

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

[BEST PRACTICES](#) [APPLICATION RESPONSE TEMPLATES](#) [ACTIONABLE CRITERIA](#) [EasyApp 2006](#) [HOME](#)

Introduction:

The following information is appropriate for organizations considering starting new internal award programs or upgrading their existing internal quality/excellence awards based on the [Baldrige Criteria](#). Organizations not using the [Baldrige Criteria](#) will also find much of the material helpful for similar internal award and/or recognition programs. This information is derived from direct participation in the internal award/excellence programs of several organizations from Europe (including a European Quality Award winner), Asia (including a Japan Quality Award winner, Indonesian Excellence Program at TELKOM), New Zealand-Australia (including a New Zealand Business Excellence Award winner), and North America (including Baldrige winners). It should also be emphasized that many of the successful internal award programs studied and advised were from organizations that were not pursuing an external award. These organizations were focused on driving competitive success by improving the internal performance of their key internal business units and/or functional groups. They did not target winning a national or international award. Their focus was purely on becoming the best at what they do.

One key finding is that each organization has taken a somewhat different approach. Even organizations that adopted the approach of another organization made changes to tailor the approach they selected to better perform in their organization.

This paper tries to identify both what is different and what is common among the more successful organizations.

Another key finding is that you can waste a significant amount of time and money if you do not avoid the pitfalls. Several of those pitfalls are identified in this document.

Please note that this information is not intended in any way to represent the views of the Baldrige Award or any other award program. It only represents my experience.

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1

[BEST PRACTICES](#) [APPLICATION RESPONSE TEMPLATES](#) [ACTIONABLE CRITERIA](#) [EasyApp 2006](#) [HOME](#)

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

INTERNAL AWARD PROGRAM ASSESSMENT

Evaluate the Receptivity Climate of Your Organization:

Internal award programs can originate in various ways, including: The company leader may suggest and sometimes decree an internal award program. The idea may come from within the ranks of the company and be forwarded for management consideration. Knowledge of the use of internal award programs by other organizations may factor into the decision to proceed with an internal award program. In any event, it is important to carefully evaluate whether the culture of your organization is likely to be receptive to such a program. This evaluation should consider the amount of support from both management and staff employees. Some organizations will perceive an internal award program to be “one more thing to do on top of everything else that needs to be done” and not view it as value-added. In this case, it is better to wait than to try to force an internal award program on a non-receptive audience.

One common means to evaluate the receptivity of an internal award program is to conduct a survey. Sometimes the survey will indicate that management supports an internal award program but not the staff or vice versa. In this case, education may be helpful. However, an internal award program should not be instituted in an organization where there is significant opposition to it.

Award Program Preparation:

Effective preparation for an internal award program requires a plan and a process for designing, developing, and implementing. This document is one alternative that is intended to serve both of those purposes.

Pre-validation of the plan and process you will use to design, develop, and implement your internal award program is also critical. Some of the ways to validate the feasibility of your internal award program plan and process include:

- visiting and benchmarking other organizations that have successful internal award programs
- asking the national excellence award program in your country if they are willing to identify some of the organizations with internal award programs. However, they are ethically not going to provide you with information rating which ones they understand to be the most successful.
- networking with national Examiners/assessors can also provide insight though many of them have a narrow field of vision as to which organizations have internal award programs

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Selection of an Internal Award Program Proven to be Successful:

Since the internal award program of successful organizations are all different to significant extent, it may be helpful to identify the requirements of your program and then establish [criteria for searching and/or benchmarking the programs of other organizations](#). Your national award office may be able to suggest some organizations to visit. Do not expect them to recommend any since that would not proper for them to do that. The Examiner/assessor community for your local, state, or national awards may also be able to suggest some organizations to contact.

Focus on Enabling Organizational Excellence and Not Solely on Winning:

In the early stages of envisioning an internal award/excellence program, it is easy to take a short-term view and miss the more important long-term objective of becoming an excellent organization capable of world-class performance. For example, the ceremony that recognizes the winners of the first award/excellence program cycle is only the beginning of a successful internal award/excellence program. Receiving assessments that yield actionable improvement opportunities, action plans and more importantly the means to achieve the action plans is far more important than handing out trophies. The focus should be long-term and it should be on enabling all components of the organization to perform to world-class performance levels.

