The Merced County Workforce Investment Board

Challenger Award
2002-2004 Application
For One-Stop Certification

WORKFORCE INVESTMENT BOARD
MERCED COUNTY

THE CHALLENGER AWARD PROCESS

As adopted by The Merced County Workforce Investment Board

Congratulations on taking the first step to becoming a best-in-class organization

About the Challenger Award

The Challenger is a self-assessment recognition program designed and administered by the Merced County Workforce Investment Board. Our primary objective is to help your organization understand its strengths and opportunities for improvement as defined by the 2002 criteria of the Malcolm Baldrige National Quality Award program.

The Challenger Award Process criteria consist of an "Organizational Profile" plus seven major "Categories" that are common to all private and public sector organizations. These seven categories are derived from the Malcolm Baldrige National Quality Award criteria. They are:

1. **Leadership**
2. **Strategic Planning**
3. **Customer and Market Focus**
4. **Information and Analysis**
5. **Human Resource Focus**
6. **Process Management**
7. **Business Results**

The Benefits of Participating

The One-Stop Centers that apply for the Challenger Award will realize many important benefits. They include:

- A thorough self-assessment of your strengths and opportunities for improvement based on the 2002 criteria from the Malcolm Baldrige National Quality Award. There is no higher standard for performance excellence than the Baldrige Award.
- Use of the Merced County Workforce Investment Board (MCWIB) logo at your One-Stop stating that your One-Stop is "Certified" by the MCWIB.
- Increased opportunities for customer loyalty by demonstrating your commitment to excellence and quality service.
- Accelerated change, growth, and improvement throughout your organization.
- The opportunity for your people to be part of the solution through their participation on process improvement teams.

How To Apply?   Each One-Stop applicant of the Challenger Award must complete the application process and return to the MCWIB by June 30, 2003.

THE CHALLENGER AWARD PROCESS

How to Proceed with your Challenger Application:

We recommend a three-step process to ensure your organization receives the maximum benefit of completing this important process.

Step One. A Meeting Among Senior Management

The One-Stop Leadership Team should gather its senior managers together to devise a strategy to complete the self-assessment exercise.

At this meeting, each of the seven categories should be assigned to one or more key employees. This includes the Leadership category.

Also, a separate Application Writing Team should be formed with enough members to organize the thoughts and findings of the seven category teams. The Application Writing Team should also write the Organizational Profile.

Each team should meet regularly until it has completed its assignment and responded thoroughly to each question herein. It is essential to hold each team to a predetermined deadline.

Step Two: The Draft Report

When each of the seven category teams has completed its work, the Application Writing Team swings into action. The Application Writing Team begins the task of assembling the various findings of each category team and creating a succinct report within the limited number of pages per category.

Step Three: Consensus Meeting

When the Application Writing Team has completed its assignment, the One-Stop Leadership Team should gather the entire team together for a comprehensive Consensus Meeting (this could take up to eight hours to complete).

Your Written response should be distributed at least five days prior to the meeting to allow each member enough time to read and critique it. *The purpose of this meeting is to reach consensus on the application of the report not to achieve a unanimous decision.* Therefore, both strengths and opportunities for improvement of the organization listed in the response are appropriate and encouraging. Remember, that you are preparing a response for the MCWIB Examiner Team to review.

The primary purpose of the MCWIB Examiner Team is to help you improve your performance. Resist the temptation to "sugar-coat" your organization's weaknesses. It might help to know that most Baldrige Award winning companies rarely score above the 60% range in these seven categories.

When consensus is reached in all seven categories, each member of your team is encouraged to sign your Challenger response before it is mailed to the MCWIB.

Examination Team Review and Feedback Report and Scoring System

Upon receipt of your completed Challenger application, the MCWIB Examiner Team will thoroughly review your responses, make an on-site visit/s, and prepare a written Feedback Report. This process will take approximately four to six weeks. The Feedback Report will include strengths and opportunities for improvement, and specific recommendations that your organization may consider for further action.

Each One-Stop applicant of the Challenger who successfully completes this process with a minimum score of 300 or 30%, and meets a 100% of the statutory requirements will be formally recognized as a certified One-Stop Center.

Re-certification will be required every two years. The re-certification process will be similar to this process and will emphasize performance outcomes, quality and continuous improvement based on the Baldrige Criteria for Performance Excellence. Each subsequent year for re-certification, 100% of the statutory requirements must be met, and there must be an increase of a minimum number of points on the Challenger Application.

