

# The Malcolm Baldrige National Quality Award

## DAU-DSMC Contributes to Building Solid Education Criteria for Baldrige National Quality Program

DR. MARY-JO HALL

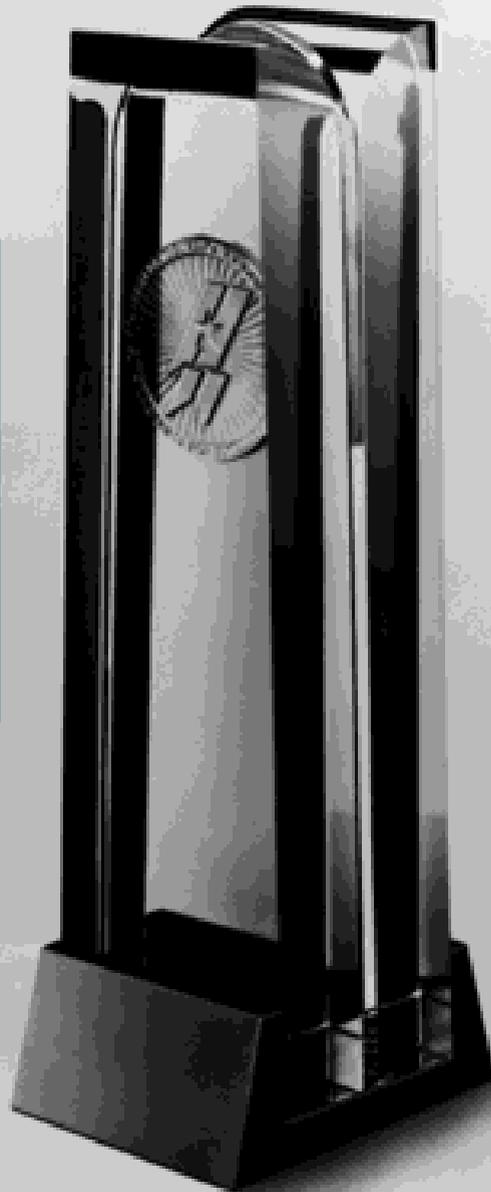
**T**he Baldrige National Quality Program (BNQP) is beginning its 12th year of recognizing performance excellence as an integral part of business management practices. The BNQP award criteria for performance excellence are designed to assist organizations in delivering ever-improving value to customers and improving overall performance and capabilities. Authorized by Public Law 100-107, President Ronald Reagan signed the BNQP legislation on Aug. 20, 1987.

### Education and Health Care Pilots

During the first years of the Baldrige, the program included only two categories for Manufacturing and Service companies. As part of the process to expand the values and concepts of the Baldrige to improve education and health care, Education and Health Care Pilot Programs were started in the 1992 timeframe; however, it was not until 2000 that Education and Health Care were included as actual categories in the Baldrige competition. While there were no winners, there were numerous applicants.

Through the years, the Defense Systems Management College (DSMC) has contributed to the establishment of the Baldrige Education Criteria in numer-

The Malcolm Baldrige National Quality Award, a three-part solid crystal stele encasing an 18-karat gold medal, recognizes companies that have shown outstanding performance in seven critical areas: leadership; information and analysis; planning; human resource utilization; quality assurance of products and services; quality results; and customer satisfaction.



*Hall is a professor at the Defense Acquisition University, Fort Belvoir, Va., working with both the Advanced Program Management Course (APMC) and the Executive Program Management Course (EPMC). Since 1996, Hall has served as a Baldrige Examiner. Three of the five years since her appointment, she was a Senior Examiner. In a consulting role, she has also assisted organizations within the acquisition community with self-assessments. Her faculty page is located at <http://faculty.dsmc.dsm.mil>.*

ous ways. In the late 1980s, we conducted a self-assessment using the standard business criteria, under the direction of Jack McGovern, a former professor in the Manufacturing Management Department and a Baldrige Examiner. While this was not part of the national program, it focused us on the criteria as a tool for change.

