

# Excellence Frameworks and Programs: Methods and Implementations

By Shawn Flynn © 2018

# Introduction and History



# What is Excellence?





# Entomology, Quotes and History

Origins: Middle English and from Latin for “excellētia” and “excellere” for surpass, beyond. A quality, state of being, talent and arete (Greek) for outstanding.

“We are what we repeatedly do. Excellence then, is not an act, but a habit.”  
-Aristotle

“Perfection is not attainable, but if we chase perfection, we can catch excellence.” -Vince Lombardi

“Excellence is not a skill. It is an attitude.” -Ralph Marston

Short History: Developed over time through societal and governmental demands for better products and services for competitive advantage and quality through organized competitions, models and assessments through increasingly complex (or simplified) means (criteria, requirements or standards).

# What Are Excellence Frameworks?

Integrated approaches of organizational and performance management.

Characterized as an operating model, standard or criteria.

Developed from analysis of the behaviors, deemed as 'excellence', that high performing companies exhibit.

Deliver ever-increasing customer and stakeholder value.

Improve organizational effectiveness and sustainability.



# Characteristics of Frameworks and Programs

Structured and holistic models

Systems perspectives, integrated application and alignment, linkages to business results and non prescriptive.

Increasing levels of organizational maturity

(processes, methods, culture and behaviors, marketplace results)

Establishment of programs, offices and positions.

Development of internal models and programs.

Cycles of success, learning, improvement and recognition.

# Award Process Characteristics

Criteria based (with point system).

Structured and non prescriptive

Trained evaluators:

Pre-training work, site (and web training)

Assessment Process:

Intent to apply,

Application document or project evaluation,

Site visit evaluation

Multi level review with point system

Feedback: (structured (strengths and gaps) and unstructured).

Recognition: Award level, feedback (debrief) and formal recognition-an Award

# Types of Frameworks

National (countries or nation states)

Regional (states or territories)

Local (counties or districts)

Professional associations or societies

Companies

# Applications: Reasons to Adopt

Both business and personal applications:

Gain competitive advantage and market share

Higher operating efficiency and cost reduction

More engaged employees

Greater customer satisfaction

Organizational sustainability (stay in business!)

# Applications: Reasons Not to Adopt

## Complexity of Frameworks and Models

Resistance for buy-in and set up,

Implementation complexities:

Development of internal mechanisms (best practices) and personnel.

Discipline to sustain processes and measurements.

## Results take time to yield impact

Slow change and progress

Initial benefits may or not be observable.

Average of 3 years to see bottom line impact.

# Reasons Not to Adopt: Pitfalls

Scope: “Ye know not what ye ask for.” (Mark, 10:38)

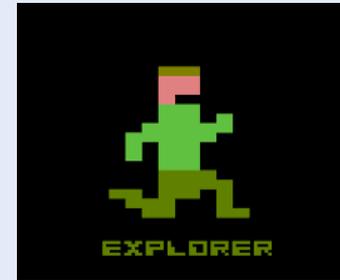
Being passive, the “Explorer” approach.

Commitment, understanding, resource allocation and support.

Activity/Execution:

Non disciplined performance or practice.

Not a habit.



Sustainability (longevity):

Discipline (backsliding). Burnout.



# Applications: Personal

Develop a different mind set, attitude and philosophy.

Learn to see strengths and gaps as a ‘consumer’ as opposed to ‘producer’ (professional).

Start demanding excellence everywhere. Stop accepting the norm or less than what could be (potential).

Create a different way of being. Use a vehicle for personal transformation through disciplined approaches. (recycles into becoming a better person (health) and professional (seek competitive advantage, higher operating efficiency (personal performance), engagement and quality of life).

How does this work?

