

Texas Quality Foundation Organizational Profile 2015

This Organizational Profile provides a summary of Quality Texas Foundation (QTF) organizational systems, processes, and their interrelationships and interdependencies (P.1) and QTF systems interactions with its operating environment (P.2) that set the strategic context for QTF performance.

P.1 Organizational Description

Creation. Quality Texas Foundation (QTF) is an IRS 501(c)3 corporation registered in the State of Texas. In 1990 the concept of a state quality award was introduced to and supported by Governor Ann Richards. Collaborative efforts between the Governor's office, the Texas Department of Commerce, and Texas businesses made it possible to create QTF. Concurrently, EDS Corp. assigned an executive to lead development of a state quality award. A committee of representatives from Texas organizations created the Texas Quality Award (now called the Texas Award for Performance Excellence (TAPE)). In 1991-1992, QTF delivered quality awareness seminars to 1,800 individuals from 700 organizations. Since inception, QTF continues to promote quality and performance excellence to organizations from all sectors. In the initial launch of the QTF program, primary focus was on manufacturing and small business sectors; however, today the Award is open to organizations in manufacturing, service, small business, government, education, healthcare, and nonprofit sectors.

The Malcolm Baldrige National Quality Award (MBNQA) had been created in 1987 under Public Law 100-107. In its first four years (1988-1991), MBNQA had selected 17 recipients, including 3 (17%) Texas organizations, Wallace Company, Houston (1990), Marlow Industries, Dallas (1991), and Texas Instruments Defense Systems & Electronics Group, Dallas (1992).

First Recipients. QTF first accepted applications for the 1993 award cycle. The American Productivity & Quality Center (APQC) served as the inaugural award program administrator. Currently, QTF administers the Texas Award for Performance Excellence (TAPE) program as a separate independent non-profit corporation.

The first awards were presented in 1994 by Governor Ann Richards in the Governor's mansion in Austin to Texas Eastman Division Eastman Chemical and the Texas Comptroller of Public Accounts.

Accomplishments and Distinctions. Over 21 award cycles through 2014, QTF has provided systematic assessments and written feedback to over 200 Applicants for the TAPE Award and over 500 Applicants for Engagement, Commitment, and Progress level awards. QTF has trained approximately 2,000 QTF Examiners as experts in the Baldrige assessment and feedback processes.

Through the 2014 MBNQA Award cycle, 19 Texas-based organizations have been recognized as MBNQA recipients, 17% of all 109 organizations selected to receive the Award. Texas performance is double the performance of the next best

state program at producing MBNQA recipients (Figure P.2-1) and has sustained this level of market share throughout the history of the MBNQA and QTF programs.

a. Organizational Environment

P.1a(1) Product Offerings and Delivery Processes.

Service offerings. To serve Applicants, a key customer segment, QTF offers a systematic Baldrige-based assessments (some include site visits) and accurate, timely, actionable written feedback (Figures P.1-2, 3, and 5) to address customer requirements (Figure P.1-1, column 5). Assessment and feedback processes are QTF **core competencies** (Figure P.1-7). To prepare organizations to become applicants, QTF offers self-assessment and collaborative assessment services, educational seminars, webinars, meetings, and direct consulting and partnering with individuals and organizations. QTF offers training and education for other customers. For volunteer Examiners, a key customer segment, QTF provides training on the QTF key processes, Baldrige assessment and feedback processes.

Product offerings. Biannually, MBNQA in its role as a key supplier publishes three sets of Criteria for Performance Excellence (CPE). QTF logos and re-distributes its CPE versions as PDFs via the internet, QTF customizes by TAPE eligibility sectors that mirror MBNQA sectors, Business/Not-for-Profit, Education, and Healthcare, <http://www.nist.gov/Baldrige/publications/>. PL 100-107 does not authorize MBNQA to offer recognition levels below the Award level. QTF creates abridged versions of the TAPE CPE for each recognition level (Figure P.1-4). MBNQA charges \$10 for PDF versions of the CPE. QTF provides its CPE at no charge. CPE marginal costs/revenues are minimal.

TAPE Applicant fees for (1) eligibility certification, (2) assessments, (3) and site visits. Examiners pay fees for Examiner Training. Attendees, mostly Applicants and Examiners, pay fees to attend the annual TAPE Awards Banquet and Educational Conference. QTF fundraising activities solicits donations from members, customers, and other organizations (Figure P.1-1).

How product offerings elate to success. Examiner survey data estimate that a team of 6-8 Examiner volunteers contributes 2,200 man-hours, equivalent to one full-time employee (FTE), of applied expertise during the typical Award-level application assessment and feedback processes. The **product** of these processes, a Baldrige-format written Feedback Report, is valued at \$225,000-\$275,000. The benefit/cost ratio is approximately 3:1 (Figure P.1-7 **QTF Core Competencies**). Cumulatively, QTF contributes 10-12 FTEs or valued \$2.75-\$3.3 million in annual volunteer **services**. QTF volunteers have provided a valued over \$66 million in services to help QTF achieve its **Mission** to “*QTF exists to assist individuals and organizations in their continuous improvement journey to positively impact our communities, state, and nation*” (Figure P.1-6).

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Delivery mechanisms. QTF delivers services and product offerings through its key processes (**Figure P.1-1**).

Applicants. Depending on the Award level, an award application package consists of a five-page Organizational Profile (OP) and written responses, limited to certain lengths,

based on the 7 overall, 17 basic, or 100+ multiple requirements in the 6 Process Categories and a composite of results data for 5 Results Items in the Results Category.

