

## Who was Malcolm Baldrige?

Malcolm Baldrige was Secretary of Commerce from 1981 until his death in a rodeo accident in July 1987. Baldrige was a proponent of quality management as a key to this 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, Congress named the award in his honor.

## What is the Malcolm Baldrige National Quality Award?

The Baldrige Award is given by the President of the United States to businesses—manufacturing and service, small and large—and to education, health care and nonprofit organizations that apply and are judged to be outstanding in seven areas: leadership; strategic planning; customer and market focus; measurement, analysis, and knowledge management; human resource focus; process management; and results.

Congress established the award program in 1987 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. Three awards may be given annually in each of these categories: manufacturing, service, small business, education, health care and nonprofit.

While the Baldrige Award and the Baldrige recipients are the very visible centerpiece of the U.S. quality movement, a broader national quality program has evolved around the award and its criteria. A report, *Building on Baldrige: American Quality for the 21st Century*, by the private Council on Competitiveness, said, "More than any other program, the Baldrige Quality Award is responsible for making quality a national priority and disseminating best practices across the United States."

The U.S. Commerce Department's National Institute of Standards and Technology (NIST) manages the Baldrige National Quality Program in close cooperation with the private sector.

## Why was the award established?

In the early and mid-1980s, many industry and government leaders saw that a renewed emphasis on quality was no longer an option for American companies but a necessity for doing business in an ever expanding, and more demanding, competitive world market. But many American businesses either did not believe quality mattered for them or did not know where to begin. The Baldrige Award was envisioned as a standard of excellence that would help U.S. organizations achieve world-class quality.

## What are the Baldrige criteria?

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**—Examines how senior executives guide the organization and how the organization addresses its responsibilities to the public and practices good citizenship.

**Strategic planning**—Examines how the organization sets strategic directions and how it determines key action plans.

# Malcolm Baldrige National Quality Award Frequently Asked Questions



**Customer and market focus**—Examines how the organization determines requirements and expectations of customers and markets; builds relationships with customers; and acquires, satisfies, and retains customers.

**Measurement, analysis, and knowledge management**—Examines the management, effective use, analysis, and improvement of data and information to support key organization processes and the organization's performance management system.

**Workforce focus**—Examines how the organization enables its workforce to develop its full potential and how the workforce is aligned with the organization's objectives.

**Process management**—Examines aspects of how key production/delivery and support processes are designed, managed, and improved.

**Results**—Examines the organization's performance and improvement in its key business areas: customer satisfaction, financial and marketplace performance, human resources, supplier and partner performance, operational performance, and governance and social responsibility. The category also examines how the organization performs relative to competitors.

The criteria are used by thousands of organizations of all kinds for self-assessment and training and as a tool to develop performance and business processes. Several million copies have been distributed since the first edition in 1988, and heavy reproduction and electronic access multiply that number many times.

### How are recipients selected?

Organizations that are headquartered in the United States may apply for the award. Applications for the award are evaluated by an independent Board of Examiners composed of primarily private-sector experts in quality and business. Examiners look for achievements and improvements in all seven categories. Organizations that pass an initial screening are visited by teams of examiners to verify information in the application and to clarify questions that come up during the review. Each applicant receives a written summary of strengths and areas for improvement in each area addressed by the criteria

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