Globally, governments are constantly striving to keep abreast of an ever-changing world. In the United States, more specifically, governments are faced with fluctuating economic and revenue circumstances, rapidly changing citizen’s needs, and ever-increasing infrastructure requirements. Like the challenges that U.S. businesses and industries face, public sector organizations -- in order to be successful -- must respond to these complex changes and needs with the greatest efficiency and effectiveness possible. To do this, they must focus on *excellence* in every situation that is encountered through superior management and organizational processes and practices.
For well over a decade the Baldrige values, concepts and criteria have been a mainspring for achieving performance excellence and productivity in American businesses, small or large. The Baldrige Quality Program has also provided the public sector with model self-assessment and improvement approaches. Using the Baldrige criteria, for instance, public sector organizations have strengthened their leadership structures, built workable and sensible organizational and administrative strategies, focused their attention more carefully and astutely on their customers (viz., taxpayers or the citizenry at-large), utilized data and information in better ways, improved human resource management, and, perhaps most importantly, shifted from emphasis on simply effort to that of results.

In this article, the Baldrige Program will be discussed in order to discover what it is and how it can assist governments do a better job. First, some essential background information on the National Baldrige Program will clarify what the program is all about and its impact on state quality programs and those elsewhere. Second, a brief discussion of “the Baldrige Payoff” will give some insight into what an organization gets out of participation in the Baldrige process, i.e., self-assessment, feedback, improvement, and recognition. Third, a discussion of the core values and concepts will allow for an appreciative, hopefully more meaningful understanding of the Baldrige process. These values and concepts are critical not only to grasping the Baldrige process and system, but also to instituting a genuine enthusiasm for their utilization in public sector organizations. Fourth, the Baldrige criteria themselves, the linchpins of organizational and administrative excellence, will be discussed. The criteria, according to the current director of the Baldrige National Quality Program, Harry Hertz, “can help one align resources, improve communications, productivity and effectiveness, and achieve strategic goals” (National Institute of Standards and Technology, Memorandum, 2002). And finally, a few concluding remarks will, it is hoped by this author, spur some of those in public service who are still uncertain of the Baldrige process to reconsider and give it a try.

**BACKGROUND**

A few remarks about the Baldrige National Quality Program (BNQP) will be helpful to those individuals who are not familiar with it or whose knowledge of Baldrige is sparse or merely anecdotal.

First, the quality program is named after Malcolm Baldrige who was Secretary of Commerce for President Reagan. Baldrige was secretary from 1981 until his accidental death in July of 1987. According to the BNQP, Malcolm Baldrige was an advocate of quality management and its various and potential contributions to America’s economic success. In honor and as a memorial of Secretary Baldrige’s advocacy for quality improvement, Public Law 100-107 (the Malcolm Baldrige National Quality Improvement Act) was passed in 1987, which is intended to encourage organizations in the U.S. to practice effective quality processes in the provision of goods and services. The Act also established a national award program to:

- Stimulate American companies to improve quality and productivity;
- Recognize achievements in improving quality of goods and services and provide an example to others;
- Establish guidelines and criteria that can be used by business, industrial, and governmental organizations in evaluating quality improvement efforts; and,
- Provide specific guidance for other American organizations to learn how to achieve high quality and eminence (P. L. 100-107, Section 2, (8) A-D).

As mandated by law, the national award program (or BNQP) is administered by the National Institute of Standards and Technology (NIST), which is an agency of the Department of Commerce’s unit of Technology Administration. NIST is established to assist U.S. industry through scientific research and related technological and engineering services. To help administer the Baldrige Award Program, NIST also contracts with the American Society for Quality, a non-profit organization whose primary aim is to advance the principles and practices of quality improvement in the private sector, government and academia (Fisher, pp. 7-9).

The Baldrige Award is given to successful applicants once a year by either the President or the Secretary of Commerce. Two awards may be given to companies that fall into one of three categories: manufacturing, service, and small businesses. In 1999, two additional categories were introduced — education and health. The education category includes, for example, elementary and secondary schools and school districts, colleges and universities, and technical schools. The awards are considered based on applications and scores (world-class scores range normally from 600 to under 1,000 points) in the meeting of seven criteria. From a pool of more than 400 experts (Board of Examiners) from industry, educational organizations, government and non-profit entities, applications are reviewed and feedback is provided, in the form of confidential written reports, to each Baldrige applicant. High-scoring applicants are visited on-site to verify application claims and clarify quality processes and practices. Final award recommendations are then made to the director of NIST.

The seven criteria used by the examiners in their assessments or evaluations (scoring) are the crux of the Baldrige Award process. These criteria will be discussed in detail later in this article, but are briefly defined here for introductory purposes.
1. Leadership. Looks at how senior management directs the organization and addresses public responsibilities.

2. Strategic Planning. Examines how the organization plans strategically for short- and long-term purposes and how action plans are put into place.

3. Customer and Market Focus. Analyzes how customer requirements and expectations are pinpointed.

4. Information and Analysis. Reviews how data and information are used to make performance determinations, organizational changes, and management adjustments.

