Leveraging a High-Performance Framework for Business Success

Turnaround Management Association

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Adam P. Cohen
President
Accelerant Performance Solutions
What **challenges** are your clients and business colleagues facing?

- Credit and finance
- Competitive
- Operations
- Strategy
- Human resource
- Leadership
- Customer focus
- Supply chain
- Infrastructure
- Product/service
- Others?
Collins’ 5 Stages of Decline

- Stage 1: Hubris Born of Success
- Stage 2: Undisciplined Pursuit of More
- Stage 3: Denial of Risk and Peril
- Stage 4: Grasping for Salvation
- Stage 5: Capitulation to Irrelevance or Death
Presentation roadmap

- Core values of high-performance businesses
- Overview of the High-Performance Framework
- Transforming performance using the Framework
- Resources for your client service toolkit
- Q&A
Role of high-performance values

- **Practical**, not philosophical
- **Concrete**, not conceptual
- **Transformational**, not transactional
- **Measurable**, not mythical

Values should represent the organization’s **DNA** – genetically predisposing it for high performance or non-performance (or something in between).
Core values of high-performing organizations

- Visionary leadership
- Customer-driven excellence
- Organizational and personal learning
- Valuing workforce members and partners
- Agility
- Focus on the future
- Managing for innovation
- Management by fact
- Societal responsibility
- Focus on results and creating value
- Systems perspective
Framework background

- Established 1987 by Presidential Executive Order (President Reagan)
- Carries name of Commerce Secretary Malcolm Baldrige (Wyoming native)
- Constructed with appreciative criteria and guidance in each element
- Administered by U.S. Dept of Commerce, National Institute of Standards and Technology
The High-Performance Framework
Why do organizations use the Framework?

• Emerge from crisis
  ▫ Manufacturing in the 1980s
  ▫ Education and Health Care in 2000s
• Improve competitiveness and business performance
• Assess current performance to diagnose improvement needs
• Align strategy, operations, and people
Diverse organizations apply the framework

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<tr>
<th>Name</th>
<th>FTEs</th>
<th>Sector</th>
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<tr>
<td>Park Place Lexus (TX)</td>
<td>365</td>
<td>Automotive Dealer</td>
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<tr>
<td>Motorola CGISS (IL)</td>
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<td>Wireless Communication</td>
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<td>OMI (CO)</td>
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<td>Water/Wastewater Operator</td>
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<td>Fast Food Operator</td>
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<td>Los Alamos Nat’l Bank (NM)</td>
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<td>Banking/Lending</td>
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Framework helps respond to crisis

- **Texas Nameplate Company**
  - 2001 post-9/11 recession forced reduction in force from 66 to 39
  - Cross-trained remaining employees
  - Increased profitability by 4% annually
  - Outperformed *Industry Week* benchmarks

- **ST Microelectronics**
  - Semiconductor industry in crisis
  - Analyzed global trends and customer needs
  - Increased market share
  - Averaged 10% profit after tax
Framework helps respond to crisis

- Boeing Airlift and Tanker
  - DoD threatened to cancel multi-billion C-17 contract over cost overruns, technical difficulties, and late deliveries
  - Completely overhauled business and operations to become customer-driven
  - Achieved 100-percent on-time and on-budget
  - Earned satisfactory or exceptional ratings
  - Reject rates dropped from 0.9% to 0.08%
Framework builds capabilities to anticipate and respond to tough conditions.
Organizational Profile

- Company overview
- Mission and purpose
- Key requirements – customer, employee, supplier
- Products/services/markets
- Performance improvement system

What are the principal factors that determine your success relative to your competitors?

What are the differences in requirements and expectations among market segments, customer groups, and stakeholder groups?
Leadership

- Vision / mission / values
- Communication
- Culture
- Governance
- Societal support and responsibilities

What are your key processes, measures, and goals for addressing risks associated with your products and services?
Strategic planning

• Competitive strategy
• Strategic objectives
• Action planning
• Performance projection

How do you establish and deploy modified action plans if circumstances require a shift in plans and rapid execution of new plans?
Customer focus

• Customer culture
• Client relationships
• Client feedback on satisfaction, dissatisfaction, and engagement
• Analysis and use of customer data

How do your measurements capture actionable information for use in exceeding your customers’ expectations and securing your customers’ engagement?
Measurement, analysis, and knowledge management

- Performance measurement
- Analysis and review
- Improvement
- Knowledge management
- Information resources and technology

How do you use performance reviews to assess your organization’s ability to respond rapidly to changing environmental needs and challenges in your operating environment?
Workforce focus

- Workforce enrichment
- Workforce and leader development
- Workforce engagement
- Capability and capacity
- Climate and culture

How does your workforce performance management system reinforce a customer and business focus and achievement of your action plans?
Process management

• Work system design
• Key work processes
• Emergency readiness
• Process design, management, and improvement

How does your workforce performance management system reinforce a customer and business focus and achievement of your action plans?
Business Results

- Product/service
- Customer focus
- Financial and market
- Workforce
- Process
- Leadership and community

What are your current levels and trends in key measures or indicators of [< - - >]?

How do these results compare with the performance of your competitors and other similar organizations?
Activities to transform performance

- Assessment
  - Measurement
  - Action
  - Focus
  - Linkage
  - Alignment
Toolkit resources

- **FREE**  [www.baldrige.nist.gov](http://www.baldrige.nist.gov)
  - Criteria for Performance Excellence
  - “Are We Making Progress” concise management/exec and employee surveys
- **LOW/MODERATE COST**  [www.coloradoexcellence.org](http://www.coloradoexcellence.org)
  - Online “Are We Making Progress” surveys
  - Annual assessment and site visit cycle
- **MODERATE/MORE COST**  [www.performanceexcellence.com](http://www.performanceexcellence.com)
  - Baldrige Express Survey (online)
Questions? Answers.

For further questions, feel free to contact me at:
adam.cohen@accelerantperformance.com