

INSTITUTE FOR PERFORMANCE EXCELLENCE



BALDRIGE | PERFORMANCE EXCELLENCE | QUALITY | LEADERSHIP

**The Baldridge Foundation  
Institute for Performance Excellence**

*Presents:*

**From Compliance to Excellence:**  
*Engaging Senior Leaders in the Performance Excellence Journey*

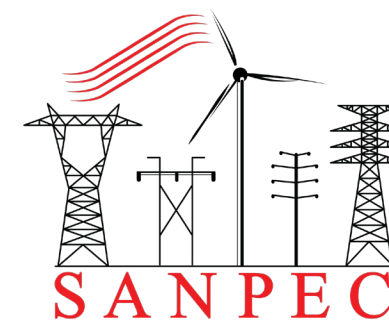




Institute for Performance Excellence



## Mac Baldrige Society Members



# Opening Remarks/Agenda

**Introduction**      **Al Faber**, President & CEO  
Baldrige Foundation

**Panelist**            **Paul Grizzell**, Principal  
Core Values Partners, Inc.

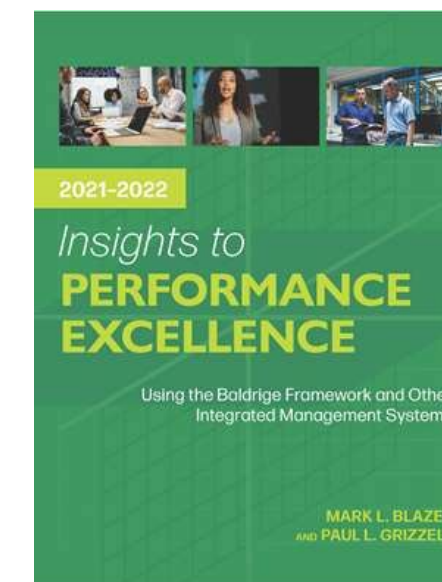
**Audience  
Questions**          **Moderator – Al Faber**

**Closing**            **Al Faber Remarks**

# Intro to Paul Grizzell

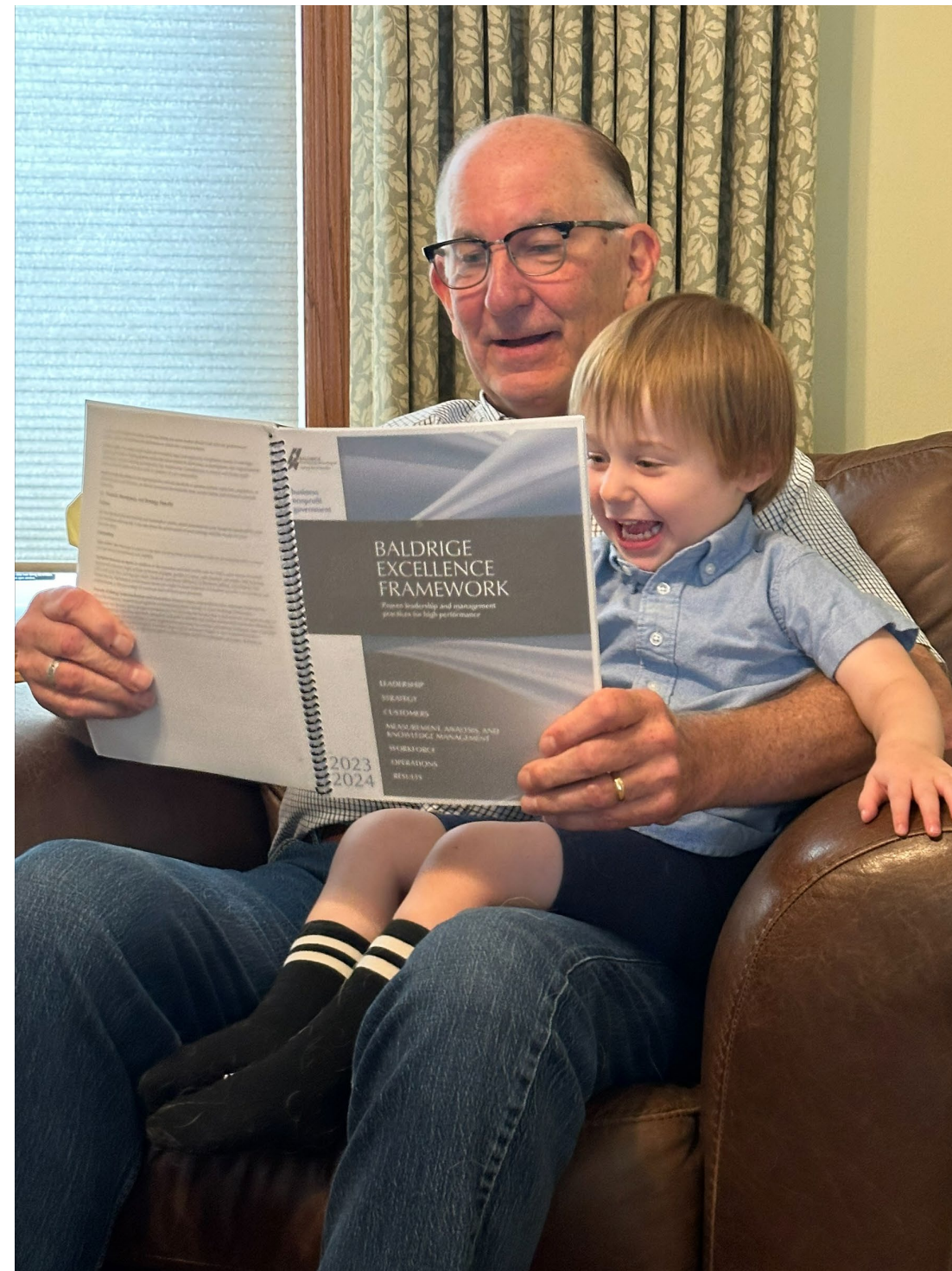
## ...helping organizations *focus, align, and accelerate* their performance excellence journeys

