Introduction

The European Project TQM-Net (**TQM** Training, Implementation and Support **Net**work for SMEs) ran from April 2000 till July 2002 and addressed the Quality Management needs of small and medium-sized companies (SMEs) in recognition of their being the basic element of the EC's economy representing 99.9% of the total number of enterprises and employing more than two-thirds of the EC's workforce. To a large extent, the success of the Single Market depends on the ability of SME's to adapt to its fundamental changes and take advantage of the new opportunities that are now being created.

While SMEs do not have the same resources that big companies have, they find their strategic advantage in their very weaknesses. In fact, SMEs have a big advantage over large enterprises. This advantage comes from their informal hierarchical structures due to the small number of employees. The relationship between the boss and the employees is usually very close and there is not a rigid division of work. This allows SMEs to be much more flexible than larger companies.

Flexibility can in fact be seen as the biggest asset of SMEs. Because they feel vulnerable to an external environment, SMEs often have a humble and systemic attitude towards their own development. For instance, they tend to have much more contact with their customers, and are more sensitive to their customers' needs. Also, the hierarchical links are softer than in big companies, allowing for a more coherent and transparent decision process. The most important help for these companies is to help them develop a clear strategy, dispose of qualified human resources, and set up an efficient work organisation.

While direct face-to-face communications and personal relationships between management and employees prevent most SMEs from becoming too bureaucratic and adopting rigid Tayloristic principles, they usually do not perform any systematic reflection or planning of their organisational development or quality management. SMEs also frequently lack planned, long term personnel development and continuous training.

SMEs, in comparison to large firms, devote very little financial investment to organisational development and Total Quality Management. They do not have their own Quality Management systems and expertise. If they are to move towards Total Quality Management as a way of acquiring a sustainable competitive advantage, they will need a high level of external professional assistance in this field. The professionalism of the TQM consulting organisations and experts needs to be brought to the enterprise in a way which does not require the establishment of a heavy internal and external support structure.

TQM-Net set up a network of support centres to help SMEs implement a TQM approach following either the EFQM Model of Excellence, or one of its national variations that is specifically designed to fit the economic situation in the country.

To facilitate the uptake of TQM methods, the net used the results of the ESPRIT-project AnaFact as a starting point, particularly the GOA-WorkBench application as a relatively low-cost tool with which the EFQM assessment process may be automated to a large extent.

The results of the project were piloted in a total of 45 companies. Due to the economic developments following the 11. Sept. 2001, about a dozen pilot companies did not find the resources to maintain the high level of involvement needed for acting as a full benchmark site for the project, so that at the end 33 companies participated in the Best Practice study.

What is the size of your company?

| Company size		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	**1-10**	4	12,1%	12,1%	12,1%
	11-50	11	33,3%	33,3%	45,5%
	51-100	6	18,2%	18,2%	63,6%
	101-250	10	30,3%	30,3%	93,9%
	>250	2	6,1%	6,1%	100,0%
	Total	33	100,0%	100,0%	
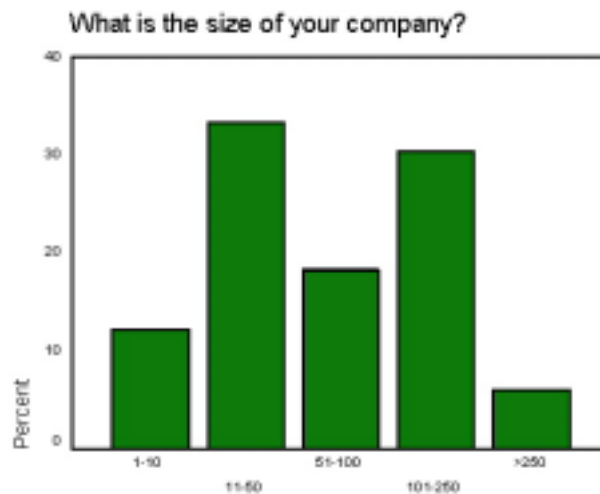
The dominating class of participating companies is represented by the class from "11-50 employees" with 33,3 % of the participating companies. It is also remarkable that 45,5 % of the companies can be classified as small companies in the nomenclature of the EU. All in all SMEs are representing 93,9 % of the survey. Consequently this survey represents the opinion of SMEs. As a result big companies (>than 250 employees) representing only 6,1 % do not have a strong influence on the survey.

