



**[Important notice]**

**Revision of 'Eligibility for Application (Scope of Application)' for overseas organizations for which the Pre-Application Consultation for the Deming prize will be implemented after FY2025**

(Effective from FY2025)

The Deming Prize Committee

As a result of deliberations by the Deming Prize Committee regarding the "Eligibility for Application (Scope of Application)" for overseas organizations that will have the Pre-Application Consultations in 2025 and beyond, the following revisions were approved and decided by the Committee.



**Eligibility for Application**

The Deming Prize is an annual award presented to an organization that has implemented TQM suitable for its management philosophy, scope/type/scale of business, and management environment. Please note that the eligibility for application differs between domestic and overseas organizations.

- The following eligibility for application applies to organizations that will be having the Pre-Application Consultation in 2025 and beyond, and organizations that have already undergone the Pre-Application Consultation in 2024 or earlier will follow the eligibility for application for 2024.

**1. Eligibility for Application**

Organizations include companies, institutions, and groups (the organization hereafter) that meet the following conditions may apply for the Deming Prize (the Prize hereafter). There are no restrictions regarding the organization's type of industry, business scale, or whether the organization is public or private, domestic or overseas.

- Divisions involved in industries with concerns regarding social acceptability, such as the military industry, will be excluded from the application scope.
- See below the definitions of domestic and overseas organizations.

**(1) Domestic Organization**

**1) Scope of the Organization eligible to apply**

The application can be made by either part of the organization (factory, office, division) or the whole organization.

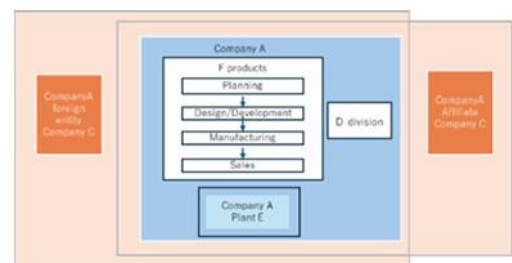
## 2) Application Conditions

- a) The organization provides or is involved in providing \*the products and the services that are socially and economically significant.
- b) The organization is responsible for the entire or the important part (planning, design and development, manufacturing, distribution, sales, services etc.) of the function that is necessary to perform the integrated quality assurance system for products and services mentioned in Item a) above.
- c) The organization has the responsibility and the authority to manage its people, materials, and financial resources that are necessary to perform the function mentioned in Item b) above.

(\*)"the products and the services that are socially and economically significant" are to be provided for the benefit of external individuals and organizations that are economically independent and separate establishment from the applicant organization in addition to providing benefit and value to individuals and organizations (customers) with little or no harm/damage causing them as well as to the society and environment through the course of realization of its provision.

To cite examples, the following organizations will be regarded as applicable

- Company as a whole or its division
- Non-profit government organization, local government, public utility body, or their unit
- Plants or divisions include R&D, technology development, procurement, sales & marketing, etc.



e.g.: Organizations can apply using any of the patterns enclosed in a square if it meets the application conditions

- Organization that is engaged in the entire process of the value chain for the specific product
- Headquarters and foreign entity
- Business group under the unified cooperation to provide specific product line

## (2) Overseas Organization

### 1) Scope of the Organization eligible to apply

Only the entire organization (companies, institutions, and groups) is eligible to apply. In the case of companies, only the company as a whole is eligible; individual application such as by factory or department is not possible.

### 2) Application Conditions

The entire organization (companies, institutions, groups, etc.) that is managed autonomously.

“Managed autonomously” here means fulfilling the following conditions.

- a) The organization has the responsibility and authority to freely manage management assets (people, goods, funds, etc.) in a way that allows them to manage their own business independently.
- b) The organization has the responsibility and authority to implement the integrated quality assurance.
- c) The organization has profit responsibility and the responsibility and authority to plan development for its future management.

-The scope of “entire organization (companies, institutions, and groups)” includes all business units and departments that carry out activities within the subject organization. However, the approach to the examination unit for application and the approach and method for sampling the items to be examined at the on-site examination will be separately determined.

## 2. Others - Related Descriptions of Revisions

### (1) Change in the definition of domestic and overseas organizations

#### 1) Domestic organization

The Domestic organization is based in Japan and operates in accordance with Japanese laws and systems. Foreign entity of Japanese-capital organizations are also treated as domestic organizations.

Foreign capital organizations based in Japan do not fall under this category and are treated as overseas organizations.

#### 2) Overseas organization

The Overseas organization is based outside of Japan and operates in accordance with the laws and systems of the country concerned. However, foreign entities of Japanese-capital organizations are included in the domestic organization category and are not included in the overseas organization category.

(2) Domestic and Overseas organization fees and definitions

FY	Pre-application consultation	Organization	TQM Diagnoses	DP	Eligibility for application	Remark
BF 2024	Already implemented	DOM	Old fee	Old fee	Other than the entire organization can also be possible.	
		OVS	Old fee	Old fee	Other than the entire organization can also be possible.	
AF 2025	To be held	DOM	Old fee	Old fee	Other than the entire organization can also be possible.	Definition of Domestic/Overseas has been changed
		OVS	New fee	New fee	Entire organization only	Definition of Domestic/Overseas has been changed

\*The 'old fees' are based on the standard costs for 2024, and the 'new fees' are based on the revised standard costs for 2025.

For more information, please contact the Secretariat for the Deming Prize Committee.