

The Impacts of EQUASS Excellence on Social Service Providers: Results from a Survey

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Executive Summary

This report presents the results of a questionnaire-based survey administered to 27 social service providers with the objective to examine the impacts of EQUASS Excellence. The survey achieved a 92.6% response rate, and respondents belong to five different European countries. It shows that social service providers typically implement the certification for internal reasons. EQUASS Excellence produces benefits mainly at the operational, society and customer levels, whereas its main pitfalls include high maintenance costs, difficulties in defining measurable objectives, and increased top management workload. The majority of respondents (92%) are very satisfied or satisfied with the certification, suggesting that it largely meets their expectations. Certification renewal intentions are also high but some respondents report that the final decision depends on several factors. The insights gained through the qualitative data are also described.

About the author

Nuno Melão is a lecturer at the School of Technology and Management of Viseu of the Polytechnic Institute of Viseu (Portugal), where he teaches several management related subjects to undergraduate and postgraduate students. He received a PhD in Management Science from Lancaster University (UK) in 2001. His research has appeared in journals, such as the Information Systems Journal, Journal of the Operational Research Society, European Journal of Operational Research, Total Quality Management & Business Excellence, International Journal of Quality and Reliability Management, International Journal of Productivity and Performance Management and International Journal of Management and Decision Making. He has previously lectured at the Polytechnic Institute of Guarda and the Catholic University of Portugal (Viseu). He is also an investigator of the Research Centre in Management and Economics of the Catholic University of Portugal (Porto).

1. Objectives

The main objective of this research is to examine the impacts of the EQUASS Excellence certification on social service providers. In particular, the following specific objectives are defined:

- To identify the certification motives;
- To assess the certification impacts from several perspectives, including operational, people, customer, society, and economic impacts;
- To identify the main implementation pitfalls;
- To determine the degree of satisfaction with the certification;
- To assess the intentions of certification renewal.

2. Methodology

Given the research objectives above, this study uses a cross-sectional, questionnaire-based survey methodology. The population consists of all organisations with an EQUASS Excellence certification. The source of the sample frame was the online database of EQUASS Excellence certified organisations¹ at the closing date of February 12th, 2016. This database lists all social service providers that have a valid EQUASS Excellence certificate, including information about the organisation name, country, logo, postal and website addresses, certification and expiration dates, the contact person name and email. The contact person is a representative who can provide further information about the social service provider to the EQUASS certifying body. This representative is typically a person with a managerial position (i.e. director/president/CEO, quality manager or middle manager), and, therefore, is knowledgeable with the EQUASS Excellence certification programme. Some organisations listed in the database are certified in multiple sites and have the same contact person listed across such sites. To avoid receiving multiple replies from the same person, these multiple copies of contact persons were eliminated, leaving 27 out of a total of 37 records.

This study was preceded by a literature review, which informed the survey design. The final instrument was a self-administered, web-based questionnaire and consisted of eleven sections: organisation profile; reasons for implementation; operational impacts; people impacts; customer impacts; society impacts; economic impacts; pitfalls; satisfaction with the certification; certification renewal; and other comments.

The study of Melão et al.² on EQUASS certification was used to inform the questions about the reasons for implementation, impacts and pitfalls. Five questions on certification renewal were adapted from Heras-Saizarbitoria et al.³ so as to analyse certification renewal intentions. The majority of the questions were closed-ended and their responses had a 5 point Likert scale (for the reasons for implementation, impacts and pitfalls, from 1 – none to 5 – very high; for the satisfaction with the certification, from 1 – very dissatisfied to 5 – very satisfied). However, a few open-ended questions were included to complement or shed light on the responses given by participants in closed-ended questions.

Because the majority of EQUASS Excellence certified organisations are located in Portugal, the questionnaire was first drafted in Portuguese, and then translated into English by the author of this report. From this version, two English lecturers back translated into the original language and comparisons were made. Small differences were identified but they had no impact on the meaning of the original text. The instrument was pretested with one academic and one practitioner with expertise in the study area, and small improvements were made accordingly.

The questionnaire administration was followed-up twice to increase the response rate. Also with this aim in mind, a website link to the questionnaire form was sent along with a cover letter, confidentiality assurances, an offer of a report summarising the findings, and a monetary incentive. The first group of emails was sent in mid-February and the last one in early March. From the 27 organisations emailed, a total of 25 responses were submitted. The final response rate was 92.6%, as can be seen from Table 1, which is higher than is often the case.

