

PERFORMANCE COUNTS

Summer 2014



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?

- **Terry Burns, Executive Director** director@spqa-va.org
- **Dr. Jan Garfield, Board Chair** chair@spqa-va.org
- **Mike Novak, Newsletter Editor** editor@spqa-va.org

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SPQA 2014 Cycle is Complete

Arlington Public Schools to Receive Medallion of Excellence!

SPQA will recognize five award recipients and one Discovery program participant at the Forum for Excellence in September.

Arlington Public Schools will receive SPQA's top level award, the 2014 Medallion of Excellence Award.

Brinton Woods Health and Rehabilitation Center at Dupont Circle, **Mary Washington Healthcare**, and **Bon Secours St. Mary's Hospital** will each receive the 2014 Achievement in Performance Excellence Award. **The American Society for Landscape Architects** will receive the 2014 Commitment to Performance Excellence Award.

York-Poquoson Social Services, serving York County Virginia, will be recognized for participating in the SPQA Discovery program.

Following an extensive Examination process – including Independent Review, Consensus Review, and a Site Visit – the Examiner Teams met with the SPQA Judges Panel, and it was determined that Arlington Public Schools was a role model organization and deserving of Virginia SPQA's highest award for performance excellence.

Arlington Public Schools demonstrates systematic, effective business processes that are aligned with the organization's key business drivers, strategic advantages, and

strategic challenges. In addition, the organization's processes are deployed throughout all applicable business units, and the processes are subjected to periodic cycles of review, evaluation, and improvement.

Finally, Arlington Public Schools has demonstrated role-model performance, as displayed in its business results, which in many cases exceed standards and averages and are better than similar results of similar organizations, show consistent improvement, and are well aligned with the organization's key business drivers and reflect the effectiveness of key business processes. ●

President's Council Recommends Baldrige

An Approach to Improving U.S. Health Care

On May 29, the President's Council of Advisors on Science and Technology (PCAST) released a report to President Obama, *Better Health Care and Lower Costs: Accelerating Improvement through Systems Engineering*, that calls out the Malcolm Baldrige National Quality Award as an opportunity "for raising awareness of performance excellence" in U.S. health care.

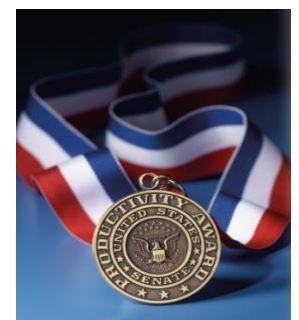
According to the report, "Health and Human Services and the Department of Commerce should build on the Baldrige awards to recognize health-care providers successfully applying system engineering approaches."

In its [fact sheet](#) (PDF), PCAST offers seven recommendations,

"all of which support and reinforce each other as components of a strategy to improve the quality of delivery of health care and the health of Americans through systems engineering." The Malcolm Baldrige National Quality Award was specifically called out in recommendation 6: "Establish awards, challenges, and prizes to promote the use of systems methods and tools in health care."

This report is important because it highlights, at the Federal level, the effectiveness and value of the Baldrige organizational assessment and improvement approach. This could lead to renewed Federal interest in the Baldrige Performance Excellence Program.

Read a blog by Baldrige Director Robert Fangmeyer about [how the Baldrige Criteria provide exactly the holistic, systems approach](#) to excellence that the PCAST report recommends. Read the full report *Better Health Care and Lower Costs: Accelerating Improvement through Systems Engineering* (PDF). ●

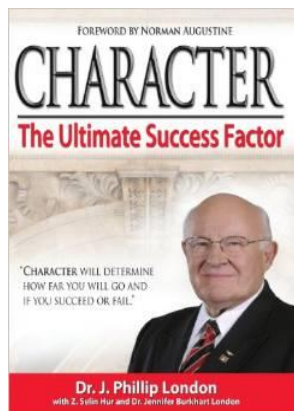


"VA SPQA evaluation and recognition is available to the **business service, manufacturing, health care, government/non-profit and educational sectors.**"



Character and Quality

Linking Personal Attributes and Organizational Performance



Character: The Ultimate Success Factor by Dr. J. Phillip London with Z. Selin Hur and Dr. Jennifer Burkhart London, 2013.

Character. Integrity. Honesty. Ethics. Morality.

