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# EXCELLENCE IN ACTION

March 2011

[www.efqm.org](http://www.efqm.org)

Natural

Born

Leaders

*What is Excellent Leadership?*

*Hear from Worthington Cylinders, the  
Schwarz Hotel, and others...*



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## Natural born leaders?

Welcome to the first quarterly edition of EFQM Excellence in Action. Each quarter, we'll be focusing on a different concept within the field of excellence. The first we'll focus on, appropriately perhaps as it is where many people feel the vision, drive and direction for the journey towards excellence begins, is leadership.

We asked 5 high profile leaders from our community to answer 4 questions on this subject based on their personal views and experience:

- What attributes distinguish an "excellent leader" from a "leader"?
- Do you think leadership is something you are born with or something you can learn?
- When someone new joins your management team, what advice do you give them on their first day?
- What is your biggest leadership challenge in 2011 and how do you plan to overcome this?

Their answers and insights are presented later in this issue. As one would expect, there's quite a range of views expressed. However, the words being used are similar: drive, passion, integrity and the ability to inspire the people around them. For me, these comments reaffirm the definition of the fundamental concept, "Leading with Vision, Inspiration and Integrity", in the EFQM Excellence Model.

As with most things in life, there must be a solid foundation upon which to build. Being able to spot these individuals within your organisation, to nurture and develop their natural talents is key to the future success of any organisation. As the HR Director of one of our members recently told me, "I'd rather have one rough diamond than a handful of smooth pebbles."

EFQM, together with the Corporate University of Solvay, has developed the Pegasus program to help develop these leadership skills, with an innovative combination of traditional and informal learning. You can read more about this program in this issue.

Enjoy reading and, if you want to join the debate, see our LinkedIn community.

Yours sincerely,



Pierre Cachet,  
Chief Executive Officer, EFQM

# LEADING WITH VISION, -

## *What differentiates excellent leaders from “leaders”?*

**Michel De Bosshere, President Ricoh France**, has adopted a set of leadership principles: “Trust, Team, Talent and Touch:

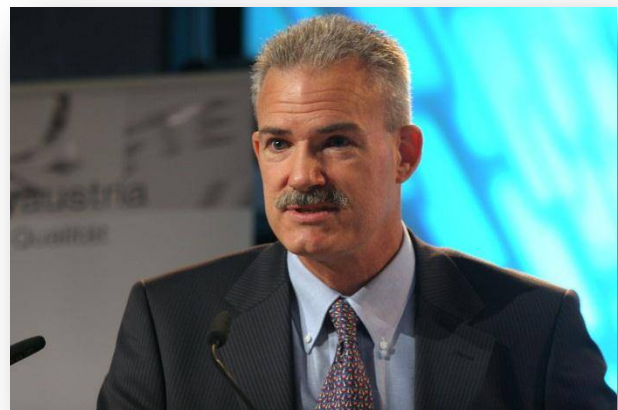
- Trust – to be a good leader, people need to be able to trust you. You need to earn that trust, from your peers, your people, the shareholders and the other stakeholders.
- Team - Teamwork is fundamental for success and team building is essential to releasing common objectives.
- Talent – you need to be good at your job to achieve common and individual goals. **You can’t turn a cow into a horse.**
- Touch – a big part of leadership is the human side; people management and a sense of fun. Integrity, respect and passion are fundamental to excellent leadership. People want to work with excellent leaders because of the intangible qualities that make it exciting and enjoyable.

**David Kelly, Managing Director at Worthington Cylinders GmbH** agrees with the latter: “Excellent leaders are consistently effective in mobilizing people to work as a team to perform at a high level in a range of favourable and unfavourable competitive situations. **Be efficient with tangible resources (steel, oil, etc), but be effective with people.** Excellent leaders understand that the pay check may buy the head, but taking the time to explain, showing respect, praise, acknowledgement, and empathy will bring the heart along for free“. Moreover he believes that: „the mobilization of people depends on clear and open communication. It helps to explain why the goals were set as they are and how each person will be individually better off when the organization reaches those goals. We all ask ourselves constantly: ‚what does this mean for me?’ and ‚what is in it for me?’ Excellent leaders seek to answer those questions“.

**Lars Aagaard, Group Executive Vice President Grundfos Holding A/S**, refers to the people aspect in leadership too: “For me, the main difference is the ability to involve people in the organisation; to understand their competencies; to

release their potential; to motivate and to engage people to explore different opportunities. Excellent leaders know how to ask people the right questions to involve them, instead of just saying what they want done“. Furthermore he states: “An excellent leader, whilst clear in their personal views, is open for, and actively invites, feedback so they can improve themselves and their personal performance and the direction they set“.

