

What Can We Learn from Swedish Quality Award? An Empirical Investigation of the Causal Relationships

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Abstract

This research aims to empirically test the causal relationships among the criteria used in the Swedish Quality Award model. Structural equation modeling is used to analyze the past applicants data, which are in the form of assessors' scores, during the last two decades (1992-2012). Overall, the model has a fairly good fit to the data ($\chi^2=372.61$, $df=193$, $CFI=0.943$, $RMSEA=0.08$). Most of the hypothesized causal relationships are shown to be statistically significant. For example, 'Leadership' is identified as the driver for 'Organizational Planning', 'Employee Engagement and Development', and 'Processes'. However, it does not affect 'Information and Analysis', which is contrary to some previous findings in other countries. Except for 'Organizational Planning', other factors in the system ('Information and Analysis', 'Employee Engagement and Development', and 'Processes') do contribute to better 'Results'. Furthermore, better 'Results' leads to 'Customer Satisfaction'. Interestingly, 'Customer Satisfaction' neither affects 'Employee Engagement and Development' nor 'Processes'. It only affects 'Information and Analysis' and 'Organizational Planning'. Comparison of the findings with the causal relationships in Malcolm Baldrige National Quality Award (MBNQA) model will be carried out. Finally, some practical implications taking into account the local context will be discussed.

Keywords

Quality management, quality award, structural equation modeling

Biography

Hendry Raharjo obtained his Joint-PhD degree from National University of Singapore and Eindhoven University of Technology. He is working as assistant professor at Department of Technology Management and Economics, Chalmers University of Technology. His research interest is in the areas of quality engineering, operations management, and healthcare.

Henrik Eriksson earned his doctoral degree at Luleå University of Technology in the field of quality management in 2004, his research illuminated quality management initiatives and the effects on the organizational performance. He has been working for a number of years as a quality manager in the healthcare industry. He is currently working as a researcher at the division of Quality Sciences and the Centre for Healthcare Improvement (CHI) at Chalmers University of Technology. He has currently a number of research interests: quality improvement in healthcare, quality management in theory and practice, and business excellence and quality awards.