2011–2012

Education Criteria for Performance Excellence

BALDRIGE
Performance Excellence Program

A Public-Private Partnership

Building active partnerships in the public sector—and among the private sector and all levels of government—is fundamental to the success of the Baldrige Performance Excellence Program in improving national competitiveness. Private-sector support for the program in the form of funds, volunteer efforts, and participation in public outreach continues to grow.

To ensure the continued growth and success of these partnerships, each of the following organizations plays an important role.

Foundation for the Malcolm Baldrige National Quality Award

The Foundation for the Malcolm Baldrige National Quality Award was created to foster the success of the program. The foundation's main objective is to raise funds to permanently endow the award program.

Prominent leaders from U.S. organizations serve as foundation trustees to ensure that the foundation's objectives are accomplished. A broad cross section of organizations throughout the United States provides financial support to the foundation.

National Institute of Standards and Technology

The National Institute of Standards and Technology (NIST), an agency of the U.S. Department of Commerce, manages the Baldrige Performance Excellence Program. NIST promotes U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve our quality of life. NIST carries out its mission in four cooperative programs, including the Baldrige Performance Excellence Program. The other three are the NIST laboratories, conducting research that advances the nation's technology infrastructure and is needed by U.S. industry to continually improve products and services; the Hollings Manufacturing Extension Partnership, a nationwide network of local centers offering technical and business assistance to smaller manufacturers; and the Technology Innovation Program, which provides cost-shared awards to industry, universities, and consortia for research on potentially revolutionary technologies that address critical national and societal needs.

American Society for Quality

The American Society for Quality (ASQ) assists in administering the award program under contract to NIST. ASQ's vision is to make quality a global priority, an organizational imperative, and a personal ethic and, in the process, to become the community for all who seek quality concepts, technology, or tools to improve themselves and their world.

Board of Overseers

The Board of Overseers advises the Department of Commerce on the Baldrige Performance Excellence Program. The board is appointed by the secretary of commerce and consists of distinguished leaders from all sectors of the U.S. economy.

The board evaluates all aspects of the program, including the adequacy of the Criteria and processes for determining award recipients. An important part of the board's responsibility is to assess how well the program is serving the national interest and, as needed, recommend changes and improvements to the secretary of commerce and to the director of NIST.

Board of Examiners

The Board of Examiners evaluates award applications and prepares feedback reports. The Panel of Judges, part of the Board of Examiners, makes award recommendations to the director of NIST. The board consists of leading experts from U.S. businesses and education, health care, and nonprofit organizations. NIST selects members through a competitive application process. The current board consists of more than 575 members. Of these, 12 (who are appointed by the secretary of commerce) serve as judges, and approximately 90 serve as senior examiners. All members of the board must take part in an Examiner Preparation Course.

Board members also play a significant role in sharing information about the program. Their membership in hundreds of professional, trade, community, and state organizations helps them disseminate this information.

Award Recipients

Award recipients are required to share information on their successful performance strategies with other U.S. organizations. However, recipients are not required to share proprietary information, even if such information was part of their award application. The principal mechanism for sharing information is The Quest for Excellence® Conference, held annually. Two regional conferences are also held annually to offer additional forums for sharing the applicants' best practices.

For more than 20 years, award recipients have demonstrated their commitment to improving U.S. competitiveness and furthering the U.S. pursuit of performance excellence by also generously sharing information with hundreds of thousands of companies, education organizations, health care organizations, government agencies, nonprofit organizations, and others. This sharing far exceeds expectations and program requirements. These efforts have encouraged many other organizations in all sectors of the U.S. economy to undertake their own performance improvement efforts.

The Alliance for Performance Excellence

The Alliance for Performance Excellence (http://www.baldrigepe.org/alliance), a nonprofit national network, aims to enhance the success and sustainability of its member Baldrige-based programs. The Alliance's member organizations promote the use of the Baldrige Criteria; disseminate information on the Baldrige Award process and Baldrige concepts; serve as a feeder system for the national program, providing a significant number of examiners and award applicants; network with the Baldrige Performance Excellence Program and each other; and receive and use the Baldrige Criteria for Performance Excellence and other program and training materials from the national program.

Baldrige Performance Excellence Program

National Institute of Standards and Technology • Department of Commerce

To: U.S. Organizations

From: Harry S. Hertz, Director
Baldrige Performance Excellence Program

Subject: Why Is Baldrige Important for You Now?

Because the Education Criteria for Performance Excellence are about students excelling! Because they are about survival and sustainability in your market with a high-performing, high-integrity organization. Because the Baldrige Criteria ask you all the right questions.

Is addressing all the Baldrige Education Criteria easy? No! But neither is achieving sustainable results in today's challenging education environment. Will the Education Criteria help you think and act strategically? Yes. Will they help you align your processes and your resources? Yes. Will they help you engage your workforce, your students, and your stakeholders? Yes. Are these worthwhile goals? You decide.

Whether your organization is small or large; is involved in elementary, secondary, or higher education; and has one location or multiple sites, the Education Criteria provide a valuable framework that can help you plan, perform, and measure results in an uncertain environment. The Criteria can help you decide on tools such as the Plan-Do-Study-Act methodology, a Balanced Scorecard, and accreditation self-studies. How to begin that first Baldrige assessment? Take a few minutes and scan the questions in the Organizational Profile on pages 4–6. A discussion of the answers to these questions might be your first Baldrige assessment. For additional guidance, refer to our free booklet *Your Guide to Performance Excellence.*

Do you need to know what your faculty, staff, and senior leaders think? Or do you believe you have been making progress but want to accelerate or better focus your efforts? Try using our simple *Are We Making Progress?* and *Are We Making Progress as Leaders?* questionnaires. Organized by the seven Baldrige Criteria categories, they will help you check your progress on organizational goals and can improve communication among your workforce members and your leadership team.

Even if you don't expect to receive the Baldrige Award, submitting an award application has valuable benefits. Every applicant receives a detailed feedback report based on a rigorous evaluation conducted by a panel of specially trained experts.

The Education Criteria are in your hands . . . so is an incredible opportunity. Why not take advantage of that opportunity? When you turn these pages, you turn the corner toward performance excellence. If you want more information, please contact me at baldrige@nist.gov.

Need some useful tools to begin the Baldrige challenge? Try using

• *Getting Started with the Baldrige Criteria*,
available on our Web site at http://www.nist.gov/baldrige/enter/self_started.cfm
• *easyInsight: Take a First Step toward a Baldrige Self-Assessment*,
available at http://www.nist.gov/baldrige/publications/easy_insight.cfm
• *Are We Making Progress?* and *Are We Making Progress as Leaders?*
available at http://www.nist.gov/baldrige/publications/progress.cfm
• Optional Self-Analysis Worksheet (Word file to download),
available at http://www.nist.gov/baldrige/publications/business_nonprofit_criteria.cfm

Besides using these resources from the Baldrige Performance Excellence Program, visit http://www.baldrigepe.org/alliance to get support from Baldrige-based programs in your state or local area.

Baldrige Performance Excellence Program • NIST • Administration Building, Room A600 • 100 Bureau Drive, Stop 1020 • Gaithersburg, MD 20899-1020
Telephone: (301) 975-2036 • Fax: (301) 948-3716 • E-Mail: baldrige@nist.gov • Web Site: http://www.nist.gov/baldrige

The 23rd and 24th Annual Quest for Excellence® Conferences

Each year, The Quest for Excellence, the official conference of the Malcolm Baldrige National Quality Award, provides a forum for Baldrige Award recipients to share their exceptional performance practices with worldwide leaders in business, education, health care, and nonprofit organizations. The 23rd Quest for Excellence will showcase the year 2010 award recipients, and the 24th Annual Quest for Excellence will feature the year 2011 award recipients.

Since 1988, executives, managers, and other leaders have come to this conference to learn how these role-model organizations have achieved performance excellence. Chief executive officers (CEOs) and other leaders from the award recipient organizations give presentations covering all seven categories of the Baldrige Criteria, their journey to performance excellence, and their lessons learned. At this three-day conference designed to maximize learning and networking opportunities, attendees will be able to interact with award recipients.

The conferences will be held April 3–6, 2011, at the Marriott Wardman Park Hotel in Washington, D.C., and April 15–18, 2012, at the same location. For further information, contact the Baldrige Program by mail: Baldrige Performance Excellence Program, NIST, Administration Building, Room A600, 100 Bureau Drive, Stop 1020, Gaithersburg, MD 20899-1020; telephone: (301) 975-2036; fax: (301) 948-3716; or e-mail: baldrige@nist.gov. For a general overview of the Baldrige Performance Excellence Program, visit the Baldrige Web site: http://www.nist.gov/baldrige.

The Malcolm Baldrige National Quality Award

The President of the United States traditionally presents the award at a special ceremony in Washington, D.C. The award crystal, composed of two solid crystal prismatic forms, stands 14 inches tall. The crystal is held in a base of black anodized aluminum, with the award recipient's name engraved on the base. A 22-karat gold-plated medallion is captured in the front section of the crystal. The medallion bears the name of the award and "The Quest for Excellence" on one side and the Presidential Seal on the other.

Crystal by Steuben

The Malcolm Baldrige National Quality Award logo and the phrases "The Quest for Excellence" and "Performance Excellence" are trademarks and service marks of the National Institute of Standards and Technology.

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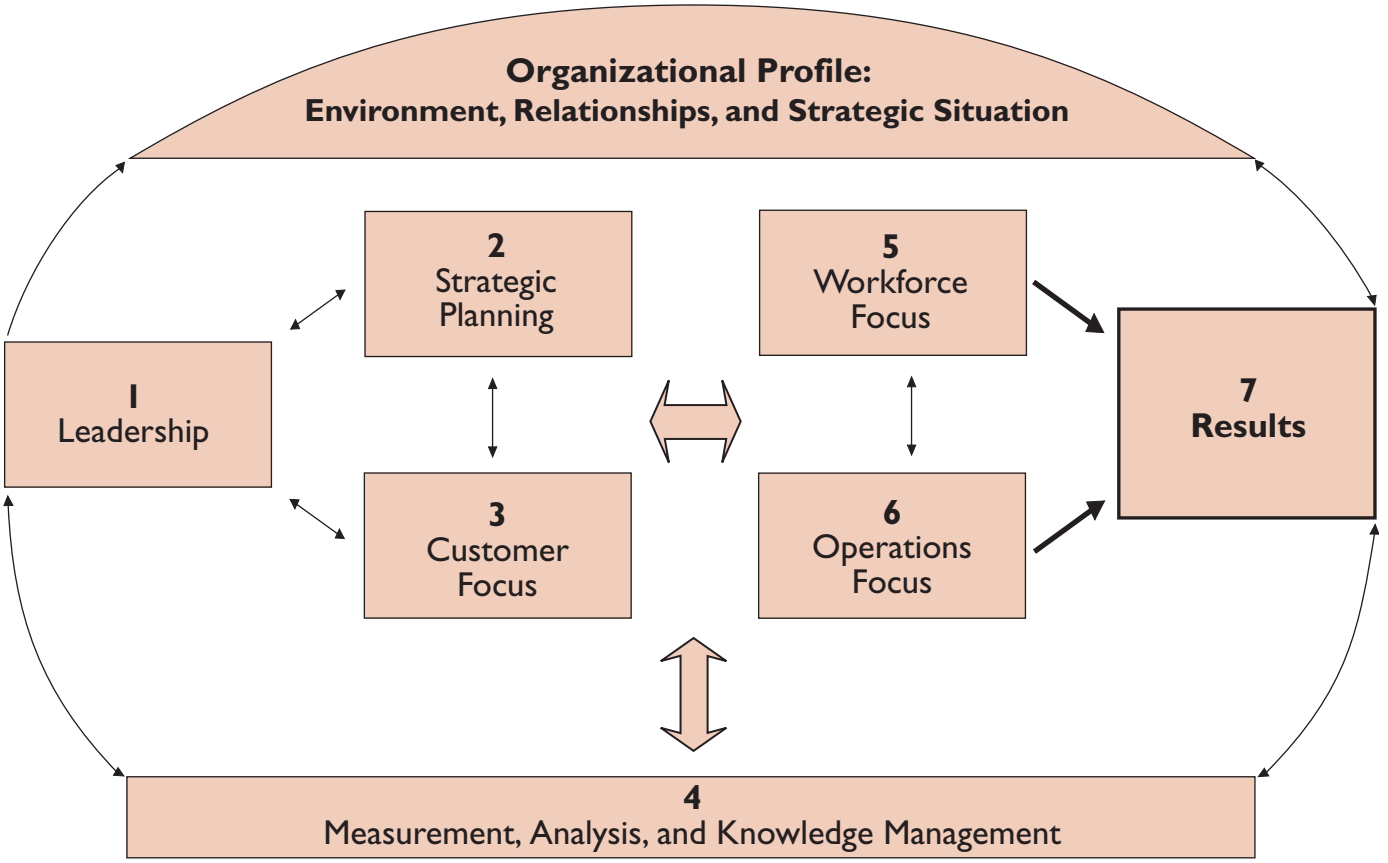
Business/nonprofit and health care organizations should use the appropriate Criteria booklets for their respective sectors. See pages 76–77 for ordering information.

If you plan to apply for the award in 2011 or 2012, you also will need the *Baldrige Award Application Forms*, which can be downloaded at http://www.nist.gov/baldrige/publications/award_application.cfm.

The award application process consists of two steps: the first is to provide a completed eligibility certification package, and the second is to submit a completed award application package. See pages 73–75 for due dates and other information.

We are easy to reach. Our Web site is http://www.nist.gov/baldrige.

Baldrige Education Criteria for Performance Excellence Framework
A Systems Perspective



Education Criteria for Performance Excellence Framework

The requirements of the Education Criteria for Performance Excellence are embodied in seven categories, as follows:

1. **Leadership**
2. **Strategic Planning**
3. **Customer Focus**
4. **Measurement, Analysis, and Knowledge Management**
5. **Workforce Focus**
6. **Operations Focus**
7. **Results**

The figure on page iv provides the framework connecting and integrating the categories.

From top to bottom, the framework has the following basic elements.

Organizational Profile

Your Organizational Profile (top of figure) sets the context for the way your organization operates. Your organization's environment, key working relationships, and strategic situation—including competitive environment, strategic challenges and advantages, and performance improvement system—serve as an overarching guide for your organizational performance management system.

Performance System

The performance system is composed of the six Baldrige categories in the center of the figure that define your processes and the results you achieve.

Leadership (category 1), Strategic Planning (category 2), and Customer Focus (category 3) represent the leadership triad. These categories are placed together to emphasize the importance of a leadership focus on students, stakeholders, and strategy. Senior leaders set your organizational direction and seek future opportunities for your organization.

Workforce Focus (category 5), Operations Focus (category 6), and Results (category 7) represent the results triad. Your organization's workforce and key operational processes accomplish the work of the organization that yields your overall performance results.

All actions point toward Results—a composite of student learning and process outcomes, customer-focused outcomes, workforce-focused outcomes, leadership and governance outcomes, and budgetary, financial, and market outcomes.

The horizontal arrow in the center of the framework links the leadership triad to the results triad, a linkage critical to organizational success. Furthermore, the arrow indicates the central relationship between Leadership (category 1) and Results (category 7). The two-headed arrows indicate the importance of feedback in an effective performance management system.

System Foundation

Measurement, Analysis, and Knowledge Management (category 4) are critical to the effective management of your organization and to a fact-based, knowledge-driven system for improving performance and competitiveness. Measurement, analysis, and knowledge management serve as a foundation for the performance management system.

Criteria Structure

The seven Criteria categories shown in the figure are subdivided into items and areas to address.

Items

There are 17 process and results items, each focusing on a major requirement. Item titles and point values are given on page 3. The item format is shown on page 29.

Areas to Address

Items consist of one or more areas to address (areas). Organizations should address their responses to the specific requirements of these areas.

Baldrige Performance Excellence Program Honors the 2008 Award Recipients

On December 2, 2009, at a ceremony in Washington, D.C., the three 2008 Baldrige Award recipients were honored: Cargill Corn Milling North America (CCM) of Wayzata, Minnesota (manufacturing); Iredell-Statesville Schools (I-SS) of Statesville, North Carolina (education); and Poudre Valley Health System (PVHS) of Fort Collins, Colorado (health care). Clockwise from the upper left, the photographs show (1) U.S. Vice President Joe Biden; (2) U.S. Secretary of Commerce Gary Locke; (3) Secretary Locke, I-SS Chairman of the Board of Education David W. Cash, I-SS Superintendent Brady Johnson, and Foundation for the Malcolm Baldrige National Quality Award Chair Joe Alexander; (4) Malcolm Hollensteiner, nephew of Malcolm Baldrige; (5) Secretary Locke, PVHS Director of Process Improvement Priscilla J. Nuwash, PVHS President/CEO Rulon F. Stacey, and Joe Alexander; and (6) Secretary Locke, CCM President Alan Willits, Cargill, Inc. Chairman and Chief Executive Officer Greg Page, and Joe Alexander.

Education Criteria for Performance Excellence—Item Listing

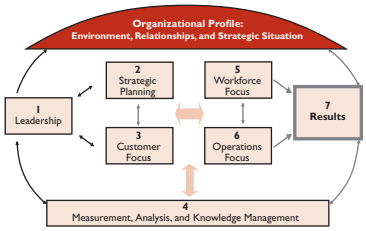
P	**Preface: Organizational Profile**		
	P.1 Organizational Description		
	P.2 Organizational Situation		
Categories and Items			**Point Values**
1	**Leadership**		**120**
	1.1 Senior Leadership	70	
	1.2 Governance and Societal Responsibilities	50	
2	**Strategic Planning**		**85**
	2.1 Strategy Development	40	
	2.2 Strategy Implementation	45	
3	**Customer Focus**		**85**
	3.1 Voice of the Customer	45	
	3.2 Customer Engagement	40	
4	**Measurement, Analysis, and Knowledge Management**		**90**
	4.1 Measurement, Analysis, and Improvement of Organizational Performance	45	
	4.2 Management of Information, Knowledge, and Information Technology	45	
5	**Workforce Focus**		**85**
	5.1 Workforce Environment	40	
	5.2 Workforce Engagement	45	
6	**Operations Focus**		**85**
	6.1 Work Systems	45	
	6.2 Work Processes	40	
7	**Results**		**450**
	7.1 Student Learning and Process Outcomes	120	
	7.2 Customer-Focused Outcomes	90	
	7.3 Workforce-Focused Outcomes	80	
	7.4 Leadership and Governance Outcomes	80	
	7.5 Budgetary, Financial, and Market Outcomes	80	
	TOTAL POINTS		**1,000**

Note: The scoring system used with the Criteria items in a Baldrige assessment can be found on pages 68–72.

The Importance of Beginning with Your Organizational Profile

Your Organizational Profile is critically important because

- it is the most appropriate starting point for self-assessment and for writing an application;
- it helps you identify potential gaps in key information and focus on key performance requirements and results;
- it is used by the examiners and judges in application review, including the site visit, to understand your organization and what you consider important (you will be assessed using the Criteria requirements in relation to your organization's environment, relationships, influences, and challenges, as presented in your Organizational Profile); and
- it also may be used by itself for an initial self-assessment. If you identify topics for which conflicting, little, or no information is available, it is possible that the Organizational Profile can serve as your complete assessment, and you can use these topics for action planning.



P Preface: Organizational Profile

The ***Organizational Profile*** is a snapshot of your organization, the KEY influences on HOW you operate, and the KEY challenges you face.

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

Describe your organization's operating environment and your KEY relationships with students, STAKEHOLDERS, suppliers, and PARTNERS.

Within your response, include answers to the following questions:

a. Organizational Environment

(1) **EDUCATIONAL PROGRAMS AND SERVICES** What are your organization's main EDUCATIONAL PROGRAMS AND SERVICES (see note 1 below)? What is the relative importance of each to your organizational success? What mechanisms do you use to deliver your EDUCATIONAL PROGRAMS AND SERVICES?

(2) **VISION and MISSION** What are the distinctive characteristics of your organizational culture? What are your stated PURPOSE, VISION, VALUES, and MISSION? What are your organization's CORE COMPETENCIES and their relationship to your MISSION?

(3) **WORKFORCE Profile** What is your WORKFORCE profile? What are your WORKFORCE or employee groups and SEGMENTS? What are their education levels? What are the KEY elements that engage them in accomplishing your MISSION AND VISION? What are your organization's WORKFORCE and job DIVERSITY, organized bargaining units, KEY WORKFORCE benefits, and 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 your organization operates? What are the applicable occupational health and safety regulations; accreditation, certification, or registration requirements; education standards; and environmental, financial, and EDUCATIONAL PROGRAM AND SERVICE 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) **CUSTOMERS** What are your KEY market SEGMENTS and student and STAKEHOLDER groups, as appropriate? What are their KEY requirements and expectations for your EDUCATIONAL PROGRAMS AND SERVICES, student and STAKEHOLDER support services, and operations? What are the differences in these requirements and expectations among market SEGMENTS and student and STAKEHOLDER groups?

(3) **Suppliers and PARTNERS** What are your KEY types of suppliers, PARTNERS, and COLLABORATORS? What role do these suppliers, PARTNERS, and COLLABORATORS play in the production and delivery of your KEY EDUCATIONAL PROGRAMS AND SERVICES and student and STAKEHOLDER support services? What are your KEY mechanisms for communicating with suppliers, PARTNERS, and COLLABORATORS? What role, if any, do these organizations play in implementing INNOVATIONS in your organization? What are your KEY supply-chain requirements?

Notes:

N1. "Educational programs and services" (P.1a[1]) may include courses (credit and noncredit), research, outreach, cooperative projects and programs, and supplemental educational services that your organization offers in the market. Mechanisms for delivery of educational programs and services to your students and stakeholders might be direct or through partners and collaborators.

N2. "Core competencies" (P.1a[2]) refers to your organization's areas of greatest expertise. Your organization's core competencies are those strategically important capabilities that are central to fulfilling your mission or provide an advantage in your market or service environment. Core competencies frequently are challenging for competitors or suppliers and partners to imitate. Also, core competencies frequently preserve your competitive advantage.

N3. Many education organizations rely heavily on volunteers to accomplish their work. These organizations should include volunteers in the discussion of their workforce (P.1a[3]).

N4. Workforce or employee groups and segments (including organized bargaining units; P.1a[3]) might be based on the type of employment or contract reporting relationship, location, work environment, family-friendly policies, or other factors.

N5. Student and stakeholder groups (P.1b[2] might be based on common expectations, behaviors, preferences, or profiles. Within a group there may be student and stakeholder segments based on differences and commonalities. Your markets might be subdivided into market segments based on educational programs, services, or features; geography; volume; or other factors that your organization uses to define related market characteristics.

