



**Baldrige:
America's Best Investment!**



JOURNAL OF PERFORMANCE EXCELLENCE

2023-2024





The Year in Review

by Al Faber
President and CEO, Baldrige Foundation

“The Institute is helping the Foundation move boldly into the next era of Baldrige with great confidence thanks to the support of our Institute Trustees who comprise the Mac Baldrige Society®.”

As President and CEO of the Foundation for the Malcolm Baldrige National Quality Award, it is an honor to present this year’s *Journal of Performance Excellence*®.

To all the dedicated volunteers, examiners, judges, state program leaders and their Boards, as well as the Baldrige Program Staff, thank you for another successful year filled with achievement and progress in pursuit of performance excellence. And to those in the greater Baldrige community—consultants, members of ASQ, and other Baldrige-based organizations such as the American Health Care Association—thanks for your continued support and collaboration.

On July 25, 2022, the National Institute of Standards and Technology (NIST) announced that, “Over the past 20 months, the leadership teams at Baldrige, NIST, and the Department of Commerce have been discussing the desire to enhance the reach and impact of the Baldrige Program. After much deliberation and consideration of multiple factors we have collectively decided to initiate a comprehensive, independent review to “reimagine” the Baldrige Program. This review will assess how the program can best advance U.S. competitiveness and address the challenges most relevant in today’s business environment, as well as examine how its impact and accessibility could be increased. The output of this process will inform how the program can best be positioned for maximal future impact to our nation.”

Over the past two years, the Baldrige Foundation has worked collaboratively

with other Baldrige Enterprise leaders to help reshape the future of Baldrige as part of this external review. We participated in focus groups, interviews, surveys, formal and informal briefings, and offered advice and assistance throughout the process. In February 2024, NIST announced the new Baldrige Award criteria and application were available on their website, with a goal of identifying and announcing new national role-model organizations in the fall of 2024. We are extremely excited about the new process, and its potential to scale up participation in the Baldrige Program nationwide.

As Dr. Laurie E. Locascio, Under Secretary of Commerce for Standards and Technology and NIST Director stated, “I am very pleased that the Baldrige Reimagined proposal has been approved. We are fully supportive of the changes and look forward to a new class of Baldrige Award recipients in 2024. NIST and the Department of Commerce appreciate the robustness of the external review, the engaged and constructive participation of the Baldrige community, and the thoughtfulness of the Baldrige Program’s proposal to address the recommendations. I am excited for the work and opportunities ahead of us.”

The transformed Baldrige Award will place greater emphasis on organizational resilience, sustainability, and results over time. “To receive the award, an organization must demonstrate organizational resilience and long-term success through favorable performance levels and trends, comparisons to competitors and industry benchmarks (as appropriate), and relevant metrics.”

As organizations across the United States continue to look for ways effectively and efficiently to accomplish their missions and achieve their visions, the Baldrige Criteria still provide a framework to improve organizational performance to become more resilient, sustainable, and achieve better results. Regardless of your sector, Baldrige can help you improve your performance and become more successful and better prepared to meet the challenges of the future. As never before, *America needs Baldrige!*

ADVOCACY

Throughout fiscal year (FY) 2023, the Foundation continued to advance the Baldrige Program, state-based programs, and Communities of Excellence 2026 (COE2026) with leaders at the national, state, and local levels. We are always looking for new opportunities to strengthen our relationships with members of the Commerce, Justice, Science and Related Agencies Subcommittees and their staffs in both the House and the Senate. We provide members and their staffs with important updates and developments on the many benefits of Baldrige throughout the nation and across every sector of the economy and impress upon them the continued excitement behind Communities of Excellence 2026, Cybersecurity, and our ongoing work in Rural Health Care.

The Baldrige approach to workforce development in all sectors of the economy has resonated with political leaders at every level, reinforcing our contribution to a stronger and more resilient America. To assist leaders in all sectors of the economy, NIST created the Job Quality ToolKit described as, “not just about the job; it is a combination of key drivers that are important to each worker’s overall employment experience. Pay and benefits matter, and so do many other factors like workplace safety and health, a voice, scheduling predictability, skills building, and advancement. Together, these distinguish an employer of choice from the rest. The Job Quality Toolkit is an actionable tool

that organizations can use to improve the quality of the jobs they offer. Identifying and improving the drivers most valued by workers can significantly increase their satisfaction and engagement and, in turn, benefit the organization’s ability to compete for talent and achieve success in the marketplace.” The Foundation has promoted this new tool in numerous marketing campaigns and through the Institute for Performance Excellence.



Ritz-Carlton company co-founder Horst Schulze with Al Faber at the Baldrige Fall Conference, October 17, 2023. During his tenure at The Ritz Carlton, Mr. Schulze served as President and COO responsible for more than \$2 billion in operations worldwide. It was under his leadership that The Ritz Carlton Hotel Company became the first service-based company to be awarded the prestigious Malcolm Baldrige National Quality Award—twice.

Attaining Community as the 7th Sector of the Baldrige Award was an historic achievement for the Baldrige Foundation and our advocacy efforts. Not since the addition of Health Care and Education in 1998, and the Nonprofit sector in 2005, has Baldrige expanded its award categories, demonstrating its ability to continuously improve, evolve, and remain relevant. The Baldrige Foundation continues to provide organizational and administrative support to Communities of Excellence 2026 and in FY2023 was again the sole sponsor of the COE Criteria and Framework. We look forward to helping scale up participation in communities nationwide and securing additional funding to help us drive success using the new Community Baldrige Excellence Framework.

“Over the past two years, the Baldrige Foundation has worked collaboratively with other Baldrige Enterprise leaders to help reshape the future of Baldrige as part of this external review. We participated in focus groups, interviews, surveys, formal and informal briefings, and offered advice and assistance throughout the process. In February 2024, NIST announced the new Baldrige Award criteria and application were available on their website, with a goal of identifying and announcing new national role-model organizations in the fall of 2024.”

As Co-Founder and Chair of COE2026, Lowell Kruse, and Executive Director Stephanie Norling state in the opening letter of the current Community Framework, “At Communities of Excellence, we are dedicated to continuous improvement and innovation. As part of this commitment, we have been diligently working to enhance our existing framework in response to valuable feedback from people like you. This new update reflects not only a spirit of collaboration, but also our dedication to excellence in all that we do. In the interest of improving our country long-term, we believe that all communities must improve their performance through systems change and meaningful

collaboration across sectors and generations. Our Foundation Statement continues to drive our organization and our dedication to excellence: For America to sustain its vitality, promote opportunity, and create a more equitable society during its second 250 years of existence, we must improve the performance of communities and the people who lead and live in them.”

Additionally, we continued to support Community, the newest sector of the Baldrige Awards by implementing Foundation Awards for Leadership Excellence in the Community Sector to recognize leaders who have made a true difference in supporting this



Presenting state program awards during The Partnership for Excellence (TPE) annual conference. Dr. Kurt Schoch, Board Chair for TPE, Laura Viaches, Associate Vice President, Market Access - Alzheimer’s Disease, Eli Lilly and Company (Award Recipient), Al Faber, President and CEO, Baldrige Foundation, and Dr. Margot Hoffman, President and CEO of TPE.

initiative. This year, we will honor eight community leaders during the Foundation's Awards Ceremony and Luncheon on April 9, 2024.

We continue to enjoy strong bipartisan support in the Senate from both Senator Jeanne Shaheen as the Chair, and Senator Jerry Moran, the ranking member of the CJS Subcommittee on Appropriations. Most notably, the entire subcommittee continues to support our efforts. With their support, the Foundation was instrumental in sustaining the Federal Appropriation for the Baldrige Program at \$2.7 million for FY24. This year, we also have the honor of presenting the Baldrige Foundation Award for Leadership Excellence in Government to Senator Shelley Moore Capito from West Virginia, for her leadership in rural development and health care, agriculture, veterans' issues, education, energy, labor, and numerous other areas which have made her one of the nation's most respected members of Congress.

As part of the Foundation's advocacy outreach, we continue to track each state-based program's highest award recipients, send a letter of congratulations to each of them, and encourage them to apply at the national level. Additionally, we send letters of congratulations to both U.S. Senators, and their Congressional representative so they are aware of these award-winning organizations. We will also do this for national award recipients once announced later this year.

FUNDRAISING

Thanks to all our individual and organizational donors, sponsors, and partners over the past year who have helped us continue our mission to support the Baldrige Program and performance excellence in all sectors of the economy.

This year's giving campaigns, our End-of-Year Campaign, Giving Tuesday, Planned Giving, and growing membership in the Mac Baldrige Society were once again successful, and we truly appreciate

everyone's continued support. No gift is too small, from individual gifts through online donations resulting from social media outreach to transformational gifts as we grow membership in the Mac Baldrige Society, collectively, we are working to advance Baldrige and grow its use across America and beyond. We are proud to showcase our FY2023-2024 donors on page 108 of this year's Journal.

On June 1, 2020, we established the Baldrige Foundation Institute for Performance Excellence. The Institute undertakes research projects, hosts conferences and other activities, and conducts executive-level and online skills training. It publishes and distributes a wide variety of educational materials including white papers, and the Chronicle of Leadership and Management to help organizations and individuals improve their leadership and management skills.

The Institute also makes available exclusive research materials and original content along with training and educational opportunities through online and classroom instruction. We have a best practice sharing online library and many other helpful resources, including instructional videos and webinars. The exclusive networking opportunities and sharing of best practices alone can provide organizations and their employees with invaluable assistance in pursuing their performance excellence goals.

The Institute is helping the Foundation move boldly into the next era of Baldrige with great confidence thanks to the support of our Institute Trustees who comprise the Mac Baldrige Society®. The Mac Baldrige Society is our campaign to establish the Institute with the generous support of major donors who also serve as the Institute's Trustees. The first Institute Trustees are; the Baldrige Family, Adventist Health, MidwayUSA, Stellar Solutions, ABOUT Healthcare, Freese and Nichols, Tata Sons, Mid-America Transplant, Center for Organ Recovery & Education (CORE), and Adani



Foundation President and CEO Al Faber conducted an accredited class on Workforce Engagement during the American College of Healthcare Executives Annual Congress in March 2023. The Foundation also conducted an invitation-only CEO Roundtable event to kick-off the week of activities.

Enterprises Ltd. Our newest members in 2023 are SANPEC and Southcentral Foundation.

Commenting on becoming a Mac Baldrige Society Trustee, 2023 Baldrige Award for Leadership Excellence recipient Sangita Mallik, co-founder and Executive Vice President of SANPEC, said, “We are thrilled to become a founding member of the Mac Baldrige Society® and a Trustee of the Baldrige Institute for Performance Excellence. SANPEC will play a central role in guiding the decarbonization, innovation, and resiliency efforts, developing the right skillsets and mindsets, and building a future-ready workforce for the power and infrastructure industry.”

“The Baldrige framework is woven into all aspects of the Nuka System of Care,” said SCF President and CEO April Kyle. “SCF’s commitment to innovation and the performance excellence journey has led to improved health outcomes for the customer-owners we serve and brighter futures for generations to come. Every aspect of the Nuka System of Care is based on Alaska Native cultures and values. It is designed and built by and for customer-owners, the

term SCF uses for patients. Customer-owners form strong relationships with their care providers who they partner with on their journey to wellness. With customer-owners at the forefront of decision-making within the organization, all programs and service offerings are based on customer-owner needs.”

The Institute Trustees are making a commitment to preserve and promote the Baldrige Framework and to help ensure Baldrige remains relevant for future generations of organizations across all sectors of the economy. My sincerest thanks to each of these organizations for their leadership, and we look for others to join them in the coming months to help us continue our mission.

In addition to the many resources available through the Institute, we released Volume 2 of our flagship publication, the *Chronicle of Leadership and Management*.® I would like to thank all of the authors for their outstanding articles, and the entire editorial board for reviewing the numerous submissions. I also want to recognize Dr. Mark Wayda, Editor-in-Chief and our Vice President of Marketing, for his final editing and coordination for publication.



Much of Volume 2 examines how organizations have used Baldrige principles to manage through the multiple crises experienced during the COVID-19 pandemic. The various authors have gleaned important lessons that may be applied by other organizations, in any sector of the economy, to create greater resilience when facing volatility and uncertainty. The Institute is also excited to publish Christel Gollnick's article, "Key Success Factors in Communities of Excellence," a particularly timely article on Communities of Excellence 2026 given that Congress has just authorized communities as the 7th sector for the Baldrige Award. Copies of the Chronicle are available for download, free of charge, on the Foundation website.

If Baldrige is to remain relevant and expand its reach, additional thought leadership in the domains of leadership and management will be required to inspire its application in every sector of the economy. The Baldrige Foundation's Institute for Performance Excellence was created to serve as a platform for innovation, creative thought leadership, and to provide individual and organizational resources to support transformative adult learning and help elevate organizational performance excellence. This philosophy guides the Foundation's staff to create opportunities for investment in our future as we work tirelessly to strengthen America's competitiveness in the global economy.

LEADERSHIP AWARDS

Since the Harry S. Hertz Leadership Award was first established, we have expanded our individual awards program to include the E. David Spong Lifetime Achievement Award, the Foundation Awards for Leadership Excellence, and the Dr. Curt Reimann Baldrige Scholarship.

The E. David Spong Lifetime Achievement Award was authorized by the Baldrige Foundation Board of Directors in 2016. Recipients must have made sustained

contributions of leadership excellence with exceptional and far-reaching magnitude in a manner worthy of recognition at the national level. The committee selects recipients for the Lifetime Achievement Award in recognition of an individual who has performed truly extraordinary service within the quality movement and Baldrige Enterprise. The award recognizes the individual's entire career, rather than, or in addition to, a single contribution. Lifetime Achievement Award winners are credited with changing their world and inspiring others to do the same.

The Harry S. Hertz Leadership Award, authorized by the Baldrige Foundation Board of Directors in 2012, recognizes an individual whose behaviors provide a role model for others.

While no one person in an organization can be credited with the achievement of excellence, this award will recognize and set forth role-model behaviors that have inspired, encouraged, challenged, and empowered others to achieve performance excellence. Award recipients will share how they lead their organizations and inspire their people to achieve high performance. Recipients of the award personify the HSH Award Core Value Attributes and Leadership Behaviors: visionary leadership, customer-focused excellence, organizational and personal learning, valuing workforce members and partners, agility, managing for innovation, management by fact, societal responsibility, focus on results and creating value, and systems perspective.

The Baldrige Foundation Awards for Leadership Excellence were authorized by the Baldrige Foundation Board of Directors in 2016. They recognize leaders in the following sectors: Business (Manufacturing, Service, Small Business), Non-profit, Government, Health Care, Education, and Cybersecurity. The award recognizes leaders who provide exceptionally outstanding support to Baldrige and the Foundation's mission. For

2024 Individual Leadership Award Recipients:



E. DAVID SPONG LIFETIME ACHIEVEMENT AWARD

- Mary Bixby, Superintendent School Services and Founder, The Charter School of San Diego

HARRY S. HERTZ LEADERSHIP AWARD

- Cindy Milrany, CFO/Chief Strategy Officer at Freese and Nichols

FOUNDATION AWARDS FOR LEADERSHIP EXCELLENCE (BY SECTOR)

GOVERNMENT

- The Honorable Shelley Moore Capito, U.S. Senator from West Virginia
- Robert L Livingston, Former Member of Congress and founder of The Livingston Group

CYBERSECURITY

- Heather Adkins, Vice President of Security Engineering, Google
- Brad Arkin, Senior Vice President, Chief Trust Officer, Salesforce
- Julie Chua, Director, Governance, Risk Management, and Compliance (GRC), U.S. Department of Health and Human Services
- George Finney, CSO, Southern Methodist University
- Gregory T. Garcia, Executive Director, Health Sector Coordinating Council Cybersecurity Working Group
- Carter Groome, Chief Executive Officer, First Health Advisory
- Mari Rose Savickis, MPA, Vice President, Public Policy, College of Healthcare Information Management Executives

BUSINESS

- Robert W. Cain, SVP and CIO North America, Schneider Electric
- Raymond Floyd, Consultant to Private Equity, Operational Excellence for Special Situations

NONPROFIT

- Kevin Lee, President and CEO, Mid-America Transplant
- Jill Schwieters, Health Care Executive & Entrepreneur

EDUCATION

- Kathleen Hetherington, Ed.D., President Emeritus, Howard Community College

- Tamara A. Johnson, Ph.D., Vice President of Diversity, Equity and Inclusion
- Anthony C. Stanowski, DHA, FACHE, President & CEO, Commission on Accreditation of Healthcare Management Education

HEALTH CARE

- Michelle Aregood, Director of Quality Assurance, Southcentral Foundation
- Lori Persohn, MSN, RN, NE-BC, VP Patient Services and Chief Nursing Officer, Memorial Hospital and Health Care Center
- Paul Rosenfeld, Executive Director of Rutland Nursing Home, Schulman & Schachne Institute, Kingsbrook Jewish Medical Center
- Theresa Sullivan, MBA, FACHE, Chief Executive Officer, Samaritan Healthcare
- Ashley R. Vertuno, FACHE, Chief Executive Officer, HCA Florida JFK North Hospital

COMMUNITY

- Manuel G. Castañeda, Associate & Faculty, Communities of Excellence 2026
- Christel A.K. Gollnick, Founder and President, JUPER Communications/Founder, Roots & Rounds, Associate and Faculty, Communities of Excellence 2026 and Navigation Team, Maximize NWMO
- Kimberly A. Halfhill, Founder, KH Consulting and Associate and Faculty Member, Communities of Excellence 2026
- Barbara Jiménez, MPH, Community Operations Officer, County of San Diego Health and Human Services Agency
- Brian Lassiter, President, Performance Excellence Network
- Molly McGovern, City Manager, City of Excelsior Springs, MO
- Michelle Mejia, MAA, Health Promotion & Strategic Partnership Consultant, West Kendall Baptist Hospital
- Steve Wenger, Navigation Team Member, Maximize Northwest Missouri

DR. CURT REIMANN BALDRIGE SCHOLARSHIP

- Magnus Ekwunife, Team Coach, Toronto-Dominion Bank (TD Bank Group)
- Julie Hall MSN, RN, Chief Nursing Officer, VP of Patient Services and Magnet Program Director, Bassett Medical Center, Bassett Healthcare Network

2023-24 we have added “Community” awards, and we will have eight recipients for this inaugural year.

The Dr. Curt Reimann Baldrige Scholarship provides recipients an opportunity to attend the Baldrige Examiner Training Experience, held each spring at NIST in Gaithersburg, MD. The scholarship was created to recognize and honor the important role played by examiners in the Baldrige Award process.

PROMOTING PERFORMANCE EXCELLENCE

An important part of the Foundation’s mission is promoting performance excellence in the United States and throughout the world. To support our mission over this past year, we strengthened several of our strategic partnerships and created new ones.

Our partnerships with international organizations continue to grow through mutual support and engagement in a number of ways. I had the opportunity to serve as a guest speaker and panelist during several international conferences. On December 2, 2023, I served as a guest speaker at the 31st CII Excellence Summit in Bengaluru, India. The theme—Competitive

and Sustainable India@100 (Excellence Imperatives)—focused on India’s future with sessions led by global thought leaders and industry leaders. The thought leaders at the summit led deliberations on strategy, resilience, sustainability, technologies, and operational models to improve quality and economies of scale.

In May 2022, Competitive Solutions, Inc. (CSI) became an Institute for Performance Excellence channel partner. Competitive Solutions Inc. is a professional consulting and software-based organization, and since 1991 has assisted organizations on their journey to performance excellence through effective leadership training and utilization of data. CSI is giving organizations the power and tools to move their business forward by creating cultures of accountability and engagement.

Competitive Solutions, based in Raleigh, North Carolina, has helped transform organizations such as 3M, Colgate Palmolive, Rockline, Alcon, and many more by providing the best metrics at the appropriate levels of their company to drive change, aligning and linking everyone in their organizations, and freeing company leaders to be more strategic. The inclusion of Competitive Solutions as a channel partner is yet another example of how the Institute for Performance Excellence is bringing key relationships to support the larger Baldrige Foundation mission: to promote organizational performance excellence in the United States by supporting the Baldrige Program.

In 2023, I again had the honor of serving as a Judge for the National Center for Healthcare Leadership’s (NCHL) Gail L. Warden Leadership Excellence Award. For more than 17 years, this award and celebratory event honors a healthcare leader whose commitment, values, and contributions have improved the health of the public through leadership and organizational excellence. The Gail L. Warden Leadership Excellence Award



Al Faber, President and CEO of the Baldrige Foundation, presenting the Foundation’s Award for Leadership Excellence in Government to the Honorable Robert Aderholt, Congressional Representative from Alabama. Congressman Aderholt has been instrumental for our growing support in the U.S. House of Representatives.



December 2, 2023, Al Faber, President and CEO of the Baldrige Foundation, served as a guest speaker at the 31st CII Excellence Summit in Bengaluru, India. The theme—Competitive and Sustainable India@100 (Excellence Imperatives)— focused on India’s future with sessions led by global thought leaders and industry leaders.

was named in honor of Gail L. Warden, founding chairman of NCHL, president emeritus of Henry Ford Health System, and one of health care’s foremost leaders. This distinction recognizes his remarkable accomplishments as an innovator in health care delivery, community wellness, and health policy, and as a mentor and inspiration to future generations. The 2023 co-recipients were Dr. Melinda Estes, President and Chief Executive Officer of Saint Luke’s Health System of Kansas City, and Jim Skogsbergh, Chief Executive Officer of Advocate Health. They were both presented with this award and honored during NCHL’s 2023 Gail L. Warden Leadership Excellence Award Celebration held November 14, 2023, at the Field Museum of Natural History in Chicago.

As a member of the Board of Directors for the Commission on Accreditation of Healthcare Management Education (CAHME), I have the opportunity to network with health care professionals in higher education across the nation. In this role, we promote the Baldrige

Framework with hundreds of graduate programs and their students who are currently pursuing an advanced degree. As a judge in numerous case competitions, I have witnessed first-hand how MHA programs across the United States are developing the future health care leaders of tomorrow. Exposing them to the Baldrige Framework now is an investment that will pay great dividends down the road.

The Baldrige Foundation and its Institute for Performance Excellence announced a number of new educational opportunities in 2023 with MindEdge Learning, bringing hundreds of new courses and certifications to the Baldrige community, including discounted tuition rates for partners of the Institute for Performance Excellence. MindEdge is a learning house with four different doors: higher education for credit, continuing education non-credit, professional development, and corporate solutions. The courses and certifications provided by MindEdge are high-quality, expertly designed, and learner-approved, and focus on helping adults learn the fundamentals and master





Al Faber, Board Member for the Commission on the Accreditation of Healthcare Management Education (CAHME), with Forest Kim, Board Chair, during this year's CAHME Awards Ceremony held during ACHE's 2023 Congress on Healthcare Leadership. The event honored student and program leaders from across the nation. Congratulations to all of the 2023 recipients, CAHME President & CEO Anthony Stanowski, and the entire CAHME Staff!

the skills needed to succeed personally and professionally. This new partnership has brought over 400 new educational offerings to the Institute, including certification programs and recognized continuing professional education credits, to meet the specific requirements of professional learning in the 21st Century.

In addition to courses offered through MindEdge, we also expanded our course offerings with strategic partner LBL Strategies. Our new, online Healthcare Boot Camp is co-branded with LBL Strategies and George Washington University. We will also release our newest venture with LBL Strategies, Certified Performance Excellence Champion program, in FY24.

We celebrated a fourth year with our co-branded cybersecurity awards in health care along with the College of Healthcare Information Management Executives (CHIME). *Digital Health Most Wired* recognition is the new standard for IT recognition throughout hospitals and hospital systems across the nation. This achievement celebrates and validates

an organization's dedication to patient- and community-focused Digital Health. They have proven their commitment to leading performance excellence and pioneering advancements in the health care industry. Baldrige was established to help organizations improve in a meaningful and structured way. This is why the Baldrige Foundation is partnering with CHIME on the *Digital Health Most Wired* program. Together, we have worked to transform the entire survey, results, and recognition program to mirror the Baldrige Program's improvement Framework. More than 70,000 organizations were surveyed, benchmarked, and ranked, resulting in a record number of organizations setting themselves apart on their excellence journey to achieve the highest-level of recognition.

We will continue to support Communities of Excellence 2026 as they continue to guide communities across the nation. We are excited to have been instrumental in getting congressional approval for Community to become the 7th Sector of the Baldrige Award. If we have learned anything over the past several years, it is the value of community solutions to help

solve the most complex challenges, and the need for leaders from every sector to come together and develop strategies to continuously improve their communities by leveraging their unique strengths. The “Community” Framework and award process to identify role-model communities and share their best practices, may truly become the brightest star in the future of Baldrige.

In summary, fiscal year 2023 proved to be another challenging, yet successful year for the Baldrige Program, Foundation, and State-Based Programs. With a strong commitment to our mission and strategy, we continue to grow fundraising opportunities and strengthen the Baldrige brand. The Foundation’s operational costs remained under budget, demonstrating our responsible stewardship of the Foundation’s endowment and commitment to resilience and sustainability. Together, along with the Foundation’s Board of Directors, we navigated another tumultuous year

dealing with the after effects of the COVID-19 pandemic, record inflation, and a pending recession to ensure a bright future for the Foundation, and the Institute for Performance Excellence.

On behalf of the Foundation’s Board of Directors and staff, I wish to once again thank all the dedicated men and women across America who volunteer and support this great program. The Baldrige Excellence Framework continues to keep our nation on the leading edge of validated management best practices, and competitive in the global economy, returning enormous benefits to all U.S. citizens.

After three decades, Baldrige continues to be *America’s Best Investment!*

Sincerely,



Al Faber



Al Faber, President and CEO, along with Board Chair, Kay Eggleston, presenting individual leadership awards during the Foundation’s Annual Leadership Awards Ceremony and Luncheon during the 34th Quest for Excellence Conference® April 3, 2023.





CONTENTS

The Year in Review.....	1
Baldrige Insights from the Foundation Board Chair	14

HIGHLIGHTS OF THE 2022 MALCOLM BALDRIGE NATIONAL QUALITY AWARDS RECIPIENTS

Overview	16
Baldrige Foundation Board of Directors	18
Photos from the 34 th Annual Quest for Excellence® Conference	20
Thank You to Our 2023 Quest Sponsors	23
Mac Baldrige Society	26
Institute for Performance Excellence	30
Call for Papers	31
Communities of Excellence 2026	32
Broadcasting Excellence.....	37
The Alliance for Performance Excellence	38

BALDRIGE FOUNDATION AWARDS

Overview	43
The E. David Spong Lifetime Achievement Award	46
The Harry S. Hertz Leadership Award	53
Foundation Awards for Leadership Excellence	55
The Dr. Curt Reimann Baldrige Scholarship	63
Baldrige Performance Excellence Program	70
Resilience Through Strategic Foresight	78
Economic Impact	86
Small Business Impact	90
Health Care Impact	96
Education Impact	102
2023 Donor and Supporter Honor Roll	108



8



15



29



47



51



54



74

The Foundation would like to thank the staff at the Baldrige Performance Excellence Program for their assistance in creating and curating much of the content of this collection. Thanks to the Alliance for Performance Excellence and Communities of Excellence 2026 for their important contributions to this work. We also want to acknowledge Mark Hamilton and Hamilton Studios for many of the images used here. Thanks also to Rebecca Ryan McQuigg of Encompass Media Group for her great skill and vision that guided the design and layout of the Journal, and to Elaine Edgar for her keen editorial eye.

Editor-in-Chief: Mark Wayda

BLOGRIGE POSTS

- Business Excellence 101: Five Things to Know about the Baldrige Program 24
- Success Strategies for Building Organizational Resilience through the Baldrige Framework 40
- Do You Really Want Employees to Stay? 64
- Cybersecurity Framework 2.0 Expands Scope and Adds Focus on Governance76
- Baldrige Resilience: Pathways to Manufacturing Careers 93
- Inspired by Baldrige Concepts, Digital Health Transformations Possible through “Most Wired” Analytics 99
- Improving Supply Networks, Inspired by Baldrige 105



Ensuring the Baldrige Foundation's Resilience and Long-Term Success

by Kathryn K. Eggleston, Ph.D.
Chair, Baldrige Foundation Board of Directors

“The Department of Commerce and its National Institute of Standards and Technology have reaffirmed their commitment to the long-term success of the Baldrige program.”

Your Support Makes a Difference

We are grateful to the many members of the Baldrige community who have helped us in our vital mission. Thank you for giving to the Baldrige Foundation. This is a critical moment to Baldrige's long-term viability. Your support makes a difference, but we need to do more. Please visit us at www.baldrigefoundation.org to learn more about how donor support is transforming our path to long-term success.

Your financial donations are essential to the Baldrige Foundation's primary role in sustaining the private side of the public-private partnership for the Malcolm Baldrige National Quality Award. The government's two-year external review of the Baldrige National Quality Award created a pause in this Baldrige process that has been felt by the entire Baldrige community. Now that this review is complete, the Baldrige program will implement a newly designed award cycle with national award recipients to be named in fall 2024. This transformation will place emphasis on the applicant's results and demonstration of their organization's resilience and success over time.

The Department of Commerce and its National Institute of Standards and Technology have reaffirmed their commitment to the long-term success of the Baldrige program. The Baldrige

Foundation considers this to be our greatest opportunity to restore the Foundation's financial resilience and to sustain the Baldrige program for the long term.

Become a Mac Baldrige Society Trustee

Joining the Mac Baldrige Society®, either as a trustee organization or as an individual trustee, vests you as a legacy supporter for Baldrige's long-term success. The Foundation is building a cadre of donors who will serve as Institute for Performance Excellence Trustees. Our first trustee members include the Malcolm Baldrige Family; Adventist Health; MidwayUSA; Stellar Solutions; ABOUT Healthcare; Freese and Nichols; Tata Sons;



Mid-America Transplant; Center for Organ Recovery & Education (CORE); Adani Enterprises, Ltd; SANPEC; and Southcentral Foundation. Help us reach the goal by stepping forward to become a founding trustee by contacting Baldrige Foundation President and CEO Al Faber at afaber@baldrigefoundation.org to learn more.

Join the Institute for Performance Excellence

The Institute for Performance Excellence was established by the Baldrige Foundation in 2020. The Institute is the Baldrige Foundation's education vehicle, which has grown each year through a subscription-based membership structure. Organizational Partnerships are available to provide executive-level training and certifications through a wide variety of mediums, sharing best practices, resources, research projects, publications, instructional videos, certification courses, webinars, sector-specific CEO roundtables, and networking to advance your performance excellence goals. Your organization can invest in employee development to help take you to the next level. This exceptional value has a low entry cost and should not be missed. Please join us. Contact Baldrige Foundation Vice President for National Programs and Development, Josh Racette at [jraccette@baldrigefoundation.org](mailto:jracette@baldrigefoundation.org) to become a Partner.

The Path Forward

During the challenging years of 2012-2018, the Baldrige program fell under federal budget cuts that eliminated the public appropriation for the Baldrige program, forcing the Baldrige Foundation to fund the program from the private partnership side. While the years of carrying that financial burden depleted the Foundation's financial resources, the Foundation successfully continued to work with Congressional offices toward fully restoring the public



Foundation President and CEO Al Faber (back left) and Foundation Board Chair Dr. Kathryn Eggleston (back right) introducing one of the newest members of the Mac Baldrige Society, SANPEC, Inc., represented by SANPAC's President and co-founder, Ajay Mallik.

side of the partnership through a recurring line item in the NIST's annual budget appropriation. Our attention must now be directed toward restoring our financial resilience.