These words and others like them often dominate the media. Strangely, we only seem to take notice when the media are reporting on the absence of these – some CEO gets caught fudging the company tax returns; some senior military officer turns his/her eyes when subordinates sexually harass junior people; some government agency covers up the latest scandal. We seldom are exposed, however, to shining examples of the presence of ethical behavior.

In the realm of 21st Century leadership, ethical behavior is inseparable from effective leadership. This is reflected in several areas of the Baldrige *Criteria for Performance Excellence*, in particular in Item 1.1, Senior Leadership. This Item asks specifically, "How do senior leaders' actions demonstrate their commitment to legal and ethical behavior? How do they promote an organizational environment that requires it?" Item 1.2, Governance and Societal Responsibilities addresses ethical and legal behavior in greater detail, asking, among other things, "How do you promote and ensure ethical behavior in all interactions?" Finally, Item 7.4, Leadership and Governance Results, asks for results for key measures of

regulatory and legal requirements, and for key measures of ethical behavior and stakeholder trust in senior leaders and governance.

J. Phillip London, in *Character: The Ultimate Success Factor*, addresses these issues from a personal viewpoint. London is Executive Chairman and Chairman of the Board of CACI International, an organization that found itself in the middle of the Abu Ghraib prisoner abuse scandal. Rather than attempting to minimize CACI's involvement, or to engage in a cover-up, CACI conducted a comprehensive investigation into CACI's behavior and published the results of that investigation in London's earlier book, *Our Good Name; A Company's Fight to Defend Its Honor and Get the Truth Told About Abu Ghraib*.

Much of *Character* is a reiteration of material covered in *Our Good Name*. But while the latter answers the question, "What happened?" *Character* addresses, "How do we prevent breaches of ethics and integrity?"

But, irrespective of one's thoughts on the intensely personal viewpoint articulated by London, *Character* is a valuable book simply because it covers the topic of ethical behavior.

London defines "character" as "... a complex aggregate of mental and ethical traits that form the nature of the person." After elaborating on this definition, London goes on to discuss why character is the main driver of success. Character, according to London, is the primary driver of success because it means that you – and you alone – are responsible for what you do and what happens to you. London emphatically (in **bold** font) states that "... your character will absolutely determine the kind of life that you will live" and "Character-driven success is recognizing and optimizing your choices."

Some may look at "success" in "character-driven success" and see such things as return on investment, market share, profit, quality, and productivity. London takes a much higher-level view: "Success" in

character-driven success "... is the knowledge that you have acted with honesty and integrity, and performed to the best of your ability (giving it your very best). It's also having an appreciation for all the people who helped you get there."

A concise, elegant concept – all in the first 20 pages!

The remainder of the book's 302 pages is devoted to how character drives success. London deals with the topic in five sections. The first section, "Keystone: Character," further expands on the topic of character. Topics covered include individual and organizational integrity, attitude, empowerment of people, and being a role model.

The second section, "Blueprint: Vision," addresses individual and organizational vision, change, and making the most of opportunities.

The third section, "Structure: Action," speaks to action-oriented leadership, decision making, interpersonal and organizational communications, and some intangible aspects of leadership.

The fourth section, "Appraise: Resolve," talks about risk (and the danger of risk aversion), fear of failure, and how success breeds success.

The final section, "Build: Momentum," discusses how character drives the direction of individual and organizational performance. "Good" character enables sustained continuous improvement; "bad" character pushes individual and organizational performance into the proverbial ditch.

Character was written primarily for senior leaders. But leaders at any organizational level can benefit from this book. It is a complement to earlier works on the subject like *The Power of Ethical Management* (Blanchard and Peale, 1988), *Character Is Destiny* (Gough, 1990), and *Principle-Centered Management* (Covey, 2008). ●

Reviewed by Michael Novak.

Baldrige News

What's going on at the National level?