5. Human Resource Focus. Examines how employees are empowered and work together to achieve common goals.


It should be noted that there have been very few actual winners of the Baldrige Award since its inception in 1988. Nevertheless, literally thousands of organizations have benefited from the self-assessment criteria process that the Baldrige program offers. According to NIST, two million copies of the application or criteria process have been distributed, not counting reproductions and free electronic access via the Web http://www.nist.gov (http://www.nist.gov/public_affairs/factsheet/baldfaqs.htm).

Currently 43 states, for example, have established similar Baldrige-type programs. South Carolina has its own award process that is consistent with the national Baldrige process. Called the South Carolina Governor’s Quality Award (SCGQ), the aim of the SCGQ is to promote the utilization of quality management, share successful strategies, foster the self-assessment process, and recognize organizations that demonstrate excellence. Beginning in 1995, award recipients have included several South Carolina businesses and industries, including governmental entities – the S.C. Department of Revenue (1996) and the S.C. Department of Education (1997). (See http://www.scquality.com).

Currently, approximately 60 quality award programs exist. The Deming prize in Japan is one such program that is long-standing and highly respected. Others include the European Quality Award model, Hong Kong’s Quality for Excellence and Prosperity, and the Australian Business Excellence Framework (Blazey, 2000, p. 365).

THE BALDRIGE PAYOFF

The benefits of the Baldrige process do not consist simply of awards and state, regional, national or international fame and prestige. Only a few organizations have the will, knowledge, and resources to accomplish these eminent feats. While these are of course important, the real payoff of the Baldrige process is that organizations (including public organizations) undergo a rigorous and systematic self-examination, learn where there are performance gaps or what needs to be improved, and in fact, work vigorously and methodically to bring about positive change. The ultimate end is, therefore, for an organization(s) to explore, to see or grasp its “working status or condition,” and to improve within given time limits. If recognition in some form, especially external recognition, comes along, then this is great. Thus, the “Baldrige payoff,” so to speak, consists of some meaningful degree of self-assessment, feedback, improvement, and perhaps if an organization is committed and resourceful, special recognition.

Self-Assessment

The Baldrige assessment process is the core or bottom line for diagnosing the status of organizational health – its performance, strong or weak, and where improvement opportunities may exist. The process is valuable for all types of organizations whether they be huge international companies, small businesses, or governmental agencies. Public sector agencies can benefit from self-assessment in many ways. Using the Baldrige criteria, an agency needs to be, to the extent possible,

One in which leaders [agency heads and top management] strive for outstanding performance by aligning the whole organization—plans, people, and processes—with customer needs [service recipients, school children, taxpayers, legislators, businessmen, etc.] (Hutton, 2000, p. xxii). (Note bracketed content added).

To accomplish this organizations assess several areas that are key to successful institutions. They do this by asking questions based on the Baldrige criteria. For example, these include:

- How are, in fact, departmental (or public agency) leaders providing purpose and direction to the organization?
- How is the organization strategically thinking, planning and acting?
- How is the organization focusing on customers and their needs and preferences?
- How is the organization collecting data and information and measuring performance?
• How is the organization maximizing its human resources?
• How are organizational processes assessed and made more efficient and effective?
• How are organizational results being achieved and how do these results relate to leadership, strategic planning, customer focus, performance measurement, human resources, and organizational processes? (Hutton, 2000).

Generally speaking, model approaches to the self-assessment process follows these steps. First, leaders (public agency heads and top management) must be engaged so that they comprehend Baldrige and commit to its methods. This is done by pointing out how the Baldrige approach will meet their needs and what their roles as leaders must be. Next, it is normally suggested by Baldrige experts and practitioners that assessment teams (e.g., various and suitable agency personnel) be formed and then trained in assessment methods and tactics. After this is completed, the next step is to gather data. This is done through the careful examination of key documents and interviews to assess exactly how the organization is currently operating. Once these data and information are analyzed, a report is prepared that identifies organizational strengths and weaknesses, where opportunities for improvement exist (as in the form of concrete recommendations). With the report complete, it is then presented to organizational (public agency or office) leadership. The aim here is for organizational leaders to understand the findings, accept them, and to take ownership. The subsequent step is to prioritize which concerns or problems in the organization need to be addressed, target them, and develop detailed action plans to resolve them within given timeframes. Finally, the last step in the self-assessment process is to implement the action plans and ensure they are completed satisfactorily (Hutton, 2000, pp. xxiii-xxiv).

Feedback
Feedback is important in this sense: It provides the organization, particularly its leadership, with a written report that, at a minimum, highlights where the organization currently stands (in terms of performance), what are its strengths and weaknesses, what is needed to improve the organization, and what suggestions or recommendations may be viable and appropriate. Crucial in the feedback, as conceived and intended by the Baldrige process, is getting the self-assessment findings across or understood by the organization’s (public agency’s) leadership, the suggestions or recommendations genuinely considered and discussed by leaders, and some kind of commitment by leaders to proceed with improvement steps, i.e., their implementation.

How is successful feedback achieved? According to those familiar with Baldrige self-assessment and experts in Baldrige techniques, it is a good, well-written report, and a planned, well-done presentation to the leadership (or agency) management.

Key checkpoints for a successful report, for example, include:
• The report accurately portrays the data and information that the assessment team discovered.
• The report “zeros in” on what is significant.
• The report findings that are related to perceptions are clearly distinguished from those that are facts (i.e., can be documented).
• Team members unanimously support the report and a strong consensus on key recommendations exists. (Hutton, 2000, p. 192).