**Karl Schultz, Senior Vice President, TeliaSonera Group** says that "Clear communication combined with a systematic follow up of achieved results and consequent feedback are key areas when you are developing people and the organization to meet changes. As the leader you need to meet both the owners’ demands and have the customer experience in focus. Demands are changing continuously and excellent leaders are excellent in managing these changes. The only way to do this is to involve all employees through active dialogues and promoting a way of working that supports continuous improvements. This is driving change in practice!"



*David Kelly, Managing Director, Worthington Cylinders GmbH*

Finally, **Mr. Franz-Jozef Pirktl, General Manager, Alpenresort Schwarz**, believes that the strength of excellent leadership lies in a “strong mission and vision, which is clearly communicated to all employees, together with passion and the ability to inspire. Additionally, excellent leaders are always focused on long-term sustainable success instead of short-term profits“.

# INSPIRATION & INTEGRITY

## *Are Excellent Leaders born or bred?*

### **Michel De Bosshere, President Ricoh France**

“I think you’re born with it. Sure, you can improve leadership skills. With the right coaching and experience, you can improve them a lot. But there’s a certain charisma, a drive, a passion that people either have or they don’t have. **Napoleon never learned to be a leader**; I think it’s in the genes. For example, you can have a person who has university degrees, all the relevant knowledge of a subject, but if you put them in front of a class of pupils, can they teach? Can they control the class? Some people will automatically command the attention of the class, whereas someone else with exactly the same qualifications will make no impact. There’s definitely something that makes some people “natural leaders”.”



*Michel De Bosshere, President, Ricoh France*

### **David Kelly, Managing Director, Worthington Cylinders GmbH**

Every life skill and competency can be improved through practice and self-observation. Leadership can certainly be learned and developed.



*Karl Schultz, Senior Vice President, TeliaSonera Group*

### **Karl Schultz, Senior Vice President, TeliaSonera Group**

I think everyone can become a leader if the willing is strong enough to change certain behaviour. First of all you should start by listening to others. In order to do so you need to learn to manage yourself. Not until then can you start to support others. You also need to have a genuine interest in what motivates people. These skills are more developed in some leaders already from the start but everybody has the ability to develop this to excellence.

## A Cocktail

### **Mr. Franz-Jozef Pirktl, General Manager, Alpenresort Schwarz**

I think it is like in other professions – it is a combination of (born) abilities and consistent training.

### **Lars Aagaard, Group Executive Vice President, Grundfos Holding A/S**

Leadership competencies can be learned and improved but there’s a certain drive that people are born with that makes them natural leaders.



Lars Aagaard, Group Executive Vice President, Grundfos Holding A/S

## ***If someone joins your management team, what would be the advice you give them on the first day?***

### **Lars Aagaard, Group Executive Vice President Grundfos Holding A/S**

It's always tempting to start acting before you fully understand the issues. My advice is always to take your time to understand the business, the organisation and the challenges – ask, ask, ask. For me, if you would like to have your people with you in your new position, then they need to know you have done everything you could to understand them before jumping to conclusions. **If you want to engage the people, first you must build trust.**

### **Karl Schultz, Senior Vice President, TeliaSonera Group**

Trust your own skills and listen to the experts you have in your team. They know how to do things. You need to support them with a clear vision and clear goals on a reasonable level. This will give them freedom to use their own innovation and creativity which are key components to achieve the goals. I will also let them know that they will get 110% support from me but that this also demands an active dialogue between us saying "I will support you, but you need to drive things in your own way to solve your problems and achieve your targets" .

### **Mr. Franz-Jozef Pirktl, General Manager, Alpenresort Schwarz**

Our vision is "We are going to be the best Resort of the Alps" – make sure that your daily activities are always focused on achieving this vision and you can daily explain what your contribution to this vision is.

### **Michel De Bosshere, President Ricoh France**

The advice I tend to give people is to be yourself. Don't act how you think people want you to act. Some people think they can succeed in management by playing political games. This might work in the short-term, but not in the long-term. If you want to play politics, be a politician. If you want to be part of the team, be yourself. Create an atmosphere of openness, collaboration and trust.

It's also important to get the right balance between planning and acting, especially in economic recovery. In my view, a leader should spend 10% of their time planning and 90% acting, not the reverse.

