

Baldrige Award Winning Leadership and Employee Engagement

Kay Kendall and Glenn Bodinson

**KYCPE Conference
Friday, June 9, 2017**

Objectives

- Examine the concept of Workforce Engagement
- Learn from best practices of Baldrige and other Award winners
- Explore the relevancy of this topic to your own organization
- Gain insight from leaders' lessons learned along their journeys to performance excellence

"Whether you are seeking incremental improvement to your business or are ready to undertake the quality journey associated with achieving the Baldrige Award, this is an indispensable field guide."

—SCOTT McINTYRE, Managing Partner at PricewaterhouseCoopers Public Sector Practice

LEADING THE MALCOLM BALDRIGE WAY

How World-Class Leaders
Align Their Organizations to Deliver
Exceptional Results



**KAY KENDALL
GLENN BODINSON, FACHE**

Foreword by Rulon F. Stacey, PhD, FACHE,
Chair, Board of Overseers, Malcolm Baldrige National Quality Award

BALDRIGECOACH®

Background on Our Book

- Approached by McGraw-Hill publishing
- Interviewed more than 50 executives from 31 Award-winning organizations in all sectors
 - Health Care
 - Small Business
 - Manufacturing
 - Service
 - Very large to very small; union and non-union workforce
- Education
- Government
- Non-profit
- Conducted research in published literature

Approach Tailored to Leaders' Needs

- Background – Baldrige, Employee Engagement
- Using Data to Drive Engagement
- When You're Already a Pretty Good Organization
- Maintaining Momentum When Facing a Downturn
- The Challenges of Being a Very Large Organization
- The Challenges of Being a Very Small Organization
- Getting All of the Senior Leaders on Board
- Confronting a Culture of Entitlement
- Common Characteristics of Leaders
- Lessons Learned About the Journey

What Does “Workforce Engagement” Mean to You?

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Workforce Engagement Defined

- The extent of workforce members' emotional and intellectual commitment to accomplishing your organization's work, mission, and vision...
- ...In general, workforce members feel engaged when they find personal meaning and motivation in their work and receive interpersonal and workplace support. An engaged workforce benefits from trusting relationships, a safe and cooperative environment, good communication and information flow, empowerment, and accountability for performance.

What's Your Average Turnover?

- Which positions?
- What problems does this cause?

The High Cost of Turnover

- Recruiting, interviewing, hiring, and training costs
- Lag time to productivity
- Burnout and low morale of remaining employees
- Estimates:
 - Entry-level employees: between 30 – 50% of their annual salary
 - Mid-level employees: upward of 150% of their annual salary
 - High-level or highly specialized employee: 400% of their annual salary



The Current State of Workforce Engagement

- Depending on the study (and industry and type of workforce – union/non-union) highly engaged employees comprise only 24 to 30% of the workforce

But What If Those Disengaged Employees Stay?



The High(er) Costs of Disengaged Employees

- Organizations with a significant percent of disengaged workers have
 - 37% higher absenteeism
 - 49% more accidents
 - 60% more errors and defects
 - 18% lower productivity
 - 16% lower profitability
 - 37% lower job growth
 - 65% lower share price over time
- In health care, increased medication errors and other patient safety issues



What Causes Lack of Workforce Engagement?

- Lack of trust in senior leadership
- Inability to see how what they do contributes
- Lack of responsiveness to issues
- Lack of opportunity
- **What else?**

Best Practices from Award Recipients

- Recruiting, Hiring, and Retaining Employees
- Ensuring a Safe Operating Environment
- Fostering an Organizational Culture Characterized by Open Communication, High Performance, and an Engaged Workforce
- Leveraging the Drivers of Workforce Engagement

