

# QUALITY TEXAS FOUNDATION

May 2022

**P.1 Organizational Description.** The Quality Texas Foundation (QTF) is a 501(c)3 NFP corporation registered in the State of Texas. In 1990 the concept of a state quality award was introduced 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 QTF. In the initial launch, primary focus was on manufacturing and small business sectors; however, today the QTF processes are available for organizations in manufacturing, service, small business, for profits, government, military, education, healthcare, communities of excellence (COE), faith-based organizations, and not-for-profits.

QTF first accepted applications for 1993; 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.

With over 27 award cycles through 2020, QTF has provided systematic assessments and written feedback reports to over 211 applicants for the QTF Award and over 530 Applicants for Pioneer, Engagement, Commitment, and Progress level recognition. QTF has trained approximately 3,000 Examiners in the Baldrige assessment and feedback processes.

QTF has expanded to cover TX, Puerto Rico, Missouri, Kansas, Louisiana, and part of Oklahoma.

**P.1a(1) Products Offerings.** QTF's has two key products and services. First, QTF offers quality training (CC). The Organizational Leadership/Examiner (OL/E) (formerly

Internal Coach/Examiner Training) is our most attended training event focusing on the Baldrige Criteria and how to contribute your organization. Secondly, QTF offers the Pre-Examiner Seminar (PES), Writing Seminars (WS) (application writing), Leadership Development Seminar I (LDSI), Leadership Development Seminar II (LDSII), Leadership Development Seminar III, (LDSIII), Strategic Planning Seminar (SPS), Customer Service Seminar (CSS), Information Analysis, Knowledge Management, and Building a Learning Organization, and a Workforce Engagement Seminar (WES), Writing Seminars, tailored Examiner Training, and a one-day courses on a number of specific topics. Around 60% of all income comes from Training events. These training events are designed to equip employees with skill sets aimed at organizational and personal success and improvement while improving their lives and brands as well as provide support for the mission of QTF. Training is therefore, the most important to QTF success. All training encompasses the latest information from the Harvard Business School (HBS), most prominent business books, MBA Degree program material, and information from MIT/Sloan Management (MSM) program.

These training events enable participants not familiar with the Baldrige Criteria to become aware and has led to a number of applications. This training is specifically designed to assist participants to help their organizations continuous improvement efforts.

Key Products and Services	Value to Customer	Delivery Mechanisms
OL/E Seminars	Training on continuous improvement and internal coaching	On site and Online (Zoom); Tailored training for organizations

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All other Training: PEC, WS, LDSI, LDS II, SPS, CSS, IAKMBO, and WDS	A comprehensive and updated training with the Baldrige Criteria as the backdrop	On site and Online (Zoom); Tailored training for organizations
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**Figure P.1-1. Key Products and Services**

Minor additional products include 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 Site Visits (SVs) for all its Award Level Applicants and some selected Progress Level Applicants. The Feedback Report, especially at Award Level, and the evaluation process provides an organization with a means for evaluation, recognition, continuous improvement, and feedback. This feedback report has been valued at over \$400K by a number of organization senior leaders. Additionally, the Annual Conference where recipients at all levels are recognized is important. QTF has not been able to have an Annual Conference for the last two years due to COVID-19 rules.

QTF offers five levels of applications (Baldrige-based). Each level has an industry specific criterion developed for all types of organizations. QTF 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 + 35 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 that can be used to improve organizational performance.

Key revenue sources are (1) various Training events 60%, (2) Membership Fees 25%, and (3) Applicant Fees 15%.

**P.1a(2) Mission, Vision, and Values.** The key characteristic of QTF’s culture is a group of unpaid volunteers who are oriented toward professionalism, quality, patriotism, and continuous improvement. These volunteers are extremely dedicated to our program, products, and services. They willingly give hundreds of hours to accomplish the QTF Mission. QTF loves (Agape form) our volunteers and is dependent upon them for organizational success. Some have been associated with QTF since its inception.

<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 regional 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.
<b>Motto:</b> Make a Difference Every Day!

**Figure P.1-3 Mission, Vision, Values, Core Competencies, and Motto**

The mission, vision, and values shown are reviewed annually by the Board of Directors (BOD).

**P.1a(3) WF Profile.** There are two full-time employees and one part-time. The full-time positions include the CEO who is responsible for leading/managing the organization. He has a PhD in Organizational Behavior and Leadership and has been with the organization as an Examiner, Judge, and

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Board Member. He has experience with six different Baldrige-based Programs including the national Baldrige program (Master/Alumni Examiner), Army Communities of Excellence, the Greater Austin Quality Council, Communities of Excellence, and was the Founder/Director of the University of Texas Center for Performance Excellence.

The Chief Operations Officer (COO) is responsible for maintaining 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. He is currently enrolled in a PhD program. There are no specific educational requirements for the WF or for the volunteers.

Our WF segments (volunteers) are age and type of industry. Most of the WF is made up of volunteers whether they are Board Members (30), Judges (8), or Examiners (over 200 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 with time to work with us. Secondly, the volunteers are requesting more tailored training events (other than 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 HBR 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 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 Puerto Rico, Missouri, Kansas, Louisiana, Oklahoma, and Texas. A total of 29 states, four countries, and a commonwealth have come to training in the past eight years.

Approximately 35% of the volunteers serving on the Board of Examiners have at least one/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 (POJ) typically are Senior/Alumni Examiners.