Meanwhile, the Foundation's advocacy was instrumental in securing legislative approval for a new 7th sector, known as "Community," which will be eligible to receive the Malcolm Baldrige National Quality Award. The congressional authorization for this new sector became law in August 2022, creating an opportunity for communities to apply within their own category using the Baldrige Criteria.

The Baldrige Foundation continues to advocate the Baldrige ideals. We remain agile and resilient in partnering with the entire Baldrige community for long-term success. The path forward requires the support of us all. Please join with us at www.baldrigefoundation.org.

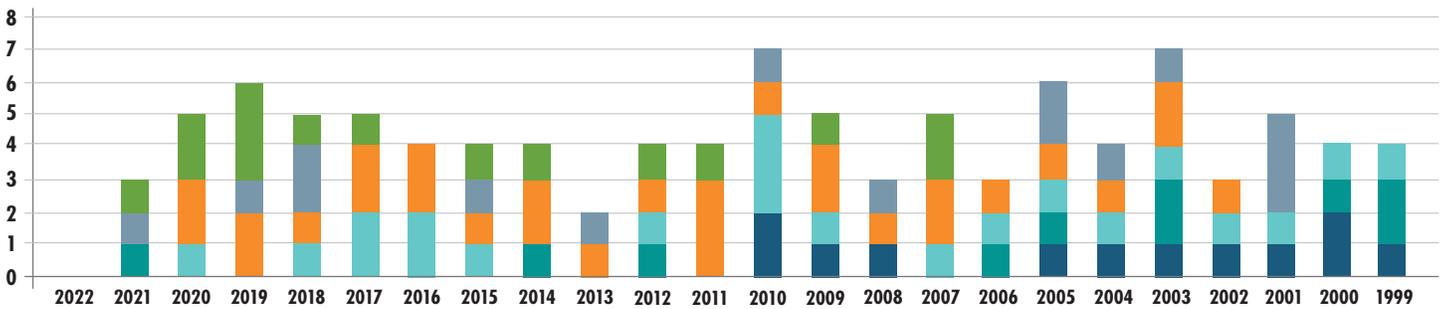


2022 Malcolm Baldrige National Quality Award Recipients Overview

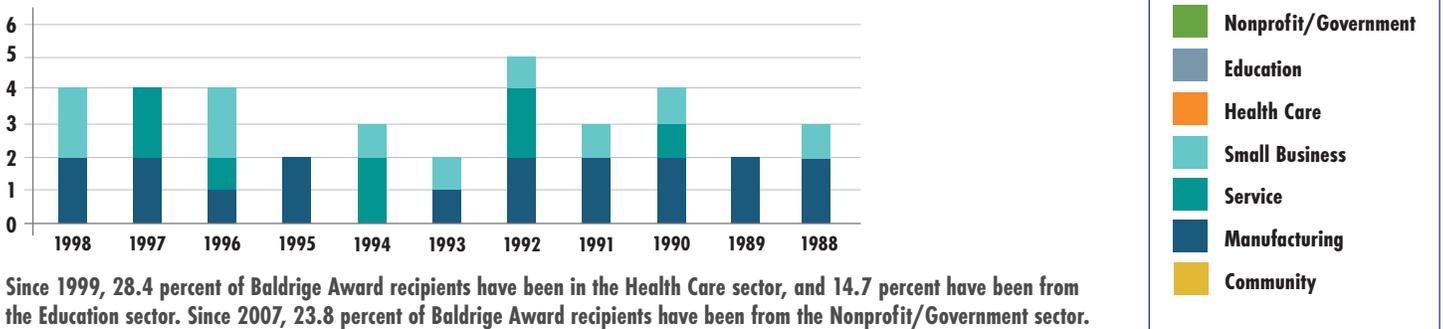
The 2022 class of recipients of the Malcolm Baldrige National Quality Award would have been presented at the Quest for Excellence® Conference in April 2023. However, NIST and the Baldrige Performance Excellence Program (BPEP) have postponed the next two recipient classes in order to complete an extensive external review of

the Award process called Baldrige Reimagined. That review was close to completion in early 2023 (see the extensive discussion by BPEP Director Bob Fangmeyer starting on page 70 of this publication), and BPEP announced that it was taking applications for the 2024 class of Award recipients, which will be presented in April 2025.

BALDRIGE NATIONAL QUALITY AWARD RECIPIENTS BY SECTOR



CONGRESS AUTHORIZES THE HEALTH CARE AND EDUCATION SECTORS IN 1998, NONPROFIT/GOVERNMENT IN 2005



Since 1999, 28.4 percent of Baldrige Award recipients have been in the Health Care sector, and 14.7 percent have been from the Education sector. Since 2007, 23.8 percent of Baldrige Award recipients have been from the Nonprofit/Government sector.



Recipients of the Malcolm Baldrige National Quality Award in the Service Sector

- 1990 – Federal Express Corporation
- 1992 – The Ritz-Carlton Hotel Company
(now part of Marriott International)
- 1992 – AT&T Universal Card Services
(now part of Citigroup)
- 1994 – GTE Directories Corporation
(now Verizon Information Services)
- 1994 – AT&T Consumer Communications Services
- 1996 – Dana Commercial Credit Corporation
(now part of Dana Holding Corporation)
- 1997 – Xerox Business Services
- 1997 – Merrill Lynch Credit Corporation
- 1999 – The Ritz-Carlton Hotel Company, L.L.C.
(now Part of Marriott International)
- 1999 – BI
- 2000 – Operations Management International, Inc.
(now CH2M Hill OMI)
- 2003 – Caterpillar Financial Services Corporation – U.S.
- 2003 – Boeing Aerospace Support
(now Boeing Support Systems)
- 2005 – DM Petroleum Operations
- 2006 – Premier Inc.
- 2014 – PricewaterhouseCoopers Public Sector
(now Guidehouse)
- 2021 – MidwayUSA



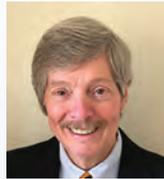


Baldridge Foundation Board of Directors

OFFICERS



Al Faber
President and CEO
Baldridge Foundation



Frank Fusco, Treasurer
Executive Director – retired
South Carolina State Government



Lowell C. Kruse
Chairman and Co-Founder
Communities of Excellence 2026



Kathryn Eggleston, Ph.D., Chair
President
Dallas College-Richland Campus



**P. George Benson, Ph.D.,
Immediate Past Chair**
President – retired
College of Charleston



Scott McIntyre
President & CEO
Guidehouse Consulting



Diane Brockmeier, Vice Chair
Interim Chief Executive Officer
Louisiana Organ Procurement Agency

DIRECTORS



David Gifford, MD, MPH
Director
Center for Health Policy Evaluation
in LTC & CMO at American
Health Care Association



Karen Morrison
President, OhioHealth Foundation
Senior Vice President, OhioHealth



Russ Branzell, Secretary
CEO and President
College of Healthcare Information
Management Executives



S Padmanabhan
Chairman of the Governing
Council of Business Excellence
Tata Sons Limited

January 1, 2023, through December 31, 2023

DIRECTORS, CONT.



John Raffoul
President
Adventist Health White Memorial



Tony Scott
Former Federal CIO, U.S. Government
CEO, Intrusion, Inc.



E. David Spong, D.Sc.
President – retired
Boeing Aerospace Support

HONORARY DIRECTOR



Malcolm B. Hollensteiner, CMB
Senior Vice President of Mortgage Production
Sandy Spring Bank

EX OFFICIO DIRECTORS



Robert Fangmeyer
Director
Baldrige Performance Excellence Program



Harry Hertz, Ph.D.
Director Emeritus – retired
Baldrige Performance Excellence Program



Brian Lassiter
Chair
The Alliance for
Performance Excellence



Jim Templin
Chief Executive Officer
American Society for Quality (ASQ)



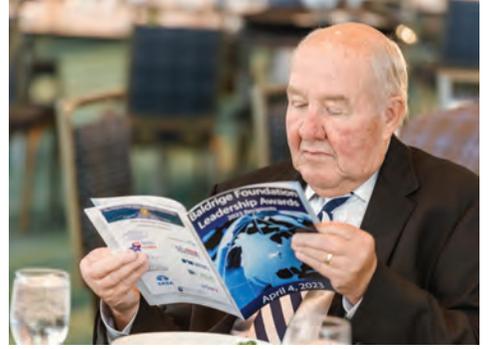
PHOTOS FROM THE 34TH ANNUAL QUEST FOR EXCELLENCE® CONFERENCE







PHOTOS FROM THE 34TH ANNUAL QUEST FOR EXCELLENCE[®] CONFERENCE





THANK YOU TO OUR 2023 QUEST SPONSORS

The 34th Quest for Excellence® Conference was held April 2-5, 2023, at National Harbor, Maryland. After the disruptions wrought by COVID and the return to something approaching a familiar experience in 2022, Quest in 2023 was the beginning of a transition phase. The Baldrige Performance Excellence Program and NIST were in the midst of an extensive, community-wide external review. The actual Baldrige National Quality Award was suspended with no awards granted in the 2023 cycle, but previous winners continued to provide valuable insights regarding performance excellence and the Baldrige experience.

In this transition period, we have continued to enjoy robust support for Quest. On behalf of the Baldrige Foundation and the Baldrige community, thank you to our 2023 Quest Sponsor organizations!



GOLD SPONSORS



Adventist Health



Baldrige Foundation Institute for Performance Excellence

SILVER SPONSOR WITH INSTITUTE FOR PERFORMANCE EXCELLENCE PARTNERSHIP



Elevations Credit Union



Mid-America Transplant

EVENT SPONSORS



Alamo Colleges District
Education Co-Sponsor



Charleston Area Medical Center
Innovation Plenary Session and Q&A Panel Co-Sponsor



Dallas College
Opening Keynote Lead Sponsor

ITEM SPONSORS



Beyond Feedback
Notebook Pads & Pens



Lulu Process Design Group
Conference Bags



SANPEC, Inc.
Steel Tumblers



Stratex Solutions
Badge Lanyards

The next Quest for Excellence® conference is scheduled for March 30-April 2, 2025, in Baltimore, Maryland. To demonstrate your support for performance excellence as a Quest sponsor, please contact Josh Racette at 614-785-0214 or jraccette@baldrigefoundation.org.

Business Excellence 101: Five Things to Know about the Baldrige Program

by Michelle Peña, Baldrige Performance Excellence Program
National Institute of Standards and Technology



BUSINESS EXCELLENCE 101 BLOG SERIES

In this blog series (<https://www.nist.gov/blogs/blogrige/business-excellence-101-five-things-know-about-baldrige-program#series>), we are highlighting the many resources that are available to help you learn about Baldrige, improve organizational processes, and build long-term resilience.

As the Greek philosopher Aristotle wisely professed, “Excellence is never an accident. It is always the result of high intention, sincere effort, and intelligent execution.” Improving a bit, I would add that a successful journey to organizational excellence requires a strategic framework that senior leaders can use to accomplish their missions, improve results, and become more competitive (<https://www.nist.gov/baldrige/publications/baldrige-excellence-framework>). Following are five things to know about the Baldrige Performance

Excellence Program (<https://www.nist.gov/baldrige>), and how we help organizations do just that.

1. Who We Are

Created with Congressional authorization in 1987, the Baldrige Program exists to help organizations improve their performance and succeed in the competitive global marketplace. We are the first and only public-private partnership and Presidential award program dedicated to improving the competitiveness and performance of U.S. organizations.

2. What We Do

The Baldrige Program educates organizations of all sizes and from all sectors about achieving performance excellence, in part by producing and regularly updating the Baldrige

Excellence Framework (<https://www.nist.gov/baldrige/publications/baldrige-excellence-framework>), which includes the Criteria for Performance Excellence (<https://www.nist.gov/baldrige/baldrige-criteria-commentary>). We also administer the Malcolm Baldrige National Quality Award (<https://www.nist.gov/baldrige/baldrige-award>). Through the annual Baldrige Award process (<https://www.nist.gov/baldrige/baldrige-award/award-cycle-overview>), we identify and recognize role-model organizations (<https://www.nist.gov/baldrige/award-recipient>), share best management practices, and help organizations achieve best-in-class performance levels.

In collaboration with the greater Baldrige community (<https://www.nist.gov/baldrige/how-baldrige-works/baldrige-community>), we offer organizations like yours:

- the Baldrige Excellence Framework (including the Criteria for Performance Excellence)—an integrated management framework and assessment tool that gets results;
- self-assessment tools (<https://www.nist.gov/baldrige/self-assessing/improvement-tools>) based on the Baldrige Excellence Framework to evaluate your improvement efforts;
- an annual conference and other resources to help you improve organizational performance using the Baldrige Criteria; and
- feedback reports (<https://www.nist.gov/baldrige/baldrige-award/feedback-report>) from a team of trained experts, highlighting organizational strengths and opportunities for improvement.

3. What Is Performance Excellence?

“Performance excellence” (<https://www.nist.gov/baldrige/how-baldrige-works/newsmedia-room>) refers to an integrated approach to organizational performance management that results in delivery of ever-improving value to customers and stakeholders, contributing to:

- organizational sustainability (long-term success);
- improvement of overall organizational effectiveness and capabilities; and
- organizational and personal learning.

4. What Baldrige Offers You

The Baldrige framework provides a validated management approach to improve your organization’s performance—one that has been used by thousands of organizations for more than 30 years. The framework will guide your organization and improve your abilities to think and act strategically,

align processes and resources, engage your workforce and customers, and emphasize key results.

This valuable framework and assessment tool can be used to promote your understanding of organizational strengths and opportunities for improvement and thus for guiding your planning efforts. The framework focuses on these key areas of management:

- leadership;
- strategic planning;
- customer focus;
- measurement, analysis, and knowledge management;
- workforce focus;
- operations focus; and
- results.

5. What Makes Baldrige Different

Baldrige helps organizations address a dynamic environment; focus on strategy-driven performance; achieve customer and workforce engagement; and improve governance and ethics, societal responsibilities, competitiveness, and long-term organizational success. It offers you a comprehensive management approach that focuses on results in all areas, organizational and personal learning, and knowledge sharing.

Ready to learn more?

Many resources are readily available to assist you in learning about Baldrige:

- Attend a conference. Each year, the Baldrige Program sponsors the Quest for Excellence® to showcase award recipients. At this event, award recipients present their role-model management practices. (<https://www.nist.gov/baldrige/qe>)
- Become a Baldrige examiner. Examiners receive valuable training and gain experience in understanding and applying the Baldrige Criteria for Performance Excellence, which they can use within their own organizations. (<https://www.nist.gov/baldrige/products-services/become-baldrige-examiner>)
- Explore our website and contact the Baldrige Program for additional information and materials. (<https://www.nist.gov/baldrige>)

Mac Baldrige Society Continues to Lead the Institute for Performance Excellence in 2023

“The Mac Baldrige Society,” said Foundation President and CEO Al Faber, “is our campaign to establish the Foundation’s Institute for Performance Excellence with the generous support of our major donors. The members are the Trustees of the Institute and by their commitment, demonstrate they recognize the importance of the Baldrige Foundation’s mission: to promote organizational performance excellence

in the United States and throughout the world by supporting the Baldrige Program.”

In 2020, the Baldrige Family, Adventist Health, MidwayUSA, and Stellar Solutions stepped up to pledge their support as the first Institute Trustees and members of the Mac Baldrige Society. In 2021, the Institute for Performance Excellence welcomed two new members of the Mac Baldrige Society, ABOUT HealthCare, Inc., and Freese and Nichols. In 2022 Tata Sons, Mid-America Transplant, CORE (the Center for Organ Recovery & Education), and the Adani Group pledged their support.



SANPEC, Inc.

“In 2023,” continued Faber, “two new Institute Trustees joined the Mac Baldrige Society. The first is SANPEC, Inc., located in Tomball, Texas, specializing in design, engineering, testing, inspection, risk management, sustainability, and quality management for critical electric power, lighting, and renewable energy infrastructures.”

Sangita Mallik, co-founder and Executive Vice President of SANPEC, said, “We are thrilled to become a founding member of the Mac Baldrige Society® and a Trustee of the Baldrige Institute for Performance Excellence. SANPEC will play a central role in guiding decarbonization, innovation, and resiliency efforts, developing the right skillsets and mindsets, and building a future-ready workforce for the power and infrastructure industry.”

“SANPEC,” continued Faber, “is the first electric power transmission and distribution sector business to commit to support the Foundation’s ongoing mission. As a small business,” continued Faber, “the successes SANPEC enjoys due to its commitment to Baldrige is a great lesson for the rest of the economy. A 2012 report from the Small Business Administration’s Office of Advocacy found that small businesses produced 46 percent of private, nonfarm GDP. From 1992 through 2013, small businesses generated 63.3 percent of net new jobs in the United States, and by 2015, small businesses employed almost 59 million people or 47.5 percent of the private workforce.”

At the Quest for Excellence® conference each year, the Baldrige Foundation and its Institute for Performance Excellence host their Mac Baldrige Society recognition dinner, affording members of the Society the opportunity to meet one another and brainstorm with Foundation staff over the direction of the Institute. National Harbor, Maryland, April 4, 2023.



Ajoy Mallik, President and CEO of SANPEC, Inc., is recognized as one of the new members of the Mac Baldrige Society from 2023, with Kay Eggleston, Board Chair of the Foundation for the Malcolm Baldrige National Quality Award, and Al Faber, President and CEO of the Baldrige Foundation, National Harbor, Maryland, April 3, 2023.

As Sangita Mallik related, “The performance excellence journey, the quality-focused mindset, and the systematic, practical, and integrated approach helped us transform engineering practices, manage strategic change, time, talents, and resources, to sustain an agile, just, flat, value-creating organization while staying anchored on our core values.”

“The most significant advantage is that our connection to God was strong, always! We had better visibility and direction for balancing the ‘doing and being’ and sustaining qualitative and quantitative results. We had more time to share knowledge and lessons learned with educational institutions and community members locally and globally. In addition, we impacted the lives of thousands of students and the workforce through mentoring, teaching, and philanthropic activities.”

“We have followed the Baldrige principles for nearly three decades, with great benefits. From aligning resources with strategic change and improvement initiatives to sharing knowledge and mentoring stakeholders toward the shared goal, we have evolved our consciousness and enjoyed our

quality improvement journey over three decades,” said Ms. Mallik. “And as a Mac Baldrige Society Trustee our team will share decades of expertise, experience, and lessons learned to develop a 21st century workforce and build a Baldrige-aligned and integrated business ecosystem to handle systemic challenges effectively.”

“From ensuring financial viability, building greater customer loyalty, and improving the quality of products, health, and safety goals, our team has evolved to manage dynamic change and effectively communicate feedback. The SANPEC team has extensive worldwide experience managing complex transmission and distribution projects successfully. The integrated performance excellence model helps position our business to adapt to volatility, uncertainty, complexity, and ambiguity challenges effectively and drive improvements throughout the value chain.”

“With an unshakeable resolve to make the world a better place for future generations, we solve complex infrastructure challenges by integrating deep domain expertise, unparalleled engineering excellence, valuable



Katherine Gottlieb, then-President and CEO of Southcentral Foundation, the newest member of the Mac Baldrige Society, accepting SCF's second Malcolm Baldrige National Quality Award, National Harbor, Maryland, April 8, 2018.

lesson-learned feedback, extensive fabrication knowledge, cutting-edge research, and sustainability management practices. At SANPEC, we continuously assess holistic risks, build resilience and value-creating capacity, and prioritize key strengths and opportunities for improvement. Drawing strength from our distinctive roots in education and STEM research, we are deeply committed and passionate about improving workforce development goals and connecting real-world knowledge and opportunities to maximize the greater good."

"Our commitment to the Baldrige Institute," concluded Mallik, "is based on a belief that Baldrige is perhaps our most important tool for transitioning our economy into a safe, prosperous, healthy, and sustainable future. We wholeheartedly encourage other leading organizations to join us as Trustees of the Institute for Performance Excellence."

Southcentral Foundation

Southcentral Foundation (SCF), an Alaska Native-owned and operated health care system, became the twelfth and newest member of the Mac Baldrige Society, the Trustees of the Baldrige Foundation's Institute for Performance Excellence, in late 2023.

Southcentral Foundation was established to improve the health and social conditions of Alaska Native people, enhance culture, and support individuals and families on their wellness journey. Southcentral Foundation's Nuka System of Care is a term that describes the entire health care system created, managed, and owned by Alaska Native people to achieve physical, mental, emotional, and spiritual wellness. It is inclusive of all parts of the organization—including behavioral, dental, medical, and traditional services—and all the systems, processes, and departments supporting the service delivery.

“The Baldrige framework is woven into all aspects of the Nuka System of Care,” said Southcentral Foundation President and CEO April Kyle. “Southcentral Foundation’s commitment to innovation and the performance excellence journey has led to improved health outcomes for the customer-owners we serve and brighter futures for generations to come.”

Every aspect of the Nuka System of Care is based on Alaska Native cultures and values. It is designed and built by and for customer-owners, the term SCF uses for patients. Customer-owners form strong relationships with their care providers who they partner with on their journey to wellness. With customer-owners at the forefront of decision-making within the organization, all programs and service offerings are based on customer-owner needs.

Southcentral Foundation’s Nuka System of Care provides health care and related services to approximately 70,000 Alaska Native and American Indian people in Southcentral Alaska. Southcentral Foundation was incorporated in 1982

under the Tribal authority of Cook Inlet Region, Inc (CIRI). CIRI is one of 13 Alaska Native Regional Corporations established in 1971 when Congress passed the Alaska Native Claims Settlement Act.

“Southcentral Foundation’s Nuka System of Care is recognized as one of the world’s leading models of health care redesign,” said Faber, “helping Southcentral Foundation to win the Malcolm Baldrige National Quality Award twice, first in 2011 and again in 2017.”

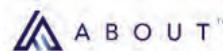
“Baldrige helps improve organizational performance,” concluded Faber, “and we are grateful for those who choose to promote that reality for other organizations as Trustees of the Institute for Performance Excellence and members of the Mac Baldrige Society.”

As for the future, Faber added, “there remain opportunities for organizations to become Trustees of the Institute for Performance Excellence. In 2024, we will continue to bring additional organizations into the Mac Baldrige Society.”



Al Faber, President and CEO of the Baldrige Foundation, welcomes representatives of the Mac Baldrige Society to the annual MBS dinner at the Quest for Excellence®, National Harbor, Maryland, April 5, 2023.

Mac Baldrige Society Institute Trustees





The Baldrige Institute for Performance Excellence Drives Personal and Organizational Excellence



The Baldrige Foundation established the Institute for Performance Excellence in June 2020, as a focal point for students, scholars, leaders, and practitioners of Baldrige and performance excellence. Today, nearly three years later, it continues to provide thought leadership on performance excellence, leadership, and management, as well as opportunities for organizations and individuals to pursue performance excellence.

“The mission of the Institute,” as Baldrige Foundation President and CEO Al Faber said when introducing the new enterprise, “is to amplify the influence of the Baldrige Framework and to improve the practice of leadership and management in pursuit of performance excellence, broadening its impact in an ever-changing world.”

Becoming a partner of the Institute for Performance Excellence provides each organization and its people with full access to the Institute’s resources, strategy execution tools, training, professional development opportunities, conference discounts, networking, and educational opportunities.

Education and Certification Opportunities Available Through the Institute

“We continue to focus on expanding the educational opportunities available through the Institute,” said Josh Racette, the Foundation’s Vice President of National Programs and Development.

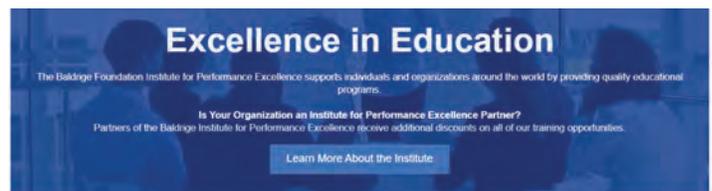


Through 2023 Foundation staff has been building relationships that have added significantly to the available courses and certifications available at a discount to the employees of Institute partner organizations.

“At this point, near the end of 2023,” continued Racette, “the Institute has over 400 courses and certifications available, mostly online. We have provided nearly 1,500 courses and certifications at discounted rates for partners, in Lean Six Sigma, cybersecurity, agile management, strategy development and execution, supply chain management, strategic foresight, and many others.”

“Whether you are looking to expand your skill set,” Mr. Racette continued, “earn professional credits, or learn something new, our online professional development courses and certificates pair perfectly with a busy schedule. Courses are self-paced and online, accessible from anywhere, and available on mobile.”

The Baldrige Foundation has maintained a commitment to improving educational experiences and connecting more



Our Programs

Online Self-Paced Courses

Strategic Planning & Management Training

Degree Programs

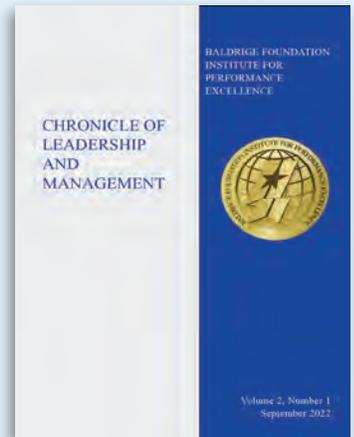


CHRONICLE OF LEADERSHIP AND MANAGEMENT

Call for Papers

JOIN THE CONVERSATION

The *Chronicle of Leadership and Management* is a peer-reviewed publication by the Baldridge Foundation's Institute for Performance Excellence. The purpose of the *Chronicle* is to facilitate sharing of knowledge by providing insightful and practical perspectives for leading and



managing performance excellence in business, health care, education, government, nonprofit organizations, communities, and cybersecurity applications.

We are now accepting submissions for Volume 4 of the *Chronicle of Leadership and Management*. Your original research can help shape the future of quality and performance excellence. Guidelines for authors and information about submitting your papers can be found at www.baldrigefoundation.org/clm.

WHAT READERS ARE SAYING ABOUT THE CHRONICLE

"Excellent articles from renowned Baldridge gurus! Great insights, and all topics are enlightening for the diehard disciples of the Baldridge Framework."

"I can't wait to read the second edition of the Chronicle!"

"The Chronicle is a great resource for in-depth discussions about using Baldridge. It fills a gap in the research literature that is often superficial or tangentially touches Baldridge's concepts and applications."

"The Chronicle provides great leadership and management insights for any organizational leader, regardless of sector."

CONTACT

MARK WAYDA, PH.D., EDITOR-IN-CHIEF
chronicle@baldrigefoundation.org

students to the larger Baldrige Enterprise. "I am excited about how this partnership will allow the Baldrige Foundation, through the Institute for Performance Excellence, to improve educational opportunities for learners at all levels while also continuing to improve the quality of life in communities across the United States," said Mr. Faber.

"As the Baldrige Performance Excellence Program and the National Institute of Standards and Technology role out the new Baldrige Reimagined Award program," continued Faber, "the Institute continues to work with organizations like LBL Strategies to design Baldrige certifications that will continue to drive personal and professional excellence."

Thought Leadership

The Institute for Performance Excellence has become a clearinghouse for cutting edge thinking about Baldrige and performance excellence specifically, and leadership and management more broadly.

The Institute's popular monthly webinar series explores new thoughts and best practices for the execution of a Baldrige journey along with sector-specific examples of those theories put into practice.

The Institute's Highlights series presents Baldrige leaders and award recipients and their thoughts on the value of Baldrige, and best practices for organizations to embody the Baldrige Criteria.

The Institute's flagship publication, the *Chronicle of Leadership and Management*, continues to attract significant, positive attention. Volume two of the *Chronicle* debuted last year and was able to get out in front of Congressional action to authorize Community as the seventh Baldrige sector.

We are completing work on Volume three to be published during the summer of 2024. Volume three will include:

- The Value of Applications Beyond an Award
- Using the Baldrige Excellence Framework to Improve Resilience and Long-Term Success
- Continuous Improvement Through Engagement and Empowerment

As we complete Volume three, please see the Call for Papers for Volume four. Make this your opportunity to join the conversation about the future of Baldrige.

For more information about the Baldridge Institute for Performance Excellence, visit their website at <https://www.baldrigeinstitute.org/home>, or contact Josh Racette at 614-785-0214 or [jraccette@baldrigefoundation.org](mailto:jracette@baldrigefoundation.org).

Charting the Path to Excellence: Reflections on the Last Ten Years and a Hopeful Future

by Stephanie Norling, Executive Director, Communities of Excellence 2026

communities of excellence[®] 2026



Stephanie Norling, Executive Director, Communities of Excellence 2026

It has become a tradition to begin all communications with our Foundation Statement because it perfectly describes why we exist and why we are so committed to advancing the use of the Communities of Excellence and Baldrige Frameworks across the country. It also provides a great opportunity to explain the meaning of the "2026" in our organization's name. The year 2026 is the 250th anniversary of our nation's founding. We have come to see this as a critical point in our journey as an organization and for the country. Our goal is that by the year 2026 communities that adopt this framework

are recognized as the top performing in the nation and are catalysts for our country to again lead the world in educational attainment, economic prosperity, health and wellness, and quality of life.

A Decade of Commitment and Progress

Last year we celebrated 10 years as a 501(c)(3) nonprofit organization although the idea began in 2010 with a conversation between friends and colleagues. Three years later we convened in Saint Joseph, Missouri, that brought together

leaders from six states to present this idea and talk about what it could look like. That same year the first version of Communities of Excellence Framework was developed. That version looked very different from what you see today, but the individuals who created it did an incredible job and set the stage for everything we did moving forward.

I was hired in late 2014, and in 2015 we began our work with the framework in two pilot communities—San Diego County’s South Region, California, and the 18-county region of Northwest Missouri. We wanted to understand if the framework could be applied in different settings, and we were fortunate that these two regions volunteered to give us feedback during their journeys. Based on their experiences we launched the National Learning Collaborative in 2016 and those first six communities that stepped up helped us as much as we helped them. As they learned and applied the framework, they gave us feedback on what made sense, what did not, and where to improve.

Between 2013 and 2022 we completed two revisions to the framework based on community feedback and in 2022 Congress successfully authorized community as the seventh Malcolm Baldrige National Award sector. Our thanks go out to Al Faber and the Baldrige Foundation staff for their tireless work in helping make that happen, as well as Bob Fangmeyer and the Baldrige Program staff. In addition, many individuals from the COE and Baldrige communities advocated on our behalf. This year we have 26 communities actively involved in using the COE Framework and a growing community of volunteers, examiners, and supporters. It truly has been a remarkable ten years!

While we have accomplished a lot, there is still work to do to get us to our goal for the year 2026. We have learned so much over the years and it was important that this was meaningfully incorporated in the COE criteria, and that the framework truly represented, and helped us strive for excellence for *all* individuals within a community. The result is our most significant revision to the framework to date.