Table 1. Distribution of responses per country and response rate. Source: Own data.

Country	Valid certifications	Valid responses	Response rate (%)
Germany	2	2	100
Greece	1	1	100
Ireland	1	1	100
Portugal	22	20	90.9
Slovenia	1	1	100
Total	27	25	92.6

Quantitative data was analysed in Excel and SPSS using simple descriptive statistical techniques. Content analysis was employed to analyse qualitative data in three stages: first, all replies to a given question were read several times and an initial set of categories were defined; second, pieces of text were assigned to categories; third, the categories and assigned text were refined until they were deemed appropriate.

3. Results

3.1 Sample profile

Table 2 summarises the main features of the sample. The majority of the sample consists of medium-sized (48%) and small (28%) social service providers, followed by large (24%) social service providers. They are located in five different European countries, including Portugal (80%), Germany (8%), Greece (4%), Ireland (4%), and Slovenia (4%). Most of them obtained the first EQUASS Excellence certification between 2011 and 2013 (64%), whereas the remainder obtained it between 2009-2010 (28%) and 2014-2015 (8%). In addition to EQUASS Excellence, some social service providers also have ISO 9001 (20%), DGERT (12%), EFQM (4%), HACCP (4%), ISO 13485 (4%), and national QM certifications/accreditations. The positions of respondents are Director/CEO (32%) and Quality Manager (68%).

Table 2. Sample features. Source: Own data.

Characteristics	Number	%
<i>Organisation size</i>		
Large (>250 employees)	6	24.0
Medium-sized (50-250 employees)	12	48.0
Small (10-50 employees)	7	28.0
<i>Year of the first EQUASS certification</i>		
2009-2010	7	28.0
2011-2013	16	64.0

2014-2015	2	8.0
<i>Other certifications</i>		
ISO 9001	5	20.0
EFQM	1	4.0
DGERT	3	12.0
HACCP	1	4.0
ISO 13485	1	4.0
National QM certifications	2	8.0
<i>Position of respondents</i>		
Director/CEO	8	32.0
Quality manager	17	68.0

3.2 Reasons for implementation

Figure 1 displays the mean score for each implementation reason. According to respondents, the motives with the highest degree of importance on the organisation's decision to implement EQUASS Excellence are improvement of processes and practices, improvement of service quality, focus on continuous improvement, and become a role model in social services. On the other hand, the motives respond to pressures from customers/other stakeholders, and comply with legal requirements obtain the lowest mean score. Overall, the results suggest that social service providers were mainly driven by a genuine interest to improve processes and quality (i.e. internal motives) in their effort to implement the certification rather than to address market and other external pressures (i.e. external motives).



Figure 1. Reasons for implementing EQUASS Excellence (n=25). Source: Own data.

Respondents were also asked to indicate other relevant implementation reasons, and a summary of the results is shown in Table 3. Of the seven additional reasons given, four are human or organisation related (internal motives).

Table 3. Other relevant implementation reasons. Source: Own data.

Reasons	Mentions
To improve customer’s quality of life	1
To facilitate organisational change	1
To facilitate the participation of customers	1
To strengthen the customer focus inside the organisation	1
To strengthen teamwork	1
To focus on results	1
EQUASS is tailored to social services	1
Total	7

3.3 Implementation impacts

Figure 2 displays the mean scores of certification impacts on several operational elements. The findings indicate that EQUASS Excellence has high impacts on promoting internal reflection and continuous improvement, on structuring and systematising processes, as well as enhancing internal organisation. The impacts on eased identification/analysis of service failures and standardisation of processes are also relatively high. The benefits of improved internal communication and clarified employee responsibilities have the lowest mean scores on the operational impacts category.