In terms of the presentation of the feedback report, especially an agenda that allows for lively and open discussion, it is critical to getting “the message” clearly across to organizational leadership. Specifically, it is of course important to spend a few minutes telling organizational leaders the self-assessment’s goals and objectives. This review would also include a quick overview of the assessment process and the work that has been done by the assessment team. Next, presumably presented by the assessment team members in some well-rehearsed fashion, the findings of the report would be spelled out. This would generally consume some time and permit in-depth discussion. Key recommendations would then be presented and the assessment team would proactively seek leaders’ responses. Some discussion would then ideally proceed as a reminder to leadership that, based on their thoughts, preferences and willingness (i.e., their reactions to the report), the next step to the Baldrige payoff is the planning and implementation of specific improvement steps.

Improvement
Once the feedback report and presentation have been completed, the next stage of the Baldrige payoff process involves developing highly specific improvement plans and monitoring (or often referred to as “follow-through”). While it is certainly gratifying to have completed the self-assessment and feedback report, still important work remains.

Priorities must now be sorted out, that is to say, a consensus among leadership, with the help of the assessment team, must take place. What are the organization’s (agency’s) priorities given the self-assessment and feedback report? And how can these specifically be translated into improvement plans for which specific individuals are responsible?

Practically speaking, Baldrige experts argue this determination (or answers to these questions) can be best made in a workshop setting. Organizational leaders and assessment team players discuss, review, debate and select
priorities and then outline improvement plans. These plans usually consist of the following components:

- Name of the project or program;
- Objective(s);
- Measurement(s) of success;
- Key Deliverables, main tasks, and milestones;
- Methods or approaches to be utilized;
- Participants or responsibilities (sponsor or individual, team members, others to be kept informed);
- Timeline; and,
- Dependencies (resources or inputs, tools, other support) (Hutton, 2000, p.217).

**Recognition**

The Baldrige Award is one of the highest recognitions an organization can receive. It denotes that a business is the “best of the best,” a world-class competitor and performer, a company that embodies the highest quality business practices, services and products as based on Baldrige values, concepts and criteria of excellence. Since changes in law in 1997, governmental entities can compete for the Baldrige Award in the areas of education and health. The 2001 Malcolm Baldrige National Quality Award winners consisted, for example, of a manufacturing company (Clarke American Checks, Inc. of San Antonio, TX), a small business (Pal’s Sudden Service of Kingsport, TN), two school districts (Chugach School District of Anchorage, AK and Pearl River School District of Pearl River, NY), and a university regional campus (University of Wisconsin-Stout of Menomonie, WI).

Dozens of “baby Baldriges” (state, regional and local quality awards based on Baldrige criteria) also exist and winners are recognized here for their best practices and overall excellence in the provision of services and products. This recognition is much prized and the organizations that do win are sought out by similar entities, business-oriented or governmental ones, for benchmarking and other related purposes. (See [http://nist.gov/public_affairs/factsheet/baldfaq.htm](http://nist.gov/public_affairs/factsheet/baldfaq.htm) and CEO Issue Sheets at [http://www.nist.gov](http://www.nist.gov).

While this sort of recognition is important and well-deserved, recognition can also take on different forms and can be equally satisfying. The self-assessment, feedback and improvement stages of the Baldrige payoff (above) are awards in themselves yet of a different but “similar” kind. The satisfaction, pride, self-knowledge, teamwork, etc. of undertaking serious and difficult steps in improving performance and quality in an organization is rewarding, both personally and collectively. Awareness of a job well-done among colleagues and co-workers is highly gratifying and, according to experts in Baldrige processes and methods, instills a sense of accomplishment and significance in all work-related functions and areas. Organizational leaders or management recognize the spirit and willingness of employees to improve performance practices and capabilities, to facilitate communication, and create value and quality for their customers or constituencies. All in all, recognition is internalized or felt by the “people who are involved leading change—‘change agents’—who make an impact, take risks, and make a difference” (Hutton, 2000, p. 241).

**CORE VALUES AND CONCEPTS**

The Baldrige process, specifically its criteria, is built on eleven core values and concepts. According to experts in the Baldrige field, including NIST, these core values and concepts are the underlying principles of the entire Baldrige program and represent “the interrelated and embedded beliefs and behaviors found in high-performing organizations.” Further NIST states that:

*They are the foundation for integrating key business requirements within a results-oriented framework that creates a basis for action and feedback (NIST, 2002, p. 1).*

The core values and concepts are:

- Visionary Leadership
- Customer-Driven Excellence
- Organizational and Personal Learning
- Valuing Employees and Partners
- Agility
- Focus on the Future
- Managing for Innovation
- Managing for Fact
- Public Responsibility and Citizenship
- Focus on Results and Creating Value
- Systems Perspective

In the following narrative, ten of these core values and concepts will be discussed. The application of “public responsibility and citizenship” as conceived within the Baldrige process, and as discussed in Baldrige related literature, is not easily placed within the context of public organizations. This core value is meant and applicable, for Baldrige purposes, strictly for private business and manufacturing industries. For this reason, Baldrige’s concept of public responsibility and citizenship will not be discussed below.

