



# BALDRIGE EXCELLENCE BUILDER

Key questions for improving your  
organization's performance

business  
nonprofit  
government  
education  
health care

LEADERSHIP

STRATEGY

CUSTOMERS

MEASUREMENT, ANALYSIS, AND  
KNOWLEDGE MANAGEMENT

WORKFORCE

OPERATIONS

RESULTS

2019  
2020



# Improve Your Performance

The *Baldrige Excellence Builder* self-assessment helps you identify and improve what is critical to your organization's success. By completing and acting on this assessment, you will be better positioned to accomplish your mission, improve your results, and become more competitive.

The *Excellence Builder* is based on the more detailed Baldrige Excellence Framework and its Criteria for Performance Excellence.

## Here's what the Baldrige Excellence Framework can do for you.

### Government Agency

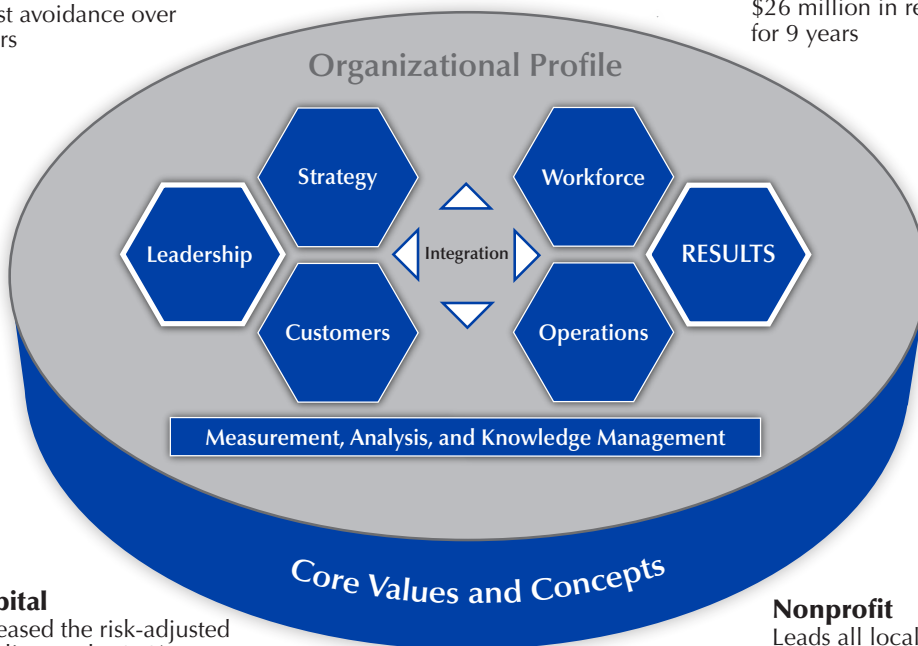
Achieved \$3.22 billion in cost avoidance over 5 years

### Manufacturer

Grew return on investment at a 23% compound annual rate; increased annual orders from repeat and international customers 32% and nearly 400%, respectively

### Small Business

More than doubled in size over 6 years; created more than \$26 million in revenue annually for 9 years



### Hospital

Decreased the risk-adjusted mortality rate by 24%—better than the top-decile level in its six-county region

### K-12 Public School System

Over 10 years, tripled the number of Advanced Placement exams taken, with 66% of students taking at least one; more than doubled the number of AP exams with scores of 3 or higher

### Nonprofit

Leads all local competitors in customer engagement and loyalty as measured by Net Promoter System scores

**Purchase the Baldrige Excellence Framework Today!**

[www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications)



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*Using Baldrige to improve was, I think, one of the smartest things we did in our business. It really gave us a touchstone; it really gave us an opportunity to . . . constantly measure ourselves and evaluate how we're doing.*

*—Scott McIntyre, Managing Partner, Baldrige Award recipient  
PricewaterhouseCoopers Public Sector Practice*



# About the Baldrige Excellence Builder

*Is your organization doing as well as it could? How do you know? What and how should your organization improve or change?*

The *Baldrige Excellence Builder* helps you assess your organization's strengths and opportunities for improvement against the most important features of organizational performance excellence. By completing and acting on this assessment, you will be better positioned to accomplish your mission, improve your results, and become more competitive.