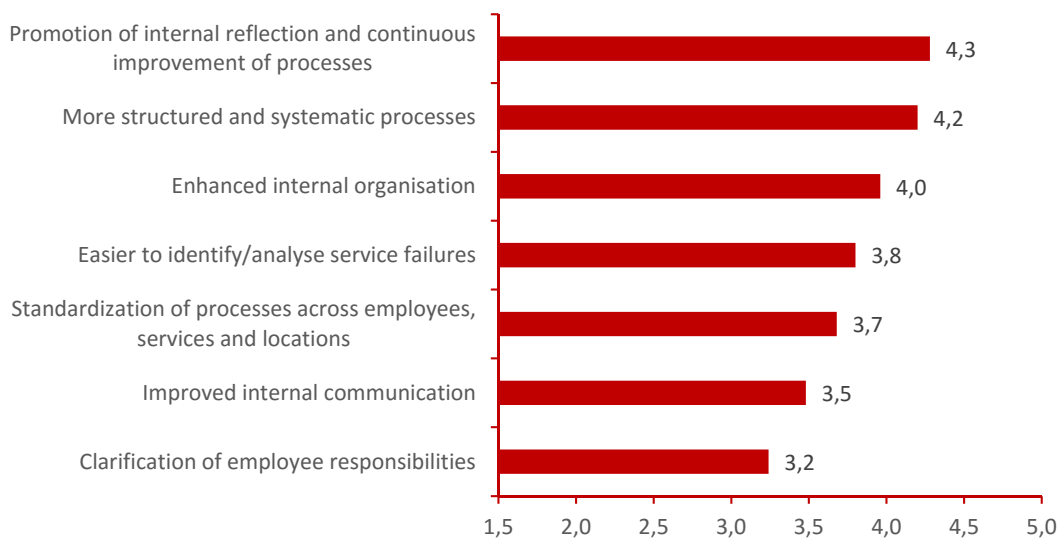


Figure 2. Operational impacts of EQUASS Excellence (n=25). Source: Own data.

Figure 3 shows the mean scores of certification impacts on several employee aspects. Apart from a relatively high impact on improved employee knowledge and competencies, respondents rate the impacts on employee motivation, satisfaction and productivity as rather moderate.

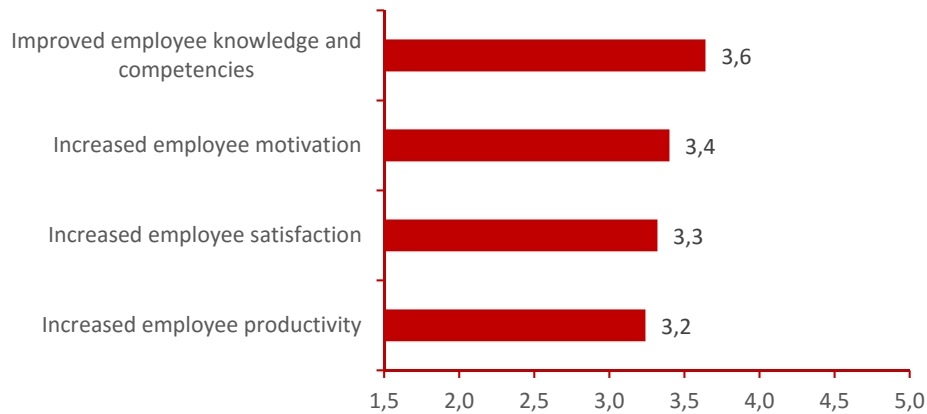


Figure 3. Employee impacts of EQUASS Excellence (n=25). Source: Own data.

The certification impacts on various customer related aspects along with their mean scores are shown in Figure 4. According to respondents, EQUASS Excellence has high impacts on involvement/participation of customers, and improvement of service quality. This is followed by relatively high impacts on improved quality of life of customers, and on greater attention to ethical and customers' rights issues. The impact on higher customer satisfaction is rated in the midpoint between moderate and high, while the impact on reduced number of complaints is rather low.

