
Minnesota Council for Quality Stakeholder Update
June 2004

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1. A Message from the President: Strategic Planning Deciphered

It's that time of year again...the time of year that many organizations crank up their planning process and begin considering priorities for the future. A couple of weeks ago, a large member organization invited me to attend their annual planning kick off. They were interested in how other organizations have designed their planning processes. So I shared with them my thoughts, noting that -- regardless of the organization's size, type, and purpose -- planning processes usually have a set of universal steps. The mechanisms, tools, and approaches under each step will vary by organization.

In most planning processes, the first step is to understand your organization's environment, both internal and external. The external factors facing your organization include customer (and/or stakeholder) and market needs, your competitive environment, and the risks (regulatory, societal, and economic) facing your business. Internal factors to consider include organizational strengths and weakness (in terms of staff, operations, and other factors); technology, equipment, and facilities; internal risks (such as budgetary and ethical); and factors unique to your organization (such as supply chain issues or research and development). Organizations should build mechanisms to gather data on the internal and external factors facing them, and then sort through that data to identify the key challenges facing their business.

In Step 2, organizations determine their strategic challenges -- those three to five pressures that exert a decisive influence on an organization's likelihood of future success. They are usually externally-driven, but sometimes can be internal (such as aging workforce or specific skill gaps). Once an organization identifies its key challenges, leadership should then identify strategic objectives (Step 3) -- those three to eight (or so)

articulated goals that are intended to address a major change, improvement, competitive issue, and/or business advantage. Typically, strategic objectives respond to your key strategic challenges; they are usually externally focused (but again could address internal issues); and they set an organization's longer-term direction and guide resource allocations and distributions.

In Step 4, an organization should determine action plans: those specific actions that respond to short- and longer-term strategic objectives. This is the critical stage in planning when strategic objectives and goals are made specific so that effective, organization-wide understanding and deployment are possible. Action plans should include resource commitments (human and financial/budget), time horizons, and measures for monitoring progress and accomplishment. They should also include projected performance as compared to competitors so that the organization can monitor the trajectory of its plans, because the achievement of most plans is usually not linear.

In Step 5, organizations can begin deploying their action plans. Activities in this step include: communicating plans to all stakeholders, cascading the plans to lower levels of the organization, and tying the plans to the organization's performance management systems (performance reviews, compensation, and rewards). This is the step in planning where an organization works to ensure the alignment of action and strategy -- where key organizational objectives are translated into division, department, team, and individual goals.

Step 6 is reviewing performance and making adjustments. This step should happen at all levels of the organization, and plans should be adjusted when necessary to re-set trajectory towards the organization's ultimate goals. Finally, in Step 7, the organization should evaluate all aspects of its planning process and share and incorporate improvements throughout the organization.

Unfortunately in many organizations, planning takes the form of an "event" ...it has a defined start and a defined stop, while the rest of the year the plan sits on some bookshelf. Moreover, some organizations view "planning" and "budgeting" synonymously: they create budgets and then infer their organization's priorities. However, more mature organizations view planning as an ongoing process, making continual adjustments and mid-course corrections. And they correctly sequence the planning process -- first using environmental data to identify strategic challenges and objectives, then determining action plans and budgets, and then finally deploying those plans, measures, and budgets.

Yours in Improvement,

Brian S. Lassiter
President, Minnesota Council for Quality
www.councilforquality.org

2. Council Announces Four New Judges for Minnesota Quality Award

The Minnesota Council for Quality, Minneapolis, is pleased to announce the recent election of four new judges to the 2004 Minnesota Quality Award Panel of Judges:

* Jean Bronk, Quality Systems Manager, Tappe Construction

* Dr. Julie Furst-Bowe, Assistant Chancellor, Assessment and Continuous Improvement, University of Wisconsin-Stout

* Dr. Robert Jones, Chief Medical Officer and Medical Director for the Department of Human Services State Operated Services

* Michael Wirth-Davis, President and Chief Executive Officer of Goodwill Industries Inc./Easter Seals Minnesota.

In addition to the four new Judges, the Council also reappointed Mr. Rick Carlson, Statistical Consultant for HealthPartners to a second three-year term.

“With the election of the four new Judges and the reappointment of Rick, the 13-member Panel of Judges now represents the diversity of our economy,” says Brian Lassiter, president of the Council. “The Panel includes representatives from the manufacturing, service, health care, and education sectors. They represent leaders in their fields, and have a tremendous depth of knowledge and management experience upon which to judge the quality and performance levels of Minnesota organizations.”

The primary role of the Panel of Judges is to determine levels of recognition for organizations participating in the Minnesota Quality Award. Judges also provide coaching and feedback to evaluation teams as they conduct organizational assessments for the Award.