### **David Kelly, Managing Director at Worthington Cylinders**

My 5 Point advice list would be:

- 1) Diagnose, then prescribe. Be a doctor with good bedside manners!
- 2) Be effective with people and efficient with resources.
- 3) Hire slow, fire fast.
- 4) Effective teams are made up of the right people, not the best people.
- 5) Hire for attitude, train for skills.



Franz-Jozef Pirktl, General Manager, Alpenresort Schwarz

## ***What will be your biggest leadership challenge in 2011?***

### **David Kelly, Managing Director at Worthington Cylinders**

We are based in a rural part of Austria with historically very low unemployment, low birth rates and the attractiveness of urban areas have led to a shrinking population base in our region. Our main leadership focus will not change in 2011 and this challenge will only grow larger with each passing year: **attract and retain the right people**. We seek to differentiate ourselves as an employer not through more pay, but rather with a high energy, transparent, communicative, interesting, and fun company culture and work climate. This requires a high level of leadership competency from everyone with personnel responsibility. More training and more empowerment of all employees is the plan.

### **Karl Schultz, Senior Vice President, TeliaSonera Group**

It will be to create a culture of excellence together with members of my Management Team. This will start by creating a winning team spirit in the team and then support each members to develop the same team spirit in their own management teams. A flat organisation needs a strong Management Team and a good governance structure.

### **Lars Aagaard, Group Executive Vice President Grundfos Holding A/S**

The biggest challenge for us is to be able to continuously improve what we're already good at whilst simultaneously building up the new competencies we need to continue to be successful, like the innovation platforms. It might seem very simple, but to achieve this we need to be very precise about the tasks we need to achieve in the organisation and, based on that, implement new processes, different structures and develop people competencies. And I think here Business Excellence can really help us to meet this challenge.

### **Michel De Bosshere, President Ricoh France**

The current financial climate, along with increasing rules and regulations, is making companies very risk averse. People are afraid to make mistakes and this is stifling the entrepreneurial spirit. I'm really not comfortable with this; I think it's gone too far. **The most beautiful flowers grow on the edge of the mountain.** If you want to have the most beautiful flowers, you have to take the risk of falling off the mountain to pick them. Ricoh France has been through a series of integrations over the past 3 years, which demanded a lot of a management attention to ensure we got the structure and processes fit for the future. We are now ready to start growing the business again. My goal this year is to ensure we create the platform where we understand and manage risk without compromising our ability to act. We need to create a culture where people understand and evaluate risks, then make responsible decisions. I want to enable our people to show their entrepreneurial spirit.

### **Mr. Franz-Jozef Pirktl, General Manager, Alpenresort Schwarz**

It is the transformation of the vision/mission and strategy into the different departments. Right now we are doing this together with our managers to achieve specific separate visions, that are focused on the vision of the company but enable a new dimension of leadership within the departments.



# EFQM Leadership Development The Pegasus Programme





# EFQM Leadership Development

For the last 20 years, EFQM has been committed to shaping business leaders to create a world in which European organisations are recognised as the benchmark for sustainable economic growth. We believe in the strength of practice based learning, rather than teaching leadership skills, tips and tricks in a class room setting.

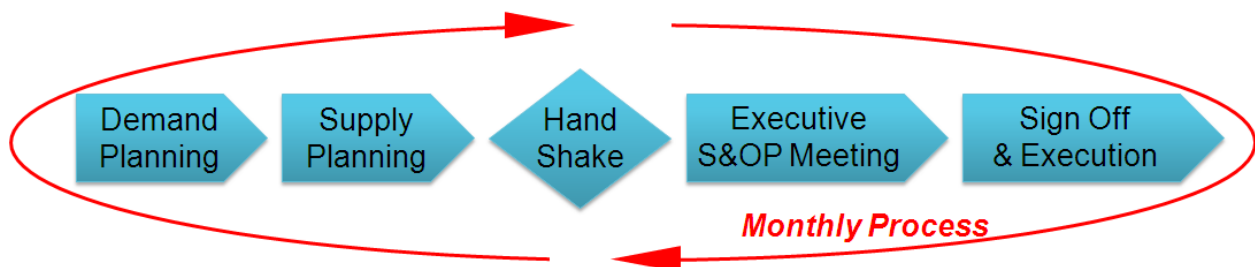
Each programme is based around **a real business issue** from a host company. The host will provide background information for analysis, plus make available the relevant managers and people to fully understand the problem they are facing. In return, they are seeking suggestions from the delegates, based on their collective experience and insights, on how to progress.

