

Baldrige Performance Excellence

Systematic Processes Yield Results



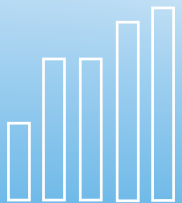
Agenda

- Results
- History
- The National Malcolm Baldrige Quality Award
- What is the Baldrige Excellence Framework?
- Why use it?
- Who should use Baldrige?



It's all about 'Results'

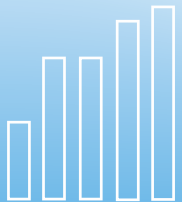
45% of the scoring is results



Results:

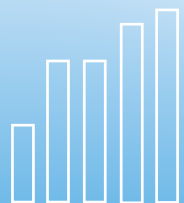
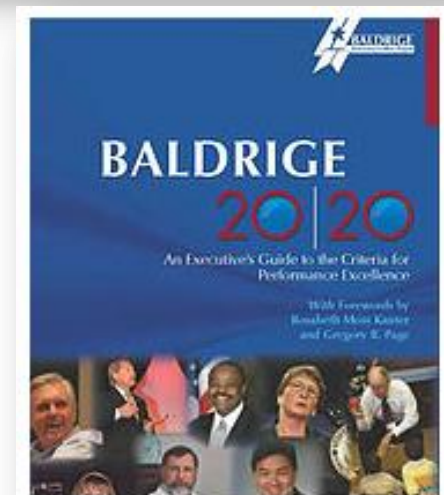


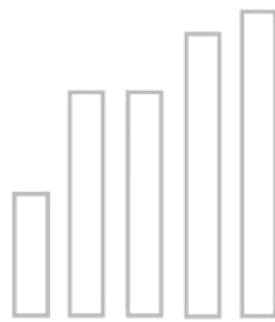
- Efficiency
- Effectiveness
- Competitiveness
- Sustainability



Baldrige award winners have seen drastic efficiency and effectiveness improvements

- Customer** - Customer satisfaction of 95% or higher for 4 years...
- Workforce** - 19% annual improvement rate in overall employee engagement...
- Operations** - 15-fold annual improvements in cost savings from supply-chain efforts...
- Strategy** - More than \$7.5 million annual cost savings from implementing innovative ideas...
- Environment** - 20% annual cost savings from energy conservation improvements for 3 years





The ratio of the Baldrige Program's benefits for the U.S. economy to its costs is estimated at **820 to 1**.

2010–2015 award applicants represent

567,434 jobs,

2,665 work sites, over \$142 billion in revenue/budgets, and about 449 million customers served.

109 Baldrige Award winners serve as national role models.

349 Baldrige examiners volunteered

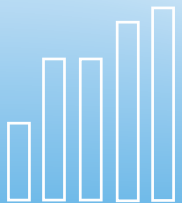
roughly **\$5.3 million** in services in 2015.

State Baldrige-based examiners volunteered around **\$30 million** in services in 2015.



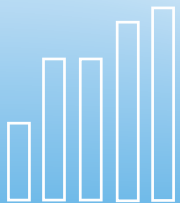
History

Why was the Baldrige Performance Excellence Program established?



History

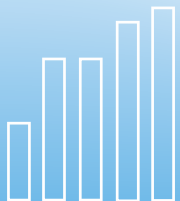
- Foreign companies were producing **higher quality products**
- U.S. companies were **losing market share**
- President Reagan wanted a **new standard for quality** in the U.S.



