



THE REPUBLIC OF SLOVENIA
MINISTRY OF ECONOMIC DEVELOPMENT AND TECHNOLOGY

METROLOGY INSTITUTE OF THE REPUBLIC OF SLOVENIA

Tkalska ulica 15, 3000 Celje

T: 03 428 07 50

F: 03 428 07 60

E: gp.mirs@gov.si

www.mirs.gov.si

Business Excellence in the Republic of Slovenia

Mateja Valenci, Dominika Rozoničnik

MINISTRY OF ECONOMIC DEVELOPMENT AND TECHNOLOGY

Metrology Institute of the Republic of Slovenia

Metrology and Business Excellence Division

Tkalska ulica 15, 3000 Celje, Slovenia



Mateja Valenci,
Head of Section, Metrology and Business Excellence Division



mag. Dominika Rozoničnik
Metrology and Business Excellence Division

In the first years after Slovenia's independence The PRSPO Prize for business excellence was introduced within the national quality programme, following the example of similar awards elsewhere in Europe, to provide support to the economy's revival and increase its competitiveness. Through its cooperation with the EFQM, the Metrology Institute of the Republic of Slovenia (the Institute) adopted the European methodology and EFQM excellence criteria and incorporated them in the PRSPO system. In 1996, the first pilot project was carried out, attracting much interest in all spheres of state operation.

In 1997, the results of this pilot project and the strong desire to build a state based on a successful economy led Slovenia to adopt a decision, while taking into account the size of our enterprises, to adopt the European model for small and medium-sized enterprises as a single model. In 1998, Slovenia continued its story by adopting the Republic of Slovenia Business Excellence Prize Act and carried out the first public call for

applications; following their assessment, the first Business Excellence Prizes were awarded in 1998 (Figure 1).



Figure 1: *The Republic of Slovenia's Business Excellence Prize (PRSPO) Sculpture*

Some highly successful companies have participated in the Republic of Slovenia Business Excellence Prize Award procedure since 1998 and received one of the prestigious awards for excellence in all areas of their activity (Table 1).

Year	PRSPO-winning organisation
1998	Hermes Softlab, d.o.o., Ljubljana
1999	Revoz, d.d., Novo Mesto
2000	Iskra Avtoelektrika, d.d., Šempeter pri Gorici
2001	Sava, d.d., Kranj Saubermacher&Komunala, d.o.o., Murska Sobota
2002	Trimo, d.d., Trebnje / Luka Koper, d.d., Koper
2003	ETI Elektroelement, d.d., Izlake
2004	Petrol, d.d., Ljubljana
2007	Krka, d.d., Novo Mesto
2011	TPV d.d., Novo Mesto

2012	Elektro Gorenjska d.d., Kranj Lotrič Meroslovje d.o.o., Selca
2013	odelo Slovenija d.o.o., Prebold

Table 1: *Recipients of the highest national awards (PRSPO) in the Republic of Slovenia, 1998-2015*

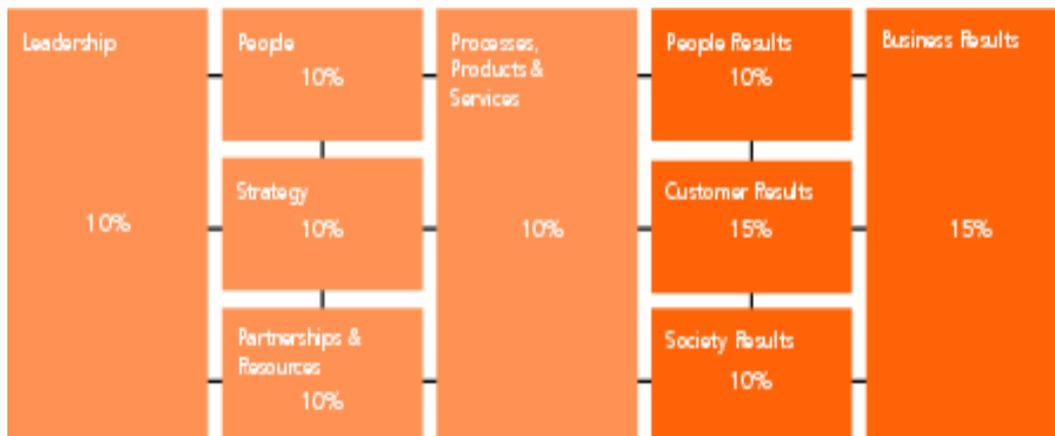
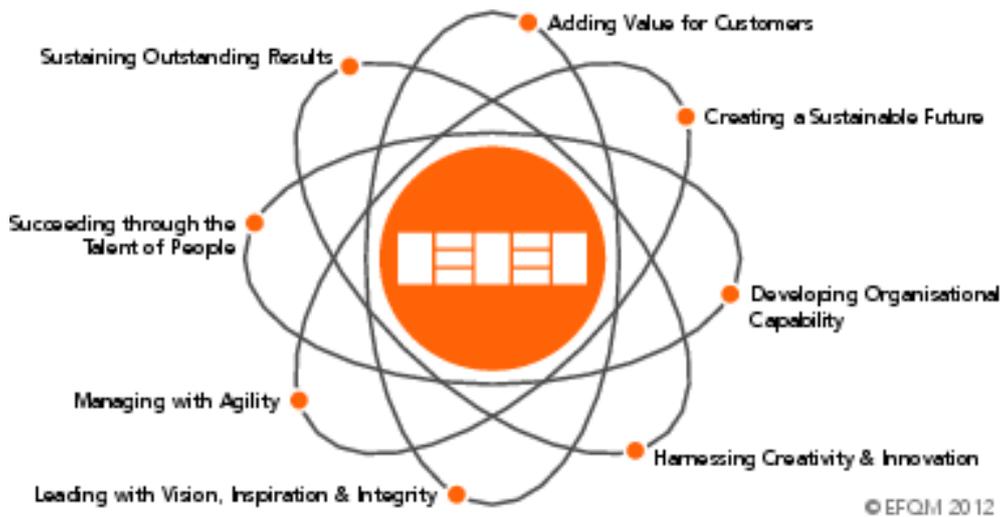
With the support of the government and successful companies that were aware of the importance of business excellence, Slovenia, together with its trained PRSPO assessors, laid foundations of excellence as strong as the pedestal that supports our PRSPO business excellence sculpture, a symbol that will be recognised throughout both the public and the private sectors.