# The Dance

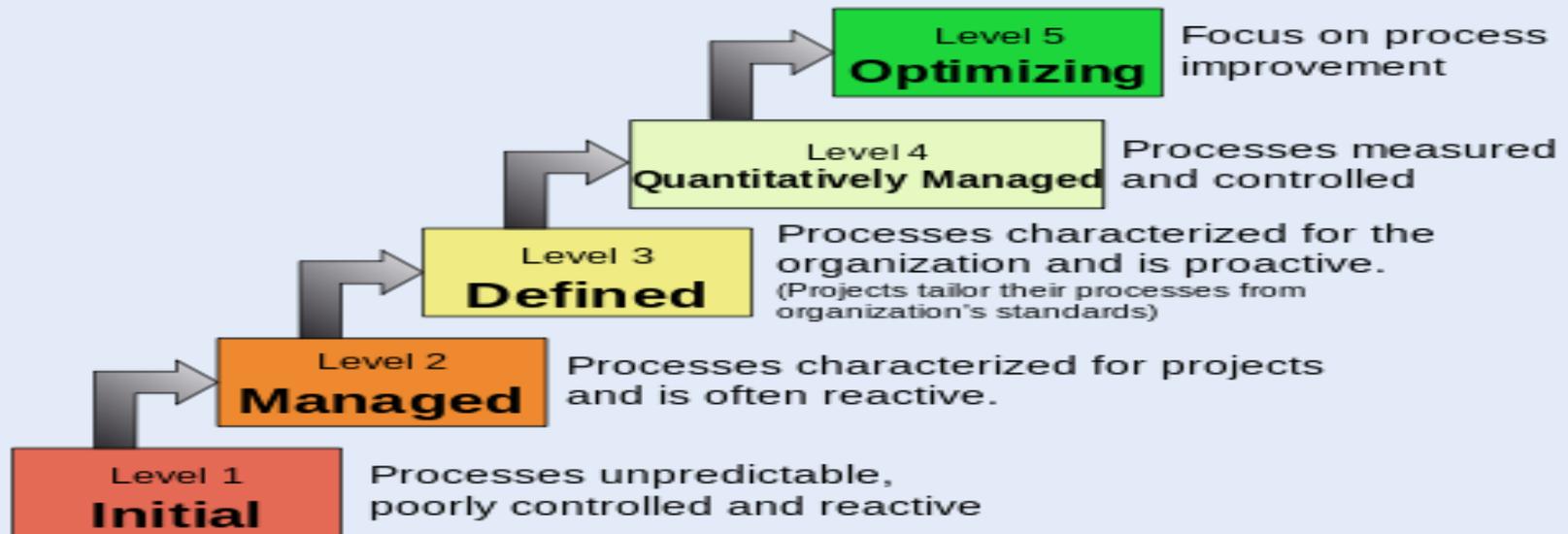


# It's a Journey *not* a Destination!

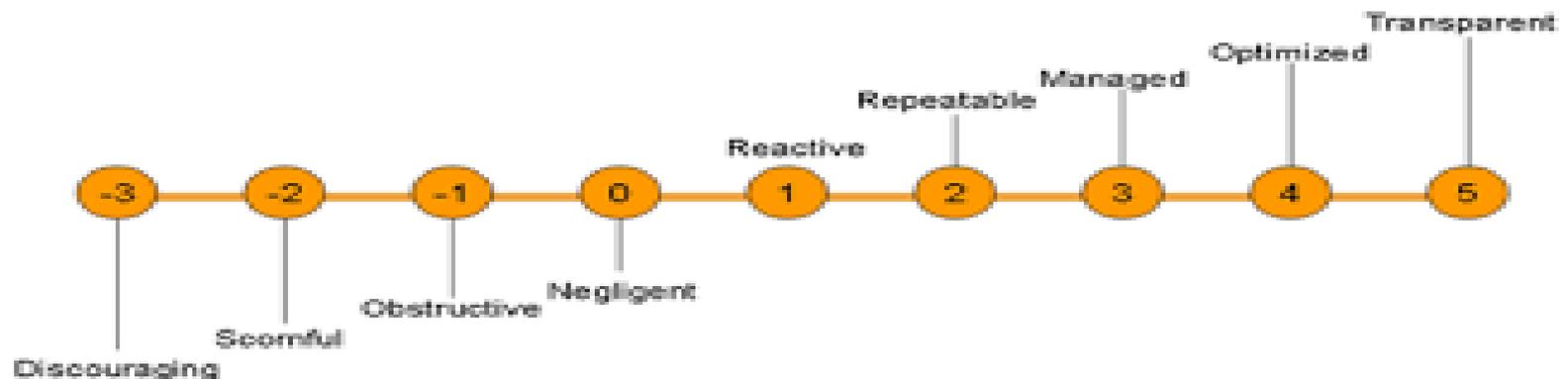


# The Journey and Maturity

## Characteristics of the Maturity levels



## Phases of Localization Maturity



# It's a Journey *not* a Destination!

*From the tiniest acorn  
grows the mighty oak*



The journey, like the acorn takes time. For a long time, you don't see any thing happening. But over time, it grows and grows and grows. Eventually, the little acorn becomes a might oak and even leaves seeds behind. Every acorn has this potential-the potential to become great!

# Employer Benefits and Payoffs

# Part 1

Transform your organization's body, mind and spirit.

Become a Model of Excellence:

1. Gain competitive advantage, build a better company and improve the bottom line!
2. Learn best and effective practices from different industries.
3. Develop, increase and strengthen stakeholder, community and societal linkages, engagement and support.
4. Gain industry recognition for undertaking the excellence journey.
5. Sustainability: People, Planet and Profit (Triple Bottom Line).

