Chapter One

Introduction

According to gurus of quality definitions there are a different concepts, in 1980 Crosby defined the quality management as the conformance to requirements (Crosby, 1980), in 1983 defined as fitness for purpose or use (Juran, 1983), and defined as Quality should be aimed at the needs of the consumer, present and future' (Deming, 1987), also Feigenbaum defined the quality as 'The total composite product and service characteristics of marketing, engineering, manufacture and maintenance through which the product and service in use will meet the expectation by the customer' (Feigenbaum,1986), there are other definitions found as the International Organization for Standardizations (ISO) defined that Quality is meeting or exceeding customer expectations (ISO 8402:1994), and in Quality Management Systems the definition of quality is degree to which a set of inherent characteristics fulfills (ISO 9000:2000).

The history of total quality management (TQM) began initially as a term coined by the Naval Air Systems Command to describe its Japanese-style management approach to quality improvement. An umbrella methodology for continually improving the quality of all processes, it draws on knowledge of the principles and practices of the behavioral sciences, the analysis of quantitative and non-quantitative data, economics theories and process analysis. The evolution of Total Quality Management started in 1920 some of the first seeds of quality management were planted as the principles of scientific management swept through U.S. industry, businesses clearly separated the processes of planning and carrying out the plan, and union opposition arose as workers were deprived of a voice in the conditions and functions of their work, and the Hawthorne experiments in the late 1920s showed how worker productivity could be impacted by participation. In 1930 Walter Shewhart developed the methods for statistical analysis and control of quality, W. Edwards Deming taught methods for statistical analysis and control of quality to Japanese engineers and executives. This can be considered the origin of TQM, Joseph M. Juran taught the concepts of controlling quality and managerial breakthrough, and Armand V. Feigenbaum's book Total Quality Control, a forerunner for the present

understanding of TQM, was published. In 1950 Philip B. Crosby's promotion of zero defects paved the way for quality improvement in many companies. In 1968 the Japanese named their approach to total quality companywide quality control. It is around this time that the term quality management systems arises, and Kaoru Ishikawa's synthesis of the philosophy contributed to Japan's ascendancy as a quality leader. Today TQM is the name for the philosophy of a broad and systemic approach to managing organizational quality, and Quality standards such as the ISO 9000 series and quality award programs such as the Deming Prize and the Malcolm Baldrige National Quality Award specify principles and processes that comprise TQM. (Russell, 2013).

From the very early days Total Quality Management (TQM) definitions has meant different things to different people. Some have treated it largely as a motivational campaign aiming to improve service to external customers. Others have focused on internal training as a way of motivating and giving people tools to undertake improvement activities. Many have identified that beyond training, teamwork and the use of statistical techniques there is, in TQM, the quest for the self-improving organization.

TQM is a complete management philosophy which may require a refocus and redirection of the business, (depending on what the business was like before). Different people illustrate the different meanings of TQM, in 1986 Cook defined 'Total quality management is continuously satisfying customer requirements, at lowest cost, by harnessing the commitment of everyone in the organization.'(Cook 1986), in 1988 Oakland defined 'Total quality management is an approach to improving the effectiveness and flexibility of business as a whole. It is essentially a way of organizing, involving the whole company, business or organization, every department, every activity, every single person at every level.' (Oakland 1988), and British Quality Association defined 'TQM is a corporate business management philosophy which recognizes that customer needs and business goals are inseparable. (British Quality Association, 1989), Kanji defined total quality management as:

Total quality management – is to obtain total quality by involving everyone's daily commitment.' (Kanji, 1990), in 1992 Mann defined it as 'An approach for continuously improving goods and services which requires the full participation of all levels and functions of an organization. It aims to satisfy the needs of customers at lowest cost.' (Mann, 1992).

Also other definition by MacDonald in 1993 is 'Total means that everyone in the organization is involved in the final product or service to the customer.
Management: TQM is a managed process which involves people, systems and supporting tools and techniques. TQM is therefore a change agent which is aimed at providing a customer-driven organization.' (MacDonald, 1993). In 1995 Khader defined 'TQM is an overall umbrella term which embraces customer service, quality assurance, quality circles, and quality tools. It is a change from an output organization to a process organization. It is total involvement to delight customers.' (1995, Khader).
'Total Quality Management is a process which embraces the conscious striving for zero defects in all aspects of an organization's activities, 'All things that we must do to achieve quality leadership.' (Juran, 1994).
The roots of Total Quality Management (TQM) can be traced back to early 1920s when statistical theory was first applied to product quality control. This concept was further developed in Japan in the 40s led by Americans, such as Deming, Juran and Feigenbaum. The focus widened from quality of products to quality of all issues within an organisation – the start of TQM.
The following shows the history of Total Quality Management, from inspection to business excellence. (Inspection, Quality Control and Statistical Theory, Quality in Japan, Total Quality, Total Quality Management, Quality Awards and Excellence Models, Business Excellence).
Inspection involves measuring, examining, and testing products, process and services against specified requirements to determine conformity.
The use of inspection has been evident throughout the history of organized production. In the late middle Ages, special measures were taken to inspect the work of apprentices and journeymen in order to guard the Guild against claims of makeshift or shoddy work.
During the early years of manufacturing, inspection was used to decide whether a worker's job or a product met the requirements; therefore, acceptable. It was not done in a systematic way, but worked well when the volume of production was reasonably low. However, as organisations became larger, the need for more effective operations became apparent.
In 1911, Frederick W. Taylor helped to satisfy this need. He published 'The Principles of Scientific Management' which provided a framework for the effective use of people in industrial organisations. One of Taylor's concepts was clearly defined tasks performed under standard conditions. Inspection was one of these tasks and was intended to ensure that no faulty product left the factory or workshop; focuses on the product and the detection of problems

in the product; involves testing every item to ensure that it complies with product specifications; is carried out at the end of the production process; and relies on specially trained inspectors.

This movement led to the emergence of a separate inspection department. An important new idea that emerged from this new department was defect prevention, which led to quality control.

Inspection still has an important role in modern quality practices. However, it is no longer seen as the answer to all quality problems. Rather, it is one tool within a wider array.

Quality Control and Statistical Theory

Quality Control was introduced to detect and fix problems along the production line to prevent the production of faulty products. Statistical theory played an important role in this area. In the 1920s, Dr W. Shewhart developed the application of statistical methods to the management of quality. He made the first modern control chart and demonstrated that variation in the production process leads to variation in product. Therefore, eliminating variation in the process leads to a good standard of end products.

Statistical Quality Control: focuses on product and the detection and control of quality problems;

involves testing samples and statistically infers compliance of all products; is carried out at stages through the production process; and relies on trained production personnel and quality control professionals.

Shewart's work was later developed by Deming, Dodge and Roming. However, manufacturing companies did not fully utilise these techniques until the late 1940s.

Quality in Japan

In the 1940s, Japanese products were perceived as cheep, shoddy imitations. Japanese industrial leaders recognised this problem and aimed to produce innovative high quality products. They invited a few quality gurus, such as Deming, Juran, and Feigenbaum to learn how to achieve this aim.

Deming suggested that they can achieve their goal in five years; not many Japanese believed him. However, they followed his suggestions. Maybe the Japanese thought it was rude to say that they did not believe Deming. Or maybe they thought it would be embarrassing if they could not follow his

suggestions. Whatever reason it was, they took Deming's and other gurus' advice and never looked back.

In the 1950s, quality control and management developed quickly and became a main theme of Japanese management. The idea of quality did not stop at the management level. Quality circles started in the early 60s. A quality circle is a volunteer group of workers who meet and discuss issues to improve any aspects of workplace, and make presentations to management with their ideas. A by-product of quality circles was employee motivation . Workers felt that they were involved and heard. Another by-product was the idea of improving not only quality of the products, but also every aspect of organisational issues. This probably was the start of the idea, total quality.

Total Quality

The term 'total quality' was used for the first time in a paper by Feigenbaum at the first international conference on quality control in Tokyo in 1969. The term referred to wider issues within an organisation. Ishikawa also discussed 'total quality control' in Japan, which is different from the western idea of total quality. According to his explanation, it means 'company-wide quality control' that involves all employees, from top management to the workers, in quality control.

Total Quality Management

In the 1980s to the 1990s, a new phase of quality control and management began. This became known as Total Quality Management (TQM). Having observed Japan's success of employing quality issues, western companies started to introduce their own quality initiatives. TQM, developed as a catchall phrase for the broad spectrum of quality-focused strategies, programs and techniques during this period, became the centre of focus for the western quality movement.

A typical definition of TQM includes phrases such as: customer focus, the involvement of all employees, continuous improvement and the integration of quality management into the total organization. Although the definitions were all similar, there was confusion. It was not clear what sort of practices, policies, and activities needed to be implemented to fit the TQM definition.

Quality Awards and Excellence Models

In 1988 a major step forward in quality management was made with the development of the Malcolm Baldrige Award in the United States. The

model, on which the award was based, represented the first clearly defined and internationally recognized TQM model. It was developed by the United States government to encourage companies to adopt the model and improve their competitiveness.

In response to this, a similar model was developed by the European Foundation of Quality Management in 1992. This EFQM Excellence Model is the framework for the European Quality Award.

While leading organisations compete to win awards, the main purpose of these awards is to encourage more companies to adopt quality management principles. The models are practical tools; they help organisations to measure where they are now and where they want to be in the future. The models also help organisations to create a plan to reduce the gap between these positions.

TQM models are often called Business Excellence Models. Also, TQM itself is now often called Business Excellence. This is to distinguish the "new TQM" from the past work on TQM.

Business Excellence is really the same as TQM, but with a more clearly defined approach. (annals/economics/2010)

Excellence is the state or quality of excelling. Particularly in the field of business and organizations, excellence is considered to be an important value, and a goal to be pursued. In Landier's opinion, excellence represents the essence of a Quality improvement, Increasing productivity, Cost reduction, Price reduction, Increase market share, Stronger position Insurance jobs and Return on investment. great managerial thinking, the "absolute", a mythical ideal (Landier, 1991). Antonescu defines excellence in the following terms: "the ability of firms to make profits, while meeting the customers' requirements" (Antonescu & Constantinescu, 1993, p.21). He also proposes a triangular representation in the so called "triangle of excellence" quality, delivery and price.

Total quality management is defined an approach of never-ending improvement" (Oackland, 1996). More recentl y, the new imperatives of sustainable development led to some tries of approaching excellence from this perspective. For example, the term "sustainable excellence" is used to designate "a firm that maintains itself in an exemplary situation - success, profit - for a long time and that adapts rightly and efficiently to the exigencies of socio-economic environment" (Popescu, 2005, p. 138). Thus, the excellence can be viewed as a successful combination in using internal and external resources by the management, through systematic generating and maintaining the positive long-term synergies.

Promoting sustainable excellence in Europe is also the declared mission of the European Foundation for Quality Management (EFQM), organization that defines excellence as an expression of the following eight fundamental concepts (http://www.efqm.org): 1) Achieving Balanced Results; 2) Adding Value for Customers; 3) Leading with Vision, Inspiration and Integrity; 4) Managing by Processes; 5) Succeeding through People; 6) Nurturing Creativity and Innovation; 7) Building Partnerships; 8) Taking Responsibility for a Sustainable Future. It can observe that these concepts, which are the underlying principles of the EFQM Excellence Model (as described in the next section), have explicit or implicit connections with the basic principles of TQM.

Business Excellence is "excellence" in strategies, business practices, and stakeholder-related performance results that have been validated by assessments based on specific models proven to support the challenging journey towards excellence. TQM models are often called Business Excellence Models. Also, TQM itself is now often called Business Excellence. This is to distinguish the "new" TQM from the past work on TQM. There was confusion as to what TQM was in the 80s and early 90s. In a great measure, this was because a tendency of naming any business improvement programme as TQM. Therefore, the name TQM became tarnished. Business Excellence is really the same as TQM, but with a more clearly defined approach.

The first Business Excellence models were developed in the mid-1980s and came about as a result of the quality movement in the West, which in turn was a response to the advancements in quality and competitiveness in Japan. The models themselves began as quality awards or TQM models, as TQM had emerged in the mid-1980s as the new philosophy and panacea for businesses. Over time, the term "Business Excellence" started to replace the terms "Quality" and "TQM", partly as a result of the before mentioned considerable confusion as to the meaning of TQM (since all types of business improvement programs were being called TQM). Today, many countries view Business Excellence models as a key mechanism for improving the performance of organizations, as well as national competitiveness.

The most popular of these models are manifestations of principles of TQM implementation in the entire organization. By far the majority of organisations that use such a model do so for a self-assessment through they can identify improvement opportunities, areas of strengths, using the model as a framework for future organisational development. In the followings, we present an overview of some referential Business Excellence models.

Then appeared the principles of excellence, The Deming Prize in Japan, and The Malcolm Baldrige National Quality Award in USA and The EFQM Excellence Model in Europe.

In 1900 defect detection was 100% inspection by operator at end of the process separating good from bad, in1940 defect detection was Quality control, 100% stage inspection by inspectors and Faulty items scrapped or reworked At end of process, 100% inspection by inspectors separating good from bad, and in 1960 defect control was Sampling and Quality control stage inspection, but only a sample taken out and Concept of acceptable quality levels. (1973 - Quality Control, 1978-Quality Assurance, 1979. quality standard)

In 1980 defect prevention was Growth of company-wide total quality, and in 1987 (ISO 9000) – Quality Systems.

service and manufacturing industries, People focus, Continuous improvement, Emphasis on business processes and Customer focus.

It will be obvious that TQM originated in manufacturing industries;

however it applies today in every kind of organization, covering all products, processes and services. (Annals 2010).

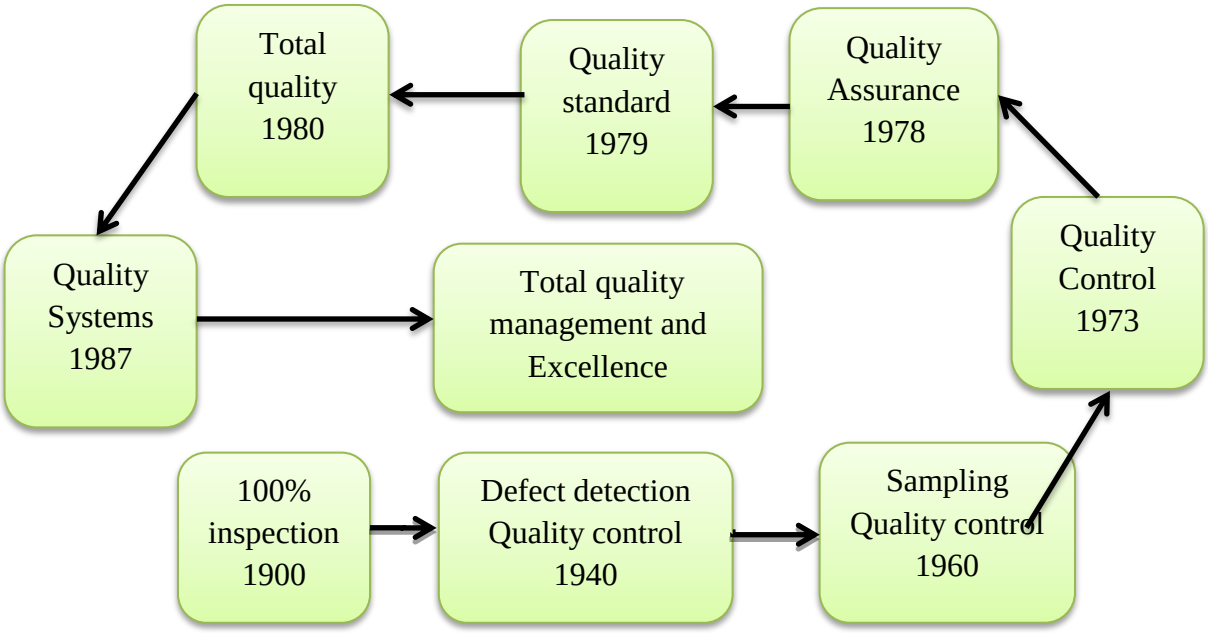


Figure 1 – 1, Evolution of TQM and it's developed through different stages

The EFQM Excellence Model (European Foundation for Quality Management), was founded in September 1988, initiated by Directorate General of the European Union. The factors that led to its creation were very similar to those that had inspired the Malcolm Baldrige National Quality Award in the US - a need to enhance quality and stimulate competitiveness of European companies.

The EFQM Foundation was formed to recognize and promote sustainable success and to provide guidance to those seeking to achieve it. This is realized through a set of three integrated components which comprise the EFQM Excellence Model, first one is The Fundamental Concepts of Excellence contains the underlying principles which are the essential foundation of achieving sustainable excellence for any organizations, second is the EFQM Excellence Model design as a frame work to help organizations convert the Fundamental Concepts and RADAR logic into practice and the last component is the RADAR logic defined as A dynamic assessment framework and powerful management tool that provide the backbone to support an organization as it address the challenges it must overcome to achieve sustainable excellence. (EFQM, 2013).

EFQM's most important initial task was to establish a European award based on excellence. Confidence in this approach stemmed partly from the success of the Baldrige Award, and the view that role models of excellence would be identified, which would be of great value to business across Europe. To ensure the widest possible ownership of the award, joint sponsorship was agreed with the European Commission and the European Organization for Quality, although management and funding has always been the sole responsibility of EFQM.

Fundamental Concepts of the model

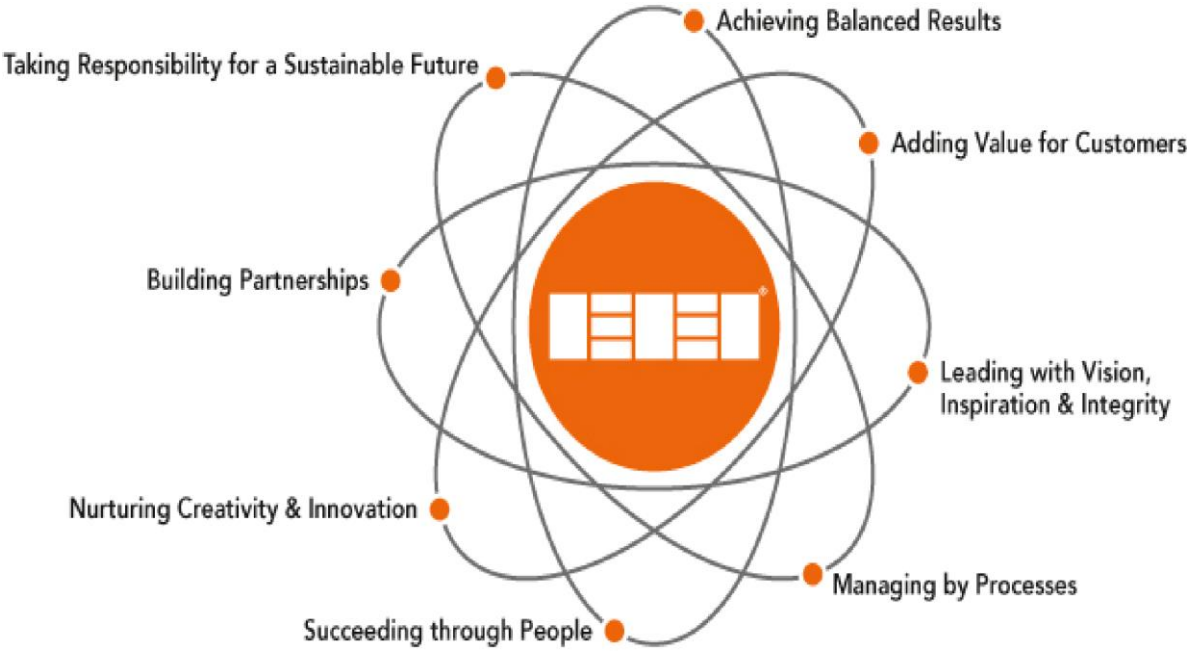


Figure 1 – 2, Fundamental Concepts of the model (EFQM, 2013).

