

## CHAPTER 4: QUALITY MODELS IN THE HIGHER EDUCATION SECTOR

### 4.1 Introduction

In responding to the external pressure to become more responsive and accountable to a diverse range of stakeholders, higher education institutions have tended to draw upon manufacturing-derived quality systems which are not altogether attuned to the unique cultural characteristics of higher education. More sophisticated, contingency-based quality management systems tailored to higher education need to be developed. Two examples are ISO 9000 and Total Quality Management, both of which are quality processes deriving from the manufacturing industry and which were adopted in some service industries, including further and higher education. However, it has become apparent that these, and other quality assurance approaches often do not realise their potential as well in higher education, as in other settings.

Brunyee in the *South African Journal on Higher Education* (Vol 14 No 2 2000:182) adds to the Barrett and Sexton view that: "It would be shortsighted not to accept the view that higher educational institutions can and should learn from the practices of the best non-educational enterprises."

Freed and Klugman (1997:x) are of the opinion that because of the resurgence American companies were enjoying with continuous improvement principles, a few pioneers were encouraged to advocate their use in higher education. Such a move is not unusual, as higher education practices tend to reflect those in business and industry; for example, many higher education institutions experimented with long-range planning in the 1970's and with strategic planning in the 1980's, echoing similar trends in the business world.

Despite the precedent set by higher education institutions borrowing from business and industry, the question of why the institutions chose continuous quality improvement ideas remains. The best answer is that these institutions were, and

still are, facing the same problems that business and industry had experienced. As competition from foreign products and a desire for better quality products gave American business impetus to become involved in quality improvement, competition from students from other institutions and the resulting desire to enhance the institution, provided the impetus for American higher education institutions to adopt the principles of continuous improvement.

Interest in continuous improvement exploded in 1991 and 1992. At that time administrators no longer asked whether quality principles were appropriate for their institution, but rather they asked how to make them relevant.

#### **4.2 Quality assurance**

Quality in higher education, according to Article 11 of the World Declaration on Higher Education (<http://www.unesco.or> accessed on 8/22/03) is defined as a multidimensional concept, which should embrace all its functions and activities: teaching and learning programmes, research and scholarship, staffing, students, buildings, faculties, equipment, services to the community and the academic environment.

Internal self-evaluation and external review, conducted openly by independent specialists, if possible with international expertise, are vital for enhancing quality. Independent national bodies should be established and comparative standards of quality, recognised at international level, should be defined. Attention should be paid to the specific institutional, national and regional contexts in order to take into account diversity and to avoid uniformity. Stakeholders should be an integral part of the institutional evaluation process.

Quality also requires that higher education should be characterised by its international dimension: exchange of knowledge, interactive networking, mobility of teachers and students and international research projects, while taking into account the national cultural values and circumstances.

“A definition that embraces all the different understandings and interpretations of the concept of quality assurance is that which is given by the UK Higher Education Quality Council which states that quality assurance is a term which encompasses all the policies, systems and processes directed at ensuring the maintenance and enhancement of the quality of education provision within an institution. A quality assurance system is thus the means by which an institution confirms that the conditions are in place for students to achieve the standards it has set” according to Jonathan in the *South African Journal on Higher Education* (Vol 14 No 2 2000:45).

Quality assurance should never be something which is done once and then put aside, but something that requires a continuous process of checking, reviewing and documenting.

Quality assurance is thus seen as having four components, namely:

- Everyone in the institution has a responsibility for *maintaining* the quality of the product or service
- Everyone in the institution has a responsibility for *enhancing* the quality of the product or service
- Everyone in the institution understands, takes and uses *ownership* of the systems which are in place for maintaining and enhancing quality (ie continual improvement)
- The institution satisfies itself that it has effective structures and mechanisms in place so that *continual quality improvement* can be guaranteed

#### **4.3 The establishment of external quality assurance agencies**

“Quality and standards have traditionally been an important part of academic tradition. The practices of external examining or peer review of research are prevalent in most higher education systems” says Fourie in the *South African Journal on Higher Education* (Vol 14 No 2, 1987:51).

Woodhouse in the *South African Journal on Higher Education* (Vol 14 No 2 1987:21) says that: “Many external quality assurance (EQA) agencies have been

established in higher education institutions, but few were established entirely voluntarily by the higher education institutions themselves. Most governments, however, have been applying pressure by establishing, or requiring the establishment of EQA agencies.

Each EQA agency specifies what it requires of its higher education institution. In general, higher education institutions have not been accustomed to carrying out comprehensive and systematic self-review.”

Woodhouse also refers to other quality systems that have not been specifically designed for higher education institutions that include: ISO 9000 and the USA’s Malcolm Baldrige National Quality Award. “Their flexibility makes them applicable to higher education institutions and there are special purpose Educational Criteria, but correspondingly the standards against which they assess are less precise.”

In South Africa, the Council on Higher Education (CHE) established the Higher Education Quality Committee (HEQC), which has statutory responsibility to conduct institutional audits as indicated in the Higher Education Act of 1997. Audits are the responsibility of the HEQC also in terms of being recognised by the South African Qualifications Authority (SAQA) as the Education and Training Quality Assurers (ETQA) for the higher education band.

#### **4.4 The MBNAQ applied in a higher education context**

As discussed in Chapter 3, the Malcolm Baldrige National Quality Award has since its establishment in 1987 played an important role in helping thousands of United States companies improve not only their products and services, their customers’ satisfaction and their bottom line, but also their overall performance ([www.quality.nist.gov](http://www.quality.nist.gov) 2/6/03).

In 1999, both the education and health care categories were introduced. Since then, a total of 37 applications have been submitted in the education category and 25 in the health care category.

