

# A Quality Strategy and Self-Assessment Method for Organizational Excellence

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## ABSTRACT

Based on a combination of theories, experiences and cases a sustainable change strategy and self-assessment method with a focus on the human dimension in TQM are suggested and discussed. The Post Denmark TIQ (Total Involvement in Quality) case will be used to illustrate how breakthrough in people attitudes and organisational culture happened and became the foundation for a new culture focusing on change, continuous improvements and everybody's participation.

**Key Words :** Quality, Strategy, Self-Assessment Method.

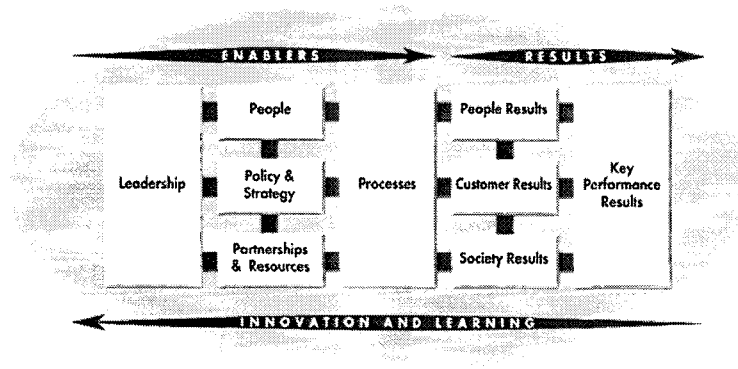
## 1. Introduction

In Europe, one of the most used models for self-assessment is the EFQM Excellence model, which consists of nine criteria (see figure 1). The first five criteria on the left are the *enabler criteria*, while the four on the right are *result criteria*. The assumption behind the model is that the results of the organization are achieved through excellent performance in the *enabler criteria*. An organization achieving excellence in the enablers will experience *sustainable developments* through improved customer, people, society and financial results. That sounds great and easy but reality or practice is not always that easy.

There is no consensus on how to start up and how to continue with the implementation of the EFQM Excellence model. Companies are struggling with a lot of problems and many companies skip the model because the model seems too complex to understand and too time consuming to implement. The self-assessment approach suggested by consultants or other

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experts trained as EFQM assessors are often an award based approach even if the companies need quite another approach. In most cases companies do not aim to receive a quality award, but rather need to initiate and carry out sustainable quality improvements. In these cases the strategic intent of the company will determine what is most important in the self-assessment process (Conti, 1997), and the standard weights of the model suggested by EFQM are meaningless. Furthermore the model generally pays little attention to contextual factors. For instance, the right approaches to implement may vary depending on the current maturity level of the company and the existing organizational culture (Dahlgaard, 2003).



**Figure 1.** The Structure and Criteria of the EFQM Model

Another problem is linked to the management paradigm. Although it is stressed by EFQM that the model is based on 8 *fundamental concepts*, the actual approach will vary depending on the interpretation and understanding of the model, and the basic management paradigm often determines the character and direction of the interpretation. For instance, if the existing and dominant management paradigm is a rational and measurement oriented one, the model will be interpreted favouring those aspects, while other aspects such as people and culture which are rather irrational and intangible aspects will be more or less undermined or ignored. The accusation as being a new 'Scientific Management', which TQM received from some organization theorists, can be understood in this context (Dahlgaard, 2002). One of the major problems when implementing the model seems is especially to balance the human oriented approach with a fact and measurement based approach. This problem seems more often to be observed in western companies compared with the Japanese approach (Dahlgaard,

2000). Several authors (Corrigan, 1995; Evans, 1995; Shin et al. 1998; Dahlgaard, et al 2001) have argued that the unbalance where the human dimension is underestimated can be one of the main causes of TQM failures. The consequence of that is not only failure with implementation, but people's contribution may not be maximised because people development and involvement, as assumed in the fundamental concept *People Development & Involvement*, are far from being fulfilled. By these reasons, there seems to be a need for a new human oriented quality strategy.

Thus, the first purpose of this paper is to suggest and discuss a new overall quality strategy (the "4P" strategy) for achieving Organizational Excellence. The basic assumption behind the strategy is that Organizational Excellence is a result of building excellence into the "4P" in the following order: 1. People, 2. Partnership, 3. Processes and 4. Products.

Another purpose of the paper is to show how Post Denmark used this quality strategy together with a quantitative self-assessment process in the critical start up process of TQM implementation where the aim was to get everybody involved in improving areas of enablers as well as results - i.e. Total Involvement in Quality. The approach used by Post Denmark has been used in adapted versions in several other Scandinavian companies during 1990 - 2003, and it is our experience and belief that the approach is applicable in almost any organization to ensure a successful start up in the TQM implementation process.

