



Orientation on the PQA Criteria

DTI-Competitiveness Bureau
05 March 2020

Performance Excellence

Is an integrated approach to organizational performance management resulting in the:



Delivery of increasing value to customers & stakeholders, and organizational sustainability



Improvement of organizational effectiveness



Organizational and personal learning

Linking Baldrige/PQA to the Family of International Certifications

QESH = Quality, Environment, Safety & Health

- ISO 9001 with ISO 31000 guidance only (Quality Management System with Risk Management)
- ISO 14001 (Environmental Management System)
- OHSAS 18001 (being replaced by ISO 45001)

Information Systems

- ISO 27001 with ISO 22301 (Information Security with Business Continuity)

Workforce

- Investors in People (People Management)
- OSHAS 18001 (Occupational Health and Safety)

Social Responsibility

- SA 8000 (Social Accountability)
- ISO 26000 guidance only (Social Responsibility)

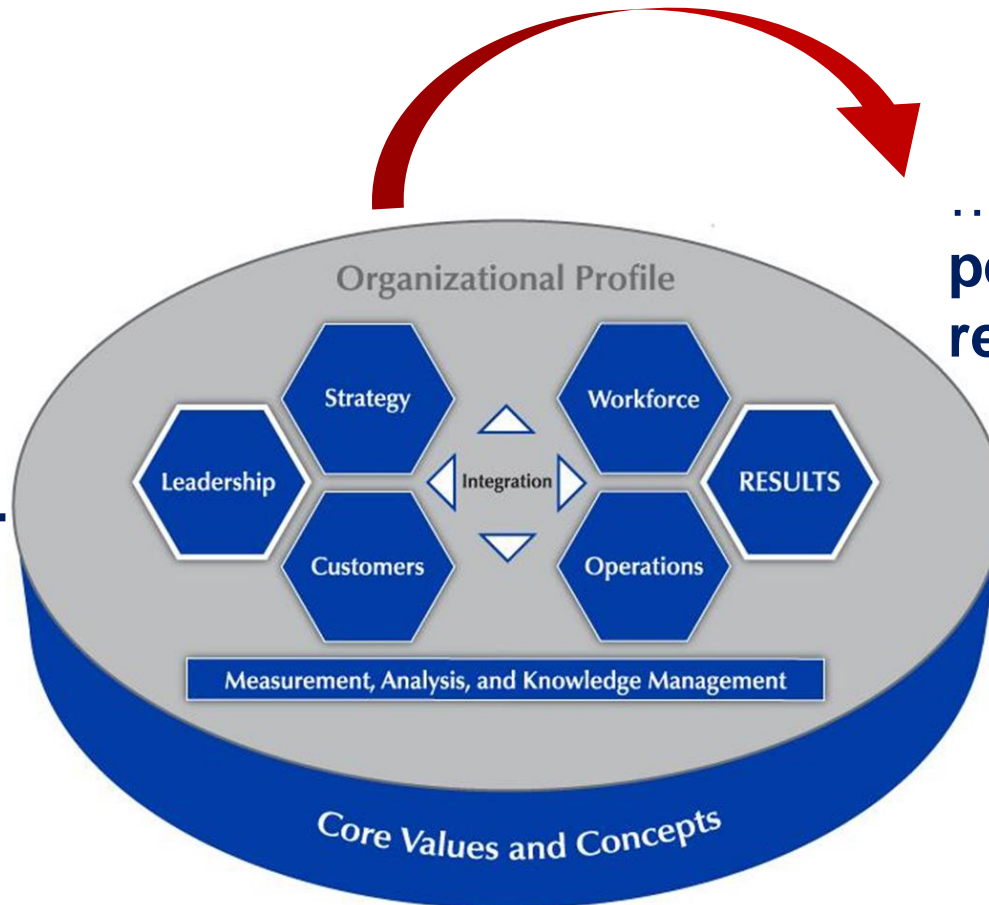
Education and Training

- ISO 10015 (Competence Management and People Development)
- ISO 21001 (Educational Organizations) (**New**)
- ISO 9001 IWA 2 guidance only (Application of ISO 9001 in Education Sector)



