



Creating a culture of excellence throughout Colorado



CPEX Nuts and Bolts

Let's compare notes:

- ★ What/who is the Baldrige National Quality Program?
- ★ What is the Baldrige process and how does it work?
- ★ How many Baldrige award winners have there been in Colorado?
- ★ What industry segments are currently active in applying for the Baldrige award?



Agenda

- ★ Colorado Performance Excellence and the Malcolm Baldrige National Quality Award---what and why?
- ★ How does an organization use CPEX and Baldrige to improve performance?
- ★ What are “Performance Criteria”.



What Is the Baldrige National Quality Program?

The Malcolm Baldrige National Quality Improvement Act of 1987, Public Law 100-107

- ★ Created Award program to
 - identify/recognize **role model businesses**
 - establish **criteria for performance excellence** to evaluate improvement efforts
 - disseminate/share **best practices**
- ★ Expanded to health care and education (1998)
- ★ Expanded to nonprofit (2005)



What is Colorado Performance Excellence (CPEX)

- ★ A self-supporting 501c3 non-profit volunteer organization affiliated with the Malcolm Baldrige National Quality Award Program
 - Began operations in 2001 (1st year sponsors: Xcel Energy, Operations Management, Inc, and Colorado Foundation for Medical Care)
 - Supported by sponsors and service fees.
 - Two officers (part-time) and ~120 volunteers statewide



What Is Performance Excellence?

An integrated approach to **organizational performance management** that leads to

- delivery of ever-improving value to customers and stakeholders, contributing to organizational sustainability
- improvement of overall organizational effectiveness and capabilities
- organizational and personal learning



How is performance excellence achieved?

★ Problem Solving Tools

- Process improvement: Cause analysis, FMEA, Lean, Six Sigma,....
- Planning/decision making: Gantt charts, decision matrix, PDCA
- Innovation: Affinity diagrams, benchmarking, brainstorming

★ Discipline Improvement

- Business/Non-Profit: ISO9000, ISO14000
- Healthcare: JCHAO, HIPAA
- Education: No Child Left Behind

★ Organization Behavior Improvement

- Baldrige Criteria
- Behavior: The manner in which something functions or operates ([American Heritage Dictionary](#))



Evaluating Organization Behavior

- ★ How would you identify/evaluate the behaviors of an organization?
- ★ Individual behavior example: Are you honest?
 - If you found a lost wallet, how do you ensure that it is returned to its owner with all of its contents?
 - How do you complete you income tax return?
- ★ The Baldrige Criteria is composed of a selection of questions about organizational activities that allow the applicant to compare itself to role model organizations.

