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*Minnesota Council for Quality Stakeholder Update*  
*November 2004*  
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1. A Message from the President: What's Most Important to Organizational Success, Part 2

[This month's column is continued from last month. For the original article in October's newsletter, visit [http://www.councilforquality.org/about\\_newsletter.cfm](http://www.councilforquality.org/about_newsletter.cfm).]

In last month's column, I talked about the difficulty in identifying and prioritizing which parts of an organizational system to improve. I suggested that organizations consist of dozens -- perhaps hundreds -- of processes, but because organizations are so complex, it is frequently difficult to identify what is truly most important to ensure future success. I then asked:

\* wouldn't it be nice to have a framework that cuts through the "organizational clutter" -- that brings the organization under the microscope, helping leaders identify what is working well and what processes might be in need of improvement?

\* wouldn't it be nice to have a tool that managers can use to identify the top three to five things upon which they can (and should) focus their energy, their resources, and their improvement efforts?

I then discussed how the Criteria for Performance Excellence of the Malcolm Baldrige National Quality Award can be used to identify and prioritize organizational

improvement opportunities, assess organizational alignment, and systematically advance an organization's improvement initiatives.

But I left you hanging with the following (somewhat rhetorical) question: "what is typically the most important factor in determining an organization's success?" This month, I propose the "answer."

The Malcolm Baldrige National Quality Award office recently conducted an analysis of Award recipients from 1999-2002 to identify what factors scored highest for "role model" organizations (those receiving the Award, and generally those with the best performance results). The study was not a statistically valid piece of research, but its conclusions are rather insightful.

For those not familiar with the Baldrige Criteria, there are 13 Process Items. For role model organizations, three of those Items were found to be consistent strengths among Award recipients. Therefore, one might conclude that those three factors may be relatively more important than the other 10, all things being equal. In a typical "Dave Letterman"-type reverse order, they are:

3) Customer and Market Knowledge (Item 3.1 in Baldrige). In a rapidly changing competitive environment, many factors may affect customer preference and loyalty. This makes it necessary to listen and learn customer (patient, student, or stakeholder) requirements on a continuous basis. Organizations should create "listening posts" that are tailored to different customer and market segments and that are systematically refined to keep them current with changing business needs and directions.

2) Value Creation Processes (Item 6.1 in Baldrige). Often considered the "operations" or "core business" of an organization, value creation processes are those key processes that either deliver value to your customers/stakeholders (through products, services, programs, and other means) and/or those that deliver value to the organization itself (to shareholders, employees, or other stakeholders). Effective organizations have systematic methods to identify these core processes, (re)design them to adequately satisfy stakeholder needs and deliver value, implement them to maximize consistency and predictability, measure them to monitor their effectiveness and control their output, and improve them to keep them current with changing business needs, strategies, and circumstances.

1) Organizational Leadership (Item 1.1 in Baldrige). Not surprising to most of you, an organization's senior leadership is the most important predictor of organizational success. The role of leaders in effective organizations is to set, communicate, and reinforce direction and performance expectations; to create an environment that promotes innovation, empowerment, agility, learning, and ethical behavior; to establish governance structures that promote management and fiscal accountability; to use performance data to monitor organizational success, evaluate leadership effectiveness, make decisions, and modify strategic objectives, priorities, and plans.

These three elements of an organization's management system represent what may be the "most important" to an organization's success. But keep in mind that the Baldrige framework is a system, and that maximizing only parts of the system usually sub-optimize the overall system. Therefore, the trick for managers is to identify the parts of their system in most need of attention, and improve them in the context of the overall system.

If you are interested in learning more about the Criteria and how it can help your organization improve, visit [www.councilforquality.org](http://www.councilforquality.org) or [www.baldrige.org](http://www.baldrige.org). The 2004 Criteria are currently available; the 2005 Criteria will be released in time for the Council's December newsletter.

Yours in Improvement,

Brian S. Lassiter  
President, Minnesota Council for Quality  
[www.councilforquality.org](http://www.councilforquality.org)

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2. Achieving Excellence in Health Care: A Special Event on 1/1/05

The Minnesota Council for Quality, in collaboration with the Institute for Clinical Systems Improvement (ICSI), is proud to announce a special one day event "Achieving Excellence in Health Care." Scheduled for Wednesday, January 5, 2005, this event will feature the three health care recipients of the prestigious Malcolm Baldrige National Quality Award: Baptist Health Care of Pensacola (2003), St. Luke's Hospital of Kansas City (2003), and SSM Health Care of St. Louis (2002).

