

Enterprise's evaluation according to the Polish Quality Award's criteria

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ABSTRACT

Purpose: The purpose of the study is to describe the activities in the self-evaluation process of the investigated firm on the example of The Polish Quality Award model.

Design/methodology/approach: This study presents a case study of selected Polish organization that was evaluated according to The Polish Quality Award's criterions. The firm was selected in order to clarify how this evaluation process could be used to improve organisational performance.

Findings: The own researches proved that The Polish Quality Award Model is the efficient tool for a self-assessment, and also the example of excellence to which organization should aim. By using such a model organization can check on which stage in the way to excellence it is, model makes possible identification of areas needing improvement, rates existing initiatives: removes double activities and identifies failures. Own researches allowed to direct activities to liquidation the weak sides and threats and allowed to improve system.

Research limitations/implications: An interesting area of further research would be a comparison of different organizations with one another for performance improvement.

Practical implications: Findings from the case study is the importance of the self-assessment process for all the organisations. After each evaluation it is necessary to undertake the improvement projects resulting from the evaluations.

Originality/value: The paper provides methodology for all who wish to measure achievements and strengths and also identify improvement opportunities in the performance. Also the guidelines presented in the paper might be helpful for organisations considering a participation in a quality award process.

Keywords: Quality management; Quality improvement; The Quality Awards; The Polish Quality Award

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1. Introduction

One of the key aims of the firms' activity is enlargement of its competitiveness in changing the entire time environment. It demands the best efficiency and effectiveness of work and continuous rising of the quality level. In the aim of the organizations improvement in this direction the quality

management systems according to the ISO series 9000 standards have been implemented. The firms which have the quality management systems, except for marketing advantages and sale enlargement obtained the internal advantages for example settlement and improvement of the documents circulation. So it can be said that thinking about quality serves to deeper and better usage of the supplies and possibilities of a firm [1-3].

Quality management is the manner of firms' management, which makes possible obtaining the efficiency success, effectivity success and competitiveness superiority, assuring the long-term success, meeting customers' and workers' needs, and financial results [2-3].

Quality management process permits on the efficient improvement of the enterprises making possible to them working in changing environment and equalling of greater and greater competition. The rule of meeting needs and expectations of the customers has been general, being at the same time the practical measure of the efficiency of firm's activity and its position on the market, what does not depend only on producing the suitable product or service. The essential problem is guarantee deliveries of a given product on the required, stable quality level, on the competitive price and in settled with the customer time – limits [1,3].

Implementing of the quality management system became the basis to realization the following aim, which is the continuous improvement of the firm's activity. One of the ideas making possible the improvement of the organization is TQM – total quality management, which relies on concentrating of the efforts of all organizations participants on the improvement in all areas of the firms' activity. TQM philosophy, except for the product quality, orders to pay attention also to the quality of work and management process in the whole organization and to the quality of its influence on the environment. It appears that systematic improvement of the organization in such a wide range should assure chances on the permanent attaining the success and working out the superiority among competitors on the market [4-6].

The enterprises can also develop or improve themselves directing with the guidelines of the Polish Quality Awards criteria or other similar criteria of awards from other countries (European Quality Award – in Europe, W.E. Deming Prize - Japan, M. Baldrige Award – in the United States). Criteria of these awards used to the most important spheres of firms activity, permit the continuous improvement of the management system [7,8].

The aim of this paper is to estimate a firm by using criteria of the Polish Quality Award. In the frames of one's own investigations the firm from a little and average section has been estimated. Its production contains: metal clamps, tubes pressing, heat forming and assembly of plastic elements for the car industry. This firm has the Quality System based on ISO/TS 16949: 2002 standard.

The selected firm is rated according to the Polish Quality Awards criterions. The first step of internal investigations was the firms' estimation by workers according to the presented criteria. The areas covered by estimation were: leadership in the firm, policy and strategy, human management, resources, processes, customers' satisfaction, workers satisfaction, cooperation with the environment, final result of firms' activity.