Figure P.1-1 -- QTF Key Service Delivery Processes and related Products and Services and Stakeholders

Key QTF Value Creation and Service Delivery Process	QTF ROI (CM)	QTF Resources Engaged	Outputs Services/ Products	Customer Requirements	Beneficiary (Customer Segments)
Attract, Develop, Engage, and Retain Applicants (a key customer segment)	% R/E	CEO, Staff	Applicant	Timely, Actionable FB Results, Recognition, ROI	Applicant Customer Individuals
Attract, Train, Develop, Engage, and Retain Volunteers (Core Competency)	% R/E	CEO, Staff	Examiner	Skill, Knowledge, Abilities	Examiner Applicants
Examiner Training Preparation (New)	% R/E	CEO	Examiner	Participation, Engagement, Development,	Examiner Applicants
Examiner Assessment Process Training	% R/E	CEO, Staff	FBR	Learning, Recognition, ROI	Examiner Applicants
Examiner Site Visit Process Training	% R/E	CEO, Staff	FBR		Examiner Applicants
Baldrige Assessment Process (CC)	% R/E	Examiners CEO, QTF Operations	FBR	Accurate, Timely, Actionable Feedback; Improved Performance Results, ROI; Recognition, Confidentiality, Relationship	Applicant
Baldrige Feedback Process (CC)	% R/E				Applicant
Recipient Selection Process	% R/E	POJ, BOD	Recipients	Fairness, Timeliness, Transparency	Applicant
Annual Award Banquet	% R/E	CEO, Staff	Recognition, Publicity	Participation, Recognition, Publicity, ROI	Stakeholder, Organizations, Individuals
Annual Education Conference	% R/E	CEO, Staff	Learning Engagement	Skill, Knowledge, Abilities, Participation, Interaction, Connection, Learning, ROI	Stakeholder, Organizations, Individuals
Day-to-Day Operations	% R/E	CEO, Staff		Access, Responsiveness, Timely, Accurate, Communication, Complaint Resolution	Stakeholder
Marketing, Advertising, Word of Mouth	% R/E	CEO, Staff	Awareness	Timely Communications, Integrity, Accuracy,	Stakeholder
Fundraising Processes	% R/E	CEO, BOD	Donations	Engagement, Recognition, ROI	Member
Collaborative Assessment process (New)	% R/E	Partners	FBR	Accurate, Timely, Actionable Feedback, Improved Performance Results, ROI,	Applicant
Self-Assessment processes	% R/E	Customers	OFIs	Recognition, Communication, Relationship	Applicant

QTF Examiners are volunteers selected through an application process from all eligibility sectors to comprise a panel of experts on the Baldrige assessment and feedback processes. All Examiners complete Examiner Training annually where they learn to use the systematic **three-stage Baldrige assessment process** (Individual Review, Consensus Review, and Site Visit Review) to provide systematic assessments of award applications submitted annually by TAPE Applicants.

Examiners use a systematic, six-step **TAPE Baldrige Item Assessment Process (Figure P.1-2)** to determine the most relevant and actionable comments and agree on a scoring range and score that is most appropriate for each of the Criteria Items and an overall score that is most appropriate to one of the six-bands in separate Process and Results Scoring Guidelines. Examiners prepare comments in the Baldrige-format that describes their strengths and opportunities for improvement (OFIs) and the level of maturity (scoring band and score) using the Baldrige Scoring Guidelines.

For Award level Applicants and Progress level Applicants who request a site visit, an Examiner team goes to the applicant sites to review documents, interview key personnel,

and observe key processes to verify and clarify the draft feedback.

Figure P.1-2 – Six Step Item Assessment Process

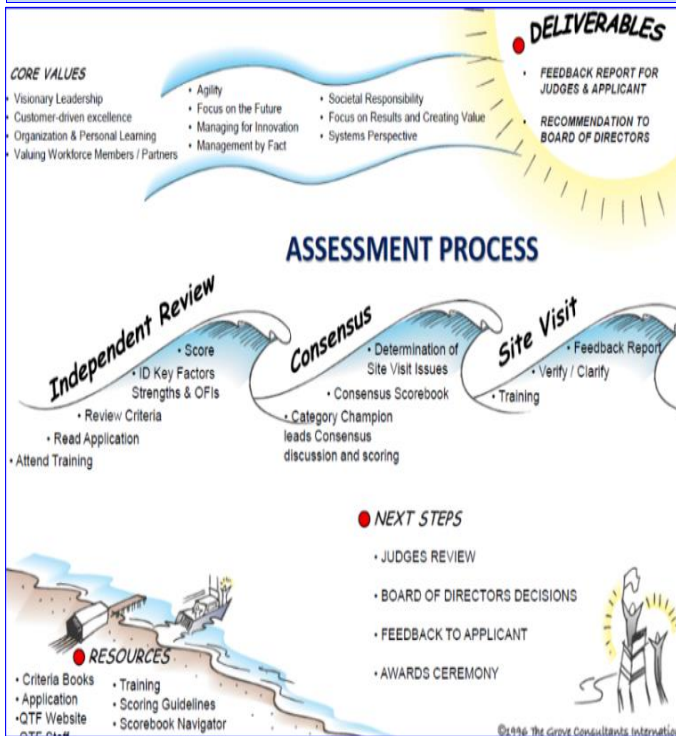
Terms: Criteria for Performance Excellence; Key Factors Work Sheet; Application; Comment Guidelines, and Scoring Guidelines.						
Process Steps	Key Tools used at each Process Step					
	CPE	KFWS	App	CG	SG	
Read the Criteria			CPE			
Determine the most relevant Key Factors			CPE	KFWS		
Analyze the Application				KFWS	App	
Identify Strengths / OFIs			CPE	KFWS	App	
Write feedback-ready comments			CPE	KFWS	App	CG SG
Determine Scoring Range and Score					Strengths OFIs	SG

During the TAPE Assessment Process (**Figure P.1-3**), Examiners individually, repeat the Six-Step Item Assessment Process beginning with Stage 1, Individual Review. During Stage 2, the entire Examiner team confers collaboratively to prepare a draft consensus feedback report and a set of site visit issue (SVIs) that are the focus of the site visit. After the site visit, the team rewrites feedback comments based on their findings, rescore all Items, and prepare a final FBR for the

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Panel of Judges (Figure P.1-5). The FBR is customized for the specific level of application.

