Sterling Overview

Introduction to the 2017-2018 Sterling Criteria

Objectives

• Explain some key elements of each of the seven Sterling/Baldrige Criteria categories and how these questions can guide your organization’s management and operations

• Understand how the adoption and implementation of the criteria can make your organization better and a better place to work
Background

• National – Baldrige – 29
• State – Florida Sterling Council – 25
• Research-based, evidence and results driven
• Continuously improved
• Communication tool

What can the Sterling Framework do for you?

• Jump start change initiatives
• Energize improvement initiatives
• Enable a focus on common goals
• Assess performance against the competition
• Align resources with strategic objectives
Sterling / Baldrige Core Values

- Systems Perspective
- Visionary Leadership
- Customer-Focused Excellence
- Valuing People
- Organizational Learning and Agility
- Focus on Success
- Managing for Innovation
- Management by Fact
- Societal Responsibility
- Ethics and Transparency
- Delivering Value and Results

Big Picture Concerns

- Higher customer expectations
- Reduced income/funding sources in a challenging economy
- Competition
- Changing workforce
  
  *What else do leaders worry about?*
2016 CEO Challenges

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<th>Rank</th>
<th>Challenge</th>
<th>2015 Rank</th>
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<td>Human Capital - Hot Buttons: Failure to attract &amp; retain talent and Developing Next Gen Leaders</td>
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<td>Operational Excellence</td>
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<td>Global Expansion</td>
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<td>Trust in Business</td>
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Source: The Conference Board’s 2016 CEO Challenge Report & Florida Sterling Executive Roundtable

Sterling Management Framework
Results Focus

Who & What?

ORGANIZATIONAL PROFILE

Key Factors for Success

How?

CRITERIA

In-Process Measures

Outcome Measures

Evaluate, Learn, Improve, Share

Sample Results

2017 Sterling Award Recipients

Florida Department of Health in Bay County

• Percent of two year old children immunized has increased 21 percentage points from 74% in CY 2013 to 95% in CY 2015

• Cost per client served family planning at $221 exceeded the target of $350 and its three peer counties with rates at $429, $296, and $257 respectively

Florida Department of Health in Miami-Dade County

• Percent of two year old children immunized has remained at 95% each of the past five years.

• 97.2% tuberculosis patients who complete therapy within 365 days exceeds the national target of 90%.
Sample Results
2017 Sterling Award Recipients

Orange County Public Schools Operations Division

- Expenses below budget by $10,504,518 in 2012 and stayed consistently below budget for the five year period ending in 2016 with $12,087,644 below.
- Savings realized in commodity purchases in 2016 was $10,165,987 which is a 265% increase over the 2015 savings.
- Bus daily average ride time was reduced from 43 minutes one-way in 2012 to 28.6 minutes in 2016, exceeding the target of 45 minutes which was based on the Florida Association for Student Transport benchmark.

Sample Results
2017 Sterling Award Recipients

Florida Department of Health in St. Johns County

- Overall customer satisfaction improved from 94% in 2013 to 99% in 2016 with dental, vitals, & adult at 100% & WIC at 99%.
- Percent of HIV clients with risk factors screening shows sustained high performance at 100% for the past three years.
- Preparedness score show sustained high performance from 4.96 in 2012 to 5.0 in 2016.
Baldrige Results: Large Companies

• More than $7.5 million annual cost savings from implementing innovative ideas
• 99.9% combined quality/reliability ratings by nontraditional customers for 3 years
• More than 2.5 billion in savings for partner hospitals through cooperative purchasing & other services over 3 years

Baldrige Results: Small Companies

• 93% increase in sales over 6 years
• 300% increase in net income as a percentage of sales over 5 years
• 40% improvement in product return rate over 6 years
• 12% - 16% annual revenue growth for the past 4 years despite minimal growth in the engineering industry
Organizational Profile

- Organizational environment
- Organizational relationships
- Competitive environment
- Strategic context
- Performance improvement system

*Core competencies, groups, segments, differences, growth, competitors, innovation, comparative data sources*

Defining What’s Important

1. Considering the Big Picture, what are the 5 to 7 most important things you must do well to be successful?
   
   #1 – Provide high quality products / services to customers

2. What are the top two challenges that you face as an organization?
Category 1 – Leadership

*Guiding and Sustaining*

1.1 Senior Leadership

1.2 Governance and Societal Responsibilities

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**Leadership Reflection – 5 minutes**

1. What do senior leaders and / or the leadership team do well? How do you know?

2. Share great actions with large group.
Category 2 – Strategy

Preparing for the Future

2.1 Strategy Development
2.2 Strategy Implementation

Alignment of Plans, Metrics, Activities
Strategy Reflection - 5 minutes

1. How do your strategic objectives / goals address your key challenges?
2. How do you develop action plans, execute them, and review progress?
3. Which objective / goal is most important?

Category 3 – Customers

**Why We Exist**

3.1 Voice of the Customer
3.2 Customer Engagement
Customers Reflection – 5 minutes

1. What are your key customer segments that may have varied requirements or results?
2. How do you listen and learn from them?

Category 4 – Measurement, Analysis, and Knowledge Management

*Measures & Knowledge*

4.1 Measurement, Analysis, and Improvement of Organizational Performance

4.2 Information and Knowledge Management
Measurement, Analysis, and Knowledge Management Reflection – 5 minutes

Large Group Ideas

• How does your organization:
  ° Manage by fact?
  ° Share vital performance data with the workforce?
  ° Rapidly identify and share best practices?

Category 5 – Workforce

*The People…your Human Capital*

5.1 Workforce Environment
5.2 Workforce Engagement
Workforce Reflection – 5 minutes

1. What does your organization do best in the workforce areas we have talked about?
2. How do you know?

Category 6 – Operations Focus

*Getting It Done... The Work*

6.1 Work Processes
6.2 Operational Effectiveness
Operations Reflection – 5 minutes

1. Which product, program, or service operates the most effectively and efficiently and delivers the highest value to customers? How do you know?

2. Which support process operates the most effectively and efficiently? How do you know?

Category 7 – Results
How We Did

7.1 Product/Service and Process Results
7.2 Customer Results
7.3 Workforce Results
7.4 Leadership and Governance Results
7.5 Financial and Market Results
Results - Overall

- Levels, trends
- Comparisons to similar organizations
- Comparisons to best-in-class and benchmark results
- Segmented results by offerings, customer groups, market segments, process types and locations, employee groups, etc.

Sterling Path to Excellence

- Sterling Explorer
- Sterling Challenge
- Sterling Collaborative
- Governor’s Sterling Award
- Sterling Sustained Excellence Award

MANAGEMENT ASSESSMENTS
Become a Sterling Examiner

UNLOCK Your
POTENTIAL
Through Leadership, Teamwork & Innovation

Takeaway & Learning

• Takeaway tool
  ° Checklist for Getting Started
  ° Sample Organizational Profile and Short Profile template
  ° Are We Making Progress?
• What did you learn?
• How can you apply the learning?
• What will you do next?
Next Steps

- Take time to celebrate the great things (strengths) you identified today.
- Share any ideas captured from discussions today with the appropriate people in your organization.
- Form a team to answer the questions in the Organizational Profile.

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