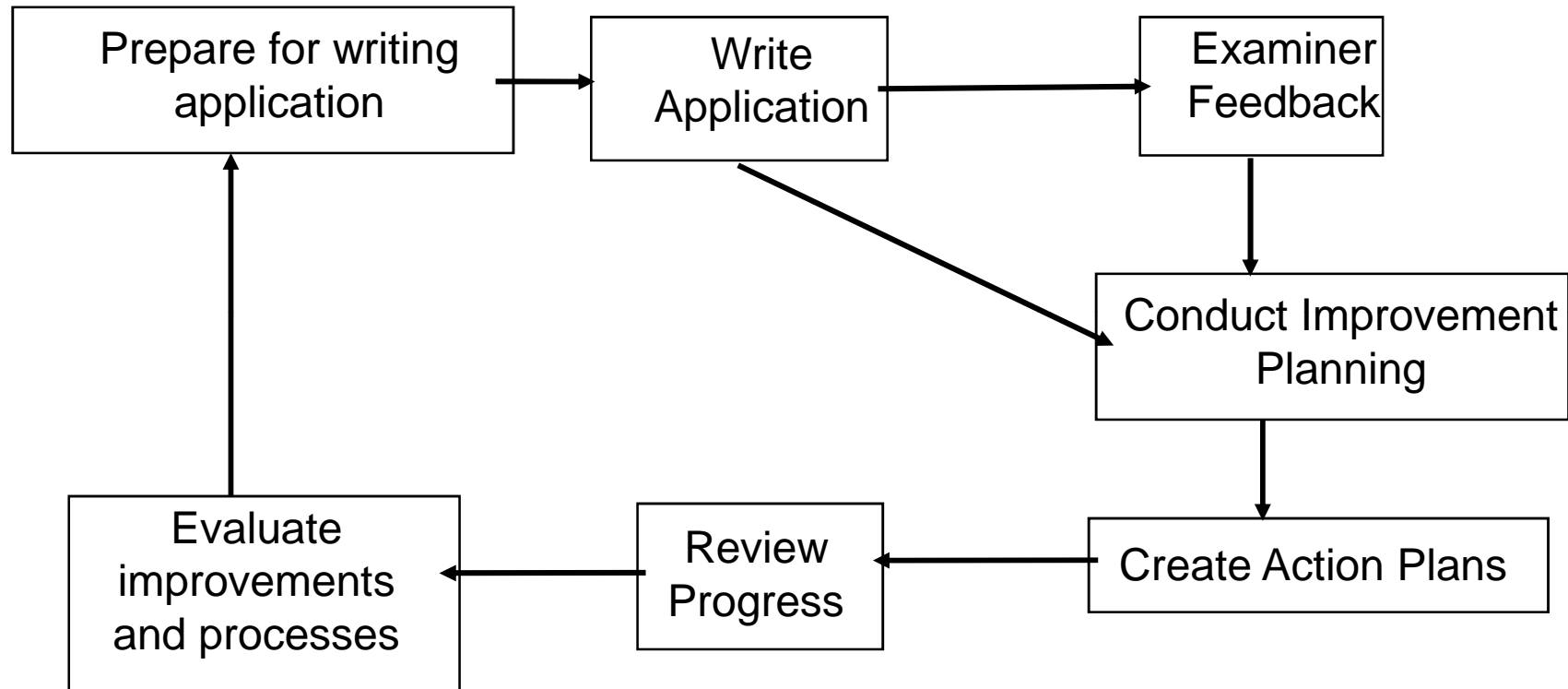


The Baldrige Process

- ★ The Baldrige Criteria tells organizations the activities they need to engage in for performance excellence.
- ★ To apply for an award, organizations explain how they perform those activities.
- ★ A team of examiners analyze the maturity of those activities.
- ★ A feedback report is generated describing organizational strengths and opportunities for improvement (OFIs).
- ★ Organizations create plans to sustain the strengths and address the OFIs.



Application-driven Performance Improvement



Evaluating Organizational Activities

- ★ How is the activity performed? (approach)
- ★ Is the activity performed in all relevant parts of the organization? (deployment)
- ★ Is the activity monitored and improved? (learning)
- ★ Is the activity aligned and integrated with other activities and organizational needs? (Integration)



Analysis Factors in an Applicant Response

Question: How do you conduct your strategic planning?

Our organization conducts its Strategic Planning Process during its annual three-day retreat (Figure 2.1-1 shows step-by-step actions).

Participants include the Senior Leadership Team, the Board of Directors, key suppliers and partner representatives. The Strategic Planning Process is reviewed each year at the annual retreat, and it has evolved since 1998 to include a more rigorous Strengths, Weaknesses, Opportunities, Threats, and Trends (SWOTT) analysis. In 2004, the Strategy Matrix was introduced to align our vision, mission, and values with key strategic challenges, strategic objectives, action plans, and goals.

