

EFQM

Policy Document
Montreux - 19 October 1989



E.F.Q.M.

**EUROPEAN
FOUNDATION
FOR
QUALITY
MANAGEMENT**

**POLICY
DOCUMENT**

**Montreux
19 OCTOBER 1989**

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1. THE QUALITY SCENE

Customers

Quality is a key factor for global business success.

Increasingly, customers value Total Quality (of products, services, people and the company performance) in their buying decisions. They compare potential suppliers and base their decision on relative and perceived advantages. Their demands and expectations continuously rise, encouraged by improved performance in supply.

Companies

Worldwide, leading companies have introduced "Total Quality" approaches with the enhancement of their competitive position as the prime objective.

By focusing on control and improvement of their business processes they also create efficiency and flexibility advantages.

Management

Total Quality is a management-led activity. Management defines strategies and implements programmes. Managers are responsible for the conditions which determine success. It is management's responsibility to involve all people in the organisation.

In more and more Western European companies this role and responsibility is understood and accepted by management.

Support

Individual companies can only partly influence all factors which are critical for European competitiveness through quality.

Governments, educational and research institutions, consumer institutions, labour organisations, press media and associations of professionals all have to support companies in their endeavour for higher quality performance.

In Western Europe this essential contribution is increasing, but it is still insufficient and less developed than in some other parts of the world.

2. MISSION

The initiative for the European Foundation for Quality Management was taken by the presidents of fourteen leading Western European companies. In Brussels on 15 September 1988, they signed a letter of intent to establish the Foundation, in the presence of Mr. J. Delors, President of the Commission of the European Communities.

Other Western European companies have joined as co-founding members and have thus enlarged E.F.Q.M.'s base.

Assembled at Montreux on 19 October 1989, the presidents of founding and co-founding companies have marked E.F.Q.M.'s establishment.

Together they want to make E.F.Q.M. a strong driving force to enhance the competitive position of Western European companies in the world market. They want to combine experience, resources and forces to create conditions for making quality Western Europe's highest business objective.

Companies

The first mission for E.F.Q.M. is to support the management of Western European companies in accelerating the process of making quality a decisive influence for achieving global competitive advantage.

Community

The second mission for E.F.Q.M. is to stimulate and, where necessary, to assist all segments of the Western European community to participate in quality improvement activities and to enhance the quality culture.

3. VISION

E.F.Q.M. will become the leading organisation for promoting and facilitating Total Quality Management in Western Europe.

This will be accomplished when:

- Membership includes a significant representation of companies from all Western European business sectors and countries.
- Upper-managers of these companies use facilities created by E.F.Q.M.
- Strong contacts and partnerships are established with all leading educational, professional, media, consumer organisations and standardisation bodies in Western Europe.
- The European Quality Management Forum becomes the leading annual Quality event in Europe.
- The European Quality Awards scheme becomes recognised at world level.
- Europe has created its own source of research, consultancy, education and training on Total Quality Management.
- E.F.Q.M. becomes the principal source of information on Total Quality Management in Western Europe.

4. OBJECTIVES

Managers

The first and most important objective of E.F.Q.M. is to provide activities which will strengthen the capabilities of managers in Western European companies to

- develop and deploy quality policies and strategies,
- implement Total Quality programmes,
- measure achievements and monitor progress,
- involve all people in the company's organisation,
- maintain the momentum by renewing their company's approaches,
- involve their suppliers, customers, other business partners and institutions in quality activities,

In order to achieve world-wide recognition of Total Quality in European products and services.

Partners

Secondly E.F.Q.M. aims at stimulating, supporting and assisting essential partners in the Western European community.

European and national governing organisations are expected to take initiatives to develop facilitating structures and programmes.

Business Schools and Universities are encouraged to develop, implement and upgrade Quality Management education programmes.

Organisations of professionals should increase their efforts to supply companies with high-level multi-dimensional Quality Management expertise.

Media organisations need to regard quality more highly in their reporting.

Consumer institutions are invited to give more attention and publicity to Total Quality and hence to raise public awareness.

Labour organisations are invited to contribute to the implementation of Quality programmes.

Research

Thirdly E.F.Q.M. has as an objective to intensify Western European research programmes directed at strengthening Quality Management capabilities, programmes and achievements.

Research is needed, for example, on the strategic significance of Total Quality in gaining competitive advantage, on the effectiveness of Quality Management programmes and on new approaches and technologies.

E.F.Q.M. will stimulate research which is initiated by (combinations of) educational institutions, companies and organisations of professionals.

Standards

The fourth objective is directed at enhancing Western Europe's quality performance by the development and application of standards for Quality systems, Quality professionals, products and services.

E.F.Q.M. will promote Quality systems certification. Efforts undertaken by recognised Western European institutions will be stimulated, supported and, where necessary, supplemented.

