

Expressway to Excellence

A complimentary e-newsletter for people interested in better delighting their stakeholders through continuous improvement and the Baldrige Criteria for Performance Excellence.

Winter 2003

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When and Where to Benchmark

No doubt, you have heard about benchmarking as an improvement technique. It is a valuable tool for your "continuous quality improvement" toolbox. Just like any tool, it is appropriate for some, but not all, situations. When should you benchmark?

- Your organization has a quality improvement system and competency in process management and improvement
- You need a dramatic breakthrough in a process that has a history of problematic performance
- You have improved a process and reached a plateau, but it is a critical success factor that you must improve even more

- The prevailing opinion is that "it is impossible to improve this process", yet there is pressure to do so anyway
- The process in need of improvement is worth the extensive effort that benchmarking requires

When is benchmarking *inappropriate*?

- There is insufficient time to make a needed improvement (benchmarking takes more time than most people think)
- The process you want to improve is not within your direct control to change
- You do not fully understand the process to be improved or have measurements about its performance
- The organization is not quality- or improvement-minded

Should you benchmark inside your industry or outside your industry? Each can help you gauge relative performance and find innovative ideas for improvement. But benchmarking experts and world-class organizations say the *best* ideas for breakthrough improvement (not small or steady incremental improvement) come from benchmarking *outside* your industry.

Following are a few examples of breakthroughs achieved by benchmarking outside the industry.

Benchmarking continued

- Baldrige award winner Granite Rock benchmarked Domino's pizza for ideas on reducing delivery time. They also benchmarked American Express for accounts receivable effectiveness and a bank for reducing customer-waiting time.
- IBM Rochester benchmarked an automotive company, a direct competitor, a consumer credit company, and a packaged goods distribution company to improve its customer satisfaction management system.
- Xerox benchmarked LL Bean (a catalog company) to learn how to streamline the distribution system.
- Southwest Airlines benchmarked a racecar pit crew to learn how to speed up turnaround on the ground between flights.

Whether you choose to benchmark within or outside your industry, plan a generous schedule – possibly as long as nine to twelve months. Benchmarking can be filled with surprises and delays. After you gather promising ideas from benchmarking sources, make improvements to your processes and then collect data on the resulting impact.

You can read about many other organizations' return on investments in the literature on benchmarking. To request our Benchmarking Resource list email karen@leadingexcellence.com or call 949.481.4860.

Baldrige at the Olympic Games

Who would imagine that a two-plus week event, the Olympic Games, would use the Baldrige Criteria to help assure a perfect event? The Olympic Games is like

building a billion dollar, 200,000-person corporation in seven years and then dismantling it three months later. The Games rely on thousands of computers and global networks to deliver real-time, highly accurate information that anyone with a television, radio, or TV.

After several breakdowns at the Summer 1996 Olympics in Atlanta that affected press coverage, transportation, event scheduling, and volunteer effectiveness, the organizers decided they needed a more systematic approach to plan and manage the operations. IBM, a former National Baldrige Award winner and Olympic Games sponsor, introduced the Baldrige Criteria as a model to define the new approach. Learning from past lessons caused the organizers of the 1998 Nagano, Japan Games and 2000 Sydney, Australia Games to follow the Baldrige Criteria to:

1. Implement a strong leadership system to facilitate external contractual commitments, leverage internal resources, and put strategic perspective in place
2. Build strong relationship processes to clearly define and mutually agree upon requirements and expectations with the International Olympic Committee, Country Olympic Committee, and Sports Federations as well as other key stakeholders (press, broadcast media, vendors, etc.)
3. Manage software development and systems integration using process management techniques, linking requirements to quality plans and using comprehensive testing
4. Concurrently develop and implement operational plans and measures to support technology bring-up and dismantle.

Olympic Games continued

By using the Performance Excellence model, the Games organizers are learning from past Games and systematically refining their planning and management approaches to assure successful events.

This article was condensed from a story in the Mayberry Newsletter, Tennessee Technological University College of Business Administration, Fall 2002. www.tntech.edu/mayberry

2002 National Baldrige and CAPE Award Winners

For the first time, a healthcare organization has earned the prestigious Malcolm Baldrige National Quality Award, in addition to two other organizations.

SSM Health Care (health care category)

Motorola, Inc. Commercial, Government, and Industrial Solutions Sector (manufacturing category)

Branch-Smith Printing Division (small business category)

To view the complete press release detailing these role model organizations, visit this website:
http://www.nist.gov/public_affairs/releases/baldrige2002.htm.

Winners of the California Awards for Performance Excellence include:

Gold Level Award

Boeing C-17 Program

Silver Level Award

Boeing Military Aerospace Support
Candle Corporation
San Jose Unified School District

Bronze Level Award

City of Sunnyvale
Glendale Adventist Medical Center
Kisco Senior Living
National University
Riverside Community Credit Union
Schurter Inc.

Prospector Recognition

Duran & Venables

You can learn from many of these organizations at the spring conference of the California Council for Excellence (see information below.)

Now is the time to begin preparing your application for CAPE or the National Baldrige Award. Deadlines for applications are August 2003 and May 2003 respectively. CAPE also has recognition programs called Prospector and Challenge for which you may apply year-round.

Process Management Self-Assessment Survey

You are invited you to participate in a 15 question survey assessing your process management practices based on the Baldrige National Quality Award Criteria. Your participation will give you free access to the survey results and an opportunity to download case studies from four Baldrige Award-winning companies at no cost.

Please go to the following website, take the 15-question survey, and then pay attention to the links on the "Thank You Page" at the end.

<http://www.zoomerang.com/survey.zgi?EOHBCGS24QATX8HKP6KXRQC6>.

Thanks to Michael Beason, Chairman of the California Training Cooperative, for publishing this survey. For more resources, visit www.ctcoop.com

Expressway to Excellence

Conferences and Workshops

Designation Excellence: Your Passport to Peak Performance

Ninth Annual Conference of the California Council for Excellence Conference – Administrators of the Baldrige-based California Award for Performance Excellence

April 28-29, 2003 at the Manhattan Beach, CA Marriott Hotel

For more information, call (858) 486-0400 or visit <http://www.caexcellence.org>

Baldrige Assessment Training Facilitated by Mark Graham Brown

Offered three times in 2003 by the California Council for Excellence

For more information, call (858) 486-0400 or visit <http://www.caexcellence.org>

Internal Baldrige Assessor Training: the Alternative to Examiner Training Facilitated by Karen Trisko

Offered three times in 2003 by the California Council for Excellence

For more information, call (858) 486-0400 or visit <http://www.caexcellence.org>

Linking Performance to Success: Developing a Winning Strategy & Scorecard

Facilitated by Mark Graham Brown
Offered once in 2003 by the California Council for Excellence

For more information, call (858) 486-0400 or visit <http://www.caexcellence.org>

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