General intentions

General intentions		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	**Get to know the EFQM Excellence Model**	9	27,3%	28,1%	28,1%
	Improve the company	23	69,7%	71,9%	100,0%
	Total	32	97,0%	100,0%	
Missing	**0**	1	3,0%		
Total		33	100,0%		
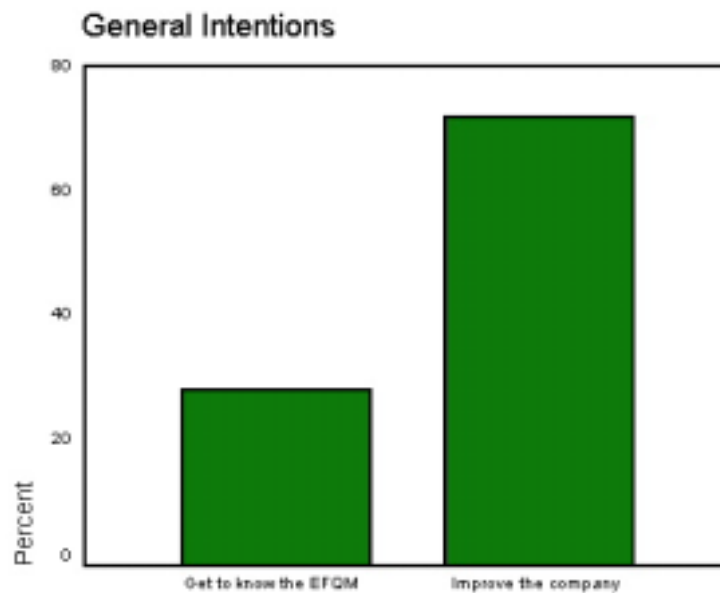
69% of the companies have chosen to go for the EFQM model for improving their company. This is remarkable because it shows that these companies have a basic understanding of the model. Only 27,3 % wanted to get acquainted with the EFQM model. Generally, many of the SMEs liked the holistic approach even if they still had problems to understand the model in total. In our opinion, this can be solved by using the reduced model for SMEs, because SMEs problems are slightly different from problems of big companies.

| What do you think of the EFQM Excellence Model?				
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very useful	9	27,3%	27,3%	27,3%
	useful	18	54,5%	54,5%	81,8%
	not useful	1	3,0%	3,0%	84,8%
	useful but not for SMEs	5	15,2%	15,2%	100,0%
	Total	33	100,0%	100,0%	
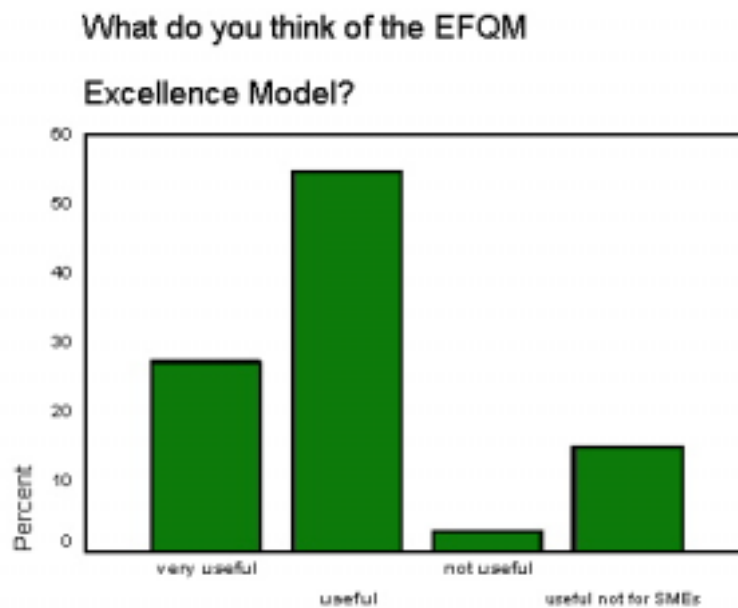
We can see that a large majority of SMEs regard the model as useful or very useful (81,8%). This shows a strong reception of quality thinking in European SMEs. Also worth to be mentioned is the strong peak within the class "useful". The participating companies see it as useful but enthusiasm is still missing. Furthermore, companies should be aware of the fact that improving quality is a long-lasting process which cannot be done overnight.