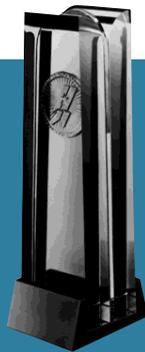
One major lesson learned from the self-assessment was that members of our staff and faculty experienced difficulty in accepting business criteria in an educational setting. While change is always difficult for some, an easy justification was “the business criteria do not apply to us.”

The Manufacturing Management Department in the Faculty Division at DSMC incorporates aspects of the Baldrige Criteria in the Department’s curriculum. Through the years, they have also designed assessments around various aspects of the criteria.

During the tenures of former DSMC Commandants, Navy Rear Adm. William L. Vincent and Air Force Brig. Gen. Claude Bolton (July 1991 through March 1996), the College embarked on a concerted effort to focus on the requirements of its customers and to act more like a business. While the effort did not use the Baldrige Criteria as *the* guide or model, it incorporated the tenets and many of the values of the Baldrige.

In late 1994, the BNQP announced formal pilots for Education and Health Care. The pilots used a variation of the business criteria, but adjusted to reflect the education community. At the time of the announcement, we were debating participation in the President’s Quality Award (PQA).

The PQA is the nation’s top award for performance excellence and the government’s equivalent of the Baldrige. Managed by the Office of Personnel Management, it recognizes federal organizations that achieve “significant and documented” accomplishments in improving customer service or saving taxpayer dollars. We decided to participate



**THE BALDRIGE  
NATIONAL QUALITY  
PROGRAM AWARD  
CRITERIA FOR  
PERFORMANCE  
EXCELLENCE ARE  
DESIGNED TO ASSIST  
ORGANIZATIONS IN  
DELIVERING EVER-  
IMPROVING VALUE TO  
CUSTOMERS AND  
IMPROVING OVERALL  
PERFORMANCE AND  
CAPABILITIES.**

in the Education pilot to prove the inadequacy of arguments put forth by the “we are different from a service business” naysayers. Lessons learned from this experience are presented in this article.

After the Baldrige experience, we also submitted an application and participated in the PQA at DoD level. (DoD always has significant participation in the PQA.) Additionally, I, along with another faculty member, Jesse Cox, served (and continue to serve) as reviewers for the entire DoD application pool. In 1998, the PQA was presented to the Long Island Contract Management Office (CMO). In 1999, Staten Island and the Twin Cities CMO were recognized as

Presidential Quality Award Program winners. And in 2000, the Santa Ana CMO was a winner.

As part of the development of the Education Criteria, the National Quality Program organized a team to write a training case using a community college. In 1996, I joined the case writing team for the Education Criteria. Regrettably, the Education category was postponed in 1998 because of major changes in the business criteria. Later, these changes were reflected in the Education Criteria and the funding released for both the Education and the Health Care pilots. In 2000, a revised community college application served as the training case for all Baldrige examiners.

### **The Baldrige Process**

The seven Baldrige categories or criteria for Education (as published in 1995 and since revised) were modeled after the Business Criteria and included:

- Leadership
- Information and Analysis
- Strategic and Quality Planning
- Human Resource Development and Management
- Educational and Business Process Management
- Student Focus and Student and Stakeholder Focus
- School Performance Results

The Baldrige application process is divided into five phases.

### **Phase 1 — Writing the Application**

The first phase is writing the application. For the participating organizations, this is the most arduous and time-consuming. For each of the categories, multiple questions must be answered. Because of a page limitation, every word counts. The categories are not separate entities, but in fact are integrated.

For example, in the Strategic and Quality Planning category, the participant must describe how the strategies are developed, including benchmarking best practices and setting stretch goals. In the other categories such as Human Resource Development, Process Manage-

ment, and Performance Results, the applicants must describe processes and activities used to implement the strategies. Finally, in the School Performance Results category, the applicant must use data to show that the strategies were deployed in the organization in such a way as to produce the expected results. And to take this a step further, the results must be over a period of four to six years of consistent improvements.

### **Phase 2 — Reading and Rating the Application**

Phase 2 is reading and rating of the application by seven to nine certified and trained Baldrige Examiners, including at least one Senior Examiner. Each examiner spends an average of 30 hours reading and rating the application. Also during this phase, each examiner completes a written response and provides a numeric rating based on standard criteria.