## **2. A Strategy For Building Organizational Excellence**

Today, many organizations are "searching" for *Organizational Excellence* but not many organizations have been able to achieve this goal, seemingly because management does not have a profound understanding what it really means to be excellent. Since 1982, there have been many suggestions for a definition of *Excellence/ Organizational Excellence*, and for the success criteria behind excellence. One of the latest suggestions is to describe the key enabler characteristics, which differentiate organizations with excellent results from organizations with medium or poor results. The British Quality Foundation used this suggestion in a report about Business Excellence (1998), and the differentiating characteristics (criteria) were shown according to the following list:

1. Management commitment to the business excellence 'journey'
  2. Effective strategic planning
  3. An emphasis on people issues through empowerment and training
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4. Unprecedented levels of employee participation through effective communication of and involvement in the organization's goals, mission and objectives.
5. Process understanding, management, measurement and improvement
6. Deliberately avoiding 'jargon' to ensure a seamless integration of business excellence practices
7. Nurturing a culture which focuses implicitly and explicitly on anticipating and serving customers' needs
8. Demonstrating concern for better environment management
9. Making the internal spread of best practice contagious

Similar lists concerning organizational excellence in terms of long-term competitiveness can be found in several areas of the literature. Such lists may be valuable for organizations, which decide to embark on "the Journey to Excellence", but they may also be misleading. Managers may misunderstand that the shown characteristics are exhaustive, and they may not understand that several of the characteristics are interrelated and have some common pre-requisites which they must understand and work with before they try to "copy" or build those characteristics into the organization. For example, the characteristics 2, 3, 4 and 7 are strongly interrelated, and several of the other characteristics have these 4 human oriented characteristics as pre-requisites.

As there is an increasing recognition of employees as organizations' greatest asset (Sparrow & Marchington, 1998; Dahlgard 2002), there seems to be a need to develop a more people oriented definition of organizational excellence. Such a definition should clearly signal that the first step in building organizational excellence is to build excellence into people, and that "the people first policy" and "total development of people" are essentials for achieving organizational excellence (Dahlgard, 2002). Dahlgard & Dahlgard (1999) have suggested an alternative definition of organizational excellence, called "*the 4P*" definition, in which the people dimension is recognized and emphasized as the primary enabler. According to the definition building excellence into the following 4P develops Organizational Excellence (OE):  
1. People, 2. Partnership/ Teams, 3. Processes of work, 4. Products / service products.

"The 4P" definition is suggested based on the recent awareness on human resources and their role in the organizational context as the basic unit for any organizational improvement activities. From this viewpoint it is argued that the first priority of any quality or excellence strategy should be to build quality into people as the essential foundation and catalyst for improving partnerships, processes and products. But what does that really mean? In order

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to answer that question we need to understand human nature, human needs, human psychology, environmental and contextual factors of human behavior because the project of "building quality into people" can only be carried out when we have a profound knowledge of people and psychology (Deming, 1993).

The quality strategy should always be implemented multi directional, i.e. through a top-down, middle-up-down and a bottom-up strategy (Dahlgaard et al. 1994 & 1998). The strategy should follow the Policy Deployment approach (Hoshin Kanri), which has both the top-down and the bottom-up strategy included. Such an approach provides a framework for building quality into the following three levels (Dahlgaard, 1999):

1. Individual level,
2. Team level, and
3. Organizational level.

An efficient quality strategy aiming at improving "the 4 P" can only be developed based on an understanding of the interrelationships and interactions between individuals, teams, and the organization and the critical contextual factors at each level.

Figure 2 below illustrates these interrelationships and the process of building these different levels. The figure indicates that building Organizational Excellence (OE) starts with *building Leadership*, which means developing (educating/ training) and/or recruiting leaders with the right values and competencies. The next step is to develop and/or recruit *People* with the right values and competencies. Especially on the value dimension leaders' behaviours determine if core values (as for example trust, respect, openness etc.) will be diffused and will become a part of the organizational culture (Dahlgaard & Dahlgaard, 1999) *Building Teams/ Partnership* means that teams are established and developed, so that each team is able to practice the right and needed values and competencies, and *Partnership* is established in all people relationships - within the team, between team members (intra-team), between teams (inter-team) and with other people or groups outside the team. *Building Processes* means that leaders, individuals and teams day by day try to practice the needed values and competencies based on the principle of continuous improvement and the company's mission, vision, goals and strategies. *Building Products* means building quality into tangible and intangible products through a constant focus on customers' needs and market potentials, and to practice the principles of continuous improvement parallel with innovativeness in new product development.

