

## COMPARISON OF APPRAISAL APPROACHES OF ORGANIZATIONS IN THE CZECH REPUBLIC AND THE SLOVAK REPUBLIC THROUGH THE NATIONAL QUALITY AWARD FRAMEWORK - USING EFQM MODEL

<sup>a</sup>OTÍLIA ZORKÓCIOVÁ, <sup>b</sup>LENKA SCHWEIGHOFER,  
<sup>c</sup>HANA PALUŠKOVÁ

*Universtiy of Economics in Bratislava, Dolnozemska cesta 1,  
852 35 Bratislava*

*email: <sup>a</sup>otilia.zorkociova@euba.sk,*

*<sup>b</sup>lenka.schweighofer@euba.sk, <sup>c</sup>hana.paluskova@euba.sk*

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**Abstract:** The ability to compare business performance assessments is now an indispensable aspect of maintaining companies in a highly competitive international market. Achieving entrepreneurial excellence requires continuous monitoring of the entire business process which consists on ways of self-assessing based on highly effective methods of evaluating an organization's performance level. Self-assessment is realized through the application of internationally recognized Business Excellence models, by applying simultaneous organizations to reach the highest recognition of excellence at national and international level. The aim of the scientific treatise is to point out the ever-increasing importance of achieving Business Excellence in business strategies of companies to increase its competitiveness in international markets. Along with analyzing possibilities of achieving excellence through the utilization of the business excellence model - EFQM as a starting point for obtaining an internationally recognized company awards, especially in Europe, with an emphasis on comparing its applications in the Slovak and the Czech Republic.

**Keywords:** total Quality Management, Business Excellence Excellence models, Self-assessment, EFQM

### Introduction

In today's highly confrontational international environment, increasingly number of entrepreneurs are striving for success. Companies's achievements lean on its maximum openness of transformation, adaptation or even stimulation of new changes as a orientation towards market, customers and services in conjunction with strategic dimensions development of success, top management creation from the most talented professionals, the latest technologies possession and etc. Similarly, aspects as optimal performance, efficiency and excellence can contribute with the success of companies.

Business success is considered to be an organization's performance assessment that records positive outcomes in several aspects while also achieving its goals in a variety of external outcomes including customers, products, business relationships as well as its internal business processes, employees, education..., to reach the level of excellence. This proceeding is related to strategies which facilitate performance management respectively its survival in a highly competitive environment. Achieving entrepreneurial excellence requires continuous monitoring of the entire process, allowing the organization to reveal its areas of potential improvement by applying methods of increasing organization performance. This process is based on evaluating an organization's performance level of self-assessing by highly effective methods. Self-assessment is formed on concrete application of internationally recognized Business Excellence (BE) models by applying simultaneous organizations to reach the excellence status at national and international level.

The aim of the scientific treatise is to point out the ever-increasing importance of achieving Business Excellence in business strategies of companies to increase its competitiveness in international markets. Along with analyzing possibilities of achieving excellence through the utilization of the business excellence model - EFQM as a starting point for obtaining an internationally recognized company awards, especially in Europe, with an emphasis on comparing its applications in the Slovak and the Czech Republic.

### 1 Problem formulation

In 1961, A.V. Feigenbaum introduced the concept of Total Quality Management (TQM), under which we identify the process of unifying not only processes but also all functions in the company in order to continuously optimize costs, increase functionality and quality at once and satisfy customer's needs by delivering quality goods and services. Many organizations around the world recognize TQM's philosophy. Initially, it succeeded in manufacturing companies, but later on its application began to achieve excellent results in improving service quality. The TQM model captures several fundamental elements such as: identifying employees with the goals of company management, teamwork enhancement, customer orientation as well as continual improvement in terms of learning organization. One of the most important aspects of TQM is to focus attention primarily on improving quality which is so-called the driving force of organizing companies to achieve business excellence. Entrepreneurial Excellence (Business Excellence) brings along the economic benefits of the organization by continuously improving its performance. Together with its principles underlying the global Business Excellence framework, which can pave the way for long-term success and continuous progress.

The principles of excellence extend the lifecycle of products through their continuous improvement, using cutting-edge technologies and innovations. The deepening of the globalization has become an important factor in business management development. The penetration of international markets, supported by the application of management excellence can enhance the economic performance and strengthen businesses competitiveness. It reduces costs of purchased inputs by actively involving a wider range of suppliers in the selection process which helps to optimize corporate resources.