Figure P.1-3 -- TAPE Assessment Process



A new offering in 2015, the **Beginner level** allows sections or components of larger organizations as well as organizations themselves to complete the Organizational Profile to determine where gaps may exist and where efforts toward continuous improvements may be necessary.

Recognition level (Engagement, Commitment, and Progress) feedback is based on an assessment of narrative responses to a selected set of Process requirements (questions) appropriate to each level of readiness.

Award level feedback is compiled from the assessment of the Applicant narrative responses to the full set of 12 Process Items and 5 Results Items by a team of Examiners. All Applicants for the Award level receive a site visit. Applicants at the Progress Level may request a site visit to verify and clarify the narrative but a site visit is optional.

Figure P.1-4 -- Recognition /Award Levels

Recognition/Award Levels	Page Count Maximums
Beginner Level	5 page OP
Engagement Level	5 page OP + 10 page app
Commitment Level	5 page OP + 20 page app
Progress Level	5 page OP + 30 page app
The TAPE Award Level	5 page OP + 50 page app
Baldrige Next	5 page OP + 50 page app

Baldrige Next level. Also new offering in 2015, this allows TAPE and MBNQA Recipients to continue their quest for performance excellence by getting continuing feedback

Figure P.1-5 Annual TAPE Assessment Cycle

	Applicant prepares TAPE application	QTF assesses application and provide feedback
Jul	Prepare App/Use Feedback	Pre-Examiner Training
Aug	Prepare App/Use Feedback	Examiner Training
Sep	Submit Eligibility Form	Examiner Training
Oct	Submit Award Application	Examiner Training
Nov		Stage 1 Individual Reviews
Dec		Stage 2 Team Consensus
Jan		Stage 3 Team Site Visits
Feb		Finalize FBR
Mar		4 Panel of Judges meets
Apr		BOD selects recipients
May	Prepare App/Use Feedback	Send FBR
Jun	Prepare App/Use Feedback	TAPE Award Conference

through QTF. This level provides a site visit by the most experienced QTF/MBNQA Examiners available and includes an analysis of their last feedback report, explanation of previous site visit comments, and a roadmap and action planning (if asked) for the future performance enhancements.

All Applicants are encouraged to use the **Feedback Report** to capitalize on and leverage reported strengths and prioritize and focus on reported OFIs.

P.1a(2) QTF Mission, Vision, and Values are superimposed over a representation of the Texas flag below.

Figure P.1-6 – QTF Mission, Vision, and Values

MISSION
QTF exists to assist individuals and organizations in their *continuous improvement* journey to positively impact our communities, state, and nation.

VISION
The Quality Texas Foundation (QTF) will become the preeminent state program assisting organizations with *continuous improvement* efforts.

VALUES

Systematic Perspective by holistically evaluating organizations and recommending opportunities for improvement

Delivering Value and Results by utilizing the Baldrige framework plus other best practices

Personal and Organizational Learning through dedicated and tailored training events

QTF's **purpose** to be actively advocate adopting a Baldrige-based systems thinking approach to performance excellence and using QTF's valuable, rare, inimitable, non-substitutable, systematic assessments and feedback **core competencies** that provide CPE requirements-based accurate, timely, actionable feedback to improve organization performance results for organizations that choose to pursue performance excellence. **(DISCUSS)**

Core competencies relate to Mission. QTF accomplishes its **purpose** through deployment of its **key processes** (Figure P.1-1) and **core competencies** (Figure P.1-7) by distributing the TAPE CPE and providing Baldrige-based, systematic, team-based assessments and feedback (Figure P.1-2 Six Step

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Item Assessment Process) and its associated part diagnostic tools, the CPE and SG.

The intent of formalizing and publishing a written **Mission, Vision, and Values** is to inspire volunteers, provide guidance to all staff, and make clear the value created by and relevance of QTF as a contributor to the betterment of our service area and society in general. The Board of Directors reviews and reapproves the **Purpose, Vision, Values, and Core Competencies** statements annually to ensure that they support and align with stakeholder and customer requirements (**Figure P.1-3**).

All QTF **core competencies** (**Figure P.1-7**) interrelate, interact, and are interdependent. QTF capabilities to attract, train develop, engage, and retain passionate and committed unpaid volunteers to serve as Examiners, Process Observers, Judges, and BOD members creates a panel experts that provide systematic Baldrige assessments and timely, actionable feedback to Applicants and provide the series we offer to other customers. These competencies enable QTF to offer services with greater **value** and benefit/cost ratios than similar competitive offerings (**P.1a text**)

Figure P.1-7 – QTF Core Competencies

- System Perspective for Performance Excellence
- Baldrige Assessment Process
- Baldrige Feedback Process
- Attract, Train, Engage, and Retain Volunteers

Each competency is rare in QTF markets in the sense that it is scarce relative to demand for its use and what it produces (**P.2a1**). Competitive offerings find it difficult to copy, imitate these competencies. Competitive offerings are not substitutes for the Baldrige processes that use a two-part diagnostic system (CPE and SGL maturity model) for assessing the invisible system of relationships that produce the observed behavior of organizational systems, processes, and results through a systematic, consensus-based performance feedback process.

