Malcolm Baldrige National Quality Award
Organizational Effectiveness—Evaluation

The Baldrige Award has been implemented comprehensively across improvement programs. It is widely cited in trade publications, as well as nationally focused magazines such as Forbes, Business Week, Inc., and The Wall Street Journal. It has been cited as an example of how organizations have improved their processes and performance.

To measure organizational effectiveness using the Malcolm Baldrige National Quality Award criteria, effectiveness and results are organized using the following rubric:

- Mission and purpose
- Strategy and performance
- Measurement of results

The criteria are applied to the organization's performance, including the results of customer and employee surveys, financial performance, and the results of an external peer review.

**Assignment**

In this assignment, you will review a company's performance in each of the 10 Baldrige criteria. You will evaluate the company's performance in each criterion, using the Baldrige criteria as a guide. You will then develop a statement about the company's performance in each criterion.

**Purpose**

The purpose of this assignment is to:

- Identify a company that is recognized for its performance in the Baldrige criteria
- Evaluate the company's performance in the Baldrige criteria
- Develop a statement about the company's performance in each criterion

**Instructions**

1. Identify a company that is recognized for its performance in the Baldrige criteria.
2. Evaluate the company's performance in each of the 10 Baldrige criteria.
3. Develop a statement about the company's performance in each criterion.
Report Format

Cover Letter
A cover letter provides a brief introduction to the report, including what it contains and who has commissioned it.

Cover Sheet
1. Title of report
2. Term of review
3. Description of key point(s) of review
4. Name(s) of those interviewed

Appendix
1. Questions posed to those interviewed (in appendix)
2. Supporting documentation (in appendix)

Report
3. Executive summary of findings
4. Executive summary of suggested areas to investigate
5. Detailed findings for each section

NATIONAL QUALITY AWARD

PREVIEW QUESTIONS

Obtain a copy of the Malcolm Baldrige National Quality Award criteria by visiting the website mentioned.
1. Study the terms at the Clarity and the requirements described in each. 
2. Develop a list of the factors critical to your part of the criteria.
3. Use the list to guide your review of your own award.

For example:
1. Leadership
2. Current Focus: Using Structure, building the organization, reorganizing the organization, expanding and defining, improving, establishing new programs, evaluating change and planning

Examples of Questions

Section D: Leadership
1. What is the attitude/behaviour of top management? How is it visible?
2. Check top management's understanding of quality, their treatment of
true and money in quality issues, their willingness to seek help in quality management, their support for one another and subordinates, the level of importance they place on quality, and their perceptions of quality processes.

b. What importance does the company management place on developing a quality system? How is this measured? Check their understanding of quality, their perceptions of how important it is to quality, their willingness to invest in quality, the level of quality consciousness they feel, and whether they feel that quality improvement is a company-wide responsibility, the level of interest they show in quality, their perceptions of quality processes, and their interest in employees.

c. What is your perception of the importance of quality to the company? How is this measured? Is the company's position based on an operating definition of quality? (Or processing data through design and product)

Section 2.6 Strategic Planning

a. What importance does the company place on quality in its strategic planning? How is this measured? Check management's understanding of quality, their concern with the role and impact of quality in the organization, how they measure success, the level of importance that quality has to the strategic plan, and whether quality control is evident throughout the plan or is just one section.

b. How does the company develop its plans and measures for the short-term and long-term?

c. How does the company report its success in quality improvement? Are the results of quality improvement published? What are management's expectations about the market?

d. How does the company rank the following:

- Cost of manufacturing and product performance
- Volume of output
- Meeting schedules
- Quality

e. What management beliefs do the company use to measure quality? Are they based on the market or competitors in general? What are managers' perceptions about the market?

f. How does the company define quality according to customers? Analyze the company's performance in each of the following:

- Product development
- Quality improvement
- Supplier performance
- Customer satisfaction

- You may use the following measures used to evaluate overall quality:

  1. Total cost of defects
  2. Percent defective
  3. Repair to total cost
  4. Cost of quality
1. The company's quality improvement program is best described as:

- There is no formal program.
- The program emphasizes short-range solutions.
- The program emphasizes continuous process improvement.
- A formal improvement program creates widespread awareness and involvement.
- The quality process is an integral part of every company operation and strategy.

2. The key successes to a better company are:

- Top-management involvement.
- Prevention of problems.
- Identifying opportunities for quality effort.
- Involvement of all employees.
- Correcting problems with technical assistance.

3. The seven steps to a quality improvement plan have (latter two items deleted):

- Obtain top-management commitment to establish a formal policy on quality.
- Implement measures of a formal comprehensive plan on quality.
- Implement a formal quality improvement program.
- Establish a formal program for quality improvement.
- Examine results of quality improvement.
- Establish the cost of quality.
- Establish and implement a comprehensive training program.