Performance Excellence Model

embedded in
**systematic
processes...**



...yielding
**performance
results.**

**BUILT on a set of
core values and concepts...**

Core Values & Concepts





Workshop: Self-Assessment on Core Values

DTI-Competitiveness Bureau
05 March 2020

THE PQA CRITERIA FOR PERFORMANCE EXCELLENCE

- Operationally define performance excellence
- Organizational Profile and seven categories
 - an Integrated Management System framework
- Used by diverse organizations in all sectors of the economy
- Used to identify award recipients
- Updated every five years

Organizational Profile

Starting point for self-assessment and application preparation

Basis for early action planning

P.1 Organizational Description

- a. Organizational Environment
- b. Organizational Relationships

P.2 Organizational Situation

- a. Competitive Environment
- b. Strategic Context
- c. PERFORMANCE Improvement System



Organizational Profile

P.1 Organizational Description

a. Organizational Environment

Product Offerings

Mission, Vision and Values

Workforce Profile

Assets

Regulatory Requirements

b. Organizational Relationships

Organizational Structure

Customers and Stakeholders

Suppliers and Partners

Organizational Profile

P.2 Organizational Situation



a. Organizational Situation

- Competitive Position
- Competitive Changes
- Comparative Data

b. Strategic Context

- Strategic Advantages
- Strategic Challenges

c. Performance Improvement System



Organizational Profile

Definition of Terms

Core Competencies

- The organization's areas of greatest expertise; the strategically important capabilities—**internal to the organization**—that are central to fulfilling the mission or that provide a strategic advantage

Strategic Advantages and Challenges

- Benefits or pressures that exert a decisive influence on the organization's likelihood of future success. This can be from internal or external sources.

1. Leadership (120 points)

Senior leaders' actions, organizational governance, and societal responsibilities

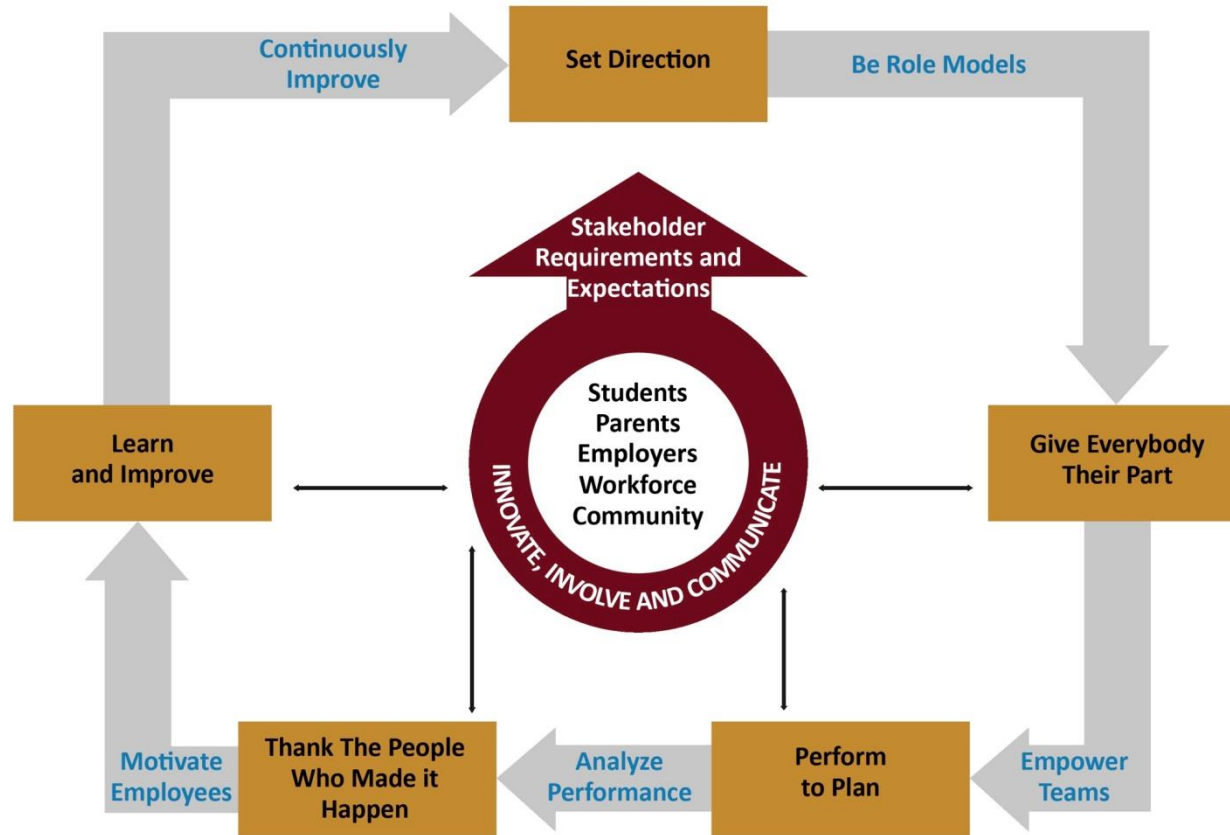
1.1 Senior Leadership (70 pts.)

