

2018 National Housing Quality Awards

The Measurement of Excellence



Application Workbook

October 2017



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The Gold Standard

The NHQ Award is modeled after the Malcolm Baldrige National Quality Award and represents the housing industry's highest recognition for achievements in quality management.

The program is more than just an award it is the template of foundational elements critical to business success. Builders use the NHQ Award as a process for improving their business resulting in increased customer, employee and customer satisfaction, along with operational effectiveness and an improved bottom line. Each applicant receives a detailed written feedback report, which can be used as a guide for improvement. The NHQ Award process provides objective benchmarking on quality for the home building industry and is applicable to small and large volume homebuilders.

The NHQ awards are open to all North American residential home building companies. Through the years there have been 49 Gold Level recipients, 38 Silver recipients, and 8 Bronze recipients and of the 96 recipients 95% are still in business today evidencing the value of taking the NHQ awards challenge.



Recipients of the National Housing Quality Award

2017 Award Recipients

Gold	Classica Homes
Silver	Tim O'Brien Homes
Bronze	CBH Homes

2016

Veridian Homes – Gold
Goodall Homes – Silver
Maracay Homes – Silver
Ti O'Brien Homes – Silver
Garman Builders – Bronze

2015

DSL D Homes – Gold
 EYA – Gold
 French Brothers – Silver

2014

French Brothers – Bronze

2013

Charter Homes – Gold
 Wayne Homes -- Silver
 DSL D Homes – Silver
 Vintage Homes – Bronze

2012

Wathen-Castanos –Silver
 Charter Homes – Silver
 Schumacher Homes – Bronze
 Goodall Homes – Bronze

2011

Haseko - Bronze
 Wathen-Castanos – Bronze
 Charter Homes - Bronze

2010

Simonini Builders — Gold
 Wayne Homes — Silver

2009

T.W. Lewis — Gold
 K. Hovnanian Virginia Division — Silver
 K. Hovnanian Northern California
 — Honorable Mention
 —

2008

Fireside Hearth & Home (National) — Silver
 Mungo Homes — Silver
 Barratt American (National) — Silver
 Pringle Development — Silver
 Mercedes Homes (National) — Silver

2007

Estes Builders — Gold
 Floor Art — Silver
 Schuck and Sons — Silver
 Keystone Custom Homes —Honorable Mention
 Atlantic Builders — Honorable Mention

2006

Shea Homes San Diego — Gold
 Veridian Homes — Gold
 Ideal Homes — Gold
 CP Morgan — Silver
 Pringle Development Inc. — Silver
 KB Home Las Vegas — Silver

2005

Grayson Homes — Gold
 Pulte Homes (National) — Gold
 Ideal Homes — Silver
 Estes Builders, LLC — Silver
 Veridian Homes — Silver
 Pringle Development, Inc. —
 Honorable Mention

2004

Grayson Homes — Silver
 Boardwalk Builders — Silver
 Schuck and Sons — Silver

2003

History Maker Homes — Gold
 Pulte Homes Minnesota — Silver
 Fairmont Homes — Silver
 Neumann Homes — Silver
 ALL-tech — Silver
 Tappe Construction — Silver
 Grayson Homes — Honorable Mention

2002

Don Simon Homes — Gold
 Shea Homes Colorado — Gold

2001

Palm Harbor Homes,
 Florida Division — Gold
 Simonini Builders — Gold
 Don Simon Homes — Silver
 Winans Construction, Inc. — Gold
 Stebnitz Builders — Silver
 Cupertino Kitchens — Honorable Mention

1999/2000

Shea Homes Arizona — Gold
 Sunrise Colony Companies — Silver
 The Green Companies — Silver
 Traditional Concepts, Inc. — Gold
 Legacy Custom Builders, Inc. — Gold
 Deck America, Inc. — Gold
 Lasley Construction, Inc. — Silver
 Bell's Remodeling — Honorable Mention

1998

Neumann Homes — Gold
 The Estridge Co. — Gold
 T.W. Lewis — Silver
 Fairway Construction — Gold
 Remodeling Designs, Inc. — Gold
 Kendale, Inc. — Gold