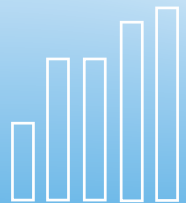
Program History

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

- Created award program to
 - **establish criteria** for evaluating improvement efforts
 - **identify/recognize role-model businesses**
 - disseminate/share **best practices**
- Expanded to health care and education (1998) and to nonprofit sector (2005)

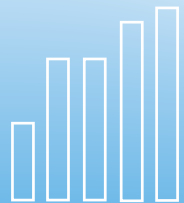


The National Malcolm Baldrige Quality Award



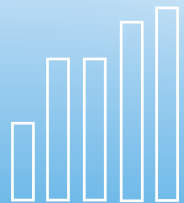
About the Award

- Presidential award
- Highest level of national recognition for performance excellence
- Traditionally presented by the President of the United States



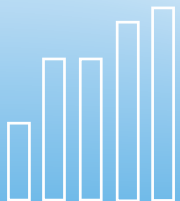
Eligibility Categories

- Manufacturing
- Service
- Small business
- Education
- Health care
- Nonprofit



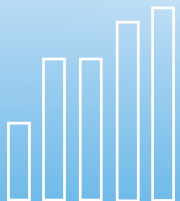
Award Recipients: Manufacturing

- 3M Dental Products Division (1997)
- ADAC Laboratories (1996)
- Armstrong Building Products Operations (1995)
- AT&T Transmission Systems Business Unit (1992)
- The Bama Companies, Inc. (2004)
- Boeing Airlift & Tanker Programs (1998)
- Cadillac Motor Car Company (1990)
- Cargill Corn Milling North America (2008)
- Clarke American Checks, Inc. (2001)
- Corning Telecommunications Products Division (1995)
- Dana Corporation—Spicer Driveshaft Division (2000)
- Eastman Chemical Company (1993)
- Honeywell Federal Manufacturing & Technologies (2009)
- IBM Rochester (1990)



Award Recipients: Manufacturing

- KARLEE Company, Inc. (2000)
- Lockheed Martin Missiles and Fire Control (2012)
- MEDRAD, Inc. (2003, 2010)
- Milliken & Company (1989)
- Midway USA (2009)
- Motorola CGISS (2002)
- Motorola, Inc. (1988)
- Nestlé Purina PetCare Co. (2010)
- Solar Turbines Inc. (1998)
- Solectron Corporation (1991 and 1997)
- STMicroelectronics—Region Americas (1999)
- Sunny Fresh Foods, Inc. (2005)
- Texas Instruments Defense Systems & Electronics Group (1992)
- Westinghouse Commercial Nuclear Fuel Division (1988)
- Xerox Corp. Business Products & Systems (1989)
- Zytec Corporation (1991)



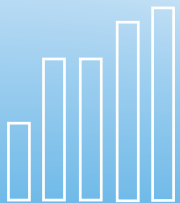
Award Recipients: Service

- AT&T Consumer Communications Services (1994)
- AT&T Universal Card Services (1992)
- BI (1999)
- Boeing Aerospace Support (2003)
- Caterpillar Financial Services Corp. U.S. (2003)
- Dana Commercial Credit Corporation (1996)
- DynMcDermott Petroleum Operations (2005)
- Federal Express Corporation (1990)
- GTE Directories Corporation (1994)
- Merrill Lynch Credit Corporation (1997)
- Operations Management International, Inc. (2000)
- PricewaterhouseCoopers Public Sector Practice (2014)
- Premier Inc. (2006)
- The Ritz-Carlton Hotel Company, L.L.C. (1992, 1999)
- Xerox Business Services (1997)



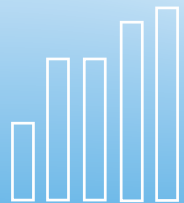
Award Recipients: Small Business

- Ames Rubber Corporation (1993)
- Branch-Smith Printing Division (2002)
- Custom Research Inc. (1996)
- Freese and Nichols Inc. (2010)
- Globe Metallurgical Inc. (1988)
- Granite Rock Company (1992)
- K&N Management (2010)
- Los Alamos National Bank (2000)
- Marlow Industries, Inc. (1991)
- MESA (2006, 2012)
- MidwayUSA (2009, 2015)
- Pal's Sudden Service (2001)
- Park Place Lexus (2005)
- PRO-TEC Coating Company (2007)
- Stoner, Inc. (2003)
- Studer Group (2010)
- Sunny Fresh Foods (1999)
- Texas Nameplate Co., Inc. (1998, 2004)
- Trident Precision Manufacturing, Inc. (1996)
- Wainwright Industries, Inc. (1994)
- Wallace Co., Inc. (1990)