The 2023-2024 Communities of Excellence Framework

Over 100 individual voices contributed to this revision over six months. In the first phase we reached out to anyone that had been involved with Communities of Excellence in the past and asked for their input. This included past and current COE community leaders, examiners, and Baldrige practitioners. We received a lot of feedback, and organized it around key concepts for further discussion. We held two



webinars to gather input from groups of about 30 people at a time. A writing team made up of myself, Brian Lassiter, and Jamie Ambrosi took the input and created a first draft of the framework. At the same time the Baldrige Program helped us align it to the latest version of the Baldrige Framework where it made sense to do so.

I have believed for some time that we could do more to incorporate diversity, equity, inclusion, and accessibility into the criteria, so in the next phase we brought together six national DEI leaders, most of whom were not familiar with Baldrige, to review the criteria and give us suggestions on how to address these concepts more effectively in our framework. At the same time, we invited a small group of experts to do more detailed reviews. Finally, we incorporated the feedback of the Equity Task Force and the experts into the final version.

To give you a sense of the type of comments we received, I selected some comments from various phases that were incorporated into the new version. In some cases, changes were made directly to the criteria questions, and in others new notes or supporting text were added. Often the feedback helped us improve the Learning Collaborative curriculum or influenced additional tools and resources we have developed to support communities. Here are examples of each of these:

“There is limited mention of elected officials and community governance.” Interestingly, this was not intentional, so the writing team made sure to reference elected officials in the notes section because they are a key part of a community of excellence.

A current community leader commented, *“We need additional clarity about who we should be comparing ourselves to.”* If you think about the complexities of each community—the geography, the demographics, size, whether they are urban, rural, etc., it can be very difficult to find meaningful comparisons. We will discuss this more later on.

“Safety has become an essential issue in today’s communities. There are areas of the framework where safety could be addressed.” Safety is essential, and it is important to think about the different types of safety—physical, psychological, emotional, and social—when we engage people in this work. This was an area where the Equity Task Force helped significantly.

This task force played a significant role in the revision process. Task Force leader Lisa Tabor perfectly summed up its purpose as *“ensuring that equity and excellence are one in the same.”* It is possible for a community’s overall performance to appear

positive in the aggregate, but when you start breaking it down, by different demographics, age distributions, gender, and other key segments a more accurate story emerges. We felt strongly in this revision that we should take bold steps to ensure that communities are understanding the whole story and designing strategies that intentionally reduce inequities. In the new revision you will see questions about segmentation throughout the entire framework. The task force also helped us define diversity, equity, inclusion, and accessibility and advocated for the addition of housing to the core, interconnected elements of a thriving community.

“The framework should make more of a clear distinction between the community leadership group, the community agencies and groups, and the community at large.” The difference between the “community” and the “community excellence group,” CEG for short, came up often in our conversations and our experience in the Learning Collaborative, and as we read the applications and responses to the criteria, we knew the people were really struggling with this. The first basic concept here is that the “community” is the geographic region that you define in your Community Profile. This may seem simple, but it can be quite complicated because it has major implications about who is involved, its key offerings, as well as the community’s unique identity. The “community excellence group,” a phrase unique to COE, is that group that is doing the work on behalf of your community and coming together for your community excellence efforts. In our first version of the framework, we did not distinguish between these two terms. Later versions acknowledged that a community will likely never have every individual, organization, and segment in the community actively involved so we decided then to call those involved the “community excellence group.”

While we all know by now that the Baldrige criteria is not prescriptive, there are certain areas where COE has made the decision to recommend certain leadership roles, responsibilities, and structures because we have learned how necessary they are to the success of this work. When you look at an organization, there is already a leadership hierarchy or structure in place, but in communities, across sectors, this isn’t the case. We need to help communities consider a different type of leadership structure (distributive leadership) that spreads authority and decision-making roles fairly across multiple sectors, organizations, and individuals. There is a lot of upfront work that goes into just establishing this leadership structure and the more support we can give communities in doing that, the more successful they are going to be.



Another concept we spent a lot of time considering is the intent behind the phrase “quality of life” and how to describe the critical aspects of a community succinctly but meaningfully. We know from experience and research that the health status, educational attainment, and economic vitality of a community are intertwined and fundamental to the success of that community. That doesn’t mean other aspects such as the physical environment, transportation system, and built environment, etc. aren’t, but we were unsure how to include everything without it resembling a laundry list. In early framework versions we tested this description of “health, education, the economy, and quality of life” with “quality of life” being all-encompassing for everything else. We quickly learned that this created the sense that we were undervaluing other aspects of the community, which was not our intention. For this revision, we developed the current description which I hope resonates with people: health, education, the economy, housing, and other key aspects of quality of life. Feedback from an equity task force member about the experience of being unhoused contributed to its inclusion in this list. We also examined other models that describe different domains and there is no standard definition. We hope our description is going to resonate with communities.

Those are some of the most significant changes to the framework, but there are also some more subtle changes worth mentioning. One conversation from the equity task force focused on making sure that the community excellence group is looking at the other assessments going on in their community when doing strategic planning. Community Health Needs Assessments are required for nonprofit hospitals. There are also public health assessments, banking community benefit requirements, and other assessments going on all over the community that provide valuable insights and alignment opportunities. We also discussed making sure that you are not creating unintended consequences. Addressing or developing strategic priorities in one sector or one area of the community can unintentionally create challenges in another area. This reinforces the necessity of a systems perspective of the community and the importance of bringing in multiple viewpoints and lived experiences in your community excellence groups.

And then finally, one small change that I think is fun. In the Baldrige Framework in Category One there is a question about societal contribution that asks you how your organization is contributing to your community at large. In our first few revisions, we asked that same question, but CEGs didn’t really know how to answer it because this work is in essence, a societal contribution. Our first thought was,



“is this a valuable question to ask?” This led us to flip the question around and consider how a CEG can contribute to businesses, organizations, or groups within their community. If a school or a hospital is struggling, the question now considers how the CEG can help them be successful. To me this question solidifies the use of the COE framework as the umbrella to all the other sectors and categories within Baldrige, because for your community to be high performing, the organizations, businesses, and groups within also need to be. You can’t have one without the other.

Leadership and Data: Critical Success Factors

As you can hopefully tell, a lot of thought and a lot of time went into this revision. But we know you can’t just pick up the new framework, run through the questions like a checklist, and a year later become excellent right? There is a lot of work that goes into a successful communities of excellence effort and alongside this revision we have put a lot of effort into understanding how we as an organization can best support communities on this journey.



“For America to sustain its vitality, promote opportunity, and create a more equitable society during our second 250 years of existence, we must improve the performance of communities and the people who lead and live in them.” ~ Communities of Excellence 2026 Foundation Statement

In my experience I see two components of this journey that are critical to success—leadership and data. You need the right people, and you need the right kind of leadership engagement from as many people as you can, and this is a major focus on the National Learning Collaborative. You also need data so you can understand how your community is performing, establish goals, make informed decisions, and know what is working. We saw CEGs struggle with what to measure, how to measure it, how to communicate the data and use it to tell stories, how to make decisions with data, how to compare themselves with other communities, who to compare to, and on and on. And unlike some other countries, the United States does not have a universal set of metrics that communities can easily access and use for comparisons. There are hundreds, if not thousands of different sets. It can be overwhelming. We believed we could help by providing a set of high-level metrics that could give communities a sense of the performance of the community as a whole and could be used as a starting point.

The result is our Common Community Scorecard with five high level metrics across five key domains of community performance. The metrics were determined through an assessment of current COE and external community data sets, a literature review, and surveys. Each metric is accessible down to the census tract level, publicly available, and updated at regular intervals. They can be used to educate new partners coming into the CEG as well as residents about the importance of this work, why you are doing it, and your

progress over time. We provided instructions on how to access and use this data as well as tips on data visualization because how it’s displayed is important. And we then developed what we call a cascading scorecard—a menu of measures underneath each of these high levels metrics that helps dig a little deeper into how your community is performing.

While it is not required to use this scorecard or toolkit, we have found it to be extremely helpful to CEGs who are not sure how to get started with data. We continue to add to this toolkit based on what the CEGs tell us is important to them. It is one thing to have the data, but we need to educate people on how to use it, educate our residents on what this data means and understand how to make decisions with it, and how to compare with data. There is a lot of work to be done. As our faculty often says, “You can’t manage what you can’t measure.”

I can’t conclude this article without thanking what is becoming a growing list of people who have helped make Communities of Excellence a success. This includes our board, associates, faculty, mentors, examiners, volunteers, supporters, and donors. It would take too much space to list them all here, but when you purchase your copy of the 2023-2024 Framework (and I hope you do), please take a moment to look at our acknowledgments page and make sure to thank them the next time you see them. Thank you for your commitment to our shared vision. Here’s to a future marked by excellence, innovation, and lasting positive change!



Webinars in Support of Thought Leadership

The Foundation for the Malcolm Baldrige National Quality Award has assumed a position of thought leadership in performance excellence, leadership, and management. A significant part of that effort has been the development of several series of podcasts that address critical and timely issues facing leaders at all levels and in all sectors.

Throughout 2023 the Foundation continued that effort itself as it organized the Quarterly Webinar Series that not only addressed critical leadership issues but included regular updates from the Baldrige Performance Excellence Program, and the Alliance for Performance Excellence, and Communities of Excellence 2026, providing an opportunity for interested parties to understand and appreciate the scope of activities across the Baldrige enterprise. Interspersed with the quarterly webinars are special interest webinars organized through the Institute for Performance Excellence. All together thousands of participants had the opportunity to hear our presenters and to ask questions spurred by the presentations.

These are the topics our Broadcasting Excellence initiative addressed in 2023. You may go back and view the Foundation and Institute webinars here: <https://baldrigefoundation.org/what-we-do/webinars/>.



FOUNDATION AND INSTITUTE WEBINARS

- Robin Champ of LBL Strategies presents Building Resilience Through Foresight: Navigating an Uncertain Future
 - December 14, 2023
- Communities of Excellence 2026: Elevate Your Community's Performance: Exploring the New Communities of Excellence Framework
 - November 21, 2023
- The Ohio State University's Wexner Medical Center: Becoming the Best at Getting Better: Expanding a Team-Centric Culture of Performance Excellence
 - October 26, 2023
- Bob Fangmeyer, Director of the Baldrige Performance Excellence Program, presents Baldrige Reimagined, an Update of the Redesign of the Baldrige National Quality Award
 - September 28, 2023
- Shane Yount, the President and CEO of Competitive Solutions, Inc, presents Process Intelligence (PQ): The Key to Building High Functioning Leaders
 - August 24, 2023
- George Taylor, Founder of Beyond Feedback, presents Using Stakeholder Feedback Surveys to Drive Performance Excellence
 - July 25, 2023
- Kay Kendall, CEO and Principal of Baldrige Coach, Inc., on Practical Steps for Addressing Key Processes and Systems in the Baldrige Excellence Framework
 - June 22, 2023
- Patient Throughput Barriers and Solutions with ABOUT HealthCare
 - May 23, 2023
- The American Hospital Association presents Intersectionality Between Quality and Health Equity
 - April 11, 2023
- The Baldrige Foundation, the Baldrige Performance Excellence Program, the Alliance for Performance Excellence, and Communities of Excellence 2026 present a Baldrige Enterprise Update
 - March 23, 2023
- ABOUT Healthcare presents The Leadership Challenge: Managing and Innovating Through Change
 - February 21, 2023
- The Ohio State University Wexner Medical Center: Building A Culture Of Performance Excellence Through Team-Based Coaching
 - January 21, 2023



The Alliance for Performance Excellence

by Brian Lassiter, Chair, the Alliance for Performance Excellence



Brian Lassiter, Chair, the Alliance for Performance Excellence

In many ways, 2023 was a year of transition for the Alliance for Performance Excellence. The Alliance—sometimes called the “front door” to the Baldrige Performance Excellence Program—is where most organizations and communities start (and continue) their improvement efforts. A 501(c)(3) nonprofit, the Alliance is a network of Baldrige-based programs and other members across the nation and world that

share in the mission of growing performance excellence and is designed to provide resources and support to organizations and communities desiring to improve.

“Beginning in late 2022, the Alliance board of directors decided we needed to reevaluate our mission and business model. The timing was ideal, as we were coming out of COVID and awaiting the results of the Baldrige Re-Imagine effort.”

To give you some context and sense of scale, the Alliance represents 29 Baldrige-based programs covering all 50 states and U.S. territories plus three other members who support performance excellence throughout the nation and world. In 2023, Alliance member programs evaluated over 900 award applications, trained nearly 1,000 examiners, hosted 10 conferences that had over 1,500 combined attendees, and convened dozens of workshops and other events that attracted thousands of attendees. The Alliance has 200 non-examiner volunteers, 25 paid staff, and a combined budget of nearly \$9 million. The size and scale of the Alliance represents an impactful force within the Baldrige community.

Baldrige Foundation Quarterly Webinar, June 22, 2023

Alliance: The Baldrige “Front Door”

- NEW!!** **Purpose:** To inspire individuals, organizations, and communities across the U.S. and the world to learn, implement, and achieve performance excellence.
- Mission:** To strengthen members through training, mentoring, collaboration, and sharing of resources, best practices, and service offerings.
- Vision:** to be the premier resource for a thriving Baldrige community.

www.baldrigeoundation.org

Reshaping the Alliance

Beginning in late 2022, the Alliance board of directors decided we needed to reevaluate our mission and business model. The timing was ideal, as we were coming out of COVID and awaiting the results of the Baldrige Re-Imagine effort. To start the process, we asked all 29 program members to complete a “visioning exercise,” which—quite simply—was responding on one page with their perspective of the Alliance’s ideal mission, vision, values, as well as customer requirements, strategic challenges, and ideal overall business model. This blinded input was reviewed by two teams: one “internal” (comprised of several Alliance leaders) and one “external” (comprised of researchers from Walden University). We used the exercise to reshape several strategic tenants of our work.

First, we created a Purpose Statement (which we had previously not had): **To inspire individuals, organizations, and communities across the U.S. and the world learn, implement, and achieve performance excellence.** The Purpose is why we exist and who we serve: it should provide focus and grounding in how we set strategy, make decisions, and provide value going forward.

It is notable that we called out who we serve as individuals (leaders and professionals at any level), organizations (of any size, sector, and type), and communities (large or small, urban or rural). In our statement, we made a deliberate

attempt to include communities, which is a relatively new focus within the Baldrige Enterprise.

We also included the phrase, “Across the United States and around the world,” which is an intentional expansion of our work. We already have members that serve the international marketplace, and we have international inquiries and other stakeholders that are asking to work with the Alliance to expand their improvement and excellence efforts. Clearly, we have a lot of work still do in the United States, but the expansion beyond the United States was deliberate and will guide our thinking moving forward.

Second, we updated our Mission Statement (which had not been updated in at least a decade): **To strengthen members through training, mentoring, collaboration, and sharing of resources, best practices, and service offerings.** Consistent with the Alliance mission, the organization and our members provide a variety of different service offerings that help organizations and communities either get started in their excellence efforts or help accelerate their journey to excellence. While those products and service offerings themselves may change over time, we are really all about enabling and supporting organizational and community leaders as they advance to higher performance.

Third, we have a new set of Core Values. Our Values now include: **Act with Integrity; Value People; Collaborate; and Focus on Excellence.** And under the four new Values, we have six “Observable Behaviors,” which will guide our decision making and rules of engagement. We will start measuring our progress against these values and behaviors in an effort to create a culture that values engagement, inclusion, and collaboration.

Finally, we are currently working on a revised Vision Statement and will also this year reexamine our customers’ needs, strategic challenges and advantages, and overall business model.

Representing a network of 29 independent Baldrige-based programs, the exercise has been worthwhile in building consensus, setting priorities, and (re)focusing on what is key to our success and the success of our members. After the collective experience of the pandemic and in preparation for a new future in support of Baldrige Re-Imagined, the timing could not have been more appropriate.

Other Alliance Highlights

- **Support Baldrige Re-Imagined** – the Alliance has actively participated both in the Baldrige Review, which led to the new vision for the Baldrige Program, Baldrige Re-Imagined. We are excited about the changes to the national Award Program and hope that it results in growth for the Program and Baldrige Enterprise. And the Alliance is now exploring what impact it might have on our own work. For now, it won’t impact state, regional, or sector Baldrige-based programs: we are still using the full Baldrige Criteria to evaluate organizational and community performance. But we are eager to identify good practices that come from Baldrige Re-Imagined to enhance Alliance member experiences in the future.
- **Baldrige Fall Conference** – the Alliance hosted a successful fall conference last October in Milwaukee and is planning this year’s conference October 28-30 in South Florida. This event consistently offers powerful content, networking, and energy for leaders to start (or accelerate, sustain) a journey to excellence. More information will be posted later this spring at baldrigeconference.org.

To learn more about the Alliance and its members or to find a local program near you visit , www.baldrigealliance.org.



Success Strategies for Building Organizational Resilience through the Baldrige Framework

by Michelle Peña, Baldrige Performance Excellence Program
National Institute of Standards and Technology



“The Baldrige framework has positioned Elevations Credit Union to perform exceptionally well for its members, employees, and community, regardless of remarkably challenging conditions, including the Great Recession and a global pandemic.”

The Baldrige Program’s 33rd Quest for Excellence® Conference (<https://www.nist.gov/baldrige/qe>) brings together the leaders of U.S. organizations to celebrate and learn role-model best practices from current and former Baldrige Award recipients.

Attendees take home practical lessons in critical areas such as leadership, strategy, customer and employee engagement, and operations. The speakers also provide attendees with proven solutions to help their organization achieve breakthrough performance and results.

At the 33rd Quest for Excellence Conference, where award recipients from the past three years were being honored, Genevieve Cavallo, vice president of enterprise

transformation at Elevations Credit Union (<https://www.elevationscu.com/>), presented a session titled “Building Organizational Resilience through the Baldrige Framework.”

As Elevations is a 2014 (<https://www.nist.gov/baldrige/elevations-credit-union>) and 2020 Baldrige Award recipient (<https://www.nist.gov/baldrige/elevations-credit-union-2020>), I had an opportunity to interview president and chief executive officer Gerry Agnes. Agnes reflected on how the Baldrige Excellence Framework (<https://www.nist.gov/baldrige/publications/baldrige-excellence-framework>) inspired Elevations’ journey to excellence and how other organizations might also leverage the framework to improve their organization’s performance. Following is my recent interview with Agnes.

Would you share an example from your work in regard to using the Baldrige framework?

What I learned, along with the entire Elevations Credit Union team, are three key themes:

- It may seem that there is no perfect time to begin implementing the Baldrige framework (<https://www.nist.gov/baldrige/how-baldrige-works>). Actually, the perfect time is now!
- Seeking the truth within an organization is essential to expertly deploy the Baldrige framework. Therefore, it's vital that leaders create a safe environment where everyone can have honest conversations about salient matters that impact the organization's customers, employees, and key stakeholders (<https://www.nist.gov/baldrige/core-values-and-concepts>).
- Never underestimate the capabilities of a stellar team. Assemble and lead the best team, and you will achieve greatness with the Baldrige framework.
- The Baldrige framework has positioned Elevations Credit Union to perform exceptionally well for its members, employees, and community, regardless of remarkably challenging conditions, including the Great Recession and a global pandemic.

What are your top tips for an organization's first self-assessment using the Organizational Profile (<https://www.nist.gov/baldrige/baldrige-organizational-profile>)?

My top tips, in addition to those noted in my previous answer, stem from the objective of gaining organizational commitment to the Baldrige framework:

1. Ensure that your strategic plan clearly states your commitment to the Baldrige framework. When we began our pursuit of excellence, we incorporated the Baldrige framework into our strategic foundational elements, which are critical to a strategic plan. We adopted the strategic framework that Jim Collins outlined in his book, *Built to Last*, which by design is Core Ideology and Envisioned Future.

The core ideology consists of the core purpose (why we exist) and core values (how we behave). The envisioned future consists of the vision statement (what we want to be known for) and the BHAG (Big Hairy Audacious Goal, which accelerates the fulfillment of our vision).

Our first BHAG was, "We will win the Malcolm Baldrige National Quality Award!" Thus, it was at the highest level of strategy (foundational element in our strategic plan) and had direct oversight by our Board of Directors. After receiving our first Malcolm Baldrige National Quality Award, we changed our BHAG to "Audacious Excellence! P.S. We will win the Baldrige again." And we did!

2. Engage an expert Baldrige coach for the organization. At the inception of our Baldrige journey, we engaged Jan Johnson, who provided tremendous counsel and guidance that helped shape how we approached the deployment of the framework. Jan remains actively engaged with Elevations Credit Union today in our pursuit of audacious excellence and is one of my lifetime coaches.

"The Baldrige framework enabled us to create robust leadership and strategic planning systems that contributed mightily to our ability to predict or respond very early to changing conditions. By doing so, we have been able to realize above-market returns on equity."

What do you view as primary ways that organizations today can benefit from using the Baldrige framework?

The Baldrige framework, if deployed properly, builds organizational resiliency (<https://www.nist.gov/baldrige/core-values-and-concepts#agility>). We began our Baldrige journey in the summer of 2008 during the Great Recession and received our first award in 2014.

We received our second award during a global pandemic that created a global economic recession. During that period, our return on equity averaged 11 percent, which was 38 percent greater than that of our peer group.

When did you first hear about the Baldrige framework? What were your initial thoughts or “aha” moments as you began learning about it?

I learned about the Baldrige framework when I was newly hired as an executive at a former employer. The framework enabled me, as a new leader, to quickly learn about the organization and areas we could successfully and swiftly improve that would benefit the organization and its key stakeholders.

“The Baldrige framework [has inspired me to] pursue excellence, not perfection.”

What is your “elevator pitch” about the Baldrige framework and/or assessment approach? In other words, what would you say to a group of senior leaders in your sector who are unfamiliar with the Baldrige framework if you had 1-2 minutes to tell them something about it?

The beauty of the Baldrige framework is that it’s not prescriptive. Rather, it’s designed for organizations that are deeply curious and committed to audacious excellence. It contains around 255 questions asking “How” or asking about your processes in key segments: Leadership; Strategy; Customers; Measurement, Analysis, and Knowledge Management; Workforce; Operations; and Results.

Also, do not fall into the trap that the Baldrige framework requires additional work or resources, or that it’s accomplished in a single department. Rather, it’s how everyone does their work.

“The key for leaders who embrace this framework is to create a safe environment so all employees can have honest conversations about salient matters that impact its customers, employees, and key stakeholders. Because if you create that environment while deploying the Baldrige framework, you will be wildly successful.”

Lastly, the best time to deploy the Baldrige framework is now. Do not wait for the perfect moment as it will not come. Deploy it now. You’ll be glad that you did!

Similarly, what would you say to a group of college students (particularly those pursuing studies for a profession related to your sector) about the Baldrige framework?

The Baldrige framework is not widely adopted, yet those who’ve embraced it have created sustainable, successful organizations. Research the organizations that have received the Baldrige Award, and you will confirm my statement about sustainability and success.

Then study how they deployed the framework and determine what their key ingredients were to success. If you summarize what you learned and use that as a platform in your career, you will experience a joyful and productive career.

Has your perception of the Baldrige community (e.g., award recipients, examiners, judges and overseers board members and alumni, other framework users) changed since your organization became a Baldrige Award recipient? If so, how?

As this is the second time we’ve achieved the award, our perceptions have remained steady through the years. Our commitment to the Baldrige framework and its community remains strong. We’re honored to be a part of it, and we’re totally engaged.

BALDRIGE FOUNDATION
LEADERSHIP AWARDS
2023 RECIPIENTS



APRIL 4, 2023

The Baldrige Foundation Leadership Awards and the Dr. Curt Reimann Baldrige Scholars for 2023

The Foundation presented the 2023 Leadership awards in a ceremony on April 4, 2023, as part of the 34th Quest for Excellence®.

The on-going COVID pandemic has multiplied the challenges to leadership and underscored the importance of the Baldrige Criteria to overcoming those challenges. Many of these leaders have been battling on the front lines of the pandemic and have continued to lead their organizations to excellence.

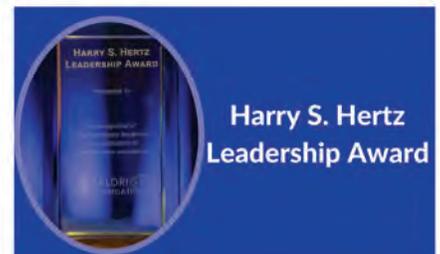
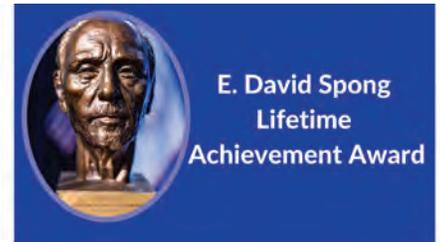
For 2023, the Foundation Awards included the 11th annual presentation of the Harry S. Hertz Leadership Award, the seventh presentation of the E. David Spong Lifetime Achievement Award, the sixth cadre of winners of the Baldrige Foundation Awards for Leadership Excellence, and the sixth class of Dr. Curt Reimann Baldrige Scholars.

“We have long understood,” said Foundation Board Chair Dr. Kay Eggleston, “that Baldrige is the best leadership and management toolkit on the planet. These awards encourage leaders to embody and promote the Baldrige criteria and to strengthen the DNA of leadership across the United States and beyond.”

“We have four categories of leadership awards,” said Al Faber, President and CEO of the Baldrige Foundation, “that recognize outstanding individuals, leaders, and supporters who embody Baldrige leadership and management values and principles, and who have provided outstanding service to the

Baldrige community and beyond. We celebrate their excellence!”

The Foundation awards are made possible through the generous support of sponsors who desire to recognize and celebrate role-model leaders who. The Foundation expresses its sincere appreciation to Dr. Ken Cohen and the Synergy Organization as the Founding Sponsor of the Harry S. Hertz Leadership Award. We gratefully acknowledge George Taylor and Beyond Feedback for continuing their generous support of these awards for many years. Lori Kirkland, who helped establish and continues to work to fund the Dr. Curt Reimann Baldrige Scholarship, also deserves our sincere gratitude. Finally, each year the organizations, colleagues, and friends of our awardees make a special effort to celebrate their accomplishments by placing congratulatory notes and ads into the Foundation Awards Program. The Foundation would like to thank them all for continuing to make these awards a reality.



The Foundation Leadership Awards are presented annually during the Baldrige Quest for Excellence® conference.



The E. David Spong Lifetime Achievement Award

Lowell C. Kruse and Richard A. Norling

For only the second time in six years, the Foundation Board saw fit to award the E. David Spong Lifetime Achievement Award to multiple recipients. In 2021 Celeste Ford of Stellar Solutions and Terry May of MESA, distinguished themselves while working in very different fields. In 2023, the Foundation bestowed the E. David Spong Award on Lowell Kruse and Richard Norling, in large part for work they performed together, carving a new path for Baldrige.

Lowell Kruse and Richard Norling have long been practitioners of and advocates for the Baldrige Excellence Framework. After each had already led their respective organizations to receive the Malcolm Baldrige National Quality Award—Lowell Kruse as CEO of Heartland Health (now Mosaic) in 2009 and Richard Norling as CEO of Premier, Inc. in 2006—the two came together to found Communities of Excellence 2026, with a shared vision to improve the quality of life of communities guided by the Baldrige Criteria.

“After adopting the Baldrige Framework for Heartland Health in the mid-1990s and using it for the last 15 years of my career,” said Kruse, “it became very clear to me that Baldrige does indeed represent the gold standard for

individuals and organizations who want to be the best they can possibly be.”

“The elegance of Baldrige,” he continued, “is that it drives the highest level of thinking from the vision and strategy work necessary to guide organizations through their constantly moving and changing markets to the smallest detail of the process and implementation work necessary to get the results you need to excel. And, used over the long term it drives the creation and sustainability of a culture of quality and performance excellence that becomes embedded in the DNA of the organization.”

Richard Norling had a similar experience. “The merger of three predecessor organizations into Premier Inc., came together in 1997. I led a process designed to bring the three organizations together into an integrated, high performing organization with a values-based culture, an inspiring strategic plan, and a quality system framework. Adopting the Baldrige Framework was key. It was never just about winning an award! The application process, however, further engaged the new organization, reinforced the culture, and created a wonderful opportunity for celebration.”



Al Faber (left), President and CEO of the Foundation for the Malcolm Baldrige National Quality Award, greets Richard A. Norling as he receives the 2023 E. David Spong Lifetime Achievement Award, April 4, 2023.



E. David Spong (left), welcomes Lowell C. Kruse on stage as he receives the 2023 E. David Spong Lifetime Achievement Award, April 4, 2023.



Foundation Board Chair Dr. Kathryn Eggleston (from left) with Richard A. Norling, Foundation President and CEO Al Faber, Lowell C. Kruse, and E. David Spong as Norling and Kruse are introduced as the winners of the Foundation's 2023 E. David Spong Lifetime Achievement Award, April 4, 2023.

The E. David Spong Lifetime Achievement award recognizes individuals who have performed truly extraordinary service that has changed the world, and inspired others to do the same. "For 2023, we have dual recipients of the E. David Spong Lifetime Achievement Award: Lowell C. Kruse, Baldrige Award Recipient and Cofounder of Communities of Excellence 2026, and Richard A. Norling, Baldrige Award Recipient and Cofounder of Communities of Excellence 2026," said Al Faber, President and CEO of the Baldrige Foundation.

"Lowell and Richard did groundbreaking work to adapt the Baldrige Framework to the community setting, leading in 2022 to Congress officially authorizing Community as the seventh eligible sector for the Malcolm Baldrige National Quality Award."

The Baldrige Framework was originally developed for the manufacturing, service, and small business sectors, and was previously expanded to include health care and education organizations, as well as nonprofits. Now, that same proven and successful approach can be applied across community sectors to improve how communities are run. Leaders in 25

U.S. communities are currently working to build leadership and decision-making systems using the Communities of Excellence Framework. They collaboratively create community solutions that cannot be achieved by a single sector or organization by developing shared community strategies and community scorecards, and engaging residents in community planning and action to address their pressing community challenges and achieve more equitable outcomes.

Reflecting on his work with Baldrige at Premier, Richard Norling explained how Baldrige can apply at the community level. "The diverse sectors of U.S. communities represent a parallel challenge and opportunity for the Baldrige-based Communities of Excellence Framework to create similar value."

Lowell Kruse concurred. "It is also my firm belief," said Kruse, "that the same result as we experienced at Heartland Health, can now be obtained by entire communities that adopt the Baldrige-based Community Framework as they strive to improve their overall performance in the way they serve the needs and aspirations of their citizens."

Remarks on Accepting the 2023 E. David Spong Lifetime Achievement Award

Richard A. Norling
Co-Founder, Communities of Excellence 2026

Let me just say that I'm truly honored and thankful to be receiving this award and very frankly, it's that much better sharing it with Lowell up here. We've known each other since the seventies and have been good friends and great colleagues and had some fun starting to put this together. And I'm pretty proud of where it's evolving in terms of Communities of Excellence.

David Spong has really set the benchmark for lifetime achievement and commitment to Baldrige. So I'm particularly pleased that this award is in his name. And Valerie, you should be very proud. While I'm appreciating, let me just broadly suggest that the Foundation, the Baldrige Program, the Alliance, all of the staff and volunteers, all of the organizations and communities that have adopted the criteria collectively, I believe we are a national resource. And I honestly believe, as General Harris suggested before, that we can make a very significant difference in the United States over time.

