

The Baldrige Criteria Drive Innovation They Leave No Other Option

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None of us would doubt that the world is a very different place compared to just a decade ago, especially with respect to the speed of change in our now global economy. A significant part of today's business environment is based on products and services that were unknown as recently as ten years ago. Today's preschoolers will graduate and fill jobs which do not yet exist. It's all driven by the need for continuous innovation. How will we keep up? Fortunately the Baldrige Criteria include methods that can help us lead our organizations through this era which demands *extreme adaptability*.

Organizations have to be nimble and quick or risk missing out on both new markets and new solutions for productivity. Frequently, technology is a key part of the answer, but as many times as not the key ingredient to success - indeed survival - may be the capability of an organization's management system to:

- Create free thinking and collaboration
- Establish appropriate balance of risk and control
- Facilitate development of innovative ideas

As we become more and more tuned to our "global village" in our business practices, the need to achieve the Triple Bottom Line (attributed to John Elkington) of (1) economic, (2) environmental, and (3) social responsibility, is coming into sharper focus as a primary means of securing sustainability for our organizations. Shareholders are demanding that the needs of all stakeholders - including communities and employees are identified, measured, and managed for improvement. These are already fundamental elements of the Criteria.

One of the killers of innovation is a lack of repeatable and fast processes to transform ideas into quality products and services. The Criteria requires that we have these in place.

The Malcolm Baldrige Criteria for Performance Excellence give a concise description of innovation: "Making meaningful change to improve product, services, processes, or organizational effectiveness and create new value for stakeholders". Note that stakeholders are recognized, and that elsewhere the Criteria requires social and environmental responsibility. Also, Baldrige recognizes both internal (processes and organizational effectiveness) as well as customer interests (products and services), and extends the idea of innovation beyond technology into management systems improvement.

The seven categories of the Malcolm Baldrige Performance Excellence Framework provide all the methods necessary to build and maintain an integrated management system to drive innovation. Organizations using these methods will find energy to easily accomplish rapid and valuable innovation and to overcome inertia and the gauntlet of barriers that haunt less integrated approaches. Innovation is a natural result of what the Criteria force an organization to do.

The creative stars in your company may say, “All this structure, measurements, and management review will just get in the way of our genius!” You can respond that even the best artist needs high quality canvas and paints to make that next masterpiece happen. It is the job of management systems, most especially the practices in the Baldrige model, to put the right materials and processes in the hands of employees so that each may be as effective as possible. As the Criteria state, “Innovation should be integrated into daily work and should be supported by your performance improvement system...Innovation builds on the accumulated knowledge of your organization and its people.”

Does your organization need innovation in its products and services? If so, you should look no further than the Baldrige criteria.