

Pursuant to Article 7 of the Republic of Slovenia Business Excellence Prize Act (Uradni list RS (Official Gazette of the Republic of Slovenia), no. 83/03 – official consolidated text) and in agreement with the Government of the Republic of Slovenia the Republic of Slovenia Business Excellence Prize Board hereby issues

RULES

on the activities of the Republic of Slovenia Business Excellence Prize Board

I. GENERAL PROVISIONS

Article 1

(Areas governed by the Rules)

These Rules determine:

- rights duties and the method of operation of The Republic of Slovenia Business Excellence Prize Board (hereinafter: the Board);
- the method of performing professional and administrative tasks of the Metrology Institute of the Republic of Slovenia (hereinafter: MIRS) on behalf of the Board;
- the form and contents of a public invitation to apply (hereinafter: applications) for the Republic of Slovenia Business Excellence Prize (hereinafter: the Prize);
- composition, competences and tasks of the Assessors Committee (hereinafter: the Committee);
- prize categories, assessment criteria and system;
- the form, material and the symbols on the statuette and the contents of the Prize certificate;
- solemn conferment of Prizes;
- protection of confidential information.

II. RIGHTS, DUTIES AND METHOD OF OPERATION OF THE BOARD

Article 2

(Rights and duties of the Board)

Members of the Board shall have the following rights and duties:

- to define conditions and criteria for business excellence assessment and selection of prize winners;
- to publish public invitations to apply for the prize together with the time schedule of implementation;
- to appoint Assessors Committee;
- to decide on proposed candidates;
- to confer the prize;
- to approve the report on activities of the Board and to submit it to the Government of the Republic of Slovenia;
- to give suggestions to the Government of the Republic of Slovenia concerning changes and improvements in respect of prizes;
- to prepare and implement the strategy of introduction of business excellence in the areas they manage and promotion of the prize in the Republic of Slovenia;

- to coordinate promotion activities covering expanded application of business excellence model in the areas they represent and to accept annual plan of these activities;
- to attend the meetings of the Board;
- to perform other tasks in accordance with these Rules.

Article 3

(Method of the operation of the Board)

Members of the Board shall elect from among themselves the Chairman and Vice-Chairman. The Board shall act and take decisions at the meetings, convened and chaired by its Chairman or, in his absence, by a member of the Board appointed to act as his deputy at the first meeting of the Board on the proposal of the Chairman.

A member of the Board shall not participate and vote in respect of items where a conflict of interest may occur (e.g. participation in the process as applicant, assessor, etc.).

Article 4

(Record of the Board's meeting)

Record shall be kept of the meetings of the Board. The record shall obligatory contain the results of votes.

Article 5

(Press conference on the winners)

Before the solemn conferment of the prizes the Chairman of the Board shall convene the press conference of media representatives. At the press conference the Chairman of the Board shall inform the media representatives of the Finalists and Winners and shall ask journalists to inform the public of the Winners only when the conferment has been completed.

III. MODE OF OPERATION OF MIRS

Article 6

(Mode of operation of MIRS)

MIRS shall perform technical and administrative activities for the Board, focusing particularly on the following:

- transposition of the European Quality Award practice to Slovenia;
- preparation of proposals of public invitations to apply for the prize and time schedules of individual assessment processes within the RS Business Excellence Prize Procedure (hereinafter: PRSPO) with fixed time-limits;
- organization of assessors training;
- preparation of the list of candidates that qualify for assessors;
- sending to the applicants the reports on assessment results accepted by the Board in accordance with the time schedule;
- drawing up the report on implemented procedures in accordance with the time schedule and presenting it to the Board;
- participating in national and international meetings in that area;
- performing other tasks in accordance with these Rules.

IV. PUBLIC INVITATION TO APPLY

Article 7

(Public invitation to apply and expression of interest in participating)

Every year the Board shall publish in mass media public invitation to apply for the prize. In accordance with the time-limit indicated in the time schedule the potential applicants shall express their interest in participating in the procedure.