Business Excellence is according to L. J. Portera and S. J. Tannera an essential part of learning and measuring the internal system of organizations that enables to identify strengths and opportunities for improvement, while developing cutting-edge arrangements. Self-assessment is a comprehensive, systematic and regular evaluation of an organization's activities. These types of business or organizational assessment are one of the most powerful tools available. These authors also declare that the achievement of organizational excellence is based on TQM. The results are milestones of success and progress. If they are not monitored regularly it is very difficult to keep pace, commitment and more importantly, motivation and desire to achieve higher performance standards. Organizations need to practice a continuous process of improvement in the form of the following activities: do, control and act (Porter, L.J. - Tanner, S.J., 2004).

T. Peters, and N. Austin perceive excellence as the result of the following critical success factors (Dahlgard-Park, S.M. - Dahlgard, J.J., 2006):

- implementation of people - employees,
- permanent customer care,
- constantly introducing innovations,
- management which combines the first 3 factors (employees, customers, innovations) at all levels of the organization.

Slovakian authors Z. M. Štok et al. define excellence as quality enhancement, perceiving it as high quality or even as the highest possible quality. It is a combination and interaction of values, incentives and activities, leading to exceptional success. Following the authors's view, excellence is the driving force behind the development, quality and personal, group and organizational growth (Štok, Z. et al., 2010).

Croatian economists Z. Pozega; B. Crnkovic and A. Udovicic are of the opinion that Business Excellence represents a high level of quality at all levels of the organization. They consider to be truly excellent organizations, those who have adopted the concept of Business Excellence as an important tool for future development where quality is an integral part of the entire organization. Business success is defined and measured by different qualitative and quantitative indicators, while BE is a form of qualitative measurement of the organisation's advance. (Pozega, Z. - Crnkovic, B. - Udovicic, A., 2014).

## 2 Methodology

Self-assessment is one of the most effective tools for analyzing, measuring and improving the efficiency and performance of a quality management system for achieving "Business Excellence". It is a method that is mainly used to assess the fulfillment of the application of comprehensive quality management approaches in the form of internationally recognized models (eg EFQM excellence model).

The primary goal of self-assessment may be characterized by the following steps (American Society for Quality, online, 2000):

- Identifying strengths in key processes;
- Using potential areas for improvement;
- Work in areas that require improvement;
- Regular monitoring of the impact of appropriate action plans.

At the organizational level, the main purpose of self-assessment is to identify strengths and the areas for enhancement while developing performance improvement action plans. By identifying strengths and weaknesses, an organization can expand and implement an improvement strategy by analyzing the current situation in relation to business models through which a quality prize can be obtained, but the main result of self-assessment is a clear distinction between what an organization has achieved and what needs to be done to implement steps in relation to obtaining a quality award.

### 2.1 Self-assessment instruments

The best-known tools of self-assessment are undoubtedly the models of excellence so-called Business Excellence Models (MBE). They represent a proven tool for strengthening and developing competitive advantages and their long-term sustainability. Direction and goals of organizations are set in such a way that processes are continuously improved, competitive advantages are strengthened and thus competitiveness is increased. Business Excellence models also act as a practical tool for evaluation, which forms the basis of the so-called "common language" of companies. It strongly promotes the sharing of the best practice. It includes all the elements and creates a well-structured, dynamic system that can respond very flexibly to market and environmental changes. The first Business Excellence models emerged in the US and Western Europe in 1980 as a result of the need to raise product quality in response to advances in improving quality and thus the competitiveness of Japanese production. The models themselves were first applied by the so-called forms - quality awards, respectively as TQM models. Over time, however, Business Excellence models have been replaced with "quality" models or "TQM".

The BE models themselves are linked to the application of models of different forms in the various countries of the world. The most practitioners using these models in different continents:

- Deming Prize Model in Japan
- Malcolm Baldrige Model in the United States
- EFQM Excellence Model in Europe.

The basis of the implementation of all the above-mentioned models are TQM pillars focused mainly on customer satisfaction, employees and process quality.

