



TQA Assessment Kick-off 2020

Importance of Business Perspective in TQA Assessment

August 15, 2020

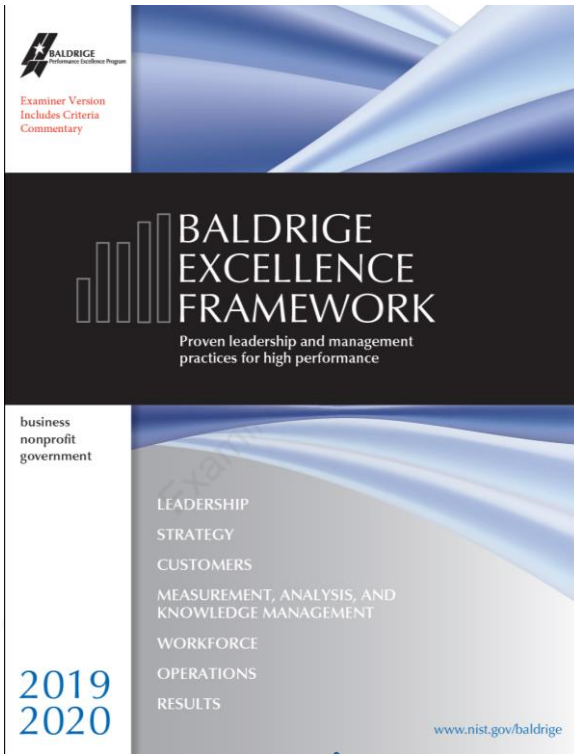
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Excellence is an ever moving target Like the never ending journey of Sun.....

Importance of Business Perspective

The challenge.....



BALDRIGE EXCELLENCE FRAMEWORK
Proven leadership and management practices for high performance

business nonprofit government

- LEADERSHIP
- STRATEGY
- CUSTOMERS
- MEASUREMENT, ANALYSIS, AND KNOWLEDGE MANAGEMENT
- WORKFORCE
- OPERATIONS
- RESULTS

2019
2020

www.nist.gov/baldrige



performance
results
TEAMWORK
ORGANIZATION
planning
STRATEGIES
leadership
SOLUTIONS
BUSINESS
services
MANAGEMENT
career
sales
MARKETING
support

It's a VUCA World

Volatile
Uncertain
Complex
Ambiguous

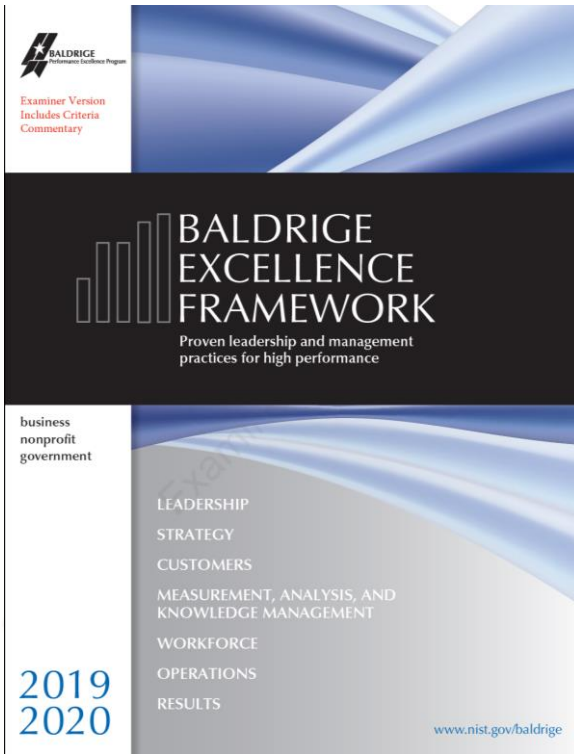
"the new normal"



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Importance of Business Perspective

Viewpoint....