Time limit for submitting the application for prize shall be indicated in the time schedule which shall be attached to the public invitation to apply.

Article 8

(expression of interest in participating)

In his expression of interest in participating the potential applicant shall indicate the following:

- name of the company and its registered office and registered office of any subsidiaries;
- details on contact person;
- total number of employees, activity and number of entry in the register;
- category of the prize, for which he applies;
- information regarding an independent site visit by assessment team should the applicant not be selected to receive a site visit within the PRSPO procedure;
- details of the responsible person, his or her signature, date and stamp.

Article 9

(Public invitation to apply)

The published invitation to apply shall comprise in particular:

- the object of public invitation to apply with indication of documents in accordance with which the applications shall be prepared, as well as of basic conditions and criteria for selection of winners;
- compulsory elements of the application for prize;
- time schedule of activities;
- deadline according to time schedule, by which potential applicants shall express their interest in writing to participate in the procedure and deadline by which potential applicants shall submit their applications for prize;
- the funds to be paid by the applicants when submitting their applications for prize;
- provision in respect of the possibility of an independent site visit by the assessor team;
- address to which the expression of interest and applications shall be sent;
- place, time and person, where the tender documents may be obtained.

Applications for prize shall be sent in a sealed envelope bearing the indication: "Do not open – Business Excellence Prize of the Republic of Slovenia".

Article 10

(Commission for opening applications)

Opening of received applications for prizes shall be the responsibility of respective commission appointed by the Board for the period of three years on the proposal of MIRS. The commission shall be composed of a chairman, at least two members, and two deputies.

Article 11

(Record of the Commission for opening applications)

The Commission for opening applications shall keep the record of opening applications and of their findings; the record shall comprise in particular:

- subject of the public invitation to apply;
- place and date of opening applications;
- names of the members of the Commission attending opening of applications;
- names or titles of applicants;
- sequence of opening applications;
- findings on timeliness of applications and list of applications accepted into the prize award procedure.

The Commission for opening applications shall invite in writing the applicant that submitted an incomplete application to eliminate the deficiencies. It shall also warn him that his application will not be dealt with unless he submits relevant completions within 8 working days from receipt of the notice.

The Commission for opening applications shall within 8 days from the date of opening the applications notify the applicant who submitted an application which does not meet the requirements of the public invitation of refusal of his application.

Article 12

(Information on the findings of the Commission for opening applications)

MIRS shall notify each applicant of final conclusions of the Commission for opening applications and of the approved assessor teams. The applicants shall either approve the composition of the assessor teams or request a change but this may occur only once in one procedure. Upon receipt of applicants' approval of assessor teams MIRS shall submit the applications received to the Assessors Committee and shall coordinate its work.

Article 13

(Limitations on the submission of applications)

The Winners of the Prize may not apply to the first next public invitation to apply for the prize.

Article 14

(Pilot project)

For the purpose of teaching and preparation of new prospective applicants for public invitation for the prize a pilot PRSPO project may be organized. The pilot project may be organized on the initiative and with participation of the ministry that also provides financial

support; the ministry is mainly responsible for the subject matter and coordination of the area covered by the pilot project.

For implementation of the pilot project provisions of these Rules governing regular procedure for prize award where all participants in the project receive diplomas for participation, shall be applied *mutatis mutandis*.

V. COMPOSITION, COMPETENCE AND TASKS OF THE COMMITTEE

1. Composition of the Committee

Article 15

(Jurors, lead assessors and assessors)

The Committee shall be composed of Jurors, lead assessors and assessors.

The Jurors team shall consist of a chairman and six members. On proposal of MIRS the Jurors team shall be appointed by the Board for a period of three years on the understanding that the members and the chairman of the team may be nominated for a further period.

On proposal of MIRS and with the prior consent of the Jurors team the candidates for lead assessors and assessors shall be appointed by the Board for a period of three years. The assessors shall stand as candidates for the Committee every year.