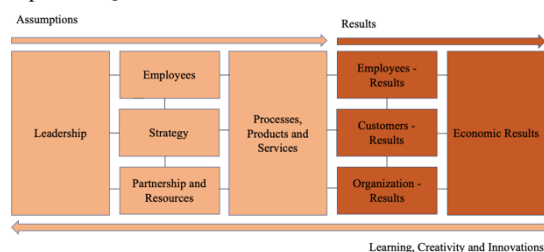
### 2.2 Application of Excellence Model – EFQM in Europe

Nowadays a proven model based on the initiative of European organizations seeking universal definition of excellence, has been used across the Europe - the EFQM Excellence Model. The European Foundation for Quality Management has been set up to highlight and continually promote sustainable success and to provide advice to those seeking to achieve it.

The EFQM model serves as a suitable management framework for self-assessment of business entities (through precisely defined 9 criteria) and enhancing the processes of organizations to achieve sustainable excellence. It is used in conditions of different organizations, regardless of sector, size, structure and so-called maturity - which represents the time needed to operate on the market for 3 primary purposes: *the self-assessment process* - where the model is the basis for comparing strengths and opportunities to the organization enhancement, *as a means of improving* - those organizations that want to advance and improve the management system and *to reward companies* - which by using this model can achieve long-term positive results, namely by obtaining the European Quality Award, which is currently considered as a prestigious award for the activities of organizations from different sectors (Grasse, M. - Dubec, R., Rehak, D., 2010).

This model consists of nine criteria (Graph 1) and assumes that the organization can achieve critical "excellent" results only when it meets the needs of external customers, its own employees along with accepting additional demands and requirements.

Graph 1: EFQM – Excellence Model structure



Source: own processing according to Efqm, online, 2012a

Each criterion of the EFQM model consists of individual sub-criterias. It has 9 main criterias and 32 sub-criterias whereas each sub-criterion is divided into another criterias which are further evaluated (Efqm, 2017):

- Criterion 1: Leadership (5 sub-criterias - max 100 points)
- Criterion 2: Strategy (4 sub-criterias - max 100 points)
- Criterion 3: Employees (5 sub-criterias - max 100 points)
- Criterion 4: Partnerships and Resources (5 sub-criterias - max 100 points)
- Criterion 5: Processes, Products and Services (5 sub-criterias - max 100 points)
- Criterion 6: Customers Relationship Results (2 sub-criterias - max 150 points)
- Criterion 7: Employees Results (2 sub-criterias - max 100 points)
- Criterion 8: Organization results (2 sub-criterias - max 100 points)
- Criterion 9: Economic Results (2 sub-criterias - max 150 points)

The EFQM Excellence Model defines 5 major ways and approaches for organizations to evaluate their performance: questionnaire, pro-form, workshop, matrix chart, and the European Quality Award (EFQM Excellence Award). The latter method is the most complex, but the most objective, because the organization is classified using a self-assessment report that

describes the fulfillment of criteria and sub-criteria of the EFQM model. Then the report will be presented to qualified reviewers who identify strengths as well as weaknesses of the organization for which they will propose improvements and through the identified circumstances, evaluate their business strategy in the final report.

### 3 Comparison of Assessment Approaches of Organizations in the Czech Republic and the Slovak Republic through the National Quality Award Framework based on EFQM

The National Quality Award is the highest award that Czech organizations (since 1995) and Slovakia (since 2000) can obtain in the area of quality management systems. The main objective of the National Quality Award is to launch the "Ways to achieve excellence" as ways to innovate and improve all organizations' activities in the 21st century. In the Slovak Republic, the organization of the National Quality Award is considered to be one of the main activities of the National Quality Program of the Slovak Republic (2017 - 2021) whose role is to contribute to improving the quality of products and services of organizations operating in the private and public sectors while focusing on sustainability and competitiveness in all spheres of society. The Office for Standardization, Metrology and Testing of the Slovak Republic (coordinator of the State Quality Policy) announces the competition at regular intervals since 2000. In 1994 - 2000 its predecessor was the Slovak Republic's Quality Award. In November, during the European Week of Quality in Slovakia, a yearly tradition became the announcement of the competition, which is finished with the announcement of the results, always in November of the following year.

