

# QUALITY TEXAS FOUNDATION

## May 2020

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

**P.1 Organizational Description.** The Quality Texas Foundation (QTF) is a 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 then 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 Quality Texas Foundation [now the Texas Award for Performance Excellence (TAPE)]. In the initial launch of the TAPE program, primary focus was on manufacturing and small business sectors; however, today the Award is available for organizations in manufacturing, service, small business, for profits, government, military, education, healthcare, and nonprofit sectors.

QTF first accepted applications for the 1993 Award cycle. 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.

Over 25 award cycles through 2018, QTF has provided systematic assessments and written feedback reports to over 200 applicants for the TAPE Award and over 500 Applicants for Engagement, Commitment, and Progress level awards. QTF has trained approximately 2,500 TAPE Examiners as examiners and lately as Internal Coach/Examiners in the Baldrige assessment and feedback processes.

As of the 2020 MBNQA Award cycle, 21 Texas-based organizations have been recognized as MBNQA recipients, 17% of all 123 organizations selected to receive the Award. The performance of Texas organizations is almost double the performance of the next best state program at producing MBNQA recipients (Missouri at 11) and has sustained this level of market share throughout the history of the MBNQA and TAPE programs. A recent study revealed QTF had 80 applicants for the MBNQA with Missouri having 55 from 2005-2016 based upon a recent ASQ article.

**P.1a(1) Products Offerings.** QTF's has two key products. First, outstanding training designed to equip employees with skill sets aimed at organizational and individual improvement. This training encompasses the latest information from the Harvard Business School, most prominent business books, MBA Degree program material, and information from Sloan MIT Management program. The Pre-Examiner Training, the Writing Seminars, Leadership Seminars and Strategic Planning Seminars are receiving overall high marks for customer satisfaction. The Regular Internal Coach/Examiner Training has 98%+ satisfaction. These training events enable customers not familiar with the Baldrige Criteria to become aware and has led to a number of applications being written. This training is specifically designed to assist participants to help their organizations somewhat functioning as a coach.

The second key product is a professionally written, actionable Feedback Report derived from information provided in the Applications submitted by the organization, Examination of the Application by trained Examiners, and on-Site Visits for all its Award Level Applicants. The Feedback Report and evaluation process provides an organization with a means for evaluation, recognition, continuous improvement and feedback.

Key Products and Services	Value to Customer	Delivery Mechanisms
All Training: Pre-Examiner, Internal Coach/Examiner Training, Writing, Leadership, Strategic Planning, Customer Service, and WF Development	Three days designed for personal and organizational development; Organizational Internal Coach	Training and follow-up with CEO and TLs; Membership Discounts per session
Actionable Feedback Report	Valued at \$350K Award Level; benefit cost ratio \$820:\$1	Volunteers over 2,200 hours per application
Award and Recognition Conference	Recognition for hard work	Conference to reward recipients
Communities of Excellence (new product)	Aligning communities to the Framework	Seminars, workshops, targeted training

**Figure P.1-1. Key Products and Services**

Minor products include the Annual Conference where recipients at all levels are recognized and the new

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Communities of Excellence Criteria. QTF offers five levels of applications (Baldrige-based). Each level has a business, not-for-profit, for-profit, government, military, education, manufacturing, and healthcare. QTF also produces abridged versions of the Baldrige Framework for each recognition level as shown below (Figure P.1-2).

Pioneer	Five Page Organizational Profile (OP)
Engagement	5 Page OP + 10 pages of Criteria
Commitment	5 Page OP + 20 pages of Criteria
Progress	5 Page OP + 30 pages of Criteria
Award	5 Page OP + 50 pages of Criteria

**Figure P.1-2 Levels of Applications**

The first four levels mentioned are recognition rather than an actual award. Each level of the program has the final product of the feedback report (Pioneer verbal feedback) that can be utilized by the applicant to improve their organizational performance. The levels are stair steps to the Award Level and beyond.