The research was passed by using questionnaires. The final stage of its own research was to prepare a table summing up obtained results with points in Polish Quality Awards model.

2. Enterprise's improvement

Quality management can be defined as „Creating enterprises system, which the aim is economic production of goods and services, meeting customer requirements. Implementing the efficient system demands the cooperation of all workers in a firm,

including the top management, average executive personnel, supervision staff and workers in all areas of the firms activity, such as: market research, development works, planning, designing, productions preparation, supply, production, quality checking, sale and after-sale services, personnel selection and promotion, training and professional improvement [7-9].

According to ISO 9004:2000 standard, management should all the time seek the ways of improvement of efficiency and processes effectivity in the organization, not waiting for a problem appearance, which will bring the possibility of improvement to light. Standard recommends that organization should have at its own disposal the proper process to identify and manage the activities related to improvement [9-11].

One of the ways to improve organizations is implementing the TQM philosophy. TQM is a system, which has different solutions depending on ingeniousness and creativity of people implementing the quality philosophy. The size of organization, kind of activity, specificity of organization have also the influence on the manner how to implement the total quality management.

TQM is a mechanism joining all the people and all kinds of things with the purpose to achieve and to obtain such level of quality that satisfies customers [7, 11].

Construction and implementation of TQM is a long-term process and will demand continuous engagement of the top management. The process of reaching the total quality management can take place in planned manner, including the following activities [11-13]:

- working out the efficient system of management basing on standards or forced internally the quality requirements. Such systems all the time are developing and strengthening simultaneously with the development of the organization;
- working out a plan and schedule of extension the existing system on the basis of:
 - criteria of the Polish Quality Award or European Quality Award;
 - passed detailed analysis eg SWOT, which will show strong and weak points and opportunities and threats of the organization - these will permit direct activities to liquidation the weak points and threats and will permit to improve system bringing it closer to Total Quality Management;
 - individual development plans, which are based on conviction, that all activities on satisfying customer will serve to build TQM.

Different ways to reach the Total Quality Management do not cause however, that each system is different. In organizations should be a popular belief about necessity of continuous improvement in all activities. These requirements are realized by criteria of various quality awards, which are not only the source of prestige and competitive superiority, but also help to mobilize all firms to attain better and better results. On the other hand the quality award models, as a fundamental model for awarding the national and international quality awards, highlight customer satisfaction, workforce empowerment and increased productivity. This follows from the structure and fundamental principles of the quality models [5, 14].

A good manner to improve organizations is to use e.g.: the excellence model of the Polish Quality Award, which covers the most important areas of working of organization and exactly

define which requirements should be realized in these areas. Thanks to this it is an efficient tool for self-assessment, and also the example of excellence to which organization should aim. Using such a model, organization can check on which stage on the way to excellence is, model makes identification of areas needing improvement, rates existing initiatives possible: removes double activities and identifies failures [14,15].

3. Quality Awards

Quality awards are prizes or rewards granted to the companies with the highest quality of performance in certain aspects of business by organizations specially established to appreciate the work of such companies [7].

The main goal of quality awards is to assess the performance of any applying company or individual against certain criteria. There are quality awards which estimate the result of companies' work, which can be done by estimating consumers' satisfaction after using the product produced by a certain company. Others can assess the abundance of companies output to its customer's needs and requirements. Quality awards are always about competition between several applicants; however, there are some awards that are not competitive and include assessment and rewarding of an unlimited number of applicants that would be recognized as winners at the end of the award process [5].

Awards are organised:

- at international level - The Deming Prize, The European Quality Award,
- by national or local government - The Malcolm Baldrige National Quality Award, The Polish Quality Award,
- at regional level,
- by trade or professional bodies,
- by other companies - especially major manufacturers

3.1. The Deming Prize

The Deming Prize, established in December 1950 in honour of W. Edwards Deming, was originally designed to reward Japanese companies for major advances in quality improvement. Over the years it has grown, under the guidance of Japanese Union of Scientists and Engineers (JUSE) to where it is now also available to non-Japanese companies [1,7].

