

An empirical study of implementation of EFQM method for broadcasting organization in Iran

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ABSTRACT

Performance measurement plays an important role on media organizations and there are literally many methods for measuring the performance of an organization. European Foundation Quality Management (EFQM) is one of the most popular methods for measuring performance of organizations. In this paper, we perform an empirical survey to customize this method for broadcasting organization of Iran. The proposed model of this paper designs a questionnaire and distributes among 3000 employees of the Iranian broadcasting organization. We have analyzed and assigned some points to different criteria and realized that standard EFQM can be considered as a customized method for taking appropriate strategies in this organization.

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1. Introduction

During the last few years, there have been significant efforts on developing effective business excellence models to improve the quality of organizations including governmental or non-governmental organizations. A typical business excellence model enhances various alternatives with different budget and the objective is to implement the best ones. There are various methods for organizational excellence to detect weakness and strength in home appliances industry. Deming (1986, 2000) is one of the most popular models for assessing organizational excellence. Deming, in his model, focuses on four issues for improving business issues, which are as follows,

1. *Appreciation of a system*: understanding the overall processes including suppliers, producers, and customers of goods and services,
2. *Knowledge of variation*: the range and causes of differentiation in quality, and use of statistical sampling in measurements,

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3. *Theory of knowledge*: the ideas of explaining knowledge and the limits of what can be known,
4. *Knowledge of psychology*: concepts of human nature.

Deming specified 14 step key principles for management of transforming businesses into effectiveness ones. Business excellence, as explained by the European foundation for quality management (EFQM), refers to “outstanding practices in managing the organization and achieving results, all based on a set of eight fundamental concepts”. These concepts are primary orientation on balanced achievements, concentrate on customer value, leadership and constancy of purpose, management by processes and facts, people development and involvement including continuous learning, innovation and improvement, partnership development and public responsibility (Link & Scott, 2001; Hakes, 2007).

Gharakhani et al. (2011) presented a robust LINMAP method for measuring the relative importance of different alternatives in an EFQM self assessment. Their model was capable of handling uncertainty as part of the problem formulation and they used it for a case-study of energy sector in Iran with different alternatives. The orderings of the alternatives were measured using data from multiple experts through applying the proposed model of this paper. Kazemi et al. (2011) performed an investigation and determined its components and aspects, prioritized the components and analyzed relationship among various aspects of organizational excellence model at cellulose industry of Iran. Their results indicated that organizational excellence pattern of cellulose industry was a mixture of various aspects of technical, economic, inner environment, outer environment, motivation and behavioral processes. Kazemi et al. (2012) did another survey in home appliances industry.

2. The proposed study

The proposed study of this paper investigates the impact of having EFQM in broadcasting organization. The case study of this paper includes all managers who worked for this organization in city of Tehran, Iran. The sample size is calculated as follows,

$$n = \frac{N \times z_{\alpha/2}^2 \times p \times q}{\varepsilon^2 \times (N-1) + z_{\alpha/2}^2 \times p \times q}, \quad (1)$$

where N is the population size, $p=1-q$ represents the yes/no categories, $z_{\alpha/2}$ is CDF of normal distribution and finally ε is the error term. Since we have $p=0.5$, $z_{\alpha/2}=1.96$ and $N=200$, the number of sample size is calculated as $n=149$. In our study, 126 participants representing 88.7% were male and the remaining 16 people representing 11.3% were female. Fig. 1 shows some personal characteristics of the participants in terms of the educational background as well as job experiences.

