# 2015–2016

#

# Health Care

# Commitment Level Criteria for Performance Excellence

# Effective July 2015

### Note from the CEO:

Thank you for taking the time to consider applying for the Quality Texas Foundation Commitment Level of Recognition (20 pages and a five page Organizational Profile). Your organization may have started at our Engagement 10 page application (with five page Organization Profile). Good news is that the Organizational Profile may have some small changes but is mostly the same. If this is your first entry with Quality Texas Foundation, welcome aboard.

It is our sincere hope that the questions embedded in the five page organizational profile and your twenty page application will cause your organization to evaluate exactly where you are, where you should be, and how you can significantly improve by prioritization of your improvement steps. The Baldrige Framework is used the world over to make systematic improvements to organizations. Proposed steps are shown below.

 1) Assign a minimum of four personnel in your office to become Examiner trained with the Quality Texas Foundation. This training is where we actually teach the Examiner how to write the responses to the questions and the reasons behind the questions. You can just begin writing if you like, but past information received from applicants indicate the Examiner training was a major milestone in writing at any level including the Award Level.

 2) Write your responses and allow other people in your office to edit your work. Don’t fall in love with your first draft. This application to be really effective will undergo several iterations with substantial improvements along the way. The application process will allow the organization to ask very difficult questions and address organizational priorities.

 3) Revise multiple times and submit.

This Commitment Level of Recognition discusses approach, deployment, learning, and integration in Category 1-6 and levels, trends, comparisons, and integration in Category 7. Applicants have asked in the past about how the pages should be distributed for the Commitment Application. The following page distribution is for planning purposes only and is not a hard and fast rule.

Commitment Level (20 pages + 5 pages OP; July 2015)  5 pages OP, Cat 1 (2 pages), Cat 2 (2 pages), Cat 3 (2 pages), Cat 4 (2 pages), Cat 5 (3 pages), Cat 6 (2 pages), and Cat 7 (7 pages).

If we here at the Quality Texas Foundation can be of assistance to you, please allow us that opportunity. We offer coaching and training to help maximize your positive experience. Remember always that the Baldrige Journey is never finished! Happy travels!

 Dr. Mac McGuire

 CEO

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**Baldrige has a simple purpose.**

The purpose of the Baldrige framework is simply to help your organization—no matter its size, sector, or industry—answer three questions: *Is your organization doing as well as it could? How do you know? What and how should your organization improve or change?*

By challenging yourself with the questions that make up the Criteria for Performance Excellence, you explore how you are accomplishing what is important to your organization. The questions (divided into six interrelated process categories and a results category) represent seven critical aspects of managing and performing as an organization:

1. Leadership

2. Strategy

3. Customers

4. Measurement, analysis, and knowledge management

5. Workforce

6. Operations

7. Results

**Baldrige promotes a systems perspective.**

*A systems perspective means managing all the components of your organization as a unified whole to achieve ongoing success.* The system’s building blocks and integrating mechanism are the core values and concepts, the seven interrelated Criteria categories, and the scoring guidelines.

**A focus on core values and concepts.** Baldrige is based on a set of beliefs and behaviors. These core values and concepts are the foundation for integrating key performance and operational requirements within a results-oriented framework that creates a basis for action, feedback, and ongoing success:

• Systems perspective

• Visionary leadership

• Customer-focused excellence

• Valuing people

• Organizational learning and agility

• Focus on success

• Managing for innovation

• Management by fact

• Societal responsibility

• Ethics and transparency

• Delivering value and results

**A focus on processes.** *Processes* are the methods your organization uses to accomplish its work. The Baldrige framework helps you assess and improve your processes along four dimensions:

1. *Approach:* designing and selecting effective processes, methods, and measures

2. *Deployment:* implementing your approach consistently across the organization

3. *Learning:* assessing your progress and capturing new knowledge, including looking for opportunities for improvement and innovation

4. *Integration*: aligning your approach with your organization’s needs; ensuring that your measures, information, and improvement systems complement each other across processes and work units; and harmonizing processes and operations across your organization to achieve key organization-wide goals

**A focus on results.** The Baldrige framework leads you to examine your results from three viewpoints: the external view (*How do your customers and other stakeholders view you?*), the internal view (*How efficient and effective are your operations?*), and the future view (*Is your organization learning and growing?*).

In Baldrige, results include all areas of importance to your organization. This composite of measures ensures that your strategies are balanced—that they do not inappropriately trade off among important stakeholders, objectives, or short and longer-term goals. The Baldrige framework helps you evaluate your results along four dimensions:

1. *Levels:* your current performance on a meaningful measurement scale

2. *Trends:* the direction and rate of change of your results

3. *Comparisons:* your performance relative to that of other, appropriate organizations, such as competitors or organizations similar to yours, and to benchmarks or industry leaders

4. *Integration:* the extent to which the results you track are important to your organization and the extent to which you are using them to support your organizational goals and revise plans

**A focus on linkages.** The linkages among the Criteria categories are an essential element of the systems perspective provided by the Baldrige framework. Some examples of these linkages are

• the connections between your processes and the results you achieve;

• the need for data in the strategic planning process and for improving operations;

• the connection between workforce planning and strategic planning;

• the need for customer and market knowledge in establishing your strategy and action plans; and

• the connection between your action plans and any changes needed in your work systems.

**A focus on improvement.** The Baldrige framework helps you understand and assess how well you are accomplishing what is important to your organization: how mature and how well deployed your processes are, how good your results are, whether your organization is learning and improving, and how well your approaches address your organization’s needs. The Baldrige scoring guidelines are based on the process and results dimensions described above.

### As you respond to the Criteria questions and gauge your responses against the scoring guidelines, you will begin to identify strengths and gaps—first within the Criteria categories and then among them. When you use the Baldrige framework to manage your organization’s performance, the coordination of key processes, and feedback between your processes and your results, lead to cycles of improvement. As you continue to use the framework, you will learn more and more about your organization and begin to define the best ways to build on your strengths, close gaps, and innovate.

### The Organizational Profile

The Organizational Profile is the most appropriate starting point for self-assessment and for writing an application. It is critically important for the following reasons:

• It helps you identify gaps in key information and focus on key performance requirements and results.

• You can use it as an initial self-assessment. If you identify topics for which conflicting, little, or no information is available, use these topics for action planning.

• It sets the context for your responses to the Criteria requirements in categories 1–7.

**P Preface: Organizational Profile**

The **Organizational Profile** is a snapshot of your organization, the key influences on how it operates, and the key challenges it faces.

**P.1 Organizational Description: What are your key organizational characteristics?**

**Describe your operating environment and your key relationships with customers, suppliers, partners, and stakeholders.**

**In your response, answer the following questions:**

**a. Organizational Environment**

**(1) Health Care Service Offerings** What are your main Health Care Service offerings (see the note on the next page)? What is the relative importance of each to your success? What mechanisms do you use to deliver your Health Care Services?

**(2) Mission, Vision and VALUES** What are your stated purpose, vision, values, and mission? What are your organization’s core competencies, and what is their relationship to your mission?

**(3) Workforce** **Profile** What is your workforce profile? What recent changes have you experienced in WORKFORCE composition or your WORKFORCE needs? What are:

* your workforce or employee groups and segments,
* the educational requirements for different employee groups and segments, and
* the key elements that engage them in achieving your mission and vision?

What are your organized bargaining units (union representation)? What are your organization’s special health and safety requirements?

 **(4) Assets** What are your major facilities, technologies, and equipment?

**(5) Regulatory Requirements** What is the regulatory environment under which you operate? What are the applicable occupational health and safety regulations; accreditation, certification, or registration requirements; Health Care Service standards; and environmental, financial, and product regulations?

**b. Organizational Relationships**

**(1) Organizational Structure** What are your organizational structure and governance system? What are the reporting relationships among your governance board, senior leaders, and parent organization, as appropriate?