The key characteristic of QTF culture is that it is a "network" of volunteer professionals whose skills, training, and engagement in QTF processes translate into systematic assessments and feedback that delivers **value** to Applicants. QTF is unique among Texas organizations in providing a system of assessment and recognition that cultivates performance excellence across all business sectors, as well as sharing its knowledge of various organizational improvement methods through training and coaching.

P.1a(3) Workforce Profile.

Groups and segments. QTF has two paid staff and over 200 non-paid volunteers serving in multiple roles.

Following governance policies and bylaws, all positions and volunteers report to the QTF CEO. QTF paid staff are not members of a bargaining unit. All full-time staff members receive paid vacations and holidays provided by QTF. QTF

paid staff receive healthcare benefits and are required to provide proof of their healthcare provider.

Volunteer Staff create 90% QTF workforce capabilities and capacity. Volunteers perform almost all of the value-added roles. Volunteers serve as members of the Board of Examiners, Examiner Teams, Process Observers, Training Faculty, Panel of Judges, and Board of Directors.

Figure P.1-8 -- Paid QTF Staff Workforce Profile

Stakeholder Value Added Activities	
CEO	Practices Baldrige Leadership requirements Makes presentations to industry and civic groups and to prospective Applicants Hears/resolves stakeholder issues (complaint management) Collaborates with Training Team to train QTF Examiners Oversight of QTF financial budget and related support processes (marketing, fund raising, program integrity, performance measures, etc.)
Director of Operations	Advises Applicants on application process Assists with POJ/BOD meetings Verifies FBR quality Ensures FBR timeliness Assists CEO with Support Processes, as needed Oversees TAPE processes activities, including scheduling, quality review to ensure program integrity, and performance measures are achieved
Business Coordinator (vacant unfunded)	Maintains customer accuracy of invoices and accounts Interactions with Applicants, Volunteers, and QTF staff to support operations
Administrative Activities	
CEO	Leads and manages QTF organization Leads and manages QTF staff Monitors POJ/BOD meetings
Director of Operations	Administers annual assessment and feedback process; Performs other operational duties.
Business Coordinator	Manages QTF office; Performs accounting and business functions

Diversity Volunteers represent all eligibility different sectors (**P.1a text**) and represent a self-selected, demographically stratified sample by gender, generation, ethnicity, lifestyles, and physical abilities. They include union and non-union employees, supervisors, managers, and executives. They live in urban, suburban, and rural locations.

Value Creation. Volunteers invest between 50 -500 hours, depending on assigned roles, in QTF activities each annual Award cycle to support QTF in achieving QTF's Mission while also performing their "day jobs" in organizations (**P.1a(1) text**)).

Educational Requirements.. The selection process (**Figure P.1-1**) produces a broad spectrum of relevant education levels (95% BA/BS) and specific skills, abilities, knowledge, expertise, certifications, and experience and expertise. Almost all volunteers have BA/BS degrees, with a significant number with advanced degrees.

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Approximately 30% of the Board of Examiners have more than one year of Examiner experience. Senior Examiners have at least two years' experience and serve as Team Leaders, Assistant Team Leaders, Feedback Editors, and mentors to new Examiners. In addition, some QTF Senior Examiners also serve as MBNQA Examiners. Members of the Panel of Judges are MBNQA Senior Examiners, past TAPE recipients or Texas business leaders. Volunteers for the conference planning committee have marketing, public relations, organizational and general business skills. Volunteers expect and require recognition for their contributions, opportunities to learn and contribute to QTF processes, communication about organizational matters and development of their own professionalism or expertise. **(Figure P.1-1).**

Meeting and exceeding applicant requirements **(Figure P.1-1)** depends heavily on meeting Examiner requirements **(Figure P.1-1)**. Volunteers visibly demonstrate the key factors that demonstrate employee engagement (commitment, passion, and pride).

Special health and safety requirements for the volunteer workforce are applicable during QTF Examiner Training or when conducting site visits at Applicant locations. QTF relies on the training site host Applicant organization to ensure work is in compliance with all health and safety requirements appropriate to their environment, factors assessed on site.

P.1a(4) Assets. Facilities. QTF staff maintain offices in their residences at present. Plans are to move into a central office in Georgetown, Texas in 2015. **Technologies and Equipment.** The major technologies and equipment are computers with Microsoft Office software suite providing applications for word processing, spreadsheets, and email internet access, printers, a copier, and cell phones for mobile access. QTF uses an internet telephone and webinar conference systems.

QTF maintains a website at <http://www.quality-texas.org>. QTF can also be accessed through the MBNQA website at http://www.nist.gov/Baldrige/community/state_local.cfm and the Alliance for Performance Excellence ("the Alliance") website at <http://www.baldrigepe.org/alliance>.

QTF is one of eight state Baldrige state programs using the Scorebook Navigator Examiner software licensed through the Alliance to automate the Six-step Item Assessment process **(Figure P.1-2)** and all stages of the Assessment and Feedback processes **(Figure P.1-3)**. It increases team productivity by automating merging of individual comments and scores into team consensus comments and scores, tracks the evidence Examiners used to support Examiner observations, and speeds up comment and scoring revisions after site visits.