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**Figure 2.** A Structure for Building Organizational Excellence (OE) through Leadership and "the 4P"

The foundation (building leadership) supports the four other factors represented by "the 4P" and all together the 5 factors comprise a roadmap to the "result", which is called *Organizational Excellence* (OE). It is assumed by the model, that all 5 factors are necessary for achieving organizational excellence.

### **3. Self-Assessment As Guideline For Quality Improvement**

Self-assessment is an important approach in the continuous quest to improve business performance. Self-assessment can be used to check whether a company performs as expected or it can be a tool for improvement (Conti, 1997).

According to Conti (1997), the main aim of self-assessment is to provide input for improvement planning in order to bring the company's capabilities and results into line with its current goals and its mid-term goals and strategies. The self-assessment process reveals areas where the organization needs to improve and often a lot more than an organization can overcome at once (Eskildsen and Dahlgaard, 2000). The self-assessment approach used by Post Denmark is best described as a diagnostic approach to self-assessment (Conti, 1997, 2002), because the approach to self-assessment starts from results and searches for causes.

As emphasized earlier it is important to keep focus during the self-assessment process, i.e. to assure that the improvement programs focus on "the vital few". As a guideline the selection of the areas to improve should always be based on strategic consideration. The selection should firstly be guided by a decision on which results are the most important to improve and hence which enablers should be improved in order to achieve the necessary improvements in the results. For that purpose it is obvious that the company needs to establish cross-functional improvement teams, where members possess high competencies in identifying the potential cause-and-effect relationships between results and enabler criteria.

A plan must be put together on what improvement areas to address and how to address them. To assure that improvements come from an idea to practice it is important to involve people working in the different processes of the organization. Any improvement should have an impact on at least one of the following processes of the organization: 1. People Relationships, 2. Production, Delivery and Marketing Processes, 3. New Product and Service Development, 4. Administrative and Support Processes. As a last step, the improvement plans must be evaluated and followed up on a regular basis.

In the following a 6-step procedure for setting up a plan for quality improvements is provided, see figure 3. The procedure is based on the guidelines discussed above.

1. Select the results, which you wish to improve first (the strategic important improvements).
2. Identify the cause-effect chain from results to enablers (move from right to left in the European Excellence Model).
3. Set up a plan which follows the cause-effect chain.
4. Involve your people as much as possible.
5. Assign ownership for the overall plan as well as for plans deployed to lower levels (processes, functional areas, departments and groups).
6. Follow up on the plans every month (1. compare goals with results, 2. Analyse the gaps, 3. Identify the causes for the gaps, 4. Make the necessary corrections).

**Figure 3.** A procedure for Quality Improvements

#### **4. The Self-Assessment Method**

The origin of the present instrument for self-assessment can be traced back to 1990, where the Japanese Deming Prize criteria were a starting point in designing a questionnaire to be used for assessing how well the Danish division of the company International Service

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Systems (ISS) had managed to implement Total Quality Management (Dahlgaard et al, 1998). Later on the self-assessment questionnaire was re-designed by using the EFQM excellence model as a framework and during the 90s several hundred Danish as well as international companies have used various versions of the questionnaire. During the years the questionnaire has been modified and improved by incorporating input from the various companies, which have used the questionnaire and also by incorporating input from other suggested questionnaires (see e.g. Conti (1997)).

The present questionnaire consists of about 100 statements, which are regarded as highly important success criteria for organizational excellence. The statements are grouped according to the 5 enabler and 4 result criteria of the EFQM model. The respondents of the questionnaire are asked to indicate their degree of agreement of each statement in relation to his/her company on a 7-point Likert scale (1. Highly Disagree, 7. Highly Agree). In addition to agreement item, respondents are also asked to rate the importance of each statement (1. Least important, 7. Most important). All the statements are evaluated in the two dimensions - agreement and importance.

The question in focus of this research is how an organization can analyze and use the results of this kind of self-assessment. We suggest users of the survey approach for self-assessment primarily to use pedagogical and "easy to use" tools such as *Quality Maps*, which seems to be effective for communication purposes (achieving a common understanding) and to identify the most important improvement areas. In the next section we provide guidance on how to evaluate and use the results of a quantitative approach to self-assessment.

#### **4.1 Identification of Specific Improvement Areas by Using Quality Maps**

Focused self-assessment means that improvement programs should focus on "the vital few". As a guideline the highest priority should be given to the statements in the questionnaire with the biggest gaps i.e. the biggest differences between importance and agreement.

