



# **Kentucky Award for Performance Excellence**

## **Application Process Overview**

Kentucky Center for Performance Excellence

## KENTUCKY AWARD FOR PERFORMANCE EXCELLENCE APPLICATION PROCESS OVERVIEW

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### Introduction

The Kentucky Award for Performance Excellence program annually recognizes organizations for their progress and achievement along the journey to performance excellence. The program is designed to enable participation and recognition at four levels of maturity to allow organizations to participate at a level that is appropriate to their position along the journey.

The Kentucky Award for Performance Excellence (KAPE) utilizes the proven and internationally recognized Baldrige Excellence Framework from the Baldrige Performance Excellence Program. The Criteria have three important roles in strengthening U.S. competitiveness:

1. to help improve performance practices, capabilities, and results,
2. to facilitate communication and sharing of best practices information among U.S. organizations of all types, and
3. to serve as a working tool for understanding and managing performance and for guiding planning and opportunities for learning.

The KYCPE program seeks to fulfill these same roles for Kentucky organizations and the state.

The KYCPE program is designed to provide organizations in Kentucky the opportunity to share in the values and achievements associated with continuous improvement in quality, productivity, financial efficiency, effectiveness, and global competitiveness.

The Kentucky Award for Performance Excellence is administered by the Kentucky Center for Performance Excellence, a non-profit corporation located in Lexington, KY.

### Award Levels

Participation and recognition are based on the demonstration of performance excellence practices at one of four levels (Level 1 - Interest, Level 2 - Commitment, Level 3 - Achievement and Level 4 - Excellence).

Organizations may apply to the KYCPE program at any one of these levels. However, as the application level increases, so does the depth and breadth of the responses required in applicant self-assessment reports (ranging from a simplified profile and 4 page self assessment survey for level 1 applications to 50 pages that address 35 areas for level 4 applications).

Applicants should consider these factors when selecting the level that is most appropriate to their needs. Typically, organizations start by applying at the lower levels and using the resulting feedback to prepare for higher level applications. Note: Level 3 and 4 applications take considerable time to research and compose; applicants should allow ample time for these applications and should not attempt to develop them between the "notice of intent to apply" and "application date" deadlines (typically less than 60 days – see page 6).

The KAPE Application and Fee Summary table (included at the end of this document) summarizes the requirements and fees associated with each application level. The terms included within Response to Criteria item in the table (Categories, Items and Areas) relate to levels of detail in the Baldrige Criteria. Additional information regarding these terms may be found in the Item Format diagram in the Baldrige Criteria booklet.

Each application level involves a certain level of maturity and performance. Therefore, it is possible for an organization to make progress in performance management practices and results from year to year, and still remain at the same level of recognition. The only way to be recognized at the higher level is to meet the criteria for the higher level.

### Level 1 – Interest

This is the beginning level for organizations interested in adopting and applying performance improvement principles. By applying at Level 1, an organization will learn about the Criteria and the assessment process. In addition, the organization will receive feedback that will help improve processes and move it toward higher award levels. KYCPE offers Level 1 applicants a more informal, consultative type approach during this first step of the performance improvement experience.

Level 1 applicants must complete and submit a Level 1 Application Package along with the appropriate application fee. The level 1 package includes three sections: 1) Application, 2) Simplified Organizational Profile and 3) Self-Assessment. The Simplified Organizational Profile asks a series of questions that describe the organization, its environment and performance challenges, and may be up to five pages long. The Self Assessment asks the applicant to identify the organization's maturity or performance for a series of performance criteria. The Level 1 Application package can be downloaded from the KYCPE web site.

Level 1 applicants host a team of two or more KYCPE examiners for a half-day site visit. During this visit, the applicant will learn the basic requirements of each Criteria Category and receive specific suggestions for improvement.

The examiners' observations and recommendations are later formalized in a brief written Feedback Report.

The Feedback Report indicates actions, processes or system improvements that would most benefit the organization. Organizations that complete Level 1 will receive a Certificate of Participation at the Interest Level and public recognition at the annual conference.

### Level 2 - Commitment

Level 2 is the second level of the KYCPE to demonstrate serious commitment to, and implementation of performance improvement principles.

Level 2 applicants must submit an Intent to Apply and an Application Package by the dates shown on page eight. Fees are

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required when submitting both the Intent to Apply and Application Package (see table 1 at the end of this document).

The Intent to Apply submission includes the Application Form, Organizational Profile and fee. The Intent to Apply instructions and forms may be downloaded from the KYCPE website (see Level 2-4 Intent to Apply Instructions).

The Application Package includes the Application Report, supporting documentation and application fee. The Application Report includes the applicant's responses outlining how it applies the 7 criteria categories and may be up to 15 pages long. The instructions and forms for preparing the Application Package may be downloaded from the KYCPE website (see Level 2-4 Application Package Instructions).