### **Phase 3 — Consensus Discussion by All Examiners**

If the applicant receives a certain score by the examiners, the next phase is a consensus discussion by all examiners. This is completed in a conference call after extensive preparation and examination. The call can last from six to 12 hours, and the ensuing discussion results in one rating for the applicant.

### **Phase 4 — The Site Visit**

Phase 4 is a Site Visit, which is restricted to only those applicants with a rating that could result in a win. Approximately six examiners spend a week verifying and clarifying the material in the application. This is the most grueling part of the Baldrige process for the examiners. The Site Visit takes long hours and extensive cross-referencing.

### **Phase 5 — The Feedback Report**

The last phase is submitting the final report to a Panel of Judges who make the final determinations. Throughout all of the examination, security is tight. For example, examiners are not allowed to tell their family members what organization they are examining. An applicant can be eliminated at the end of any of the phases. However, feedback from the

examination process is always provided and is most valuable to the applicants.

### **Participation in Quest for Excellence VIII**

One of the values of the BNQP is sharing best practices with other organizations. This is done in many ways such as the Baldrige Web site or publications. One formal way of doing this, however, is a conference at which the winners share their lessons learned and best practices. Called "Quest for Excellence," this conference is held annually in Washington, D.C. As one of the three sites visited in the 1995 Education pilot, we were recognized nationally by an invitation to participate in Quest for Excellence VIII.

### **Strategies to Succeed**

Professor Jesse E. Cox, Assessment Coordinator for DSMC, presented lessons learned from the self-assessment and the application process. In an in-depth review of the arduous planning, researching, and writing of the College's application, Cox laid out the details of how the College discussed, planned, and organized its resulting 70-page application, which addressed 63 areas in the seven categories. The application research took an extensive amount of time, and team members prepared the application in conjunction with their regular work. A key action in the application process, according to Cox, was appointing a project manager, Professor Jack McGovern, and category teams — each with its own leader.

The College also established an Operations Room, similar to a campaign war room, where storyboards were posted for each category. This enhanced communications because anyone could review any category, anytime. Because of the requirement on the Baldrige application to track results and document all processes, the category teams also developed a library of all documents and interviews. This requirement proved invaluable as some of the more interesting aspects we learned about our DSMC educational system were not captured in writing, but were anecdotal and passed on verbally from worker to worker.

Another key strategy Cox highlighted was the Open House, in which one of the category teams hosted the Open House for interviewing and researching their specific area. Public announcements were posted, which listed topics to be covered, questions, and issues. A Lessons Learned documentation file was also developed during the application process.

Cox reiterated that the Baldrige assessment process uses common standards and language. It uses a systems approach to focus on results and outcomes. Assessing ourselves in this manner enhanced our ability to discuss our progress with others. Besides learning about ourselves, we learned about the criteria. It soon became clear that our approach to performance excellence was more mature than our deployment. Consequently, the consistent results over time required by the Baldrige, were not evidenced by the data in the application.

For example, we did not have a systematic way to collect, analyze, and use data to improve our processes. We did not benchmark our processes against other organizations to an appropriate extent. While we are moving forward to remove division stovepipes through work with our Strategic Processes, the criteria helped us to see a much higher level of systems integration.

As DSMC's Special Assistant for Quality, I shared the College's experiences in preparing for the Site Visit phase of the evaluation. As explained earlier, the purpose of Site Visits is to verify the application and clarify any issues raised during the reading phase. Six evaluators certified in the Baldrige Criteria were on the team. To prepare for the Site Visit, we relied on the Plan-Do-Study-Act cycle and the use of project management tools such as Gantt and milestone charts.

Category team leaders were key. They reviewed the application and developed a point of contact list for every item in the application. Additionally, a notebook was developed for each category. These books contained all backup data for

every item in case the team leader became unavailable during the actual Site Visit. The notebooks were then added to the Baldrige Library.

