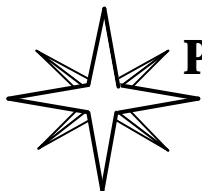


**Infinity: A Model for Organizational
Excellence**

Infinity: A Model for Organizational Excellence

By Alice B Beechner, Ph.D. and Karen A. Hamilton, MBA



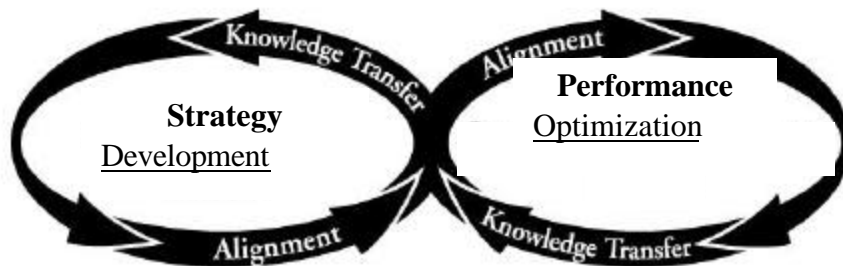
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In many organizations, planning is done by senior leadership, often as a group project, but more often each manager works on his functional area independent of the others. These pieces of functional strategy are then woven into an overall plan for the organization. This siloed approach leads to a siloed strategy and may not truly address organization-wide strategic issues.

Plans are rarely communicated well throughout an organization. Consequently plans are rarely effectively used to manage and direct all levels of work. Managers

Since this is done without a clear understanding of the organizational strategies, goals, and objectives, it is not surprising that Continuous Improvements become misaligned with the strategies of the organization.

The Infinity model presents a six step process for implementing Strategy Development and integrates it with an eight step process for implementing continuous improvement called the Performance Optimization.



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focus on their functional area results without a clear view of organization-wide results. Employee teams, which are often not privy to the strategic direction of the organization, drive the Continuous Improvement projects.

The Infinity model integrates Strategy Development with Performance Optimization to drive Organizational Excellence.

STRATEGY DEVELOPMENT

The tangible outcome of Strategy Development is the written business plan. The intangible results of a strong planning process include:

- An understanding by organizations' leaders of the total organization's strategies, goals, and objectives.
- An understanding by management on why the organization has chosen the strategies, goals, and objectives.
- Consensus on the strategies, goals, and objectives.
- A platform for communication of company strategies, goals, and objectives throughout the organization, and where appropriate, with suppliers, customers, and other stakeholders.

of upper management on the direction and priorities of the company.

Strategy Development is a dynamic rather than a static process. It is best done with an in-depth annual retreat by leadership followed by regular reviews and updates of the process content throughout the year.

Strategy Development Process

1. *Key Indicators of Success Identified:*
These are areas in which the organization must achieve success to grow and prosper. No matter what other wonderful things the organization accomplishes, it must achieve success in these areas in order to be viewed as successful.



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To accomplish this, solid Strategy Development includes group participation by the leadership of the organization in a process where information is shared and ideas are massaged. It allows for consensus

2. *Current Capabilities/ Strength-Weakness Analysis/Core Competencies:* Members of upper management review the organization's current conditions in these

areas: Economy, Market Place, Technology and R&D, Governmental and Societal, Suppliers, Business Processes, Human Resources. Information from Performance optimization activities and internal measurables are considered. Current Core Competencies are identified. Current Core Competencies are those in which the organization currently excels. They may give a competitive edge or they may be a skill that is necessary to compete.

3. *Future Demands/Opportunity-Threat Analysis / Future Core Competencies:* Members of upper management review the *Future* conditions and demands in these areas: Economy, Market Place, Technology and R&D, Governmental & Societal, Suppliers, Business Processes, Human Resources. Future Core Competencies are identified. Future Core Competencies are those skills that will be demanded in the future. Current Core Competencies are compared with Future Core Competencies.
4. *Strategies, Goals Defined:* Strategies are futuristic in nature, five years or longer. They are broad statements of the organization's direction. Goals describe how the organization will operationally achieve strategies. They are quantifiable and within a planning horizon of three to five years. Tactical objectives support each business goal and outline what will be done to meet the Goal. They are functional in nature, specific and short term, one to two years. Each Tactical Objective is specific and measurable and includes the people responsible and target dates for completion.
5. *Measurables Identified; Tactical Objectives:* Measurables are the key items that, when measured and trended, predict the organization's success. They are the organization's scorecard and are directly related to Key Indicators of Success. Tactical Objectives should drive the Measurables.

