

**The Hungarian Agricultural Excellence Award for Companies and Organization – Development of the Model and its Application**

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**Introduction and Problem Statement**

Purpose of the Hungarian Agricultural Excellence Award is the nation-wide recognition and honorarium of those agricultural and food companies as well as institutions and other organizations which are committed in their activities to quality matters in a demonstrable way paying special importance to quality work, to the production of safe and consistently top quality foodstuffs as well as to good services. The task was directed to develop a Model of Excellence with special criteria to identify the agricultural and food companies and organizations with best practice.

**Objective**

When developing the basic Model of the Award we considered the models of the "National Excellence Award" founded in 1996 in Hungary as well as the models of the "Excellence Award for Public Education Institutions" (2002) and the "Hungarian Public Administration Excellence Award" (2003); all these can be traceable back to the model of the "European Quality Award" i.e. the "EFQM Excellence Award". In addition to the results of their self-assessment the applicants for the Hungarian Agricultural Excellence Award should also demonstrate by facts and figures first of all the excellent quality and safety of products or product families and services produced by them, their advantageous nutritional characteristics as well as the complete meeting of maintenance requirements and of all the relevant legal and other specifications laid down in the legislation. When granting the Award, several other requirements preferred also by the European Commission are contemplated as emphasized criteria, for example as regards the high-level meeting of agricultural environmental protection, animal and biodiversity protection and traceability requirements.

**Procedures and General Conditions**

The identified basic model was modified and accomplished with special criteria including scoring and weighting. The general conditions were collected and determined as follow:

- a) The organization must have a successful product range and effective economy,
- b) Management staff and workers of the organization give proof of an exemplary commitment to quality matters,
- c) Continuous development of strategy should be an important part within the operation of the organization,
- d) Continuous quality and safety development supported by running general and special quality management systems (e.g. HACCP, ISO 9001, ISO 14001, ISO 22000, EUREPGAP, etc.),
- e) Systematic monitoring and evaluation of the satisfaction of customers buying the products and services provided by the organization,
- f) Principles of learning from one another, development based upon comparison, benchmarking and adopting the successful solutions have to be exploited in practice by the management and workers of the organization.

**Further special criteria are the followings:**

- Agro environment protection,
- Protection of biodiversity,
- Enforcement of animal protection,
- Meeting sustainability requirements,
- Providing biological backgrounds for quality production,
- Continuous quality development of strategic character,
- High-level food safety,
- Development and marketing of foodstuffs serving for healthy nutrition purposes,
- Ensuring traceability at high level.

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**Results**

The developed model was used for preparing the application based upon self-assessment to be carried out according to the about 150 subcriteria adopted for the agricultural and food companies and institutions considering models of the international and national excellence awards. Evaluators then qualify these self-assessments. Accordingly, the reviewed areas should cover the following 9:

1. Leadership and management
2. Strategy and operational policy
3. Associates, human resources management

4. Partner relations, resources
5. Process design, management and development
6. Customer satisfaction
7. Results with the staff
8. Results with the society (environment)
9. Business results

Every application is individually evaluated and classified by at least 3 well-trained experts followed by developing an opinion on consensus. At the applicants that have reached at least 400 aggregated scores in the 1000-point scale an on-site visit is arranged by an expert group of 2-3 members. Depend on the results of the site-visit the scores can be modified.

For granting the Hungarian Agricultural Excellence Award at least 500 (exceptionally 450) aggregated scores are needed.

## **Conclusions**

So far 17 Hungarian agricultural and food companies received the Hungarian Agricultural Excellence Award from the minister of Agriculture and Rural Development. The developed and applied model that should be introduced by the proposed presentation fulfilled all the requirements for selecting and identifying the best companies. Relationship between organizational excellence and product quality could be determined. However, the model must be modified for other types of organizations, e.g. research institutes, food control authorities and agricultural universities that can also apply the Hungarian Agricultural Excellence Award.