N6. Student segment, stakeholder group, and market segment requirements (P.1b[2]) might include special accommodation, customized curricula, safety, security, reduced class size, multilingual services, customized degree requirements, student advising, dropout recovery programs, administrative cost reductions, electronic communication, and distance learning. Stakeholder group requirements might include socially responsible behavior and community service.

N7. Communication mechanisms (P.1b[3]) should be two-way and in understandable language, and they might be in person, via e-mail, Web-based, or by telephone. For many organizations, these mechanisms may change as market, student, or stakeholder requirements change.

For additional description of this item, see page 33.

Information for Understanding All Criteria Items

For definitions of key terms presented throughout the Criteria and scoring guidelines text in SMALL CAPS, see the Glossary of Key Terms on pages 57–66.

Frequently, several questions are grouped under one number (e.g., P.1a[3]). These questions are related and do not require separate responses. These multiple questions serve as a guide in understanding the full meaning of the information being requested.

The items in the Baldrige Criteria are divided into three groups: the *Preface,* which defines your organizational environment; categories 1–6, which define your organization's *processes*; and category 7, which contains your *results* for your organization's processes. Only responses to the last two groups are scored during a Baldrige Award evaluation of an organization; the Organizational Profile items are used to provide context for the evaluation.

Item notes serve three purposes: (1) to clarify terms or requirements presented in an item, (2) to give instructions and examples for responding to the item requirements, and (3) to indicate key linkages to other items. In all cases, the intent is to help you respond to the item requirements.

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

Describe your organization's competitive environment, your KEY STRATEGIC CHALLENGES and ADVANTAGES, and your system for PERFORMANCE improvement.

Within 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 education sector or markets served? What are the numbers and types of competitors for your organization?

(2) **Competitiveness Changes** What are any KEY changes taking place that affect your competitive situation, including opportunities for INNOVATION and collaboration, as appropriate?

(3) **Comparative Data** What are your KEY available sources of comparative and competitive data from within your education sector? What are your KEY available sources of comparative data from outside your education sector? What limitations, if any, affect your ability to obtain these data?

b. Strategic Context

What are your KEY EDUCATIONAL PROGRAM AND SERVICE, operational, societal responsibility, and human resource STRATEGIC CHALLENGES and ADVANTAGES?

c. PERFORMANCE Improvement System

What are the KEY elements of your PERFORMANCE improvement system, including your evaluation, organizational LEARNING, and INNOVATION PROCESSES?

Notes:

N1. Strategic challenges and advantages (P.2b) might relate to technology, educational programs and services, your operations, your suppliers and collaborators, your student and stakeholder support, your education sector, globalization; the value added by your community, stakeholders, partners, and collaborators; and people. Strategic advantages might include differentiators such as tuition and fees, instructional design and delivery services, reputation for program or service delivery, innovation rate, geographic proximity, and accessibility.

N2. Performance improvement (P.2c) through learning and integration is an assessment dimension used in the scoring system to evaluate the maturity of organizational approaches and deployment (see pages 68–72). This question is intended to help you and the Baldrige examiners set an overall context for your approach to performance improvement. Approaches to performance improvement that are compatible with the systems approach provided by the Baldrige framework should be related to your organization's needs and might include implementing Plan-Do-Study-Act improvement cycles; completing accreditation self-studies; applying nationally validated systems to improve teaching performance; and performing independent institutional, departmental, or program assessments. It also might include using a Lean Enterprise System, applying Six Sigma methodology, using ISO standards (e.g., 9000 or14000), or employing other process improvement and innovation tools. A growing number of organizations have implemented specific processes for meeting goals in program and service innovation.

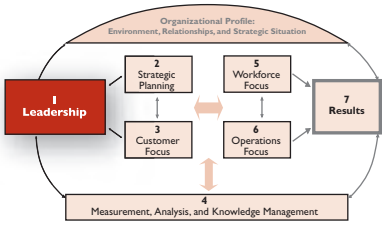
N3. Education organizations frequently are in a highly competitive environment; aside from the direct competition for students, they often must compete with other organizations to secure financial, volunteer, and human resources. This competition may involve other education organizations, as in the competition for grant funding or the opportunity to provide supplemental services. In the case of public education organizations, competition may involve other public agencies or departments, as in the competition for scarce budget resources.

For additional description of this item, see pages 33–34.

Page Limit

For the Baldrige Award applicants, the Organizational Profile is limited to five pages. These pages are not counted in the overall application page limit. Typing and formatting instructions for the Organizational Profile are the same as for the application. These instructions are given in the *Baldrige Award Application Forms,* which can be downloaded at http://www.nist.gov/baldrige/publications/award_application.cfm.

1 Leadership (120 pts.)



The ***Leadership*** category examines HOW your organization's SENIOR LEADERS' personal actions guide and sustain your organization. Also examined are your organization's GOVERNANCE system and HOW your organization fulfills its legal, ethical, and societal responsibilities and supports its KEY communities.

1.1 Senior Leadership: How do your senior leaders lead? (70 pts.)

Process

Describe HOW SENIOR LEADERS' actions guide and sustain your organization. Describe HOW SENIOR LEADERS communicate with your WORKFORCE and encourage HIGH PERFORMANCE.

Within 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? How do SENIOR LEADERS DEPLOY your organization's VISION and VALUES through your LEADERSHIP SYSTEM, to the WORKFORCE, to KEY suppliers and PARTNERS, and to students and other STAKEHOLDERS, as appropriate? How do SENIOR LEADERS' actions reflect a commitment to the organization's VALUES?

(2) **Promoting Legal and ETHICAL BEHAVIOR** How do SENIOR LEADERS' actions demonstrate their commitment to legal and ETHICAL BEHAVIOR? How do they promote an organizational environment that requires it?

(3) **Creating a SUSTAINABLE Organization** How do SENIOR LEADERS create a SUSTAINABLE organization? How do SENIOR LEADERS achieve the following?

- create an environment for organizational PERFORMANCE improvement, the accomplishment of your MISSION and STRATEGIC OBJECTIVES, INNOVATION, PERFORMANCE leadership, and organizational agility
- create a WORKFORCE culture that delivers a consistently positive experience for students and stakeholders and fosters their ENGAGEMENT
- create an environment for organizational and WORKFORCE LEARNING
- develop and enhance their leadership skills
- participate in organizational LEARNING, succession planning, and the development of future organizational leaders

b. Communication and Organizational PERFORMANCE

(1) **Communication** How do SENIOR LEADERS communicate with and engage the entire WORKFORCE? How do SENIOR LEADERS achieve the following?

- encourage frank, two-way communication throughout the organization
- communicate KEY decisions
- take an active role in reward and recognition programs to reinforce HIGH PERFORMANCE and student LEARNING

(2) **Focus on Action** How do SENIOR LEADERS create a focus on action to accomplish the organization's objectives, improve PERFORMANCE, and attain its VISION? How do SENIOR LEADERS identify needed actions? How do SENIOR LEADERS include a focus on creating and balancing VALUE for students and other STAKEHOLDERS in their organizational PERFORMANCE expectations?

Notes:

N1. Organizational vision (1.1a[1]) should set the context for strategic objectives and action plans, which are described in items 2.1 and 2.2.

N2. A sustainable organization (1.1a[3]) is capable of addressing current organizational needs and possesses the agility and strategic management to prepare successfully for its future organizational and operating environment. Both external and internal factors are considered. In this context, the concept of innovation includes both technological and organizational innovation to help the organization succeed in the future. A sustainable organization also ensures a safe and secure environment for the workforce and other key stakeholders. An organization's contributions to environmental, social, and economic systems beyond those of its workforce and immediate stakeholders are considered in its societal responsibilities (item 1.2).

N3. A focus on action (1.1b[2]) considers the strategy, the workforce, the work systems, and the assets of your organization. It includes taking intelligent risks and implementing innovations and ongoing improvements in student learning

and productivity that may be achieved through eliminating waste or reducing cycle time; it might use techniques such as Plan-Do-Study-Act, Six Sigma, or Lean. It also includes the actions to accomplish your organization's strategic objectives (see 2.2a[1]).

N4. Your organizational performance results should be reported in items 7.1–7.5.

N5. For those organizations that rely on volunteers to accomplish their work, responses to 1.1b(1) also should discuss your efforts to communicate with and engage the volunteer workforce.

For additional description of this item, see pages 34–35.

1.2 Governance and Societal Responsibilities: How do you govern and fulfill your societal responsibilities? (50 pts.)

Process

Describe your organization's GOVERNANCE system and APPROACH to leadership improvement. Describe HOW your organization ensures legal and ETHICAL BEHAVIOR, fulfills its societal responsibilities, and supports its KEY communities.

Within your response, include answers to the following questions:

a. Organizational GOVERNANCE

(1) **GOVERNANCE System** How does your organization review and achieve the following KEY aspects of your GOVERNANCE system?

- accountability for management's actions
- fiscal accountability
- transparency in operations and selection of and disclosure policies for GOVERNANCE board members, as appropriate
- independence in internal and external audits
- protection of STAKEHOLDER and stockholder interests, as appropriate

(2) **PERFORMANCE Evaluation** How do you evaluate the PERFORMANCE of your SENIOR LEADERS, including the head of your organization? How do you use these PERFORMANCE evaluations in determining executive compensation? How do you evaluate the PERFORMANCE of members of your GOVERNANCE board, as appropriate? How do SENIOR LEADERS and your GOVERNANCE board use these PERFORMANCE reviews to advance their development and improve both their personal leadership EFFECTIVENESS and that of your board and LEADERSHIP SYSTEM, as appropriate?

b. Legal and ETHICAL BEHAVIOR

(1) **Legal Behavior, Regulatory Behavior, and Accreditation** How do you address any adverse impacts on society of your EDUCATIONAL PROGRAMS AND SERVICES? How do you anticipate public concerns with current and future EDUCATIONAL PROGRAMS AND SERVICES and operations? How do you prepare for these impacts and concerns in a proactive manner, including conserving natural resources and using EFFECTIVE supply-chain management PROCESSES, as appropriate? What are your KEY compliance PROCESSES, MEASURES, and GOALS for achieving and surpassing regulatory, legal, and accreditation requirements, as appropriate? What are your KEY PROCESSES, MEASURES, and GOALS for addressing risks associated with your EDUCATIONAL PROGRAMS AND SERVICES and your operations?

(2) **ETHICAL BEHAVIOR** How does your organization promote and ensure ETHICAL BEHAVIOR in all interactions? What are your KEY PROCESSES and MEASURES or INDICATORS for enabling and monitoring ETHICAL BEHAVIOR in your GOVERNANCE structure, throughout your organization, and in interactions with students, PARTNERS, suppliers, and other STAKEHOLDERS? How do you monitor and respond to breaches of ETHICAL BEHAVIOR?

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? How do you contribute to the well-being of your environmental, social, and economic systems?

(2) **Community Support** How does your organization actively support and strengthen your KEY communities? What are your KEY communities? How do you identify these communities and determine areas for organizational involvement, including areas related to your CORE COMPETENCIES? How do your SENIOR LEADERS, in concert with your WORKFORCE, contribute to improving these communities?

Notes:

N1. Societal responsibilities in areas critical to your organization's ongoing market success also should be addressed in Strategy Development (item 2.1) and in Operations Focus (category 6). Key results, such as results related to regulatory and legal requirements (including the results of mandated financial audits); reductions in environmental impacts through the use of "green" technology, resource-conserving activities, or other means; or improvements in social impacts through organizational community involvement activities, should be reported as Leadership and Governance Outcomes (item 7.4).

N2. Transparency in operations of your governance system (1.2a[1]) should include your internal controls on governance processes.

N3. Leadership performance evaluation (1.2a[2]) might be supported by peer reviews, formal performance management reviews, reviews by external advisory boards, and formal or informal workforce and other stakeholder feedback and surveys.

N4. Measures or indicators of ethical behavior (1.2b[2]) might include instances of ethical conduct breaches and responses, survey results on workforce perceptions of organizational ethics, ethics hotline use, implementation of institutional review board (IRB) principles in cases of research involving human and animal subjects, and results of ethics reviews and audits. They also might include evidence that policies, public disclosure of information, staff training, and monitoring systems are in place with respect to conflicts of interest, acceptable use of technology, use of active funds, or appropriate selection of vendors. Other measures or indicators might include the integrity of testing, workforce accreditation, and equal access to resources.

N5. Areas of societal contributions and community support appropriate for 1.2c might include your efforts to improve the environment (e.g., collaboration to conserve the environment or natural resources), strengthen local community services and education, and improve the practices of professional associations.

N6. The health and safety of your workforce are not addressed in item 1.2; you should address these workforce factors in item 5.1.

N7. Educational organizations should report in 1.2b(1), as appropriate, how they address the legal and regulatory requirements and standards that govern fundraising and lobbying activities.

For additional description of this item, see page 35.

Assessment of Item Responses

Item responses are assessed by considering the Criteria item requirements; your key organization factors presented in your Organizational Profile; and the maturity of your approaches, breadth of their deployment, and strength of your improvement process and results relative to the scoring system. Refer to the scoring system information on pages 68–72.

If you get into Baldrige because of the award, it'll be a short journey. But if you get into it for the right reasons, the feedback and continuous improvement, then it's well worth the journey.

—Dr. Terry Holliday, superintendent of
2008 Baldrige Award recipient Iredell-Statesville Schools

2 Strategic Planning (85 pts.)

The ***Strategic Planning*** category examines HOW your organization develops STRATEGIC OBJECTIVES and ACTION PLANS. Also examined are HOW your chosen STRATEGIC OBJECTIVES and ACTION PLANS are implemented and changed if circumstances require, and HOW progress is measured.

2.1 Strategy Development: How do you develop your strategy? (40 pts.)

Process

Describe HOW your organization establishes its strategy to address its STRATEGIC CHALLENGES and leverage its STRATEGIC ADVANTAGES. Summarize your organization's KEY STRATEGIC OBJECTIVES and their related GOALS.

Within your response, include answers to the following questions:

a. Strategy Development PROCESS

(1) **Strategic Planning PROCESS** How does your organization conduct its strategic planning? What are the KEY PROCESS steps? Who are the KEY participants? How does your PROCESS identify potential blind spots? How do you determine your CORE COMPETENCIES, STRATEGIC CHALLENGES, and STRATEGIC ADVANTAGES (identified in your Organizational Profile)? What are your short- and longer-term planning time horizons? How are these time horizons set? How does your strategic planning PROCESS address these time horizons?

(2) **Strategy Considerations** How do you ensure that strategic planning addresses the KEY elements listed below? How do you collect and analyze relevant data and information pertaining to these factors as part of your strategic planning PROCESS?

- your organization's strengths, weaknesses, opportunities, and threats
- early indications of major shifts in technology, EDUCATIONAL PROGRAMS AND SERVICES, student and community demographics, markets, student and STAKEHOLDER preferences, competition, the economy, and the regulatory environment
- long-term organizational SUSTAINABILITY, including needed CORE COMPETENCIES, and PROJECTIONS of your future PERFORMANCE and your competitors' or comparable organizations' future PERFORMANCE
- your ability to execute the strategic plan

b. STRATEGIC OBJECTIVES

(1) **KEY STRATEGIC OBJECTIVES** What are your KEY STRATEGIC OBJECTIVES and your timetable for accomplishing them? What are your most important GOALS for these STRATEGIC OBJECTIVES?

(2) **STRATEGIC OBJECTIVE Considerations** How do your STRATEGIC OBJECTIVES achieve the following?

- address your STRATEGIC CHALLENGES and STRATEGIC ADVANTAGES
- address your opportunities for INNOVATION in EDUCATIONAL PROGRAMS AND SERVICES, operations, and your business model
- capitalize on your current CORE COMPETENCIES and address the potential need for new CORE COMPETENCIES
- balance short- and longer-term challenges and opportunities
- consider and balance the needs of all students and KEY STAKEHOLDERS
- enhance your ability to adapt to sudden shifts in your market conditions, including funding sources or levels

Notes:

N1. "Strategy development" refers to your organization's approach to preparing for the future. Strategy development might utilize various types of forecasts, projections, options, scenarios, knowledge (see 4.2a for relevant organizational knowledge), or other approaches to envisioning the future for purposes of decision making and resource allocation. Strategy development might involve participation by key suppliers, partners, students, and stakeholders.

N2. The term "strategy" should be interpreted broadly. Strategy might be built around or lead to any or all of the following: addition or termination of services and programs; redirection of resources; modifications in instructional design; use of technology; changes in testing or adoption of standards; services to new, changing, and special student populations; new core competencies; geographic challenges; grants and endowments; research priorities; new partnerships and alliances; and new faculty and staff or volunteer relationships. It also might be directed toward meeting a community or public need.

N3. Your organization's strengths, weaknesses, opportunities, and threats (2.1a[2]) should address all factors that are key to your organization's future success, including the following, as appropriate: learning-centered education to ensure student achievement; your student and stakeholder requirements, expectations, and opportunities; your opportunities for innovation and role-model performance; your core competencies; your competitive environment and your performance now and in the future relative to competitors and comparable organizations; education reform; technological and other key innovations or changes that might affect your educational programs and services and how you operate, as well as the rate of innovation; your workforce and other resource needs; your ability to capitalize on diversity; your opportunities to redirect resources to higher-priority programs and services; 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; and other factors unique to your organization.

N4. Your ability to execute the strategic plan (2.1a[2]) should address your ability to mobilize the necessary resources and knowledge. It also should address your organizational agility based on contingency plans or, if circumstances require, a shift in plans and rapid execution of new or changed plans.

N5. Strategic objectives that address key challenges and advantages (2.1b[2]) might include rapid response, customization of educational programs and services, partnerships, workforce capability and capacity, specific joint ventures, rapid innovation, ISO quality or environmental systems registration, societal responsibility actions or leadership, Web-based supplier and customer relationship management, and program and service quality enhancements. Responses to item 2.1 should focus on your specific challenges and advantages—those most important to your ongoing success and to strengthening your organization's overall performance.

N6. Item 2.1 addresses your overall organizational strategy, which might include changes in educational programs and services and customer engagement processes. However, the item does not address educational program or service design or customer engagement strategies; you should address these factors in items 3.2 and 6.1, as appropriate.

For additional description of this item, see page 37.

The Baldrige Award program is still one of the best in the entire maelstrom of awards. There's the Nobel Prize, the Oscars, and all that, but the Baldrige Award is right up there! It's inspiring. It's exciting. It makes us proud.

—Letitia Baldrige, etiquette expert, former chief of staff for Jacqueline Kennedy, and sister of Malcolm Baldridge

2.2 Strategy Implementation: How do you implement your strategy? (45 pts.) Process

Describe HOW your organization converts its STRATEGIC OBJECTIVES into ACTION PLANS. Summarize your organization's ACTION PLANS, HOW they are DEPLOYED, and KEY ACTION PLAN PERFORMANCE MEASURES or INDICATORS. Project your organization's future PERFORMANCE relative to KEY comparisons on these PERFORMANCE MEASURES or INDICATORS.

Within your response, include answers to the following questions:

a. ACTION PLAN Development and DEPLOYMENT

(1) **ACTION PLAN Development** How do you develop your ACTION PLANS? What are your KEY short- and longer-term ACTION PLANS and their relationship to your STRATEGIC OBJECTIVES? What are the KEY planned changes, if any, in your EDUCATIONAL PROGRAMS AND SERVICES; your students, STAKEHOLDERS and markets; your suppliers and PARTNERS; and how you will operate?

(2) **ACTION PLAN Implementation** How do you DEPLOY ACTION PLANS throughout the organization to your WORKFORCE and to KEY suppliers, PARTNERS, and COLLABORATORS, as appropriate, to achieve your KEY STRATEGIC OBJECTIVES? How do you ensure that the KEY outcomes of your ACTION PLANS can be sustained?

(3) **Resource Allocation** How do you ensure that financial and other resources are available to support the accomplishment of your ACTION PLANS, while meeting current obligations? How do you allocate these resources to support the accomplishment of the plans? How do you manage the financial and other risks associated with the plans to ensure the financial viability of your organization?

(4) **WORKFORCE Plans** What are your KEY human resource or WORKFORCE plans to accomplish your short- and longer-term STRATEGIC OBJECTIVES and ACTION PLANS? How do the plans address potential impacts on your WORKFORCE members and any potential changes to WORKFORCE CAPABILITY and CAPACITY needs?

(5) **PERFORMANCE MEASURES** What are your KEY PERFORMANCE MEASURES or INDICATORS for tracking the achievement and EFFECTIVENESS of your ACTION PLANS? How do you ensure that your overall ACTION PLAN measurement system reinforces organizational ALIGNMENT? How do you ensure that the measurement system covers all KEY DEPLOYMENT areas, student SEGMENTS, and STAKEHOLDERS?

(6) **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?

b. PERFORMANCE PROJECTIONS

For the KEY PERFORMANCE MEASURES or INDICATORS identified in 2.2a(5), what are your PERFORMANCE PROJECTIONS for both your short- and your longer-term planning time horizons? How does your projected PERFORMANCE on these MEASURES or INDICATORS compare with the projected PERFORMANCE of your competitors or comparable organizations? How does it compare with KEY BENCHMARKS, GOALS, and past PERFORMANCE, as appropriate? If there are current or projected gaps in PERFORMANCE against your competitors or comparable organizations, HOW will you address them?

Notes:

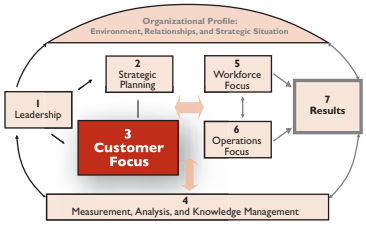
N1. Strategy and action plan development and deployment are closely linked to other items in the Criteria. The following are examples of key linkages:

- item 1.1 for how your senior leaders set and communicate organizational direction
- category 3 for gathering student, stakeholder, and market knowledge as input to your strategy and action plans and for deploying action plans
- category 4 for measurement, analysis, and knowledge management to support your key information needs, support your development of strategy, provide an effective basis for your performance measurements, and track progress relative to your strategic objectives and action plans
- category 5 for meeting your workforce capability and capacity needs, for workforce development and learning system design and needs, and for implementing workforce-related changes resulting from action plans
- category 6 for changes to core competencies, work systems, and work process requirements resulting from your action plans
- item 7.1 for specific accomplishments relative to your organizational strategy and action plans

N2. Measures and indicators of projected performance (2.2b) might include changes resulting from significant anticipated innovations in educational programs, services, and technology; the redirection of resources; market entry and shifts; the improved performance of administrative and other support functions; improvements in safety; and new legislative mandates or legal requirements.

For additional description of this item, see pages 37–38.

