

Criteria for Building Organizations of Excellence

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This week, I received the latest copy of the "Criteria for Performance Excellence," a booklet describing the guidelines for the Malcolm Baldrige National Quality Award.

It's been awhile since I wrote an article describing this award. It seems that too few leaders of organizations are aware that these criteria exist. Though most organizations won't apply for this national award, I think most leaders should be familiar with the criteria. I am aware of no other source for determining standards of genuine excellence for an organization's results, processes, and culture.

In the late 1970's, business and political leaders became aware that our world was changing. American businesses had commanded worldwide markets easily due to their technical superiority in manufacturing, marketing, and distribution. But with the spread of information technology, companies in other parts of the world were finding innovative ways to succeed.

American leaders were concerned with the increasing competition. For example, the Japanese economy was robust and expanding rapidly, largely due to the influence of W. Edwards Deming, an American consultant whose help was welcomed after World War II.

Academic, commercial, and governmental leaders felt a need to provide American companies with better models of business excellence. Some thought an American equivalent to "The Deming Prize", a national award established in 1950 to encourage and recognize performance excellence among Japanese businesses, would help.

Businesses receiving the award would become role models for other aspiring companies. Further, competition for the award would stimulate companies to improve their operations, and thus their contributions to the American economy. Winning organizations would be expected to share their insights, providing learning opportunities for aspiring businesses.

Various organizations assembled committees to study the problem. Malcolm Baldrige, the Secretary of Commerce from 1981 until his untimely death in a rodeo accident in 1987, took a particularly strong position of leadership in pulling the interested parties together. He focused their efforts on generating a single set of criteria for defining organizational excellence.

Years of study resulted in an act of Congress. President Ronald Reagan signed the bill creating the "Malcolm Baldrige National Quality Award" (MBNQA) in August, 1987. This is an award for which organizations self-nominate. Judging is accomplished through a board of highly trained examiners.

The "Criteria for Performance Excellence" booklet details seven explicitly defined categories that organizations seeking excellence should address. The interview questions I use when I conduct an organizational health assessment come directly from these seven categories.

The 80-page booklet is somewhat intimidating, but its content is superb. Every word has been painstakingly evaluated over the past twenty-three years. I've enjoyed watching the concept of continuous improvement in action as I receive my updated copy each year.

(Actually, after twenty years, the administrators of the award started making updates every two years. The current booklet provides the criteria for the 2011 and 2012 award years.)

Ordering the booklet does not commit an organization to applying for the award! I encourage any individual or organization that has the slightest interest in "excellence" to order a copy.

Single copies of the booklet cost ~~\$25~~ **\$30** (though pdf versions of the booklet can be downloaded for ~~\$10~~ **\$12**). Extensive information about the Malcolm Baldrige National Quality Award and ordering information for the booklets is available on the internet at www.nist.gov/baldrige . **(Corrections in red are for the 2019/2020 booklets.)**

Since first given in 1988, 91 awards have been issued (five companies have won the award twice!). The award winners each year present information about how they improved their performance and results during a three-day conference held in Washington, DC each April.

I've attended this conference with a client. I assure you that if you want to be inspired to take your organization beyond anything that you've ever achieved, spending April 4-6 with employees of this year's seven award winners may be just the motivation you need. Two winners are in the manufacturing category, three recipients in the small business category (500 or fewer employees), one in the health care category, and one winner in the education category.

I am very disappointed that to date, no Georgia organization has been recognized as a Malcolm Baldrige National Quality Award recipient. Would you and your organization like to be the first? I'd be happy to talk with anyone who wants to start moving an organization toward genuine excellence!

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