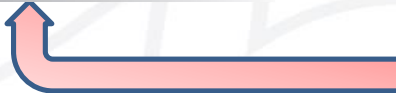
It's a VUCA World

Volatile
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"the new normal"



Balanced & Holistic view



Enhanced Focus on understanding the business context

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TQA Framework



- Context for the organization
- Background for all actions



- All actions lead to results
- Balanced all-round performance

DNA of high performing organizations

System foundation

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Organization Profile (OP)



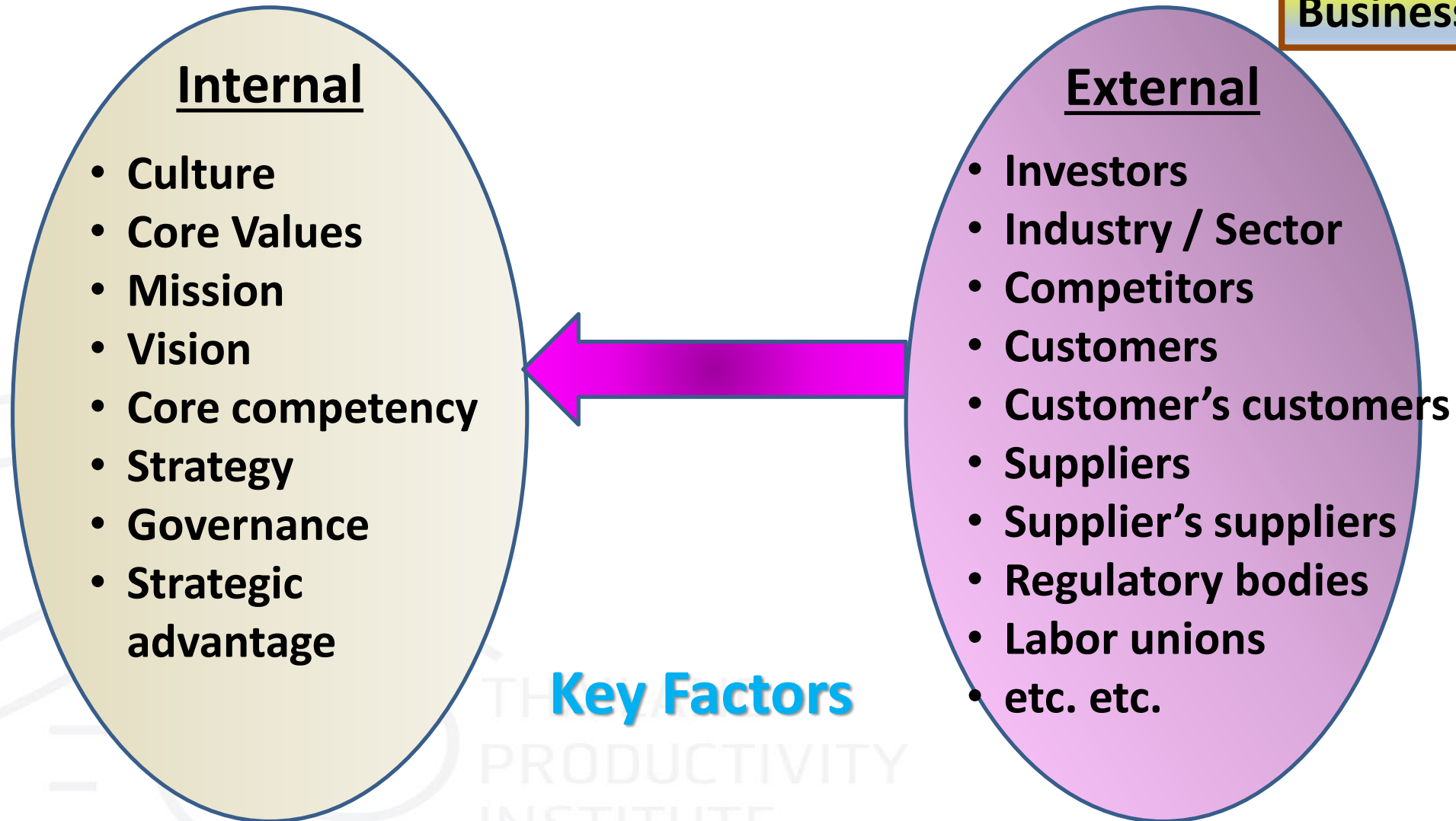
Organization Profile provides:

- Framework for understanding the organization
- Context in which the organization operates
- Overview of operating environment
- Critical insight into the **key internal & external factors**

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Organization Context

Business Ecosystem



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Business Ecosystem



The *2019–2020 Baldrige Excellence Framework* features

a focus on:

