

SUPPORTING STATEMENT
U.S. Department of Commerce
National Institute of Standards and Technology (NIST)
Malcolm Baldrige National Award and Examiner Applications
OMB CONTROL NO. 0693-0006

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

The Malcolm Baldrige National Quality Improvement Act of 1987, Public Law 100-107 established an annual U.S. National Quality Award (Award). The purposes of the Award are to promote quality awareness, recognize the quality achievements of U.S. companies, and to share successful quality strategies and practices. The law explicitly states that “An organization may qualify for an award only if it permits a rigorous evaluation of the way in which its business and other operations have contributed to improvements in quality.” This rigorous evaluation starts with a thorough review by volunteer Baldrige Examiners of application packages submitted to the Award Administrator of the American Society for Quality (ASQ), by companies wishing to be considered for the Award. P.L. 100-107 states that the Director of NIST “...shall rely upon an intensive evaluation by a competent board of examiners... . The examination should encompass all aspects of the organization’s current practice of quality management.”

This revision of 0693-0006 adds the Examiner Application.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

Each year, for-profit and non-profit organizations from the business, education, and health care sectors of the economy apply for the Malcolm Baldrige Quality Award. The applications contain information and quantitative data voluntarily provided by Award applicants to be used as the basis for a rigorous evaluation by Baldrige Examiners. These evaluations determine each applicant’s quality achievements and performance improvements, and which, if any, organizations will receive the Award. The President of the United States presents the Awards.

In parallel, highly qualified experts from across the nation apply to become members of the Baldrige Board of Examiners. Great care is taken to select outstanding individuals from each of the sectors in which the Award is given. To save applicants time and effort, returning Examiners are provided with the information submitted in prior years and need only amend the facts as needed. The members of the Board of Examiners are appointed for a one-year period.

To save organizations paperwork, time, and effort, potential applicants establish their eligibility for one of the Award categories—Business, which encompasses manufacturing companies or subsidiaries, service companies or subsidiaries, and small businesses, Education, or Health Care. Applicants may download this form from the Internet and prepare it electronically. Currently, the filing of the eligibility report demands an original signature.

If eligible, Award applicants provide detailed information on seven areas of their quality management system. For applicants from the business sector, these areas are (1) Leadership; (2) Strategic Planning; (3) Customer and Market Focus; (4) Measurement, Analysis, and Knowledge Management; (5) Workforce Focus, (6) Process Management, and (7) Results. For applicants from the Education and Health Care sectors, the titles for Category 3 are slightly different. For education, Category 3 is entitled Student, Stakeholder, and Market Focus; for health care, Category 3 is entitled Focus on Patients, Other Customers, and Markets. The application form itself consists of one page; the report, which is an attachment to the form, consists of an organizational profile and response by the applicant to the seven areas just described. Instructions and applications (Baldrige Award Application Forms) are downloadable from the Internet. Applicants may submit their report on a compact disk (CD) or hard copy, as they prefer.

This information collection and dissemination complies with the NIST CIO Information Quality Guidelines and Standards.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

The Program has made it possible for applicants to submit application reports electronically—all necessary forms are downloadable from the Baldrige Program Web site—but the majority of applicants prefer to use the manual process due to the need for an original signature. It should also be noted that many small businesses, schools, and health care providers either do not have the capability to transmit their information in a safe and secure manner, or they prefer to transmit by hard copy to protect their proprietary information. The Baldrige National Quality Program continuously re-examines and improves the application procedures and requirements. The Program's goal is to keep to a minimum the amount of information and data requested. The information required is the minimum needed to allow the Examiners and the Panel of Judges to deliberate, to ensure the integrity of the Award selection process, and to recommend Award recipients.

4. Describe efforts to identify duplication.

There is no duplication or repetitive information requested of applicants for the Award or to become a member of the Board of Examiners since the information format in both cases is

unique. The information is specific to the applicant organization and therefore unlikely to be available from any other source. The information required is sufficiently detailed to allow an in-depth evaluation of the applicant's quality system by experts selected to serve on the Baldrige Board of Examiners.

As with the Award application, the information requested is unique to the Board of Examiners. In either case, if the applicant has either submitted an application for the Award or applied to be a Member of the Board of Examiners, they can modify and re-use any relevant information from prior applications.