The idea of implementing the National Prize for Quality of the Czech Republic dates back to the time of the Czechoslovak Federation (1992), with the first prize being awarded three years later in 1995. In 1997, the Czech Prize Model was harmonized with the European Quality Award model, EFQM Excellence Award. Since this year, national awards have been presented in the Spanish Hall of Prague Castle by leading Czech political leaders. A significant milestone for the Czech Republic (2013) was the gradual harmonization of individual programs with the international EFQM award. Successful EFQM national organizations (participants) have the opportunity to enter the EFQM Excellence Award. The National Quality Award of the Czech Republic, at which the Ministry of Industry and Trade of the Czech Republic is actively involved, is one of the most prestigious awards in this area in the Czech Republic.

The methodological framework for evaluation in the Slovak Republic consists of the application of the EFQM Excellence Model and the CAF Model. While the CAF model is designed exclusively for the public sector (which is not dealt with in this scientific paper, although it is based on similar and simpler principles than EFQM), the business and public sector organizations can use the EFQM excellence model. The Slovak National Quality Award thus fulfills not only the pricing function, but also the motivation of the participants for further progress.

The Czech Republic appreciates private and public sector organizations (regardless of size and industry) through individual programs of the National Quality Award of the Czech Republic, namely: *START program* (business and public sector), *START EUROPE program* (business and public sector), *START PLUS program* (Business and Public Sector), *CAF program* (Public Sector), *EXCELLENCE program* (Business and Public Sector) - is fully compatible with EFQM's Excellence Model, a long-standing tool for successful organizations, especially in Europe, but also in the world (Sdružení pro oceňování kvality, online, 2016).

Since Start, Start Europe, and Start Plus programs do not have such as denunciation value, they can be seen as a stage of excellence through which organizations can, in a simplified way, evaluate their level of achievement before deciding to apply a top-level excellence rating EFQM. For the reasons given above

and the effort to carry out an analysis aimed at applying the EFQM Excellence Model, which will have a real informative value, we could only choose the Excellence Program, which is fully compatible with the EFQM model, as a benchmark in the Czech Republic. In the comparison of applications and evaluation of the EFQM model, we have observed somewhat different procedures, respectively the degree of achievement and award of this point, as shown in Table 1. Valuation levels depend on the number of points that the organization received during the competition.

Table 1: The EFQM Excellence Model and its Valuation Levels in Slovakia and the Czech Republic

SR – Excellence Model EFQM		CR – Excellence Program (EFQM)	
Number of points	Achieved award level	Achieved number of points	Achieved award level
200–300 p	Award for involvement of the organization in the competition	200–299 p	Perspective Organization
301–400 p	Award of the organization's performance improvements	300–399 p	Successful Organization
401 p and more	Award Finalist	over 400 p	Excellent Organization (Recognition for Excellence (4 to 5*))
min. 450 p	Slovak National Quality Award winner		

Source: own processing according to Sdružení pro oceňování kvality, online, 2016; Úřad pro normalizaci, metrologii akušobnictvo, online, 2018

In order to evaluate the achievement of the highest level of excellence of companies by applying the EFQM exceptionality model in the Slovak Republic and the Czech Republic in recent years, it was necessary to unify the assessment base due to the partially different methodology, as shown in Table 1. Therefore, with the level of the "winner of the National Prize" of the Slovak Republic, we will compare the "Excellent Organizations with 5\*" in the Czech Republic and we will compare the "Award Finalist" in the Slovak Republic in the case of the Czech Republic "Excellent Organizations with 4\*" - as a starting point for this unification, we used the overall point score interface that organizations can gain from the assessment and categorize them into individual award levels.

#### 3.1 Analysis of Business Excellence Awards for Entrepreneurs in the Czech Republic and in the Slovak Republic based on Comparison of Application Conditions of EFQM Excellence Model

For the purpose of analyzing the implemented EFQM model in the Czech Republic and in the Slovak republic with the real ability to compare the organizations that applied it, we have obtained relevant information available for the period 2013-2018. By that time, the information was in one of these countries, to the extent and structure that we needed inaccessible or the individual assessment bases differed so much that they were incomparable. In 2013, the individual programs of excellence in Slovakia and the Czech Republic were gradually harmonized with the international EFQM award. Since our goal is to evaluate the achievement of the highest level of excellence of Slovak and Czech organizations by applying the EFQM Excellence Model, we chose a period 2013-2018 to ensure comparability of data for both countries. Table 2 gives an overview of the organization that achieved the highest level of excellence in the reporting period based on the application of the

EFQM Excellence Model in the National Quality Award in the Slovak Republic and in the Czech Republic and specifically - Winner in the Slovak Republic and Excellent Organization in the Czech Republic.