Information

A fifth objective is to provide information on initiatives and events related to quality and enhancing the other objectives.

Information is seen as a resource for action. The information will not be limited only to the Western European scene, but will also comprise initiatives and event in other parts of the world.

Recognition

The sixth objective of E.F.Q.M. is to recognise top quality performance of companies and partners in Western Europe.

Recognition is seen as a basic objective because it rewards achievement, provides exposure, and promotes exchange of knowledge.

5. ACTIVITIES

Activity planning

E.F.Q.M. will develop and implement an annual activity plan in accordance with its mission, vision and objectives.

This plan will be discussed with representatives from founding and co-founding companies before it is finalised.

Additional activities on local, regional and branch level are stimulated.

E.F.Q.M. will actively seek joint activities with other Western European organisations, provided E.F.Q.M.'s objectives are met.

Examples

- Annual European Quality Management Forum
 - Quality Management Open Days
 - Briefings for members of Executive Boards of affiliated companies
 - Round Table groups on Quality issues
 - Quality Management Seminars for managers of affiliated companies
 - European Quality Award for Doctoral Theses on Quality Management
 - Preparation of a European Quality Award for companies
 - Management brochures
 - A conference for Deans and Programme Managers of Business Schools and Universities, in co-operation with the European Foundation for Management Development
-
- Academic conference on Total Quality Management
 - Joint projects with the European Organisation for Quality on the certification of Quality System auditors and the registration of Quality Management consultants
 - Newsletter and Databank

6. STRUCTURE

Governing Committee

The Governing Committee provides overall guidance. Initially the Governing Committee consists of presidents of the fourteen founding companies. Some presidents of co-founding companies will be invited to join the committee in the coming years. From September 1993, the Governing Committee will be elected by the presidents of founding and co-founding companies from their midst.

Executive Committee

The Executive Committee provides management to the Foundation. It decides the budget and activity programmes, supervises finances, organises support, and takes policy and executive decisions within the framework set by the Governing Committee.

The Executive Committee consists of: members appointed by, and representing, the members of the Governing Committee; one member appointed by, and representing, the European Organisation for Quality (without voting rights); and the Secretary General (without voting rights).

Secretary General

The Secretary General represents the Foundation and attends to the day-to-day business of the Foundation. The Secretary General is appointed and discharged by the Governing Committee, subject to a proposal from the Executive Committee.

Office

The E.F.Q.M. office carries out activities as agreed by the Executive Committee, under the leadership of the Secretary General.

7. AFFILIATES

General

Affiliation with the European Foundation for Quality Management is open to companies based in Western Europe with a declared top-management commitment to the mission and objectives of the Foundation. Under the same conditions of commitment, affiliation is also open to supporting organisations and higher institutes of learning.

Founding companies

The fourteen founding companies lead the Foundation in its development process for the first five years and provide the initial financial resources.

Key-member companies

Key-members companies or co-founding companies, are companies, with full managerial control in Europe. They have joined the Foundation before 15 September 1989, participate in E.F.Q.M.'s development, share the risk in the initial years and provide additional financial resources to permit further growth. From September 1993, co-founding companies have the same rights as founding companies.

Representatives from the key-member companies are invited annually to provide input for the programme of activities.

Regular affiliates

From 1990, companies may join the Foundation as regular affiliates. They have no role in the management of the Foundation but may participate in most of the activities.

Associated affiliates

From 1990, non-profit-making organisations may join the Foundation as associated affiliates. They have no role in the management of the Foundation and may not have access to all activities.

Others

E.F.Q.M. may establish working relationships with related organisations both in Europe and in other parts of the world.

8. NETWORKING

Partners

E.F.Q.M. seeks partners to support its objectives by activities at Western European-wide, national, regional and branch level.

Potential partners include governments, business schools and universities, professional organisations, press agencies and other media organisations, consultants, publishers, research units, consumer organisation, employers federations and labour organisations.

Networks

E.F.Q.M. affiliates are encouraged to take initiatives to establish networks of working relationships with other companies and partners within their local, national, relationships with other companies and partners within their local, national, regional or Western European business environment. These initiatives will be promoted and supported.

9. DECLARATION OF THE PRESIDENTS

The Presidents of Western European companies, marking the establishment of E.F.Q.M. at the European Quality Management Forum at Montreux, on 19 October 1989, subscribe to the E.F.Q.M. policy document and declare that they personally and through the resources they represent will make a maximum effort to achieve the E.F.Q.M. mission and vision.