**(2) PATIENTS, OTHER Customers, and Stakeholders** What are your key market segments, Patient and customer groups, and stakeholder groups, as appropriate? What are their key requirements and expectations of your Health Care Services, Patient and other customer support services, and operations? What are the differences in these requirements and expectations among market segments, Patients, and other customer groups, and stakeholder groups?

**(3) Suppliers and Partners** What are your key types of suppliers, partners, and collaborators? What role do they play

* in your work systems, especially in producing and delivering your key Health Care Services and Patient and other customer support services;
* in enhancing your competitiveness?

What are your key mechanisms for communicating with suppliers, partners, and collaborators? What role, if any, do these organizations play in contributing and implementing innovations in your organization? What are your key supply-chain requirements?

*Terms in small caps are defined in the Award Level Criteria for Performance Excellence Glossary of Key Terms
(pages 47-54).*

**Notes**

**P.** Your responses to the Organizational Profile questions are very important. They set the context for understanding your organization and how it operates. Your responses to all other questions in the Baldrige Health Care Criteria should relate to the organizational context you describe in this Profile. Your responses to the Organizational Profile questions thus allow you to tailor your responses to all other questions to your organization’s uniqueness.

**P.1a(1).** Health Care Service offerings are the services you offer in the marketplace. Mechanisms for delivering services to your patients might be direct or might be indirect, through contractors, collaborators, partners.

**P.1a(2).** Core competencies are your organization’s areas of greatest expertise. They are those strategically important capabilities that are central to fulfilling your mission or provide an advantage in your marketplace or service environment. Core competencies are frequently challenging for competitors or suppliers and partners to imitate and frequently preserve your competitive advantage.

**P.1a(2).** Core competencies are one example of concepts that are woven throughout the Health Care Criteria to ensure a systems approach to organizational performance management. Other such concepts include innovation, use of data and information to review performance and create knowledge, and change readiness and management.

**P.1a(3).** Workforce or employee groups and segments (including organized bargaining units) might be based on the type of employment or contract reporting relationship, location (including telework), tour of duty, work environment, use of certain family-friendly policies, or other factors.

**P.1a(3).** Organizations that also rely on volunteers and unpaid interns to accomplish their work should include these groups as part of their workforce.

**P.1a(5).** Industry standards might include industry-wide codes of conduct and policy guidance. Depending on the regions in which you operate, environmental regulations might include greenhouse gas emissions, carbon regulations and trading, and energy efficiency.

**P.1b(2).** Customers include the users and potential users of your Health Care Services. They are the direct users of your health care services (patients), as well as referring health care providers and users who pay for your services, such as patients’ families, insurers, and other third-party payors.

**P.1b(2).** Patient and other customer groups might be based on common expectations, behaviors, preferences, or profiles. Within a group, there may be customer segments based on differences and commonalities, or both. You might subdivide your market into market segments based on Health Care Service lines or features, service delivery modes, payors, volume, geography, or other factors that you use to define a market segment.

**P.1b(2).** The requirements of your patient and other customer groups and market segments might include accessibility, continuity of care, safety, security, leveraging of technology, billing requirements, socially responsible behavior, community service, cultural preferences, and multilingual services.

**P.1b(2). P.1b(3).** Patient, other **c**ustomer, stakeholder, and operational requirements and expectations will drive your organization’s sensitivity to the risk of service, service, support, and supply-chain interruptions, including those due to natural disasters and other emergencies.

**P.1b(3).** Communication mechanisms should use understandable language, and they might involve in-person contact, e-mail, social media, or the telephone. For many organizations, these mechanisms may change as marketplace, patient and other customer, or stakeholder requirements change.

For additional guidance on this item, see the Category and Item Commentary (<http://www.nist.gov/baldrige/publications/business_nonprofit_criteria.cfm>).

**P.2 Organizational Situation: What is your organization’s strategic situation?**

**In your response, include answers to the following questions:**

**a. Competitive Environment**

**(1) Competitive Position** What is your competitive position? What are your relative size and growth in your health care industry or the markets you serve? How many and what types of competitors and KEY COLLABORATORS do you have?

**(2) Competitiveness Changes** What key changes, if any, are affecting your competitive situation, including changes that create opportunities for innovation and collaboration, as appropriate?

**(3) Comparative Data** What key sources of comparative and competitive data are available from within your health care industry? What key sources of comparative data are available from outside your health care industry? What limitations, if any, affect your ability to obtain or use these data?

**b. Strategic Context**

What are your key strategic challenges and advantages in the areas of health care services, operations, societal responsibilities, and workforce?

**c. Performance Improvement System**

What are the key elements of your performance improvement system, including your processes for evaluation and improvement of key organizational projects and processes?

*Terms in small caps are defined in the Award Level Criteria for Performance Excellence Glossary of Key Terms
(pages 47–54).*

**Notes**

**P.2b.** Strategic challenges and advantages might relate to technology; health care services; finances; operations; organizational structure and culture; your parent organization’s capabilities; patients and other customers and markets, brand recognition and reputation, your health care industry, and people.

Strategic advantages might include differentiators such as technology leadership, innovation rate, geographic proximity, accessibility, health care and administrative support services, cost, reputation for service delivery, and wait times for service.

**P.2c.** The Baldrige Scoring System (page 30-35 in the Baldrige Excellence Framework 2015-2016) uses performance improvement through learning and integration as a dimension in assessing the maturity of organizational approaches and their deployment. This question is intended to set an overall context for your approach to performance improvement. The approach you use should be related to your organization’s needs. Approaches that are compatible with the overarching systems approach provided by the Baldrige framework might include implementing a Lean Enterprise System, applying Six Sigma methodology, using PDCA methodology, using standards from the ISO (e.g., 9000 or 14000), using decision science, or employing other improvement tools.

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**Questions provided. There are basically two types of questions to address, how and what. The "How" questions are soliciting a process by which the organization answers the question. The "What" questions are concerned with a list of the items you do to answer the questions.**

**For additional information to assist in understanding of each category 1-7, see the Baldrige Excellence Framework** at <http://www.nist.gov/baldrige/publications/business_nonprofit_criteria.cfm>**.**

**After completing the Organizational Profile where you are asked to identify what is most important to your organization, proceed to answer each of the following questions as fully as possible. Please remember to reference the eligibility and Commitment level application instructions checklist documents located under the Applicants tab on our website at** [**www.quality-texas.org**](http://www.quality-texas.org)**.**

1 Leadership

The ***Leadership*** category asks how senior leaders’ personal actions guide and sustain your organization. It also asks about your organization’s governance system and how your organization fulfills its legal, ethical, and societal responsibilities.

1.1 Senior Leadership: How do your senior leaders lead the organization? Process

In your response, include answers to the following questions:

a. Vision, Values, and Mission

(1) **Vision and Values** **How do senior leaders set your organization’s vision and values?**

(2) **Promoting Legal and Ethical Behavior How do senior leaders’ actions demonstrate their commitment to legal and ethical behavior?**

(3) **Creating a Successful Organization How do senior leaders actions build an organization that is successful now and in the future?**

b. Communication and Organizational Performance

(1) **Communication How do senior leaders communicate with and engage the entire workforce and key customers?**

(2) **Focus on Action How do senior leaders create a focus on action to achieve the organization’s MISSION?**

**Notes**

**1.1.** In health care organizations with separate administrative/operational and health care provider leaders, the term “senior leaders” refers to both sets of leaders and the relationship between them.

**1.1.** Your organizational performance results should be reported in items 7.1–7.5. Results related to the effectiveness of leadership and the leadership system should be reported in item 7.4.

**1.1a(1).** Your organization’s vision should set the context for the strategic objectives and action plans you describe in items 2.1 and 2.2.