Education and health care are recognising that the Baldrige Award's tough performance excellence standards can help stimulate their improvement efforts as well. Just as it has for United States businesses, a Baldrige Award programme can help these organisations improve performance and foster communication, sharing of "best practices", and partnerships among schools, health care organisations, and businesses.

Any for-profit or not-for-profit public or private organisation that provides educational or health care services in the United States or its territories is eligible to apply for the award. That includes elementary and secondary schools and school districts; colleges, universities, and university systems; schools or colleges within a university; professional schools; community colleges; technical schools; and charter schools. In health care, it includes hospitals, HMOs, long-term-care facilities, health care practitioner offices, home health agencies, health insurance companies, or medical/dental laboratories.

As in the other three categories, applicants must show achievements and improvements in seven areas: leadership; strategic planning; customer and market focus (for education: student, stakeholder, and market focus; for health care: focus on patients, other customers, and markets); information and analysis; human resource focus (for education: faculty and staff focus; for health care: staff focus); process management; and business results (for both education and health care: organisational performance results).

Many education and health care organisations are using the Baldrige criteria to good effect. For example:

- The New Jersey Department of Education permits school systems to use the New Jersey Quality Achievement Award criteria – based on the Baldrige Award criteria – as an alternative to its state assessment criteria. Other states are considering a similar approach.
- The National Alliance of Business and the American Productivity and Quality Centre have developed the Baldrige In Education Initiative, a national programme to improve the management systems of education organisations and educational outcomes.

- In April 2000, the National Education Goals Panel (NEGP) held a nationwide teleconference, “Creating a Framework for High Achieving Schools,” to focus on the Baldrige criteria in education. In the foreword to a report issued in conjunction with the teleconference, then-Governor Tommy G Thompson of Wisconsin and 2000 chair for the NEGP, said the Baldrige criteria for education “can provide educators with a framework and strategies for improving their schools and helping all children to reach high standards”.
- At the teleconference, Bob Chase, president of the National Education Association (NEA), said, “The Baldrige process and what I call ‘new unionism’ are a quality match. Most crucially, NEA’s new unionism and the Baldrige process share the same bottom line, improving student achievement.”
- Dr Michael Wood, CEO, Mayo Foundation and Clinic, hosted a Baldrige Health Care Summit on June 29, 2000, involving 10 leading health care institutions in the United States.
- Special sessions on Baldrige in health care were held at the Institute for Health Care Improvement conferences in December 1999 and December 2000.
- Motorola University hosted 120 health care leaders for a one-week course on Baldrige and Quality Improvement in Health Care in February 2001.
- Richard Norling, CEO, Premier Inc., a leading distributor of health care supplies, served as president of the private-sector Baldrige Foundation during 2001.

The criteria are designed to help higher education institutions use an aligned approach to organisational performance management that results in:

- Delivery of ever-improving value to students and stakeholders, contributing to improved education quality.
- Improvement of overall organisational effectiveness and capabilities.
- Organisational and personal learning.

The criteria are built upon a set of interrelated core values and concepts. These values and concepts, described below, are embedded beliefs and behaviours found in high-performing organisations. They are the foundation for integrating key

business requirements within the results-oriented framework that creates a basis for action and feedback.

(Note: Tertiary institutions and higher education institutions are used synonymously.)

#### **4.4.1 Contextualising the MBNQA fundamental concepts for the higher education sector**

##### **Visionary leadership**

A higher education institution's senior leaders need to set directions and create a student-focused, learning-oriented climate, clear and visible directions, and high expectations. The directions, values, and expectations should balance the needs of all stakeholders. Leaders need to take part in the development of strategies, systems, and methods for achieving excellence in education, stimulating innovation, and building knowledge and capabilities. The values and strategies should help guide all activities and decisions of the institution. Senior leaders should inspire and motivate the entire faculty and staff and should encourage involvement, development and learning, innovation, and creativity by all faculty members and staff.

Through their ethical behaviour and personal roles in planning, communications, coaching, developing future leaders, review of organisational performance, and faculty and staff recognition, senior leaders should serve as role models, reinforcing values and expectations and building leadership, commitment, and initiative within the institution.

In addition to their important role within the institution, senior leaders have other avenues to strengthen education. Reinforcing the learning environment in the institution might require building community support and aligning community and business leaders and community services with this aim.

## **Learning-centred education**

Learning-centred education places the focus of education on learning and the real needs of students. Such needs derive from the requirements of the marketplace and the responsibilities of citizenship. Changes in technology and in the national and world economies are creating increasing demands on employees to become knowledge workers and problem solvers, keeping pace with the rapid changes in the marketplace. Most analysts conclude that organisations of all types need to focus more on students' active learning and on the development of problem-solving skills.

Higher education institutions exist primarily to develop the fullest potential of all students, affording them opportunities to pursue a variety of avenues to success. A learning-centred organisation needs to fully understand and translate marketplace and citizenship requirements into appropriate curricula and developmental experiences. Education offerings need to be built around learning effectiveness. Teaching effectiveness needs to stress promotion of learning and achievement.

Key characteristics of learning-centred education are:

- setting high developmental expectations and standards for all students;
- understanding that students may learn in different ways and at different rates. Also, student learning rates and styles may differ over time and may vary depending upon subject matter. Learning may be influenced by support, guidance and climate factors, including factors that contribute to or impede learning. Thus, the learning-centred institution needs to maintain a constant search for alternative ways to enhance learning. Also, the institution needs to develop actionable information on individual students that bears upon their learning;
- providing a primary emphasis on active learning. This may require the use of a wide range of techniques, materials, and experiences to engage student interest. Techniques, materials, and experiences may be drawn from external sources such as businesses community services, or social service organisations;



- using formative assessment to measure learning early in the learning process and to tailor learning experiences to individual needs and learning styles;
- using summative assessment to measure progress against key, relevant external standards and norms regarding what students should know and be able to do;
- assisting students and families to use self-assessment to chart progress and to clarify goals and gaps; and
- focusing on key transitions such as school-to-school and school-to-work.