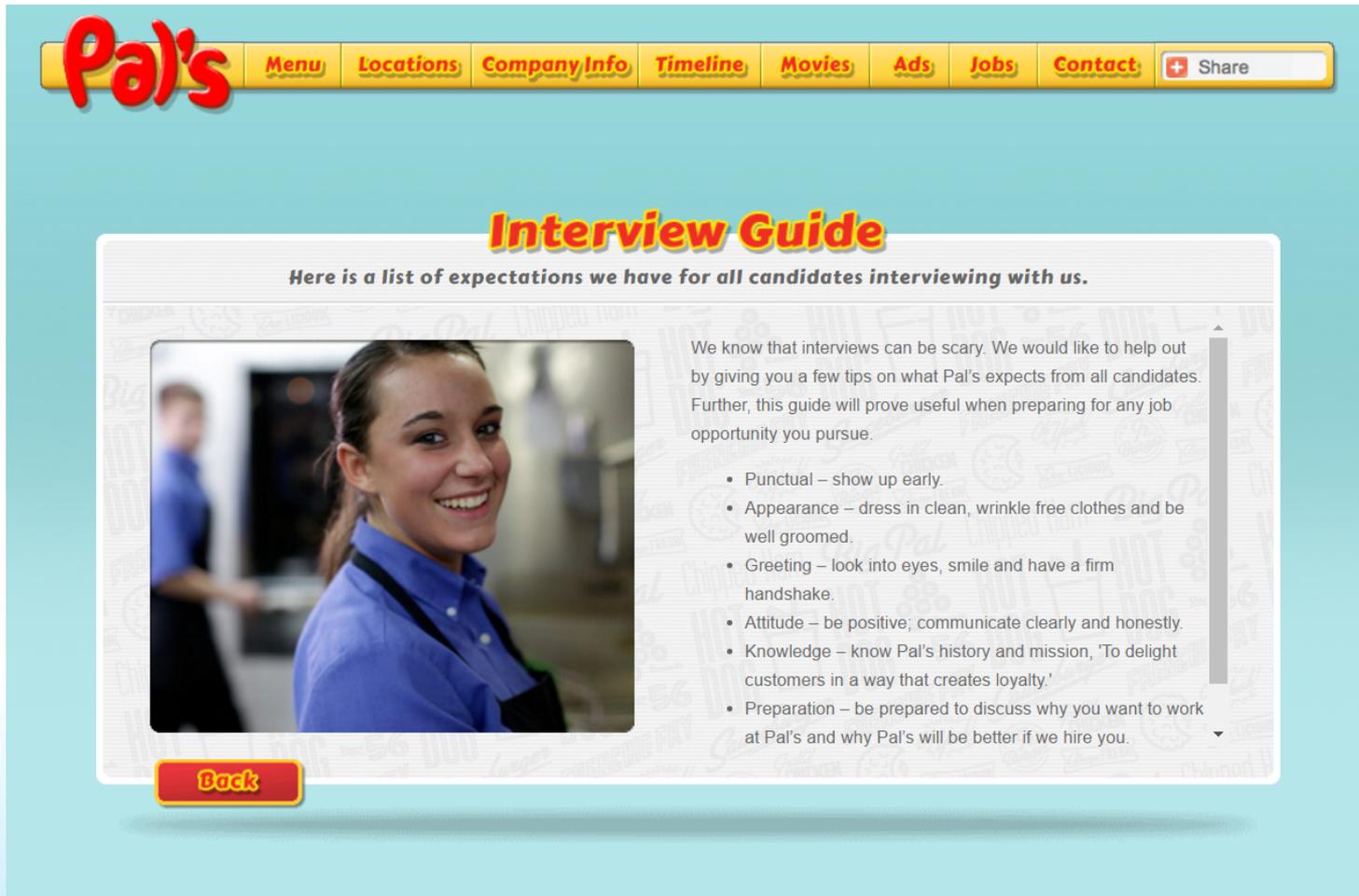
You Can't Fight High Turnover in Some Industries – Right?

- Fast Food and Casual Dining – often greater than 100% (sometimes as high as 200%)
- Health Care – Certified Nursing Assistants (CNAs) – average is ~25% but often much higher
- What other industries are known for high turnover?

Recruiting, Hiring, and Retaining New Workforce Members

- Pal's Sudden Service – the first restaurant company to win the Malcolm Baldrige Quality Award – in 2001
- Hire for attitude and train for skill using a 60-point psychometric survey
- New employees get 120 hours of training before they are allowed to work on their own
- Random quizzes to test for skill retention
- Leaders are serious about teaching

Example Interview Guide

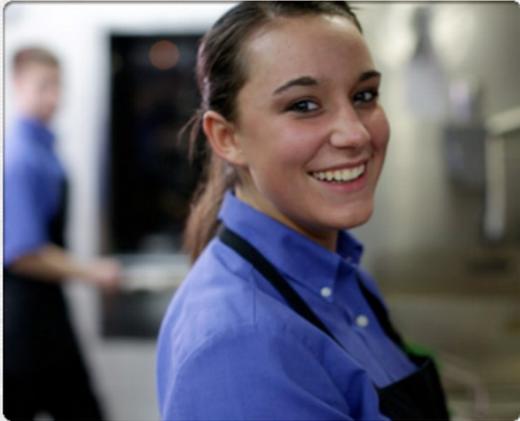


The screenshot shows the Pal's website interface. At the top, there is a navigation bar with the Pal's logo and buttons for Menu, Locations, Company Info, Timeline, Movies, Ads, Jobs, Contact, and a Share button. The main content area features a large heading "Interview Guide" in a stylized font. Below the heading is a sub-heading: "Here is a list of expectations we have for all candidates interviewing with us." To the left of the text is a photograph of a smiling female employee in a blue shirt and black apron. To the right is a scrollable text area containing an introductory paragraph and a bulleted list of expectations. A "Back" button is located at the bottom left of the content area.