**1.1a(3).** A successful organization is capable of addressing current organizational needs and, through agility and strategic management, is capable of preparing for its future business, market, and operating environment. Achieving future success may require leading transformational changes in the organization’s structure and culture. Both external and internal factors should be considered. Factors in your organization’s sustainability might include workforce capability and capacity, resource availability, technology, knowledge, core competencies, work systems, facilities, and equipment. Success now and in the future might be affected by changes in the marketplace and patient and other customer preferences, in the financial markets, and in the legal and regulatory environment. In the context of ongoing success, the concept of innovation and taking intelligent risks includes both technological and organizational innovation to help the organization succeed in the future. A successful organization also ensures a safe and secure environment for its workforce and other key stakeholders. A successful organization is capable of addressing risks and opportunities arising from environmental considerations and climate change.

**1.1b(1).** Use of social media may include delivering periodic messages through internal and external websites; tweets; blogging; and electronic forums for patients, other customers, and the workforce; as well as monitoring external websites and blogs and responding, when appropriate.

**1.1b(1).** Organizations that rely on volunteers to accomplish their work should also discuss efforts to communicate with and engage the volunteer workforce.

**1.1b(2).** Senior leaders’ focus on action considers your strategy, workforce, work systems, and assets. It includes taking intelligent risks and implementing innovations and ongoing improvements in productivity that may be achieved by eliminating waste or reducing cycle time; improvement efforts might use techniques such as PDCA, Six Sigma, and Lean. Senior leaders’ focus on action also includes the actions needed to achieve your strategic objectives (see 2.2a[1]) and may involve establishing change management plans for major organizational change or responding rapidly to significant information from social media or other input.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm)

1.2 Governance and Societal Responsibilities: How do you govern and fulfill your societal responsibilities? Process

In your response, include answers to the following questions:

a. Organizational Governance

(1) **Governance System How does your organization ensure responsible GOVERNANCE?**

(2) **Performance Evaluation How do you evaluate the performance of your senior leaders, including the chief executive, and your GOVERNANCE board?**

b. Legal and Ethical Behavior

(1) **Legal and Regulatory Behavior** **HOW do you anticipate and address public concerns with your products and operations?**

(2) **Ethical Behavior How does your organization promote and ensure ethical behavior in all interactions?**

c. Societal Responsibilities and Support of Key Communities

(1) **Societal Well-Being How do you consider societal well-being and benefit as part of your strategy and daily operations?**

(2) **Community Support How does your organization actively support and strengthen your key communities?** What are your key communities?

**Notes**

**1.2.** Societal responsibilities in areas critical to your ongoing marketplace success should also be addressed in Strategy Development (item 2.1) and Operations (category 6). Key results should be reported as Leadership and Governance Results (item 7.4). Examples are results related to regulatory

and legal requirements (including malpractice and the results of mandated financial audits); accreditation; reductions in environmental impacts through the use of “green” technology, resource-conserving activities, reduction of carbon footprint, or other means; or improvements in social impacts, such as building community health.

**1.2.** The health and safety of your workforce are not addressed in this item; you should address these workforce factors in items 5.1 and 6.2.

**1.2a(1).** The governance board’s review of organizational performance and progress, if appropriate, is addressed in 4.1(b).

**1.2a(1).** Transparency in the operations of your governance system should include your internal controls on governance processes.

**1.2a(2).** The evaluation of leaders’ performance might be supported by peer reviews, formal performance management reviews, reviews by external advisory boards, and formal or informal feedback from and surveys of the workforce and other stakeholders.

**1.2b(2).** Measures or indicators of ethical behavior might include the percentage of independent board members, instances of ethical conduct or compliance breaches and responses to them, survey results showing workforce perceptions of organizational ethics, ethics hotline use, and results of ethics reviews and audits. Measures or indicators of ethical behavior might also include evidence that policies, workforce training, and monitoring systems are in place for conflicts of interest; protection and use of sensitive data, information, and knowledge generated through synthesizing and correlating these data; and proper use of funds.

**1.2c.** Areas of societal contributions might include your efforts to improve the environment (e.g., collaboration to conserve the environment or natural resources); strengthen local community services, education, health, and emergency preparedness; and improve the practices of trade, business, or professional associations.

**1.2c(2).** Actions to build community health are population based services that support the general health of the communities in which you operate. Such services will likely draw on your core competencies and might include health education programs, immunization programs, and unique health services provided at a financial loss, population-screening programs (e.g., for hypertension), sponsorship of safety programs, and indigent care and other community benefits. You should report the results of these services in item 7.4.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

2 Strategy

The ***Strategic Planning*** category asks how your organization develops strategic objectives and action plans, implements them, changes them if circumstances require, and measures progress.

2.1 Strategy Development: How do you develop your strategy? Process

In your response, include answers to the following questions:

a. Strategy Development Process

(1) **Strategic Planning Process How do you conduct your strategic planning?** What are the key process steps?

(2) **INNOVATION HOW does your strategy development PROCESS stimulate and incorporate INNOVATION?**

(3) **Strategy Considerations How do you collect and analyze relevant data and develop information for your strategic planning process?**

 (4) **WORK SYSTEMS and CORE COMPETENCIES** **What are your KEY WORK SYSTEMS?**

b. Strategic Objectives

(1) **Key Strategic Objectives What are your organization's key strategic objectives and your timetable for achieving them?**

(2) **Strategic Objective Considerations How do your strategic objectives achieve appropriate balance among varying and potentially competing organizational needs?**

**Notes**

**2.1.** This item deals with your overall organizational strategy, which might include changes in health care service offerings and processes for patient and other customer engagement. However, you should describe the service design and patient and other customer engagement strategies, respectively, in items 6.1 and 3.2, as appropriate.

**2.1.** Strategy development refers to your organization’s approach to preparing for the future. In developing your strategy, you might use various types of forecasts, projections, options, scenarios, knowledge (see 4.2a for relevant organizational knowledge), analyses, or other approaches to envisioning the future in order to make decisions and allocate resources. Strategy development might involve key suppliers, partners, patients, and other customers.

**2.1.** The term “strategy” should be interpreted broadly. Strategy might be built around or lead to any or all of the following: new health care services; redefinition of key patient and other customer groups or market segments; differentiation of your brand; new core competencies; revenue growth via various approaches, including acquisitions, grants, and endowments; divestitures; new partnerships and alliances; and new staff or volunteer relationships. Strategy might be directed toward becoming a preferred provider, a center for clinical and service excellence, a research leader, a low-cost provider, a market innovator, a provider of a high end or customized service, or an integrated service provider.

It might also be directed toward meeting a community or public health care need.

**2.1a(2).** Strategic opportunities arise from outside-the-box thinking, brainstorming, capitalizing on serendipity, research and innovation processes, nonlinear extrapolation of current conditions, and other approaches to imagining a different future. The generation of ideas that lead to strategic opportunities benefits from an environment that encourages non directed, free thought. Choosing which strategic opportunities to pursue involves considering relative risk, financial and otherwise, and then making intelligent choices (“intelligent risks”).

**2.1a(3).** Data and information may come from a variety of internal and external sources and in a variety of forms. Data are available in increasingly greater volumes and at greater speeds. The ability to capitalize on data and information, including large datasets (“big data”), is based on the ability

to analyze the data, draw conclusions, and pursue actions, including intelligent risks.

**2.1a(3).** Data and information might relate to patient, other customer, and market requirements, expectations, and opportunities; your culture, policies, and procedures to ensure patient safety and avoid medical errors; your policies and procedures for access to and equity of care; your core competencies; the competitive and collaborative environment and your performance now and in the future relative to competitors and comparable organizations; technological and other key innovations or changes that might affect your services and the way you operate, as well as the rate of innovation; workforce and other resource needs; your ability to capitalize on diversity; opportunities to redirect resources to higher-priority health care services or areas; financial, societal, ethical, regulatory, technological, security, and other potential risks and opportunities; your ability to prevent and respond to emergencies, including natural or other disasters; changes in the local, national, or global economy; requirements for and strengths and weaknesses of your partners and supply chain; changes in your parent organization; and other factors unique to your organization.