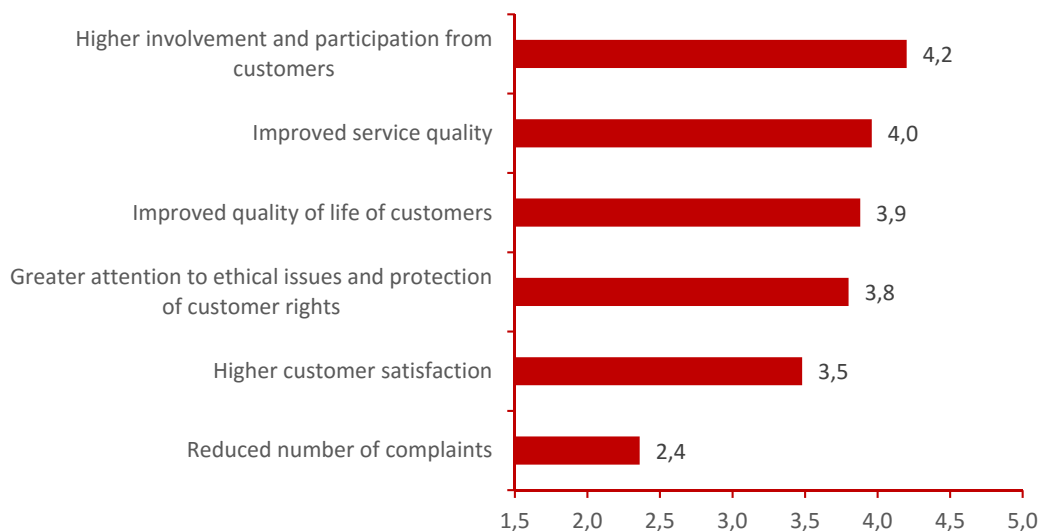


Figure 4. Customer impacts of EQUASS Excellence (n=25). Source: Own data.

Figure 5 displays the mean scores of certification impacts on society related aspects. Respondents rate the impacts on improved organisational image and on higher external recognition/prestige as high. Similarly, the impacts on enhanced communication with partners/society, improved trust from agencies/governmental authorities, and higher involvement/participation from partners/society are viewed as relatively high. Lastly, the certification has a rather moderate impact on higher satisfaction of partners and society.

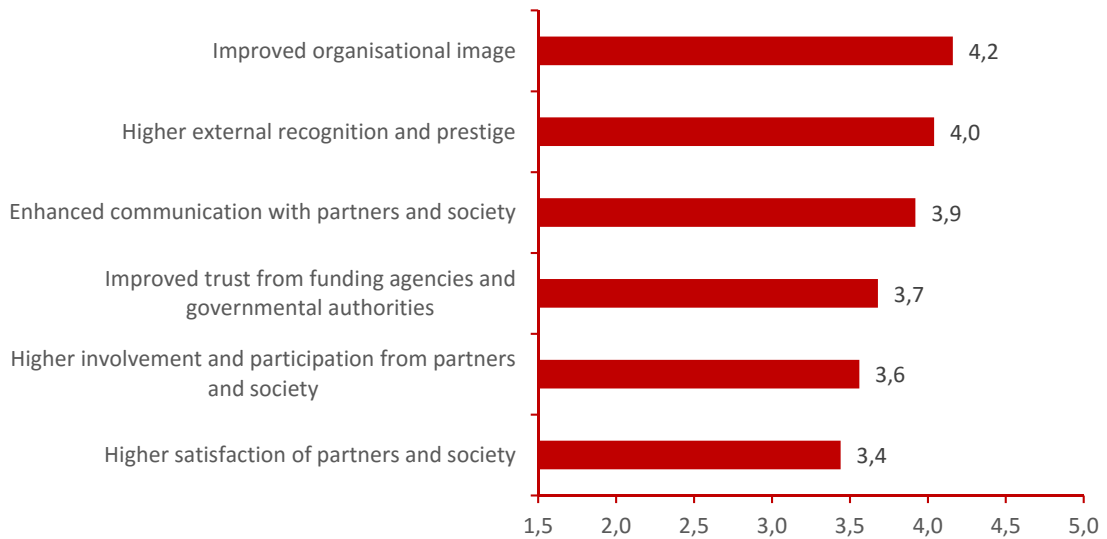


Figure 5. Society impacts of EQUASS Excellence (n=25). Source: Own data.

Figure 6 exhibits the mean scores of the economic impacts of EQUASS Excellence. Respondents value the impacts on increased fundraising, reduced costs, and increased customer acquisition/retention as low. In addition, the results show that the impact on increased revenues is rather minimal.

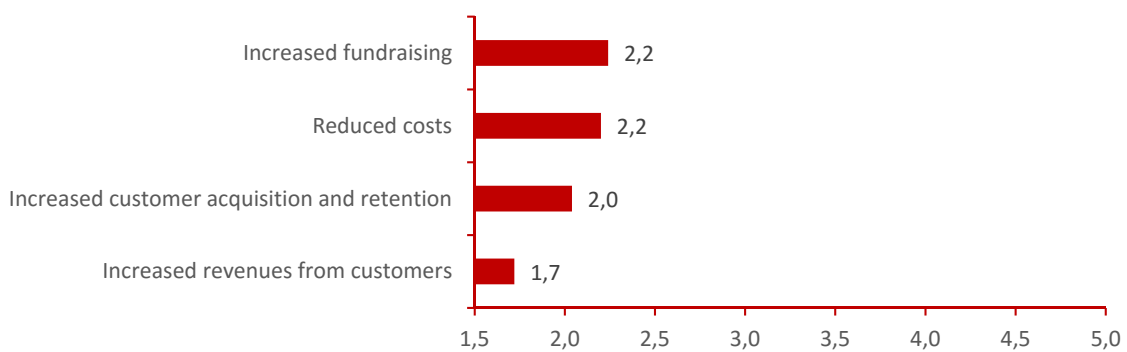


Figure 6. Economic impacts of EQUASS Excellence (n=25). Source: Own data.