Company	President
Aeritalia – Società Aerospaziale Italiana	F. Cereti
Aerospatiale	H. Martre
L'Air Liquide	E. de Royère
Alitalia – Linee Aeree Italiane S.p.A.	G. Bisignani
Allied Dunbar Assurance plc	M.S. Wilson
Amsterdam-Rotterdam Bank N.V.	R.J. Nelissen
ABB Asea Brown Boveri Ltd.	P. Barnevik
Avions Marcel Dassault-Breguet Aviation	S. Dassault
Banco Bilbao Vizcaya	J.A. Sánchez Asaín
N.V. Bekaert SA	K. Vinck
BICC Cables Limited	E. Clark
Robert Bosch GmbH	M. Bierich
British Telecommunications plc	I.D.T. Vallanc
Bull SA	F. Lorentz
Bureau Veritas	H. Laurin
Caisse des Dépôts et Consignations	R. Lion
Ciba-Geigy AG	H. Lippuner

Compañía Sevillana de Electricidad, S.a.	F. de Ybarra, Marqués De Arrilluce de Ybarra
Continental Aktiengesellschaft	H.W. Urban
DAF N.V.	A. van der Padt
J.C Decaux "Mobilier Urbain"	J.-C. Decaux
AB Electrolux	A. Scharp
Telefonaktiebolaget LM Ericsson	B. Svedberg
Fiat Auto S.p.A.	U. Agnelli
NV. Koninklijke Nederlandse Vliegtuigenfabriek Fokker	R.J. van Dunien
Grundig AG	J.J.G.Ch. van Tilburg
Hilti Aktiengesellschaft	M. Hilti
Hoogovens Groep BV	O.H.A. van Royen
Imperial Chemical Industries PLC	D. Henderson
Instituto Bancario San Paolo de Torino	G. Zadano
Italtel S.p.A.	S. Randi
Iveco Fiat SpA	G. Garuzzo
Jaguar plc	J. Egan
KBC Manufaktur Koechlin, Baumgartner & Cie. Aktiengesellschaft	H. Unterseh
KPMG Klynveld	J.A. Steenmeijer
Koninklijke Luchtvaart Maatschappij N.V.	J.F.A. de Soet
Chokoladefabriken Lindt & Sprüngli AG	R. R. Sprüngli
Magneti Marelli S.p.A.	A. Barberis
Nestlé AG	H. Maucher
Det Norske Veritas	S. Ullring

Ing. C. Olivetti & C.,S.p.A;	C. de Benedetti
PA Consulting Group	A.J. Foden
PTT Nederland	W. Dik
N.V. Philips' Gloeilampenfabrieken	C.J. van der Klut
Piaggio Veicoli Europei srl	G. Denegri
Industrie Pininfarina S;p.A;	S. Pininfarina
Pirelli S.p.A.	G. De Giorgi
The Post Office	B. Nicholson
Praxis Systems plc	M. Thomas
Publicis Communication	M. M. Lévy
Régie Nationale des Usines Renault	R.H. Lévy
Royal Nedlloyd Group	H. Rootliep
Royal Nijverdal-Ten Cate	G.A. Reudink
Royal Packaging Industries Van Leer B.V.	G. Veller
SGS – Thomson Microelectronics S.p.A.	P. Pistorio
STC PLC	A. S. Walsh
Saga Petroleum a.s.	A. Iarsen
N.V. SIDMAR	M. von Kunitzki
SIP – Società Italiana per l'Esercizio delle Telecomunicazioni p.A.	A. Zappi
Société Générale de Belgique	E. Davignon
Société Générale de Surveillance S.A.	C. Goldberg
Sodexho	P. Bellon
Sollac	E. Pachura
Gebrüder Sulzer Aktiengesellschaft	F. Fahrni

Valeo

Volkswagen AG

AB Volvo

N. Goutard

C.H. Hahn

G.L. Johansson

Aeritalia - Società
Aerospaziale Italiana



(F. Cereti)

Aerospatiale



(H. Martre)

L'Air Liquide



(E. de Royère)

Alitalia - Linee Aeree Italiane
S.p.A.



(G. Bisignani)

Allied Dunbar Assurance plc



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Amsterdam-Rotterdam
Bank N.V.



(R.J. Nelissen)

ABB Asea Brown Boveri Ltd



(P. Barnevik)

Avions Marcel Dassault-
Breguet Aviation



(S. Dassault)

Banco Bilbao Vizcaya



(J.A. Sánchez Asiaín)

N.V. Bekaert SA



(K. Vinck)

BICC Cables Limited



(E. Clark)

Robert Bosch GmbH



(M. Bierich)

Britisch
Telecommunications plc



(I.D.T. Vallance)

Bull SA



(F. Lorentz)

Bureau Veritas



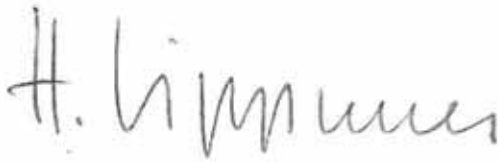
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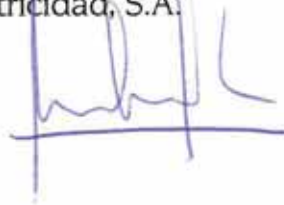
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Electricidad, S.A.