Role of Senior Leaders and Management:

Simply stated, the role of your organization's senior leaders in ensuring the success of your internal award program requires that they understand the internal award program and why it adds value. They also need to convincingly exhibit their support and understanding to all [employees](#) continuously.

Internal Award Program: Required or Voluntary Participation:

The culture of an organization is the dominant factor in whether to require participation in an internal award program. Large complex organizations are mixed in their approach. There appears to be a tendency for large organizations that have been family-owned for generations to establish a voluntary approach. The sponsorship of the internal award program by the family executives tends to encourage widespread participation.

There is more of a tendency for large non family-owned organizations to require participation. They will sometimes use financial incentives based on assessment outcomes to establish accountability. One variation used by these types of organizations is to require performance to the [Criteria Results Items](#) and leave the option whether the various units, functions, and or groups use the internal award program [Criteria](#) or another option to achieve the required performance. In

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

either case, the performance is determined by the results performance assessment.

INTERNAL AWARD PROGRAM DESIGN and DEVELOPMENT

Organizational Structure Considerations:

An internal award program by its nature requires centralized administration. However, that does not mean that a separate organizational unit must be created for this purpose. The larger and more diverse an organization is, the more likely that there will be either a centralized organization or that the responsibilities for the internal award program will be integrated into the roles of an existing centralized and/or corporate type group.

Some larger organizations have established a separate activity to administer all of the responsibilities of their internal award program. It is common for these larger organizations to [recruit people](#) from the various business units, functional groups, and/or work groups in their organization to participate as the internal award program assessors. It is also common for these larger organizations to align the internal award program with centralized training facilities due to the importance of training in developing capable assessors.

Development of Future Organization Leaders:

Some organizations view the administration and execution of an internal award program as an excellent means for developing key managers and leaders. They encourage key people to apply to participate as assessors. These assessors are trained in assessing and in conducting an assessment visit. The experience they gain from assessing organizations other than their own widens their knowledge of the total organization and also develops a better understanding of which improvement approaches are more successful.

Training Requirements of Award Program Participants:

Effective assessment and site validation training of internal assessors is essential to the long-term success for an internal award program. The training should include 3 days of Self-Assessment Training for all assessors. Senior Examiners/assessors also need to receive separate training in their roles especially how to serve as an assessment team leader. Some organizations and internal award programs have added an additional orientation day for all first-time Examiners/assessors in advance of the 3-day group Self-Assessment Training.

External assessors should also be evaluated to verify their training credentials. They should be required to demonstrate certification by an internationally recognized organization (e.g., Baldrige National Quality Award, European

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Foundation for Quality Management, New Zealand Business Excellence Award) that uses the [Criteria](#) you will use in your organization.

Eliminating the Writing of Award Applications:

Most major national excellence award programs can trace their origin to the Malcolm Baldrige National Quality Award which was started in 1987 with the first awards being given in 1988. It made sense then to use a written document responsive the award's [Criteria questions](#) as a means of determining which applicants would receive team assessments and site validation visits. The limited resources (e.g., number of Examiners, money, award program staff) prevented making site validation visit to all of the award applicants. Many of the organizations that developed internal award programs chose to use the same process as the Baldrige Award.

Today, we are seeing a growing movement away from writing an application. This movement is driven by the fact that the writing an application requires a large amount of non-productive resources. Writing an effective application document (See: [2006 Guide to a Well-Written Baldrige Application](#)) usually requires months of data and information capture, team meetings, writing and rewriting, and a large number of people to complete. For this reason, organizations are using site validation-only visits to assess. In addition to saving resources, the site validation visit is a “reality check” whereas the assessment of a written document is a “writing proficiency check”.