2002 MCWIB Criteria for The Challenger Award
Category, Item and Points Listing

Preface: Organizational Profile
   P.1   Organizational Description
   P.2.   Organizational Challenges

2002 Categories/Items	Point Values
1 Leadership	**150**
a. Clear Direction	20
b. Quality One-Stop Staff	20
c. The "Right" Organization & Defining the Organization	20
d. Customer Focus	25
e. Focus on Collaboration	25
f. Support for Continuous Quality Improvement	25
g. Supplier Certification	15
2 Strategic Planning	**100**
a. Well-Defined	15
b. Involvement of All Constituents	15
c. Customer Focus	15
d. Define Metrics	15
e. Implemented (Organizational Behavior)	15
f. Consistent With Available Resources	15
g. Includes Continuous Quality Improvement Plan	10
3 Customer and Market Focus	**200**
a. Customer Needs Surveyed	50
b. Customer Satisfaction	50
c. Results Linked to Strategic Plan and Continuous Improvement	50
d. Single Point of Contact for Clients and Employers	50
4 Information and Analysis	**100**
a. Information System Support Continuous Improvement	25
b. Continuous Improvement Linked to Data Collection	25
c. How Resource Center Delivers Services	25
d. Strategy for Meeting State and Local MIS Needs	25
5 Human Resource Focus	**150**
a. Staff is Competent	30
b. Continuous Learning	30
c. Team Orientation	30
d. Uniform Application of Human Resources Policies	30
e. Employee Expectations Well-Defined	30

6	**Process Management**	**100**
	a. Uniform Application of Policies and Procedures	25
	b. Feedback Mechanism	25
	c. Service Recovery	25
	d. Staff Empowerment	25
7	**Business Results**	**200**
	a. Customer and Community Awareness	100
	b. Demonstrated and Measurable	100

TOTAL POINTS   **1000**

Score	Approach-Deployment
0%	• No Systematic approach is evident, information is anecdotal
10% to 20%	• The beginning of systematic approach to the basic purposes of the Item is evident. • Major Gaps exist in deployment that would inhibit progress in achieving the basic purpose of the Item. • Early stages of transition from reacting to problems to a general improvement orientation are evident.
30% to 40%	• An effective, systematic approach, responsive to the basic purposes of the Item, is evident. • The approach is deployed, although some areas or work units are in early stages of deployment. • The beginning of a systematic approach to evaluation and improvement of basic Item processes is evident.
50% to 60%	• An effective, systematic approach, responsive to the overall purposes of the Item and your key business requirements, is evident. • The approach is well deployed, although deployment may vary in some areas or work units. • A fact-based, systematic evaluation and improvement process is in place for improving the efficiency and effectiveness of key processes. • The approach is aligned with your basic organizational needs identified in the other Criteria Categories.
70% to 80%	• An effective, systematic approach, responsive to the multiple requirements of the Item and your current and changing business needs, is evident. • The approach is well deployed, with no significant gaps. • A fact-based, systematic evaluation and improvement process and organizational learning/sharing are key management tools; there is clear evidence of refinement and improved integration as a result of organizational-level analysis and sharing. • The approach is well integrated with your organizational needs identified in the other Criteria Categories.
90% to 100%	• An effective, systematic approach, fully responsive to all the requirements of the Item and all your current and changing business needs, is evident. • The approach is fully deployed without significant weaknesses or gaps in any areas or work units. • A very strong fact-based, systematic evaluation and improvement process and extensive organizational learning/sharing, are key management tool; strong refinement and integration, backed by excellent organizational-level analysis and sharing, are evident. • The approach is fully integrated with your organizational needs identified in the other Criteria Categories