As described above, all managers (or a sample in big organisations) are invited to evaluate both the agreement and importance of each statement in relation to his/her responsibility area. Within the enabler criteria it is suggested that the evaluation of importance is regarded as an indication of the relevance or need of the approach related to the statement, and the agreement is an indication of the deployment of the approach. Within the result criteria it is suggested that the evaluation of importance is the same as evaluating the scope of the results. If for example a result statement is judged to be very unimportant it is an indication

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that the scope of the results is very limited, and if the result statement is judged to be very important it is an indication that the scope of the results is very broad. When evaluating the agreement to the statement it is the same as evaluating the stated result. We suggest that if the respondent agrees totally with the statement it is an indication that the stated result has been excellent. The opposite is true if the respondent disagrees totally with the statement.

One of the advantages of letting the respondents evaluate each statement in two dimensions is that the theoretical considerations behind customer satisfaction measurements can be used (Dahlgaard et al., 1998). It can be shown that the "optimal measurements" are characterised by a situation where importance is equal to agreement (Dahlgaard and Eskildsen, 1999). The assumption behind this simple guideline is that the marginal cost of improving the performance is the same for all measurements. This assumption should of course be discussed when prioritising the identified improvement areas.

## 5. The Case of Post Denmark

In 1997, after some years of negative trends in financial as well as other performance indicators, Post Denmark with approximately 30,000 employees experienced a management crisis. After serious considerations, top management decided to try changing the negative trend by adopting the principles, practices and techniques of Total Quality Management (TQM), which was re-named to *TIQ* (Total Involvement in Quality). Creating a new 'brand' *TIQ* was necessary, as employees had sceptical attitudes toward the term TQM from their previous experience with TQM project. Furthermore the new term *TIQ* signalled that everybody's participation was important and expected. In addition, this route to understand and improve quality was complemented with a self-assessment process - that was initiated in 1997 and is still going on in Post Denmark.

To understand the current situation a questionnaire was designed by adopting the EFQM Excellence Model's criteria and potential areas to address together with experiences of using the same kind of questionnaires in other Danish companies since 1990. The final version of the questionnaire was made in a close co-operation with the company's management group, which was responsible for the start up of *the Quality Journey* and the continued process of implementation. This new questionnaire approach was used in Post Denmark for the first time at the end of 1997. After two years of hard work with education, training and

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improvements, the questionnaire was used again at the end of 1999. In both cases all managers at levels 1 and 2 were invited to participate in the assessment together with a sample of managers from level 3. The number of respondents and response rates are shown in Table 1 below. In 1999, a benchmarking study was conducted at two additional European post offices. This study was conducted in order to be able to make comparisons on the level of performance and to identify learning opportunities - where an exchange of ideas and knowledge could take place.

**Table 1.** Overview of the four studies

	Post Denmark	Post Denmark	Post B	Post C
Year	1997	1999	1999	1999
<b>Number of respondents</b>	558	565	655	201
Response Rate (%)	79	66	66	41
<b>No. of statements</b>	96	99	97	97

The reasons for the decrease in the response rate in Post Denmark from 1997 to 1999 are a combination of two factors. First, in 1997 there was more focus on the survey, because it was communicated that the results of the assessments should be used as input in designing internal education programs on TQM (TIQ) and Organisational Excellence. Another reason may be that the last survey was run too close to Christmas, and the follow up procedures to wake up non-respondents were not so efficient.

### **5.1 The First Improvement Run in 1997**

In order to build an understanding for quality management and to deepen knowledge on how to improve the performance of Post Denmark internal educational programs on TQM and Organisational Excellence were run. These education programs started up one month after the self-assessment questionnaire was run. A 5-day long executive education program was designed based on specific company needs and the input from the self-assessment survey and carried out for the top management team (president and vice presidents). After this executive program, the level 1 managers (all 75) also participated in a 5 day-long program similarly designed as the executive program. At this level three courses were carried out with 25 managers each. The president and the vice presidents participated as assisting trainers in these courses. A number of 4-day courses was designed and run for the

level 2 managers (~300 managers), and a number of 3 day courses was run for the level 3 managers). On the top of that, all other employees participated in a 2 days course. All courses were run with participation of managers from the next upper level. During 1 1/2 year about 30000 people were trained in the philosophy, principles and tools of TQM.