- a. VISION, VALUES, and MISSION
- b. Communication and Organizational PERFORMANCE

1.2 Governance and Societal Responsibilities (50 pts.)

- a. Organizational GOVERNANCE
- b. Legal and ETHICAL BEHAVIOR
- c. Societal Responsibilities

Leadership System



The way leadership is exercised, formally and informally, throughout the organization; the basis for key decisions and the way they are made, communicated, and carried out.

1.1 Senior Leadership



Basic Requirement:

Senior leaders lead the organization.

Overall Requirements:

- ① Senior leaders set the organization's vision and values.
- ② Senior leaders' actions demonstrate their commitment to legal and ethical behavior.
- ③ Senior leaders' actions build an organization that is successful now and in the future.
- ④ Senior leaders communicate with and engage the entire workforce and key customers.
- ⑤ Senior leaders create a focus on action that will achieve the organization's mission.

1.2 Governance and Societal Responsibilities



Basic Requirement

Govern the organization and fulfill its societal responsibilities.

Overall Requirements

- ① Ensure responsible governance.
- ② Evaluate the performance of senior leaders, including the chief executive, and the governance board.
- ③ Anticipate and address public concerns with products and operations.
- ④ Promote and ensure ethical behavior in all interactions.
- ⑤ Consider societal well-being and benefit as part of the organization's strategy and daily operations.
- ⑥ Actively support and strengthen the organization's key communities.

Leadership and Governance Results



7.4a Leadership, Governance, and Societal Responsibility Results

Basic Requirement

Provide data and information on leadership, governance, and societal responsibility.

Overall Requirements

Good levels, beneficial trends, and some favorable comparisons (good relative performance) of results in the following:

- ① Senior leaders' communication and engagement with the workforce and customers
- ② Governance accountability
- ③ Law and regulation
- ④ Ethical behavior
- ⑤ Societal responsibilities and support of key communities

2. Strategy (85 points)

Strategic and action planning and implementation of plans

2.1 Strategy Development (45 pts.)

- a. Strategy Development PROCESS
- b. STRATEGIC OBJECTIVES

2.2 Strategy Implementation (40 pts.)

- a. ACTION PLAN Development and DEPLOYMENT
- b. ACTION PLAN Modification



Strategy

Theoretical Foundations

Strategy is the determination of the basic long-term goals of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals.

– Alfred D. Chandler (1962)

Strategy has three components:

Diagnosis that defines or explains the nature of the challenge

Guiding policy for dealing with the challenge

Coherent actions designed to carry out the guiding policy.

– Richard P. Rumelt (2011)

2.1 Strategy Development



Basic Requirement

Develop the organization's strategy.

Overall Requirements

- ① Conduct strategic planning.
- ② The strategy development process stimulates and incorporates innovation.
- ③ Collect and analyze relevant data and develop information for the strategic planning process.
- ④ Describe key work systems.
- ⑤ Describe the organization's key strategic objectives and timetable for achieving them.
- ⑥ The strategic objectives achieve balance among varying and potentially competing organizational needs.

2.2 Strategy Implementation



Basic Requirement

Implement the organization's strategy.

Overall Requirements

- ① Describe the key short- and longer-term action plans.
- ② Deploy action plans.
- ③ Ensure that financial and other resources are available to support the achievement of the organization's action plans while it meets current obligations.
- ④ Describe key workforce plans to support short- and longer-term strategic objectives and action plans.
- ⑤ Describe key performance measures or indicators the organization uses to track the achievement and effectiveness of its action plans.
- ⑥ For the above key performance measures or indicators, describe the organization's performance projections for its short- and longer-term planning horizons.
- ⑦ Establish and implement modified action plans if circumstances require a shift in plans and rapid execution of new plans.

