

# PERFORMANCE COUNTS

Winter 2011-2012



The Newsletter of the Virginia U.S. Senate Productivity and Quality Award Program

## Who's in the VA SPQA Community?

- Award applicants and past recipients
- Current, potential and past Examiners
- Sponsors big and small
- Others who wish to make a difference

## Who to contact with questions about the VA SPQA Community?

- *Bob Bowles, Executive Director* 571.215.8881  
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- *Jo Lin Rohr, Board Chair*  
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- *Mike Novak, Newsletter Editor*  
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## SPQA to Train Examiners

### *2012 SPQA Cycle Is Underway!*

Applications for the Recognition/Award and Discovery programs have been received. Examiners for both programs have been recruited and selected.

In January, Examiners will convene in Richmond for two days of training to prepare them to evaluate Applications.

Topics covered during Examiner training are many and varied:

- Basic Examiner roles and responsibilities
- Ethical expectations of Examiners (Code of Ethical Conduct and Conflict of Interest)
- Evaluation factors – how to score Process and Results Items

- The SPQA process
- Roles of the Examiner, Team Leader, Mentor, Editor, and Judges
- Purposes of Independent Review, Consensus Review, Site Visit, and Feedback Report
- Developing the Scorebook
- Reviewing and analyzing Process and Results Items
- Preparing feedback comments for Process and Results Items
- Use of the online Scorebook Navigator examination tool

Examiner training is highly interactive. Throughout the two-day training session, Examiners will engage in exercises and other activities designed to facilitate

learning and to engender a spirit of teamwork and collaboration. The day after general Examiner training, specialized leadership training will be conducted for Team Leaders, Mentors, Editors, and Judges.

Following the training, Examiner Teams will be assembled, and will be given their Applications to review. Over the ensuing five months, Examiners will participate in Independent Review of Applications, coming together to develop a Consensus Scorebook, conducting a Site Visit, developing a Final Feedback Report, and meeting with Applicants for face-to-face Feedback Sessions. ●

## New Baldrige Eligibility Requirements

### *How will they affect SPQA?*

For the 2012 Award Cycle, the Baldrige Program Office has imposed a new requirement: To be eligible to apply for the Baldrige Award, an organization must meet at least one of the following criteria:

1. The organization has already won the Baldrige Award.
2. Between 2007 and 2011, the organization has received the top award from an award program that is a member of the Alliance for Performance Excellence.
3. Between 2007 and 2011, the organization applied for the national Baldrige Award, and the total of the process and results band numbers assigned in the feedback report was 8 or higher.
4. Between 2007 and 2011, the

organization applied for the national Baldrige Award and received a site visit.

5. More than 25% of the organization's workforce is located outside the organization's home state.
6. There is no Alliance for Performance Excellence program available for the organization.

### Why the new requirement?

One can only guess at the full rationale behind the new eligibility criteria. But the large number of recent Baldrige Award Applicants, coupled with Baldrige Program funding constraints, would seem to play a large part.

Another factor might be a desire

to make the Baldrige program more rigorous by "tightening up" the entry requirements.

And what will be the effect on SPQA?

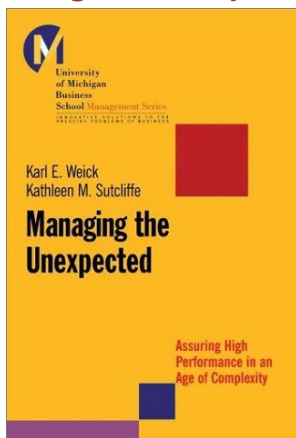
The new requirements might very well be a boon for Alliance for Performance Excellence programs. (APE programs are those state-level Baldrige-based award programs that have joined together for, among other things, mutual support.) Specifically, criterion number 2, above, is an almost *de facto* mandate that organizations start their Baldrige journey at the state level. That would seem to be a leading indicator of a greater role of SPQA and other state programs. ●

"VA SPQA evaluation and recognition is available to the **business service, manufacturing, health care, government/non-profit and educational** sectors."



## The Futility of Planning?

**Book Review: *Managing the Unexpected: Assuring High Performance in an Age of Complexity*, by Karl E. Weick and Kathleen M. Sutcliffe**



By some estimates, executives and managers spend half their time in some activity related to planning: developing an organizational vision; translating that vision into a strategic plan; communicating the plan; deploying the plan via subordinate plans; monitoring progress of plans; initiating corrective action when plans go off track; articulating reasons why the plans failed to achieve desired outcomes; and rewarding individuals and teams for their parts in successful execution of the plans.