Score	Results
0%	• There are no results or poor results in areas reported.
10% to 20%	• There are some improvements and/or early good performance levels in a few areas. • Results are not reported for many to most areas of importance to your organization's key business requirements.
30% to 40%	• Improvements and/or good performance levels are reported in many areas of importance to your organization's key business requirements. • Early stages of developing trend and obtaining comparative information are evident. • Results are reported for many to most areas of importance to your organization's key business requirements.
50% to 60%	• Improvement trends and/or good performance levels are reported for most areas of importance to your organization's key business requirements. • No pattern of adverse trends and no poor performance levels are evident in areas of importance to your organization's key business requirements. • Some trends and/or current performance levels-evaluated against relevant comparisons and/or benchmarks-show areas of strength and/or good to very good relative performance levels. • Business results address most key customer, market , and process requirements.
70% to 80%	• Current performance is good to excellent in areas of importance to your organization's key business requirements. • Most improvement trends and/or current performance levels are sustained. • Many to most trends and/or current performance levels-evaluated against relevant comparisons and/or benchmarks-show areas of leadership and very good relative performance levels. • Business results address most key customer market, process and action plan requirements.
90% to 100%	• Current performance is excellent in most areas of importance to your organization's key business requirements. • Excellent improvement trends and/or sustained excellent performance levels are reported in most areas. • Evidence of industry and benchmark leadership is demonstrated in many areas. • Business results fully address key customer, market, process, and action plan requirements.

The Challenger Process

The First Stage for Certification of the One-Stop Centers

Preface: Organizational Profile
The Organizational Profile is an outline of the applicant's business, addressing what is most important to the business, key influences on how the business operates, and where the business is headed. *The Organizational Profile is intended to help MCWIB Examiners understand what is relevant and important to the One-Stop Centers business.*

The Organizational Profile is of critical importance to the applicant because:
- It is the most appropriate starting point for writing and reviewing the application, helping to ensure focus on key business issues and consistency in responses, especially in reporting results; and

- It is used by the MCWIB Examiners in all stages of application review.

Guidelines for Preparing the Organizational Profile:

The ***Organizational Profile*** is a snapshot of your organization, the key influences on how you operate, and the key challenges you face.

P.1 Organizational Description

> Describe your organization's business environment and your key relationships with customers, suppliers, and other partners.
>
> Within your response, include answers to the following questions;
>
> a. Organizational Environment
> - What are your organization's main products and/or services? Include a description on how they are delivered to customers.
> - What is your organizational context/culture? Include your purpose, vision, mission, and values, as appropriate.
> - What is your employee profile? Include educational levels, workforce and job diversity, bargaining units, use of contract employees, and special safety requirements, as appropriate.
> - What are you major technologies, equipment, and facilities?
> - What is the regulatory environment under which your organization operates? Include occupational health and safety regulations; accreditation requirements; and environmental, financial, and product regulations.
>
> b. Organizational Relationships
> - What are your key customer groups and/or market segments? What are their key requirements for your products and services? Include how these requirements differ among customer groups and/or market segments, as appropriate.
> - What are your most important types of suppliers and dealers and your most important supply chain requirements? What are your key supplier and customer partnering relationships and communication mechanisms?

P.2 Organizational Challenges

Describe your organization's competitive environment, your key strategic challenges, and your system for performance improvement.

Within your response, include answers to the following questions:

a. Competitive Environment
- What is your competitive position? Include your relative size and growth in your industry and the numbers and types of competitors.
- What are the principal factors that determine your success relative to your competitors? Include any changes taking place that affect your competitive situation.

b. Strategic Challenges
- What are your key strategic challenges? Include operational and human resource challenges as appropriate.

c. Performance Improvement System
- How do you maintain an organizational focus on performance improvement? Include your approach to systematic evaluation and improvement of key processes and to fostering organizational learning and knowledge sharing.

Importance of Your Organizational Profile

- It is the most appropriate starting point for self-assessment and for writing an application;
- It helps you identify potential gaps in key information and focus on key performance requirements and business results;
- It is used by the Examiners in all stages of application review, to understand your organization and what you consider important; and
- It also may be used by itself for an initial self-assessment. If you identify topics for which conflicting, little, or no information is available, it is possible that your assessment need go no further and you can use these topics for action planning.

Page Limits

The Organizational Profile should be limited to five (5) pages.

The Seven Categories of Performance Excellence:

Directions:

Using a suggested maximum of twenty-five (25) pages for this section, please respond to the following seven categories. Please focus on your "Approach" and "Deployment" of each Category.

Typically, applicants will devote approximately 2-3 pages per Category response in Categories 1-6. Category 7, Business Results, may require several pages in your response.

You should plan to use 3-4 pages to discuss your Results in Category 7.