Founded in 1991, the primary objective of the Minnesota Quality Award is to help organizations improve their performance results. The Award also serves to recognize performance excellence throughout the state. The Minnesota Quality Award is given at four levels – Excellence (the top Award), Achievement, Advancement, and Commitment – and is the culmination of a rigorous assessment process that uses the Criteria for Performance Excellence of the Malcolm Baldrige National Quality Award. Since 1991, 63 organizations have received recognition at various levels.

Organizations that participate in the process receive comprehensive feedback that outlines their strengths and improvement opportunities along several dimensions: leadership; strategic planning; customer and market focus; measurement, information, and knowledge management; human resource focus; process management; and results. This feedback is used for organizational learning, planning, and improvement.

The current Panel of Judges include the following members: Jean Bronk, Tappe Construction; Rick Carlson, HealthPartners; Gary Floss (Chief Judge), Marvin Windows, BlueFire Partners, and Independent Consultant; Julie Furst-Bowe, University of Wisconsin-Stout; Paul Grizzell, Xcel Energy; Robert B. Jones, Department of Human Services; Lois Mackin, Independent Consultant; Linda Mazzuco, Unisys Corporation; Pat O'Boyle, Unisys Corporation; Mike Reagan (Chief Judge), Brainerd Regional Human Services, retired; Ken Rich, Independent Consultant; Dave Trites, Alexandria Technical College; and Michael Wirth-Davis, Goodwill/Easter Seals of Minnesota.

3. Join the 2004 Board of Evaluators

Are you interested in learning more about what makes organizations successful? Are you interested in helping other organizations – such as schools, hospitals, non-profits, and businesses – around the state improve their performance? Would you be interested in networking, learning, and sharing with others who feel the same way?

The Minnesota Council for Quality is seeking candidates for the 2004 Minnesota Quality Award Board of Evaluators. There are many benefits to becoming an Evaluator: strengthening your ability to understand what factors drive organizational results, networking with peers across the state, forming deep relationships with professionals and leaders interested in organizational improvement, reviewing performance of organizations throughout the state (and possibly identifying best practices for your organization), and developing other professional skills such as analysis, consensus- and team-building, interpersonal, written communication, interviewing, and systems thinking. Many Evaluators consider the experience to be among the most valuable of their careers.

The summer Evaluator training session is approaching quickly. In fact, orientation for new Evaluators was last week, so we are only accepting applications for individuals who have served on a previous year's Board of Evaluators. Applications are due Friday, June 25 (and only require updates from your most recent application). The training itself is June 29-July 1 in Rochester (and using a K-12 education case study).

The fall training session is scheduled for September 21-23 in the Twin Cities (using a business case study). Applications for new Evaluators are due August 27 and for returning Evaluators on September 10.

In addition to the fall full three-day training sessions above, new Evaluators are also required to attend a one-day orientation. New Evaluators can select one of three dates for the fall orientation: September 1, 2, or 8.

Furthermore, this year is the first time that Evaluators can earn post-graduate credit for participating in training. For interested Evaluators, the University of Wisconsin-Stout will offer three (3) hours of credit in partnership with the Minnesota Council for Quality. For more information, please email the Council at kathryn.mackin@councilforquality.org.

We hope that you would consider (re)joining the Board of Evaluators and/or encourage others to do so. For more information or for an application, please visit www.councilforquality.org/assess.cfm, email us at kathryn.mackin@councilforquality.org, or call 612-462-3577.

4. No July Performance Improvement Network Meeting; August Topic Six Sigma

There will be no Performance Improvement Network monthly meeting in July, in observance of Independence Day. Our next discussion will be Thursday, August 5 on the topic of Six Sigma. Details will be in the July newsletter and on our website at <http://www.councilforquality.org/performance.cfm>.

5. Balanced Scorecard at the Master's Forum – June 23 and July 14

David Norton, one of the creators of the Balanced Scorecard and the “Strategy Map” concept, will be coming to Minneapolis on June 23rd to deliver a half-day presentation on Strategy Maps for the Masters Forum. Insightformation, a member of the Minnesota Council for Quality, is leading a “Masters Lab” the afternoon of June 23 that will include some discussion, some “hands-on” work with the scorecard, a demo of their award-winning scorecard automation software, and a 75-minute panel discussion/Q&A session by executives who have developed and deployed strategy maps and balanced scorecards in their organizations.

Normally, single half-day sessions of the Masters Forum events are \$375 and the afternoon lab would be an additional \$50. However, Insightformation is offering a special combined price of \$395 for BOTH events, and individuals who register by June 4 will also receive a copy of Norton & Kaplan's latest book “Strategy Maps.” All participants will receive a CD that contains the audio of Norton's presentation along with his slides and a multi-media presentation of InsightVision (the software package).