P.1a(5) Regulatory Requirements QTF is **registered** as an IRS 501c(3) corporation in the State of Texas. QTF is subject to IRS rules regarding contributions, membership and lobbying in order to maintain its 501c(3) status. **Accreditation.** QTF is recognized as an affiliated Baldrige program by MBNQA and the Alliance. There are no

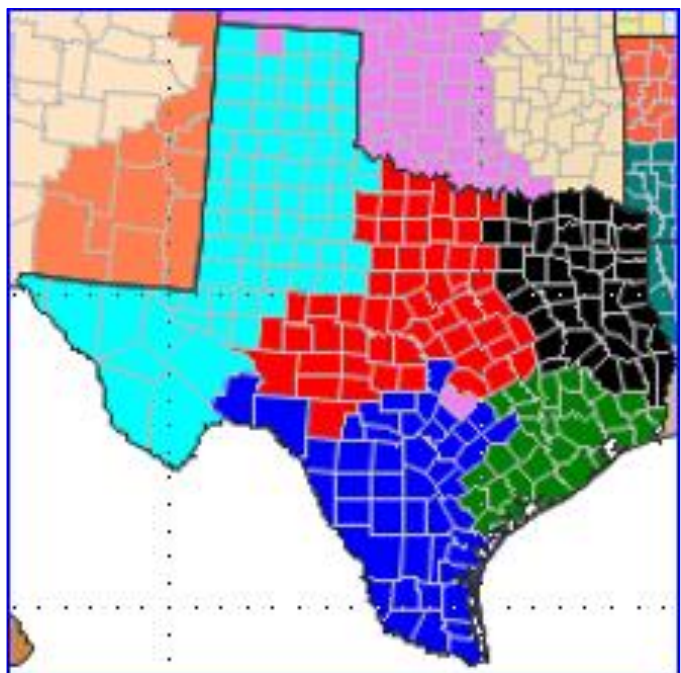
certification programs or requirements for Baldrige programs. QTF **financials** comply with FASB accounting rules. Records are managed by a professional bookkeeper and independently audited. QTF submits IRS Form 990 each year to document its sources and uses of funds. **Workplace Health and Safety.** QTF is subject to federal and state workplace regulations. QTF Code of Conduct, modeled after the MBNQA evaluation process, is an internal mechanism to govern workforce conduct. The CEO is accountable for ensuring and monitoring staff health, safety, and well-being. **Environmental.** QTF products and services are not subject to environmental regulations. The QTF Ethics Policy statement sets out an investigative process and whistle-blower mechanism. QTF has designated an Ethics Officer to oversee and measure the ethics policy and investigate ethics violations.

a. Organizational Relationships

P.1b(1) Organizational Structure. The Board of Directors (BOD), headed by a Chair, oversee all QTF operations. The BOD is comprised of QTF highly qualified business, applicant, and partner executives and Baldrige Senior Examiners. BOD members attend annual QTF Examiner training. The QTF CEO reports to the Board Chair. There are BOD committees for Membership/ Events, Nominating, Finance, and Retention/Marketing that make advisory recommendations to the full BOD. The BOD provides guidance and advice on organizational direction and oversees financial fundraising activities to support QTF operations.

P.1b(2) Markets, Groups, Customers, and Stakeholder Segments and Requirements. QTF key stakeholder and customer groups and key requirements are **in Figure P.1-1.**

Figure P.1-9 – Two-Digit Zip Codes Segments in Texas



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Markets and Market Groups. QTF markets its offerings (P.1a(2) text) in Texas and Puerto Rico.

Within these geographical markets, QTF seeks to attract, develop, engage, and retain **key customer groups** of Applicants, Recipients, Examiners, and other volunteers from all industry (NAICS) sectors. QTF differentiates customer groups into three **key segments**: current, potential, and past. QTF also segments customers by eligibility categories and award level to address differences in their requirements. **Figure P.1-10** expands on stakeholder segments and their **requirements** for key customers listed in **Figure P.1-1**.

Stakeholders	Requirements
TAPE Applicants	Timely, actionable FBRs
TAPE Past Recipients	Highest Reputation; Stable financials Access to conferences and trainings Opportunity to serve in leadership capacities
QTF Examiners	Local Training Sites; Quality Training; Professional Development
QTF Past Examiners	Highest Reputation; Stable financials; Professional Development
QTF TX Alumni	Opportunity to serve in leadership capacities
MBNQA TX Alumni	Opportunity to serve in leadership capacities
Donors	Return on Investment; Communication; Highest Reputation; Stable financials; Opportunity to serve in leadership capacities
QTF Fellows	Highest Reputation; Stable financials
MBNQA Program	Reputable, stable program
Alliance members	Sharing of best practices, Collaboration on conference speakers

P.1b(3) Suppliers, Partners, and Collaborators and Requirements.

In 2011, MBNQA converted from a government funded program to an Enterprise business model. Key Enterprise partner/members are the Baldrige Foundation, the American Society for Quality (ASQ), and The Alliance for Performance Excellence (“Alliance”). QTF both collaborates and competes (see P.2a text) with all these entities. MBNQA is a key QTF and Alliance supplier. MBNQA shares its programs, materials and services to all state, regional, and local award programs affiliated with the Alliance and mutually refers Applicants and Examiners to each other as appropriate. The Alliance aids in our competitiveness by sharing of ideas and best practices. Through those shared innovations, QTF is able to continue to offer new products/services and identify opportunities to improve in QTF practices or program methods. In addition, Alliance members receive complimentary registration to attend the Baldrige Quest Conference and reduced fees for selected Baldrige products. ASQ collaborates on scheduling regional MBNQA conferences held in Texas and promotes Baldrige activities on its website at <http://asq.org/index.aspx>