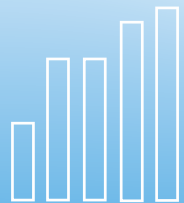
Award Recipients: Education

- Charter School of San Diego (2015)
- Chugach School District (2001)
- Community Consolidated School District 15 (2003)
- Iredell–Statesville Schools (2008)
- Jenks Public Schools (2005)
 - Kenneth W. Monfort College of Business (2004)
 - Montgomery County Public Schools (2010)
 - Pearl River School District (2001)
 - Pewaukee School District (2013)
 - Richland College (2005)
 - University of Wisconsin–Stout (2001)



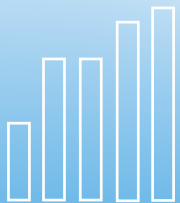
Award Recipients: Health Care

- Advocate Good Samaritan Hospital (2010)
- AtlantiCare (2009)
- Baptist Hospital, Inc. (2003)
- Bronson Methodist Hospital (2005)
- Charleston Area Medical Center Health System (2015)
- Heartland Health (2009)
- Henry Ford Health System (2011)
- Hill Country Memorial (2014)
- Mercy Health System (2007)
- North Mississippi Medical Center (2006)
- North Mississippi Health Services (2012)
- Poudre Valley Health System (2008)
- Robert Wood Johnson University Hospital Hamilton (2004)
- Saint Luke's Hospital of Kansas City (2003)
- Schneck Medical Center (2011)
- Sharp HealthCare (2007)
- Southcentral Foundation (2011)
- SSM Health Care (2002)
- St. David's HealthCare (2014)
- Sutter Davis Hospital (2013)



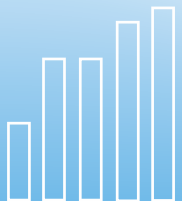
Award Recipients: Nonprofit

- City of Coral Springs, Florida (2007)
- City of Irving, Texas (2012)
- Concordia Publishing House (2011)
- Elevations Credit Union (2014)
- Mid-American Transplant Services (2015)
- U.S. Army Armament Research, Development and Engineering Center (ARDEC; 2007)
- Veterans Affairs Cooperative Studies Program Clinical Research Pharmacy Coordinating Center (2009)



This year's [Baldrige Award] recipients have shown how **quality, innovation, and an unending quest for excellence** help strengthen our nation and brighten the future of all Americans.