### **Organisational and personal learning**

Achieving the highest levels of performance requires a well-executed approach to organisational and personal learning. Organisational and personal learning is a goal of visionary leaders. The term organisational learning refers to continuous improvement of existing approaches and processes and adaptation to change, leading to new goals and/or approaches. Learning needs to be embedded in the way an organisation, operates. The term embedded means that learning:

- (1) is a regular part of the daily work of all faculty, staff, and students;
- (2) is practiced at personal, work unit/department, and organisational levels;
- (3) results in solving problems at their source;
- (4) is focused on sharing knowledge throughout the organisation; and
- (5) is driven by opportunities to effect significant change and do better. Sources for learning include faculty and staff ideas, successful practices of other organisations, and educational and learning research findings.

Education improvement needs to place very strong emphasis on effective design of educational programmes, curricular and learning environments. The overall design should include clear learning objectives, taking into account the individual needs of students. Design must also include effective means for gauging student progress. A central requirement of effective design is the inclusion of an assessment strategy. This strategy needs to emphasise the acquisition of formative information – information that provides early indication of whether or not

learning is taking place – to minimise problems that might arise if learning barriers are not promptly identified and addressed.

Faculty and staff success depends increasingly on having opportunities for personal learning and producing new skills. Organisations invest in the personal learning of faculty and staff through education, training, and opportunities for continuing growth. Opportunities might include job rotation and increased pay for demonstrated knowledge and skills. Education and training programmes may benefit from advanced technologies, such as computer-based learning and satellite broadcasts.

Personal learning can result in:

- (1) more satisfied and versatile faculty and staff;
- (2) greater opportunity for organisational cross-functional learning;
- (3) an improved environment for innovation; and
- (4) a faster and more flexible response to the needs of students and stakeholders.

### **Valuing faculty, staff, and partners**

An organisation's success depends increasingly on the knowledge, skills, innovative creativity and motivation of its faculty, staff, and partners.

Valuing faculty and staff means committing to their satisfaction, development, and well being. For faculty, development means building not only discipline knowledge, but also knowledge of student learning styles and of assessment methods. Faculty participation might include contributing to organisation policies and working in teams to develop and execute programmes and curricula. Increasingly, participation is becoming more student-focused and more multidisciplinary. Organisation leaders need to work to eliminate disincentives for groups and individuals to sustain these important, learning-focused professional development activities.

For staff, development might include classroom and on-the-job training, job rotation, and pay for demonstrated skills. Increasingly, training, education, development, and work organisations need to be tailored to a more diverse work force and to more flexible, high performance work practices.

Major challenges in the area of valuing faculty and staff include:

- (1) demonstrating your leaders' commitment to faculty and staff;
- (2) providing recognition opportunities that go beyond the normal compensation system;
- (3) providing opportunities for development and growth within your organisation;
- (4) sharing your organisation's knowledge so your faculty and staff can better serve students and stakeholders and contribute to achieving your strategic objectives; and
- (5) creating an environment that encourages creativity.

Higher education institutions should also seek to build internal and external partnerships to better accomplish their overall goals.

Internal partnerships might include those that promote co-operation among faculty and staff groups such as unions, departments, and work units. Agreements might be created involving employee development, cross-training, or new work organisations, such as high performance work teams. Internal partnerships might also involve creating network relationships among departmental units to improve flexibility and responsiveness. External partnerships might include those with other tertiary institutions, businesses, business associations, and community and social service organisations – all stakeholders and potential contributors.

Partnerships should seek to develop longer-term objectives, thereby creating a basis for mutual investments and respect. Partners should address objectives of the partnership, key requirements for success, means of regular communication, approaches to evaluating progress, and means for adapting to changing conditions.

## **Agility**

An increasingly important measure of organisational effectiveness is a faster and more flexible response to the needs of your students and stakeholders. Many organisations are learning that explicit focus on and measurement of response times help to drive the simplification of work organisations and work processes. All aspects of time performance are becoming increasingly important and should be among key process measures. Other important benefits can be derived from this focus on time improvements and often drive simultaneous improvements in organisation, quality, and cost.

## **Focus on the future**

Pursuit of education improvement requires a strong future orientation and a willingness to make long-term commitments to students and to all stakeholders – communities, employers, faculty, and staff. The institution should anticipate many types of changes in its strategic planning effort, including changes in education requirements, instructional approaches, resource availability, technology, and demographics. Short- and long-term plans, strategic objectives, and resource allocations need to reflect these influences. A major longer-term investment associated with the institution's improvement is the investment in creating and sustaining a mission-oriented assessment system focused on learning. This entails faculty education and training in assessment methods. It also entails organisational leadership becoming familiar with research findings and practical applications of assessment methods and learning style information.

Other major components of a future focus include developing faculty and staff, seeking opportunities for innovation, and fulfilling public responsibilities.

## **Managing for innovation**

Innovation is making meaningful change to improve an organisation's services and processes and create new value for the organisation's stakeholders. Innovation should focus on leading the organisation to new dimensions of performance.

Innovation is no longer strictly the purview of research. Innovation is important for provision of ever improving educational value to students and overall improvement of support processes. Organisations should be structured in such a way that innovation becomes part of the culture and daily work.

### **Management by fact**

Organisations depend upon the measurement and analysis of performance. Such measurements must derive from the organisation's mission and strategy and provide critical data and information to address all key requirements. A strong focus on student learning requires a comprehensive and integrated fact-based system – one that includes input data, environmental data, and performance data.