Key QTF revenue sources are for (1) various Training events 60%, (2) Membership Fees 20%, (3) Applicant fees 20% for Organizational Examinations (Engagement/Commitment/Progress/Award).

**P.1a(2) Mission, Vision, and Values.** The key characteristic of QTF’s culture is the usage of a group of unpaid volunteers who are oriented toward professionalism, quality, and continuous improvement. QTF loves (Agape) our volunteers and some have been associated with QTF since its inception.

The mission, vision, and values shown are reviewed annually by the BOT to ensure that these supports both QTF’s and the customers’ needs.

<b>Mission:</b> QTF exists to assist individuals, organizations and communities in their continuous improvement efforts thereby positively impacting our communities, state, and nation.
<b>Vision:</b> The Quality Texas Foundation (QTF) will continue to be the preeminent state program assisting individuals, organizations and communities with continuous improvement efforts.
<b>Values:</b> Systematic Perspective, Delivering Value and Results and Personal and Organizational Learning

<b>Core Competencies:</b> Executing the Baldrige Framework; Engaging Volunteers, and Quality Training.
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<b>Motto:</b> Make a Difference Every Day!
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**Figure P.1-3 Mission, Vision, Values, Core Competencies, and Motto**

**P.1a(3) WF Profile.** There are two full time personnel working for QTF and one part time. The full-time positions include the CEO who is responsible for leading and managing the organization. He has a PhD in Organizational Behavior and Leadership and has been with the organization as an Examiner, Judge, and Board Member. He has experience with four different Baldrige-based organizations including the national Baldrige program (Master Examiner), the Army Communities of Excellence, the Greater Austin Quality Council, and was the Founder/Director of the University of Texas Center for Performance Excellence. The Chief Operations Officer (COO) is responsible to maintain all back-office operations and she has a Master’s Degree in Educational Administration with a Superintendent’s Certificate. The part time employee is the Chief Marketing Officer has a Master’s in Theology and is responsible to market all programs and services. There are no specific educational requirements for the CEO or the COO or educational requirements for the volunteers currently.

Our WF segments (volunteers) are age and type of industry. Most of the WF is made up of volunteers whether they are Board Members (24), Judges (7), or Examiners (over 300 annually).

Recent changes impacting our volunteer WF are two-fold. There is a growing weariness with the long time it takes to utilize the criteria and their organizations are not as willing to provide them time to work with us. Secondly, the volunteers are requesting more tailored training events (other than specifically Baldrige) designed not only to help the organization but to help them better understand improvement methodologies and personal improvements (branding). This training extends the Baldrige training with the latest research from Harvard Business Review and the latest bestselling business-related books.

The volunteers come from all Sectors. Almost all volunteers have bachelor’s degrees, with a significant number with advanced degrees. Most have full-time management/professional staff positions with various

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organizations throughout the state bringing significant experience with them to support QTF. Diversity among volunteers is evident from a wide variety of experiences; balanced in both gender and age; from various state regions including Missouri, Louisiana, and the (five different zip codes of Texas).

Approximately thirty percent of the volunteers serving on the Board of Examiners have at least one or more years of experience as an Examiner. Senior Examiners have more than three years' experience and serve as Examiner TLs, Backup TLs and mentors to new Examiners. Members of the Panel of Judges typically are Senior or Alumni Examiners. Volunteers for the Conference Planning Committee have marketing, public relations and organizational skills.

Key drivers that engage the volunteers are the need to help their organizations and improve their personal brand by learning.

QTF's paid staff are not members of a bargaining unit. Special health and safety requirements for the WF are applicable only when Examiners conduct Site Visits at applicants' locations, where they rely on the applicant's organization for training, protective equipment and procedures appropriate for that environment for that temporary visit.

**P.1a(4) Assets.** QTF has a virtual office physically located at the home of the CEO/COO. QTF partners with member organizations to provide meeting and training space as needed. The major technologies and equipment are computers with Microsoft Office software; Internet access; an Email system; cell phones; and common office systems located in the homes of paid staff. Another key technology is the website. QTF may be switching to a Word-based document in the near future rather than the current Scorebook Navigator.