**Visionary Leadership**

This core value/concept, visionary leadership, is about setting directions, creating a customer-based focus, and “raising the bar” with regard to future expectations. Senior
leaders within an organization or public entity must clearly and distinctly see what it is they want their organization to be in both the short- and long-terms. As visionary leaders, they must communicate this to their employees, not in abstract, vague or meaningless terms, but rather in precise language. The vision must be understandable, achievable, and sensible. Senior leaders should additionally ensure the creation of strategies and methods for achieving organizational missions, goals and objectives. They should promote innovation and provide adequate resources to bring their (the organization’s) vision to fruition.

Visionary leadership should furthermore inspire and motivate personnel to contribute proactively to organizational success. One important way to instill this enthusiasm and embed it into the workplace is for organizational (public agency or office) leadership to serve as role models of organizational commitment, involvement, and/or action. Senior leaders should be visible to their employees, that is, be communicative, passionate, dedicated and hardworking. They should “live and breathe” the organizational vision, exemplify its values and purposefulness. (NIST, 2002, p. 1).

Customer-Driven Excellence

Organizational success in the public sector, like the private one, depends on the satisfaction of the client, the constituent, the citizen... the customer. For instance, those individuals -- the citizenry -- who travel public roads, call 911, seek job assistance, renew their driver’s license, have their trash collected, send their children to elementary school, and so on, want a quality service, prompt, value-laden, and effective. They want to be treated with friendliness and courteousness, they want someone to listen to their needs and to be given aid, they want to be able to have confidence and trust in their government, its leaders, its employees, and its services and products. They want complaints to be given serious attention, and addressed, and resolved. They want, in other words, what the Baldrige process calls “customer-driven excellence.”

As NIST (2002, pp.1-2) states in its discussion of Baldrige values and concepts, “quality and performance are judged by an organization’s customers.” In this respect, organizations, including public agencies and institutions, must constantly strive to understand their customer’s needs and expectations. Data and information on customer-need should be gathered systematically, analyzed, and determinations and adjustments or actions should be made to gain or improve customer satisfaction. What do our customer’s want or expect of us today? What will they expect tomorrow? Organizations must be in the know constantly and consistently about customer preferences and desires. If organizations are to succeed then their mission, goals and objectives must undertake and sustain customer-driven values, that is, they must act, in a concerted fashion, to add constituent-based value to their organizational aims. This is not simply a truth, but a fact that has been verified by companies and businesses for the past several years by Baldrige Award winners, such as, Boeing, 3M, Texas Instruments, and the Ritz-Carlton Company. Satisfied customers have trust and are loyal to organizations (and governmental entities) that are customer-driven, they spread the word to their family and friends, they feel good about their experiences with the organization and, especially important with regard to public sector organizations, they have a feeling of self-assurance about their government and its responsibilities to them as citizens and taxpayers. Hence, customer-driven excellence should always be a priority, a necessity in the organizational culture and all of its various components and actions, whatever they may be.

Organizational and Personal Learning

Learning within an organizational setting is a significant core value and concept that can be achieved in many ways. Some of these include the following:

- Gaining new and productive knowledge through daily regular work activities;
- Interacting across personal work units, with other similar or dissimilar work units, and interfacing with varying organizational levels;
- Utilizing problem-solving skills and approaches to get at the origin or foundation of work-related problems, i.e., “root causes;”
- Sharing acquired knowledge with other employees, work units, an/or organizational levels;
- Discovering opportunities to “effect change and to do better;” and,
- Utilizing, specifically, R&D informational resources, and best practices techniques or benchmarking approaches. (NIST, 2002, p. 2).

(Note: Additionally, though not heavily emphasized in NIST Baldrige literature, it should be noted that participating in formal training and continuing education programs, related to work, would obviously enhance “personal learning” experiences as well.)

Thus, the benefits from organizational and personal learning are several. In one sense, they shore up customer focus and service quality where it may be lacking. In another way, a reduction in errors and defects, including waste, likely comes about due to the overall day-to-day, cumulative effect of “learning” experiences. And, in addition, improved responsiveness and productivity are, according to Baldrige...
experts, logical by-products. As such, many positive things can be expected from the values associated with organizational and personal learning (NIST, 2000).

**Valuing Employees and Partners**

Any organization that is expected to succeed and maintain a high level of performance, must value its workforce. Organizational (agency) heads, management and supervisors must actively support, aid and abet their employees to achieve excellence at every level. They must demonstrate it openly and frequently. For example, employees in the public sector must be or feel “motivated” to achieve agency goals and objectives. Agency or public institutional leadership thus must strive constantly to motivate. Additionally, employees must be in an organizational environment that encourages them to take calculated and temperate risks and to “think outside of the box.”

They must additionally be treated fairly and honestly, and allowed to provide input, both of a creative and resourceful kind, to the organizational decision-making apparatus. They must be recognized for their efforts and, more importantly, their contribution to organizational or programmatic results. Employees must also be adequately compensated.² They should additionally be afforded opportunities to progress in the organization, to take on challenging jobs, to grow professionally.