Article 16

(Criteria for the appointment of the members of the Committee)

Members of the Committee shall be chosen from among the executive staff and experts having knowledge and experience in the area of business excellence in private and public sectors.

Criteria for appointment of Committee members shall be as follows:

- at least higher education;
- several years of experience in management;
- proficiency in Slovene and English languages;
- completed assessors training at MIRS;
- at least eight years of working experience or passed examination for assessors based on conformity assessment performed, qualifications and skills in accordance with the practice of the European Quality Award.

Article 17

(Criteria for selection of Committee members)

Criteria for selection of Committee members shall include the scope and kind of their experience, appearance, specialization level, knowledge of quality and qualification in business.

Criteria for obtaining the status of Juror shall comprise the following:

- public reputation or public activity (professional articles, lectures, leading professional associations, praises and recognitions);
- reputation of the organization of the person's employment;

- working experience in managing at least one successful project of organization improvement;
- working experience in managing assessments.

Criteria for obtaining the status of lead assessor shall include the following:

- professional competence for assessment of individual prize criteria;
- proved technical knowledge for assessment following the model of European Quality Award;
- experience in administrative management or project management;
- working experience in managing at least one successful project of organization improvement;
- working experience in managing assessments or judging;
- specialized in at least one of the prize criteria.

Criteria for obtaining the status of assessor shall include the following:

- professional competence for assessment of individual prize criteria;
- proved technical knowledge for assessment following the model of European Quality Award;
- experience in administrative or project management.

Article 18

(Restrictions on selection of assessors)

A candidate who has not completed relevant preparatory training planned for the current year or who did not participate in the applications assessment procedure in the past two years, cannot be appointed member of the Committee in that year.

An assessor that satisfies the criteria from Articles 16 and 17 of these Rules and has been appointed to the Committee for the first time shall have the status of a novice (novice assessor).

A candidate who does not meet the criteria from the second or the fifth indent of the second paragraph 2 of Article 16 of these Rules can also participate in the Committee as a probationer assessor. If a probationer assessor's skills were twice successively assessed by the lead assessor as very good at least, that probationer shall be granted the status of assessor.

Probationer assessors and novice assessors shall have the same tasks and duties as other assessors in the Committee.

Article 19

(Composition of assessor teams)

For assessment of individual applicants the assessor teams shall be formed from among the members of the Committee. The teams shall include one lead assessor and at least two assessors.

When forming assessor teams the following shall be taken into consideration:

- there shall be no conflict of interest between the assessor and the applicant company;
- the members of the team shall have approximately equal skills, education and experience;
- consideration shall be taken of the area of activity of individual applicants.

2. Competences and tasks of the Committee

Article 20

(The role of the Committee)

The Committee shall make a technical inspection of the applications received and shall assess them on the basis of proofs relating to their satisfaction of criteria specified in the invitation documents.

Article 21

(Tasks of the Jurors team, lead assessors and assessors)

In cooperation with MIRS the Jurors team shall:

- propose members of assessment teams,
- review assessment results;
- choose the applicants to receive site visits;
- review the site visits reports and
- make final decision in respect of finalists and prize winners.

Each Juror shall study in detail the applications and final reports in respect of applicants allocated to him for consideration in the assessment procedure. Each application and report shall be studied carefully by at least two assessors.

The proposal of Prize winners shall be prepared by the Jurors team on the basis of scores of the assessor teams and in accordance with the time schedule and submitted through MIRS to the Board for its approval. The proposal shall be signed by the chairman of the jurors team.

The lead assessors shall have the following tasks:

- to check, comment and assess the applications;
- to conduct assessment procedures of individual applications and shall be professionally responsible for the correctness scores and score elements;
- to conduct consensus meetings, guide site visiting teams and draw up reports for applicants and jurors;
- to assess in writing the work of assessors in the team.

The assessors shall have the following tasks:

- check, comment and assess the applications;
- shall be professionally responsible for the correctness of their scores and score elements;
- participate in assessments at consensus meetings and in site visiting;
- participate in drawing up reports for applicants and jurors;
- assess in writing the work of lead assessor and assessors in the team.