Pal's Menu Locations Company Info Timeline Movies Ads Jobs Contact Share

Interview Guide

Here is a list of expectations we have for all candidates interviewing with us.



We know that interviews can be scary. We would like to help out by giving you a few tips on what Pal's expects from all candidates. Further, this guide will prove useful when preparing for any job opportunity you pursue.

- Punctual – show up early.
- Appearance – dress in clean, wrinkle free clothes and be well groomed.
- Greeting – look into eyes, smile and have a firm handshake.
- Attitude – be positive; communicate clearly and honestly.
- Knowledge – know Pal's history and mission, 'To delight customers in a way that creates loyalty.'
- Preparation – be prepared to discuss why you want to work at Pal's and why Pal's will be better if we hire you.

Back

Recruiting, Hiring, and Retaining New Workforce Members

- Using the Vision, Mission, and Values in the recruiting and hiring process
 - K&N Management
 - **Mission:** “To Guarantee Every Guest is Delighted Because of Me”
Vision: “To Become World Famous By Delighting One Guest at a Time”
Core Values: “Excellence | Quality | Integrity | Relationships”
 - <https://youtu.be/m6nPuWQ30y8>
 - https://www.youtube.com/watch?v=sW0W_FTMRV4



Careers

Why Work at K&N?

This Job is Serious Fun! +

Top 10 Reasons to Work Here -

1. Fun atmosphere. 2. Great pay. 3. Half-price meals. 4. Awards & recognition. 5. 85% paid health insurance. 6. Team member care program. 7. Growth opportunities. 8. Friendly people. 9. Learn life skills. 10. Flexible schedules

Our Community +

Tips for a Successful Interview +

Open Positions

Rudy's 183: BBQ Cashier

Rudy's 360: BBQ Cashier

Rudy's Round Rock: BBQ Cashier, Country Store Cashier

Rudy's 620: BBQ Cashier

Mighty Fine Arborwalk: Cashier

Mighty Fine Cedar Park: Cashier, Kitchen

Mighty Fine Round Rock: Cashier

Mighty Fine Sunset Valley: Cashier, Kitchen

Apply in English

Apply in Spanish

Recruiting, Hiring, and Retaining New Workforce Members

- Using the Vision, Mission, and Values in the recruiting and hiring process
 - Midway USA
 - <http://www.midwayusa.com/jobs-in-missouri>
 - Concrete values



Recruiting, Hiring, and Retaining New Workforce Members

Downloadable Culture Book at Elevations Credit Union



Why Work at Elevations?

From a culture that values career development, work-life balance and the communities we serve – just to name a few – Elevations will be the best place you've ever worked!



Culture of Excellence

We set a goal to win the Malcolm Baldrige Award, and we did it! In 2015 we humbly accepted the award for demonstrating performance excellence in our industry. Our team of high performers accomplished this together and is excited for the next challenge ahead!

Core Values

Elevations employees believe passion is a persistent and emotionally positive state of well-being, producing consistent and constructive work intentions and behaviors. Employees possess genuine enthusiasm, true excitement for the company purpose and discover how their individual passion supports it every day. Our leaders are insightful, connected, committed to excellence, honest and straightforward. The result is a persevering and creative spirit allowing diverse experiences and perspectives to come together through a shared vision and purposeful goal.



Ensuring a Safe Operating Environment

What is it like to work at PRO-TEC? Watch this video and see how our self-directed work teams empower PRO-TEC associates through a culture of ownership, responsibility and accountability.

