

## **Award for Gelsenkirchen-based company in Berlin: thyssenkrupp Electrical Steel honored with Ludwig Erhard Prize for business excellence**

A “lighthouse project” or an exceptional idea on their own aren’t enough to win this award – the Ludwig Erhard Prize is about far more: it honors holistic management which, in the spirit of the former Minister of Economic Affairs and Federal Chancellor, takes into account business success, competitiveness and social responsibility. And this award has now been won by thyssenkrupp’s electrical steel business.

thyssenkrupp Electrical Steel GmbH has around 1,700 employees worldwide. With plants in Gelsenkirchen in Germany, Isbergues in France and Nashik in India, the company has an international setup and supplies its customers with high-quality grain-oriented electrical steel, the core material in the transition to renewable energies. Electrical steel is an essential material for transformers and generators and thyssenkrupp is European market leader in this sector.

### **Assessment center with inverted roles**

The electrical steel specialist earned the Ludwig Erhard Prize (also known as the “German Excellence Award”) not just for its modern production network and customer-centric business model: the Gelsenkirchen-based company has initiated a change process spanning the entire organization. This process began in 2017 with an ORCA (Organizational Capability Assessment) survey. This detailed survey identified starting points for a tailored change process. Its success was reflected in improved results in a repeat survey in 2018.

“Excellence in production on its own is not enough for differentiation in today’s market environment. The process landscape and the mindset of everyone involved are of elementary importance,” says Dr. Jens Overrath, CEO thyssenkrupp Electrical Steel, about the thinking behind the project. “The EFQM Excellence Model is a very good tool to view

this holistically. I would recommend it to anyone.”

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The award was based on an assessment process during which the judging panel evaluated the performance of thyssenkrupp Electrical Steel on a wide range of criteria. Representatives of Initiative Ludwig-Erhard-Preis e.V. visited the company and conducted numerous interviews with employees.

“The assessors’ external perspective enabled us to identify good and interesting starting points for taking Electrical Steel forward as a company,” says Jonathan Weber, CFO at Electrical Steel, looking back over the project. “The fact that we have now won an award is credit to our team and their good work so far. We will continue to pursue this path.”

#### **About Initiative Ludwig-Erhard-Preis e.V.**

Under the patronage of the Federal Ministry for Economic Affairs and Energy, the prize is intended to promote the idea of the social market economy by honoring business achievements that benefit consumers, increase employee identification with the company and protect the environment. Activities which promote social harmony are also honored.

The award recognizes holistic management which builds on the fundamental principles of excellence – customer orientation, process optimization and innovation – and encourages sustainable development. In their pitches, candidates for the Ludwig Erhard Prize take into account the requirements of the EFQM Model, a quality management system developed by the European Foundation for Quality Management (EFQM). The Ludwig Erhard Prize thus stands alongside internationally recognized awards for total quality management such as the Malcolm Baldrige National Quality Award (MBNQA) in the USA, the Japanese Deming Prize and the European Excellence Award.

#### **Contact:**

thyssenkrupp Steel Europe AG  
External Communications  
Christine Launert  
T: +49 203 52 - 47270  
christine.launert@thyssenkrupp.com  
www.thyssenkrupp-steel.com