Sub-Awards Establishment Consideration e.g., Innovation:

It is probably better to learn to walk before you attempt running regarding your internal award program. There is an air of excitement and optimism when starting an internal award program. His climate can also lead to well-intended new ideas that while attractive are not yet mature and proven. One example of a successful expansion of a national award program has been the Innovation Award sponsored by the Singapore Productivity and Innovation Award (SPRING). This award is rooted in its national quality award and it attempts to drive the nation of Singapore to become more innovative as a strategy for national economic success and leadership in Asia.

Determining Award Levels:

The focus of the award should be to have the various business units compete against world-class excellence and not to have them compete against each other. Baldrige scoring threshold levels of 400, 500, 600, and 700 are popular.

There is a consensus (based on opinions) that the Baldrige winners often score in the range of 600 to 650.

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Progress awards should also be considered for scoring levels below 400. However, the word excellence should not be associated with achievements at these lower scoring levels.

Organizations also tend to factor in the score that it takes to win the Baldrige Award when they establish reward and/or recognition levels. Of course, the Baldrige Award is not determined solely based on the score an organization receives but does little to impede organizations from trying to calibrate their top award level score to that typical of a Baldrige winner. At the time of this writing, the general consensus is that it usually takes a score in the 600 to 650 range to win the award. This scoring range is an estimate based on the information on scoring averages released to the public for training purposes. Since the Baldrige Award Program does not release the scores of the winners, it is impossible to confirm the accuracy of this scoring range estimate. However, you will find few experienced Baldrige Examiners who disagree with this estimate.

One pitfall to avoid is when internal units, functional groups, or work groups see their primary competition as the other internal units, functional groups, or work groups the outcome is suboptimal. The primary focus should always be on overall organizational excellence in relation to [external competition](#) and/or [benchmarks](#).

Naming the Internal Award:

It is common to avoid using words such as “quality” and “winner”. Some organizations even try to avoid the use of the word “award”. The word *excellence* has become increasingly more popular. Other terms to consider include: “Performance Excellence”, “World-Class Excellence”, “Best-In-Class”, and “Business Excellence”.

Some organizations name their internal award programs after the executive who was responsible for initiating and launching the award. For example, the recognition at the Lopez Group of Companies/First Philippine Holdings is named the “Oscar” after founder Oscar Lopez. Of course, the most successful business units “take home an Oscar”.

The Massachusetts Quality Award was named after Dr. Armand Feigenbaum. Dr. Feigenbaum is the last functioning Quality Guru and revered in his home state and around the world for his contributions to quality systems integration.

Naming Award Levels:

Some organizations adopt an Olympic theme when naming the various award levels. For example, an organization using the 400, 500, and 600 award scoring threshold levels could name the levels, bronze, silver, and gold respectfully. The idea of using Olympic terms is intended to focus on competing for excellence and not focus on competing solely against the other business units. IBM used this approach for several years.

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Other organizations use the name of the highest mountain in their country or state for the name of the top award (e.g., Mount Rainier Award (highest mountain) in Washington State for the top performer and the Mount St. Helens Level for the most improving since Mt. St. Helens is not as high as Mount Rainier but due to volcanic activity, it is gaining on the leader more than the other mountains in the state.).

Ensuring the Award's Integrity:

Perhaps the biggest threat to a successful internal award/excellence program is if it is perceived as invalid, lacking in integrity, or inconsistently administered. Many successful programs consider the following when designing their program:

- The assessments conducted to determine the performance level of an internal organization seeking to earn an award level need to be conducted consistently and validly. The process used to perform the internal assessments must be well defined and consistently conducted. Visiting organizations that have sustained successful internal award programs is beneficial. Working with consultants who have led the design, implementation and operation of successful internal programs is another approach to consider.
- Using Award assessors who are competent as measured by a recognized standard. For example, you might not want to use team leaders who were not experienced in the role of Baldrige Senior Examiner with Team Leader experience during the early years of your program. It is also safe to require that the team members during the early years have Baldrige Examiner and site visit team experience. Note: The Baldrige Examiners have been used as a model here. Your program can also be successful using experienced Examiners from other successful programs using the [Baldrige Criteria](#). An example used by some Asian organizations is to use Baldrige Senior Examiners to lead the assessment teams and to use experienced Examiners from other established award programs based on the Baldrige Criteria (e.g., New Zealand Business Excellence Award Assessors). The bottom line is that the assessors you use during the early period of your award program need to have a certified competency in conducting assessments to ensure the internal award program's integrity and to ensure the perception of the award program's integrity.
- Be careful not to mix assessors from non-compatible award programs. For example, assessors trained in assessing using the European Quality Award Criteria and European Foundation for Quality Management (EFQM) assessment processes should not be combined with Examiners trained in the [Baldrige Criteria](#) and assessment processes. The result can be disastrous.

