Theme: Developing Business Capability

EFQM Excellence Model within a Medical Organization: to Leadership through Competitiveness

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Abstract:
This paper includes results of 5year experience of a modern multi sectoral medical organization of Kazakhstan – National Science and Medical Research Center JSC relating transition from Quality Management System (ISO 9001:2008) to EFQM Excellence Model. Authors have used modern methodical approaches to achieve organizational excellence and higher satisfaction of all the stakeholders. To complete established tasks organizational strategy, quality policy and objectives were reviewed as well as Mission and Vision. Evaluation of organizational achievements was performed through application of BSC (balanced score card). A number of approaches have been implemented within the organization based on EFQM fundamental concepts of excellence and criteria of the excellence Model. The business results of the medical organization were assessed through RADAR logic application.

Authors’ Biographies
Abay Baigenzhin is General Director of NSMRC, Doctor of medical science, Honored Worker of Kazakhstan, Executive Director of Euro Asian Respiratory Society, and Board member of Global Alliance for Respiratory Disease Treatment (GARD) and master of international healthcare (Switzerland).

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Introduction
We at NSMRC understand that organizational excellence is perfection in strategy development and daily business practices aimed at achieving all the stakeholders’ satisfaction. Business excellence leads an organization towards global sustainable results that facilitate implementation of highest business principals. EFQM Fundamental Concepts of Excellence have become a new philosophy for our organization (EFQM) [1].

National Science and Medical Research Center of Ministry of Healthcare of Kazakhstan (further - NSMRC) is a leading multi-sectoral science and clinical organization of the Republic of Kazakhstan. For last 6 years an organizational quality management system has been successfully implemented and maintained within the organization which is certified based on ISO 9001:2008. To ensure further improvement of medical service quality, facilitation of all the stakeholder satisfaction implementation of EFQM excellence model was initiated 4 years ago. In 2010 we at NSMRC have successfully passed external EFQM assessment at Recognized Excellence Level, 4*.

To Excellence Model through Quality Management System
To ensure better compliance with all the stakeholder requirements Mission and Vision were developed and approved at NSMRC which imply planning and achieving balanced score card for main and supporting activities of the organization in both long and short term perspectives. NSMRC has started application of RADAR self-assessment tools based on EFQM Excellence Model to fully identify organizational strengths and weaknesses. Successful implementation of continual improvement culture along with application of Excellence model criteria have enabled us to search, analyze and apply best global practices in healthcare industry.

At earlier stage a process management approach was implemented for quality management of medical services; a systematic business process review was performed; evaluation of medical service performance as well as effectiveness of HR, material and information resources and medical-diagnostic equipment was carried out. Key indicators of medical activity that enable organization to achieve its strategic goals for main business directions have been identified.

In 2009 a project on implementation of EFQM Excellence Model was initiated that included following activities:

- Collection and review of information relating stakeholder requirements and expectations with the aim to revise organizational strategy and policy as well as development of strategic map;
- Application of balanced score card towards NSMRC activity to establish short and long-term priorities of the organization; Employee training on EFQM fundamental concepts of excellence, model criteria and applicable assessment methods based on RADAR logic;
- Development and defining effective risk management mechanisms on the way to excellence (risk management charts).

To implement the project which developed a specific questionnaire form based on 9 main criteria of EFQM excellence model with consideration of NSMRC business characteristics and operating
quality management system. The questionnaire form was used for employee survey for one month. The survey covered 190 people. Employee perception results have been reviewed and presented at operational meeting. Both strengths and areas for improvement were discussed and identified to improve employee motivation and organizational activity. Further a detailed improvement action plan was developed and approved in line with the form offered by EFQM:

- Identification of quality indicators for high-tech medical services;
- Implementation of e-document management system;
- Implementation of effective HR policy.

To implement improvement projects business process owners were defined as well as project responsible executives; appropriate budget was established and action plan developed. Application of benchmarking with the aim to transform management culture and adoption of best global practices was defined as a main area for NSMRC improvement. Implementation of Excellence model helps us to focus on continual search of new ways and techniques to improve key performance indicators with the aim to ensure competitive advantages in medical service market. In this connection learning best global experience gained by other organizations and acquisition of new knowledge have become an integral part of organizational management system which is focused on continual improvement of business processes and the system as a whole.

It is very important to review results of process performance benchmarking against best practices in other organizations. Process benchmarking is built on comparison of results of specific processes operating in the best organizations in terms of identification of areas for improvement, defining process targets and better understanding own achievements benchmarked with others. Best practice benchmarking is based on comparison of specific processes, practical activity and procedures with the aim to understand nature of required improvements. Study of benchmarking practices [2,3] has shown availability of various approaches to application of knowledge necessary for benchmarking activity.

A number of key factors for implementation of changes and evolution of NSMRC culture were established including organizational and personal employee competence, application of innovative technologies, comparison of NSMRC with external sectoral benchmarks, systematic application of conceptual approaches and criteria/sub-criteria of EFQM excellence model as well as self-assessment mechanisms, extensive collaboration with domestic and overseas partners, continual training and learning and focusing on all the stakeholder needs.