—*President Barack Obama*



Baldrige Excellence Framework

An Integrated Approach



People



Process



Performance



Leadership



Strategy



Customer Focus



Measurement, Analysis & Knowledge Management



Workforce Focus



Operations Focus



Results

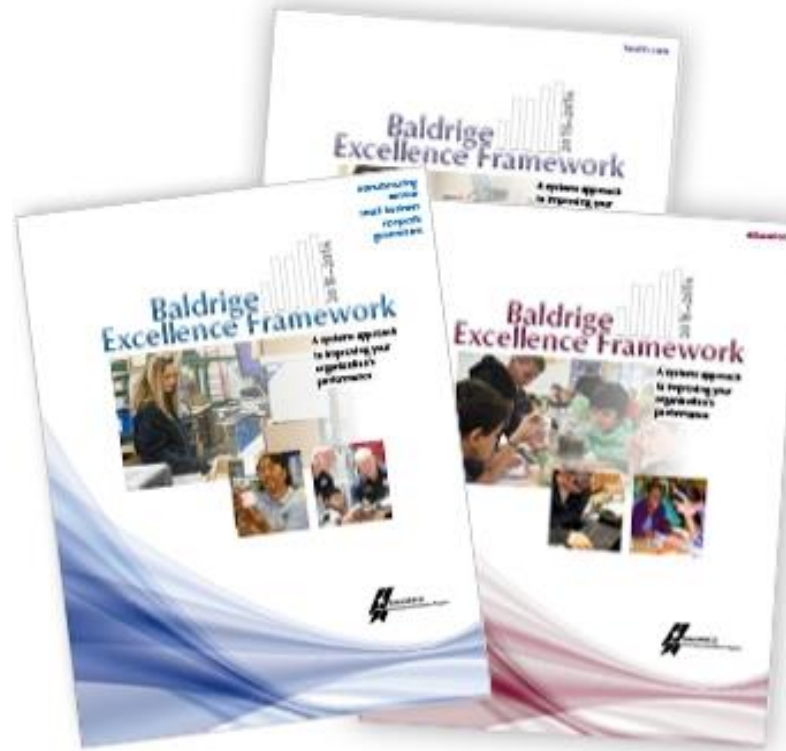


Baldrige Excellence Framework

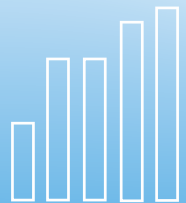
Integrated Management Framework

Emphasis on:

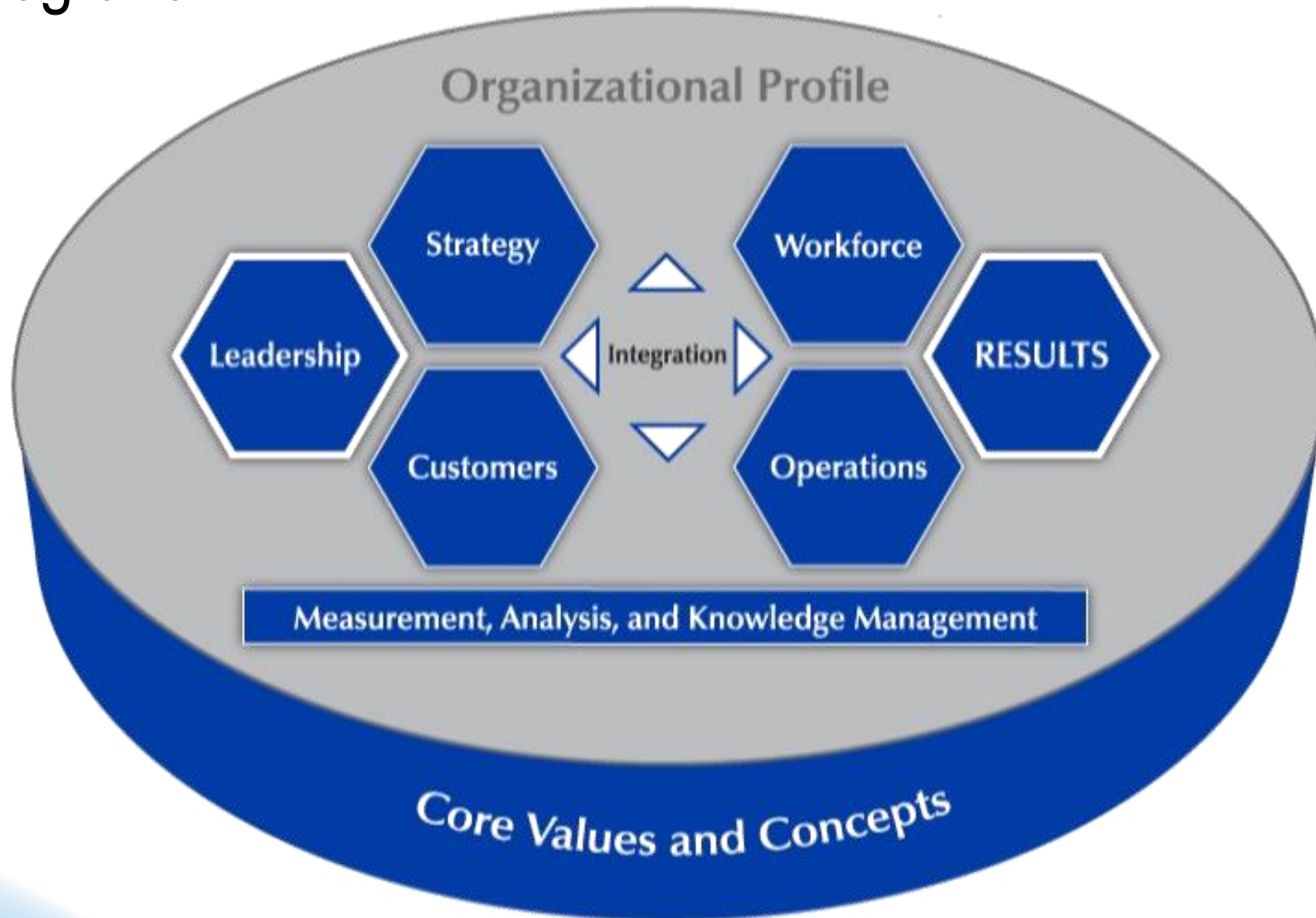
- Integration
- Innovation
- Results
- Sustainability