Executives from all three organizations will share how they are using Baldrige and other frameworks to improve clinical outcomes, increase patient and customer satisfaction, improve staff-related results (such as satisfaction, retention, morale), improve financial and operational performance, and advance their missions and strategic objectives.

The details on the event are as follows...

Date: Wednesday, January 5, 2005

Time: 7:30 Registration, networking, breakfast; 8:30-5:00 Program (tentative specific agenda at [www.councilforquality.org](http://www.councilforquality.org))

Location: The event will be held in the Twin Cities Metro (a specific location will be announced by the end of November)

Speakers: Mr. Richard Hastings, CEO of St. Luke's Health System, Kansas City; Ms. Sherry Marshall, Vice President, Quality, St. Luke's Health System, Kansas City; Mr. Al Stubblefield, CEO of Baptist Health Care Corporation, Pensacola; Ms. Lynda Barrett,

Director of Planning, Baptist Health Care, Pensacola; Ms. Eunice Halvorson, Corporate VP-Quality Resource Center, SSM Health Care, St. Louis; Dr. Andy Kosseff, SSM Health Care, St. Louis

Prices for MCQ Members: \$279 individuals; \$199 for groups registering 10 or more at the same time; \$179 for groups registering 20 or more at the same time (Costs reflect a \$20 discount per person if paid before 12/22/04)

Public Prices: \$329 individuals; \$259 for groups registering 10 or more at the same time; \$239 for groups registering 20 or more at the same time (Costs reflect a \$20 discount per person if paid before 12/22/04).

For more information, please visit [www.councilforquality.org](http://www.councilforquality.org). Don't miss this special event. It's a great opportunity to learn from **role model health care organizations, network** with other leaders from the sector, and find ways to **improve your organization's outcomes** – clinical, operational, financial, and customer-related.

To register, please email [brian.lassiter@councilforquality.org](mailto:brian.lassiter@councilforquality.org) with your name(s), title(s), organization affiliation, and preferred method of payment (invoice, Mastercard/Visa). Space is limited, so register today.

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3. Seeking Improvement Consultants: An Invitation to Join a Unique New Service

The Minnesota Council for Quality is pleased to announce the pre-launch of our Consultant Referral Network. Located at [www.consultantreferralnetwork.org](http://www.consultantreferralnetwork.org), the Consultant Referral Network is a unique tool that connects consultants to the organizations (clients) that seek them. The Council is inviting consultants, trainers, facilitators, and coaches that specialize in some aspect of organizational improvement to join this unique service.

What makes this service unique? Two things. First, it focuses on organizational improvement. There are other tools that help locate doctors, dentists, and plumbers. But there are very few resources available to locate organizational improvement consultants. Second, the tool allows the hiring organization (the "client") to search for consultants based on their specific needs. So rather than sorting through dozens or hundreds of possible consultants in a directory-format, this tool will allow the client to narrow their search for the consultant(s) that meets their specific requirements -- requirements such as sector/industry expertise, consultant location, firm size, and years of experience.

Why would a consultant consider listing on this service? The Consultant Referral Network can uniquely supplement a consultant's existing marketing strategies. The service may increase a firm's exposure and brand awareness, as well as generate client leads and serious prospects. This service can benefit consultants because: 1) it offers a potential channel of leads and a legitimate mechanism to create market awareness for the consultant's services and capabilities; 2) it is neutral, independent, and unbiased (each

search produces a list of up to 5 vendors depending on how many match the client's requirements); and 3) it is reasonably priced. Fees are flexible so the consultant can choose what best matches their needs -- a higher up-front listing fee with no subsequent referral fees for projects secured through the service, or a lower up-front listing fee with moderate referral fees.

We invite you to consider listing on this service. For more information or to register, please visit [www.consultantreferralnetwork.org](http://www.consultantreferralnetwork.org) or email us at [info@consultantreferralnetwork.org](mailto:info@consultantreferralnetwork.org).

(The Consultant Referral Network is a service offered in collaboration with the Michigan Quality Award, the Ohio Award for Excellence, and the Wisconsin Forward Award, and was made available with the initial support of 15 sponsors.)