If the different categories of impacts are compared by calculating their grand means, the results suggest that the implementation of EQUASS Excellence delivers relatively high benefits at the operational and society levels, and slightly high benefits at the customer level (Figure 7). The employee benefits are rather modest, whereas the economic benefits are low.

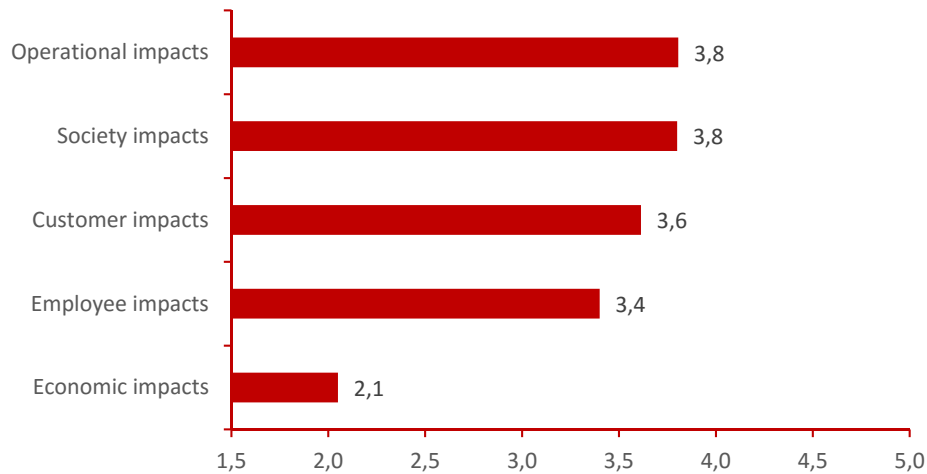


Figure 7. Comparison among categories of certification impacts (n=25). Source: Own data.

3.4 Implementation pitfalls

Figure 8 shows the mean scores of the implementation pitfalls. Respondents deem the high costs with the certification maintenance and the difficulties in defining measurable objectives as rather high pitfalls. The pitfall increased top management workload is rated in the midpoint between moderate and high, while the increased bureaucracy, high costs with the initial implementation of the certification, and resistance to change from employees are seen as modest pitfalls. The lowest mean score pertains to the higher social workers' workload, which is in the mid-point between low and moderate.



Figure 8. Implementation pitfalls of EQUASS Excellence (n=25). Source: Own data.

3.5 Satisfaction with the certification

Figure 9 shows the degree of satisfaction of respondents with EQUASS Excellence. 92% of respondents are very satisfied or satisfied, 4% have a neutral opinion, and 4% are dissatisfied.

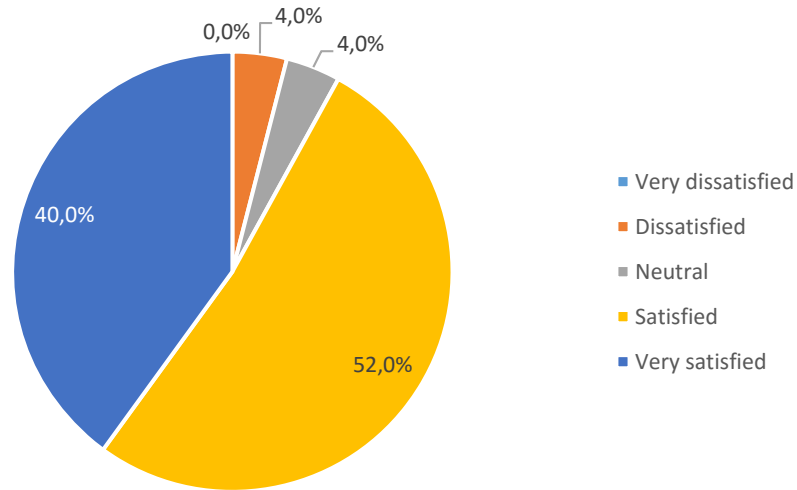


Figure 9. Degree of satisfaction with EQUASS Excellence (n=25). Source: Own data.