Table 2: Achieving the highest level of excellence of organizations based on the application of the EFQM Excellence Model in the National Quality Award in the Slovak Republic and the Czech Republic in 2013 - 2018 (Winner in SR & Excellent Organization - 5\* in CR)

Year	SR	CR
	Award Finalist:	Excellent Organization (Recognition for Excellence 4*):
2013	Chemosvit Folie, a. s. Slovenská pošta, a. s. (Slovak Post)	Donghee Czech s. r. o. Městský úřad Hranice (City Office Hranice)
	Úrad pre obrannú štandardizáciu, kodifikáciu a štátne overovanie kvality (Defense Standardization, Codification and State Quality Assurance Office)	
2014	HANIL E-HWA AUTOMOTIVE SLOVAKIA, s. r. o. I.TRAN., s. r. o.	Hyundai Motor Manufacturing Czech, s. r. o. AHOLD Czech Republic, a. s.
	Social service facility - Slnecný dom, n. o.	Střední odborná škola multimediální a propagační tvorby, EDUSO (High School of Multimedia and Promotion)
2015	Slovenská informačná a marketingová spoločnosť, a. s. (Slovak Information and Marketing Company)	AHOLD Czech Republic, a. s.
	Strojnícka fakulta Technickej univerzity v Košiciach (Faculty of Mechanical Engineering, Technical University of Košice)	
2016	Kia Motors Slovakia, s. r. o.	Miele technics, s. r. o.
2017	-----	Hundai Motor Manufacturing Czech, s. r. o.
		Úřad městské části Praha 13 (City Office)
2018	-----	Úřad městské části Praha 13 (City Office)

Source: own processing according to Sdružení pro oceňování kvality, online, 2016b; BusinessInfo, online, 2017; ÚNMS SR, online, 2017c; Úrad pre normalizáciu, metrológiu a skúšobníctvo SR, online, 2018; Ministerstvo průmyslu a obchodu, online, 2018b

In 2018, the evaluation of organizations in the Excellence Program in the National Quality Award was started with a new methodology (an effort to fully harmonize individual programs with the international EFQM award) (Table 3), in which the names of the awards remained original (excellent organization, successful organization and a perspective organization), but the scoring was completely changed and therefore, this year it is no longer possible to compare Slovak and Czech businesses according to the model of our unified evaluation base. For this reason, in 2018, in Table 2, we only listed organizations by grade. As also shown in Table 2, the winner of the Slovak National Quality Award in 2017 and 2018 was no organization applying the EFQM Excellence Model.

Table 3: Differences in the Methodology of Evaluation of Organizations in the Excellence Program in the National Quality Award of the Czech Republic since 2018

CR – Excellence Program (EFQM) (2013 – 2017)		CR – Excellence Program (EFQM) (since 2018)	
Achieved number of points	Achieved award level	Achieved number of points	Achieved award level
200 – 299 b	Perspective Organization	200–399 b	Perspective Organization
300 – 399 b	Successful Organization	300–399 b	Perspective Organization (+ international certification „Recognised for Excellence 3*)
nad 400 b	Excellent Organization (Recognition for Excellence (4* to 5*))	400–499 b	Successful Organization (4*) (+ international certification „Recognised for Excellence 4*)
		500 – 1000 b	Excellent Organization (+ international certification „Recognised for Excellence 5*)

Source: own processing according to Sdružení pro oceňování kvality, online, 2016; Ministerstvo průmyslu a obchodu, online, s. 3, 2018a

In addition to assessing the achievement of the highest level of company excellence by applying the EFQM Excellence Model in Slovakia and the Czech Republic, we have decided to evaluate lower levels of achievement in order to provide a more detailed analysis: Award Finalist in SR and Excellent Organization in CR (Table 4), Appreciation of the organization's performance improvements in SR and Successful organization in the CR (Table 5).