- Leading and managing in the context of your business ecosystem
- Enabling an aligned, collaborative, and agile supply network
- Creating and reinforcing your organizational culture

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Business Ecosystem

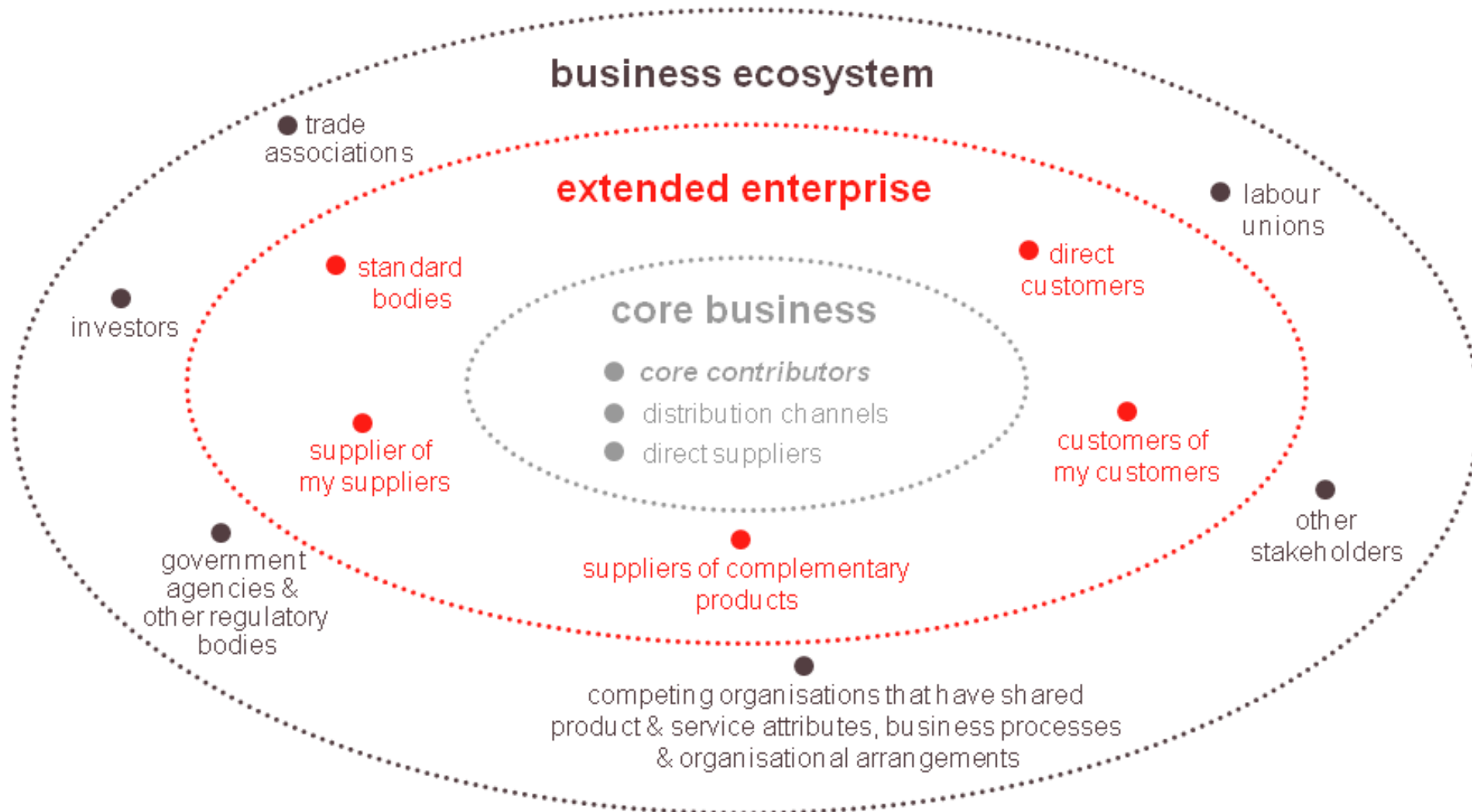


What Is a Business Ecosystem?