Tactical objectives support each goal and outline what will be done to meet the goal. They are functional in nature and short term; one to two years. Each tactical objective should be specific, measurable, and include the people responsible and target dates for completion.

6. *Resource Needs Defined:* Significant capital resources, human resources, training, time, or other types of resources are defined. Securing of these resources is included in the plan.

ALIGNMENT FOR ORGANIZATIONAL EXCELLENCE

Aligning the organization for success is where many companies stumble. Alignment is where leadership insures that Performance optimization projects are aligned with the organization strategy. This is true in the self-directed team culture as well as the traditional management driven culture. In its simplest form, the Alignment process includes:

- ⌘ Leadership taking responsibility to communicate Key Indicators of Success, Strategies, Goals, and Tactical objectives to employees, customers, and suppliers as appropriate.
- ⌘ Leadership evaluating reward, recognition, and incentive programs and aligning them to drive Key Indicators of Success, Strategies, Goals, and Tactical Objectives.
- ⌘ Leadership assuring continuous improvement resources are utilized for areas of strategic importance to the organization. The outcomes of continuous improvement may also affect changes in current capabilities and possibly future demands. When alignment is missing, employee teams often work on non-value-added projects and squander critical resources of capital, people, or time.

PERFORMANCE OPTIMIZATION PROCESS

When companies utilize the Infinity Model, employees know the company's strategy and the Performance Optimization Process is clearly aligned with the strategic plan.



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Performance Optimization Process Content :

1. *Define Project Objective(s)*: Define objectives of the project. This includes specific expectations, what key indicator of success the project is impacting, and timelines. This could be done by leadership or by the self-directed team.

2. *Define the Current Process:* List the current process steps or use process mapping. This provides a common understanding of the process.
3. *Define Customer Requirements:* The customer could be either internal or external. It is important to understand the customer's needs and wants early in Performance Optimization process.
4. *Establish baseline/Complete GAP Analysis:* Based on an understanding of the customer's requirements this determines the GAP between the current process and these requirements. Establish the current level of performance to determine the baseline.
5. *Identify Process Improvements:* Use various analytical techniques to develop possible improvements to reduce or eliminate the GAP.
6. *Test and Measure:* Before the improvement plan is implemented across the organization, test the improvements at a beta site.
7. *Refine and Measure:* Modify improvements per the beta site test.
8. *Implement Change* company wide.

KNOWLEDGE TRANSFER FOR ORGANIZATIONAL EXCELLENCE

Completing the loop and bringing knowledge from the organization back into the regular strategic reviews and updates is the final phase of the Infinity Model. Knowledge is transferred to leadership who then transfer the knowledge into the organization through the Alignment Process.

CONCLUSION

The Infinity Model is designed to drive organizational excellence throughout any organization. The process begins with a Strategy Development process where the leadership of the organization sets the direction. This direction is aligned with the goals, objectives, reward and recognition systems, and drives the Performance optimization Process. The Performance optimization Process is an eight-step customer driven process. The output of the Performance optimization Process is a review of results where lessons learned by the improvement teams are the input for reviews of the strategic plan content. During these reviews knowledge is transferred to the senior leadership who then transfer this knowledge with other business units and departments through the alignment phase of the model.

SUMMARY:

A major reason organizations fail to successfully embrace the Organizational Excellence Criteria of the Malcolm Baldrige National Quality Award is the lack of an integrated approach and the misalignment of Strategy Development, Performance Optimization, and the Transfer of Knowledge.

Paragon Business Solutions, Inc.'s Infinity Model combines these three elements of the Baldrige criteria and provides a process for driving Organizational Excellence.

AUTHORS

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Karen has had an outstanding and varied career in the management of business systems, quality processes, organizational development, training, marketing, and strategy development. Karen has experience in the health care industry, dairy industry, government, academia, manufacturing, and heavy duty trucking industry.