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### MBQNA CRITERIA FOR THE IMPLEMENTATION OF TOTAL QUALITY MANAGEMENT IN HOSPITALS

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#### ABSTRACT

Hospital industry being one of the services industries had adopted the total quality management practices to deliver high quality services to the patients long ago. With the emerging challenges being faced by the hospitals these days, various TQM models are being adopted to survive in the market and to gain the patient satisfaction. One such model being followed by the hospitals is MBQNA (Malcolm Baldrige Quality National Award) which is becoming highly popular in the healthcare sector. In the year 1987 the MBQNA model was declared by the United States government for American companies to examine, benchmark their practices and make necessary changes to become more customer oriented. The success of MBQNA in manufacturing sector became so popular that it was started being adopted by the healthcare and education sectors. MBQNA is adopted today not just in western healthcare sector but also in the eastern countries like India. The present paper endeavors to highlight the importance of MBQNA model for hospitals and the necessity to adopt this TQM model to deliver not just patient satisfaction but also to gain a higher market share, increasing profits and building a high performance organization.

Key words: Hospitals, total quality management, MBQNA model, patient satisfaction, high performance organization.

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#### INTRODUCTION

With globalization and liberalization conquering the world, the healthcare sector also got affected. In order to compete with the global competition and to bring down the costs, total quality management practices were started being adopted by the hospitals. The implementation of TQM practices by the hospitals in the west started early in 1990's whereas its adoption in India dated quite late. An evidence of this is the research conducted by Zayed Mohammed Abu in the year 1994 to study TQM implementation in three healthcare organizations in USA.

Total quality management is defined as an approach to do business that attempts to maximize an organization's competitiveness through the continual improvement of the quality of its products, services, people, processes and environments (David L. Goetch and Stanley B. Davis 2010).

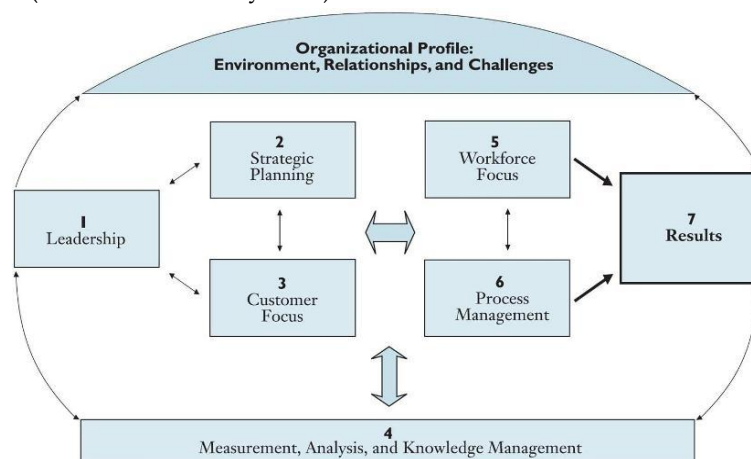
Most of the researchers identified the major TQM practices or critical success factors through an extensive review of literature. The second approach is to follow the TQM models such as Malcolm Baldrige Quality National Award and European Foundation for Quality Management (EFQM) award business excellence model for healthcare sector. Accordingly, it has recently become a common practice to link research to the criteria of well-known Quality Award models (Woon, 2000; Rahman, 2001; Prajogo and Sohal, 2004). However the majority of the researches in the healthcare sector adopted MBQNA criteria as the best way to evaluate the major TQM practices in hospitals.

An appropriate model for managing performance in the healthcare industry should be flexible, adaptable and responsive to changes in the healthcare industry (D'souza and Sequeira 2011). One such model used by the hospitals these days is MBQNA (Malcolm Baldrige National Quality Award) model.

In 1987, Congress established the Malcolm Baldrige National Quality Award to enhance the competitiveness of U.S. businesses by promoting quality awareness, recognizing quality and performance achievements, and publicizing successful performance strategies of U.S. organizations in the areas of manufacturing, service, small business, and in the year 1999 added education and healthcare sector. (Evans and Lindsay 1995).

The MBQNA Criteria for Performance Excellence can help to improve an organization's current operations and achieve long-term sustainability. Eighty six organizations that received the Baldrige Award between 1980 and 2010 have proven that applying the Baldrige Criteria to the way they run their businesses has led to better financial results; satisfied, loyal customers; improved products and services; and an engaged workforce. (Christine Shaefer 2011, Baldrige 20/20- An Executives Guide To The Criteria For Performance Excellence).

