



AIM Consulting, LLC

Linkages for Greater Performance Leveraging the *Criteria for Performance Excellence*

How many times have you read a new management book, talked to colleagues, or attended seminars in hope of finding the “secret” to improved business results? There are plenty of “How I did it” short-cut ideas. Check the Business aisle at your local bookstore. The books cover everything from leadership to employee development and customer focus. However, few present a comprehensive program that generates researched, proven results.

Fortunately, there is one resource that ties it all together. It’s not available in a bookstore or sold anywhere, because it’s free from the U.S. government—the *Malcolm Baldrige Criteria for Performance Excellence*.¹

The Baldrige criteria were developed in the early 80’s to help U.S. businesses improve their competitiveness in the global marketplace. They’re not a fad. They represent a proven management system. They are a compilation of the best thinking and practices from business leaders for almost two decades. Many studies have proven that the criteria works (re: the Vinghal study² and Baldrige Stock Index.)

The criteria are composed of seven categories and a set of interrelated core values. There are no surprises. The criteria represent concepts and

practices we’ve heard about and, surprisingly, many organizations “think” they are doing. So what’s the big deal? What’s different? The secret of the criteria is in the “linkages.”

Simply put, it’s all about ensuring that the puzzle pieces fit together, that the entire organization is focused on the same goals, and that everyone continuously improves everything.

The foundation of the criteria is the core values. These concepts are beliefs and behaviors found in high-performing organizations.

They are:

- Visionary leadership
- Customer-driven excellence
- Organizational and personal learning
- Valuing employees and partners
- Agility
- Focus on the future
- Managing for innovation
- Management by fact
- Public responsibility and citizenship
- Focus on results and creating value
- Systems perspective

One core value that you may be questioning is “systems perspective.”

The criteria represent concepts and practices we’ve heard about and, surprisingly, many organizations “think” they are doing. So what’s the big deal? What’s different? The secret of the criteria is in the “linkages.”

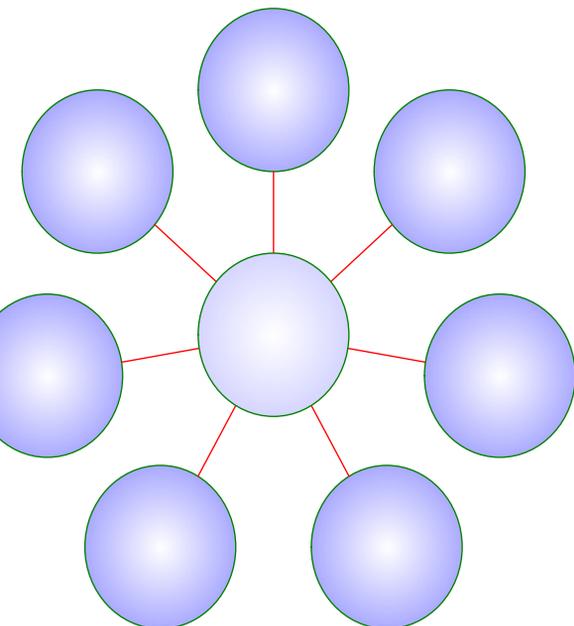
In fact, that's the core value that addresses the linkages.

A *systems perspective* means to step back and view the organization as a whole. To achieve performance excellence, you must improve the individual components and, more importantly, you must improve the way all the pieces fit together in driving results.

Each of the core values are woven throughout the seven categories:

1. Leadership
2. Strategic Planning
3. Customer and Market Focus
4. Information and Analysis
5. Human Resource Focus
6. Process Management
7. Business Results

Again, nothing new ... no surprises, no silver bullets. Each of the seven categories represent classifications of books at Amazon.com or classes that we took in college. Excellent performance in each category does not guarantee success. What drives excellent overall performance is how the categories work together. The key is in the linkages.



If you think of the categories as spokes of a wheel, mentally draw connections between each of them and ask yourself these questions:

- What is the overall goal?
- What does the customer want?
- How can you track and measure performance?
- Do employees have the skills, knowledge, and motivation to excel?
- How can processes be improved?
- How have results improved? What are the trends and how do they compare to others or benchmarks?

That's the Baldrige Criteria for Performance Excellence. Thousands of organizations utilize the framework to manage their operations and for self-assessment. It's an excellent roadmap for continuous improvement. The next time you read another management book or attend a seminar, ask yourself how the concepts fit into the framework of the criteria. More importantly, when implementing any new program or concept in your organization, ask these questions:

- Do you have a structured process?
- Is it fully deployed?
- How is the process being measured?
- Is the process continually improved?
- How does it link to all elements of the criteria?
- Is it generating results ... financial, market, customer, and employee?

Linkages are the key. *The Criteria for Performance Excellence* are the difference between adopting the next fad off the bookshelf and choosing a proven winner.

¹ Malcolm Baldrige Criteria for Performance Excellence, U.S. Government, <http://www.baldrige.org/>.

² V.R. Singhal, "Does Implementing an Effective TQM Program Actually Improve Operating Performance? Empirical Evidence from Firms That Have Won Quality Awards," *Management Science*, 43:9, (1997).