Use the Complete Criteria to Ensure Calibration for Comparison Purposes:

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

If your organization chooses the [Baldrige Criteria](#) for your Award program, require the use of the entire [Criteria](#) and use the same weighting as the Baldrige Program. The reason for doing this is that you can then calibrate your scoring to an international standard (i.e., the Baldrige Award). Many organizations are tempted to make changes to the [Criteria](#) and to the number of points assigned to each [Criteria Item](#). While is intuitively attractive at first, it soon leads to a realization that you can no longer measure yourself against the world-class standard which lessens the prestige of the Award. Several organizations tried to make changes to the [Criteria](#) and all that I know of have reversed their direction and gone back to using the total [Baldrige Criteria](#) or they ended their award in frustration.

[Selection and Modification of Award Criteria:](#)

There is a strong basis for starting with the established Criteria of a mature and successful award program. The training materials, assessment processes, and program administrative processes currently exist and can be adapted to your internal award program. In addition, other organizations and experts are available to guide the start-up of a new internal award program. Another major advantage is that you can calibrate the performance of your units, areas, and/or work groups with best-performing organizations worldwide.

There is always going to be a strong force that will want to change the [Criteria](#) to “better suit” your organization. There are ways to do this that do not disrupt your organization’s capability to monitor its progress against other organizations due to a difference in the [Criteria](#) or other internal award program processes (e.g., scoring). For example, you can add to the existing [Criteria](#) without deleting from it. If you decide to do this, it is recommended that you create separate [Criteria Items](#) so as not to confound the comparison capability.

An example of a state award program that added to the [Criteria](#) in its early years is the Washington State Quality Award (WSQA). Washington state has the highest percent of its goods exported of the 50 states due to companies such as Microsoft, Boeing, Weyerhaeuser, Amazon.com, Starbucks, agriculture (e.g., apples), and several others. For this reason it was proposed to add Criteria related to promoting the state’s economy. This was tried but soon it was abandoned. The lesson learned was the infrastructure required to support different [Criteria](#) tend to be resource intensive and without comparison value.

[Use of External Consultants:](#)

Using external consultants represents a significant cost and so it is important to weigh the value they bring versus the investment requirements. External consultants can be used in various ways. Here are some of the ways that organizations use them:

- to assist in planning and designing your internal award/excellence program

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

- to train internal assessors who will conduct the assessments and/or validation visits
- to assess the written [Criteria](#) response submissions and to write Feedback Reports including strengths, improvement opportunities, and scoring—when doing this look for consultants that NIST has called upon to write several Feedback Reports to the national applicants. This feedback authoring experience will improve the understanding, acceptance and actionability of your internal feedback reports and thus sustain and improve the credibility of your internal award/excellence program
- to lead site visit validation teams and write Feedback Reports including [strengths](#), [improvement opportunities](#), and [scoring](#)

External Consultant Usage Axiom:

Design your internal award/excellence program to gradually reduce your dependency upon external consultants.

Use of External Local Award Assessors:

Some organizations have the luxury of being located near a state or regional award program that trains Assessors. These Assessors are almost always volunteers and the cost of using them versus experienced external consultants is much lower. However, because they are volunteers and because not all public award programs are created equal, it is very important to investigate the integrity of the award program before using their Assessors. It is most important to investigate the credentials of who does their training. It is also important to determine if they have made any modifications to the [Criteria](#) or the assessment processes that would cause their assessments to not be aligned to those of the Baldrige Award Program.