My first experience with the criteria involved the formation of the organization I ran, Premiere Inc., which was a three-way merger. I led a group representing each of the three organizations and to say, well, you know, what are we going to look like?

And so we decided we wanted to find a quality system, a framework we could use that would guide us in both putting the merger together and initiating a journey to performance excellence. I wasn't all that familiar at the time with Baldrige, but I certainly would become so. It's become an incredibly important part of my life. We were able to successfully implement the three-way merger, ending up with one very significant, high performing organization that ended up winning the Malcolm Baldrige National Quality Award in 2006. That was a great feeling.

Our current efforts at Communities of Excellence began in kind of a fun way. I've told this story so many times, but I'm

going to enjoy telling it again. In 2010, after Lowell and I both retired from our respective roles, we were sitting in my backyard. There was an American Hospital Association meeting going on in San Diego, so we invited a few people to talk.

Communities were on our mind and as we sat there—and I must say there was a glass or two of wine involved in this process—and asking what's next? What are we going to do? Well, particularly Lowell and I, who had just gotten out of there, and both Lowell and I, when we ran our respective health care organizations, very, very much engaged with our communities and with the various sectors of our communities.

And so we hypothesized what if we could modify the Baldrige criteria to apply to communities pursuing excellence. It was quite a hypothesis, and it was really in strong part because communities, unlike the other Baldrige categories, are not organizations by themselves. They don't have CEOs, they don't have boards per se. They have sectors and segments that need to come together and collaborate.

And the idea of bringing them together to collaborate and create a shared vision, creating a common set of values, guiding performance, creating a culture, creating a set of processes to develop and improve how the community performed. That complexity dwarfed anything I had experienced trying to put the three organizations together with Premier because there were just so many opportunities and so much different collaboration potential and so much learning to go on very frankly.

So where are we now? Communities of Excellence is around ten years old. This dialog occurred in 2010. Twenty-five communities are actively applying the Baldrige based Communities of Excellence criteria to guide efforts to pursue excellence. Congress and the President, as you've heard,

have authorized Communities as a seventh sector for the National Quality Award. And I need to call out Al Faber and the Baldrige Foundation for their leadership in being tenacious in making this happen.

This is something Lowell and I talked about very early on in this journey and it's wonderful to see it come through and we appreciate the contribution that's been made. The original criteria were put together with a lot of help from the Baldrige Program and with two pilot regions. One is the county of San Diego and the other is the 18 counties of northwest Missouri.

So when people ask what's a community? The answer is whatever you want it to be. And that that is how it worked out. And I need to highlight in turn, Bob Fangmeyer and Brian Lassiter for their incredible performance in that arena and also Harry Hertz for the leadership he did in his continuing retirement role with Communities of Excellence.

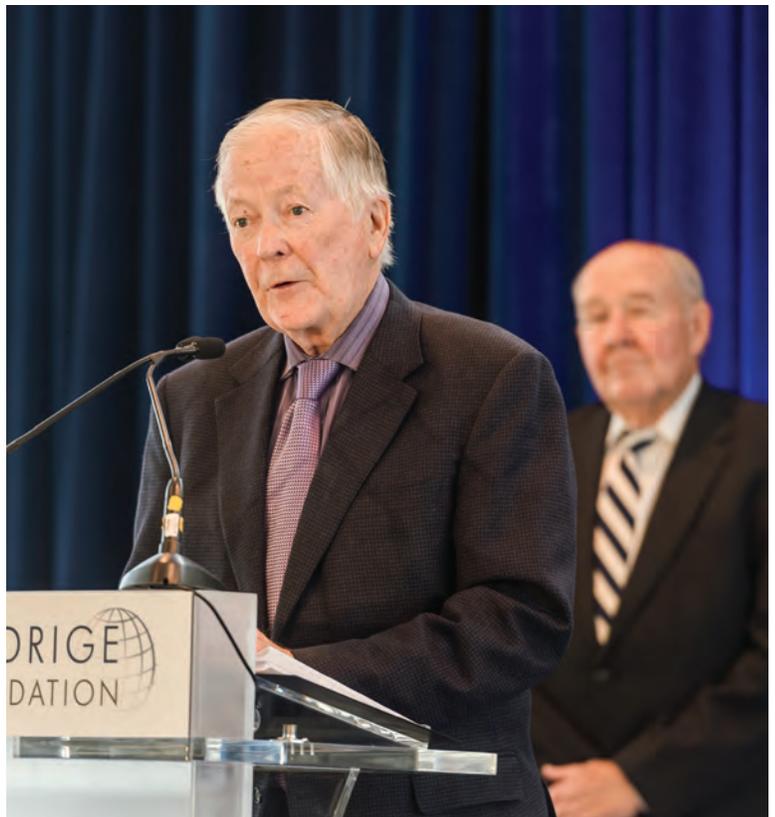
Countless volunteers who donated their time and expertise and we have a small but highly effective organization led by Stephanie Norling. And I'm always proud, increasingly proud, to be introduced as Stephanie's father, as compared to what I was up to in the past.

Don Berwick, who is going to be talking tomorrow, is a good personal friend. And when we talk, when Lowell and I talked to Don about this idea of communities pursuing excellence, he said, and I've remembered it, probably modified it a little bit. He said the solution to many of Americans issues will arise community by community. And I think for those of you who have attended those sessions and heard how these 25 communities are progressing, you get a good sense of that in terms of how that indeed can occur at the community level, sort of bottoms up versus top down if you think about policymaking and solution generating.

And finally, a little quote that I'll put together is that organizations in our six sectors will thrive in a community, pursuing excellence in the seventh sector. That's how we look at it. We're really pleased to be a part of it. And thank you very much.



Communities of Excellence 2026 Co-Founder Richard A. Norling talks with Bob Fangmeyer, Director of the Baldrige Performance Excellence Program, prior to the Baldrige Foundation's Leadership Awards Ceremony, April 4, 2023.



Communities of Excellence 2026 Co-Founder Richard A. Norling (left) on stage with fellow COE2026 Co-Founder Lowell C. Kruse, accepting the Baldrige Foundation's 2023 E. David Spong Lifetime Achievement Award, April 4, 2023.



Remarks on Accepting the 2023 E. David Spong Lifetime Achievement Award

Lowell C. Kruse

Co-Founder, Communities of Excellence 2026

With two of us, we had to divide this up. And I do want to say that, first of all, this was Rick's idea. I mean, he's the one that came up with this. My initial reaction was, how the heck would you do that? Right. How would you apply the Baldrige Framework to a community? And I can assure you there was more than just a glass or two of wine that got us to this point. I think our retirement years would have been different if we had stopped with one or two. But anyway, here we are. And so I would just say ditto to all of you that helped. I see so many faces out here that helped get us to this point. And so I thank you for that. And particularly Stephanie Norling.

Shout out to Steph. She's the best. I mean, if you're going to hire someone to run your organization, look for an elephant trainer, and then you're in, I will just assure you of that. She can tell you the rest of that story.

So I want to kind of put out the sense that the country's in a tough spot. We're in a rough patch. And Communities of Excellence is about trying to figure out how do we create a greater sense of urgency about the difficulty that we're facing and the uphill climb that we've got to deal with here. I used to know a lot more when I was younger. I used to be a lot more sure of things that I am now.

But there's a couple of things that I am sure about. One is that we have the ability to solve any problem we choose to solve. I just know that. I know that we can. We have to choose to do it.

About two or three weeks ago, I was visiting the Kennedy Space Center in Cape Canaveral, and I'd been there a couple of times before. I've been to the Air and Space Museum here in Washington, D.C., several times. I'm fascinated with the space program. And so it started kind of with my interest in what the two brothers that started out in Kitty Hawk, Wilbur and Orville Wright. And I thought, you know, these two guys had a bicycle shop and they spent

four or five years coming up with this idea of flying. And I don't think a lot of people thought it was going to work right at the beginning. But in 1903, they just did just that. If you follow their story, 1903, and then 65 years later, in 1968, we had three astronauts circle the moon ten or 12 times something like that. 65 years. In 65 years. Can you imagine that?

And so I was thinking about this. And as I was sitting there watching the videos and all the stuff, I'm going, how does a country do that? How does a country do that? And we can't solve, it seems like some of these basic, basic problems. And the answer is, I believe that we can solve them. And so when I talk with people about communities, I go, look, improving the performance of communities is not rocket science.

It's not rocket science. We know how to put a person on the moon and return them safely to Earth. We do not know how to do high-performing communities yet. We don't know that. It's complicated. It's complicated. So we've got to distinguish that this is hard work that's essential to the future of our country. So I know that for certain that we can accomplish whatever we set our minds to.

And I do know, as we've said in all of our documents, that for America to sustain is vitality, to promote opportunity and create a more equitable society in the next 250 years, we have to improve the performance of communities and the people who lead and live in them. That's just the deal, right? So I was thinking some more about what's the implication of all of that for us in Communities of Excellence. And it really came down to two or to three things that I would ask you to do, because you are, all the folks in the community. We say communities are run by the people who show up. And you're the people that show up. So we've got to figure out how to work together to make that happen.

So the first thing I would ask you to continue to do in your local communities is to do everything you're doing, keep



Communities of Excellence 2026 Co-Founder Lowell C. Kruse accepts the 2023 E. David Spong Lifetime Achievement Award, April 4, 2023.

track of what's working, what isn't working, and share that with everybody that you know. Tell your story over and over again. But look carefully at what's going on. Is it working or isn't it?

You've got to believe first that this is urgent work, improving the performance of communities. I don't care what you're talking about, commerce, or education, or whatever it is. It starts in the community. Without an educated workforce, nothing else happens. Without educated people, health care doesn't happen on and on and on. We have to understand that, internalize it, and we have to teach each other how to do that and give them courage to go out and do this stuff.

That's kind of complicated to do. It's not rocket science. It's running communities. It's complicated.

The second thing that we need to have you do is to encourage others, not necessarily in your community, to do that. You're a school superintendent or a city manager or a hospital exec or whatever. You've got friends in the industry around the country. Tell them to take a look at this stuff, to take a look at Baldrige, to look at the Community Framework for their own community.

Go to a conference, but encourage others because we need to spread this work around the country in order for



“For America to sustain is vitality, to promote opportunity, and create a more equitable society in the next 250 years, we have to improve the performance of communities and the people who lead and live in them.”

the culture of our country to change where we're going to focus on improving this country one community at a time. We've got to spread. And the best way to advertise anything is word of mouth and your word of mouth counts for a lot. Okay. So do help us spread it. Do help it grow it in your individual community.

And the last thing and you may seem a little bit removed from this, but at a national level, we need the President, this President and every president to say this is a priority for our country. We need the Secretaries of all the departments to say this is a priority for my department. This I'm going to run Agriculture, Health and Human Services, whatever it is. We need that. I was reminded in watching the videos at the Space Center when Kennedy was talking and thinking about the story about Orville and Wilbur Wright taking off from Kitty Hawk and then, you know, World War One helped spur the advancement of the airplane industry, obviously, but for military purposes and on and on.

And then we get into the space program. But what really happened was we got a little nervous about the Russians and John Kennedy stood up in front of the people and said, before this century is out, we're going to land a person on the moon and return them safely to Earth. And you know what happened after he said that?

After our president said that we did that, right? Then when Ronald Reagan was president, he said, we've got to figure out a way to compete globally. We're losing our competition in our manufacturing sector. We've got to figure that out. And so they established the Baldrige Program in 1987, the National Quality Act. Ronald Reagan got behind that and look what happened.

You know, sometimes we're so removed from the president, we think, well, we don't have an influence on that. But I will tell you that if you tell your story in your community, to your senators, to your congressmen and say it over and over again. Tell them, I don't care what your big issues are when you go back to your office, it is the success of this community and every community in your state. And you go tell the president we want this to be a priority. We need to do that together.

So do the best you can in your local community. Tell your friends and colleagues around the country to do this. And then let's get our national leadership to say this is a big dang deal. We've got to preserve our communities in any way we can.

So thanks again for everything you've done to get us to this point. I couldn't be prouder of all of you. So thank you.

The Harry S. Hertz Leadership Award

Major General John Harris has served as the Adjutant General since January 2019. He began his military career in 1981 when he enlisted in the Ohio Army National Guard and he currently commands the Ohio Army National Guard and the Ohio Air National Guard with approximately 17,000 members. Over 27,000 Ohio National Guard members have been called to federal service in support of overseas contingency and homeland security operations since September 11, 2001.

“The Hertz Leadership Award recognizes role-model leaders that challenge, encourage, and empower others to achieve performance excellence,” said Al Faber, President and CEO of the Baldrige Foundation. The award is being presented to Major General John C. Harris. “John is a role-model leader deeply committed to the Baldrige framework and embodies the Baldrige leadership principles,” said Faber.

“Over the years, I have participated in the Baldrige program through the Army Communities of Excellence Program,” said General Harris. “We use the Baldrige framework regularly to assess ourselves. It has become a part of our daily language; leaders at all levels of the organization understand it and employ the principles. We use a team approach to writing our application—an approach that allows us to bring mid-grade and junior leaders into the process to gain a deeper understanding of the principles to ensure that Baldrige is sustained by the next generation of leaders. We have been on the journey since 1999, and we are still gaining momentum.”



Harry S. Hertz (center), former Director of the Baldrige Performance Excellence Program, and Al Faber (left), President and CEO of the Foundation for the Malcolm Baldrige National Quality Award, welcome to the stage MG John C. Harris, Jr., the Adjutant General of Ohio, to present him with the 2023 Harry S. Hertz Leadership Award, April 4, 2023.



Al Faber, President and CEO of the Baldrige Foundation, Harry S. Hertz, former Director of the Baldrige Performance Excellence Program and inspiration for the Hertz Award, and Kay Eggleston, Board Chair of the Baldrige Foundation, present MG John C. Harris, Jr., the Adjutant General of Ohio, with the 2023 Harry S. Hertz Leadership Award, April 4, 2023.

“As military leaders,” Harris continued, “we often look at organizational performance through a short-term lens because our tenures as commanders and civilian managers are often limited to two or three years. As a result, we generally focus on what we can influence on our watch. Baldrige transcends that thinking and provides a framework that keeps leaders focused on the seven categories and “running the enterprise” as well as short-term results...the Baldrige Criteria are invaluable for senior leaders in order to avoid whiplashing organizations each time key leaders change.”

“Not only has he played a pivotal role in the Ohio National Guard’s application of Baldrige through the Department of Army’s Army Communities of Excellence program,” continued Faber, “General Harris was a Baldrige Executive Fellow and served as a Baldrige Examiner and a member of the national Baldrige Panel of Judges.”

“I firmly believe that our nation needs Baldrige to maintain a competitive edge in the global arena,” said Harris. “Our economy is an important aspect of national security and maintaining strong and competitive organizations in corporations as well as the nonprofit, government, and health care sectors is essential to our ability to continue all aspects of global leadership. Baldrige is the official national standard and should be embraced as such.”

Remarks on Accepting the 2023 Harry S. Hertz Leadership Award

MG John C. Harris, Jr.
The Adjutant General of Ohio

What an honor. I feel like this is an award show, so I'm going to talk until the music starts. We could be here for a while.

Let me begin by thanking you, Kay, the Foundation Board of Directors, the staff for the Foundation, Al Faber, Jerry Rees, Dr. Mark Wayda, and Josh Racette, wherever you went. Thank you all for this honor. Most importantly, for the man for whom this award is named, Harry Hertz, who sacrificed so much and just epitomizes what we hold so dear in the military. Those values of selflessness, and humility, and loyalty. It's such a great honor to have this award in your name, sir.

I think that you're emblematic of the people in this room. I'm not sure there's a place in this nation where we could assemble so many high performing individuals who come together to give so much. The contributions made by the people in this room are immeasurable.

And there is absolutely no way to put a price tag or a dollar sign on what it is that you contribute. So thank you for that and thank you because it's important to us as a nation.

I truly believe that if we don't take the time to see ourselves, to use the criteria to look at ourselves and improve ourselves, our nation loses its competitive advantage, whether that's economically, or information superiority, militarily, through our health care system, and our health outcomes. These are also critical to our future as a nation and our children's future and our children's children's future. So thank you. Thank you for your commitment. And you can count on me to continue to be a disciple as long as I have breath in my body.

Thank you very much.



MG John C. Harris, Jr., the Adjutant General of Ohio, accepts the 2023 Harry S. Hertz Leadership Award, April 4, 2023.



MG John C. Harris, Jr., the Adjutant General of Ohio (right) with Dr. Ken Cohen, Founding Sponsor of the Harry S. Hertz Leadership Award, April 4, 2023.

Baldrige Foundation Awards for Leadership Excellence



The Foundation presents recipients of the Foundation Award for Leadership Excellence with a sector-specific medal that is suspended on a ribbon matched to the color representing the sector. The award includes a lapel pin and framed certificate.

The Foundation Awards for Leadership Excellence recognize individuals who actively support the Baldrige Foundation and its mission to promote, grow, and fund the Baldrige Program in supporting organizational performance excellence throughout the world. Awards are presented to individuals working in health care, nonprofits, government, business, education, and cybersecurity.

“There are so many people doing such important work promoting the Baldrige Framework,” said Al Faber, President and CEO of the Baldrige Foundation. “Through their efforts to grow the Baldrige community, they help thousands

of organizations across the country to improve their performance.

The 2023 recipients of the Baldrige Foundation Awards for Leadership Excellence, represent key sectors of the U.S. economy. Honorees demonstrate the finest Baldrige leadership qualities, and work to ensure the continued viability of the Baldrige Program and the Baldrige Excellence Framework.

In Their Own Words

The 2023 awardees provide their thoughts on Baldrige and how it impacts their organizations and sectors.



HONORABLE ROBERT ADERHOLT • GOVERNMENT
Member of Congress from Alabama

From Al Faber, President and CEO of the Baldrige Foundation: “Congressman Aderholt is a member of the powerful House Committee on Appropriations, which has jurisdiction over funding the operation of the federal government. He has served as Ranking Member of the Subcommittee on Commerce, Justice and Science and supports greater transparency, accountability, and oversight to the appropriations process. He also serves as a member of the Agriculture and Rural Development Subcommittee and the Defense Subcommittee. An advocate of fiscal responsibility, truth in budgeting, and a federal government that operates within its means, Representative Aderholt tries to bring common-sense solutions to the Appropriations Committee. A staunch supporter of his community, district, and the state of Alabama, Aderholt believes the federal government serves a critical role in assisting state and local projects regarding economic development. He continues to support pro-growth initiatives that create jobs, and U.S. competitiveness in the global economy, which is central to the Baldrige, NIST, and Department of Commerce missions. Over the past several years, Congressman Aderholt has demonstrated strong support for the Baldrige Foundation and Baldrige Program.”



JAMES BARLOW • BUSINESS
Chief Executive Officer, BZI Steel

“I am deeply honored and humbled to receive the Baldrige Foundation Award for Leadership Excellence. Their unwavering commitment to continuous improvement and organizational performance excellence, stewardship, trust, and visionary leadership align with our values at BZI Steel. Our mission is to revolutionize the steel construction industry through innovation, team performance, and accelerated project delivery while setting new standards in safety and efficiency. Achieving this goal is only possible through the incredible leadership and commitment of every BZI team member, and I accept this award on their behalf.”



MARK L. BLAZEY • BUSINESS
President (retired) of Quantum
Performance Group, Inc., a
consulting company specializing in
training award examiners and working
with organizations in all sectors to
apply the Baldrige Criteria

“The Baldrige Criteria for Performance Excellence define what organizations of all types need to do to achieve superior performance. I have been fortunate to build a successful consulting business around the Baldrige Criteria and help leaders and examiners of state and national Baldrige-based quality awards understand and use the Criteria effectively. I am indebted to the Baldrige Program staff, and the many good friends, examiners, and practitioners who guided and supported me over the past 30 years, as well as the American Society for Quality for publishing more than 25 editions of my book *Insights to Performance Excellence: Understanding the Baldrige Criteria in Business, Education, and Health Care*. Organizations that use the Baldrige Criteria have helped establish the Criteria as the international standard for sustaining excellence. I am grateful and honored to receive the 2023 Baldrige Foundation Award for Leadership Excellence in Business.”



MICHAEL DANIEL •
CYBERSECURITY
President and CEO, Cyber
Threat Alliance

“I am honored to receive the Baldrige Foundation Leadership Excellence Award. Our national security, economic prosperity, and public safety depend on the digital world as much as the physical one, so the need for effective cybersecurity has never been greater. Yet, many organizations still treat cybersecurity as a technical problem to be solved with the right gadget, an approach that does not work. The Baldrige Performance Excellence Program’s tools, such as the Cybersecurity Excellence Builder, help leaders in companies, civil society, and governments change their thinking, enabling them to adopt policies, tools, and practices that transform cybersecurity into long-term risk to be managed. If leaders broadly adopt this mindset, then we can reap the benefits of a digital world while limiting its downsides.”



ERIK DECKER •
CYBERSECURITY
Vice President and Chief
Information Security Officer,
Intermountain Healthcare

“It is an extreme honor to receive the Baldrige Foundation Award for Leadership Excellence in Cybersecurity. Malcolm Baldrige said it best: ‘Success is finding something you really like to do and caring enough about it to do it well.’ The Baldrige Foundation is an inspiration to all leaders who have a passion to make the world a better place. Former National Cybersecurity Director, Chris Inglis, charged critical infrastructure leaders to construct our defenses in a way that our adversaries ‘have to beat all of us to beat one of us.’ I am humbled to carry one of the many torches to achieve these ends.”



RICHARD A. DERRICK • GOVERNMENT
City Manager/Chief Executive Officer, City of Henderson, Nevada

"I am thrilled and deeply honored to be recognized with a 2023 Baldrige Foundation Award for Leadership Excellence. As City Manager and Chief Executive Officer of the City of Henderson, the Baldrige principles have been a driving force in how I lead our organization. The Baldrige criteria emphasis on systematic approaches have helped breakdown department silos and moved the organization forward as a whole: Our City's 97 percent customer satisfaction score for quality of life is the highest in the nation for mid-to-large sized cities. The criteria are definitely moving the City forward in its vision 'To Be America's Premier Community!'"



KAREN S. EVANS • CYBERSECURITY
Managing Director, Cyber Readiness Institute

"I am so honored to receive the Baldrige Foundation Award for Leadership Excellence in Cybersecurity. Throughout my career, I have had the opportunity to work with outstanding people who are dedicated to making a difference by stepping up to the challenge of making our organizations more secure through leadership, education, and innovation. The Cyber Readiness Institute is focused on human behavior and working with the leadership of small and medium-sized businesses to create a culture that is cyber ready. In conjunction with the Baldrige Excellence Framework, with their Core Values and Concepts, leaders and their organizations will achieve results going forward and well into the future. I look forward to the 2023-2023 Framework's focus on risk management and supply chain resilience as this focus area is critical to the success of all organizations."



DAVID S. FINN, CISA, CISM, CRISC • CYBERSECURITY
Vice President, College of Healthcare Information Management Executives (CHIME)

"I am honored to be a recipient of this Award. The Baldrige Foundation is synonymous with Excellence. It seems easy to recognize excellence but defining and measuring it never is. I have had the pleasure and responsibility of serving the cause of cybersecurity for almost four decades—before we had the word. One factor that always distinguishes quality leadership, though, is consistency. Keeping eyes on the goal, not the annoyances and setbacks but where you are going. Regardless of sector or industry—details may change but the need for security has only grown over those decades. The vision can only be achieved with the individuals and teams that do the work, however. I am particularly grateful for the other leaders I have had the opportunity to work with, for, and alongside regardless of role or title."



DR. MICHAEL FLORES • EDUCATION
Chancellor, Alamo Colleges District

“At the Alamo Colleges District, we believe there is a leader in every seat. Creating an organizational culture where all employees and students can thrive begins with creating human-centered leaders who live our shared values—Students First, Community Engaged, Can Do Spirit, Respect for All, Collaboration, and Data Informed. By utilizing the education framework from the Baldrige Excellence Program, we can embrace our district-wide commitment to be best in class and move toward our district’s collective effort to empower our diverse communities for success.”



BRENDA GRANT • HEALTH CARE
Formerly Performance Excellence Coach, UPMC Western Maryland and Chief Strategy Officer, Charleston Area Medical Center Health System

“It is such an honor to receive the 2023 Baldrige Foundation Award for Leadership Excellence. Baldrige has been a significant and meaningful part of my career. I have had the privilege of experiencing first-hand how organizations improve when they embrace the Baldrige Framework. A real cultural shift occurs when every person in an organization understands how his or her day-to-day work can improve quality and achievement of the organization’s goals. Most recently, I have been privileged to work with Communities of Excellence, both as a participating community and then as faculty. I know that COE is a key driver of the change so needed in our communities today. A special thanks to my Baldrige family of friends who make this journey so gratifying and enjoyable!”



DEANNA HERWALD • BUSINESS
Vice President of Quality Management Systems, MidwayUSA

“Baldrige has been a critical piece of the MidwayUSA success story for the past 19 years. I have had the privilege of witnessing firsthand how an organization can be transformed when it fully commits to using Baldrige as the leadership and management framework for running their organization. I am honored and thankful to be recognized by the Baldrige Foundation as a recipient of the 2023 Baldrige Foundation Award for Leadership Excellence and am grateful for the opportunity to work with the extraordinary team at MidwayUSA that has made our success possible.”



WILLIAM H. KOSE, MD • HEALTH CARE
Vice President of Special Projects, Blanchard Valley Health System

“The Baldrige Framework prolonged my career. As a physician, my organizational and business training was essentially nonexistent. I led our medical practice group as a fire-fighter-anecdotally and reactively without good processes. When I assumed an administrative position as Chief Medical Officer with the Blanchard Valley Health System, my quality mentor, Paul Worstell, suggested studying the Baldrige program. The rest is history as our organization adopted the criteria. I encourage all leaders to begin the Journey of organizational excellence. It has been our True North of continual process improvement.”



SANGITA P. MALLIK • BUSINESS
Executive Vice President, SANPEC, Inc.

“On behalf of Team SANPEC and the infrastructure community, I am honored to receive the Baldrige Foundation Award for Leadership Excellence in Business. Leadership is a higher consciousness within, attuned with God’s vibration, that organizes internal parts to restore the light of truth and continuously evolves to sustain the greater good. The Baldrige community has provided us with unparalleled knowledge, skills, and resources to lead strategic change effectively and improve human dynamics and sustain performance excellence at all levels (leadership, strategy, customer, workforce, operation, results, knowledge management, and community) while innovating for grid resiliency challenges, driving innovation throughout the value chain, building an agile and responsible business, and improving the quality of life and sustainability goals. The power industry will play a critical role in developing a 21st century workforce and shaping the future of the United States. I look forward to uniting and aligning broader stakeholders toward the common good and helping them achieve winning organizational results.”



THERESA Z. MEADOWS. RN, MS • CYBERSECURITY
Senior Vice President and Chief Information Officer, Cook Children’s Health Care System

“I am honored to receive the Baldrige Foundation Award for Leadership Excellence in Cybersecurity. The threats and exploitations by cybercriminals continue to increase in health care institutions at an alarming rate. Health care needs strong frameworks, processes, resources, and financial support. Organizations need leaders who are resolutely focused on this enterprise risk, nimble enough to adjust to changes, and understand that cybersecurity is a patient safety issue. The Baldrige Excellence Framework helps to create leaders with such skills who can excel in today’s challenging environment.”



STEPHANIE NORLING • NONPROFIT
Executive Director, Communities of Excellence 2026

“Since 2013, Communities of Excellence 2026 (COE) has brought communities across the nation together to participate in a pilot program using the evidence-based Baldrige Framework. We are now seeing this proven and successful approach applied across community sectors to improve the experience of living, learning, working, and playing in communities across America. Recently, with the President’s signature, Community is now the seventh sector of the Malcolm Baldrige National Quality Award. Our partnership with the Baldrige Performance Excellence Program, the Alliance for Performance Excellence, and the Baldrige Foundation is a key reason for this new award sector and our success in communities.”



PHILIPPE SALAH • HEALTH CARE
Chief Executive Officer, DentalMonitoring

“It is an honor to receive the Baldrige Leadership Award, and I accept this accolade in tandem with my team at DentalMonitoring, of whom I have the privilege of working alongside. I am proud of the fact that our AI-powered platform and patented technology allow us to improve the quality of care, enabling practice optimization and growth while improving patient experience. Our organization succeeds because we have a shared goal that is bigger than any of us. To lead such an extraordinary team is to be a constant motor behind our vision of connected, smarter, and more sustainable orthodontic care.”



SUNIL SINHA • BUSINESS
Director, Tata International West Asia

“The Malcolm Baldrige National Quality Award provides Excellence impetus across the world. A diverse group like Tata adopted it as an Excellence Model three decades ago due to its non-prescriptive nature. It continues to serve Tata as an ‘Excellence Navigation System.’ Over time, it has changed the DNA of Tata to become globally competitive and helped develop a common vocabulary and measurement for excellence. Some companies across the world falter when they initiate the excellence journey simply with a view to win an award, and excellence then bleeds out of the organization after the award has been won.

The Baldrige system has immensely influenced my holistic outlook, leadership skills, and ability to diagnose the ‘Good – Bad – Ugly’ in the organization. I have learned that there is no shortcut to excellence. Once it starts, it is like a ‘race without a finish line.’”



TIM TUTER • EDUCATION
Executive Director, The Charter School of San Diego

“For nearly 20 years the Charter School of San Diego has embraced the Baldrige Excellence Framework as our guide toward high performance. Last year our school became the first education organization to receive the Baldrige Award twice, and now this year I am honored to accept the Baldrige Foundation’s Leadership Award. It is a joy to work at a place where every day we know the hard work and dedication of our staff is directly Transforming the Lives of students who need it most. Our Baldrige Journey is a big part of why our school has been so successful, and we look forward to continuing to make a positive impact in public education for our nation.”



LAURA VIACHES • BUSINESS
Associate Vice President - Market Access, Lilly USA, LLC

“I am honored to receive the Baldrige Foundation Award for Leadership Excellence in Business and am grateful for the lessons I have learned from other leaders and organizations on the Baldrige journey. No matter what the challenge is that I am facing, the Baldrige Criteria have been an essential leadership framework for me. Answering the questions on Leadership, Strategy, Customers, Measurement, Analysis & Knowledge Management, Workforce, Operations, and Results always provides me with an orientation point on where to begin each strategic challenge.”



JANET WAGNER • HEALTH CARE
CEO, Area CEO, Sutter Health South Bay Medical Centers

“Throughout my life and my professional career in healthcare as a Registered Nurse and CEO, I have been inspired by talented and caring people, passionate about learning and improving.

In health care I have always worked with professionals dedicated to improving the quality of life for patients and for our lives in general. As a CEO, I found the same passion, dedication, and commitment in working with the Baldrige professionals.

The Baldrige Foundation and the Baldrige Framework set the standard for excellence. Professionals on the Baldrige journey embody the passion and desire to bring out the BEST in our nation’s companies, schools, and communities. Baldrige leaders’ mentor, coach, and develop fellow leaders to achieve incredible outcomes and continue the quest for performance excellence.

I am honored to receive the Baldrige Foundation Award for Leadership Excellence.”