3 Customer Focus (85 pts.)



The ***Customer Focus*** category examines how your organization engages its students and stakeholders for long-term market success. This engagement strategy includes how your organization listens to the voice of its customers (your students and stakeholders), builds customer relationships, and uses customer information to improve and identify opportunities for innovation.

3.1 Voice of the Customer: How do you obtain information from your students and stakeholders? (45 pts.)

Process

Describe how your organization listens to students and stakeholders and gains satisfaction and dissatisfaction information.

Within your response, include answers to the following questions:

a. Student and Stakeholder Listening

(1) **Listening to Current Students and Stakeholders** How do you listen to students and stakeholders to obtain actionable information? How do your listening methods vary for different student groups, stakeholder groups, or market segments? How do you use social media and Web-based technologies to listen to students and stakeholders, as appropriate? How do your listening methods vary across the stages of students' and stakeholders' relationships with you? How do you follow up with students and stakeholders on the quality of educational programs and services, student and stakeholder support, and transactions to receive immediate and actionable feedback?

(2) **Listening to Potential Students and Stakeholders** How do you listen to former students and stakeholders, potential students and stakeholders, and students and stakeholders of competitors to obtain actionable information and to obtain feedback on your educational programs and services, student and stakeholder support, and transactions, as appropriate?

b. Determination of Student and Stakeholder Satisfaction and Engagement

(1) **Satisfaction and Engagement** How do you determine student and stakeholder satisfaction and engagement? How do these determination methods differ among student and stakeholder groups and market segments, as appropriate? How do your measurements capture actionable information for use in exceeding your students' and stakeholders' expectations and securing your students' and stakeholders' engagement?

(2) **Satisfaction Relative to Competitors** How do you obtain information on your students' and stakeholders' satisfaction relative to their satisfaction with your competitors? How do you obtain information on your students' and stakeholders' satisfaction relative to the satisfaction levels of students and stakeholders of other organizations providing similar educational programs or services or to appropriate benchmarks?

(3) **Dissatisfaction** How do you determine student and stakeholder dissatisfaction? How do your measurements capture actionable information for use in meeting your students' and stakeholders' requirements and exceeding their expectations in the future?

Notes:

N1. The "voice of the customer" refers to your process for capturing student- and stakeholder-related information. Voice-of-the-customer processes are intended to be proactive and continuously innovative to capture stated, unstated, and anticipated student and stakeholder requirements, expectations, and desires. The goal is to achieve customer engagement. Listening to the voice of the customer might include gathering and integrating various types of student and stakeholder data, such as survey data, focus group findings, blog comments and other social media data, and complaint data that affect students' and stakeholders' enrollment and engagement decisions.

N2. Use of social media and Web-based technologies to listen to students and stakeholders (3.1a[1]) provides a newer mode of gathering insight into students' and stakeholders' perceptions of all aspects of your involvement with them. Use of social media may include blogs moderated by your organization and unsolicited opportunities to learn based on social media outlets your organization does not control, such as wikis, online forums, and blogs not moderated by your organization.

N3. Your listening methods should include all stages of your involvement with students and stakeholders. This might include relationship building for potential and new students and stakeholders, relationship building with active and current students and stakeholders, and a follow-up strategy for former students, as appropriate.

N4. Determining student and stakeholder satisfaction and dissatisfaction (3.1b) might include the use of any or all of the following: surveys, formal and informal feedback, dropout and absenteeism rates, student conflict data, and complaints. Information might be gathered on the Web, through personal contact or a third party, or by mail. Determining student and stakeholder 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.

N5. Determining relative student and stakeholder satisfaction (3.1b[2]) may involve comparisons with competitors, comparisons with other organizations in noncompetitive markets that deliver similar educational programs or services, or comparisons achieved through trade or other organizations. Determining relative student and stakeholder satisfaction also may involve determining why students or stakeholders chose your competitors over you.

N6. For additional considerations on educational programs and services, see item P.1, note 1.

For additional description of this item, see page 38.

3.2 Customer Engagement: How do you engage students and stakeholders to serve their needs and build relationships? (40 pts.)

Process

Describe HOW your organization determines EDUCATIONAL PROGRAMS AND SERVICES and communication mechanisms to support students and STAKEHOLDERS. Describe HOW your organization builds student and STAKEHOLDER relationships.

Within your response, include answers to the following questions:

a. EDUCATIONAL PROGRAMS AND SERVICES and Student and STAKEHOLDER Support

(1) **PROGRAMS AND SERVICES** How do you identify student, STAKEHOLDER, and market requirements for EDUCATIONAL PROGRAMS AND SERVICES? How do you identify and innovate EDUCATIONAL PROGRAMS AND SERVICES to meet the requirements and exceed the expectations of your student and STAKEHOLDER groups and market SEGMENTS (identified in your Organizational Profile)? How do you identify and INNOVATE EDUCATIONAL PROGRAMS AND SERVICES to attract new students and STAKEHOLDERS and to provide opportunities for expanding relationships with existing students and STAKEHOLDERS, as appropriate?

(2) **Student and STAKEHOLDER Support** How do you enable students and STAKEHOLDERS to seek information and support? How do you enable them to obtain EDUCATIONAL PROGRAMS AND SERVICES from you and provide feedback on your EDUCATIONAL PROGRAMS AND SERVICES and your student and STAKEHOLDER support? What are your KEY means of student and STAKEHOLDER support, including your KEY communication mechanisms? How do they vary for different student and STAKEHOLDER groups or market SEGMENTS? How do you determine your students' and STAKEHOLDERS' KEY support requirements? How do you ensure that these support requirements are deployed to all people and PROCESSES involved in student and STAKEHOLDER support?

(3) **Student and STAKEHOLDER Segmentation** How do you use student and STAKEHOLDER, market, and EDUCATIONAL PROGRAMS AND SERVICES information to identify current and anticipate future student and STAKEHOLDER groups and market SEGMENTS? How do you consider students and STAKEHOLDERS of competitors and other potential students and STAKEHOLDERS and markets in this segmentation? How do you determine which students, STAKEHOLDER groups, and market SEGMENTS to pursue for current and future EDUCATIONAL PROGRAMS AND SERVICES?

(4) **Student and STAKEHOLDER Data Use** How do you use information on students, STAKEHOLDERS, markets, and EDUCATIONAL PROGRAMS AND SERVICES to improve marketing, build a more student- and STAKEHOLDER-focused culture, and identify opportunities for INNOVATION?

b. Building Student and STAKEHOLDER Relationships

(1) **Relationship Management** How do you market, build, and manage relationships with students and STAKEHOLDERS to achieve the following?

- acquire new students and STAKEHOLDERS and build market share
- retain students and STAKEHOLDERS, meet their requirements, and exceed their expectations in each stage of their relationship with you
- increase their ENGAGEMENT with you

(2) **Complaint Management** How do you manage student and STAKEHOLDER complaints? How does your student and STAKEHOLDER complaint management PROCESS ensure that complaints are resolved promptly and EFFECTIVELY? How does your student and STAKEHOLDER complaint management PROCESS enable you to recover your students' and STAKEHOLDERS' confidence and enhance their satisfaction and ENGAGEMENT?

Notes:

N1. "Customer engagement" refers to your students' and stakeholders' investment in your educational programs and services. Characteristics of engagement include retention and loyalty, students' and stakeholders' willingness to make an effort to choose and remain with your education organization, and their willingness to actively advocate for and recommend your organization and its programs and services.

N2. "Educational programs and services" (3.2a) refer to the important characteristics of programs and services available throughout each stage of students' and stakeholders' relationships with you. The focus should be on features that affect students' and stakeholders' preferences and loyalty—for example, those features that differentiate your programs and services from competing offerings or other organizations' services. Those features might include curricular focus, student placement following completion of the educational goal or training objective, workforce composition, extracurricular activities, or tuition and associated costs. Key program and service features also might take into account how transactions occur and factors such as the privacy and security of student and stakeholder data. Your results on performance relative to key educational program and service features should be reported in item 7.1, and those concerning students' and stakeholders' perceptions and actions (outcomes) should be reported in item 7.2.

N3. The goal of student and stakeholder support (3.2a[2]) is to make your organization easy to receive educational programs and services from and responsive to your students' and stakeholders' expectations.

N4. Building student and stakeholder relationships (3.2b) might include the development of partnerships or alliances with stakeholders.

For additional description of this item, see pages 38–39.

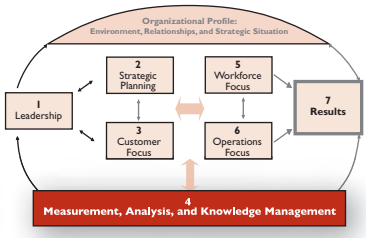
We realized better results almost from day one of our entry into the Baldrige program. While we were sometimes skeptical of the opportunities for improvement, when we did respond, we again realized higher performance results. . . . For an affordable application fee and site visit expenditure, Baldrige provides education applicants with teams of experts who conduct a thorough review and provide detailed feedback, expertise that would be too costly for us to purchase on the open market.

—Dr. Frank Auriemma, superintendent of
2001 Baldrige Award recipient Pearl River School District

We applied for the award, not with the idea of winning, but with the goal of receiving the evaluation of the Baldrige examiners. That evaluation was comprehensive, professional, and insightful. It reinforced where we were strong and provided valuable information on areas where we could improve—making it perhaps the most cost-effective, value-added business consultation available anywhere in the world today.

—Bob Barnett, president of
2002 Baldrige Award recipient Motorola Commercial, Government

4 Measurement, Analysis, and Knowledge Management (90 pts.)



The ***Measurement, Analysis, and Knowledge Management*** category examines HOW your organization selects, gathers, analyzes, manages, and improves its data, information, and KNOWLEDGE ASSETS and HOW it manages its information technology. The category also examines 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? (45 pts.)

Process

Describe HOW your organization measures, analyzes, reviews, and improves its PERFORMANCE through the use of data and information at all levels and in all parts of your organization.

Within your response, include answers to the following questions:

a. PERFORMANCE Measurement

(1) **PERFORMANCE MEASURES** How do you select, collect, align, and integrate data and information for tracking daily operations and overall organizational PERFORMANCE, including progress relative to STRATEGIC OBJECTIVES and ACTION PLANS? What are your KEY organizational PERFORMANCE MEASURES, including KEY short-term and longer-term budgetary and financial MEASURES? How frequently do you track these MEASURES? How do you use these data and information to support organizational decision making and INNOVATION?

(2) **Comparative Data** How do you select and ensure the EFFECTIVE use of KEY comparative data and information to support operational and strategic decision making and INNOVATION?

(3) **Student and STAKEHOLDER Data** How do you select and ensure the EFFECTIVE use of VOICE-OF-THE-CUSTOMER data and information (including complaints) to support operational and strategic decision making and INNOVATION?

(4) **Measurement Agility** How do you ensure that your PERFORMANCE measurement system is able to respond to rapid or unexpected organizational or external changes?

b. PERFORMANCE ANALYSIS and Review

How do you review organizational PERFORMANCE and capabilities? How do you use your KEY organizational PERFORMANCE MEASURES in these reviews? What ANALYSES do you perform to support these reviews and ensure that conclusions are valid? How do you use these reviews to assess organizational success, competitive PERFORMANCE, financial health, and progress relative to STRATEGIC OBJECTIVES and ACTION PLANS? How do you use these reviews to assess your organization's ability to respond rapidly to changing organizational needs and challenges in your operating environment?

c. PERFORMANCE Improvement

(1) **Best-Practice Sharing** How do you use PERFORMANCE review findings to share lessons learned and best practices across organizational units and work processes?

(2) **Future PERFORMANCE** How do you use PERFORMANCE review findings and KEY comparative and competitive data to project future PERFORMANCE?

(3) **Continuous Improvement and INNOVATION** How do you use organizational PERFORMANCE review findings to develop priorities for continuous improvement and opportunities for INNOVATION? HOW are these priorities and opportunities DEPLOYED to faculty, staff, other work groups, and functional-level operations throughout your organization? When appropriate, HOW are the priorities and opportunities DEPLOYED to your feeder and/or receiving schools and to your suppliers, PARTNERS, and COLLABORATORS to ensure organizational ALIGNMENT?

Notes:

N1. Performance measurement (4.1a) is used in fact-based decision making for setting and aligning organizational directions and resource use at the work unit, key process, departmental, and organizational levels.

N2. Comparative data and information (4.1a[2]) are obtained by benchmarking and by seeking competitive comparisons. "Benchmarking" refers to identifying processes and results that represent best practices and performance for similar activities, inside or outside the academic community. Competitive comparisons relate your organization's performance to that of competitors and/or student populations and other organizations providing similar educational programs and services.

N3. Organizational performance reviews (4.1b) should be informed by organizational performance measurement and by performance measures reported throughout your Criteria item responses, and they should be guided by the strategic objectives and action plans described in items 2.1 and 2.2. The reviews also might be informed by internal or external Baldrige assessments.

N4. Performance analysis (4.1b) includes examining performance trends; organizational, academic community, and technology projections; and comparisons, cause-effect relationships, and correlations. Performance 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: student, student group, school program, stakeholder, financial and market, operational, budgetary, and competitive/comparative.

N5. The results of organizational performance analysis and review should contribute to your organizational strategic planning in category 2.

N6. Your organizational performance results should be reported in items 7.1–7.5.

For additional description of this item, see pages 39–41.

4.2 Management of Information, Knowledge, and Information Technology: How do you manage your information, organizational knowledge, and information technology? (45 pts.)

Process

Describe HOW your organization builds and manages its KNOWLEDGE ASSETS. Describe HOW your organization ensures the quality and availability of needed data, information, software, and hardware for your WORKFORCE, students and STAKEHOLDERS, suppliers, PARTNERS, AND COLLABORATORS.

Within your response, include answers to the following questions:

a. Data, Information, and Knowledge Management

(1) **Properties** How do you manage your organizational data, information, and knowledge to ensure the following properties?

- accuracy
- integrity and reliability
- timeliness
- security and confidentiality

(2) **Data and Information Availability** How do you make needed data and information available to your WORKFORCE, students and STAKEHOLDERS, suppliers, PARTNERS, and COLLABORATORS, as appropriate?

(3) **Knowledge Management** How do you manage organizational knowledge to accomplish the following?

- the collection and transfer of WORKFORCE knowledge
- the transfer of relevant knowledge from and to students, STAKEHOLDERS, suppliers, PARTNERS, and COLLABORATORS
- the rapid identification, sharing, and implementation of best practices
- the assembly and transfer of relevant knowledge for use in your INNOVATION and strategic planning PROCESSES

b. Management of Information Resources and Technology

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

(2) **Emergency Availability** In the event of an emergency, HOW do you ensure the continued availability of hardware and software systems and the continued availability of data and information to EFFECTIVELY serve students, stakeholders, and organizational needs?

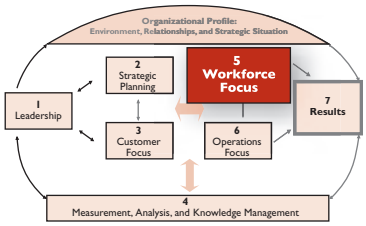
Notes:

N1. Data and information availability (4.2a[2]) is of growing importance as the Internet and school Web sites are used increasingly for student, school, and stakeholder interactions and as intranets become more important as a major source of organization-wide communications.

N2. Data and information access (4.2a[2]) might be via electronic or other means.

For additional description of this item, see page 41.

5 Workforce Focus (85 pts.)



The ***Workforce Focus*** category examines your ability to assess workforce capability and capacity needs and build a workforce environment conducive to high performance. The category also examines how your organization engages, manages, and develops your workforce to utilize its full potential in alignment with your organization's overall mission, strategy, and action plans.

5.1 Workforce Environment: How do you build an effective and supportive workforce environment? (40 pts.)

Process

Describe how your organization manages workforce capability and capacity to accomplish the work of the organization. Describe how your organization maintains a safe, secure, and supportive work climate.

Within 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, including skills, competencies, and staffing levels? How do you ensure that faculty and staff are appropriately certified or licensed?

(2) **New Workforce Members** How do you recruit, hire, place, and retain new members of your workforce? How do you ensure that your workforce represents the diverse ideas, cultures, and thinking of your hiring and student and stakeholder community?

(3) **Work Accomplishment** How do you organize and manage your workforce to achieve the following?

- accomplish the work of your organization
- capitalize on the organization's core competencies
- reinforce a student and stakeholder focus
- exceed performance expectations
- address your strategic challenges and action plans

(4) **Workforce Change Management** How do you prepare your workforce for changing capability and capacity needs? How do you manage your workforce, its needs, and your needs to ensure continuity, prevent workforce reductions, and minimize the impact of workforce reductions, if they do become necessary? How do you prepare for and manage periods of workforce growth?

b. Workforce Climate

(1) **Workplace Environment** How do you address workplace environmental factors, including accessibility, to ensure and improve workforce health, safety, and security? What are your performance measures and improvement goals for each of these workforce needs? What are any significant differences in these factors and performance measures or targets for different workplace environments?

(2) **Workforce Policies and Benefits** How do you support your workforce via policies, services, and benefits? How are these tailored to the needs of a diverse workforce and different workforce groups and segments?

Notes:

N1. "Workforce" refers to the people actively involved in accomplishing the work of your organization. It includes your organization's permanent, temporary, and part-time personnel, as well as any contract employees supervised by your organization. It includes team leaders, supervisors, and managers at all levels. People supervised by a contractor should be addressed in category 6 as part of your larger work systems. For education organizations that also rely on volunteers, "workforce" includes these volunteers.

N2. "Workforce capability" (5.1a) refers to your organization's ability to accomplish its work processes through the knowledge, skills, abilities, and competencies of its people. Capability may include the ability to build and sustain relationships with your students and stakeholders; innovate and transition to new technologies; develop new educational programs and services and work processes; and meet changing organizational, market, and regulatory demands.

"Workforce capacity" (5.1a) refers to your organization's ability to ensure sufficient staffing levels to accomplish its work processes and successfully deliver your programs and services to your students and stakeholders, including the ability to meet seasonal or varying demand levels.

N3. Workforce capability and capacity should consider not only current needs but also future requirements based on your strategic objectives and action plans reported in category 2.

N4. 5.1a(2) addresses only new workforce members. The retention of existing workforce members is considered in item 5.2, Workforce Engagement.

N5. Preparing your workforce for changing capability and capacity needs (5.1a[4]) might include training, education, frequent communication, considerations of workforce employment and employability, career counseling, and outplacement and other services.

For additional description of this item, see page 42.

5.2 Workforce Engagement: How do you engage your workforce to achieve organizational and personal success? (45 pts.)

Process

Describe HOW your organization engages, compensates, and rewards your WORKFORCE to achieve HIGH PERFORMANCE. Describe HOW you assess WORKFORCE ENGAGEMENT and use the results to achieve higher PERFORMANCE. Describe HOW members of your WORKFORCE, including leaders, are developed to achieve HIGH PERFORMANCE.

Within your response, include answers to the following questions:

a. WORKFORCE PERFORMANCE

(1) **Elements of ENGAGEMENT** How do you determine the KEY elements that affect WORKFORCE ENGAGEMENT? How do you determine the KEY elements that affect WORKFORCE satisfaction? How are these elements determined for different WORKFORCE groups and SEGMENTS?

(2) **Organizational Culture** How do you foster an organizational culture that is characterized by open communication, HIGH-PERFORMANCE WORK, and an engaged WORKFORCE? How do you ensure that your organizational culture benefits from the diverse ideas, cultures, and thinking of your WORKFORCE?

(3) **PERFORMANCE Management** How does your WORKFORCE PERFORMANCE management system achieve the following?

- support HIGH-PERFORMANCE WORK and WORKFORCE ENGAGEMENT
- consider WORKFORCE compensation, reward, recognition, and incentive practices
- reinforce a student and STAKEHOLDER and organizational focus and achievement of your ACTION PLANS

b. Assessment of WORKFORCE ENGAGEMENT

(1) **Assessment of ENGAGEMENT** How do you assess WORKFORCE ENGAGEMENT? What formal and informal assessment methods and MEASURES do you use to determine WORKFORCE ENGAGEMENT and WORKFORCE satisfaction? How do these methods and MEASURES differ across WORKFORCE groups and SEGMENTS? How do you use other INDICATORS, such as WORKFORCE retention, absenteeism, grievances, safety, and PRODUCTIVITY, to assess and improve WORKFORCE ENGAGEMENT?

(2) **Correlation with Organizational RESULTS** How do you relate your WORKFORCE ENGAGEMENT assessment findings to KEY organizational RESULTS reported in category 7 to identify opportunities for improvement in both WORKFORCE ENGAGEMENT and organizational RESULTS?

c. WORKFORCE and Leader Development

(1) **LEARNING and Development System** How does your LEARNING and development system address the following factors for your WORKFORCE members and leaders?

- your organization's CORE COMPETENCIES, STRATEGIC CHALLENGES, and accomplishment of its ACTION PLANS, both short-term and long-term
- organizational PERFORMANCE improvement and INNOVATION
- ethics and ethical business practices
- student and STAKEHOLDER focus
- their LEARNING and development needs, including those that are self-identified and those identified by supervisors, managers, and SENIOR LEADERS
- the transfer of knowledge from departing or retiring WORKFORCE members
- the reinforcement of new knowledge and skills on the job

(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 EFFECTIVE career progression for your entire WORKFORCE? How do you accomplish EFFECTIVE succession planning for management and leadership positions?

Notes:

N1. "Workforce engagement" refers to the extent of workforce commitment, both emotional and intellectual, to accomplishing the work, mission, and vision of the organization.

N2. The characteristics of "high-performance work" environments (5.2a[2] and 5.2a[3]), in which people do their utmost for the benefit of their students and stakeholders and for the success of the organization, are key to understanding an engaged workforce. These characteristics are described in detail in the definition of "high-performance work" on page 60.

N3. Compensation, recognition, and related reward and incentive practices (5.2a[3]) include promotions and bonuses that might be based on performance, skills acquired, and other factors. In some education organizations, compensation systems are set by law or regulation. However, since recognition can include monetary and nonmonetary, formal and informal, and individual and group mechanisms, reward and recognition systems do permit flexibility.

N4. Identifying improvement opportunities (5.2b[2]) might draw on your workforce-focused results presented in item 7.3 and might involve addressing workforce-related problems based on their impact on your organizational results reported in response to other category 7 items.

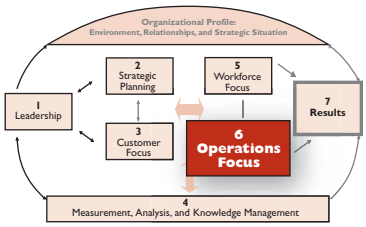
N5. Your organization may have unique considerations relative to workforce development, learning, and career progression. If this is the case, your response to 5.2c should include how you address these considerations. Your response should also consider the breadth of development opportunities your organization might use, including education, training, coaching, mentoring, and work-related experiences.