The Baldrige criteria is very popular and used by the hospitals to evaluate their performance (West 2001). The Baldrige criteria gives a system's perspective to improve the organizational performance. Seven broad categories make up the MBQNA criteria are leadership, strategic planning, customer and market focus, information and analysis, human resource focus, process management and business results (Evans and Lindsay 1995).



(Source: MBQNA - A Strategic Instrument For Measuring Performance In Healthcare Organizations : An Empirical Study Sunil C. D'Souza, A. H. Sequeira, International Journal of Multidisciplinary Research, 2011).

Seventeen hundred hospitals and more than forty three thousand healthcare sites including nursing homes and ambulatory care centers today are benefitted from the Baldrige criteria in providing quality care to the patients (Christine Shaefer 2011, Baldrige 20/20- An Executives Guide To The Criteria For Performance Excellence).

The present paper tries to outline the importance of MBQNA model for achieving quality of services and evaluating performance in hospitals to survive on the global context.

OBJECTIVES

The following are the objectives of this research paper:

1. To describe the significance of MBQNA criteria for total quality management implementation in hospitals.
2. To identify the various critical success factors or quality dimensions of total quality management highlighted by MBQNA model for evaluating the performance of the hospitals.

#### REVIEW OF LITERATURE

Companies that can deliver quality are the ones that will be able to compete in the globalization era (Nkechi Eugenia, 2009). One of the most common methods of achieving quality is to apply the total quality management. The principles of total quality management were adopted first by the manufacturing industries later on the services industries like healthcare and education adopted them (NIST).

In the year 1987 the leaders of twenty one hospitals and same number of professionals from industry set up a project named NDP (National Demonstration Project for quality improvement in healthcare) to find out whether TQM can be applied in hospitals as well. The participants reported that TQM practices can be applied in hospitals also apart from manufacturing industries. The success of NDP led to the formation of a new nonprofit organization called Institute Of Healthcare Improvement (IHI) (Hee Tak Kim 2003).

As health care organizations are becoming more and more complex, old models of quality assurance, relying on provider-based preset standards are insufficient to solving quality problems (Manjunath Usha 2007). There are many models that have been developed to identify the key critical success areas of TQM implementation. However many scholars have argued that Malcolm Baldrige National Quality Award (MBQNA) criteria as one of the best models for TQM implementation in hospitals.

MBNQA has been recognized as a valuable award demonstrating service quality excellence in the health-care industry since 1999. The 2011 MBNQA recipients were selected from a pool of sixty nine applicant organizations. Among the sixty nine applications filed, forty were from the health-care industry and three of the eventual four awards were presented to hospitals (NIST, 2012).

There are various researches conducted on total quality management implementation in hospitals which also proved that MBQNA criteria can be used as a powerful tool for performance evaluation.

In India, Tata Main Hospital, Jamshedpur has implemented TQM using TBEM model on the lines of MBNQA and found it useful. Apollo Gleneagles Hospital, Kolkata also implemented the MBNQA criteria for performance evaluation (Manjunath Usha 2007).

Black and Porter (1996) emphasized on Baldrige Award criteria, presenting ten critical factors for total quality management. These factors are: supplier partnership, people and customer management, customer satisfaction orientation, external interface management, communication of improvement information, strategic quality management, operational quality planning, quality improvement measurement systems, teamwork structure for improvement, and corporate quality culture

#### **Studies On MBQNA In Healthcare:**

Zayed Mohammed Abu (1994) conducted his research in three public health care organizations in United States and highlighted the importance of MBQNA criteria for evaluating performance and implementing TQM successfully.

Meyer and Collier (2001) and Goldstein and Schweikhart (2002) tested the Baldrige health-care model for total quality management and proved causal relationships among the criteria constructs. The study showed that all relationships between the six criteria categories were statistically significant.

R. Rohini (2006) also made use of the MBQNA model to collect the responses from hospitals in Bangalore, Mysore and Anantpur district regarding the total quality management implementation.

Manjunath Usha (2007) applied MBQNA framework and performed a case study on a hospital in non metro city of south India to know the TQM implementation in these hospitals. Ali Morad Heidari Gorgji (2010) took samples from hospitals in Aligarh, Delhi and Tehran using MBQNA criteria to know the level of TQM implementation and related it to organizational excellence.

Apinan Aueaungkul (2013) focused on the university and hospital sectors by making use of the MBQNA criteria and investigated the critical success factors for TQM and the impact of thai cultutral practices on TQM practices implementation in these hospitals.