But why plan? In today's fast-paced, highly complex environment, it could be argued that planning is obsolete. Because the environment is so chaotic, and because the future is therefore so uncertain, it is impossible to predict the future. Therefore, planning for the future is, at best, an exercise in futility. And that is why some organizations have given up on planning: They see it as a waste of precious time that could be used reacting to unpredicted (unpredictable?) events.

That is the impression one might get from a first reading of the book under consideration. Weick and Sutcliffe tell us, among other things, that planning might not be only obsolete; it might be dysfunctional. Picture this: An organization has strategic plans, operational plans, business plans, and contingency plans; yet, a series of unexpected occurrences (Murphy's Law in action) derail the

plans and cause disaster. Weick and Sutcliffe argue that the mere fact of such extensive planning tends to detract managers' attention from those little aberrations that fall outside the plans. Leaders may assume that these pesky anomalies are simply random occurrences when, in fact, they are part of a larger, more insidious pattern coming into play – one that is not recognized until the damage is done.

But wait! Does this mean that we should give up on planning and just "wing it?" Absolutely not. What Weick and Sutcliffe are really saying is that planning is necessary, but not sufficient, for success in today's chaotic environment. In addition to – or, perhaps, as a part of – planning, organizations need to be able to engage in five processes.

*First*, the organization must be preoccupied with its failures rather than with its successes. It must clearly and quickly understand the causes of the performance failures that may occur, and take rapid action to correct them. *Second*, organizations must be reluctant to simplify interpretations of what is going on (and, especially, what is going wrong) in their environment. In other words, Occam's Razor – "All things being equal, the simplest solution tends to be the best one" – should be avoided; rather, complex explanations to problems should be sought. *Third*, Weick and Sutcliffe argue that organizations should be sensitive to operations. That is, executives and managers should not merely look at their organizations and their activities from the "30,000-foot, big-picture level," but should develop the practice of paying attention to the front line, where the real work gets done. *Fourth*, organizations need to develop a commitment to resilience (a.k.a., flexibility, agility, nimbleness). Organizations need to have capabilities to detect, contain, and bounce back from those errors and problems of an indeterminate world. "Resilience," according to Weick and Sutcliffe, is "a combination of keeping errors small

and of improvising workarounds that keep the system functioning." *Finally*, organizations need to adopt a paradigm of deference to expertise. While executives and managers may have a "big-picture" concept of what's going on, it is the expertise of the workers at the front line who know what is going on in the "here and now" – and probably can identify and solve problems before they get out of control. For this reason, diversity in expertise is to be valued and cultivated; front-line workers must be empowered to solve problems at their level; and reporting of problems and errors should be rewarded (without seeking to affix blame).

So what?

For one thing, an organization that is preoccupied with failure will be vigilant with respect to identifying failures, recording them (e.g., in a lessons learned database), discussing them (e.g., in staff meetings) and sharing them throughout the organization. Second, the act of rejecting simple interpretations of problems and errors and the search for underlying complex explanations can be a part of the performance improvement function; complex explanations can be recorded and shared as a knowledge management function. Sensitivity to operations on the part of executives and managers can be facilitated by analysts who are attuned to the activities at the front line, and who share this knowledge upward and outward. A commitment to resilience can be aided by a "Quality" function that detects unexpected errors and problems, develops and shares methods to contain those errors and problems at the lowest level, and devises processes for bouncing back from those problems. Finally, managers can tap into the expertise of front-line workers, develop repositories of problems identified at the front line, and share those problems throughout the organization. ●

Reviewed by Michael Novak

## 2011 Examiners Recognized

*(If this column looks familiar, it should. We printed it in the Fall issue of "Performance Counts." But we think our outstanding Examiners deserve as much recognition as we can possibly give them. So, here it is again.)*

A highlight of the Virginia Forum for Excellence was the presentation of awards for excellent service at the Welcome and Networking Reception on September 7:

- Jane Keathley was recognized as **Examiner of the Year** for serving as Assistant Team Leader, mentoring fellow Team members, including attending the counterpart Team consensus meeting, and serving as the "guru" for the Scorebook Navigator software. In an effort to improve the experience for future SPQA users of Scorebook Navigator, Jane is involved with the Scorebook Navigator Users Group, gathered best practices from other state programs, and is working on training options with the SPQA Innovation Posse.
- Audrey Chambers-Robinson, Charles Manship, Eddie Wirt, Mark Smith, Marvin (Chase) Harvey, Matthew Kuss, and Vernon Grapes received **Rookie of the Year** awards. As first-year Examiners, they were recognized for active participation in Team activities including completing all work in a timely fashion, collaboration with other Team members and Team leadership, enthusiasm, initiative, professionalism, and quality of work.
- **Above and Beyond** awards for outstanding contributions in their assigned roles and special projects were presented to Blaine Brecht and Marie Hussey. Blaine, who received this award for the second consecutive year, was recognized for having received rave reviews in his role as Team Mentor, and continuing to raise the bar through documented best practices. Marie Hussey was recognized for serving as Assistant Team Leader, developing key themes for her Team, and mentoring fellow Team members, especially regarding scoring tips. ●

## The Engine of Job Creation Small Businesses and the "12 to Watch" Initiative

By Jo Rohr, SPQA Board Chair



In 2011, VA-SPQA created an outreach program, called the "12 to Watch" initiative. The purpose of 12 to Watch is to provide promising Virginia small businesses an opportunity to grow through the experience of applying our nation's highest standard for performance excellence.

Twelve small businesses were selected to be the first "wave" of participants in the 12 to Watch program. Those organizations were:

- American Technology Services
- Veris Group
- Specialty's Our Name
- Harmonia
- MicroAutomation
- Aromas
- ChiefInformationGroup
- Jacer
- ScienceLogic
- SteelMaster
- New Horizon Security Services
- GRC Direct

Participating in the program provided several immediate benefits for participants. First, participants received Criteria for Performance Excellence training, to familiarize themselves with the Baldrige/VA-SPQA criteria. Second, participants received mentoring, to help them apply the Criteria in their organizations. Finally, the 12 to Watch organizations were granted scholarships to participate in our tier-one recognition program titled *Discovery*. Longer-term benefits are expected to include improved business process performance and enhanced organizational outcomes.

Moreover, the small businesses selected to be among the 12 were promoted as those Virginia small businesses that are uniquely poised for positive and sustainable job growth in the Commonwealth. We expect them to continue to succeed and to assume the position of role models.

While 12 to Watch was an excellent experience for the businesses involved, the program also was beneficial to the VA-SPQA program overall. For one thing, the program provided a unique opportunity for SPQA to work closely with a wonderful group of passionate people. Also, with this initiative, we were able to bring the Criteria for Performance Excellence to those businesses that are on the cusp of major growth, and to support and recognize their abilities. Finally, we were able to learn more about the unique needs, capabilities, and operations of a very diverse set of organizations. We look forward to watching the progress of these organizations with the hope that they will continue on their journey to performance excellence.

In September 2011 Virginia Lieutenant Governor Bill Bolling was present at the Virginia Forum for Excellence, where he was able to congratulate the 12 to Watch small businesses.

The 12 to Watch organizations were also recognized through congratulatory letters from Virginia Senators Webb and Warner, and from Virginia Governor Bob McDonnell.

Lieutenant Governor Bolling has asked VA-SPQA to again conduct the 12 to Watch program in 2012. We are currently surveying the 2011 participants to identify and implement improvements in 2012. We anticipate another highly motivated "wave" of participants.

While SPQA led the way in

developing, planning, and executing the 12 to Watch program, we could not have done it on our own. A number of organizations assisted in the development and promotion of this "12 to Watch" initiative. Those organizations include:

- The Office of the Lieutenant Governor, Commonwealth of Virginia
- The Virginia Department of Business Assistance • The United States Small Business Administration
- The National Federation of Independent Business

Through the implementation of all of our VA-SPQA programs we will continue to strive to achieve our mission ... *To cultivate continuous performance improvement and success for the community and organizations we serve.*

If you would like to learn more about the 12 to Watch program, please contact Jo Rohr at [chair@spqa-va.org](mailto:chair@spqa-va.org) ●