For additional description of this item, see pages 42–44.

This presidential recognition honors Richland College's serious commitment to and passion for student learning success and our vital mission of teaching, learning, and building a sustainable local and world community.

—Stephen K. Mittlestet, former president of
2005 Baldrige Award recipient Richland College

6 Operations Focus (85 pts.)



The ***Operations Focus*** category examines HOW your organization designs, manages, and improves its WORK SYSTEMS and work PROCESSES to deliver student and STAKEHOLDER VALUE and achieve organizational success and SUSTAINABILITY. Also examined is your readiness for emergencies.

6.1 Work Systems: How do you design, manage, and improve your work systems? (45 pts.)

Process

Describe HOW your organization designs, manages, and improves its WORK SYSTEMS to deliver student and STAKEHOLDER VALUE, prepare for potential emergencies, and achieve organizational success and SUSTAINABILITY.

Within your response, include answers to the following questions:

a. WORK SYSTEM Design

(1) **Design Concepts** How do you design and innovate your overall WORK SYSTEMS? How do you capitalize on your CORE COMPETENCIES? How do you decide which PROCESSES within your overall WORK SYSTEMS will be internal to your organization (your KEY WORK PROCESSES) and which will use external resources?

(2) **WORK SYSTEM Requirements** How do you determine KEY WORK SYSTEM requirements, incorporating input from students and STAKEHOLDERS, suppliers, PARTNERS, and COLLABORATORS, as appropriate? What are the KEY requirements for these WORK SYSTEMS?

b. WORK SYSTEM Management

(1) **WORK SYSTEM Implementation** What are your organization's WORK SYSTEMS? How do you manage and improve your WORK SYSTEMS to deliver student and STAKEHOLDER VALUE and achieve organizational success and SUSTAINABILITY?

(2) **Cost Control** How do you control the overall costs of your WORK SYSTEMS? How do you prevent errors and rework? How do you minimize the costs of inspections, tests, and PROCESS or PERFORMANCE audits, as appropriate?

c. Emergency Readiness

How do you ensure WORK SYSTEM and workplace preparedness for disasters or emergencies? How does your disaster and emergency preparedness system consider prevention, management, continuity of operations, and recovery?

Notes:

N1. "Work systems" refers to how the work of your organization is accomplished. Work systems involve your workforce, your key suppliers and partners, your contractors, your collaborators, and other components of the supply chain needed to produce and deliver your educational programs and services and support processes. Your work systems coordinate the internal work processes and the external resources necessary for you to develop, produce, and deliver your educational programs and services to your students and stakeholders and to succeed in your market.

N2. Disasters and emergencies (6.1c) might be weather-related, utility-related, security-related, or due to a local or national emergency, including potential pandemics. Emergency considerations related to information technology should be addressed in item 4.2.

For additional description of this item, see pages 44–45.

6.2 Work Processes: How do you design, manage, and improve your key work processes? (40 pts.)

Process

Describe HOW your organization designs, manages, and improves its KEY WORK PROCESSES to deliver student and STAKEHOLDER VALUE and achieve organizational success and SUSTAINABILITY.

Within your response, include answers to the following questions:

a. WORK PROCESS Design

(1) **Design Concepts** How do you design and innovate your WORK PROCESSES to meet all the KEY requirements? How do you incorporate new technology, organizational knowledge, EDUCATIONAL PROGRAM AND SERVICE excellence, and the potential need for agility into these PROCESSES? How do you incorporate CYCLE TIME, PRODUCTIVITY, cost control, and other efficiency and EFFECTIVENESS factors into these PROCESSES?

(2) **WORK PROCESS Requirements** How do you determine KEY WORK PROCESS requirements? What are your organization's KEY WORK PROCESSES? What are the KEY requirements for these WORK PROCESSES?

b. WORK PROCESS Management

(1) **KEY WORK PROCESS Implementation** How do your KEY WORK PROCESSES relate to your WORK SYSTEMS? How does your day-to-day operation of these PROCESSES ensure that they meet KEY PROCESS requirements? What are your KEY PERFORMANCE MEASURES or INDICATORS and in-process MEASURES for the control and improvement of your WORK PROCESSES?

(2) **Supply-Chain Management** How do you manage your supply chain? How do you ensure that suppliers you select are qualified and positioned to enhance your PERFORMANCE and student and STAKEHOLDER satisfaction? How do you evaluate supplier PERFORMANCE? How do you deal with poorly performing suppliers?

(3) **PROCESS Improvement** How do you improve your WORK PROCESSES to achieve increased student LEARNING, reduce variability, and improve EDUCATIONAL PROGRAMS AND SERVICES?

Notes:

N1. Your key work processes (6.2a[2]) are your most important internal value creation processes and might include educational program and service design and delivery, student or stakeholder support, supply-chain management, business, and support processes. Your key work processes are those that involve the majority of your organization's workforce members and produce student and stakeholder value. "Projects" are unique work processes intended to produce an outcome and then go out of existence. Project management also may be applied to a work system challenge or opportunity.

N2. To improve process performance (6.2b[3] and reduce variability, your organization might implement approaches such as a Lean Enterprise System, the Six Sigma methodology, ISO quality system standards, the Plan-Do-Study-Act methodology, or other process improvement tools. These approaches might be part of your performance improvement system described in response to P.2c in the Organizational Profile.

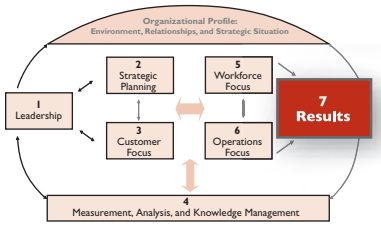
N3. The results of improvements in educational programs and services and process performance should be reported in item 7.1.

For additional description of this item, see pages 45–46.

This tool, the Baldrige, has allowed us to look forward to a vision of the future and to demonstrate the best practices and that we are engaged in performance excellence.

—Charles W. Sorensen, chancellor of
2001 Baldrige Award recipient University of Wisconsin-Stout

7 Results (450 pts.)



The ***Results*** category examines your organization's PERFORMANCE and improvement in all KEY areas—student LEARNING and PROCESS outcomes, CUSTOMER-focused outcomes, WORKFORCE-focused outcomes, leadership and GOVERNANCE outcomes, and budgetary, financial, and market outcomes. PERFORMANCE LEVELS are examined relative to those of competitors and other organizations with similar programs and services.

7.1 Student Learning and Process Outcomes: What are your student-focused and process effectiveness results? (120 pts.)

Results

Summarize your organization's KEY student LEARNING RESULTS and PROCESS EFFECTIVENESS and efficiency RESULTS. Include processes that directly serve students, strategy, and operations. SEGMENT your RESULTS by student groups, by EDUCATIONAL PROGRAMS AND SERVICES, by market SEGMENTS, and by PROCESS types and locations, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Student-Focused and PROCESS RESULTS

What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of student LEARNING outcomes and PROCESS PERFORMANCE that are important to and directly serve your students and STAKEHOLDERS? How do these RESULTS compare with the PERFORMANCE of your competitors and other organizations with similar offerings?

b. Operational PROCESS EFFECTIVENESS RESULTS

(1) **Operational EFFECTIVENESS** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of the operational PERFORMANCE of your KEY WORK SYSTEMS and PROCESSES, including PRODUCTIVITY, CYCLE TIME, and other appropriate MEASURES of PROCESS EFFECTIVENESS, efficiency, and INNOVATION?

(2) **Emergency Preparedness** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of the EFFECTIVENESS of your WORK SYSTEM and workplace preparedness for disasters or emergencies?

c. Strategy Implementation RESULTS

What are your RESULTS for KEY MEASURES or INDICATORS of the accomplishment of your organizational strategy and ACTION PLANS, including building and strengthening CORE COMPETENCIES?

Notes:

N1. Results reported in item 7.1 should provide key information for analysis and review of your organizational performance (item 4.1); demonstrate use of organizational knowledge (item 4.2); and provide the operational basis for customer-focused outcomes (item 7.2) and budgetary, financial, and market outcomes (item 7.5).

N2. Student learning and process results reported in 7.1a should relate to the key student and stakeholder requirements and expectations identified in P.1b(2), based on information gathered in items 3.1 and 3.2. The measures or indicators should address factors that affect student preference and stakeholder expectations, such as those included in item P.1, note 6, and item 3.2, note 2.

N3. Results reported in 7.1b should address your key operational requirements as presented in the Organizational Profile and in items 6.1 and 6.2.

N4. Appropriate measures and indicators of operational process effectiveness (7.1b) might include audit; supplier and partner performance; program, service, and work system innovation rates and results; simplification of internal jobs and job classifications; changes in supervisory ratios; response times for emergency drills or exercises; and results for work relocation or contingency exercises.

N5. Measures or indicators of strategy and action plan accomplishment (7.1c) should address your strategic objectives and goals identified in 2.1b(1) and your action plan performance measures and projected performance identified in 2.2a(5) and 2.2b, respectively.

N6. For some education organizations, student learning or education program and service performance measures might be mandated by legislation, policy, or your funding sources. These measures should be identified and reported in your response to this item.

For additional description of this item, see pages 46–47.

7.2 Customer-Focused Outcomes: What are your student- and stakeholder-focused performance results? (90 pts.)

Results

Summarize your organization's KEY student- and STAKEHOLDER-focused RESULTS for student and STAKEHOLDER satisfaction, dissatisfaction, and ENGAGEMENT. SEGMENT your RESULTS by EDUCATIONAL PROGRAM AND SERVICE features and by student, STAKEHOLDER, and market SEGMENTS, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Student- and STAKEHOLDER-Focused RESULTS

(1) **Student and STAKEHOLDER Satisfaction** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of student and STAKEHOLDER satisfaction and dissatisfaction? How do these RESULTS compare with the student and STAKEHOLDER satisfaction LEVELS of your competitors and other organizations providing similar EDUCATIONAL PROGRAMS AND SERVICES?

(2) **Student and STAKEHOLDER ENGAGEMENT** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of student and STAKEHOLDER ENGAGEMENT, including relationship building? How do these RESULTS compare in each stage of your students' and STAKEHOLDERS' relationship with you, as appropriate?

Notes:

N1. Student and stakeholder satisfaction, dissatisfaction, engagement, and relationship-building results reported in this item should relate to the student segments, stakeholder groups, and market segments discussed in P.1b(2) and category 3 and to the listening and determination methods and data described in item 3.1.

N2. Measures and indicators of students' and stakeholders' satisfaction with your educational programs and services relative to students' and stakeholders' satisfaction with competitors and comparable organizations (7.2a[1]) might include information and data from your students and stakeholders and from independent organizations. Information on the comparative performance of your students should be included in item 7.1.

For additional description of this item, see page 47.

7.3 Workforce-Focused Outcomes: What are your workforce-focused performance results? (80 pts.)

Results

Summarize your organization's KEY WORKFORCE-focused RESULTS for your WORKFORCE environment and for WORKFORCE ENGAGEMENT. SEGMENT your RESULTS to address the DIVERSITY of your WORKFORCE and to address your WORKFORCE groups and SEGMENTS, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. WORKFORCE RESULTS

(1) **WORKFORCE CAPABILITY and CAPACITY** What are your current LEVELS and TRENDS in KEY MEASURES of WORKFORCE CAPABILITY and CAPACITY, including staffing levels and appropriate skills?

(2) **WORKFORCE Climate** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of your WORKFORCE climate, including WORKFORCE health, safety, and security and WORKFORCE services and benefits, as appropriate?

(3) **WORKFORCE ENGAGEMENT** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of WORKFORCE ENGAGEMENT and WORKFORCE satisfaction?

(4) **WORKFORCE Development** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of WORKFORCE and leader development?

Notes:

N1. Results reported in this item should relate to processes described in category 5. Your results should be responsive to key work process needs described in category 6 and to your organization's action plans and human resource or workforce plans described in item 2.2.

N2. Responses to 7.3a(3) should include measures and indicators identified in response to 5.2b(1).

N3. Educational organizations that rely on volunteers should include results for their volunteer workforce, as appropriate.

For additional description of this item, see page 47.

7.4 Leadership and Governance Outcomes: What are your senior leadership and governance results? (80 pts.)

Results

Summarize your organization's KEY SENIOR LEADERSHIP AND GOVERNANCE RESULTS, including those for fiscal accountability, legal compliance, ETHICAL BEHAVIOR, societal responsibility, and support of KEY communities. SEGMENT your RESULTS by organizational units, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Leadership, GOVERNANCE, and Societal Responsibility RESULTS

(1) **Leadership** What are your RESULTS for KEY MEASURES or INDICATORS of SENIOR LEADERS' communication and engagement with the WORKFORCE to DEPLOY VISION and VALUES, encourage two-way communication, and create a focus on action?

(2) **GOVERNANCE** What are your KEY current findings and TRENDS in KEY MEASURES or INDICATORS of GOVERNANCE and fiscal accountability, internal and external, as appropriate?

(3) **Law, Regulation, and Accreditation** What are your RESULTS for KEY MEASURES or INDICATORS of achieving and surpassing legal, regulatory, and accreditation requirements?

(4) **Ethics** What are your RESULTS for KEY MEASURES or INDICATORS of ETHICAL BEHAVIOR and of STAKEHOLDER trust in your organization's SENIOR LEADERS and GOVERNANCE? What are your RESULTS for KEY MEASURES or INDICATORS of breaches of ETHICAL BEHAVIOR?

(5) **Society** What are your RESULTS for KEY MEASURES or INDICATORS of your organization's fulfillment of its societal responsibilities and your organization's support of its KEY communities?

Notes:

N1. Responses to 7.4a(1) should address communication processes identified in item 1.1.

N2. Responses to 7.4a(2) might include financial statement issues and risks, important internal and external auditor recommendations, and management's responses to these matters.

N3. Regulatory, legal, and accreditation results (7.4a[3]) should address requirements described in 1.2b. Workforce-related occupational health and safety results (e.g., Occupational Safety and Health Administration [OSHA] reportable incidents) should be reported in 7.3a(2).

N4. For examples of measures of ethical behavior and stakeholder trust (7.4a[4]), see item 1.2, note 4.

N5. Responses to 7.4a(5) should address your organization's societal responsibilities described in 1.2b(1) and 1.2c(1), as well as support of the key communities described in 1.2c(2). Measures of contributions to societal well-being might include reduced energy consumption; the use of renewable energy resources, recycled water, and alternative approaches to conserving resources (e.g., increased audio and video conferencing); and the global use of enlightened labor practices.

For additional description of this item, see pages 47–48.

It amazes me that U.S. businesses spend so much money on "how to" books and coursework to teach leaders how to build successful organizations. My recommendation: implement the Baldrige-based Criteria into your business. No other single document can help build a long-term successful organization.

—Jerry R. Rose, former president of
1999 Baldrige Award recipient Sunny Fresh Foods

7.5 Budgetary, Financial, and Market Outcomes: What are your budgetary, financial, and market performance results? (80 pts.)

Results

Summarize your organization's KEY budgetary, financial, and market PERFORMANCE RESULTS by market SEGMENTS or student and STAKEHOLDER groups, as appropriate. Include appropriate comparative data.

Provide data and information to answer the following questions:

a. Budgetary, Financial, and Market RESULTS

(1) **Budgetary and Financial PERFORMANCE** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of budgetary and financial PERFORMANCE, including aggregate MEASURES of cost containment, financial viability, or budgetary PERFORMANCE, as appropriate?

(2) **Market PERFORMANCE** What are your current LEVELS and TRENDS in KEY MEASURES or INDICATORS of market PERFORMANCE, including market share or position, market and market share growth, and new markets entered, as appropriate?

Notes:

N1. Responses to 7.5a(1) should include measures such as instructional and general administration expenditures per student or as a percentage of the total budget; income, expenses, reserves, and endowments; tuition and fee levels; cost per academic credit; annual grants and awards; cost avoidance or savings; performance to budget; program expenditures as a percentage of budget; annual budget increases or decreases; resources redirected to education from other areas; scholarship growth; the percentage of budget for research; and the budget for public service. Measures should relate to the budgetary and financial measures reported in 4.1a(1) and the financial management approaches described in item 2.2.

For additional description of this item, see page 48.

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.

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

Changes from the 2009–2010 Education Criteria

The Education Criteria for Performance Excellence have evolved significantly over time to help organizations address a dynamic environment, focus on strategy-driven performance, and address concerns about student, stakeholder, and workforce engagement; governance and ethics; societal responsibilities; and long-term organizational sustainability. The Criteria have continually progressed toward a comprehensive, integrated systems perspective of organizational performance management.

The year-to-year changes to the Baldrige Criteria have been evolutionary. However, since the Baldrige Program's inception over 20 years ago, the changes to the Criteria have been revolutionary. They have evolved from having a specific focus on manufacturing quality to having a comprehensive strategic focus on overall organizational performance, competitiveness, and sustainability. With each update of the Criteria, the Baldrige Program must balance two important stakeholder considerations. On one hand, there is a need for the Criteria to be at the leading edge of validated management practice to help users address the increasingly complex challenges they face; on the other hand, there is a desire for the Criteria to remain stable in order to provide users with a basis for continuity in their performance assessments. Starting in 2009, the Baldrige Program moved to a formal two-year revision cycle for the Criteria. Since that two-year cycle continues to meet the dual demands on the Criteria stated above, we have decided to retain that approach, making these the 2011–2012 Education Criteria for Performance Excellence.

The most significant revisions to the Criteria this year address two areas of importance: (1) dealing with complexity in enterprise leadership and management, and (2) customer engagement.

Complexity is a fact of organizational life. To succeed in today's global, competitive, uncertain environment, organizations must accept complexity. The Baldrige Criteria are complex because achieving organizational sustainability in a global economy is complex. However, the Criteria provide a holistic frame of reference. While the Criteria require complex thinking, they also provide the path to clear identification of an organization's relevant issues and strategic advantages, followed by identification of key data, and then analyses for decision making. Handling complexity requires agility and the ability to execute with a sufficient degree of simplicity.

One of the key foci for the current revisions is to help your organization achieve that simplicity in execution. Each group of questions (the numbered paragraphs in each item) now has a subhead that summarizes the content. With the outline formed by the category and item titles, titles for the areas to address, and these subheads, Criteria users now have a simple guide to performance excellence. All the significant aspects of a performance management system are covered in this outline, and the individual questions provide added guidance and details when you need those. We also have strengthened *the line of sight from strategic challenges and advantages to core competencies, to strategy, and then to work systems and work processes*. This clear set of linkages should move an organization from the strategic environment in which it functions to the execution of its operations in a logical sequence. While each of these concepts is complex, the line of sight should simplify the execution. Strategy development in our global market will increasingly require some degree of intelligent risk taking, which is introduced as a new consideration in 2011 to place all important considerations in the Criteria user's purview.

The concept of customer engagement has continued to receive increasing attention as organizations compete in the global market and in competitive local markets. We have reorganized the flow of logic in the customer focus category to address this concept better. The responsibility for establishing an organizational culture that fosters customer engagement for mutual success and customer loyalty begins with the senior leadership and is a part of creating a sustainable organization. We have placed the responsibility for a student- and stakeholder-focused culture in the senior leadership item. Listening and learning from and about the customer has taken on new dimensions with the advent of wide-scale use of social media. This concept has been added to questions on how your organization listens to customers.

The most significant changes in the Criteria items and the Criteria booklet are summarized as follows:

- The number of areas to address has been reduced from 41 to 40, and the number of Criteria items has been reduced from 18 to 17, plus 2 in the Preface: Organizational Profile section.
- The question that appeared in numerous items about keeping systems current with changing educational needs and directions has been removed from the Education Criteria. This topic should be covered in strategic planning and also is a sign of organizational maturity, which is reflected in the scoring guidelines as a function of learning and integration.

Preface: Organizational Profile

- Item P.1, **Organizational Description**, no longer asks about managing supplier and partner relationships. Supply-chain management is now addressed in item 6.2.
- Item P.2, **Organizational Situation**, now includes societal responsibility as a factor to consider in your strategic challenges and advantages.

Category 1: Leadership

- Item 1.1, **Senior Leadership**, now includes a focus on creating a workforce culture that fosters customer engagement as a leadership responsibility.

- Item 1.2, **Governance and Societal Responsibilities**, asks how senior leader performance evaluations are used in determining executive compensation.

Category 2: Strategic Planning

- This category has an enhanced focus on organizational agility to address a changing strategic environment.
- Item 2.1, **Strategy Development**, now asks how your strategic planning process considers projections of your and your competitors' future performance. The item also asks questions about your ability to adapt to sudden shifts in your market conditions.
- Item 2.2, now **Strategy Implementation**, specifically asks about the relationship of your action plans to your strategic objectives.

Category 3: Customer Focus

- This category has been redesigned to enhance the flow of logic and incorporate the use of social media as a mechanism for listening to customers.
- Item 3.1, now **Voice of the Customer**, asks about how you listen to current and potential students and stakeholders and how you determine student and stakeholder satisfaction, dissatisfaction, and engagement.
- Item 3.2, now **Customer Engagement**, asks about your educational programs and services, student and stakeholder support, student and stakeholder segmentation, and use of student and stakeholder data. These are important to building customer relationships, which is addressed in the second part of the item.

Category 4: Measurement, Analysis, and Knowledge Management

- Item 4.1, **Measurement, Analysis, and Improvement of Organizational Performance**, now includes voice-of-the-customer data as a key component of organizational performance measurement. Use of student and stakeholder data was previously addressed as a stand-alone factor in category 3. Performance improvement questions now ask about best-practice sharing and about use of performance review findings and comparative data to project future performance.

Category 5: Workforce Focus

- This category has been reconfigured and simplified to enhance the flow of logic.
- Item 5.1, now **Workforce Environment**, includes preparing for periods of workforce growth as part of managing workforce capacity and capability.
- Item 5.2, now **Workforce Engagement**, includes student and stakeholder focus as an element of workforce and leader development.

Category 6: Operations Focus

- This category, now **Operations Focus**, has been renamed to focus on the operations that produce and support the delivery of your educational programs and services.
- Item 6.1, **Work Systems**, has been simplified to focus exclusively on work systems, including controlling costs of those systems.
- Item 6.2, **Work Processes**, specifically asks about the relationship of your work processes to your work systems. The item also asks about your supply-chain management processes.