The criteria of the model

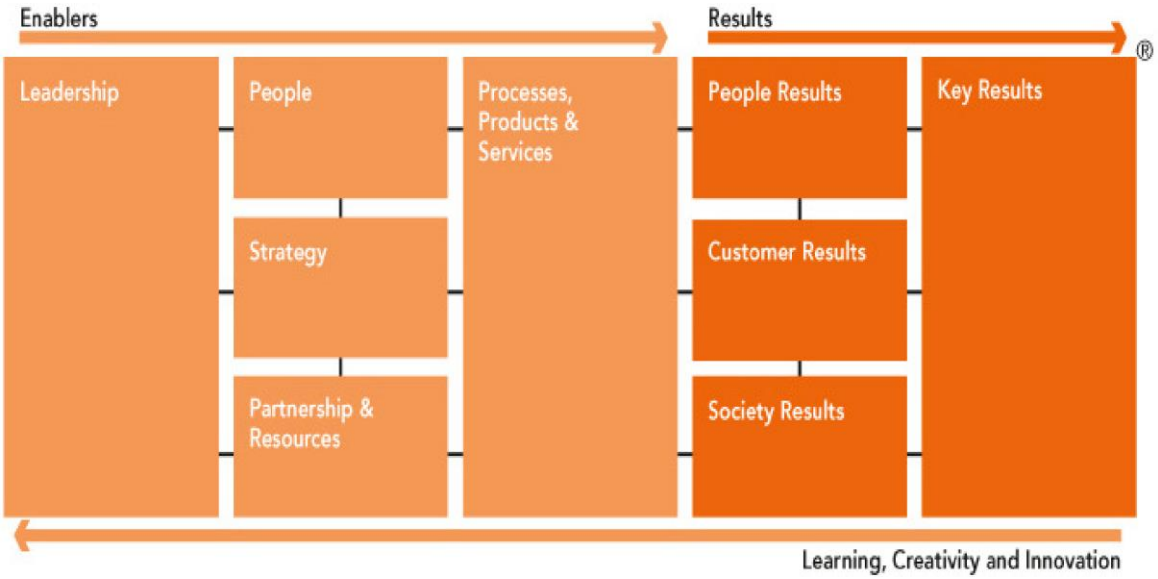


Figure 1 – 3, criteria of the model (EFQM, 2013).

RADAR Logic:

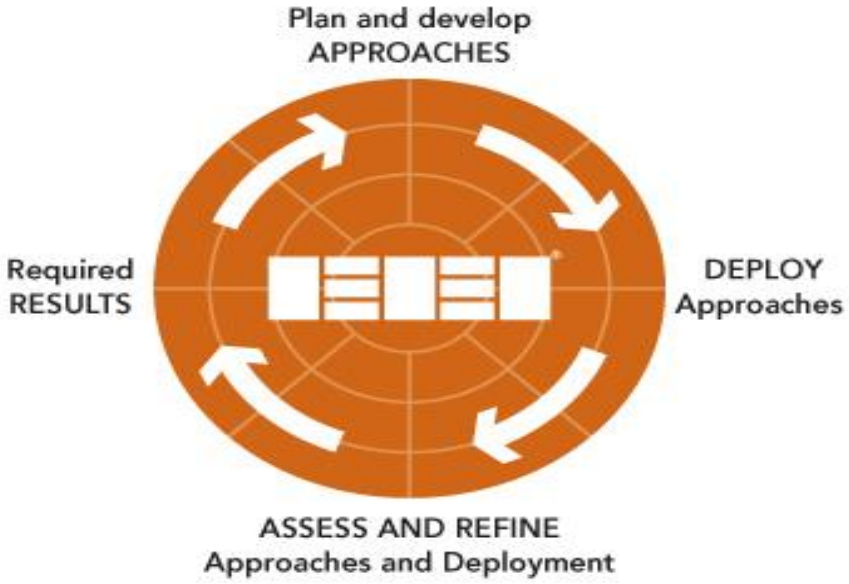


Figure 1 – 4, RADAR Logic of the model (EFQM, 2013).

Excellent organizations consistently add value for customers by understanding, anticipating and fulfilling needs, expectations and opportunities, and - illustrating how is the real impact of Adding Value for customer's concept should help organizations achieve their key business results and build clear implementing approaches in the organizations. In practice, we find that excellent organizations are know who their different customers groups are, both existing and potential, and anticipate their different needs and expectations, Transform needs, expectations and potential requirements into attractive and sustainable value propositions for both existing and potential customers, Build and maintain a dialogue with customers based on openness and transparency, Strive to innovate and create value for their customers, involving them, where appropriate, in the development of new and innovative products, services and experiences, Ensure people have the necessary resources, competencies and empowerment to maximize the customer experience, Continually monitor and review the experiences and perceptions of their customers and respond appropriately to any feedback, and Compare their performance with relevant benchmarks and

learn from their strengths and opportunities for improvement in order to maximize the value generated for customers (EFQM , 2013)

Value Added is defined as the enhancement a company gives its product or service before offering the product to customers. Value added is used to describe instances where a firm takes a product that may be considered a homogeneous product, with few differences (if any) from that of a competitor, and provides potential customers with a feature or add-on that gives it a greater sense of value.

A value add can either increase the product's price or value. For example, offering one year of free support on a new computer would be a value-added feature. Additionally, individuals can bring value add to services that they perform, such as bringing advanced financial modeling skills to a position in which the hiring manager may not have foreseen the need for such skills. (http://www.investopedia.com/terms/v/valueadded)

Adding value is the process of changing or transforming a product from its original state to a more valuable state that is preferred in the marketplace. Market forces have led to greater opportunities for adding value to raw commodities because of increased consumer demands regarding health, nutrition, and convenience as well as technological advances that enable producers and processors to produce what consumers desire. Producers involved with adding value are striving for a larger share of the food dollar by producing what consumers demand, instead of producing only raw commodities. Adding value to products can be accomplished through innovation and/or coordination. Innovation focuses on improving existing processes, procedures, products, and services or creating new ones. Industrial innovation is processing traditional food products into nonfood uses. Coordination involves arrangements along the food chain. Horizontal coordination entails pooling or consolidation from the same level of the food chain. Vertical coordination involves contracts and agreements along different food-chain levels. A coordinated effort increases market power, which likely will continue to increase in the future. Vertical integration aligns and controls price, quantity, quality, and transactions. Cooperatives are positioned to further integrate into food processing with thorough planning and implementation through the process of value-adding business ventures. Adding value to farm products becomes vital for rural growth by enhancing

farm income and providing employment in processing businesses. However, before producers examine value-added processing and marketing, cost minimization in production has to be achieved. Adding value cannot replace the efficiencies of production attainable through technology and economies of scale.

To Create Added Value for Customers we find 5 Ways, Added value is an important tactic that can be used by small businesses to acquire and retain customers, increase brand awareness, and differentiate one's place in the marketplace. Don't know where to start? Here are five ways to create added value that can be easily implemented into your business plan today, First is, always consider your customers' perspective: The art of creating added value starts with the ability to see your business through the eyes of your customers. Consider what's important to your target market and how your product or service will benefit them. What problem does it solve, how will it helps them overcome obstacles or do their jobs better? Many businesses miss the boat by focusing on features instead of benefits. By shifting your focus to providing content that focuses on your customers' needs you can start helping and stop selling.

Creating customer person as is helpful to provide insights about your current and future customers, what's meaningful to them, and gives you a roadmap of the kind of content you can create and share to provide added value. Second consistently work to improve customer satisfaction: Although the debate over whether the customer is always right (or not!) continues, lack of customer satisfaction is a sure-fire way to keep people from coming back.

Soliciting honest feedback through surveys on a regular basis allows you to keep your finger on the pulse of your customers' needs in their journey with your business and is also an opportunity to monitor your brand's identity in the marketplace.

Free survey tools like Survey Monkey, KwikSurveys and Survey Planet offer easy-to-use templates and unlimited responses to ensure you can collect feedback and create an action plan based on the results. Third Implement marketing models into your strategy: As you're searching for ways to create added value, the use of popular marketing models can help your strategy take shape.

For small and medium businesses, the Four Cs model, Brand Essence Wheel, and SWOT Analysis tool will help you develop your brand's value statement,

define your unique selling point, and even forecast customer demands based on market trends. The fourth one is Develop a memorable customer experience:

Businesses with unforgettable customer experiences are more likely to benefit from word-of-mouth referrals, positive online reviews, and higher retention rates.

When getting started, you'll need to consider all touch points of your business, from initial lead capture to post-purchase communication and how to properly maximize the added value for the customer throughout the process.

Building a customer experience also allows you to develop relationships with your customers so you can connect on levels that go past simply getting the sale.

Most importantly, memorable customer experience models aim to deliver unexpected intangible value that cannot be packaged or sold. This includes personalized service, attention to detail, and showing a sense of urgency to address concerns as they arise. And Finally the fifth one is Never underestimate the value of free resources Whether it's a free guide, a printable PDF, or a company branded calendar, free resources are a great way to create added value and showcase your brand's ability to offer 'a little something extra' to customers. (2015 | by Kimber Powers)

The first Concept in the model is adding Value for Customers, this concept mainly depend on process criteria, which has four main branches, every branch has sub branches, first one is the Products and Services are developed to create optimum value for customers, the second is the Products and Services are effectively promoted and marketed, the third is Products and Services are produced, delivered and managed, and finally is the Customer relationships are managed and enhanced, (EFQM , 2013)

To determine how the organizations are developed products and services to create optimum value for customers and what the approaches, are deployed, assessed and review, and to determine the relations between these approaches and the results achieved by the organizations.

In the first branch to developed products and services to create optimum value for customers, the researcher determine the approaches that used by an organization for striving to innovate and create value for their customers, involving them and other stakeholders, where appropriate, in the development of new and innovative products, services and experiences, and the approaches

for developing their portfolio in line with the changing needs of existing and potential customer groups.
IN the second branch about how the organizations are effectively promoted and marketed the products and services, the researcher determine what the approaches are used by an organization to effectively promoted and marketed products and services, and the approaches used to know who their different customers groups are, both existing and potential, and anticipate their different needs and expectations, and then transform needs, expectations and potential requirements into attractive and suitable value propositions for both existing and potential customers.

IN the third branch about how the organizations are produced, delivered and managed the products and services, the researcher determine what the approaches are used by an organization to compare their performance with relevant benchmarks and learn from their strengths and opportunities for improvement in order to maximize the value generated for customers.

IN the fourth branch about how the organizations are managed and enhanced customer relationships, the researcher determine what the approaches are used by an organization to build and maintain a dialogue with customers, based on openness and transparency, and the approaches used to continue monitor and review the experiences and perceptions of their customers and ensure processes are aligned to respond appropriately to any feedback.

Purpose of the study (Objectives):

This study examines the relationships between the approaches used by Giad Group concerning the excellence concept "Adding Value for Customers" and the key business results achieved.

First: To determine the effects of the approaches used to developed products and services on key business results.

Second: To determine the effects of the approaches used to effectively promoted and marketed products and services on key business results.

Third: To determine the effects of the approaches used to produce, delivered and managed products and services on key business results.

Forth: To determine the effects of the approaches used to managed and enhanced customer relationships on key business results.

Hypothesis: Organizations that are using approaches concerning the excellence concept “Adding Value for Customers” they will achieve their key business results

Chapter two

Literature Review & Previous Study

2.1 Introduction

Extensive research has been undertaken in the area of concept of adding value for customers, this literature review examine what has been written on the subject of adding value for customers and how this concept can affect on the key business results, how the companies build a good relationships with the customer, why this concept important to businesses, what elements make for successful customer relationships, customer satisfaction, customer loyalty and value as mean of setting strategies, different theories in the business world written about this concept but I used EFQM model concept and how can creates progress on key business results. In my research it was looking for the whole approaches that lead to adding value for customers in excellent companies.

2.2 Customer Value Concept

This research clarified that understanding customer value concept is the key to success and how the importance for the markets and difference between customer satisfaction and customer value, because the focus on the business is to satisfy of the customer needs and wants so the practice may need to be changed fundamentally. This study also describes a customer-value hierarchy linking product or service attributes, product or service consequences and customer goals or purposes. It outlines, and discusses, the value hierarchies established for customers. At the same time it deals with the concept of net present value of customers, with the emphasize the importance of attracting and retaining customers by providing high customer value which, in turn, leads to long-term profitability and growth. Complex business environment brings so many questions to the companies. Their profitability and viability will depend on the efforts of an increasingly diverse customer value. It can be said that for the success of this concepts there should be customer value philosophy. Competencies should be
based at the customer value thinking. This should be a common sense to reach the customer satisfaction and retention, profitability, increased market share etc.
To provide some answers to how customer value seen in the companies there are four basic questions to come a conclusion;

! How do customers see the companies? Customer Perspective.

! What must the companies excel at? Internal Perspective.

! Can the companies continue to improve and create value? Innovation and Learning Perspective.

! How do the companies look to their shareholders? Financial Perspective.

! How do companies look to their stakeholders? General Perspective.

To find some answers to these questions will make companies closer to the customer value philosophy and if companies follow this philosophy they will be successful in the future complex business life and cope with the competition and easily respond to the environment. (Dr. GONCA, et .al 1997).

2.3 Adding Value and Loyalty

The purpose of this study is to provide guidelines as to how hotel loyalty programs can be of greater value to both the member, in terms of what the program is offers them, and the hotel, in terms of creating loyalty through the use of the program. This study was developed in two sections, the first being to investigate member values, attitudes and behavior towards loyalty programs and secondly to investigate the existing loyalty program market place. The results obtained from the two questions could then be compared to identify gaps between what each party wants from the loyalty program and what each party actually gets. The Secondary data used in this research was collected from the Rica Hotel chain surveys and questionnaire. A comment relevant to the Hotel Loyalty Program usually expressed as a complaint or a suggested improvement to the program. General Public Interviews was made with the first part of the interview process, consisting of short one-on-one interviews. The Second part of the interview process Surveys were implemented. In a tourism and hospitality management a research of adding value to hotel loyalty programs for both Guest and Hotel, showed that loyalty programs are widely used not only encourage and reward customer loyalty but allow a company to learn specific details about an individual's patterns and behavior. The study has three purposes, to analysis the Scandinavian hotel loyalty program marketplace, to analysis member/non-member behavior and attitudes and to draw conclusions as to what will make loyalty programs more valuable to both the member and hotel. Empirical data was collected from international hotel chains within Scandinavia, from members of the Rica Card loyalty program and from a survey of the general population of Gothenburg, Sweden. The main results indicated that little differentiation existed in terms of design and to a lesser extent range of rewards within the marketplace and that guests where often members of several programs. The

conclusions suggested that by giving members more opportunity to invest in a program, especially early on they may become more committed to one program and therefore become loyal to a hotel chain. Relationship marketing encourages loyalty not only through rewards but also through tailoring a product to the needs of an individual through learning about a customer. Loyalty programs allow a hotel to learn about a guest over time, effective commitment is predominantly how loyalty programs attempt to allow their members to commit, information obtained for this study from program promotion suggests that overwhelming this occurs while the customer is in the hotel. This would suggest than the way in which hotels promote their program in house is vitally important in ensuring that the program is successful.. (Gillies, et .al 1996)

2.4 Relationships

This study examines the relationships between participating in learning communities and student engagement in a range of educationally purposeful activities of first-year and senior students from 365 4-year institutions, als seeks to discover whether participation in a learning community
is linked with student success, broadly defined as student engagement in educationally purposeful activities, self-reported gains in a variety of desired outcomes of college, and overall satisfaction with their college experience. We define a learning community simply as a formal program where groups of students take two or more classes together, and may or may not have a residential component. The data source for this study is the National Survey of Student Engagement (NSSE), an annual survey of first-year and senior students. The NSSE instrument measures the degree to which students participate in educational practices120 ZHAO AND KUH that prior research shows are linked to valued outcomes of college (Chickering and Gamson, 1987; Kuh, 2001, 2003). Specifically, NSSE assesses student experiences
in the following areas: (a) involvement in a range of educationally
purposeful in-class and out-of-class activities; (b) amount of reading and writing;
(c) participation in selected educational programs, such as study abroad,
internships senior capstone courses, as well as learning communities; (d) perceptions of the campus environment including the quality of students' relationships with peers, faculty members, and administrators; and (e) student satisfaction with academic advising and their overall collegiate experience. In addition, students estimate their educational, personal, and social growth and development in selected areas since starting college and provide background information, such as their sex, age, race/ethnicity, enrollment status, living

arrangements, and major field. The psychometric properties of the survey instrument are well established (Kuh et al., 2001).

The results of this study are participating in learning communities is uniformly and positive linked with student academic performance, engagement in educationally fruitful activities (such as academic integration, active and collaborative learning, and interaction with faculty members), gains associated with college attendance, and overall satisfaction with the college experience. In the following sections we describe these positive effects in more detail. The conclusion is that this study explored the relationships between learning communities and student academic performance, engagement in a broad array of educationally purposeful activities, and student learning outcomes. The findings generally corroborate previous research and conceptual work in this area, indicating that participation in some form of learning community is positively related to student success, broadly defined to include enhanced academic performance, integration of academic and social experiences, positive perceptions of the college environment, and self-reported gains since starting college. The effects are somewhat stronger for first-year students. This is to be expected, as they had recently experienced, or were still involved in, the learning community when they completed the survey. The effect sizes for seniors were nontrivial on a number of variables, indicating that the positive influence of learning communities persists

throughout the college experience. These results from 4-year colleges and universities coupled with the evidence from the 2-year sector empirically confirm that the learning community is an effective educational practice. Undergraduate improvement efforts should include increasing the number of learning community opportunities, adapted to an institution's culture, mission, and student characteristics, to increase the chances of success for more students. The findings indicate that participating in a learning community is positively linked to engagement as well as student self-reported outcomes and overall satisfaction with college. (Chun-, et .al 2004**)

2.5 Adding Value is the Process

Adding value is the process of changing or transforming a product from its original state to a more valuable state that is preferred in the marketplace. Market forces have led to greater opportunities for adding value to raw commodities because of increased consumer demands regarding health, nutrition, and convenience as well as technological advances that enable producers and processors to produce what consumers desire. Adding value to products can be accomplished through innovation and/or coordination. Innovation focuses on improving existing processes, procedures, products, and services or creating new ones. Industrial innovation is processing traditional food products into nonfood uses. Coordination involves arrangements along the food chain. Horizontal coordination entails pooling or consolidation from the same level of the food chain. Cooperatives are positioned to further integrate into food processing with thorough planning and implementation through the process of value-adding business ventures. Adding value to farm products becomes vital for rural growth by enhancing farm income and providing employment in processing businesses. However, before producers examine value-added processing and marketing, cost minimization in production has to be achieved. Adding value cannot replace the efficiencies of production attainable through technology and economies of scale. The price spread or marketing bill between the farm value of products and the retail value has increased steadily increased for the past 40 years Value added product development provides excellent opportunities to stimulate economic growth in the rural sector, which has declined steadily in the number of farmers and jobs.

Value-added projects should start with intelligent market information on customers and competitors to make sure an opportunity exists. Producer-owned businesses are becoming more prominent methods to add value.
(Coltrain, et .al 2000)

Chapter Three

Methodology

3.1 Introduction

My research here is focus on EFQM model, the researcher looked for organizations in Sudan adopted and have implemented the model . some of them were adopted this model before many years, Faisl Islamic Bank, Ministry of Electricity and Giad Industrial Group, the researcher found that Giad industrial group has adopted the model since 2008 and has a group of assessors, they have assessed regularly every year over all the companies which help the group to build of great success , growth and strong systems that happened through the journey of excellence, it has some companies achieved scores over four hundred, and has strong data base, for that reason I chose three companies of this group for my search and to clarify the benefit of best practice.

3.2 Area of research:

I have taken my study in Giad Industrial Group about the first concept of EFQM excellence model, the data was collected from the office of quality and excellence as a central body of data base for prize of Giad industrial groups. Three companies were selected for the study (i) W.S.T Company, (ii) Giad Cables Company and (iii) Giad Steel Factory. (Look at the appendix, addresses of the companies)

3.3 Methods of collecting data:

Researcher selected three companies from the Giad Industrial group, the data was include the feedback report, scores achieved and submission documents of the three companies according to the submissions of five years along the journey of excellence prize inside the group.

