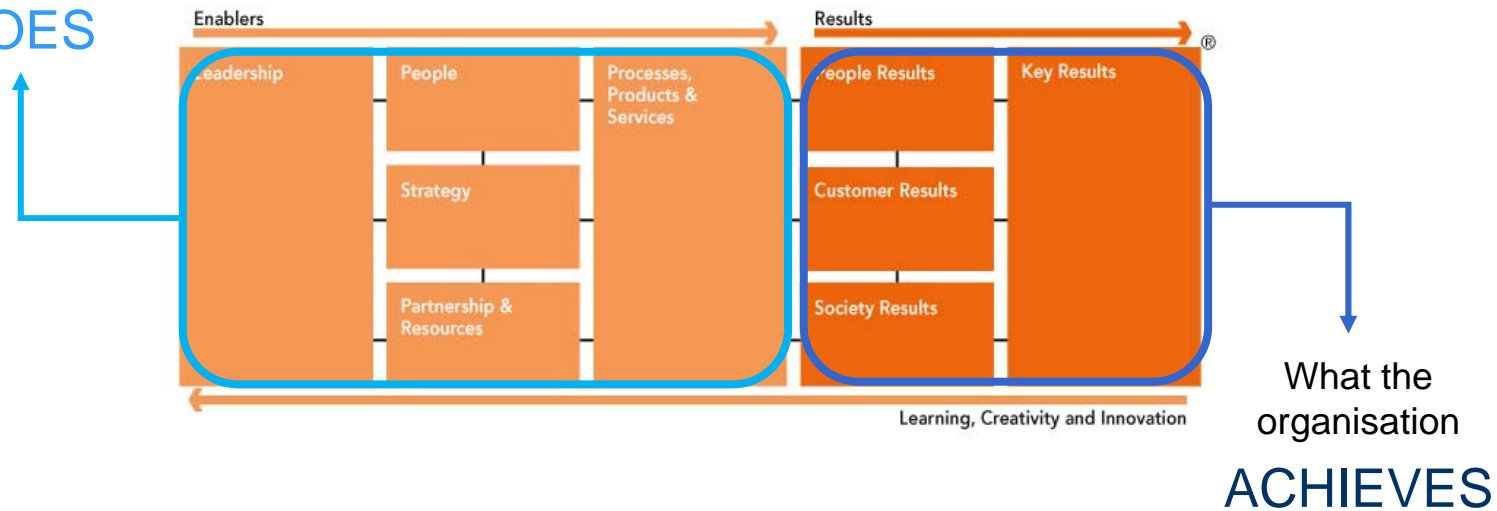


The model applies the Fundamental Concepts in the following Structured Management System comprising of 9 criteria, broken down into sub-criteria and the areas to cover.

Through these, **the progress of the organisation is evaluated** regarding their pursuit of Excellence.

What the organisation

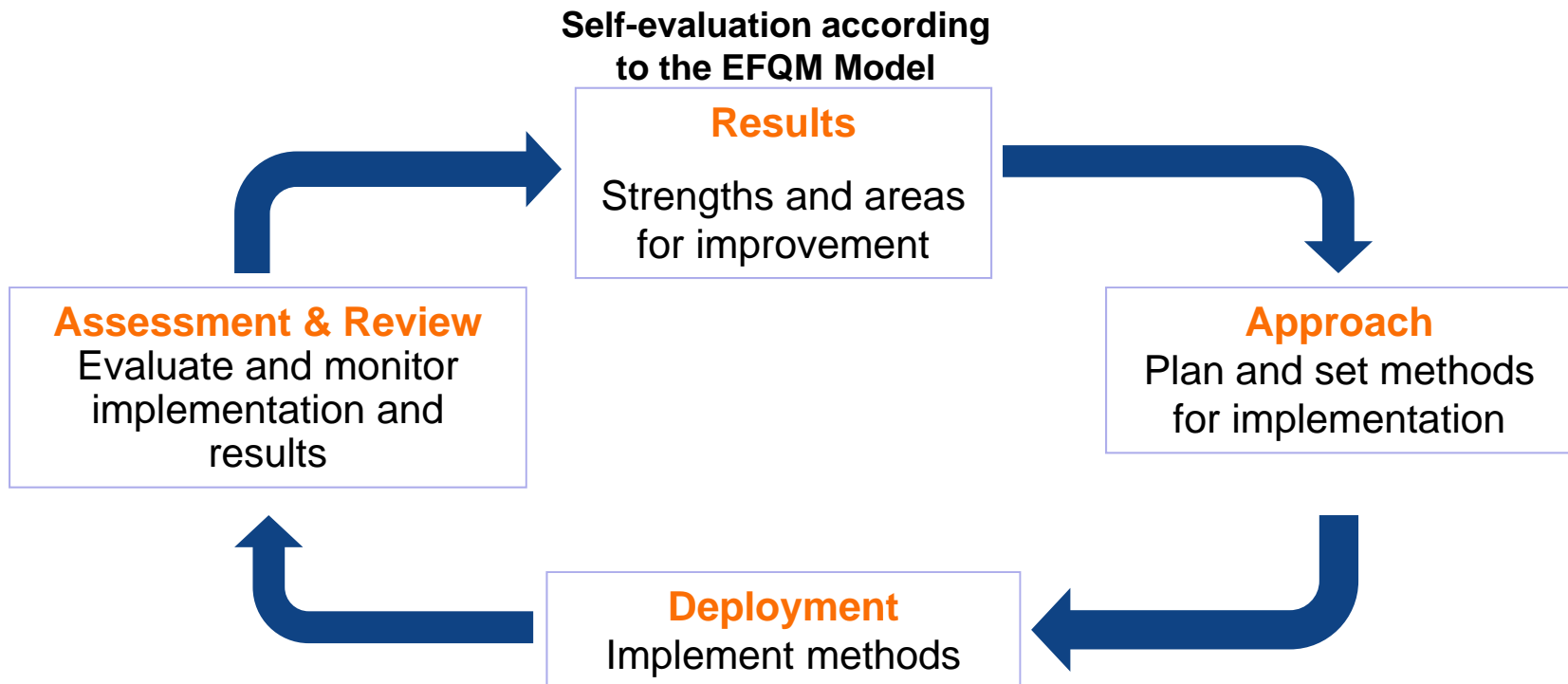
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The EFQM Excellence Model represents the broad and contrasted **guiding framework**, which serves as a guide in the search for **increased quality**, given that tools and methodologies for improvement exist and continually arise.