The Baldrige Criteria and application processes were developed with extensive input and regular review by private sector sources. The Criteria and supporting Award processes are evaluated and updated annually through a variety of feedback mechanisms, including applicant input. The Examiner application and selection processes used to determine members of the Board of Examiners is also evaluated and updated annually using the same feedback mechanisms to eliminate burdensome requirements.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

As small businesses are a high priority of NIST's Baldrige National Quality Program, there is a small business Award. Small businesses are subject to the same evaluation criteria and review process as other applicants. As with all applicants, small businesses can submit a basic application report of any length up to 50 pages. Thus, a small business can limit its paperwork burden to whatever it wishes to produce. Also, since the report documents the organization's business results and the quality program and processes already in place, only current and trend information on hand is relevant. No new information is required. The applicant simply needs to organize existing information. Most importantly, the application for the Award is strictly voluntary as is the application to become a member of the Baldrige Board of Examiners. Therefore the burden falls only on those individuals and organizations that choose to submit applications. All applicant-relevant Baldrige material is posted on the Internet to ensure ease of access.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

The consequences to the Federal program of not collecting the voluntary information are that (1) we would violate our statutory responsibilities; (2) the Award Program would be unable to provide useful, objective, comprehensive written feedback to applicants, (3) organizations could not compete for the Award, thus losing the constructive benefits of the review by a team of outside Baldrige Examiners and the motivational and self-discovery aspects of the application report-writing process, (4) the President would be unable to make any Awards and therefore not

confer the status of a world-class organization on any American organizations, and (5) ultimately the progress made in building the competitiveness of U.S. industrial, educational, and health care organizations would suffer.

Also, it should be noted that the consequences to the Federal program of not collecting the voluntary information requested in the application to become a Member of the Board of Examiners are identical. Without the Board of Examiners, a rigorous evaluation of the applications for the Malcolm Baldrige National Quality Award cannot be conducted.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

No such special circumstances exist. The information is collected in accordance with OMB guidelines.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

A Federal Register Notice soliciting public comment was published on March 21, 2007. No public comments were received from this notice.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

No payments or gifts are given to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

The respondents (Applicants) are assured of confidentiality as a matter of agency policy. This assurance is made on the basis of the exemption under the Freedom of Information Act for proprietary information provided by a business to a government. All applicants and applications

are treated as confidential. Further, Award recipients are not required to share propriety information even if such information was part of their Award application.

The examiners are assigned in such a way as to avoid conflicts of interest. All Examiners sign nondisclosure agreements. All Judges, Members of the Board of Examiners, and NIST staff receive annual confidentiality training.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This information collection does not include questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. However, the Secretary of Commerce and the Director of NIST are responsible for determining that an applicant would be an appropriate role model and therefore should be approved as a Baldrige Award recipient. For role model determination, NIST conducts record checks on potential Award recipients to ensure compliance with legal and regulatory requirements.

12. Provide an estimate in hours of the burden of the collection of information.

Our estimate of the total burden of the collection of information is **7,800** hours.

- The total number of respondents is 900 (Award applicants is 100; and Examiner applicants is 800).
- The total number of annual responses is 900.
- The total annual hours requested is **7,800** (74 hour X 100 for Award applicants = **7,400**; and 30 minutes X 800 = **400**)
- The current OMB inventory is **7,400**.
- The difference is **400**. This program change increase is due to the addition of Examiner applications to the collection.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

It is estimated that no annual cost burden, especially of a capital or start-up nature, is required of respondents or record keepers resulting from the collection of information associated with either the Award application or the Examiner application.

14. Provide estimates of annualized cost to the Federal government.

There are no more than nominal staff and overhead costs to the federal government for the collection of this information as the major costs of printing and distribution are contractor-absorbed and covered by funds from the Foundation for the Malcolm Baldrige National Quality Award, a private non-profit charitable corporation.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-I.

The program change to this collection is due to the inclusion of the Board of Examiners application (400 hours). This application is essential to the Award-granting process. The information requested in the application to be a Member of the Board of Examiners is directly related to the information provided in the Award application—enabling applicants for the Board of Examiners to demonstrate the skills necessary to perform a rigorous and effective examination of Award applicants.

16. For collections whose results will be published, outline the plans for tabulation and publication.

There are no plans for publishing the results of the collected information.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

No such approval is requested.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I.

No exceptions to the certification statement are requested.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Neither the collection of information requested for the Baldrige Award Application nor the Examiner Application employs statistical methods.