Strategy-Related Results



Basic Requirement

Provide data and information on strategy implementation, financial performance and marketplace performance.

Overall Requirements

Good levels, beneficial trends, and some favorable comparisons (good relative performance) of results for the following:

- ① Achievement of the organization's strategy and action plans [7.4b]
- ② Financial performance [7.5a(1)]
- ③ Marketplace performance [7.5a(2)]

3. Customers (85 points)

Listening to the voice of the customer and engaging customers

3.1 Voice of the Customer (40 pts.)

- a. CUSTOMER Listening
- b. Determination of CUSTOMER Satisfaction and ENGAGEMENT

3.2 Customer Engagement (45 pts.)

- a. Product Offerings and CUSTOMER Support
- b. CUSTOMER Relationships

Customer

An actual or potential user of the organization's products, programs, or services

End users of the organization's products, programs, or services

Immediate purchasers or users

- Distributors

- Agents

- Entities that process the organization's product, program, or service as a component of theirs



3.1 Voice of the Customer



Basic Requirement

Obtain information from the organization's customers.

Overall Requirements

- ① Listen to, interact with, and observe customers to obtain actionable information.
- ② Listen to potential customers to obtain actionable information.
- ③ Determine customer satisfaction, dissatisfaction, and engagement.
- ④ Obtain information on customers' satisfaction with the organization relative to other organizations.

3.2 Customer Engagement



Basic Requirement

Engage customers by serving their needs and building relationships.

Overall Requirements

- ① Determine product offerings.
- ② Enable customers to seek information and support.
- ③ Determine customer groups and market segments.
- ④ Build and manage customer relationships.
- ⑤ Manage customer complaints.

Customer-Related Results Items



7.1a(1) Customer-Focused Product and Service Results

Basic Requirement

Provide data and information on product performance results.

Overall Requirement

Good levels, beneficial trends, and some favorable comparisons (good relative performance) in the results for the organization's products and its customer service processes.

Customer-Related Results Items



7.2 Customer-Focused Results

Basic Requirement

Provide data and information on customer-focused performance results.

Overall Requirements

- ① Good levels, beneficial trends, and some favorable comparisons (good relative performance) in the organization's customer satisfaction and dissatisfaction results
- ② Good levels, beneficial trends, and some favorable comparisons (good relative performance) in the organization's customer engagement results

4. Measurement, Analysis, and Knowledge Management (90 points)

Analysis, review, and improvement of organizational performance and information and knowledge management