- ▶ 28 years of experience in Baldrige-based performance excellence consulting
- ▶ Judge, Examiner Trainer, Quality Award Board member, and Baldrige thought leader for the AHCA/NCAL Quality Award
- ▶ Worked with multiple AHCA/NCAL, Baldrige, EFQM, and China Quality Award recipients
- ▶ Baldrige Examiner trainer for many years, train for multiple countries and Baldrige-related programs, including Thailand Quality Award and China Quality Award
- ▶ Assessor for EFQM, Foreign Evaluation Expert and Academic Committee for China Quality Award
- ▶ Author with Mark Blazey of *“Insights to Performance Excellence: Using the Baldrige Framework and Other Integrated Management Systems”* published by ASQ





# A little bit more about me...

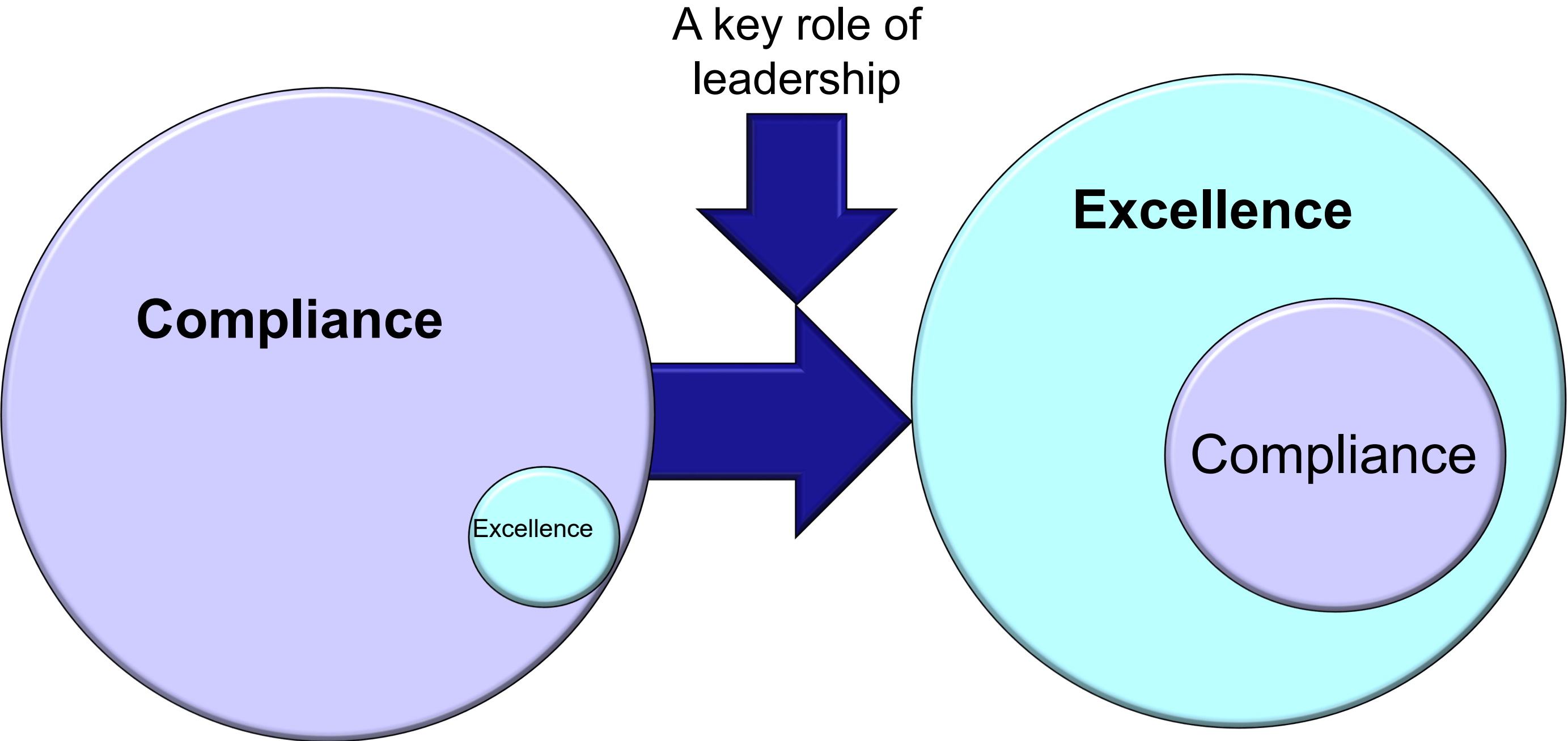


# Today's purpose

- ▶ Answer the question: *“Why should I embark on a Baldrige-based performance excellence journey?”*
- ▶ Provide a Baldrige introduction to leaders who are wondering if a performance excellence journey is right for their organization.
- ▶ Provide a tool to help you go back to your organization and share the value of a performance excellence journey with your leaders.

