

Tennessee Center for Performance Excellence: Helping regional businesses achieve world-class results

Katie Rawls

When asked what the Tennessee Center for Performance Excellence (TNCPE) does, I like to tell people, “We help businesses and organizations run better.” If asked why, I respond, “to help Tennessee become a better place to live and work.”

These are general statements, but they encapsulate TNCPE’s mission, vision and values. Our big picture is economic development. We get there, in part, through an award program modeled after the Baldrige National Quality Award.

Here’s where my explanation gets tricky. While the awards are an important part of the TNCPE program, they are a means to a much bigger end. They provide recognition for our region’s exceptional organizations and help us build interest in the program. But most importantly, applying for an award helps organizations develop and improve their processes and results through the use of the *Baldrige Criteria for Performance Excellence*.

The longer an organization is involved with TNCPE, the more they “get it.” By embracing the Criteria – either through the TNCPE Award Program, the Baldrige National Program or as a method of self-analysis – a focus on core values, key processes and results becomes inherent to the organization.

Our most recent Excellence winner (TNCPE’s highest award), Pal’s Sudden Service, is a perfect example of an organization that has made a long-term commitment to performance excellence. Pal’s is a small, privately owned fast-food chain that operates 20 units in Tennessee and Virginia. Offering a menu of fresh-made hamburgers, hot dogs, “Frenchie” fries, thick milk shakes and iced tea, the company is well known for extraordinarily fast, friendly service and value.

What’s interesting to note is that Pal’s 2006 Excellence Award is the company’s second. Pal’s also won the award in 2001, the same year it took home the Malcolm Baldrige National Quality Award.

So why would an organization that has already been recognized at the highest levels of excellence continue to apply for these awards? Because Pal’s knows excellence implies more than competence. It means striving for the highest possible standards. And as standards change, so must the organization. Empowered by that knowledge, Pal’s continually monitors and measures its processes. Pal’s systems are agile, so the company can quickly adjust to address market changes, customer habits and workforce fluctuations.

This agility isn’t just a leadership mantra – it’s embedded in the organization from the CEO to the employees taking orders at the drive-through window.

Here’s a true example of how this works: One day, a real estate agent was showing houses to an out-of-town couple who would soon be relocating to the area. Wanting to give her clients a taste of the local fare, the agent decided to treat them to lunch at Pal’s. After placing everyone’s order, the agent realized she didn’t have enough cash on hand to cover the total. She was forced to explain her embarrassing situation to the teenage employee working the window.

“Oh don’t worry about that,” the employee said, without skipping a beat. “You can just swing by another day with the rest.”

Because Pal’s empowers all of its employees to think on their feet, the agent saved face, and will likely become an even more loyal Pal’s customer. In fact, she’ll probably relate her positive experience to others – that’s free marketing. To top it off, Pal’s probably won over the house-hunting couple who witnessed the transaction, earning two new customers. Pal’s estimates each loyal customer is worth \$25,000.

Pal’s knows that agent may never come back with the money, but the goodwill engendered in that moment will pay dividends that far outweigh a cash register that comes up a few dollars short at the end of the day.

In addition to agility, this example incorporates several other core values of the Baldrige Criteria: customer-driven excellence, valuing employees and partners, focus on the future, focus on results and creating value. Pal’s Criteria-oriented approach may have something to do with the fact that, in addition to its 2006 TNCPE accolades, the company celebrated its 25th consecutive year of double-digit sales growth.

This is how the Criteria works, and why the TNCPE program is such an incredible opportunity for regional organizations that want to make a commitment to excellence. TNCPE is here to guide those who want to take practical, powerful steps toward their goals. We believe our efforts result in better businesses, better schools, better hospitals, better government and better nonprofits – ultimately, a better Tennessee.

Another way TNCPE is benefiting the community is a recent partnership with the Tennessee Department of Economic and Community Development, designed to integrate the TNCPE assessment process into ECD’s Three-Star Program.

The Three-Star Program helps local communities achieve excellence in economic and community development through a comprehensive plan created by local economic development professionals and state agencies. TNCPE and ECD believe the partnership will help communities further these efforts by using the TNCPE assessment to boost strategic planning initiatives and expand results.

TNCPE also prides itself on the educational opportunities it provides year-round. These include workshops on the *Criteria for Performance Excellence*, best practice tours and our largest educational initiative: examiner training.

You may consider becoming a TNCPE examiner – it’s a great professional development program, especially if you’re

interested in performance improvement systems. Following an intensive three-day training class, examiners serve on teams that assess organizations that apply for a TNCPE Award.

While examiner training is over for 2007, let us know if you would like to participate and we'll send you a 2008 examiner application as soon as it becomes available. The deadline to apply for the Board of Examiners will be in April 2008.

Coming up in February, TNCPE will host the 2008 Excellence in Tennessee Conference and Awards Banquet in Franklin, Tenn. This is another great TNCPE opportunity. During the conference, world-class businesses gather to share best practices and performance improvement tools. Charles Tolleson, vice president of 2005 Baldrige National Quality Award winner DynMcDermott Petroleum has already signed on to provide a keynote address.

Finally, your organization may be interested in applying for a TNCPE Award. If this is the case, TNCPE accepts Level 1 applicants all year long. The deadline for Level 2, 3 and 4 applications has passed, but we would be happy to help you prepare to submit an award application for the 2008 award cycle.

Whatever your interest, I encourage you to visit our Web site to learn more: www.TNCPE.org.

Mayberry Reception



Board Member Gary Floss was guest speaker in a College of Business class