**2.1a(3).** Your strategic planning should address your ability to mobilize the necessary resources and knowledge to execute the strategic plan. It should also address your ability to execute contingency plans or, if circumstances require, a shift in plans and rapid execution of new or changed plans.

**2.1a(4).** Decisions about work systems are strategic. These decisions involve protecting intellectual property, capitalizing on core competencies, and mitigating risk. Decisions about your work systems affect organizational design and structure, size, locations, profitability, and ongoing success. In a generic view of an organization, for example, the organization might define three work systems: one that addresses the clinical delivery of health care services, one that engages patients and other customers, and one that comprises systems that support service delivery and patient and other customer engagement.

**2.1b(1).** Strategic objectives might address access and locations; rapid response; customization; co-location with major partners; workforce capability and capacity; specific joint ventures; rapid or market-changing innovation; societal responsibility actions or leadership; social media and web-based management of relationships with suppliers, providers, patients, and other customers; implementation of electronic health records and electronic care processes (e.g., order entry and e-prescribing); and enhancements in health care service quality. Responses should focus on your specific challenges, advantages, and opportunities—those most important to your ongoing success and to strengthening your overall performance.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

2.2 Strategy Implementation: How do you implement your strategy? Process

In your response, include answers to the following questions:

a. Action Plan Development and Deployment

(1) **Action Plan Development What are your key short- and longer-term action plans?**

(2) **Action Plan Implementation How do you deploy your action plans?**

(3) **Resource Allocation** **How do you ensure that financial and other resources are available to support the achievement of your action plans while meeting current obligations?**

(4) **Workforce Plans What are your key workforce plans to support your short- and longer-term strategic objectives and action plans?**

(5) **Performance Measures** **What key performance measures or indicators do you use to track the achievement and effectiveness of your action plans?**

(6) **Performance Projections** **For the key performance measures or indicators (identified in 2.2a(5), what are your performance projections for both your short- and longer-term planning horizons?**

b. Action Plan Modification **HOW do you establish and implement modified ACTION PLANS if circumstances require a shift in plans and rapid execution of new plans?**

**Notes**

**2.2.** The development and deployment of your strategy and action plans are closely linked to other Health Care Criteria items. The following are examples of key linkages:

• Item 1.1: how your senior leaders set and communicate organizational direction

• Category 3: how you gather patient, other customer, and market knowledge as input to your strategy and action plans and to use in deploying action plans

• Category 4: how you measure and analyze data and manage knowledge to support key information needs, support the development of strategy, provide an effective basis for performance measurements, and track progress on achieving strategic objectives and action plans

• Category 5: how you meet workforce capability and capacity needs, determine needs and design your workforce development and learning system, and implement workforce-related changes resulting from action plans

• Category 6: how you address changes to your work processes resulting from action plans

• Item 7.1: specific accomplishments relative to your organizational strategy and action plans

**2.2a(2).** Action plan implementation and deployment may require modifications in organizational structures and operating modes. Action plan success benefits from visible short-term wins as well as long-term actions.

**2.2a(6).** Measures and indicators of projected performance might include consideration of changes resulting from new ventures; organizational acquisitions or mergers; new value creation; market entry and shifts; new legislative mandates, legal requirements, industry standards, or accreditation standards; and significant anticipated innovations in health care services and technology.

**2.2b.** Organizational agility requires the ability to adapt to changing circumstances, both internal and external.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

3 Customer Focus

The ***Customer Focus*** category asks how your organization engages its Patients and other customers for long-term marketplace success, including HOW your organization listens to the voice of the customer, builds relationships with Patients and other customers, and uses Patient and other customer information to improve and identify opportunities for innovation.

3.1 Voice of the Customer: How do you obtain information from your customers? Process

In your response, include answers to the following questions:

a. Listening to Patients and other Customers

(1) **Current Patients and other Customers How do you listen to, interact with, and observe Patients and other customers to obtain actionable information?**

(2) **Potential Patients and other Customers How do you listen to potential Patients and other customers to obtain actionable information?**

b. Determination of Patient and Other Customer Satisfaction and Engagement

(1) **Satisfaction, Dissatisfaction, and Engagement** **How do you determine Patient and other customer satisfaction, dissatisfaction, and engagement?**

(2) **Satisfaction Relative to Competitors How do you obtain information on your Patients' and other customers’ satisfaction with your organization relative to other organizations?**

**Notes**

**3.1.** The voice of the customer refers to your process for capturing patient- and other customer-related information. Voice-of-the-customer processes are intended to be proactive and continuously innovative so that they capture patients’ and other customers’ stated, unstated, and anticipated requirements, expectations, and desires. The goal is customer engagement. In listening to the voice of the customer, you might gather and integrate various types of patient and other customer data, such as survey data, focus group findings, blog comments and data from other social media, marketing information, and complaint data that affect patients’ and other customers’ purchasing and engagement decisions.

**3.1a(1).** Social media and web-based technologies are a growing mode of gaining insight into how patients an other customers perceive all aspects of your involvement with them. Listening through social media may include monitoring comments on social media outlets you moderate and on those you do not control, such as wikis, online forums, and blogs other than your own.

**3.1a(1).** Your listening methods should include all stages of your involvement with patients and other customers. These stages might include relationship building, the active relationship, and a follow-up strategy, as appropriate.

**3.1b.** You might use any or all of the following to determine patient and other customer satisfaction and dissatisfaction: surveys, including third-party surveys or surveys endorsed or required by payors, such as the Consumer Assessment of Healthcare Providers and Systems (CAHPS); formal and informal feedback; health care service utilization data; complaints; win/loss analysis; patient and other customer referral rates; and transaction completion rates. You might gather information on the web, through personal contact or a third party, or by mail. Determining patient and other customer dissatisfaction should be seen as more than reviewing low satisfaction scores. Dissatisfaction should be independently determined to identify root causes and enable a systematic remedy to avoid future dissatisfaction.

**3.1b(1), b(2).** Dimensions of patient satisfaction might include, for example, satisfaction with provider interactions, long-term health outcomes, ancillary services, and the quality of care. Information you obtain on relative patient and other customer satisfaction may include comparisons with competitors, comparisons with other organizations that deliver similar health care services in a noncompetitive market, or comparisons obtained through health care industry or other organizations. Information obtained on relative satisfaction may also include information on why patients and other customers chose your competitors over you.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

3.2 Customer Engagement: How do you engage patients and other customers by serving their needs and building relationships? Process

In your response, include answers to the following questions:

a. Service Offerings and Patient and other Customer Support

(1) **Service Offerings HOW do you determine HEALTH CARE SERVICE offerings?**

(2) **Patient and other Customer Support How do you enable Patient and other customers to seek information and support?**

(3) **Patient and other Customer Segmentation** **HOW do you determine your Patient and other CUSTOMER groups and market SEGMENTS?**

b. Patient and other Customer Relationships

(1) **Relationship Management How do you build and manage Patient and other** **customer relationships?**

(2) **Complaint Management** **How do you manage Patient and other** **customer complaints?**

**Notes**

**3.2.** Customer engagement refers to your patients’ and other customers’ investment in or commitment to your brand and health care service offerings. Characteristics of engaged patients and other customers include retention; brand loyalty; willingness to make an effort to obtain health care services, as well as other services, from you; and willingness to actively advocate for and recommend your brand and your health care service offerings.