**P.1a(5) Regulatory Requirements.** QTF is subject to US IRS rules regarding contributions, membership and lobbying to maintain its 501c(3) status. QTF financials are managed by a professional bookkeeper and independently audited. QTF submits IRS Form 990 each year to document its sources and uses of funds. 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 WF conduct.

The CEO is accountable for ensuring/monitoring staff health, safety, and well-being. QTF products and services are not subject to environmental regulations. The QTF Ethics Policy statement sets out an investigative process and whistle-blower mechanism.

**P.1b(1) Organizational Structure.** The QTF Board of Directors (BOD) is headed by a Chair. The BOD is comprised of QTF highly qualified business professionals, applicants, and many previous Baldrige Recipients. The QTF CEO reports to the Board Chair. The Executive Committee of the Board consists of the Chair, Vice-Chair, Secretary, and Treasurer. There are two Board committees: Finance and Conference. The BOD provides guidance and advice on organizational direction and finds financial funding to support QTF.

**P.1b(2) Market, Market Groups, Customers, and Stakeholder Segments and Requirements.**

Key Stakeholder, Customer Groups	Key Requirements
All Training Participants	Challenging/worthwhile training
QTF Volunteers and Examiners	Feel Mission is worthwhile and challenging; Passion to volunteer with us; Patriotism
QTF Applicants and Recipient Organizations	Accurate, usable Feedback Report for improvements
Hotels hosting conference	Quality areas and food
Market Segments and Market Groups	Key Requirements
State of Texas (divided by Five Zip Codes) Puerto Rico	Accurate, usable Feedback Report designed to improve organization  Tailored framework based on maturity of organization

**Figure P.1-4 Key Stakeholder and Customer Groups with their Key Requirements**

**P.1b(3) Suppliers, Partners, Collaborators, and Requirements.** The National Malcolm Baldrige Program provides bi-annual updates to the Framework that is used to develop all or our recognition levels and

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Award levels. This enhances our competitiveness for organizations with the Baldrige brand behind our application, training and feedback information.

Hotels where we have our conferences work with us to address our mutual beneficial concerns. When we have a successful conference, QTF hopes to have more attend next year and the hotel plays a big part of that.

Recipient and applicant organizations participate in our programs and provide QTF with a large number of volunteers to execute our vision, mission, and values.

Partnering organizations and volunteers provide other in-kind services – such as the use of individuals as Examiners; development and printing of training materials; providing meeting rooms, lunch and refreshments to training or seminars; and other professional expertise. These organizations also provide financial support through memberships and sponsorships of events such as the annual Conference.

Relationship		Communication Methods
Suppliers/Partners	<b>MBNQA Program</b> (CPE, Examiner Referrals, Applicant Referrals)	Phone, Email Website, F2F, Conferences
	<b>Members/Sponsors</b> (Provide financial support and other in-kind services)	Phone, Email Website, F2F, Board Meetings
	<b>Conference Sites - Hotels</b> (Meeting Facilities, AV, F&B service, Rooms, Transportation)	Contracting, F2F, Phone, Email
Collaborators	<b>Alliance of State Quality Programs</b>	Phone, Email Website, F2F, Conferences
	<b>ASQ (Baldrige Framework)</b>	Phone, Email Website, F2F

**Figure P.1-5 Suppliers/ Partners and Collaborators**

### Organizational Situation

#### P.2a. Competitive Environment.

**P.2a(1) Competitive Position.** Regarding its competitive environment, from its inception, QTF has set itself strategically as the unique organization to provide the Baldrige process to Texas organizations. There are no local quality award programs in the state currently. Neighboring states (New Mexico, Oklahoma, Arkansas, and Louisiana) have state

quality award programs of their own. None of these organizations are considered competitors to QTF due to the geographical area and the lack of stability in those programs. In 2018, a Missouri applicant and a Louisiana applicant have joined with us.

QTF has data from the other states based upon the latest IRS Form 990 that shows a specific set of information. This data is available on site.