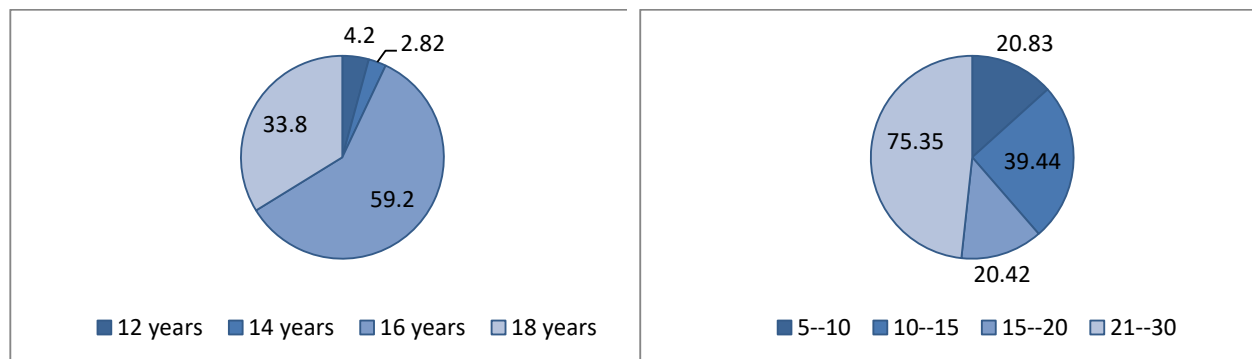


Fig. 1.(a) Years of education

Fig. 1.(b) Years of job experiences

Fig. 1. Personal characteristics of the participants

As we can observe from Fig. 1, 6(4.2%) people only finished high school, 4 people representing 2.82% finished a two-year college program, 84 participants representing 59.2% hold bachelor degree of science and the remaining 48 people or 33.8% hold master degree or higher. In addition, 75.35% of the participants had over 20 years of job experience, which means the people were highly qualified to answer or survey. There are 22 items associated with the proposed study of this survey including begin customer and output oriented, leader and target establishment, management based on facts and figures, employee partnership, innovation, partnership, etc. We have designed a questionnaire based on these items and distributed it among all experts. All questions were designed based Likert scale.

3. Results

As we have explained, there are 22 items associated with the proposed study of this survey and Table 1 summarizes them with some detailed explanations, point assigned and their rankings.

Table 1
The summary of the criteria and their relative ranking

Row	Title	Explanation	Point	Rank
1	Output oriented	Organization must find suitable achievement, which meet shareholders' interest.	144	16
2	Customer oriented	Organization must pay especial attention to present existing and future potential customers' needs.	183	14
3	Leader and target establishment	Organization must follow comprehensive long term stable objectives.	215	4
4	Management based on facts and process	Organization must be managed based on the existing facts and figures.	184	13
5	Employee partnership	Organization must be managed through employee's involvement.	213	5
6	Learning, innovation and continuous improvement	Organization must challenge its present circumstances and try to provide some conditions for continuous improvement.	189	11
7	Possible partnership	Organization must create opportunities for cooperation with other firms through partnership agreements.	143	17
8	Social responsibility	Organization must step beyond its regular responsibility against social commitment and strive to contribute more.	171	15
9	Tribute towards staff	Organization must provide suitable atmosphere for employee to work well and feel calm in their working environment.	227	1
10	Guiding audiences	Organization must guide its audience and viewers to help society increase values.	211	6
11	Hopeful	Organization must act so well to increase people's hope for better future,	213	5
12	Religious awareness	Organization must help people become more religious.	215	4
13	Promote Islamic values	Organization must provide programs based on promoting Islamic values.	211	6
14	Promote ethical rules	Organization has to promote general ethical rules in society.	201	8
15	Promote general perception and being rational	Organization has to encourage society to be logical.	191	10
16	Being attractive	Organization must play programs to attract audiences and increase public interests.	217	3
17	Stable development	Organization must consistently encourage people for a continuous development.	198	9
18	National identity retention	Organization must prepare programs to hold national identity.	213	5
19	Maintain country's prestige	Organization must always look for taking care of country's prestige.	223	2
20	National interest	Organization must always take care of country's national interest.	211	6
21	Good balance between work and life	Organization must encourage society for a good balance between work and life.	186	12
22	Being agile and flexible	Organization must always look to become an agile organization.	203	7

According to the results of Table 1, tribute towards staff and employees is number one priority in our survey, followed by keeping country's prestige and being attractive for all audiences. Leader and target establishment as well as religious awareness have received the same point coming to the fourth position in terms of priority. We any attribute whose point is more than 142 and therefore, ten criteria are selected. We also add two additional criteria based on Deming method (Deming, 1986; Deming, 2000) leaving us to the following 12 criteria summarized in Table 2 for EFQM assessment.

Table 2

The results of ranking for 12 suggested criteria of EFQM

Item	Criteria	Point	Rank
1	Leadership	190	1
2	Strategy	179	2
3	Human resources	153	8
4	Firms and resources	143	11
5	Processes	142	10
6	Results for customers	149	9
7	Results for employees	156	6
8	Results for society	177	3
9	Critical success factors	155	7
10	Strategic outcomes	163	5
11	Customer relationship management	149	9
12	Information analysis	164	4

Based on the results of Table 2, leadership is number one priority followed by strategy, contribution for society. We have performed an in depth discussion among experts to adopt a new version of EFQM for the case study of our proposed model. Based on the comments and feedbacks we have received, we have concluded that standard EFQM with twelve criteria could be adopted for this organization. The criteria are divided into two classifications of empowering and packages. We also recommend supportive criteria as part of EFQM model assessment. Table 3 demonstrates the results of our survey along with points given to these criteria.