Key drivers that engage volunteers are the need to improve personal/organizations, learning, and strengthen their personal brand. Volunteers help their organizations as well as their personal brand and extend their networks with other quality professionals.

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 On 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 (saving over \$70K per year). QTF partners with member organizations providing meeting/training space. Major technologies/equipment are computers with

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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.

**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/state workplace regulations. QTF Code of Conduct, modeled after the MBNQA evaluation process, is an internal mechanism to govern WF and volunteer conduct.

The CEO is accountable for ensuring and 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.** QTF is governed by a set of By-Laws. The QTF BOD is headed by a Chair and 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. The BOD provides guidance and advice on organizational direction and finds financial funding to support QTF. The CEO is responsible for leading and supervising the Examiners, Fellows, Judges, and staff.

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

Key Stakeholder, Customer Groups	Key Requirements
All Training Participants	Personal and Organization Learning; Dynamic training
QTF Applicants	Accurate, usable Feedback Report for improvements
QTF BOD	Continuing as preeminent program
Market Segments and Market Groups	Key Requirements
States of TX, MO, KS, and LA; one organization in OK; and Puerto Rico	Accurate, usable Feedback Report designed to improve the organization; Tailored and scalable framework

**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 (Criteria) that is used to develop our recognition and 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. Hotels are an important part of having a successful conference. Room space, audio visual support, and food services are the most important components for the hotel.

Recipient/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; providing meeting rooms, lunch and refreshments to training or seminars; and other professional expertise. These organizations also provide financial support through memberships and

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sponsorships of events such as the annual Conference.

	Relationship/Roles	Communication Methods
Suppliers/Partners	<b>MBNQA Program</b> (CPE, Examiner Referrals, Applicant Referrals)	Phone, Email Website, F2F, Conferences
	<b>Members/Sponsors</b> (Financial support; in-kind services)	Phone, Email Website, F2F, Board Meetings
	<b>Minuteman Press</b> (Printing)	Phone, Email Website, F2F, Meetings
	<b>Conference Sites/Hotels</b> (Meeting Facilities, AV, 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 regional organizations. There are currently no local quality award programs in the region/state where QTF is located. Neighboring states (New Mexico, Oklahoma, and Arkansas) have state quality award programs but these organizations are not considered competitors to QTF due to the geographical area, personnel turnover, financial instability, and the lack of leadership continuity in those programs. QTF represents the Commonwealth of Puerto Rico and the states of Missouri, Kansas, and Louisiana, and one organization in Oklahoma.

QTF has data from the other states based upon the latest IRS Form 990 that shows a specific set of information. This is the principal competitive measure. Other

measures are provided by the Alliance of States representing 30 different state/regional program.

MBNQA is a supplier/partner and 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, after they are a State/Regional Award Level Recipient to the national MBNQA program.

QTF has a goal in the strategic plan to continually increase educational services, (training/seminars) to directly compete with other states and increase the number of partnering organizations and volunteers. Training will include providing products and services that provide stakeholders with low cost and easily accessible services.

Another essential part of the strategic plan is to expand the Communities of Excellence (COE) program throughout the state. In short, the COE is an attempt to 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 to providing quality training, its emphasis on organizational improvement, and its focus on meeting unique customer needs (no two organizations are the same) with adapted cycles, products, and services. QTF is committed to continually reassessing products and services needed to meet customer needs and to achieve its MVVCCM through a robust survey process.

Another key factor determining how QTF will be affected concerns the possibility of the national Baldrige Program losing federal funding. The national Baldrige Program has,

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over the last several years, struggled to gain governmental funding.

To mitigate this possibility, QTF has expanded training seminars in other topics to minimize the reliance on the Baldrige process. QTF continues to expand its service offerings to other states and has added a number of courses with soft linkage to the Baldrige Framework.

Covid-19 has caused great financial stress on a number of state programs. This has resulted in the Midwest Educational Institute (MO/KS Quality Programs) merging with QTF beginning in December of 2020 and LA in 2021. Other Alliance programs are in dire financial straits. Currently, only five or six programs are financially viable. QTF has experienced explosive financial growth during this time by adopting online training. Being healthy financially and providing dynamic training may assist QTF in acquiring other programs.

**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, and Alliance resource sharing. Another issue in obtaining comparative data is the lack of consistency among the states in training products and services offered.

While most other state quality programs are willing to share general information, few share or publicize specific unique data. Data from the Alliance/MBNQA generally lags real-time results with different timelines and application tiers.

Training offered is not comparative because of the various methods, length of time, and application levels.

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

Areas	Key Strategic Challenges	Key Strategic Advantages
Business (long term)	Training; Awards & Recognition; Financials; organizations and volunteers	Strong reputation; volunteers; financial management
Operations (short term)	Effective training; high quality feedback reports; dedicated volunteers	High satisfaction (training); feedback reports; volunteers
WF	Number of Volunteers; succession planning	Dedicated group of 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/Study and Act process. After an activity or event occurs, an After-Action Review (AAR) is conducted. The direct and in-direct results (surveys and focus groups) are obtained/assessed. Event results are reviewed and studied for improvement.

The influence of the Baldrige Criteria leads the QTF WF to take a systems approach to processes and their improvements.

By having a smaller WF, QTF is able to move quickly in resolving problems and complaints.