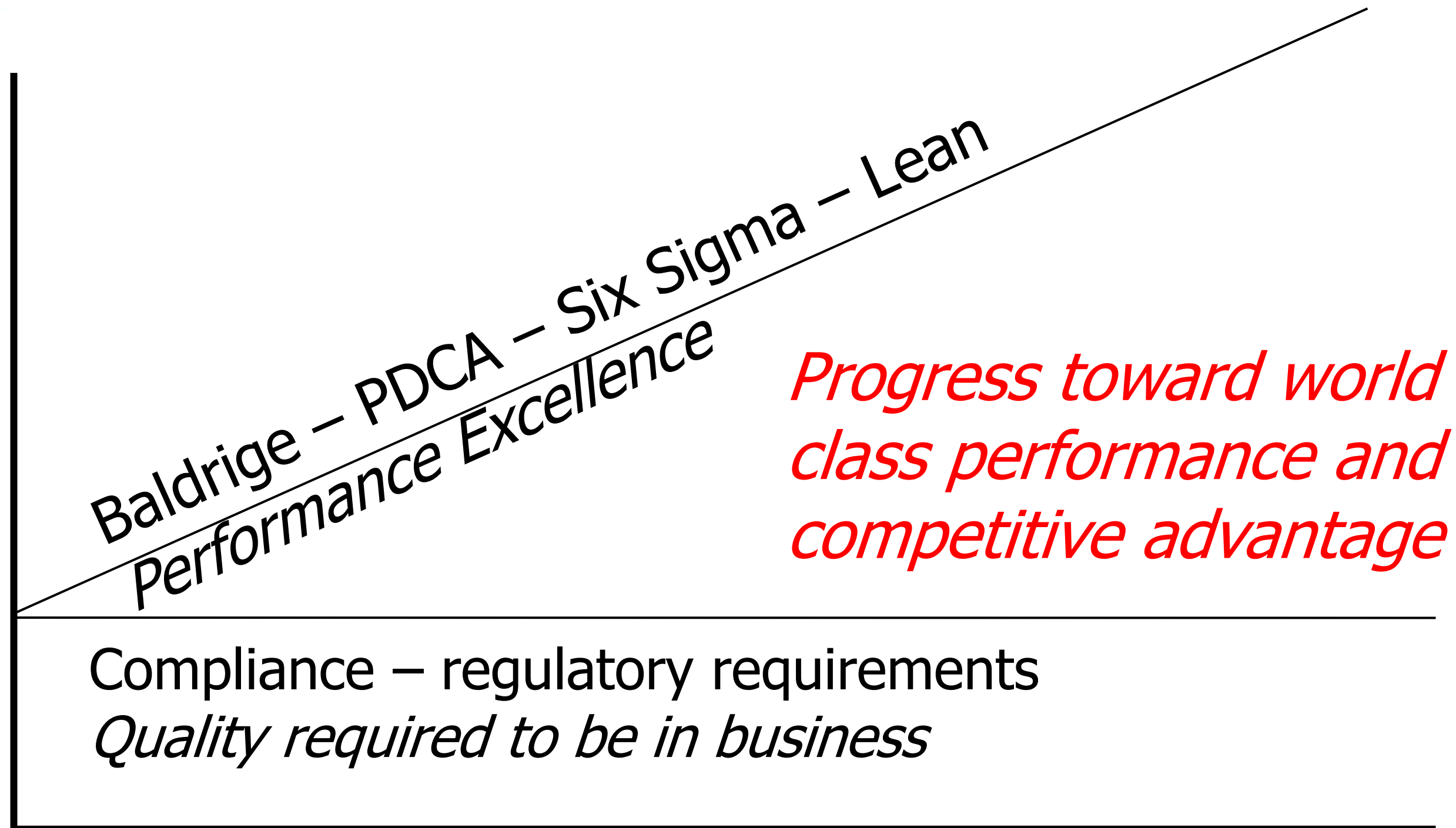
Do YOU have a  
culture of *compliance*  
or a culture of  
*excellence*?

# Moving from *compliance* to *excellence*...





# Compliance vs excellence



# What is Baldrige?

*An award application, right? Another trophy for the old trophy shelf!*  
*The Baldrige Framework is an outcome-focused, evidence-based management model that represents the leading edge of validated leadership and performance practice.*



# The basics of the Baldrige Framework



# The Baldrige Framework



From Baldrige Performance Excellence Program. 2023. 2023-2024 Baldrige Excellence Framework®: Proven Leadership and Management Practices for High Performance. Gaithersburg, MD: U.S. Department of Commerce, National Institute of Standards and Technology. <https://www.nist.gov/baldrige>.

Systems Perspective	Visionary Leadership	Customer-Focused Excellence	Valuing People	Agility and Resilience	
Organizational Learning	Focus on Success and Innovation	Management by Fact	Societal Contributions	Ethics and Transparency	Delivering Value and Results

# Core Values – characteristics of excellence

*Framework book (BNP pages 36-41, HC & ED pages 40-45)*

- Systems Perspective
- Visionary Leadership
- Customer (Patient)-Focused (Student-Centered) Excellence
- Valuing People
- Agility and Resilience
- Organizational Learning
- Focus on Success and Innovation
- Management by Fact
- Societal Contributions (and Community Health)
- Ethics and Transparency
- Delivering Value and Results

# Core Value example

## Valuing People

**An organization's success depends on an engaged workforce that benefits from meaningful work, clear organizational direction, the opportunity to learn, and accountability for performance.** That workforce must also have a safe, trusting, and cooperative environment. The successful organization has a culture of equity and inclusion that capitalizes on the diverse backgrounds and characteristics, knowledge, skills, creativity, and motivation of its workforce, partners, and collaborators. Promoting equity means fostering the fair treatment of all customers and workforce members. Promoting equity also supports the ability of all workforce members to reach their full potential. Inclusion refers to empowering participation and promoting a sense of belonging. The successful organization also values all people who have a stake in the organization, including customers, community members, stockholders, and other people affected by the organization's actions.



# Baldrige Core Values vs Compliance Requirements

## Compliance

## Excellence

1. “Silo” mentality

1. Systems Perspective

2. M

3. M

4. E

5. P

6. F

7. S

8. M

9. Inward focus

9. Societal Contributions

10. Poor ethics and communication

10. Ethics and Transparency

11. Requirements focus

11. Focus on Results and Creating Value

Is your organization satisfied with mediocrity?

Or do you aspire to excellence – *in the eyes of all your stakeholders?*

tion

# Core Values and Concepts Exercise

Consider the Baldrige Core Values and Concepts.