The Alliance for Performance Excellence, which is the organization of regional, state, and local Baldrige-based award programs, publishes a newsletter three times a year. Below are the highlights of the July 2014 newsletter as reported by Brian Lassiter, Alliance Board Chair:

- We participated in a pilot to host one week of integrated examiner training (BPEP and states) in California.
- We continue to partner with BPEP to create an integrated examiner training curriculum, which will bring consistency in how we train examiners nationwide.
- We have strengthened our collaboration with the Baldrige Foundation, agreeing to some principles that will guide the collaborative fundraising effort.
- We have welcomed Al Faber as new president/CEO of the Baldrige Foundation.
- We are exploring a partnership with CMS/HRSA to bring our Awards/assessment to rural and Critical Access Hospitals across the US.
- We are exploring a partnership with a company that provides a proven, successful Baldrige-based product to the marketplace – a partnership that could bring revenue to each of our programs.
- We have implemented new changes in our partnership with BPEP to bring more ownership, more accountability to managing the Baldrige Regional Conferences; we have also approved a new revenue sharing agreement to provide “commission” to programs who have groups attending from their states.
- We are exploring how to support both BOSS and Scorebook Navigator for Alliance member programs.
- We have updated our technology for the Alliance, both in how we email each other and in how we store/access Alliance documents.
- And we have made some changes within the Alliance itself to position ourselves for growth: we changed the Alliance membership structure, allowing for additional members to join the Alliance, and we (the board) just approved revisions to our membership policy to reflect our new member strategy. ●

The Forum Is Almost Here! Sign Up Now!



It's almost here!

The 2014 Virginia Forum for Excellence is scheduled for September 15 and 16. This year's Forum will be held at the Doubletree by Hilton Richmond-Midlothian (formerly the Holiday Inn Koger Center) in Richmond.

As in the past, Monday, September 15, will feature half-day and full-day pre-conference workshops that will address overarching themes related to the conference theme and the Baldrige/SPQA Criteria and program elements.

This year's workshop agenda includes:

- Innovation Basics: It Isn't Elementary (Half Day). This workshop will allow participants to develop a more advanced understanding of what innovation is and isn't and the importance of innovation to an organization's strategy and success. Participants will explore the relationships between leadership and innovation and will learn about tools that can be applied in innovation management.
- An Explorer's Guide to the 2013-2014 Baldrige Criteria for Performance Excellence (Full Day). This is an overview of the SPQA Programs and a detailed discussion of the content of the Organizational Profile and the seven Categories of the 2013-14 Baldrige Criteria for Performance Excellence. Exercises as time allows are included with a strong emphasis on the Organizational Profile. An "Explorer's Guide to the Criteria for Performance

Excellence" is Virginia SPQA's one-day version of "The Inquirer's Guide to the Criteria for Performance Excellence." This workshop is designed for leaders and change agents of organizations interested in learning the details of the Baldrige Criteria for Performance Excellence and its application in the organization; a good starting place for organizations considering participation in the Discovery Program or applying for the Medallion award.

- Discovery Program – A First Step toward Performance Excellence (Half Day). This workshop is designed for individuals in organizations interested in improving their understanding of what is involved in participating in the Virginia SPQA Discovery Program.

Monday evening will feature two major events:

- An Examiner Community Gathering, for all SPQA Examiners, past and present. Topics include programmatic updates and special presentations. Past and present Examiners are highly encouraged to attend what will be an informative and fun session. Our guest will be Jamie Ambrosi of the National Baldrige Program.
- A Welcome and Recognition Reception, where this year's Examiners, Mentors, Editors, and Judges will be recognized.

This year's conference theme is "21st Century Leadership: A Core Competency for Success." This theme is reflected in two of the keynote addresses, and in twelve learning sessions conducted throughout the day on Tuesday, September 16.

This year's session titles include:

- Engaging the Customer: Opportunities for Non-Profits
- EQ: Key Competencies of Effective Leaders
- Linking Knowledge Management and Employee Engagement
- Moving from Silos to an Effective Performance

Management System

- Creating a Communication Plan That Is Right for Your Organization
- Leading in a VUCA [Volatility, Uncertainty, Complexity, and Ambiguity] World
- Reducing the FOG: Strategic Quality Assessment
- The Impact of Positive Psychology in Leadership Coaching
- Bridging the C-Suite Social Media Gap
- Peer-to-Peer Coaching for Business
- Plan for Success: Why Strategic Planning is Crucial for Organizational Success
- The Compliant, Ethical, and Moral Leader in the 21st Century

Keynote speakers have been finalized. On the 16th, the morning featured speaker is **Dr. John Timmerman, Gallup's Senior Strategist in Customer Experience and Innovation**. The luncheon keynote speaker is **Laurens Sartoris, President, Virginia Hospital and Healthcare Association**. Finally, **The Honorable Maurice Jones, Secretary of Commerce and Trade, Commonwealth of Virginia** will recognize the 2014 Virginia SPQA Award and Discovery Program participants.