When asked to justify their degree of satisfaction, respondents contributed many insights, providing a rich dataset for further qualitative analysis, whose results are summarised in Table 4. Respondents stress some of the positive impacts mentioned earlier in section 3.3, notably increased customer participation, systematization of processes and practices, and enhancements in customers' quality of life. Interestingly, the strengths of EQUASS in addressing the unique requirements of the social sector are mentioned, with a particular emphasis on the promotion of greater ethics, customer empowerment and self-determination.

In addition, respondents comment on the increased staff workload, and the high costs with (re)certification. While these were already identified in the preceding section, other pitfalls also emerged. For instance, respondents reveal that conducting benchmarking and benchlearning is far from straightforward, as well as that the certification is generating large amounts of data to process.

A small number of comments refer to criticisms, including the low visibility of EQUASS, lack of uniformity in the assessment, some inability of auditors to add value to the improvement process, and lack of time during external audits to show all improvements made. One respondent also states that EQUASS Excellence is little adapted to the different cultures and financial conditions of the different countries, making it difficult to maintain and renew.

Table 4. Reasons for the degree of satisfaction. Source: Own data.

Categories	Mentions
Increased customer participation	4
Systematisation of processes and working practices	4
EQUASS is tailored to the specific features of social services	3
Improvements in customers' quality of life	3

Improvement in internal processes	3
Focus on continuous improvement	2
Improvements in service quality	2
EQUASS is undervalued by governmental authorities and society	2
Increased workload	2
High costs with (re)certification for the social sector	2
Other	20
Total	47

3.6 Certification renewal

This section asked estimates about the initial implementation cost (including training, process change, consultant fees, documentation, certification, etc.), and the annual maintenance cost (including the cost of internal and external audits) of the certification. Table 5 shows the descriptive statistics of the initial implementation cost per employee and the annual maintenance cost per employee.

Table 5. Descriptive statistics of the costs of EQUASS Excellence.
Source: Own data.

	Implementation cost per employee	Annual maintenance cost per employee
Mean	415.95€	74.50€
Standard deviation	495.44€	119.19€
Minimum	14€	3€
Maximum	2145€	556€
	(n=23)	(n=22)

The mean cost of the initial implementation is approximately 416€ per employee and the mean annual maintenance cost is about 75€ per employee. However, there is a considerable variation around these values. Not surprisingly, a more detailed analysis reveals that small organisations support the highest mean implementation and annual maintenance costs per employee. In addition to having a lower number of employees, they are also less likely to have human resources with the necessary expertise to implement and maintain the certification, and, thus, they may depend heavily on the assistance of external consultants, raising the implementation and maintenance costs.

This section also asked respondents about the percentages of the initial implementation cost and the annual maintenance cost that were directly funded by external entities. Figure 10 displays the histogram of the percentage of the initial implementation cost that was directly supported by a public grant, subsidy or European programme. From the 23 responses, 12 (52.2%) organisations implemented the certification with full external financial support, whereas 5 (21.7%) organisations did not obtain any kind of external direct support.

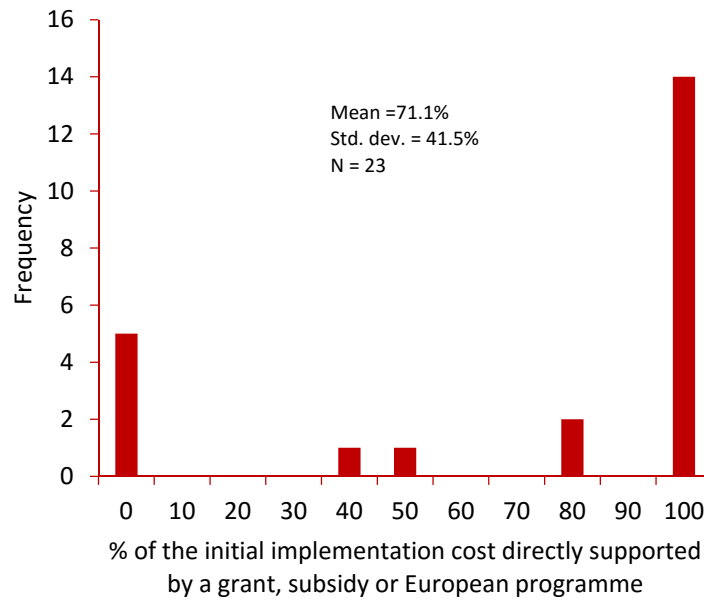


Figure 10. Histogram of the percentage of the initial implementation cost directly supported by external entities (n=23). Source: Own data.