1. Advantages of the use of the EFQM model of excellence, self-assessment and external evaluation

The EFQM model of excellence is a non-mandatory, practical tool. This tool is used by companies to assess where they are on the path to excellence, helping them to understand their key strengths and opportunities for improvement. The EFQM model provides management with a holistic view of the company's organisation. It is used by many leading companies such as BMW, Bosch, Toyota and, in Slovenia, Krka, TVP, Elektro Gorenjska, odelo, and Lotrič meroslovje.

It is a pragmatic and practical model developed in cooperation with the leading organisations with a view to promoting continuous improvement. The EFQM excellence model allows managers/leaders to understand the cause-and-effect relationships between what their organisation does and the results it achieves. The evaluation and information obtained result primarily in an identification of strengths, i.e. areas marked by a company's operational excellence, and an identification of weaknesses and less developed areas with a view to ensuring continuous improvement and progress in a company's business. This is the starting point for building a company's sustainable development and raising its awareness of the importance of social action and of the environment in which it operates. This is realised through a set of three highly integrated components that constitute the EFQM excellence model (Figure 2):

- ***The underlying principles of excellence*** which are the essential foundation of achieving sustainable excellence for any organisation
- ***The EFQM excellence model*** as a framework to help organisations convert the Fundamental Concepts and RADAR logic into practice
- ***The RADAR logic*** that helps an organisation to face the challenges of achieving its sustainable excellence objectives



©EFQM 2012

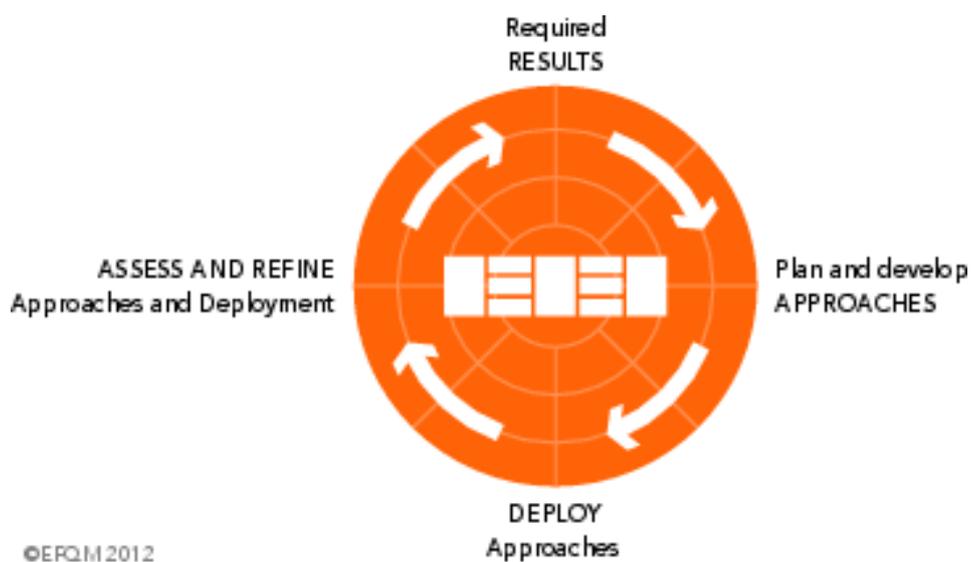


Figure 2: *There are three key components to this: The underlying principles of excellence, the EFQM excellence model and RADAR*

2. The EFQM model criteria

The EFQM excellence model represented above is a non-prescriptive framework based on nine criteria. Five of these are 'enablers' and four are 'results'. The 'enabler' criteria cover what an organisation does and how it does it, while the 'results' criteria cover what an organisation achieves. 'Results' are the consequence of 'enablers' which are in turn improved with feedback on 'results'.