Then researcher used the data that achieved from the yearly submission document and feedback report, to search **(**i**)** how are these companies were adding value to customers, (ii) what are the approaches they have used (iii) the quality of approaches used and (iv) its effect on the scores achieved.

The study was covering four fields including (1) scores achieved during five years in Giad Prize , (2) the feedback report for companies in five years (3) the customer results feedback Reports (Perceptions, Performance Indicators), and (4) the feedback report of the concept adding value for customers. All needed data was covering five years and obtained from data base center for Giad Prize, the researcher got permission for data required from the manager of the sector, then approved by the responsible manager to give the data required to this study. Giad group has a social responsibility towards developing the country according to the values of the group for share knowledge and experiences to maximize the benefits.

Data was taken from the company's documents of the submissions in European excellence prize of giad groups, these three companies mainly have their own scores that achieved through five years in the different criteria, and the data was about:

(1) scores achieved obtained during five years were include (i) score obtained in "criteria of process, products and services" (ii) total scores (iii) key business results (iv) increasing in sales,(v) customer loyalty , (vi) profit growth (vii) customer results including performance and perception measures.

(2) the feedback report for companies in five years which include

(i) strengths and (i) area for improvement for criteria of processes, products and services,

(3) the customer results feedback Reports were include (i) Perceptions and (ii) Performance Indicators),

(4) The feedback report for" the concept adding value for customers" were include remarks found in this concepts during five years.

3.4 Methods of analyzing data:

Researcher used the data to determine the quality of approaches used, depending on the trends of scores growing during the submissions. Then examined the relationships between the approaches used that belong to " the concept of Adding Value for Customers" and the key business results achieved, also was made a comparisons between the results for five years that related to the approaches of the concept.

The researcher divided the analysis into four perspectives to analyze the data of each individual company and how are the approaches used in the criteria of process, products and services are affected the results that mentioned before.

3.4.1 First perspective:

Analyze the results scores, versus the process criteria score achieved. Using statistical methods correlation, Regression and mean standard square (MSE), to analyze the results of correlation between the results scores achieved as dependent variable, and the approaches used in the process criteria score achieved as a dependent variable, also calculated the regression between the results scores achieved, and the approaches used in the process criteria scores achieved.

Researcher considers the scores achieved by the companies in customer results, firstly the customer's perceptions of the organization, **s**econdly the performance of the organization as the internal measures.

3.4.2 Second perspective:

Analyze the data of feedback report of strengths and area for improvement for criteria of processes, products and services.

3.4.3 Third perspective:

Analyze the data of customer results feedback reports

3.4.4 Forth perspective:

Analyze the data of the feedback report of the concept adding value for customers

3.5. Methods of comparing data:

Also Researcher calculated the value of the dependent variable to find the real value, and then compared with actual value achieved by the company.

Finally researcher compared the scores achieved by the company in the criteria and the results between the three companies to find out the notices, also the researcher uses some charts to illustrate the impact of the final results relations.

Chapter Four

Data Analysis & Discussions

4. Companies Presentation:

This chapter illustrates the data of scores achieved by the three companies, feedback report of strengths and area for improvement, customer results feedback reports and feedback report of the concept of adding value for customers.

4.1 W.S.T Company

In this company the obtained results are represents the scores achieved, feedback report of strengths and area for improvement, customer results feedback reports, and feedback report for the concept of adding value for customers.

The data showed total scores achieved from 2010 to 2014 were 138 and 404, score achieved on process criteria 22 and 43, score of customer results 19 and 54, business results score 19 and 61, customer satisfaction 89% and 95%, increase on sales 21% and 52%, and increase on profit is 4% and 15% consequently (Appendices, Table 4.1.1) .

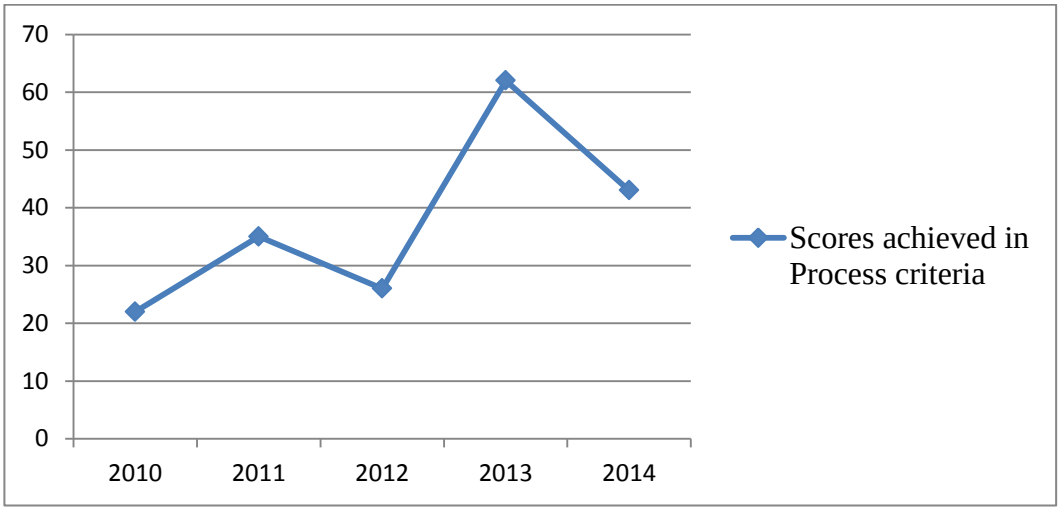


Figure 4.1.1, Scores achieved in Process criteria

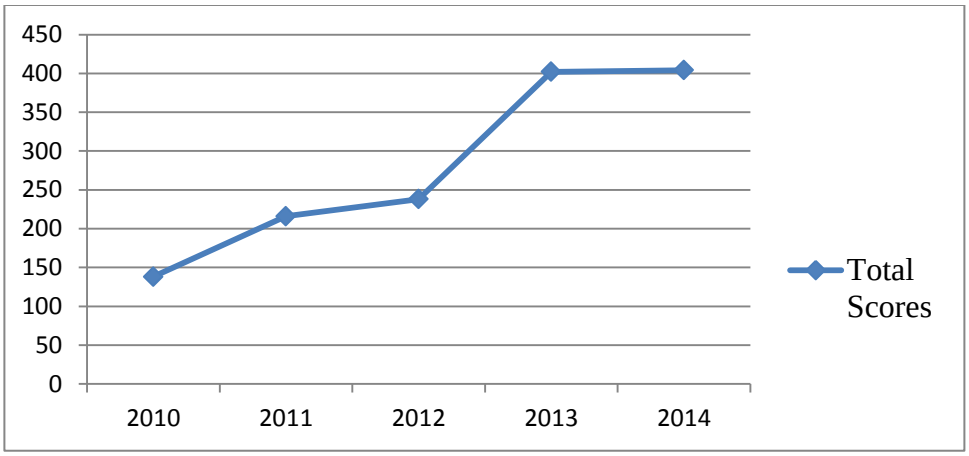


Figure 4.1.2, Total Scores

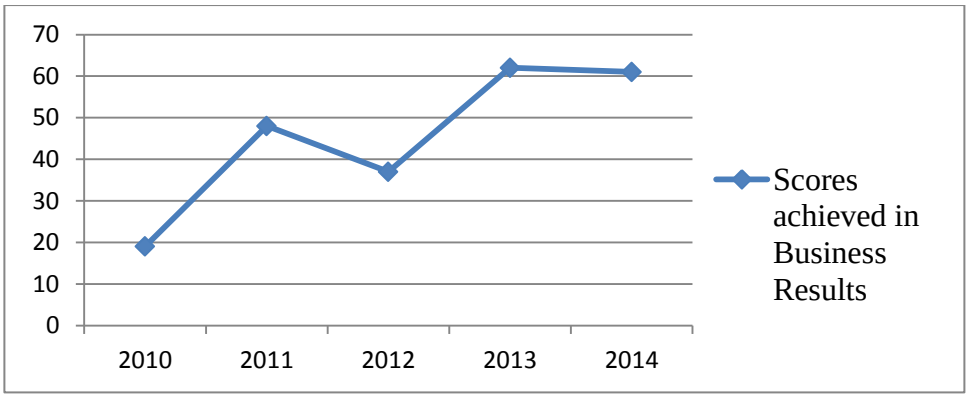


Figure 4.1.3, Scores achieved in Business Results

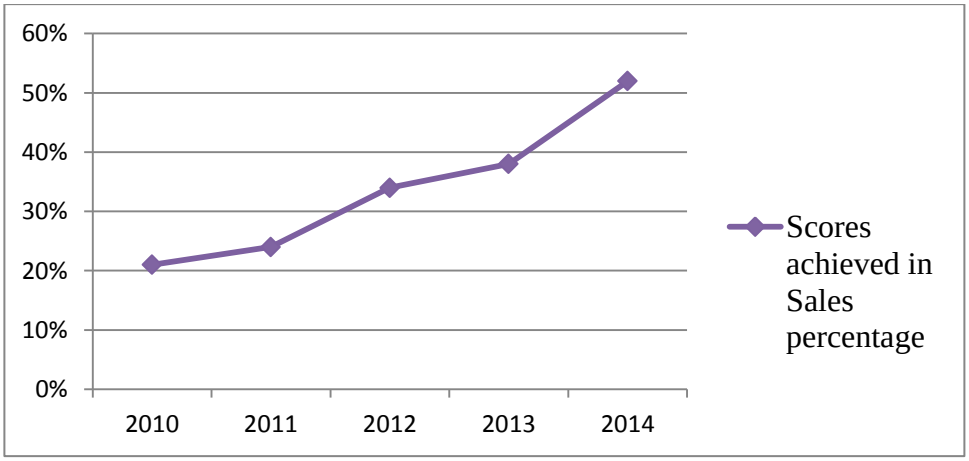


Figure 4.1.4, Scores achieved in Sales percentage

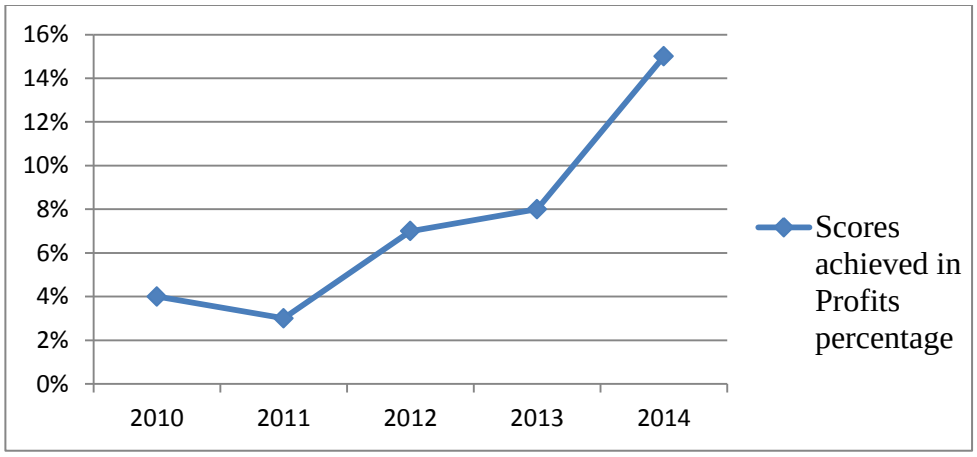


Figure 4.1.5, Scores achieved in Profits percentage

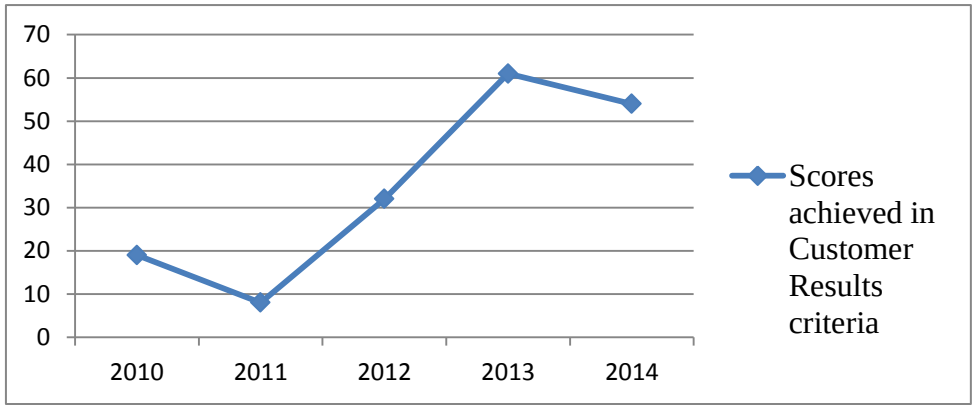


Figure 4.1.6, Scores achieved in Customer Results criteria

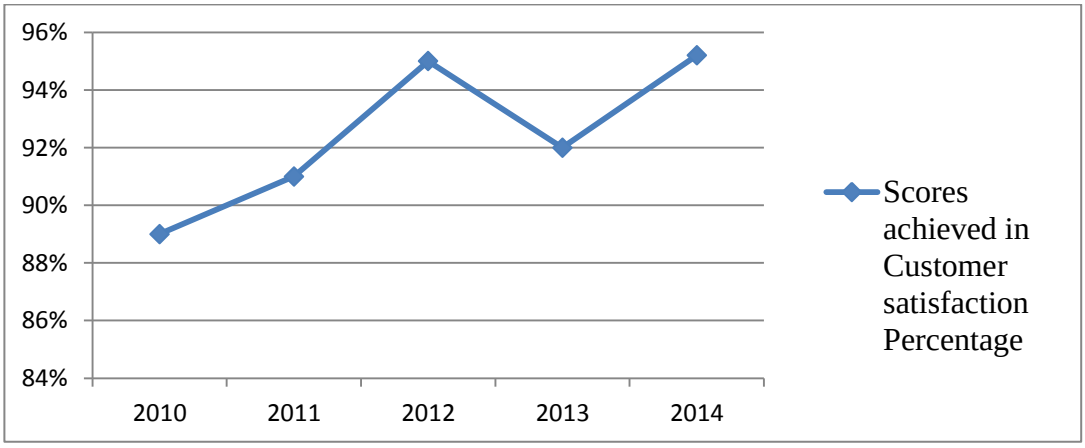


Figure 4.1.7, Scores achieved in Customer satisfaction Percentage

The figure below represents the increasing scores the three results, business results, process criteria and customer results.

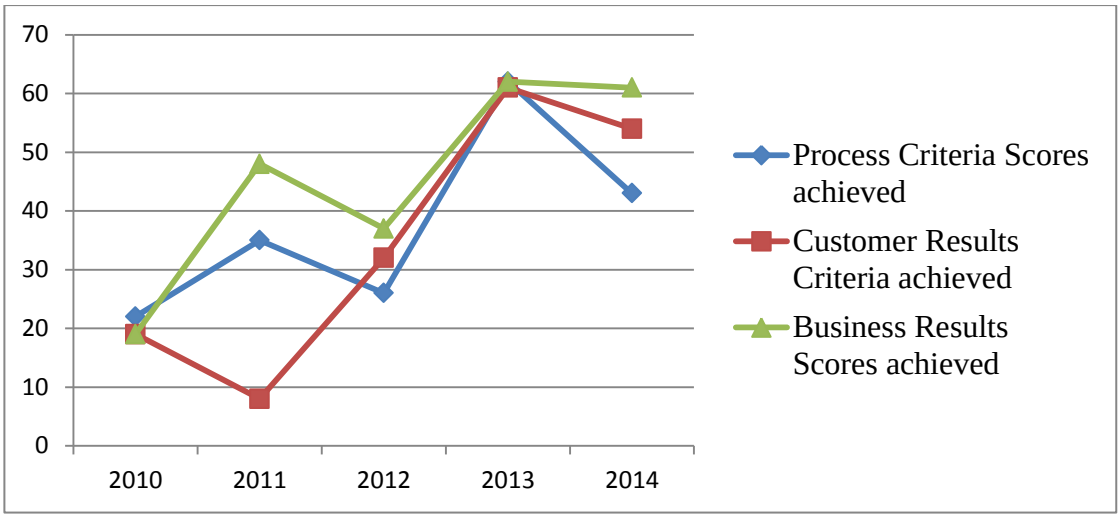
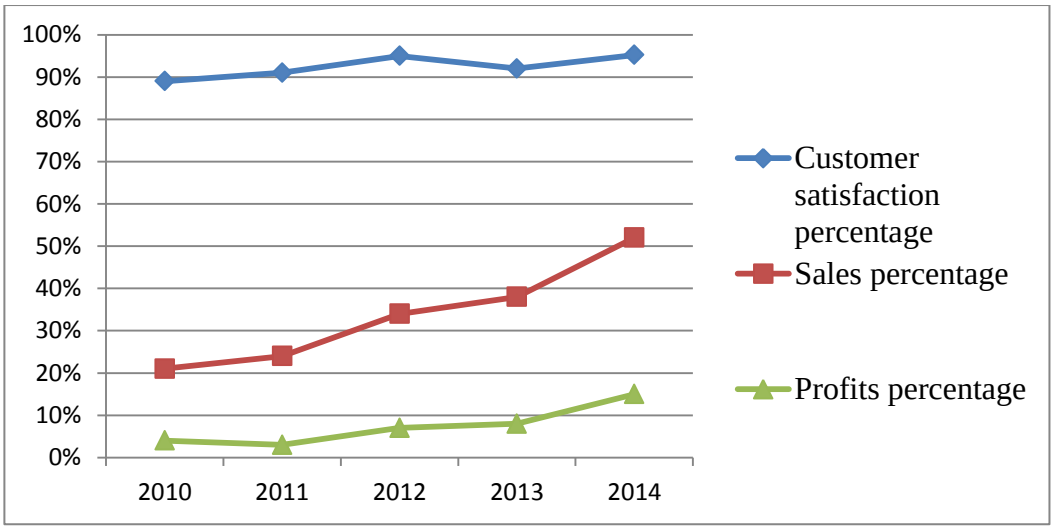


Figure 4.1.8, Business results, process criteria and customer results

The figure below represents the increasing scores the three results, profits results, sales and customer satisfaction.



Profits results, Sales and Customer satisfaction – Figure 4.1.9

In WST the figures of seven components above, total score, process criteria, customer results, business results, customer satisfaction, increase on sales and increase of profits are all indicates continual increasing gradually in

scores achieved, but some few unstable results of scores seemed, as in process criteria and business results in 2012, in 2011 declining seems in customer results and profits percentage, referred to the quality of approaches used or effect of leadership, but on the whole view there were a clear progress on results achieved.

The feedback report of strengths and area for improvement for processes products and services criteria in three years strengths.

The analysis of data (Appendices, Table 4.1.2) feedback report of strengths and area for improvement for criteria of processes, illustrated that through the years strengths were increasing and area for improvements were decreasing which explained the reason behind the increasing of scores of the process criteria (Appendices, Table 4.1.1) .