As teams or individuals, answer the following:

- ▼ *What are the three Core Values Strengths at our organization?*
- ▼ *What are the three Core Values Opportunities for Improvement (OFIs) at our organization?*

# Category Alignment to Core Values

	1. Leadership		2. Strategy		3. Customer		4. Measurement, Analysis, and Knowledge Management		5. Workforce		6. Operations	
	Leadership	Societal Contributions	System	Innovation	Customer	Retention	Analysis, Review, and Performance	Knowledge Management	Efficiency	Management	Processes	Effectiveness
<b>Baldrige</b>												
<b>Systems</b>												
<b>Visionary</b>												
<b>Customer</b>												
<b>Valuing p</b>												
<b>Agility and</b>												
<b>Organiza</b>												
<b>Focus on success and innovation</b>	■		■				■	■		■	■	
<b>Management by fact</b>		■	■	■	■	■	■	■	■	■	■	■
<b>Societal contributions</b>			■	■						■		■
<b>Ethics and transparency</b>	■		■	■			■	■		■	■	■
<b>Delivering value and results</b>	■		■	■			■	■	■	■		■

*If you aspire to be represented by the Baldrige Core Values and Concepts, then the Criteria itself is the road map to get there!*

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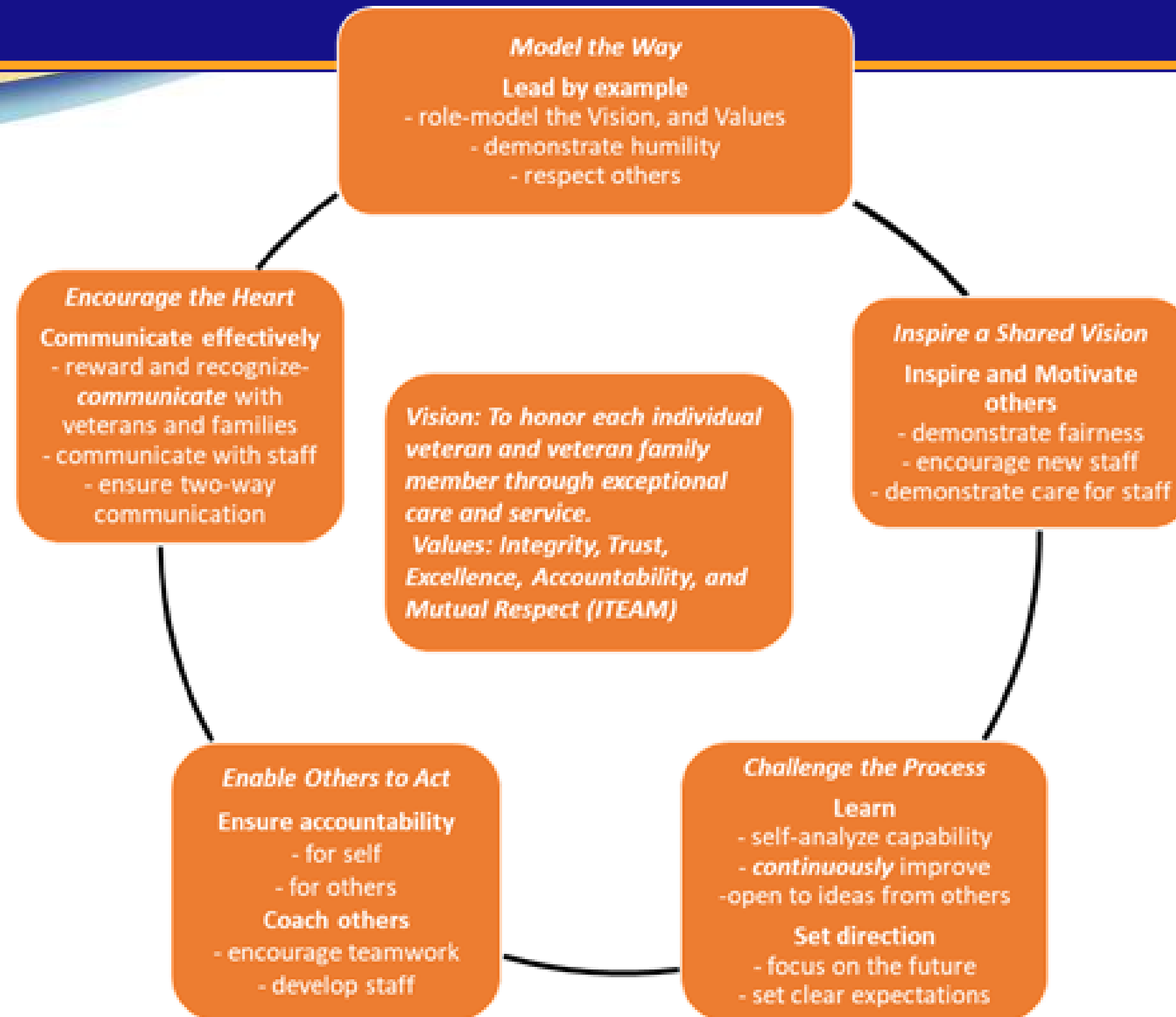


# Leadership System definition, page 50

Organizational Profile: Organizational Structure: *What are the key components of your organization's leadership system?*

Glossary definition: *The way leadership is exercised, formally and informally, throughout your organization; the basis for key decisions and the way they are made, communicated, and carried out.* A leadership system includes structures and mechanisms for making decisions *4.1b*; ensuring two-way communication *1.1b(1)*; selecting and developing leaders and managers *1.1a3 and 5.2b(1,3)*; and reinforcing values, ethical behavior, directions, and performance expectations *1.1a(1,2,3) and 1.1b(2)*.