Arrows highlight the dynamic nature of the model, showing that learning, creativity and innovation help to improve 'enablers' that in turn lead to improved 'results'.

Each of the nine criteria has a definition that explains the high-level meaning of that criterion.

2.1. Benefits of the EFQM model in organisations

The world is not a static body. And it is changing faster than ever before. Every single organisation needs constant innovation and improvement to remain competitive in such an environment. Nowadays, more than ever before, an organisation should understand the balance and successful control of the needs and expectations of its stakeholders.

After almost twenty years we have established that the highest national award for business excellence has achieved its purpose, which has also been demonstrated by the "Analysis of the benefits of the EFQM Excellence Model" performed in Slovenian organisations by the Metrology Institute of the Republic of Slovenia. Organisations have found that

1. self-assessment and
2. improvement of operating results (profits)

are the key factors inducing public and private sector organisations to use the EFQM model and recommend its use to other organisations (Figure 3).

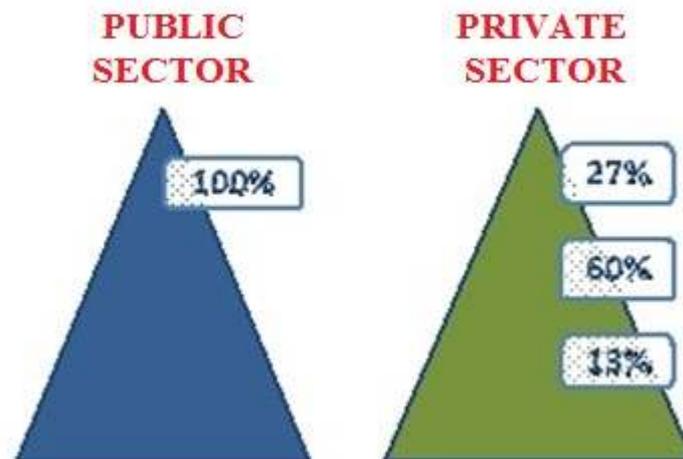


Figure 3: Evaluation of the benefits of the EFQM model by the public and private sectors

The EFQM excellence model is a proven tool for self-assessment which allows organisations to carry out a relatively objective analysis of the existing situation, identify weaknesses and ensure constant improvement based on analytical information.

Moreover, the possibility of comparison with the leading organisations, inter-organisational learning and the transfer of good practices regardless of the size and mission of an organisation is highly important.

This is what makes PRSPO essential for applicants who identify priority areas for their organisations and the positive aspects of their operation and those which represent opportunities for improvement and new challenges on the basis of the evaluation results and the final report received by organisations at the end of the evaluation. Organisations then include these opportunities in their action plans for improvements or annual business plans and monitor their implementation. This is the formula for success.

In 2012, the Institute and the EFQM signed a distribution agreement that further enhanced the importance of the "Recognised for Excellence" mark and motivated organisations to achieve the R4E certification and to get included in the register of assessed organisations kept by the EFQM in Brussels subject to meeting the EFQM criteria. This is also an answer to the frequently asked question "What distinguishes the Republic of Slovenia Business Excellence Prize from other awards given to successful enterprises in Slovenia?".

This prize is awarded in accordance with internationally comparable criteria (the EFQM model) and on the basis of an independent evaluation. Like elsewhere in Europe, evaluators in Slovenia visit and interview company representatives in order to assess their business excellence. But unlike other, questionnaire-based, awards, this is a more system-oriented and sustainable system that requires organisations to self-assess, improve and grow. This is crucial for raising competitiveness – self-improvement. From this perspective, assessments and results received by organisations are comparable to those of other similar organisations across Europe.

But what does this actually mean? An organisation which is awarded 400-500 points, for example, has a system of operations in Slovenia that is comparable to that of an organisation with the same number of points in Germany, Austria or elsewhere.

To sum up, a company or organisation can benefit from internationally recognised EFQM certification for two years and display a special logo on all its documents and materials as a proof of its business excellence and internationally comparable competitiveness.