Analysis refers to extracting larger meaning from data and information to support evaluation and decision making within the organisation. Analysis entails using data to determine trends, projections, and cause and effect – that might not be evident without analysis. Data and analysis support a variety of purposes, such as planning, reviewing overall performance, improving operations, and comparing performance with comparable organisations or with “best practices” benchmarks.

A major consideration in performance improvement involves the selection and use of performance measures or indicators. *The measures or indicators selected should best represent the factors that lead to improved student, operational, and financial performance. A comprehensive set of measures or indicators tied to student, stakeholder, and organisational performance requirements represents a clear basis for aligning all acts with the organisation's goals.* Through the analysis of data from the tracking processes, the measures or indicators themselves may be evaluated and changed to better support such goals.

### **Public responsibility and citizenship**

An organisation's leadership needs to stress the importance of the institution serving as a role model in its operations. This includes protection of public health, safety, and the environment; ethical business practices, and non-discrimination in

all that the organisation does. Planning related to public health, safety, and the environment should anticipate adverse impacts that might arise in facilities management, laboratory operations, and transportation. Ethical business practices need to take into account proper use of public and private funds. Non-discrimination should take into account factors such as student admissions, hiring practices, and treatment of all students and stakeholders.

Organisations should not only meet all local, state, and federal laws and regulatory requirements, they should treat these and related requirements as opportunities for continuous improvement “beyond mere compliance”. This requires the use of appropriate measures in managing performance.

Practicing good citizenship refers to leadership and support – within the limits of the organisation’s resources – of publicly important purposes. Such purposes might include improving education in the community, environmental excellence, community service, and sharing of quality-related information. An example of good citizenship might include influencing other organisations, private and public, to partner for these purposes.

### **Focus on results and creating value**

An organisation’s performance measurements need to focus on key results. Results should be focused on creating and balancing value for students and all stakeholders. To meet the sometimes conflicting and changing aims that balancing value implies, organisational strategy needs to explicitly include all student and stakeholder requirements. This will help to ensure that actions and plans meet differing student and stakeholder needs and avoid adverse impact on students and/or stakeholders. The use of a balanced composite of leading and lagging performance measures offers an effective means to communicate short- and longer-term priorities, to monitor actual performance, and to provide a focus for improving results.

## **Systems perspective**

The Baldrige criteria provide a systems perspective for managing the organisation and achieving performance excellence. The core values and the seven Baldrige categories form the building blocks of the system. However, successful management of the overall organisation requires synthesis and alignment. Synthesis means looking at the organisation as a whole and focusing on what is important. Alignment means concentrating on key organisational linkages among requirements given in the Baldrige Categories.

Alignment means that the senior leaders are focused on strategic directions and on students and stakeholders. It means that senior leaders monitor, respond to, and build on key results. Alignment means linking key strategies with key processes and aligning resources to improve overall performance and satisfy students and stakeholders.

Thus, a systems perspective means managing the whole organisation, as well as its components, to achieve performance improvement.

### **4.4.2 Lessons learnt from the MBNAQ**

According to Hodgetts (1993:6), one lesson is that there is no best way to achieve world-class quality. Each Baldrige winner's quality system has been tailored to meet its specific needs. Each has combined technology, management skills, training and human resources policies to meet customer needs in unique and powerful ways.

A second lesson is that the principles of quality management can be applied broadly across organisations. All improvement activities now come under the rubric of "quality". At the same time, the meaning of the term *total quality management* itself has become very broad and difficult to define. In many ways, *quality management* is now simply synonymous with *good management*.

A third lesson is that quality is not just a goal that a company achieves, but an ongoing quest to continuously improve.

#### **4.5 The EFQM applied in a higher education context**

##### **4.5.1 Contextualising the EFQM fundamental concepts for the higher education sector**

Pupius (2000:3) illustrates how the EFQM Model applies in a higher education context by contextualising the criteria as follows:

- **Results orientation**

The keyword is 'balancing'. Emphasis would be put not just on academic outcomes or quality assurance results, but on results from student and staff experience surveys and surveys on impact on community.

- **Customer focus**

In education, customers would include students, employers, parents, businesses, local, regional and national agencies and research funding bodies. Loyalty would be measured in terms of propensity to recommend the institution.

- **Leadership and constancy of purpose**

This is about 'walking the talk' and 'living the values'. Leaders would be all academic staff who teach students and all administrative managers. The institution would develop a strategic vision and share this with all staff and students.



- **Management by processes and facts**

Institutions adopting these principles begin to identify, map and model key processes and how they relate to elements of the hierarchy e.g. Faculties and Departments. Each process would have an identified owner and standards and a measurement framework would be set in position.

- **People development and involvement**

Trust is an essential for effective process working. Involvement can be structured through improvement teams, review teams, process improvement etc.

- **Continuous learning, innovation and improvement**

The methodology embodies the principle of self-evaluation or self-assessment. The institution would learn from the feedback by reviewing impact of strategies and actions, trends in results, performance against target and by comparing with best-in-class through benchmarking.

- **Partnership development**

This would include partnership and collaboration with partner colleges, business and local organisations.

- **Public responsibility**

For an institution, this would include defining a role within the local community, region or country to enhance the social and economic well-being or the people.

#### 4.5.3 EFQM – Benefits in higher education institutions

The HEFCE *EFQM Excellence Model Higher Education Version* (2003:3) summarises the benefits of the Model as follows:

- Development of a strategic tool that has the potential to deliver the corporate strategy and to enhance communication and understanding of overall direction.
- Alignment of leadership, policies and strategies with the results that are required.
- Measurement of actual performance against desired performance.
- Development of a methodology that is in alignment with the modernising government strategies in most European countries and the achievement of value-for-money services.
- Development of a rigorous and structured approach to organisation improvement using a self-assessment approach that is based on facts and evidence.
- Development of an approach that could aid the university to achieve a consistency of direction by providing a means to integrate various quality related initiatives such as ISO 9000.
- Development of a methodology for application at all levels in an institution from faculty or department, to whole institution. In particular, it can stimulate multi-disciplined team working, good project management practice and innovation.
- Application of a methodology that is predicated on the value of the customer focus and that will introduce the concept of process working as a means of enhancing cross-institution working.