Three categories of awards are made annually, The Deming Prize for Individuals, The Deming Application Prize and The Quality Control Award for Operations Business Units.

The Deming Application Prize is an annual award presented to a company that has achieved distinctive performance improvements through the application of TQM. Regardless of the types of industries, any organization can apply for The Prize, be it public or private, large or small, domestic or overseas.

Evaluation criteria [5,11]:

1. Top Management Leadership, Vision, Strategies
2. TQM framework
3. Quality Assurance System
4. Management System for Business Elements
5. Human Resources Development
6. Information management

7. Standardization
 8. Implementation status of quality control
 9. Overall effects
 10. Future plans
- Total points: 100 (each criteria by 10 points)

3.2. The European Quality Award

In 1990, the European Foundation for Quality Management, with support from the European Organization for Quality and the European Commission, began developing The European Quality Award. It was launched in October 1991 at EFQM's annual Forum by Martin Bangemann, Vice-President of the European Commission. In October 1992, King Juan Carlos I of Spain presented European Quality Prizes and The Award for the first time, at the EFQM Forum in Madrid [4,11].

Over the years since 1992, many National and Regional Quality Awards have been launched across Europe. Almost all of these are based on the methods and processes developed for The European Quality Award. It is now the most widely used organisational framework in Europe [7].

The EQA is not only is an award for the best quality company in Europe, but also it is a method for the systematic review and measurement of the total quality of an organisation.

The EFQM Model (which is the basis for The European Quality Award) is divided into nine evaluation areas, five of which are related to organisational operations, while the remaining four focus on results. The operations evaluation areas, known as 'enablers', examine how an organisation functions at present and its future directions. The results evaluation areas, in turn, assess what the organisation has achieved. In addition, each evaluation area includes several sub-criteria (32 in all) examining each specific area in more detail [8-11].

Evaluation criteria:

1. Leadership (100 points)
2. People Management (90 points)
3. Policy and Strategy (80 points)
4. Resources (90 points)
5. Processes (140 points)
6. People Satisfaction (90 points)
7. Customer Satisfaction (200 points)
8. Impact on Society (60 points)
9. Business Results (150 points)

Total points: 1000.

3.3. The Malcolm Baldrige National Quality Award

The Malcolm Baldrige National Quality Award is given by the United States National Institute of Standards and Technology. It was established by the Malcolm Baldrige National Quality Improvement Act of 1987 - Public Law 100-107 and named after Malcolm Baldrige, who served as United States Secretary of Commerce during the Reagan administration [3].

It was established to promote quality awareness, to recognize quality and business achievements of U.S. organizations, and to publicize these organizations successful performance strategies.

The Baldrige Award is presented annually to U.S. organizations by the President of the United States. Awards are given in manufacturing, service, small business, education, health care, and nonprofits. In conjunction with the private sector, the National Institute of Standards and Technology (NIST) designed and manage the award and the Baldrige National Quality Program [14].

The education and healthcare categories were added in 1999. A government and nonprofit category was added in 2007.

Organizations that apply for the Baldrige Award are judged by an independent board of examiners. Recipients are selected based on achievement and improvement in seven areas, known as the Baldrige Criteria for Performance Excellence.

Evaluation criteria [3,14]:

1. Leadership (120 points)
 2. Strategic Planning (85 points)
 3. Customer and Market Focus (85 points)
 4. Measurement, Analysis, and Knowledge Management (90 points)
 5. Human Resource Focus (85 points)
 6. Process Management (85 points)
 7. Business Results (450 points)
- Total points: 1000.

3.4. The Polish Quality Award

The idea of the Polish Quality Award was developed at the beginning of 1990s by a team of quality management theoreticians and practitioners consisting of Edward Kindlarski, Mirosław Recha, Marek Kloczko, and Witold Modlinski. Edward Kindlarski, a professor at the Warsaw Institute of Technology, deserves special recognition for his contribution to the Polish school of quality management, while the most influential figure in the popularization movement is Mirosław Recha, the current Director of the PQA Secretariat in the National Chamber of Economy. Since June 1994 the Subcommittee for the Polish Quality Award has been functioning within the framework of the Quality Committee of the National Chamber of Economy [7].