1. Leadership 150

The *Leadership* Category examines how your organization's senior leaders address values, directions, and performance expectations, as well as a focus on customers and other stakeholders, empowerment, innovation, and learning. Also examined is how your organization addresses its responsibilities to the public and supports its key communities.

Issues to Address in Your Challenger Application:

1.a. (20) Clear direction (consistent) (mission)
> There exists a clear, well articulated Mission Statement for the organization

1.b. (20) Quality One-Stop Staff (continuous learning)
> A formal education/employee development plan exits
> If certification is required for certain employee groups, those certifications exist and are current

1.c. (20) The "right" organization and a well defined organization
> There is an organizational chart
> The organizational structure is appropriate for the organization
> All leadership positions are filled

1.d. (25) Customer focus
> There is an understanding/definition of the customer(s)
> A customer service training program exists

1.e. (25) Focus on collaboration
> All of the mandatory partners participate in the One-Stop on a regular basis
> The rate of cross-referral among the partners is satisfactory relative to benchmark organizations
> The degree of information sharing among One-Stop partners is adequate

1.f. (25) Support for continuous quality improvement
> A well defined CQI plan and program exists

Staff are trained in the principles of CQI

There is a commitment of employee time to the CQI process

1.g. (15) Supplier certification

Key performance factors are used in the evaluation of suppliers and partners

2. Strategic Planning 100

The *Strategic Planning* Category examines how your organization develops strategic objectives and action plans. Also examined are how your chosen strategic objectives and action plans are deployed and how progress is measured.

Issues to Address in your Challenger Application:

2.a. (15) Well defined

There exists a well defined strategic plan with measurable objectives

2.b. (15) Involvement of all constituents

Stakeholders possess a knowledge of the elements of the strategic plan

There is documented evidence that all levels of the organization and all stakeholders participated in the development of the strategic plan

2.c. (15) Customer focus (needs - now and in the future)

A formal customer needs assessment has been performed

The results of the needs assessment are addressed in the strategic plan

2.d. (15) Define metrics (are they measured)

Outcomes and a method to measure them are identified in the plan

Milestones exist for achievement of outcomes

2.e. (15) Implemented (organizational behavior)

There is evidence that the strategic plan is being implemented in the organization

2.f. (10) Consistent with available resources

The organization has sufficient resources to implement the plan

2.g. (15) Includes continuous quality improvement plan

The strategic plan includes an emphasis on CQI

3. Customer and Market Focus 200

The *Customer and Market Focus* Category examines how your organization determines requirements, expectations, and preferences of customers and markets. Also examined is how your organization builds relationships with customers and determines the key factors that lead to customer acquisition, satisfaction, and retention; and, to business expansion.

Issues to Address in your Challenger Award Application:

3.a. (50) Customer needs surveyed
There is evidence that customer needs have been surveyed/identified
3.b. (50) Customer satisfaction
Customer satisfaction is satisfactory relative to benchmark organizations
Customer satisfaction demonstrates improvement over time
Internal organizational goals are established and achieved
3.c. (50) Results linked to strategic plan and continuous improvement
Customer Satisfaction surveys result in actions taken through strategic
planning
3.d. (50) Single point of contact for clients and employers
There is evidence that all core services from all partners are available at
the One-Stop

4. Information and Analysis 100

The *Information and Analysis* Category examines your organization's information management and performance measurement systems; and, how your organization analyzes performance data and information.

Issues to Address in your Challenger Award Application:

4.a. (25) Information system supports continuous improvement
Existing systems adequately collect data
4.b. (25) Continuous improvement linked to data collection
The collected data is linked to CQI efforts
4.c. (25) Resource Center offers: information in multiple mediums; self-service; Internet access, trained staff, etc.
The above exists and is readily available to clients
4.d. (25) Strategy for meeting state and local MIS needs (management reporting)
Audit results indicate compliance

5. Human Resource Focus 150

The *Human Resource Focus* Category examines how your organization motivates and enables employees to develop and utilize their full potential in alignment with your organization's overall objectives and action plans. Also, examined are the organization's efforts to build and maintain a work environment and an employee support climate conducive to performance excellence, and to personal and organizational growth.