Methodology to improve EFQM Self-Assessment with the RADAR Tool.



Self-Assessment ...

- is a **strategic tool** to support business planning, strategy development and performance improvement.
- creates a **comprehensive picture** of the organisation.
- **integrates all stakeholders** and creates a requirement for intensive communication and explanations between them.
- encourages an understanding for business organisation and creates a **common language**.
- is a structured method **based on facts**.
- allows for a **systematic analysis** of strengths and possibilities for improvements.
- creates the chance to find **possibilities for improvement** projects.
- creates a **common basis** for **benchmarking**

What is Benchmarking?

Learning from Good/Best Practices:

- **Comparison** with reported averages (e.g. branch or sector)
- Learning from **Best of Class** in the branch
- Learning from **World Class Processes** independent of branch or sector
- Benchmarking is a form of **Measurement**

Why Benchmarking?

Learning from Good or Best Practices helps the organisation to **improve** itself; it also provides an opportunity to consolidate its opinions about what is “good” or “excellent”.

Successful innovation does not have to be coincidental!

Innovation can be learned and benchmarking is a proven way to do so.

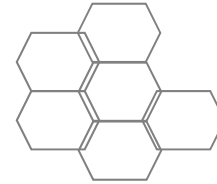
A well established approach for this, called TRIZ, is used successfully for technical problems.

Challenge:

Reducing weight



Specific
Problem



Spezific
Solution

Solution:

Space frame & Aluminium

Example airplane:
Light alloys &
honeycomb structure



Example airplane:
Light & strong



Generic TRIZ
Problem:
„Strenght vs. Weight“

Generic
TRIZ
Problem



Generic
TRIZ
Solution

GenericTRIZ
Solution:
List of some
inventive solutions

Situation at IT Company

Production of wafers in the USA and Europe, assembly in Asia then transport back to Europe in 24 hours to a big warehouse for distribution to customers anywhere in the world.

Goal: To ship the assembled chips directly from the factories in Asia to customers.

comply with the short cycle time that you need.

Problem(s) to solve

During the physical movement the planning figures and orders change, and this includes invoices and paperwork. Additional problem: Minimum batch sizes to ship in order to control shipment cost.

all parties involved comply with the short cycle time that you need.

Example of Dutch Flower Industry

Around 6:00h growers sell their flower at a central auction and the individual batches are trucked to Schiphol airport and must be on the way to Asia within a few hours. This needs a process that accommodates for the unknown factors such as how many and which types of flowers will come to the auction. Prices are variable. Yet they serve orders from e.g. Japan every day, and have the document and financial processes to support this in parallel.

Common Issues/Results

- How do you assure in a cost effective manner that you always have enough cargo space reserved on airlines, even before you know how much you ship.
- How to assure all parties involved comply with the short cycle time that you need.

Situation at Gas providing Company

Several customer complaint that the cash desk process, to understand the actual issued gas bill and the requested amount to pay of on the monthly gas bill, which was done usually cash at the office, was to complicated and insufficient and does not meet the customers expectation.

Problem(s) to solve

Simplify and condense the data which is printed on the monthly bill. Optimize the process of paying the bills of cash at the office to satisfy the needs of the customers.