The model of the Polish Quality Award was developed on the basis of the European Quality Award. These models differ with awarding of points in each criterion, and also with names of each modules and elements in each criterion.

The Polish Quality Award competition for companies and institutions using Quality Management methods has been organized since 1995 by [3]:

- the Polish Chamber of Commerce,
- the Polish Centre for Research and Certification
- and the Polish ISO 9000 Forum.

Laureates are selected by 87 experts who make up the Polish Quality Award Committee. The award is granted to business and public organizations that, through the implementation of Quality Management methods, bring about an increase in client and employee satisfaction as well as benefit other people linked with the organization, such as co-producers, service providers and suppliers.

Evaluation criteria [11]:

1. Leadership (150 points)
2. Policy and Strategy (100 points)
3. Staff Management (80 points)
4. Resources Management (50 points)

5. Processes Management (120 points)
6. Client Satisfaction (200 points)
7. Employee Satisfaction (90 points)
8. Impact on Society (60 points)
9. Business Results (150 points)

Total points: 1000.

Above criteria are divided into 2 groups: firm's potential (1-5) and firm's effects (6-9), to which both have 50% values of maximum points of estimation (1000 points).

Applying process for The Polish Quality Award demands, that every firm must present its own estimation of its activities.

Firms can also give and describe in the paper their own criterions, if indeed inform about degree of implementing the idea of quality management. To apply for The Polish Quality Award firms should receive one of the Regional Quality Prizes. In the year of 1997 the Committee of The Polish Quality Award established the Regional Quality Prizes. This decision resulted from promotion the modern idea of quality management, implementation to firms the idea of continuous management improvement and quality management systems and widening the TQM philosophy on regions [7-11].

There are three categories of The Polish Quality Award:

- Team Awards - are given to firms, which through implementing TQM led to the top of customers' satisfaction, workers and other people connected with firm. They reached also in this manner significant improvement of quality of work, processes, systems, services and market success.
- Individual Awards - given to people, which carried in distinctive contribution to elaboration of theory of Total Quality Management in Poland or elaboration of TQM system in firm, or carried in significant contribution to training about TQM idea both in practical meaning and theoretical one.
- Honour Awards - can be given to people and teams for special contribution to quality development in Poland.

4. Internal researches

Internal researches are passed on the example of a firm, which production contains: metal clamps, tubes pressing, heat forming and assembly of plastic elements for the car industry. This firm has the Quality System based on ISO/TS 16949: 2002 standard.

The selected firm was rated according to the Polish Quality Awards criteria.

The first step of the internal investigations was the firms estimation by workers (physical, leaders, foremen, quality inspectors, managers of quality division) using survey. At random, 100 people have been chosen and the results show the answers of 25 workers. Number of achieved points defines the degree of realization of each criterion.

1. Leadership

On the basis of internal researches, the results of leadership's evaluation in the investigated firm have been presented (Fig. 1).

The area of estimation covered: directors, managers and managers of each division in the organization. The following were rated among others: engagement in creation of mission and vision, engagement in improvement, engagement in relations with customers and partners, valuing workers and their participation in undertaken decisions.