Figure 11 depicts the histogram of the percentage of the annual maintenance cost that was directly supported by a public grant, subsidy or European programme. Clearly, the vast majority of social service providers (87.5%) does not receive any kind of external funding to cover the annual maintenance cost.

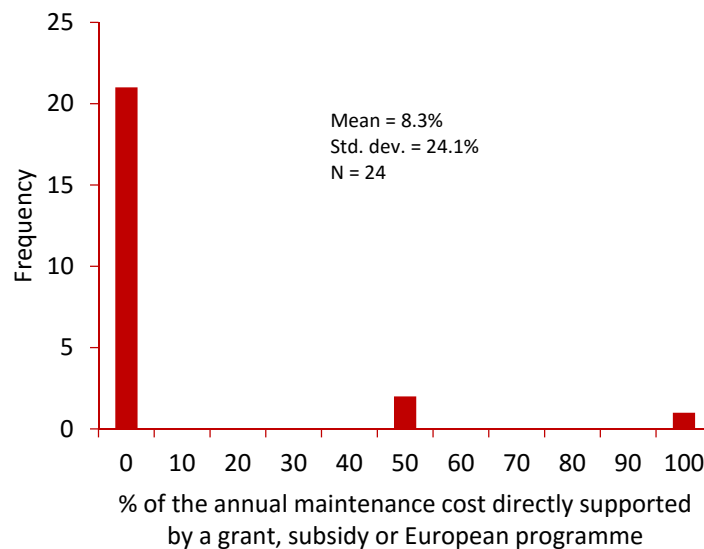


Figure 11. Histogram of the percentage of the annual maintenance cost directly supported by external entities (n=24). Source: Own data.

Another question asked respondents to provide an estimate of the certification renewal probability, whose results are presented in Figure 12. From a total of 24 responses, 16 (66.7%) respondents indicate that their organisations are likely to renew the certification (i.e. probability

superior to 50%), 3 (12.5%) are undecided (i.e. probability equal to 50%), and 5 (20.8%) are unlikely to renew (i.e. probability inferior to 50%).

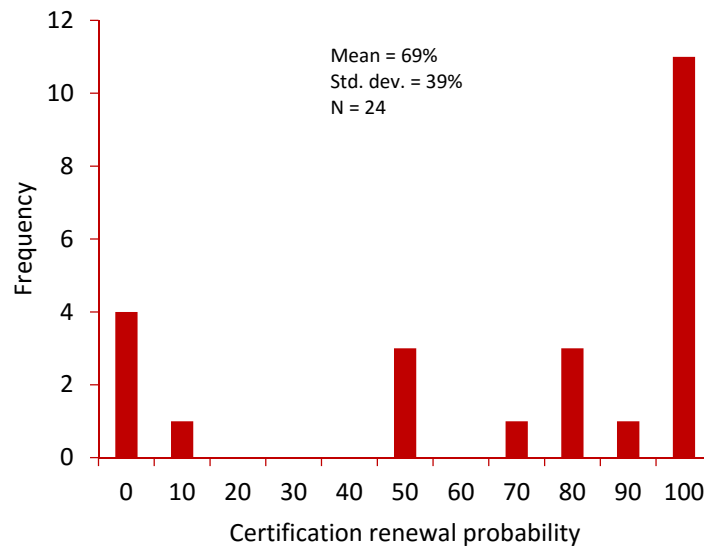


Figure 12. Histogram of the certification renewal probability (n=24). Source: Own data.

Finally, this section requested respondents to justify their answer on the certification renewal probability. Again, the replies were very rich and insightful. Table 6 summarises the reasons for those organisations that are likely to renew the certification (i.e. probability superior to 50%). The highest cited reason is that organisations wish to keep the continuous improvement processes. Five organisations have renewed the certification recently or are in the process of renewing it. Other reasons are because of several certification benefits identified in section 3.3, or because the certification is part of the organisation’s strategy. One small social service provider mentions difficulties in maintaining the certification without financial support, while another stresses the elevated workload that the certification maintenance puts on its small workforce.