According to official Baldrige language, as related by NIST (2002, p. 2), “organizations need to build internal and external partnerships to better accomplish overall goals. Internal partnerships might entail employee development, cross-training, or the establishment of high-performance work teams. External partnerships might be with customers, suppliers, etc. These external partnerships might offer new opportunities for improving products and services.”

**Agility**

Organizational success today requires what the Baldrige process refers to as “agility – a capacity for rapid change and flexibility” (NIST, 2000). Unfortunately, as regards public organizations, *bureaucracies* have a reputation, true or not, pervasive or not, as organizations that are often bound up with “red-tape,” inflexibility, and sluggishness, i.e., “slow to get things done.” In our global and modern day setting of electronic messaging, Fed Ex overnight international mail delivery, e-commerce, fast food, etc., it is imperative that public organizations double and re-double their efforts at building a capacity for change and flexibility. People who go to the DMV want prompt, efficient service. Long lines, delays, and entrenched procedural protocols or requirements are not what DMV customers desire or need.

Organizations must work to develop and maintain capacities to respond faster and fully to customer needs. Agencies, departments and other public entities, in particular, must examine their service and product systems and activities and discover ways to eliminate unnecessary and time-consuming procedures. If a requirement does not add value to the customers’ service needs, it is likely not needed and, in many instances, is there to serve the bureaucracy rather than the customer. Worse, it may even be a requirement -- when closely scrutinized -- that is also wasteful or costly.

According to specialists in Baldrige techniques, analyzing and improving work tasks, processes and procedures “enables an organization to perform better, faster and cheaper.” It is advised that:

- Organizations need to concentrate on updating design quality with the aim of preventing problems;
- Organizations need to use benchmarking or best practices methods when and wherever possible; and,
- Organizations need to use R&D approaches from the very start or “get go” to optimize performance (be pro-active as opposed to being merely reactive). (Blazey, 2000, p. 22).

**Focus on the Future**

Another theme and underlying principle of the Baldrige process is focusing on the future and its potentialities or possibilities. Organizations should have a future orientation. Strategically speaking, what are organizations’ future strengths and weaknesses, and how should organizations begin preparing for tomorrow’s threats and opportunities? In other words, it should clearly be asked: “What will our constituencies or customers need and desire in the short- and long-terms?” “What do we (e.g., as a public entity) need to do to be ready to satisfy these future customer wants?”

Like it or not, the facts are … *customers’ needs change.* Expectations change. Environments, marketplaces change. Technologies change. Management practices change. All things eventually change. A focus on the future better positions a public organization to plan for these changes. The motto here is “semper paratus” or “always prepared or ever ready.”

**Managing for Innovation**

Nearly everyone is familiar today, if only by name or reputation, with the businesses of Microsoft Corporation and Apple Computer, Inc. They are big, aggressive, cutting-edge organizations. For those moderately familiar with their similar lines of high-tech business, in all their essential dimensions (i.e., practices, products and services), what really stands out is their mutual interest in and focus on *innovation.* As keen competitors on the progressive and
emerging edges or trends of computer technology, these two businesses represent the quintessential meaning and importance of innovation – new ideas, creativity, “thinking smart.” In short, they must be constantly innovative, not only to succeed, but simply to exist as viable organizations or businesses.

The point here is that in order for organizations “to be” and especially “to grow,” management and employees alike must take innovation seriously, and as a core value, embed it into the organizational culture. This is true for the “Micросofts” and “Apples” of the world, all progressive thinking and shrewd businesses, and it should be true for public sector organizations as well. New ideas in the public sector should be sought out and given thoughtful consideration. For example, uncovering a new, innovative way to process tax returns more accurately and faster is good “business” sense. Simplifying tax forms and easing the preparation of tax returns generally are good ideas and are value-laden. New ways of making tax officials easily accessible to taxpayers with tax questions, like over the Internet, makes sense. Hence, according to Baldrige principles, organizations that “manage for innovation,” encourage it, will serve its customers (viz., the public) well and increasingly better.

Focus on Results and Creating Value
Public organizations, as briefly mentioned earlier, have sometimes brought upon themselves a bad, even an appalling image. This occurs not always, not even nowadays frequently, but occasionally and principally when a public agency or office gets focused purely on its own processes, rules and procedures. Hence, the odious phrase “red-tape.”

Self-serving institutional procedures, and “unfocused or “misfocused” public servants can wreak havoc and public organizations, at all levels, have an important duty to keep on their guard that this does not happen, but rather, to remain “focused on what really matters.” This focus should be again, according to Baldrige, the customer. Producing results for the customer in a civil, friendly and professional manner is what the customer wants. Organizations that produce desired results for their customers get their jobs done with customer satisfaction and praise.

It should be remembered, in so far as public entities are concerned, that the government serves the people. When a governmental organization builds its mission, goals and objectives around “results-producing” for the people it serves, the focus is right. Likewise, when an organization constructs its activities and procedures to achieve agency goals and objectives with an emphasis on customers, the focus is right. The same goes for other management systems such as performance appraisal, etc. Translate all of this into concrete results for customers and… the focus is right!

