

# Tailor-made Use of the EFQM Excellence Model



London & Quadrant (L&Q) Housing Association, the largest of its type in London and the South East, has recently instigated the use of the EFQM Excellence Model but in a unique and innovative fashion. **Mike Donaldson**, Group Director of Corporate Strategy & Communications at L&Q, describes how this was achieved and some of the results and conclusions of the exercise.

## Background

London & Quadrant is a not-for-profit organisation that has helped to house around a million people since it was set up in 1963 and is the largest housing association group in London and the South East, managing more than 40,000 homes.

The Group consists of a number of organisations providing a range of services, including ‘traditional’ social housing, supported housing, and low-cost home ownership schemes.

But we place great emphasis on building communities, not just building houses (our mission is “creating places where people want to live”), and so we have developed new initiatives to complement the pure ‘bricks and mortar’ element of our work. Our new community finance company, ‘Change’, offers affordable loans, innovative saving schemes and financial advice. Quadrant Community Investment delivers schemes such as employment and training for residents, developing IT centres and improving community buildings.

We are an Investor in People and have Charter Mark accreditation (Tower Homes – our shared ownership subsidiary – has, in fact, achieved it three times). In 2003, 2004 and 2005, L&Q was named as one of *The Sunday Times* 100 Best Companies to Work For. Operating in a highly regulated area, we are subject to a variety of audits, such as by the Housing Corporation and the Audit

Commission (ie, with both ‘voluntary’ and compulsory inspections) and with our own internal performance management and reviews, we are subject to quite a lot of challenging assessment.

## Aims of Using the EFQM Excellence Model

Despite all this, we had a growing concern that there might be a medium/long-term risk in primarily focusing on reviews for specific initiatives, and on the reviews of various individual parts of the Group that tended to be our normal practice. We wanted to move towards a Group-wide analysis that would give a top-level view – rather than just an aggregation of lower-level pictures.

In our quest for a suitable approach, we looked at the EFQM Excellence Model (see *Figure 1*), and came to the conclusion that this overall organisational framework, and its ability to be used at different levels of detail, would be ideal for L&Q. That it is all-embracing but non-prescriptive was also important: it was not just a ‘tick-box’ exercise, but would allow us to think through the common issues from sometimes different standpoints, eg, ‘traditional’ social housing, low-cost ownership, and financial services etc.

So we decided to start to use the Model, with the following aims in mind:

- to give us a reasonable top-level view of the organisation
- to pinpoint some areas for future attention
- to familiarise ourselves with the Model and the process.

## Planning the Self-assessment

We realised there would be benefit in using external support to help us, and our selection process led us to D&D Excellence Limited. Dave Richards and Derek Medhurst, directors of D&D, have extensive experience in all aspects of using the Excellence Model, in fact the business specialises in it and does not claim to be a general consultancy.

They were very willing to understand what we wanted to achieve longer term, but understood the resource constraints we had at the time. We wanted to push forward quickly with the Model, but had many other activities that restricted the time available. They listened and produced a tailored self-assessment method through which they would guide us. We had looked at a number of ‘standard’ self-assessment products ourselves, but for one reason or another were not comfortable enough with any of them, so this flexibility was a key factor.

## The Self-assessment Process

Our long-term plan was for an incremental process, where we gradually introduced knowledge of the Model and relevant skills. We felt we should start with a questionnaire combined with a consensus workshop, and D&D introduced us to their simple schematic

Figure 1: The EFQM Excellence Model

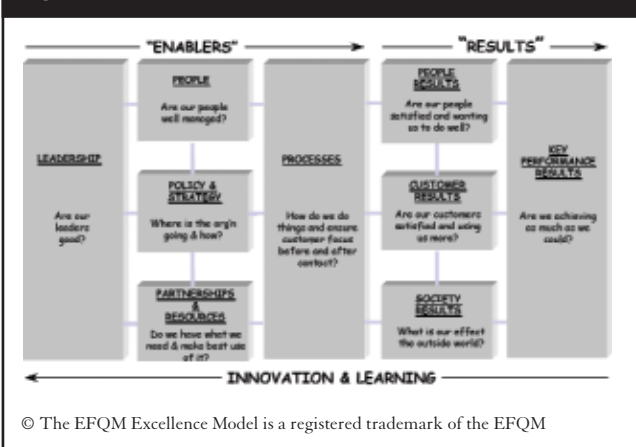
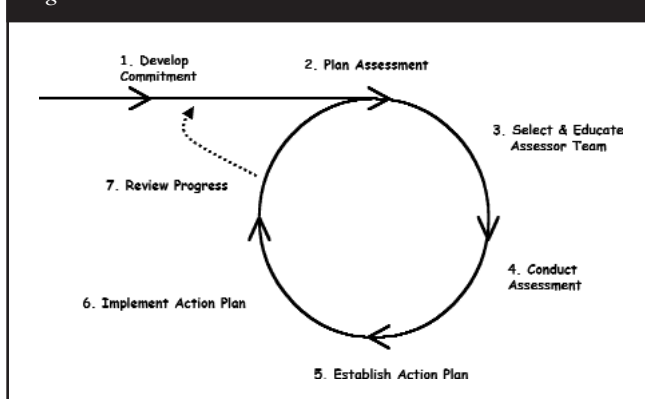