External Consultant Qualifications:

- Strongly consider using consultants with Baldrige Senior Examiner and Site Visit Team Leader experience. Only Senior Examiners receive special training in how to conduct site validation visits. If you choose someone who does not have Senior Examiner experience, they will likely be deficient to effectively guiding and training your organization in the post-assessment activity such as leading the site validation visits. A Senior Examiner who has not actually served as a Baldrige Team Leader should not be given as high of a priority as one who has served as a Site Visit Team Leader.
- Choose an external consultant or team of consultants (depending on the size of your organization) that has experience within the internal award/excellence programs of organizations with successful internal award programs. This experience should be complete—including, planning, designing, training (e.g.,

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

self-assessment), assessing , leading internal site visits, writing feedback reports, gaining acceptance of findings from your internal Category Teams, developing improvement action plans, providing the means to achieve the action plans, and making presentations to senior management

- Avoid using consultants who only have partial experience. For example some consultants will tell you they have worked with ABC Company's internal award/excellence program. However, when you check, they actually only did some training or maybe they only did some assessment work. Your internal award/excellence program needs people who have credentials of contributing to the complete experience of a successful award program.

Advantages of Using External Consultants:

- When I first started work for a consulting company, a wise senior mentor told me about the old adage: "No man is a prophet in his own land." Related to consulting, this means that the external consultant has a distinct advantage over a similarly qualified internal consultant and after more than 20 years of consulting, I agree and pass the same advice on to those who approach me regarding a career in consulting. This initial advantage is perishable however and that is why I introduce the next point.
- Much of the experience an external consultant brings can be transferred to internal people gradually reducing the dependency on external consultants. Several larger organizations have internal consulting groups and [transfer of skills and knowledge](#) to them is often a preferred approach.

Use of Internal Assessors:

- Many successful internal award programs develop the skills of internal assessors and gradually increase their responsibilities. Their strategy is to eventually conduct all assessments using only internal assessors.
- Other successful internal award programs start by using only internal assessors. However, it is common for them to rely on external training and oversight from highly experienced Examiners (e.g., Baldrige Senior Examiners who have team leadership experience). They rely on this experience to ensure the quality of the training and the knowledge of the assessment processes that these individuals have. It is critical to have this external validation because the initial perception of the internal assessors is often that they are biased to their own units and that they may not be competent.
- Another approach that has proven effective is to gradually increase the roles of the internal assessors. However, they must be well-trained and experienced. To develop the internal assessors' capabilities, some organizations involve one or two internal team members in the first year of their program in a limited manner. They may restrict the role of internal

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

assessors during the first year to that of team advisor. In the adviser role they can participate in all team activities and on occasion ask questions of the organization being assessed. They can contribute during team meetings with their observations and with explanation of relevant key business factors. They are also very useful during the validation activities of on-site assessments. During the second year, the internal assessors take on full assessment responsibilities. For example, a team of five may include two internal assessors in the second year. The third year might include an external highly-experience team leader and four internal assessors with one serving in a back-up team leader role. Year four would then include only internal assessors. The example outlined uses a four-year period. A three-year period is also common.

- When assigning internal assessors, they should not be responsible for assessing a unit of your organization that they work for or have worked for previously. It is also important to ensure that the unit being assessed agrees to the inclusion of the internal assessor/assessors assigned to assess them.
- Working with people who have rich experience in participating in internal award programs will help ensure that your Award program is consistent and produces valid results. If the internal units in your organization sense that the Award is being conducted inconsistently or by inexperienced/unqualified assessors, it will undermine the integrity and likely lead to the failure of your program.

Some Advantages of Using Internal Assessors:

- An organization can train internal personnel to assess and conduct Baldrige equivalent site visits. The major advantage is that this approach significantly reduces costs in relation to an approach that relies on paid external assessors.
- One very successful internal excellence program of a very successful Baldrige winner uses its site leaders as assessors and they participate in assessing other sites which enables them to learn best practices from other similar operations. This program is especially effective because many of this organization's sites use similar manufacturing processes.
- The United States Air Force trained its generals as assessors and used them internally on assessment teams.

Some Disadvantages of Using Internal Assessors:

- Every organization that I have worked with that used internal assessors struggles with the perceptions that they may not be as qualified as is necessary and they may not be objective. In many cases this is an unfair perception. However, it is also a common perception which becomes a very important consideration when something as important as the prestige of the internal award/excellence program is at stake.

