

# Organizational Excellence Models – How to Fail

## A Dozen Reasons Your Organization Should Not do Excellence Models

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I often wonder why some organizations embrace excellence models and others struggle to accept them as a way of life. At meetings and conferences, I am asked a variety of questions – Are these for everyone? Can it really fit in business, health care, not for profit and even in education sectors? Aren't they complicated? Are there real examples of how and where they truly worked for organizations? Can I really implement something that is so systematic? Don't they cost a lot? These are usually apprehensions of people who want to be talked out of it.

These questions, and others, prompted me to put down some tongue-in-cheek thoughts about why excellence models fail and what these models require. If you intend to implement any excellence model, be it Baldrige, EFQM, Deming Prize, the Australian model, or any such equivalent, be warned.

**Reason #12** – No strong external and internal relationships. You have to build strong relationships with external suppliers, partners, stakeholders, as well as build internal relationships with your staff. Additionally, these models require an organization to develop performance metrics on how to measure and evaluate success with those relationships. *The danger is, such relationships may break down barriers, improve teamwork, set higher performance requirements, which could actually improve efficiency and effectiveness of operational processes. This could disrupt the status quo.*

**Reason #11** – Train without action. Organizations often embark on an excellence model by executing a Big Bang training plan to make all staff aware of the model. As Dr Joseph M Juran once said, "Training without action is always forgotten, training with action is always remembered". Start with the senior leaders, let them be the first few set of Examiners or Assessors. Staff at the grass root level doesn't need to understand what model you are using. They only need to know, implement and improve just that part of the model that impacts them. Aligned training might result in cost savings and targeted improvements. *But it could upset your training department if they enjoy deploying high impact, highly branded, costly training programs.*

**Reason #10** – Disregard free consulting advice. If you use any excellence model and undergo an assessment or examination of your organization, you will receive a feedback report that is the most inexpensive consulting assistance designed to improve your organization. Trained professional examiners or assessors will provide your organization with ways to improve and maximize resources. *But we wouldn't want a detailed feedback report from strangers highlighting where you can focus your efforts, especially when some of them don't even understand your industry.*

**Reason #9** – Think we are doing as best as we can. If you use an excellence model, you will receive weird looks from other organizations and from insiders who don't understand why the status quo isn't adequate. Your organization will work toward world class performance and outperform your competition. *But then, you actually have to improve your organization. Frankly, it can be much easier to run an organization based on experience and gut feel of your managers. After all, that's why you*

*hired them in the first place.*

**Reason #8** – Confuse activity with results. When you receive your assessment feedback report, two things could happen:

1. Your organization might treat it like an audit report and pick up ‘non-conformities’ for ‘closure’
2. Organizations typically look to address all Opportunities For Improvement at one go and in fact, ignore the Strengths. Am reminded of good old Dr Juran’s quote again, “You cannot eat an elephant in one bite, but you can... if you eat it one bite at a time”.

Excellence models encourage prioritization and intelligent use of resources. Money, time, energy, and talent can be better focused on what is important. Such alignment can cause an organization to actually increase capacity and use fewer resources. *But all this might create capacity for our staff. Reduction of unnecessary hiring could cause turmoil in your Human Resources department.*

**Reason #7** – Don’t communicate with staff. If you use an excellence model, senior leadership and management will have to improve communication throughout the organization. This may mean meetings with frontline employees (management by walking around) to better understand business issues and how it can be improved, it could mean team huddles, webcasts, town-hall meetings. Leaders and employees will have to be honest and open about what they can, and more importantly, cannot do. *But many leaders may be uncomfortable mingling with staff. They may prefer to just tell them what to do and see what happens.*

**Reason #6** – Misunderstand and misuse tools. Excellence models do not replace tools and techniques such as Lean, Six Sigma, Problem Solving, Kaizen, PDCA etc. On the contrary, these tools are needed to drive breakthrough improvements, reduce costs and improve customer satisfaction. But be careful. *Employees involved in these improvements may become more engaged and outspoken about what processes aren’t working. It’s a slippery slope from employee involvement to empowerment and on to an employee driven organization.*

**Reason #5** – No action planning. Using an excellence model requires planning. You may be required to develop short and long-term goals that have to be deployed across the organization. Something could happen and plans might change. You will be thinking about whether your organization is agile enough to respond to changes. This may force you to develop alternative plans. Then you will want to tell everyone in the organization about your plans so they can help you execute them. *So when will you actually do real work, if you have to plan so much?*

**Reason #4** – No benchmarking and best practice sharing. You will want to understand your competitors and how your performance compares with theirs. You will start analyzing your industry and market. This will need you to discover world class organizations that you may want to benchmark with. All this will give you insight into aspects of your business you hadn’t thought of. Then you will be thinking about how this knowledge can create a sustainable organization. *See how, once you get started, one thing leads to another and soon you are out of your comfort zone.*

**Reason #3** – No organizational alignment. Excellence models will require daily work to be based on a strategic plan. The organization’s Work Systems will need to align with the Strategic Plan. Work will have to be evaluated continuously. Customers/patients will have to be consulted to understand how well you are doing to address their needs and expectations. The model targets work, people, and projects. *But all this seems like getting too many people to be aligned, all this seems like it’s a slow process.*

**Reason #2** – No accountability. There's too much accountability and responsibility up and down the organization. You are paid the same whether you effectively apply these world class excellence models or not. You are already tired when you leave work and you don't need a rigid set of priorities linked to your performance appraisal. *All anyone wants is to keep your head down, avoid any extra work and hope for the best.*

**Finally, the number one reason organizations fail to achieve success with an excellence model.**

**Reason #1** – Delegate too much. This might sound cliché but the hard reality is, CEOs often delegate implementation of such things to a 'Quality department' and expect them to wave a magic wand to transform the business. The CEO may be there for an announcement or introductory training. They may say all the right things, and then tell their Quality department to make it happen. This trite approach can ensure failure. There is a reason why 'Leadership' is one of the first categories in all excellence models. This has to be driven by the senior leader, not just in speeches, but in continuous action, visibility and support. *Mr CEO, don't even think about implementing an excellence model unless you will unwaveringly lead the charge from the front.*

All kidding aside, let me get back to the questions I started with which represent concern about starting this journey. I have worked with excellence models for over twenty years. I can say without any doubt in my mind that excellence models work and can deliver dramatic results. They represent structure and discipline. But they only work if the organization is serious about improvement demonstrates belief, grit and determination. If the organization is not serious it will only deliver frustration and agony!

In the words of Dr Juran, "Look after the process, and the product will look after itself"!