Article 22

(Tasks of lead assessors and assessors)

The tasks of lead assessors and assessors within the assessment teams shall be detailed in the Assessor Instructions issued by MIRS in cooperation with the Jurors team and in accordance with the European Quality Award practice.

3. Stages in the assessment process

Article 23

(Stages in the assessment process – general)

The Committee shall reach its final decision on the basis of the assessment process comprising several stages.

- Stage 1 – assessment of applications;
- Stage 2 – consensus meeting;
- Stage 3 – possible site visit and bringing into line the scores following the site visit;
- Stage 4 – final review by the Jurors.

Stages 1 to 3 shall be implemented for individual applications by assessor teams designated for this purpose. Stage 3 shall be implemented if so decided by the jurors team. Stage 4 shall be implemented by the Jurors team for all applications and assessor teams.

Article 24

(Assessment of applications)

Each assessor team shall have the task to assess each application independently and to assign a score taking account of the requirements and criteria in the process.

Article 25

(Consensus meeting)

Consensus meeting shall mean bringing into line the scores and findings of the members of a team.

The assessors shall:

- draw up comments in writing and scores in respect of various criteria and their segments;
- cooperate with lead assessor and other assessors in planning consensus assessment;
- perform the tasks they were assigned by the lead assessor prior to consensus assessment;
- participate in consensus assessment managed by lead assessor in order to reach consensus on comments, questions concerning site visits and assessment scores;
- take part in drawing up a report to the applicant not selected for a site visit;
- take part in drawing up a report to the Jurors.

The lead assessor shall:

- draw up comments in writing and scores in respect of various criteria and their segments;
- conduct the consensus meeting and reach a common concerted score;
- draw up a report to the applicant not chosen for a site visit;
- draw up a report to the Jurors.

A Juror shall:

- verify the process employed in assessment;
- review assessment results;
- select the applicants for site visiting.

Following the consensus meetings the Jurors shall choose the applicants with higher scores to receive the site visits. Written comments made in consensus meetings shall be used as a basis for drawing up reports to the applicants not chosen to receive a site visit.

Article 26

(Site visit and bringing into line assessment of the application)

The site visit shall be made only if so decided by the Jurors team. As a rule, the team involved in the site visit shall be the same as that for the initial assessment usually augmented by a lead assessor and two assessors.

At the applicant's request stated in his expression of interest to participate in the prize award procedure an independent site visit may be made to the sites of the applicants which have not been chosen to receive a site visit in the PRSPO procedure. The outcomes of such visits shall not be taken into account in the procedure and their costs shall be covered by respective applicants.

The purpose of site visits is to clarify and verify the matters arising from initial meetings. Following the site visit the assessment team shall draw up a report and submit it to the Jurors.

Article 27

(Bringing into line the assessment of the application following the site visit)

At the site visit the lead assessors shall:

- propose and agree on the approach to the site visit with the members of the team;
- invite the members of the team to formulate their opinions on the proposed matters;
- jointly with the members of the team select the applicant's units to receive the site visit;
- together with the members of the team and with the contact person of the applicant make all the necessary arrangements for the site visit in accordance with instructions of MIRS ;
- guide the site visits;
- manage the activities of the team, particularly in respect of recognizing key issues that require clarification and verification, developing strategy for dealing with issues, giving assignments to assessors and ensuring proper treatment of all key issues;
- collect and synthesize written information from assessors;
- complete and submit the required questionnaires relating to the site visit;
- provide reports on the time, the course and participation in the site visit;
- draw up a report to the Jurors and a final feedback report to the applicant.

At the site visit the assessors shall:

- take part in planning site visit, defining issues and strategy for their consideration;
- take part in the site visits;
- substantially contribute to clarification and verification of all vital issues;
- draw up information required by the lead assessor;
- participate in drawing up a report to the Jurors;
- participate in drawing up a report to the applicant.