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Combined Use of Internal Assessors and External Assessors:

- Some organizations trade internal assessors with other organizations in an attempt to better ensure objectivity. While this has advantages as far as perceived objectivity, it is very important to ensure the capabilities of the external Assessors is acceptable before doing this.

Use of Assessment Teams:

It is generally accepted that you should not rely on only one individual to conduct your assessments and write your feedback reports including [strengths](#), [improvement opportunities](#), and [scores](#). The Baldrige Award has always used a team approach and all indications are that it works superior to an individual approach.

Linking the Award to Compensation and/or Recognition:

Several organizations use financial incentives to drive progress towards continuously achieving higher award levels. Different organizations have different views on this. I can only report that I have observed that those organizations that use financial incentives progress faster than those who do not. Of those who do not use financial or some other accountability-linked form of incentives, several suffer an embarrassing lack of interest in the Award. I have yet to meet the organization where the [employees](#) do not think they are being asked to perform at stretch levels. If they are asked to participate in an internal Award process that is not effectively driven by financial or other equivalent forces, they have great difficulty in giving the internal Award a high priority.

Resource Optimization:

The resources required to operate an internal award/excellence program can be enormous but they do not have to be. It is important to note that the resources to administer the program including travel and external consulting are only represent the tip of the iceberg. It is the amount of resources expended by the various components of your organization that participate in your program that represent the major portion of the resources.

If using the [Baldrige Criteria](#) has an Achilles heal, it would be the tremendous amount of resources expended to prepare and write a response to the [Criteria questions](#) that also effectively address the [Baldrige Scoring Guidelines](#). This document is often referred to as an *application* due the award nature of the Baldrige Award Program. Most organizations assume that you should follow a process that requires the writing of such a document. Since most of the winners [wrote applications](#), why would you even consider an approach that does not require your organization to go through the ordeal of [writing an application](#)? Well,

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

think of it this way. What if you could get an equally if not more valid assessment without having to train an internal army of Category teams to self-assess and write responses that both answer the [Criteria questions](#) and the [Scoring Guidelines](#) used by the Examiners to assess you? The simple truth is that you can avoid the writing and progress directly to the improving. It is not the purpose of this paper to address how this can be done but rather to only make you aware of how it can be done. You can find more information about three alternatives: a software-based approach, an [assessment interview-based approach](#) and validation visit-only approach by visiting my web site referenced at the bottom of this page.

Overall Award Program Administration:

- Clear assignment of responsibility to administer the internal Award program is needed.
- If you are designing an award/excellence program for a large organization, you may want to stagger the cycle to avoid all areas of the company needing to be serviced at the same time.
- Ensure that those who administer and/or execute the award program are well trained and resourced sufficiently.

Use of an Independent Overseer:

It is common practice in a national excellence award process to employ an overseer of the assessment visit and key team activities leading to that visit. The primary purpose is to ensure the assessment process is followed consistently leading to a fair and valid outcome. The integrity of these awards is highly dependent upon the successful and unbiased execution of the assessment process.

An internal award program may also want to consider using an independent overseer. This is currently being done by some larger organizations with multiple units, functions, and/or groups applying. It is common for expense reasons to relegate the role of the independent overseer to the assessment of those parts of the organization that have the best opportunity to be successful. For example, they may limit the overseer role to observing the visits to the units, functions, and/or groups that scored highest from a previous year since they are most likely to be successful.

Importance of Consistency of Assessments:

An important key to the success of any internal award program is the consistency with which it is conducted. The integrity of the assessment process is judged continuously by its customers—the business units, functional groups, and/or work groups being assessed. This especially true if there is compensation involved or if there is comparison made to the performance of others either

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13

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

internally or externally. The safest approach is to adopt a proven approach such as that used by a successful national quality/excellence award program (e.g., Baldrige Award). An established award program is likely to have well-defined and mature processes.

Knowing that your assessment process is consistently executed and calibrated to an international standard for assessment will diminish the perception of invalidity or unfairness that can rapidly lead to the demise of your internal award program.