Gain in-house technical experts to help achieve breakthrough improvement in processes, systems, culture and results. Provide opportunities to recruit/develop more people internally.

# Employer Benefits and Payoffs

## Part 2

Become part of the community of people and companies actively committed, practicing and journeying toward ever increasing levels of optimization and innovation.

Potential to undertake self-assessments using established, well-ordered frameworks and integrated management systems.

Potential to apply for excellence framework awards, receive actionable feedback and gain brand recognition (both as award recipient and reputation).

Potential to develop in-house frameworks and benchmark against established Excellence Frameworks.

# Sponsorship

## Internal

Create a new organizational dynamic, focus and direction.

Transform internal and external practices and relationships.

Create new roles (part and full time).

Individuals may or may not participate in external models.

Achieve breakthrough improvement and innovation.

## External

Sponsor individuals and teams to develop expertise, grow professionally and for facilitating the internal transformation.

Participate in events to advocate excellence and inspire other organizations on their journey.

Become a success story!

# Individual Benefits

# Part 1

## Skills and Learning:

Gain the equivalent of a Mini-MBA (Baldrige)

Learn diagnostic assessment tools and systems thinking.

Evaluate organizational processes and results.

Exposure to different industry sectors, cultures and values.

Become a better business writer. Learn structured feed back writing.

Work in high performing teams:

Work independently, in teams and at applicant organization sites.

Develop interpersonal and interviewing skills.

Intense and personally challenging experience.

# Individual Benefits

## Part 2

Rewards and Recognition:

Potential for greater personal and professional growth:

Coaching, mentoring and teaching opportunities.

Leadership opportunities of assessment teams and site visits.

Networking, honorariums (certificates, apparel, etc...) and participation at recognition ceremonies.

Recognition as expert and ambassador of excellence models.

Make a difference for an organization working to improve.

Take back skills (job enhancing), knowledge and experience to help your organization!

Internal Framework  
and  
Program Development

# How to adopt and develop ?

**Choose a model (s) or an organization to:**

Emulate, benchmark and learn best practices.

**Develop internal practices and personnel**

Change the organizational landscape and culture. Recruit, sponsor and develop in-house experts.

**Conduct self-assessments:** Use internal and external consultants.

**Make application:** Full or partial (lower tier, step programs)

For benchmarking, improvement feedback and recognition.

**Make continuous improvement and reapply**

**Create internal excellence framework(s)**

# Maturity Process

**Student or novice:** beginnings (ground work):

Modeling, emulating and benchmarking against existing methods and models, some application and gains in maturity.

**Disciple or journeyman:**

Levels and cycles of refinement through practice, experimentation and beginnings of innovation (new methods, application).

Organizational soul searching and existentialism.

What is important to your organization?

Core Competencies, Values, Mission, Vision, Purpose, Body of Knowledge?

**Expert, advanced practitioner, gaining mastery:**

Pioneering efforts characterized by more adaptation, design, experimentation and innovation.

Creating marketability and being a role model.

**Mastery, greater mastery and pioneer:**

Setting and designing standards/ models.

Change the industry: culture, landscape and trends.



# Framework Development

## Key Elements and Themes:

Leadership, Governance and Planning/Strategy

Organizational Alignment: harmonization, homeostasis, integrated management systems

Stakeholder Involvement: internal and external.

Internal: Employees, business sub units, and processes

External: Customers, suppliers and partners. Societal engagement.

Processes and Methods:

Systematic (ordered), aligned, maturing (reaction, learning and improvement, analysis and prevention, strategic deployment).

Learning: Continual improvement, data based decision making.

Metrics: Departmental or functional/sub unit, business unit/division, enterprise.

# Frameworks and Models



# Impacts of Excellence Models

- The ratio of Baldrige Program benefits for the U.S. economy to program costs has been estimated at 820 to 1.(1)
- 120 award winners surveyed by the British Quality Foundation outperformed comparison companies over 11 years.(2)
- Australian Business Excellence Framework applicants reported share performance increases by of a factor of 3.5 to 1.(2)

# Examples of Excellence Models

- Deming Prize, Japanese quality award
- Business Excellence Framework, Singapore Quality Award
- Shingo Model and Prize, US based award by the Shingo Institute.
- ASQ International Team Excellence Awards
- Association for Manufacturing Excellence Award
- GM Supplier Quality Award
- Industry Week Best Plants Competition