Simply put, Baldrige’s focus on results and creating value should be done to ensure “creating and maintaining value for customers.” This means, for example, or by simple illustration in the public sector setting, that if an elderly person gets a little confused and calls the highway department to inquire about “meals on wheels,” do not tell this person that they have got the wrong number and hang up. Help them find the right number and do something to bring value to your position, your organization, the government’s role to serve and protect the people – our customers.

Systems Perspective
Taken together, the Baldrige core values and the seven Baldrige criteria form an interlocking, organized system, one whose aim is organizational excellence. Like any system,
The Baldrige Criteria provide a systems perspective for managing your organization to achieve performance excellence. The Core Values and the seven Baldrige Categories form the building blocks and the integrating mechanism for the system. However, successful management of overall performance requires organization-specific synthesis and alignment. Synthesis means looking at your organization as a whole and building upon key business requirements, including your strategic objectives and action plans. Alignment means using the key linkages among requirements given in the Baldrige categories, including key measures/indicators.

**CRITERIA**

The Baldrige criteria are -- again -- utilized by thousands of private and public sector organizations to evaluate their status or progress in being successful or the degree of “organizational excellence” in their varying fields (Howard, 2000, p. vii). The vast majority of these organizations that use the Baldrige criteria, as stated earlier, are not applying for the Baldrige Award or the dozens of “baby Baldrige” awards (especially state-sponsored award programs) that have sprung up over the past decade. Instead, these organizations are using the Baldrige criteria to understand *where they are* and what they need to do to improve (*where they want to be*).

To compete for the Baldrige Award, or a similar one, or simply to assess organizational standing and to discover areas for improvement, the seven Baldrige criteria are put together in a formal self-assessment format. Each criterion is broken down into assessment “items” that are put into a question(s) form for an organization to respond to in writing. In addition, each criterion (as are the individual items) of the seven total criteria is given a total scoring value. For example, the first criteria “leadership” is given a maximum score of 120 points. The leadership criterion is additionally subdivided into two question-formatted items: “organizational leadership” with a total possible score of 80; and, “public responsibility and citizenship” with a complete point value of 40. Hence, the criterion leadership consists of two items valued individually at totals of 80 and 40 for a maximum score of 120. Taken altogether the seven Baldrige criteria are separated into 19 items and, when scored perfectly, equal a 1,000-point total. (See Figure above).

**FIGURE 1**

Baldrige Criteria for Excellence
2002 Criteria -- Categories/Items Point Values

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Category</th>
<th>Items</th>
<th>Point Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 LEADERSHIP</td>
<td>1.1 Organizational Leadership</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.2 Public Responsibility and Citizenship</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>2 STRATEGIC PLANNING</td>
<td>2.1 Strategy Development</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2 Strategy Deployment</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>3 CUSTOMER AND MARKET FOCUS</td>
<td>3.1 Customer and Market Knowledge</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.2 Customer Relationships and Satisfaction</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>4 INFORMATION AND ANALYSIS</td>
<td>4.1 Measurement and Analysis of Organizational Performance</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.2 Information Management</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>5 HUMAN RESOURCE FOCUS</td>
<td>5.1 Work Systems</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.2 Employee Education, Training, and Development</td>
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<td>5.3 Employee Well-Being and Satisfaction</td>
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<td>6 PROCESS MANAGEMENT</td>
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<td>7.4 Organizational Effectiveness Results</td>
<td>120</td>
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In the discussion that follows each criterion will be briefly discussed. The intent is to give the reader an overview of the Baldrige criteria and the types of questions an organization (a public sector organization) should be asking to understand its current performance and operational status as it compares to Baldrige standards. As this article is aimed at the implications Baldrige has for public sector organizations, the reader is encouraged to interpret the narrative in light of how the criteria can be useful to governmental organizations of all sizes and kinds.

1. **Leadership**. According to NIST’s criteria assessment form or document (questionnaire) for performance excellence (2002, p.12), the leadership criterion inquires as to
the roles and actions of senior management within the organizational (agency or office) setting over the previous year or so. This Baldrige criterion asks how senior leaders “address values, strategic directions, and performance expectations.” The criterion also covers senior leader involvement in “a focus on customers and other stakeholders, empowerment, innovation, and learning” (NIST, 2000). The leadership criterion also examines senior leadership roles in public responsibility and citizenship (not discussed in this article).

The key request by Baldrige at this juncture is to literally describe, in reasonable detail, and in writing, how senior leaders “guide” the organization and how they “review” organizational performance. To answer this, five key question areas are addressed:

• How do senior leaders (public agency heads and senior management) institutionalize values, especially those connected to customers and other stakeholders? How do they set and deploy short- and long-term directions as well as performance expectations for the organization? How do they communicate these values, directions, and expectations?

• How do senior leaders generate an atmosphere or setting for empowerment, innovation, flexibility, and work-related education or learning?

• How do senior leaders assess performance and respond to needed changes or performance gaps?

• More specifically, how are “negative” performance review findings (gaps) prioritized for improvement by senior management? How do senior leaders deploy resources to address performance gaps?

• How do senior leaders utilize performance findings to enhance their own leadership knowledge, skills and abilities? (NIST, 2002, p. 12).

2. Strategic Planning. This criterion, strategic planning, examines -- more or less -- organizational “intentions” rather than actual “achievements” (Brown, 2000, p. 20). It asks how an organization (an agency) comes up with missions, goals and objectives, and how action plans (strategies) arise. It additionally asks about the deployment of strategic plans and performance measurement.