Work Time Allocation to Participants:

Preparing for and participating in an assessment requires a significant amount of resources. This is especially true if an organization decides to write an application prior to a site validation visit. Writing an application is required when applying for a national award (e.g., Baldrige award). In any event, the employees participating in the assessment need to have a significant amount of time allocated to them. During self-assessment training and during the conduct of the site validation visits, the assessors must have 100% of their time available to them.

[Employees](#) administering an internal award program in a large organization often are dedicated full-time to the program.

Self-assessment training and the site validation visits occur at different times and that enables participants to be available to their individual business units, functional groups, and/or work groups.

Scheduling of Assessment Activities:

Scheduling of internal award program assessment events is driven by the availability of the latest assessment [Criteria](#). In the case of the Baldrige Criteria, the new versions are usually released in December of each year. For this reason, you do not want to schedule an assessment shortly after December because you do not have enough time to prepare using the new [Criteria](#) and therefore you risk having your organization assessed using obsolete [Criteria](#). Many organizations choose to conduct their assessments during the June to August period. This allows enough time to train the assessors in the new [Criteria](#) and for the areas of an organization to be assessed to fully prepare.

Another reason for conducting assessments mid-year is that allows time to adequately train the examiners/assessors in the new [Criteria](#). The [case studies](#) used for this training are not available until the end of May and prevents

There is also a psychological advantage to conducting mid-year site validation visits in that the [employees](#) do not perceive they are working with obsolete improvement opportunities since the opportunities identified are based on the current [Criteria](#).

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Other organizations consciously choose to conduct assessments with outdated [Criteria](#) and examiners/assessors not trained in the latest [Criteria](#) because they use the assessment results as performance and/or compensation measures. Since their evaluation period often ends at the end of the calendar year, they conduct the assessments in the November through January period to allow the areas of their organization being assessed most of the year to prepare.

Assessment Training Frequency:

The most common frequency for conducting assessment training is annual. Assessment knowledge and capability is perishable and must be refreshed. The eighteen years experience of the Baldrige Award and many internal award programs indicate that assessment training is required at least once a year. Experience also shows that excusing experienced examiners/assessors from annual training leads to underperformance on their part. There is also evidence that requiring experienced examiners/assessors to only do limited preparation for the assessment training leads to a reduced effectiveness. This lack of training preparation manifests itself in the actual training sessions where the unprepared participants limit the progress of their teams.

Another argument for annual training is that there are always changes made to the [Criteria](#), [Scoring Guidelines](#), and/or the assessment process which are necessary for an assessor to know in order to be able to participate effectively and to help ensure valid assessments.

Award Achievement Recognition: Benchmarking Trip:

The members of an organization that serve as assessors in an internal award program invest much of their time to contribute to the success of the program. Many organizations reward the best performing internal assessors with participation in benchmarking trips to organizations that have excelled in using the assessment [Criteria](#). It is common to send them to visit winners of the Baldrige Award and/or attend the Baldrige Quest for Excellence Conference to learn from the recent winners and to network with their counterparts from many other organizations using the [Criteria](#).

Visiting winners can be expensive however and obtaining visas has become more difficult. An alternate approach is to visit equally successful organizations that are geographically closer to the area of the world in which you operate.

Award Recognition Types: Monetary and Non-Monetary:

Many internal award programs include some form of monetary reward. This reward usually involves a financial bonus in some form in recognition of superior achievement. It is common to allocate the bonus in some manner to enable all participants to share in the benefits.

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

Non-monetary programs can also be successful as exhibited by Baldrige winner Milliken.

Our experience indicates that non-monetary recognition is more likely to be successful in family-owned organizations or organizations that are smaller and which have developed a family-style culture.

[Sharing Comparative Knowledge Organization Units and Groups:](#)

In some organizations, separate units, functional groups, and/or work groups may not [share valuable comparison information with other areas of their organization](#) in an effort to gain relative advantage during the assessments. When this happens it can sometimes be traced back to the management which creates an environment where competition among internal areas has a higher priority than [external competition](#). The result is that the overall organization fails to improve at the optimum rate it is capable of.