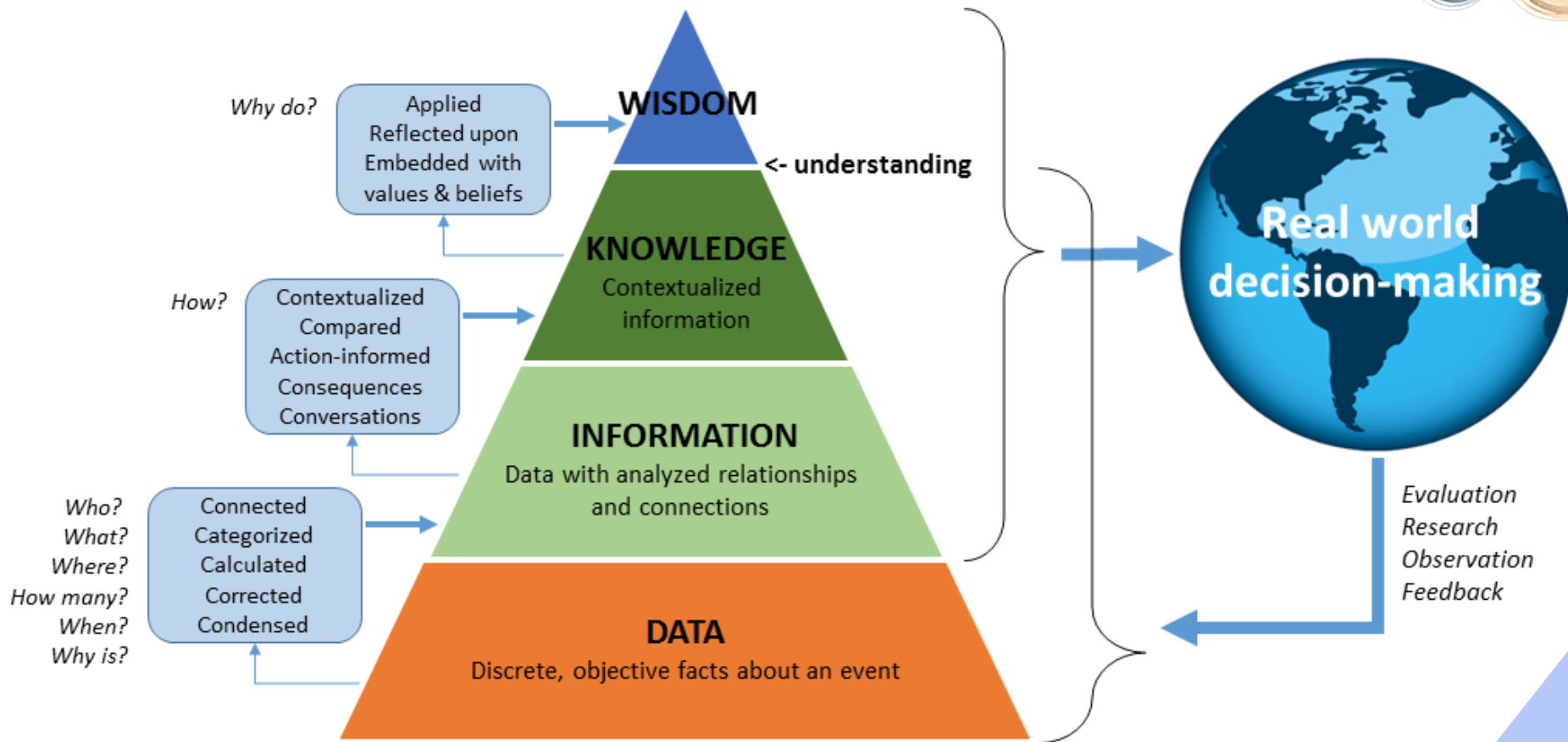
4.1 Measurement, Analysis, and Improvement of Organizational Performance

- a. PERFORMANCE Measurement
- b. PERFORMANCE ANALYSIS and Review
- c. PERFORMANCE Improvement

4.2 Information and Knowledge Management

- a. Organizational Knowledge
- b. Data, Information, and Information Technology

Data, Information, Knowledge Theoretical Foundations



4.1 Measurement, Analysis, and Improvement of Organizational Performance



Basic Requirement

Measure, analyze, and improve organizational performance.

Overall Requirements

- ① Use data and information to track daily operations and overall organizational performance.
- ② Select and effectively use comparative data and information.
- ③ Use voice-of-the-customer and market data and information.
- ④ Ensure that the performance measurement system can respond to rapid or unexpected organizational or external changes?
- ⑤ Review the organization's performance and capabilities.
- ⑥ Share best practices in the organization.
- ⑦ Project the organization's future performance.
- ⑧ Use findings from performance reviews (addressed in 4.1b) to develop priorities for continuous improvement and opportunities for innovation.

4.2 Knowledge Management, Information, and Information Technology



Basic Requirement

Manage organizational knowledge assets, information, and information technology infrastructure.

Overall Requirements

Manage organizational knowledge.

- ① Use knowledge and resources to embed learning in the way the organization operates.
- ② Verify and ensure the quality of organizational data and information.
- ③ Ensure the security of sensitive or privileged data and information.
- ④ Ensure the availability of organizational data and information.
- ⑤ Ensure that hardware and software are reliable, secure, and user-friendly.
- ⑥ In the event of an emergency, ensure that hardware and software systems and data and information continue to be secure and available to effectively serve customers and business needs.

MAKM-Related Results



7.1b Work Process Effectiveness Results

Basic Requirement

Provide data and information on process effectiveness results.

