

PERFORMANCE COUNTS

Winter 2013



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?

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SPQA to Train Examiners

2013 SPQA Cycle Is Underway!

This year, one Application for the Recognition/ Award program has been received, and Discovery applications are in the queue. 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 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, the Examiner Team will be assembled, and will be given the Application 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 Applicant for a face-to-face Feedback Session. ●

"Quest" Celebrates Silver Anniversary

Sign up for the 25th Annual Quest for Excellence Conference!

Register today for the 25th annual Quest for Excellence conference and join the global Baldrige community in celebrating 25 years of excellence!

The conference, which will showcase the best practices and lessons learned of the four 2012 Baldrige Award recipients, is being held April 7-10 at the Marriott Baltimore Waterfront in Baltimore, MD.

This year's Quest also features a very special celebration! You will have the option to attend the 25th Anniversary Gala on Sunday, April 7 and celebrate the outstanding accomplishments of the Baldrige community. On Monday morning, April 8, the

conference will officially open with the Award Ceremony and celebratory brunch to recognize the 2012 Baldrige Award recipients. Quest will also feature two in-depth plenary sessions featuring the senior executives of the 2012 recipients, and numerous concurrent sessions from which to choose. On Monday afternoon, Quest will showcase Award recipients of international Award programs. Tuesday will feature a luncheon keynote by Dr. Ben Carson, Director of the Division of Pediatric Neurosurgery at Johns Hopkins.

Pre-conference workshops are available the afternoon of April 7, 2013, for beginner and intermediate users of the

Baldrige Criteria. To enhance the learning environment, attendance at the workshops is limited, so early registration is recommended.

Exhibits and sponsorships are also available. These are great ways for your organization to be a part of the conference and contribute to the learning experience for Quest attendees.

For more information about the Quest for Excellence Conference, visit the conference Webpage (www.nist.gov/baldrige/qe/index.cfm). For questions, contact the Baldrige Performance Excellence Program at (301) 975-2036 or www.baldrige@nist.gov. ●

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

Achieving Results through Innovation

A Recap of the 2012 Virginia Forum for Excellence



The 2012 Virginia Forum for Excellence has come and gone! September 10 and 11 were filled with great opportunities for celebration, learning, and networking.



September 10 was dedicated to Pre-Conference Workshops. These sessions covered various aspects of the Baldrige Criteria for Excellence and the activities and programs offered by the U.S. Senate Productivity and Quality Award for Virginia (SPQA). Peter Miles, of GENEDGE ALLIANCE, delivered a full-day Value Streaming Mapping session with a Healthcare Simulation. Jan Garfield and Jamie Ambrosi presented the full-day "An Explorer's Guide to the Criteria." In the morning, Victor Gray presented "Lean Thinking for Healthcare, Education, and Government." In the afternoon, Kim Humphrey and Marie Hussey presented "The Dos and Don'ts of Preparing a Discovery Self-Assessment."



The evening of September 10 included an Examiner Community Gathering and a reception for the SPQA Community. Jamie Ambrosi, from the Baldrige Performance Excellence Program, was guest speaker and provided an update on the national program.



On September 11, sessions covered the full spectrum of topics linking the Criteria for Performance Excellence and the theme of the Forum: Achieving Results through Innovation.



Dan Stonecypher, of Norfolk Naval Shipyard, spoke on "Building a Culture of Innovation Using Lean Six Sigma and Lean Organization

Disciplines." Joseph Barto, III and Thomas Barto, of TMC, Inc., delivered a presentation, "Recapitalizing the Workforce for Innovation: One Vet at a time." Jane Keathley, of Medical Automation Systems, addressed, "Performance Outcomes Designed for Innovation." Louise Wyatt, County of Albemarle, and Melissa Anderson, Albemarle County Public Schools, discussed, "The Strategic Crosswalk: Identifying Shared Interests with Your Strategic Partners."

Jeff Parks, Performance Breakthroughs, Inc., and Veronica Adams, Riding the Wave Training & Development, presented on, "If You Really Want Your Organization to Innovate, Create the Structure and Culture to Allow it." Bill Donohue, of GENEDGE ALLIANCE, discussed, "How to Increase Innovation Speed and Reduce Risk." Katisha Harrison and Victoria Richardson, Bon Secours St. Mary's Hospital, spoke on, "Data: It's Not Just Numbers." Dr. Dona Witten, DJW Consultancy, addressed, "Baldrige and Organizational Development: The Head and Heart of Organizational Excellence."

Leah Fremouw, The Performance Management Group at VCU, and Eddie Wirt, Virginia Department of Alcohol Beverage Control, spoke on "Innovative Solutions for Creating a Sustainable Organization." Glenn Marshall, of Newport News Shipbuilding, discussed, "Benchmarking Your Way to Performance Excellence." Demetrius Wilson and Martin Lippitsch, Transformation Systems, Inc., addressed, "Beat the Pain, Reap the Gain: Motivating during Innovative Change." Michael Novak, Maryland Performance Excellence Awards, discussed, Learning from Leonardo (Da Vinci, not DiCaprio)."