- A business ecosystem is the network of organizations—including suppliers, distributors, customers, **competitors**, government agencies, and so on
- Involved in the delivery of a specific product or service through both **competition and cooperation**.
- The idea is that each entity in the ecosystem affects and is affected by the others, creating a **constantly evolving relationship** in which each entity must be flexible and adaptable in order to survive as in a biological ecosystem.
- Like natural ecosystems, the firms involved in business ecosystems **compete for survival** with adaptation and sometimes extinction.

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Business Ecosystem



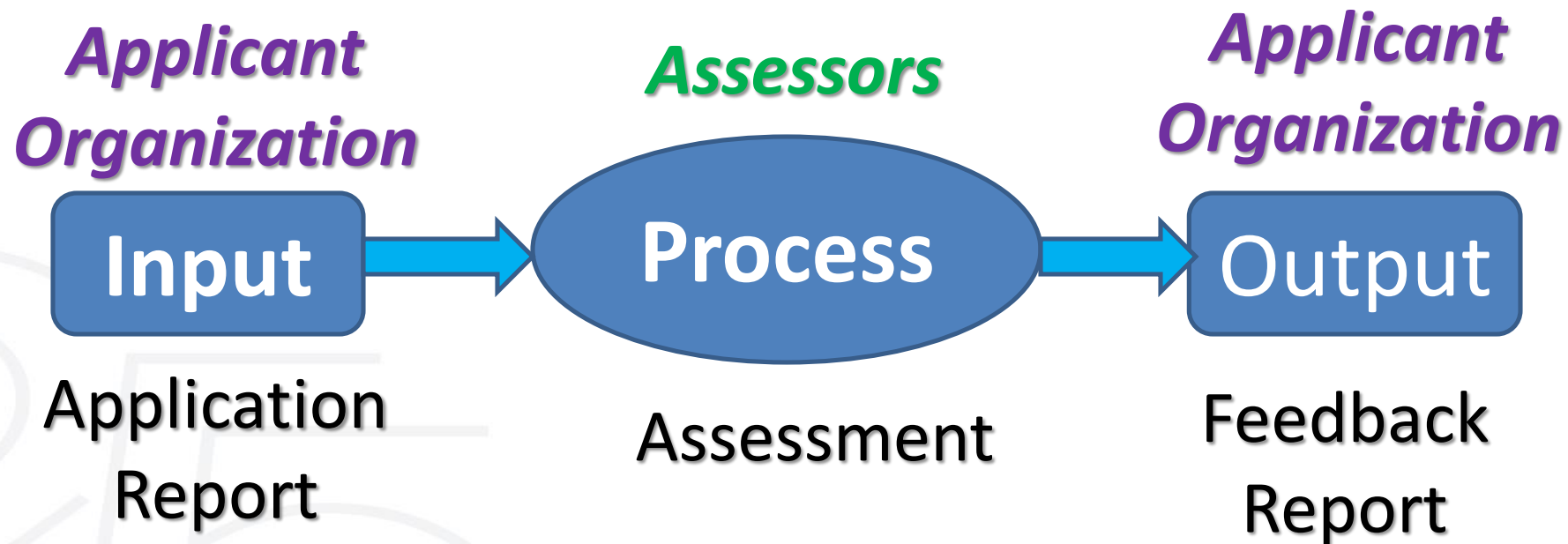
based on: James F. Moore, *death of competition*, John Wiley & Sons, USA, 1996

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TQA Assessment



Applicant – Assessor relationship



Customer – supplier relationship

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TQA Assessment



Applicant's key expectation from feedback report

1. Relevant to business
2. Easy to understand
3. Actionable
4. Precise, to the point
5. Leads to performance improvement

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TQA Assessment



Assessing a Process Category.....

Item title and basic question

Key term in small caps

Item point value

Type of information to provide in response to this item

Item number

Area to address

Headings summarizing multiple questions

Item notes

Note in italics for nonprofit organizations

3.1 Customer Expectations: How do you listen to your customers and determine products and services to meet their needs? (40 pts.)

a. CUSTOMER Listening

(1) Current CUSTOMERS HOW do you listen to, interact with, and observe customers to obtain actionable information? HOW do your listening methods vary for different CUSTOMERS, CUSTOMER groups, or market SEGMENTS? HOW do your listening methods vary across the CUSTOMER life cycle? HOW do you seek immediate and actionable feedback from CUSTOMERS on the quality of products, CUSTOMER support, and transactions?