#### ***5.1.1 The Contents of the Training Courses***

The 5 day courses designed for upper managers were structured in accordance with "the 4P" principles and had the following contents:

1. Personal Leadership
2. Motivation Theory and practices (self- motivation and motivating others)
3. A model for building Commitment
4. What is Quality?
5. Why is Quality Important?
6. Quality and Financial Performance
7. The Evolution of Quality: From Quality Inspection to Quality Control, Quality Assurance  
Company Wide Quality Control and TQM
8. The Principles of TQM versus classical Management Principles
9. Quality Award Models and the EFQM Model
10. Leadership and Business Excellence
11. Interpersonal skills
12. Team building techniques
13. Mission-Vision statement and the "4P" Quality Strategy
14. Organizational Change and Learning Organization
15. Internal and External Customers
16. Lean Production, Six Sigma Quality and TQM
17. The Costs of Poor Quality (the Milliken Case)
18. Quality Tools
19. On Standardization and Causes of Quality Failures
20. Suggestion systems (Milliken Case)
21. Customer- and Employee satisfaction measurements
22. PDCA and Strategic Planning (Hoshin Kanri)

As can be seen from the contents of the courses, necessary elements for building people (individual level), partnership (team level) and process (organizational level) are included. The courses were also designed to provide a holistic framework for understanding the *why*,

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*how* and *what knowledge* (Dahlgaard, 2002) are needed for carrying out company wide TIQ project. The courses were also aimed to build intellectual, technical, emotional, social, and spiritual competencies in a balanced way (Dahlgaard, 2002).

During the courses, a special session was arranged in which results from the quantitative self-assessment survey were presented and discussed as shown below. The integration of this self-assessments session into the course, where people had opportunity to discuss their own self-assessment results with the theoretical framework of EFQM model assured that the participants more easily could understand the fundamental concepts and philosophy behind the model.

#### ***5.1.2 The Use of Quality Maps***

The results from the first self-assessment showed very unsatisfactory results with many big gaps between importance and agreement. The results were presented for the managers during the above-mentioned internal education programs, and it was very easy to reach a consensus that People Management, Processes and People Results should have the highest focus during the first 1-2 years *of the quality journey*.

It was believed that the main causes for many poor results had to be found behind the criteria People, Processes and People results, and by the understanding of the causal relationships between these criteria and the other criteria too. An example from the criteria People Results is provided in Figure 4. As can be seen all statements contain large gaps between averages of agreement and importance, which indicate that there are good opportunities for improvement. Some of the largest gaps identified were related to "employee satisfaction", "personnel turnover" and "number of sick days per employee". Consequently the diagnostic self-assessment process focused on identifying causes and improvement areas that could have an influence on these results. These causes and improvement areas were identified by simple but useful team work techniques such as discussion, dialog, brainstorm, affinity and fishbone diagrams.

#### ***5.1.3 Recommendations and Action Plan***

As a result of the first self-assessment survey in Post Denmark, three areas were identified as strategic improvement areas (1) People, (2) Processes and (3) Customer. A number of activities were initiated to improve performance in these areas under the umbrella concept called "The Total Involvement in Quality" (TIQ) process.

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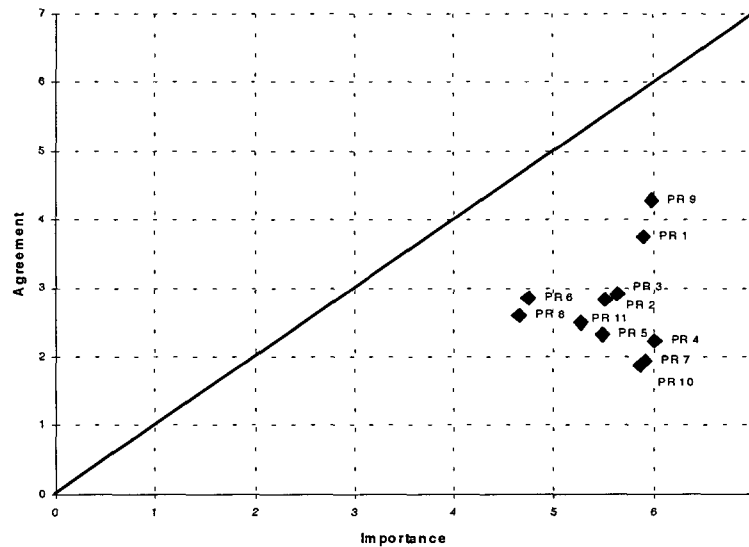