The *Baldrige Excellence Builder* is based on the more detailed *Baldrige Excellence Framework* and its Criteria for Performance Excellence (see [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications)). For more than 30 years, Baldrige has been globally recognized as the leading edge of validated leadership and performance practice.

Organizations around the world use the Baldrige framework to improve and get sustainable results. Those recognized as U.S. role models receive the Malcolm Baldrige National Quality Award, a Presidential award. The recipients broadly share their best practices with others. Through that sharing, many thousands of organizations have improved their operations and results, and thus their contributions to the U.S. and global economy.

## A Focus on Improvement

The *Baldrige Excellence Builder* helps you understand how well you are achieving your goals and objectives:

- Are your processes consistently effective?
- Do your approaches address your organization's needs?
- How good are your results?
- Is your organization learning, innovating, and improving?

As you answer the *Baldrige Excellence Builder* questions and assess your responses, you will identify strengths and opportunities for improvement. Then, as you build on your strengths and address your opportunities, you create cycles of improvement within your organization.

The building blocks of the Baldrige approach are the core values and concepts (see page 4), the seven *Baldrige Excellence Builder* categories, and the evaluation factors described on the next page.

## A Systems Perspective

A systems perspective means managing all the parts of your organization as a unified whole to achieve your mission. It means ensuring that your plans, processes, measures, and actions are consistent. And it means ensuring that the individual parts of your organization's management system work together in a fully interconnected, unified, and mutually beneficial manner.

# How to Use the Baldrige Excellence Builder

**Answer the Organizational Profile questions.** Rather than prescribe how you should structure your organization or its operations or what its mission and goals should be, the *Baldrige Excellence Builder* asks you to make those decisions. In the Organizational Profile (pages 5–6), you define what is most relevant and important to your organization’s mission and performance.

The Organizational Profile sets the context for your answers to the rest of the questions. It can also serve as your first Baldrige self-assessment: if you identify topics for which you have conflicting, little, or no information, you can use those topics for action planning.

**Answer the questions in categories 1–7 (pages 7–13).** Your answers to these questions are an assessment against the most important features of organizational excellence. The categories 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; and (7) Results.

Categories 1–6 (pages 7–12) each consist of two items (e.g., 1.1, 1.2), with many of the questions beginning with “how.” In answering these questions, give information on your key processes:

- *Approach:* How do you accomplish your organization’s work? How effective are your key approaches?
- *Deployment:* How consistently are your key approaches used in relevant parts of your organization?
- *Learning:* How well have you evaluated and improved your key approaches? Have improvements been shared within your organization? Has new knowledge led to innovation?
- *Integration:* How do your approaches align to your current and future organizational needs?

For the five items in category 7 (page 13), report on the results that are the most important to your organization’s success:

- *Levels:* What is your current performance?
- *Trends:* Are the results improving, staying the same, or getting worse?
- *Comparisons:* How does your performance compare with that of other organizations and competitors, or with benchmarks?
- *Integration:* Are you tracking results that are important to your organization? Are you using the results in decision making?

**Assess your answers: process and results.** Use the rubric on pages 14–15 to assess your answers to the questions in each item. Identify your strengths. Then look at the next higher level to see what you might improve.

**Prioritize your actions.** Celebrate your strengths and build on them to improve the things you do well. Sharing the things you do well with the rest of your organization can speed improvement. Also prioritize your opportunities for improvement; you cannot do everything at once. Think about what is most important for your organization at this time, and decide what to work on first. Develop an action plan, implement it, and measure your progress.

After you use the *Baldrige Excellence Builder*, please email us at [baldrige@nist.gov](mailto:baldrige@nist.gov) to tell us about your experience.



# Core Values and Concepts

*The Baldrige Excellence Framework and Baldrige Excellence Builder are based on these core values and concepts. For more detailed explanation, see the Baldrige Excellence Framework ([www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications)).*

**Systems perspective.** A systems perspective means managing all the parts of your organization as a unified whole to achieve your mission and strive toward your vision.

**Visionary leadership.** Your organization's senior leaders should set a vision for the organization, create a customer focus, demonstrate clear and visible organizational values and ethics, and set high expectations for the workforce.

**Customer-focused excellence.** Your customers are the ultimate judges of your performance and of product and service quality. Thus, your organization must consider all product and service characteristics, and modes of customer access and support, that contribute to customer satisfaction, loyalty, positive referrals, and ultimately your organization's ongoing success.