Strategic planning is absolutely essential to organizational success, and it’s worth noting that public institutions are increasingly realizing this important fact. According to a recent survey conducted by the National Conference of State Legislatures (Urban Institute, 2001, p. 101), 18 states now have statutes that require agencies to use strategic plans. Most of these states require mission statements, goals and objectives, action plans, etc., the common and generally accepted components of model strategic planning mechanisms.4

Specifically, Baldrige asks organizations what are the key steps in their strategic planning process, including participants, and planning timelines. Baldrige inquires also as to how data and information are brought together, for strategic planning purposes, in the areas of (1) customer needs, desires and opportunities, (2) the organization’s environment (external and internal), (3) technological influences on the organization and its products and services, (4) organizational strengths and weaknesses, and (5) financial or budgetary, societal and other risks. (NIST, 2002, p.14).

A few concluding remarks on strategic planning. There is, without a doubt, extensive literature on the topic of strategic planning. Most of the literature speaks to its logical benefits and model techniques or implementation methods. This is highly useful and recommended reading. More importantly, some literature, especially that based on studies of real practices and experiences in using strategic planning, notes that strategic planning is not an instant fix to organizational problems, and it involves true commitment and a lot of resources and work. The results over time, however, are inspiring and positive. Strategic planning is fundamentally about self-examination and new opportunities. It is about a chance to improve significantly an organization, what it does, and the people it serves. According to experts and practitioners alike, it is unquestionably worth the time, money and effort.5

3. Customer and Market Focus. “Focus on customers” is the theme to this set of Baldrige questions. In a sense, it gets at the very heart of what an organization is and does. Simply asked, “Who are your clientele or customers and what products and services do they want or expect?”

To answer this question, the Baldrige criterion of “customer and market focus” examines how an “organization determines the requirements, expectations, preferences of customers and customer areas or groupings (markets).” It also inquires generally as to an “organization’s relationship to customers, that is, its effect on customer acquisition (outreach), satisfaction, and retention.” (NIST, 2002, p. 16).

Specific questions include:

• How does the organization (public agency or office) identify customers and segment them?

• What kinds of methods (“listening and learning” techniques, statistical data, performance indices, complaint information, etc.) are used to identify customer requirements and priorities?

• How does the organization continuously evaluate and improve methods to satisfy customers and maintain their loyalty?

• How does the organization “think” and “plan” to address future customer needs? (NIST, 2000).

4. Information and Analysis. This fourth Baldrige criterion consists of two assessment items or areas: (1) “Measure-

For example, a fundamental question regarding performance measurement is, “How does the organization (a public agency) gather and integrate data and information from all sources to support daily operations and organizational decision making?” (NIST, 2000). Another related question is, “How does the organization actually select measurement indices to gauge performance?” Similarly, questions are asked about keeping the performance measurement system up to date, communicating performance information, and aligning performance measurement with strategic planning. (NIST, 2000, pp. 16-17).

Finally, this Baldrige criterion asks about the quality and availability of data and information. For instance, “How does the organization make needed data and information available, accurate, and current to meet customers, employees, and suppliers/partners needs?” Questions are additionally asked as to the organization’s quality of computer hardware and software; namely, as to their reliability and user friendliness.

5. Human Resource Focus. This Baldrige criterion addresses three critical areas dealing with an organization’s human resources. These include (1) work systems, (2) employee education, training and development, and lastly, (3) employee well-being and satisfaction. (NIST, 2002, pp. 20-22).

Work systems is a generic category that basically deals with questions about the organization’s work processes and jobs and how they are set or determined to promote and foster employee initiative and flexibility. This category or item also delves into how the organization prompts or brings about employee motivation and, additionally, specifically inquires as about compensation, recognition and reward in achieving employee “high performance.”

The employee education, training and development area solicits the organization’s (agency’s) application of education and training into its strategic action plans. In particular, for example, it is inquired as to how the organization’s education and training programs assist in achieving short- and long-term goals and objectives. This Baldrige item also seeks to uncover, “How do you (your organization) actually deliver education and training? Include formal and informal delivery, including mentoring and other approaches.” (NIST, 2002, p. 21).

Lastly, this criterion deals with the human resource area of employee satisfaction. It requests the organization to assess and explain what it does to improve employee safety, morale and development. It also asks about the organization’s method of determining what affects employee’s well-being and motivation and how the organization’s policies, procedures and actions address these important employee determinants.

6. Process Management. This Baldrige criterion assesses an organization’s or public entity’s key management systems and practices. These include the design of customer-focused products and service delivery processes. In addition, the criterion examines process management in terms of future organizational growth. Support issues and practices are also analyzed under this criterion.

While organizational and growth issues are important to this Baldrige review criterion, the organization’s design, production and delivery processes stand out. Hence, questions about these matters are, most experts agree, of the utmost importance when examining “process management.”

For example, in product or service delivery design, Baldrige asks what are the organization’s design processes, are they customer-focused, is new technology appropriate in the design phase, etc. Essentially, the questions are, “do your design and management processes produce good value and service?” And if so, how?” Further, “do your key production and delivery processes meet predetermined measurements?” “And if so, please explain and document.” (NIST, 2000, p. 23).