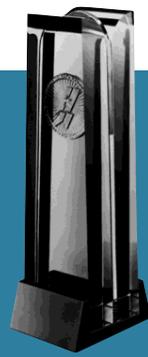
In accordance with the Site Visit directions, notebooks were also put together for each of the evaluators. Short briefings were prepared for the opening and the closing sessions. The opening session was designed with a 15-minute reception to allow evaluators and DSMC staff and faculty members to get acquainted. Air Force Col. Sam Brown, former Dean, Academic Programs Division, gave the opening remarks; and Army Col. Bill Knight, former Dean, Division of College Administration and Services, conducted an overview tour of the 11 buildings on the Fort Belvoir, Va., campus.

Air Force Brig. Gen. Claude M. Bolton Jr., former DSMC Commandant, represented the College during the session on The Feedback Report. The format of the Report is dependent on the phase in the Baldrige cycle. The Feedback Report for Phase 1 – *Writing the Application*, is naturally much less specific than the Report from Phase 4 – *The Site Visit*.

Bolton outlined the importance of feedback in making changes to strategies that are driving actions. The Feedback Report provides an outline of both perceived strengths and areas that need improvement. However, while the Report is comprehensive, it is not prescriptive. It does not tell an organization how to get to a higher level of performance. Nevertheless, continuing to do those things that are producing excellence, while eliminating those things that are hindering achievement; and adding things that are not present to optimize the overall system and use the full capabilities of every employee is certainly key to any effort toward a higher level of performance.

### **Weighing the Benefits**

Admittedly, the assessment and completion of the application were a tremendous resource drain. However, the benefits came from knowing more about the capabilities of our educational system and using the feedback to make those



**THE DEFENSE SYSTEMS  
MANAGEMENT COLLEGE  
HAS A HISTORY OF  
INVOLVEMENT WITH THE  
BNQP, WHICH HAS  
DEMONSTRATED ITS  
STRENGTH  
INTERNATIONALLY. AS  
DAU-DSMC MOVES  
INTO THE FUTURE,  
PARTICIPATION IN THE  
BALDRIGE NATIONAL  
QUALITY PROGRAM IS  
PART OF THE PAST THAT  
CAN HELP MOVE US  
FORWARD.**

midstream corrections deemed necessary.

The Site Visit phase of the evaluation gave us an unprecedented opportunity to recognize and celebrate the fact that DSMC's approach to changing the way the College operates is on target. Participating in the Site Visit also provided us an opportunity to communicate DSMC's efforts both internally and externally.

The Areas for Improvement we identified can serve as guideposts to shape a systematic approach to our continual improvement. We are at a critical stage in our Quality Journey. We've accom-

plished enough to be on the Journey, but not enough to have the change strategy deployed throughout the organization. Now we must prioritize initiatives that will leverage past efforts and push us to the higher levels where noticeable trends and results are achievable.

Participating in the Baldrige Education Pilot has been an asset to accomplishing our vision of *being the academy of distinction promoting systems management excellence*. It has required discipline to embark on a change effort that will take years. It has involved thinking and behaving in a way that focuses on customer requirements, managing processes rather than fighting fires, using data to make decisions, and creating an environment where everyone is involved in continual improvement.

### **We've Only Just Begun**

The results of the Education Pilot confirm that our efforts over the past three years are effective. However, the difficult part is just beginning. Making the leap from activities that are checked off, to learning from every process is a major behavioral change. Everyone will have to commit head, hands, and heart. This is now both an organizational and a personal journey. Clearly, everyone must be engaged to meet our daily challenges in a quality manner.

The Defense Systems Management College has a history of involvement with the BNQP, which has demonstrated its strength internationally. As DAU-DSMC moves into the future, participation in the Baldrige National Quality Program is part of the past that can help move us forward.

### **B I B L I O G R A P H Y**

- Baldrige Education Criteria 2001 (<http://www.nist.gov>).
- Johnson, C., "DSMC Participates in 1995 Malcolm Baldrige Pilot Program in Education," *Program Manager*, January-February 1996.
- Hall, M.J. and C. Johnson, "DSMC Participates in Quest for Excellence VIII National Conference," *Program Manager*, May-June, 1996.