Example of Bank industry

Every customer needs to understand his/her monthly statement of account without the help of a bank representatives/clerk. The statement of account which is sent to the bank customer has to be self explaining.

If a customer has to pay some money into his/her account it is an easy, simple, save and confident process.

Common Issues/Results

- How to manage to give the customer a bill/statement of account which has the needed information on it.
- How to proceed that the process of paying the bill or put money in the account goes easy, simple save and confident.

Situation at Pizza service

Customer complained that the ordered pizza arrived always not as hot and in an consistency as expected at the ordered place. It does not matter which time in the year nor which time during the day they have ordered it, the temperature and the consistency did not satisfy the expectations of the customers.

Problem(s) to solve

To ensure that the pizza is always at the ordered place in an consistency and temperature which the customer expects.

Example of concrete delivering company

The producer of concrete has to ensure that the truck delivers the concrete at the defined time, in a very specific consistency and quality at the spot where it is needed to build. e.g. buildings. It does not matter how long the distance to the location of delivery is nor which temperature. The producer has to mix the material this way that it arrives always in the same quality and required consistency and consistency.

Common Issues/Results

How to deliver a product which has an internal aging process, cooling down or harden within an specific time frame, to the customer in always the same quality and consistency.

Situation at Chocolate Candy Factory

The factory had well appreciated product line, but the productivity was below expectations.

The analysis of the situation showed several issues related to the fact that the chocolate candies were labour intensive products that are not easily recycled but need to be improved manually in case of production faults.

Problem(s) to solve

To minimize the need for manual improvement actions two main improvement areas were focused on:

- Minimize the set-up time for changes in the product line
- Minimize the reject rate of produced candies to avoid manual error handling

Example of Circuit Board Plant

A fitting benchmarking partner was found in a company producing circuit boards. Both organisations were manufacturing small, damageable products in high numbers and had strict obligations in regard to cleanliness and hygiene.

Common Issues/Results

The benchmarking exercise brought the following results:

- Fixed set-up sets to avoid assembly errors
- Fixed software protocols for each product line accelerated the placement time considerably.

Situation at Medical Practice

Good medical services were identified as being not enough in today's highly competitive driven health care sector.

Problem(s) to solve

Areas for improvement identified were:

- Motivation of the employees
- Improving communication with the customers
- Improving services to the customers.

Example of Hotel

Looking for a benchmarking partner, similar problems and service processes were identified at a hotel, e.g.:

- How to interact with customers
- Representing the organisation behind the reception desk

Common Issues/Results

Examples for improvements implemented at the medical practice are:

- Practice personell participated in the service training of the hotel employees.
- Patients are collected in person from the waiting room
- Common “work clothes” for everybody to increase a higher identification with the practice
- A new position of shift supervisor manages the practice in times of customer rush.

Situation at the Hospital

A higher number of patients can be handled in surgery than can be take care of after the operation. This is especially important in emergency surgery, where the hospital could take on a higher percentage of the regions problem cases.

Problem(s) to solve

Improvement of the quality and safety of handover of patients from surgery to intensive care

Example of Formula 1 pit-stop

A prospective intervention study measured the change in performance before and after the implementation of a new handover protocol that was developed through detailed discussions with a Formula 1 racing team and aviation training captains.

Fifty (23 before and 27 after) post-surgery patient handovers were observed. Technical errors and information omissions were measured using checklists, and teamwork was scored using a Likert scale. Duration of the handover was also measured and improved.

Common Issues/Results

Handover protocol for the passing over of critical materials.

Before the new handover protocol, approximately 30 percent of patient errors occurred in both equipment and information. Afterward, only 10 percent occurred in both areas

➡ Expertise from other industries can be extrapolated to improve patient safety, and in particular, areas of medicine involving the handover of patients or information.

Situation at the Airport

Ground time of airplanes costs money to the airlines, but change over of passengers and cargo takes time and for safety reasons a thorough inspection must take place between flights and the machines must be serviced and refueled.

Problem(s) to solve

How to minimize stop-over time without loss of technical services. Ideally technical services should become improved in parallel.

Example of Formula 1 Pit Stop

Every second lost during a Pit Stop means a loss of position during the race, but in the same time a lot of things have to be done: tires need to be changed according to the weather and the tarmac condition, the car has to be refueled and if needed to be restored to top condition for delivering optimal race performance.

Common Issues/Results

- How to improve performance on routine services, like e.g. refueling
- How to anticipate non-routine tasks like on-spot repairs
- How to ensure top performance during flight/race

(Similar benchmarking has been done in USA between Southwest Air Lines and Indy-500 race teams.)

Thank you

for participating in this workshop

And a special thanks to our colleagues from the EFQM community who were helping us to prepare the benchmarking examples:

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