![Figure 1. Volume of Government Order](image1.png)  
![Figure 2. Labor Performance](image2.png)
Business results of NSMRC have demonstrated long-term sustainable and positive trends:

- Highly qualified employees with maximal involvement to project management;
- Conditions were created for continual advanced training and increased employee motivation;
- Process management approach was implemented;
- The organization is provided with modern medical equipment;
- Innovative technologies are used;
- Higher customer satisfaction has been achieved as a result of consistent improvement of medical service quality.

In 2009-2010 we have carried out the following tasks:

- Defining strategic business direction for next 5 years and updating strategic objectives with consideration of stakeholder requirements;
- Identification of strategic and supporting partners; science partnership was defined as a key one. Cooperative implementation of a project “Integrated national healthcare system” with a strategic partner represented by Ministry of Healthcare of Kazakhstan;
- Development and approval of strategic plan for 5 years with consideration of risk assessment;
- Development and approval of science partnership, marketing, HR and finance policies to support implementation of the strategy;
- Delivery of EFQM Excellence model 2010 training for leaders at all levels of the organization;
- Analysis of NSMRC business in terms of business processes based on key results for 2006-2010;
- Consideration and comparison of NSMRC results with best global practices in the field of research activity and medical technologies; consideration of societal perception of NSMRC;

Implementation of three improvement projects and development of a detailed report on NSMRC activity which was structured based on 32 elements of 9 excellence model criteria.

In accordance with expert report on self-assessment results in compliance with 9 EFQM excellence model main criteria structured based on 32 sub criteria evaluated through application of RADAR logic an overall score of 430 was given using 1000 score system. As a results of external assessment that was performed by assessor team on June 8-11, 2010 a report was developed and submitted to EFQM based on which a decision was made in July 2010 to award NSMRC with “EFQM excellence recognition 4*”. 
In 2011-2012 we reviewed the structured external assessor and validator report with the aim to identify areas for further improvements that were prioritized as follows: further improvement of HR policy, implementation of a project on strengthening corporate social responsibility, implementation of international standards for information security, improvement of leadership based on continual training and implementation of leadership evaluation system to enhance their motivation. In 2011 over 30 leaders of the organization attended a seminar “Leaders for Excellence” delivered by IAQMA-Kazakhstan as EFQM partner organization. The leaders disseminate knowledge and experience in application of EFQM excellence model among NSMRC employees.

In 2010 we changed the organizational status in line with our strategic goals:

- The national government enterprise was transformed into joint stock Company with implemented corporate governance;
- We have also achieved our strategic objectives for improvement of cardiologic and cardio surgery functions in Kazakhstan.
- A complete transfer of technologies for delivery of cardio surgery services to regions was carried out with further creation of dedicated centers with professional training facilities in 19 regions and cities of Kazakhstan.

Application of modern management approaches has stabilized personnel turnover; the volume of material stimulation has increased as much as 8 times within a 4 year period. Results of introducing innovative technologies for interventional cardio surgery have been presented at international conference in Singapore. Benchmarking study has shown that our results for selection and application of myocardial revasculization methods are comparable with the best European clinics.
In 2011 we started implementation of our main strategic goal which is construction of the 1st Center for transplantation of organs and tissues in the Republic of Kazakhstan. We continually improve our management system:

- We finalized project for implementation of e-document management system;
- Implemented international standards for corporate social responsibility;
- A project on implementation of information security management system based on ISO 27001:2005 is almost completed.
- We have systemized approaches to science partnership;
- We have developed partner register, cooperative business directions with defining coordinators and continue our work based on contracts with our overseas colleagues.
- 2 improvement projects have been implemented for innovation diagnostic technologies for bowel disease and treatment of tumor disease of parenchymatous organs through application of HIFU therapy.

In 2011 we performed another self-assessment based on submitted report on NSMRC business for 2008-2011 and as a result we identified our strengths and areas for improvement, prioritized improvement directions: benchmarking development and risk management. We updated our risk register, defined all possible risks, developed risk charts and deployed measures for their implementation: additional employee/patient training, monitoring of improvement project implementation through quality indicators. Planning and implementation of measures for risk management include: buildings’ safety, emergency management and fire-prevention safety, safe use of equipment and consumables, safety of pharmaceutical supplies, healthy work environment, food safety, infection control and information security.

**Conclusion**

Thus application of EFQM Excellence Model has provided NSMRC with an effective tool for business process management that enables conditions for sustainable development in all major business directions; development of multi-level leadership facilitated integration of formal and informal leaders throughout the organization that enabled their active involvement to development of organizational excellence culture. Our strategic goals are clearly focused on meeting stakeholder expectations; they provide maximal opportunities for timely implementation and enable our competitiveness in long-term perspective. For the first time in our practice we initiated using tools for effective control of organizational key results with the aim to achieve business sustainability.

These are: risk management, benchmarking and CSR approaches.

To implement its innovative strategy NSMRC creates mechanisms based on evaluation of new ideas and proposals. To ensure complete evaluation of innovation impact on improvement of key performance indicators we apply qualitative and quantitative approaches. Significance of innovations is evaluated in terms of reduction of resources used, maintaining cost price of medical services, innovation lifecycle, quality and enhancement of all the stakeholder satisfaction. The organizational measurement system is based on Mission, strategy and policy of NSMRC as well as innovation management principals and corporate culture [4].

**References**

A. Baigenzhin, A. Abdrakhmanov, E. Kadirova, Zh. Nurazkhanova…………………………...