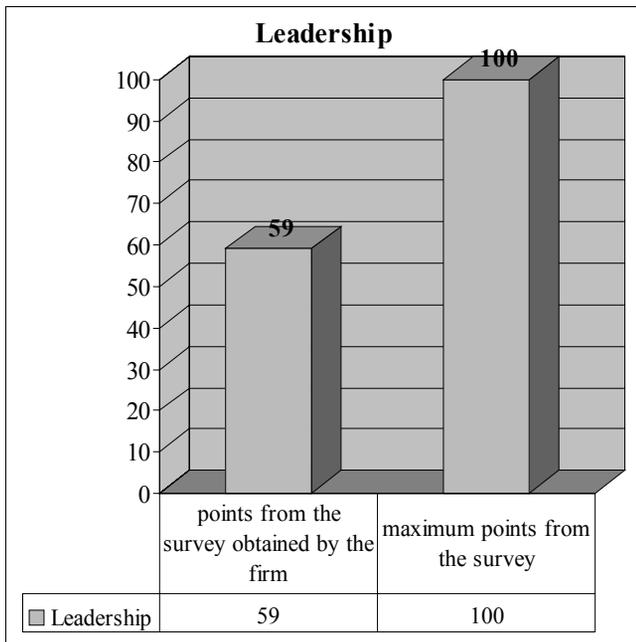


Fig. 1. Leadership

2. Policy and Strategy.

The results of policy and strategy assessment in the firm are presented (Fig. 2).

In this criterion the core values are rated in the organization. Above all, the quality policy and its influence on the firm and if it is clear to workers was estimated. It was estimated if the aims contained in the policy are realized?

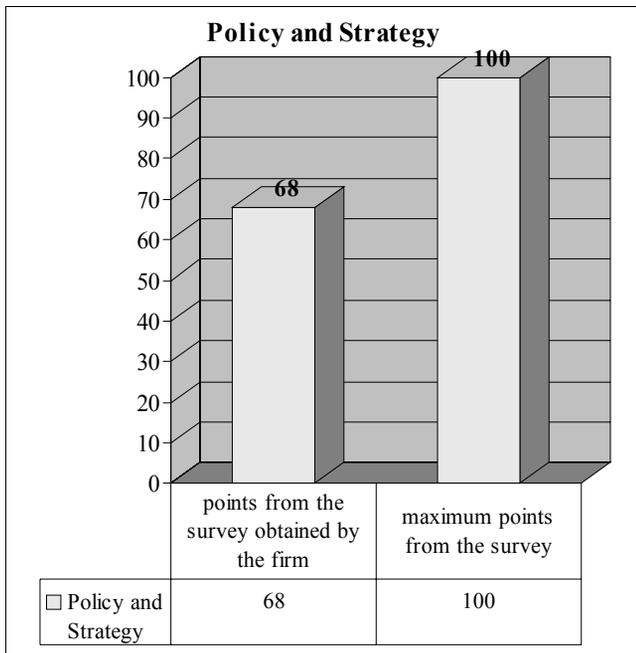


Fig. 2. Policy and Strategy

3. Staff Management

Criterion, which was estimated defines in which manner using the human resources is directed to activities supporting strategic aims, policy, effectivity of processes' working and finally improvement of the final effects in the organization (Fig. 3).

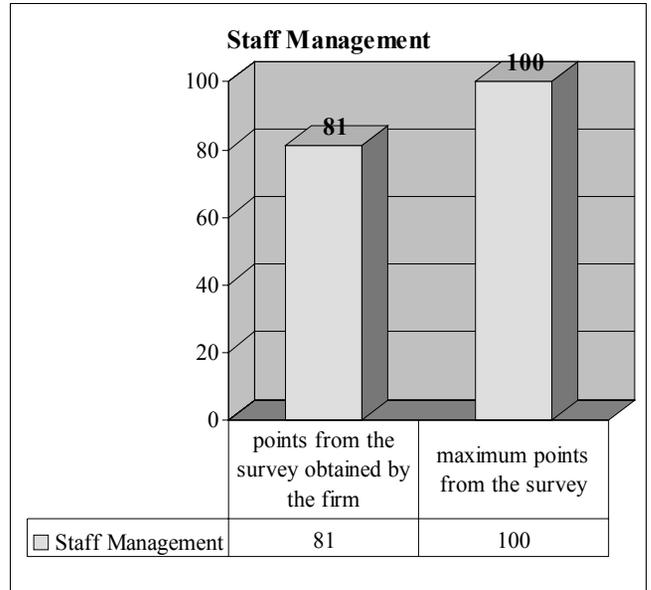


Fig. 3. Staff Management

4. Resources Management

It was estimated: finance management, buildings management, equipment management, technology management, information and knowledge management, management of relationship with external partners (Fig. 4).