# Detailed Examples of Excellence Models

AME Excellence Award

Deming Prize

Baldrige Performance Excellence Program and

EFQM

Shingo Prize for Operational Excellence

# AME Excellence Award

Association for Manufacturing Excellence,  
Rolling Meadows, IL

US Manufacturing plants only

Use of Lean Sensei Tool



# AME Criteria

1. Policy (Key) Deployment Processes:  
Management System, Human and Organizational Development

2. Safety and Environment

3. Manufacturing and Business Operations:

Manufacturing Operations:

(Waste (muda); Unevenness, Fluctuation and Variation (mura);  
Overburdening People or Machines (muri))

Business Operations (office):

(Waste (muda); Unevenness, Fluctuation and Variation (mura);  
Overburdening People or Machines (muri))

# AME Criteria

4. Extended Value Stream Management:  
Product Development, Supplier Development and Procurement

5. Plant Results: Quality, Cost, Delivery and Profitability

Lean Sensei Tool:

60 Items

Criteria Rankings: Excellent, On the Journey, Needs Improvement

Ratings: A+, A, B, C, D, F

Proof/Gaps

# Lean Sensei Example Criteria

## 1. Policy Deployment:

**Excellent:** Formal and effective program from the top for vision and strategy and objective creation with a robust level of catch ball horizontally and vertically for alignment. Clear focus on the "critical few" breakthrough strategic initiatives which are cascaded from the top all the way down and across the organization. Employees understand how their work relates to company objectives/strategies.

**On the Journey:** Policy deployment is in place from top for vision, strategy and objective creation. But linkages down through the organization are missing. Breakthrough objectives may exist, but focus is not crisp. Some methodologies are in place for global deployment. A catch ball process is evolving.

**Needs Improvement:** Vision, strategy and objectives exist but accountabilities and alignment are weak. Objectives handed down from higher levels, no real catch-ball type process exist. Departments focus on their priorities; activities are often not in alignment across the organization. (F) No strategy or deployment of strategy exists.

# Deming Prize

Administrated by Union of Japanese Scientists and Engineers (JUSE).

Began in the 1950's and Total Quality Management centered.

Based on Deming's courses: *“Eight-Day Course on Quality Control”* and *“One-Day Course on Quality Control for Top Management”*.



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4 Categories:

Deming Prize for Individuals,

Deming Distinguished Service Award for Dissemination and Promotion (Overseas),

Deming Prize and

Deming Grand Prize

(former Japan Quality Medal)



# Deming Prize Criteria

A. Establishment of business objectives and strategies and top management's leadership.

I Establishment of proactive customer-oriented business objectives and strategies.

II Role of top management and its fulfillment.

B. Suitable utilization and implementation of TQM.

III Suitable utilization and implementation of TQM for the realization of business objectives and strategies.

1. Organizational deployment of business objectives and strategies.

2. Creation of new values based on understanding of customer and social needs and innovation of technology and business model.

3. Management and improvement of quality of products and services and/or work process.

4. Establishment and operation of cross-functional management systems such as quality, quantity, delivery, cost, safety, environment, etc. across the supply chain.

# Deming Prize Criteria

B. Suitable utilization and implementation of TQM (continued).

5. Collection and analysis of information and accumulation and utilization of knowledge.

6. Development and active utilization of human resource and organizational capability.

7. Initiatives for social responsibility of the organization.

C. Effects of TQM

IV Effects obtained regarding business objectives and strategies through utilization and implementation of TQM.

## Five Effects of Deming Prize

1. New product development and launch will be promoted TQM starts from a market.

2. New technology can be obtained Facing technical difficulties is part of new product development.

3. Sales target will be achieved continuously.

4. Become capable of following a policy and fulfilling an objective.

5. Organization's functionality will be enhanced.

# Baldrige Excellence Framework

## The Baldrige Performance Excellence Program

National and state level programs in the US.

Framework used in more than 30 countries and basis for over 70 business, quality and excellence models.



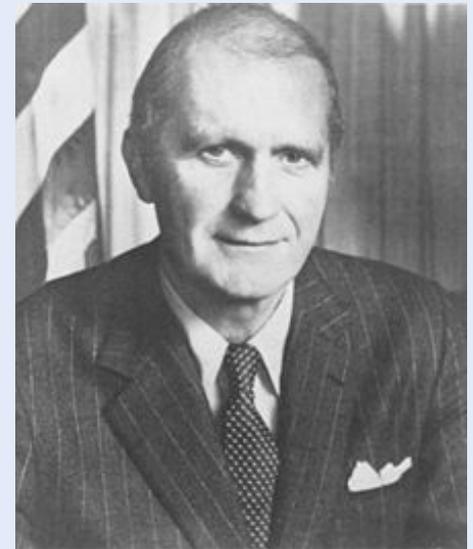
# History

US renewed interest in quality in 1980's. TQM still prevalent.