[Award Differentiation: Top Performer vs. Most Improved:](#)

Some internal award programs limit recognition to a single award while others allow for multiple winners. Another variation is to recognize the most improved business unit, functional activity, and/or work group.

[Developing Internal Award Assessment Capability:](#)

All organizations that this author is aware of have relied on outside assistance to start their [Baldrige Criteria](#)-based internal award programs. There are many advantages outlined in other areas of this document that make doing this worthwhile. These advantages disappear over time and it can become overly expensive to continue to rely on them. A strategy of progressively internalizing the functions of the internal award program and developing the skills and capabilities has worked well for organizations. One challenge associated with developing internal award program resources is that the people are not stationary. They move to other assignments and different responsibilities over time. This makes development of a pool of people an attractive alternative. It is even better if the pool is representative of the various units, functions, and or groups within your organization.

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INTERNAL AWARD PROGRAM IMPLEMENTATION

Conducting a Pilot Award Program:

It is uncommon to use a pilot program per se to launch an internal award program. Most organizations include all required and/or willing units, areas, and/or groups at the start. However, it is often the case that one or more of the units were using the award [Criteria](#) in advance and some might view this as a de facto pilot award program. The preparation and implementation guidelines included throughout this document are also applicable to a pilot program.

Require Acceptance of Feedback Findings:

Many national quality awards (e.g., Baldrige Award) do not allow you to interact with the assessment team after they begin to write their final assessment report. This means that any mistakes or misunderstandings made by the assessment team are included in the final report with no opportunity to review them in advance of the final outcome decision.

There is no need to exclude interaction with an assessment team however when you are conducting an internal award program. More organizations are requiring that that assessment team present and earn your acceptance of their assessment findings prior to finalizing and presenting their final report to senior management.

A method of doing this that has proven successful is to allow each examiner/assessor to meet individually with the team from your organization that shared the same Criteria Category responsibility. This meeting is held for approximately two hours. Your Category team members are allowed to review a draft final report for their Category without any scoring information. Your team may ask for clarifications or request changes. The examiner/assessor must then go back to the Assessment Team and present your inputs for their approval. This process does not guarantee that the Assessment team will approve of your requests. However, the interaction often leads to improvement in the clarity of the Assessment Feedback Report. It also can result in improvement in the accuracy of the report.

Another advantage of this approach is that it allows your Category Team to begin to absorb the feedback prior to the delivery of the final Assessment Feedback Report. The team can also communicate the likely findings to senior managers in advance of the final presentation to better prepare them.

Celebrate the Achievements of All Participating Units, Functions, and/or Groups:

It has been said many times that “recognition is not important until it is you who is being recognized”. For this reason, it makes good sense to celebrate the achievements and progress of all the units of your organization that are

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17

INTERNAL BALDRIGE EXCELLENCE AWARD PROGRAM GUIDE

successfully pursuing your internal Award. Even the lowest scoring unit should be recognized for embarking on the journey to world-class excellence.

[Annual Award Process Assessment and Improvement Cycle:](#)

The [Baldrige Scoring Guidelines](#) apply an evaluation and improvement dimension to all areas the [Baldrige Criteria](#). The same should be true for your internal award program. A lessons-learned analysis combined with a systematic improvement process can lead to continuous improvement of your internal award program. Inviting other organizations to review your internal award program also provides a source of feedback that is potentially valuable. Of course the internal award program users within your organization are your primary customers and serve as another valuable source of improvement opportunity identification.

[Verify the Integrity of State and Local Award Programs Before Using Them:](#)

Some state and local award programs have struggled with various problems. Several have failed to survive. Others have restarted with hope of succeeding. It is necessary to do your home work and not entrust your fate to a well-intentioned organization that may not be capable of helping you.

Do some research and try to find out what organizations have participated in these award programs and interview the applicants independently. A state or local award program that does not have enough history and/or has dissatisfied applicants should be avoided until they can prove themselves.

The integrity of these programs is vital to your organization receiving valid and useful improvement feedback as well as scoring that is calibrated to an established and widely-recognized national award program.

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