In a paper delivered by Professor Philip Sullivan of De Montfort University he states that in a higher educational context the EFQM would bring unity of vision to a university, where previously there might have been separate priorities and agendas. Overall, the benefits of using the Model have been described as:

- A great way to bring together an organisation
- Focuses energy

- Gives all staff a voice
- Creates visible leadership at all levels
- Makes key processes and their results clear
- Highlights strengths and areas for improvement
- Clarifies policy and strategy
- Promotes management by fact
- Improves communication
- Reduces stress at work
- Prompts ethical behaviour
- Has stood the test of time, used by the best

Sullivan concludes that higher education can only gain from implementing the Model. There is a question of whether people realise that a rethink of the way universities manage themselves is necessary. Many might find a rethink threatening. But that need not be so: the Model borrows from the experience of America, insofar as when properly managed, it is an expression of the people, for the people, by the people. And in the best universities, “the people” are top to bottom, everyone has a voice.

In the HEFCE publication *Embracing Excellence in Education* (2003:5) the benefits of the Excellence Model are summarised as follows:

- It looks at all areas of the organisation – offering a holistic approach, which has been absent from many other management approaches that have been used previously.
- It provides a process of self-assessment against a non-prescriptive but detailed set of criteria yet is flexible as to when or how it is undertaken. The approach can be adapted to suit the requirements of the user, the size of organisational unit and the extent to which resources can be committed.
- The assessment process is based on factual evidence but the process can be defined at a time and pace to suit the individual organisation. A self-assessment can be completed in as little time as a day or with extensive evidence being collected which can take several weeks.

- It offers a means by which other initiatives such as 'Balanced Scorecard' can be held and knitted together in an integrated way.
- It offers a way in which a common focus can provide a new way of working that could be embedded into the organisation.
- It provides a balanced set of results indicators, not just financial, that focus on the need of the customer, the people in the organisations, the local community and other elements of society, the regulatory bodies and the funding providers.
- As the Model is used widely across Europe, and has been extensively tested in a range of sectors – private, public and voluntary – it offers benchmarking opportunities with other within and outside the sector, providing a common language to share good practice and develop both individual and organisational learning.
- It provides a framework through which the kernel of the organisation's issues could be surfaced, investigated and improved – continually.

#### **4.5.4 EFQM – Growing use in the Public Sector**

In the UK, the Higher Education Funding Council for England (HEFCE) commissioned a three-year project to test the introduction and embedding the EFQM Excellence Model and concepts of excellence in higher education.

It has been shown that the Excellence Model is wholly appropriate and beneficial within both Higher Education (HE) and Further Education (FE) contexts, leading to the development of enhanced management practices across both academic and administrative areas (Embracing Excellence in Education 2003:1).

It is clear, from the research undertaken, that the Excellence Model is a catalyst for change – providing a framework through which improvement and changes in current practice can be analysed, prioritised and understood.

Other management tools and techniques, such as the Balanced Scorecard can be used synergistically to support the development of particular improvement areas.

It is a non-prescriptive framework that enables any type of organisation to customise it for its own use. It provides a framework for organisational self-reflection and learning as well as providing a pointer to what an organisation can do to improve its overall performance and the services it provides to its key stakeholders.

#### **4.5.5 The EFQM and the Higher Education Funding Council of England (HEFCE)**

The EFQM Excellence Model is widely acknowledged in the United Kingdom and Europe as a powerful tool for improving efficiency and effectiveness of organisations through self-assessment, benchmarking and business planning.

The EFQM Excellence Model is being used increasingly to support Best Value and Best Quality Services initiatives in national and local government agencies. With increasing organisational complexity, the Model can promote a common language of excellence, efficiency and effectiveness across organisations. It enables organisations to take a balanced view of their strengths and where they can improve performance.

There are many indicators pointing towards the increased use of the Model in the public sector. In more than one way the HEFCE leads the higher education sector. The HEFCE's current strategic plan describes the EFQM Model as "An internationally recognized framework for high quality management practices".

(Note that reference is frequently made to HEFCE publications. Articles by Sheffield Hallam University are reports to the HEFCE and not necessarily the HEFCE view)

##### **4.5.5.1 HEFCE projects**

Adding weight to HEFCE's lead, HEFCE has funded two projects concerned with the EFQM Model as part of the Developing Good Management Practice Project.

The first project is, Good Management Project (GMP) 200, and the second is GMP 143.

#### **4.5.5.1.1 Good Management Project (GMP) 200**

##### **Participants**

This project is run by Bath Spa University College, De Montfort University, The Surrey Institute of Art and Design University College and Liverpool John Moores University

##### **Aims**

The project trails the applicability of the EFQM Excellence Model in academic departments. The project's expected outcomes are to improve management practice, to improve performance and make savings and to produce information for dissemination to the sector.

##### **Projects**

Workshops were held with academic departments and a six-stage approach was used:

1. Plan and prepare for self-assessment against the Excellence Model
2. Collect views, information and data on where we are now
3. Identify strengths and areas for improvement
4. Identify the priority opportunities
5. Develop and implement actions on these opportunities
6. Review and repeat

Findings show that the majority of participating staff found the project relevant and useful and that the EFQM Model is applicable to higher education (HEFCE Summary Report).