Table 3

The summary of results of ranking for 4 suggested criteria of EFQM

Item	Criteria	Point	Rank
1	Empowering	157	1
2	Packages	113	3
3	Supportive equipment	129	2
4	Others	43	4

Next, we have also investigated all sub criteria associated with main criteria. Table 4 demonstrates the summary of our investigation for leadership and its sub criteria.

Table 4

The results of our survey for leadership components

Item	Criteria	Point	Rank
1	Leaders must determine objectives, missions and values	180	4
2	Leaders themselves must act as benchmark based on EFQM model	202	1
3	Leaders must take part in continues improvement process	158	5
4	Leaders must be in touch with society, stake owners and their representative	145	6
5	Leaders must create motivation among employee	201	2
6	Leaders must detect any change and take necessary actions	189	3

As we can observe from the results of Table 4, people are very concern with leaders' behavior and they expect them to act as well as they could. They are also highly expected their leaders to encourage them when they come with some new ideas. Strategy is another component of EFQM model, which includes four sub criteria in Table 5 as follows,

Table 5

The results of our survey for strategy components

Item	Criteria	Point	Rank
1	Strategy must be based on stakeholders' interests	147	4
2	Strategy ought to be established based on in depth research	162	2
3	Strategy must be updated on regular basis	187	1
4	Organizational strategies must be executed based on critical success factors	152	3

Based on the results of Table 5, experts believe that all strategies must be updated on regular basis and they all must be arranged based on in depth investigations. Human resources include five sub criteria, which are summarized in Table 6 as follows,

Table 6

The results of our survey for human resource components

Item	Criteria	Point	Rank
1	Human resources must be planned and managed, properly.	206	3
2	Knowledge must be detected and people with good skills should be supported.	213	1
3	Employees must be encouraged for participation, actively.	210	2
4	There must be an open dialogue between employee and organization.	184	4
5	Good employees must be detected and encouraged.	210	2

As we can observe from Table 6, knowledge and knowledgeable employees must be detected and they must be appreciated, properly. Firms and partnerships are another component of this survey and Table 7 summarizes the results of our survey for firms and partnerships while Table 8 is dedicated for five components associated with processes.

Table 7

The results of our survey for Firms and Partnership components

Item	Criteria	Point	Rank
1	External partnerships must be managed, properly.	170	5
2	Financial resources must be managed, properly.	213	1
3	Organizational equipment must be managed, properly.	203	2
4	Technology must be managed, efficiently.	194	3
5	Knowledge and information have to be managed, properly.	184	4

Table 8

The results of our survey for components of different processes

Item	Criteria	Point	Rank
1	All processes must be designed based on systematic techniques, properly.	180	3
2	All process must be improved based on stake holders' interests.	184	2
3	All products must be developed based on customers' interests.	152	5
4	Products and services must be detected and supported, properly.	172	4
5	Customer relationship management must be supported, properly.	190	1

Based on the results of Table 7 and Table 8, managing financial resources as well as customer relationship management are the most important factors associated with firms and processes'

components. In our EFQM model, customer is another important component of our model with two sub criteria including getting feedback from customers and interpreting their feedback and setting up appropriate actions for continuous improvement. Similarly, employee achievement is seventh component of this survey with two sub criteria including getting feedback from customers and interpreting their feedback and setting up appropriate actions for continuous improvement. Society is the eighth component of our survey with two sub criteria. The first one includes acceptability of organization in society and analyzing society's feedback for continuous improvement. The ninth component of the survey is associated with critical success factors with two sub systems, which are key achievements and their continuous evaluation. In our survey, assessment was more important than detecting the key factors.

Strategic achievement is tenth component of the survey with two components of financial and non-financial figures. Eleventh component is associated with customer relationship management with three factors summarized in Table 9 as follows,

Table 9

The results of our survey for components of customer relationship management

Item	Criteria	Point	Rank
1	Market and its components must be carefully determined.	180	2
2	All strategies must be in accordance with marketing planning.	175	3
3	Relationships with customers must be managed, properly.	191	1

Based on the results of Table 9, relationships with customers are the most important factors. Finally, analyzing the information is the last component, which includes two items including developing integrated enterprise planning and updating the information and analyzing them on regular basis.

4. Conclusion

Performance evaluation is one of most important issues in today's management of big organization. In this survey, we have performed an empirical study to develop a new form of EFQM in broadcasting organization in Iran. The proposed study has performed a comprehensive survey with some experts how had extensive job experience in this organization. The results of our survey have validated standard EFQM method used in other countries. Each component of our EFQM was categorized into different sub criteria and the results have been ranked accordingly.

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