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4. Council Seeking Volunteers for Three Critical Teams

The Minnesota Council for Quality is seeking volunteers to build three teams:

- \* Board of Evaluators Training Team (will help with design and refinement of our current three-day Evaluator training)
- \* Assessment Training Evaluation Team (will help with creating/refining measurement instruments that monitor Council training effectiveness)
- \* Technology Team (will help with technology-enabled programs and services such as the Council's on-line "improvement Clearinghouse," our Consultant Referral Network, and our newsletter).

These three teams will join several other existing teams and will provide significant resource and expertise to advance our mission and services.

The specific role and time commitment of each team will vary, and since each team is in the formation phase, much of the team's role and commitment is yet to be defined. However, it is anticipated that volunteers will spend between 10-20 hours spread over a year on these team assignments.

If you are interested in potentially joining a team, please indicate your interest by emailing [kathryn.mackin@councilforquality.org](mailto:kathryn.mackin@councilforquality.org) by November 30; please indicate in which team(s) you are interested.

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5. Quality is Power: The Benefits of Systematic Improvement -- PIN Discussion 12/2

Have you ever wondered if there is financial evidence of the value of quality in organizations? Have you ever needed to show senior leaders support that systematic

improvement frameworks indeed drive value within organizations? Or have you ever wondered (perhaps for benchmarking or investment purposes) which other organizations are seeing the benefits of such frameworks?

The Minnesota Council for Quality is pleased to welcome Mr. Craig Robinson, Marketing Consultant with Kopp Financial Advisors (formerly President of Robinson Capital Management), to the December 2 Performance Improvement Network (PIN) discussion. Craig will share evidence of the effect of quality on organizations' bottom line – evidence that could help build a case for action within your organization.

Craig's father, Jack Robinson, pioneered the concept of looking at "Quality" factors to assess a company's system of management in the 1970s when he became aware of "Total Quality Management." This idea of quality as a significant factor in the market, in development for over 25 years, matured in the late 1990s with the advent of the Q-100<sup>®</sup>. The national standards of a commitment to quality are definable, and some believe the results are quantifiable.

In 1998, Mark Billeadeau and Craig developed a proprietary scoring methodology that analyzes the effect of quality. Using this methodology, the companies represented in the S&P 500 are graded based on their success of attaining quality goals and achieving national recognition. The Q-100<sup>®</sup> is then created by taking the 100 highest scoring companies relative to their peers, chosen from a cross section of economic sectors represented in the S&P 500. This process leads to a distinctive, enhanced way of investing in large-cap stocks, and also represents a body of knowledge that demonstrates the potential value-add of systematic quality within organizations.

Come hear Craig Robinson outline the Q-100 – its history, construction, scoring methodology, and results of the Q-100<sup>®</sup> list. Craig's talk will summarize the quantifiable benefits of a systematic approach to quality and process improvement.

The discussion is from 8:00-9:00 a.m. on December 2 (networking and continental breakfast begin at 7:30 a.m.) at the University of St. Thomas in downtown Minneapolis, Murphy Hall Room 203. Admission is FREE for Council members; \$10 for partner organizations; \$20 for the public. For more information or to register, visit [www.councilforquality.org/perform](http://www.councilforquality.org/perform) or email [brian.lassiter@councilforquality.org](mailto:brian.lassiter@councilforquality.org).

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6. Award Winning, Innovative Approach for State Employee Health Benefits -- MSLF  
11/23 Discussion

The Minnesota Strategic Leadership Forum (MSLF), a partner of the Minnesota Council for Quality, is pleased to announce their November 23 discussion "Award Winning, Innovative Approach for State Employee Health Benefits." The discussion will be facilitated by David Haugen, Health Policy Analyst at the Minnesota Department of Employee Relations.

In 2002, the State of Minnesota implemented a new cost-tiered employee health benefits program known as Advantage. The program serves nearly 48,000 state employees and their dependents -- more than 120,000 total lives. Advantage was recognized in 2004 by the Council of State Governments as an “innovation in state government,” and was profiled in a recent report to the US Congress as an example of a possible health care purchasing strategy for Medicare. Learn more about this innovative program and how it works. You will also have an opportunity to learn about statewide efforts to coordinate and improve all state government health care purchasing through the efforts of Governor Pawlenty’s “Health Cabinet.”