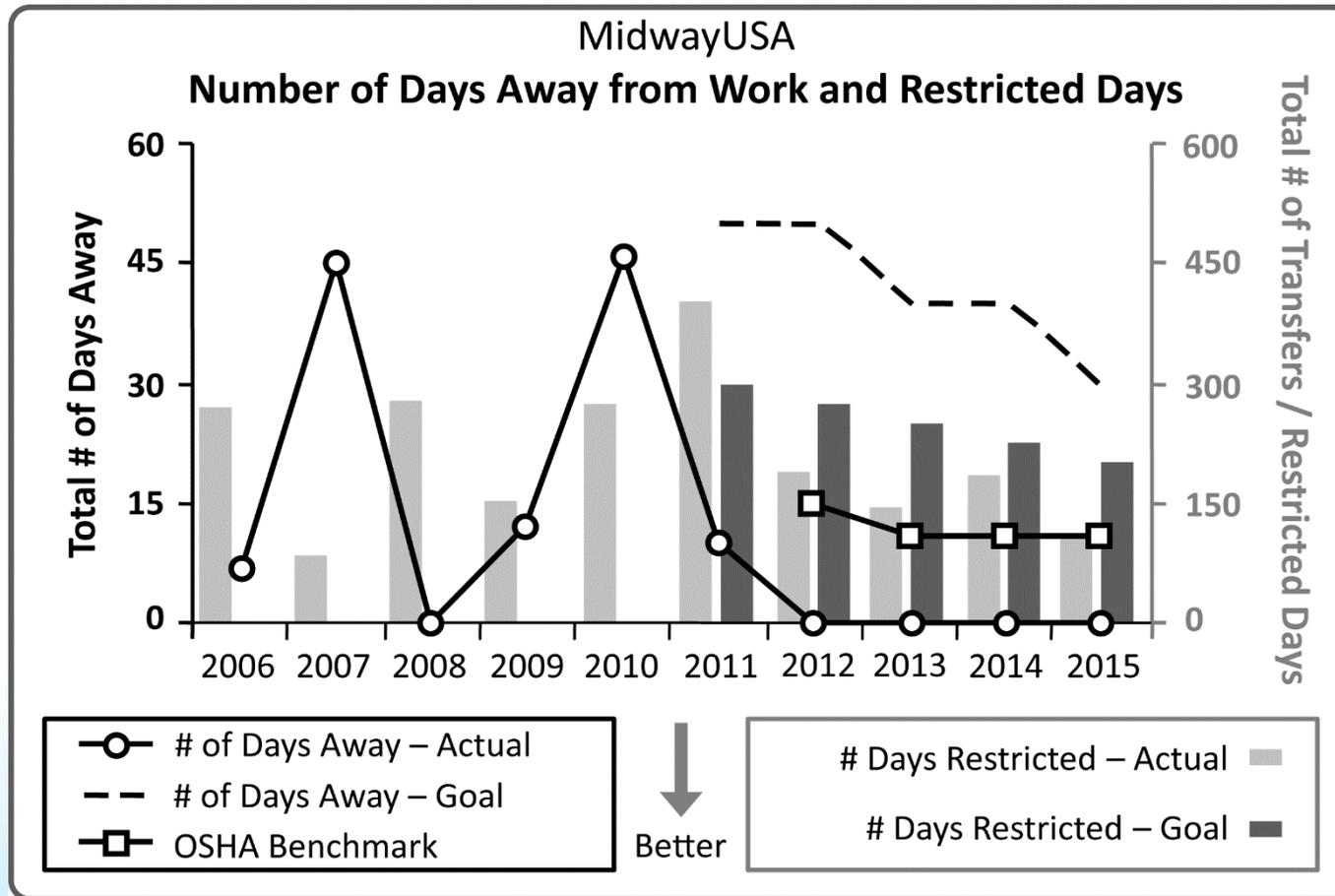
<http://www.proteccoating.com/associates-video/>



DRIVEN TO
INNOVATE.

DEDICATED
TO SAFETY.

Ensuring a Safe Operating Environment



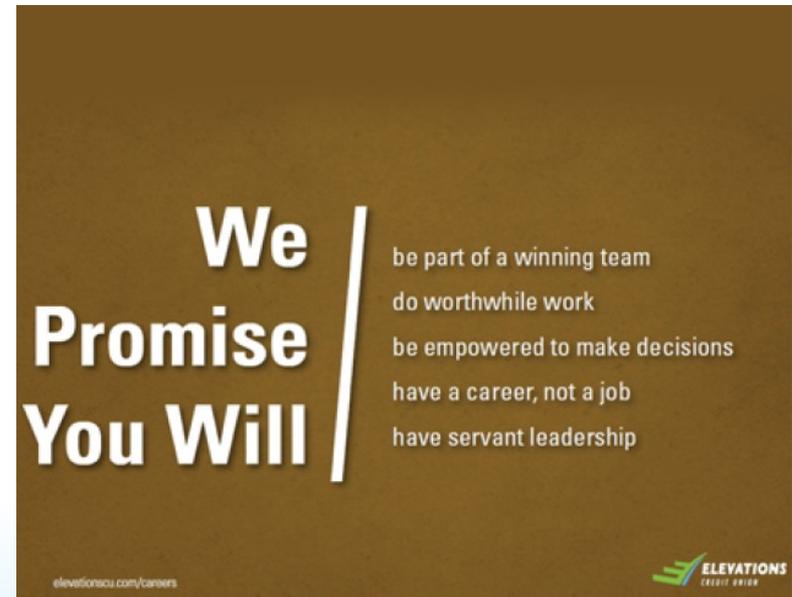
Fostering an Organizational Culture Characterized by Open Communication, High Performance, and an Engaged Workforce