How would you rate the usefulness of the following modules of the GOA-WorkBench?

GOA EFQM Self-Assessment

| GOA EFQM Self-Assessment					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very useful	11	33,3%	33,3%	33,3%
	useful	15	45,5%	45,5%	78,8%
	useful but not for SMEs	2	6,1%	6,1%	84,8%
	did not work with it	5	15,2%	15,2%	100,0%
	Total	33	100,0%	100,0%	
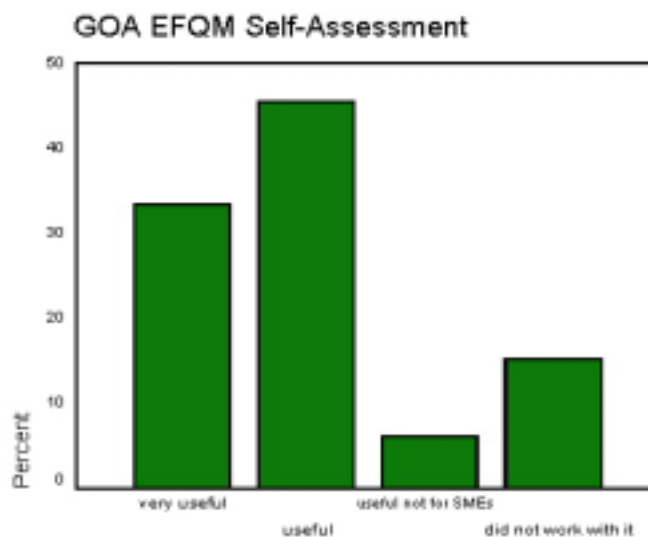
GOA Self-Assessment seems to be the favourite tool among the modules. Only 15,2% of the participants have not worked with it. 45,5% regard the module as "useful" and even 33,3 % consider the tool as "very useful". The reason for this result can be justified by the received briefing of the companies, where they were mostly interested in EFQM-model. Consequently they decided to use this part of GOA first. The acceptance of this module can be rated as positive.

What kind of support did you consume?

Consulting

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	31	93,9%	93,9%	93,9%
	Total	33	100,0%	100,0%	

Training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	16	48,5%	48,5%	48,5%
	Total	33	100,0%	100,0%	

Technical Support

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	17	51,5%	51,5%	51,5%
	Total	33	100,0%	100,0%	

What kind of support did you consume?
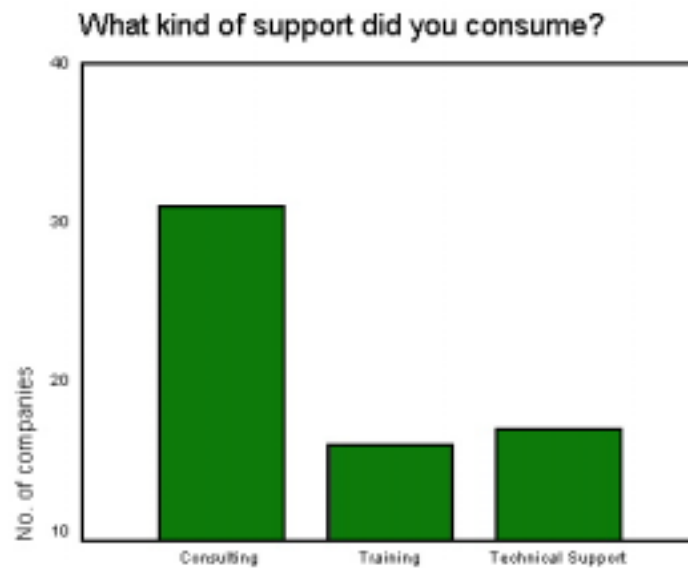
Most of the companies (93,9%) made use of the consulting support. Training was consumed by 48,5% and technical support by 52,5%. According to the companies' feedback, they would not have been able to work with GOA-WorkBench without the support.