Interspersed among the September 11 workshops were keynote addresses. The **Opening Keynote** was delivered by Teresa H. Carlson, VP Global Public Sector, Amazon Web Services. The **Luncheon Keynote** was delivered

by Julia Swanson, Director, Performance Analytics and Improvement, Henry Ford Health System (2012 Baldrige recipient).



Teresa H. Carlson has over 20 years experience as a business executive driving innovation and change and producing successful business results. A highly respected leader in the information technology field, Teresa's customer focus has delivered exceptional value to her clients while consistently exceeding her organization's business goals.



Julia Swanson is a visionary leader who helps organizations continually improve excellence by partnering with fellow executives to build sustainable and high performing leadership processes. With 17 years of experience in improving integrated health care operations, Julia uses her expertise in strategy deployment, disciplined execution, and operational interdependencies to bridge silos and levels in organizations to increase efficiency and effectiveness.

The highlight of the afternoon of September 11 was the award ceremony, where our 2012 SPQA Award Recipients were recognized. Discovery participants and "12 to Watch" participants were also recognized.

Don't miss the next Forum for Excellence, September 16-17. ●

2012 Examiners Recognized

One of the recurring activities of SPQA is recognition. While this usually concerns recognition of organizations that participate in the Award, Discovery, and 12 to Watch programs, SPQA would be remiss in not recognizing those dedicated individuals who lead to the success of the SPQA programs.

A highlight of the Virginia Forum for Excellence in September 2012 was the presentation of awards for excellent service. The following awards were presented to 2012 SPQA Examiners, Judges, Mentors, and Editors at the Welcome and Networking Reception on September 10:

- Mike Moreau was recognized as **Examiner of the Year** for active participation in Team activities including completing all work in a timely fashion, recommended by Team Leader (or Mentor or Editor), collaboration with other Team members and Team leadership, enthusiasm, initiative, professionalism, quality of work – exceeding expectations, but also volunteering for other SPQA projects and contributions.
- Jason Clevenger, Ali Hasaan, Bob Mosley, Stephen Sawyer, Amy Simmons, Matt Smith, Marclina Tate, Henrise Tosoc-Haskell 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, recommendation by Team Leader (or Mentor or Editor), 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 (third consecutive year), David Jones, Matt Kuss, Eric Malloy, Jim Neuberger, Mike Novak, and Grayson Sless. ●

The SPQA Panel of Judges Who Are They? What Do They Do?

The SPQA Panel of Judges consists of three to five experts in the Baldrige Criteria for Performance Excellence and the process of reviewing/evaluating Award Applications. This Panel of experts brings integrity and calibration to the SPQA award process. The Judges Panel operates under a strict Code of Ethical Conduct and Conflict of Interest (COI) Procedures, and signed Ethics and COI Statements are on file for each member of the Judges Panel.

It is the philosophy of the SPQA of Virginia that the Judges Panel should not look for SPQA Award Applicants/Recipients to be the caliber of Baldrige Award Recipients. Rather, Award Recipients at the state level should be good role models for other organizations within the state, and able to submit a solid application for the Baldrige Award should they decide to apply at the national level.

Duties of the Judges Panel include:

- Review Consensus Report and Team Report for each SPQA Award Applicant and determine which Applicants receive a site visit;
- Review post site visit Feedback Reports, as well as Feedback Reports for Applicants that did not receive a site visit, and recommend Recognition Levels to SPQA Board of Directors;
- Determine what the Applicant must do to reach the next level;
- Write a brief summary (2-4 paragraphs) of each Applicant assigned; Assist Editors and Team Leaders in identifying key themes for the Executive Summary, if needed; and
- Work with Editors to finalize the Executive Summary and Feedback Report and to make sure

that comments support the Award Level.

In performing these duties, Judges independently review the applications and associated materials, then convene to reach consensus on site visits and, later on, Award recommendations. The Judges Panel convenes virtually for deliberations and consensus. To facilitate their deliberations, Judges can contact Team Leaders (by telephone or email) to ask questions or clarify information, as needed. A conference call with Team Leaders can be arranged, if needed.

The Judges Panel presents its recommendations to the SPQA Board of Directors, which makes the final determination for Award levels. Every effort is made to have at least one of the Judges Panel, particularly the Lead Judge, attend the SPQA Board meeting when the award recommendations are presented.

The 2012 SPQA Panel of Judges consisted of:

- **Sandra S. Bailey** – Sandra has over 15 years experience in organizational assessment and measurement, strategic planning, process improvement, survey methodologies, including capturing customer feedback, and statistical analysis. 2012 was Sandra's third year as an SPQA Judge.
- **Doug Borden** – 2012 was Doug's ninth year with SPQA, having served as Examiner, Team Leader, Trainer, and Judge. He is a consultant with Booz Allen Hamilton and currently provides management consulting services, including Baldrige Criteria expertise, to federal government clients.
- **Michael Levy** – Michael has over 22 years

experience in performance improvement/ excellence, including 11 years as a Baldrige program Examiner or Judge.