- We never asked a question about culture
- Every leader we interviewed for this book talked about their organization's culture
 - They were intentional about the culture
 - It related explicitly to the vision and mission
 - It was shaped by the values
 - It led to engaged and empowered employees

More About Elevations Credit Union

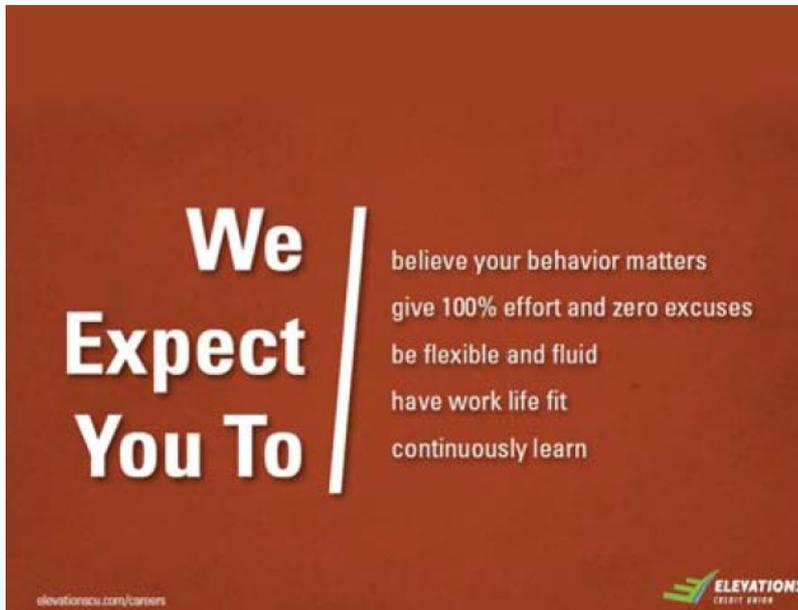
Fostering an Organizational Culture

- Elevations Credit Union



Fostering an Organizational Culture

- Elevations Credit Union (continued)



We
Expect
You To

believe your behavior matters
give 100% effort and zero excuses
be flexible and fluid
have work life fit
continuously learn

elevationacu.com/careers

ELEVATIONS
CREDIT UNION



#GREAT COLORADO ADVENTURE

We take our fun seriously

If Your Organization Had a Culture Book...

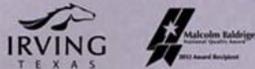
- What would it say – the reality?
- What would you want it to say – the desired state?

Open Communication

- City of Irving, Texas

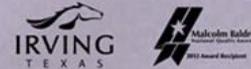
Face-to-Face Communication

- Town hall meetings
- Stand ups/Huddles
- Ride alongs
- Leader rounding
- Department meetings
- One-on-one meetings
- Employee groups



Print, email, online Communication

- Employee Newsletters
- Operations Report
- Weekly news email
- Intranet
- cityofirving.org
- Videos



High Performance

- Connecting every person to the strategic objectives (what is most important) of the organization
- Using data to communicate progress and identify issues
- Recognition for achieving goals
- Investment in training and development
- Focusing on the drivers of workforce engagement (more about that in a minute)

Engaged Workforce

- City of Irving, Texas



-- OR --



Front-line Staff Engaged in Improvement



The Importance of Employee Surveys

- Fact: Companies that survey employees at least every other year report about 50% of their employees as “Champions” versus only 29% for those who don’t regularly survey their employees or survey them at all.
- Informal methods of assessing workforce engagement
 - Attendance at voluntary meetings or events
 - Absenteeism
 - Accidents
 - Grievances

Leveraging the Drivers of Workforce Engagement

- Focus on what matters most – all workplace factors are not equal
- Validate the drivers through meetings with small groups of employees
- Develop action plans and make them visible to employees
- Increase trust in senior leaders

Which Best Practices Appeal to You?

- Why?



Leaders' Lessons Learned Along Their Journeys

- The value of being an examiner and having others in the organization become examiners
- The value of the state and regional Baldrige-based programs
- The importance of not taking a year “off”
- The importance of focusing on the journey and not the award
- The need to not do Baldrige “on the side”

What One or Two Actions...

- Will you take on Monday?
- The following week?
- Next month?

Questions? How can we help you?

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