Category 7: Results

- This category has been aligned with the changes in categories 1–6 to encourage the measurement of important and appropriate results and also has been reduced from six items to five.
- Item 7.1, now **Student Learning and Process Outcomes**, results from the combination of former items dealing with student learning outcomes and process outcomes. This change has been made for several reasons: (1) in service environments in particular, it is frequently difficult for organizations to separate process outcomes from the educational program and service outcomes, which are themselves processes; (2) it is important to relate processes to the ultimate goal of organizational sustainability through the delivery of your current and future educational programs and services; and (3) there is a desire to drive thinking on cause-effect relationships between strategic and operational processes and student learning outcomes.
- Item 7.3, now **Workforce-Focused Outcomes**, has been realigned to follow the flow of logic in category 5.
- Item 7.4, now **Leadership and Governance Outcomes**, more explicitly details leadership responsibilities for delivering key results.
- Item 7.5, now **Budgetary, Financial, and Market Outcomes**, places this item last as the "bottom line" for many organizations.

Glossary of Key Terms

- Several words in the Glossary of Key Terms section have had slightly updated definitions. There has been a particular effort to clarify the definition of performance projections.

Results Scoring Guidelines

- The results scoring guidelines have been modified to align better with the item format and organizational maturity by addressing the basic, overall, and multiple requirements of results items. Also, performance projection expectations are now included only in the 90–100% scoring range.

Education Criteria Response Guidelines

The guidelines given in this section are offered to assist Criteria users in responding most effectively to the requirements of the 17 process and results Criteria items. For organizations writing an application for the Baldrige Award, responding involves addressing these requirements in 50 or fewer pages.

The guidelines are presented in three parts:

(1) general guidelines regarding the Criteria booklet, including how the items are formatted

(2) guidelines for responding to process items

(3) guidelines for responding to results items

To respond most effectively to the Criteria items, your organization also will find it important to refer to the scoring guidelines (pages 70–71), which describe how organizations can demonstrate increasing accomplishment and improvement relative to the requirements of the Criteria items.

General Guidelines

1. Read the entire Criteria booklet.

The main sections of the booklet provide a full orientation to the Criteria, including how responses are to be evaluated for self-assessment or by Baldrige examiners. You should become thoroughly familiar with the following sections:

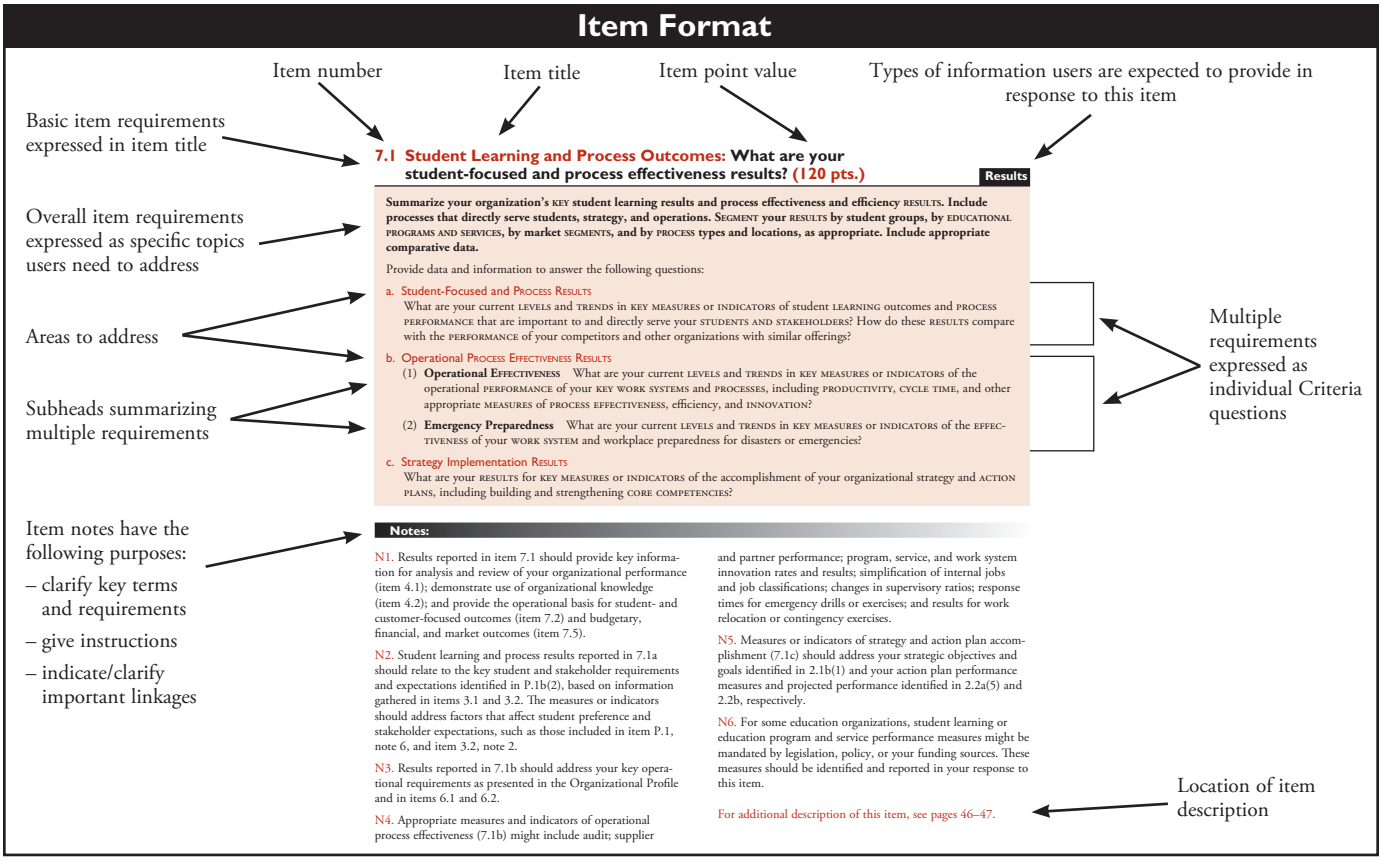
- Education Criteria for Performance Excellence (pages 4–26)
- Scoring System (pages 68–72)
- Glossary of Key Terms (pages 57–66)
- Category and Item Descriptions (pages 33–48)

2. Review the item format and understand how to respond to the item requirements.

The item format (see figure below) shows the different parts of items, the role of each part, and where each part is placed. It is especially important for you to understand the multiple requirements contained in the areas to address. The item notes following the item requirements are an aid to understanding the areas to address. Each item and area to address is described in greater detail in the Category and Item Descriptions section (pages 33–48).

Each item is classified as either **process** or **results**, depending on the type of information required. Guidelines for responding to process items are given on pages 30–31. Guidelines for responding to results items are given on pages 31–32.

Item requirements are presented in question format. Some of the requirements in the areas to address include multiple



questions. Responses to an item should contain information that addresses all questions; however, each question need not be answered separately. Responses to multiple questions within a single area to address may be grouped, as appropriate to your organization. These multiple questions serve as a guide in understanding the full meaning of the information being requested.

3. Refer to the scoring guidelines.

The evaluation of process and results item responses includes a review of the Criteria item requirements in combination with the scoring guidelines (pages 70–71). Specifically, as a complement to requirements of the process items (categories 1–6), the scoring guidelines address the maturity of your approaches, the breadth of deployment, the extent of learning, and integration with other elements of your performance management system. Similarly, as a complement to requirements of the results items (category 7), the scoring guidelines focus on the actual performance levels, the significance of the results trends, relevant comparative data, integration with important elements of your performance management system, and the strength of the improvement process. Therefore, you need to consider both the Criteria and the scoring guidelines as you prepare your responses to all items.

4. Understand the meaning of key terms.

Many of the terms used in the Criteria have meanings that may differ somewhat from standard definitions or definitions used in your organization. Terms printed in SMALL CAPS can be found in the Glossary of Key Terms beginning on page 57. Understanding these terms can help you accurately self-assess your organization and communicate your processes and results to those reviewing your responses and planning your improvement efforts.

5. Start by preparing the Organizational Profile.

The Organizational Profile is the most appropriate starting point. The Organizational Profile is intended to help everyone—including organizations using the Criteria for self-assessment, application writers, and reviewers—understand what is most relevant and important to your organization's business and mission and to its performance. The questions in the Organizational Profile are on pages 4–6. The Organizational Profile is described in greater detail on pages 33–34.

Guidelines for Responding to Process Items

Although the Criteria focus on key organizational performance results, these results by themselves offer little *diagnostic* value. For example, if some results are poor or are improving at rates slower than your competitors' or comparable organizations', it is important to understand why this is so and what might be done to accelerate improvement.

The purpose of process items is to permit diagnosis of your organization's *most important* processes—the ones that contribute most to organizational performance improvement and contribute to key outcomes or performance results. Diagnosis and feedback depend heavily on the content and completeness of your item responses. For this reason, it is important to respond to these items by providing your *key* process information. Guidelines for organizing and reviewing such information follow.

1. Understand the meaning of "how."

Process items include questions that begin with the word "how." *Responses should outline your key process information that addresses approach, deployment, learning, and integration (see Scoring System, page 68).* Responses lacking such information, or merely providing an example, are referred to in the scoring guidelines as "anecdotal information."

2. Understand the meaning of "what."

Two types of questions in process items begin with the word "what." The first type of question requests basic information on key processes and how they work. Although it is helpful to include *who* performs the work, merely stating *who* does not permit diagnosis or feedback. The second type of question requests information on *what* your key findings, plans, objectives, goals, or measures are. These latter questions set the context for showing alignment and integration in your performance management system. For example, when you identify key strategic objectives, your action plans, some of your performance measures, and some results reported in category 7 are expected to relate to the stated strategic objectives.

3. Write and review responses with the following guidelines and comments in mind.

- Show that *approaches* are systematic.

  Systematic approaches are repeatable and use data and information to enable learning. In other words, approaches are systematic if they build in the opportunity for evaluation, improvement, innovation, and knowledge sharing, thereby enabling a gain in maturity.

- Show *deployment*.

  Deployment information should summarize how your approaches are implemented in different parts of your organization. Deployment can be shown compactly by using tables.

- Show evidence of *learning*.

  Processes should include evaluation and improvement cycles, as well as the potential for breakthrough change. Process improvements should be shared with other appropriate units of the organization to enable organizational learning.

- Show *integration*.

  Integration shows alignment and harmonization among processes, plans, measures, actions, and results that generate organizational effectiveness and efficiencies.

- Show focus and consistency.

  There are four important considerations regarding focus and consistency: (1) the Organizational Profile should make clear what is important to your organization; (2) the Strategic Planning category (category 2), including the strategic objectives, action plans, and core competencies, should highlight areas of greatest focus and describe how deployment is accomplished; (3) the descriptions of organizational-level analysis and review (item 4.1) should show how your organization analyzes and reviews performance information to set priorities; and (4) the Operations Focus category (category 6) should highlight the work systems and work processes that are key to your overall performance. *Showing focus and consistency in the process items and tracking corresponding measures in the results items should improve organizational performance.*

- Respond fully to item requirements.

  Missing information will be interpreted as a gap in your performance management system. All areas to address should be addressed. Individual questions within an area to address may be addressed individually or together.

4. Cross-reference when appropriate.

As much as possible, each item response should be self-contained. However, responses to different items also should be mutually reinforcing. It is appropriate to refer to the other responses rather than repeat information. In such cases, key process information should be given in the item requesting this information. For example, workforce development and learning systems should be described in item 5.2. Discussions about workforce development and learning elsewhere in your application would then reference but not repeat details given in your item 5.2 response.

5. Use a compact format.

Applicants should make the best use of the 50 application pages permitted. Applicants are encouraged to use flowcharts, tables, and "bullets" to present information concisely. The 50-page application limit is designed to force your organization to consider what is most important in managing your enterprise and reporting your results.

Guidelines for Responding to Results Items

The Criteria place a major emphasis on results. The following information, guidelines, and example relate to effective and complete reporting of results.

1. Focus on the most critical organizational performance results.

Results reported should cover the most important requirements for your organization's success, highlighted in your Organizational Profile and in the Leadership, Strategic Planning, Customer Focus, Workforce Focus, and Operations Focus categories.

2. Note the meaning of the four key requirements from the scoring guidelines for effective reporting of results data:

- *performance levels* that are reported on a meaningful measurement scale
- *trends* to show directions of results, rates of change, and the extent of deployment
- *comparisons* to show how results compare with those of other, appropriately selected organizations
- *integration* to show that all important results are included and segmented (e.g., by important customer, workforce, process, and product-line groups)

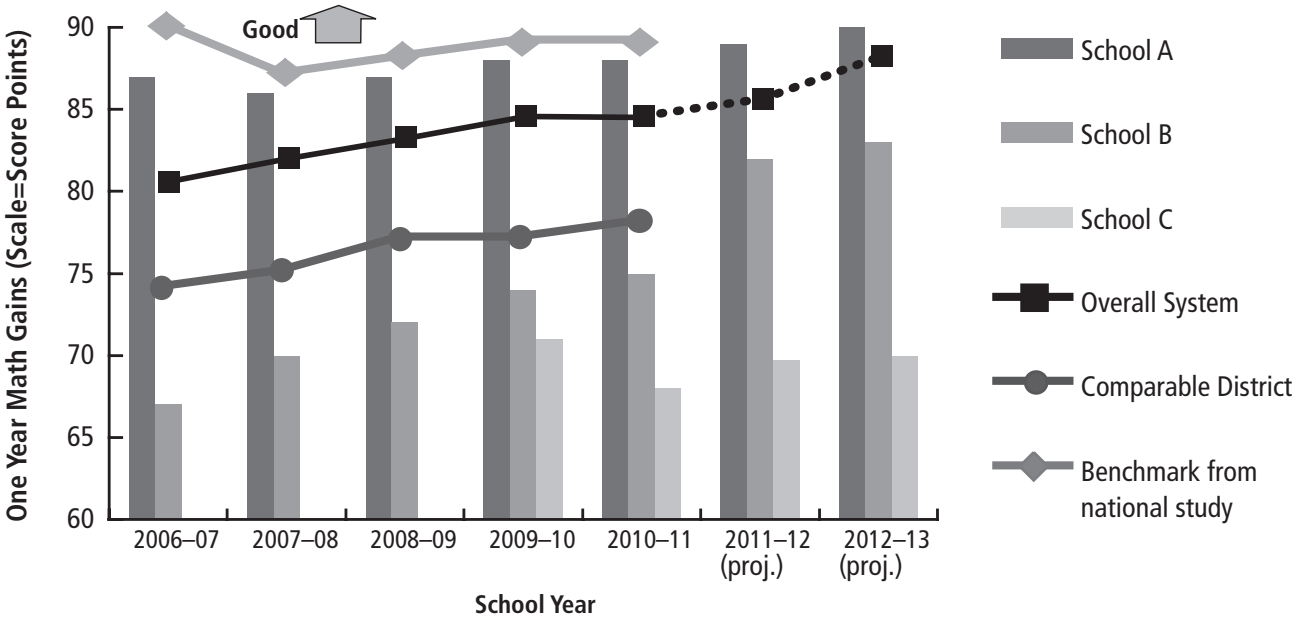
3. Include trend data covering actual periods for tracking trends.

No minimum period of time is specified for trend data. However, a minimum of three historical data points generally is needed to ascertain a trend. Trends might span five or more years for some results. Trends should represent historic and current performance and not rely on projected (future) performance. Time intervals between data points should be meaningful for the specific measure(s) reported. For important results, new data should be included even if trends and comparisons are not yet well established.

4. Use a compact format—graphs and tables.

Many results can be reported compactly by using graphs and tables. Graphs and tables should be labeled for easy interpretation. Results over time or compared with others should be "normalized" (i.e., presented in a way, such as using ratios, that takes into account size factors). For example, reporting safety trends in terms of lost workdays per 100 employees would be more meaningful than total lost workdays if the number of employees has varied over the time period or if you are comparing your results to those of organizations differing in size.

Figure 7.1-3 **Gains in Math Achievement**



5. Incorporate results into the body of the text.

Discussion of results and the results themselves should be close together in a Baldrige Award application. *Trends that show a significant beneficial or adverse change should be explained.* Use figure numbers that correspond to items. For example, the third figure for item 7.1 would be figure 7.1-3. (See the example in the figure on this page.)

The graph shown on this page illustrates data an organization might present as part of a response to item 7.1, Student Learning and Process Outcomes. In the Organizational Profile, the education organization has indicated gains in math achievement as a key success requirement.

The graph illustrates a number of characteristics of clear and effective results reporting:

- A figure number is provided for reference to the graph in the text.
- Both axes and units of measure are clearly labeled.
- Data levels and trends are reported for a key performance measure—gains in math achievement.
- Results are presented for several years.
- An arrow indicates that an upward trend is good for this measure.
- Appropriate comparisons are shown clearly.
- The organization shows, using a single graph, that it tracks gains in math achievement at the overall system and school level.
- The school system projects increased math achievement gains for all schools between school years 2010–11 and 2011–12, including discontinuous or breakthrough improvement relative to prior performance for School B. The text should explain this breakthrough change and might refer to critical learning from School A as the basis for the projected change.

To help interpret the scoring guidelines for results items (page 71), the following comments on the graphed results would be appropriate:

- The current overall system performance level is good. This conclusion is supported by the comparison with a comparable district and with a national benchmark level.
- The overall system shows beneficial improvement trends sustained over time.
- School A is the current performance leader—showing sustained high performance and a slightly beneficial trend since 2007–08. School B shows rapid improvement. Its performance is near that of the comparable district but trails School A.
- School C—identified in the application as a newly opened school —is having early problems with math achievement but is projecting a turnaround. (The organization should briefly explain these problems.)
- The organization has projected improvements in the math achievement of all of its schools. School C continues to lag behind the others; School C is projected to start to show improvement in 2011–2012.

Preface: Organizational Profile

The Organizational Profile provides an overview of your organization. The profile addresses your operating environment, your key organizational relationships, your competitive environment and strategic context, and your approach to performance improvement. Your Organizational Profile provides a framework for understanding your organization. It helps the Baldrige examiners and judges when reviewing your application to understand what you consider important. It also helps you to guide and prioritize the information you present in response to the Criteria items in categories 1–7.

The Organizational Profile provides your organization with critical insight into the key internal and external factors that shape your operating environment. These factors, such as the vision, values, mission, core competencies, competitive environment, and strategic challenges and advantages, impact the way your organization is run and the decisions you make. As such, the Organizational Profile helps your organization better understand the context in which it operates; the key requirements for current and future organizational success and sustainability; and the needs, opportunities, and constraints placed on your organization's management systems.

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

Purpose

This item addresses the key characteristics and relationships that shape your organizational environment. It also addresses your organization's governance system. The aim is to set the context for your organization and for your responses to the Criteria requirements in categories 1–7.

Comments

- The use of such terms as "purpose," "vision," "values," "mission," and "core competencies" varies depending on the organization, and some organizations may not use one or more of these terms. Nevertheless, you should have a clear understanding of the essence of your organization, why it exists, and where your senior leaders want to take the organization in the future. This clarity enables you to make and implement strategic decisions affecting the future of your organization.
- A clear identification and thorough understanding of your organization's core competencies are central to organizational sustainability and competitive performance. Executing your core competencies well is frequently a market differentiator. Keeping your core competencies current with your strategic directions can provide a strategic advantage, and protecting intellectual property contained in your core competencies can support sustainability.
- The regulatory environment in which you operate places requirements on your organization and impacts how you run your organization. Understanding this environment is key to making effective operational and strategic decisions. Further, it allows you to identify whether you are merely complying with the minimum requirements of applicable laws, regulations, and standards of practice or exceeding them, a hallmark of leading organizations.
- Leading organizations have well-defined governance systems with clear reporting relationships. It is important to clearly identify which functions are performed by senior leaders and, as applicable, by your governance board/policymaking body and your parent organization. Board independence and accountability frequently are key considerations in the governance structure.
- Suppliers may play critical roles in processes that are important to running the organization and to maintaining or achieving a sustainable competitive advantage. Supply-chain requirements might include on-time or just-in-time delivery; flexibility; variable staffing; research and design capability; innovation of processes, programs, or services; and customized services.

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

Purpose

This item addresses the competitive environment in which your organization operates, including your key strategic challenges and advantages. It also addresses how you approach performance improvement, including organizational learning and innovation processes. The aim is to understand your key organizational challenges and your system for establishing and preserving your competitive advantage.

Comments

- Knowledge of an organization's strengths, vulnerabilities, and opportunities for improvement and growth is essential to the success and sustainability of the organization. With this knowledge, you can identify those educational programs and services, processes, competencies, and performance attributes that are unique to your organization; those that set you apart from other organizations; those that help you to preserve your competitive advantage; and those that you must develop to sustain or build your market position.
- Understanding who your competitors are, how many you have, and their key characteristics is essential for determining what your competitive advantage is in your education sector and market. Leading organizations have an in-depth understanding of their current competitive environment, including key changes taking place.
- Sources of comparative and competitive data might include education publications; benchmarking activities; national, state, and local reports; conferences; local networks; and education associations. Comparative and competitive data may also be obtained from benchmarking activities utilizing national or state norms, from local or regional consortia

created for the purpose of benchmarking, or from one or more of the many national and international groups that have been working to ensure the availability of longitudinal data systems that report high-quality data at the individual student level.

- Operating your organization in today's sometimes competitive environment means you are facing strategic challenges that can affect your ability to sustain performance and maintain advantages, such as academic program leadership, unique services, or an optimal student-to-faculty ratio. These challenges might include your operational costs; an expanding or decreasing student population; a decreasing local and state tax base or educational appropriation; changing demographics and competition, including charter schools; diminishing student persistence; the introduction of new or substitute programs or services; rapid technological changes; and state and federal mandates. In addition, your organization may face challenges related to the recruitment, hiring, and retention of a qualified workforce.
- A particularly significant challenge, if it occurs to your organization, is being unprepared for a disruptive technology that threatens your competitive position or your market. In the past, such technologies have included personal computers replacing typewriters, cell phones challenging traditional and pay phones, fax machines capturing business from overnight delivery services, and e-mail and social media challenging all other means of communication. Today, education organizations need to be scanning the environment inside and outside the education sector to detect such challenges at the earliest possible point in time.

Leadership (Category 1)

Leadership addresses how your senior leaders' actions guide and sustain your organization, setting organizational vision, values, and performance expectations. Attention is given to how your senior leaders communicate with your workforce, enhance their leadership skills, participate in organizational learning and develop future leaders, create a focus on action, and establish an environment that encourages ethical behavior and high performance. The category also includes your organization's governance system and how your organization fulfills its legal, ethical, and societal responsibilities and supports its key communities.

1.1 Senior Leadership: ***How do your senior leaders lead?***

Purpose

This item examines the key aspects of your senior leaders' responsibilities. It examines how your senior leaders set and communicate the organization's vision and values and how they practice these values. It focuses on your senior leaders'

actions to create a sustainable, high-performing organization with a focus on students and their learning, stakeholders, and the community.

