



Business Excellence Model (BEM) *also known as the European Foundation for Quality Management (EFQM) Model*

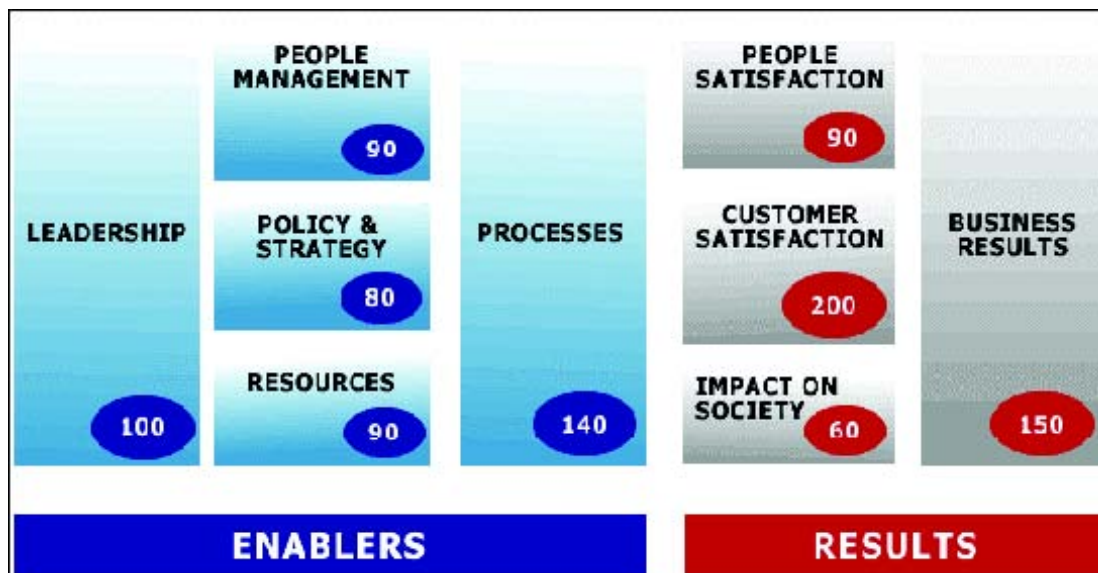
Why and When Is It Used?

The BEM is a widely used framework that helps companies to review their performance and practices in a number of areas and identify targets and actions for improvement. It is a benchmarking and audit framework originally developed in the European Foundation for Quality Management (EFQM) but based on the philosophy of total quality management sees the need for holistic development and growth of the organization.

How Does It Work?

It makes use of a core model which is split into two aspects — results, which are measurable indicators of business success, and enablers, which are measurable indicators of practices inside the organization that can lead to business success. Importantly results are not measured simply on financial criteria (a theme shared with the balanced scorecard, another widely used organizational audit and development tool) but include things like employee and customer satisfaction.

There are 500 points available for each of the two sections — the model looks like this:



The framework is well-established and widely used, and is supported by a detailed assessment template which allows trained assessors to allocate a score in each area. The theoretical top score has never been reached but each year there is a competition which some (mostly large) firms enter and which makes a series of awards for high scorers. In this way an emergent model of 'best practice' has become established and this provides a target towards which others can move. The documentation of what the winners achieve and how they do so is an important part of the learning aspect of the approach.



Many firms choose not to enter the competition but instead to use the assessment — either with the help of trained assessors or as a simple self-assessment — as a guide for organizational development.

There are several websites which offer more detail, including:

<http://www.efqm.org/>

<http://www.lean-service.com/6-3.asp>

<http://www.bpic.co.uk/faq/eubem.htm>

http://www.mas.dti.gov.uk/categories/Manage/link_business_excellence.jsp