QTF does have indirect competitors. These are consultants advocating specific process improvement tools or strategies (such as writing seminars, Baldrige specific training, leadership development seminars, and strategic planning seminars). Consultants, do offer personalized services to clients and their specific improvement methodology. They generally do not compete with QTF for evaluation, recognition, best practice sharing and Examiner training services. There is some overlap with consultants on educational services and QTF's Educational processes. A very few consultants serve as volunteers and QTF Examiners, Judges, and Board Members.

MBNQA considers QTF a feeder program for Examiners and Applicants. The MBNQA program is not a true competitor but does take some of QTF's most experienced Examiners and highest Award Recipients to the national MBNQA program.

QTF counters any potential competition with consultants with a more turn-key approach that does not require a long-term partnership or high costs. Still, consultants do take up as much of the educational services marketplace in Texas/Puerto Rico. QTF counters these consulting services with relatively inexpensive seminars and targeted training that utilize the Baldrige system management approaches.

QTF has a goal in the strategic plan to continually increase educational services, (training/seminars) to directly compete with some consultants and increase the number of partnering organizations and volunteers. Training will include providing products/services that provide stakeholders with low cost and easily accessible services, writing seminars, leadership development seminars, and organizational strategic planning which was requested by customers.

Another essential part of the plan is to expand the Communities of Excellence (COE) program throughout the state. In short, the COE is an attempt to

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spread the quality message into city government, k-12 education, and local hospitals in and around the same city or geographical area.

**P.2a(2) Competitiveness Changes.** QTF differentiates itself through its entrepreneurial approaches, its emphasis on organizational improvement 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 through a robust survey process (survey monkey).

Another key factor is determining if the national Baldrige Program will continue to exist after losing all federal funding several years ago. They have acquired federal funding in the past several years. The national Baldrige Program has also lost about two-thirds of their employees.

To mediate this development, QTF is expanding its service offerings to other states and has added a number of courses with linkage to the Baldrige Framework.

**P.2a(3). Comparative Data.** The Alliance collects data from its member state quality award programs on numbers of Applicants, Award Recipients and Examiners once each year, analyzes it and publishes summary data. This provides QTF with most of the comparative and competitive data in its industry. Other sources of data are MBNQA, IRS Form 990s, Alliance resource sharing. Another issue in obtaining comparative data is the lack of consistency among the states in products and services offered.

While most other state quality programs are willing to share general information, few share or publicize specific unique data. Another limitation is that data from the Alliance and MBNQA generally lags real-time results due to different timelines of award cycles and differences in application tiers among the state quality award programs.

**P.2b. Strategic Context.** QTF's key Strategic Challenges and Advantages are shown below.

Areas	Key Strategic Challenges	Key Strategic Advantages
Business (long term)	Continued participation in Training, Recognition, and seminars	Strong reputation; 21 Baldrige Recipients; 62 State Recipients
Operations	Maintaining effective training; high quality feedback reports	High scores in training satisfaction; and effective feedback reports
Societal Responsibilities	Losing support from members and Examiners	Surveys to customers and building relationships
WF	Number of Volunteers; returning examiners	Dedicated group of volunteers; Agape Love for volunteers

**Figure P.2-1 Key Strategic Challenges/Advantages.**

**P.2c. Performance Improvement System.** The basis for the QTF improvement system is the Plan, Do, Check and Act/Study process. The QTF WF is familiar with this basic strategy with events and activities are planned using this methodology. After an activity or event occurs, direct and in-direct results (surveys and focus groups) are obtained and assessed. Either the results are what is expected or not. If results are not what is expected, the staff will act or study why, determining root-cause.

The influence of the Baldrige Criteria leads the QTF WF to look at a systems approach to processes and their improvements. The QTF Board of Directors does not develop a Strategic Plan without factoring the Baldrige Criteria of Leadership, Customer Focus, Measurement, Analysis and Knowledge Management, WF Focus and Process Management into its thinking. The result is that experienced members of the QTF WF push to improve products, services and programs.