**3.2a.** Health care service offerings and health care services are the services and programs that you offer in the marketplace. In identifying health care service offerings, you should consider all the important characteristics of services that patients and other customers receive in each stage of their relationship with you. The focus should be on features that affect patients’ and other customers’ preference for and loyalty to you and your brand—for example, features that affect their view of clinical and service quality and that differentiate your services from competing offerings or other organizations’ services. Those features might include extended hours, family support services, ease of access to and use of your services, timeliness, cost, and assistance with billing/paperwork processes and transportation. Key service features might also take into account how transactions occur and factors such as the confidentiality and security of patient and other customer data. Your results on performance relative to key service features should be reported in item 7.1, and those for patients’ and other customers’ perceptions and actions (outcomes) should be reported in item 7.2.

**3.2a(2).** The goal of patient and other customer support is to make your organization easy to obtain health care services from and responsive to your patients’ and your other customers’ expectations.

**3.2b.** Building relationships with patients and other customers might include developing partnerships or alliances with them.

**3.2b(1).** Brand management is generally associated with marketing to improve the perceived value of your health care services or brand. Successful brand management builds loyalty and positive associations for patients and other customers, and it protects your brand and intellectual property.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

4 Measurement, Analysis, and Knowledge Management

The ***Measurement, Analysis, and Knowledge Management*** category asks how your organization selects, gathers, analyzes, manages, and improves its data, information, and knowledge assets; how it learns; and HOW it manages information technology. The category also asks how your organization uses review findings to improve its performance.

4.1 Measurement, Analysis, and Improvement of Organizational Performance:
How do you measure, analyze, and then improve organizational
performance? Process.

In your response, include answers to the following questions:

a. Performance Measurement

(1) **Performance Measures** **HOW do you use data and information to track daily operations and overall organizational PERFORMANCE?**

(2) **Comparative Data How do you select and EFFECTIVELY use key comparative data and information to support operational decision making?**

(3) **Patient and other** **Customer Data How do you use voice-of-the-customer and market data and information?**

(4) **Measurement Agility** **HOW do you ensure that your performance measurement system can respond to rapid or unexpected organizational or external changes?**

b. Performance Analysis and Review

**How do you review organization's performance and capabilities?**

c. Performance Improvement

(1) **Best-Practice**  **HOW do you share best practices in your organization? How do you identify organizational units or operations that are HIGH PERFORMING?**

(2) **Future Performance How do you project your organization's future PERFORMANCE?**

(3) **Continuous Improvement and Innovation** **How do you use findings from performance reviews (addressed in 4.1b) to develop priorities for continuous improvement and opportunities for innovation?**

**Notes**

**4.1.** The results of organizational performance analysis and review should inform the strategy development and implementation you describe in category 2.

**4.1.** Your organizational performance results should be reported in items 7.1–7.5.

**4.1a.** Data and information from performance measurement should be used to support fact-based decisions that set and align organizational directions and resource use at the work unit, key process, department, and organization levels.

**4.1a(2).** Comparative data and information are obtained by benchmarking and by seeking competitive comparisons. Benchmarking is identifying processes and results that represent best practices and performance for similar activities, inside or outside the health care industry. Competitive comparisons relate your performance to that of competitors and other organizations providing similar health care services. One source of this information might be social media or the web.

**4.1b.** Organizational performance reviews should be informed by organizational performance measurement and by performance measures reported throughout your Health Care Criteria item responses, and they should be guided by the strategic objectives and action plans you identify in

Category 2. The reviews might also be informed by internal or external Baldrige assessments.

**4.1b.** Performance analysis includes examining performance trends; organizational, health care industry, and technology projections; and comparisons, cause-effect relationships, and correlations. This analysis should support your performance reviews, help determine root causes, and help set priorities for resource use. Accordingly, such analysis draws on all types of data: health care outcome, patient- and other customer-related, financial and market, operational, and competitive/comparative. The analysis should also draw on publicly mandated measures, when appropriate.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

4.2 Knowledge Management, Information, and Information Technology:
How do you manage your organizational knowledge assets, information,
and information technology infrastructure? Process

In your response, include answers to the following questions:

a. Organizational Knowledge

(1) **Knowledge Management** **How do you manage organizational knowledge?**

 (2) **Organizational LEARNING HOW do you use your knowledge and resources to embed LEARNING in the way your organization operates?**

 b. Data, Information, and Information Technology

(1) **Data and Information** **Properties HOW do you verify and ensure the quality of organizational data and information?**

 (2) **Data and Information** **Security HOW do you ensure the security of sensitive or privileged data and information?**

 (3) **Data and Information Availability** **HOW do you ensure the availability of organizational data and information?**

(4) **Hardware and Software Properties** **How do you ensure that hardware and software are reliable, secure, and user-friendly?**

(5) **Emergency Availability In the event of an emergency, how do you ensure that the hardware and software systems hardware and software and information continue to be secure and available to effectively serve customers and business needs?**

**Notes**

**4.2a(1).** Blending and correlating data from different sources may involve handling big data sets and disparate types of data and information, such as data tables, video, and text. Furthermore, organizational knowledge constructed from these data may be speculative and may reveal sensitive information about organizations or individuals that must be protected from use for any other purposes.

**4.2b.** Your response might include information related to electronic health records within your organization.

**4.2b(2).** Managing cybersecurity (the security of electronic data) includes, for example, protecting against the loss of sensitive information about employees, patients, other customers, and organizations; protecting assets stored in the cloud or outside your organization’s control; protecting intellectual property; and protecting against the financial, legal, and reputational aspects of data breaches.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

5 Workforce Focus

The ***Workforce Focus*** category asks HOW your organization assesses workforce capability and capacity needs and builds a workforce environment conducive to high performance. The category also asks how your organization engages, manages, and develops your workforce to utilize its full potential in alignment with your organization’s overall business needs.

5.1 Workforce Environment: How do you build an effective and
supportive workforce environment? Process

In your response, include answers to the following questions:

a. Workforce Capability and Capacity

(1) **Capability and Capacity How do you assess your workforce capability and capacity needs?**

(2) **New Workforce Members How do you recruit, hire, place, and retain new members of your workforce?**

(3) **Work Accomplishment** **How do you organize and manage your workforce?**

 (4) **Workforce Change Management How do you prepare your workforce for changing capability and capacity needs?**

b. Workforce Climate

(1) **Workplace Environment** **HOW do you ensure workplace health, security, and accessibility for the WORKFORCE?**

(2) **Workforce Benefits and Policies**  **How do you support your workforce via services, benefits, and policies?**

**Notes**

**5.1.** Workforce refers to the people actively involved in accomplishing your organization’s work. It includes permanent, temporary, and part-time personnel, as well as any contract staff you supervise, independent practitioners (e.g., physicians, physician assistants, nurse practitioners, acupuncturists, and nutritionists not paid by your organization), and health profession students (e.g., medical, nursing, and ancillary). It includes team leaders, supervisors, and managers at all levels. People supervised by a contractor should be addressed in categories 2 and 6 as part of your larger work system strategy and your internal work processes. For organizations that also rely on volunteers, workforce includes these volunteers.

**5.1a.** Workforce capability refers to your organization’s ability to carry out its work processes through its people’s knowledge, skills, abilities, and competencies. Capability may include the ability to build and sustain relationships with patients and other customers; innovate and transition to new technologies; develop new health care services and work processes; and meet changing health care, market, and regulatory demands. Workforce capacity refers to your organization’s ability to ensure sufficient staffing levels to carry out its work processes and successfully deliver health care services to

patients, including the ability to meet seasonal or varying demand levels.

**5.1a.** Your assessment of workforce capability and capacity needs should consider not only current needs but also future requirements based on the strategic objectives and action plans you identify in category 2 and the performance projections you discuss in 4.1c(2).

**5.1a(2).** This requirement refers only to new workforce members. The retention of existing workforce members is considered in item 5.2, Workforce Engagement.

**5.1a(3), 5.1a(4).** Organizing and managing your workforce may involve organizing the workforce for change as you address changes in your external environment, culture, technology, or strategic objectives.

