

# The Baldrige Award: The Journey Is the Win

By Paul Grizzell

Is your organization at the top of your game? If so, maybe you're wondering how to make those incremental improvements to reach the highest level of performance excellence. Or perhaps your organization's performance is just mediocre and leaders are looking for a method to accelerate improvement efforts. Maybe performance is even poor, and you need a way to focus your turnaround efforts.

In my work with clients and as a Baldrige National Examiner, I've watched organizations in each of these scenarios build a positive success spiral through the structure, employee engagement, and best practices that Baldrige inspires (and requires).

## A Model of Performance Excellence

The Malcolm Baldrige National Quality Award is the highest level of recognition of performance excellence in manufacturing, healthcare, and education. In fact, the award was developed in the 1980s by the U.S. Department of Commerce to help American business better compete in the global economy. And, while originally developed as a business quality assessment, the Baldrige Criteria have evolved into a comprehensive management system that includes the same criteria for excellence, regardless of industry.

Key characteristics of Baldrige Criteria for Performance Excellence:

- The Criteria focus on business results. Almost 50% of Baldrige scoring is based on a balanced set of outcomes
- The Criteria are non-prescriptive and adaptable. The Criteria don't tell you what you have to do - they guide you through your own assessment of what's important and how you address those areas
- The Criteria support a systems perspective to maintaining organization-wide goal alignment
- The Criteria support goal-based diagnosis - the Criteria and the Scoring Guidelines allow you to assess organizational performance and improvement progress

**Key Concept:** *The Baldrige criteria are an evidence-based, validated set of characteristics of high-performing organizations.*

## Why the Criteria Accelerate Results

Organizations that apply for Baldrige would, of course, love to have the recognition of winning the Baldrige Award; however, the irony is that those who are only applying to have a trophy to add to their trophy case won't succeed. The extensive of the application and assessment process ensures that those who win the award are truly role model examples of performance excellence in practice. At the heart of the process are the Baldrige Criteria.

The Criteria are deliberately non-prescriptive and adaptable. They ask how you address the Criteria, but don't tell you what to do. In fact, they guide you through your own assessment of what's important and how you address those areas.

Organizations that apply for the Baldrige Award gain:

- *an outside perspective* that identifies strengths and opportunities for improvement. Each organization is measured against the same set of Criteria based on the characteristics of high-performing organizations.
- *aligned leaders* because the Criteria help create a single shared focus.
- *laser sharp focus on highest organizational priorities* because the Criteria offer an integrated management system that aligns performance excellence efforts throughout the organization.

**Key Concept:** *The Baldrige process helps focus, align, and accelerate your performance excellence efforts.*

## A Values-Based Model

A set of Core Values form the foundation of the Baldrige Criteria. If you aspire to these Core Values, Baldrige is a framework to help you accomplish that goal.

### Baldrige Core Values

Visionary leadership	Managing for innovation
Customer-focused excellence	Management by fact
Organizational and personal learning	Societal responsibility
Valuing workforce and partners	Focus on results and creating value
Agility	Systems perspective
Focus on the future	

**Key Concept:** *The Baldrige criteria are based on a foundation of Core Values. If these Core Values resonate and align with your organization's vision, mission, and values, then the Baldrige criteria are a road map to help you get there.*

## Application, Assessment, and Feedback

At the national Baldrige level and in most state quality award programs, organizations submit a 50-page application with an additional 5-page Organizational Profile as a preface. A key to success in writing an effective application is to ensure alignment among the Organizational Profile, the Process Categories and the Results Category. An effective Baldrige application isn't simply a set of answers to the Baldrige Criteria questions. Your Baldrige application should be a formal description of how your organization operates. There are three components to a Baldrige application:

### 1. Organizational Profile (Answers the question: "What is most important to us?")

The Organizational Profile is a snapshot of your organizational environment and relationships, competitive environment, strategic challenges, and performance improvement system. Writing an Organizational Profile is the first step to take in your Baldrige journey.

The Organizational Profile describes what is important to your organization. It's a snapshot of the characteristics and challenges of your organization. The Profile includes your products and services, culture, key success factors, strategic challenges, and performance management system. If you do nothing but complete the Organizational Profile, gaining senior leadership input and agreement, you will have a useful tool that helps focus your organization's efforts.