TV broadcast, "If Japan Can... Why Can't We?" (June, 24<sup>th</sup>, 1980, NBC). Introduces Deming's methods and begins a Quality Revolution.

Malcolm Baldrige National Quality Improvement Act of 1987, signed into law on August 20, 1987.

Framework and scoring developed by APQC and National Productivity Advisory Committee.



Howard Malcom Baldrige Jr., was US Secretary of Commerce.

# Baldrige Criteria

Additional information:

Award Categories: Manufacturing, Education, Health Care, Non Profit, Service and Small Business (< 500).

3 Criteria versions: Business, Health Care and Education

National Award is Best of the Best competition.

State level programs are developmental based and have tiered awards.

Organizational Profile: (snapshot of organization)

P1. Organizational Description

- a. Organizational Environment
- b. Organizational Relationships

P2. Organizational Situation

- a. Competitive Environment
- b. Strategic Context
- c. Performance Improvement System

# Baldrige Excellence Criteria

## Process Categories

1. Leadership
  - 1.1. Senior Leadership
  - 1.2. Governance and Societal Responsibilities
  
2. Strategy
  - 2.1. Strategy Development
  - 2.2. Strategy Implementation
  
3. Customer Focus
  - 3.1. Voice of the Customer
  - 3.2. Customer Engagement



# Baldrige Excellence Criteria

## Process Categories

### 4. Measurement, Analysis and Improvement of Knowledge Management

#### 4.1. Measurement, Analysis and Improvement of Organizational Performance

#### 4.2. Information and Knowledge Management

### 5. Workforce Focus

#### 5.1. Workforce Environment

#### 5.2. Workforce Engagement

### 6. Operations Focus

#### 6.1. Work Processes

#### 6.2. Operational Effectiveness

# Baldrige Excellence Criteria

## 7. Results Category

### 7.1. Product and Process Results

- a. Customer-Focused Product and Service Results.
- b. Work Process Effectiveness Results
- c. Supply-Chain Management Results

### 7.2. Customer Results

- a. Customer-Focused Results

### 7.3. Workforce Results

- a. Workforce-Focused Results

### 7.4. Leadership and Governance Results

- a. Leadership, Governance, and Societal Responsibility Results
- b. Strategy Implementation Results

### 7.5. Financial and Market Results

- a. Financial and Market Results

# Baldrige Criteria Examples

## 1.1 Senior Leadership: **How do your senior leaders lead the organization?**

(70 pts.)

### a. Vision and Values

(1) **Setting Vision and Values: How do senior leaders set your organization's vision and values?** How do senior leaders deploy the vision and values through your leadership system, to the workforce, to key suppliers and partners, and to customers and other stakeholders, as appropriate? How do senior leaders' personal actions reflect a commitment to those values?

(2) **Promoting Legal and Ethical Behavior** How do senior leaders' actions demonstrate their commitment to legal and ethical behavior? How do senior leaders promote an organizational environment that requires it?

### b. Communication

**How do senior leaders communicate with and engage the entire workforce and key customers?** How do they

- encourage frank, two-way communication, including use of social media, when appropriate;
- communicate key decisions and needs for organizational change; and
- take a direct role in motivating the workforce toward high performance and a customer and business focus, including by participating in reward and recognition programs?

# Baldrige Results Criteria Example

7.1 Product and Process Results: **What are your product performance and process effectiveness results?** (120 pts.)

a. Customer-Focused Product and Service Results

What are your results for your products and your customer service processes? What are your current levels and trends in key measures or indicators of the performance of products and services that are important to and directly serve your customers? How do these results compare with the performance of your competitors and other organizations with similar offerings? How do these results differ by product offerings, customer groups, and market segments, as appropriate?

b. Work Process Effectiveness Results

(1) Process Effectiveness and Efficiency: **What are your process effectiveness and efficiency results?** What are your current levels and trends in key measures or indicators of the operational performance of your key work and support processes, including productivity, cycle time, and other appropriate measures of process effectiveness, efficiency, security and cybersecurity, and innovation? How do these results compare with the performance of your competitors and other organizations with similar processes? How do these results differ by...

# Scoring Dimensions and Comments

Process Evaluators: Approach, Deployment, Learning and Integration

Results Evaluators: Levels, Trends, Comparisons and Integration

Comment Examples:

## 1.1 Senior Leadership

Your score in this Criteria item for the Consensus Review is in the 50–65 percentage range.

(Please refer to Figure 5a, Process Scoring Guidelines.)