**5.1a(4).** Preparing your workforce for changing capability and capacity needs might include training, education, frequent communication, consideration of workforce employment and employability, career counseling, and outplacement and other services.

**5.1b(1).** Workplace accessibility maximizes productivity by eliminating barriers that can prevent people with disabilities from working to their potential. A fully inclusive workplace

is physically, technologically, and attitudinally accessible.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

5.2 Workforce Engagement: How do you engage your workforce to
achieve a high-performance work environment? Process

In your response, include answers to the following questions:

a. Workforce Engagement and Performance

(1) **Organizational Culture How do you foster an organizational culture that is characterized by open communication, high-performance, and an engaged workforce?**

(2) **Drivers of ENGAGEMENT** **How do you determine key drivers of workforce engagement?**

(3) **Assessment of ENGAGEMENT** **HOW do you assess WORKFORCE ENGAGEMENT?**

(4) **Performance Management How does your workforce performance management system support high-performance and workforce engagement?**

b. Workforce and Leader Development

(1) **Learning and Development System** **How does your learning and development system support the organization's needs and the personal development of your WORKFORCE members, managers, and leaders?**

(2) **Learning and Development Effectiveness** **How do you evaluate the effectiveness and efficiency of your learning and development system?**

 (3) **Career Progression How do you manage career progression for your organization?**

**Notes**

**5.2.** Understanding the characteristics of high-performance work environments, in which people do their utmost for their patients’ and other customers’ benefit and the organization’s success, is key to understanding and building an engaged workforce. These characteristics are described in detail in the definition of high performance (page 49).

**5.2a(2).** Drivers of workforce engagement (identified in P.1a[3]) refer to the drivers of workforce members’ commitment, both emotional and intellectual, to accomplishing the organization’s work, mission, and vision.

**5.2a(4).** Compensation, recognition, and related reward and incentive practices include promotions and bonuses that might be based on performance, skills acquired, adaptation to new work systems and culture, and other factors. Recognition can include monetary and nonmonetary, formal and informal, and individual and group mechanisms*.* Recognition systems for volunteers and independent practitioners who contribute to the organization’s work should be included, as appropriate.

**5.2b.** Your response should include how you address any unique considerations for workforce development, learning, and career progression that stem from your organization. Your response should also consider the breadth of development opportunities you might offer, including education, training, coaching, mentoring, and work-related experiences.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

6 Operations

The ***Operations*** category asks how your organization designs, manages, and improves its products and work processes and improves operational EFFECTIVENESS to deliver customer value and achieve organizational success.

6.1 Work Processes: How do you design, manage, and improve
your key health care services and work processes? Process

In your response, include answers to the following questions:

a. Service and Process Design

(1) **Service and** **Process Requirements** **How do you determine KEY HEALTH CARE SERVICES and WORK PROCESS requirements?**

(2) **Design Concepts How do you design your HEALTH CARE SERVICES and work processes to meet requirements?**

b. Process Management

(1) **Process Implementation** **How does your day-to-day operation of WORK processes ensure that they meet key process requirements?**

(2) **Support PROCESSES HOW do you determine our KEY support PROCESSES?** What are your KEY support PROCESSES?

(3) **Product and** **Process Improvement** **How do you improve your work processes to improve products and PERFORMANCE, enhance your CORE COMPETENCIES, and reduce variability?**

c. Innovation Management **How do you manage for INNOVATION?**

**Notes**

**6.1.** The results of improvements in the performance of your health care services and processes should be reported in item 7.1.

**6.1a(1).** Your key work processes are your most important internal value-creation processes. They might include health care service design and delivery, patient and other customer support, and business processes. Your key work processes are those that involve the majority of your workforce and produce value for patients, other customers, and stakeholders. Projects are unique work processes intended to produce an outcome and then go out of existence.

**6.1a(2).** The potential need for agility could include changes in work processes as a result of overall work system changes, such as bringing a supply-chain process in-house to avoid disruptions in supply due to increasing external events triggered by climate change or other unpredictable factors.

**6.1b(3).** Your key support processes should support your value-creation processes. They might support leaders and other workforce members engaged in health care service design and delivery, interactions with patients and other customers, and business and enterprise management.

**6.1b(4).** To improve process performance and reduce variability, you might implement approaches such as a Lean Enterprise System, Six Sigma methodology, ISO quality system standards, PDCA methodology, decision sciences, or other process improvement tools. These approaches might be part of the performance improvement system you describe in P.2c in the Organizational Profile.

**6.1c.** Your innovation management process should capitalize on strategic opportunities identified in 2.1a(2).

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

6.2 Operational Effectiveness: How do you ensure effective management of your operations? Process

In your response, include answers to the following questions:

1. **PROCESS Efficiency and EFFECTIVENESS How do you control the overall costs of your operations?**

b. Supply-Chain Management how do you manage your supply chain?

c. Safety and Emergency Preparedness

 (1) Safety how do you provide a safe operating environment?

 (2) Emergency Preparedness how do you ensure that your organization is prepared for disasters or emergencies?

**Notes**

**6.2b.** Ensuring that suppliers are positioned to meet operational needs and enhance your performance and your patients’ and other customers’ satisfaction may involve partnering with suppliers for mutual benefit.

**6.2b.** Feedback to suppliers should involve two-way communication, allowing suppliers to express what they need from you.

**6.2c(2).** Disasters and emergencies might be related to weather, utilities, security, or a local or national emergency. The extent to which you prepare for disasters or emergencies will depend on your organization’s environment and its sensitivity to disruptions of operations. Acceptable levels of risk will vary depending on the nature of your services, supply chain, and stakeholder needs and expectations. The impacts of climate change could include a greater frequency of disruptions. Emergency considerations related to information technology should be addressed in item 4.2.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

7 Results

The ***Results*** category asks about your organization’s performance and improvement in all key areas—health care and process RESULTS, customer-focused RESULTS, workforce-focused RESULTS, leadership and governance RESULTS, and financial and market RESULTS. This category asks about Performance levels relative to those of competitors and other organizations with similar HEALTH CARE SERVICE offerings.

7.1 Product and Process Results: What are your product performance
and process effectiveness results? What comparisons of performance do you use? Results

Provide data and information to answer the following questions:

a. Health Care and Customer-Focused Results **What are your RESULTS for your** HEALTH CARE SERVICES **and your CUSTOMER service processes?**

b. WORK Process Effectiveness Results

(1) PROCESS **Effectiveness** and **Efficiency What are your process EFFECTIVENESS and efficiency results?**

(2) **Emergency Preparedness What are your emergency preparedness RESULTS?**

c. Supply-Chain Management Results **What are your supply-chain management RESULTS?**

**Notes**

**7.1.** Results should provide key information for analyzing and reviewing your organizational performance (item 4.1), demonstrate use of organizational knowledge (item 4.2), and provide the operational basis for customer-focused results (item 7.2) and financial and market results (item 7.5).

There is not a one-to-one correspondence between results items and Health Care Criteria categories 1–6. Results should be considered systemically, with contributions to individual results items frequently stemming from processes in more than one Health Care Criteria category.

**7.1.** Results reported should include those for key measures that are publicly reported and/or mandated by regulators, accreditors, or payors, such as the Healthcare Effectiveness Data and Information Set (HEDIS), Centers for Medicare and Medicaid Services (CMS) core measures, value-based purchasing measures, CMS quality measures derived from Minimum Data Set (MDS) indicators, and other such measures.

**7.1a.** Health care results and results for patient and other customer service processes should relate to the key patient and other customer requirements and expectations you identify in P.1b(2), which are based on information gathered through processes you describe in category 3. The measures or indicators should address factors that affect patient and other customer preference, such as those listed in the notes to P.1b(2) and 3.2a.

**7.1b.** Results should address the key operational requirements you identify in the Organizational Profile and in category 6.

