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## **Performance-Excellence Programs worth the Investment**

*By Deborah Gorenz, President, Hospital Services Corporation*

Many small businesses view performance-excellence programs as too expensive and time-consuming to be worthwhile. My organization, Hospital Services Corporation, spent many years without a performance-excellence framework until we became involved with Quality New Mexico, a nonprofit organization that fosters and promotes performance excellence to all New Mexico businesses and organizations.

The New Mexico program is modeled on the performance-quality system pioneered by former commerce secretary Malcolm Baldrige, which aims to help organizations enhance their competitiveness by delivering ever-improving value to customers and improving overall organizational performance. Every year, the president bestows the Malcolm Baldrige National Quality Award to businesses of all types and sizes and to education, health care and nonprofit organizations that have demonstrated outstanding performance in seven areas: leadership; strategic planning; customer and market focus; measurement, analysis, and knowledge management; workforce focus; process management; and results.

Hospital Services Corporation became involved with the program in 2004, when we were introduced to the concept at a Quality New Mexico conference. As a relatively small company with only 50 employees, we didn't have a department that could lead the rest of us on our "quality journey." Some of our employees trained as examiners — people who receive intensive training in performance-quality concepts and serve on the Board of Examiners that names the annual New Mexico Quality Awards winners. We also took advantage of the many workshops and conferences hosted by Quality New Mexico and networked with other organizations striving for performance excellence. For Hospital Services Corporation, performance excellence isn't "extra stuff" to do; it's what we do.

The results for our company show why performance excellence should be important to your business:

- Our monthly customer retention averages now exceed 99 percent.
- Operating margins have exceeded targeted levels in each of the last five years.
- Operating revenues have grown by more than 62 percent over the past four years.
- Employee turnover is down by 33 percent over the past four years.

We submitted our first application for the New Mexico Quality Award in late 2004. In 2005, we received Piñon recognition, the first level of the award system, for our "commitment to

performance excellence.” In 2006, we achieved the next level — Roadrunner recognition — for “progress toward performance excellence.” In 2008 we applied for the best-in-class Zia Award, and each year we make an incremental step in that direction. One day, we hope to apply for a national Baldrige Award.

The value of participating in the awards process is the feedback report that identifies an organization’s strengths and opportunities for improvement.

Implementing a performance-excellence program takes time and commitment, but the benefits can be enormous. The tools and resources are available to all New Mexico businesses. To learn more about the program, visit Quality New Mexico at [www.qualitynewmexico.org/](http://www.qualitynewmexico.org/).

*Finance New Mexico is an initiative of the New Mexico Small Business Investment Corporation (NMSBIC) and its partners to assist individuals and businesses in obtaining skills and funding resources for their business or idea. To learn more about resources available to New Mexicans, go to [www.FinanceNewMexico.org](http://www.FinanceNewMexico.org).*