Comments

- Senior leaders' central role in setting values and directions, communicating, creating and balancing value for all students and stakeholders, and creating an organizational focus on action are key elements of this item. Success requires a strong orientation to the future and a commitment to improvement, innovation, and organizational sustainability. Increasingly, this requires creating an environment for empowerment, agility, and organizational learning.
- In highly respected organizations, senior leaders are committed to establishing a culture of student and stakeholder engagement, to developing the organization's future leaders, and to recognizing and rewarding contributions by members of the workforce. Senior leaders enhance their personal leadership skills. They participate in organizational learning, the development of future leaders, succession planning, and recognition opportunities and events that celebrate the workforce. Development of future leaders might include personal mentoring or participation in leadership development courses.

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

Purpose

This item examines key aspects of your organization's governance system, including leadership improvement. It also examines how your organization ensures that everyone in the organization behaves legally and ethically and how your organization fulfills its societal responsibilities and supports its key communities.

Comments

- The organizational governance requirement addresses the need for a responsible, informed, transparent, and accountable governance or advisory body that can protect the interests of key stakeholders. This body should have independence in review and audit functions, as well as a performance evaluation function that monitors organizational and senior leaders' performance.
- An integral part of performance management and improvement is proactively addressing (1) the need for ethical behavior; (2) all legal, regulatory, and accreditation requirements; and (3) risk factors. Ensuring high performance in these areas requires establishing appropriate measures or indicators that senior leaders track. Your organization should be sensitive to issues of public concern, whether or not these issues currently are embodied in laws and regulations. Role-model organizations look for opportunities to exceed requirements and to excel in areas of legal and ethical behavior.
- Public concerns that education organizations should anticipate might include the cost of programs, services, and operations; timely and equitable access to programs and services; and perceptions about the organization's stewardship of its resources.
- This item addresses the conservation of natural resources. Conservation might be achieved through the use of "green" technologies, the replacement of hazardous chemicals with water-based chemicals, energy conservation, the use of cleaner energy sources, or the recycling of materials.
- Societal responsibility implies going beyond a compliance orientation. Opportunities to contribute to the well-being of environmental, social, and economic systems and opportunities to support key communities are available to organizations of all sizes. The level and breadth of these contributions will depend on the size of your organization and your ability to contribute.
- Your organization's community involvement should include considering contributions in areas of your core competencies. Examples of organizational community involvement might be partnering with businesses and other community-based organizations to improve adult learning opportunities for the workforce or community, as well as efforts by the organization, senior leaders, and faculty and staff to strengthen and/or improve community services, the environment, athletic associations, and professional associations. Community involvement also might include students, giving them the opportunity to provide community service.

Strategic Planning (Category 2)

Strategic Planning addresses strategic and action planning, implementation of plans, how adequate resources are ensured to accomplish the plans, how accomplishments are measured and sustained, and how plans are changed if circumstances require a change. The category stresses that learning-centered education, long-term organizational sustainability, and your competitive environment are key strategic issues that need to be integral parts of your organization's overall planning. Decisions about your organizational core competencies are an integral part of organizational sustainability and therefore are key strategic decisions.

While many organizations are increasingly adept at strategic planning, plan execution is still a significant challenge. This is especially true given market demands to be agile and to be prepared for unexpected change, such as volatile economic conditions or disruptive technologies that can upset an otherwise fast-paced but more predictable market. This category highlights the need to place a focus not only on developing your plans but also on your capability to execute them.

The Baldrige Education Criteria emphasize three key aspects of organizational excellence. These aspects are important to strategic planning:

- Student- and stakeholder-driven excellence is a strategic view of excellence. The focus is on the drivers of student learning; student and stakeholder engagement; new programs, services, and markets; and market share—key factors in educational success and organizational sustainability.
- Operational performance improvement and innovation contribute to short- and longer-term productivity growth and cost containment. Building operational capability—including speed, responsiveness, and flexibility—represents an investment in strengthening your organizational fitness.
- Organizational and personal learning are necessary strategic considerations in today's fast-paced environment. The Criteria emphasize that improvement and learning need to be embedded in work processes. The special role of strategic planning is to align work systems and learning initiatives with your organization's strategic directions, thereby ensuring that improvement and learning prepare you for and reinforce organizational priorities.

The Strategic Planning category examines how your organization

- determines its key strengths, weaknesses, opportunities, and threats; its core competencies; and its ability to execute your strategy
- optimizes the use of resources, ensures the availability of a skilled and well-prepared workforce, and bridges short- and longer-term requirements that may entail capital expenditures, technology development or acquisition, supplier development, and new partnerships or collaborations
- ensures that implementation will be effective—that there are mechanisms to communicate requirements and achieve alignment on three levels: (1) the organization and senior leader level; (2) the key work system and work process level; and (3) the work unit, department, school/college, classroom, and individual level

The requirements in the Strategic Planning category encourage strategic thinking and acting in order to develop a basis for a distinct leadership position in your market. These requirements do not imply the need for formal planning departments or specific planning cycles. They also do not imply that all your improvements could or should be planned in advance. An effective improvement system combines improvements of many types and degrees of involvement. This requires clear strategic guidance, particularly when improvement alternatives, including major change or innovation, compete for limited resources. In most cases, setting priorities depends heavily on a cost rationale. However, you also might have critical requirements, such as specific student needs or societal responsibilities, that are not driven by cost considerations alone.

2.1 Strategy Development: How do you develop your strategy?

Purpose

This item examines how your organization determines its core competencies, strategic challenges, and strategic advantages and establishes its strategic objectives to address its challenges and leverage its advantages. The aim is to strengthen your overall performance, competitiveness, and future success.

Comments

- This item calls for basic information on the planning process and for information on all the key influences, risks, challenges, and other requirements that might affect your organization's future opportunities and directions—taking as long-term a view as appropriate and possible from the perspectives of your organization and your market. This approach is intended to provide a thorough and realistic context for the development of a student-, stakeholder-, and market-focused strategy to guide ongoing decision making, resource allocation, and overall management.
- This item is intended to cover all types of education organizations, market situations, strategic issues, planning approaches, and plans. The requirements explicitly call for a future-oriented basis for action but do not imply the need for formal planning departments, specific planning cycles, or a specified way of visualizing the future. Even if your organization is seeking to create an entirely new program or structure, it is still necessary to set and to test the objectives that define and guide critical actions and performance.
- This item emphasizes how the organization develops a competitive leadership position in its educational programs and services, which usually depends on operational effectiveness. A competitive leadership position requires a view of the future that includes not only the market in which your organization competes but also how it competes. How it competes presents many options and requires that you understand your organization's and your competitors' strengths and weaknesses. How it competes also might involve decisions on taking intelligent risks in order to gain or retain a market leadership position. Although no specific time horizons are included, the thrust of this item is a sustained performance leadership.
- An increasingly important part of strategic planning is projecting the future competitive and collaborative environment. This includes the ability to project your own future performance, as well as that of your competitors. Such projections help you to detect and reduce competitive threats, to shorten reaction time, and to identify opportunities. Depending on student and stakeholder needs, the potential need for new core competencies, external factors (e.g., changing requirements brought about by education mandates, instructional technology, or changing demographics), internal factors (e.g., faculty and staff capabilities and needs), and, as appropriate, competitive parameters (e.g., price, costs, or the innovation rate), organizations might use a variety of modeling, scenarios, or other techniques and judgments to anticipate the competitive and collaborative environment.

2.2 Strategy Implementation: How do you implement your strategy?

Purpose

This item examines how your organization converts your strategic objectives into action plans to accomplish the objectives. It also examines how your organization assesses progress relative to these action plans. The aim is to ensure that your strategies are successfully deployed for goal achievement.

Comments

- This item asks how your action plans are developed and deployed to your workforce, key suppliers, and partners. The accomplishment of action plans requires resources and performance measures, as well as the alignment of the plans of your work units, suppliers, and partners. Of central importance is how you achieve alignment and consistency—for example, via work systems, work processes, and key measurements. Also, alignment and consistency are intended to provide a basis for setting and communicating priorities for ongoing improvement activities—part of the daily work of all work units. In addition, performance measures are critical for tracking performance.
- Many types of analyses can be performed to ensure that financial resources are available to support the accomplishment of your action plans, while your organization also meets existing obligations. The specific types of analysis will vary for different kinds of education organizations. These analyses should help your organization assess the financial viability of your current operations and the potential viability of and risks associated with your action plan initiatives.
- Action plans should include human resource or workforce plans that are aligned with and support your overall strategy.
- Examples of possible human resource plan elements are
  - a redesign of your work organization and jobs to increase workforce empowerment and decision making
  - initiatives to promote greater labor-management cooperation, such as union partnerships
  - initiatives to prepare for future workforce capability and capacity needs
  - initiatives to foster knowledge sharing and organizational learning
  - education and initiatives, such as developmental assignments to prepare future leaders, partnerships to ensure the availability of a qualified and skilled workforce, and the establishment of training programs on new technologies important to the future success of your workforce and your organization

- formation of partnerships with the business community to support workforce development
- introduction of distance learning or other technology-based learning approaches
- introduction of performance improvement initiatives

- Projections and comparisons in this item are intended to improve your organization's ability to understand and track dynamic, competitive performance factors. Projected performance might include changes resulting from innovations in education delivery, the addition or termination of programs, the introduction of new technologies, program or service innovations, or other strategic thrusts that might involve a deliberate degree of risk. Through this tracking process, your organization should be better prepared to take into account its rate of improvement and change relative to that of competitors or comparable organizations and relative to its own targets or stretch goals. Such tracking serves as a key diagnostic tool for your organization's management to start, accelerate, or discontinue initiatives.

Customer Focus (Category 3)

Customer Focus addresses how your organization seeks to engage your customers, with a focus on listening to and supporting them, determining their satisfaction, offering the right programs and services, and building relationships that result in loyalty to your organization and its programs and services. The category stresses customers engagement as an important outcome of an overall learning and performance excellence strategy. Although many of the needs of the stakeholders must be translated into educational services for students, the stakeholders themselves have needs that organizations also must accommodate. A frequent key challenge may be to balance differing needs and expectations of students and stakeholders. Your student and stakeholder satisfaction and dissatisfaction results provide vital information for understanding your customers and markets. In many cases, the voice of the customer provides meaningful information not only on your students' and stakeholders' views but also on their actions and behaviors (e.g., student persistence and positive referrals) and how these views and behaviors may contribute to your organization's sustainability.

3.1 Voice of the Customer: How do you obtain information from your students and stakeholders?

Purpose

This item examines your organization's processes for listening to your students and stakeholders and determining their satisfaction and dissatisfaction. It also examines your processes for using these data. The aim is to capture meaningful information in order to exceed your students' and stakeholders' expectations.

Comments

- Selection of voice-of-the-customer strategies depends on your key organizational factors. Increasingly, organizations listen to the voice of the customer via multiple modes. Some frequently used modes include focus groups with key stakeholders, close integration with students and key stakeholders, interviews with lost and potential students and stakeholders about their education or relationship decisions, win/loss analysis relative to competitors and other organizations providing similar educational programs and services, and survey or feedback information.
- This item emphasizes how you obtain actionable information from students and stakeholders. Information that is actionable can be tied to key programs, services, and processes and can be used to determine value, cost, and revenue implications for setting improvement goals and priorities for change.
- In a rapidly changing technological, competitive, economic, and social environment, many factors may affect student and stakeholder expectations and loyalty and your interface with students and stakeholders. This makes it necessary to continually listen and learn. To be effective, listening and learning need to be closely linked with your organization's overall educational strategy.
- Customers increasingly are turning to social media to voice their impressions of your programs, services, and student and stakeholder support. This information may be provided through social interactions you mediate or through independent or student- or stakeholder-initiated means. All of these can be valuable sources of information for your organization. Organizations may need to become familiar with vehicles for monitoring and tracking this information.
- Knowledge of student segments, stakeholder groups, market segments, and former and potential students and stakeholders allows your organization to tailor programs and services, to support and tailor your marketing strategies, to develop a more student- and stakeholder-focused workforce culture, to develop new educational programs and services, and to ensure organizational sustainability.
- In determining students' and stakeholders' satisfaction and dissatisfaction, a key aspect is their comparative satisfaction with competitors and organizations providing similar products. Such information might be derived from available published data or from independent studies. The purpose of this comparison is to develop information that can be used for improving the delivery of educational program and support services, for creating an overall climate conducive to learning for all students, and understanding factors that potentially affect your organization's longer-term competitiveness and sustainability.

3.2 Customer Engagement: ***How do you engage students and stakeholders to serve their needs and build relationships?***

Purpose

This item examines your organization's processes for identifying and innovating educational programs and services that serve your students and stakeholders; enabling them to seek information and support; and using student and stakeholder, market, and program and services information. The item also examines how you build relationships with your students and stakeholders and manage complaints in order to retain students and stakeholders and increase their engagement with you. The aim of these efforts is to improve marketing, build a more student- and stakeholder-focused culture, enhance customer loyalty, and identify opportunities for innovation.

Comments

- Customer engagement is a strategic action aimed at achieving such a degree of loyalty that the student or stakeholder will advocate for your organization and your programs and services. Achieving such loyalty requires a student- and stakeholder-focused culture in your workforce based on a thorough understanding of your organizational strategy and the behaviors and preferences of your students and stakeholders.
- A relationship strategy may be possible with some students and stakeholders but not with others. The relationship strategies you do have may need to be distinctly different for each student, student group, stakeholder group, and market segment. They also may need to be distinctly different in each stage of students' and stakeholders' relationships with you.
- Complaint aggregation, analysis, and root cause determination should lead to effective elimination of the causes of complaints and to the setting of priorities for process, program, and service improvements. Successful outcomes require effective deployment of information throughout the organization.

Measurement, Analysis, and Knowledge Management (Category 4)

The Measurement, Analysis, and Knowledge Management category is the main point within the Criteria for all key information about effectively measuring, analyzing, and improving performance and managing organizational knowledge to drive improvement and organizational performance. In the simplest terms, category 4 is the "brain center" for the alignment of your organization's educational programs and services with its strategic objectives. Central to such use of data and information are their quality and availability. Furthermore, since information, analysis, and knowledge management might themselves be primary sources of competitive advantage in your market or service environment and productivity growth, this category also includes such strategic considerations.

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

Purpose

This item examines your organization's selection and use of data and information for performance measurement, analysis, and review in support of organizational planning and performance improvement. The item serves as a central collection

and analysis point in an integrated performance measurement and management system that relies on student learning and organizational performance data, such as budgetary, financial, and nonfinancial data and information. The aim of performance measurement, analysis, review, and improvement is to guide your organization's process management toward the achievement of key organizational results and strategic objectives, to anticipate and respond to rapid or unexpected organizational or external changes, and to identify best practices that may be shared.

Comments

- Alignment and integration are key concepts for successful implementation and use of your performance measurement system. They are viewed in terms of the extent and effectiveness of their use to meet your performance assessment and improvement needs and your strategy development and execution. Alignment and integration include how measures are aligned throughout your organization and how they are integrated to yield organization-wide data and information. Alignment and integration also include how performance measurement requirements are deployed by your senior leaders to track work group and process-level performance on key measures targeted for organization-wide significance or improvement.
- The use of comparative data and information is important to all organizations. The major premises for their use are that (1) your organization needs to know where it stands relative to competitors, to comparable organizations within and outside the academic community, and to best practices; (2) comparative information and information obtained from benchmarking often provide the impetus for significant ("breakthrough") improvement or change; (3) comparing performance information frequently leads to a better understanding of your processes and their performance; and (4) comparative performance projections and competitors' performance may reveal organizational challenges as well as areas where innovation is needed. Comparative information also may support organizational analysis and decisions relating to core competencies, partnering, and outsourcing.
- Your effective selection and use of comparative data and information require (1) the determination of needs and priorities, (2) criteria for seeking appropriate sources for comparisons—from within and outside your academic community and markets, and (3) the use of data and information to set stretch goals and to promote major nonincremental ("breakthrough") improvements in areas most critical to your organization's competitive strategy.
- The organizational review called for in this item is intended to cover all areas of performance. This includes not only current performance but also projections of your future performance. It is anticipated that the review findings will provide a reliable means to guide both improvements and opportunities for innovation that are tied to your organization's key objectives, core competencies, success factors, and measures. Therefore, an important component of your organizational review is the translation of the review findings into actions that are deployed throughout your organization and to your students, key stakeholders, suppliers, partners, and collaborators, as appropriate.
- Analyses that your organization conducts to gain an understanding of performance and needed actions may vary widely depending on your type of organization, size, competitive environment, and other factors. Examples of possible analyses include the following:
  - how educational program and service improvements correlate with key student and stakeholder indicators, such as student learning, student and stakeholder satisfaction and retention, and market share
  - trends in key indicators of student engagement, such as absenteeism, dropout rates, and use of educational programs and services
  - trends for student assessment results, both formative and summative, disaggregated by student segments, as appropriate
  - the relationship among student experiences, outcomes, and program completion
  - the relationship among student experiences, outcomes, and postprogram outcomes—in other schools or in the workplace, for example
  - activity-level cost trends in organizational operations
  - the relationship between student utilization of learning technologies and facilities and student performance
  - the relationship between student demographics and outcomes
  - the percentage of students attaining licenses, industry-recognized certifications, or other professional credentials
  - student participation and achievement in advanced placement courses
  - cost and budgetary implications of student- or stakeholder-related problems and effective problem resolution
  - interpretation of market changes in terms of student and stakeholder gains and losses and changes in student and stakeholder engagement
  - improvement trends in key operational performance indicators, such as productivity, student learning, waste reduction, new program or service introduction, and defect levels
  - relationships among personal learning, organizational learning, and the value added per faculty and staff member
  - financial benefits derived from improvements in workforce safety, absenteeism, and turnover

- benefits and costs associated with education and training, including e-learning and other distance learning opportunities
- benefits and costs associated with improved organizational knowledge management and sharing
- the relationship between knowledge management and innovation
- how the ability to identify and meet workforce capability and capacity needs correlates with retention, motivation, and productivity
- cost and budgetary implications of workforce-related problems and effective problem resolution
- individual or aggregate measures of productivity and quality relative to comparable organizations' or competitors' performance
- cost trends relative to comparable organizations' or competitors' trends
- relationships among process performance indicators, and overall financial performance trends as reflected in indicators such as operating costs, budget, asset utilization, and value added per employee
- allocation of resources among alternative improvement projects based on cost/benefit implications or environmental and societal impact
- net earnings or savings derived from quality, operational, and workforce performance improvements
- comparisons among organizational units showing how quality and operational performance improvement affect budgetary and financial performance
- contributions of improvement activities to cash flow, working capital use, and stakeholder value
- budgetary and financial impacts of student and stakeholder loyalty
- cost and budgetary implications of new educational programs, services, and market entry, including global market expansion, and of changing educational and operational needs
- market share versus profits
- trends in economic, market, and stakeholder indicators of value and the impact of these trends on organizational sustainability

■ Individual facts and data do not usually provide an effective basis for setting organizational priorities. This item emphasizes that close alignment is needed between your analysis and your organizational performance review and between your analysis and your organizational planning. This ensures that analysis is relevant to decision making and that decision making is based on relevant data and information. In addition, your historical performance, combined with assumptions of future internal and external changes, allows the development of your performance projections. These projections may serve as a key planning tool.

■ Action depends on understanding causality among processes and between processes and results. Process actions and their results may have many resource implications. Organizations have a critical need to provide an effective analytical basis for decisions because resources for improvement are limited and causality is often unclear.

4.2 Management of Information, Knowledge, and Information Technology: ***How do you manage your information, organizational knowledge, and information technology?***

Purpose

This item examines how your organization ensures the quality and availability of needed data, information, software, and hardware for your workforce, students, stakeholders, suppliers, partners, and collaborators, normally and in the event of an emergency. It also examines how your organization builds and manages its knowledge assets. The aim is to improve organizational efficiency and effectiveness and to stimulate innovation.

Comments

■ Managing information can require a significant commitment of resources as the sources of data and information grow dramatically. The continued growth of electronic information within organizations' operations—as part of organizational knowledge networks, through the Web and social media, and in organization-to-organization and organization-to-student and -stakeholder communications—challenges organizational abilities to ensure reliability and availability in a user-friendly format.

■ Data and information are especially important in grade-to-grade, school-to-school, and school-to-work transitions and in partnerships with businesses, social services, and the community. Your responses to this item should take into account this use of data and information and should recognize the need for rapid data validation and reliability assurance, given the increasing use of electronic data transfer.

■ The focus of an organization's knowledge management is on the knowledge that people need to do their work; improve processes, programs, and services; and develop innovative solutions that add value for students, stakeholders, and the organization.

■ One of the many issues facing organizations today is how to manage, use, evaluate, and share their ever-increasing organizational knowledge. Leading organizations benefit from the knowledge assets of their workforce, students, stakeholders, suppliers, partners, and collaborators, who together drive organizational learning and innovation.

■ Organizations should carefully plan how they will continue to provide an information technology infrastructure, data,

and information in the event of either a natural or man-made disaster. These plans should consider the needs of all of the organization's stakeholders, including students, the workforce, suppliers, partners, and collaborators. The plans also should be coordinated with the organization's overall plan for operational continuity (item 6.1).

Workforce Focus (Category 5)

Workforce Focus addresses key workforce practices—those directed toward creating and maintaining a high-performance work environment and toward engaging your workforce to enable it and your organization to adapt to change and to succeed. The category covers your capability and capacity needs and your workforce support climate. Your workforce focus includes workforce engagement, development, and management, which should be addressed in an integrated way (i.e., aligned with your organization's strategic objectives and action plans).

To reinforce the basic alignment of workforce management with overall strategy, the Criteria also cover human resource or workforce planning as part of overall planning in the Strategic Planning category (category 2).

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

Purpose

This item examines your organization's workforce environment, your workforce capability and capacity needs, how you meet those needs to accomplish the work of your organization, and how you ensure a safe and supportive work climate. The aim is to build an effective environment for accomplishing your work and for supporting your workforce.

Comments

- All organizations, regardless of size, are required to meet minimum regulatory standards for workforce safety; however, high-performing organizations have processes in place to ensure that they not only meet these minimum standards but go beyond a compliance orientation. This includes designing proactive processes, with input from people directly involved in the work, to ensure a safe working environment.
- Most organizations, regardless of size, have many opportunities to support their workforce. Some examples of services, facilities, activities, and other opportunities are personal and career counseling, career development and employability services, recreational or cultural activities, formal and informal recognition, nonwork-related education, day care, special leave for family responsibilities and community service, flexible work hours and benefits packages, outplacement services, and retiree benefits, including extended health care and ongoing access to services.