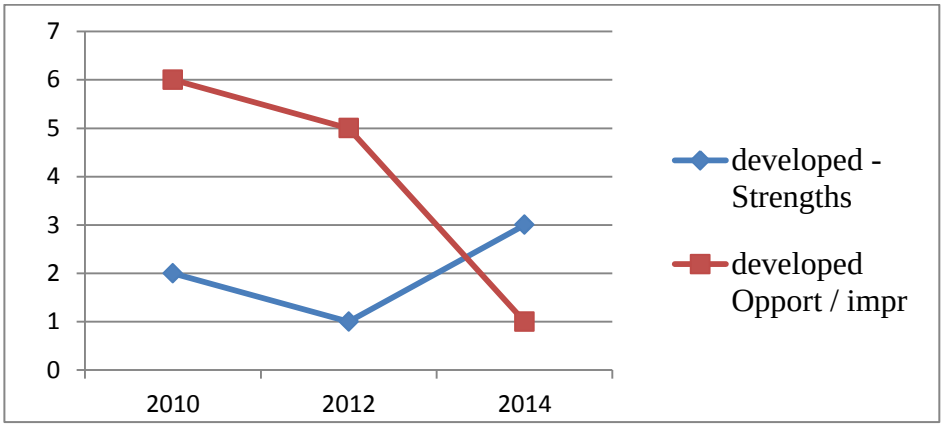


Figure 4.1.10, Strengths and area for improvement for develop

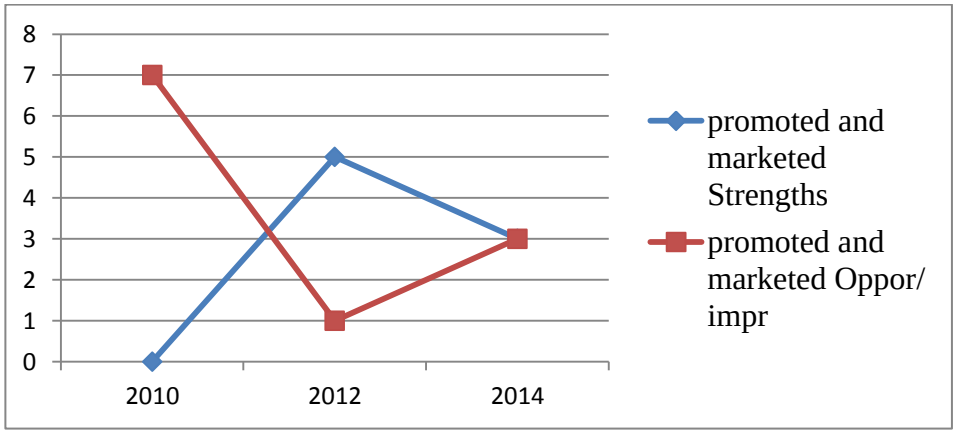


Figure 4.1.11, Strengths and area for improvement for promoted and marketed

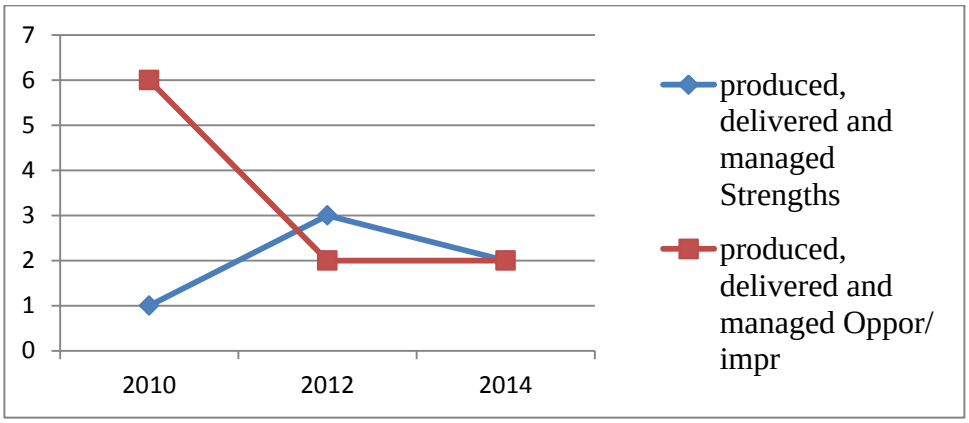


Figure 4.1.12, Strengths and area for improvement for produced, delivered and managed

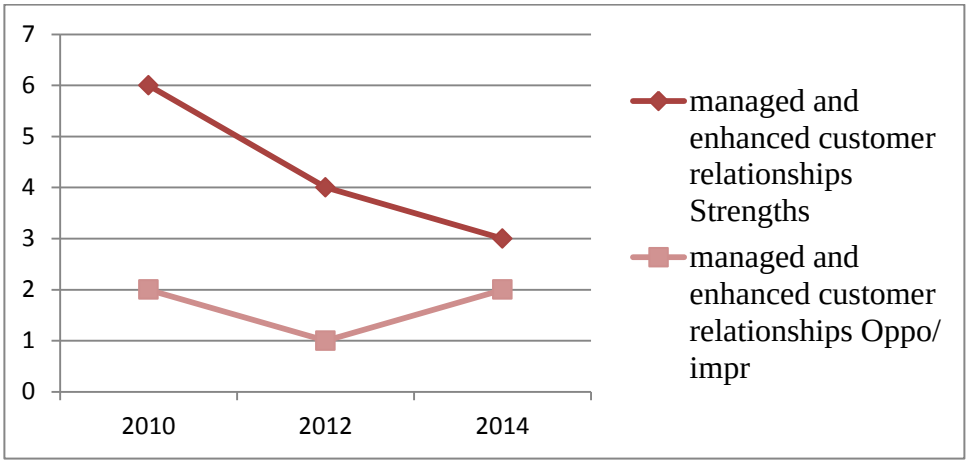


Figure 4.1.13, Strengths and area for improvement for managed and enhanced customer relationships

The data of customer results feedback Reports (Perceptions, Performance Indicators) for three years.

The analysis of data (Appendices, Table 4.1.3) illustrated the strengths were increasing and area for improvements were decreasing, which explained the progress in the process criteria scores (Appendices table 4.1.1).

Figure 4.1.14, customer results feedback Reports (Perceptions)

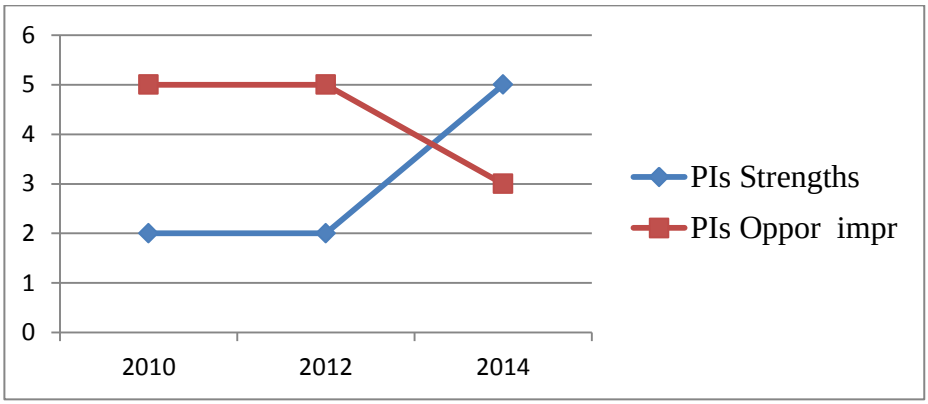


Figure 4.1.15, customer results feedback Reports (Performance Indicators)

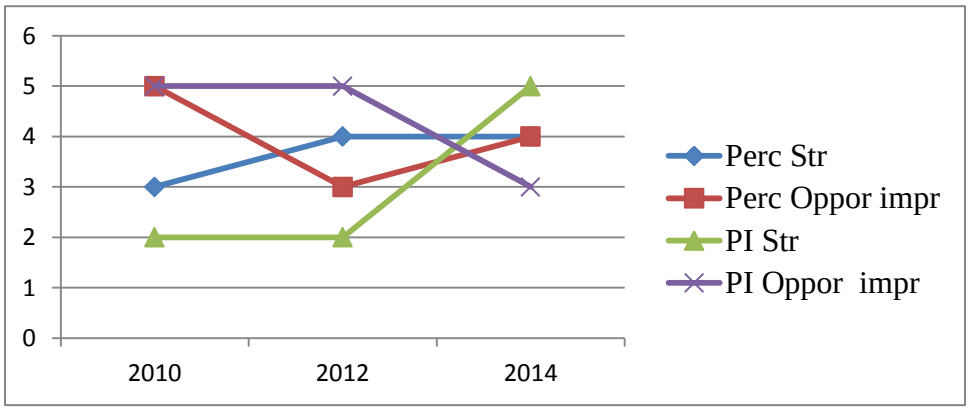


Figure 4.1.16, Customer results feedback Reports (Perceptions, Performance Indicators)

The feedback report of the concept adding value for customers illustrated that no evidences of approaches at the beginning but through the years a clear progress on approaches, evidences, was founded, and a point of balance between strengths and opportunities seen clear after two and half or three years, no assess and review of approaches was mentioned. (Appendices, Table 4.1.4)

In WST company feedback report of strengths and area for improvement about the criteria of processes, the strengths were increasing and area for improvements were decreasing, in customer results feedback Reports also strengths were increasing and area for improvements were decreasing, and finally the feedback report of the concept adding value for customers seems no evidences of approaches at the beginning but through the years a clear progress on approaches, evidences, was appeared, and no assess and review of approaches was mentioned, which explained the reason behind the increasing of scores achieved.

In general the feedback report of the processes criteria, customer results (Perceptions, Performance Indicators) and the concept of adding value for customers indicates a clear gradually progress seen in increasing the number of strengths points and decreasing of opportunities for improvements points along three years and a point of balance between them seen clear after two and half to three years, which equal to the score achieved approximately 238 , compare to EFQM the balance of strengths and opportunities about 300 score is the maturity of existence approaches in the company, the results achieved in WST company were unstable as was seen in some figures above, that may interpret the difference in scores of the balance point between WST & EFQM.

The analysis was conducted in six steps, to answer the objectives behind the research of the relation between processes criteria scores as independent variable with the six dependent variables:

(i) Customer results, (ii) Total score achieved, (iii) Score of business results, (iv) Customer satisfaction, (v) sales increasing, (vi) Profit increasing, by using the regression equations, correlations and mean square error (MSE).

Researcher conducted regression equations, correlations and mean square error to compare the processes criteria scores with the six dependent variables scores.

The next figure (Appendices, Table 4.1.5) indicates the analysis data using regression equations, correlations and mean square error:

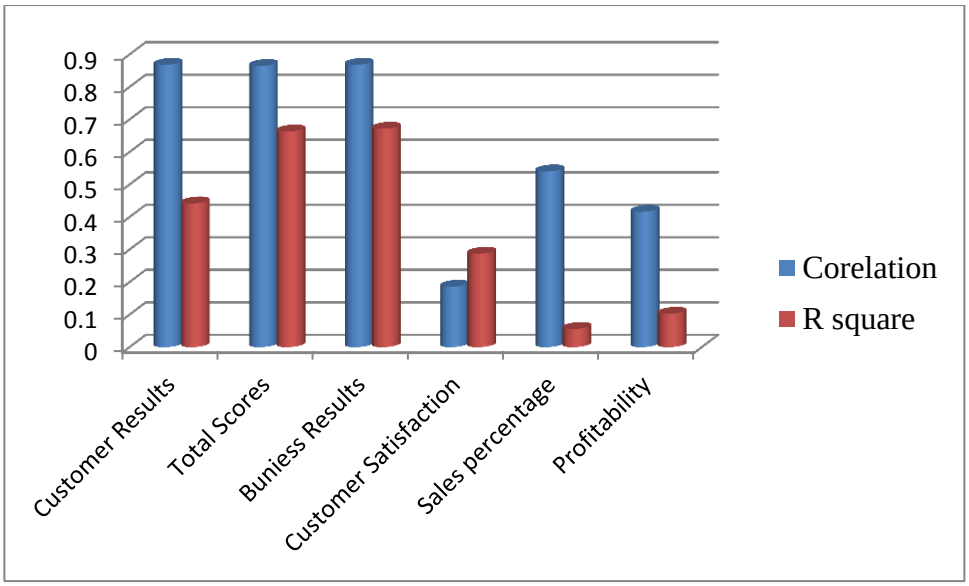


Figure 4.1.17, Relation between correlation & R square in WST Company

A clear accuracy found in the correlation between processes criteria and the other elements mentioned in the figure above of in WST Company.

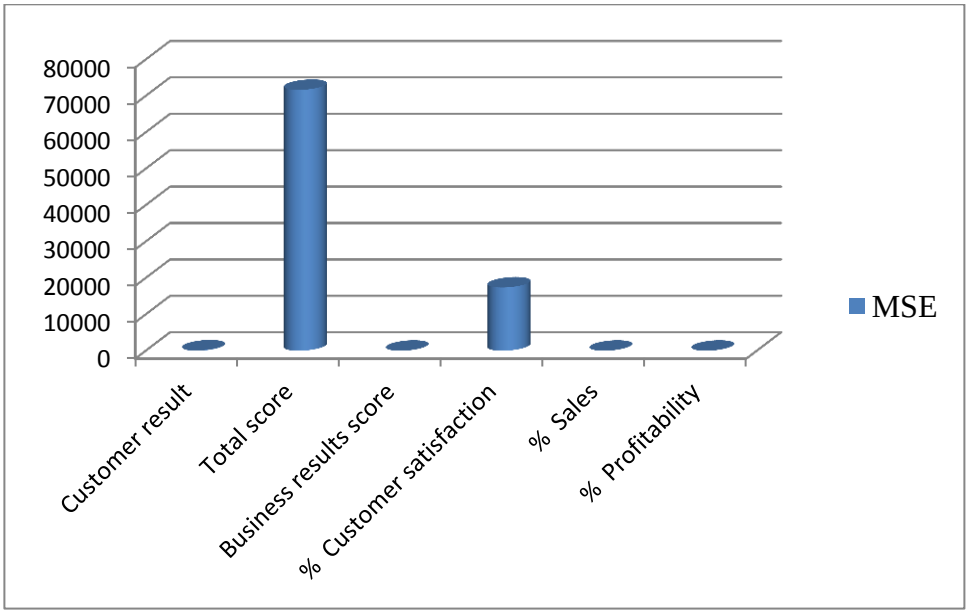


Figure 4.1.18, Mean square error (MSE) in WST Company

The regression equations, correlations and mean square error (MSE) of six dependent variables (Appendices, Table 4.1.1) indicate the relation between the processes criteria scores as an independent variable and the other six variables.

Answer of the question how are the business results scores are affected by the increasing of scores achieved according to the processes criteria scores that caused by the approaches used in the area of developed, promoted, marketed, produced, delivered and managed, and managed , enhanced customer

First: Customer results, has strong correlation with the processes, products and services criteria (0.8681657), with R square (accuracy) = 0.441880286, and with mean square error (MSE) = 83.6

Second: Total score achieved, has strong correlation with the processes, products and services criteria (0.8644696), with R square (accuracy) = 0.663076987, and with mean square error (MSE) = 71642

Third: Score of business results, has strong correlation with the processes, products and services criteria (0.8681657), with R square (accuracy) = 0.67161563, and with mean square error (MSE) = 16.25

Forth: Customer satisfaction, has no correlation with the processes, products and services criteria (0.185899), with R square (accuracy) = 0.287255291, and with mean square error (MSE) = 17376

Fifth: sales increasing, has moderate correlation with the processes, products and services criteria (0.540418), with R square (accuracy) = 0.056069183, and with mean square error (MSE) = 0

Sixth: Profit increasing, has weak correlation with the processes, products and service criteria (0.41595), with R square (accuracy) = 0.102644905, and with mean square error (MSE) = 0.067

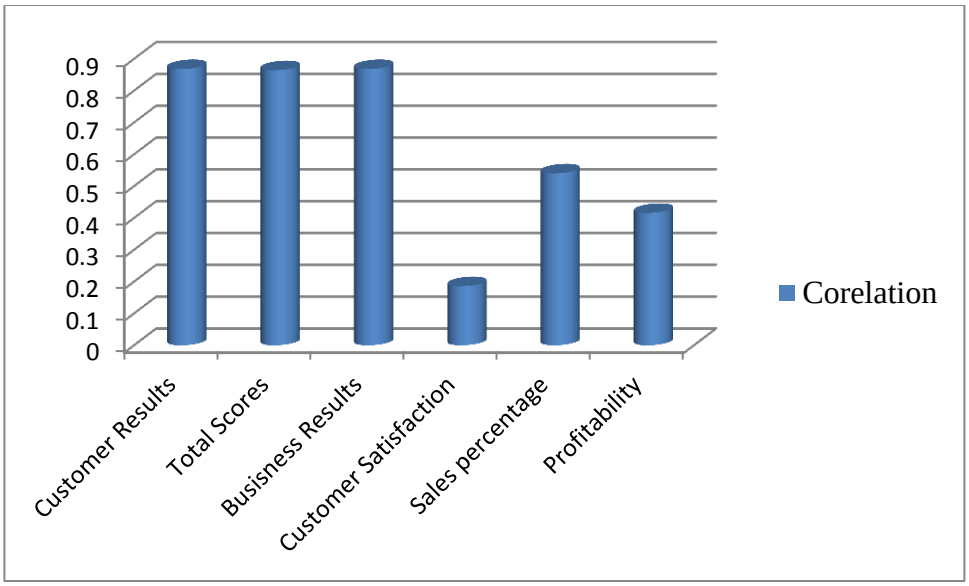


Figure 4.1.19, Correlation of processes criteria to the other elements

A clear positive strong linear correlation found in WST Company between processes criteria and the most other elements of results in the above figure.

4.2 Giad Cables Company

In Giad Cables Company the results showed the total scores achieved, feedback report of strengths and area for improvement, customer results feedback reports and feedback report of the concept of adding value for customers.

In this company the table (Appendices, Table 4.2.1) illustrates data of total score in 2010 and 2014 are 222 and 382, score achieved on process criteria 39 and 53, score of customer results 22 and 53, business results score 30 and 44, customer satisfaction 83% and 85%, increase on sales 13% and 19% and increase on profit 21% and 21% consequently.