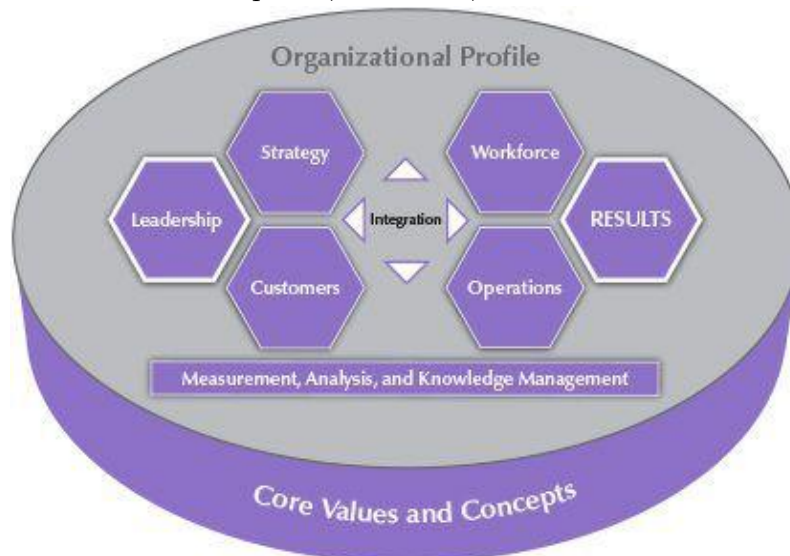
Sang M. Lee, Don Hee Lee and David L. Olson (2013) surveyed two fifty four hospitals in South Korea to test the relationship between the seven criteria of MBQNA model and outcomes of the hospitals.

Sunil C. D'Souza, A.H. Sequeira (2011) surveyed around seventy six medical colleges in south India to test the relationship between quality management dimensions of MBNQA and performance of these hospitals. The MBNQA dimensions were found to be very useful in evaluation of service quality management and performance in healthcare organizations. The study identified that the healthcare organization had silver line performance based on MBNQA criteria.

The above review of literature proves that MBQNA criteria is found to very valuable in the implementation of total quality management practices and also evaluating the performance of these hospitals.

#### QUALITY DIMENSIONS HIGHLIGHTED BY MBQNA

The MBHCP excellence model was introduced in 1995 as the MBNQA1995 health-care pilot program. The generally recognized seven criteria of the MBHCP excellence model are shown in figure. The MBHCP criteria is updated annually based on the changing global environment for the quality of care and performance. The award is one of the most prestigious awards for evaluating organizational performance of the hospitals (Evans, 2010).



(Source: 2017–2018 Baldrige Excellence Framework Health Care Criteria Commentary).

The seven quality dimensions or the critical success factors highlighted by MBQNA healthcare model are as follows: 1. Leadership 2. Strategic Planning 3. Customer Focus 4. Measurement, Analysis and Knowledge Management. 5 .Workforce Focus 6. Process Management (Operations) and 7. Organizational Performance results.

The Organizational Profile gives information about the key internal and external factors that shape the organizations operating environment.

1. Leadership: Senior leaders play an important role in setting values and directions, communicating, creating and balancing value for all stakeholders, and creating an organizational focus on action, including transformational change in the organization's structure and culture, when needed. Increasingly, this requires creating an environment for empowerment, agility, and learning. (NIST 2017-18).
2. Strategy: The long term success of the organization depends upon the strategies set by the management This category asks how you develop strategic objectives and action plans, implement them, change them if circumstances require, and measure progress(NIST 2017-18).
3. Customer Focus: This category asks how you engage patients and other customers for long-term marketplace success, including how you listen to the voice of the customer, serve and exceed their expectations, and build relationships with them (NIST 2017-18).
4. Measurement, Analysis and Knowledge Management: It is the main point within the Health Care Criteria for all key information on effectively measuring, analyzing, and improving performance and managing organizational knowledge to drive improvement, innovation and competitive advantage (NIST 2017-18).
5. Workforce Focus: It is very important part addressing key workforce practices, directed toward creating and maintaining a high-performance, safe working environment and toward engaging the workforce to achieve better. It also takes into account of how the workforce in the organization adapts to change and succeed (NIST 2017-18).
6. Process Management (Operations): This category asks how you focus on your organization's work or the processes, the design and delivery of health care services, their improvement, innovation, and operational effectiveness to achieve organizational success (NIST 2017-18).
7. Organizational Performance Results: This category provides a systems focus that encompasses all results necessary such as key process and health care results, patient- and other customer-focused results, workforce results, leadership and governance system results, and overall financial and market performance (NIST 2017-18).

## CONCLUSION

This study presents an insight into the importance of Malcolm Baldrige criteria to the healthcare organizations. It also identifies the various quality dimensions or critical success factors highlighted by MBQNA framework and explained each of them. The paper also entails the various research studies conducted in hospitals using MBQNA framework not only in the western countries but also in India.

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