

CONTENTS

Preface ix

Acknowledgements xiii

Acronyms xv

List of Illustrations xvii

Chapter 1: Developing a Customer-Focused Culture 1

- Internal and External Factors Affecting Organizations 1
- What Is a Customer? 3
- What Constitutes Customer-Focused Behavior 4
- Tools/Techniques to Assess the Strength of a Customer-Focused Culture 5
- Creating Organizational Structures Conducive to Nurturing a Customer-Focused Culture 8
- Integrate Customer-Focused Attributes into all Job Descriptions 10
- Methods for Instituting and Reinforcing a Customer-Focused Culture 11

Summary 15

References 18

Chapter 2: Leveraging Strategies for Creating Stakeholder Value 20

- Implementing a Flexible and Agile Strategic Planning Framework 20

Summary 37

References 38

Chapter 3: Assessing Organizational Capabilities— The Baldrige Model	39
• Organizational Assessment Using the Baldrige Model	40
• The Baldrige Criteria	45
• Some Useful Hints Regarding Organizational Assessments	61
• Using the Application Approach to Assess an Organization	62
• Alternative Assessment Approaches	63
• Using Assessment Findings for Organizational Improvement	67
<i>Summary</i>	68
<i>References</i>	68
Chapter 4: Assessing Organizational Capabilities— EFQM and SEI/CMM	70
• EFQM Criteria for Business Excellence	71
• SEI/CMM Model	75
<i>Summary</i>	83
<i>References</i>	84
Chapter 5: Preparing the Organization for Change	85
• Leadership Commitment for Change	86
• Estimating the Magnitude of Change	87
• Managing Resistance to Change	91
• Creating a Framework to Support Change	97
<i>Summary</i>	100
<i>References</i>	101
Chapter 6: Aligning the Organization for Transformation	102
• Balanced Scorecard and its Advantages	102
• Balanced Scorecard — The Concept	103
• Shifting from a Budget Management System to a Strategic Management System	129

Summary 131

References 131

Chapter 7: Planning for Customer-Driven Transformation 133

- Consolidating Improvement Opportunities and Identifying Initiatives/Processes 135
- Alignment of Customer Requirements with an Organization Processes 139
- Selection and Prioritization of Processes 147
- Determining Key Process Performance Metrics 152

Summary 152

References 153

Chapter 8: Implementing Process Improvement 154

- Selecting Process for Improvement 155
- Process Improvements through Six Sigma 160
- Process Improvements through the Use of Rummler-Brache Methodology 165
- Imperative for Developing Trained Facilitators and Process Improvement Leaders 166
- Leveraging Information Technology and Systems to Strengthen Processes 169

Summary 170

References 170

Chapter 9: Reviewing Performance Progress Relative to Plans 172

- Monitoring and Managing Progress on Improvement Initiatives 173
- Defining Reviews at Different Levels of the Organization 175
- Tracking Progress Relative to the Balanced Scorecard 182

Summary 189

References 191

Chapter 10: Delivering Shareholder Value and Sustaining Performance through Efficient Corporate Governance	193
• Organizational Governance Using Financial and Nonfinancial Measures	193
• Organizational Governance Guidelines	197
• Executive Compensation	199
• Corporate Governance and Baldrige	202
• Overall Assessment of Organizational Governance Effectiveness	204
<i>Summary</i>	206
<i>References</i>	207
Chapter 11: Summary	209
Appendix A: Customer Satisfaction and Market Share—An Emperical Case Study of IBM's AS/400 Division	213
Appendix B: Comparison of Other International Models such as ISO 9000, and TL 9000, QS9000 to the Baldrige Model	220
<i>Index</i>	227