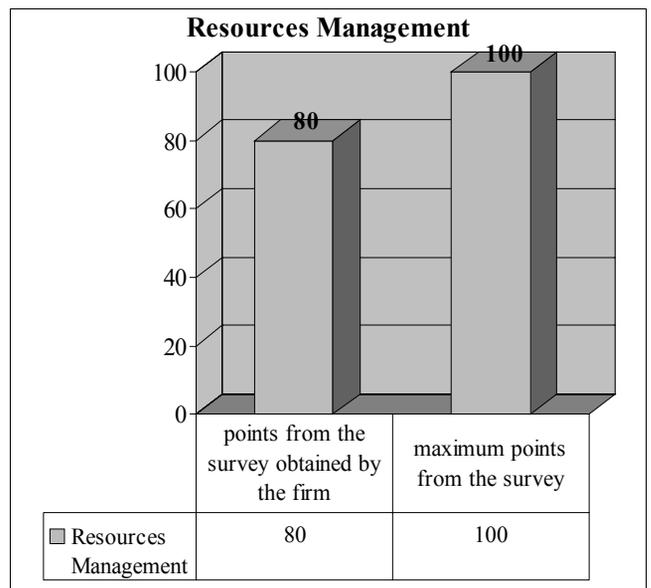


Fig. 4. Resources Management

5. Processes Management

This criterion is related to the way we define: management and improvement of processes, what should influence on degree of their value contributing that way to support the strategy and policy and full satisfaction of customers needs (Fig. 5).

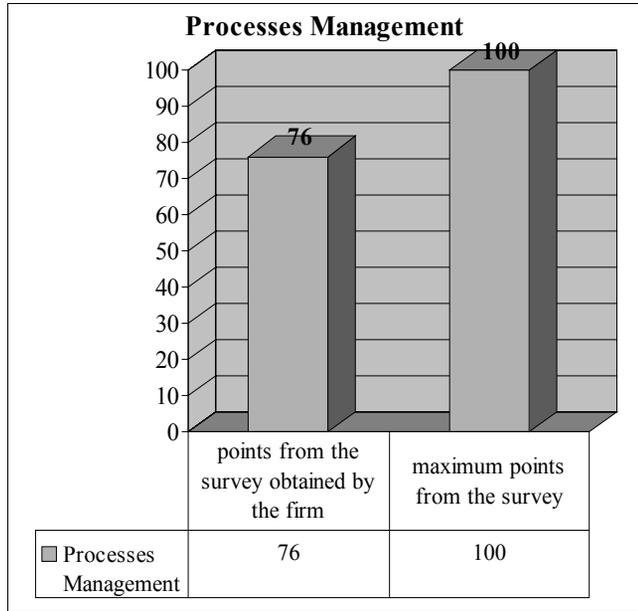


Fig. 5. Processes Management

6. Client Satisfaction

On the basis of internal researches the results of client satisfactions assessment is presented (Fig. 6).

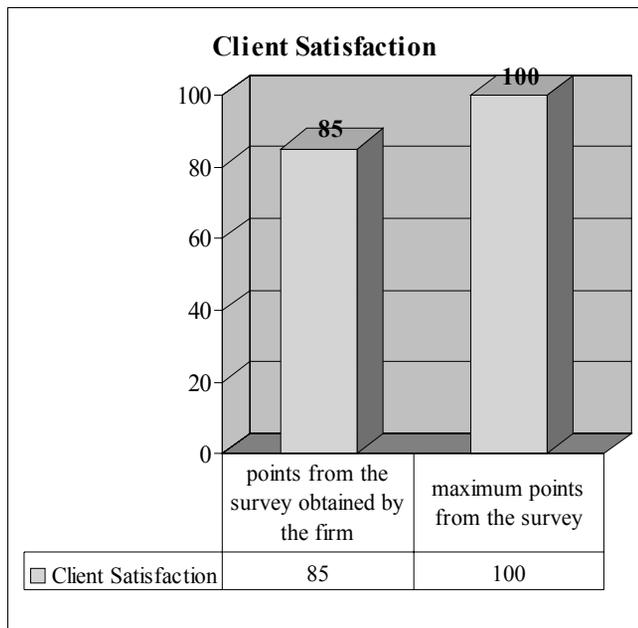


Fig. 6. Client Satisfaction

7. Employee Satisfaction

Criterion which reflects relations starting from staff to chief management, social safety, promotions and to this what organization attains in relations with their own workers (Fig. 7).