Previous participants include: **KPN, Lloyds Banking Group, Huntsman Polyurethanes, Sanden Manufacturing Europe, Volvo Car Corporation, Schenker Deutschland AG, Xerox**, and others. It is aimed at mid-career and emerging leaders with 10 to 20 years of professional experience from all backgrounds, companies, industries, and countries.

**PHILIPS**

## The Philips Case

Philips Lighting now has an annual turnover of approximately €7.6 billion. The lamps business for the EMEA region has a turnover of around €1.5 billion. Sales & Operations Planning is responsible for ensuring the right products are available, at the right time, in the right location. The process was refined in 2008, when a standard supply chain approach was implemented across the group. Philips wants to make sure they have the ability and flexibility required to meet and exceed the expectations of their customers, today and tomorrow.



This Pegasus assignment will focus on the Sales & Operations Planning process and identifying how it can be simplified and streamlined. The current process cycle runs on a monthly basis. Due to the complexity of the business, it takes a large amount of time and resources to complete the monthly planning cycle. Philips Lighting is looking for suggestions / breakthroughs from you to simplify this process.

### More information?

Visit our website ([www.efqm.org](http://www.efqm.org)) or contact us via e-mail ([Pegasus@efqm.org](mailto:Pegasus@efqm.org)) or via telephone (+32 2 775 3511).

## What's Happening?

### MARCH

#### 9 Good Practice Visit at **SUVA**

For German speakers only: Visit an excellent organisation and understand how SUVA is managing its processes.

#### 23 **T-Systems Multimedia Solutions GmbH** Shares What Works

*During a one hour webinar EFQM Members can learn from best practice examples on social media applications.*

### APRIL

#### 4 Webinar: **Why join the EFQM Network?**

Hear from EFQM about the benefits of membership and information sharing.

#### 14 Good Practice Visit at **TeliaSonera Group, Sweden**

#### 7 - 8 **Leaders for Excellence**

Join a 2 day training course to understand and apply the EFQM Excellence Model within a working environment.

### MAY

#### 10 **Introductory Meeting**

Interested in the EFQM Model and our network? [Click here](#) to learn more about our one-day free intro event.

#### 19 **KPN Shares What Works**

*What does "Adding Value for Customers" mean to KPN. Learn about their Service Excellence Strategy over a webinar.*

For more information or registration, please visit [www.efqm.org](http://www.efqm.org) or contact us via +32 2 7753511

## The EFQM Learning Edge

### Taking Responsibility for a Sustainable Future Brussels, 23-24 June 2011

The EFQM Learning Edge is a free event for Members to learn from good practice examples, discuss with peers and generate innovative approaches!

The topic of this year's event has been based on feedback from our members on the key issues of interest and because we anticipate a number of developments during 2011, most prominently the UN Guidelines on Business and Human Rights and an announcement from the European Commission regarding sustainability legislation.

The Learning Edge is an event for **EFQM Members only**. We are currently in the process of confirming speakers, but we already received an interest from members including: Solvay, Philips, Ricoh and Umicore. Sessions will be set up specifically to enable interaction and discussion, using roundtable discussions to promote exchanges. This event is targeted at practitioners within the chosen subject. For more information contact [Vinciane.beauduin@efqm.org](mailto:Vinciane.beauduin@efqm.org) or call +32 2 775 35 10.



## Sustainability Good Practice Competition

What has your organisation done to improve its sustainability? We are looking for good practice examples that showcase your organisation's sustainability strategy. In line with the EFQM Fundamental Concept "Taking Responsibility for a Sustainable Future", we are seeking approaches that demonstrate how you balance ecological, social and economic drivers

Your approach may focus on one or more of these aspects but, ultimately, we are looking for examples that support your overall strategy and deliver demonstrable results.

This **competition** is open to any organisation globally, private sector, public sector, large or small.... Organisations are invited to upload onto the website a description of a Good Practice in Sustainability, including a short video. These applications will be publicly visible. A Jury will then identify a short list of Finalists, from which the public can decide, through a voting system, who presents their Good Practices at the Learning Edge.

Should you be interested in applying to this competition and for further information, feel free to contact Vinciane Beauduin ([Vinciane.beauduin@efqm.org](mailto:Vinciane.beauduin@efqm.org)). The Sustainability Good Practice Competition website will be available in due time.