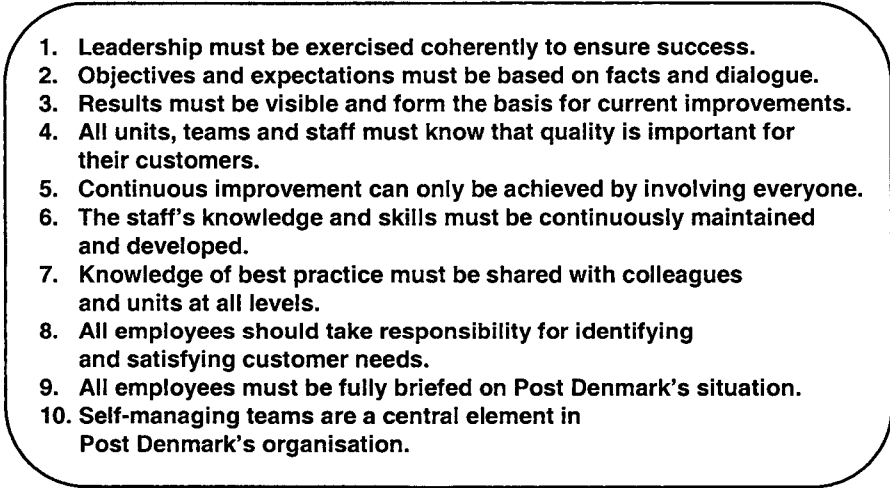
Figure 4. People Results 1997

To improve performance in the people area, education, self-directed teams and a suggestion system were introduced. Post Denmark also started to identify, describe, and improve the core business processes. Four core processes were identified, a customer relation process, a delivery process, a branch process and an express delivery process. The third area to improve was customer results. As one activity in this area, Post Denmark started to use the European Customer Satisfaction Index Model (ECSI) to measure customer satisfaction and loyalty.

Some of the following critical improvement areas within the enabler criteria were identified.

- **Leadership:** The managers should have more attention to personal core values such as trust, openness, respect etc. (they should be better role models for their colleagues and employees).
- **Policy & Strategy:** There was a need for improvements in the yearly strategic planning process. Employees should be more involved in this process.
- **People:** There was a need for a better evaluation of people's competencies and achievements, and better recognition of people.
- **Processes:** There was a need for more people involvement, better measurements, ownership, and information on best practises.

During the period from 1997 to 1999 several improvement activities were initiated ranging from establishing employee satisfaction measurements, customer satisfaction measurements, process measurements, to Lean Production, self-directed teams and employee involvement activities parallel with company-wide training and education programmes. A code of best management practice was identified by members of the top management group, and the code was clearly communicated and implemented as part of the training programmes. The code is called as the ten TIQ rules of conduct and is displayed in Figure 5 below.

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1. Leadership must be exercised coherently to ensure success.
  2. Objectives and expectations must be based on facts and dialogue.
  3. Results must be visible and form the basis for current improvements.
  4. All units, teams and staff must know that quality is important for their customers.
  5. Continuous improvement can only be achieved by involving everyone.
  6. The staff's knowledge and skills must be continuously maintained and developed.
  7. Knowledge of best practice must be shared with colleagues and units at all levels.
  8. All employees should take responsibility for identifying and satisfying customer needs.
  9. All employees must be fully briefed on Post Denmark's situation.
  10. Self-managing teams are a central element in Post Denmark's organisation.

**Figure 5.** The ten TIQ rules of conduct

These TIQ rules of conduct have been communicated to all of Post Denmark's 30.000 employees and are used as guiding principles for restructuring and changing the corporate culture" (Kleif, 2000).

## **5.2 The Second Improvement Run in 1999**

In 1999, an improved version of the questionnaire was used again. A large part of managers at Post Denmark, as well as managers from two additional European Post Offices participated in this survey. One of the main reasons for this measurement round was to investigate if the resources spent on quality improvement had had the intended effect.

### **5.2.1 Quality Maps**

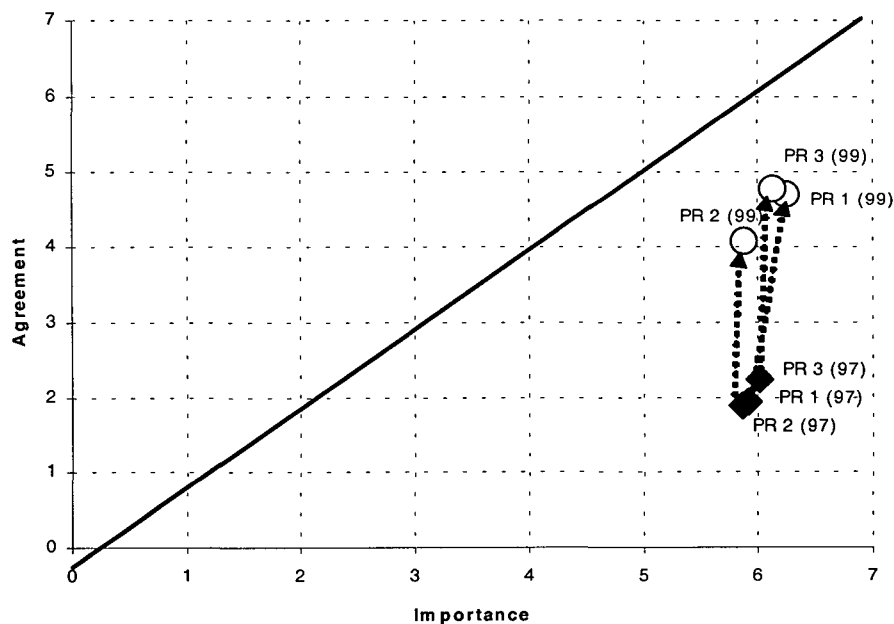
As pointed out earlier, the results from the first self-assessment in Post Denmark showed that Post Denmark did not perform very well. For the criterion "people results" some large