# Leadership System example Ogden Veteran's Home



**George E. Wahlen Ogden  
Veteran's Home  
Ogden, Utah  
AHCA/NCAL Gold Award  
recipient**

**Reference:**  
*Leadership Challenge*

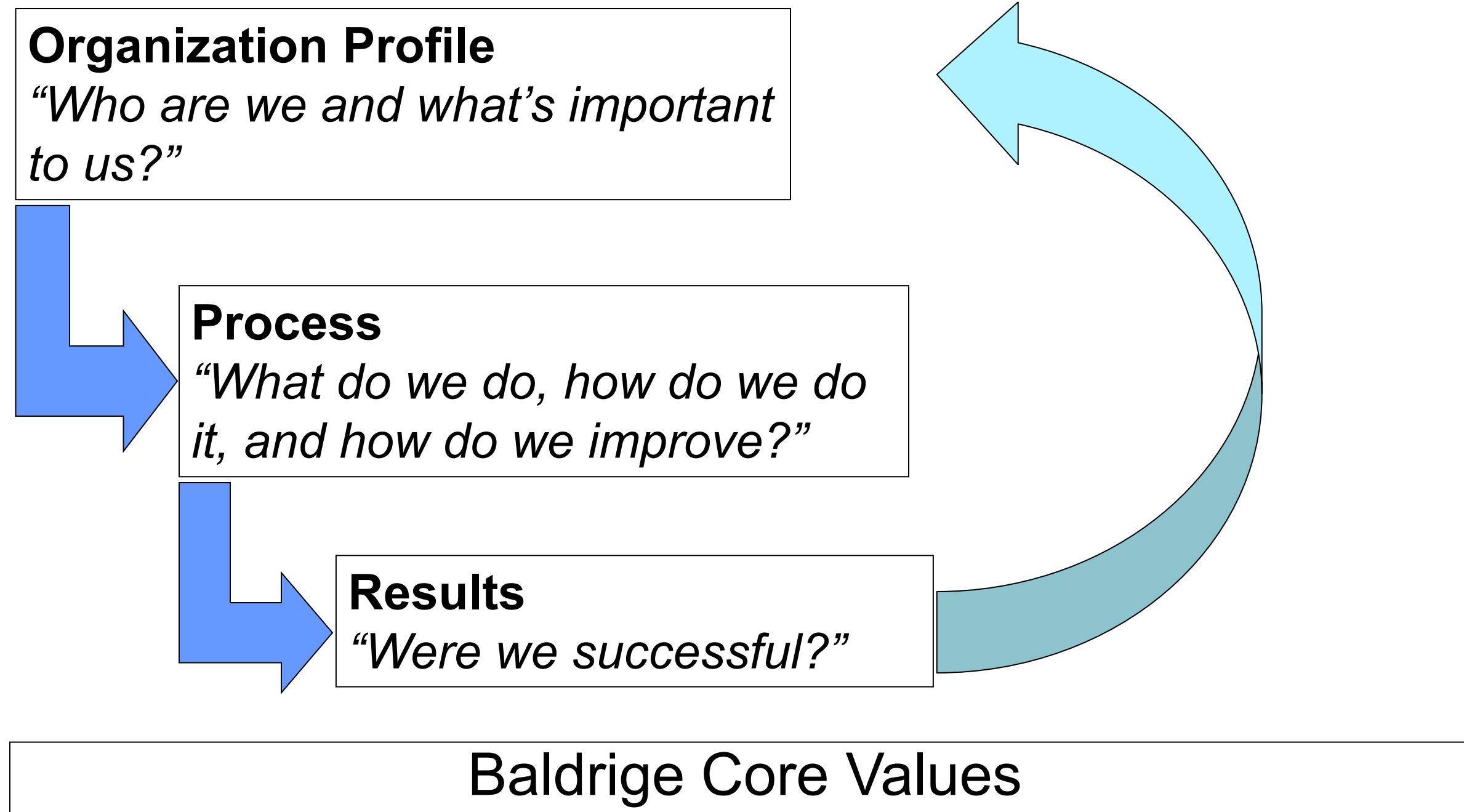
Figure 1.1-1 Leadership System

# Now that I've *developed* it, what do I *do* with it?

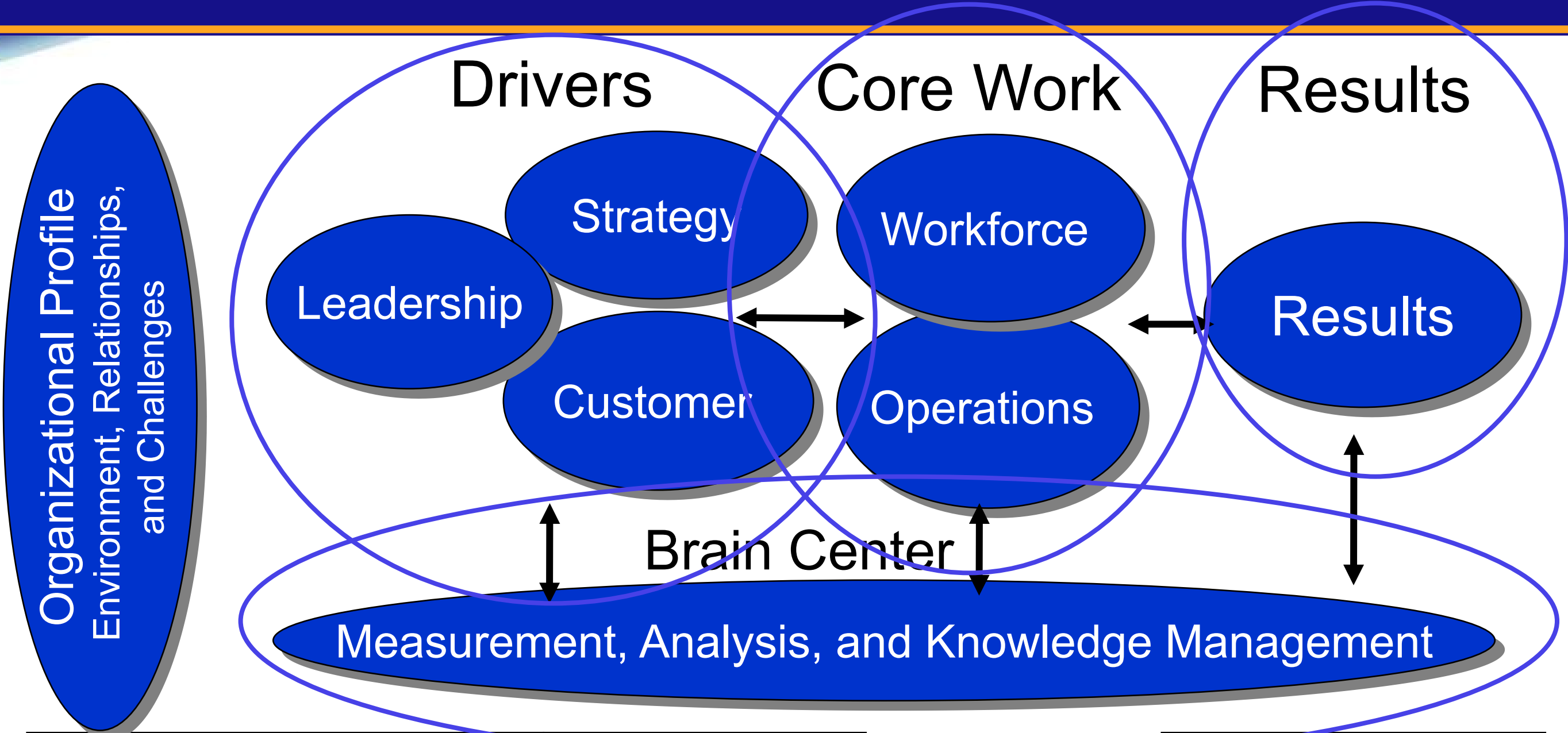
- ▶ Integrate it - use it to
  1. communicate leadership expectations (1.1)
  2. align performance evaluation (1.2, 5.2)
  3. refine succession planning (1.1, 1.2, 5.2)
  4. recruit internal and external leaders (5.1)
  5. focus leader development (5.2)
  6. identify leadership results (7.4)
- ▶ Identify leadership Opportunities for Improvement by using it