- Nonprescriptive
- Holistic
- Inclusive
- Adaptable

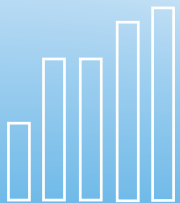


Integration...



While other approaches focus on a single aspect, such as leadership or process management, **the Baldrige Criteria provide an integrated management framework that addresses all the factors that define an organization's operations and results.** And the process is compatible with Lean and Six Sigma strategies as well as ISO 9000.

*—Robert W. Galvin, chairman, Baldrige Award winner
Motorola Commercial, Government & Industrial Solutions Sector*



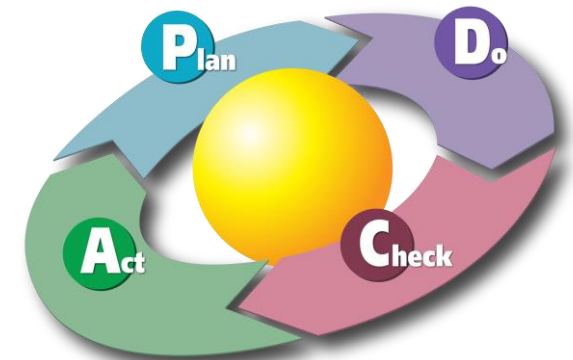
The Baldrige Criteria promotes:

- ISO Standards
- Lean
- Six Sigma
- PDCA
- Innovation
- Intelligent risk taking
- Product life cycle



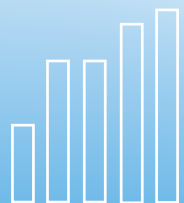
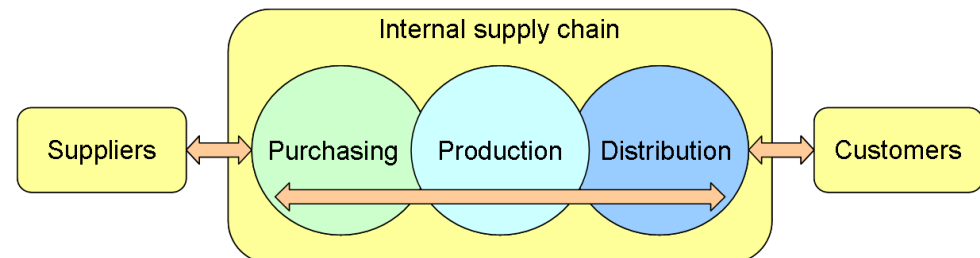
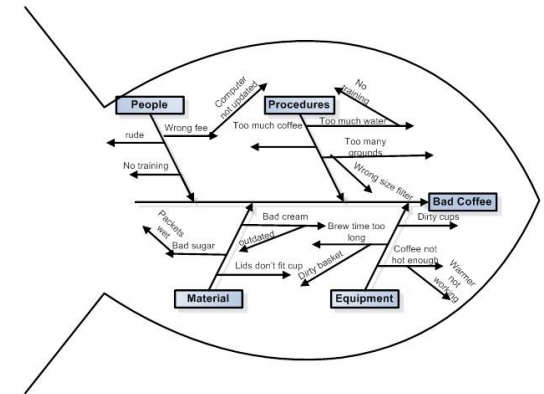
International
Organization for
Standardization