Fig. 7. Employee Satisfaction

8. Impact on Society

This criterion is related to perception of organization in the eyes of public opinion, and also to approach what organization achieves in relationship with local community (Fig. 8).

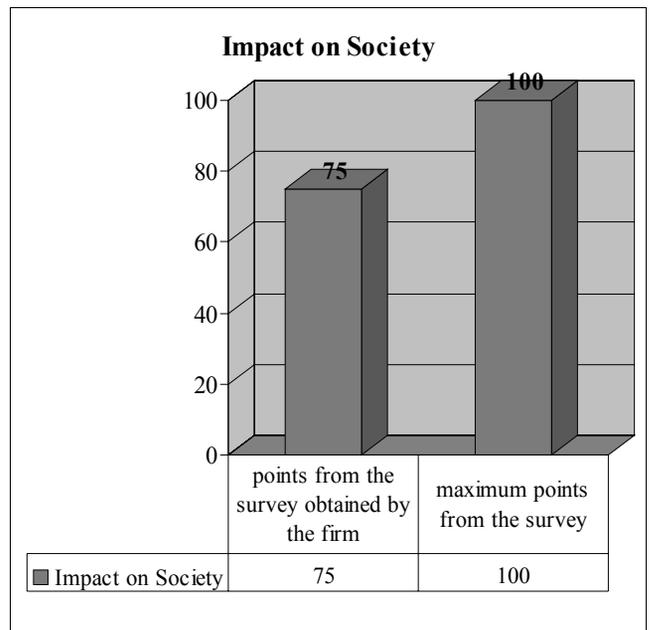


Fig. 8. Impact on Society

9. Business Results

This criterion is related to key results of financial activity and non-financial activity of the organization. It is also connected with firms' successes in relation to planned aims in the range of its whole development and satisfaction of needs for parties being interested in its activity (Fig. 9).

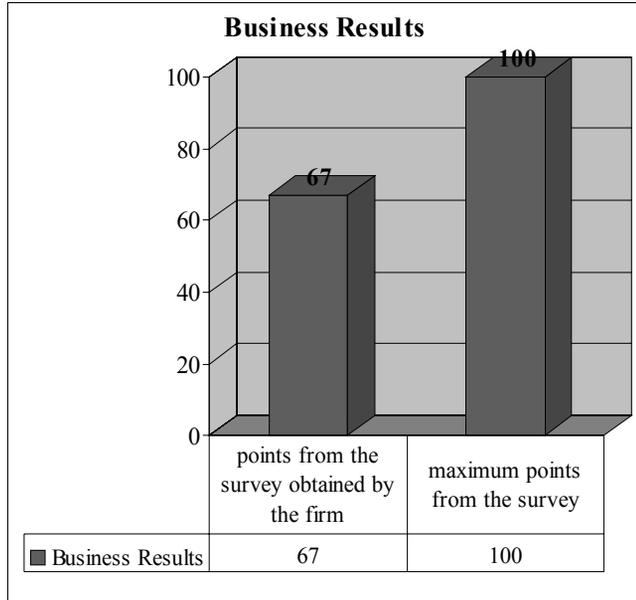


Fig. 9. Business Results.

To obtain the final amount of points reached by the evaluated enterprise it is needed to multiply the obtained points from the survey (for each criteria of The Polish Quality Award - PQA) by suitable weight accepted by Model of The PQA (Table 1, Fig. 10).