David K. Haugen has over eighteen years professional experience in health care and health insurance policy, planning, and purchasing. He currently serves as a health policy advisor and coordinator to the Minnesota Department of Employee Relations (DOER), where he is staffing Governor Pawlenty’s Health Cabinet, chaired by the DOER Commissioner, Cal Ludeman. Prior to assuming his current position, Mr. Haugen was with the Labor Relations Division at DOER and responsible for strategic planning, legislative activities, and labor negotiations planning on health care and benefits issues for state employees. Mr. Haugen has also served as assistant commissioner for Employee Insurance and as manager of the Public Employees Insurance Program (PEIP) at DOER. Prior to joining DOER, Mr. Haugen served as acting director and in staff positions to the Minnesota Health Care Commission, and as a policy analyst at the Center for Policy Studies in Minneapolis, MN. Mr. Haugen has an MA degree in public policy from the Hubert H. Humphrey Institute of Public Affairs.

The discussion will be held Tuesday, November 23. Registration, networking, and breakfast is at 7:00 AM; the program is from 7:45-9:00 AM. The meeting is at the Metropolitan Ballroom & Clubroom, 5418 Wayzata Blvd, Golden Valley. Cost is \$35 to the public or \$25 for members of Council (free for MSLF Premium members). For more information or to register, visit <http://www.slf-minnesota.org/calendar.htm>.

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7. Gender, Power, and Leadership -- MNODN 12/7 Discussion

The Minnesota OD Network, a partner of the Minnesota Council for Quality, is pleased to announce their December 7 meeting “Gender, Power, and Leadership.” The discussion will be facilitated by Kathy Curran, Sue Punch, Jan Smith, and Al VanArsdal and will be a stimulating reflection on recent incidents in each of their consultancies, clients, and client cultures. The four presenters will each bring into the room one of their favorite models that helps them understand issues regarding power and leadership and the gender implications. Small groups of same-sex participants will discuss their current situations around the model of their choice. The groups will then dialogue with same-sex groups to mine the learning and observations using all the models. The session will then use a fishbowl method to listen deeply to the struggles, insights, and comments of the opposite sex as they converse about personal and system learning about power, leadership and male and female energy and style.

In this session participants will: learn several Power and Leadership Models they can use with clients; examine current power and leadership situations occurring in their practice and client system; hear stories of other consultants' successes and struggles, and their insight about the dynamics of gender, power and leadership in facilitating organization change; experience the fishbowl method of dialogue and discuss using it in exploration of a difference that makes a difference; and learn some dialogue guidelines that encourage deep listening.

The discussion will be held Tuesday, December 7, from 3:00-5:30 at the University of St. Thomas, Minneapolis Campus, Opus Hall Room 201. Cost is \$20 for the public; \$10 for MNODN or Council members. For more information, visit <http://www.mnodn.org> or contact Al VanArsdal at 952 210-7676 or [vanarscon@aol.com](mailto:vanarscon@aol.com).

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8. Using the Balanced Scorecard in Government/Non-Profits -- RAQC Session 12/7

Please join the Rochester Area Quality Council (RAQC), a partner of the Minnesota Council for Quality, for their next monthly meeting on December 7 on the topic of "Using the Balanced Scorecard in Government/Non-Profits." David Kapler, Fire Chief in the Rochester Fire Department and Jeff Leland, Administrative Services manager for the Fire Department, will lead the discussion.

This session will provide an overview of the Rochester Fire Department and its implementation of the balanced scorecard. An overview of the department's quality initiative process, objectives, measurements, targets and initiatives will also be shared. Fundamental aspects of maintaining the balance between external and internal customers, finances, processes and our department members will also be discussed.

David Kapler has been in the fire service for over 30 years serving in various ranks/positions prior to being appointed to Fire Chief of Rochester in 1993. Chief Kapler holds a Master's Degree from California State University and has completed the Executive Fire Officer program through the National Fire Academy. Jeff Leland has been the Administrative Services Manager for the Rochester Fire Department for approximately four years. Jeff also served the Rochester community as a regional manager for the Gold Cross ambulance. Mr. Leland holds a Master's Degree from Concordia University and is currently enrolled in the Executive Fire Officer program through the National Fire Academy.