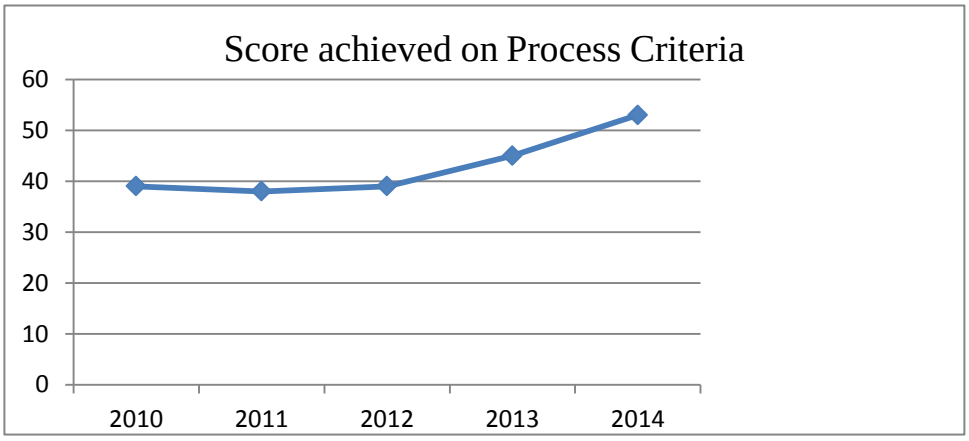


Figure 4.2.1, Score achieved on Process Criteria

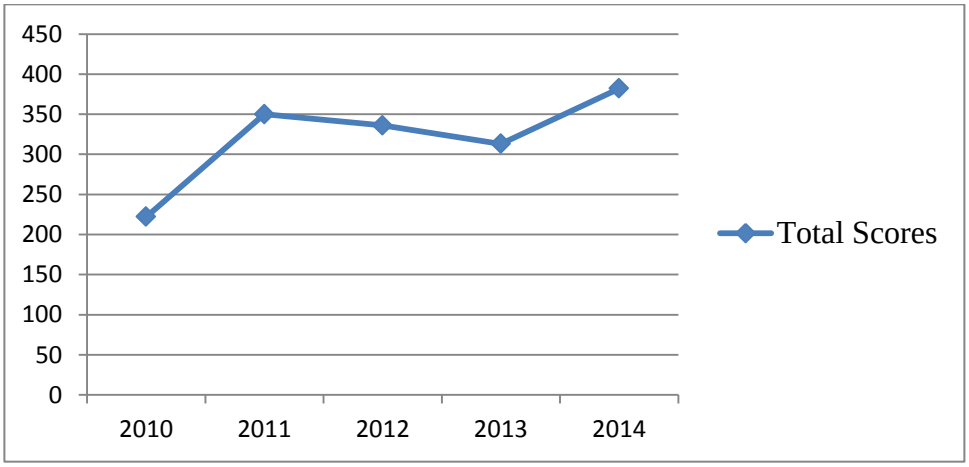


Figure 4.2.2, Total Scores

Figure 4.2.3, Business Scores Achieved

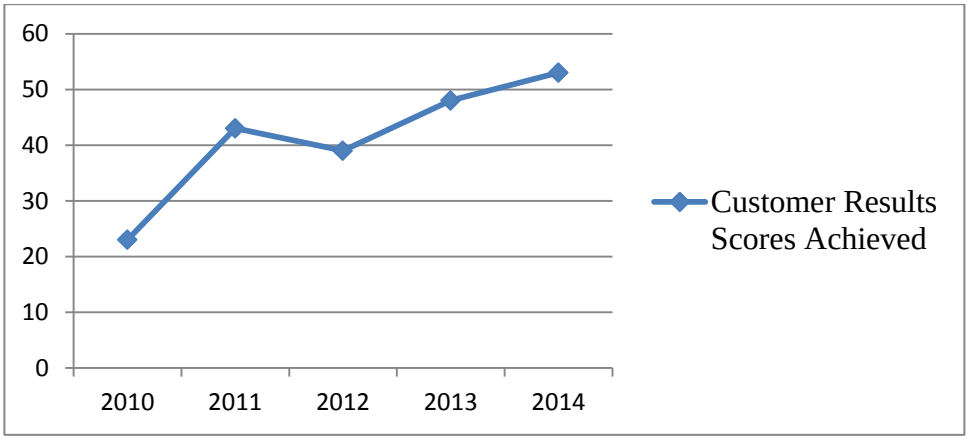


Figure 4.2.4, Customer Results Scores Achieved

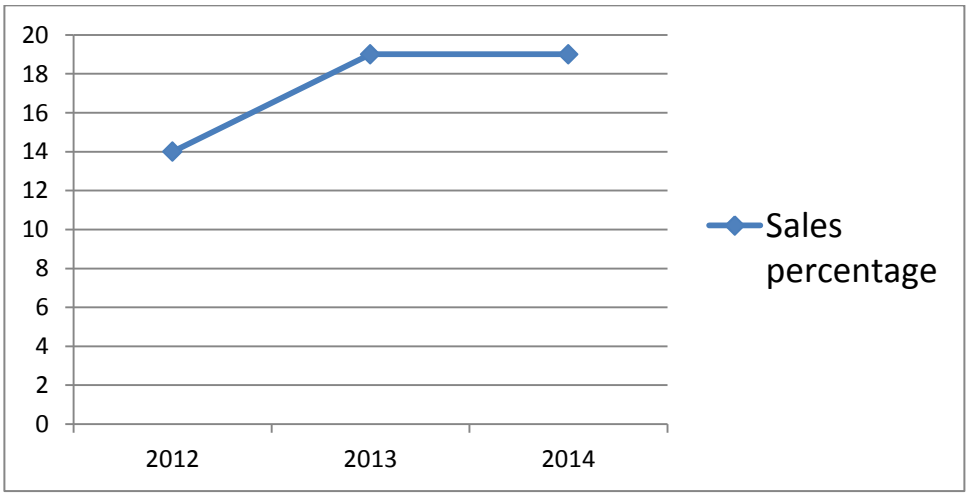


Figure 4.2.5, Sales percentage

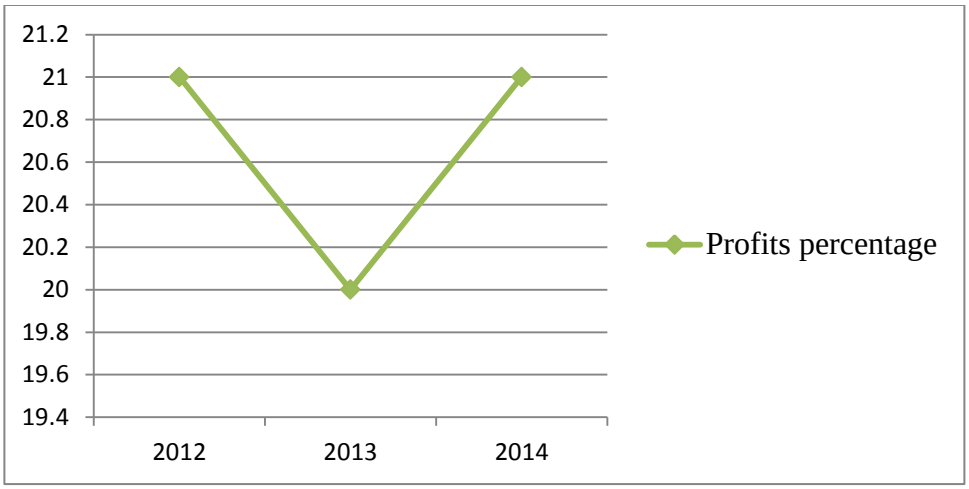


Figure 4.2.6, Profits percentage

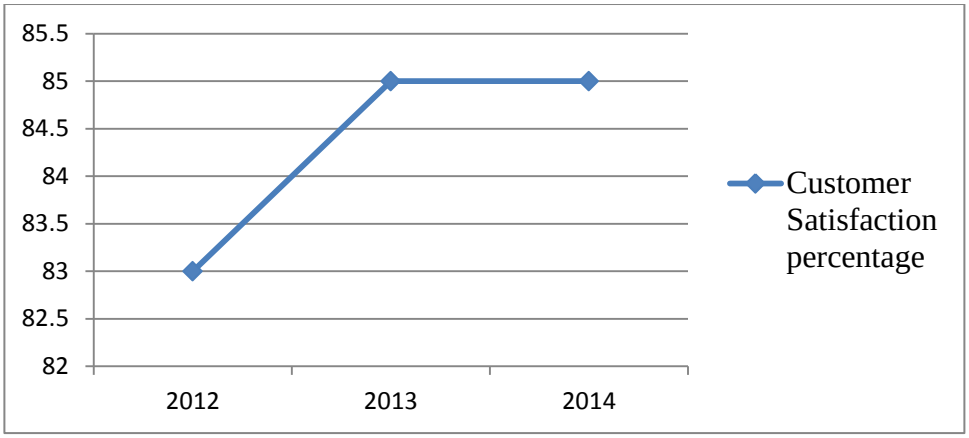


Figure 4.2.7, Customer Satisfaction percentage

In Giad Cables Company the figures of five components above, total score, process criteria, customer results, customer satisfaction, increase on sales are all indicates continual increasing in scores achieved, but the two business results and increase of profits were appeared as unstable results, and the causes are not clear and it's difficult to predict some assumptions.
Feedback report of strengths and area for improvement for the processes criteria (Appendices, Table 4.2.2).
The analysis of data in the table feedback report of strengths and area for improvement of processes criteria, products and services, illustrated the strengths were increasing while area for improvements were decreasing,

which explained the reason behind the increasing of scores of the criteria (Appendices, Table 4.2.1).

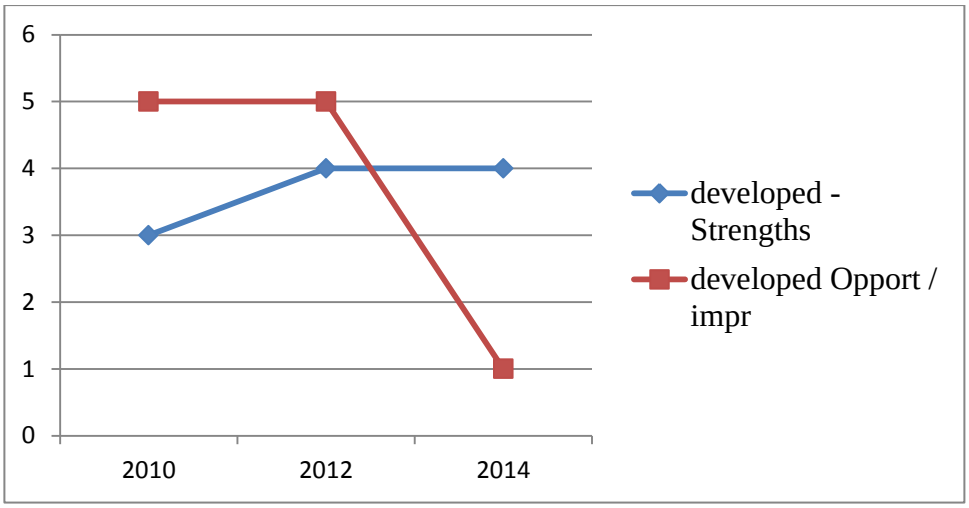


Figure 4.2.8, Strengths and area for improvement for the Developing

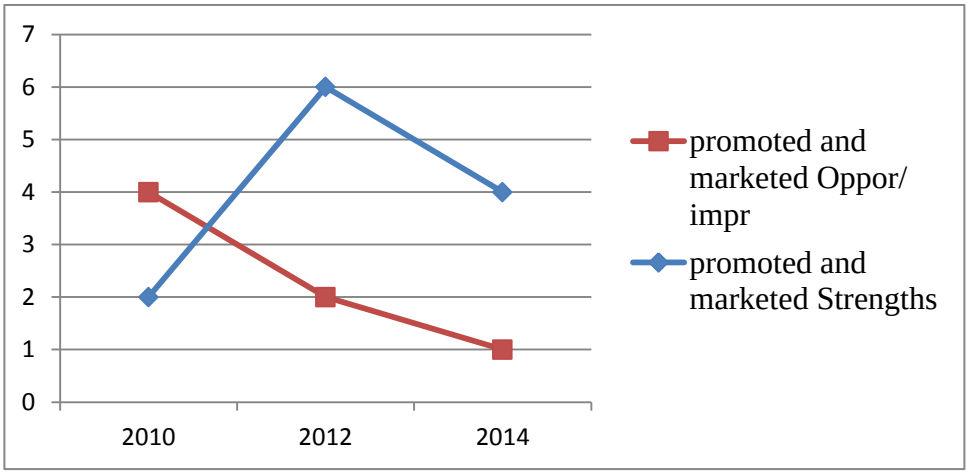


Figure 4.2.9, Strengths and area for improvement for the Promoting & Marketing

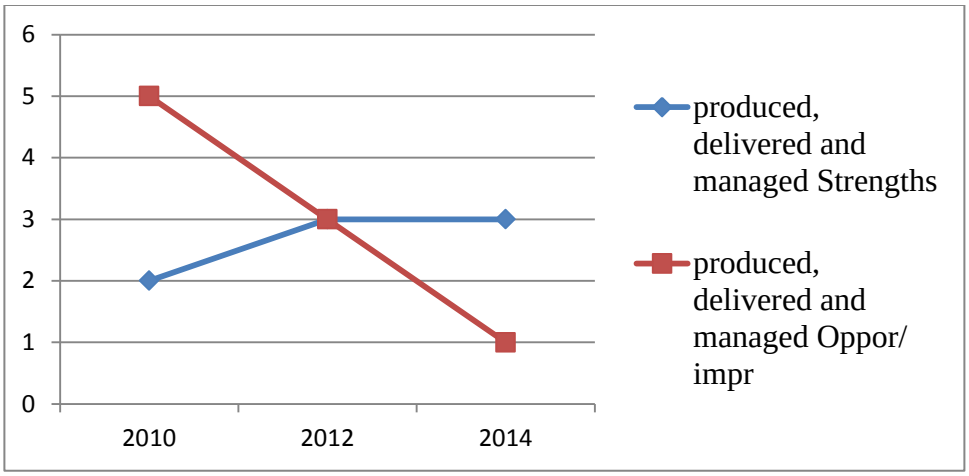


Figure 4.2.10, Strengths and area for improvement for Producing, delivering & Managing

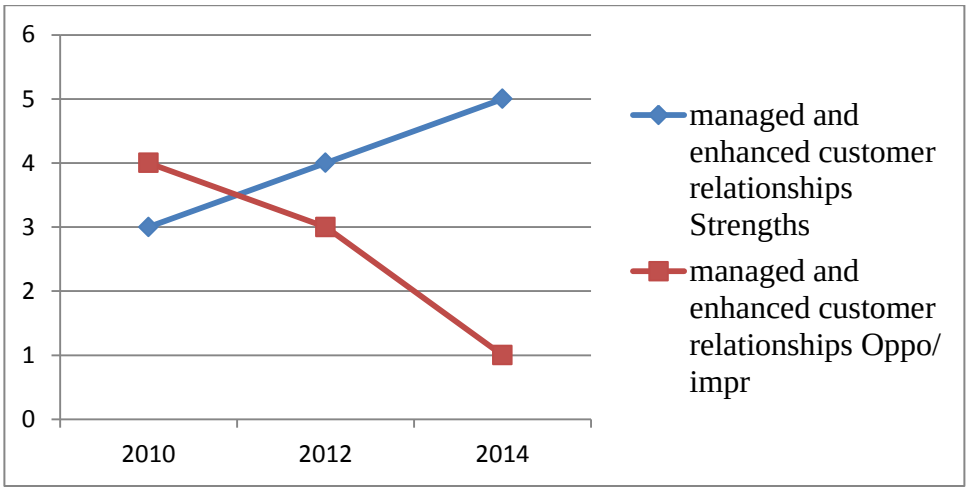


Figure 4.2.11, Strengths and area for improvement for Managing & Enhancing Customer Relationship

Table 4.2.3 (Appendices, Table 4.2.3) represents data of customer results feedback Reports (Perceptions, Performance Indicators) within three years.
In above table customer results feedback Reports data analysis illustrated the strengths were increasing and area for improvements were decreasing which explained why process criteria scores increasing through three years (Appendices, Table 4.2.1).

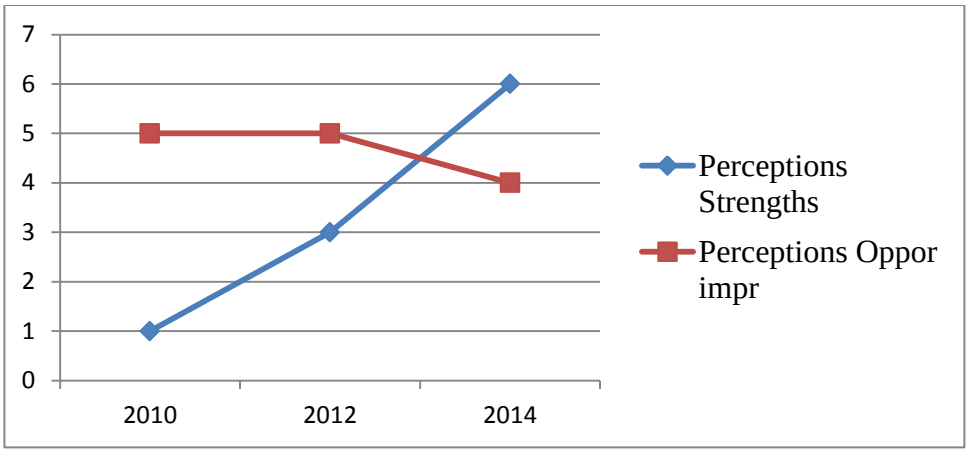


Figure 4.2.12, Customer results feedback Reports (Perceptions)

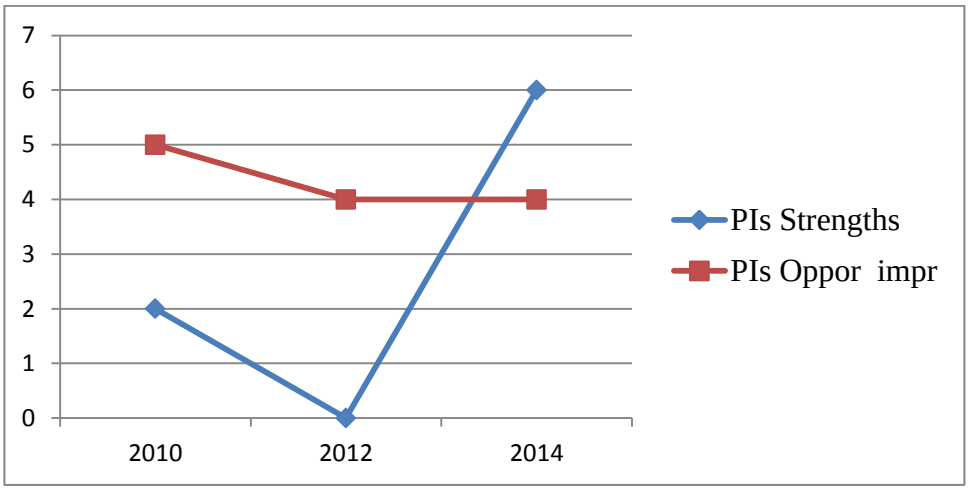


Figure 4.2.13, Customer results feedback Reports (Performance Indicators)

In the feedback report for the concept of adding value for customers on table 4.2.4 noticed for three years begins with on clear approaches observed, but a clear progress on approaches was seen, evidences was appeared but there was no assess and review. (Appendices, Table 4.2.4)

In Giad Cables Company the feedback report of the processes criteria, customer results (Perceptions, Performance Indicators) and the concept of adding value for customers indicates a clear progress seen in increasing the number of strengths points and decreasing of opportunities for improvements points along three years and a point of balance between them seen clear after two and half or three years in customer results, and in developed figure which equal to the scores achieved approximately 313 , compare to EFQM the

balance of strengths and opportunities about 300 score is the maturity of existence approaches in the company. But in process criteria was seen very difficult to find a point of balance between the strengths and opportunities for improvement to predict some ideas about the different points of intersections in promoting, marketing and managing, producing, delivered and enhancing customer relationship figures.

The analysis was conducted in six steps, to answer the objectives behind the research of the relation between processes criteria scores as independent variable with the six dependent variables:

(i) Customer results, (ii) Total score achieved, (iii) Score of business results, (iv) Customer satisfaction, (v) sales increasing, (vi) Profit increasing, by using the regression equations, correlations and mean square error (MSE).

Researcher conducted regression equations, correlations and mean square error to compare the processes criteria scores with the six dependent variables scores.

Analysis of the table (Appendices, Table 4.2.1) using regression equations, correlations and mean square error, obtained the table (Appendices, Table 4.2.5):

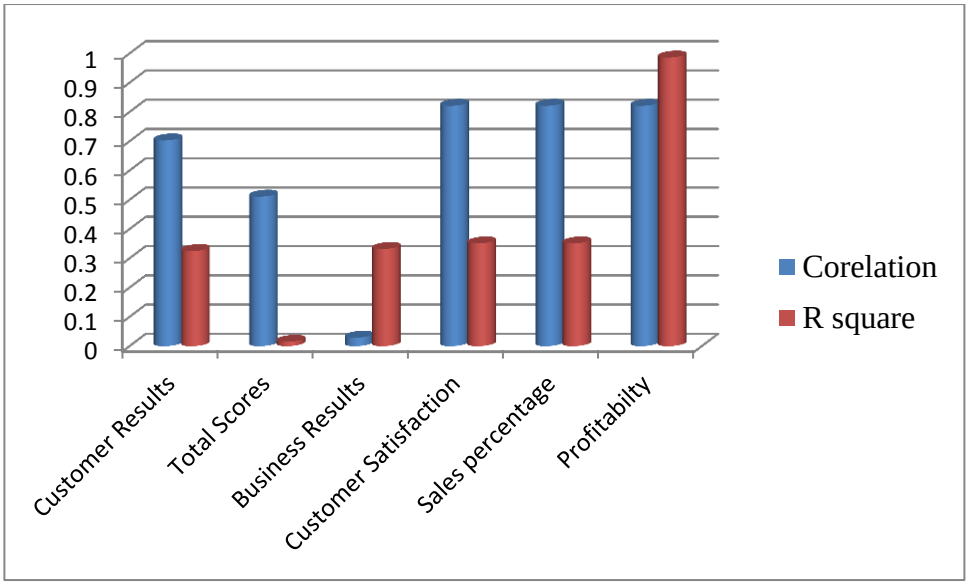


Figure 4.2.14, Relation between correlation & R square in Giad Cables Company

A clear accuracy found in the correlation between processes criteria and the other elements mentioned in the figure above in Giad Cables Company.