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Ybarra)

Continental
Aktiengesellschaft



(H.W. Urban)

DAF N.V.



(A. van der Padt)

J.C. Decaux "Mobilier Urbain"



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AB Electrolux



(A. Scharp)

Telefonaktiebolaget
L.M. Ericsson



(B. Svedberg)

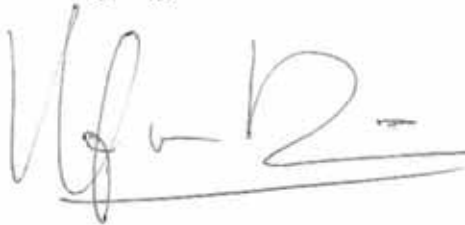
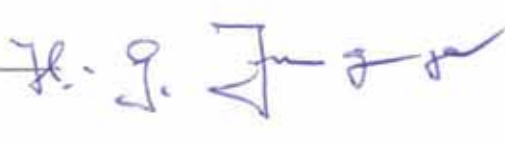
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N.V. Koninklijke Nederlandse
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(J.J.G.Ch. van Tilburg)

Hilti Aktiengesellschaft

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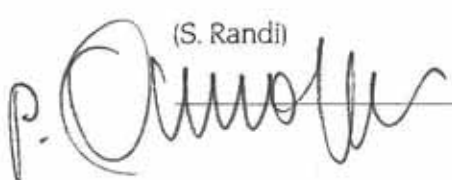


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Italtel S.p.A

Iveco Fiat SpA



(G. Garuzzo)



Jaguar plc



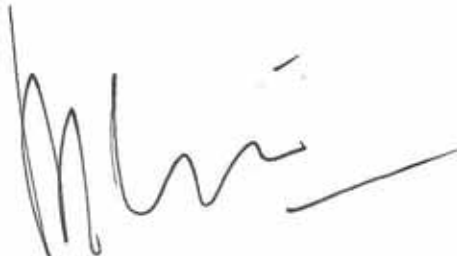
(J. Egan)

KBC Manufaktur Koechlin,
Baumgartner & Cie.
Aktiengesellschaft



(H. Unterseh)

KPMG Klynveld



(J.A. Steenmeijer)

Koninklijke Luchtvaart
Maatschappij N.V.



(J.F.A. de Soet)

Chokoladefabriken Lindt &
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Nestlé AG



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(W. Dik)

N.V. Philips'
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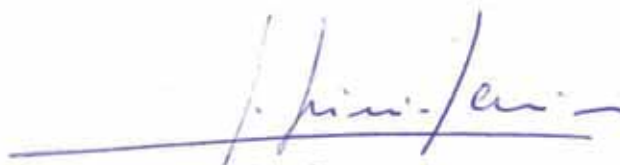


(C.J. van der Klugt)

Piaggio Veicoli Europei srl



Industrie Pininfarina S.p.A



(G. Denegri)

(S. Pininfarina)

Pirelli S.p.A.

The Post Office



(G. De Giorgi)



(B. Nicholson)



Praxis Systems plc

Publicis Communication



(M. Thomas)



(M.M. Lévy)

Régie Nationale des Usines
Renault

Royal Nedlloyd Group



(R.H. Lévy)



(H. Rootliep)

Royal Nijverdal-Ten Cate

Royal Packaging Industries
Van Leer B.V.



(G.A. Reudink)



(G. Veller)

SGS - Thomson Micro-
electronics S.p.A

STC PLC


for P. Pistorio

(P. Pistorio)



(A.S. Walsh)

Saga Petroleum a.s.



(A. Larsen)

N.V. SIDMAR



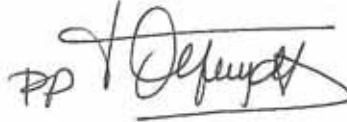
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SIP - Società Italiana per
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comunicazioni p.a.



(A. Zappi)

Société Générale de Belgique



(E. Davignon)

Société Générale de
Surveillance S.A.



(C. Goldberg)

Sodexho



(P. Bellon)

Sollac



(E. Pachura)

Gebrüder Sulzer
Aktiengesellschaft



(F. Fahrni)

Valeo

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(N. Goutard)

Volkswagen AG

A handwritten signature in blue ink, appearing to be 'C.H. Hahn', with a horizontal line underneath it.

(C.H. Hahn)

AB Volvo

A handwritten signature in black ink, appearing to be 'G.L. Johansson', with a horizontal line underneath it.

(G.L. Johansson)



EFQM

Avenue des Olympiades 2

5th Floor

B-1140 Brussels – Belgium

Tel : +32 2 775 3511

Fax : +32 2 775 3535

Email : info@efqm.org

<http://www.efqm.org>