**Valuing people.** A successful organization values its workforce members and the other people who have a stake in the organization, including customers, community members, suppliers and partners, and other people affected by its actions.

**Organizational learning and agility.** Organizational learning includes both continuous improvement of existing approaches and significant change or innovation, leading to new goals, approaches, products, and markets. Organizational learning must allow for agility, a capacity for rapid change and for flexibility in operations.

**Focus on success.** Ensuring your organization's success now and in the future requires understanding the short- and longer-term factors that affect your organization and its marketplace, managing uncertainty and risk in the environment, and balancing some stakeholders' short-term demands with the organization's and stakeholders' need to invest in long-term success.

**Managing for innovation.** Innovation means making meaningful change to improve your products, services, programs, processes, operations, and business model, with the purpose of creating new value for stakeholders. Innovation requires a supportive environment, a process for identifying strategic opportunities, and the pursuit of those that are intelligent risks.

**Management by fact.** Management by fact requires you to measure and analyze your organization's performance, both inside the organization and in your competitive environment. Analysis of performance measures and indicators should support organizational evaluation, alignment, and decision making.

**Societal contributions.** Your organization's leaders should stress contributions to the public and the consideration of societal well-being and benefit. Your leaders should be role models for the well-being of your communities.

**Ethics and transparency.** Your organization should stress ethical behavior by all workforce members in all stakeholder transactions and interactions. Senior leaders should be role models of ethical behavior, including transparency, characterized by candid and open communication on the part of leadership and management and by the sharing of accurate information.

**Delivering value and results.** Your organization should choose and analyze results that help you deliver and balance value for your key stakeholders. Thus, results need to include not just financial results, but also product and process results; customer and workforce satisfaction and engagement results; and leadership, strategy, and societal performance.



# Baldrige Excellence Builder

The Baldrige Excellence Builder includes questions on the most important features of organizational excellence, starting with a full Organizational Profile. For a more comprehensive set of questions, see the Baldrige Excellence Framework booklet (*Business/Nonprofit, Education, or Health Care*; [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications)).

## P Organizational Profile

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

#### a. Organizational Environment

- (1) **Product Offerings** What are your main product offerings\*? What is the relative importance of each to your success? What mechanisms do you use to deliver your products?
- (2) **MISSION, VISION, VALUES, and Culture** What are your MISSION, VISION, and VALUES? Other than VALUES, what are the characteristics of your organizational culture, if any? 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 in your needs with regard to your WORKFORCE? What are
  - your WORKFORCE or employee groups and SEGMENTS;
  - the educational requirements for different employee groups and SEGMENTS;
  - the KEY drivers that engage them;
  - your organized bargaining units (union representation), if any; and
  - your special health and safety requirements, if any?
- (4) **Assets** What are your major facilities, equipment, technologies, and intellectual property?
- (5) **Regulatory Environment** What are your KEY applicable occupational health and safety regulations; accreditation, certification, or registration requirements; industry standards; and environmental, financial, and product regulations?

#### b. Organizational Relationships

- (1) **Organizational Structure** What are your organizational leadership structure and GOVERNANCE structure? What structures and mechanisms make up your organization's LEADERSHIP SYSTEM? What are the reporting relationships among your GOVERNANCE board, SENIOR LEADERS, and parent organization, as appropriate?

*(Continued on the next page)*

\*For health care organizations, "product offerings" are health care services.

For education organizations, "product offerings" are educational programs and services.

See [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications) for Baldrige frameworks tailored to the health care and education sectors.

- (2) **CUSTOMERS\*\* and STAKEHOLDERS** What are your KEY market SEGMENTS, CUSTOMER groups, and STAKEHOLDER groups, as appropriate? What are their KEY requirements and expectations for your products, CUSTOMER support services, and operations, including any differences among the groups?
- (3) **Suppliers, PARTNERS, and COLLABORATORS** What are your KEY types of suppliers, PARTNERS, and COLLABORATORS? What role do they play in producing and delivering your KEY products and CUSTOMER support services, and in enhancing your competitiveness? What role do they play in contributing and implementing INNOVATIONS in your organization? What are your KEY supply-network requirements?

## P.2 Organizational Situation: What is your organization's strategic situation?

### a. Competitive Environment

- (1) **Competitive Position** What are your relative size and growth in your industry or the markets you serve? How many and what types of competitors 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 industry? What KEY sources of comparative data are available from outside your 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?

