



P-Glossary



Malcolm Baldrige National Quality Award

One proven approach in increasing national productivity and enhancing competitiveness is the establishment of a national quality award program. That was the premise behind the establishment of the Malcolm Baldrige National Quality Award, established by an act of US Congress in 1987. Malcolm Baldrige National Quality Award is now considered as one of the prestigious national awards in the world that are driving business as well as non-business sector towards productivity improvement. Originally begun as a business-oriented framework for manufacturing, service, and small businesses, it was expanded in 1998 to include health care and educational organizations. Now it has been extended to nonprofit organizations as well, thereby encompassing governmental and other entities not previously included in award eligibility. The main objective of the award program, which is given by the President of the USA, is to recognize U.S. organizations for their achievements in quality and performance and to raise awareness about the importance of quality and performance excellence as a competitive edge. The award is not given for specific products or services. Malcolm Baldrige was Secretary of Commerce of USA from 1981 until his death in an accident in July 1987. Baldrige was a proponent of quality management as a key to his country's prosperity and long-term strength. He took a personal interest in the quality improvement act that was eventually named after him and helped draft one of the early versions. In recognition of his contributions, US Congress named the award in his honor. The Baldrige performance excellence criteria are a framework that any organization can use to improve overall performance. Seven categories make up the award criteria:

- ▶ Leadership;
- ▶ Strategic planning;
- ▶ Customer and market focus;
- ▶ Measurement, analysis, and knowledge management;
- ▶ Human resource focus;
- ▶ Process management;
- ▶ Business results.

These seven categories are further subdivided into 19 items, each focusing on a major requirement of the category. The criteria for the Baldrige Award have played a major role in achieving the goals established by US Congress. They now are accepted widely, not only in the United States but also around the world, as the framework for performance excellence. The criteria are designed to help organizations enhance their competitiveness through continuing improvement process by focusing on two goals: delivering ever improving value to customers and improving overall organizational performance.