1997

K. Hovnanian Enterprises — Gold
 Kennedy Community
 Development, LP — Gold
 U.S. Home Corp. Houston — Silver
 Coventry Construction, Inc. — Gold
 Eren Design & Construction — Gold
 Asdal Builders, LLC — Silver
 Fairway Construction — Silver
 Mitchell, Best & Goldsborough
 Inc. — Silver

1996

Mercedes Homes, Inc. — Gold
 Rayco — Gold
 Shea Homes San Diego — Gold
 Triple Crown Corp. — Gold
 Neil Kelly Co. — Large Remodeler
 J.J. Swartz Co. — Large Remodeler
 Criner Construction — Small Remodeler
 Kleinco Construction Services
 — Large Remodeler
 Crown Construction — Honorable Mention

1995

Doyle Wilson Homebuilder, Inc. — Gold
 John Wieland Homes, Inc. — Gold
 Oakwood Homes — Gold
 Pulte Homes Illinois — Gold
 Toll Brothers — Gold

1994

The Drees Co. — Gold
 Kennedy Home Builders — Gold
 Village Builders — Gold

1993

Cannon Development -Gold
 Carmichael & Dames Builders – Gold
 Fieldstone Communities, Inc. – Gold
 Town & Country Homes – Gold
 David Weekley Homes - Gold
 Winchester Homes --Gold



Are you ready for the National Housing Quality Awards challenge?

The NHQ Award process can help you prepare for changes occurring in today's dynamic housing market. Studying the award criteria will open your mind to new possibilities for improvement and propel your company to new heights.

For 24 years, the NHQ Criteria for Performance Excellence have been important tools for hundreds of homebuilders. These criteria can help you:

- Align resources
- Improve communication
- Increase productivity
- Boost effectiveness
- Achieve strategic goals
- Understand and change your organization's culture

You may enter your entire company or only a division of it. Multiple winners in each category and at each level may be selected. Previous Gold Award winners are eligible to apply again in the third year following their gold award.

Reviews are thorough and fair

A panel of highly qualified experts, made up of previous winners and quality management experts, evaluates all the applications and selects finalists who demonstrate high levels of quality achievement. Examiners might request additional information during the selection process, including lists of customers for an independent satisfaction survey, company references or other information related to the evaluation criteria.

Finally, NHQ Award examiners visit the finalists to review and validate their application.

If you win an NHQ Award, we will encourage you to publicize and advertise your winning status. It will have been hard-earned and well-deserved; it will cement your reputation with customers and peers as a top-quality builder and it will distinguish you from your competitors, giving you the business edge you desire as it raises your company's reputation as an industry leader.

*If you're committed to a relentless quest for quality,
please accept the
NHQ Awards challenge.*



WINNERS ARE RECOGNIZED IN FOUR CATEGORIES

GOLD – Awarded to companies that have attained a national benchmark level within each area of evaluation. -- Gold Award winners have mature, fully integrated quality management principles and consistently demonstrate high-level, sustained financial results.

SILVER – Awarded to companies that are industry leaders in most evaluation areas -- Silver Award winners have many refined business practices — including key measures for continual improvement — and they exhibit good financial results.

BRONZE – Awarded to companies that have a sound systematic approach that is responsive to the Award benchmarks in many areas – Bronze Award winners employ fact based improvement processes with no major gaps and above average performance in most area – They are close to the Silver Award mark.

HONORABLE MENTION – In special situations companies are recognized that demonstrate an understanding of quality management principles and show a sound, fact-based improvement process. Key measures are in place and good financial results are achieved in most areas. Preparing the NHQ Award application is an important step in every applicant’s quality journey.

When applying for the NHQ Award you ONLY compete against the Award criteria.

Multiple Gold, Silver and Bronze can be awarded each year.



