

# **Distinguishing “Role Model” From “Really Good”**

**Insights On The Road To Performance Excellence  
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We recently completed the 2011 Baldrige Award cycle and named our 2011 award winners. This year, four wonderful and very different organizations are serving as role models of organizational excellence. Three of the four award recipients are from the health care sector, but they are very dissimilar organizations: a small community hospital, a major urban health system, and a health care organization established expressly to improve the health and social conditions of Alaska Native and American Indian people. Our fourth 2011 award recipient is a 140-year-old nonprofit that delivers products and services akin to the way any modern manufacturing business does.

As I listened to the deliberations during the Baldrige Judges’ meeting in November, it struck me that our soon-to-be-named Baldrige Award winners shared several characteristics that separated them from the other organizations that received site visits this year. Now, before anyone jumps to the conclusion that these are the sole distinguishing characteristics of Baldrige Award recipients, let me assure you there is no single magic formula to success, not all recipients had all these characteristics, and not all of the other applicants discussed at the meeting lacked these characteristics. Still, on the whole, the following six characteristics represent some of what differentiates “role model” from “really good.”

These six characteristics were evident on a continuing basis among our new role models and were not as prevalent among our other site-visited applicants:

1. **Evidence-Based Management.** These organizations use results and data to drive process and organizational improvement. They choose the correct data and perform analyses. They routinely demonstrate intelligent and ongoing use of organizational reviews to drive overall improvement. Organizational learning has become part of the standard operating procedure for these organizations, and processes are in place to enable the learning. If I had to choose one characteristic of role models that truly distinguishes their performance, this would be it.
2. **Achievement in Results.** These organizations achieved significant results across all areas: product (e.g., health care outcomes) and process, customers, workforce, leadership and governance, and financials and marketplace. Results were trended over time, and comparisons were made to benchmarks (top performance levels). Furthermore, results measured were critical to managing the organization and to making fact-based decisions and improvements.
3. **Entrepreneurism and Innovation.** These organizations use innovative approaches to serve their customers' current needs and guide them with enticing products and services that address their not-yet-articulated needs. They provide products, services, and opportunities that lead their marketplace. They take intelligent risks to sustain themselves through challenging times and environments and achieve market leadership positions. They do not rely on past achievements or reputation. They are the organizations that ask "Why not?" rather than "Why?"
4. **Agility.** These organizations are strategic in their decision-making and in their ability to adjust strategy. When conditions change or are anticipated to change, they are ready to adapt, look for new markets, and adjust to sustain themselves and their stakeholders. Strategic plans do not sit on their shelves gathering dust, and these plans are developed with processes that cause and monitor execution. These organizations track

- the execution of their plans with metrics, and the ability to make change is part of the execution process.
5. **Governance and Leadership Metrics.** These organizations have leadership and governance systems in place that provide them with sound guidance. They measure the performance of their leadership and governance teams—which is not common practice. They are good citizens of their communities and measure their social responsibility results. They understand the needs of their communities and provide resources of all types.
  
  6. **Work Systems and Work Processes.** This is probably the most challenging concept to master. These organizations understand their work. They know their core competencies. They make intelligent decisions on their staff-performed work processes, capitalize on their core competencies to decide on those processes, and execute those processes well (with data to prove it). They know when to rely on suppliers and partners. They use these critical decisions to succeed in the marketplace, even when competitors do not.