Stepping Up Their Game

Anna Wells

Mesa Products takes improvement to the next level with the Malcolm Baldrige National Quality Award program.

Terry May, president of 2006 Baldrige award-winning company Mesa Products (Tulsa, OK), likens the application process to kicking a bad habit—long and arduous, but worth the rewards that come with success. Step One? Identify you have a problem.

For Mesa Products, the “problem” was really more of a persistent desire for continuous improvement—after years of implementing different operational procedures to improve process efficiency, Mesa approached Baldrige as a way of stepping up its previous Lean and TQM initiatives.

May is humble when he discusses Baldrige, but the truth of the matter is, this is one of the most prestigious awards out there: referred to by some as the nation’s highest honor for quality and performance excellence. This public validation, added to the fact that internal quality improvement is at the core of the process, makes the Malcolm Baldrige National Quality Award program well worth its while.

According to May, it was the discipline behind the Baldrige assessment process that made the difference: “Some companies could enjoy improvements and benefits from the concept of it, if they were to apply it internally, without even going through the award process itself,” he ventures. “But for us, we needed that required discipline in order to help ourselves. It’s like, if you wanted to lose weight or stop smoking—some people can just do it on their own and say ‘I’m disciplined enough and don’t need help.’ Other people need 12-step programs and boot camps. For us, we needed a framework in which to do it, and the Baldrige process gave us that.”

Quality And Service

Mesa Products is in the cathodic protection industry, which is a form of corrosion control. The company's core market is underground steel owners—pipeline transmission systems, gas distribution systems, propane and service station tanks, etc. One of the unique things about this industry is that cathodic protection products and services are mandated by safety regulations of underground steel structures containing hydrocarbons.

This market situation has made Mesa's operational focus a bit different than many competitive industries: "For the most part, our customers don't have a choice of whether to buy the products that we sell; the choice is who they buy from," May says. "In that kind of business, there are only three things you can compete on—price, quality, and service. Quality and service is what we have picked out as our place; we've got to keep getting better, and we've got to be the quality leader in order to be successful."

Blind Faith

Despite the company's successes with the program, May is the first to admit that in initially approaching Baldrige, Mesa had no idea as to the type of rigorous commitment it was getting into. "We're probably not a poster child for Baldrige," he admits. "Pure and simple, it was an experiment. It was an experiment first, and then it became a challenge.

"If I'd have known how hard Baldrige was going in, it might have scared me off. If I had known how long it was going to take, I might have thought twice about it. The nice thing for us is that we didn't know."

It was only after the first application evaluation that May realized the decision to apply would require a tenacity of commitment that could only come from a strong leadership team, as well as the full support of company personnel.

Part of this requirement of a committed team comes from the fact that the application for this award is such a comprehensive process. The Malcolm Baldrige National Quality Award was created in the late 1980's with the intent to improve US competitiveness through quality improvement processes. This led to the creation of a public-private partnership between the Department of Commerce, and the Foundation for the Malcolm Baldrige National Quality Award. The award is managed by NIST (National Institute of Standards and Technology). ASQ (American Society for Quality) assists in administrating the award under contract to NIST.

A board of examiners evaluates applications and prepares feedback reports (for more detail on the award criteria, see page 14). The process also includes onsite visits by groups of examiners. According to May, the average company, starting from scratch, will take eight to ten years to reach the level of a Baldrige recipient.

Because of this, says May, “the leadership at the top need to plan on being there for ten years. Otherwise the next person coming in—it might not be as important to them. And then it just falls apart.”

Dealing With Feedback

Luckily continuity in leadership (May started Mesa in 1979, and will oversee the company until retirement) is not the only thing Mesa had going for it when embarking upon the award application process. With many quality management initiatives already under its belt—including an ISO certification—the process wound up taking Mesa four years instead of the average eight to ten. But those four years were so intensive that the company considered giving up at one point.

May describes the feedback report he received the first year of the company’s participation: “The first feedback report we got just made me mad. I said ‘these guys (Baldrige examiners) just don’t get it. I have everything in the report they could possibly want, and they just don’t get it. Then I had a chance encounter with an examiner that was unrelated to my application, but he took it upon himself to help me understand and interpret what they saying in this feedback report. I decided we were going to do it again, and do it better—so we made some changes, and by the second year we were hooked.”

It’s All In The Details

One of the reasons May himself became “hooked” on Baldrige was the fact that it offered a combination approach to excellence, utilizing Lean as a tenet, along with a host of other elements. “We stand on Lean as the methodology that we’re going to use to drive further improvements in productivity and eliminating waste. Part of productivity is becoming more efficient using Lean. Part of it is making sure that your people are satisfied. It’s a combination; you can’t just pick out one thing and say ‘if you do this, this is going to lead to results,’” he says. “That’s the thing that was appealing about Baldrige—it doesn’t just focus on one thing. It forces you to look at the whole picture. Lean doesn’t do that.

“I’m a firm believer in Lean and its impact, but Lean doesn’t force you to look at customer satisfaction. It doesn’t force you to look at employee satisfaction, or information management. Baldrige does, and it’s a comprehensive, balanced approach to running an organization. If I knew of another approach that did what Baldrige does, and it was easier, I’d jump all over it. But I don’t know of one.”

Internal Evaluation

If May were to dispense advice to other businesses interested in pursuing the Baldrige award application, he’d emphasize an intangible element that he came to

know very well throughout Mesa's journey to success: company culture. "Evaluate the reasons why you shouldn't do it," he suggests. "If you don't have continuity in leadership, that might be a good reason not to even think about it."

For Mesa, the continuity has had a way of trickling down to employees at every level: "It's hard to measure culture," May says. "But I know that whatever culture we have here took a long time to get like this. We started consciously trying to influence it about ten years ago—we became, and this is a key Baldrige word, 'systematic,' meaning you create a plan, start working through it, and see what the results are: plan, do, check, act."

In addition to this, May suggests companies get their feet wet at a local level first: "Learn a little more about it than we did," he says. "I'd advise organizations to be very involved at the state level before they tackle the Baldrige process. If you start at the state level, it's a lot cheaper, it's a lot less intense, and it really is the most systematic way to improve your organization to a level at which you can submit a Baldrige application and be competitive. Get senior leaders involved directly as examiners—just from an educational standpoint. We actually use it as a management training program now for our leaders, managers and supervisors."

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