At the site visit the Jurors shall:

- verify the process employed in assessment;
- review the applications and site visit reports, as well as other information relating to the applicant.

A representative of MIRS or a member of the Jurors team may also take part in the site visit.

Article 28
(Site visit report)

Site visit report shall be composed of evaluation record of the site visit, records of findings, any amended scores with visible deviations from the score prior to the visit and the list of scores by all assessors taking account of the findings related to the site visit.

Article 29
(Final feedback report to the applicant)

The feedback report shall cover key subjects comprising a list of crucial strengths and opportunities for improvement in its totality and by individual areas and an assessment summary comprising scores by individual areas and their segments, as well as the total score.

Article 30
(Final review by the Jurors)

The Jurors shall:

- review all the aspects of assessment procedure;
- review the applications and site visit reports, as well as other relevant information in respect of the applicant.
- consult the lead assessors where appropriate;
- propose finalists and winners to the Board;
- carry out final review of feedback reports to applicants.

Lead assessors shall be at the disposal of Jurors and of MIRS for possible consultations regarding various problems or to clarify issues.

Article 31
(Reimbursement of expenses incurred)

Members of the Committee are entitled to reimbursement of expenses incurred in initial assessment of applications, assessment of applications in consensus meeting and site visits. Costs shall be reimbursed to the assessors based on reports on assessment activities and subject to the approval of the Board. Mutual relations between the Committee and MIRS shall be defined for each PRSPO procedure separately by individual cooperation agreements.

VI. PRIZE CATEGORIES, ASSESSMENT CRITERIA AND SYSTEM

Article 32
(Prize categories)

The prizes may be awarded to the following categories of organizations:
In private sector:

- one prize to the organization with more than 250 employed;
 - one prize to the organization with up to 250 employed or less;
- In public sector:
- one prize to a public sector organization.

Sole proprietors shall be treated as organizations in the category of private sector with less than 250 employed.

Article 33

(Assessment criteria and system)

In the assessment process account shall be taken of the assessment criteria and system of the European Quality Award developed by the European Foundation for Quality Management and shall be specified annually by the Board in the Public Invitation to apply for the RS Business Excellence Prize. The above documents can be examined at MIRS.

Article 34

(Selection of Finalists – general)

The Jurors shall be submitted separate lists of applicants that received site visits and all relating documents for review according to categories and in descending rating order. The applicants shall be marked with distinguishing numbers.

Article 35

(Selection of Finalists – principles)

In the process of selection the Jurors shall observe the following principles:

- maximum possible use of debate and consensus;
- maximum number of Jurors shall participate in reaching consensus and taking decisions;
- conflict of interest shall be eliminated;
- a Juror shall not vote in respect of an applicant unless he attended at least half of the sessions in which his application was dealt with.

Article 36

(Selection of Finalists)

The Jurors shall start the process first with the applicant having the lowest score. If majority of Jurors votes against the applicant, he shall be excluded from further consideration. Then the Jurors shall debate the next candidate with higher score. If majority of Jurors votes for an applicant, that applicant and all other applicants with higher scores shall be selected for debate.

Article 37

(Selection of Finalists – conflict of interest)

In the assessment process the following shall be considered as conflict of interest:

1. direct connection (for instance: business relationship, recent employment, marriage, extramarital relationship or kinship with the main representative of the applicant in straight

line or side line up to the fourth generation or relationship by marriage up to the second generation);

2. membership in governing bodies, holding shares, shares or other rights granting a more than 20 % entitlement to the operator's management or equity;

3. business competitors of legal persons with which they are connected through direct relationship or ownership;

4. other relations and circumstances reflecting conflict of interest.

Article 38

(Selection of Finalists – debate on Winners)

The substance of the proposal of Finalists and Winners shall be decided at the Jurors' session chaired by the chairman of the Jurors team. Prior to the session the Jurors shall review the applications and feedback reports concerning all applicants verified by a site visit, with the exception of those where there is a conflict of interest.