5. Write and summarize annual quality goals.

6. What changes has the company seen?

- Less paperwork.
- Fewer defects.
- More utilization.
- Improved yield.
- Design improvements.
- Fewer engineering changes (materials, labor, processes changes).
- Workforce training.
- Improved testing.
- Lower energy use.
- Lower material costs.
- Lower labor costs per unit.
Section 1.0: Customer and Market Focus
a. How does the company provide information to the customer? How can it
   share information with others?
b. How are service standards defined?
c. How are customer concerns handled? What is the follow-up process?
d. Which accomplishments and processes provide the best customer
   service?
   - The process has annual quality improvement plans.
   - Our quality management is able to drive significant improvements.
   - Satisfaction surveys are used to identify opportunities for driving
   customer satisfaction.
   - Routine training in customer satisfaction is provided to employees.
   c. How does the company gather feedback from customers?
   - Through customer surveys
   - Through telephone surveys
   - Through customer focus groups
   - Through sales force reports
   - Through service support reports
   - Through complaints
   - Through quality improvement programs
   - The quality improvement office
   - Various support departments
   - Customer complaint forms

Section 2.0: Measurement, Analysis, Knowledge Management
a. What types of data and information does the company collect? Are these
   records on customer-related issues? On internal operations? On company
   performance? On cost and financial metrics?
b. How do these results measure the reliability of the data? How do you
   monitor the data? Are there metrics documented? How do you use the
   data?
   c. How do you analyze and convert these metrics? Is the data used to
   improve processes and products?

Section 3.0: Human Resources Focus
a. Quality is incorporated as a basis for evaluation and training through:
   - Delivery of training to employees, management, and others
   - Periodic reviews of training needs
   - Identification and tracking of improvement efforts
   - Education and training programs
b. How does the company encourage employees to be open to quality?
   - Through training
   - Through receiving value in comments
   - Through the service of employee feedback
   - Through the example of management

4. Have the quality message been distributed throughout the organization so that employees see it as their day to day job activity? How has it been distributed?

5. If the importance of quality has been communicated throughout the organization, how is it clear enough made visible?
   - A clear plan on awareness of the importance of quality.
   - Are there any means by which quality is measured? How is this reached?
   - Are there any means by which the cost of quality in their job. How is this reached?
   - A clear plan on How to achieve quality in their job. How is this reached?

6. Have programs been established to measure customer-functional quality objectives?
   - Yes, multidisciplinary teams look customer-oriented.
   - Yes, the company has formed a customer-oriented team with departments
     responsible for measuring, as attributes, in situations of problems?

7. What of the following items are emphasized in employee participation in its own?
   - Productivity
   - Quality
   - Safety
   - Environment
   - Morale

8. A company review quality for solutions
   - What percentage of employee have been involved in meeting programs in
     the past three years?
   - In the managerial and employee level?
   - On the customer-oriented level?
   - Among technical and shop workers?

9. Which of the following steps are covered in the meeting program? What is
   - The depth of coverage?
   - Frequency control
   - Problem solving
   - Skilled handling of analysis
   - Quality in (Process, cause and other client, and so on)
b. How are design defects, errors, and process deviations identified and incorporated into designs and quality requirements?

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Section 2.3: Business Results

1. How does the company view the key measures of product, service, and process quality?
2. How does the company approach benchmarking?
3. How can this company's approach be applied to similar organizations?
4. By traditional accounting procedures, how does the company's profit margin differ from that of competitors?
5. By trend and special budgeting procedures, how does the company's profit margin compare with competitors?
6. The business or divisional units have the following roles in the company's management system:
   a. Manage injuries
   b. Manage quality and safety
   c. Manage quality and safety of suppliers
   d. Manage quality and safety of products
   e. Manage quality and safety of processes
   f. Manage quality and safety of equipment
   g. Manage quality and safety of systems
   h. Manage quality and safety of suppliers
   i. Manage quality and safety of processes
   j. Manage quality and safety of equipment
   k. Manage quality and safety of systems
   l. Manage quality and safety of suppliers
   m. Manage quality and safety of processes
   n. Manage quality and safety of equipment
   o. Manage quality and safety of systems
   p. Manage quality and safety of suppliers
   q. Manage quality and safety of processes
   r. Manage quality and safety of equipment
   s. Manage quality and safety of systems
   t. Manage quality and safety of suppliers
   u. Manage quality and safety of processes
   v. Manage quality and safety of equipment
   w. Manage quality and safety of systems

4. What role might the process have in the company's future success or failure?
5. How are the business units linked?
6. How are they measured?
7. How are they monitored?
8. How are they evaluated?
9. How are they controlled?
10. How are they reengineered?
11. How are they improved?