Then, on July 14th, there will be a repeat of the Masters Lab. Individuals who just want to attend the July 14th event (8:30 to 11:30), will be able to register for \$195, and they will also receive an audio copy of Norton's presentation, his slides on a CD, and a copy of “Strategy Maps.” Visit www.insightformation.com for more information or to register.

6. Best Practices in Business – June 24 Web Conference

The Minnesota Council for Quality is pleased to announce that the Ohio Award for Excellence is hosting a “Best Practices in Business” web-conference on Thursday, June 24, 2004, starting at 8:00 a.m. CT. This 90-minute program will feature best practices from businesses in the following areas: Leadership; Strategic Planning; Customer Focus; Measurement, Analysis & Knowledge Management; Human Resources Focus; Process

Management; and Business Results. Featured presenters include: Medrad, Inc. (a medical device manufacturer and 2003 Baldrige Award Recipient), Dana Corporation (a 1996 & 2000 Baldrige Award Recipient), and Soft-Lite Windows.

Enjoy this interactive web-conference from the comfort of your home or office! Participate via your personal computer and telephone (we recommend a high speed Internet connection), and learn how these high-performing organizations are achieving excellence.

For more information or to register, visit www.oae.org/businessbp.htm.

7. Supply Chain Redesign for Breakthrough Performance – July 19-20

The University of Wisconsin-Madison's School of Business, supported by Virchow, Krause & Company and the Council of Logistics Management, is pleased to announce a two-day seminar, "Supply Chain Redesign for Breakthrough Performance" scheduled for July 19-20 at the Oak Ridge Conference Center in Chaska, Minnesota.

Designed for executives and managers charged with supply chain strategy development and performance improvement, this seminar will outline UW's nine-step process to evaluate an existing supply chain, identify business requirements, design and implement solutions, and manage performance. You will learn supply chain best practices, build a business case for supply chain initiatives, develop a scorecard for key results areas, and develop ideas to improve your company's competitive position. In addition to experts from UW and Virchow, Krause, representatives from CH Robinson, HighJump Software, Target Corporation, and 3M Company, will participate on a panel as part of the seminar.

The seminar is \$1395 (\$1255 when two or more from the same company register together). For more information, visit the Council's Clearinghouse at http://www.councilforquality.org/improve_events.cfm, or contact the program organizers at 1-800-292-8964. You may also contact Dr. Edward Marien at emarien@bus.wisc.edu.

8. Hennepin Technical College Announces Lean Courses; Council Members Discounted 10%

Hennepin Technical College of Eden Prairie, a partner of the Council, is pleased to announce two quality courses for this summer/fall:

* Quality Concepts and Systems: 3 credits, Tuesday evenings from August 24 through December 14.

* Principles and Practices of Lean Manufacturing: 3 credits, Thursday afternoons from August 26 through December 16.

Council members will receive a 10% discount on tuition. For more information, please visit <http://www.hennepintech.edu/index.htm>.

9. St. Thomas Announces Fall Courses; Council Members Get a Discount

The Management Center at the University of St. Thomas recently announced its fall course offerings. As in the past, Council members will receive at 15% discount to all Six Sigma courses.

The following courses will be offered:

- September 9 through December 16: Mini MBA
- September 10 through December 11: Planning Company Growth (Info Session 8/10)
- September 13 through December 20: Six Sigma Black Belt Certificate
- September 17: Decision Tools for Managers
- October 28 through November 19: Six Sigma Green Belt Certificate
- November 3-4: The "Micro MBA" - Essentials for Managers Under Pressure

Mark your calendars! For more information, please contact The Management Center at 651-962-4600 or visit www.stthomas.edu/mgmtctr.

10. Council Staff Have New Email Addresses

To better serve our members, customers, volunteers, and other stakeholders, the Minnesota Council for Quality will be making some changes to our communications infrastructure in 2004. You will see improvements to our website and newsletter in the coming months. This month, you will see changes to our email structure.

Effective immediately, Council staff email addresses have changed to the following:

- Debra Bultnick: debra.bultnick@councilforquality.org
- Brian Lassiter: brian.lassiter@councilforquality.org
- Kathryn Mackin: kathryn.mackin@councilforquality.org
- Larry Shepherd: larry.shepherd@councilforquality.org

For general information and inquiries, please feel free to contact any one of the four above or submit an email to info@councilforquality.org. Our main phone number will remain 612-462-3577 and our website www.councilforquality.org.

This newsletter is provided as a benefit to Council members, friends, and stakeholders. Feel free to forward it to your colleagues. If you wish to be removed from the distribution, please email us at info@councilforquality.org.