	Relationship	Communication Methods
Suppliers	MBNQA Program (CPE, Ambassador PPTs, Training materials, Examiner Referrals, Applicant Referrals, Comparative Data)	Phone ,Email Website, F2F
	Conference Sites (Meeting Facilities, AV, F&B service, Rooms, Transportation)	Contracting, F2F, Phone ,Email
Partners	TMAC Promotional Activities Training Facilities Examiners Donations	Phone ,Email Website, F2F
Collaborators	Recipient Organizations Participation in TAPE Feedback to QTF Sharing Processes and their journey or story at Quest Conferences Provide Volunteers for QTF	Phone ,Email Website, F2F
	Applicant Organizations Participation in assessment process and Education Conferences Feedback to QTF. Provide Volunteers for QTF	Phone ,Email Website, F2F
	Alliance of State Quality Programs (Articles Database, Best Practices, Comparative data)	Phone ,Email Website, F2F
	ASQ (Baldrige Framework)	Phone ,Email Website, F2F

Partnering organizations and individual volunteers provide in-kind services while serving in QTF key process roles. They design, develop, and print training materials; provide meeting facilities and food and beverage service for training programs, seminars, meetings; and, they donate their professional expertise as speakers at QTF Quest conferences, and assist with systems, process, and performance improvement actions, participate on the QTF BOD, Advisory Team, Training Team, or project teams. Organizations provide in-kind financial support through sponsorships of events such as the annual Texas Quest for Excellence Conference, held each June.

QTF considers **vendors** of lodging, meeting space (provided by members and Georgetown Chamber of Commerce), and food and beverage to be **key suppliers** for its annual conferences training sessions, and meetings.

Supplier Requirements. For all suppliers, regardless of whether in-kind or paid, QTF expects and requires accurate, timely delivery, low cost, and quality (no defects) services. QTF and suppliers communicating two-way continuously (phone, email and in-person) to meet supplier-customer requirements. Suppliers are also expected to drive improvements in their programs, products and services through innovation. This expectation assists QTF in achieving its Vision and Mission.

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Organizational Situation

P.2a. Competitive Environment

P.2a(1) Competitive Position. QTF Applicants and Examiners often continue their performance excellence quest through as MBNQA Applicants, Examiners, Judges, Overseers, and members and officers of the Baldrige Foundation.

Competitors. QTF both competes with and collaborates with members of the Enterprise and the Alliance. **[DISCUSS]**

MBNQA. The opportunity to be in the 6% (109 of 1,623) of applications that earn a MBNQA Award attracts most TAPE Award recipients to continue their quest for performance excellence through the national MBNQA. 33 of 49 (67%) have applied and 19 (39%) have won. QTF and MBNQA compete for continued their participation, role model sharing, volunteers, sponsorships, and donations. MBNQA also attracts QTF Examiners to serve on the MBNQA Board of Examiners or as Judges, Overseers, or as members of the **Baldrige Foundation**, which competes with QTF and all state programs for Recipient and Applicant donations. Applicant/Recipient Retention and Fundraising is a QTF **key processes (Figure P.1-1)** that seeks to address this rivalry. Data on QTF success with this process needs to be collected, analyzed, and used to improve performance in this key area.

Fees	500>Employees	500<Employees
Determine Eligibility	\$350	\$350
MBNQA ED	\$360	\$360
Engagement	\$3,000	\$3,750
Commitment	\$3,750	\$4,500
Progress	\$4,750	\$6,000
TAPE Award	\$7,000	\$10,000
Next	\$10,000	\$12,500
MBNQA Application	\$9,600	\$18,000
Site Visit	\$8,000-\$12,000	\$12,000-\$18,000
MBNQA Site Visit	\$30,000-\$35,000	\$50,000-\$60,000

Figure P.2-1 compares QTF and MBNQA fees for similar services for each annual application cycle. **Alliance** members conduct similar operations as QTF within their state boundaries and not compete with QTF for applicants since most state programs have state residency requirements. Some state programs have annexed states that have no award program, similar to QTF’s relationship with Puerto Rico. This is another indicator of the evolving competition among Baldrige programs for a limited and diminishing Applicant and Examiner resources. Many state program view QTF as a competitor whose performance they aspire to exceed.

Figure P.2-2 documents the number of MBNQA Examiners from Texas for the 2014 Award Cycle by Two-digit zip code.

Figure P.2-3 documents QTF’s **competitive position** among the 10 most successful state programs on measures collected and published by MBNQA (*Baldrige Contributions* 9/13/13) to demonstrate the effectiveness and value of Baldrige

programs. QTF is achieving its **Vision** to be “*the preeminent state program assisting organizations with continuous improvement efforts.*” **[DISCUSS]**

	MF	SV	SB	ED	HC	NP	IC	TOT
75	1	2	--	2	6	2	5	18/56%
76	--	--	--	--	--	1	--	--/--
77	1	--	--	1	2	--	1	5/16%
788	--	1	--	3	2	1	2	9/28%
79	--	--	--	--	--	--	--	--/--
#/%	2/6	3/9	--	6/18	10/30	4/12	8/24	33/100

ST	MBNQA Applicants 2005-2012	MBNQA Recipients 1988-2012	MBNQA Examiners 2012	Value of TX Examiners in overall MBNQA Value Created
TX	62 (#1)	16 (#1)	47 (#1)	\$717 (#1)
MO	41	9	17	\$259
CA	38	7	31	\$473
PA	26	4	15	\$229
MN	22	7	18	\$274
FL	20	4	14	\$213
OH	19	4	13	\$198
TN	16	4	16	\$244
NY	14	6	16	\$245
NJ	12	5	8	\$122

Primary Market. QTF, MBNQA and all state Baldrige programs have a competitive-codependent relationship with independent Baldrige consultants, which operate as small businesses. As testimony to the effectiveness of QTF to attract, train, and develop Baldrige Examiners, Texas is home to 10 of the 25 most successful Baldrige consultants in the US. These major consultants provide over 80% of all TAPE Applicants and many continue to serve in key QTF roles and share their expertise to QTF. Consultants attract 80% of the training services marketplace in Texas. QTF counters these offering with relatively inexpensive seminars and training. Baldrige consultants based outside Texas also compete for Texas Applicants.