6σ



The Baldrige Criteria promotes:

- Systematic processes
- Root cause analyses
- Supply chain management
- Benchmarking
- Performance analyses
- Decision sciences



Why Use Baldrige?



Benefits:

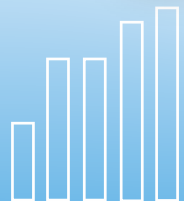
- Higher *productivity*
- Greater *customer loyalty*
- Increased *market share*
- Improved *profitability*
- Better *employee relations*



Benefits of Participation in the Awards Process

Organizations that have received the Award have seen:

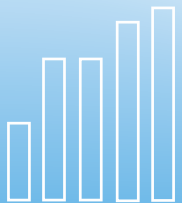
- Increased revenue
- Decreased cycle time
- Improved product reliability
- Greater customer satisfaction and engagement
- An increase in new product sales as a percentage of total annual sales
- Decreased time to market
- Increased employee involvement, empowerment, and productivity
- Increased market share
- Greater opportunities for innovation, research and development
- Cost reduction opportunities
- Increased return on assets and return on equity
- Global market improvement



Baldrige Performance Excellence

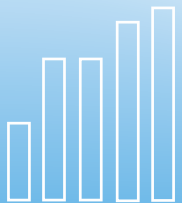
An integrated approach to organizational performance management that results in

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



It's all about **continuous improvement**. . . . By **embracing** all of the key dimensions of **Baldrige**, **the company has doubled in size this year** as a business of Bayer Health Care. We are \$690 million in revenue, as of the end of 2010.

*—Samuel Liang, president and CEO,
two-time Baldrige Award winner MEDRAD*



Who should use Baldrige?



Business Sectors:

Manufacturing



Education



Nonprofit | Government



Healthcare



Business



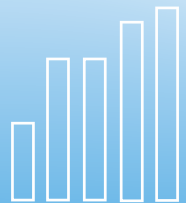
Services



Who should use Baldrige?







Those seeking a higher level of:

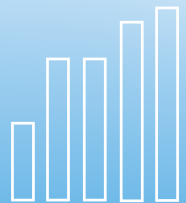
- Leadership
- Strategic planning
- Customer service and engagement
- Measurement & knowledge management
- Workforce satisfaction and engagement
- Process improvement
- Results



Who should use Baldrige?







Those seeking a higher level of Quality

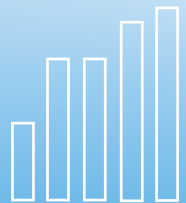
	Approach	Deployment	Learning	Integration
ISO 9001				
Baldrige				



Who should use Baldrige?

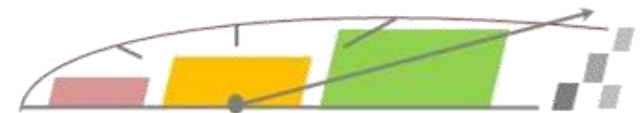
Those seeking a higher level of Results

	Levels	Targets Trends	Comparisons	Integration
ISO 9001				
Baldrige				



If you want the benefits of applying the Baldrige Performance Excellence Criteria, contact us at:

- Rick Bickerstaff
- 843.297.2596
- Rick@CompetitiveEdgePerformance.net
- CompetitiveEdgePerformance.net



Competitive Edge
Performance Solutions, LLC

Improving:

Business

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