### STRENGTHS

**a(1,3)** Through FitHabits' evolving Leadership System (FHLS), the LT sets direction, deploys FitHabits' vision and values, and creates an environment to achieve the mission. The system includes steps to cascade SOs, develop QCPs linked to performance reviews and demonstration of values, integrate values into supplier and collaborator business meetings, and use departmental Accountability Boards to help improve performance.

### OPPORTUNITIES FOR IMPROVEMENT

**a(1), b(1)** Methods for the LT to communicate with key customer groups or the Advisory Board are not apparent. LT dialogue with key customers through social media or other communication methods may strengthen the core competency of relationships.

# Baldrige Comment Examples

## 7.1 Product and Process Results

Your score in this Criteria item for the Consensus Review is in the 70–85 percentage range.

(Please refer to Figure 5b, Results Scoring Guidelines.)

### STRENGTHS

**a** Several results demonstrate superior customer service, a strategic advantage. FitHabits addresses increasing demands from consumers for better and more personalized customer service, as shown by improvements in Average Total Time per P2P Order, commensurate with an increase in customer engagement (Figure 7.1-9). Higher service levels are supported by a decrease in the abandoned call rate to about one-fourth of the best-practice rate and by Call Center phone and e-order uptime of 100%, the latter of which is best-in-class (Figure 7.1-12).

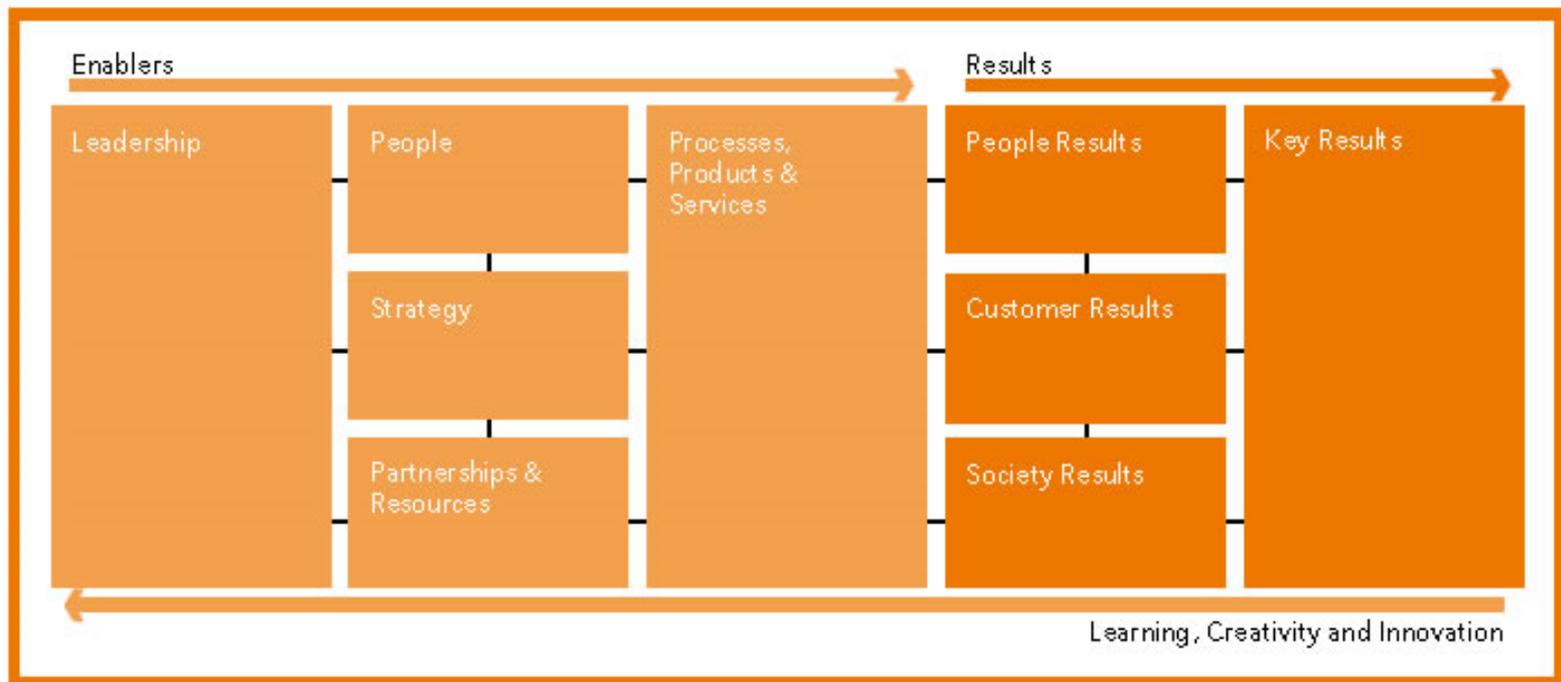
### OPPORTUNITIES FOR IMPROVEMENT

**b(1)** Results are not reported for one of FitHabits' core competencies, innovation. This may make it difficult for FitHabits to understand the success of its efforts to drive breakthrough improvements in operational performance.