## Lessons learnt

Prof Philip Sullivan, the project leader (2001:2-4) and a British Quality Foundation UK award assessor for the Model, indicates that the EFQM Excellence Model is a practical tool, which can help a university measure where it is in terms of areas for improvement and strengths: it will help people understand the gaps and then stimulate solutions. Underpinning the Model are some basic concepts, which translated into the context of higher education's core business of undergraduate study are:

- Excellence is dependent upon balancing and satisfying the needs of students, staff, feeder colleges, parents, governors, HEFCE research and business collaborators and other stakeholders
- Students in particular are the final arbiters of service quality. Their retention, loyalty, and a university's market share require a university to have a clear understanding of their needs
- Leaders at all levels must have a constancy of purpose, and create an environment in which all members of a university can excel
- A university's performance will be more effective when all its processes are understood and systematically managed: and decisions concerning improvement are made using reliable, measurable information
- Staff will give their best in a culture of trust, involvement and shared values
- The management of continuous learning, innovation, improvement and shared knowledge will help maximise the performance of a university
- A university works more effectively when its stakeholders and partners relationships are mutually beneficial
- The long term interest of a university is best served by adopting an ethical approach to society at large

#### **4.5.5.1.2 Good Management Project (GMP) 143**

##### **Participants**

The GMP143 project is run by a consortium known as the UK Consortium for Excellence in Higher Education. It is headed by Sheffield Hallam University and includes the Universities of Cranfield, Durham, Salford and Ulster along with Dearne Valley College.

The project comprises 250 000 Pounds over three years from the Higher Education Funding Council (HEFCE). This funding is being matched by the Consortium members collectively. The University of Ulster has been funded independently by the Northern Ireland Higher Education Funding Agency.

##### **Aims**

According to Pupius and Steed (2002: 2 & 3) the Consortium was established in May 2000 to evaluate the benefits of applying the EFQM Excellence Model to Higher Education institutions as a strategic tool for performance management and governance, strategic planning, developing key performance indicators for benchmarking, identifying good management practice and the achievement of sustainable improvement in all aspects of performance.

##### **Projects**

It is made up of four parts:

- Self-assessment projects: Six self-assessment projects with assessment taking place in a range of areas – schools, departments, research institutes, cross college, faculty wide and University wide.
- Mapping and research projects: Five projects which seek to address the relationship, synergy and gaps between the EFQM Excellence Model and other management tools, models, concepts and auditing frameworks that are used within and higher and further education environment.



- Benchmarking projects: Two benchmarking projects aim to compare the work that the Consortium are undertaking with educational institutions internationally who are exemplars of excellence, and with other private and public sector organisations within the UK who have won quality awards. This will allow the Consortium to develop, enhance and evolve its methodologies and approaches.
- Communication projects: The five communication projects include conferences each year of the programme, the development and maintenance of a programme web site and a final programme report.

### **EFQM – Lessons learnt**

Pupius and Steed (2002:3) have summarised the key achievements, progress and key learning of the Consortium to date as follows:

- Whilst accepting the complexity of higher education institutions, the Excellence Model has the potential for significant impact. The research has shown that other management tools such as Investors in People, models such as the balanced Scorecard and HE/FE auditing frameworks can be used synergistically with the Excellence Model.
- As with any major management initiative, VC and senior management leadership commitment, drive and ownership to adopting these principles at a corporate level is essential if the Excellence Model is to assist in making break-through improvement and have an impact on the culture of the institution
- Self-assessment has highlighted the unconnected nature of many activities within universities – work is often undertaken in isolation, rather than being linked through core or common processes, a common way of working and 'being joined up'.
- In some areas, the work has exposed a lack of clarity about an institution's vision, mission and values.
- Stakeholder feedback mechanisms such as student and staff experience surveys are a prerequisite for excellence. In the context of Society results,

there is also scope to develop survey methods to assess impact of institutions on local communities.

- Communication (internal) is a critical process – how and what is communicated is a delicate balance.
- There has been an initial reaction to the jargon and managerial nature of the material, but when care is taken to explain the fundamental concepts underpinning the Excellence Model (for example Customer Focus, Results orientation and Leadership, it begins to take on the reality of a common language of organised common sense. The common language and shared learning has not necessarily existed before, with academic schools, central departments and research institutes learning and sharing experiences together. The importance of improving processes, working in partnership and having sound measurement frameworks, begins to be understood and the principles embraced without reluctance.
- Common themes for improvement are emerging across all pilot areas, for example, leadership and management development, process management and key performance indicator development.
- Colleagues naturally want to improve what they are doing – there is real willingness to embrace excellence.
- Self-assessment is beginning to be linked to business planning so that priorities in action plans can be incorporated into an annual operating plan for a business unit.
- Assessor training and self-assessment is leading to a greater understanding of the Excellence Model concepts. This in turn is leading to greater appreciation of organisational issues by a wider range of staff and how solutions can be found.
- Much of the knowledge/information already exists, it just needs to be captured, enhanced and co-ordinated. The Excellence Model provides a consistent, integrated and logical framework for this to happen.
- The key linking all these together is clear leadership, having a clear approach to process identification and management, clear communication channels and a set of key performance indicators or corporate scorecard.

- Benchmarking with the other consortium and European institutions is beginning to confirm these findings.

#### **4.5.5.1.3 Conferences**

Three conferences aptly titled “The Mirror of Truth” were held in June 2001, June 2002 and June 2003.

The 2003 conference was attended by the author and covered aspects including:

- Managing change - the leadership challenge
- Defining and achieving sustainable results
- Developing and implementing a partnership culture
- Unlocking the potential for enhancing excellence in teaching and learning (HEFCE The Mirror of Truth 3 Embedding Excellence in Education, 3 and 4 June programme)

Many case studies were presented on the quality models and how they had impacted on the specific higher education institution.