THE NHQ AWARDS APPLICATION PROCESS

The application has two parts:

- The first is the application commitment form
- The second is the application itself following the directions below

APPLICATION SUBMISSION REQUIREMENTS

Please complete your application in an electronic document formatted as follows:

1. The entry must be presented on 8.5 in. x 11 in. pages
2. The document must use 12 pt. Times New Roman font
3. The Award entry application must be a maximum of 18 pages plus one overview page
4. Do not send or reference “attachments” or other documents. The judges only receive the overview page and the 18-page application
5. The application commitment form and a check should be sent by March 1, 2017 to:

Serge@Potomack.net and to ddersin@sgcmail.com
6. An electronic copy of the application should go to Serge Ogranovitch at Serge@potomack.net
7. A printed copy of the application, should go to:

Denise Dersin at Professional Builder Magazine
3030 W. Salt Creek Lane, suite 201, Arlington Heights, IL 60005-5025

Entries due by April 10, 2017



THE NHQ AWARD APPLICATION

Your very first step is to provide a brief profile of your company. This should include:

- The types of products and services you provide
- The market and geographic area you serve
- Your competitive situation
- Business direction
- Any other relevant information you want to include

If you are submitting an application for a division of a larger corporation, please describe the operating relationship to the parent company.

Next proceed with the eight sections of the Award. The sections are described in the following pages. To make it easier to follow we are providing some general information on what the judges are looking for.

Those are to be used as a guide only and are not meant to be an outline of what the content of your application should be.



NHQ AWARD CATEGORIES

Below is an outline of the 8 categories that we ask you to address in your application with the important key points.

- 1. Leadership-** *HOW YOUR SENIOR LEADERS PERSONAL ACTIONS GUIDE AND SUSTAIN YOUR ORGANIZATION? HOW YOUR ORGANIZATION FULFILLS ITS LEGAL, ETHICAL AND SOCIETAL RESPONSIBILITIES AND SUPPORTS IT'S COMMUNITY?*

At a minimum your answer should reflect these discussion points:

1. The company mission that gives purpose to your organization
2. The company values that guide corporate decisions and behaviors
3. Your vision of what your company can become
4. How senior leaders instill and reinforce the mission, values and vision within the company as role models and by empowering others
5. How employee feedback on company priorities is elicited and utilized
6. How company results are communicated to employees
7. How the company demonstrates public responsibility and good citizenship

- 2. Strategic planning -** *HOW DO YOU CREATE AND CARRY OUT A STRATEGIC PLAN TO ACHIEVE A FUTURE VISION, ENHANCE YOUR COMPETITIVE POSITION AND IMPROVE OVERALL PERFORMANCE?*

At a minimum your answer should reflect these discussion points:

1. The key strategic challenges your company faces in the next 1-5 years
2. How these challenges are identified and analyzed
3. How you use demographic data and market intelligence in strategic planning
4. How the strategic plan is tied to your mission, vision, and values
5. How the plan leverages your company's unique skills, knowledge and experience
6. How the plan compensates for lack of skills, knowledge, experience and/or resources
7. How your company's strategic plan is deployed
8. How your company's strategic plan is activated
9. The operational impact of the strategic plan
10. How your company acquires or develops the necessary skills for plan implementation
11. How you utilize performance metrics and feedback channels
12. How you report and communicate progress
13. How leaders use feedback to adjust the plan?
14. How do you acquire new customers?
15. How do you maintain your customer pool?
16. What tools and data do you use to generate and maintain leads?



3. Process Management - *HOW ARE YOUR COMPANY'S BUSINESS PROCESSES DEVELOPED, MANAGED, MEASURED AND IMPROVED TO ACHIEVE PERFORMANCE EXCELLENCE?*

At a minimum your answer should reflect these discussion points:

1. How do you approach essential business processes
2. How do you involve various department
3. Do you establish expectations
4. How do you document implementation of new processes
5. How do you use KPIs (Key Performance Indicators)
6. How do you track and communicate KPIs
7. How and to whom do you communicate KPIs
8. What tools do you use for process improvement
9. How you improve your key processes
10. How are trade partners involved in your management process
11. How do you maintain accuracy in sales materials
12. What is your sales process
13. What is your performance evaluation process?
14. What is your sale staff training process?

4. Customer Satisfaction - *HOW DO YOU DEFINE, DESIGN, MEASURE AND MANAGE THE DELIVERY OF PRODUCTS AND SERVICES THAT LEAD A HIGH LEVEL OF CUSTOMER SATISFACTION*

At a minimum your answer should reflect these discussion points:

1. How you identify market segments and key customer groups
2. Describe the methods you use to define and develop a customer centric culture.
3. How you determine levels of focus on select segments or groups
4. How you select customer-desired product features and services
5. How you develop customer relationships
6. Describe how your key customer satisfaction processes are measured and managed.
7. Describe how your key customer satisfaction processes are improved.
8. Describe how your key customer centric processes are implemented?
9. How your company obtains and utilizes customer satisfaction feedback to improve performance.



