The EFQM Model as a guideline for improving organizational development

By Dr. Günther Schöffner. March 2020

The EFQM model is not just an outstanding tool to evaluate an organization´s status quo but also to identify adequate measures to improve, innovate and change the organizations performance. Contrary to the past, EFQM assessors nowadays should act to a certain extent as advisors. However, giving advice is a different challenge than assessing a company´s past and present approach and performance.

Therefore, it is fruitful to have guidelines of how to apply the Model to give relevant advice. The Model can excellently be used to advise organizations which are in phases of their development which do not allow them to perform in an optimum way. To do so, the focus of the application of the contents of the criteria can be attributed to the different phases of a company´s development.

Like mankind, also the global society, economic life and organizations constantly change and develop. Management theory has been covering the topic of organizational development since the 1970s. The US American organizational psychologist Karl E. Weick has covered questions of the evolution of socio-cultural systems very intensively the 1970s and 1980s.[1] Organizational development is a consequence of the development of a company´s ecosystem. Depending on the organization´s ability to adapt to these changes, companies show different life spans. Some companies just last very short and after the first success story they vanish again. Others managed to exist hundreds of years, some of them changing their approach and their portfolios accordingly and successfully several times. An example is Merck, a global player in the chemical and pharmaceutical industries with M€ 14,000 turnover and 52,000 employees which started business in 1668 in Darmstadt (Germany). Another example is the world-famous truck manufacturer MAN with 38,400 global employees which started its business with iron works in 1758 in Oberhausen (Germany). If these companies wouldn´t have adapted to the changing conditions, demand situations or technological developments happening during the several hundreds of years their existence today would be very unlikely. Not too many companies, however, exist for such a long time. Nowadays the typical half-life of a publicly traded company is about a decade, regardless of its business sector.[2] The main reasons for the death of companies are mergers and acquisitions (approx. 45%) or liquidations, bankruptcies or privatization.[3] Reasons for this can be found for instance in unsuccessful consolidation or persistent stagnation[4]. …

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