# Baldrige Application *Management* Document Components



# The Baldrige Criteria



Systems Perspective	Visionary Leadership	Patient-Focused Excellence	Valuing People	Organizational Learning and Agility	
Focus on Success	Managing for Innovation	Management by Fact	Societal Contributions and Community Health	Ethics and Transparency	Delivering Value and Results

# Isn't this what our work looks like sometimes?



Leadership

Strategy

Customer

Measurement  
Analysis, and KM

Workforce

Operations

“The Malcolm Baldrige Criteria is a great sense-making tool.”

*Dr. Don Berwick*

*Thought leader on quality in health care*

“The Baldrige process helps you *formalize the informal.*”

*Frank Sardone CEO*

*Bronson Methodist Hospital*

*Baldrige Award Recipient 2005*

**The Baldrige  
assessment – a  
*standard* of  
performance  
excellence  
maturity**



# Baldrige Criteria for Performance Excellence Scoring

<u>Category</u>	<u>Points</u>
1. Leadership	115
2. Strategy	90
3. Customers	100
4. Human Resources	100
5. Suppliers	100
6. Operations	85
7. <u>Results</u>	<u>450</u>
Total	1,000

This score measures the *performance excellence maturity* of your organization.

# How many of you are familiar with this scoring scale?

- ▶ A – 90-100%
- ▶ B – 80-89%
- ▶ C – 70-79%
- ▶ D – 60-69%
- ▶ F – <50%

- ▶ 90-100% *rarified air!*
- ▶ 70-85% *role model*
- ▶ 50-65% *aligned processes*
- ▶ 30-45% *effective processes*
- ▶ 10-15% *beginning to use processes*
- ▶ 0-5% *anecdotal practices*

50% is a good organization!

# Basics of the Baldrige assessment

## Categories 1-6

### *Process categories*

- **A**pproach
- **D**eployment
- **L**earning
- **I**ntegration

## Category 7

### *Results category*

- **L**evels
- **T**rends
- **C**omparisons
- **I**ntegration

*This may be the most important, practical knowledge to come from the Baldrige criteria*

# Maturity Levels of Criteria

## 3.1 Customer Expectations: How do you listen to your customers and determine products and services to meet their needs? (40 pts.)

### a. CUSTOMER Listening

- (1) **Current CUSTOMERS** HOW do you listen to, interact with, and observe CUSTOMERS to obtain actionable information? HOW do your listening methods vary for different CUSTOMERS, CUSTOMER groups, or market SEGMENTS? HOW do your listening methods vary across the CUSTOMER life cycle? HOW do you seek immediate and actionable feedback from CUSTOMERS on the quality of products, CUSTOMER support, and transactions?
- (2) **Potential CUSTOMERS** HOW do you listen to potential CUSTOMERS to obtain actionable information? HOW do you listen to former CUSTOMERS, competitors' CUSTOMERS, and other potential CUSTOMERS to obtain actionable information on your products, CUSTOMER support, and transactions, as appropriate?

### b. CUSTOMER Segmentation and Product Offerings

- (1) **CUSTOMER Segmentation** HOW do you determine your CUSTOMER groups and market SEGMENTS? HOW do you
  - use information on CUSTOMERS, markets, and product offerings to identify current and anticipate future CUSTOMER groups and market SEGMENTS; and
  - determine which CUSTOMERS, CUSTOMER groups, and market SEGMENTS to emphasize and pursue for business growth?
- (2) **Product Offerings** HOW do you determine product offerings? HOW do you
  - determine CUSTOMER and market needs and requirements for product offerings and services;
  - identify and adapt product offerings to meet the requirements and exceed the expectations of your CUSTOMER groups and market SEGMENTS; and
  - identify and adapt product offerings to enter new markets, to attract new CUSTOMERS, and to create opportunities to expand relationships with current CUSTOMERS, as appropriate?

PROCESS

Basic

Overall

Multiple



# Process Evaluation Factors

- ▼ **Approach** – How do we do it? What's the process?
- ▼ **Deployment** – How extensively do we do it? Who does it and when?
- ▼ **Learning** – How do we evaluate and improve our processes?
- ▼ **Integration** – Are our processes aligned through our systems?