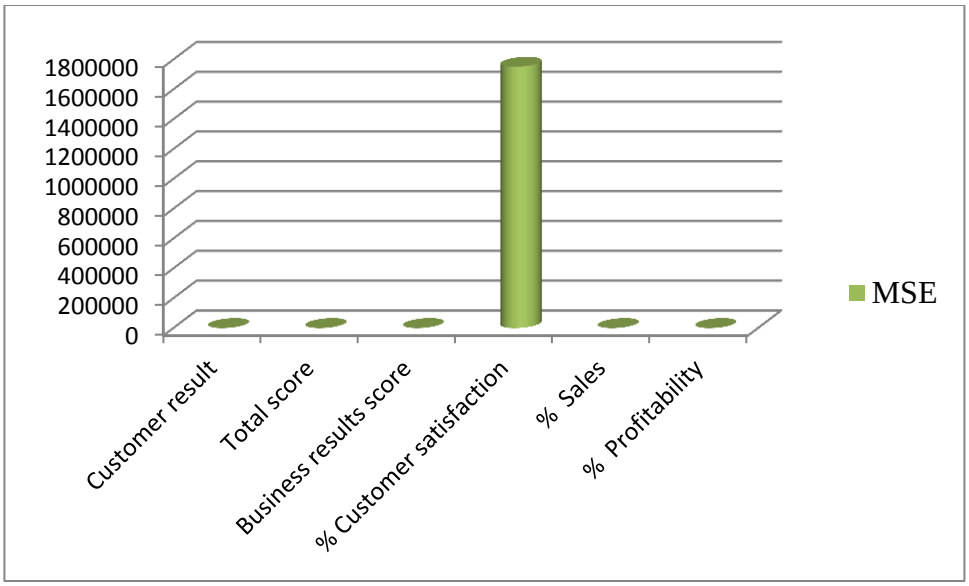


Figure 4.2.15, Mean Square Error (MSE)

The regression equations, correlations and mean square error (MSE) of six variables on above table, represents the relation between the processes, products and services criteria as an independent variable and the other six as dependent variables.

The table 4.2.4 (Appendices, Table 4.2.4) answers the question of how the business results scores are affected by the increasing of scores achieved according to the processes, products and services criteria scores that caused by the approaches used in the area of developed, promoted, marketed, produced, delivered and managed, and managed , enhanced customer relationships on key business result.

First: Customer results, has strong correlation with the processes, products and services criteria (0.7029), with R square (accuracy) = 0.325, and with mean square error (MSE) = 15.8

Second: Total score achieved, has Moderate correlation with the processes, products and services criteria (0.511), with R square (accuracy) = 0.015, and with mean square error (MSE) = 0.09128

Third: Score of business results, has No relation correlation with the processes, products and services criteria (-0.029), with R square (accuracy) = -0.332, and with mean square error (MSE) = 3.292

Forth: Customer satisfaction, has strong correlation with the processes, products and services criteria (0.821), with R square (accuracy) = 0.351, and with mean square error (MSE) = 84825

Fifth: sales increasing, has strong correlation with the processes, products and services criteria (0.821), with R square (accuracy) = 0.351, and with mean square error (MSE) = 0

Sixth: Profit increasing, has Strong correlation with the processes, products and services criteria (0.821), with R square (accuracy) = 0.351, and with mean square error (MSE) = 0

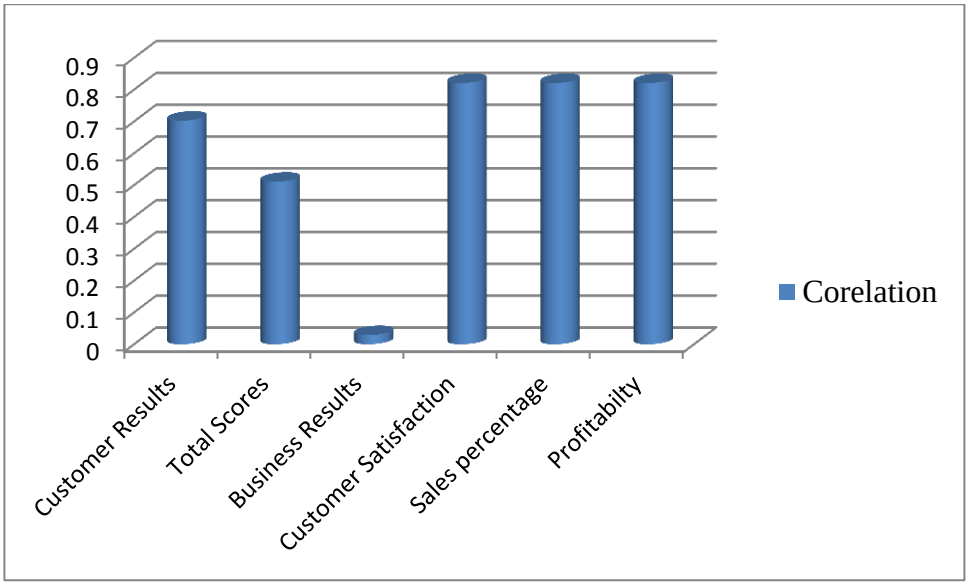


Figure 4.2.16, Correlation of processes to the other elements in Elsewedy Company

A clear correlation found in Giad Cables Company between processes criteria and the most other elements of results in the above figure.

4.3 Giad Steel Factories

The results in this company are showed the total scores achieved, feedback report of strengths and area for improvement, customer results feedback reports and feedback report for the concept of adding value for customers.

In the table 4.3.1 (Appendices, Table 4.3.1) the data represents total score in 2010 and 2014 are 119 and 248, score achieved on process criteria 14 and 45, score of customer results 19 and 39, business results score 15 and 30, customer satisfaction 83% and 86%, increase on sales 67% and 53% and increase on profit is 32% 2012 and 18% consequently.

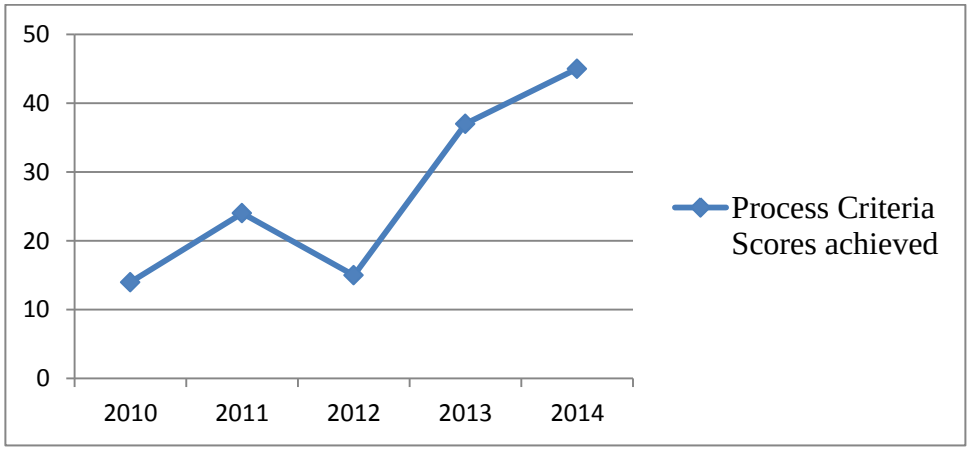


Figure 4.3.1, Score achieved on Process Criteria

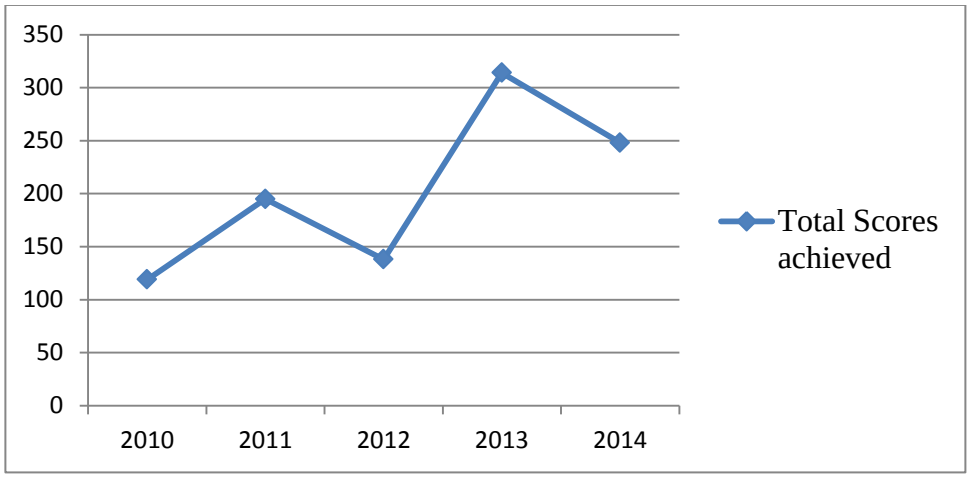


Figure 4.3.2, Total Scores

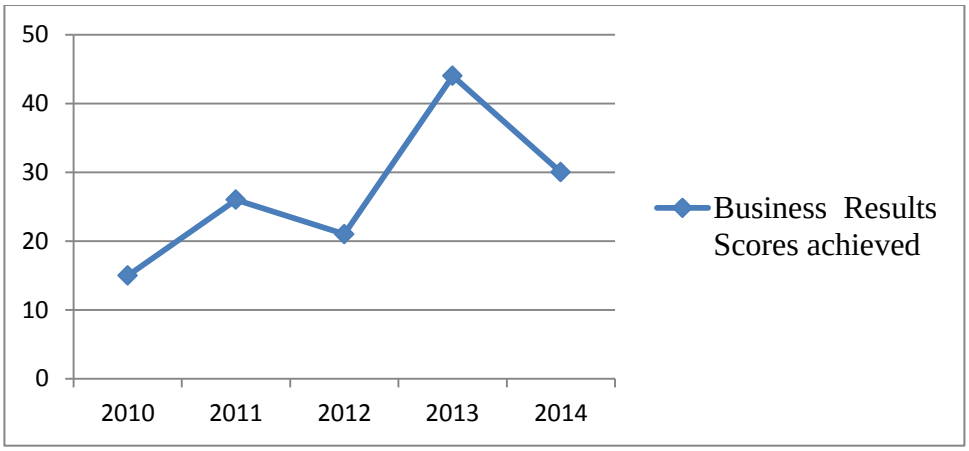


Figure 4.3.3, Business Scores Achieved

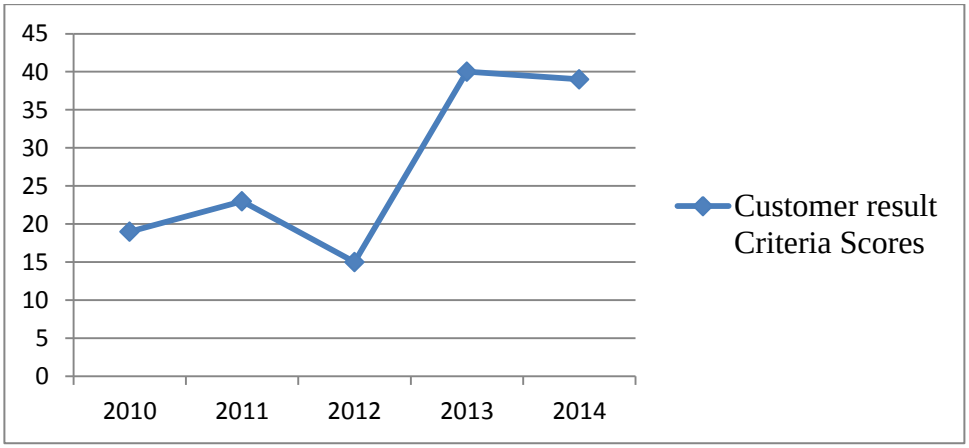


Figure 4.3.4, Customer Results Scores Achieved

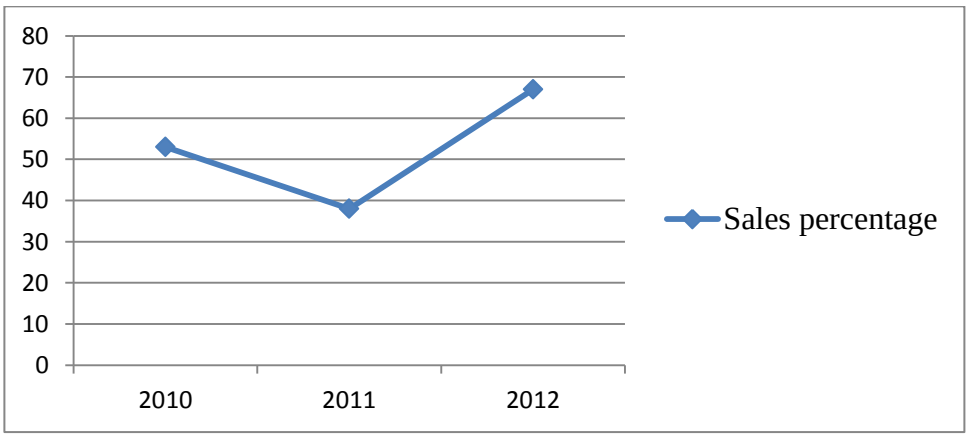


Figure 4.3.5, Sales percentage

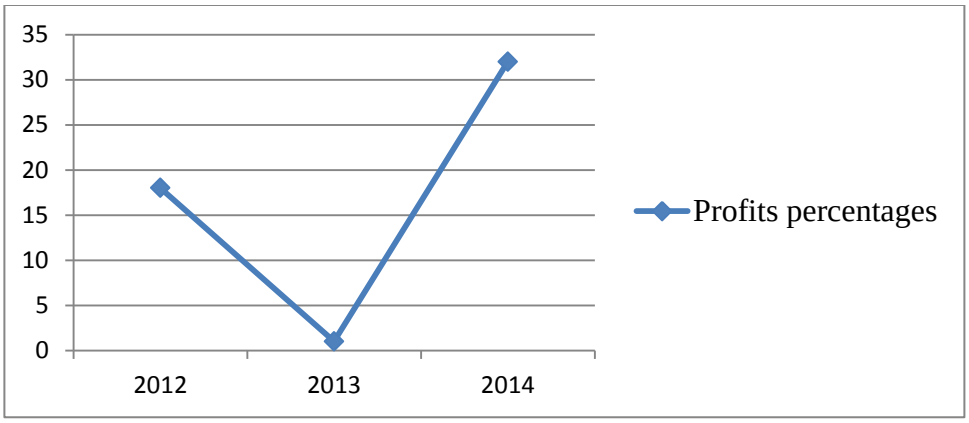


Figure 4.3.6, Profits percentage

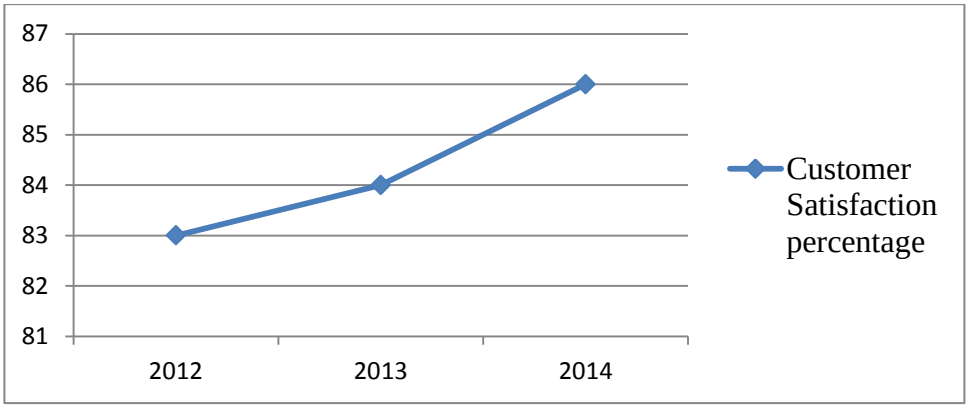


Figure 4.3.7, Customer Satisfaction percentage

In Steel Factory the figures of seven components above, total score, process criteria , customer results, business results, increase on sales, increase of profits and customer satisfaction, are all indicates continual increasing in scores achieved, some few unstable results within the years found.

The feedback report of processes criteria in table 4.3.2 (Appendices, Table 4.3.2) for three years:

The analysis of the above data of process criteria illustrated the strengths were increasing and area for improvements were decreasing which gave a meaning of why process criteria scores was increasing for the three years (Appendices, Table 4.3.1).

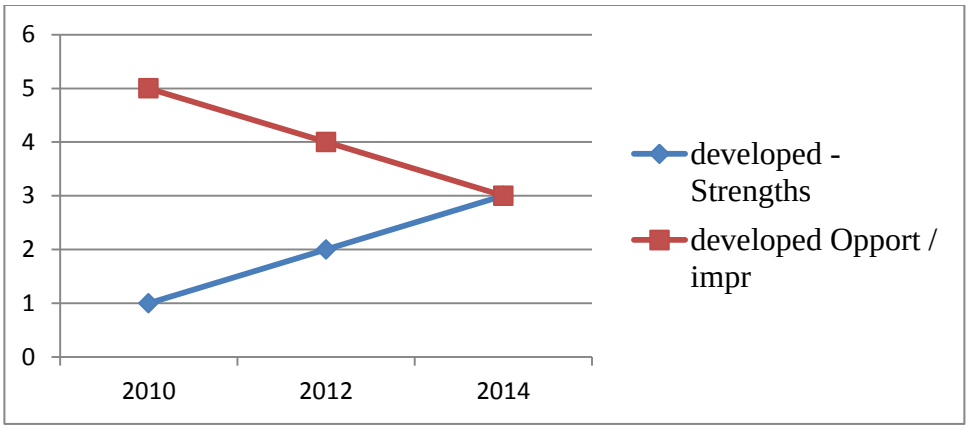


Figure 4.3.8, Strengths and area for improvement for the Developing

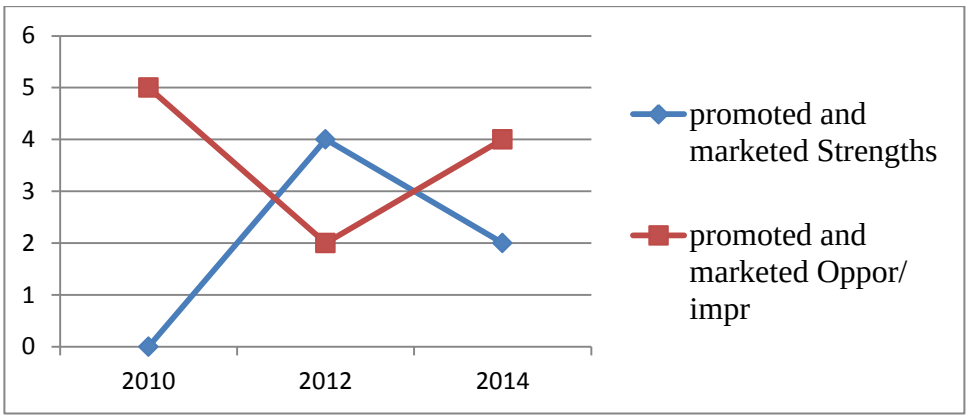


Figure 4.3.9, Strengths and area for improvement for the Promoting & Marketing

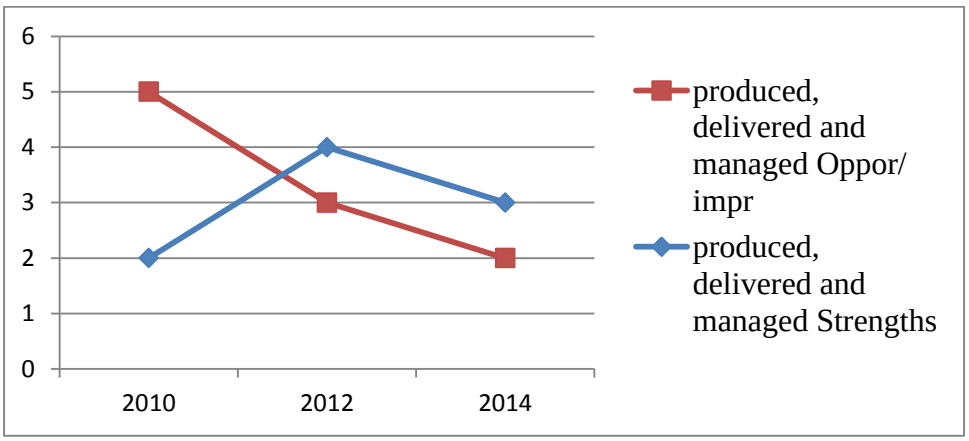


Figure 4.3.10, Strengths and area for improvement for Producing, delivering & Managing

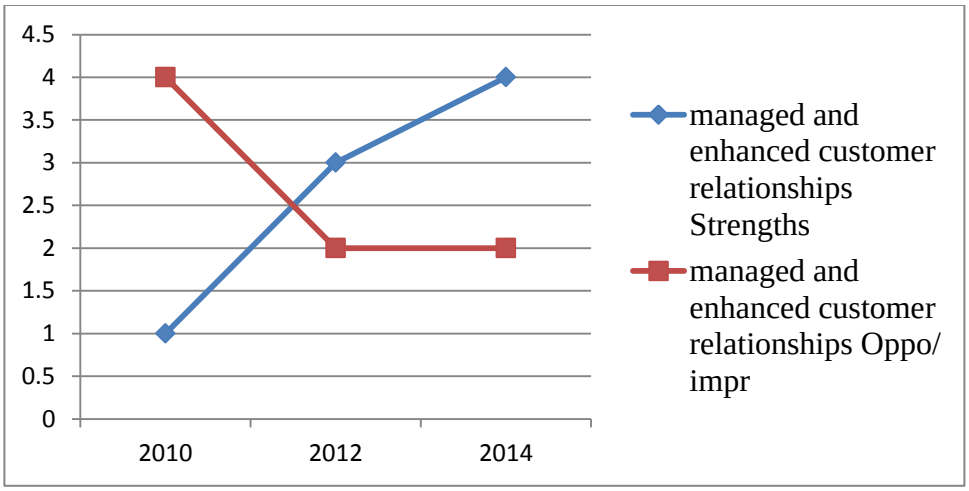


Figure 4.3.11, Strengths and area for improvement for Managing & Enhancing Customer Relationship

The data in the table 4.3.3 (Appendices, Table 4.3.3) represents the customer results feedback reports (Perceptions, Performance Indicators) for three years:

The analysis of data in above table illustrated the increasing of strengths and the decreasing of area for improvements, but in the middle of the years strengths were decreasing and area for improvements were increasing, this may explain the reason behind the instability of the criteria scores. (Appendices, Table 4.3.1).