The Dr. Curt Reimann Baldrige Scholarship



“The Foundation Board of Directors established the Dr. Curt Reimann Baldrige Scholarship because the Directors understand that the sustainment of Baldrige also requires an investment in future generations of Baldrige scholars and practitioners. The Reimann Scholars are the future,” said Foundation President and CEO Al Faber. “Through the Dr. Curt Reimann Baldrige Scholarship, by attending Baldrige Examiner training, Reimann Scholars can learn about and ultimately integrate the concepts of the Baldrige Excellence Framework throughout their various career paths.”

THE 2023 DR. CURT REIMANN BALDRIGE SCHOLARS



LEWIS W. MARSHALL, JR.
Fulbright Scholar Specialist
Assistant Professor of Clinical Medicine
Weill Cornell Medicine

“When I think of leadership, what comes to mind is how do we help others to do the best that they can, achieve their career and personal goals, and provide excellent service to customers and the community. In order to accomplish this leadership imperative, we must understand our colleagues’ roles, needs, and future plans. Leadership does not just happen. We need to get there with intention. We hear about evidence-based medicine as our road to providing excellent care. Evidence-based leadership is how we get to our future and provide excellent leadership. The Baldrige performance excellence framework provides us with an opportunity to use evidence-based learning to achieve excellence in every organization.”



DR. KATHLEEN MOCO
Retail Team Manager at Swedish Match North America, and School Board Member, Fraser Public Schools

“The Baldrige Framework is an exceptional tool for business and community leaders who want to identify organizational gaps and improve their organization’s and community’s overall results. I appreciate that leaders can incorporate the framework into any size organization from any sector. While working with Communities of Excellence 2026 last year, I was impressed at how the applicants used the Baldrige Framework to improve society. I am looking forward to using my Baldrige training to continue to serve as an Examiner and to integrate the Baldrige Framework into the organization for which I work and the community in which I live.”

Do You Really Want Employees to Stay?

by Harry Hertz, Baldrige Performance Excellence Program
National Institute of Standards and Technology



The factors affecting employee engagement have changed dramatically over the last few years. In consideration of off-site employees returning to the office/work site, baby boomers retiring in growing numbers, and the increasingly younger workforce, I was interested in exploring what the key drivers of employee engagement are today. As I frequently do when I examine a topic, I have based my conclusions on several large-scale surveys, the recent literature, and my own conversations with leaders and employees.

While I have drawn information from numerous sources, the most influential were:

- “13 Employee Engagement Trends for 2022” by Darshana Dutta of Vantage Circle (Vantage) (<https://blog.vantagecircle.com/employee-engagement-trends/>);
- “5 Culture Trends for 2023” based on the 2023

Global Culture Study performed by O.C. Tanner Institute (Tanner) (https://www.octanner.com/insights/articles/2022/9/29/5_culture_trends_for_2023.html);

- Five Ways to Strengthen the Employee-Employer Relationship in 2023 by Ally MacDonald in *MIT Sloan Management Review (SMR)* (<https://sloanreview.mit.edu/article/five-ways-to-strengthen-the-employee-employer-relationship-in-2023/>);
- “Coordinating Hybrid Work Schedules—5 Important Findings” by Jim Harter, Ben Wigert, and Sangeeta Agrawal of Gallup (Gallup) (<https://www.gallup.com/workplace/401738/coordinating-hybrid-work-schedules-5-important-findings.aspx>); and
- *Hybrid Work: Making It Fit with Your Diversity, Equity, and Inclusion Strategy* by Bonnie Dowling, Drew Goldstein, Michael Park, and Holly Price in *McKinsey Quarterly* (McKinsey) (<https://www.mckinsey.com/>)

capabilities/people-and-organizational-performance/our-insights/hybrid-work-making-it-fit-with-your-diversity-equity-and-inclusion-strategy).

Introduction

The Baldrige Program's 2023-2024 Baldrige Excellence Framework® (<https://www.nist.gov/baldrige/publications/baldrige-excellence-framework>) defines workforce engagement as "the extent of workforce members' emotional and intellectual commitment to accomplishing your organization's work, mission, and vision." Furthermore, "workforce members feel engaged when they find personal meaning and motivation in their work and receive interpersonal and workplace support." In this column, I will explore the key drivers impacting workforce motivation and support in today's environment.

Let me start with some data. According to a Gartner study in late 2021 (<https://www.gartner.com/en/articles/great-resignation-or-not-money-won-t-fix-all-your-talent-problems>), the rate of employee turnover is forecast to be 50-75 percent higher than companies have experienced in the past. Furthermore, 65 percent of employees are reconsidering the role of work in their lives, and only one-third are considering opportunities in their existing organization as offering the solution to their work-life balance. As SMR points out, everyone in the work system is hurting. CEOs are hurting because employees are not eager to return to work and are leaving in great numbers. Middle managers feel that pressures on them are growing and that no one is paying attention to their needs. And individual workforce members are hurt that they are not trusted to do their work remotely.

Given the current state of disequilibrium and flux, organizations have a unique opportunity to reconsider their work environment. What should change and what should be retained? How do organizations establish an organizational norm and culture conducive to engagement and success?

I will explore these questions below in terms of the principal drivers of employee engagement looking forward, the implications for managers, and the role of senior leaders.

Hybrid Work—the Key Driver

After looking over numerous studies and having many conversations, I concluded that the overwhelming driver of employee engagement is the ability to perform hybrid or remote work. According to LinkedIn via chartr (<https://>

www.chartr.co/newsletters/2022-11-30), in October–November 2022, 50 percent of job applications on LinkedIn were for remote-work positions, but remote-work postings made up only 15 percent of the listings on LinkedIn's site. According to Gallup, for employees with remote-capable jobs, 90 percent prefer some degree of long-term remote opportunities, and nearly 80 percent expect this from their employer going forward. According to Vantage reports on studies conducted by Flexjob and Deloitte, 75 percent of workers report that they have greater productivity at home. They encounter fewer distractions (74 percent), less stress from commuting (71 percent), and fewer negative experiences with office politics (65 percent). Vantage also shared that 62 percent of millennials are willing to switch to gig economy work in the next two years.



For employees who prefer hybrid work, 71 percent say they would look for a new job if hybrid work became unavailable at their current job, according to McKinsey. Younger employees (18–34 years old) are 59 percent more likely to leave than older ones (55–64 years old). Reasons employees cite for the desire for hybrid work include health, family, and work-life balance.

There has been a recent tug between employers who want employees back in the office and employees who want to either work remotely or have hybrid work options. On February 4, 2023, The Washington Post (<https://www.washingtonpost.com/business/2023/02/04/return-to-office-occupancy-status/>) reported that office occupancy had reached 50.4 percent of pre-pandemic levels. Experts believe this is where the new norm will settle. Allowing team-based decisions on which days to be in the office in a hybrid model is proving to be the most satisfactory approach for employees and employers.

Gallup explored the experiences of 8,090 hybrid workers in a study published in November 2022. Among the Gallup study participants, one-third of the employees are on-site one day per week; one-third, two to three days per week; and one-third, four days per week. Only 12 percent of the hybrid workers reported that they want to spend four or five days on-site in a typical week. Fridays are the most popular day for remote work. And the biggest employee mood shift takes place from Sunday to Monday. This shift is the largest Gallup has seen in its historical tracking of this indicator. Tuesdays through Thursdays are, therefore, the most popular days to be in the office.

Among the Gallup study findings, employee engagement is the highest for hybrid employees working on-site two to three days per week. Requiring a fixed number of days per week on-site lowers employee engagement. Employees with flexibility regarding which days they are in the office are more likely to believe their organization cares about them and less likely to look for other employment. An extraordinarily high percentage of hybrid employees (46 percent) are engaged at work if their team determines their hybrid work policy. However, only 13 percent of employees say their team has that opportunity.



The Other Four Major Drivers

I have identified four additional major drivers and three significant drivers. They are not mutually exclusive, as will be demonstrated through the descriptions below.

A Sense of Belonging

My first question when exploring employees' sense of belonging was, What factors cause a person to gain a sense of belonging in their organization? Indeed, what makes an employee consider it their organization? There appear to be four main

components of belonging: mutual respect, a sense of trust, transparency in information sharing, and team collaboration.

Team building/team collaboration is the most challenging component in today's hybrid environment. Half of the respondents in McKinsey's survey of 1,345 respondents across North America, Europe, and Australia said building stronger teams was very important. Techniques for building stronger teams include creating buddy systems and coaching employees through effective conflict resolution. A focus needs to be placed on opportunities for introducing and integrating new team members, especially in a hybrid environment. Team events help team building, as well. However, these events are tricky to plan. Employees are very protective of their "non-work" hours. And managers need to be sensitive to travel times, dietary restrictions, feelings about alcohol, timing of events within the workday, accessibility needs, and types of activities that won't discriminate against any members of the team.

To achieve mutual respect and trust, team members should be encouraged to get to know each other, sharing how they like to interact/communicate and their individual work styles. Managers and leaders have to model genuine concern for the well-being of all employees and encourage the employees to do the same for their colleagues. Each employee needs to be appreciated for their unique talents and background. According to Douglas Ready, a senior lecturer at MIT Sloan, a fundamental loss of trust causes previously committed and engaged employees to leave the organization because it is no longer the organization they joined.

Transparency in information sharing means celebrating successes and sharing the status of the organization with employees—both the good news and the bad. Transparency requires two-way communication and feedback to employees/colleagues on input they provide.

According to data reported by Tanner, 72 percent of employees say it's important to feel they are part of a community at work, and one of the top reasons employees quit is that they don't feel a sense of belonging at work (51 percent). Organizations with a strong sense of community at work see a 62 percent higher level of employee tenure and a 58 percent lower probability of employees looking for a new job.

Flexibility

Flexibility allows employees control over when, where, and how they do their work to the maximum extent possible—including flexible hours and work-from-home policies. To

most employees, flexibility is about supporting work-life balance—including extended parental and sick leave, opportunities to pursue personal interests, and recognizing all family care-giving and other non-work responsibilities. Flexibility means allowing employees to take time off without guilt or pressure.

According to McKinsey, 59 percent of employees rank work-life support as the top inclusion practice for hybrid working models. Furthermore, Vantage states that 28 percent of employees rank a lack of work-life balance as their top reason for leaving a job.



Inclusion

According to Vantage, companies in the top quartile for racial and ethnic diversity are 35 percent more likely to have financial returns that are above the median for their sector. But achieving racial and ethnic diversity is only a good start. The Baldrige Excellence Framework considers diversity more fully, including “many variables, such as race, religion, color, gender, national origin, disability, sexual orientation, age and generation, education, geographic origin, and skill characteristics, as well as ideas, thinking, learning styles, academic disciplines, and perspectives.”

A truly just culture requires not just diversity, but also equity and inclusion—embracing the ideas, and supporting and enabling all employees to reach their full potential. In an inclusive organization, employees can bring their authentic selves to work and know they will be appreciated for their unique perspectives and contributions. Inclusion is the binding force that results in greater innovation, higher employee engagement, and higher organizational performance.

As people return to the on-site workplace, organizations should examine unintended biases in their culture and office

etiquette and establish new norms. As Allison Shapira stated in an HBR post (<https://hbr.org/2022/09/the-new-rules-of-work-clothes>), starting with examining how office dress codes should change, we can explore with employees all the old rules of office etiquette and rout out old biases.

According to the McKinsey study, an inclusive culture creates a distinct competitive advantage, with the following results:

- 47 percent increased likelihood of employees staying with the organization
- 90 percent greater likelihood of employees helping a colleague
- 7x higher likelihood that employees will say their organization is high-performing

A Sense of Purpose

Following the pandemic and societal issues of the last few years, employees are reexamining their purpose for working. Millennials, in particular, want to make a difference in the work they do. According to Tanner, 83 percent of employees say that “finding meaning in day-to-day work” is a top priority for them, and 69 percent would change jobs for more fulfillment. Currently, nearly one in three employees do not find their work fulfilling.

It behooves organizations to seek a meaningful purpose and communicate to employees how their work contributes to that purpose. According to a LinkedIn guide on organizational purpose (<https://business.linkedin.com/content/dam/me/business/en-us/talent-solutions/resources/pdfs/Practical-Guide-to-Purpose-at-Work.pdf>), “the most admired companies are finding success at the intersection of profit and purpose.” According to LinkedIn, purpose-driven professionals

- are 30 percent more likely to be high performers,
- have 11 percent longer tenure,
- are 50 percent more likely to be in leadership positions, and
- are 47 percent more likely to be promoters of their employers.

The Three Significant Drivers

Opportunity for Growth

Employees want a job with the opportunity for ongoing career progression. According to Vantage, Gen Xers and Gen Zers won’t consider a job where their growth would be stagnant. They want an environment where they can learn, grow, and advance. Learning, development, and mentoring programs are important engagement factors.

According to Vantage, 47 percent of higher-educated workers and 43 percent of all employees say that a limited career path could get them to leave for a better opportunity.

Aligned with the opportunity for growth is the desire for challenging and exciting work. Vantage states that employees may stay without challenging work, but they will not be fully engaged.

Benefits

Employees want more flexibility in their benefits. They want options that fit their lifestyle and family responsibilities.

According to Vantage, millennials are already the largest part of the workforce. In the next year, they will comprise half of the workforce and by 2030, three-fourths. Millennials (and others) want diverse choices in their benefits. Point systems, where they can choose up to a certain number of points, are ideal.

Other perks favored by millennials include free snacks, free breakfast, paid fitness club memberships, and abundant vacation time.

Rewards and Recognition

While rewards and recognition are an engagement factor, they are less important than many others (discussed above). Compensation should provide a living wage and be at least comparable to that of similar jobs in the geographic area.

That said, employees still enjoy celebrations. Organizations should continue to look for opportunities to celebrate successes, large and small, and recognize employees who contributed.

Among the reasons people leave a job, the least important among the employee engagement factors examined was receiving recognition for contributions (27 percent), according to Vantage. This number is still significant and should not be ignored.

Implications for Managers

Life has never been more challenging for managers than it is now. Employees want greater empowerment after their experiences of the last few years, yet they need more support than ever. And it must be the right kind of support delivered in the right way for each employee.

It is no surprise that managers are feeling burned out. According to Tanner, only one in three managers are now

emotionally engaged at work, having experienced the highest drop in engagement over the last year. Managers are members of the group of “quiet quitters.”

I therefore thought it good to start by looking at what organizations and their leaders should do for managers before discussing what employees would like from their managers. According to Tanner, 61 percent of managers report having more responsibilities at work compared to before the pandemic. Responsibilities include hiring and training new employees, adapting policies as pandemic rules changed, and assigning and scheduling work with employees in flux. This increase in responsibilities has caused a higher likelihood of anxiety (+21 percent), increasing the chances of burnout (+520 percent), and worsening odds of engagement by 51 percent.



Just like employees, managers must be treated with respect, empathy, and care. In a time when employee mobility is high, managers need to be rewarded by senior leaders for encouraging employee mobility that leads to advancement or new skills within the organization, even if it means the employee will leave that manager’s team (see HBR post by Helen Tupper and Sarah Ellis) (<https://hbr.org/2022/07/its-time-to-reimagine-employee-retention>). Finally, many of the considerations described below that employees want from managers, managers also want from senior leaders.

The basic role of the manager has not changed; it is to ensure that the work of their team or work unit gets accomplished. However, how the manager achieves that goal has changed significantly. As always, the manager is there to support their colleagues in achieving work unit success. But the last few years have heightened some elements of that support and added new ones. Drawing on

the work of McKinsey, SMR, and Raghu Krishnamoorthy in an HBR blog posting) (<https://hbr.org/2022/10/what-great-remote-managers-do-differently>), here are key elements of the support desired by employees today:

- Don't micro-manage employees, micro-understand work and their needs. Micro-understanding includes clearing pathways for the employee to accomplish their work, removing stumbling blocks and checking-in regularly without a heavy-handed checking-on the employee's progress. Ask them to voice concerns, stresses, and successes.
- Coach employees to allow their ongoing personal development and success at work. Recognize their individual passions and aspirations.
- Be sensitive to family, health, and other important outside demands on the employees. Inquire and show empathy at the level the employee appreciates; don't pry into their personal lives.
- Make sure everyone in the work unit is regularly updated on priorities. Be sensitive to communicating equally well with on-site and hybrid or remote employees.
- Empower employees to call team meetings when team cooperation, team problem solving, or team flexibility is needed.
- Resolve potential conflicts before they escalate. Be sensitive, once again, to the different work environments and access of on-site and hybrid or remote employees.
- Be equitable and inclusive of all employees in your interactions. Help them feel valued and contributors to a larger organizational purpose.
- Provide a mechanism for all employees to give you honest feedback and let them know how you will act on the feedback. Consider using a group survey tool like Are We Making Progress? (<https://www.nist.gov/baldrige/self-assessing/improvement-tools/are-we-making-progress>) to get periodic group feedback.
- Encourage cooperative work and learning among on-site, hybrid, and remote employees. Encourage them to get to know each other, their preferred working styles, and their preferred communication styles.
- Provide a forum for mutual celebration of successes and sharing of personal updates.

None of these desires are new, but they take on new dimensions in a blended work environment.

Implications for Leaders

Set organizational priorities. Be available. Communicate with transparency. Role model desired behaviors. Be

sensitive to the needs of employees and managers. Be passionate about the organization's work and compassionate to employees. Hold your fellow leaders accountable for their behaviors. Establish and share an organizational purpose that goes beyond the financial. Provide the resources employees need to do their work. Set metrics that align with your organization's purpose, strategy, and employees' work. Trust managers, onsite employees, and hybrid/remote employees to accomplish their work. Show personal appreciation for their efforts and successes.

These behaviors are simply stated, are not new, but are more challenging in the blended environment. Organizations that succeed in setting the right blended environment can see dramatic competitive success.

One final set of data from Vantage for leaders to consider relates to use of social media to transmit messages. An employee gets 561 percent more engagement on a message shared on social media than when the employer shares the message. An employee has 10 times more social media followers than their employer. And, according to a 2017 study, 41 percent of job seekers rate employee reviews higher than any other source.

A Final Word

In the recently published 2023-2024 Baldrige Excellence Framework® (<https://www.nist.gov/baldrige/publications/baldrige-excellence-framework/businessnonprofit>), key success factors and critical issues facing today's organizations are woven throughout the Criteria for Performance Excellence®. Among those concepts, the following benefit from and are closely aligned with a highly engaged hybrid workforce:

- Agility, resilience, and transformation
- Workforce retention
- Innovation
- Diversity, equity, inclusion, and accessibility
- Societal contributions

There are many ways to use the Baldrige Program's product offerings for self-assessment at all levels of an organization. Please consider this blog as a source of encouragement for taking a quick look at how your organization, its managers, and its senior leaders are doing at setting an environment for high performance through employee engagement.



2023 Baldrige Program Year in Review



by Bob Fangmeyer
Director, Baldrige Performance Excellence Program

“Change—we cannot run from it. Rather, we must be prepared for it, run toward it, and find or create valuable opportunities from it. And that is just what we are going to do.”

BALDRIGE REIMAGINED

As 2023 broke over the horizon, within the Baldrige Performance Excellence Program (BPEP) and across the nationwide Baldrige community there was a sense of excitement and anticipation, mixed with a healthy dose of uncertainty. The 2023–2024 version of the Baldrige Excellence Framework had just been released, we were about to select the 13th cohort of Baldrige Executive Fellows, planning and preparation for the 34th Quest for Excellence[®] was in full swing, and we were in the early stages of a comprehensive external review—change was in the air. As 2023 was coming to a close, BPEP began rolling out transformational changes to the Baldrige Award process with the release of a streamlined and tailored set of award criteria to be utilized with a completely revamped award process. What happened in between was a story of organizational learning, a focus on success and innovation, agility and resilience, customer-focused excellence, as well as stakeholder engagement, change management, and a lot of hard work.

Organizational Learning

Organizational learning includes continuous improvement of existing approaches, the adoption of best practices and innovations, and significant, discontinuous change or innovation, leading to new goals, approaches, products, and markets. [Excerpt from the 2023-2024 Baldrige Excellence Framework]

For 36 years, BPEP has had an enduring purpose and mission of improving the

performance and long-term success of businesses and other organizations by recognizing role models and fostering the adoption of proven leadership, management, and operational practices. Of course, the leadership, management, and operational practices that organizations need to achieve long-term success have evolved significantly since BPEP's inception.

To address the ever-changing needs, expectations, and challenges that businesses and other organizations face, the content of BPEP's offerings and how those are delivered have been evolving, too. Over our program's history, many product and process changes have been realized because we regularly review and improve our core offerings, including the Baldrige Excellence Framework and Criteria for Performance Excellence, the Baldrige Award evaluation process and related Baldrige examiner training, and educational offerings such as the Quest for Excellence[®] Conference. We have also sought and developed innovative offerings that have become highly valued by our customers and other stakeholders, such as the Baldrige Excellence Builder, the Cybersecurity Excellence Builder, the Job Quality Toolkit, and the Baldrige Executive Fellows Program.

Of course, we also believe and promote that a great way for any organization to stimulate improvement and innovation is to get an independent, external assessment. Therefore, we felt fortunate to receive such an opportunity with the external review of BPEP that began in November 2022 and was completed at the end of May 2023. We

BALDRIGE PERFORMANCE EXCELLENCE PROGRAM



were especially pleased that the comprehensive review built on existing insights and improvement efforts and incorporated additional input from all of our key stakeholder groups, including—of key importance—current, former, and potential award applicants, other customers, and all corners of the Baldrige Enterprise.

We were also pleased that BPEP’s external review was a collaborative effort. We worked closely with the competitively selected contractor, Rios Partners, as well as communicating regularly with leaders of our parent organizations, the National Institute of Standards and Technology (NIST) and the Department of Commerce, to ensure understanding of our program’s unique role and value to our nationwide community of customers, volunteers, key partners, and other stakeholders.

Focus on Success and Innovation

Ensuring your organization’s success now and in the future requires an understanding of the short- and longer-term factors that affect your organization and its environment. It requires the ability to drive organizational innovation. It also requires the agility to modify plans, processes, and relationships whenever circumstances warrant, which may entail business transformation. [Excerpt from the 2023-2024 Baldrige Excellence Framework]

The purpose of the external review was to seek opportunities to enhance the breadth and depth of BPEP’s reach and increase its impact on the nation. The final report organized the recommendations into four big challenges:

1. **Enhance Relevancy:** To significantly increase reach and impact, it must be readily apparent to all potential customers and other stakeholders that Baldrige offers something important to them, their organizations, and the nation as a whole.
2. **Transform the Baldrige Award:** To significantly increase the number and type of organizations that participate in the award process, applicants must be confident that the value received far exceeds the time, effort, and money it costs to participate.
3. **Simplify and enhance the accessibility of other offerings:** Similar to the award process, other products and services would have more reach and impact with simplification, improved accessibility, and increased use of technology.
4. **Strengthen partnerships:** Reach and impact can also be enhanced by strengthening our larger ecosystem—strategically incorporating new partners and collaborators and enhancing the alignment and coordination across the Baldrige Enterprise.





BALDRIGE PERFORMANCE EXCELLENCE PROGRAM

“As we reviewed research on organizational resilience, we confirmed a very strong overlap between the drivers and enablers of resilience and those of performance excellence. Frankly, this was not a surprise, as resilience is one of the core values and concepts woven throughout the Baldrige Excellence Framework.”

In response to the recommendations, we developed a comprehensive proposal addressing all four challenges, prioritizing the first two. In brief, for the first three months, we would better align the program and the award with areas of need and strengthen partnership and collaboration within NIST and DOC; and over the first 12 months, we would streamline and simplify all aspects of the award process, increase opportunities for recognition, stand up the revised process, and recruit well-known industry-leading businesses and other organizations to participate. These are top priorities, but as time and other resources allow, we will be turning our attention to our other offerings and our larger ecosystem. The proposal was approved by NIST and DOC on June 12th, and on June 13th, we went from “reimagining” to “recreating.”

Area of Need: Resilience and Long-Term Success

Success in today’s ever-changing, globally competitive environment demands agility and organizational resilience. For an organization to be resilient, leaders must cultivate the agility to anticipate opportunities and threats, adapt strategy to changing circumstances, and have robust governance with a culture of trust. Agility and resilience can also be achieved through

your business ecosystem, in which collaborations, strategic partnerships, or alliances might offer complementary core competencies that allow rapid response to disruptions, entry into new markets, or a rethinking of customer offerings in a larger context. [Excerpt from the 2023-2024 Baldrige Excellence Framework]

The increasing frequency of regional, national, and global disruptions—whether technological, geopolitical, related to innovations and other market changes, climate-related, or within supply chains—has put the health, education, and economic vitality of communities across the nation at risk, impacting the economy and national security. As a result, our nation today needs ecosystems that can withstand frequent disruption, and that is only possible if the organizations that are a part of the ecosystem can achieve and sustain high performance for the long term despite various disruptions. In other words, we need resilient organizations.

Although definitions of resilience vary, most people would probably say that resilience means being able to bounce back following some kind of disruption. Yet that definition depends on the assumptions that significant disruptions are few and far between and that bouncing back to a prior state is sufficient to ensure an organization’s survival and success. In today’s world, however, neither of those assumptions are reliable. In light of this, we are leaning into a more proactive perspective, defining organizational resilience as being ready and able to adapt, innovate, and thrive in an ever-changing, dynamic environment.

As we reviewed research on organizational resilience, we confirmed a very strong overlap between the drivers and enablers of resilience and those of performance excellence. Frankly, this was not a surprise, as resilience is one of the core values and concepts woven throughout the Baldrige Excellence Framework. Further, the alignment validates what we have seen and heard from past Baldrige Award recipients. That is, resilience and long-term success are outcomes of striving for excellence. Therefore, the work organizations have been doing to leverage the Baldrige framework has been and will continue to be helpful to their efforts to improve and achieve resilient, long-term success, and



Leadership of the Baldrige Enterprise, from left, Al Faber, President and CEO of the Foundation for the Malcolm Baldrige National Quality Award, Brian Lassiter, Chair of the Alliance for Performance Excellence, and Robert Fangmeyer, Director of the Baldrige Performance Excellence Program, at the 34th Quest for Excellence®, April 4, 2023.

the framework will remain the foundation for the award and our other offerings.

Given all the above, we made the decision to focus the award on identifying role models of resilience and long-term success. It is important to note that these organizations will still be role models of excellence—as seen through the lens of resilience and long-term success.

Transformation of the Baldrige Award Process

Customer-focused excellence is a strategic concept. It is directed toward customer acquisition, retention and loyalty, stronger brand recognition, market share gain, and growth. It demands constant sensitivity to changing and emerging customer and market requirements and to the factors that drive customer engagement. It demands close attention to the voice of the customer. It demands anticipating

changes in the marketplace. Therefore, customer-focused excellence demands a customer-focused culture and organizational agility. [Excerpt from the 2023-2024 Baldrige Excellence Framework]

To create more potential value for organizations that participate in the Baldrige Award process, we are enhancing and expanding recognition opportunities related to the Baldrige Award. We will now provide public recognition to organizations that qualify for site visits (if they agree to accept it); those organizations will now be identified as award finalists. We also will provide new recognitions for finalists that are having significant impact in areas of importance to their organizations, their key stakeholders, and the nation at large. This will not be a separate process. Rather, it will be incorporated into the award evaluation. We are exploring a standardized set of potential recognitions, and we also plan to allow for



BALDRIGE PERFORMANCE EXCELLENCE PROGRAM

Baldrige examiners and judges to identify unique areas of impact for a given organization. The special recognitions provided each year will not exceed two or three per organization.

The other way to increase value is to lower the total cost of participation. Therefore, we have streamlined and simplified the process from start to finish, lowering as many barriers as far as possible, while still ensuring appropriate rigor and integrity. The changes start with an over-arching paradigm shift—the award process will focus on its primary purpose of identifying role models, rather than providing a full, organization-wide assessment against every question in the Baldrige framework.

Focusing on only what is necessary to identify role models permits a level of simplification and streamlining that would not have been possible otherwise, and includes the following:

- Tailored set of streamlined award criteria derived from the content and concepts found in the Baldrige Excellence Framework and research on organizational resilience
- Simplified evaluation process that begins with evaluating performance results, allowing those results to be an initial indicator of the strength of key processes and systems
- Reduction in the award criteria questions requiring responses in the application from approximately 200 to around 50
- An online award application interface that eliminates the need to carefully craft and format an application document
- Simplified evaluation rubric with three levels and across three dimensions designed to discern whether an organization is demonstrating potential role-model performance rather than where they are on the full continuum of possible performance levels
- Simplified hybrid site visits that focus on verifying performance results, evaluating the key processes and systems that drove those results, and exploring various role-model characteristics
- A simplified and more transparent evaluation report that will clearly articulate how the applicant performed against the award criteria and evaluation factors, and why.



Robert Fangmeyer, Director of the Baldrige Performance Excellence Program (left) moderates a panel on innovation with the leaders of Baldrige Award winning organizations, from left to right, Scott McIntyre, CEO of Guidehouse, Mary Bixby, Founder, President and CEO of the Charter School of San Diego, Gerry Agnes, President and CEO of Elevations Credit Union, Malisha Patel, CEO of Memorial Hermann Sugar Land Hospital, and Janet Grondin, CEO of Stellar Solutions. April 3, 2023.



The impact from all of these changes is an estimated 50-75% reduction in overall effort for applicant organizations and examiners, as well as an estimated 30% reduction in total fees when compared to 2019 fees.

“The purpose of the external review was to seek opportunities to enhance the breadth and depth of BPEP’s reach and increase its impact on the nation.”

Where Are We and What Is Next?

Since last summer, the Baldrige Program staff has been working in highly focused project teams to bring about all of these transformational changes. The staff teams have incorporated various stakeholders at key points in the design and development of the changes, and we appreciate those volunteers’ valuable input.

As of this writing, the new award application is open, and a variety of organizations have begun answering the questions and submitting eligibility information. The 2024 Board of Examiners has been selected, and the completely revamped examiner training is just kicking off. Examiner training ends the last week of March, award applications are due April 2, Quest for Excellence takes place April 7–10, examiner teams are formed starting April 11, and the application review phase of the Baldrige Award process starts April 23. Hybrid site visits are slated to occur from July 22 through August 1, though planning and preparation will start immediately after the judges meeting on June 19. Following site visits, the judges will review all the information generated by the examiner teams and then meet the week of September 9th to determine which applicants should be recommended to the Secretary of Commerce as the 2024 Baldrige Award recipients.



Gina M. Raimondo is the 40th U.S. Secretary of Commerce and was sworn in by Vice President Kamala Harris on March 3, 2021.

As the revised award process is rolled out, we recognize that Baldrige examiners and others who have been highly involved in the past may initially feel a bit overwhelmed with the changes. Fortunately, we also know that Baldrige practitioners especially recognize that change—even transformational change—is increasingly necessary for every organization’s long-term success. As I said at the close of the Quest Conference last year: “Change—we cannot run from it. Rather, we must be prepared for it, run toward it, and find or create valuable opportunities from it. And that is just what we are going to do.” I believe we have done so, and I am exceedingly grateful for all those who have contributed and made this possible, from Department of Commerce and NIST leadership and Baldrige staff members, to our many wonderful partners, collaborators, and volunteers in the Baldrige community. It is their dedication and support that enables BPEP to be ready and able to adapt, innovate, and thrive in an ever-changing, dynamic environment.