### c. PERFORMANCE Improvement System

What is 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 Glossary of Key Terms (pages 16–18).*

\*\*For health care organizations, “customers” are the users of your health care services (e.g., patients, families, insurers, and other third-party payors).

For education organizations, “customers” are the users of your educational programs and services (e.g., students and parents).



# 1 Leadership

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

- (1) HOW do SENIOR LEADERS set your organization's VISION and VALUES?
- (2) HOW do SENIOR LEADERS' personal actions demonstrate their commitment to legal and ETHICAL BEHAVIOR?
- (3) HOW do SENIOR LEADERS communicate with and engage the entire WORKFORCE, KEY PARTNERS, and KEY CUSTOMERS?
- (4) HOW do SENIOR LEADERS create an environment for success now and in the future?
- (5) HOW do SENIOR LEADERS create a focus on action that will achieve the organization's MISSION?

## 1.2 Governance and Societal Contributions: How do you govern your organization and make societal contributions?

- (1) HOW does your organization ensure responsible GOVERNANCE?
- (2) HOW do you evaluate the PERFORMANCE of your SENIOR LEADERS and your GOVERNANCE board?
- (3) HOW do you address current and anticipate future legal, regulatory, and community concerns with your products and operations?
- (4) HOW do you promote and ensure ETHICAL BEHAVIOR in all interactions?
- (5) HOW do you consider societal well-being and benefit as part of your strategy and daily operations?
- (6) HOW do you actively support and strengthen your KEY communities?

*Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 16–18).*

## 2 Strategy

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

- (1) HOW do you conduct your strategic planning?
- (2) HOW does your strategy development PROCESS stimulate and incorporate INNOVATION?
- (3) HOW do you collect and analyze relevant data and develop information for use in your strategic planning PROCESS?
- (4) HOW do you decide which KEY PROCESSES will be accomplished by your WORKFORCE and which by external suppliers, PARTNERS, and COLLABORATORS?
- (5) What are your organization's KEY STRATEGIC OBJECTIVES and timetable for achieving them?
- (6) HOW do your STRATEGIC OBJECTIVES achieve appropriate balance among varying and potentially competing organizational needs?

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

- (1) What are your KEY short- and longer-term ACTION PLANS?
- (2) HOW do you DEPLOY your ACTION PLANS?
- (3) HOW do you ensure that financial and other resources are available to support the achievement of your ACTION PLANS while you meet current obligations?
- (4) What are your KEY WORKFORCE plans to support your short- and longer-term STRATEGIC OBJECTIVES and ACTION PLANS?
- (5) What KEY PERFORMANCE MEASURES or INDICATORS do you use to track the achievement and EFFECTIVENESS of your ACTION PLANS?
- (6) For these KEY PERFORMANCE MEASURES or INDICATORS, what are your PERFORMANCE PROJECTIONS for your short- and longer-term planning horizons?
- (7) HOW do you recognize and respond when circumstances require a shift in ACTION PLANS and rapid execution of new plans?

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## 3 Customers

### 3.1 Customer Expectations: How do you listen to your customers and determine products and services to meet their needs?

- (1) HOW do you listen to, interact with, and observe CUSTOMERS\* to obtain actionable information?
- (2) HOW do you listen to potential CUSTOMERS to obtain actionable information?
- (3) HOW do you determine your CUSTOMER groups and market SEGMENTS?
- (4) HOW do you determine product offerings?

### 3.2 Customer Engagement: How do you build relationships with customers and determine satisfaction and engagement?

- (1) HOW do you build and manage CUSTOMER relationships?
- (2) HOW do you enable CUSTOMERS to seek information and support?
- (3) HOW do you manage CUSTOMER complaints?
- (4) HOW do you determine CUSTOMER satisfaction, dissatisfaction, and ENGAGEMENT?
- (5) HOW do you obtain information on CUSTOMERS' satisfaction with your organization relative to other organizations?
- (6) HOW do you use VOICE-OF-THE-CUSTOMER and market data and information?

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\*For health care organizations, “customers” are the users of your health care services (e.g., patients, families, insurers, and other third-party payors).

For education organizations, “customers” are the users of your educational programs and services (e.g., students and parents).