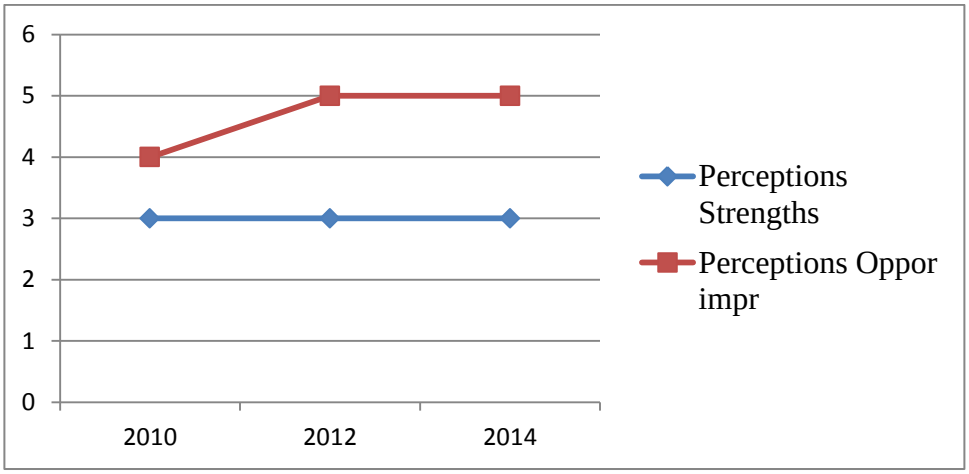


Figure 4.3.12, Customer results feedback Reports (Perceptions)

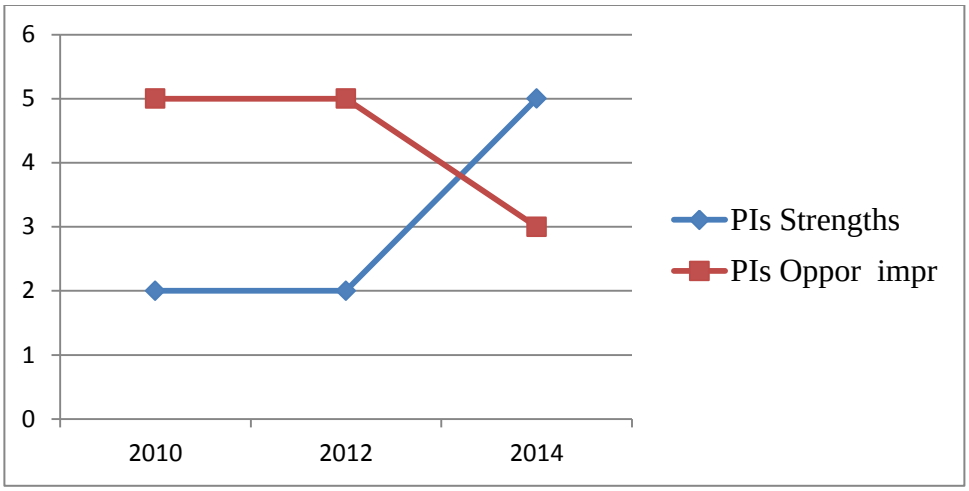


Figure 4.3.13, Customer results feedback Reports (Performance Indicators)

The result from feedback report of the concept of adding value for customers shows slow improvement happened in three years, and instability of existences of approaches, no evidences, no assess and review was appeared. (Appendices, Table 4.3.4)

In Steel Factory the Feedback report of the process criteria in developed, managed increasing of strengths, decreasing of opportunities for improvement found, also in produced, delivered was found, but in promotion, marketed unstable of results seemed compare to the scores of process criteria in year 2012 the score was 15 , its show some declining in the middle of the years. In customer results for perceptions no progress of increasing strengths or decreasing opportunities for improvement have seen in the figure, but in Performance Indicators increasing of strengths and decreasing of opportunities found and a point of balance after three years seen. The concept of adding value for customers indicates a progress seen along three years. It's not easy to make some comparison between the balance point and the EFQM maturity of approaches in this company because of unstable of results found in many figures, to interpret the difference may need more deeply research to get facts behind these differences.

The analysis of data in Table 4.3.5 (Appendices, Table 4.3.3) using regression equations, correlations and mean square error, obtained the table of correlation of processes to the other elements in Steel Company (Appendices, Table 4.3.5)

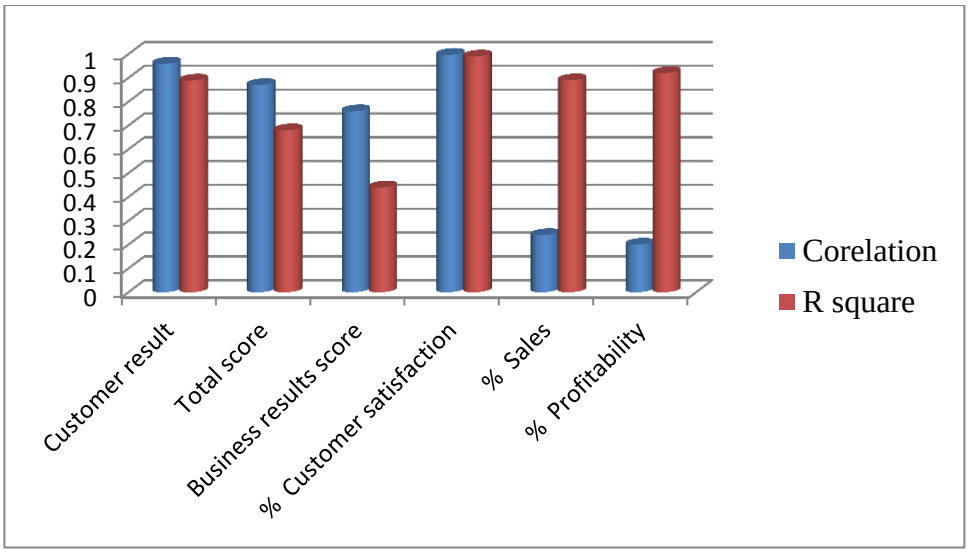


Figure 4.3.14, Correlation & R square in Steel Company

A clear correlation found in Steel Company between processes criteria and the other elements in the above figure

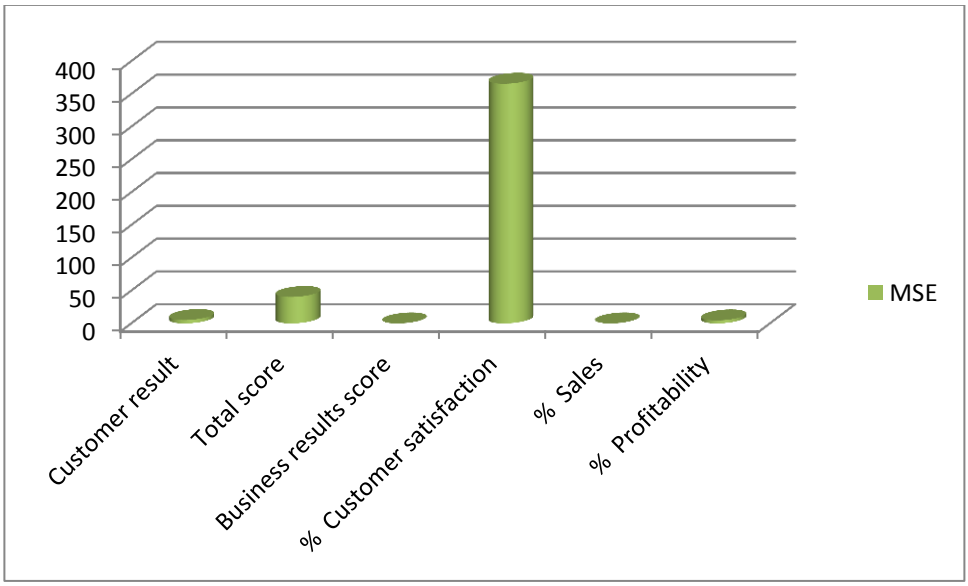


Figure 4.3.15, Mean Square Error (MSE)

Regression equations, correlations and mean square error (MSE) of six variables were showed in table 4.3.5 (Appendices, Table 4.3.5), represents the relation between the processes, products and services criteria as an independent variable and the other six variables as dependent variables.

Answer the question of how the business results scores are affected by the increasing of scores achieved according to the processes, products and

services criteria scores that caused by the approaches used in the area of developed, promoted, marketed, produced, delivered and managed, and managed , enhanced customer relationships on key business result (Appendices, Table 4.4.3).

First: Customer results, has positive very strong linear correlation with the processes, products and services criteria (0.96), with R square (accuracy) = 0.889, and with mean square error (MSE) = 5.2

Second: Total score achieved, has positive strong linear correlation with the processes, products and services criteria (0.87), with R square (accuracy) = 0.68, and with mean square error (MSE) = 40.4

Third: Score of business results, has positive strong linear correlation with the processes, products and services criteria (0.76), with R square (accuracy) = 0.44, and with mean square error (MSE) = 0.0635

Forth: Customer satisfaction, has positive very strong linear correlation with the processes, products and services criteria (0.997), with R square (accuracy) = 0.99, and with mean square error (MSE) = 365.62

Fifth: sales increasing, has no correlation with the processes, products and services criteria (0.24), with R square (accuracy) = -0.89, and with mean square error (MSE) = 0.05064

Sixth: Profit increasing, has no correlation with the processes, products and services criteria (0.2), with R square (accuracy) = -0.92, and with mean square error (MSE) = 4.62496

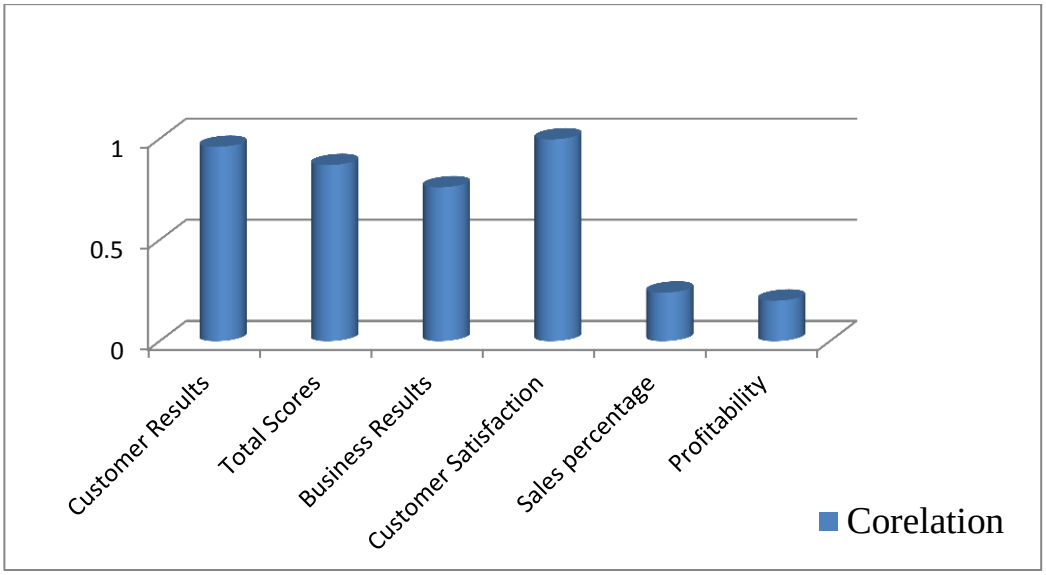


Figure 4.3.16, Correlation

4.4 Comparisons:

Comparisons can be made between the results of three companies, and some facts founded:

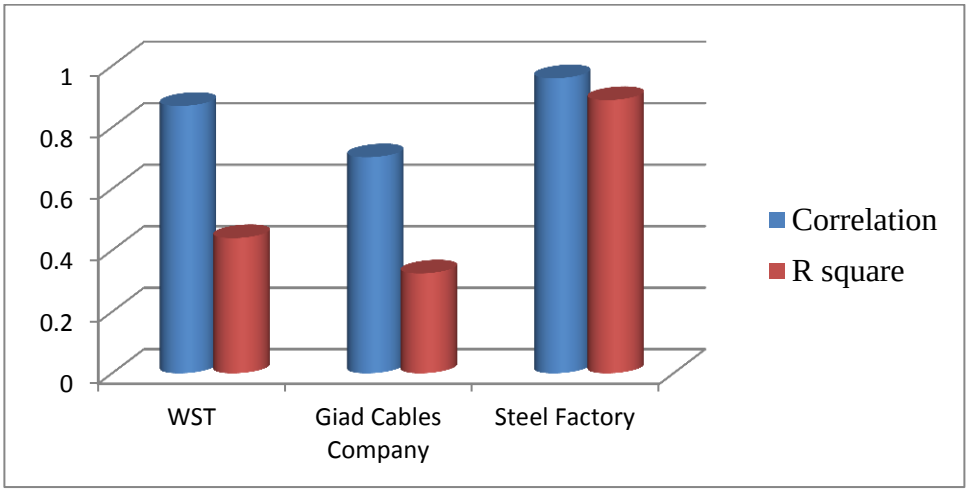


Figure 4.4.1, Comparisons of correlation and R square, Customer result

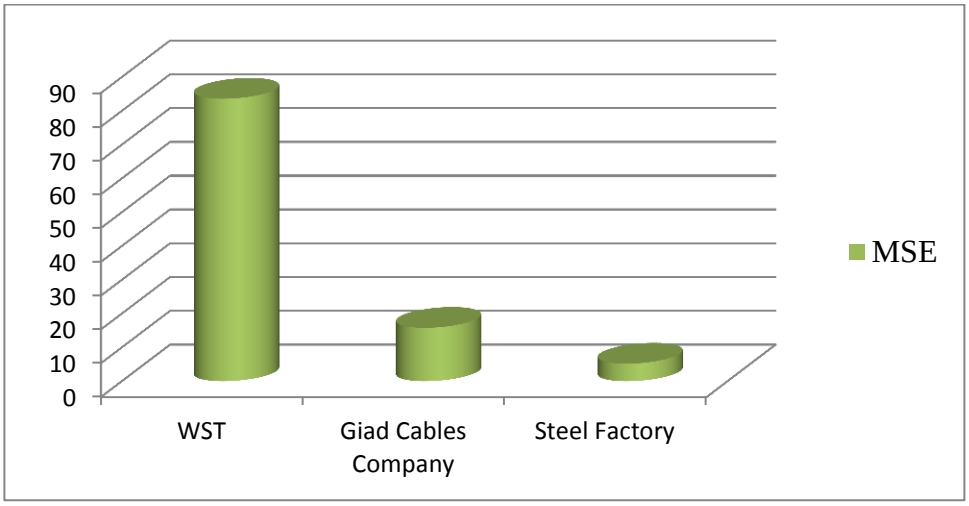


Figure 4.4.2, Comparisons of MSE, Customer result

Strong and very strong correlation found in the three companies, between the existences of approaches used in the process criteria versus customer results criteria (Appendices, Table 4.4.1)

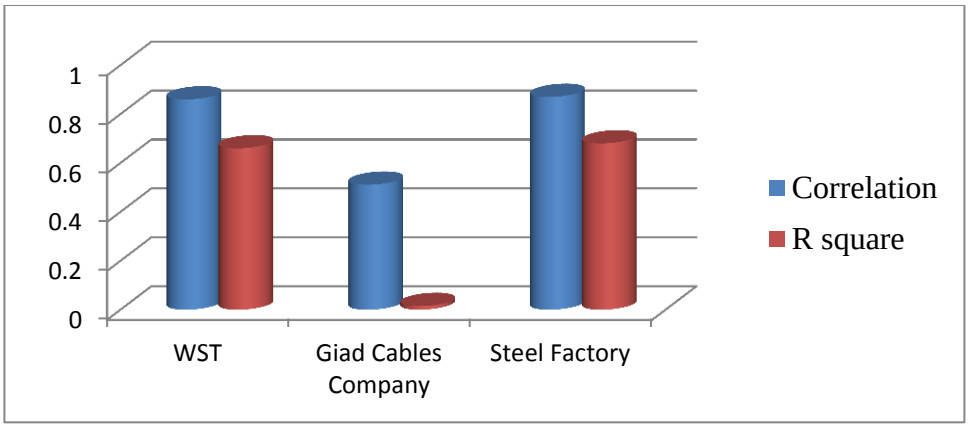


Figure 4.4.3, Comparisons of correlation and R square, Total score

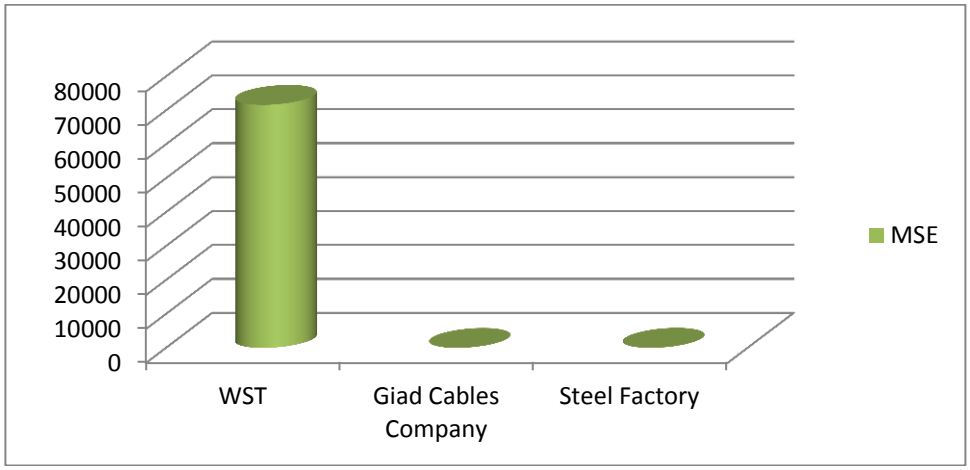


Figure 4.4.4, Comparisons of MSE, Total score

Positive strong linear correlation was seen in two companies and a moderate linear correlation was found in the third company, between the existences of approaches used in the process criteria versus total score achieved (Appendices, Table 4.4.2)