**7.1b.** Appropriate measures and indicators of work process effectiveness might include error rates, audit results, timeliness of delivery, results for externally provided health care services and processes, rates and results of health care service and work system innovation, results for simplification of internal jobs and job classifications, waste reduction, work layout improvements, changes in supervisory ratios, Occupational Safety and Health Administration(OSHA)-reportable incidents, response times for emergency drills or exercises, and results for work relocation or contingency exercises.

**7.1c.** This requirement does not ask for levels and trends. The reason is that some significant supply-chain results may be either qualitative or not amenable to trending over time. Examples for suppliers could be training hours on new services or processes, knowledge-sharing activities, audit hours that vary by supplier experience or specification complexity, or joint process and service development. When appropriate, however, you should report levels and trends for results that are numeric and trendable.

**7.1c.** Appropriate measures and indicators of supply-chain performance might include supplier and partner audits, just-in-time delivery, and acceptance results for externally provided services and processes. Measures and indicators of contributions to enhancing your performance might include those for improvements in downstream supplier services delivered directly to patients and other customers.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

7.2 Customer-Focused Results: What are your customer-focused
performance results? What comparisons of performance do you use? Results

Provide data and information to answer the following questions:

a. Patient and other Customer-Focused Results

(1) **Patient and other** **Customer Satisfaction What are your Patient and other** **CUSTOMER satisfaction and dissatisfaction RESULTS?**

(2) **Patient and other** **Customer Engagement** **What are your Patient and other** **CUSTOMER ENGAGEMENT RESULTS?**

**Notes**

**7.2.** Results for patient and other customer satisfaction, dissatisfaction, engagement, and relationship building should relate to the patient and other customer groups and market segments you identify in P.1b(2) and to the listening and determination methods you report in item 3.1.

**7.2a(1).** For patients’ and other customers’ satisfaction with your health care services relative to satisfaction with those of competitors and comparable organizations, measures and indicators might include information and data from your patients, from your other customers, from competitors’ customers, and from independent organizations. Results from any of the CAHPS surveys should be included if your organization reports these measures.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

7.3 Workforce-Focused Outcomes: What are your workforce-focused
performance results? What comparisons of performance do you use? Results

Provide data and information to answer the following questions:

a. Workforce Results

(1) **Workforce Capability and Capacity** **What are your WORKFORCE CAPABILITY and CAPACITY RESULTS?**

(2) **Workforce Climate What are your WORKFORCE climate RESULTS?**

(3) **Workforce Engagement What are your WORKFORCE ENGAGEMENT RESULTS?**

(4) **Workforce Development What are your WORKFORCE and leader development RESULTS?**

**Notes**

**7.3.** Results reported in this item should relate to the processes you report in category 5. Your results should also respond to the key work process needs you report in category 6 and to the action plans and workforce plans you report in item 2.2.

**7.3.** Responses should include results for independent practitioners, volunteers, and health profession students, as appropriate.

**7.3a(3).** Responses should include results for the measures and indicators you identify in 5.2a(3).

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

7.4 Leadership and Governance Outcomes: What are your senior leadership and governance results? What comparisons of performance do you use? Results

Provide data and information to answer the following questions:

a. Leadership, Governance, and Societal Responsibility Results

(1) **Leadership What are your results for SENIOR LEADERS' communication and engagement with the WORKDFORCE and CUSTOMERS?**

(2) **Governance** **What are your RESULTS for GOVERNANCE accountability?**

(3) **Law and Regulation**  **What are your legal and regulatory RESULTS?**

(4) **Ethics**  **What are your RESULTS for ETHICAL BEHAVIOR?**

(5) **Society What are your results for societal responsibilities and support of your key communities?**

b. Strategy Implementation Results **What are your results for the achievement for your organizational strategy** and **ACTION PLANS?**

**Notes**

**7.4.** Most of the requirements in this item do not ask for levels and trends. The reason is that some significant results may be either qualitative in nature or not amenable to trending over time. Examples could be results of intelligent risk taking and governance accountability. For such results, qualitative explanation may be more meaningful than current levels and trends. When appropriate, however, you

should report levels and trends for results that are numeric and trendable.

**7.4a(1).** Responses should include results relating to the communication processes you identify in item 1.1.

**7.4a(2).** Responses might include financial statement issues and risks, important internal and external auditor recommendations, and management’s responses to these matters.

**7.4a(3).** Legal, regulatory, and accreditation results should relate to the processes and measures you report in 1.2b. Workforce-related occupational safety and health results (e.g., OSHA-reportable incidents) should be reported in 7.1b(2) and 7.3a(2).

**7.4a(4).** For examples of measures of ethical behavior and stakeholder trust, see the note to 1.2b(2).

**7.4a(5).** Responses should relate to the societal responsibilities you address in 1.2b(1) and 1.2c(1), as well as the support of the key communities and contributions to community health you report in 1.2c(2). Measures of contributions to societal well-being might include those for reduced energy consumption, the use of renewable energy resources and recycled water, reduction of your carbon footprint, waste reduction and utilization, and alternative approaches to conserving resources (e.g., increased audio- and videoconferencing).

**7.4b.** Measures or indicators of strategy and action plan achievement should relate to the strategic objectives and goals you report in 2.1b(1) and the action plan performance measures and projected performance you report in 2.2a(5) and 2.2a(6), respectively.

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

7.5 Financial and Market Outcomes: What are your financial and
marketplace performance results? What comparisons of performance do you use? Results

Provide data and information to answer the following questions:

a. Financial and Market Results

(1) **Financial Performance What are your financial PERFORMANCE RESULTS?**

(2) **Marketplace Performance What are your marketplace PERFORMANCE RESULTS?**

**Note**

**7.5a(1).** Aggregate measures of financial return might include those for return on investment (ROI), operating margins, profitability, or profitability by market segment or patient or other customer group. Measures of financial viability might include those for liquidity, debt-to-equity ratio, days cash on hand, asset utilization, cash flow, bond ratings, and value-based purchasing financial results, as appropriate.

Measures should relate to the financial measures you report in 4.1a(1) and the financial management approaches you report in item 2.2*.*

For additional guidance on this item, see the Category and Item Commentary (http://www.nist.gov/baldrige/publications/hc\_criteria.cfm).

**Glossary of Key Terms**

*The terms below are those in small caps in the Baldrige Excellence Builder, as well as terms in the scoring rubric. For additional definitions and examples, see the* Baldrige Excellence Framework *booklet (Business/Nonprofit, Education, or Health Car*[*e; http://www.nist.gov/baldrige/publications/criteria.cfm*](http://www.nist.gov/baldrige/publications/criteria.cfm)*).*

**ACTION PLANS.** Specific actions that your organization takes to reach its short- and longer-term strategic objectives. These plans specify the resources committed to and the time horizons for accomplishing the plans. See also strategic objectives.

**ALIGNMENT.** A state of consistency among plans, processes, information, resource decisions, workforce capability and capacity, actions, results, and analyses that support key organization-wide goals. See also *integration*.

**APPROACH.** The methods your organization uses to carry out its processes.

**BENCHMARKS.** Processes and results that rep­ resent the best practices and best performance for similar activities, inside or outside your organization’s industry.

**COLLABORATORS.** Organizations or individuals who cooperate with your organization to support a particular activity or event or who cooperate intermittently when their short-term goals are aligned with or are the same as yours. See also *partners*.

**CORE COMPETENCIES.** Your organization’s areas of greatest expertise; those strategically important capabilities that are central to fulfilling your mission or that provide an advantage in your marketplace or service environment.

**CUSTOMER.** An actual or potential user of your organization’s products, programs, or services. See also *stakeholders*.

**CUSTOMER ENGAGEMENT.** Your customers’ investment in or commitment to your brand and product offerings.

**DEPLOYMENT.** The extent to which your organization applies an approach in relevant work units throughout your organization.