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gaps were identified concerning statements relating to "employee satisfaction", "personnel turnover" and "number of sick days per employee". These areas became some of the highest prioritised improvement areas during the improvement process and remarkable improvements could be seen in the next measurement round in 1999. An illustration of the development of the performance of Post Denmark in these three statements is provided in Figure 6. All three areas are still perceived as being of vital importance of the organization and the organization has improved considerably in addressing these issues since 1997.

### 5.2.2 Benchmark Performance Over Time

In 1999 it was clear, that the efforts had given the intended results (see figures 6-7). The most dramatic improvement can be found in people results, from a performance score in 1997 of 29, to 67 in 1999. Improvements can be found in all criteria, especially in the three focus areas identified in the 1997 measurement round.



**Figure 6.** A quality map that illustrates the improvement in "employee satisfaction", "personnel turnover" and "number of sick days per employee in Post Denmark, between 1997 and 1999

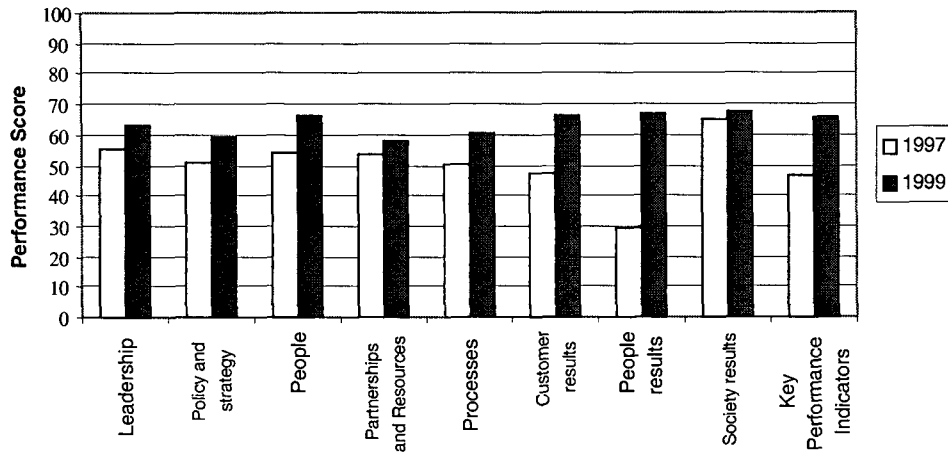


Figure 7. Benchmark on performance for 1997 and 1999 for Post Denmark

### 5.3 Benchmarking Performance Against Competitors

Comparing the performance scores between Post Denmark and their European benchmarks, the results reveal that Post Denmark is the post office with the best performance. They outperform the other benchmarks on all criteria in the EFQM model (see Figure 8). Post B is the second best post office and Post C is the one with the lowest performance scores.

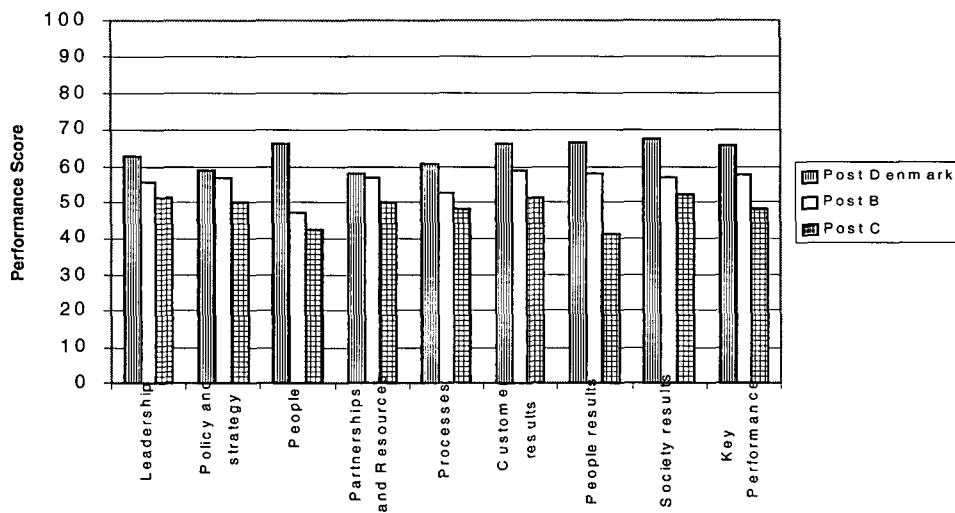


Figure 8. Benchmark on performance score of the 9 criteria in the EFQM-model



The largest difference between the different post offices can be found in the people criterion. Post Denmark's performance seems very good in this area, while Post B is a little better than Post C on a lower performance level.