The Jurors shall deal with the applicants separately by prize categories. The applicants with the greatest conflict of interest shall be debated first within a category. When the code number of the applicant has been declared, the Jurors with conflict of interest in respect of that applicant shall leave the room until the debate and deciding on respective applicant have been finished.

The debate on applicants shall continue until all participating Jurors have come to the agreement that the case has been properly dealt with. At the end of the debate an eliminating voting in respect of the applicant shall take place. An applicant shall only be eliminated from further consideration if so decided by voting of all participating Jurors (i.e. those not claiming any type of conflict of interest).

All Jurors who did not have any conflict of interest shall be summoned to a debate on all applicants from one prize category to debate and vote in respect of other applicants. Applicant who gets the least number of votes shall be excluded from further consideration. When the applicant has been excluded, the Jurors without conflict of interest shall join the Jurors team.

The voting process shall be repeated in such a manner that in one voting one applicant each is excluded, while the number of voting Jurors shall be gradually increasing.

The Jurors which do not claim any type of conflict of interest in respect of the remaining applicants, may vote on the final decision. The decisions shall be taken by a majority vote.

VII. THE PRIZE

Article 39

(Aim of the Prize)

The Prize shall mean the highest state award granted to organizations from private and public sectors in Slovenia (hereinafter: the persons) for achievements in the field of quality of

products and services and quality of business as a result of the development of knowledge and innovation.

Article 40
(Description of the Prize)

The Prize shall consist of the certificate and the statuette.

The Certificate shall comprise:

- the name of the Prize awarder, which is "The Government of the Republic of Slovenia, The Republic of Slovenia Business Excellence Board";
- the name of the Winner;
- the denomination of the Prize, which is "The Business Excellence Prize of the Republic of Slovenia";
- the category of the Prize;
- the date of the Board's decision.

The statuette shall be made of gilded bronze with the plinth of solid crystal glass. The statuette shall have the form of flame comprising the outlines of human figures. The statuette shall have the original form, of clean solution and unexchangeable. It shall guarantee clear identity of Slovenian excellence at national and international level.

The statuette shall have the following distinguishing features:

- name of the prize,
- year of award.

It shall be made so that every year it can be replicated in as many copies as there are prize categories.

Article 41
(Special achievements)

On the proposal of the Jurors team the Board may grant the applicants diplomas for their participation with the achieved scores or for special achievements.

VIII. SOLEMN CONFERMENT OF PRIZES

Article 42
(Conferment)

The Prizes shall be conferred once a year in accordance with the adopted time schedule.

Article 43
(The ceremony)

At the solemn conferment of Prizes the Chairman of the Board shall declare the decision of the Board regarding the Winners.

At proclamation a rationale shall be read for each Winner. The Winners shall be conferred the Prizes by the Prime Minister of the Republic of Slovenia.

The Board shall specify the programme and the course of the Prize conferment ceremony.

IX. PROTECTION OF CLASSIFIED INFORMATION

Article 44

(Confidentiality of data)

All persons involved in the assessment process shall treat the names of applicants, the comments and scoring related information gained in reviewing applications as confidential and shall protect their confidentiality. Such information shall only be available to persons directly involved in assessment process. The Board and other persons involved shall not disclose any information whatsoever on any application without the prior consent of the applicant. The Board shall ensure confidential treatment of applications and information comprised in them.

X. TRANSITIONAL AND FINAL PROVISIONS

Article 45

The processes commenced prior to entry into force of these Rules shall be completed pursuant to the Rules on the activities of the Republic of Slovenia Business Excellence Prize Board (Uradni list RS, no. 34/04).

Article 46

On the day of entry into force of these Rules the Rules on the activities of the Republic of Slovenia Business Excellence Prize Board (Uradni list RS, no. 34/04) shall cease to be valid.

Article 47

These Rules shall enter into force on the 15th day following its publication in *Uradni list Republike Slovenije* (Official Gazette of the Republic of Slovenia).

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Andrej VIZJAK, MSc.
Chairman of the Republic of Slovenia
Business Excellence Prize Board