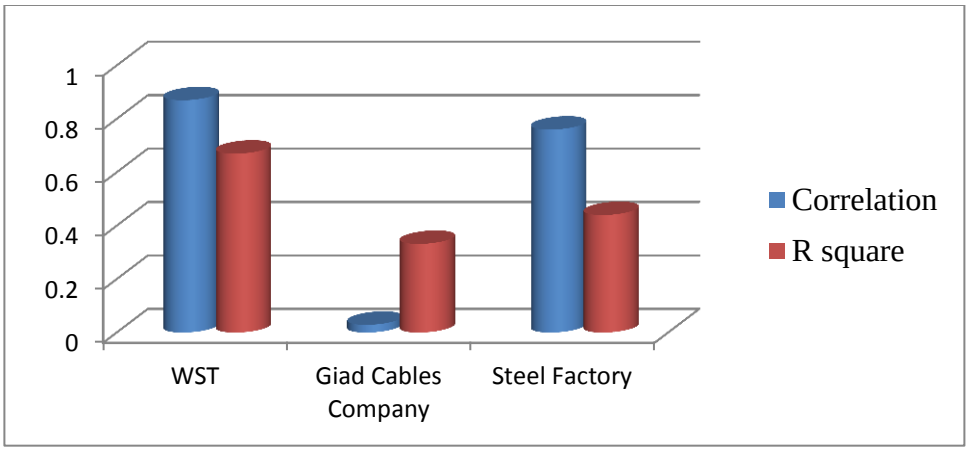


Figure 4.4.5, Comparisons of correlation and R square, Business results score

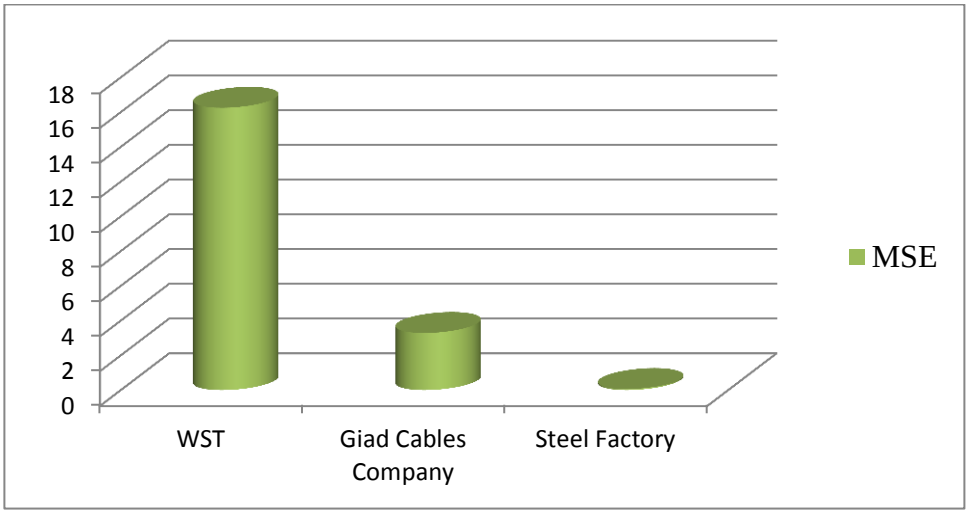


Figure 4.4.6, Comparisons of MSE, Business results score

Positive strong linear correlation was found in tow companies and no correlation was seen in the third company, between the existences of approaches used in the process criteria versus business results scores (Appendices, Table 4.4.3).

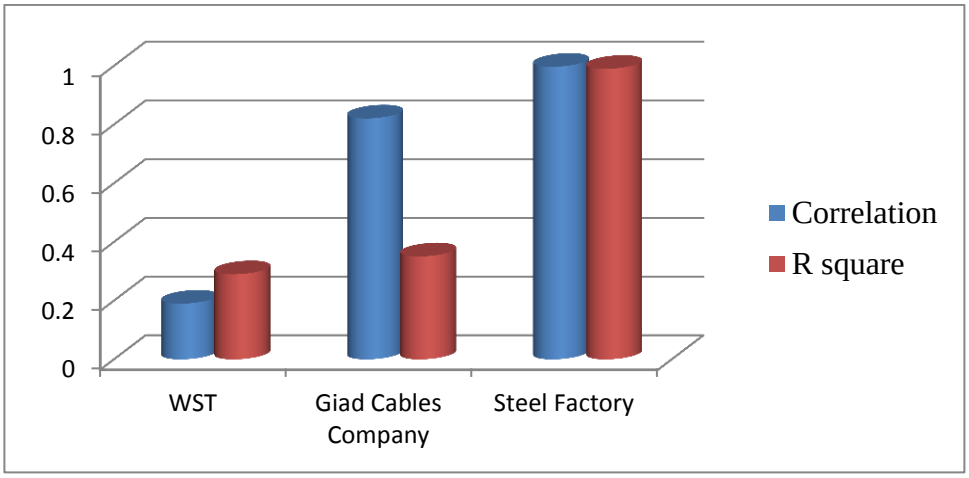


Figure 4.4.7, Comparisons of correlation and R square, % Customer satisfaction

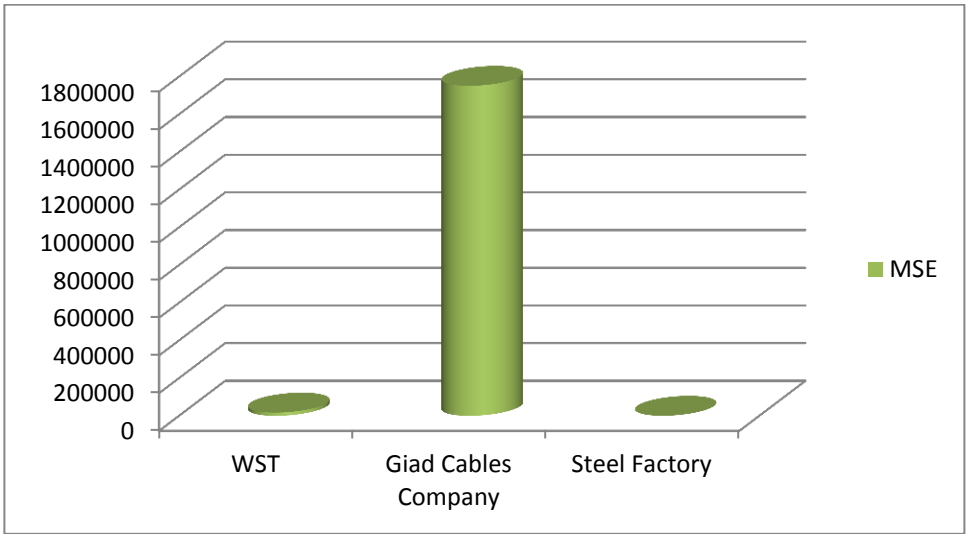


Figure 4.4.8, Comparisons of MSE between, % Customer satisfaction

Positive strong linear correlation Strong, very strong correlation found in two companies and no correlation with the third company between the existence of approaches used in the process versus customer satisfaction percentage (Appendices, Table 4.4.4).

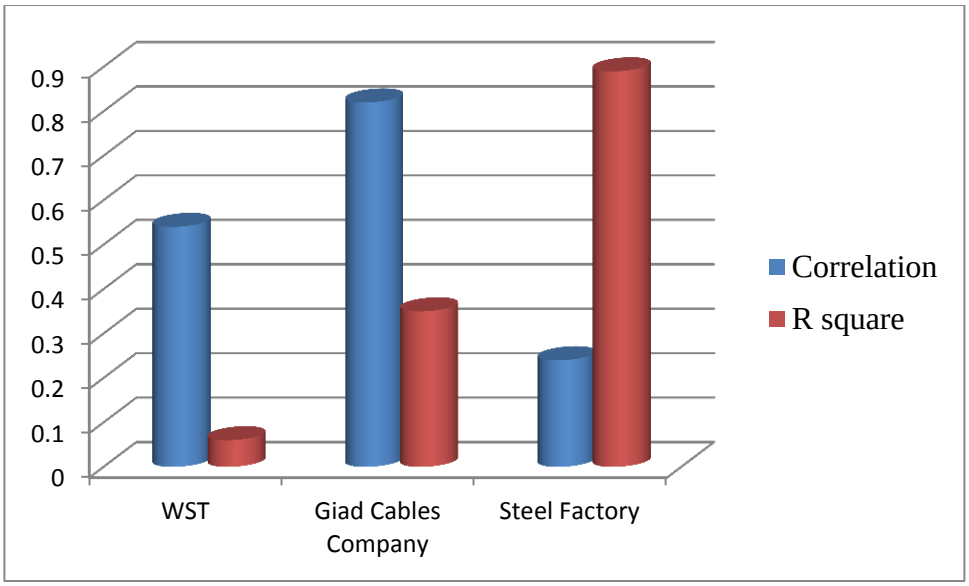


Figure 4.4.9, Comparisons of correlation and R square, % Sales

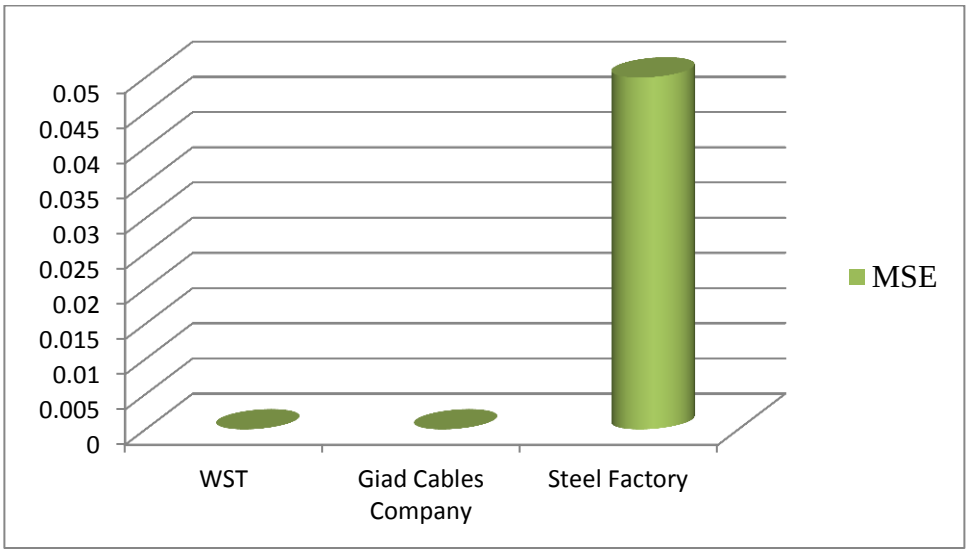


Figure 4.4.10, Comparisons of MSE, % Sales

Positive strong linear correlation, moderate and no correlation, between the existences of approaches used in the process versus sales percentage was found (Appendices, Table 4.4.5).

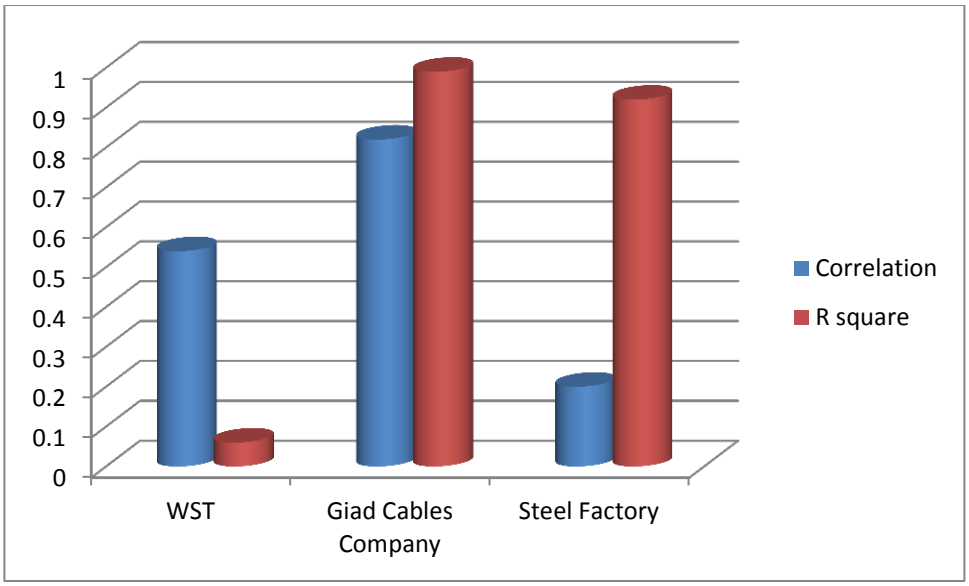


Figure 4.4.11, Comparisons of correlation and R square, % Profit

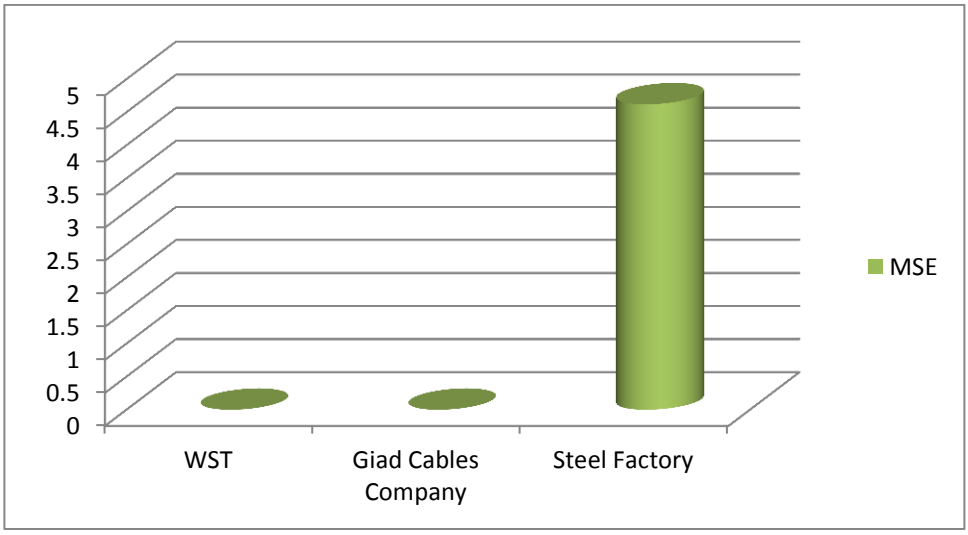


Figure 4.4.12, Comparisons of MSE, % Profit

Positive strong linear correlation, moderate correlation in two companies and no correlation seen in the third company, between the existences of approaches used in the process criteria versus % Profitability was found (Appendices, Table 4.4.6).

Strong and very strong correlation were found in 11 cases, represent 61 %, moderate correlation were found in 3 cases, represent 17 % , no correlation were found in 4 cases, represent 22 % .

MSE is high in some results, in WST is high in three results cases, one result case in Elsewedy company and in Giad steel is high in two results cases, I recommend of proceed more research on the company for more information about why is the value of Mean Square Error high, maybe because this linear equation does not represent the right equation or maybe there are another equation not linear can explain this case, and I think that needs more research by another researcher.

These results confirm the EFQM model; if an organization developing the approaches of enablers in its processes criteria then the achieved results will grow. As Michael ask a question about really adding value to customers and how can a company use it to set its business apart from its competitors? Think of your clients as long term business partners, establish a relationship with them that goes beyond the exchange of goods or services. In order to add value, the company needs to know its clients intimately; what their business goals are what their needs are and what their strengths and weaknesses are. (MICHAEL 2012).

These results confirm the EFQM model; if an organization used the approaches of enablers in promoting & marketing within its processes criteria then the achieved results will grow. MICHAEL mentioned five ways you can 'add value' to clients. It's obvious that going an extra mile for your core clients can really help cement your relationship with them. Taking extra care. Another form of added value is knowledge, requiring specialist knowledge that someone in the business could provide, helps them become more profitable, or save time. There may be occasions when core clients have need of equipment they don't possess or can't afford to purchase. This could include a piece of machinery, a vehicle, or even the use of your meeting room facilities. You can also add value by doing business with your clients; choosing to use their products or services whenever possible and appropriate, another way to add value is to bring them more business by spotting potential leads and referring potential customers to them as you come across them in the course of doing business. The best salespeople always know the value of their regular clients, and that relating to them on a personal level is the best way to retain their business and their loyalty (MICHAEL 2012)

These results confirm the EFQM model; if an organization used the approaches of enablers in producing, delivering & managing on its processes

then the achieved results will grow. As the researcher Ken Dooley has written common myths about adding value. Value is a moving target. It's anything a particular customer wants it to be at a given time. And the key to adding value is seeing it through a customer's eyes and selling it that way. Value only applies only to a product or service: what you're selling is more than just the product or service itself — it's a bundle that includes service, reliability and trust. The customer buys all three. Value relates only to combating price objections: adding value is a good offensive tactic to combat any objections — and not just about price. When used effectively, value-added selling encourages prospects and customers to look beyond price. It's too much extra work: while adding value may require additional effort, with practice and consistency, it becomes second nature. Those efforts pay off with higher profit margins, increased sales and better customer loyalty. (Ken Dooley 2013).

These results confirm the EFQM model; if an organization used the approaches of enablers managing & enhancing customer relationship on its processes then the achieved results will improve. As the researcher Maite Barón highlights five ways as best approaches in which a company can build the business by providing added value to the customers. It's important to have a on-going 'satisfaction policy' in place, build and strengthen the relationship with existing customers for long term success. Build trust and nurture a relationship with your customers. Delivering an existing service with added benefits, introducing them to a new idea. Contact them with ideas, information and introductions that will help them. Be as responsive as you can to customer requests. Continually update your knowledge and adopt new techniques and technologies to keep yourself ahead of the game. (Maite Barón 2014).

Chapter Five

Conclusions

1. The output of this research interpreted that 78% of existing approaches have a uniformly positive link with results achieved in the studied companies, and this specifically shown in customer result, total score, business results score, customer satisfaction, % sales, and % Profitability results.
2. Sometimes relation not obtain between the business result achieved and the approaches used by an organization, and that because the quality of the approaches used not the right one (not clear, not appropriate), or not focus on the needs of their stakeholders and not supported their strategies, the deployment of the approaches not implemented or implemented but not in structured way, the effectiveness of the approaches not assessed, and approaches not refined because the absence of improving and Learning, and this show the important of assessment and refinement of the approaches.
3. Generally a clear link seen between the adding value to the customer and the improvement in the results scores achieved (Customer Results, Customer Satisfaction, Business Result, Sales Percentage, and Profitability) along the period of submission in the journey of excellence, and finally gradually growth will happen upon the total score achieved, which reflects the position of the company.
4. The findings confirm that the three companies add value to their customers by working hard on the approaches of developed, effectively promoted and marketed, produce, delivered and managed products and services, managed and enhanced customer relationships.
5. This study showed that there was a strong relationships between the way of doing things and the results that achieved by the companies.
6. Organizations that haven't got clear approaches concerning adding value for customers can only achieving poor key business results.
7. The research shows that is the way of doing in the developing the approaches of the processes about adding value to the customers affect on achieved results
8. It was confirm that the way of promoting, marketing the products, services, for adding value to the customers affect on achieved results

9. It was found that the way of producing, delivering and managing products or services, for adding value to the customers affect on achieved results
10. The research confirms that the way of how managing, enhancing customer relationships also affect on achieved results.
11. The research confirm that the EFQM excellence model is an effective tool which gives a clear feedback report of strengths and opportunities for improvement, expressed in the progress of increasing scores achieved.

Recommendation:

1. It's highly recommend that to do more research to clarify the time period needed by companies to reach the mature level of approaches, then to get a continuous progress on increasing strengths and keep continual improvements to obtain a sustainable results stage.
2. I recommend that to proceed more researches to know the effect of the other concepts, creating a sustainable future, developing organization capability, harnessing creativity and innovation, leading with vision, inspiration and integrity, managing with agility, succeeding through the talent of the people and sustaining outstanding results on the key business results.
3. Research about benchmarking can be recommended to the eight concepts can be made to know which of them is the more effect on the key business results.