Approach

Deployment

Learning

Integration





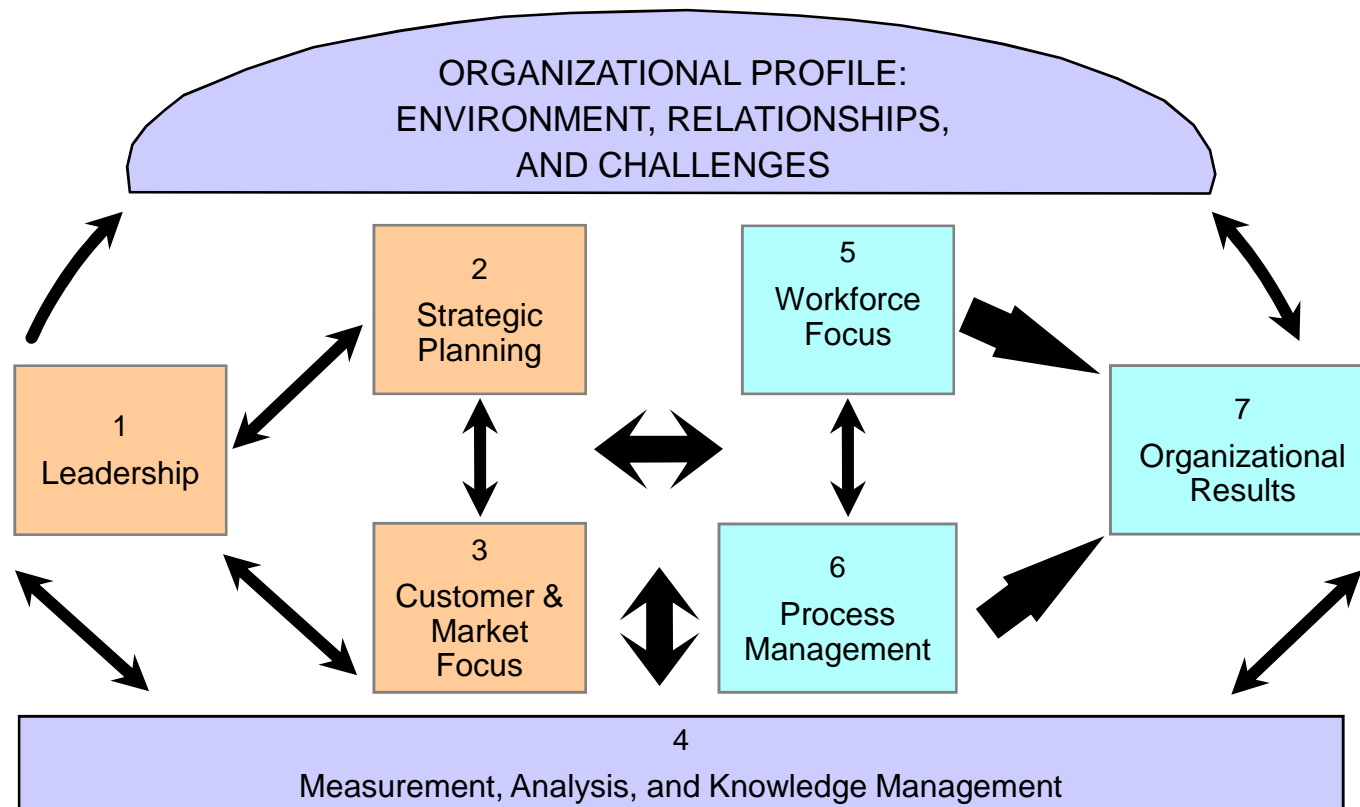
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CPEX Criteria Overview

Management Framework

A Baldrige-Based Model – A Systems Perspective



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Profile Summary

- ★ A statement of your operating environment and what is relevant & important to your organization & its performance.
- ★ Ensures a common understanding among your organization & examiners about what is important, key influences, and organizational directions.
- ★ Sometimes provides the first indication of opportunities for performance improvement.



Types of Criteria Categories

★ Process Categories

- Process: linked activities to produce a product or service
- Usually the answer to “How” questions; sometimes includes related “What” questions.

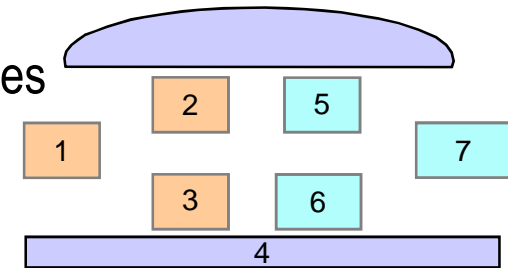
★ Results Category

- Outputs and outcomes
- Usually numbers, charts, graphs, etc.