## SPQA Schedule of Events

- January 9&10 – Criteria Training (required every two years for Examiners)
- January 11-12 & 18-19, 2012 – Examiner Training
- January 13 and 20, 2012 – Leadership Training
- January 20 - February 20, 2012 – Independent Review
- February 21 - March 18, 2012 – Consensus Meetings
- April 24 – May 4, 2012 – Site Visits
- June 1, 2012– Feedback Reports sent
- June 18 - July 13, 2012 – Feedback Meetings with Applicants
- July 14, 2012 – SPQA Forward
- September 10-11, 2012 – VA Forum for Excellence ●





## The Performance Corner

*Featuring articles from members of the VA SPQA Community that promote performance excellence.*

*This article is submitted by Mike Novak, editor of "Performance Counts."*

*"Performance Counts" is looking for submissions for the Spring 2012 edition. To be considered, submit your article no later than March 11, 2012 to: [editor@spqa-va.org](mailto:editor@spqa-va.org). Please limit submissions to 625 words.*

# Designing for Performance Excellence

## A Case Study in Preparing an Organizational Profile

I recently was offered a unique opportunity: help establish a new organization. Finally! I could stop preaching about Baldrige, SPQA, etc., etc., and start practicing.

So, we started at the beginning: we drafted an Organizational Profile for the new organization. The Profile did not conform totally to the Baldrige/SPQA Requirements; because there were a lot of "unknowns," we had to concentrate initially on the most significant elements and leave many of the details for later.

The first task was to define the principal reason why the organization exists ... what our organization does that no other organization does. Then we articulated this in our Purpose Statement, "[The organization] offers qualifications-based EA [Enterprise Architecture] and ESA [Enterprise and Solution Architecture] certification."

The second task was to decide what we wanted the organization to look like at a specific point in the future ... how we wanted to be perceived by our customers and how we wanted to be perceived by ourselves. This became our Vision Statement, "... to become, by 2016, the premier organization for Enterprise Architecture and Enterprise Solution Architecture training, mentoring, certification, and consulting."

Then we had to decide what we need to do in order to achieve our Vision. This became our Mission Statement, "... to develop and deliver world-class Enterprise Architecture training, mentoring, and consulting to support qualifications-based EA certification."

Then, we decided how we were going to behave – as individuals and as an organization – in order to accomplish our Mission,

achieve our Vision, and fulfill our Purpose. That was the easy part: We simply adopted the Baldrige/SPQA Core Values and Concepts as our own.

Finally, we identified our Core Competencies – the individual and organizational knowledge, skill sets, abilities, and other expertise that will enable us to perform the strategic, operational, and tactical activities needed to make the organization successful and survivable: "[The organization's] Primary Core Competency is Enterprise Architecture and Enterprise Solution Architecture – training, mentoring, certification, development, assessment, and improvement." Ten Secondary Core Competencies that support and enable the Primary Core Competency were also identified.

Identifying the organization's Purpose, Vision, Mission, Values, and Core Competencies was relatively easy. Difficulties arose, as they often do, in defining specific customers, stakeholders, and market segments; product offerings and delivery methods; required facilities, technologies, and equipment; and regulatory and legal requirements. Many of these could only be "drafted" and needed to be verified and validated as the organization became operational.

The most difficult part of developing our Organizational Profile was understanding and articulating our strategic situation and strategic context. For one thing, our Competitive Environment is not fully known: There are many organizations – both for-profit and not-for-profit – that provide similar products and services. But our approaches are unique within the industry, in that we offer a comprehensive suite of services, while the vast majority of our

competitors provide only a limited selection. For that reason, comparisons with our competitors may be difficult or irrelevant.

Another difficulty is in identifying strategic challenges and advantages. At this point, much of what we listed as key business, operational, societal responsibility, and human resource challenges and advantages is fraught with uncertainty. We still need to validate what we initially determined.

Articulating the organization's Performance Improvement System was relatively easy: "[The organization] uses the framework of the Malcolm Baldrige National Quality Award as the basis for organizational performance assessment and improvement." We plan to perform annual self-assessments and annual reviews of business processes. Means for evaluation, improvement, and innovation will be incorporated in process design.

All finished, right? Wrong.

Almost from the outset, we realized that there were a number of unanswered questions – and that some of them would be difficult to answer. But we knew that we would have to answer them or risk failure. We also understood as time passed that some of the items we had included in our Organizational Profile (a) had changed or (b) were simply not true.

The lesson we learned was that developing an Organizational Profile is an ongoing process. We need to ensure that a rigorous review of the Organizational Profile is a significant part of our strategic planning process. ●