Overall Requirements

Good levels, beneficial trends, and some favorable comparisons (good relative performance) of process effectiveness results for the following:

- ① Measurement, analysis, and improvement of organizational performance [4.1]
- ② Knowledge management, information, and information technology [4.2]

5. Workforce (85 points)

Building an effective workforce environment and engaging, developing, and managing workforce

5.1 Workforce Environment (40 pts.)

- a. WORKFORCE CAPABILITY and CAPACITY
- b. WORKFORCE Climate

5.2 Workforce Engagement (45 pts.)

- a. WORKFORCE ENGAGEMENT and PERFORMANCE
- b. WORKFORCE and Leader Development

Workforce Conceptual Framework



Human Resources Maturity Model



5.1 Workforce Environment



Basic Requirement

Build an effective and supportive workforce environment.

Overall Requirements

- ① Assess workforce capability and capacity needs.
- ② Recruit, hire, place, and retain new workforce members.
- ③ Organize and manage the workforce.
- ④ Prepare workforce for changing capability and capacity needs.
- ⑤ Ensure workplace health, security, and accessibility for the workforce.
- ⑥ Support the workforce via services, benefits, and policies.

5.2 Workforce Engagement



Basic Requirement

Engage the workforce to achieve a high-performance work environment.

Overall Requirements

- ① Foster an organizational culture that is characterized by open communication, high performance, and an engaged workforce.
- ② Determine the key drivers of workforce engagement.
- ③ Assess workforce engagement.
- ④ Workforce performance management system supports high performance and workforce engagement.
- ⑤ Learning and development system supports the organization's needs and the personal development of workforce members, managers, and leaders.
- ⑥ Evaluate the efficiency and effectiveness of the learning and development system.
- ⑦ Manage career progression for the organization.

7.3 Workforce-Focused Results



Basic Requirement

Provide data and information on workforce-focused performance.

Overall Requirements

Good levels, beneficial trends, and some favorable comparisons (good relative performance) of results for the following:

- ① Workforce capability and capacity
- ② Workforce climate
- ③ Workforce engagement
- ④ Workforce and leader development

6. Operations (85 points)

Designing, managing, and improving work processes and improving operational effectiveness

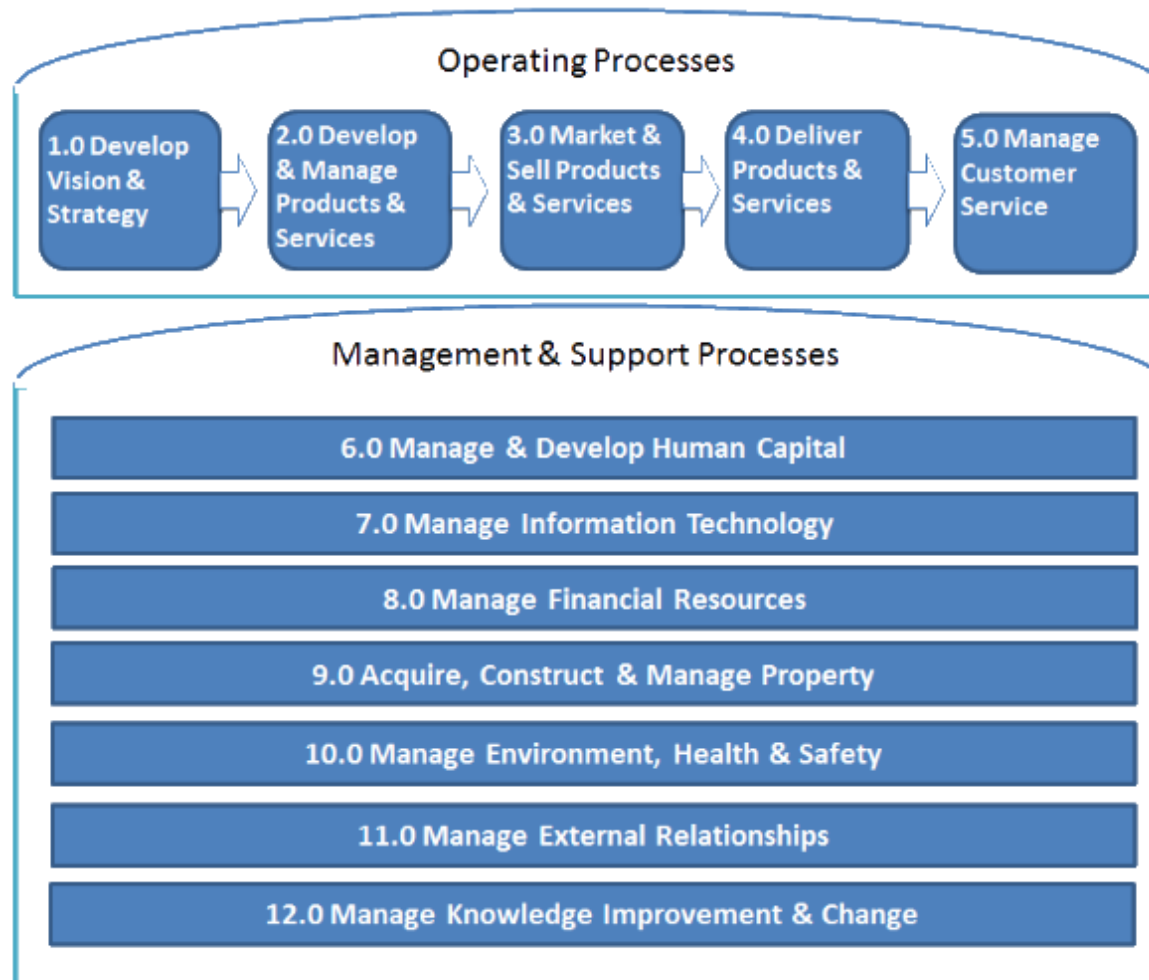
6.1 Work Processes (45 pts.)