Table 1

Criteria of The Polish Quality Award	Points from the survey	Maximum points in The PQA	Weight in The PQA	Final points of the firm
1. Leadership	59	150	1.5	88.5
2. Policy and Strategy	68	100	1.0	68
3. Staff Management	81	80	0.8	64.8
4. Resources Management	80	50	0.5	40
5. Processes Management	76	120	1.2	91.2
6. Client Satisfaction	85	200	2.0	170
7. Employee Satisfaction	55	90	0.9	49.5
8. Impact on Society	75	60	0.6	45
9. Business Results	67	150	1.5	100.5
Total				717.5

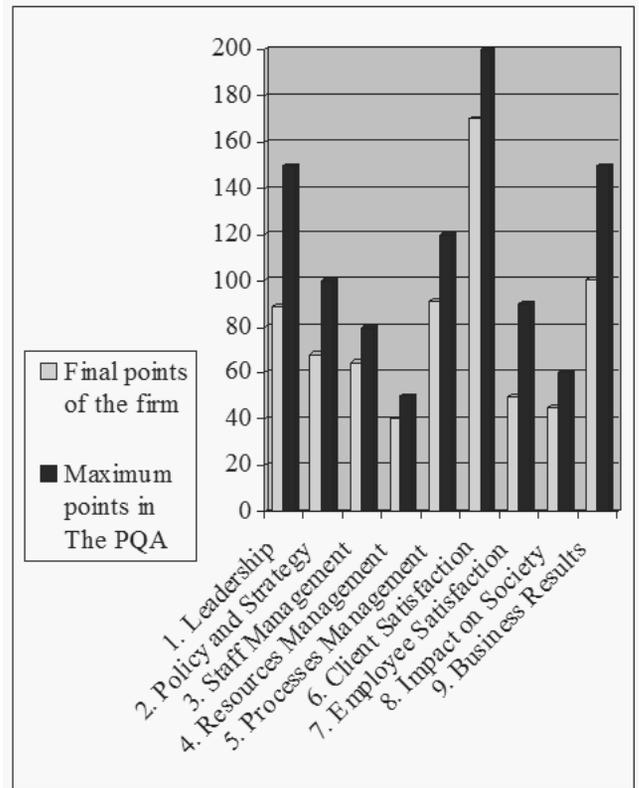


Fig. 10. Final points obtained by the evaluated enterprise in comparison to maximum points in The Polish Quality Award.

During internal studies, the selected Polish enterprise (which goes through Total Quality Management philosophy) was presented according to The Polish Quality Award criteria. Firstly, each criterion was estimated by workers (in the survey) and then all results were calculated and compared to The Polish Quality Awards points.

On the basis of the internal studies, it can be stated that each criterion reached high number of points. The worst criterion was employee's satisfaction and this area should be improved by different undertakings e.g. using the efficient motivation system.

It is worth underlining that evaluated enterprise obtained total amount of points – 717.5 (maximum 1000), so the condition of this enterprise is very good. But there are some areas which need to be improved.

5. Conclusions

Quality management is the way firms are managed, which makes obtaining the efficiency success, effectivity success and competitiveness superiority possible, assuring the long-term success, meeting customers and workers needs and financial results. In the competitive world firm cannot afford traditional approach to quality. So many firms implement complex tools, self-assessment models and methods of quality management in their own processes and innovatory connection enlarge their firms effectiveness and competitiveness [4-7].

Excellence Model of The European Quality Award is used by thousands of European firms and organizations to improve their system. This Model covers all the most important areas of work of the organization and exactly defines which requirements should be fulfilled in these areas. Model serves as a complex tool of self-assessment and simultaneously an example of excellence, to which one should aim undertaking the suitable activities in each described area. Self-assessment informs the organization about its strong point and permits to identify the areas, which should be improved.

Excellence Model of European Quality Award allows in many ways of approach to reach the permanent excellence in all aspects of organizations activity [8-11]. Excellent results in range of the key - results of activity, customers, workers and impact on society are reached by leadership being a stimulus to create policy and strategy, human management, partnership, resources and processes.

The usage of The Polish Quality Award Model let the investigated firm find the weak areas and made improvement of its activity possible.

Self-assessment is the first step on the way to improvement. The investigated firm, by evaluation described in this paper can state where it is and what to do in the future.

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