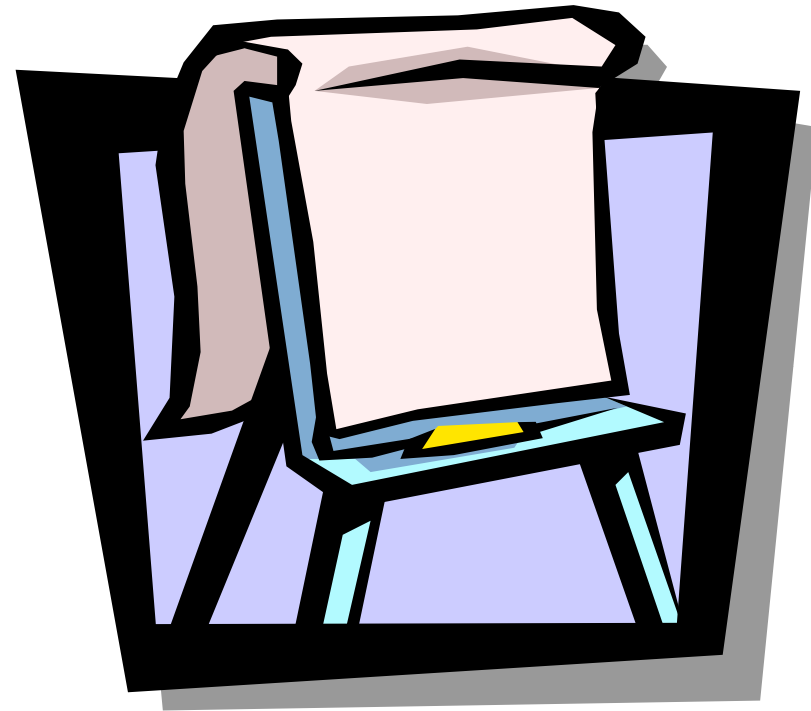
CPEX Process Categories

- ★ Leadership:
 - Senior Leadership; Governance and Societal Responsibilities
- ★ Strategic Planning
 - Strategy Development; Strategy Deployment
- ★ Customer (Student, Patient) and Market Focus
 - Customer Engagement; Voice of the Customer
- ★ Measurement, Analysis, and Knowledge Management
 - Measurement, Analysis, and Improvement of Organizational Performance; Management of Information, Knowledge and Information Technology
- ★ Workforce Focus
 - Workforce Engagement; Workforce Environment
- ★ Process Management
 - Work Systems; Work Processes



Example Problem Statement

Employees complain that leaders & managers operate in reactive, fire-fighting modes, and consistently make decisions based on “gut feel” or listening to the “last person in the office”.



Example Problem Criteria Questions

Category	Criteria questions
Leadership	1.1 b(1): How do senior leaders communicate decisions?
Category 1	1.1 b (2): How do senior leaders create a focus on action to accomplish the organization's objectives, improve performance and attain its vision
Category 2	2.2 a (1): How do you develop and deploy action plans throughout the organization to achieve your key strategic objectives?
Category 4	4.1 b (2): How do you translate organizational performance review findings into priorities for continuous and breakthrough improvement and opportunities for innovation?





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Results Evaluation

Recall Results Category Items

- ★ Product (Student Learning, Health Care) Outcomes
- ★ Customer-(Student-, Patient-)Focused Outcomes
- ★ Financial and Market Outcomes
- ★ Workforce-Focused Outcomes
- ★ Process Effectiveness Outcomes
- ★ Leadership Outcomes