Table 4: Achieving the highest level of excellence of organizations based on the application of the EFQM Excellence Model in the National Quality Award in the Slovak Republic and the Czech Republic in 2013 - 2018 (Winner in SR & Excellent Organization - 4\* in CR)

Year	SR	CR
	Award Finalist:	Excellent Organization (Recognition for Excellence 4*):
2013	Donghee Slovakia, s. r. o.	Úřad městské části Praha 3 (City Office)
		Útvar odhalování korupce a finanční kriminality služby kriminální policie a vyšetřování (Corruption and Financial Crime Detection Unit of the Criminal Police and Investigation)
2014	Fakulta riadenia a informatiky Žilinskej univerzity v Žiline (Faculty of Management Science and Informatics, University of Žilina)	Krajský úřad Libereckého kraje (Self-governing Liberec Region)
2015	CEIT Biomedical Engineering, s. r. o.	Kermi, s. r. o.
		Zemědělská fakulta Jihočeské univerzity v Českých Budějovicích (Faculty of Agriculture, University of South Bohemia in České Budějovice)
2016	-----	Kaufland Czech Republic, v. o.

		s.
2017	----	----
2018	----	Not relevant according to new methodology

Source: own processing according to Sdružení pro oceňování kvality, online, 2016b; BusinessInfo, online, 2017; ÚNMS SR, online, 2017c; Úrad pre normalizáciu, metrológiu a skúšobníctvo SR, online, 2018; Ministerstvo průmyslu a obchodu, online, 2018b

Table 5: Awarded organizations based on the application of the EFQM Excellence Model in the National Quality Award in Slovakia and the Czech Republic in 2013-2018 (Organization Performance Improvement in the Slovak Republic & Successful Organization in the Czech Republic)

Year	SR	CR
	Organization Performance Improvement Appreciation:	Successful Organization:
2013	Mobis Slovakia s. r. o.	----
2014	----	----
2015	----	----
2016	----	MV – generální ředitelství HZS ČR, Institut ochrany obyvatelstva, Lázně Bohdaneč (Ministry of the Interior of the Czech Republic – General Directorate of Fire Rescue Service of the Czech Republic, Population Protection Institute, Lázně Bohdaneč)
2017	----	----
2018	----	První brněnská strojírna Velká Bíteš, a. s.
		Palivový kombinát Ústí, státní podnik (Fuel Complex Ústí, State Enterprise)
		Krajský úřad Moravskoslezského kraje (Self-governing Moravsko-Slezsky Region)
		Ministerstvo vnitra – generální ředitelství hasičského záchranného sboru ČR, Institut ochrany obyvatelstva ocenění (Ministry of the Interior of the Czech Republic – General Directorate of Fire Rescue Service of the Czech Republic, Population Protection Institute Awarded)

Source: own processing according to Sdružení pro oceňování kvality, online, 2016b; BusinessInfo, online, 2017; ÚNMS SR, online, 2017c; Úrad pre normalizáciu, metrológiu a skúšobníctvo SR, online, 2018; Ministerstvo průmyslu a obchodu, online, 2018b

Another of the possible BE awards in the Slovak Republic and the Czech Republic, which we compared in the evaluation years, was the award for participation in the competition: the National Quality Award in the Slovak Republic and the so-called Perspective Organization in the Czech Republic (Table 6).

Table 6: Awarded organizations based on the application of the EFQM Excellence Model in the National Quality Award in Slovakia and the Czech Republic in 2013-2018 (Award for Participation in the Slovak Republic & Perspective Organization in the Czech Republic)

Year	SR	CR
	Award for participation in the competition:	Perspective Organization:
2013	PPS Group, a. s.	----
	Stavebné bytové družstvo II. Košice (Building Housing	

	Cooperative II. Košice)	
	WAGON SLOVAKIA Košice, a. s.	
	I.TRAN., s. r. o.	
2014	----	Dům seniorů Kdyně (Seniors House Kdyně)
2015	----	Krajský úřad Královéhradeckého kraje (Self-governing Královéhradecký Region)
2016	----	----
2017	----	----
2018	----	----

Source: own processing according to Sdružení pro oceňování kvality, online, 2016b; BusinessInfo, online, 2017; ÚNMS SR, online, 2017c; Úrad pre normalizáciu, metrológiu a skúšobníctvo SR, online, 2018; Ministerstvo průmyslu a obchodu, online, 2018b