## 4 Measurement, Analysis, and Knowledge Management

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

- (1) HOW do you track data and information on daily operations and overall organizational PERFORMANCE?
- (2) HOW do you select comparative data and information to support fact-based decision making?
- (3) HOW do you ensure that your PERFORMANCE measurement system can respond to rapid or unexpected organizational or external changes and provide timely data?
- (4) HOW do you review your organization's PERFORMANCE and capabilities?
- (5) HOW do you project your organization's future PERFORMANCE?
- (6) HOW do you use findings from PERFORMANCE reviews to develop priorities for continuous improvement and opportunities for INNOVATION?

### 4.2 Information and Knowledge Management: How do you manage your information and your organizational knowledge assets?

- (1) HOW do you verify and ensure the quality of organizational data and information?
- (2) HOW do you ensure the availability of organizational data and information?
- (3) HOW do you build and manage organizational knowledge?
- (4) HOW do you share best practices in your organization?
- (5) HOW do you use your knowledge and resources to embed LEARNING in the way your organization operates?

*Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 16–18).*

## 5 Workforce

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

- (1) HOW do you assess your WORKFORCE CAPABILITY and CAPACITY needs?
- (2) HOW do you recruit, hire, and onboard new WORKFORCE members?
- (3) HOW do you prepare your WORKFORCE for changing CAPABILITY and CAPACITY needs?
- (4) HOW do you organize and manage your WORKFORCE?
- (5) HOW do you ensure workplace health, security, and accessibility for the WORKFORCE?
- (6) HOW do you support your WORKFORCE via services, benefits, and policies?

### 5.2 Workforce Engagement: How do you engage your workforce for retention and high performance?

- (1) HOW do you determine the KEY drivers of WORKFORCE ENGAGEMENT?
- (2) HOW do you assess WORKFORCE ENGAGEMENT?
- (3) HOW do you foster an organizational culture that is characterized by open communication, HIGH PERFORMANCE, and an engaged WORKFORCE?
- (4) HOW does your WORKFORCE PERFORMANCE management system support HIGH PERFORMANCE?
- (5) HOW does your LEARNING and development system support the personal development of your WORKFORCE members and your organization's needs?
- (6) HOW do you evaluate the EFFECTIVENESS and efficiency of your LEARNING and development system?
- (7) HOW do you manage career development for your WORKFORCE and your future leaders?

*Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 16–18).*

## 6 Operations

### 6.1 Work Processes: How do you design, manage, and improve your key products and work processes?

- (1) HOW do you determine KEY product\* and WORK PROCESS requirements?
- (2) What are your organization's KEY WORK PROCESSES?
- (3) HOW do you design your products and WORK PROCESSES to meet requirements?
- (4) HOW does your day-to-day operation of WORK PROCESSES ensure that they meet KEY PROCESS requirements?
- (5) HOW do you determine your KEY support PROCESSES?
- (6) HOW do you improve your WORK PROCESSES and support PROCESSES to improve products and PROCESS PERFORMANCE, enhance your CORE COMPETENCIES, and reduce variability?
- (7) HOW do you manage your supply network?
- (8) HOW do you pursue your opportunities for INNOVATION?

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

- (1) HOW do you manage the cost, efficiency, and EFFECTIVENESS of your operations?
- (2) HOW do you ensure the security and cybersecurity of sensitive or privileged data and information and of KEY assets?
- (3) HOW do you provide a safe operating environment?
- (4) HOW do you ensure that your organization is prepared for disasters or emergencies?

*Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 16–18).*

\*For health care organizations, "products" are health care services.

For education organizations, "products" are educational programs and services.

See [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications) for Baldrige frameworks tailored to the health care and education sectors.

## 7 Results

### 7.1 Product and Process Results: What are your product performance and process effectiveness results?

- (1) What are your RESULTS for your products and your CUSTOMER service processes?
- (2) What are your PROCESS EFFECTIVENESS and efficiency RESULTS?
- (3) What are your safety and emergency preparedness RESULTS?
- (4) What are your supply-network management RESULTS?

### 7.2 Customer Results: What are your customer-focused performance results?

- (1) What are your CUSTOMER satisfaction and dissatisfaction RESULTS?
- (2) What are your CUSTOMER ENGAGEMENT RESULTS?

### 7.3 Workforce Results: What are your workforce-focused performance results?

- (1) What are your WORKFORCE CAPABILITY and CAPACITY RESULTS?
- (2) What are your WORKFORCE climate RESULTS?
- (3) What are your WORKFORCE ENGAGEMENT RESULTS?
- (4) What are your WORKFORCE and leader development RESULTS?

