

PODCAST 277: THE MALCOLM BALDRIGE WAY

By Mark Graban



*Kay Kendall and Glenn Bodinson are the co-authors of the 2016 book **Leading the Malcolm Baldrige Way: How World-Class Leaders Align Their Organizations to Deliver Exceptional Results.***



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Kay Kendall, co-author of *Leading the Malcolm Baldrige Way: How World-Class Leaders Align Their Organizations to Deliver Exceptional Results* joined me for episode 276 of my Lean Blog Podcast. Kay's career began in corporate America, first in pharmaceuticals, followed by aerospace, semi-conductor automation equipment, and finally at Sun Microsystems. Kay became involved with the Malcolm Baldrige National Quality Award (MBNQA) program in the early 1990s, working as an examiner, and then a judge, and now serving as an alumna. Since

2009, she has also been doing consulting with organizations using the award framework as well.

The MBNQA is an award established by the U.S. Congress in 1987 to raise awareness of quality management and recognize U.S. companies that have implemented successful quality management systems.

The award's namesake, the late Secretary of Commerce Malcolm Baldrige, was a proponent of quality management. As the award's website states, organizations that apply for the Baldrige Award are judged

by an independent board of examiners. Recipients are selected based on achievement and improvement in seven areas, known as the Baldrige Criteria for Performance Excellence.

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"I just think it's just an incredible framework that helps organizations of all sizes," Kay said. "Baldrige is a framework, it's non-prescriptive, it can apply to any [type of] organization, any size organization. It has seven categories, the first six are process categories and they deal with leadership, strategic planning, customers, measurement, knowledge management, workforce, and operations. The seventh category is all about results, and it's really arranged in a balanced scorecard approach to look at results."

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An Introduction to Baldrige

Kay explained that she was first introduced to Baldrige when working at AlliedSignal, an American aerospace, automotive, and engineering company (now part of Honeywell). The Chief Quality Officer at AlliedSignal had previously led a winning MBNQA application project at another company. That leader held the first internal Baldrige examiner course at AlliedSignal, which Kay attended.

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Kay began the process of becoming a Baldrige examiner, first for the state program and then for the larger program the following year. As Kay explained, the MBNQA has branched off into other Baldrige-

based programs in all but two US states, and also in some industries.

"For instance, the long-term care program has a Baldrige-based award program, the housing construction industry also does. And it's also been replicated around the world. The last I checked, there was something like more than 70 countries or regions around the world that have Baldrige-based programs."

Mary Greeley Medical Center

Back in episode 218 of the Lean Blog Podcast, I interviewed Karen Kiel-Rosser, the Vice President/Quality Improvement Officer at Mary Greeley Medical Center in Iowa. In that episode, Karen spoke about the medical center's journey pursuing the state level Baldrige award as well as how they have successfully combined Lean and the Baldrige criteria. As Karen explained in that episode, Baldrige provided the criteria for what to improve whereas Lean provided some material on how to achieve it.

"I know Karen very well, we've worked with them on their Baldrige journey as well. I've been very impressed with what they've been able to accomplish with Lean."

I asked Kay about what she thought about Lean and Baldrige being combined, or if there are other ways in which organizations can define the how in coordination with the what of the Baldrige criteria.

Kay, who mentioned she worked with Karen on the organization's Baldrige journey, said that much

of it depends on the culture of the organization, and the type of work the organization performs.

"The Baldrige award isn't about being pretty good. It really is a standard of excellence across a variety of dimensions."

"We work with a lot of long-term care clients and, even more so than in a hospital or health care system, it's very difficult for them to do what I'll call continuous and traditional process improvement, like Lean, like Total Quality [Management]," Kay said, explaining that minimal staffing, and a need to be constantly on the floor caring for patients means that pulling people aside to have a Kaizen event or a meeting is not very practical.

In these cases, using simple tools like PDCA (plan-do-check-act), basic charting, and others can still give them leverage while acknowledging the limitations of the setting.

The Importance of Culture

Apart from the nature of the work, the culture of the organization is also one of the most important indicators of success, as Kay said, "The Baldrige award isn't about being pretty good. It really is a standard of excellence across a variety of dimensions. So it's very intentional, that's one of the things in the book that we wrote recently that really surprised us; we never asked any of the executives that we interviewed a single question about culture, but every single executive we talked to talked about culture. They intentionally designed the culture

that they wanted their organizations to have, and how they reinforced that in various ways.”