Cybersecurity Framework 2.0 Expands Scope and Adds Focus on Governance

by Dawn Bailey, Baldrige Performance Excellence Program
National Institute of Standards and Technology



Since 2014, the NIST Cybersecurity Framework (<https://www.nist.gov/cyberframework>) has been used by organizations to reduce cybersecurity risks. In 2016 (with a revision in 2019), the Baldrige Performance Excellence Program published a companion, self-improvement tool, Baldrige Cybersecurity Excellence Builder (BCEB) (<https://www.nist.gov/baldrige/products-services/baldrige-cybersecurity-initiative#builder>), to help organizations better understand the effectiveness of their cybersecurity risk management efforts and identify improvement opportunities in the context of their overall organizational performance. The self-assessment tool blended organizational assessment approaches from the Baldrige Program with the concepts and principles of the NIST Cybersecurity Framework.

Baldrige Cybersecurity Excellence Builder

One of the most common questions we receive regarding the BCEB is how it works with the NIST Cybersecurity Framework. While more information can be found online (<https://www.nist.gov/baldrige/products-services/baldrige-cybersecurity-initiative>), here is the short answer (from the blog “How Does Baldrige Cyber Work with the NIST Cybersecurity Framework?”) (<https://www.nist.gov/blogs/blogrige/how-does-baldrige-cyber-work-nist-cyber-framework>).

The NIST Cybersecurity Framework assembles and organizes standards, guidelines, and practices that are working effectively in many organizations. It also includes



informative references that are common across critical infrastructure sectors. You are encouraged to customize these based on business drivers to maximize their value to your organization. The BCEB helps with this customization by asking about your organizational characteristics and environment. The BCEB also helps you understand the effectiveness and efficiency of your cybersecurity approaches, as well as the quality of your cybersecurity-related results.

Notably, the BCEB helps an organization determine whether it is obtaining effective and efficient results from cybersecurity initiatives, including those enacted based on the NIST Cybersecurity Framework outcomes.

Draft of the NIST Cybersecurity Framework 2.0

After reviewing more than a year's worth of community feedback, NIST has recently released a draft of the *NIST Cybersecurity Framework 2.0* (CSF 2.0) (<https://ow.ly/7Pjn50QA17b>), noting that there was widespread agreement that changes were warranted to address current and future cybersecurity challenges and to make it easier for organizations to use the framework. The update is intended to ensure that organizations can take steps to address those challenges and apply the Cybersecurity Framework to all types of technology environments, including cloud, mobile, and Artificial Intelligence systems. It also provides new guidance on how to use the Cybersecurity Framework in coordination with other frameworks, such as the Privacy Framework and Enterprise Risk Management guidance, to address technology risks broadly.

According to NIST, the draft CSF 2.0 reflects several major changes:

1. An expanded scope to provide cybersecurity protection for organizations of all sizes and across all industries
2. The addition of a "Govern" function to the pillars of a successful and holistic cybersecurity program. "Govern" represents the sixth function, along with "Identify," "Protect," "Detect," "Respond," and "Recover." (Note: Governance is a key area in the Baldridge Excellence Framework®. For example, item 1.2, Governance and Societal Contributions, asks how an organization ensures responsible governance and how a governance system reviews and achieves accountability for senior leaders' actions, fiscal accountability, and succession planning, among other considerations).
3. Additional guidance on implementing CSF 2.0, including how to create profiles based on the framework

NIST is accepting public comments on the draft until November 4, 2023. Specifically, NIST is seeking feedback on whether the draft addresses organizations' current and anticipated future cybersecurity challenges, is aligned with leading practices and guidance resources, and reflects comments received so far.

Publication

NIST expects the final version of CSF 2.0 to be published in early 2024. The Baldridge Program intends to update the BCEB accordingly and release BCEB 2.0 in 2024, as well. The Baldridge Program encourages organizations to explore using the NIST Cybersecurity Framework and BCEB together to understand the effectiveness of their cybersecurity risk management efforts.



Charting a Brighter American Future: The Case for a U.S. Office of Strategic Foresight

by Robin Champ, Kara Cunzeman, and Suzette Brooks Masters

Amid rapid global and domestic change, nations need to adopt proactive approaches to governance and decision-making to navigate geopolitical uncertainties, demographic shifts, and technological advancements. The absence of such dedicated mechanisms for anticipatory governance across the U.S. government poses significant challenges to national resilience and strategic advantage. That is why the time is now to equip the U.S. government with robust strategic foresight capacities to enhance its resilience, adaptability, and ability to lead and innovate through change.

Below you will find the Federal Foresight Advocacy Alliance's case advocating for the creation of a U.S. Office of Strategic Foresight. This imperative aligns with the Baldrige Framework's focus on advancing performance excellence and resilience in organizations across various sectors, including the federal government. At the heart of this mission lies the recognition that resilience is not just about recovering from adversity but about proactively anticipating and preparing for a range of possible future challenges.

To underscore its support for this effort and to elevate the role of strategic foresight as a linchpin for organizational resilience in the 21st century, Baldrige Foundation's President and CEO, Al Faber, serves on the Board of Advisors for the Federal Foresight Advocacy Alliance.

"At the heart of our mission at the Baldrige Foundation lies a commitment to advancing performance excellence and resilience across all sectors, including the federal government," remarked Al Faber, President and CEO of

the Baldrige Foundation. "The Department of Commerce, the National Institute of Standards and Technology, and the Baldrige Performance Excellence Program recently announced the results of an extensive external review of the Malcolm Baldrige National Quality Award and launched the 2024 award cycle. The redesigned award program features a streamlined, results-focused evaluation process using a tailored set of new Baldrige Award criteria derived from the literature on organizational resilience and the Baldrige Excellence Framework®.

"Resilience goes beyond mere recovery," Faber continued. "It necessitates proactive anticipation and preparation for future challenges. The Federal Foresight Advocacy Alliance's effort to establish an Office of Strategic Foresight aligns perfectly with this vision."



"Resilience goes beyond mere recovery. It necessitates proactive anticipation and preparation for future challenges. The Federal Foresight Advocacy Alliance's effort to establish an Office of Strategic Foresight aligns perfectly with this vision."

THE CASE FOR A U.S. OFFICE OF STRATEGIC FORESIGHT

Executive Summary

Geopolitical uncertainties, demographic and technological shifts, extreme environmental events, access to critical resources, and rapidly shifting paradigms make the establishment of a U.S. Office of Strategic Foresight imperative for national resilience and strategic advantage. This office would support an integrated whole-of-government approach to foreign and domestic strategy, policy formulation, and implementation in order to prepare the country to address its most significant future challenges and opportunities.

The absence of such a centralized foresight entity within the federal government poses a formidable threat to the nation's capacity to navigate emergent challenges and capitalize on opportunities. Moreover, the failure to integrate foresight¹ into a national strategy formulation process is a critical vulnerability, leaving the United States reacting to the near-term and status quo, instead of proactively paving a brighter future for the nation.

Without dedicated mechanisms for anticipatory governance, such as foresight-informed decision-making, the consideration of multiple future scenarios, and a focus on the longer term, the U.S. risks falling behind global peers and adversaries alike who have embraced strategic foresight as a linchpin for charting a future course amid uncertainty and accelerating change.

The benefits of establishing a U.S. Office of Strategic Foresight are profound, promising early identification of emerging threats and opportunities, improved policy and strategy formulation, heightened adaptability, and the cultivation of a long-term thinking culture.² Drawing inspiration from successful models in Canada, Finland, and the European Union, the proposed U.S. Office of Strategic Foresight would serve as an essential catalyst for anticipation, innovation, resilience, prosperity, and global competitiveness.

Now is the time to fortify the nation's capacity to navigate complexity and uncertainty, enhance decision-making, and secure a future that aligns strategy formulation and implementation to state-of-the-art approaches in strategic foresight methodologies.

“Across the government, there were failures of imagination, policy, capabilities, and management. The most important failure was one of imagination.”

9/11 Commission Report³

1. The Goal: Creating a U.S. Office of Strategic Foresight

Against the backdrop of a rapidly changing and tumultuous 21st century landscape, the Federal Foresight Advocacy Alliance (FFAA) champions the establishment of a dedicated U.S. Office of Strategic Foresight, potentially housed within the Office of Management and Budget (OMB) or created as a new office elsewhere within the Executive Branch. Longer term, the ambition is the establishment of a Cabinet-level Department of Strategic Foresight and/or the appointment of a National Foresight Advisor, both endowed with adequate funding, staffing, authority, and clear legal mandates.

Ideally, this culture of preparedness, anticipation, and imagination would permeate other branches of government and civil society more broadly: the United States Congress would incorporate foresight practices into its decision-making and the interagency, local and state governments, educational systems, academia, and the private sector would also see adoption of strategic foresight.

This bold vision is rooted in the urgent need for proactive 21st century governance. The proposed office would spearhead the development, deployment, and use of strategic foresight across the U.S. government, ensuring that federal officials at the highest levels are integrating alternative futures and anticipatory methods into strategy development and strategic decision-making processes. Crucially, this office, whether located within OMB or established as a standalone entity, would need to be appropriately funded to enable its pivotal role.

¹ OMB Circular No. A-11, part 6, Page 21 of Section 200. <https://www.whitehouse.gov/wp-content/uploads/2018/06/s200.pdf>

² Kara Cunzeman and Robin Dickey. “Project North Star: Strategic Foresight for National Grand Strategy.” *The Aerospace Corporation*. July 6, 2023. <https://csp.aerospace.org/papers/project-north-star-strategic-foresight-us-grand-strategy>

³ The 9/11 Commission Report, page 14. https://govinfo.library.unt.edu/911/report/911Report_Exec.pdf



Positioned as a strategic vanguard, the proposed office recognizes the inherent uncertainty of the future, systematically examines alternative scenarios, and prepares for potential disruptions. This proactive stance seeks to shield the nation from being blindsided, promote thinking ahead in order to manage and to lead through change, and outpace adversaries. The office aspires to illuminate new future possibilities that will ignite imagination, innovation, and ideas that can build a better future for Americans. By transcending the immediate time horizon, it will ensure that strategy development and implementation, as well as policy making, serve both America's current and long-view interests and aspirations.

What is Strategic Foresight?

Strategic foresight is a disciplined approach to exploring a range of possible futures that can help decision-makers better navigate uncertainty.

In the context of a strategic planning best practice, foresight is generally characterized as insight into how and why the future might be different from the present. Foresight practices include environmental scanning, trend analysis, and scenario-based planning, and other methods to engage individuals in thinking about the long-range future. While foresight is often considered as the "act of looking forward" so as to plan for the future, it is not the same as forecasting, which seeks to make statements or assertions about future events based on quantitative and qualitative analysis and modeling.

Foresight is recognized as a best practice in crafting and implementation of national strategy by OMB Circular A-11⁴.

2. Problem Statement

As a nation, we can significantly improve our ability to make critical futures-ready decisions in an increasingly complex and quickly evolving global landscape. The absence of a dedicated U.S. Office of Strategic Foresight puts the United States' capacity to proactively address emerging threats and opportunities at risk. Below are several challenges such an office could address:

- **Absence of an Integrated National Strategy.** There are currently no requirements, mechanisms, or incentives for the U.S. to develop its collective long-view aspirations

and associated strategy, taking into account both foreign and domestic interests, and integrate them into a long-view plan that will deliver a better future for the American people. Moreover, currently there is no focal point within the U.S. Government that is tasked with taking the public's pulse on its visions for the future, nor with articulating a preferred vision or visions for America's future beyond the next electoral cycle.

- **Global Competitive Disadvantage.** The U.S. lags behind peers such as Canada, Finland, and the European Union in adopting strategic foresight as a linchpin for national resilience and policy leadership. The competitive disadvantage arises from the absence of a centralized, well-funded office dedicated to strategic foresight, impacting the adoption of foresight skills among government personnel and hindering coordinated foresight practice across branches, agencies, and key stakeholders. The U.S.' size, power, and geographic advantages no longer insulate it from risks arising from the rapid pace of change and emerging transnational issues.
- **Lack of Foresight-Informed Strategy and Decision-making.** Today, national strategy development and subsequent strategies, such as the national security strategy, national defense strategy, national cyber security strategy, etc., do not sufficiently incorporate foresight into their formulation and implementation, despite OMB Circular A-11, Part 6, citing foresight as a strategic planning best practice. The absence of dedicated mechanisms for anticipatory governance hinders the U.S. from making informed decisions based on a comprehensive understanding of multiple future scenarios. Without the link between foresight and strategy, we are putting our nation at risk of failing to identify unforeseen risks and opportunities and to proactively adjust our course based on these insights.
- **Inadequate Dedicated Foresight Leadership.** The absence of a dedicated federal office results in a fragmented and inconsistent approach to strategic foresight. While some pockets within the U.S. government practice anticipatory and strategic foresight thinking, it is not embedded at the highest policy making levels, leading to a lack of coordination, consistency, and continuity in foresight practice across government.
- **Stove-piped Information and Authorities.** The U.S. Government is not structured to handle complex, interconnected issues at speed and relies on decision structures designed to address a more linear, predictable world that no longer exists. Although pockets of strategic foresight practice exist, there is no single office that

⁴ <https://www.whitehouse.gov/wp-content/uploads/2018/06/a11.pdf>

can assess benefits and risks of emerging issues and approaches for the American people across all agencies and issue areas, and benchmark them to the nation's vision of the future.

- **Short-Term Focus.** Decision-making tends to be responsive and reactive, and often impacted by election cycles and political volatility. There is inadequate focus on the long-term. By carving out resources to both solve today's problems, as well as invest in future-focused activities, we can address short-term issues while preparing for long-term uncertainty in a proactive fashion.
- **Lack of Diverse Perspectives in Decision-making.** The limited cross-disciplinary collaboration and lack of diverse perspectives hinders our ability to imagine, inspire, and innovate. Strategy fit for the 21st century requires pooling a wider set of perspectives from across the public and private sectors, and members of the public, and collaboration on new, innovative solutions that leverages that breadth and depth of expertise.
- **Reactive, Not Proactive.** The current reactive approach to strategic planning leaves the nation in a perpetual state of catch-up. Recent global events, such as natural disasters and geopolitical conflicts, underscore the urgency of shifting towards proactive strategies followed by effective implementation.
- **Insufficient Preparedness for Uncertainties.** The unpredictable nature of the contemporary world demands a higher degree of preparedness, adaptability, and resilience. The absence of a dedicated foresight office means the government and society lack a systematic mechanism for navigating uncertainties, leaving them vulnerable to unexpected developments.
- **Missed Opportunities for Innovation.** Without a centralized hub for strategic foresight, the nation risks missing opportunities for innovation and growth. A U.S. Office of Strategic Foresight would serve as a catalyst for identifying and capitalizing on emerging opportunities, ensuring the United States remains competitive on the world stage.
- **No Incentives to Drive Modernization of Decision-making.** Programs and leaders are incentivized to stick to short term outcomes and results, and status quo programming. Establishing a funded office with authority to drive change into the interagency and federal workforce will be required to modernize decision-making.
- **Inability to Adequately Prioritize Long-Term Investments.** The absence of a long-term foresight-informed strategy makes it difficult to prioritize investments, including discontinuing some of them, and align initiatives to achieve long-term national interests.

In summary, the establishment of a U.S. Office of Strategic Foresight is imperative to address current challenges and inadequacies in strategic planning and management, and effectively navigate a rapidly evolving domestic and global landscape.

3. The Benefits of a U.S. Office of Strategic Foresight

The establishment of a U.S. Office of Strategic Foresight offers a multitude of compelling benefits crucial to navigating the domestic and foreign policy complexities of our contemporary global landscape. Key benefits include:

- **Early Identification of Emerging Opportunities and Threats.** A dedicated U.S. Office of Strategic Foresight would act as a vigilant sentinel, systematically monitoring and analyzing emerging trends across all domains, foreign and domestic. By identifying early signals of change, potential disruptions, and innovative opportunities, the office would empower policymakers with foresight, allowing a whole-of-government approach to proactively address challenges before they escalate and capitalize on emerging opportunities ahead of competitors. This early identification is essential in a world where the pace of change is accelerating, providing a crucial advantage in strategic planning.
- **Improved Strategy and Policy Formulation.** The U.S. Office of Strategic Foresight would serve as an invaluable resource for policymakers by providing them with comprehensive insights into the changing global and domestic environment and the potential futures they could hold. The office will also be responsible for coordinating and developing an integrated national strategy, helping translate insights from foresight into key policy and investment decisions that can help best posture the nation through a more integrated and future-forward approach. By synthesizing information from diverse experts and utilizing cutting-edge analytical tools, the office would facilitate a more informed and strategic approach to policy formulation and implementation. Decision-makers would have access to a holistic understanding of potential outcomes, enabling them to craft policies that are not only effective in the short-term but also aligned with long-term national objectives.
- **Enhanced Adaptability and Resilience in the Face of Uncertainty.** In an era marked by unpredictability, the U.S. Office of Strategic Foresight would play a pivotal role in enhancing the nation's adaptability and resilience. By systematically exploring a range of future possibilities, the office would equip the government, businesses, and



society with the knowledge and flexibility needed to navigate uncertainties effectively. This heightened level of preparedness would reduce vulnerabilities and increase the country's ability to respond resiliently to unforeseen challenges, ensuring a more robust and adaptive national framework.

- **Facilitation of Cross-Disciplinary Collaboration.** The office would create a neutral platform for experts from diverse fields to collaborate and pool their insights. This cross-disciplinary collaboration would lead to a more comprehensive understanding of the complex dynamics shaping the future. By leveraging expertise across a wide variety of subject matter areas such as economics, technology, geopolitics, and environmental sciences, the office would generate holistic perspectives that go beyond the limitations of individual sectors, fostering innovation and informed decision-making.
- **Cultivation of a Long-Term Thinking Culture.** Establishing a U.S. Office of Strategic Foresight would instill and promote a culture of long-term thinking within the government. By steering policies away from short-term fixes and emphasizing durable solutions, the office would contribute to the development of sustainable strategies aligned with the nation's overarching objectives. This cultural shift is essential for fostering strategic planning and management that transcends immediate challenges, ensuring the United States remains adaptable and competitive in a rapidly evolving global landscape.
- **Global Competitiveness and Innovation.** The office would position the United States as a global leader in anticipating and shaping its future. By identifying emerging opportunities and potential weak points in national systems, the nation would be better positioned to capitalize on emerging innovative capabilities, fostering economic growth and maintaining a competitive edge on the world stage. The foresight-driven innovation would contribute to the country's global leadership in key sectors, ensuring its continued relevance and influence.

Creating the U.S. Office of Strategic Foresight will equip the United States with the tools and insights necessary to shape a better, more secure future for the nation and its citizens, today and in the future.

4. Comparative Analysis: The U.S. Significantly Lags its Peers

At this time of uncertainty, flux and rapid change, it's critical for the U.S. government to create a forward-looking dedicated office and the capacities to mitigate risk, promote adaptability and resilience, anticipate trends and disruptions, seize opportunities, stress test current approaches and assumptions, take the longer view, and proactively align policy around shared aspirations for the nation.⁵

While pockets exist within the U.S. government where this type of anticipatory and strategic foresight thinking is practiced rigorously and has seen measurable success in longitudinal studies,⁶ more typically in agencies dedicated to national security, it is neither supported nor embedded within U.S. policy making circles at the highest levels nor is it implemented in a holistic way across the entirety of the government.⁷ The absence of a comprehensive national approach places the U.S. at a competitive disadvantage with its peers and adversaries, hindering the nation's ability to anticipate emerging challenges (particularly those that fall outside of national security agency purview) and to lead responsibly and purposefully into the future, while addressing inevitable short-term crises along the way.

The U.S. lags peer nations in strategic foresight skill adoption among government personnel, and in assuring coordination, consistency, and continuity in anticipatory foresight practice and strategy development across its branches and agencies and within its executive offices. This is a critical competitive disadvantage that could imperil the U.S.' policy leadership in the future.

Several nations and governing entities are in the vanguard, including Canada, Finland, and the European Union, as well as Singapore and the United Arab Emirates, in recognizing the paramount importance of strategic foresight in governance, policy making, innovation and preparedness, and are leading in implementing its use by their governments. While there are a range of design options for such offices and leadership roles, these foresight pioneers typically have established dedicated offices or units, expanded the mandates of existing roles, and institutionalized use of strategic foresight as an integral part of strategy and policy formulation across all their government agencies. In addition, some have ensured that these capacities exist in all branches

⁵ Peter Scoblic, Strategic Foresight in U.S. Agencies. New America. December 2021.

<https://www.newamerica.org/future-security/reports/strategic-foresight-in-us-agencies/>

⁶ Notably, a decades-long effort in foresight by the U.S. Coast Guard's Project Evergreen improved their strategy and preparedness. <https://www.uscg.mil/portals/0/Strategy/Report%20Evergreen%20I.pdf>

⁷ Many of those practitioners are members of a network called the Federal Foresight Community of Interest (ffcoi.org)

of government, not just the executive branch. We highlight a few of these best-in-class examples below.⁸

Canada

Canada has long prioritized planning and strategy. Policy Horizons Canada (PHC) is the heart of its foresight capability, with a staff of more than 30 and a mandate⁹ to assist the Canadian government in developing future-oriented policy and programs that will be robust and resilient in the face of disruptive change and to align those policies with achievement of shared goals for Canadian society. PHC works across different agencies within the Canadian government, engages in strategic foresight research, and trains government officials in the use of foresight skills. It also reports to the Privy/Cabinet Office, giving it a direct line to the Prime Minister. By engaging in horizon scanning, scenario planning, and other foresight methodologies, PHC has helped policymakers develop a nuanced understanding of complex and evolving issues and equipped government leaders to respond strategically to unforeseen challenges, enhancing the nation's resilience in an ever-changing global landscape.

Finland

Finland has a very developed foresight infrastructure¹⁰ across all its government branches and civil society, pairing a strong Strategic Foresight Unit in the Prime Minister's Office with dedicated capacity in Parliament, as well as strong links to innovation and futures-oriented institutions outside government. Regularly, and before elections, the executive branch is required to issue a Government Report on the Future¹¹ to Parliament that sets a long-term strategy. This report's preparation is used to focus on future national priorities and to engage agencies across the government as part of a whole-of-government effort to set a collective future course. Parliament's Committee for the Future¹² must approve the report and use it to shape priorities for the next term and produce its own futures reports on key issues. Each executive branch agency must produce futures reports to inform government policy.

The European Union

In recognition of the dramatic disruptions caused by climate change, digital technology, and geopolitics, the European Commission (EC) has launched an initiative¹³

to embed strategic foresight into its policy development work. The EC's Vice President leads the overall effort, with the EC's Secretariat-General and Joint Research Centre in charge of implementation. The EC's Strategic Foresight Network ensures long-term policy coordination between all Directorates-General, works with international partners, and draws on EC Member States' public foresight capabilities through the European Union (EU) Foresight Network. This collaborative approach has yielded tangible benefits in terms of policy coherence, enhanced coordination, and improved responsiveness to emerging challenges. In addition, the European Strategy and Policy Analysis System (ESPAS) works across nine EU institutions and bodies, including the European Parliament and the European Commission, to think longer term about the challenges and opportunities facing Europe.

In conclusion, designing and establishing a U.S. Office of Strategic Foresight will build on the experiences of other nations and organizations, ensuring its maximal effectiveness in navigating the complexities of the future. As the United States considers the creation of such an office, drawing inspiration from these successful models can serve as a roadmap for building a more resilient, adaptive, and future-oriented governance framework.

Specifically, it is important for the new office to elevate and centralize the use of foresight in policy and strategy at the highest levels, to promote the use of foresight in all its agencies and provide necessary training for government personnel, and to coordinate and convene high level agency designated representatives regularly to assure that domestic and international strategy development, implementation, and policy making benefit from the rigorous analysis of possible futures and maximal stakeholder engagement.

5. The New Office's Operational Structure and Functions

The U.S. Office of Strategic Foresight should be designed to efficiently fulfill its mission through a well-organized structure. At the helm is the **Director**, providing overall leadership, strategic direction, and coordination, supported by the **Deputy Director**, who oversees daily operations, communicates the value proposition, collaborates with external stakeholders, and manages specific functional areas

⁸ School of International Futures report for the UK government, May 2021. <https://assets.publishing.service.gov.uk/media/609aa43ae90e07357baa8324/effective-systemic-foresight-governments-case-studies.pdf>

⁹ <https://horizons.service.canada.ca/en/about-us/index.shtml>

¹⁰ <https://vnk.fi/en/foresight>

¹¹ <https://vnk.fi/en/foresight/government-report-on-the-future>

¹² <https://www.eduskunta.fi/EN/valiokunnat/tulevaisuusvaliokunta/Pages/default.aspx>

¹³ https://commission.europa.eu/strategy-and-policy/strategic-planning/strategic-foresight_en



to achieve tangible results. It is recommended that the Director have a term duration that reduces the possibility of partisan preference during administration changes and mitigates the potential for politicization of the office. For example, this leadership model could be similar to that of the Internal Revenue Service, which rotates commissioners every five years, or another appropriate time period.

Several Functional Units would form the backbone of the office, each with a distinct role. The **Horizon Scanning Unit** engages in continuous monitoring of emerging trends, technologies, and global developments. **Analysis and Research Units**, composed of experts in diverse fields, contribute their insights on economics, technology, geopolitics, and environmental sciences. The **Synthesis, Scenario Planning, and Insight Unit** is dedicated to employing best-in-class foresight methodologies to explore and develop plausible future scenarios and assess their implications. The **Integrated National Strategy Support Unit** would be composed of strategy and foresight professionals who coordinate all stakeholders in the development of an integrated national strategy, and help translate it into tangible policy and investment decisions. They work with the audit function to measure and ensure milestone objectives of the long-view strategy are met over time. The **Training and Education Unit** focuses on enhancing foresight capabilities across government agencies, while the **Insight Dissemination and Communications Unit** communicates foresight findings, insights, and recommendations to relevant stakeholders.

Collaborative Platforms that allow for both interagency and broader public and private sector collaboration play a crucial role in facilitating information sharing, ideation, and coordination. **Interagency Coordination** mechanisms are established to collaborate with various government agencies, and an **External Advisory Board** engages experts from academia, industry, and civil society to provide external perspectives and insights and drive collaborative ideation.

To address specific needs, **Regional or Issue-Specific Teams** may be formed, concentrating on particular regions, industries, or thematic areas. Staffing for the office is envisioned to comprise a multidisciplinary team, including futurists, strategists, economists, technologists, geopolitical analysts, environmental scientists, systems thinking experts, data scientists, and professional facilitators. Recruitment strategies prioritize individuals with a strong track record in foresight methodologies, analytical skills, and strategic thinking.

Funding is a critical component, requiring a dedicated budget for effective functioning. This budget, allocated through the federal budgeting process, covers initial setup costs and ongoing operational expenses, including personnel salaries, technology, analytical tools, training programs, collaborative initiatives, and public outreach efforts.

The **Key Functions** of the U.S. Office of Strategic Foresight are outlined to guide its activities. **Horizon Scanning** involves continuous monitoring, advanced data analytics, and engagement with external experts. **Synthesis, Scenario Planning, and Insight Development** includes extensive workshops, collaboration with subject matter experts, and analysis of potential impacts. **Integrated National Strategy Development** requires robust collaboration across all U.S. government agencies through the guided development of a foresight-informed national strategy, to include developing vision, long-view goals, and identification of tangible policy and investment milestones to ensure continual progress towards the nations preferred futures. **Training and Education** focuses on developing programs and certification resources to enhance foresight capabilities, while **Insight Dissemination and Communications** involves publishing reports, organizing events, and collaborating with media outlets.

The overarching goal of **Collaboration and Interagency Coordination** is to foster collaboration with government agencies and external stakeholders, achieved through the establishment of interagency working groups, information-sharing platforms, and engagement with external advisory boards and international counterparts. Lastly, **Research and Analysis** involves conducting in-depth analysis, undertaking research projects, producing reports, and providing expert analysis upon request from government agencies.

Further, each federal agency shall have a Chief Foresight Officer, who is dual-hatted as the Chief Strategy Officer, as outlined in OMB Circular A-11, Part 6. These Chief Foresight Officers will form the Interagency Foresight Coordination Group, which will be chaired and convened by the U.S. Office of Strategic Foresight.

Through this comprehensive organizational structure and the execution of key functions, the U.S. Office of Strategic Foresight aims to contribute to proactive decision-making, enhance strategic management across the government, increase national resilience, and navigate the challenges and opportunities presented by an ever-evolving global landscape.

6. Recommendations

To advance the establishment of the U.S. Office of Strategic Foresight, action must be taken urgently on a number of fronts:

- An **executive order and/or legislative action** is needed to create the new office. Even if an executive order is issued, legislative support is paramount to secure the legal foundation, longevity, and proper resourcing. This should include modifications to the Government Performance and Results Act Modernization Act (GPRAMA) and OMB Circular A-11, Part 6.
- The office should be legally designated with responsibility to coordinate, develop, and assess a **whole-of-government Futures Strategy** that is foresight-informed.
- **The office must be adequately resourced.** Resources are needed both for the initial setup and ongoing operational expenses of the foresight office. Leadership appointment comes next, urging the prompt selection of a director and deputy director who can provide strong and visionary leadership.
- **A comprehensive planning process will be required.** A dedicated planning task force, which includes a diverse set of foresight and strategy experts, should be charged with the office's design and operationalization. This task force would conduct thorough planning, requirements assessment, and draft a detailed roadmap for the establishment and operationalization of the office.
- **Engage key stakeholders**, including policymakers, government agencies, experts, and the public. This inclusive stakeholder engagement process is crucial for garnering broad support, incorporating diverse perspectives, and fostering transparency in the establishment process for the office.
- **Ensure an understanding of Strategic Foresight.** As outlined in OMB Circular A-11, foresight is different from forecasting. Without properly educating policy makers and the public of this critical difference, there could be misinterpretation of the office's work products and their implications.
- The U.S. Office of Strategic Foresight should **employ public-private partnerships**, and leverage best-in class talent from the private sector and academia to bolster its capabilities. Establishing rotational positions between industry and the office, as well as requiring rotation within the interagency to the office, would draw on industry best practices and new thinking on an ongoing basis to assure continuous innovation. Contractor support should be competitively re-bid on a regular basis to reduce idea stagnation and remove outdated processes.
- Finally, a **formal certification process** for both strategy professionals and foresight professionals also needs to be established. For example, the International Association for Strategy Professionals (IASP) provides certification for Strategy Planning Professionals (SPP) and Strategy Management Professionals (SMP). A separate industry-wide or government-developed foresight certification needs to be created to ensure federal government professionals have the appropriate foresight skills.

By embracing foresight methodologies, the United States government can proactively navigate the complexities of the future, enhance national resilience, and position the United States as a leader on the global stage. The time for action is now, and the establishment of the U.S. Office of Strategic Foresight is critical to secure a better and more resilient future for the nation.

About FFAA

The Federal Foresight Advocacy Alliance (FFAA) is a collective endeavor of foresight and strategy professionals dedicated to enhancing the strategic posture of the United States through championing the establishment of a U.S. Office of Strategic Foresight.