#### **EFQM – Liverpool John Moores University (LJMU)**

Professor Michael Brown, Vice-Chancellor and Chief Executive of LJMU discussed: *Applying the EFQM Excellence Model across the University. Why and with what results? The first six months.*

Professor Brown pointed out the excellence journey had actually started four years ago and that one did not get instant results in life. He emphasised that the EFQM Excellence Model is not THE answer – but it can be a very important PART of the answer to culture and leadership change.

The excellence journey at LJMU started because the following changes and solutions were sought:

- Culture
- Self-confidence and external focus

- Managerial and leadership professionalism
- Sense of direction and clear purpose

Professor Brown stressed that to embark on the excellence journey the following were requirements:

- Visible senior staff commitment
- Volunteer teams
- Expert support
- Time to do the task
- Diagonal slice team with a belief in the fact that changes will actually result
- Facts matter – not assertions (management by fact)
- Delivering on promises
- Plus
  - o Language matters
  - o Volunteers are needed
  - o It naturally builds teams
  - o You need to make the business real

Professor Brown provided some outcomes from the LJMU Engineering faculty excellence experience:

- Staff really work together to a common set of goals
- Staff believe they have a stake in changing things
- Staff are “given licence” to criticise constructively and find ways of improving matters themselves
- “Empowerment”/management by facts

The Engineering faculty pilot had created experienced and trusted ambassadors within the University and other pilots were also started. The model was playing a big part in also reshaping the structure, direction and leadership approach. Other changes that were running parallel with the Excellence model pilots were:

- Reviewing the mission, purpose and values - by consultation
- Restructuring the university – using consultation
- Appointment of senior staff to new structures

- Changing management systems to facilitate empowerment and accountability
- Leadership training for management team - using American consultants
- Development of strategic planning capacity and external stimulation to 'think outside the box'

Having put everything together in a framework, and having gained 'grassroots support', the excellence model provided the ideal framework. The model was adopted for the whole university to get the full planning and operational benefits. The governors were persuaded to accept the model and the following steps were taken:

- Appointment of a Director of Excellence
- Introductory training on EFQM excellence model for all senior staff - relating to the operation of the university
- Detailed "assessor training" for the most senior team
- Self-assessment
- Public feedback of results
- Action planning

Since then a strategic planning process has begun as well as a communication and committee structure review. Strategic and operational plans are also envisaged.

Professor Brown concluded that the excellence model is a tool only – and the principles are more important than the details of the model!

### **Malcolm Baldrige: University of Wisconsin-Stout (UW-S)**

Professor Robert Sedlak, Provost and Vice-Chancellor of UW-S in the USA, pointed out that UW-S were the recipients of the Malcolm Baldrige Quality Award in 2001.

The university committed itself to the core values of the Baldrige programme including visionary leadership, learning-centred education, organisational and personal learning and valuing faculty, staff and partners. It also consistently focused on six major themes:

- Focused, special mission
- Practical/utilitarian education
- Mission driven/market smart
- Partnerships with private sector
- Serving societal needs
- Innovation

Between 1990 to 1996, UW-S developed quality tools by adopting the Baldrige criteria, providing extensive training on TQM tools, establishing cross-functional TQM teams operating in over 20 areas. However, although UW-S was a historically data-driven organisation, planning was decentralised and fragmented.

The UW-S environment in the mid-1990's was characterised by budget cuts, the need to fund new technology infrastructure and pressure to be efficient, continually improve and be accountable. During this time, the university suffered from high levels of stress, poor faculty morale, lack of communication, declining levels of trust, no win-win decision making and suspicion.

The university realised that they had serious problems and resolved to address them. Management listened to the faculty and staff on what needed to be fixed and addressed their areas of concern to achieve buy-in. Enough time was committed to focus on these issues.

During this process, some revolutionary changes were brought about which included:

- Creating a new leadership system
- Creating a budget, planning and analysis unit
- Revamping annual budget and planning processes
- Initiating team building with senior leaders

- Improved communication

Regarding the leadership system, the governance structure provides stakeholder groups with a voice in UW-Stout policy and decision making and multi-directional communication via the faculty senate, senate of academic staff, student senate and five state unions representing classified staff. The Chancellor's Advisory Council (CAC) was created to; flatten the structure, provide a forum to achieve the mission and goals of the university, set directions and make recommendations to the Chancellor and maintain communication with/among all units of the university.

The CAC allows UW-S to:

- Enable campus-wide involvement and participation in strategy development and decision-making
- Plan and review performance
- Guide alignment and integration of short- and long-term actions
- Aid in assessment of results and improve performance
- Enhance organisational performance through team building

The CAC structure is effective because since 1996, agendas are directed to collaborative relationship building/team reformation and professional development in leadership, administration, management, and the university's strategic plan. Communication of data, goals, actions, measures and analysis is accomplished via newsletter, forums, meetings, letters, reports and the web.

Having implemented all these changes, the environment changed and trust became evident, people were feeling empowered and students initiated a self-imposed 5% annual increase in tuition. Successful teamwork lead to new projects, decision making became data-based with the result that UW-S started working together, listening to each other and valuing the opinion of all employees. There was an 88% employee satisfaction rate with new planning and budget prioritising initiatives. The percentage of budget allocated to instruction increased over the last five years. Student performance increased on average with 3% as well as

increased graduate success, and higher student, alumni, employer and stakeholder satisfaction.