It is expected that applicants at this level clearly demonstrate that processes have been systematically improved based on data and assessment. Level 2 applicants do not receive a site visit (*unless requested*) but will receive a Feedback Report.

Recipients of Commitment Awards will have demonstrated progress by identifying and putting in place some key process improvements, *based on a general improvement orientation that is forward looking*. These organizations will also have addressed each Category of the Criteria. At this level, results may not be evident for every Category 7 Item; *however, available results should be presented. In addition* a measurement system should be in place to capture data and analyze results.

Level 2 applicants may elect to purchase a comprehensive site visit conducted by a team of KYCPE examiners although it is not required. The year after winning the Commitment Award, organizations are expected to provide an examiner and assistance to organizations that are new to the KYCPE performance excellence process.

### **Level 3 - Achievement**

Level 3 is a higher level of participation and is intended for organizations that have demonstrated, through their commitment to and practice of performance improvement principles, significant progress and results in building sound processes.

Level 3 applicants must submit an Intent to Apply and an Application Package by the dates shown on page eight. Fees are required when submitting both the Intent to Apply and Application Package (see table 1 at the end of this document).

The Intent to Apply submission includes the Application Form, Organizational Profile and fee. The Intent to Apply instructions and forms may be downloaded from the KYCPE website (see Level 2-4 Intent to Apply Instructions).

The Application Package includes the Application Report, supporting documentation and application fee. The Application Report includes the applicants' responses outlining how they apply the 7 Categories and 17 Items contained in the criteria, and may be up to 35 pages long. The instructions and forms for

preparing the Application Package may be downloaded from the KYCPE website (see Level 2-4 Application Package Instructions).

Level 3 applicants may elect to purchase a comprehensive site visit conducted by a team of KYCPE examiners although it is not required. The year after winning the Achievement Award, organizations are expected to provide an examiner and assistance to organizations that are new to the KYCPE performance excellence process.

Recipients of Achievement Awards will have demonstrated significant progress in building systematic processes that effectively address the overall requirements of each Item. These processes will be deployed and aligned throughout the organization appropriately to meet the key business needs of the organization. Results for some key processes will show improvement (at least a year in most cases) that is directly attributable to the use of systematic improvement approach, a robust management system, and performance management principles. These organizations have many practices from which other organizations can learn and grow.

### **Level 4 - Excellence**

The highest level of participation is intended for organizations that have demonstrated, through their practices and achievements, the highest level of performance excellence. Successful recognition at this level is typically the result of applying feedback from previous application cycles.

Level 4 applicants must submit an Intent to Apply and an Application Package by the dates shown on page eight. Fees are required when submitting both the Intent to Apply and Application Package (see table 1 at the end of this document).

The Intent to Apply submission includes the Application Form, Organizational Profile and fee. The Intent to Apply instructions and forms may be downloaded from the KYCPE website (see Level 2-4 Intent to Apply Instructions).

The Application Package includes the Application Report, supporting documentation and application fee. The Application Report includes the applicants' responses outlining how they apply the 7 Categories, 17 Items, and 37 Areas to address the criteria, and may be up to 50 pages long. The instructions and forms for preparing the Application Package may be downloaded from the KYCPE website (see Level 2-4 Application Package Instructions).

Level 4 applicants host a comprehensive site visit conducted by a team of KYCPE examiners. The year after winning the Excellence Award, organizations are expected to provide an examiner and assistance to organizations that are new to the KYCPE performance excellence process. Level 4 applicants are also expected to make a presentation at the annual conference following the year of the award.

Recipients of the Excellence Award are outstanding examples of high performance organizations, exhibiting processes that serve as role models for others, with some processes being at or near

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“best-in-class.” Organizations recognized at this highest level have demonstrated management excellence with superior results over time (multiple years), which are directly attributable to a systematic, well-deployed improvement approach and a robust management system that effectively addresses the multiple requirements of each item and demonstrates alignment throughout the organization. They continue to improve and build upon their outstanding results and excellent systems.

### Award Level Determination

The KYCPE Panel of Judges determines the level of recognition that is appropriate for applicants. Applicants may receive recognition at a lower level than the application level, but cannot receive an award level higher than the application level.

### Optional Follow-Up Reviews

Applicants who have received site visits in conjunction with the application process may request follow-up reviews with KYCPE to 1) clarify the Baldrige Excellence Framework and/or 2) clarify the application feedback responses provided by KYCPE. Since KYCPE must preserve the integrity of the examination and award process for all applicants, the follow-up review sessions are limited to these two question areas. To this end, the follow-up review process has been designed to facilitate this service while protecting the integrity of the overall program.