In order to evaluate the achievement of the highest level of excellence in the period 2013 - 2018, we have partially different procedures when comparing Slovak and Czech organizations that applied for the award of the national quality award by applying the EFQM model, although the principle can be evaluated as the same. It is a common element, which is the EFQM model, which as a starting point provides organizations with a methodology to comprehensively evaluate their activities and direct them towards achieving excellence. Of course, this assessment only analyzes organizations successful in the given quality contests - it was not possible to obtain information about the total number of contests in individual countries or reasons why other organizations did not participate. Nevertheless, we came to the opinion of positively evaluating the initiative of those organizations that participated in individual levels of competitions both in the Slovak Republic and in the Czech Republic, because they gained access to a highly effective management tool - to achieve a recognized award, but mainly to motivate and guide the way to and to achieve sustained and internationally comparable results of its activities.

## Conclusion

Exceptional organizations are characterized by the ability to achieve and sustain a unique level of performance that meets or even exceeds the expectations of all stakeholders. The present time places increasing demands on them to improve the performance and quality of their products. If they want to succeed in markets with strong competitive pressure, they must focus their attention towards achieving the status of so-called excellence. One possible way to achieve this is to continually - introduce innovations to which they should focus their attention. They are not just product innovations, but also process innovation, marketing and organizational innovation, and human resource management innovation.

The role of innovation lies in the ability to create and market new products and services that meet the growing demands of customers in terms of new product features, quality, reliability, durability, performance, design, but also eco-adaptability. The ever-increasing demands of customers for products can be characterized by favoring news, products bringing individuality, sold at an affordable price and at the same time available on the market, which are the bearers of technological, economic and social progress.

Currently, there is not yet a unified theoretical concept aimed at a comprehensive definition of how to achieve entrepreneurial excellence (Business Excellence), individual authors usually define some basic trends and concepts of management systems, which focus mainly on quality improvement. The introduction, maintenance and streamlining of these management concepts contributes to the creation and development of a successful and prosperous organization, leading to entrepreneurial excellence.

In terms of historical conditionality, internationally recognized models of excellence have evolved, which is characterized by the principle of self-evaluation. This continuous process of evaluating the success of the business strategy of the organization contributes to the continuous improvement of the quality of its performance and the possibility of achieving the highest recognition of excellence. Based on the historical cross-section, the EFQM model of excellence has been developed in Europe, the principles of which are applied both in self-assessment and in the valuation of organizations in most European countries (and many other countries), including Slovakia and the Czech Republic.

Both of our comparisons of the evaluation approaches of excellence in the Czech Republic and Slovakia based on the principles of the EFQM model are similar, although there are also differences in categorization, scoring and valuation levels. According to our findings, the application of models of excellence in the Slovak Republic was based on (and still is) on examples and experiences of institutions that introduced them and applied them in the Czech Republic. It is conditional on relatively much longer historical experience with their application in the Czech Republic, but also on other facts, among which we can include better education and thus also awareness of business entities in the Czech Republic compared to the Slovak Republic about the benefits of participating in the project, which makes its higher appreciation in CR resp. underestimation in the SR and not least in the Slovak Republic - unlike the Czech Republic - its charging. After inquiring among the companies, many work discourages the self-evaluation, but also so far absence of a link between the appreciation of the public - customers that the organization bears some of the aforementioned prices (the public's awareness of the issue is very low or none) and consequently, increasing its interest in products or service of organization. Rather, it is a conditional process, when companies achieving excellence or they have been awarded in the competition, produce quality products and services, and therefore customers are interested in them without being aware that the company that makes these products (or services) has received awards in the competition of excellence.

In conclusion, we are of the opinion, that with the involvement of companies in the competition for excellence, there are substantial benefits, in particular the internationally recognized process of evaluating company processes, allowing an international comparison of the fulfillment of compatible criteria, which are then assessed impartially and assessed by a professional external team of evaluators, added value and recommendations for improvement in those areas that have shown weaker results. If an organization does not have sufficient funds to pay a subscription fee, where participation in the competition is charged, it can also test and apply self-assessment on its own to obtain relevant information about the effectiveness of its business strategies - their strengths and weaknesses. Permanent evaluation of excellence thus inevitably contributes to optimal positioning of companies on national and international markets in a tough competitive environment.

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