# What is Excellent Today is Adequate Tomorrow

*Pierre Cachet is the CEO of EFQM. He has made his whole professional career inside the EDF Group mainly in power plants engineering and as a manager in the Distribution Branch. From 1976 to 1990, in power plants engineering, Pierre Cachet contributed to implement the driving and data processing system and conducted testing procedures of nuclear power plants; oversaw the driving and data processing system of the solar power plant (THEMIS) and launched the plant operation. He also collaborated on planning and controlling of several power plant projects, including the first Chinese nuclear power plant. In 1990 he moved in EDF and Gaz de France Distribution Branch, managing up to 10,000 workers and executives in networks and customers fields. In 2000-2001 as project manager in the M&A Department of EDF Group, he contributed to negotiate capital agreements in Austria, Poland and France. In 2002, adviser to the Senior Executive Vice-President, EDF Distribution and Local Authorities, he contributed to strategic forecast to reorganize the distribution branch in France and to set up EDF Group's distribution business line. Between 2003 and 2007, being a Deputy Head of Distribution in Paris region, he drove the transformation to prepare the market opening; he was also in charge of HR and headed executives' careers development. In July 2009, Pierre joined EFQM as CEO.*

## **Please tell us a few words about EFQM and its origins?**

20 years ago 14 CEOs of European multinational organisations joined their forces in order to create a Business Model that would stimulate and assist management in adopting and applying the principles of organisational excellence. Their aim was to improve European Industry competitiveness and bridge the "excellence" gap between Europe, United States and Japan.

Behind the Model, they created a not-for-profit Foundation assigned to help organisations in terms of implementation of the EFQM Model and achievement of Sustainable Excellence.

Originally, the EFQM Model was mostly adopted by large private organisations. Taking into consideration the founding members: Robert Bosch, Philips, Volkswagen AG, British Telecom etc., this is not surprising at all. Today however, the EFQM Model is implemented by different organisations, of many sizes and from various sectors. We are currently observing an increased interest from organisations in the educational, non-for-profit and healthcare sectors, as organisations in these areas recognise the need and benefits of using the Model. Today over 30,000 organisations are implementing the Model.



## **Do you think the EFQM Excellence Model is still relevant today?**

Over recent years, we have seen the pace and scale of change accelerating. 25 years ago, mobile phones were a novelty; now they are normality. 10 years ago, people were still debating whether anyone would buy anything from a website; now we don't even have to leave the house to buy groceries. 2 years ago, a financial crisis started in the USA and spread across the global economy at a rate we have never experienced before. Now, more than ever, organisations cannot work in isolation.

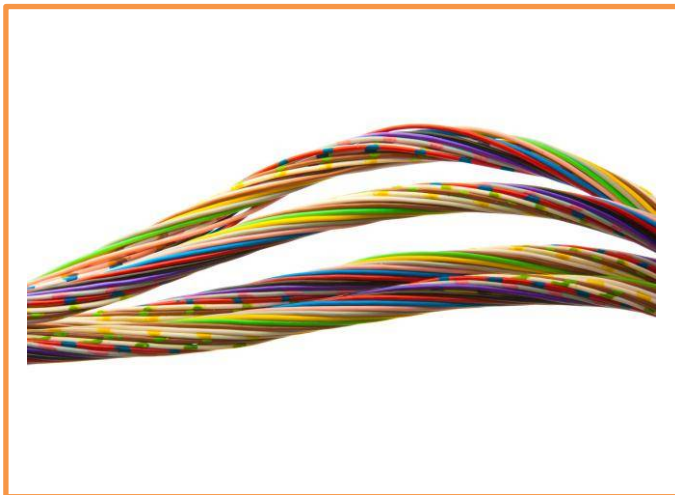
At EFQM, we believe in a world where European organisations are recognised as the benchmark for sustainable economic growth. We can help to achieve this goal by providing a platform that enables organisations from all segments, regardless the size or sector, to share their experiences, to learn from each other and develop new, innovative approaches that will enable them to achieve sustainable excellence.



**What is at the top of your agenda for 2011?**

In the current economic climate, organisations are still under a great pressure in terms of cost reduction. All expenditures are being scrutinised. Under those circumstances, EFQM needs to demonstrate that members are getting “value for money” from their membership fee. We also recognise the need to increase the visibility and awareness of the EFQM brand, within the European leadership community and with chief influencing bodies, such as the European Commission.

Working effectively with our partners; leveraging our combined skills, expertise and strengths will be a crucial factor in order to face these challenges.