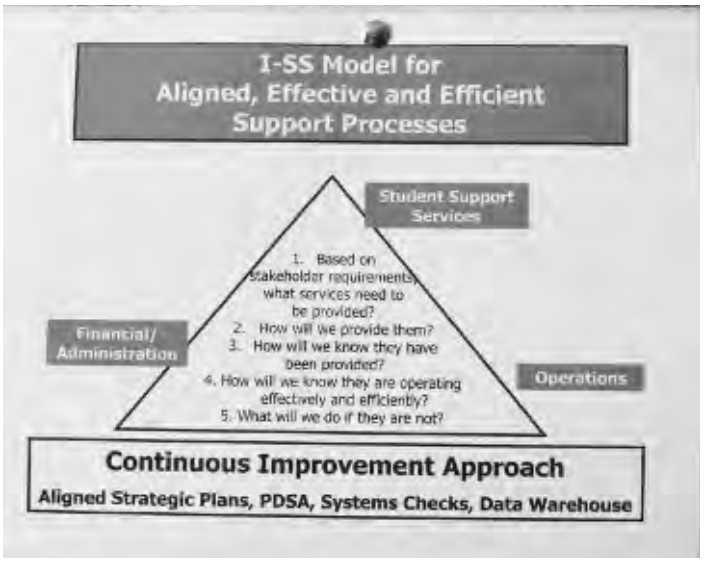
5.2 Workforce Engagement: How do you engage your workforce to achieve organizational and personal success?

Purpose

This item examines your organization's systems for engaging, developing, and assessing the engagement of your workforce, with the aim of enabling and encouraging all members of your workforce to contribute effectively and to the best of their ability. These systems are intended to foster high performance, to address your core competencies, and to help accomplish your action plans and ensure organizational sustainability.

Comments

- High-performance work is characterized by flexibility, innovation, knowledge and skill sharing, good communication and information flow, alignment with organizational objectives, student and stakeholder focus, and rapid response to changing organizational needs and market requirements. The focus of this item is on a workforce capable of achieving high performance.
- Many studies have shown that high levels of workforce engagement have a significant, positive impact on organizational performance. Research has indicated that engagement is characterized by performing meaningful work; having clear organizational direction and performance accountability; and having a safe, trusting, effective, and cooperative work environment. In many organizations, employees and volunteers are drawn to and derive meaning from their work because the work is aligned with their personal values.
- Factors inhibiting engagement should be understood and addressed by your organization. Understanding of these factors could be developed through workforce surveys, focus groups, blogs, or exit interviews with departing members of your workforce.
- Compensation and recognition systems should be matched to your work systems. To be effective, compensation



and recognition might be tied to demonstrated skills. Compensation and recognition approaches also might include profit sharing; rewards for exemplary team or unit performance; and linkage to student and stakeholder engagement measures, achievement of organizational strategic objectives, or other key organizational objectives.

- Depending on the nature of your organization's work, workforce responsibilities, and the stage of organizational and personal development, workforce development needs might vary greatly. These needs might include gaining skills for knowledge sharing, communication, teamwork, and problem solving; interpreting and using data; exceeding student and stakeholder requirements; accomplishing process analysis and simplification; reducing waste and cycle time; working with and motivating volunteers; and setting priorities based on strategic alignment or cost-benefit analysis. Education needs also might include advanced skills in new technologies or basic skills, such as reading, writing, language, arithmetic, and computer skills.
- Learning and development opportunities might occur inside or outside your organization and could involve on-the-job, classroom, computer-based, or distance learning, as well as developmental assignments, coaching, or mentoring.
- To help people realize their full potential, many organizations use individual development plans prepared with each person that address his or her career and learning objectives.
- Although this item does not specifically ask you about training for student and stakeholder contact employees, such training is important and common. It frequently includes learning critical knowledge and skills in the following areas: your educational programs and services, your students and stakeholders, how to listen to students and stakeholders, how to recover from problems or failures, and how to effectively manage and exceed student and stakeholder expectations.
- An organization's knowledge management system should provide the mechanism for sharing the knowledge of its people and the organization to ensure that high-performance work is maintained through transitions. Each organization should determine what knowledge is critical for its operations and should then implement systematic processes for sharing this information. This is particularly important for implicit knowledge (i.e., knowledge personally retained by members of the workforce).
- Measures to evaluate the effectiveness and efficiency of your workforce and leader development and learning systems might address the impact on individual, unit, and organizational performance; the impact on student- and stakeholder-related performance; and a cost-benefit analysis.
- Although satisfaction with pay and satisfaction with promotion are important, these two factors generally are not sufficient to ensure workforce engagement and high

performance. Some examples of other factors to consider are effective problem and grievance resolution; development and career opportunities; the work environment and management support; workplace safety and security; the workload; effective communication, cooperation, and teamwork; job security; appreciation of the differing needs of diverse workforce groups; and organizational support for serving students and stakeholders.

- In addition to direct measures of workforce engagement through formal or informal surveys, some other indicators include absenteeism, turnover, grievances, and strikes.

Operations Focus (Category 6)

Operations Focus addresses how the work of your organization is accomplished. It examines how your organization designs, manages, and improves its key work processes and the work systems of which they are a part. It stresses the importance of your core competencies and how you protect and capitalize on them for success and organizational sustainability. It calls specific attention to the need to prepare for potential emergencies and to ensure continuity of operations.

Efficient and effective work systems require effective design; a prevention orientation; linkage to students, stakeholders, suppliers, partners, and collaborators, as well as a focus on value creation for all key stakeholders; operational performance improvement; cycle time reduction; emergency readiness; and evaluation, continuous improvement, innovation, and organizational learning.

Work systems must also be designed in a way that allows your organization to be agile. In the simplest terms, "agility" refers to your ability to adapt quickly, flexibly, and effectively to changing requirements. Depending on the nature of your organization's strategy and markets, agility might mean rapid change from one program to another, rapid response to changing demands or market conditions, or the ability to produce a wide range of customized services. Agility also increasingly involves decisions to outsource, agreements with key suppliers, and novel partnering arrangements.

Cost and cycle time reduction may be achieved through Lean process management strategies. Reduced variability and improved process performance may involve Six Sigma or Plan-Do-Study-Act projects. It is crucial to utilize key measures for tracking all aspects of your operations management.

6.1 Work Systems: How do you design, manage, and improve your work systems?

Purpose

This item examines your organization's overall approach to work system design, management, and improvement, capitalizing on your core competencies, with the aim of creating value for your students and stakeholders, preparing for potential emergencies, and achieving organizational success and sustainability.

Comments

This item asks how you design your overall work systems and how you organize all of the work needed to produce your educational programs and services. It draws a critical linkage to your core competencies, which frequently are underappreciated as key sources of organizational sustainability and competitive advantage.

- Many organizations need to consider requirements for suppliers, partners, and collaborators at the work system and work process design stage. Overall, effective design must take into account all stakeholders in the value chain. If many design projects are carried out in parallel or if your organization's educational programs and services share people, equipment, or facilities, coordination of resources might be a major concern, but it also might offer a means to significantly reduce costs and cycle time.
- Efforts to ensure the continuity of operations in an emergency should consider all facets of your organization's operations that are needed to provide your educational programs and services to students and stakeholders. The

specific level of service that you will need to provide will be guided by your organization's mission and your students' and stakeholders' needs and requirements. Your continuity of operations efforts also should be coordinated with your efforts to ensure data and information availability (item 4.2).

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

Purpose

This item examines the design, management, and improvement of your key work processes, with the aim of creating value for your students and stakeholders, operating efficiently and effectively, and achieving organizational success and sustainability.

Comments

- Your key work processes include your student learning and educational program- and service-related processes and those noneducational business processes that are considered important to organizational success and growth by your senior leaders. These processes frequently relate to an organization's core competencies, strategic objectives, and critical success factors. Key business processes might include processes for innovation, research and development, technology acquisition, information and knowledge management, supply-chain management, supplier partnering, outsourcing, project management, and sales and marketing. For some education organizations, key business processes might include fundraising, media relations, and public policy advocacy. Given the diverse nature of these processes, the requirements and performance characteristics might vary significantly for different processes.

- Your key work processes include those support processes that support your daily operations and your educational program and service delivery but are not usually designed in detail with the educational programs and services. The support process requirements usually do not depend significantly on educational program and service characteristics. Support process design requirements usually depend significantly on your internal requirements, and they must be coordinated and integrated to ensure efficient and effective linkage and performance. Support processes might include processes for finance and accounting, facilities management, legal services, human resource services, public relations, and other administrative services.

- Your design approaches could differ appreciably depending on the nature of your educational programs and services—whether they are entirely new, are variants, or involve major or minor work process changes. You should consider the key requirements for your educational programs and services. Factors that might need to be considered in work process design include desired learning outcomes, differences in student learning styles and rates, workforce capability, measurement and assessment capability, variability in student and/or stakeholder expectations requiring program or support options, supplier or partner capability, safety and risk management, and environmental impact and the use of "green" strategies. Effective design also must consider the cycle time and productivity of educational program and service delivery processes. This might involve detailed mapping of instruction or service processes and the redesign ("reengineering") of those processes to achieve efficiency, as well as to meet changing student or stakeholder requirements.

- Specific reference is made to in-process measurements and interactions with students and stakeholders and suppliers. These measurements and interactions require the identification of critical points in processes for measurement, observation, or interaction. These activities should occur at the earliest points possible in processes to minimize problems and costs that may result from deviations from expected performance. Achieving expected performance frequently requires setting in-process performance levels or standards to guide decision making. When deviations occur, corrective action is required to restore the performance of the process to its design specifications. Depending on the nature of the process, the corrective action could involve technology and/or people. Proper corrective action involves changes at the source (root cause) of the deviation. Such corrective action should minimize the likelihood of this type of variation occurring again or elsewhere in your organization. When student or stakeholder interactions are involved, differences among requirements and expectations for key student segments and stakeholder groups must be considered in evaluating how well the process is performing. This is especially true of professional and personal services. Key process cycle times in some organizations may be a year or longer, which may create special challenges in measuring day-to-day progress and identifying opportunities for reducing cycle times, when appropriate.

- For many organizations, supply-chain and partner management has become a key factor in achieving student learning, productivity and financial goals, and overall organizational success. Suppliers, partners, and collaborators are receiving increasing strategic attention as organizations reevaluate their core competencies. Supplier and partner processes should fulfill two purposes: to help improve the performance of suppliers and partners and, for specific actions, to help them contribute to your organization's improved overall operations. Supply-chain and partner management might include processes for selecting suppliers and partners, with the aim of reducing the total number of suppliers and partners and increasing preferred supplier and partnering agreements.

- This item also calls for information on how processes are improved to achieve better performance. Better performance means not only better quality from your student or stakeholders' perspectives but also better financial and operational performance—such as productivity—from your other stakeholders' perspectives. A variety of process improvement approaches are commonly used. Examples

include (1) using the results of organizational performance reviews, (2) sharing successful strategies across your organization to drive learning and innovation, (3) performing process analysis and research (e.g., process mapping, optimization experiments, error proofing), (4) conducting technical and business research and development, (5) benchmarking, (6) using alternative technology, and (7) using information from students and/or stakeholders affected by the processes—within and outside your organization. Process improvement approaches might utilize financial data to evaluate alternatives and set priorities. Together, these approaches offer a wide range of possibilities, including a complete redesign ("reengineering") of processes.

Results (Category 7)

The Results category provides a results focus that encompasses your objective evaluation and your students' and stakeholders' evaluation of your organization's student learning outcomes and educational programs and services as well as your evaluation of your key processes and process improvement activities; your customer-focused results; your workforce results; your governance, leadership system, and societal responsibility results; and your overall budgetary, financial, and market performance. Through this focus, the Education Criteria's purposes—superior value of educational programs and services as viewed by your students, your stakeholders, and the market; superior organizational performance as reflected in your operational, workforce, legal, ethical, societal, and financial indicators; and organizational and personal learning—are maintained. Category 7 thus provides "real-time" information (measures of progress) for evaluation and improvement of processes and educational programs and services, in alignment with your overall organizational strategy. Item 4.1 calls for analysis and review of results data and information to determine your overall organizational performance and to set priorities for improvement.

7.1 Student Learning and Process Outcomes: ***What are your student-focused and process effectiveness results?***

Purpose

This item examines your organization's key student-focused and process results, which have the aim of demonstrating educational program and service quality and value that lead to student learning and to student and stakeholder satisfaction and engagement. This item also examines your organization's other key process results not reported in items 7.2–7.5, which have the aim of demonstrating work system and work process effectiveness and efficiency.

Comments

- This item emphasizes student learning results. These results should focus on what students have learned as a result of your educational programs and services, not just what students know. Student learning measures that most closely align with this concept would be those that allow for measurement of growth in performance over some period of time (semester, year, year-to-year, etc.). Examples of these types of student learning measures would include those that come from growth models or value-added models of student assessment.
- It is also recognized, however, that pure measures of student learning are often difficult and expensive to obtain, and, in addition, many educational organizations are required by legislation or policy or funding sources to report measures of student achievement rather than student learning. These measures should also be identified and reported.
- This item also places emphasis on measures of educational program and service performance that serve as indicators of students' and stakeholders' views and decisions relative to future interactions and relationships. These measures of educational program and service performance are derived from student- and stakeholder-related information gathered in items 3.1 and 3.2.
- Educational program and service measures appropriate for inclusion might be based on the following: formative and summative assessments, transfer rates, placement rates, certification and licensure performance, the need for remedial course work, and data collected from your students and stakeholders by other organizations on ease of use or other attributes, as well as customer surveys on educational program and service performance.
- The correlation between educational program and service performance and customer indicators is a critical management tool with multiple uses: (1) defining and focusing on key quality and student and stakeholder requirements; (2) identifying educational program and service differentiators in the market; and (3) determining cause-effect relationships between your educational program and service attributes and evidence of student and stakeholder satisfaction and engagement. The correlation might reveal emerging or changing market segments, the changing importance of requirements, or even the potential obsolescence of educational programs and services.
- Measures and indicators of process effectiveness and efficiency might include work system performance that demonstrates improved cost savings or higher productivity by using internal and/or external resources; resource use, such as energy consumption, byproduct use, or recycling; internal responsiveness indicators, such as cycle times and time from design to delivery; and improved performance of administrative and other support functions. Measures and indicators also might include organization-specific indicators, such as innovation rates and Six Sigma or Plan-Do-Study-Act initiative results; supply-chain indicators, such as reductions in inventory and incoming inspections, increases in quality and productivity, improvements in electronic data exchange, and reductions in supply-chain management costs; and third-party assessment results.

- This item encourages your organization to develop and include unique and innovative measures to track key processes and operational improvement. Unique measures should consider cause-effect relationships between operational performance and educational program and service quality or performance. All key areas of organizational and operational performance, including your organization's readiness for emergencies, should be evaluated by measures that are relevant and important to your organization.
- Because many organizations have difficulty determining appropriate measures, measuring progress in accomplishing their strategic objectives is a key challenge. Frequently, these progress measures can be discerned by first defining the results that would indicate end-goal success in achieving the strategic objective and then using that end-goal to define intermediate measures.

7.2 Customer-Focused Outcomes: What are your student- and stakeholder-focused performance results?

Purpose

This item examines your organization's student- and stakeholder-focused performance results, which have the aim of demonstrating how well your organization has been satisfying your students and stakeholders and engaging them in a long-term relationship, as appropriate.

Comments

- This item focuses on all relevant data to determine and help predict your organization's performance as viewed by your students and stakeholders. Relevant data and information include student and stakeholder satisfaction and dissatisfaction; gains and losses of students; positive referrals; complaints, complaint management, and effective complaint resolution; student- and stakeholder-perceived value; student assessment of access to and ease of use of your programs and services; students' and stakeholders' advocacy for your organization and your programs and services; and awards, ratings, and recognition from independent rating organizations.
- This item places an emphasis on student- and stakeholder-focused results that go beyond satisfaction measurements, because customer engagement and relationships are better indicators and measures of future success in the education environment and of organizational sustainability. Effectively used, student- and stakeholder-focused results provide important indicators of organizational effectiveness and improvement. The underlying purpose of the item is to ensure that student- and stakeholder-focused results provide a useful tool in assessing key factors that contribute to or inhibit education. Together, the results reported in item 7.2 should help guide action leading to improved student performance, recognizing that the action might address curricula, faculty development, and many other factors. The item should not be interpreted as emphasizing "popularity" or other short-term, noneducational aims.

7.3 Workforce-Focused Outcomes: What are your workforce-focused performance results?

Purpose

This item examines your organization's workforce-focused performance results, which have the aim of demonstrating how well your organization has been creating and maintaining a productive, caring, engaging, and learning environment for all members of your workforce.

Comments

- Results reported might include generic or organization-specific factors. Generic factors might include safety, absenteeism, turnover, satisfaction, and complaints (grievances). For some measures, such as absenteeism and turnover, local or regional comparisons might be appropriate. Organization-specific factors are those you assess for determining your workforce climate and engagement. These factors might include the extent of training, retraining, or cross-training to meet capability and capacity needs; the extent and success of self-direction; the extent of union-management partnering; or the extent of volunteer involvement in process and program activities.
- Results reported for indicators of workforce capacity and capability might include staffing levels across organizational units and certifications to meet skill needs. Additional factors may include organizational restructuring, as well as job rotations designed to meet strategic directions or student and stakeholder requirements.
- Results measures reported for indicators of workforce engagement and satisfaction might include improvement in local decision making, organizational culture, and workforce knowledge sharing. Input data, such as the extent of training and development opportunities, faculty/staff perceptions of workplace safety, utilization of recognition/reward systems, as well as faculty turnover rates or the number of grievances filed, might be included, but the main emphasis should be on data that show effectiveness or outcomes. For example, an outcome measure might be increased workforce retention resulting from establishing a peer recognition program or the number of promotions that have resulted from the organization's leadership development program.

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

Purpose

This item examines your organization's key results in the areas of senior leadership and governance, which have the aim of demonstrating a fiscally sound, ethical organization that fulfills its societal responsibilities and supports its key communities.

Comments

- Independent of an increased national focus on issues of governance and fiscal accountability, ethics, and leadership accountability, it is important for organizations to practice

and demonstrate high standards of overall conduct. Governance bodies and senior leaders should track relevant performance measures on a regular basis and emphasize this performance in stakeholder communications.

- Key measures or indicators of fiscal accountability, stakeholder trust, and ethical behavior might include the integrity of testing; student and stakeholder safety; faculty and staff accreditation or certification; equal access to resources, programs, and facilities; and appropriate use of funds.
- Results reported should include environmental, legal, accreditation, and regulatory compliance; results of oversight audits by government or funding agencies; and noteworthy achievements in these areas, as appropriate. Results also should include organizational contributions to societal well-being and benefit and support for key communities.
- If your organization has received sanctions or adverse actions under law, regulation, or contract during the past five years, the incidents and their current status should be summarized.

7.5 Budgetary, Financial, and Market Outcomes: What are your budgetary, financial, and market performance results?

Purpose

This item examines your organization's key budgetary, financial, and market results, which have the aim of demonstrating your financial sustainability and your market achievements.

Comments

- Measures reported in this item are those usually tracked by senior leadership on an ongoing basis to assess your organization's financial performance and viability.
- In addition to the measures included in item 7.5, note 1, appropriate market performance measures might include measures of new educational programs and services and markets entered or the percentage of revenues derived from new educational programs and services or grants received.

Criteria Purposes

The Education Criteria are the basis for conducting organizational self-assessments, for making Baldrige Awards, and for giving feedback to applicants. In addition, the Criteria have three important roles in strengthening U.S. competitiveness:

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

Education Criteria for Performance Excellence Goals

The Education Criteria are designed to help provide organizations with an integrated approach to organizational performance management that results in

- delivery of ever-improving value to students and stakeholders, contributing to education quality and organizational sustainability
- improvement of overall organizational effectiveness and capabilities
- organizational and personal learning

Core Values and Concepts

The Education Criteria are built on the following set of interrelated core values and concepts:

- visionary leadership
- student-centered excellence
- organizational and personal learning
- valuing workforce members and partners
- agility
- focus on the future
- managing for innovation
- management by fact
- societal responsibility
- focus on results and creating value
- systems perspective

These values and concepts, described below, are embedded beliefs and behaviors found in high-performing organizations. They are the foundation for integrating key performance and operational requirements within a results-oriented framework that creates a basis for action and feedback.

Visionary Leadership

Your organization's senior leaders should set directions and create a student and stakeholder focus, clear and visible organizational values, and high expectations for the workforce. The directions, values, and expectations should balance the needs of all your stakeholders. Your leaders should ensure the creation of strategies, systems, and methods for achieving performance excellence, stimulating innovation, building knowledge and capabilities, and ensuring organizational sustainability. The defined values and strategies should help guide all your organization's activities and decisions. Senior leaders should inspire and encourage your entire workforce to contribute, to develop and learn, to be innovative, and to embrace meaningful change. Senior leaders should be responsible to your organization's governance body for their actions and performance. The governance body should be responsible ultimately to all your stakeholders for the ethics, actions, and performance of your organization and its senior leaders.

Senior leaders should serve as role models through their ethical behavior and their personal involvement in planning, communicating, coaching the workforce, developing future leaders, reviewing organizational performance, and recognizing members of your workforce. As role models, they can reinforce ethics, values, and expectations while building leadership, commitment, and initiative throughout your organization.

Student-Centered Excellence

Performance and quality are judged by an organization's students and stakeholders. Thus, your organization must take into account all educational program and service features and support that contribute value to your students and stakeholders. Such behavior leads to student and stakeholder acquisition, satisfaction, preference, and loyalty; to positive referrals; and, ultimately, to organizational sustainability. Student-centered excellence has both current and future components: understanding today's student and stakeholder desires and anticipating future desires and market potential.

Value and satisfaction may be influenced by many factors throughout your students' overall experience with your organization. These factors include your organization's student and stakeholder relationships, which help to build trust, confidence, and loyalty.

Student-centered excellence means much more than increasing student achievement, meeting minimum proficiency standards, or reducing the need for remediation. Nevertheless, these factors contribute to your students' and stakeholders' view of your organization and thus also are important parts of student-centered excellence. In addition, your organization's success in responding to performance gaps, student and stakeholder complaints, or service process errors is crucial for obtaining

student and stakeholder loyalty and engaging them for the long term.

A student-centered organization addresses not only the educational program and service characteristics that meet basic student and stakeholder requirements but also those features and characteristics that differentiate the organization from its competitors. Such differentiation may be based on innovative educational programs and services, combinations and customization of educational programs and services, multiple access mechanisms, rapid response, or special relationships.