FFAA's board of advisors includes the following individuals:

- Robin Champ, LBL Strategies*, Co-Chair
- Kara Cunzeman, The Aerospace Corporation*, Co-Chair
- Suzette Brooks Masters, Democracy Funders Network*, Co-Chair
- James-Christian Blockwood, Partnership for Public Service*
- Maria Bothwell, Toffler Associates*
- Al Faber, Baldrige Foundation*
- Brian David Johnson, Arizona State University*
- Karthick Ramakrishnan, University of California at Riverside & School of International
- Futures*
- Peter Scoblic, Event Horizon Strategies*
- Ari Wallach, Longpath*

*For identification purposes only. The views expressed in this document are made in our individual capacities only and do not represent the views of the organizations listed.

Acknowledgments

We thank the following individuals for reviewing and providing feedback on this document: Peter Bishop, James-Christian Blockwood, Maria Bothwell, Joseph C. Cyrulik, Al Faber, Nils Gilman, Sharaelle Grzesiak, Brian David Johnson, Eric Popiel, Karthick Ramakrishnan, Randall Rollinson, Peter Scoblic, and Ari Wallach.

For more information

Contact foresight@ffaa-us.org
© February 2024

Baldrige Economic Impact: #BaldrigeForGrowth



The Malcolm Baldrige National Quality Award was born of the quality crisis in American manufacturing in the 1970s and the 1980s. Manufacturers in Germany, Japan, South Korea, and others of America's competitors had gained market share due to their reputations for high-quality products. American manufacturing was slipping.

Many of America's competitors had also developed quality award systems and prizes, like the Deming Prize in Japan. Within the Mac Baldrige Department of Commerce and elsewhere, people began to consider whether such a solution could also work for American businesses.

It was widely believed that American companies needed to refocus on quality. Following the death of Secretary Baldrige

“The impact of the Program has been amazing. The Baldrige Award process alone generates an estimated \$1 billion a year in benefits to the applicants of the award and their customers. It does this through cost savings for companies that use the criteria, gains to U.S. customers who have access to higher quality products and services, and gains from the improved use of valuable resources.” – Wilbur Ross, U.S. Secretary of Commerce

in 1987, there was a new Congressional impetus behind some proposals along this line that had stalled in Congress.

The Malcolm Baldrige National Quality Award emerged from the broad consensus among policymakers to recognize

the late Secretary and continue his work. It would be the prize that would motivate companies to undertake the Baldrige challenge and refocus on quality.

While the prize may motivate some organizations to begin their Baldrige journey, it has become apparent over more than 30 years of experience with the Baldrige Excellence Framework that the true payoff comes from the journey. The leaders of virtually every Baldrige Award recipient organization say that very same thing, that it is the improvement in performance from undertaking the Baldrige journey that is the real prize.

“We have always had a passion for customer satisfaction, continuous improvement, our industry, and our way of life. But Baldrige helps us serve customers better than we ever imagined. We are truly thankful for this gift of Baldrige to America.” – Matt Fleming, President, MidwayUSA

Assessing the economic impact of the Baldrige Performance Excellence Program over 35 years means that assessing the improvements in profits, reductions in costs, enhancement of customer and employee satisfaction, higher levels of employment, and other benefits achieved by the Baldrige Award recipients. But that assessment will yield only a small percentage of the total value generated for the American economy. Such an assessment will fail to capture the gains achieved by the hundreds of organizations on the journey that have not yet, or may never, win a Baldrige Award or one of the state-level Baldrige-based awards.

The total value generated by the Baldrige Enterprise derives from three distinct sources. The first and most obvious is the actual process and performance changes of the organizations employing the Baldrige Framework. Over the years, BPEP has collected data from the Baldrige Award recipient organizations, and their gains are impressive. The Bureaus of Economic Analysis and Labor Statistics report that organizations that have twice won the Baldrige Award demonstrate a stunning 92.6 percent increase in median revenue growth in the period between winning their awards; job growth at 2.5 percent, nearly 20 times greater than matched industries; and growth in the number of business sites of 84 percent.

As an example, 2021 Baldrige Award winner MidwayUSA, only the second organization to be a three-time winner, has demonstrated consistent, sector-leading economic performance over the 15 or more years since it adopted

“The economic environment is difficult for Cargill Corn Milling, as it is difficult for many manufacturing companies today. But the reality is that by utilizing the processes and tools that we have learned from Baldrige we are able to not only meet these challenges but actually excel in them. The Baldrige Criteria teach us how to put processes in place that allow us to actualize the things that are most important in driving our business success.” – Alan Willits, President, Cargill Corn Milling

the Baldrige management and leadership principles. “We (MidwayUSA) have been one of the fastest growing companies in our industry over the past 12 years at 17 percent average annual growth, growing at almost double the average industry growth rate of 9 percent. 2009 to 2020 represents a 225 percent increase in customers, 268 percent increase in sales, 510 percent increase in net income with only a 101 percent increase in employees.”

The second source of value is the performance excellence multiplier of the Baldrige Award. One of the commitments made by Baldrige Award recipient organizations is that they will share their best practices and serve as role models for other organizations. George Benson, then-Chair of the Baldrige Foundation Board of Directors, explained that impact in his introduction to the Baldrige Award ceremony in 2016.

“The purpose of the awards we present today is not just to reward these top-performing organizations. From the beginning, the Baldrige Criteria and the Baldrige Awards were designed to trigger transformational chain reactions that would yield a stronger, more competitive economy and a better quality of life for the people of this country.”

“The Baldrige Criteria challenged us to become leaders by any measure, and we succeeded—seeing productivity, customer loyalty, employee engagement, and financial returns. This award sets the standard for U.S. organizations, driving innovation and economic competitiveness.” – Sam Liang, CEO and President, MEDRAD, Inc.

“In simple terms, these organizations used the Baldrige Criteria to assess repeatedly their performance and deploy improvements until they achieved role-model status. Then we, in our own organizations, learn from them and repeatedly assess and improve our performance. That, in turn, motivates our competitors, our collaborators, our suppliers, and our customers to improve their performances, and so forth.”



“I cannot think of a better way to verify the sustainability of a business model than using the [Malcolm Baldrige National Quality Award] process to confirm that your founding business principles continue to be the foundation upon which you grow.” – Michael Luker, President, Cargill Kitchen Solutions (formerly Sunny Fresh Foods, Inc.)

“A very crucial step in that chain reaction is the identification of role models, living and breathing organizations that we can relate to, can communicate with, and therefore can learn from.”

The third source of value is the vast army of highly-trained volunteers that donate thousands of hours of consulting and teaching to organizations on the Baldrige journey. These are the examiners and judges for the Baldrige Performance Excellence Program at the national level and for the state and local Baldrige-based programs. The estimate of the cash-value equivalent for management consulting by the volunteer Baldrige examiners in 2018 was more than \$37 million.

There have been some efforts to quantify the total economic impact of the Baldrige Enterprise. U.S. Secretary of Commerce Wilbur Ross said in April 2017, that the Baldrige public-private partnership generates \$1 billion each year in economic impact. In 2011, economists Albert Link of the University of North Carolina at Greensboro and John Scott at Dartmouth College, calculated that the benefit to cost ratio of the Baldrige Performance Excellence Program was 820 to one—

that is, each dollar invested spent to keep BPEP operational results in \$820 of economic benefit.

Some of the specific company-level improvements driven by Baldrige include the following:

- Lockheed Martin Missiles and Fire Control realized cost savings of \$225 million annually through process and performance improvement programs driven by their Baldrige assessment, and attained a leading market share and sustained growth in the four years leading to their receipt of the Baldrige Award in 2012.
- MEDRAD, a business of Bayer HealthCare, achieved revenue increases from \$120 million in 1997 to \$625 million in 2009.
- Since 1999, Sunny Fresh Foods (Now Cargill Kitchen Solutions) experienced rapid growth: three plants grew to five, revenue increased 93 percent, and Sunny Fresh became a net exporter of talent to its parent company.
- At Honeywell Federal Manufacturing & Technologies, customer satisfaction exceeded 95 percent, and customer product quality and reliability reached 99.9 percent for traditional customers, and 99 percent for non-traditional customers.
- The Bama Companies, Inc., increased sales by 72 percent and grew revenue from \$123 to \$211 from 1999 to 2004.

The evidence proves that Baldrige is America’s best investment. #BaldrigeforGrowth.

Recipients of the Malcolm Baldrige National Quality Award in the Manufacturing Sector

- 1988 – Westinghouse Electric Corporation Commercial Nuclear Fuel Division
- 1988 – Motorola, Inc.
- 1989 – Xerox Corporation, Business Products & Systems
- 1989 – Milliken & Company
- 1990 – IBM Rochester
- 1990 – Cadillac Motor Car Company
- 1991 – Zytac Corporation (*now part of Artesyn Technologies*)
- 1991 – Solectron Corporation
- 1992 – Texas Instruments Incorporated, Defense Systems & Electronics Group (*now part of Raytheon Company*)
- 1992 – AT&T Network Systems Group, Transmission Systems Business Unit (*now part of Alcatel-Lucent*)
- 1993 – Eastman Chemical Company
- 1995 – Corning Incorporated, Telecommunications Products Division
- 1995 – Armstrong Building Products Operations, a Division of Armstrong World Industries, Inc.
- 1996 – ADAC Laboratories (*now part of Phillips Medical Systems*)
- 1997 – Solectron Corporation
- 1997 – 3M Dental Products Division (*now 3M ESPE Dental Products*)
- 1998 – Solar Turbines Incorporated
- 1998 – Boeing Airlift & Tanker Programs (*now Boeing Mobility*)
- 1999 – STMicroelectronics, Inc. – Region Americas
- 2000 – KARLEE Company, Inc.
- 2000 – Dana Corporation – Spicer Driveshaft Division (*now Torque Traction Technologies Inc.*)
- 2001 – Clarke American Checks, Inc. (*now Harland Clarke*)
- 2002 – Motorola Inc. Commercial, Government and Industrial Solutions Sector (CGISS)
(*now Motorola Government and Enterprise Mobility Solutions*)
- 2003 – MEDRAD, Inc.
- 2004 – The Bama Companies, Inc.
- 2005 – Sunny Fresh Foods, Inc. (*now Cargill Kitchen Solutions*)
- 2008 – Cargill Corn Milling
- 2009 – Honeywell Federal Manufacturing & Technologies, LLC
- 2010 – Nestlé Purina PetCare Co
- 2010 – MEDRAD (*now Bayer HealthCare Radiology & Interventional*)
- 2012 – Lockheed Martin Missiles and Fire Control MidwayUSA

Baldrige Small Business Impact: #BaldrigeGrowsSmallBusiness



Small businesses comprise the vast majority of the U.S. economy. U.S. Census Bureau data in 2014 showed that there was a total of 5.83 million employer firms in the United States, meaning firms that had employees in addition to a single owner-proprietor. Companies with fewer than 500 workers accounted for 99.7 percent of those businesses. If you were to narrow the definition of “small business” to mean those with fewer than 20 workers, the category still accounts for a whopping 89.4 percent of all U.S. firms.

“For immature organizations, Baldrige is an excellent process for establishing a model and practices that will support insightful strategy development to ensure competitiveness and controlled scalability. For mature companies that have been successful and continually evolved, it provides an opportunity to accelerate growth and competitiveness.” – C. Richard Panico, Founder, President, and CEO of Integrated Project Management Company

It is not just raw numbers of businesses that underscores their importance, but also the economic activity generated by American small businesses. A 2012 report from the Small

“I have always envisioned Stellar Solutions to be a company that is built to last. And if you ask how we can ensure that we are built to last, I would say the answer is Baldrige.” – Celeste Volz Ford, Founder and Board Chair, Stellar Solutions, Inc.

Business Administration’s Office of Advocacy found that small businesses produced 46 percent of private, nonfarm Gross Domestic Product. From 1992 through 2013, small businesses generated 63.3 percent of net new jobs in the United States, and by 2015, small businesses employed almost 59 million people or 47.5 percent of the private workforce.

When Congress established the Malcolm Baldrige National Quality Award as Public Law 100-107 in 1987, the Award was available for three sectors of the economy: Manufacturing, Service, and Small Business.

The first award recipients in 1988 and 1989 were American giants with names like Motorola, Westinghouse, and Xerox. One of the five recipients in those first two years was a

small business called Globe Metallurgical, Inc. (now Globe Specialty Metals, Inc.). Globe Metallurgical had just 210 employees in two locations in Ohio and Alabama. With sales just under \$100 million in 1987, serving about 300 customers, it was a quintessential American small business.

Through the application of the principles of quality and performance excellence, Globe experienced growth in sales, profits, customer satisfaction, and employee engagement. In quality audits by General Motors, Ford, Intermet, John Deere, and other customers, the firm's scores have set records, resulting in certified supplier status for Globe. Foreign buyers also recognize Globe's commitment to quality. When many European traders place an order for magnesium ferrosilicon alloy they specify that the material must be "Globe quality," a standard that other suppliers must match.

"Baldrige is the key to winning results and world-class excellence." – Ken Schiller, Co-Owner and Co-Founder, K&N Management

Through the 2021 award cycle, 30 of the Baldrige Award recipients have been in the Small Business sector, accounting for nearly 24 percent of all awardees, proving that the Baldrige Excellence Framework is scalable to virtually any size organization. Because small business is such a driving force in the U.S. economy, it is highly significant that the Baldrige criteria work for small business.

Baldrige-driven success helps small businesses grow, and as a result, the Malcolm Baldrige National Quality Award lost one of its premier representatives of the small business sector in 2021. MidwayUSA, which had won the award twice before in the small business category in 2009 and 2015, became in 2021 only the second three-time Baldrige Award recipient. The first three-peat organization was Mesa, which won for the third time in 2020, also in the small business sector. MidwayUSA, however, has experienced such growth as a result of its application of the Baldrige Criteria to its operations that it had become too large to apply in the small business sector. Instead, the on-line retailer won the Award in 2021 in the service sector.

There have been some efforts to quantify the total economic impact of the Baldrige Enterprise. U.S. Secretary of Commerce Wilbur Ross said in April 2017, that the Baldrige public-private partnership generates \$1 billion each year in economic impact. In 2011, economists Albert Link of

"MESA had the opportunity to make ourselves a better organization by using the Baldrige Criteria. Every person at MESA prepared by learning and working to improve the way we do business. Baldrige gave us a business management model." – Terry May, president, MESA Products, Inc.

the University of North Carolina at Greensboro and John Scott at Dartmouth College, calculated that the benefit to cost ratio of the Baldrige Performance Excellence Program was 820 to one. And remember. Much of that growth is generated by small businesses on the Baldrige journey.

The evidence also shows how small businesses improve as they pursue excellence through Baldrige. Some of the specific company-level improvements driven by Baldrige include the following:

- Three-time award recipient MESA Products has experienced improvement in cumulative growth of 40 percent over five years, better than the performance of five separate competitors.
- Integrated Project Management's total annual revenue increased by 62 percent over the four years preceding its 2018 Baldrige Award, while the ratio of annual revenue per consultant outperformed a national comparison by 50 percent.

"We were searching for a path to improve our business, but what we discovered was so much more. It's not about the award. It's about how this process benefits our clients. Our improvements have strengthened our relationships with our clients and allow us to deliver better service and value. Is it worth the years of hard work and effort? Unquestionably YES. We have seen our profits increase, employee satisfaction go up, and we have achieved sustainable, managed growth." – Robert Pence, President and CEO, Freese and Nichols Inc.

- As of 2017, Bristol Tennessee Essential Services offered the fastest Internet available in the United States at 10 Gigabits per second, while outperforming regional, industry, and best-in-class comparisons for service reliability as measured by outage minutes per customer.
- Stellar Solutions has seen revenue grow from a rate of 1.18 percent in 2013 to 6.81 percent in 2016. Such growth has occurred despite the constraints in government funding being identified as a key business challenge for the organization.



“I’m a car guy [who] believes in the Baldrige framework. I speak car, not Baldrige. If we can do this, anyone can. We are a testament to the Baldrige framework capacity to provide organizational sustainability and success.” – Gary Housley, President and Dealer Principal, Don Chalmers Ford

- Don Chalmers Ford’s total sales volume increased from \$109 million in 2012 to \$126 million in 2015. Total dealership gross profit increased by 13 percent during the same period, with the percentage of gross profit growth in 2015 exceeding Ford’s national benchmark level by 8.4 percent.
- Momentum Group has invested in process upgrades that have reduced sample production time by 50 percent and improved sample yield per yard by 20 percent.
- From 2006 to 2012, MESA more than doubled in size, demonstrating a growth rate during this period that exceeded that of its closest competitor by almost 40 percent.
- MESA, which also won a Baldrige Award in 2006, increased its profitability as a percentage of its revenue from 5 percent to more than 10 percent from 2006 to 2012.
- Freese and Nichols achieved revenue growth between 12 and 16 percent over the four years leading to its 2010 Baldrige Award, exceeding the industry benchmark by 10 percentage points in 2009.

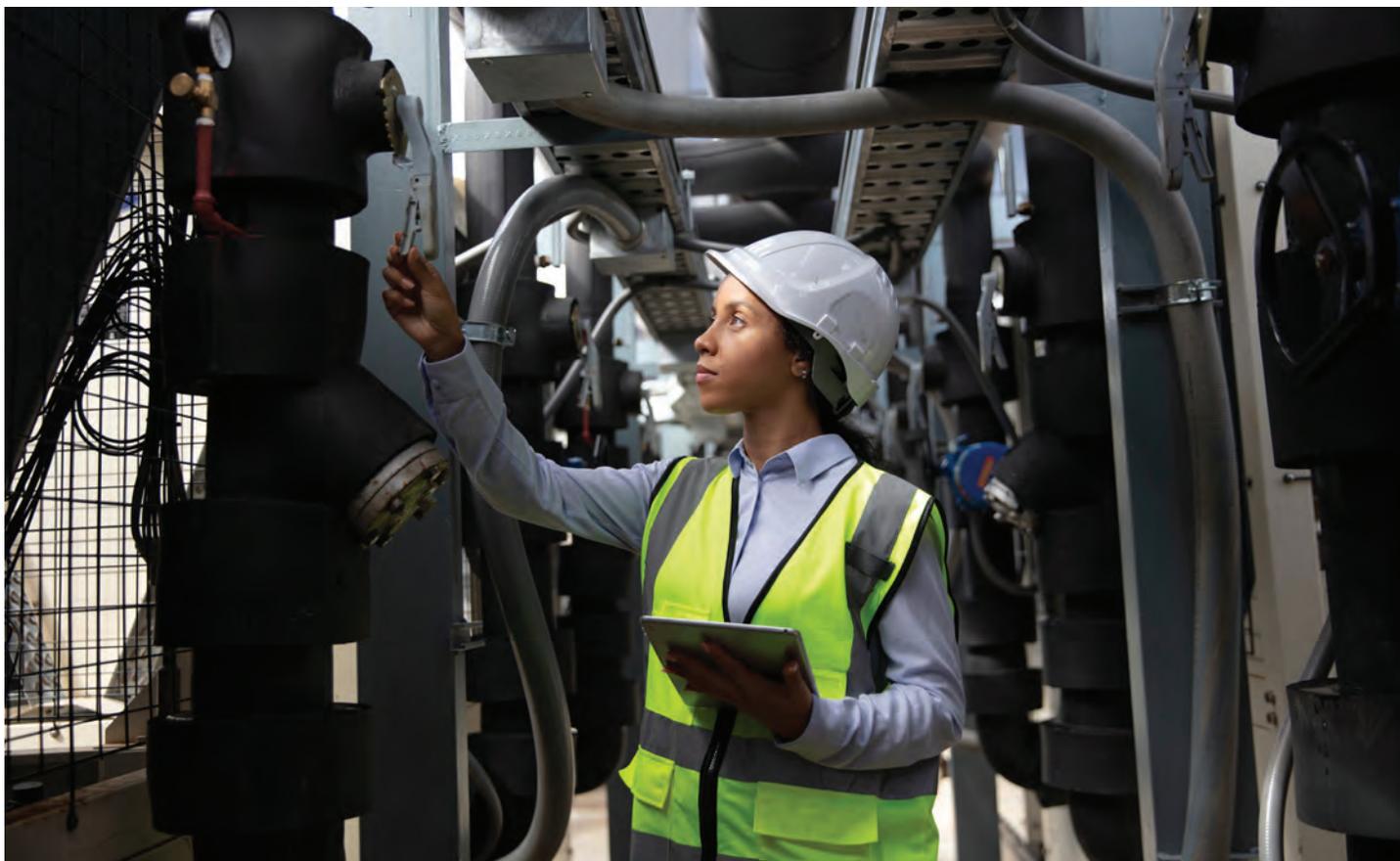
The evidence proves that Baldrige is America’s best investment for organizations of all size. #BaldrigeGrowsSmallBusiness.

Recipients of the Malcolm Baldrige National Quality Award in the Small Business Sector

- 1988 – Globe Metallurgical, Inc. (now *Globe Specialty Metals, Inc.*)
- 1990 – Wallace Co., Inc.
- 1991 – Marlow Industries, Inc.
- 1992 – Granite Rock Company (now *Graniterock Company*)
- 1993 – Ames Rubber Corporation
- 1994 – Wainwright Industries, Inc.
- 1996 – Custom Research, Inc. (now *GFK Custom Research North America, Inc.*)
- 1996 – Trident Precision Manufacturing, Inc.
- 1998 – Texas Nameplate Company, Inc.
- 1999 – Sunny Fresh Foods, Inc. (now *Cargill Kitchen Solutions*)
- 2000 – Los Alamos National Bank
- 2001 – Pal’s Sudden Service
- 2002 – Branch-Smith Printing Division
- 2003 – Stoner, Inc.
- 2004 – Texas Nameplate Company, Inc.
- 2005 – Park Place Lexus
- 2006 – MESA Products, Inc.
- 2007 – PRO-TEC Coating Company
- 2009 – MidwayUSA
- 2010 – Freese and Nichols Inc.
- 2010 – K&N Management
- 2010 – Studer Group
- 2012 – MESA
- 2015 – MidwayUSA
- 2016 – Don Chalmers Ford (now *Chalmers Ford*)
- 2016 – Momentum Group
- 2017 – Bristol Tennessee Essential Services
- 2017 – Stellar Solutions
- 2018 – Integrated Project Management Company, Inc.
- 2020 – MESA

Baldrige Resilience: Pathways to Manufacturing Careers

Dawn Bailey, Baldrige Performance Excellence Program
National Institute of Standards and Technology



During the recent celebration of Manufacturing Day (October 2023), thousands of U.S. manufacturers showcased the realities of modern manufacturing to students as a way to inspire the next generation.

The importance of this cannot be understated, as over the next decade, 4 million U.S. manufacturing jobs will need to be filled, according to a workforce study by The Manufacturing Institute and Deloitte (<https://www2.deloitte.com/us/en/insights/industry/manufacturing/manufacturing-industry-diversity.html>). The study reports that a skills gap may leave more than half of those manufacturing jobs unfilled through 2028, creating \$2.5 trillion of unrealized economic impact.

Through its products and services to inspire quality jobs and ensure long-term success, the Baldrige Performance Excellence Program (BPEP), part of the National Institute of Standards and Technology (NIST), is supporting the resilience of both U.S. manufacturing and the education organizations among its community who are nurturing the skilled workforce of the next generation. Through a series of articles, BPEP plans to highlight these education organizations and modern manufacturing.

Possible Pathways to Manufacturing Careers

I had an opportunity to interview Joe Sprangel, principal consultant, Emmanuel Strategic Sustainability, who was the founding dean of the College of Business and Professional

Studies at Mary Baldwin University and who recently returned to his associate professor role. Sprangel also serves as a volunteer examiner for the United States Senate Productivity and Quality Award (SPQA), the Baldrige-based Alliance for Performance Excellence program in the state of Virginia.

In his book *Humanist Manufacturing: A Humanitarian Approach to Excellence in High-Impact Plant Operations*, Sprangel recommends that manufacturing executive teams would benefit from using the Baldrige Excellence Framework® and, in particular, the Baldrige assessment factors of approach, deployment, learning, and integration (ADLI) to fully develop strategies (some suggested below) and a holistic project plan to develop their workforces.

Based on his own personal experiences, Sprangel offered commentary on ways to enhance careers in U.S. manufacturing to make it more resilient to the skills gap.

A Pin-Striped Career

After high school, Sprangel said, he bounced around in various jobs until he began one that led to an industrial machine repair apprenticeship. “The apprenticeship combined work in manufacturing plants during the day and trades-level coursework at the local community college in the evenings,” he said. “A geometry instructor ignited my desire to learn, leading me to earn four different degrees up to a doctorate. I also leveraged the machine repair work into ongoing promotions over 30 years in manufacturing, progressing into white-collar engineering and plant management roles. I then joke that I had a mid-life crisis where I became a professor and a university dean for the last 16 years.”

A common question early on for high school students, Sprangel said, is whether they will follow a blue- or white-collar career path. “While both choices have great merits, I offer an alternative--a pinstriped collar approach based on my career . . . where individuals merge the best of the blue and white collars instead of an either-or choice.”

According to Sprangel, in a blue-collar job that required manual work, he

- acquired a deep appreciation of the value of shop-floor peers,
- learned skills typically found in manufacturing that translated well to his success in white-collar work,

- developed strong problem-solving and project management skills,
- gained a deep understanding of the opportunities and challenges faced by those in blue-collar jobs,
- found a pathway to ongoing promotions,
- earned substantial manufacturing pay that led to a more robust base salary when negotiating later job offers, and
- worked for manufacturing employers that provided tuition reimbursement.

Said Sprangel, in his white-collar office work, he

- was able to show proper gratitude to those working at all levels of the organization,
- acquired quicker credibility with those in blue-collar jobs,
- had a strong understanding of the value of those doing the blue-collar work,
- could solve issues using a more comprehensive range of stakeholder perspectives,
- brought to the managerial team an ability to break complex projects down to the smallest of incremental tasks,
- continued to be promoted due to extensive knowledge of plant operations, and
- ended up with almost zero student debt after earning four degrees, including a doctorate.

Adopting the Military Recruiter Model

The military faces a similar issue to the manufacturing industry in terms of a declining percentage of individuals interested in beginning their adult life in military service, Sprangel said. The recruiter role used by the military is to entice individuals to join the military by providing information regarding training and career opportunities available in the five service branches.

Sprangel said he thinks that the manufacturing industry could use a similar model. An area industry recruiter could receive financial support from a collective of manufacturing plants, nonprofits, or government funding to target traditional and alternative hiring pools. The manufacturing recruiter would work with the key players in the community. He/she could attend job and career fairs to meet potential employees. He/she could also develop relationships with local high schools to provide further insight regarding the value of manufacturing careers for students. The recruiter could also be the point person to gain community involvement in integrating various groups into the manufacturing workforce, said Sprangel, adding that the first step is to determine the wisdom leaders in the community.

Breaking the Poverty Cycle

Those currently facing financial challenges could be some of the potential employees to close the growing employment gap in manufacturing while providing an opportunity for them to “thrive and grow to their capabilities,” Sprangel said; “Suppose a single young adult makes the poverty line salary of \$13,590, and the average entry-level manufacturing salary . . . is \$31,001. In that case, there is an opportunity to double their income. Then, they can utilize tuition assistance and other employer support to reach an average 2019 manufacturing salary of nearly \$84,000.”

Given the difficulty in hiring enough employees to fill open manufacturing jobs, the issue is not the availability of work, said Sprangel. Instead, potential employees face the problems of (1) affordable childcare; (2) a lack of education, training, and experience; (3) high transportation costs; (4) low English-speaking proficiency; (5) a lack of access to fundamental worker rights; (6) discrimination of those with a criminal record; and (7) lack of proper documentation.

Those currently in poverty likely are from multiple generations of this economic state. Unfortunately, structural barriers make it difficult for children from families facing this challenge to break the poverty cycle, said Sprangel, citing the Annie E. Casey Foundation’s Family-Centered Community Change (FCCC) (<https://www.aecf.org/work/past-work/family-centered-community-change>), which developed a two-generation approach where participants worked with local families with children ten or younger to make recommendations of breaking the poverty cycle. The recommendations include ensuring inclusion of those who have been historically disenfranchised in developing wealth-building and stability improvement strategies, engaging partners at multiple levels to develop creative opportunities, measuring impact, and responding proactively to new challenges to lessen social and economic harms.

Baldrige Supports the Resilience of Manufacturing

Aligned with its mission to improve the performance of U.S. organizations, BPEP is revising its Baldrige Award process, to be rolled out in 2024, to recognize U.S. role models of resilience and long-term success. Part of that recognition includes fostering the sharing and adoption of proven practices, including workforce practices, and providing products, services, and insights to help manufacturers and

other organizations prepare, adapt, innovate, and thrive through skills gaps and disruptions.

For example, BPEP led the effort to develop a Job Quality Toolkit (<https://www.nist.gov/baldrige/self-assessing/improvement-tools/job-quality-toolkit>), a menu of vetted strategies and actions for leaders and their workforces to collaboratively choose from to increase the quality of jobs offered. The toolkit focuses on eight drivers of job quality, as well as examples of how Baldrige Award recipients demonstrate those strategies and actions.



In addition, to help U.S. manufacturers ensure that they have the systems and processes in place to implement the latest advanced technologies and improve their quality of operations, a project team created an assessment and accompanying resources (<https://www.nist.gov/baldrige/self-assessing/improvement-tools/foundations-successful-business>) based on The Baldrige Excellence Framework®.

The Baldrige framework remains BPEP’s flagship product, which can be used for measuring performance and planning in an uncertain environment. A manufacturer can use the Baldrige framework to organize and integrate approaches (e.g., ISO 9000, Lean, and Six Sigma), and improve productivity and effectiveness.

Baldrige Impact in Health Care: #BaldrigeSavesLives

Health care organizations became eligible for the Malcolm Baldrige National Quality Award after Congress expanded the scope of the award in 1998. SSM Health Care, headquartered in St. Louis, Missouri, became the first health care organization to receive the award. That was in 2002.

Through the 2020 award cycle the National Quality Award has been presented to organizations in the health care sector a total of 29 times. Hundreds of additional health care organizations have been recognized for their role-model performance in their respective state-based programs and nationwide through a number of Baldrige-based health care quality award programs. By one estimate over 65 percent of hospitals and health care systems employ some form of Baldrige-based performance excellence management system.

“Going through the Baldrige process during the COVID crisis helped maximize efficiency when we needed to perform at unprecedented levels. In a time when we were presented with new information and challenges on an hour-by-hour basis, the systemic processes and problem solving we had incorporated into our culture through the Baldrige framework allowed us to be nimble and achieve change quickly..” – John Kueven, Senior Vice President, Wellstar Health Systems, and President, Wellstar Cobb Hospital

Baldrige is adaptable and applicable in many different settings, including across the health care spectrum. Each hospital, hospital system, or long-term care facility has its own unique set of needs and goals, determined in part by location, demographics, and a variety of other factors. Whether an organization is involved in ambulatory service, health maintenance, long-term care, or another health care service, the Baldrige Excellence Framework is a valuable tool for measuring performance and leading organizations of all sizes and levels of complexity in an uncertain environment.

The Baldrige Framework is such a powerful leadership and management tool for health care organizations that the President’s Council of Advisors on Science and Technology recommended that the Department of Commerce and the Department of Health and Human Services build on the Baldrige Award to help bring down the cost and improve the quality of health care across the United States.