Figure 2: Generic Self-assessment Process



(see Figure 2 above) highlighting use of the Model as an iterative approach, not just one 'big bang' exercise: so we were comfortable that starting simply, and moving on as we learned, was entirely appropriate.

For our specific needs, the key self-assessment steps were as follows:

**Half-day awareness session** – about the EFQM Excellence Model and our self-assessment process, facilitated by D&D. Don Wood, our Chief Executive, spoke at this session to give his personal commitment to our work with the Model. This event gave about 30 of our people some basic education about the Model, and prepared them to answer an Excellence questionnaire as input to the self-assessment.

**Completion of D&D's Excellence questionnaire.** We wanted a wider input to our self-assessment than just the people who would be in a workshop. We did not need a statistically valid sample, but something which could enable us to collect input from across the Group. This survey was developed to act as an input to a workshop, not as a mass-completion questionnaire, thus making us think about the various word-pictures it portrayed. It was therefore completed both by people who were to be the consensus workshop participants, and by some non-participants.

**Additional evidence gathering.** D&D undertook a few small group discussions and one-to-one meetings with members of staff of different units. They also undertook some simple research into our results. These activities added richness to the information available at the formal self-assessment workshop, and enabled some evidence-based facilitation to the workshop, rather than just facilitating the workshop process, which is what typically happens.

**Consensus workshop.** The participants were from across our units, and ranged from team-leaders/service improvement co-ordinator up to director level – a good cross-section. This full-day session used inputs from the questionnaire responses, from the participants own knowledge of L&Q, and from D&D's own evidence gathering. We worked in syndicates, and established our views on our key Strengths, Areas for Improvement, and also an indicative scoring percentage. After the workshop, D&D wrote up these findings for us into a formal report that we could take forward into the action planning stage.

### Outcomes

We have now identified a range of Strengths and Areas for Improvement across L&Q; many of these were in reality useful confirmation of what we had believed before, but none the less valuable for providing that confirmation.

However, we have also identified as Areas for Improvement one or two issues where we had thought that we were doing satisfactorily – when we were previously looking only at individual 'business unit' level. This was one of the main benefits we were hoping for, so a great help for us.

What we have learned has been prioritised and fed into our planning activities. A small number of key improvement opportunities have been woven into our annual corporate plan – rather than being seen as separate from the normal way we run our business – and are being taken forward for cross-Group implementation.

We have had a successful, relatively low-resource, introduction to the EFQM Excellence Model. It confirmed our view that it is something we wish to take forward, and we are working on the most appropriate ways to broaden our education, and the approach we should adopt for our next Group-wide self-assessment.

### Some Learning Points

The Excellence Model itself is not prescriptive, and so it seems right that neither is the way it is used. So, if for some reason you're not convinced about using a packaged product, do by all means see how you can tailor it to your own needs.

There have clearly been benefits in being guided by people for whom the Model is their 'day job'. They were not constrained by a set of 'tick boxes' and have helped adapt approaches for us.

We could have just completed a standard questionnaire if we had wanted just to say we had "used the Model". A big benefit of the consensus workshop was in the range of people being able to input and discuss their views on all aspects of the Group's operation, and then come to a common understanding on a score. The Model has been a framework to help us think overall about the organisation.

The Excellence Model framework was an invaluable mechanism for different parts of the organisation to discuss approaches they might not usually discuss. This gave us better understanding of where good practice existed around the Group.

There are benefits in the workshop facilitators having undertaken some research for themselves into the organisation. It moves the facilitation beyond just driving the workshop process, and allows them to add value based on evidence. Our facilitators fed their key findings into our discussions at appropriate times, in ways that contributed to the debates, but which still left us owning the results – we did not feel that their views were imposed. We have no doubt it would be very easy for this to be done badly.

For L&Q, the short constructive site visits made by D&D to gather evidence also helped our staff to understand that this was something that we were doing to ourselves, to help us improve even further. They helped with open discussion, and the exercise was not seen as some sort of external 'adversarial audit'.

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