For more information about the 2014 Virginia Forum for Excellence, and to register to attend, please go to www.spqa-va.org. A special room rate has been arranged with the hotel for Forum attendees. Call the Doubletree at 804-379-3800 and ask for the SPQA VFE rate. Time is running out. Register now.

See you at the Forum! ●

SPQA Schedule of Events

- September 15 - 16, 2014 – VA Forum for Excellence
- September – December, 2014 – Examiner Recruitment
- January 2015 – Examiner Training
- September 2015—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 Fall 2014 edition. To be considered, submit your article no later than October 11, 2014 to: editor@spqa-va.org. Please limit submissions to 625 words.

Best Practices in Leadership

Three Enduring, Make-or-Break Leader Characteristics

People care – really care – about their leaders. They care about their leaders because, like it or not, those leaders are the ultimate source of their subordinates' success or failure.

Essentially, people care about three characteristics in their leaders: Competence, Compassion, and Character.

Competence: People care about their leaders' technical competence: Do the leaders know and understand the basic principles associated with their jobs? Are they proficient in performing their jobs? Are they – always and everywhere – seeking to learn more about their jobs and to improve their performance?

Many leaders (I'm sure you've met at least one of them) muddle through their careers and perform their jobs by "winging it." Most of the time these leaders' incompetence results only in lowered organizational performance and reduced employee engagement. But think of professions where competence is a life-and-death factor: surgeon, airline pilot, infantry platoon leader. Lack of total competence – and failure to keep up with technological advances – in these professions – could easily lead to mistakes that could cost someone his/her life.

People are wary and distrustful of leaders they perceive to be less than completely competent, and will often question the decisions and directives of those leaders. In an emergency situation, this questioning of authority may last only a split second – long enough for the emergency to escalate and lead to huge costs in terms of damaged physical property or loss of life.

Compassion: People care about their leaders' relationships with them: Do the leaders' actions promote workforce satisfaction and engagement? Do they promote an environment that

enables employees to enhance their professional capabilities and personal development? Do they consistently consider their employees' health, safety, and welfare?

Many leaders (again, I'm sure you know, or know of, some of them) simply lack compassion, or human feelings, for their workforce. This can range from underdeveloped "people skills" to downright cynical, exploitive, or abusive behavior toward subordinates. Examples can be simple lack of sensitivity for employees' family situations; reluctance to accommodate medical, cultural, or religious needs; or treating people as chattel – as "assets," or "capital" rather than as human beings – thereby using them as means to further the leaders' agendas.

People simply will not trust leaders who disrespect or manipulate them. In addition to losing motivation and energy, employees may turn against their leaders (and, by extension, their organizations), become disengaged, and take part in dysfunctional behavior – malicious compliance, passive aggression, theft, or sabotage.

Character: People care about their leaders' integrity and ethics. Do the leaders always behave in an ethical manner? Do they ensure compliance with statutory and regulatory requirements – and, whenever possible, exceed them? Do they meticulously comply with standards, specifications, and customer requirements? Do they quickly and appropriately respond to breaches in law, regulation, standard, or ethical principle?

And here we go again with the "many leaders," some of which you have undoubtedly observed: Some of these care little about the effects of unethical or illegal behavior. They cut corners in manufacturing processes; ship product that they know does

not conform to customer requirements; falsify official records (e.g., tax returns, profit-and-loss statements); or cover up statutory or regulatory noncompliance

People do not want to work for leaders whose behavior is unethical or illegal. For one thing, they fear the "guilt by association" syndrome (remember "Now hiring – former Enron executives need not apply?"). They also fear the loss of their jobs if their companies are shut down owing to violation of laws or regulations. Finally, employees become disengaged when they observe their leaders engaging in clearly unethical behavior – employees want to know that their leaders will, when faced with hard decisions, do the right thing – irrespective of the consequences to the leaders.

So, in summary, you can be assured that employees will be continually asking themselves three basic questions about their leaders:

- Does he/she know his/her job? (If not, is he/she striving to achieve proficiency?)
- Does he/she care about me?
- Will he/she do the right thing (even when it could damage the reputation/career of the leader)?

It would be prudent for leaders – especially senior leaders, but leaders at all levels of the organization – to keep these questions constantly in mind. And leaders should ensure they take time to honestly answer them. ●