NHQ AWARD CATEGORIES

5. **Human Resources** - *HOW HUMAN RESOURCE PRACTICES CONTRIBUTE TO THE GROWTH OF THE ORGANIZATION BY LOOKING AT EMPLOYEE SELECTION AND DEVELOPMENT AS WELL AS STAFF PERFORMANCE MANAGEMENT, WELL BEING, MOTIVATION, SATISFACTION AND COMPENSATION?*

At a minimum your answer should reflect these discussion points:

1. How your organization maintains a work environment that contributes to the well-being, satisfaction and motivation of staff
2. Ways your company maintains or enhances employee morale
3. A description of your company culture
4. Company benefits offered to employees
5. Your organization's career development (education & training) programs
6. How programs support superior work performance and help achieve the company's overall objectives
7. The role, if any, of an employee handbook
8. How employees document and access policies, processes and procedures
9. Employee retention techniques
10. How you ensure organizational alignment
11. Discuss your employee recruitment strategy
12. Discuss your new hire and internal applicant interview process
13. How you administer employee evaluations
14. Compensation, recognition and incentive programs
15. Organizational succession plans.
16. Describe your safety training program
17. How are safety results shared with employees and trades?

6. **Construction Quality** — *WHAT METHODS DOES YOUR COMPANY USE TO DRIVE QUALITY IN THE HOME CONSTRUCTION PROCESS AND ENSURE HIGH PERFORMING, TROUBLE-FREE PRODUCTS AND SERVICES?*

At a minimum your answer should reflect these discussion points:

1. Describe your quality Standards
2. Written quality standards as expressed to the trades
3. Education and reinforcement of quality standards to employees and trades
4. Describe your warranty process
5. Your quality review process for new plans, production homes and new communities
6. Your customers' involvement in the quality review process
7. Your customers' post-closing experience
8. Any quality recognition programs
9. Any continuing improvement processes



NHQ AWARD CATEGORIES

10. Quality defect prevention and correction processes.

7. **Trade Relationship** - *THE COMPANY HAS A VALUABLE BASE OF LOYAL PARTNERS THAT NEEDS TO BE CONSIDERED AS PART OF THE FUTURE SUCCESS OF THE ORGANIZATION. THEY NEED TO BE INFORMED AND INCLUDED IN THE PLANNING AND PERFORMANCE IMPROVEMENT EFFORTS OF THE COMPANY.*

At a minimum your answer should reflect these discussion points:

1. Your framework for establishing mutually beneficial relationships
2. Your trade partner selection process
3. Communication channels utilized
4. Your process for developing trades to meet organization goals
5. Your process for assessing trades' performance and communicating compliance
6. Pro-active problem avoidance through trade involvement
7. Encouragement of trade contributions to the greater good of your organization
8. Integration of trades in building a better company
9. Your trade partner feedback system.

8. **Business Results** - *HIGH PERFORMANCE BUSINESS PRACTICES ARE EFFECTIVE ONLY IF THEY RESULT IN BUSINESS BENEFITS AS DEFINED BY TANGIBLE FINANCIAL, OPERATIONAL, CUSTOMER SATISFACTION AND PRODUCT/SERVICE QUALITY MEASURES.*

For this section we ask that you provide 3 years of data for each of the main questions. Data can be provided in graph, table or bullet point format.

At a minimum your answer should reflect these discussion points:

1. Customer Satisfaction Results
2. Operational Metrics and Results
3. Human Resources
4. Market Results
5. Trade Relations Results
6. Constructed Quality and Warranty Results
7. Financial Results



For further information or questions on the National Housing quality Award (NHQA)
Please contact: Srge Ogranovitch at 703-980-6565 or
Serge@Potomack.net

You can also join us on:

Faebook <https://www.facebook.com/pages/National-Housing-Quality-Award>

LinkedIn <https://www.linkedin.com/groups/Nationl-Housing-Quality-Award-1469587/about>