Issues to Address in your Challenger Award Application:

5.a. (30) Staff is competent
Job descriptions exist for all positions
Employees are evaluated against the requirements of the job descriptions
Employee evaluations demonstrate that employees are competent and meeting job requirements
5.b. (30) Continuous learning
Employees have an individual development plan that has been Implemented
There is an organization-wide employee development plan that has been implemented
There is a vehicle for making employees aware of available training
5.c. (30) Team orientation
There are regular meetings to disseminate information and discuss important business issues
There are multidisciplinary cross-functional teams to work on performance improvement initiatives
5.d. (30) Uniform application of human resources policies
Results of employee satisfaction surveys demonstrate uniform application of policies
A formal grievance process exists
Grievances are not excessive given the size of the organization
5.e. (30) Employee expectations well defined
Policies and procedures are disseminated throughout the organization
All new employees get an orientation to the organization

6. Process Management 100

The *Process Management* Category examines the key aspects of your organization's process management, including customer-focused design, product/service delivery, key business, and support processes.

Issues to Address in your Challenger Award Application:

6.a. (25) Uniform application of policies and procedures
        Policies and procedures are disseminated throughout the organization
        All new employees get an orientation to the organization
6.b. (25) Feedback mechanism
        An adequate feedback mechanism exists
6.c. (25) Service recovery
        There is a formal policy/mechanism for complaint management
        Examination of a sample of complaints indicates that the policy is being
        implemented
6.d. (25) Staff-empowerment
        Decisions can be made at various levels within the organization
        There is an organizational assessment to determine if the degree of
        empowerment is appropriate/working

7. Business Results 200

The *Business Results* Category examines your organization's performance and improvement in key business areas – customer satisfaction, product and service performance, financial and marketplace performance, human resource results, and operational performance. Also examined are performance levels relative to those of your competitors.

Editor's Note: Please focus your responses to the following questions by citing specific Results you have achieved. Charts and graphs are encouraged to summarize your Results. Avoid anecdotal responses that cannot be validated by numerical data.

   Issues to Address in your Challenger Award Application:

7.a. (100) Customer and community awareness
        There is an awareness of One-Stop based on random survey of community
        There is an organizational effort to raise awareness
        Resources are devoted to marketing/PR
        Marketing/PR addresses both supply and demand
        Marketing plan exists and results are evaluated against plan
7.b. (100) Demonstrated and measurable
    Financial performance
        A budget exists and performance suggests that the organization is
        operating within budget and significant variances have been
        adequately explained
        Costs are benchmarked (and compare favorably) against other
        workforce investment areas
    Operational performance
        Objectives in the strategic plan are achieved
    Customer Satisfaction
        See "Customer and Market Focus"

Application Timetable

The Challenger timetable is as follows:

September 3-4, 2002 through March 15, 2003

One-Stop Leadership Team devises a strategy to complete the self-assessment exercise. As recommended in the criteria, key members should be assigned to the seven categories (7 teams) and will need meet regularly until assignments are completed.

Form a Writing Team who will complete the Organizational Profile (this needs to be done first). When the teams have completed their work the Writing Team will assemble the various findings from each team and create a succinct report.

Assign a Team to address the statutory requirement (this is separate from the self-assessment process see Attachment A).

March 16, 2003

Writing team has the input from the seven Category Teams and drafts the Challenger Application.

Checklist and narrative are completed on statutory requirements (Attachment A).

April 30, 2003

Consensus meeting for entire team to reach consensus on the Challenger Application.

June 1, 2003

Writing Team finalizes report.

June 30, 2003

Challenger application and the statutory criteria are submitted to the MCWIB.

July 1, 2003 - August 15, 2003

The MCWIB Examination Team individually reviews and scores the Challenger Application and Attachment A.

After an individual scoring of the application by each member that will include a Band Score, Opportunities for Improvement, and Strengths, the Examination Team will meet to complete the Consensus Process.

During the Consensus Process individual scores are discussed on each Category item and an agreement is reached. The Opportunities for Improvement and Strengths are consolidated and Site Visit issues identified.

They will also schedule a site visit to the One-Stop/s to verify and clarify information that was identified through the Consensus Process.

After the site visit/s, a final score will be issued and a feedback report completed listing strengths and opportunities for improvement.

September 1, 2003

The MCWIB will grant **Certification** if the Challenger Score of **300 or 30%** is met and 100% of the statutory requirements are met.

If the Statutory requirement of 100% is met, but the Challenger score of 300 or 30% is not reached, the applicant will be given a **Conditional Certification for six months**. They would have six months to reapply. When the score is met, they would be granted a **Certification**.