**EFFECTIVE.** How well a process or a measure addresses its intended purpose.

**ETHICAL BEHAVIOR.** The actions your organization takes to ensure that all its decisions, actions, and stakeholder interactions conform to its moral and professional principles of conduct. These principles should support all applicable laws and regulations and are the foundation for your organization’s culture and values.

**EXCELLENCE.** See *performance excellence*.

**GOALS.** Future conditions or performance levels that your organization intends or desires to attain. See also *performance projections*.

**GOVERNANCE.** The system of management and controls exercised in the stewardship of your organization.

**HIGH PERFORMANCE.** Ever-higher levels of overall organizational and individual performance, including quality, productivity, innovation rate, and cycle time.

**HOW.** The systems and processes that your organization uses to achieve its mission requirements.

**INNOVATION.** Making meaningful change to improve products, processes, or organizational effectiveness and create new value for stakeholders. The outcome of innovation is a discontinuous or breakthrough change.

**INTEGRATION.** The harmonization of plans, processes, information, resource decisions, work­ force capability and capacity, actions, results, and analyses to support key organization-wide goals. See also *alignment*.

**KEY.** Major or most important; critical to achieving your intended outcome.

**KNOWLEDGE ASSETS.** Your organization’s accumulated intellectual resources; the knowledge possessed by your organization and its workforce in the form of information, ideas, learning, understanding, memory, insights, cognitive and technical skills, and capabilities.

**LEARNING.** New knowledge or skills acquired through evaluation, study, experience, and innovation.

**LEVELS.** Numerical information that places or positions your organization’s results and performance on a meaningful measurement scale.

**MEASURES AND INDICATORS.** Numerical

information that quantifies the input, output, and performance dimensions of processes, products, programs, projects, services, and the overall organization (outcomes).

**MISSION.** Your organization’s overall function.

**PARTNERS.** Key organizations or individuals who are working in concert with your organization to achieve a common goal or improve performance. Typically, partnerships are formal arrangements. See also *collaborators*.

**PERFORMANCE.** Outputs and their outcomes obtained from processes, products, and customers that permit you to evaluate and compare your organization’s results to performance projections, standards, past results, goals, and other organizations’ results.

**PERFORMANCE EXCELLENCE.** An integrated approach to organizational performance management that results in (1) delivery of ever- improving value to customers and stakeholders, contributing to ongoing organizational success;

(2) improvement of your organization’s overall effectiveness and capabilities; and (3) learning for the organization and for people in the workforce.

**PERFORMANCE PROJECTIONS.** Estimates of

your organization’s future performance. See also

*Goals*.

**PROCESS.** Linked activities with the purpose of producing a product or service for a customer (user) within or outside your organization.

**RESULTS.** Outputs and outcomes achieved by your organization.

**SEGMENT.** One part of your organization’s customer, market, product offering, or workforce base.

**SENIOR LEADERS.** Your organization’s senior management group or team.

**STRATEGIC ADVANTAGES.** Those marketplace benefits that exert a decisive influence on your organization’s likelihood of future success. These advantages are frequently sources of current

and future competitive success relative to other providers of similar products.

**STRATEGIC CHALLENGES.** Those pressures that exert a decisive influence on your organization’s likelihood of future success. These challenges

are frequently driven by your organization’s anticipated competitive position in the future relative to other providers of similar products.

**STRATEGIC OBJECTIVES.** The aims or

responses that your organization articulates to address major change or improvement, competitiveness or social issues, and business advantages. See also *action plans*.

**SYSTEMATIC.** Well-ordered, repeatable, and exhibiting the use of data and information so that learning is possible.

**TRENDS.** Numerical information that shows the direction and rate of change of your organization’s results or the consistency of its performance over time.

**VALUE.** The perceived worth of a product, process, asset, or function relative to its cost and possible alternatives.

**VALUES.** The guiding principles and behaviors that embody how your organization and its people are expected to operate.

**VISION.** Your organization’s desired future state.

**VOICE OF THE CUSTOMER.** Your process for capturing customer-related information.

**WORK PROCESSES.** Your organization’s most important internal value-creation processes.

**WORK SYSTEMS.** How your organization’s work is accomplished, consisting of the internal work processes and external resources you need to develop and produce products, deliver them to your customers, and succeed in your marketplace.

**WORKFORCE.** All people actively supervised by your organization and involved in accomplishing your organization’s work, including paid employees (e.g., permanent, part-time, temporary, and telecommuting employees, as well as contract employees supervised by your organization) and volunteers, as appropriate.

**WORKFORCE CAPABILITY.** Your organization’s ability to accomplish its work processes through its people’s knowledge, skills, abilities, and competencies.

**WORKFORCE CAPACITY.** Your organization’s ability to ensure sufficient staffing levels to accomplish its work processes and deliver your products to customers, including the ability to meet seasonal or varying demand levels.

**WORKFORCE ENGAGEMENT.** The extent of workforce members’ emotional and intellectual commitment to accomplishing your organization’s work, mission, and vision.

**Process Scoring Guidelines (For Use with Categories Commitment Level 1–6)**

**SCDESCRIPTION**

|  |  |
| --- | --- |
| **0% or 5%** | No SYSTEMATIC APPROACH to item requirements is evident; information is ANECDOTAL. (A)• Little or no DEPLOYMENT of any SYSTEMATIC APPROACH is evident. (D)• An improvement orientation is not evident; improvement is achieved by reacting to problems. (L)• No organizational ALIGNMENT is evident; individual areas or work units operate independently. (I) |
| **10%, 15%,****20%, or 25%** | The beginning of a SYSTEMATIC APPROACH to the BASIC REQUIREMENTS of the item is evident. (A)• The APPROACH is in the early stages of DEPLOYMENT in most areas or work units, inhibiting progress in achieving the BASIC REQUIREMENTS of the item. (D)• Early stages of a transition from reacting to problems to a general improvement orientation are evident. (L)• The APPROACH is ALIGNED with other areas or work units largely through joint problem solving. (I) |
| **30%, 35%,****40%, or 45%** | An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the BASIC REQUIREMENTS of the item, is evident. (A)• The APPROACH is DEPLOYED, although some areas or work units are in early stages of DEPLOYMENT. (D)• The beginning of a SYSTEMATIC APPROACH to evaluation and improvement of KEY PROCESSES is evident. (L)• The APPROACH is in the early stages of ALIGNMENT with the basic organizational needs identified in response to the Organizational Profile and other process items. (I). |
|  | **Because the Criteria is written at the Commitment Level, the organization cannot score above the 30-45% Scoring Range.** |

**Results Scoring Guidelines (For Use with Category 7)**

|  |  |
| --- | --- |
| **0% or 5%** | There are no organizational PERFORMANCE RESULTS, or the RESULTS reported are poor. (Le)• TREND data either are not reported or show mainly adverse TRENDS. (T)• Comparative information is not reported. (C)• RESULTS are not reported for any areas of importance to the accomplishment of your organization’sMISSION. (I) |
| **10%, 15%,****20%, or 25%** | A few organizational PERFORMANCE RESULTS are reported, responsive to the BASIC REQUIREMENTS of the item, and early good PERFORMANCE LEVELS are evident. (Le)• Some TREND data are reported, with some adverse TRENDS evident. (T)• Little or no comparative information is reported. (C)• RESULTS are reported for a few areas of importance to the accomplishment of your organization’sMISSION. (I) |
| **30%, 35%,****40%, or 45%** | Good organizational PERFORMANCE LEVELS are reported, responsive to the BASIC REQUIREMENTS of theitem. (Le)• Some TREND data are reported, and most of the TRENDS presented are beneficial. (T)• Early stages of obtaining comparative information are evident. (C)• RESULTS are reported for many areas of importance to the accomplishment of your organization’sMISSION. (I) |
|  | **Because the Criteria is written at the Commitment Level, the organization cannot score above the 30-45% Scoring Range.** |

**SCORE DESCRIPTION**