Table 6. Reasons for organisations that are likely to renew the certification. Source: Own data.

Reasons	Mentions
Continuous improvement	4
We are working to renew the certification this year	3
We have renewed the certification recently and intend to the renew it again	2
Because of improved work practices	2
Because of the results obtained	2
Due to strategic reasons	1
Image	1
Without financial support it will be difficult to maintain the certification	1
As a small organisation, the maintenance of EQUASS Excellence requires a huge effort from the small existing workforce	1
Total	17

Three organisations explain that they are undecided whether to renew or not (i.e. probability equal to 50%) because of the lack of sufficient certification benefits, uncertain future economic situation, or because the final decision depends on the availability of external financial support.

Table 7 reveals the reasons that respondents gave for unlikely to renew the certification. As can be seen, they are related to cost/funding issues, or because the certification did not meet expectations.

Table 7. Reasons for organisations that are unlikely to renew the certification.
Source: Own data.

Reasons	Mentions
Does not meet expectations – too imprecise	2
High maintenance costs and lack of financial assistance	1
Downgrade to EQUASS Assurance because of financial reasons	1
Financial sustainability of the organisation	1
Total	5

3.7 Other comments

The final question (optional) asked respondents to add other comments not previously mentioned. The only respondent states that “the biggest difficulty is still getting data to perform benchmarking and benchlearning since there few certified organisations”. Indeed, this may be an issue within the EQUASS certification programme, but social service providers may search for best practices in organisations recognised in other Excellence programmes.

4. Summary and conclusions

Social service providers implement EQUASS Excellence for various reasons, but the results indicate that they are mostly motivated by internal reasons rather than external ones. This is consistent with other research^{2,4}.

EQUASS Excellence generates benefits mainly at the operational (i.e. promotion of internal reflection and continuous improvement, and more structured and systematic processes), society (improved organisational image, and higher external recognition and prestige) and customer (higher involvement/participation from customers, improved service quality) levels. This finding is in accordance with previous studies on EQUASS² and other Excellence models, such as the European Foundation for Quality Management Excellence (EFQM) model⁴.

Respondents consider the economic impacts of EQUASS Excellence to be low. The study of the effects of the implementation of quality management on the economic performance of social service providers remains largely an uncharted territory. In the wider literature, the empirical results are mixed, suggesting that the economic benefits are weaker than operational benefits and not always significant⁵.

High costs with the certification maintenance, difficulties in defining measurable objectives, and increased top management workload are three important implementation pitfalls for social service providers. Other relevant pitfalls include the low visibility of EQUASS, dissatisfaction with the auditors’ work (either because of lack of uniformity in the assessments or some inability to add value to the improvement process), and difficulties in conducting benchmarking and benchlearning. Some of these pitfalls, notably the high costs with certification maintenance and increased top management workload, are consistent with those of other Excellence frameworks⁴.

About 92% of respondents are very satisfied or satisfied with EQUASS Excellence, which suggests that the certification largely met their expectations of process, quality and continuous improvement. However, several respondents also identify some issues/difficulties that need to be addressed, some of which are specific to EQUASS Excellence.

Small social service providers incur the highest initial implementation cost and annual maintenance cost per employee. 75% of the sample reports that their organisations implemented the certification with partial or total financial support, whereas only 12.5% report a similar case for the annual maintenance cost. Not surprisingly, various respondents (regardless of their organisation's size) commented on this, stressing that their organisations operate in resource constrained environments, and, thus, express the wish for the availability of additional financial support possibilities.

Around 67% (n=24) of respondents indicate that their organisation is likely to renew EQUASS Excellence. This figure should be interpreted with some caution, though, because the final renewal decision depends, as respondents pointed out, on the availability of funding, the organisation's financial situation at the time of renewal, and other factors. It is also clear from this study that many social service providers incorporated successfully EQUASS Excellence in their daily work, gained significant benefits, and, consequently, remain loyal users. Five institutions (20.8%) indicate that they do not intend to renew the certification mainly due to cost/funding issues.

One limitation of this empirical study is that it reports mainly the perspectives of top management and quality managers. In order to obtain a fuller picture of the impacts of EQUASS Excellence on social service providers it would be important to study the perspectives of other employees, customers and other stakeholders.

Acknowledgement

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