TQM: the Jordan quality award

Total quality management (TQM) is both a philosophy and a set of guiding principles that represent the foundation of a continuously improving organization. It involves the application of quantitative methods and the utilization of human resources to improve organizational performance.

TQM integrates fundamental management techniques, existing improvement efforts, and technical tools under a disciplined approach focused on continuous improvement.

During the last decades many organizations became well aware of TQM and implemented its principles. They sought quality certification and standardization, recognition of performance excellence, and comprehensive systems for every aspect of their organization.

To enhance TQM awareness, there must be some encouragement and incentive; which came in the form of quality awards to acknowledge those users with excellent application of the TQM principles and concepts. It is reported that the main reasons encouraging why companies have developed their TQM maturity levels, is due to the implementation of quality awards, and providing information for the decision maker regarding indication of the strengths, and the areas for improvement, that is usually provided as an output of the participation in such quality awards. A quality award is considered to be a catalyst, with the criteria providing the structure for the firm’s quality management.

Quality awards are properties of individual countries, and represent their host countries’ efforts in promoting quality excellence in organizations, products and services. Such awards provide in their frameworks the essential concepts of TQM for achieving organizational development and long-term business success. Many business organizations are using quality awards for self-assessment purposes, as well as for enhancing their competitive position in the global market. The awards provide frameworks for identifying a range of processes which influence an organization’s total quality and the business results.

Case: Jordan reformed

In the last few years, Jordan has demonstrated its capability to reform its economy in a manner that provides the basic steps for thriving into the third millennium. The international community witnessed the dramatic economic changes through its introduction of a needed infrastructure of reform in order to be able to compete globally. Taking this into consideration, the enhancement of the role of the industrial and service sectors in the development process has led Jordan to be far more competitive. Jordan is passing through an important phase in its development, which is characterized by a new challenge arising from the fact that companies are expected to face increased competition due to the new world policy of having internationally open markets. Jordan now is a member of the World Trade Organization, it has signed the Jordan-USA partnership agreement, the Jordan-Europe agreement and Arab Free Trade Agreement.

Jordanian companies need to be ready for this new level of competition. It is envisaged that this will be achieved through adopting a quality award programme which was initially named the Jordan Quality Award (JoQA); and which was later changed to King Abdullah II Award for Excellence (KAIIAE). It is considered the highest level of quality recognition in Jordan.

The KAIIAE (i.e. JoQA) was launched in the start of the year 2000 after a long process of development. Three cycles have been carried out in the periods: 1999-2000, 2001-2002 and 2003-2004 and more recently, the fourth (2005-2006) is under preparation. Through its developmental stage, the JoQA was developed to suit the needs and the characteristics of the Jordanian companies in the industrial and service sectors.

Quality awards

Several countries have developed and implemented their own quality awards. Two such awards are:
• Malcolm Baldrige National Quality Award (MBNQA) in the USA; and
• European Quality Award (EQA).

The MBNQA is an annual award to recognize US companies for performance excellence, to promote the understanding of the requirements for performance excellence and competitiveness improvement, and to share information on successful performance strategies and the benefits derived from using these strategies.

The MBNQA has three eligible sectors including: manufacturing companies, service companies and small businesses. Since, the award’s launch, only for-profit organizations have been eligible. The award recipients may publicize and advertise their awards and expect to share information about their successful performance strategies with other US organizations.

The award is based upon performance criteria created through a public-private partnership. The award’s applicants are expected to provide information and data on their companies’ key processes and results that must be adequate to demonstrate that applicants’ approaches are effective and yield desired outcomes. The criteria are designed not only to serve as a reliable basis for making the awards but also to permit a diagnosis for any company’s overall performance management system.

"JoQA (KAIIAE) is the highest level of recognition for the award of quality in Jordan. It aims at enhancing the competitiveness of Jordanian businesses by promoting quality awareness and performance excellence."

In 1991 the European Foundation for Quality Management (EFQM) launched the EQA to recognize appropriate companies which show a high level of commitment to quality. The EQA is awarded to the most successful adopter of TQM in Europe; and the award is held nominally for one year by the recipient. Applicants must demonstrate that their approach to TQM has contributed significantly to satisfying the expectations of customers and employees.

Benefits of applying for this quality award include: sharpening the focus of an organization and its improvement activities, fostering teamwork, increasing the awareness of the need of TQM. Benefits of winning include: the winner is administered by the EFQM, provide the winner the opportunity to use the logo of the EQA in corporate literature, get a support of the European Commission and the European Organization for Quality, and establish the winners as members of the most successful group of organizations in Europe.

There are four award categories including whole companies or parts of companies running as independent businesses, operational units of companies or parts of the company running as cost centres, public sector organizations or units operating within the public sector, and small and medium enterprises or whole organizations and part organizations employing less than 250 people.

Jordan Quality Award (King Abdullah II Award for Excellence)

JoQA (KAIIAE) is the highest level of recognition for the award of quality in Jordan. It aims at enhancing the competitiveness of Jordanian businesses by promoting quality awareness and performance excellence, recognizing quality and business achievements of Jordanian companies, and publicizing successful business strategies and promoting them. Award activities are held every two years. One award is given in each of the following categories:

• manufacturing companies or subunits;
• service companies or subunits;
• small or medium size manufacturing companies; and
• small or medium size service companies.

The award criteria compel organizations to improve their business practices, their employees, and their customer relationships in an objective and measurable way through self-assessment.

The organizations that are entitled to participate in the award must fulfill the conditions of being a registered private Jordanian legal entity and having documented sustained activity over time (at least two years) and have good financial performance.

The awards are given to winners based on criteria, where each criterion is given a score. The weighting of these scores are based on three guidelines including the deployment or the extent to which the applicant approach is applied to all requirements of the item, the approach or how the applicant addresses the item requirements of the criteria, and the results or outcomes in achieving the purposes given in the item.

Continued quality

In view of the award’s implementation process in Jordan, a set of action must be taken if Jordanian firms are to successfully continue their current quality development:

• raise the level of understanding of quality management at the national level in general and award’s requirements in specific;
• implement internal and external awareness campaign for each cycle of the award; and
• develop training programmes in quality management, in general, and the award’s requirements, specifically.

May 2008.

This is a shortened version of “Jordan Quality Award (King Abdullah II Award for Excellence (KAIIAE)): Characteristics, assessment and benchmarking”, which originally appeared in Benchmarking: An International Journal, Volume 15 Number 1, 2008.

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