# Process Maturity Guidelines

(page 28, 32, 32)

## Process Maturity Guidelines

SCORE	DESCRIPTION
90%, 95%, or 100%	<ul style="list-style-type: none"> <li>An EFFECTIVE, SYSTEMATIC APPROACH, fully responsive to the MULTIPLE QUESTIONS in the item, is evident. (A)</li> <li>The APPROACH is fully DEPLOYED without significant weaknesses or gaps in any areas or work units. (D)</li> <li>Fact-based, SYSTEMATIC evaluation and improvement; sharing of refinements; adoption of best practices; and INNOVATION are KEY organization-wide tools for improving efficiency and EFFECTIVENESS. (L)</li> <li>The APPROACH is well INTEGRATED with your current and future organizational needs as identified in response to the Organizational Profile and process items. (I)</li> </ul>
70%, 75%, 80%, or 85%	<ul style="list-style-type: none"> <li>An EFFECTIVE, SYSTEMATIC APPROACH, responsive to MULTIPLE QUESTIONS in the item, is evident. (A)</li> <li>The APPROACH is well DEPLOYED, with no significant gaps. (D)</li> <li>Fact-based, SYSTEMATIC evaluation and improvement; sharing of refinements; adoption of best practices; and instances of INNOVATION are evident for improving organizational efficiency and EFFECTIVENESS. (L)</li> <li>The APPROACH is INTEGRATED with your current and future organizational needs as identified in response to the Organizational Profile and process items. (I)</li> </ul>
50%, 55%, 60%, or 65%	<ul style="list-style-type: none"> <li>An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the OVERALL QUESTIONS in the item, is evident. (A)</li> <li>The APPROACH is well DEPLOYED, although DEPLOYMENT may vary in some areas or work units. (D)</li> <li>Fact-based, SYSTEMATIC evaluation and improvement; sharing of refinements; and some use of best practices or instances of INNOVATION are in place for improving the efficiency and EFFECTIVENESS of KEY PROCESSES. (L)</li> <li>The APPROACH is ALIGNED with your organizational needs as identified in response to the Organizational Profile and process items. (I)</li> </ul>
30%, 35%, 40%, or 45%	<ul style="list-style-type: none"> <li>An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the BASIC QUESTION in the item, is evident. (A)</li> <li>The APPROACH is DEPLOYED, although some areas or work units are in early stages of DEPLOYMENT. (D)</li> <li>The beginning of a SYSTEMATIC APPROACH to evaluation and improvement of KEY PROCESSES is evident. (L)</li> <li>The APPROACH is in the early stages of ALIGNMENT with the organizational needs identified in response to the Organizational Profile and process items. (I)</li> </ul>
10%, 15%, 20%, or 25%	<ul style="list-style-type: none"> <li>The beginning of a SYSTEMATIC APPROACH to the BASIC QUESTION in the item is evident. (A)</li> <li>The APPROACH is in the early stages of DEPLOYMENT in most areas or work units, inhibiting progress in relation to the BASIC QUESTION in the item. (D)</li> <li>Early stages of a transition from reacting to problems to a general improvement orientation are evident. (L)</li> <li>The APPROACH is ALIGNED with other areas or work units largely through joint problem solving. (I)</li> </ul>
0% or 5%	<ul style="list-style-type: none"> <li>No SYSTEMATIC APPROACH to item questions is evident; information is ANECDOTAL. (A)</li> <li>Little or no DEPLOYMENT of any SYSTEMATIC APPROACH is evident. (D)</li> <li>An improvement orientation is not evident; improvement is achieved by reacting to problems. (L)</li> <li>No organizational ALIGNMENT is evident; individual areas or work units operate independently. (I)</li> </ul>

# Results Evaluation Factors

- ▼ **Level** – What is *current* performance?
- ▼ **Trends** – What is performance *over time*?
- ▼ **Comparison** – What is *relative* performance?
- ▼ **Integration** – Are they measuring *important* and *expected* results?

Are results segmented appropriately?

# Results Maturity Guidelines

(page 29, 33, 33)

## Results Maturity Guidelines

SCORE	DESCRIPTION
90%, 95%, or 100%	<ul style="list-style-type: none"> <li>Excellent organizational PERFORMANCE LEVELS are reported that are fully responsive to the MULTIPLE QUESTIONS in the item. (Le)</li> <li>Beneficial TRENDS have been sustained over time in all areas of importance to the accomplishment of your organization's MISSION. (T)</li> <li>Industry and BENCHMARK leadership is demonstrated in many areas. (C)</li> <li>Organizational PERFORMANCE RESULTS and PROJECTIONS are reported for most KEY CUSTOMER, WORKFORCE, market, PROCESS, and ACTION PLAN requirements. (I)</li> </ul>
70%, 75%, 80%, or 85%	<ul style="list-style-type: none"> <li>Good-to-excellent organizational PERFORMANCE LEVELS are reported, responsive to MULTIPLE QUESTIONS in the item. (Le)</li> <li>Beneficial TRENDS have been sustained over time in most areas of importance to the accomplishment of your organization's MISSION. (T)</li> <li>Many to most TRENDS and current PERFORMANCE LEVELS have been evaluated against relevant comparisons and/or BENCHMARKS and show areas of leadership and very good relative PERFORMANCE. (C)</li> <li>Organizational PERFORMANCE RESULTS are reported for most KEY CUSTOMER, WORKFORCE, market, PROCESS, and ACTION PLAN requirements. (I)</li> </ul>
50%, 55%, 60%, or 65%	<ul style="list-style-type: none"> <li>Good organizational PERFORMANCE LEVELS are reported, responsive to the OVERALL QUESTIONS in the item. (Le)</li> <li>Beneficial TRENDS are evident in areas of importance to the accomplishment of your organization's MISSION. (T)</li> <li>Some current PERFORMANCE LEVELS have been evaluated against relevant comparisons and/or BENCHMARKS and show areas of good relative PERFORMANCE. (C)</li> <li>Organizational PERFORMANCE RESULTS are reported for most KEY CUSTOMER, WORKFORCE, market, and PROCESS requirements. (I)</li> </ul>
30%, 35%, 40%, or 45%	<ul style="list-style-type: none"> <li>Good organizational PERFORMANCE LEVELS are reported, responsive to the BASIC QUESTION in the item. (Le)</li> <li>Some TREND data are reported, and most of the TRENDS presented are beneficial. (T)</li> <li>Early stages of obtaining comparative information are evident. (C)</li> <li>RESULTS are reported for many areas of importance to the accomplishment of your organization's MISSION. (I)</li> </ul>
10%, 15%, 20%, or 25%	<ul style="list-style-type: none"> <li>A few organizational PERFORMANCE RESULTS are reported, responsive to the BASIC QUESTION in the item, and early good PERFORMANCE LEVELS are evident. (Le)</li> <li>Some TREND data are reported, with some adverse TRENDS evident. (T)</li> <li>Little or no comparative information is reported. (C)</li> <li>RESULTS are reported for a few areas of importance to the accomplishment of your organization's MISSION. (I)</li> </ul>
0% or 5%	<ul style="list-style-type: none"> <li>There are no organizational PERFORMANCE RESULTS, or the RESULTS reported are poor. (Le)</li> <li>TREND data either are not reported or show mainly adverse TRENDS. (T)</li> <li>Comparative information is not reported. (C)</li> <li>RESULTS are not reported for any areas of importance to the accomplishment of your organization's MISSION. (I)</li> </ul>