The QTF Assessment and Feedback cycle (**Figure P.1-5**) actually creates the market for Baldrige consultants who perform services that QTF does not offer. They advise Applicants on writing applications, preparing for site visits, and interpreting and using QTF feedback to improve, the keys steps in the Applicant part of the QTF cycle.

Secondary Markets. In the broader market for organizational improvement services, QTF competes with organizations and individual vendors of similar, but distinct, competitive offers. In historical order, PDCA, SPC, and TQM pre-date Baldrige (1987). ISO, Six Sigma, and Lean Enterprise are relatively newer in the US and are the most widely promoted improvement methodologies. Many of these consultants also serve as QTF Examiners. The official MBNQA position is that Baldrige and these offerings are “complementary.” QTF **core competencies** differentiates its offerings (**Figure P.1-7**).

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The Underserved Market. QTF seeks to create awareness, heighten interest, and evoke the potential for deciding to seek a systematic method to achieve performance excellence among organizations that currently do not have systematic improvement methodology, or who believe the Baldrige process is about awards, and in the Education sector, do not have funding for outside service provider. The QTF marketing process seeks to address the “underserved market.”

P.2a(2) Competitiveness Changes. QTF differentiates itself through its entrepreneurial approaches, its emphasis on organizational improvement (instead of awards), and its focus on meeting unique customer needs (no two organizations are the same) with adapted cycles and services. QTF is committed to continually reassessing products and services needed to meet customer needs and to achieve its Vision and Mission.

P.2a(3) Comparative Data. The Alliance collects, analyzes, and publishes aggregated summary data from its affiliated state program on the numbers of Examiners, Applicants, and recipients annually, Alliance resource sharing and the annual State & Local Workshops co-hosted by BNQP. In addition, all state award programs report their operating data, e.g., revenue and sources, expenses and uses, and cash, capital, and assets balance annually. MBNQA also publishes the number of Applicants, site visits, national recipients and the number of Examiners (by state and role) annually on their web site [\[http://patapsco.nist.gov/Award_Recipients/index.cfm\]](http://patapsco.nist.gov/Award_Recipients/index.cfm) [\[http://patapsco.nist.gov/BoardofExam/Examiners_state2.cfm\]](http://patapsco.nist.gov/BoardofExam/Examiners_state2.cfm).

These sources provide QTF with comparative data that enable QTF to track the relative performance of QTF versus other state award programs (**Figure P.2-5**). In addition to the mandatory reporting, most state programs share general information; however, few share or publicize specific unique data. Another limitation is that data from BNQP generally lags real-time results due to different timelines of award cycles and differences in application tiers among the state quality award programs.

QTF has access to comparative data from other state programs, the Alliance, the MBNQA program, and other organizations that offer similar services. e. g. the European Foundation for Quality Management (EFQM), Ernst & Young (for profit sectors), Truven and US News and World Report (healthcare), etc.

Alliance-affiliated state award programs report aggregated summary data for (1) Examiners, (2) Applicants, (3) and awards on their websites. The Alliance collects and publishes data resource sharing at the annual State & Local Workshops co-hosted by BNQP.

As 501c(3) not-for profits, the Baldrige Foundation and all state award program report their financial data, e.g., revenue and sources, expenses and uses, and cash, capital, and assets balance annually on IRS Form 990, which are available at websites.

MBNQA publishes data (numbers) of Applicants, site visits, national recipients, and Examiners (by state and roles) at [\[http://patapsco.nist.gov/Award_Recipients/index.cfm\]](http://patapsco.nist.gov/Award_Recipients/index.cfm), [\[http://patapsco.nist.gov/BoardofExam/Examiners_state2.cfm\]](http://patapsco.nist.gov/BoardofExam/Examiners_state2.cfm).

In 2010 MBNQA began defining measures for its strategic performance using the Strategy Map concept. They, however, have not published annual performance data for these measures. In 2013, MBNQA published data on state program performance (**Figure P.2-1**)

Limitations. It is unclear what measures state programs use to measure the operational performance of their processes below the requirements for Form 990 level. If data exists, it is not shared

Figure P.2-4 – Share/Growth Analysis for Products, Services, and Sectors

	“?’s”	“Stars”
High Growth	Service Sector Small Business Sector Engagement Level Apps Progress Level Apps Commitment Level Apps Organizational Profiles New Sectors? New Application Levels?	Healthcare Sector Collaborative Assessments Education Conference
Low Growth	“Pets”	“Cash Cows”
	CPE Manufacturing Sector Education Sector Government Sector Not-for-Profit Sector	Award Applications Awards Conference Examiner Training
	Low Market Share	High Market Share

Figure P.2-5 -- Sources of Comparative Data

Source	Measures and Data
Alliance website	http://www.baldrigepe.org/alliance
State Program websites	Examiners Trained (names) Recipients (name, level, sector)
IRS Form 990 (1-2 year delay) (Current and prior year)	Revenues (by source) Expenses (by use) Expenses for Staff (Director) Assets, Cash, Capital, Reserves Changes from Year to Year
BNQP	Examiners (name, state, role) Applicants (name, sector, contacts) Number site visits (by sector) Number Recipients (by sector)) Baldrige Impact Data (by state)
EFQM	http://www.efqm.org/
ISO website	http://www.iso.org/
Six Sigma websites	http://www.isixsigma.com http://www.mikeljharry.com/ (Harry)
Lean websites	http://www.lean.org/ (Womack)

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P.2b Strategic Content.