**a, b(1)** None of the customer-focused product and service results presented include comparisons to FitHabits' four key competitors, and some process effectiveness and efficiency results do not include comparative data. Given that the Sratsa best-in-class levels reflect only the 25th percentile, comparisons with competitors may help FitHabits understand its relative performance in meeting customer requirements and in becoming the #1 Internet-preferred active wear and shoe resource in the nation.

# EFQM

- European Foundation for Quality Management (EFQM)
- Widely used in Europe and other countries.
- Basis for other national and regional awards.
- 500+ member organizations in both private and public settings.



# EFQM Facts and Figures

Objective: “To increase the competitiveness of European organizations and support the sustainable development of the European economies.”

EFQM: Member based and non profit organization (1989).

European Quality Award started in 1992.

Used by over 30,000 Organizations in 25 years in Europe.

Public and Private sector applicants.

1. Large Private Sector (over 1000 employees)
2. Small / Medium Private Sector (less than 1000 employees)
3. Large Public Sector (over 1000 employees)
4. Small / Medium Public Sector (less than 1000 employees)

# EFQM Concepts and Criteria

Excellence: “Excellence is about doing your best...”

## 8 Concepts:

Adding Value for Customers, Creating a Sustainable Future, Developing Organizational Capability, Harnessing Creativity and Innovation, Leading with Vision, Inspiration and Integrity, Managing with Agility, Succeeding through the Talent of People, Sustaining outstanding Results

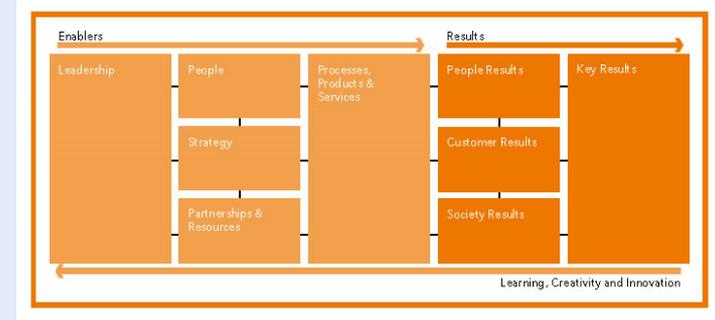
## 5 Enabler Criterion (Taking Action):

Leadership, Strategy, People, Partnerships and Resources  
Processes, Products and Services