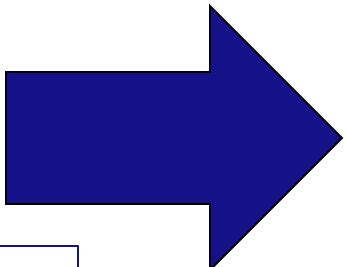


# The BIGGEST Baldrige picture....

*Why?*  
Fundamental  
concepts of  
excellence

**Core Values and Concepts**

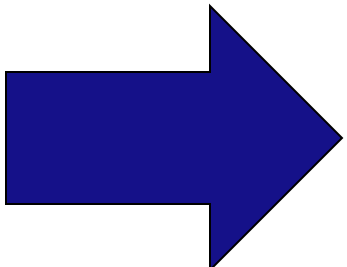
- Systems perspective
- Visionary leadership
- Customer-focused excellence
- Valuing people
- Agility and resilience
- Organizational learning
- Focus on success and innovation
- Management by fact
- Societal contributions
- Ethics and transparency
- Delivering value and results



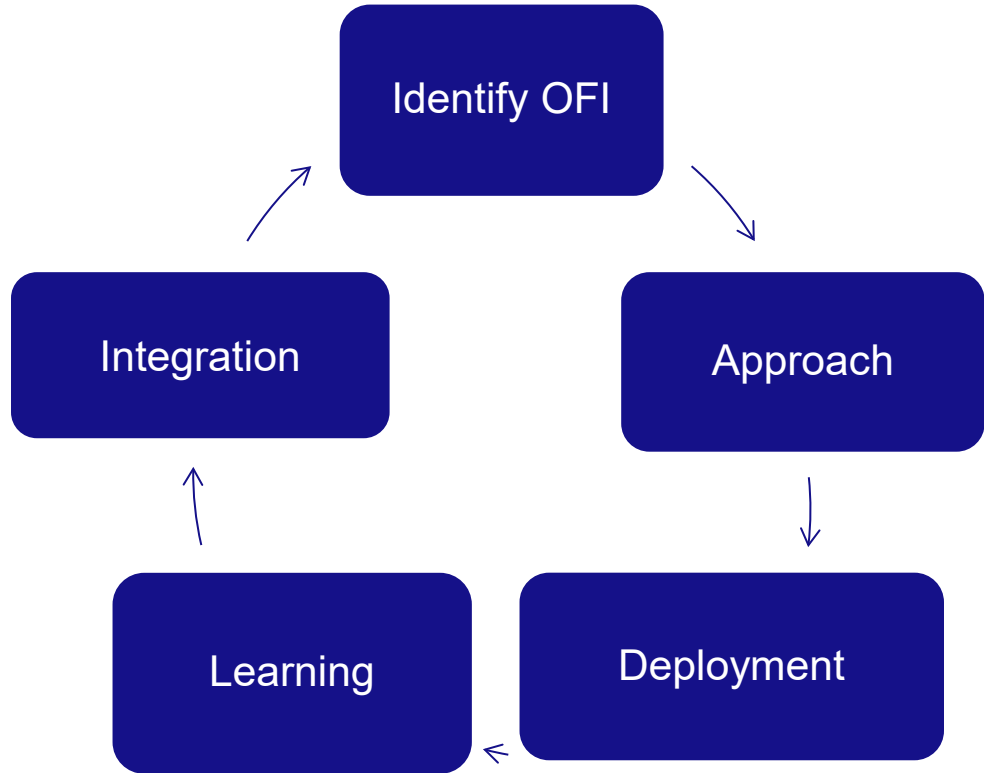
*What?*  
Characteristics  
of excellence



From Baldrige Performance Excellence Program. 2023. 2023-2024 Baldrige Excellence Framework®: Proven Leadership and Management Practices for High Performance. Gaithersburg, MD: U.S. Department of Commerce, National Institute of Standards and Technology. <https://www.nist.gov/baldrige>.



*How?*  
Structured approach to  
improvement





**So...what do you  
need to do now?**

# Next steps

- ▶ **Get engaged with Baldrige, your state or regional program, or your national program**
- ▶ Ensure understanding and commitment of senior leaders  
*Core Values exercise is a great engagement exercise*
- ▶ Identify a candidate to be an Examiner  
*Build internal capability, a personal development opportunity*
- ▶ Commit to internal and external assessment  
*Process to improve performance, not to win an award*
- ▶ Commit to addressing Opportunities for Improvement...  
*...otherwise, it's a waste of time and money...*
- ▶ Best start? *Write your Organizational Profile!*



# What are we working toward?



“Perfection is unattainable, but if we chase it, we can catch Excellence.”

*Vince Lombardi*

# Thank you for your commitment to performance excellence!



**Paul Grizzell**

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# Panelist Questions and Discussion



**Paul Grizzell**  
Principal  
Core Values Partners, Inc.



**Al Faber**  
President & CEO  
Baldrige Foundation  
(Moderator)





# Training & Professional Development

The Baldrige Foundation Institute for Performance Excellence supports individuals and organizations around the world by providing 400+ quality educational programs. Enroll today in some of our healthcare courses, such as:

- Leadership Assessment
- Leadership Styles
- Leading Teams



To learn more, visit:  
[www.baldrigefoundation.org/education](http://www.baldrigefoundation.org/education)





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