- a. Product and PROCESS Design
- b. PROCESS Management
- c. INNOVATION Management

6.2 Operational Effectiveness (40 pts.)

- a. PROCESS Efficiency and EFFECTIVENESS
- b. Supply-Chain Management
- c. Safety and Emergency Preparedness

Operations Conceptual Framework



6.1 Work Processes



Basic Requirement

Design, manage, and improve key product* and work processes.

Overall Requirements

- ① Determine key product and work process requirements.
- ② Design products and work processes to meet requirements.
- ③ Ensure that day-to-day operation of work processes meet key process requirements.
- ④ Determine key support processes.
- ⑤ Improve work processes to improve products and performance, enhance core competencies, and reduce variability.
- ⑥ Manage for innovation.

6.2 Operational Effectiveness



Basic Requirement

Ensure effective management of operations.

Overall Requirements

- ① Control the overall costs of operations.
- ② Manage the supply chain.
- ③ Provide a safe operating environment.
- ④ Ensure that the organization is prepared for disasters or emergencies.

Operations-Related Results



Basic Requirement

Provide data and information on process effectiveness results.

Overall Requirements

Good levels, beneficial trends, and some favorable comparisons (good relative performance) of results for the following:

- ① Process effectiveness and efficiency [7.1b(1)]
- ② Emergency preparedness [7.1b(2)]
- ③ Supply-chain management [7.1c]

7. Results (450 points)

Performance and improvement in all key areas, which include performance levels, trends, and comparative data

7.1 Product and Process Results (120 pts.)

- a. CUSTOMER-Focused Product and Service RESULTS
- b. WORK PROCESS EFFECTIVENESS RESULTS
- c. Supply-Chain Management RESULTS

7.2 Customer Results (80 pts.)

- a. CUSTOMER-Focused RESULTS

7. Results (450 points)

7.3 Workforce Results (80 pts.)

a. WORKFORCE-Focused RESULTS

7.4 Leadership and Governance Results (80 pts.)

a. Leadership, GOVERNANCE, and Societal Responsibility RESULTS

b. Strategy Implementation RESULTS

7.5 Financial and Market Results (90 pts.)

a. Financial and Market RESULTS

Process Categories with Corresponding Results Requirements

PROCESS CATEGORY	RESULTS REQUIREMENTS
1. Leadership	7.4a Leadership, Governance and Societal Responsibility Results
2. Strategy	7.4b Strategy Implementation Results 7.5a(1) Financial Performance 7.5a(2) Market Performance
3. Customer	7.1a Customer-Focused Product and Service Results 7.2 Customer-Focused Results

Process Categories with Corresponding Results Requirements

PROCESS CATEGORY	RESULTS REQUIREMENTS
4. Measurement, Analysis and Knowledge Management	7.1b Process Effectiveness Results
5. Workforce	7.3 Workforce-Focused Results
6. Operations	7.1b(1) Process Effectiveness and Efficiency 7.1b(2) Emergency Preparedness 7.1c Supply Chain Management Results



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