### 2. The Process Categories (Answers the questions: "What do we do, how do we do it, and how do we improve?")

The Process responses address the six Process Categories:

1. Leadership
2. Strategic Planning
3. Customer Focus
4. Measurement, Analysis, and Knowledge Management
5. Workforce Focus
6. Operations Focus

Baldrige Examiners assess the maturity of your organization's systems and processes (Categories 1-6) using *ADLI*:

- Approach - *what* do you do?
- Deployment - *how* extensively do you do it?
- Learning - do you *evaluate, improve* and *learn*?
- Integration - how well is the approach *aligned* with your organizational needs?

### 3. Results Category (Answers the question: "Were we successful?")

The Results Category responses address the following Results areas:

1. Product and Process Outcomes
2. Customer-Focused Outcomes
3. Workforce-Focused Outcomes
4. Leadership and Governance Outcomes
5. Financial and Market Outcomes

Baldrige Examiners assess the maturity of the Results (Category 7) by considering how you address *LTCI*:

- Levels - what is your *current performance*?
- Trends - what is your performance *over time*?
- Comparisons - what is your performance *against appropriate comparisons*?
- Integration - how well do performance results address *key customer, market, and process requirements*?

**Key Concept:** A Baldrige application is a valuable tool, even if you never apply for an award. The alignment of the Organizational Profile, the Process categories, and the Results category helps identify breakdowns that are keeping you from attaining desired outcomes.)

## A systematic approach to improvement

Baldrige assessments are confidential. Examiners are required to maintain confidentiality and do not disclose what organizations they assess. The Baldrige process is focused on helping your organization improve - results are not reported to anyone outside the Baldrige program, until you win the Baldrige Award. At that point you are required to share your performance excellence journey and best practices as a method of helping advance performance excellence.

Any organization that is working on continuous improvement has made progress along the Baldrige journey, whether they call it that or not.

What stages can our organization anticipate in a Baldrige journey to performance excellence?

- *Awareness* - a key to the success of a Baldrige effort is to ensure understanding and commitment by the senior leadership team. Commitment by senior leaders isn't an option - it's a requirement!
- *Assessment* - an initial assessment can help you determine where your organization stands against the Baldrige Criteria. Assessment can help build understanding and identify initial performance gaps. There are multiple

methods to accomplish this assessment - on-line, paper, interviews, or a combination of all. This assessment can also be a great way to introduce Baldrige to the organization.

- *Application* - Develop and submit a Baldrige application. A team-based writing approach can accelerate the application process.
- *Advancement* - based on results of your application, focus your improvement efforts by determining how best to sustain your Strengths and prioritize and address your Opportunities for Improvement.

**Key Concept:** *The Baldrige process is a journey. Typically, Baldrige Award recipients have been engaged in the process for 5-10 years.*

## After the Application

What happens "behind the scenes" after an application is submitted?

There are three stages of assessment before Baldrige winners are selected

**Stage 1 - Individual Assessment:** Trained Baldrige Examiners spend 40-50 hours each assessing your application. They each compile a list of Strengths and Opportunities for Improvement comments for each area and score your application against a set of scoring guidelines.

**Stage 2 - Consensus Assessment:** A team of Baldrige Examiners takes your application through the Consensus process, during which they consolidate comments and determine a score through team consensus. These consensus scores help the Baldrige Judges determine who moves on to the Site Visit.

**Stage 3 - Site Visit:** A team of Baldrige Examiners visits your organization for an in-depth assessment of your organization. Site visits generally last 3-4 days, and provide an extremely in-depth assessment of your organization.

Applicants receive a feedback report detailing actionable Strengths and Opportunities for Improvement regardless of which assessment stage they reach. As an example of the idea of never-ending focus on continuous improvement, even Baldrige Award-winning organizations receive a feedback with approximately 40-50 Opportunities for Improvement.

**Key Concept:** *The journey is all about improvement. Organizations that systematically address Opportunities for Improvement (OFIs) from their feedback report generate better results, because they are able to focus, align, and accelerate their improvement efforts on those areas that are most important. And that drives improvements in next year's application!*

## Conclusion

The Baldrige journey isn't easy. Those who see the Baldrige Award only as a trophy to add to their organization's trophy shelf will find it frustrating. But those leaders who have a vision of role-model excellence will find the Baldrige Criteria, the application and assessment process, and the resulting feedback report to be an engaging, inspiring, and practical road map for their journey to performance excellence.

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