In every organisation, leaders and managers need to clearly define what they want to achieve and how they intend to achieve it. These ideas must be effectively and systematically implemented.

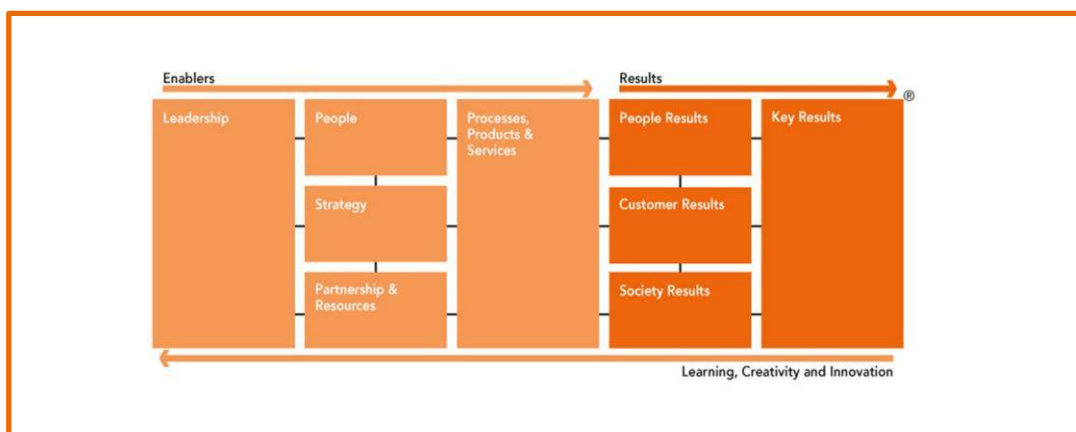
The Model helps you to understand where you are today, your current capabilities and the areas you need to improve in order to achieve your goals. Introducing the Model in this way helps organisations to identify where best to focus their efforts and resources in order to obtain the maximum benefit for the stakeholders.

**What are the main advantages of using the EFQM Excellence Model?**

The EFQM Excellence Model is a holistic approach, which helps organisations to focus and align their actions with their stakeholders’ needs. It is one of the few tools that enables the Management Team to gain a holistic view of their organisation; to understand how well the different pieces of the puzzle fit together.

What is excellent today is adequate tomorrow. The EFQM Model triggers the creation of a culture of Sustainable Excellence. The Model provides a common language that enables people from different organisations, regardless size or sector, to share information, benchmark and learn from one another. Thanks to this sharing, European organisations will achieve and sustain higher levels of performance, making them a benchmark for the global community.

The EFQM will only be seen as successful if our members are successful.



## New Members



Leading organisations join EFQM as the **European Platform**  
for their journey towards **Sustainable Excellence**



القيادة العامة لشرطة أبوظبي  
Abu Dhabi Police GHQ.



Other organisations that joined the EFQM  
Network:



- REGTSA (Recaudacion y Gestion Tributaria de Salamanca)
- Equity Housing Group
- IPE – International Performance Excellence
- Sheikh Khalifa Excellence Award (SKEA)
- Future Competencies Training Center
- Botswanapost
- Rhodia Engineering Plastics

# Process To Performance



4th – 8th of April 2011 ■ London, UK ■ The Brewery

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- **Steve Towers**, CEO & Founder, BT Group
- **Michelle Ray**, Workplace Relationships & Personal Leadership Expert
- **Charles Faulker**, Co-author, NLP: The New technology of Achievement, Author, Creating Irresistibly Influence
- **Jim Steele**, Performance Coach & International Speaker

WEBISTE: [www.processexcellencelondon.co.uk](http://www.processexcellencelondon.co.uk)

TEL: +44 207 368 9300 ■ EMAIL: [Enquire@iqpc.co.uk](mailto:Enquire@iqpc.co.uk)

Join the debate on LinkedIn:

## The EFQM Network for Sustainable Excellence



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EFQM

B-1140 Brussels  
Belgium

Tel : +32 2 775 3511

Email : [info@efqm.org](mailto:info@efqm.org)  
<http://www.efqm.org>

Centre for Competitiveness

The Innovation Centre  
Queen's Road  
Belfast, BT3 9DT

Tel : +44 28 90737950

Email : [compete@cforc.org](mailto:compete@cforc.org)  
<http://www.cforc.org>

Suite 4 Manor House  
Malahide  
Co Dublin

Tel : +353 1 88197584

Email : [compete@cforc.ie](mailto:compete@cforc.ie)  
<http://www.cforc.ie>