- **Luis Morales (Lead Judge)** – Luis has over 12 years experience with the Baldrige Criteria for Performance Excellence, including the Baldrige National program, President's Quality Award, Departments of Veterans Affairs, Department of Labor, and U.S. Army Baldrige-based programs. 2012 was Luis' fourth year as an SPQA Judge.
- **Sara Parker** – Sara has been a Baldrige Senior Examiner since 2001. She is a member of the Board of Directors of the Maryland Performance Excellence Foundation, and has many years of experience as a Trainer, Team Leader, and Judge for the Maryland and U.S. Army Baldrige-based programs. ●

SPQA Schedule of Events

- January 7-8, 2013 – Criteria Training (required every two years for Examiners)
- January 9-10 and 16-17, 2013 – Examiner Training
- January 11 and 18, 2013 – Leadership Training
- January 19 - February 28, 2013 – Independent Review
- March 1 - March 18, 2013 – Consensus Meeting
- April 22 – May 3, 2013 – Site Visit
- June 1, 2013– Feedback Report sent
- June 17-28, 2013 – Feedback Meeting with Applicant
- July 13, 2013 – SPQA Forward Day
- September 16-17, 2013 – 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 2013 edition. To be considered, submit your article no later than March 11, 2013 to: editor@spqa-va.org. Please limit submissions to 625 words.

Managing Uncertainty in An Uncertain World Including Risk Management in Your Baldrige Approach

Recently I was asked to help an organization conduct its first-ever strategic planning session. In particular, the CEO was interested in identifying current and potential risks to his business – sustainability, profitability, market share, and the like.

So, in preparation for the actual planning session, the CEO and his leadership team did two things: First, they developed an Organizational Profile in accordance with the Baldrige Criteria for Performance Excellence. Then they performed a SWOT analysis. Both of these provided valuable information about the organization's risks – both internal and external. That provided the input for what came next – an extensive Risk Management exercise.

Risk Management? What, exactly, is that? Why is it important? And, finally, how do I do that?

But first the more basic question: What is "risk?" Paraphrasing *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)*, "risk" is an uncertain event or condition that, if it occurs, has an effect on at least one aspect of the organization. Risks include conditions both within the organization and in the external environment. They may be known or unknown; predictable or unforeseen.

Risks may manifest themselves in product safety issues, legal and regulatory compliance issues, or organizational sustainability and ability to recover from a disaster. Risks may adversely affect profitability, market share, customer and other stakeholder engagement, workforce engagement, goodwill, reputation, and – ultimately – organizational survival.

So, what to do about risk? How does one do "Risk Management?" (Or is that another oxymoron? Or another management flavor of the month?) Sounds impossible

– predicting the unpredictable; preparing for all those unknown unknowns.

But there is a systematic and effective approach to risk management. The *PMBOK® Guide* describes six processes that make up a coherent approach to managing risk in organizations:

- **Risk Management Planning** is the first process. This process articulates how the organization will conduct risk management activities. Included in this process might be: analysis of environmental and internal factors that could cause risks to occur; allocation of resources to manage risks; training in risk management; and identification of stakeholder requirements, concerns, and constraints.
- **Risk Identification** is next. This is the process of determining which risks may affect the organization. It is important to note that Risk Identification is an iterative process – new risks arise, or may be identified after the initial Risk Identification exercise has been completed. Some tools and techniques used to identify risks include consultation with experts; SWOT analysis; and forecasting techniques.
- Once risks have been identified, **Qualitative Risk Analysis** is accomplished. This process prioritizes risks with respect to their probability of occurring and the severity of their affects on the organization. Again, forecasting, SWOT analysis, and the judgment of experts in the field play a great part. A familiar tool is the Probability and Impact Matrix, where each risk is rated numerically on its probability of occurring and its impact on the organization if it does occur.
- Then comes **Quantitative Risk Analysis**, which numerically analyzes the effect of risks to the organization. Risk impact areas that are commonly measured in this process include profitability, return on investment, market share, customer loyalty, community goodwill, and workforce engagement. Much of this process is data-based, so data analysis is one technique applied. Others include probability distributions, decision trees, and various modeling and simulation methods.
- **Risk Response Planning** is the process of developing courses of action to be taken if a risk occurs. It is the common "what do I do if ...?" mental exercise that many of us play when engaged in a highly uncertain activity. Risk responses generally fall into four categories: risk avoidance, risk transfer (shifting the responsibility for the risk to a third party), risk mitigation, and risk acceptance.
- The final risk management process is **Monitoring and Controlling Risks**. This is the process of implementing risk response plans, tracking identified risks, monitoring residual risks, identifying new risks, and evaluating risk management processes throughout the organization.

Where, you ask, does the term "risk management" appear in the Baldrige Criteria? Nowhere. In fact, the work "risk" shows up only six times in the entire Criteria booklet – and only three times (in Notes) in the Criteria section itself. But a sound risk management approach can help an organization identify and proactively address threats and challenges. It can also help the organization identify gaps in its other Approaches, their Deployment, their assessment and improvement, and their alignment and integration. ●