

Business Simplicity and Baldrige: Use Both to Get Better Faster



Craig A. Anderson
President, Global Performance Systems, Inc.

The journey to performance excellence may appear daunting, but always keep one thing in mind: where you begin matters much less than how fast you improve. This message is as valid today as when Dr. W. Edwards Deming told it to a disbelieving group of Japanese industrial managers in Hakone, Japan, in 1950. The idea of a Toyota competing against GM seemed absurd on the surface, but Deming knew better. And so should you! All it takes is turning the wheel of improvement a little faster than the other guy.

We see four steps to get the wheel of improvement turning faster.

Step 1: Simplify

The first step to achieve more is... do less. This is a key learning from a good friend of ours, Ian Dover, who runs the Simpler Business Institute in Brisbane, Australia (<http://www.simplerbusiness.com>). Our work with Ian has convinced us that organizations are usually better off if they focus on doing fewer things, but doing them well. This means to stop doing things that do not add value to customers and root out unnecessary complexity wherever it is hiding in your organization. Given the difficulty of achieving and sustaining true improvement, it is doubly important for an organization starting on the journey to performance excellence to strive for simplicity.

Step 2: Assess

A journey implies a beginning and an end. To begin, you must know where you are. The open source Baldrige system makes it easy by providing a proven world-class assessment framework. See how you stack up and find the gaps. Do not get bogged down here; keep the 80-20 rule in mind. Use the Baldrige Criteria as a guide, not a dogma. We suggest using a confidential online survey to get a quick 80% understanding of the current state; here is a generic example: <http://fs19.formsite.com/gpsinc/survey/index.html>.

Step 3: Target

With the assessment data in hand, you are ready to start turning the wheel of improvement. Keep simplicity front and center. There is no need to reinvent the wheel here. Target your improvements on the biggest Baldrige gaps. Remember, the Baldrige system defines the leading edge of VALIDATED management practice, so use it as a compass. We also agree with a core principle of the Simpler Business Institute: focus improvements on what matters most to your customers. Baldrige Performance Criteria Category 3, Customer Focus, is a great place to start your analysis of customer requirements.



Step 4: Commit

Which leads to the single most important factor in determining how rapidly the wheel of improvement will turn: commitment. This commitment must be at the individual level and embedded in the core management systems. Commitment is key because you will never "get it right" the first time. Individuals need the courage to challenge constantly their own view of how things "should work" and embrace change. Management systems must clearly highlight and measure achievement of key improvements.

Building the capacity for rapid improvement is a huge challenge for organizations. It is also a baseline requirement for performance excellence. Our experience is that organizations that maintain a ruthless focus on business simplicity and Baldrige performance excellence will build this capacity and be ready for whatever may come along.