7. Business Results. According to the Baldrige program, the seventh and final criterion is the most important and, for those interested in its maximum scoring possibility, this criterion currently totals 450 points (of the total Baldrige 1,000-point system). (NIST, 2002, p. 26). Though termed “business results,” for application to public sector organizations, it falls easily into the simple categorical typology of, or that which is commonly called, “results.” Private or public, it does not really matter. Results are results and here (as emphasized in criterion #7) business results can be translated into government organizational results just as easily as the prior six Baldrige criteria are transferable to public entities by virtue of their broad or wide-ranging “organizational” applicability.

Having said this, the results criterion examines an organization’s actual or matter-of-fact “outcomes and performance in terms of customer satisfaction, products and services, human resources, and operations” (NIST, 2000). Reponses to this criterion demand not only clear explanatory narrative, but also documentation of “real” results, i.e., hard data and information. Therefore, the responses here are less descriptive than answers to previous criteria, and are more statistical and comparative in nature.
The Baldrige results criterion asks several vital questions. Some of these include:

- What are the organization’s (public agency’s or office’s) current levels, trends and outcomes as they relate to customer satisfaction and dissatisfaction?
- How do the organization’s performance indicators accurately convey data and information to customer results?
- What are the current results of the organization’s human resource systems in terms of employee satisfaction and well-being, including development?
- What are the organization’s financial results (i.e., the organization’s budget situation with regard to performance—efficiency and effectiveness)?
- What are the organization’s operational results as they contribute to the achievement of overall effectiveness? (NIST, 2002, pp. 26-28).

CONCLUSION

The term “Baldrige” or the Baldrige National Quality Program are familiar ones to many people. Nevertheless, the meaning of the Baldrige process eludes most individuals, not to mention, in particular, its implications for public sector organizations. Why is this so?

This is so because while there are many aware of the name Baldrige and its quest for “excellence,” few people actually know what the Baldrige process really entails or can articulate its meaning so that it makes any sense. This is partly due to current tendencies to use jargon or gobbledegook that are faddish in management or executive circles, without really saying anything. But it is still more than this. Having conducted an extensive literature review for this article, it was discovered that while there is a “massive” amount of literature that exists about the Baldrige process, no single paper, article, or written piece exists that truly attempts to succinctly describe and explain what Baldrige is and does. NIST’s Web site probably does this best (http://www.nist.gov), but otherwise for all the literature on Baldrige that is out there, if you want to comprehend it, be prepared to read a lot. Hence, this article attempts to fill in this gap and distills lots of literature into a relatively brief but complete narrative on Baldrige and the key elements that define it.

Further, the purpose of this article is to also give some indication of how the Baldrige process can benefit governmental organizations of all kinds and at all levels. The Baldrige assessment and feedback processes, for example, are perfectly and easily adaptable for public sector organizations. Running a good business and using good business practices, are really not much different from doing the public’s business a la state and local public agencies and offices. Thus, Baldrige concepts, values and criteria are, if used sensibly, extremely advantageous and beneficial to the public sector—its organizations, operations, employees, and, most importantly, its customers, i.e., the citizenry.

REFERENCES


NOTES


2 Public responsibility and citizenship are obviously implied in the authorization, purposes and activities of public entities. As a Baldrige core value and concept this is inapplicable to public sector entities since it is a logical given that public agencies, departments or institutions exist to fulfill “public responsibilities”
and, by varying roles and degrees, “citizenship.”

Compensation issues are particularly important to employees, for obvious reasons, and should be regularly reviewed by management, along with employee duties and responsibilities as related to performance, to ensure that employees have a good understanding where they stand with regard to pay for performance. Performance evaluation systems, well-developed ones, are therefore key to documenting and communicating such matters.


What are the key elements or steps of the strategic planning process? Strategic planning is simply a formal yet flexible process to determine where an organization is currently and where it should be in the future. There is agreement, as evidenced in recent literature, in both theory and practice, on the general steps that are involved in a strategic planning process. By and large, these are six steps and can be summarized as follows:

1. An “environmental scan” or a situational analysis of the strengths and weaknesses of one’s organization, including an analysis of external threats and opportunities;

2. The formation of or the “putting into words” of a vision for the future and an accompanying mission statement which defines the fundamental purpose of an organization, its values, and its boundaries;

3. The development of general goals, specific targets or objectives, and performance measurements to gauge organizational progress;

4. A set of strategies to indicate what will done to accomplish its goals and objectives;

5. The implementation of detailed operational or tactical plans that provide for staff assignments and schedules; and finally,

6. An evaluation component to monitor and revise the overall strategic approach as it unfolds.

The Council of State Governments published a paper, in 1997, examining state trends and models of state strategic planning and “benchmarking.” Several statewide planning initiatives were highlighted including those in Utah, Oregon, Minnesota, Florida, Texas, Connecticut, Pennsylvania, Kentucky and Michigan. The Council found that each state’s strategic planning process contained unique characteristics. Most states did, however, attempt to set into place the key steps that constitute, by generally accepted practices, a strategic plan. (See Young, 2001, p.62).

See Brown, 2000, Chapter 6, pp. 101 – 124).

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