This breakfast meeting will be held at the University Center Rochester, Coffman Building, Room CF206-208. Registration and networking begins at 7:30 a.m., introduction of the speakers at 7:50 a.m. and conclusion of the program at 9:00 a.m. Cost is \$10 for members of RAQC or the MN Council for Quality and \$20 for non-members. For more information or to register online, visit [www.raqc.com](http://www.raqc.com) or call 507-285-7560.

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9. Strategic Sales Management Workshop -- 12/15-12/16

Are you tired of getting excuses not results? Of Crisis management? Of the job not getting done unless you do it yourself? Of your out-of-control daily schedule? Or surviving, not thriving?

Sales Growth Specialists, a member of the Minnesota Council for Quality, is sponsoring nationally recognized speaker, author, and trainer John Condry. John will join Sales Growth Specialists on December 15-16 for a Strategic Sales Management workshop, which includes two days filled with practical tools and processes to manage for success.

In this session, participants will learn how to: analyze and use your management style strengths to avoid success traps and break down communications walls; interview & hire winners; select, promote & terminate; motivate & delegate; use the language & process of personal evaluation interviews; plan & conduct effective meetings; and optimize the 5 levels of personal effort.

The session will be held at the Rolling Green Country Club, 400 Evergreen Road in Medina. The cost is \$1595; Council members are entitled to a \$500 discount. For more information or to register, please call Danita Bye at 612-267-3320.

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10. 3rd Annual Manufacturers' Marketplace -- PMA & MPMA Manufacturers Supplier Exposition 1/25/05

As a supplier or service organization, you will not find a more economical way to display your wares than the Third Annual Manufacturers' Marketplace. Sponsored by PMA and the MN Precision Manufacturing Association (a partner of the MN Council for Quality), this expo was designed for vendors Midwest Manufacturing industry. Over 500 customers are expected to be at this marketplace: you do not want to be absent! Who will attend? Shop foremen, manufacturing, industrial and quality engineers, inspection personnel, business owners and managers will all be in attendance (there is no cost to attendees, and complimentary hors d'oeuvres will be served).

The MPMA and the PMA join together to draw in the real decision makers. Plus, as an added attraction, Battle Bots and Super Mileage Displays will add to the excitement. A keynote speaker will be announced soon, adding to the attraction. Exhibitor space consists of display tables six feet in length with cloths and skirts. A maximum of two tables may be rented. Table reservation is only \$250 for members of either of the two sponsoring associations, \$500 for non-members, and \$350 for members of the Council who are not members of either PMA or MPMA. Reservations are on a first serve basis. All fees must be paid prior to the event.

The specifics...

Date: Tuesday, January 25, 2005

Location: Hennepin Technical College, Brooklyn Park Campus

Time: 3:00-7:00 p.m. Warm (and cash bar) hors d'oeuvres: 4:30-7:00 p.m.

For more information or to register, call MPMA at 763-566-5696 or email at [mpma@mpma.com](mailto:mpma@mpma.com).

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11. Century College Announces Fall Courses; Council Members Receive \$50 Discount

Century College, White Bear Lake, is pleased to announce their fall quality curriculum. Council members are entitled to a \$50 discount for the following courses:

- \* Certified Quality Improvement Associate (CQIA), 12/2/04 & 12/3/04
- \* Certified Quality Manager (CQM), 1/11/05 through 3/1/05
- \* Six Sigma - An Overview, 2/1/05
- \* Appreciative Inquiry, 2/14/05

Century College offers a comprehensive program of Quality training, certificate and certification courses to meet the needs of business and industry. Courses may be customized and delivered to your organization's work site.

For more information on the above courses or any of Century's offerings, please contact Nancy Hoglund at 651-747-4048 or [n.hoglund@century.edu](mailto:n.hoglund@century.edu).

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12. South Central Technical College Announces Fall Courses; Council Members Get 10% Discount

South Central Technical College, Faribault Campus, is pleased to announce their fall quality curriculum. Council members are entitled to a 10% discount for the following courses:

- 12/1-12/2: Introduction to Lean Manufacturing, \$390
- 12/8: Project Management, \$235
- 12/9-12/10: Introduction to Six Sigma, \$390.

For more information, please contact Laura Hardy at 507-332-5802 or at [laura.hardy@southcentral.edu](mailto:laura.hardy@southcentral.edu). You can also find more information on the Council's Clearinghouse at [www.councilforquality.org/improve\\_events.cfm](http://www.councilforquality.org/improve_events.cfm).

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