### Who May Apply

Participation and recognition are intended for all organizations within the state of Kentucky. Publicly or privately-owned, domestic or foreign owned, joint ventures, incorporated firms, sole proprietorships, partnership, and holding companies may participate. Subsidiaries or sub-units of larger organizations may be eligible if they meet the eligibility conditions contained in the Subsidiaries and Sub-Units section on this page.

The KYCPE program uses the Baldrige Excellence Framework. The form of the Criteria (i.e., Business, Education, Healthcare) used by an organization will be determined by the nature of the organization's operations.

Participation is available to Kentucky organizations in the following eligibility categories:

1. **Manufacturing** – Organizations or sub-units that produce or manufacture products for sale or product components that will be integrated with products for sale.
2. **Service** – Organizations or sub-units that sell services. Proper SIC codes of organizations that perform both manufacturing and service are determined by the larger percentage of sales.
3. **Healthcare** – Organizations or sub-units that provide services in the Healthcare sector. Healthcare organizations may use either criteria booklet (business or healthcare).

4. **Education** – Institutions or institutional sub-units that provide educational services within the State of Kentucky. Educational institutions may use either criteria booklet (business or education).
5. **Government** – Organizations of the federal government located in Kentucky; organizations of Kentucky state government, any Kentucky county, city, or other government entity or special district.

### Repetitive Applications

Applicants at all levels may apply repetitively for the KAPE. However, after receiving a Level 4 award the applicant must wait four years before again applying for a Level 4 award. For example, an applicant applies during the 2013 award cycle and receives the KAPE Level 4 award; that applicant may not apply again until the 2017 award cycle.

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## **Subsidiaries and Sub-Units**

For purposes of determining eligibility for participation in the KAPE program, the terms subsidiary, sub-unit, component, business unit, division, and district office are used interchangeably.

To be eligible, a subsidiary or sub-unit must meet all of the following requirements:

1. It must produce products or provide services that are consumed or used by other organizations or business units, where the products or services provide clear, demonstrable marketable value to the customer organizations, and the customer organizations have the ability to select the products or services from other sources.
2. The applicant organization must be sufficiently independent from its parent organization. It must have authority to establish and exercise leadership accountable for the following items:
  - a) define it's value proposition, and the associated products and services intended to fulfill that value proposition
  - b) develop it's mission, vision, values, strategy and associated plans to deliver the value proposition,
  - c) develop and manage the processes used to produce the products or services provided to its' customers
  - d) define and manage financial plans and expenditures required to conduct operations and provide value to its customers,
  - e) plan, acquire and manage the resources (people, technology, knowledge) to conduct operations.
- 3) The application organization must be a "permanent" entity that has existed for a minimum of 3 years prior to applying.

**Note:** A subsidiary or sub-unit is not precluded from applying if one or more of the services covered by an assessment criterion is performed by another organization, e.g., human resources, purchasing, etc. as long as the applying organization can use such services as part of its own quality and strategic decision making efforts. Neither is an organization ineligible if it receives policy direction and oversight from another organization. In all such cases, the evaluation will be based on consideration of all elements of the criteria, no matter where or by which organizations they are performed.

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### **Confidentiality**

Names of Applicants, individual Applications, commentary, and scoring information developed during the review of Applications are regarded as proprietary and kept confidential. Such information is available only to those individuals directly involved in the evaluation and Application distribution process.

Members of the Board of Examiners are assigned to Applicants according to strict conflict of interest rules and receive no information regarding the content or status of Applications to which they are not assigned. Information on successful strategies of Award Recipients and other Applicants may be released only with written approval from the Applicant.

The KYCPE staff will honor, to the fullest extent permitted by law, an Applicant's written request that certain information not be disclosed if the information is considered to be a trade secret or if its disclosure would damage the competitive position of the organization. It is suggested that Applicant's clearly demarcate any information included in its application that it does not want disclosed.

### **To Learn More**

To decide if your organization is ready to submit an application, you are strongly encouraged to attend a one-day "Application Writing" Workshop. This workshop will provide an overview of the Kentucky Award process and help you get started in writing your application. It is recommended that multiple people from an organization attend to provide a broad perspective of the organization. See the Calendar on the website at [www.kycpe.org](http://www.kycpe.org).

The 2017-18 Baldrige Excellence Framework can be downloaded or ordered in hard copy at: <https://www.nist.gov/baldrige/publications/baldrige-excellence-framework>.

### **How to Apply**

#### **APPLICATION PROCESS FOR LEVEL 1 APPLICANTS**

Level one applicants should complete and submit a Level 1 Application Package. The completed level one application package will include the: 1) Level 1 application form, 2) Simplified Organizational Profile, 3) Self Assessment and 4) application fee. The package may be submitted in accordance with the schedule at page eight of this document.

The level one application forms and instructions can be downloaded from the KYCPE web site under the Awards Info tab. The application fee requirements are described in the KAPE Application and Fee Summary Table listed at the end of this document.