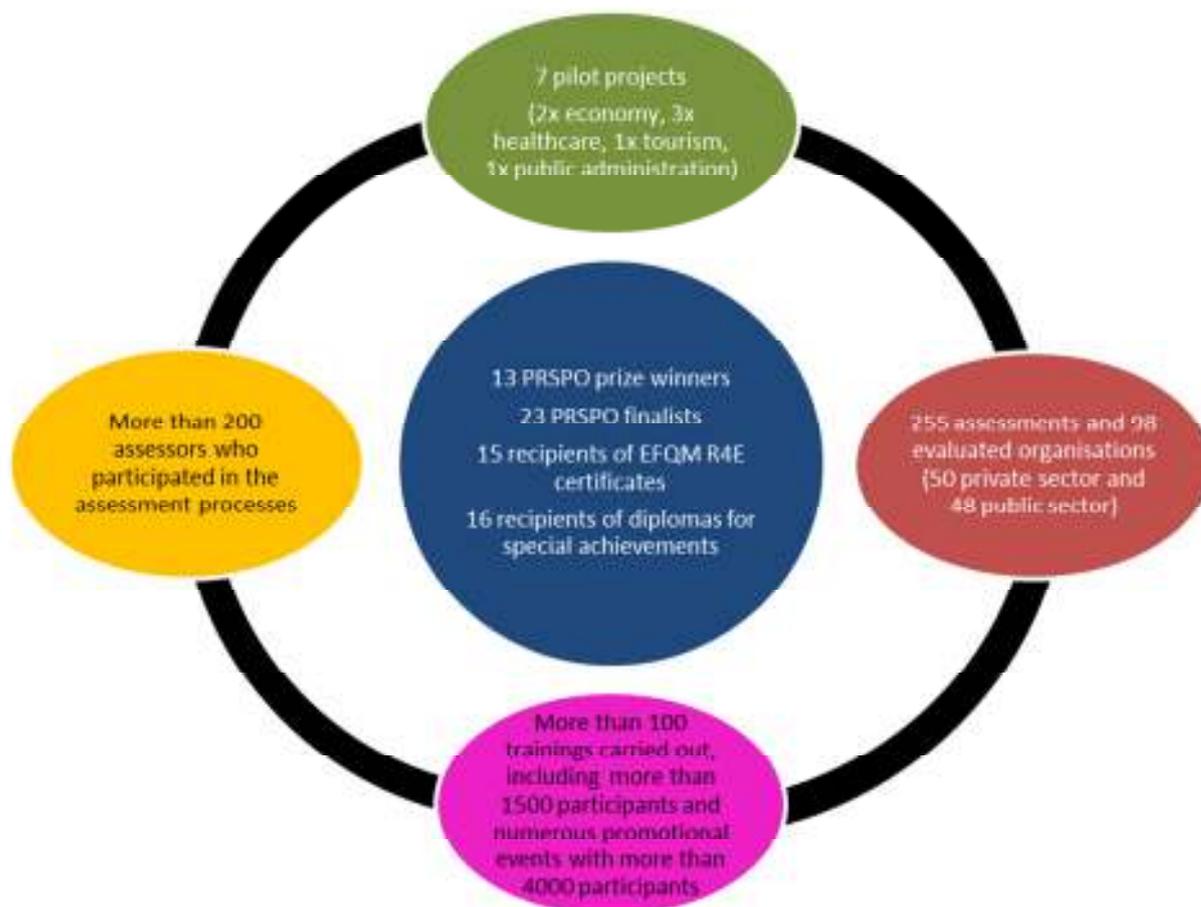


Figure 4: Schematic presentation of results and activities during the 20 years of PRSPO operations in Slovenia

Key to abbreviations

PRSPO	The Slovenian Business Excellence Prize
EFQM	The EFQM model of excellence
the EFQM model	the EFQM excellence model

Sources and References

1. Ministry of Economic Development and Technology, the Metrology Institute of the Republic of Slovenia: "Model odličnosti EFQM 2013" (Slovenian translation of the brochure "EFQM Excellence Model 2013"), Ljubljana, 2013
2. Metrology Institute of the Republic of Slovenia (Dominika Rozoničnik, Natalija Jovanović and Loredana Leon): *Analiza Koristi modela EFQM v Sloveniji (Benefits of the EFQM Model in Slovenia)*, Ljubljana, 2015
3. Vojko Križman, Mateja Valenci and Dominika Rozoničnik: "Business Excellence in the Republic of Slovenia", Forum EFQM Milan 2016, Italy 2016

4. Ministry of Higher Education, Science and Technology, Metrology Institute: “Slovenian Business Excellence Prize”, The national Quality Award, Ljubljana, 2006
5. http://www.mirs.gov.si/si/delovna_podrocja/poslovna_odlicnost_prspo/
6. <http://www.efqm.org/the-efqm-excellence-model>