## 6. Summary and Conclusions

Based on a combination of theories and experiences some sustainable change strategies and methods have been suggested and discussed. The Post Denmark case was used to illustrate how breakthrough in people attitudes and organisational culture happened and became the foundation for a new culture focusing on change, continuous improvements and everybody's participation. One of the main methods used in the case was the focused self-assessment approach using questionnaires on a survey basis.

Some of the main advantages of using the survey approach for self-assessment have been the following:

1. The managers got relatively fast a common language - the language of the European Excellence Model - and hence a common understanding, which helped in the communication and the early implementation.
2. The survey approach is less time and other resource consuming compared to the traditional award approach. Hence resources are used for improvements instead of assessments.
3. The survey approach is not trapped by the standard weights of the different criteria in the model, which often is the case when the traditional award approach is used for assessment. The employees determine the weights in this approach.
4. The survey approach gives the possibility to analyse the measurements in a new way, which may give insights to the understanding about how people think or feel.
5. One of the prioritising methods used with the survey approach is to use the gaps between the measured performance and the agreement with the statements (critical success factors) included in the statement. The statements with the highest gaps are the first candidates for improvement. This strategy is easy to understand and accept, and hence consensus on what to improve first is easily achieved.

Because all managers at the level 1 and 2 plus a sample of managers from management level 3 have participated in the questionnaire self-assessment it has been easy to reach a

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consensus on what to improve first. It is hard to reject the measurements because the results are summations of the managers' own perceptions. When for example an enabler measurement shows that the importance is evaluated with a very high importance and the agreement is very low then the managers become a little bit shameful. Because of that an intrinsic motivation is created easily to change the situation i.e. to reduce the gap.

The methodology with measurements on both importance and agreement has helped the managers to identify *the vital few*. This aspect is important, because you have to focus on the vital few if you shall have success with the quality journey. The measurements from the questionnaire self-assessment are regarded as reliable indicators of both the enabler criteria of the EFQM Excellence Models as well as the result criteria. Because of that the method is regarded, as a valid and reliable tool for diagnosing the status quo and for deciding on the areas, which should be improved first.

Another remarkable method which Post Denmark carried out was a massive and systematic training and education program for all employees. Some of the main positive effects of this company-wide training and education program can be summarised as follow:

1. The training and education programmes were designed based on the outcome of self-assessment. This means that the course contents were designed by the current situation and to overcome the actual company problems.
2. Together with the self-assessment process, the education program created a shared understanding, which provided a step stone for building shared vision, mission and company culture directed for continuous improvement.
3. Contrast to earlier approaches, which were often fragmental in several aspects, the education programmes were rather holistic in its contents and systematic where all employees were participated. All employees received why, how and what knowledge acquirements in three levels of personal, team and organizational levels in accordance to the 4P quality strategy based on 'People First' and 'People make Quality' philosophy. This provided a solid foundation for further TIQ movement.

Improvements in performance results such as employee turnover, employee absenteeism, employee satisfaction, the quality of deliveries and the financial results have been achieved. The negative trend in several results has been stopped and reversed to a positive trend. For instance, the customer satisfaction index for Post Denmark in 1999 (on a scale from 0 to 100) reached 64 (corporate customers), 69 (branches) and 66 (mail recipients) (Kristensen et al., 2000). Post Denmark has also become the best in Europe on the time it takes for an

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international mail to arrive at the addressee and also on customer satisfaction (measurements carried out in 2002).

The managers' mental models of the situation have been dramatically changed to the positive, and at the end of 1999 Post Denmark received the Danish Human Resource Award for their committed attention to improving the working conditions for their employees. A main cause for receiving this award is that Post Denmark from the start of their quality journey regarded the people dimension as the area, which should be improved first. It was from the beginning understood that *a sustainable quality improvement strategy* to follow was *the 4P strategy*. According to this strategy, organizational excellence is a result of building excellence into the 4P in the following order:

1. People, 2. Partnership, 3. Processes and 4. Products

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