Baldrige health care organizations also benefit from systemic alignment and an agility in leadership and decision making that have been critical to adapting to the challenges of the COVID-19 pandemic. Many of the leaders of Baldrige health care organizations have testified that Baldrige made a significant difference in their ability to continue to provide high-quality medical care through the pandemic. We now have over 20 years of experience with Baldrige in the health care sector, and there is overwhelming evidence that Baldrige makes a significant, positive impact on the provision of quality health care.

“The health care industry has increasingly relied on the Baldrige Criteria as a key means to improve patient care and organizational performance. As we navigate health care’s changing landscape the Baldrige Framework will continue to be a vital resource.” – Deborah J. Bowen, President and CEO, American College of Healthcare Executives

The improvements reported by the individual award-winning organizations are impressive, spanning patient morbidity and mortality outcomes to cost and process efficiencies to medical and support staff and patient and family satisfaction. Some of the life-saving improvements in clinical outcomes include:

- GBMC HealthCare, Inc. demonstrated industry-leading performance with 100 percent of stroke patients receiving antithrombotic therapy at discharge, 100 percent of high-risk mothers receiving antenatal steroids, and 100 percent of patients receiving combination chemotherapy for breast cancer.
- Memorial Hospital and Health Care Center earned 5-star ratings for overall quality of inpatient care from the Centers for Medicare and Medicaid Services (CMS) every year since the ratings were released, and its performance in CMS's Value-Based payment system ranked in the top 10 percent of health care organizations nationwide since 2017.
- Memorial Hospital and Health Care Center's excellent health care outcomes include zero early elective deliveries before 39 weeks since 2015, zero pressure ulcers in its skilled caring center since 2016, zero central-line-associated blood stream infections since 2016, and zero hospital methicillin-resistant staphylococcus aureus (MRSA) infections since 2015.

“The Baldrige framework helped us hardwire systematic communication that has increased transparency and built trust with our workforce.” – Kyle Bennett, President and CEO, Memorial Hospital and Health Care Center

- Setting national benchmarks for patient safety, Memorial Hospital and Health Care Center earned the Leapfrog Hospital Safety Grade of “A” since 2016. These patient safety results include a two-year reduction in total harm issues, from 6.2 to 1.1 per 1,000 patient days from 2016 to 2018; a bedside medication verification rate of more than 97 percent, exceeding the Leapfrog benchmarks from 2013 to 2018; and a performance level in the top 10 percentile of CMS comparison data for PSI-90 patient safety composite results since 2017.
- Adventist Health Castle has met or surpassed top-quartile levels—improving its performance by 12 percent from 2014 to 2016—on composite measures of patient safety, evidence-based care, and mortality related to its clinical care processes.
- Advocate Good Samaritan Hospital's risk-adjusted mortality decreased from 0.73 in 2004 to 0.25 in 2010.
- Memorial Hermann Sugar Land ranks among the top 10 percent of hospitals nationally for its performance on measures of emergency center arrival-to-discharge time, compliance with regulations to reduce medication errors, bed turnaround times, radiology and laboratory result turnaround times, and the use of computerized physician order entry. The hospital's readmission rates for patients treated for acute myocardial infarction, congestive heart

“In my heart, I believe that because we applied the Baldrige Criteria, there are people alive today who would not have been had we not been so committed to the Baldrige process.” – Rulon Stacey, Former CEO, Poudre Valley Health System

failure, and pneumonia were lower than those of hospitals nationwide, according to data from the Centers for Medicare and Medicaid Services.

- According to the Institute for Healthcare Improvement, Henry Ford Health System's evidence-based global harm campaign is a national best practice. From 2008 through 2011, the campaign led to a 31 percent reduction in harm events.
- Schneck Medical Center has maintained rates of hospital-acquired infections at or below 1 percent since 2008, and no patient has acquired ventilator-associated pneumonia since 2009.
- AtlantiCare Regional Medical Center achieved Centers for Medicare and Medicaid Services top 10 percent performance in 2008 for patient care measures related to congestive heart failure, acute myocardial infarction, and pneumonia.

More than the year-over-year performance improvement of health care organizations as they pursue their Baldrige journey, broader studies comparing Baldrige-based health care organizations with peer organizations that have not adopted the Baldrige Framework, show that Baldrige organizations significantly outperform their non-Baldrige peers.

“We continue to look for ways to seize our opportunities for improvement. We continue these things because this journey has been more than fruitful. It's been life-saving. Though a vast majority of our patients will never realize it, the care they receive is more effective, more efficient, more empathic because of the Baldrige Framework.” – Kathy Raethel, President, Adventist Health Castle

According to Thomson Reuters, hospitals using the Baldrige criteria were 6 times more likely to be in the top 100 hospitals and outperformed non-Baldrige hospitals in:

- Risk-adjusted mortality index
- Risk-adjusted complications index
- Patient safety index
- CMS core measures score
- Severity-adjusted average length of stay
- Adjusted operating profit margin



Recipients of the Malcolm Baldrige National Quality Award in the Health Care Sector

- 2002 – SSM Health Care
- 2003 – Saint Luke’s Health System
- 2003 – Baptist Hospital, Inc.
- 2004 – Robert Wood Johnson University Hospital Hamilton
- 2005 – Bronson Methodist Hospital
- 2006 – North Mississippi Medical Center
- 2007 – Sharp HealthCare
- 2007 – Mercy Health System
(now known as MercyRockford Health System)
- 2008 – Poudre Valley Health System
(now part of University of Colorado Health)
- 2009 – Heartland Health (now Mosaic)
- 2010 – Advocate Good Samaritan Hospital
- 2011 – Southcentral Foundation
- 2011 – Schneck Medical Center
- 2011 – Henry Ford Health System
- 2012 – North Mississippi Health Services
- 2013 – Sutter Davis Hospital
- 2014 – Hill Country Memorial
- 2014 – St. David’s HealthCare
- 2015 – Charleston Area Medical Center
- 2016 – Memorial Hermann Sugar Land Hospital
- 2016 – Kindred Nursing and Rehabilitation – Mountain Valley
(now known as Mountain Valley of Cascadia)
- 2017 – Adventist Health Castle
- 2017 – Southcentral Foundation
- 2018 – Memorial Hospital and Health Care Center
- 2019 – Mary Greeley Medical Center
- 2019 – Adventist Health White Memorial
- 2020 – GBMC HealthCare
- 2020 – Wellstar Paulding Hospital

“I retired at the end of 2009, after 25 years as CEO of Heartland Health, with the knowledge and belief that any organization that adopts and implements fully the Baldrige Framework as its management model will ultimately rise to levels of performance excellence exceeding all their expectations.” – Lowell Kruse, Former CEO, Heartland Health

A study by Ronald Schulingkamp and John Latham compared Baldrige Award winning hospitals with non-Baldrige hospitals across 39 Process of Care, Patient Satisfaction, and Outcomes of Care metrics, and concluded that, “Although not all measures were statistically significant, Baldrige Award recipient hospitals had higher mean values representing higher performance than non-Baldrige Award recipient hospitals in 37 of the 39 (95 percent) study measures.

Substantial data from case studies and comparative analyses shows that health care organizations improve their performance by adopting the Baldrige Excellence Framework for Health Care, and that they become significantly better performers than peer organizations that have not adopted Baldrige. The data proves that #BaldrigeSavesLives.

“The Charleston Area Medical Center Health System is a better organization today because we made the choice to use the Baldrige Criteria as a guiding framework for quality improvement. This performance improvement framework helps us to achieve our mission of ‘striving to provide the best health care to every patient every day.’”
– Dr. Glenn Crotty, Jr., Executive Vice President and Chief Operating Officer, Charleston Area Medical Center

Inspired by Baldrige Concepts, Digital Health Transformations Possible through “Most Wired” Analytics

by Dawn Bailey, Baldrige Performance Excellence Program
National Institute of Standards and Technology



For 20 years, the Most Wired Survey (<https://chimecentral.org/chime-most-wired-2/>) which assesses the digital achievements of health care entities, was managed through a successful partnership with the American Hospital Association and College of Healthcare Information Management Executives (CHIME).

But, about five years ago, CHIME decided to rebuild the survey inspired by core concepts of the Baldrige Excellence Framework®—benchmarking, performance excellence, continuous improvement, scoring bands—with the key concept of helping organizations measure their performance. The survey now aims to deliver even more data insights to health care entities through the survey tool and an online analytics portal.

“As success in digital health increasingly determines the quality of patient care, the scope of the CHIME Digital Health Most Wired Survey reflects the progress of leading health care providers as they reinvent health care for a new century,” said Calli Dretke, vice president and chief digital and marketing officer of CHIME.

Russell P. Branzell, CEO and president of CHIME, the CHIME Education Foundation, and CHIME Foundation, Baldrige Board of Overseers, 2015, and Baldrige Foundation Board of Directors, 2023, said, “We looked at this opportunity and considered all the immensely valuable programs available in the market. But we needed more than just a valuable program. We needed a change agent. CHIME wanted to structure this program with a framework



that drove performance excellence and improvement versus just recognition. That's exactly what the Baldrige methodology is all about." From Baldrige, he added, "we took the things structurally that allowed for a good framework for performance excellence."

The Digital Health Most Wired Survey is now part of CHIME's Digital Health Analytics (DHA program) (<https://www.dhinsights.org/most-wired>), a global market intelligence and research hub launched in 2022. Digital Health Analytics was created to be a gateway for provider organizations and companies to better understand how digital technology supports leaders in transforming health and care and delivering data insights that help them make the greatest business impact possible.

Benchmarking and Best-Practice Sharing

The updated Digital Health Most Wired Survey and DHA portals were developed through a desire to help health care entities "be able to benchmark [know how they compared to competitors and peers in the marketplace], share best practices, and continue to improve towards industry standards," Branzell said.

Increasing from about 2,000 respondents five years ago, to just under 39,000 facilities represented last year and more than 40,000 expected this year, the Digital Health Most Wired Survey is now one of the largest digital health surveys in the world, said Branzell. Respondents represent 17 countries from around the world (this is up from zero international respondents three to four years ago). Respondents are counted as stand-alone entities, so a health system may have ten entities (e.g., different hospitals, medical groups, divisions). Entities can fill out surveys separately or as an aggregate report, but Branzell said many organizations opt to fill out individual surveys, so that benchmarking comparisons can be made.

Data from surveys are made anonymous and aggregated for the DHA portals, making analysis and benchmarking inside the system "deidentifiable." The DHA portals allow respondents to compare their results, for example, with peer groups, regions of the country, similar-sized entities, like entities, and like systems. In addition, respondents can compare their overall performance by digital themes, such as consumer engagement or cybersecurity.

Opportunities and Challenges

Some of the greatest opportunities for health care organizations center around consumer engagement. As Branzell noted, “where we start dealing with [social media] is outside the traditional walls of the hospital. [Other opportunities are] in areas of overall innovation and technology as . . . the industry changes [and] shifts to a value-based model. All of these areas are relatively new to organizations, so you would expect their scores are not as high in those areas, but [scores tell] them where to focus their efforts.”

Added Dretke, “As health care organizations increasingly focus on patient engagement strategies to connect with patients and improve health outcomes, there has been a remarkable increase in the use of patient/family-facing videos to educate patients and their families about procedures (16% increase), labs and test results (16% increase), and medications (11% increase).”

The greatest area of challenge continues to be cybersecurity, Branzell said. “With cyberattacks on the rise, health care organizations are rising to the challenge by adopting additional frameworks, sharing information, and implementing new security measures. What we continue to see is that the larger, more complex organizations do better overall in cybersecurity than smaller organizations without the same level of resources. We call that the ‘Cyberdivide.’ . . . All organizations need better standards, better requirements, better resources to thrive in cybersecurity.”

Significant Improvements and Scoring

The Most Wired Survey is not just about information technology (IT), Branzell said; “it is about an organization’s overall digital health and outcomes.” Similar to Baldrige, the Digital Health Most Wired Survey uses bands of standards that are updated each year. Branzell said performance is determined by whether an entity is improving in the band and whether more organizations are being recognized at higher levels.

“Our analysis shows that beginning at Level 7 designation, true excellence in digital health begins to emerge. And at levels 8 and 9 further progress in digital transformation is evident. Beyond that, Level 10 organizations have exceeded expectations and achieved the very highest levels of digital health and care transformation. They are the forefront of digital transformation and maturity,” said Branzell.

Entities in Levels 4–6 “have made progress in expanding their core IT infrastructure to support internal strategic initiatives.” And entities in levels 1–3 “are in the early stages of developing their technology infrastructure and may still be transitioning, or may have more recently transitioned, to electronic formats for collecting patient data and performing clinical activities,” Branzell added.

Organizations that reach Level 7 are recognized. When they reach Level 10, there is a site visit as part of the assessment, and those entities are recognized with the highest honor and trophies. For recognized entities, there are sponsored receptions, special meetings, and webinars to share best practices, he said, adding that entities participate because “they want to continue to raise the bar year-over-year in service to their patients, employees, and the communities they serve.”

Hard-Wiring Baldrige

Branzell said he was first introduced to Baldrige in 2003 when his then-employer Poudre Valley Health System (now part of the University of Colorado Health) started using the Baldrige framework and its Criteria for improvement. (In 2008, Poudre Valley Health System won the Baldrige Award.)

Since then, Branzell said he always uses the Baldrige Criteria. “People will jokingly say that I use Baldrige as the way I run my life [including family strategic planning and goal setting] . . . Once your brain is wired to be a Baldrige thinker, that’s what you are. You just think that way: performance excellence, always improving, striving to fix areas.”

Future of Digitization

Branzell said the opportunities for the future use of digitization can be found in every sector, not just in health care.

“People are digitizing . . . [and] moving to a more advanced innovation model . . . even down to how health care operates and how the electrical grid is changing. . . . Everyone is transforming themselves . . . Even the concept of working from home and working in a mobile environment . . . It’s a different world than what you think of when we came out of post-COVID for all of the sectors of the economy.”

Baldrige Impact in Education: #BaldrigeTransformsLives



Congress expanded the scope of the Malcolm Baldrige National Quality Award in 1998 to include the education sector. In 2001, three organizations became the first to receive a National Quality Award in the education sector: the Chugach School District in Anchorage, Alaska; Pearl River School District in Pearl River, New York; and the University of Wisconsin-Stout (UW-Stout).

The data show that the benefits of improved performance associated with Baldrige begin to accrue long before an organization wins a National Quality Award, or even if they never become award recipients. Many of these organizations, like UW-Stout, continue to lead and manage by the Baldrige principles, and they continue to enjoy the benefits of performance excellence. In 2021, the Charter School of

“We have dedicated ourselves to being systematic in the use of the Baldrige continuous improvement process, and we have seen student achievement go up in ways that we never thought imaginable. We’ve become more efficient and more effective. And these successes aren’t just figures and statistics; they do change lives. And in the process, we’ve become an innovative force in education.” – JoAnn Sternke, Superintendent, Pewaukee School District

San Diego became the first two-time winner of the Baldrige Award in education, demonstrating continual performance improvement over an extended period of time and proving once again the ability of the Baldrige Criteria to build and sustain high quality organizations.

The adaptability of the Baldrige Framework is evident in the education sector as a wide variety of organizations have used Baldrige to achieve success. Through the 2020 award cycle, a total of 14 education organizations have received the National Quality Award. Of those, eight are K-12 schools or school systems and six are in higher education, demonstrating that Baldrige can be scaled to many different-sized organizations. The school systems are from all parts of the country and are of different sizes with widely varying student demographics. Baldrige works in all of these varied circumstances.

The true power of Baldrige for education is its focus on the systems level. Jeffrey Lucas, former Deputy Director of BPEP, makes the argument that many of the performance measurement systems used in education focus on student achievement data to the exclusion of measuring things that could truly innovate education to the betterment of students. “While the improvement of student learning must remain at the core of what education systems are about, achievement data alone are not sufficient to drive the types of performance improvements required and do not acknowledge that schools and districts are in fact complex systems.”

“The Baldrige Award has increased community awareness of the educational excellence of the Alamo Colleges District. As a result of our Baldrige win, we are sought after by other educational institutions and organizations from as far away as New Zealand as a model of how to achieve organizational excellence.” – Mike Flores, Chancellor, Alamo Colleges District

The importance of this thinking becomes apparent when one examines the experience of Baldrige Award winning school systems. Schools, administrators, and teachers are balancing multiple, often competing factors, that leave schools with inadequate resources, teachers with not enough time, and students with difficulty focusing on learning. As a systems-level tool, Baldrige can help school systems align their processes and integrate many of those seeming conflicting factors.

With its focus on the student, teachers, staff, and families as the customers, Baldrige also helps school systems recognize where frustration may arise and satisfaction diminish. Baldrige helps schools spend their limited resources and time on the things that really make a difference, which is why the data show that Baldrige schools improve education and change the lives of their students and families, often without any increase in budgets.

“America’s economic future—the health of our children and our grandchildren, the defense of those American values that we support—is dependent upon all kids in every neighborhood, urban or rural. We are committed to that, and Baldrige has helped us on our journey.” – Mary Searcy Bixby, Founder, President, and CEO, Charter School of San Diego

- Charter School of San Diego (CSSD) serves an at-risk student population with students on average 2-3 grade levels behind their peers in language arts and 3-4 grade levels in math achievement. Yet CSSD’s dropout rate of 2.4 percent outperformed the county-wide rate of 2.7 percent in 2013 and 3.1 percent in 2014.
- Graduation rate for high-risk students and student groups reached 77% in the 2019-2020 school year, outperforming competitors and county and state high-risk designated schools.
- CSSD maintained overall student and parent satisfaction levels of close to 100 percent for 2010-2015.
- Despite having one of the most rigorous graduation requirements in the state, Pewaukee School District achieved a 97.4 percent graduation rate in 2013 and had a higher rate in 2009-2012 than any other county district.
- Montgomery County Public Schools (MCPS) achieved the highest graduation rate of any large school district in the nation in 2008 and 2009.
- MCPS narrowed the achievement gap between Caucasian and African American students by 13 percentage points from 2006 to 2010.

“By adopting the Baldrige framework, we earned a spot on Fortune’s Top Places to Work list four years in a row. Additionally, our enrollment grew from 8,000 in 2009 to over 20,000 in 2018. Our Net Promoter Score matched that of the Ritz Carlton and Costco in 2018 and 2019. Furthermore, our student retention/completion rates averaged 93 percent over five years, with an average student debt of fewer than three hundred dollars.” – Lindel Fields, Superintendent and CEO, Tri County Tech

- Iredell-Statesville Schools improved its academic composite ranking from 55th to 9th in North Carolina, increased its graduation rate from 61 percent to 81 percent (11th in the state), achieved higher average SAT scores than the average score in peer districts, the state as a whole, and for the nation, remaining 107th out of 115 school districts in North Carolina in expenditures per pupil.
- The dropout rate for Jenks Public Schools dropped from 6.3 percent in 1994 to 1.2 percent in 2004.

In higher education:

- Howard Community College outperformed its peer community colleges with a more than 100 percent growth rate for associate degrees awarded for over 10 years.
- The persistence rate, defined as the number of students who graduated, transferred, earned at least 30 credits with a cumulative grade point average of 2.0 or above, or were still enrolled at Howard Community College four years after entry, has increased significantly over three fiscal years, from just over 75 percent in FY2016 to over 80 percent in FY2018, surpassing the Maryland community colleges and best state rates.
- Alamo Colleges District increased its four-year student graduation rate by 150 percent in recent years to become the best in the state of Texas. In four years, it also doubled the number of degrees and certificates it awarded, to 12,750, which is three times the state norm.
- For student completion/retention and job placement after graduation, Tri County Tech maintained rates in the top 25 percent nationally for eight fiscal years. The organization also achieved the top completion/retention rate in its state of Oklahoma for full-time students for five of seven years preceding its Baldrige Award.



“It is a privilege to accept the Baldrige Award on behalf of Monfort College’s faculty, staff, students, alumni, and friends. We are here because of their continued commitment to performance excellence and investment in the approach of viewing yesterday’s performance as an opportunity for a better tomorrow.” – Joe F. Alexander, Dean, Kenneth W. Monfort College of Business

“When the global pandemic struck in March 2019, the college converted its mainly face-to-face instruction and services to primarily remote classes within two and a half weeks. Because we had been operating for well over a decade using the Baldrige framework, the shift was successfully completed.” – Kathleen Hetherington, President, Howard Community College

- The number of students completing the core curriculum at Richland College, preparing them to transfer to a four-year institution, more than tripled from 2002 to 2005.
- Students performance on nationally-administered exit exams at Kenneth W. Monfort School of Business exceeded the national average and reached the top 10 percent in 2003-2004.
- From 1996 to 2001, the job placement rate for graduates of the University of Wisconsin-Stout was at or above 98 percent.

All of these colleges, schools, and school districts achieved these dramatic improvements while managing stagnant budgets and cuts in education funding. This is clear evidence that #BaldrigeTransformsLives.

Recipients of the Malcolm Baldrige National Quality Award in the Education Sector

- 2001 – University of Wisconsin, Stout
- 2001 – Pearl River School District
- 2001 – Chugach School District
- 2003 – Community Consolidated School District 15
- 2004 – Kenneth W. Monfort College of Business
- 2005 – Richland College
- 2005 – Jenks Public Schools
- 2008 – Iredell-Statesville Schools
- 2010 – Montgomery County Public Schools
- 2013 – Pewaukee School District
- 2015 – The Charter School of San Diego
- 2018 – Alamo Colleges District
- 2018 – Tri County Tech
- 2019 – Howard Community College
- 2021 – The Charter School of San Diego

Improving Supply Networks, Inspired by Baldrige

Dawn Bailey, Baldrige Performance Excellence Program
National Institute of Standards and Technology



The last few years have revealed substantial vulnerabilities in supply networks across industries, from the lack of pandemic-related equipment such as masks and ventilators in hospitals in 2020, and, recently, the supply problems that have led to higher-priced eggs. While strengthening supply networks has been addressed in the Baldrige Criteria for Performance Excellence® (<https://www.nist.gov/baldrige/baldrige-criteria-commentary>) (part of the Baldrige Excellence Framework®) since its inception, the concept was further focused and refined in the 2023–2024 edition.

An August 2020 report by McKinsey Global Institute, *Risk, Resilience, and Rebalancing in Global Value Chains* (<https://www.mckinsey.com/capabilities/operations/our-insights/risk-resilience-and-rebalancing-in-global-value-chains>), noted that in recent decades, supply chains have grown in length and complexity “in pursuit of margin improvements,” but that these chains often “were not calibrated to risk

exposure.” The report continues, “Intricate [supply] networks were designed for efficiency, cost, and proximity to markets but not necessarily for transparency or resilience. Now they are operating in a world where disruptions are regular occurrences. Averaging across industries, companies can now expect supply-chain disruptions lasting a month or longer to occur every 3.7 years, and the most severe events take a major financial toll.”

Seven Baldrige-Aligned Steps for Improvement

Vora’s Seven-Step Supply-Chain Improvement Plan

Even before the COVID pandemic hit, Dr. Manu K. Vora, president of Business Excellence, Inc., wrote the article *Seven Steps to Link Quality Improvement to Your Supply Chain* (https://www.scmr.com/article/7_steps_to_link_quality_improvement_to_your_supply_chain) for *Supply Chain Management Review* on “how to build integrated



and innovative supply chains in the twenty-first century by looking at the parallels between successful supply-chain and quality management practices within the context of [the Baldrige Criteria] and by leveraging insights” from ASQ’s Global State of Quality research.

“Supply-chain quality doesn’t happen by accident,” stated Vora. “Global supply-chain quality has to be an ongoing process that requires a comprehensive plan, . . . is part of an organization’s culture, and is intertwined with manufacturing processes.”

The Baldrige Criteria offer the questions that organizations should be asking themselves to ensure that they are following a roadmap to success. Vora linked his seven-step supply-chain improvement plan to the categories of the Baldrige Criteria as follows:

Step 1

Promote a culture of quality in the supply chain, with leaders supporting a clearly stated quality vision. (Baldrige category 1, Leadership)

Step 2

Create a supply-chain strategy with sound design and planning that supports the organization’s short- and long-term objectives. Strategy should include key outcomes, guided use of resources, workforce plans, performance

measures and projections, and anticipated modifications. (Baldrige category 2, Strategy)

Step 3

Focus on the customer by soliciting complaints and resolving problems; using surveys, focus groups, and customer advisory boards; mapping the customer experience and leveraging data to flag problems in advance; and analyzing customer satisfaction, dissatisfaction, and engagement relative to competitors. (Baldrige category 3, Customers)

Step 4

Consider a roadmap for IT measurement and analysis that includes performance measurement, performance analysis and review, performance improvement, and technology management. (Baldrige category 4, Measurement, Analysis, and Knowledge Management)

Step 5

Review best practices on how to build and incentivize an effective and supportive supply-chain workforce and engage staff members to achieve organizational and personal success. (Baldrige category 5, Workforce)

Step 6

Consider work system design and work process design. (Baldrige category 6, Operations)

Step 7

Track a key set of metrics for customer information (reliability, responsiveness, and flexibility), along with internal information that includes costs and assets. (Baldrige category 7, Results)

“In a global economy, high-performing and high-quality supply chains are not only essential to delivering goods on time, [but] global companies also depend on their supply-chain processes to manage the divergent expectations of customers and suppliers, to stay one step ahead of the competition, and even to protect a company’s image,” wrote Vora.

Isaacson’s Seven-Step Supply-Chain Improvement Plan

A related article I found interesting is “Seven Steps to Ensure Quality Across the Supply Chain” by David Isaacson, which appeared in the May 20, 2021, edition of *SupplyChainBrain* (<https://www.supplychainbrain.com/blogs/1-think-tank/post/33046-seven-steps-for-ensuring-quality-management-across-the-supply-chain#:~:text=In%20order%20to%20address%20the%20growing%20complexity%20of,approach%20.%20...%207%20Involve%20suppliers%20.%20>).

According to Isaacson, “Supply chain complexity continues to grow, along with the high price of product defects and recalls.... Implementing a quality-management approach across the supply chain not only minimizes the number of quality issues, but ensures that manufacturers and their suppliers all understand what is expected of them, so they can uphold the highest standards of quality. From the concept of a product to its final destination, quality is a journey that everyone is on together.”

Isaacson also suggested seven steps, which align with the Baldrige Criteria, specifically, with the text in section 6.2b on supply-network management, as follows:

Step 1

Establish a production part approval process with clear design specifications for compliance to standards. (Baldrige categories 6, Operations; and 7, Results)

Step 2

Set up a receiving and inspection process. (Baldrige category 6, Operations)

Step 3

Implement supplier corrective action requests, involving

root-cause analysis, corrective planning, and risk analysis. (Baldrige category 6, Operations)

Step 4

Qualify suppliers and materials. (Baldrige category 6, Operations)

Step 5

Collect supplier ratings. (Baldrige category 6, Operations)

Step 6

Expand the role of supplier-quality management from just the quality team to everyone who has a relationship with your suppliers. (Baldrige categories 1, Leadership; 2, Strategy; 4, Measurement, Analysis, and Knowledge Management; and 6, Operations)

Step 7

Make suppliers part of your quality system. (Baldrige category 1, Leadership; 2, Strategy; 4, Measurement, Analysis, and Knowledge Management; and 6, Operations)

The Baldrige Take on Supply Networks and Resilience, and How It Supports the Steps

In the 2023-2024 Baldrige Excellence Framework®, the resilience of the supply network (what Baldrige considers the next evolution of the supply chain) is an important thread throughout categories, with a focus in category 6 in the section on operational effectiveness. The framework keeps a focus on suppliers in order to promote alignment and collaboration, mitigate risk and ensure agility and resilience, measure and evaluate performance, require and foster ethical behavior, enhance strategy, and ensure security and cybersecurity roles and responsibilities.

In the Criteria, supply networks are also considered among strategic challenges, threats, advantages, and opportunities, and in the section on safety, business continuity/resilience, and risk management in terms of reliance on an organization’s supply network.

Resilience is also an important—if not the most important—thread in the Criteria. An expected outcome of agility, resilience appears throughout the Criteria to help organizations understand and prepare for changing needs. Resilience today often means being prepared for business transformation—to be able and willing to respond quickly to both opportunities and threats, and to adapt strategy, action plans, workforce plans, and processes, when needed.



2023 DONOR AND SUPPORTER HONOR ROLL

Thank you for Your Support!

Gifts to the 2023 General Fund

About Healthcare, Inc
 Al Faber
 Amazon Smile
 CloudAlly
 Combined Federal Campaign (CFC)
 Dallas College – Richland Campus
 Diane Brockmeier
 Fundraise Up
 Google
 Guidehouse (formerly PricewaterhouseCooper)
 Karen Morrison
 Kay Eggleston Ph.D.
 LBL Strategies, LTD
 Lowell C. Kruse
 Microsoft Corporation
 Mindedge, Inc.
 NordVPN
 OhioHealth
 S. "Paddy" Padmanabhan
 Scott R. McIntyre
 Six Sigma Global Institute (SSGI)
 Tata Son's Private Limited
 Tony Scott
 Mark Wayda

Gifts received for #GivingTuesday/End-of-Year Campaign

Al Faber
 Brian Lassiter
 David R. Gifford, M.D.
 Diane Brockmeier
 E. David Spong
 Edwin Lee
 Frank Fusco
 Glenn Bodinson
 Glenn Crotty, Jr.
 Harry S. Hertz, Ph.D.
 John Raffoul
 Kathryn Eggleston
 Kevin Lee
 Larry Dux
 Lowell C. Kruse
 Lyle Beefelt
 Mark Wayda, Ph.D.
 Molly E. Baldrige
 P. George Benson, Ph.D.
 Padmanabhan Sankaranarayanan
 Pamela Tripp
 Russell Branzell
 S. Paddy Padmanabhan
 Sangita Mallik

Stephen Bonk
 Suresh Nirody
 Susan Schall
 Tony Scott
 Wantanaphon Monha

Quest Sponsors

Alamo Colleges District
 Beyond Feedback
 Charleston Area Medical Center (CAMC)
 Dallas College – Richland Campus
 Elevations Credit Union
 Lulu Process Design Group
 Mid-America Transplant
 SANPEC, Inc.
 Stratex Solutions
 Walden University

Foundation Awards Tribute Sponsors

Cathy Bergland
 Baldrige Foundation Board of Directors
 Beyond Feedback
 Jeff Calhoun
 City of Henderson

Communities of Excellence 2026 (COE2026)
 Cyber Readiness Institute
 Dallas College
 Karen Evans
 Gary Floss
 Paul Grizzell
 The Partnership for Excellence TPE
 Joe Sener
 Tata Son's Private Limited

For donations of record between January 1, 2023, and December 31, 2023.

Gift Arrangements Through Planned Giving

Al Faber
 Mark Wayda

Through Your Gifts, You are Changing the World

By keeping Baldrige vibrant and growing, your donation:

- Makes hospital care safer, more widely available and less expensive
- Makes education more effective and gives opportunities to our young people
- Makes businesses more competitive and protect American jobs
- Makes digital systems more secure

- Makes communities function more effectively to address the needs of all people

For those people whose lives are longer, healthier, and more full of opportunity because of Baldrige, thank you for supporting the Baldrige Foundation.