Kay explained the criteria does ask about culture, including asking the organization to describe their culture and how senior leaders have helped to shape it.

“Every organization that I visited that was a recipient, or close to being a recipient, had what we sometimes call a ‘palpable culture,’ ...the workforce was incredibly engaged.”

“I think the difference is the criteria doesn’t prescribe a set culture,” Kay said. “I’ve been on multiple site visits with the Baldrige program and with other programs. Every organization that I visited that was a recipient, or close to being a recipient, had what we sometimes call a ‘palpable culture,’ but they were very different cultures. But in each of them, the workforce was incredibly engaged. And, as you pointed out, they were engaged in differently ways, but in offering solutions and in offering ideas. It was a culture of inclusion.”

Kay brought up a story about a new client she recently worked

with who needed some convincing to include some frontline staff in a senior-level quality improvement committee meeting. When they were invited, Kay asked a few of the employees if they had ever been asked for their ideas and they said no. They also said that they had many ideas about how things could be improved.

“It was interesting, and actually good because there were a lot of chagrined looks around the table; they understood the point we were making. That you have people that have come in here to work for seven and 10 years respectively, they’re good people, they work hard, and you’ve never once asked them what they think.”

Kay and I agreed that taking quality improvement out of everybody’s hands does a disservice to those employees and the organizations. This is something Kay witnessed in broader terms when she worked in aerospace.

Shifting Culture and Arrogance

“I worked in aerospace for 15 years, we really had changed the culture dramatically when we introduced Total Quality Management, we called it Total Quality Leadership, and broke down a lot of the hierarchy that had existed in that organization and in that industry. And here’s

where I’m going to sound very jaded, I think we did ourselves a great disservice with the way that we implemented Six Sigma.

“You suddenly went from a very inclusive idea of, it’s everybody’s right to improve their own processes and improve their own work, to this elitist view that only if you were a belt did you have the tools and the smarts to improve processes.”

“The initial master black belts that were trained, were trained in a very arrogant way,” Kay said. “So you suddenly went from a very inclusive idea of, it’s everybody’s right to improve their own processes and improve their own work, to this elitist view that only if you were a belt did you have the tools and the smarts to improve processes. And I saw a real shift in the culture. I think it changed back a little bit for the better when we started implementing some of the Lean principles, because that definitely did get the people that were doing the work involved in improving the work.”



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The Writing of *Leading the Malcolm Baldrige Way*

I asked Kay about her new book *Leading the Malcolm Baldrige Way: How World-Class Leaders Align Their Organizations to Deliver Exceptional Results*, which she co-wrote with Glenn Bodinson.

Kay explained that she and Glenn wrote the book so that senior leaders and executives, who often have short attention spans for topics, could pick it up and dive in to topics that relate specifically to their needs like dealing with large organizations, dealing with small organizations, organizations with an existing culture of entitlement, and so on.

Get Started and Stay With It

Inside the book, Kay and Glenn speak about how Lean and Baldrige fit together and lessons learned about the journey. Kay spoke about one lesson learned, which was that executives have never said that they wish they had

waited to implement improvement until we were ready.

“Whatever approach it is that you’re trying to take your organization to a higher level of performance, whether it’s Lean, Baldrige, or some other approach, get started and stay with it.”

“They all said, ‘You know, I wish we’d gotten started earlier.’ Even the ones that started out initially with wanting to win the award, at some point in their journey, they shifted from that view to recognizing how much better their organizations were becoming.”

It’s Not All About Awards

Kay brought up the example of one CEO of a health care system that was an award recipient, who describes this shift moving from focusing on winning the

award to focusing on becoming “award worthy.” Perhaps not so coincidentally, one year after shifting his thinking, the organization won the award.

Kay explained that not all her clients start out with the award being the goal. She has clients, one in particular who came from another organization that won the MBNQA and so was familiar with the framework, that don’t want to apply for the award, but who want to implement the processes, the systems and approaches for improvement based on the criteria framework.

“We do both, we’re really not all about the award, although it’s fun to have clients reach that level of excellence and receive that recognition,” Kay said. “Whatever approach it is that you’re trying to take your organization to a higher level of performance, whether it’s Lean, Baldrige, or some other approach, get started and stay with it.”



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