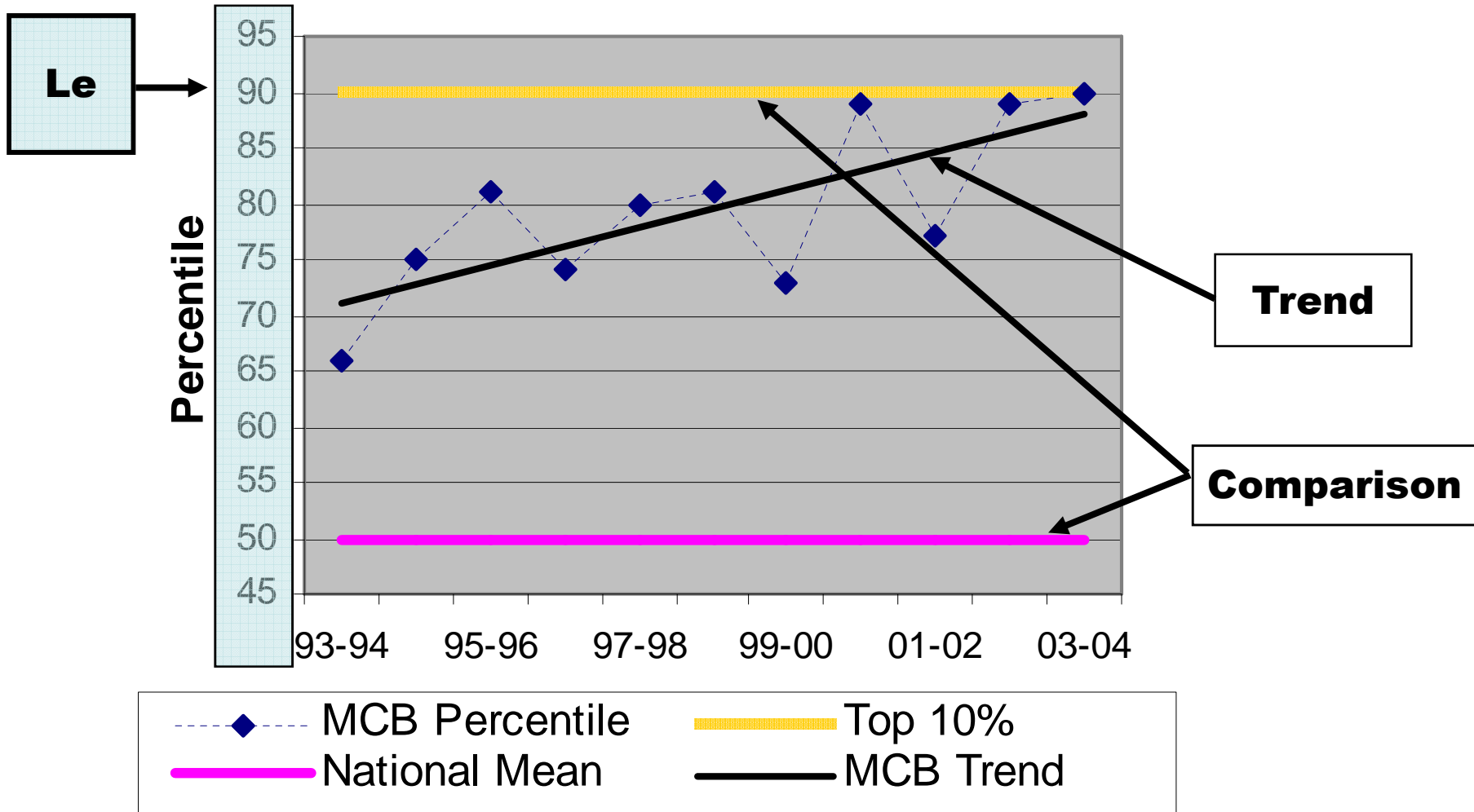


7.0 Results Evaluation Factors

- ★ Level: a numeric measurement of performance
 - Customer satisfaction = 94%
 - ROI = 15%
- ★ Trend: variation of level over time
- ★ Comparison: your level relative to competitors and/or benchmarks
 - demonstrates results are role model status
- ★ Integration: measurements are reported on major processes, objectives and strategies



Results Evaluation Factors



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CPEX Participation Levels

The Colorado Performance Excellence Award Levels

- ★ Open to all Colorado organizations
- ★ Four award levels support organizations along the road to world class performance:
 - High Plains Recognition
 - The Foothills
 - The Timberline
 - The Peak Performance



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High Plains

- ★ Organizations interested in self-assessment and beginning the journey to performance excellence
- ★ Emphasis on defining operating influences, key challenges, competitive environment, strategic challenges, competition, and the system for performance improvement
- ★ Organizational Profile of no more than 5 pages plus org charts and glossary



The Foothills Level

- ★ Organizations interested in a simplified beginning to the application process.
- ★ Applicants' required to identify approaches only: the processes/systems in place to help them achieve key strategic outcomes
- ★ The number of questions to be answered is reduced by 2/3.
- ★ Application is limited to 15 pages, plus an Organizational Profile of no more than 5 pages plus org chart and glossary



The Timberline Level

- ★ Organizations that would like feedback on their processes, but not on their results
- ★ Applicant answers all questions in Categories 1-6 and are evaluated against all ADLI factors.
- ★ Limited to 35 pages, plus an Organizational Profile of no more than 5 pages plus org/glossary



The Peak Performance Level

- ★ Organizations that are interested in a complete review of their processes and results.
- ★ Applicant answers all process questions in Categories 1-6 and supplies results for all six results Items in Category 7. Process responses are evaluated for ADLI; results are evaluated for LeTCI
- ★ 50 pages, plus an Organizational Profile of no more than 5 pages plus org/glossary



Award Application Fees/Costs

	High Plains Recognition Level	Foothills Performance Level	Timberline Performance Level	Peak Performance Level	Consensus and Site Visit
Business/Healthcare for profit (>= 250 employees)	\$250	\$1,400	\$2,600	\$3,800	Actual Expenses
Small Business/Healthcare for profit (< 250 employees)	\$250	\$950	\$1,700	\$2,200	Actual Expenses
Not-for-Profit organization (>= 250 employees)	\$250	\$1,200	\$2,400	\$3,200	Actual Expenses
Not-for-Profit organization (< 250 employees)	\$250	\$950	\$1,700	\$2,200	Actual Expenses

Fees listed in Schedule do not include \$100 non-refundable fee due with Letter of Intent. (High Plains letter of intent fee is \$25).



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Applicant Schedule

2009

JANUARY						
S	M	T	W	T	F	S
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4	5	6	7	8	9	10
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FEBRUARY						
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Introductory Awareness Workshop, including High Plains Training

Application Writing Workshop

New Examiner Training



2009 Applications
- Letter of Intent (April 6)
- Application (May 22)



2009 Examiner Training



2009 Application Review



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Applicant Schedule

2009






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NOVEMBER						
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-  Application Review
-  Site Visit Time Frame
-  Judges Sessions
-  Feedback report delivered to applicant
-  2009 CPEX Award/Recognition Event



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Questions, Comments, Suggestions?