Figure P.2-6 presents an analysis of our **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats. Many organizations make lists of these items, call it a “SWOT Analysis,” and stop there. **Figure P.2-6** converts the lists into a 2 x 2 matrix that compares Opportunities to Strengths and Weaknesses to estimate how prepared QTF is to take advantage of the strategic opportunities we see.

Opportunities and Threats are external events and Strengths and Weaknesses are internal capabilities. When a Strength address an Opportunity that suggests we have a **core**

competency relative to our competitors who wish to take advantage of the same opportunities. An internal Weakness for an opportunity creates a strategic challenge to be addressed. It also compares our Strengths and Weaknesses to the Threats so we can see where we have a strategic advantage. Areas where we have Weaknesses in the capability to address Threats are a blind spot that needs immediate attention to creating capabilities to ensure continued success.

Figure P.2-6 -- Strategic Context (Strengths, Weaknesses, Opportunities, and Threats (SWOT Analysis)

Key: <u>B</u> usiness; <u>W</u> orkforce; <u>O</u> rganization		
	Strength (+)	Weakness (-)
Opportunity (+)	<p>A Strength (+) that addresses an Opportunity (+) is a Core Competency</p> <ul style="list-style-type: none"> B: System Perspective for Performance Excellence B: Systematic Baldrige Assessment Process B: Systematic Baldrige Feedback Process W: Attract, Train, Engage, and Retain Volunteers 	<p>A Weakness (-) that addresses an Opportunity (+) is a Strategic Challenge</p> <ul style="list-style-type: none"> B: Potential customers find all Award processes to be a difficult, long journey that many organizations do not want to pursue. This constrains our market share and volume. B: Revenue Generation from existing products and services. B: Revenue Generation from new products and services. W: Significant time required to participate as an Examiner impacts Volunteer Satisfaction and Engagement. O: The time commitment required to manage and implement processes. We need more staff and volunteers or we need to employ technology to increase productivity.
Threat (-)	<p>A Strength (+) that addresses a Threat (-) is a Strategic Advantage</p> <ul style="list-style-type: none"> B: MBNQA requirement to achieve state’s highest award level to be eligible to apply for national Baldrige Award B: QTF dominance in MBNQA Applicants and Recipients, (Figure P.2-3) W: QTF dominance in MBNQA Examiners and Value of Examiners to MBNQA (Figure P.2-3) W: Skilled, Trained and Dedicated Volunteers 	<p>A Weakness (-) that addresses a Threat (-) is a Blind Spot</p> <ul style="list-style-type: none"> B: Key leaders of Texas organizations not engaged and face competing demands for business performance to meet their key stakeholders needs (who also do not know much about or value what QTF offers) W: Many experienced QTF volunteers nearing retirement age and may not have organizational funds to support participation in QTF

P.2c The QTF Performance Improvement System (Figure P.1-1) addresses performance improvement at key points in the value creation system and covers all core competencies. (1) Examiner selection, recruiting, training, development, engagement, and retention. All stages of the Baldrige assessment process (2) Individual Review process (3) Consensus Review process (4) Site Visit process, (5) final feedback report preparation process, (6) Panel of Judges processes, (7) BOD Award process and QTF operation and administrative processes.

All participants in Examiner training sessions are required to complete end-of-session evaluation forms. Session raw data is tabulated by rating, then segmented by Examiner

demographic questions that are embedded in the survey instrument, and then compared across sessions to ensure uniformity of deliver and accomplish of learning objectives, across Examiner demographics (2-digit zip code, eligibility sector, years of service, etc.) to detect areas for improvement in meeting the diverse needs of Examiners.

All three stages of the assessment process are automated. Team Leaders are accountable for ensuring the quality and timeliness of comments and scoring outputs related to the overall assessment.

Site visits are conducted for all Award Applicants and for Progress Applicants that request a site visit. The site visit is a key step in the assessment process, and it is the only time in

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the entire assessment process where Examiners and Applicants interact. It is a “moment of truth” for the Program to demonstrate the rigor of its assessment methodology and the quality of its Examiner selection and training to Applicants. Volunteer Process Observers, who have served as experienced Examiners, evaluate the site visit process, Team Leader performance, and Examiner participant performance. PO inputs are used to improve the assessment and feedback processes and to select future TLs, FBRs, and Senior Examiners.

Examiner Teams prepare Applicant feedback reports (FBR) using automated systems that contain built-in controls and system check that ensure uniformity of outputs. TLs are responsible for ensuring that the content of consensus comments are “feedback ready” and meet all Comment Guideline before being sent to the QTF office for additional review. Volunteer experienced Examiners perform a technical review of team FBRs to ensure the internal consistency of FBRs with assessment process standards.

The BOD performs an “After Action Review” (AAR) after conducting each annual selection process to ensure the integrity and consistency of the Award selection process.

The CEO is responsible for measuring and improving the performance of all ongoing QTF operations programs, processes so they meet or exceed stakeholder requirements (**Figure P.1-10 Stakeholder and Customer and Requirements**). The CEO reports to the BOD at regular quarterly meetings on the performance levels and trend of ongoing QTF operations programs, processes including (a) annual TAPE Conferences, (b) fee-based QTF-delivered training, (c) fundraising, (d) fiscal management, and (e) QTF administrative office customer contact processes.