## 4.6 Quality models

### 4.6.1 The benefits of introducing quality models in higher education

According to the HEFCE *Embracing Excellence in Education* (2003:5) it has been recognised that the model provides a number of key benefits which have been proven to be of value:

- It looks at all areas of the organisation – offering a holistic approach, which has been absent from many other management approaches that have been used previously.
- It provides a process of self-assessment against a non-prescriptive but detailed set of criteria, yet is flexible as to when or how this is undertaken. The approach can be adapted to suit the requirements of the user, the size of organisational unit and the extent to which resources can be committed.
- The assessment process is based on factual evidence but the process can be defined at a time and pace to suit the individual organisation. A self-assessment can be completed in as little as a day or with extensive evidence being collected which can take several weeks.
- It offers a means by which other initiatives such as “Balanced Scorecard’ can be held and knitted together in an integrated way.
- It offers a way in which a common focus can provide a new way of working that could be embedded into the organisation
- It provides a balanced set of results indicators, not just financial, that focus on the need of the customer, the people in the organisation, the local community and other elements of society, the regulatory bodies and the funding providers.
- As models are used widely across Europe and the USA, and have been extensively tested in a range of sectors – private, public and voluntary – it offers benchmarking opportunities with others within and outside the sector, providing a common language to share good practice and develop both individual and organisational learning.



- It provides a framework through which the kernel of the organisation's issues could be surfaced, investigated and improved – continually.

#### 4.6.2 Benchmarking in higher education

Jackson and Lund (2000:4) state that although higher education institutions are essentially not-for-profit public service organisations, they must produce sufficient income to support and reinvest in the educational enterprise. Higher education institutions are in no doubt that they operate in a series of competitive markets - local, regional, national and global.

In the world of higher education, gaining competitive advantage is an important motivating factor, but **institutional reputation**, based on research standing, the public perception of the currency of awards and the employability of graduates, is also important.

In both the national and international market place, there are clearly competitive advantages in establishing and maintaining a reputation for high-quality education and research. Benchmarking is being used as a way of reinforcing peer groups and helping maintain and enhance institutional reputation.

Any one of the quality models could be used as a benchmarking tool in the higher education environment. Some South African higher education institutions would prefer to use the MBNQA Baldrige or the EFQM to benchmark themselves with overseas higher education institutions.

In terms of direct benchmarking, it would be difficult to directly benchmark the criteria and sub-criteria as they are all subtly different. What could be achieved, however, is a more general benchmarking of themes or 'approaches'. A look at processes and the process architecture of differing institutions using the different models could be considered eg the HR approaches, the development of performance management systems and indicators could be benchmarked.

The Sheffield Hallam Consortium in the UK looked at the MBNQA in the USA from a benchmarking perspective as they wanted to see how other higher education institutions have approached and implemented quality management, and some of the initiatives that were subsequently put in place like communication, leadership development, and performance management.

Benchmarking is not new to higher education. A number of studies have been undertaken and networks exist to share good practice. According to the HEFCE *Benchmarking Methods and Experiences* (2003:4), the Quality Assurance Association defines benchmarking as follows: “Benchmarking is a subject community making explicit the nature and standards of awards which carry the subject in their title or in which the subject is included in the programme leading to the award”.

In today’s highly competitive world, **benchmarking** goes beyond simply looking at product attributes. It is seen as a tool that allows organisations to measure and compare themselves with the best companies and work towards improving standards of practice and performance.

The key elements of benchmarking is a continuous, systematic process, involving internal and external measurement of products, services and processes, which lead to better practice and improved performance.

The process is useful for establishing realistic improvement goals that are not simply an extrapolation of last year’s performance. However, it is not sufficient in itself to simply establish realistic goals – they must be accomplished with knowledge of ‘how’ the goals have been reached, not just ‘what’ has been achieved (Smith *et al* 1999:55).

Czarnecki (1999:156) also defines benchmarking as a performance measurement tool used in conjunction with improvement initiatives; it measures comparative operating performance of companies and identifies “best practices”.

The International Benchmarking Clearinghouse (IBC) represents a consensus definition: “Benchmarking is a systematic and continuous measurement process: a process of continuously measuring and comparing an organisation’s business processes against business process leaders anywhere in the world to gain information which will help the organisation take action to improve its performance” (Watson 1993:3).

The HEFCE Benchmarking Method Experiences (2003:4) states that: “Benchmarking is not simply about performance measures: at its most effective it becomes a core business strategy to keep an organisation at the competitive edge. The essential elements of benchmarking are that the practice is:

- **Continuous**

Benchmarking should not be treated as a ‘one-off’ exercise: it should be incorporated into the regular planning cycle of the organisation and the management of key processes.

- **Systematic**

It is important to ensure that a consistent methodology is adopted by the organisation and that it is actually followed. It is equally important that processes are in place to ensure that good practice is shared across the organisation.

- **Implementation**

Benchmarking helps identify the gaps that exist between current performance and ‘Best Practice’ and also how ‘Best Practice’ performance has been achieved but in order for improvement to occur, a set of actions must be implemented.

- **Best practice**

It is not necessary to identify the absolute 'Best Practice' in the world in order for benchmarking to be successful. 'Good or Superior' practice is probably a more accurate phrase.

#### **4.7 Summary**

In this chapter the MBNQA was discussed as well as the contextualisation of the fundamental concepts for a higher education context. The concepts are designed to help higher education institutions use an aligned approach to organisational performance management that results in:

- Delivery of ever-improving value to students and stakeholders, contributing to improved education quality
- Improvement of overall organisational effectiveness and capabilities
- Organisational and personal learning

The MBNQA Criteria for Performance Excellence in higher education institutions provides a framework of initiatives that should be taken. This framework will be incorporated in the proposed framework of initiatives for the South African higher education sector, proposed in Chapter 7.

The EFQM criteria have also been contextualised by the UK Consortiums for Excellence in higher Education.

The HEFCE consortiums provide insights into how the EFQM Excellence model has been implemented and the lessons learnt, as well as the application of the model in an educational context and the benefits of the model in higher institutions.

The two-part national study by Freed, Klugman and Fife to find out if quality concepts were being practised by higher education institutions that claim to have adopted principles of continuous improvement, also provides some useful insights.

All these models and studies will be considered when proposing a framework for continuous improvement for higher education institutions in South Africa in Chapter 7.