(2) Potential CUSTOMERS HOW do you listen to potential CUSTOMERS to obtain actionable information? HOW do you listen to former CUSTOMERS, competitors' CUSTOMERS, and other potential CUSTOMERS to obtain actionable information on your products, CUSTOMER support, and transactions, as appropriate?

PROCESS

Overall questions

Multiple questions

Link to Criteria Commentary

Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 46-53).

Notes

3.1. Your results on performance relative to key product features should be reported in item 7.1.

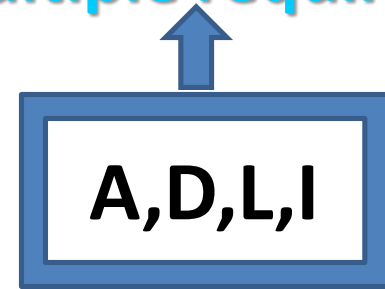
3.1. For additional considerations on the products and business of nonprofit (including government) organizations, see the notes to P.1a(1) and P.2b.

3.1a(1). Your customer listening methods might include social media and web-based technologies. Listening through social media may include monitoring comments on social media outlets you moderate and on those you do not.

3.1a(1). The customer life cycle begins in the product concept or pre-sale period and continues through all stages of your involvement with the customer. These stages might include relationship building, the active business relationship, and an exit strategy, as appropriate.

For additional guidance on this item, see the Criteria Commentary (<https://www.nist.gov/baldrige/baldrige-criteria-commentary>).

- Overall requirement
- Basic requirement
- Multiple requirements



Look for relevance to business / ecosystem

As appropriate

Criteria is non-prescriptive

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TQA Assessment



Assessing a Result Category.....

- Level
- Trend
- Comparisons
- Integration



**SORRY
WE'RE
CLOSED
DUE TO
COVID-19**

Look for
**competitive
performance** in
reference to
business
environment /
ecosystem

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TQA Assessment..... to do



During Independent Review

- While reading organization profile pay special attention to **industry / business in which applicant operates**
- **Business environment** e.g. supply/demand balance, competition. No. of competitors, etc.
- Other than key factors make separate notes for P.2

Organizational Situation:

- ❖ Competitive environment
- ❖ Competitive position
- ❖ Competitiveness change
- ❖ Strategic context – Strategic challenges & advantages

TQA Assessment..... to do



During consensus review.....

- Spent first 15-20 minutes to **recreate the organization's business perspective** in the assessment room
- Each assessor in the team adds on to **important aspects of applicant's business** without referring to written key factors
- These are top-of-the-mind **'vital few'** with reference to applicant
- Use a flip chart to record these important business perspectives
- Re-visit these items each time a comment is finalized and select the **most relevant business issue** which may get affected by the comment being written.

TQA Assessment..... to do

Writing key themes

- Too frequent use of vision & mission achievement in strength or OFI comment is **unrealistic**.
- Progress towards vision is a result of not only one but multiple mutually reinforcing, integrated approaches. Hence it is relevant to use this with **multiple, cross-cutting , strategic business issues**
- Comments mentioning advantage or disadvantage in the areas of market share, competitive positioning, customer satisfaction & engagement, key strategic challenge, financial outcome etc. are **important to applicant**.
- Such comments are likely to draw the **attention of CEO** and hence should be sharp, focused and actionable with relevant examples & likely impact on business

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Importance of Business Perspective in TQA Assessment

Key takeaways.....

- **Organization Profile** – Provides context & gives critical insight into the key internal & external factors
- **TQA Applicant & Assessor** – Customer- supplier relationship
- **Applicant's expectations** – Feedback report: Relevant, Easy to understand, Actionable, Precise, & Leading to improvement (REAPL)
- Assessors need to take a **holistic view** of criteria & the business ecosystem
- **Baldrige focus** – Leading & managing in the context of **business ecosystem**
- Develop **basic understanding** of applicant's organization / industry, business & business environment
- Assessing process items consider **relevance of multiple requirement**
- Assessing / evaluating result items **focus on competitive performance**

Importance of Business Perspective in TQA Assessment

Thank you

Q&A



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PRODUCTIVITY
INSTITUTE

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