## 4 Results Criterion (Impact):

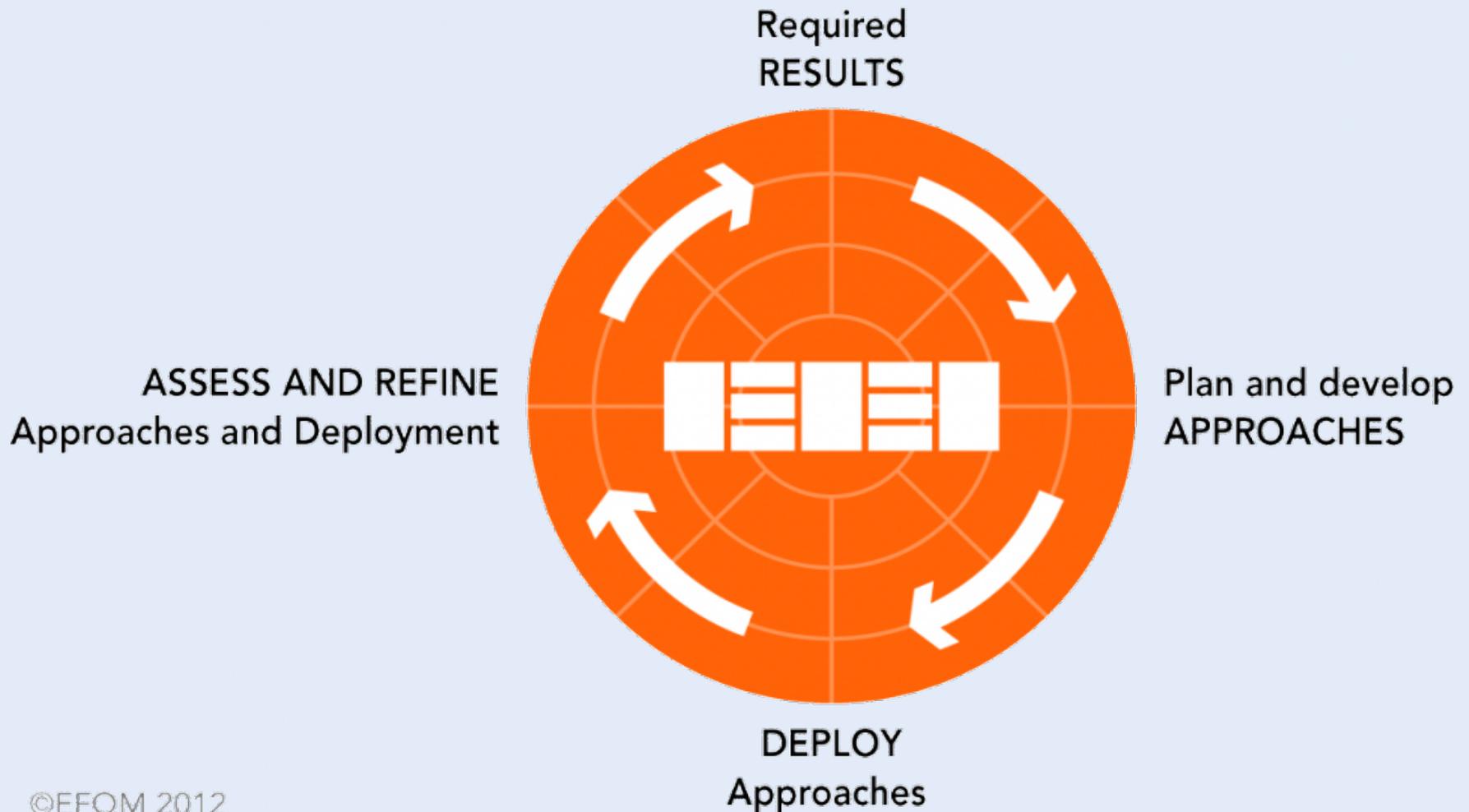
Customer, People, Society and Business

All Supported by Learning and Innovation



# EFQM Evaluation

Radar Logic-Results, Approaches, Deploy, Assess and Refine



# • Shingo Prize for Operational Excellence

Administered by the John M. Huntsman School of Business at Utah State University.

International Applicants (12-15 per year average).

Awards include: The Prize, Silver and Bronze Medallions, Research and Publication Awards (new knowledge in lean and Op Ex-Books, Articles, Case Studies, Applied publication/media).

Lean based model using tools and systems perspective.



# • Shingo Prize History

- Shigeo Shingo known for Toyota Production System and Single Minute Exchange of Dies.
- Utah State University confers honorary doctorate on Shingo, 1988 and establishes North American Shingo Prizes for Excellence in Manufacturing.
- “There are three constants in life...change, choice and principles.”
- —Stephen R. Covey
- “There are four Purposes of improvement: easier, better, faster and cheaper, These four goals appear in the order of priority.”
- -Shigeo Shingo
- “In the final analysis, national prosperity depends
- on improved productivity and, conversely, it is
- only on a foundation of increased productivity
- that we can build a wealthy nation and happy citizens.”
- — Shigeo Shingo



# Shingo Prize for Operational Excellence

- Goals:
- Journey of Discovering and Building Excellence
  - Use of structured approach
  - Integration (create or build systems)
  - Key Behavioral Indicators and Key Performance Indicators
  - Cultural Transformation
- Three Insights of Enterprise Excellence
  - 1. Ideal Results Require Ideal Behavior
  - 2. Purpose and Systems Drive Behavior
  - 3. Principles Inform Ideal Behavior

# Shingo Prize for Operational Excellence

- Shingo Prize for Operational Excellence
- Model: Guiding Principles, Systems, Tools, Results and Culture.



# Shingo

- Guiding Principles:
- Cultural Enablers: Lead with Humility, Respect for Every Individual
- Continuous Improvement: Flow and Pull Value, Ensure Quality at the Source, Focus on Processes, Embrace Scientific Thinking, Seek Perfection
- Enterprise Alignment: Create Constancy of Purpose. Think Systematically
- Results: Create Value for the Customer

# Resources

ASQ Organizational Excellence Technical Committee  
(subdivision of ASQ Quality Management Division)

Global OE Index (Canada, Organizational Excellence Specialists)

Global Benchmarking Network

Global Organizational Excellence Congress

Asia Pacific Quality Organization

6<sup>th</sup> International Best Practice Competition

Sheikh Khalifa Excellence Award's Best Practice Sharing  
Conference

# A Final Note and Questions



BE EXCELLENT TO EACH  
OTHER.

*It's a surprisingly good ideal.*