### 7.4 Leadership and Governance Results: What are your senior leadership and governance results?

- (1) What are your RESULTS for SENIOR LEADERS' communication and engagement with the WORKFORCE, PARTNERS, and CUSTOMERS?
- (2) What are your RESULTS for GOVERNANCE accountability?
- (3) What are your legal and regulatory RESULTS?
- (4) What are your RESULTS for ETHICAL BEHAVIOR?
- (5) What are your RESULTS for societal well-being and support of your KEY communities?

### 7.5 Financial, Market, and Strategy Results: What are your results for financial viability and strategy implementation?

- (1) What are your financial PERFORMANCE RESULTS?
- (2) What are your marketplace PERFORMANCE RESULTS?
- (3) What are your RESULTS for the achievement of your organizational strategy and ACTION PLANS?

*Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 16–18).*



# Assessing Your Responses

*For scoring guidelines, see the Baldrige Excellence Framework booklet (Business/Nonprofit, Education, or Health Care; [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications)).*

## Assessing Processes

Processes are the methods your organization uses and improves to do its work. The four factors used to evaluate processes are approach, deployment, learning, and integration (see page 3).

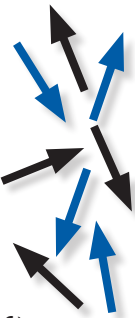







For process items (those in categories 1–6), read the process scoring rubric on page 15. For each item, assign one of the descriptors (Reactive, Early, Mature, or Role Model) based on a holistic assessment of your processes.

## Assessing Results

Results are the outputs and outcomes your organization achieves. The four factors used to evaluate results are levels, trends, comparisons, and integration (see page 3).

For results items (7.1–7.5), read the results scoring rubric on page 15. For each item, assign one of the descriptors based on a holistic assessment of your overall performance.



DESCRIPTOR	PROCESS	RESULTS
<p><b>Reactive</b></p> 	 <ul style="list-style-type: none"> <li>• Operations are characterized by activities rather than by processes, and they are largely responsive to immediate needs or problems. Goals are poorly defined.</li> </ul>	<ul style="list-style-type: none"> <li>• Results that are important to the organization's ongoing success are missing, not used, or randomly reported.</li> </ul>
<p><b>Early</b></p> 	 <ul style="list-style-type: none"> <li>• The organization is beginning to carry out operations with repeatable processes, evaluation, and improvement, and there is some early coordination among organizational units. Strategy and quantitative goals are being defined.</li> </ul>	<ul style="list-style-type: none"> <li>• Results that are important to the organization's ongoing success are reported, tracked over time, and improving.</li> </ul>
<p><b>Mature</b></p> 	 <ul style="list-style-type: none"> <li>• Operations are characterized by repeatable processes that are regularly evaluated for improvement. Learnings are shared, and there is coordination among organizational units. Processes address key strategies and goals.</li> </ul>	<ul style="list-style-type: none"> <li>• Results that are important to the organization's ongoing success are trending in the right direction and doing well relative to competitors or other relevant organizations.</li> </ul>
<p><b>Role Model</b></p> 	 <ul style="list-style-type: none"> <li>• Operations are characterized by repeatable processes that are regularly evaluated for change and improvement in collaboration with other affected units. The organization seeks and achieves efficiencies across units through analysis, innovation, and the sharing of information and knowledge. Processes and measures track progress on key strategic and operational goals.</li> </ul>	<ul style="list-style-type: none"> <li>• The full array of results that are important to the organization's ongoing success are reported and trended over time, indicating top performance relative to other organizations.</li> </ul>



# 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 Care; [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications)).*

**ACTION PLANS.** Specific actions that your organization takes to reach its 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.

**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, possibly specialized 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.

**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, workforce 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.

**LEADERSHIP SYSTEM.** The way leadership is exercised, formally and informally, throughout your organization; the basis for key decisions and the way they are made, communicated, and carried out.

**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.

**STAKEHOLDERS.** All groups that are or might be affected by your organization's actions and success.

**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.

**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.** The coordinated combination of internal work processes and external resources that 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, on-site, and remote 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.





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## *a powerful set of mechanisms*

Jim Collins, author of *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*

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I see the Baldrige process as a powerful set of mechanisms for disciplined people engaged in disciplined thought and taking disciplined action to create great organizations that produce exceptional results.

# Baldrige Excellence Framework



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