This is in accordance with the tool design, that acknowledges the fact, that such complex methodologies like Business Excellence can never be implemented without prior training and consulting efforts. Instead the software suite targets at reducing the effort and costs for these external resources, at fact, that is reflected in the numbers of the following tables that show a definitely smaller consummation of services as would be needed in an "traditional" way for implementing the EFQM model.

How would you rate the support through the GOA-WorkBench software for implementation of TQM/EFQM?

Support through GOA-WorkBench		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very useful	7	21,2%	21,9%	21,9%
	useful	23	69,7%	71,9%	93,8%
	not useful	2	6,1%	6,3%	100,0%
	Total	32	97,0%	100,0%	
Missing 0		1	3,0%		
Total		33	100,0%		

How would you rate the support through
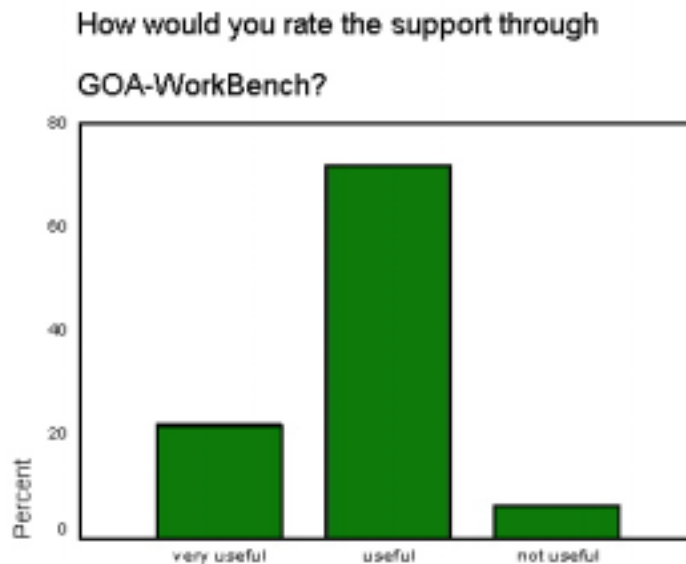
GOA-WorkBench?

71,9% rate the GOA-WorkBench as a useful tool to implement TQM/EFQM. 21,2% regard the GOA-WorkBench was "very useful". Based on these figures we can state that the participating companies are satisfied with the project. The feedback is not too enthusiastic, but generally it shows a very positive result for the tool. To reach a higher number in the class "very useful", the project developed a multimedia training giving an introduction into the concept of Business Excellence, why and how to make inquiries and assessments in general and also containing a tool tutorial on the use of GOA. Unfortunately due to time constraints of the project, this training module could not be included into final survey.

Have you achieved any improvements?

Achieved improvements					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	**No**	8	24,2%	24,2%	24,2%
	Yes	25	75,8%	75,8%	100,0%
	Total	33	100,0%	100,0%	

Have you achieved any improvements?

Here, the companies' result are very impressive, because 75,8% of the participating companies achieved improvements – and the results are even more impressive when one considers, that all 8 companies without any improvement achievements come from one region. This country had heavy local problems during the piloting phase, which took precedence over all other activities, including the implementation of any improvement actions related to the project.
Most other companies realised more that one improvement just from the pilot phase.

No. of Improvements					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	**1**	1	3,0%	4,0%	4,0%
	2	8	24,2%	32,0%	36,0%
	3	6	18,2%	24,0%	60,0%
	4	9	27,3%	36,0%	96,0%
	5	1	3,0%	4,0%	100,0%
	Total	25	75,8%	100,0%	
Missing	**10**	8	24,2%		
Mean		3,04			

These findings prove that the methodology as well as the software represented a support for the companies on their way to Business Excellence. Compared with the time involved to achieve satisfactory results, we can recommend the tools to SMEs for improving their businesses. So, it seems to be the right way to take on competition.