#### **APPLICATION PROCESS FOR LEVEL 2 – 4 APPLICANTS**

The application process for Levels 2, 3 and 4 is a two stage process:

1. File Intent to Apply – The intent to apply is used to inform KYCPE that you are planning to apply at level 2, 3 or 4. This gives KYCPE the opportunity to confirm your intended application level and to determine examiner resource requirements.

The complete Intent to Apply package includes: 1) the Intent to Apply form, 2) the Organizational Profile and 3) Intent fee. The package may be submitted in accordance with the schedule at page eight of this document.

2. Prepare and Submit Application Package – After you submit your Intent to Apply, you have approximately two months to complete and submit your application package. The complete application package includes your: 1) Application Form, 2) Organizational Profile, 3) Criteria Self Assessment Report and 4) application fee. The package may be submitted in accordance with the schedule at page eight of this document..

The forms and instructions for completing the Intent to Apply and Application packages can be downloaded from the KYCPE web site under the Awards Info tab (see Level 2-4 Intent to Apply and Application Package Submission Instructions). The Intent to Apply and Application Submission fee requirements are described in the KAPE Application and Fee Summary Table listed at the end of this document.

### **Training Support Available**

- 1) Orientation Workshops – a two hour high-level overview of the benefits of applying the Baldrige criteria in your organization.
- 2) Application Workshops – a three-day workshop that explains the foundation principles behind the Baldrige framework and criteria and provides practical guidance for preparing your application. First day is for organizations new to the Criteria for Performance Excellence, days 2-3 are for returning applicants and new applicants wanting to learn more than the Day 1 introduction.
- 3) Examiner Training - this two day workshop trains examiner candidates in the application evaluation and feedback process. Many applicants participate in the examiner process to develop a deeper understanding of the criteria in support of the application process. Learning module training is offered before the workshop to better prepare attendees for the session.

Additional information regarding training offerings and scheduling is available on the KYCPE web site.

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## **Important Dates**

### Examiners

## For Level 2, 3 and 4 Applicants

11/17/18	Intent to Apply package submission deadline
1/4/19	Application Package receipt deadline

## For Level 1 Applicant

## Conference & Awards Banquet

## June, 2019 Best Practice Sharing Conference & Awards Banquet

1/25/19 Application Package submission deadline (for recognition at the June 2019 Annual Awards Banquet) No Intent to Apply Required

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<b>KAPE Application and Fee Summary Table</b> <b>(Table 1)</b>				
	Level 1 Interest	Level 2 Commitment	Level 3 Achievement	Level 4 Excellence
Intent to Apply				
Intent Fee	NA	\$150	\$150	\$150
Intent Due	NA	11/19/2018	11/19/2018	11/19/2018
Application Due	01/25/2019	01/04/2019	01/04/2019	01/04/2019
Application Fee	See Below	See Below	See Below	See Below
1- 99 Employees	Member \$250 Non-Member \$250	Member \$300 Non-Member \$375	Member \$1,000 Non-Member \$1,500	Member \$2,000 Non-Member \$3,000
100 – 249 Employees	Member \$350 Non-Member \$420	Member \$1,000 Non-Member \$1,500	Member \$1,500 Non-Member \$2,250	Member \$2,500 Non-Member \$3,750
250 – 499 Employees	Member \$400 Non-Member \$550	Member \$1,500 Non-Member \$2,250	Member \$2,000 Non-Member \$3,000	Member \$3,000 Non-Member \$4,500
500 + Employees	Member \$450 Non-Member \$625	Member \$2,000 Non-Member \$3,000	Member \$2,500 Non-Member \$3,750	Member \$3,500 Non-Member \$5,250
Organizational Profile	Level 1 Organizational Profile form	Required – 5 page Maximum	Required – 5 page Maximum	Required – 5 page Maximum
Response to Criteria	None	7 Categories 15 page maximum	7 Categories 17 Items 35 page maximum	7 Categories 17 Items 35 Areas 50 page maximum
Site Visit	Six hour consultative visit	Optional Applicant pays \$2000 for 1-2 day multi-member team visit (2, 3, or 4)	Optional Applicant pays \$3000 for 2-day multi-member team visit (4,5, or 6)	Required Applicant pays travel expenses billed separately on a pass-through basis with no overhead or markup for
Recognition Eligibility	Interest	Commitment or Interest	Achievement, Commitment or Interest	Excellence, Achievement, Commitment or Interest
Applicant Responsibilities	None	Examiner for current or next year	<input type="checkbox"/> Examiner for current year <input type="checkbox"/> Assistance to other organizations	<input type="checkbox"/> Examiner for current and next year <input type="checkbox"/> Assistance to other organizations <input type="checkbox"/> Annual conference presentation