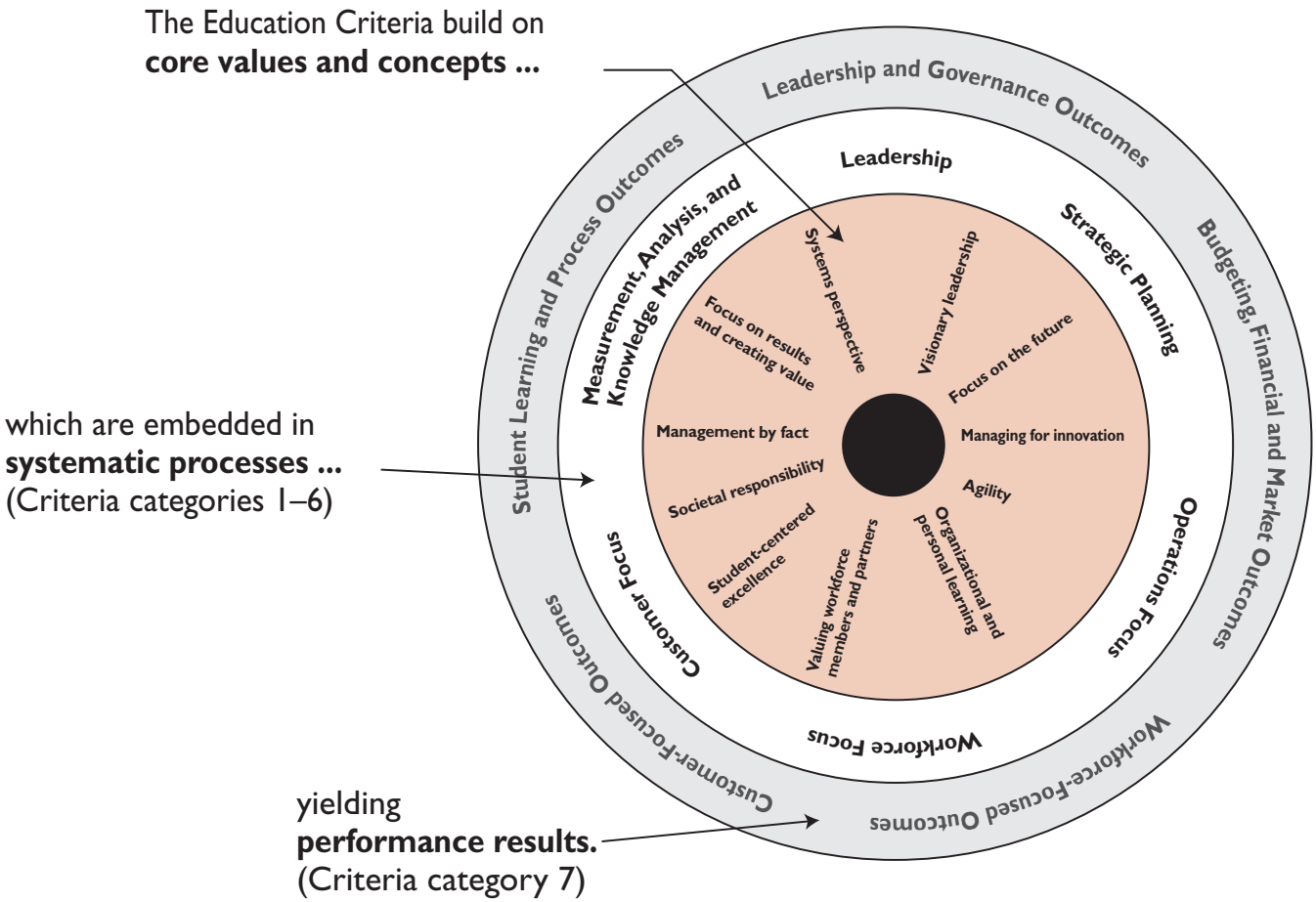
Student-centered excellence is thus a strategic concept. It is directed toward student and stakeholder loyalty, market share gain, and growth. It demands constant sensitivity to changing and emerging student, stakeholder, and market requirements and to the factors that drive customer engagement. It demands close attention to the voice of the customer. It demands anticipating changes in the market. Therefore, student-centered excellence demands a student- and stakeholder-centered culture and organizational agility.

Organizational and Personal Learning

Achieving the highest levels of organizational performance requires a well-executed approach to organizational and personal learning that includes sharing knowledge via systematic processes. Organizational learning includes both continuous improvement of existing approaches and significant change or innovation, leading to new goals and approaches. Learning needs to be embedded in the way your organization operates. This means that learning (1) is a regular part of daily work; (2) is practiced at personal, work unit, and organizational levels; (3) results in solving problems at their source ("root cause"); (4) is focused on building and sharing knowledge throughout your organization; and (5) is driven by opportunities to effect significant, meaningful change and to innovate. Sources for learning include ideas from faculty, staff, and volunteers; research and development (R&D); students' and stakeholders' input; best-practice sharing; and benchmarking.

Organizational learning can result in (1) enhancing value to students and stakeholders through new and improved educational programs and services; (2) developing new educational

The Role of Core Values and Concepts



opportunities; (3) developing new and improved processes and, as appropriate, business models; (4) reducing errors, variability, waste, and related costs; (5) improving responsiveness and cycle time performance; (6) increasing productivity and effectiveness in the use of all your resources; and (7) enhancing your organization's performance in fulfilling its societal responsibilities.

The success of members of your workforce depends increasingly on having opportunities for personal learning and for practicing new skills. Leaders' success depends on access to these kinds of opportunities, as well. In organizations that rely on volunteers, the volunteers' personal learning also is important, and their learning and skill development should be considered with that of faculty and staff. Organizations invest in personal learning through education, training, and other opportunities for continuing growth and development. Such opportunities might include job rotation and increased pay for demonstrated knowledge and skills. Education and training programs may have multiple modes, including computer- and Web-based learning and distance learning.

Personal learning can result in (1) a more engaged, satisfied, and versatile workforce that stays with your organization; (2) organizational cross-functional learning; (3) the building of your organization's knowledge assets; and (4) an improved environment for innovation.

Thus, learning is directed not only toward better educational programs and services but also toward being more adaptive, innovative, efficient, and responsive to the needs of students, stakeholders, and the market—giving your organization market sustainability and performance advantages and engaging your workforce to increase satisfaction and the motivation to excel.

Valuing Workforce Members and Partners

An organization's success depends increasingly on an engaged workforce that benefits from meaningful work, clear organizational direction, and performance accountability and that has a safe, trusting, and cooperative environment. Additionally, the successful organization capitalizes on the diverse backgrounds, knowledge, skills, creativity, and motivation of its workforce and partners.

Valuing the people in your workforce means committing to their engagement, satisfaction, development, and well-being. Increasingly, this involves more flexible, high-performance work practices tailored to varying workplace and home life needs. Major challenges in the area of valuing members of your workforce include (1) demonstrating your leaders' commitment to their success, (2) providing recognition that goes beyond the regular compensation system, (3) offering development and progression within your organization, (4) sharing your organization's knowledge so your workforce can better serve your students and stakeholders and contribute to achieving your strategic objectives, (5) creating an environment that encourages intelligent risk taking and innovation, and (6) creating a supportive environment for a diverse workforce.

Organizations need to build internal and external partnerships to better accomplish overall goals. Internal partnerships might include labor-management cooperation. Partnerships with members of your workforce might entail developmental opportunities, cross-training, or work organizations such as high-performance work teams. Internal partnerships also might involve creating network relationships among your work units or among faculty, staff, and volunteers to improve flexibility, responsiveness, and knowledge sharing.

External partnerships might be with customers, suppliers, businesses and business associations, other education organizations, and community or social service organizations. Strategic partnerships or alliances are increasingly important kinds of external partnerships. Such partnerships might offer entry into new markets or a basis for new programs or student and stakeholder support services. Also, partnerships might permit the blending of your organization's core competencies or leadership capabilities with the complementary strengths and capabilities of partners to address common issues. Such partnerships may be a source of strategic advantage for your organization.

Successful internal and external partnerships develop longer-term objectives, thereby creating a basis for mutual investments and respect. Partners should address the key requirements for success, means for regular communication, approaches to evaluating progress, and means for adapting to changing conditions. In some cases, joint education and training could offer a cost-effective method for workforce development.

Agility

Success in today's ever-changing, globally competitive environment demands agility—a capacity for rapid change and flexibility. Organizations face ever-shorter cycles for the introduction of new/improved products, and nonprofit and government organizations are increasingly being asked to respond rapidly to new or emerging social issues. Major improvements in response times often require new work systems, simplification of work units and processes, or the ability for rapid changeover from one process to another. A cross-trained and empowered workforce is a vital asset in such a demanding environment. A major success factor in meeting competitive challenges is the time required to design and deliver new educational programs or services.

All aspects of time performance now are more critical, and cycle time has become a key process measure. Other important benefits can be derived from this focus on time; time improvements often drive simultaneous improvements in work systems, organization, quality, cost, supply-chain integration, productivity, and sustainability in a challenging economy.

Focus on the Future

Ensuring an organization's sustainability requires understanding the short- and longer-term factors that affect your organization and market. The pursuit of sustainable growth and sustained performance leadership requires a strong future

orientation and a willingness to make long-term commitments to key stakeholders—your students, parents, workforce, suppliers, and partners; the public; and your community.

Your organization's planning should anticipate many factors, such as students' and stakeholders' expectations; new education and partnering opportunities; changing economic conditions; workforce development and hiring needs; the increasingly global market; technological developments; evolving regulatory requirements; changes in student, stakeholder, and market segments; new business models; changes in community and societal expectations and needs; and strategic moves by comparable organizations. Strategic objectives and resource allocations need to accommodate these influences. A focus on the future includes developing your leaders, workforce, and suppliers; accomplishing effective succession planning; creating opportunities for innovation; and anticipating societal responsibilities and concerns.

Managing for Innovation

Innovation means making meaningful change to improve an organization's programs, services, processes, operations, and business model to create new value for the organization's students and stakeholders. Innovation should lead your organization to new dimensions of performance. Innovation may involve taking intelligent risks. Innovation is no longer strictly the purview of research and development departments; innovation is important for all aspects of your operations and all work systems and work processes. Organizations should be led and managed so that innovation becomes part of the learning culture. Innovation should be integrated into daily work and should be supported by your performance improvement system. Systematic processes for innovation should reach across your entire organization.

Innovation builds on the accumulated knowledge of your organization and its people. Therefore, the ability to rapidly disseminate and capitalize on this knowledge is critical to driving organizational innovation.

Management by Fact

Organizations depend on the measurement and analysis of performance. Such measurements should derive from the organization's needs and strategy, and they should provide critical data and information about key processes, outputs, and results. Many types of data and information are needed for performance management. Performance measurement should include student, stakeholder, program, service, and process performance; comparisons of operational, market, and competitive performance; supplier, workforce, partner, cost,

and budgetary and financial performance; and governance and compliance outcomes. Data should be segmented by, for example, student learning results, student demographics, markets, programs, services, and workforce groups to facilitate analysis.

Analysis refers to extracting larger meaning from data and information to support evaluation, decision making, improvement, and innovation. Analysis entails using data to determine trends, projections, and cause and effect that might not otherwise be evident. Analysis supports a variety of purposes, such as planning, reviewing your overall performance, improving operations, accomplishing change management, and comparing your performance with that of competitors or organizations providing similar programs and services or with "best practices" benchmarks.

A major consideration in performance improvement and change management involves the selection and use of performance measures or indicators. *The measures or indicators you select should best represent the factors that lead to improved student, operational, financial, and societal performance. A comprehensive set of measures or indicators tied to student, stakeholder, and organizational performance requirements provides a clear basis for aligning all processes with your organization's goals.* Measures and indicators may need to support decision making in a rapidly changing environment. Through the analysis of data from your tracking processes, your measures or indicators themselves may be evaluated and changed to better support your goals.

Societal Responsibility

An organization's leaders should stress responsibilities to the public, ethical behavior, and the need to consider societal well-being and benefit. Leaders should be role models for your organization in focusing on ethics and the protection of public health, safety, and the environment. The protection of health, safety, and the environment includes any impact of your organization's operations. Also, organizations should emphasize resource conservation and waste reduction at the source. Planning should anticipate adverse impacts that might arise in facilities management, in laboratory operations, and from transportation. Effective planning should prevent problems, provide for a forthright response if problems occur, and make available the information and support needed to maintain public awareness, safety, and confidence.

Organizations should not only meet all local, state, and federal laws and regulatory requirements, but they should treat these and related requirements as opportunities to excel "beyond mere compliance." Organizations should stress ethical behavior in all student and stakeholder transactions and interactions. Highly ethical conduct should be a requirement of and should be monitored by the organization's governance body.

"Societal well-being and benefit" refers to leadership and support—within the limits of an organization's resources—of the environmental, social, and economic systems in the organization's sphere of influence. Such leadership and support might include improving education, health care, and other services in your community; pursuing environmental

excellence; being a role model for socially important issues; practicing resource conservation; performing community service and charity; improving education practices; and sharing nonproprietary information. For a role-model organization, leadership also entails influencing other organizations, private and public, to partner for these purposes.

Managing societal responsibilities requires the organization to use appropriate measures and leaders to assume responsibility for those measures.

Focus on Results and Creating Value

An organization's performance measurements need to focus on key results. Results should be used to create and balance value for your students and your key stakeholders—the community, parents, employers, workforce, suppliers, and partners, and the public. By creating value for your students and your key stakeholders, your organization builds loyalty, contributes to growing the economy, and contributes to society. To meet the sometimes conflicting and changing aims that balancing value implies, organizational strategy explicitly should include key stakeholder requirements. This will help ensure that plans and actions meet differing stakeholder needs and avoid adverse impacts on any stakeholders. The use of a balanced composite of leading and lagging performance measures offers an effective means to communicate short- and longer-term priorities, monitor actual performance, and provide a clear basis for improving results.

Systems Perspective

The Baldrige Education Criteria provide a systems perspective for managing your organization and its key processes to achieve results—and to strive for performance excellence.

The seven Baldrige Criteria categories, the core values and concepts, and the scoring guidelines form the building blocks and the integrating mechanism for the system. However, successful management of overall performance requires organization-specific synthesis, alignment, and integration. Synthesis means looking at your organization as a whole and builds on key organizational attributes, including your core competencies, strategic objectives, action plans, and work systems. Alignment means using the key linkages among requirements given in the Baldrige Criteria categories to ensure consistency of plans, processes, measures, and actions. Integration builds on alignment, so that the individual components of your performance management system operate in a fully interconnected manner and deliver anticipated results.

These concepts are depicted in the Baldrige Criteria framework on page iv. A systems perspective includes your senior leaders' focus on strategic directions and on your students and stakeholders. It means that your senior leaders monitor, respond to, and manage performance based on your results. A systems perspective also includes using your measures, indicators, core competencies, and organizational knowledge to build your key strategies. It means linking these strategies with your work systems and key processes and aligning your resources to improve your overall performance and your focus on students and stakeholders.

Thus, a systems perspective means managing your whole organization, as well as its components, to achieve success.

Linkage of the Education Criteria to the Baldrige Business/Nonprofit Criteria

The 2011–2012 Education Criteria incorporate the Core Values and Concepts described on the preceding pages and are built on the seven-part framework used in the Business/Nonprofit Criteria. The rationale for the use of the same framework is that it is adaptable to the requirements of all organizations, including education organizations. However, this adaptation does not assume that these requirements are necessarily addressed in the same way. This adaptation for the education sector, then, is largely a translation of the language and basic concepts of business and organizational excellence to similarly important concepts in education excellence. A major practical benefit derived from using a common framework for all sectors of the economy is that it fosters cross-sector cooperation and the sharing of best practices.

Key Characteristics of the Education Criteria

1. The Criteria focus on results.

The Criteria focus on the key areas of organizational performance given below.

Organizational performance areas:

(1) student learning and process outcomes

(2) customer-focused outcomes

(3) workforce-focused outcomes

(4) leadership and governance outcomes

(5) budgetary, financial, and market outcomes

The use of this composite of measures is intended to ensure that strategies are balanced—that they do not inappropriately trade off among important stakeholders, objectives, or short- and longer-term goals.

2. The Criteria are nonprescriptive and adaptable.

The Criteria are made up of results-oriented requirements. However, the Criteria *do not* prescribe the following:

- how your organization should be structured
- that your organization should or should not have departments for planning, ethics, quality, or other functions
- that different units in your organization should be managed in the same way

These factors differ among organizations, and they are likely to change as needs and strategies evolve.

The Criteria are nonprescriptive for the following reasons:

(1) The focus is on results, not on procedures, tools, or organizational structure. Organizations are encouraged to develop and demonstrate creative, adaptive, and flexible approaches for meeting requirements. Nonprescriptive requirements are intended to foster incremental and major ("breakthrough") improvements through innovation.

(2) The selection of tools, techniques, systems, and organizational structure usually depends on factors such as the organization type and size, organizational relationships, your organization's stage of development, and the capabilities and responsibilities of your workforce.

(3) A focus on common requirements, rather than on common procedures, fosters understanding, communication, sharing, alignment, and integration, while supporting innovation and diversity in approaches.

3. The Criteria integrate key education themes.

The Education Criteria consider several important education concepts and the specific needs of education organizations. These include the following:

- The Education Criteria place a primary focus on teaching and learning because these are the principal goals of education organizations.
- While the Education Criteria stress a focus on student learning for all education organizations, individual organizational missions, roles, and programs will vary for different types of organizations (e.g., primary and secondary schools, trade schools, engineering schools, or teaching and research organizations).
- Students are the key customers of education organizations, but there may be multiple stakeholders (e.g., parents, employers, other schools, and communities).
- The concept of excellence includes three components: (1) a well-conceived and well-executed assessment strategy; (2) year-to-year improvement in key measures and indicators of performance, especially student learning; and (3) demonstrated leadership in performance and performance improvement relative to comparable organizations and to appropriate benchmarks.

4. The Criteria support a systems perspective to maintaining organization-wide goal alignment.

The systems perspective to goal alignment is embedded in the integrated structure of the core values and concepts; the Organizational Profile; the Criteria; the scoring guidelines; and the results-oriented, cause-effect, cross-process linkages among the Criteria items.

Alignment in the Criteria is built around connecting and reinforcing measures derived from your organization's processes and strategy. These measures tie directly to student and stakeholder value and to overall performance. The use of measures thus channels different activities in consistent directions with less need for detailed procedures, centralized decision making, or overly complex process management. Measures thereby serve both as a communications tool and as a basis for deploying consistent overall performance requirements. Such alignment ensures consistency of purpose while also supporting agility, innovation, and decentralized decision making.

A systems perspective to goal alignment, particularly as strategy and goals change over time, requires dynamic linkages among Criteria items. In the Criteria, action-oriented cycles of improvement take place via feedback between processes and results.

The improvement cycles have four, clearly defined stages:

(1) planning, including design of processes, selection of measures, and deployment of requirements (**approach**)

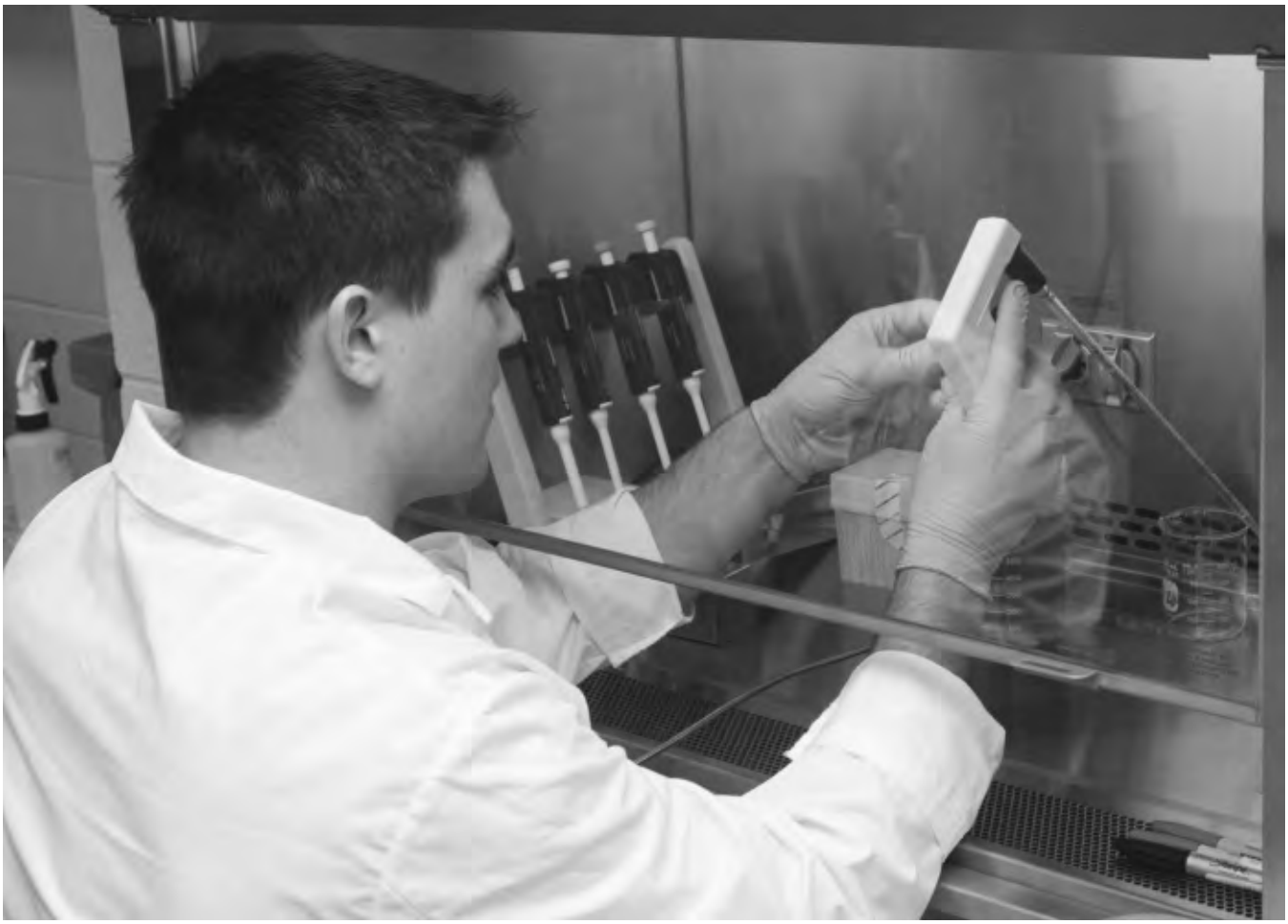
(2) executing plans (**deployment**)

(3) assessing progress and capturing new knowledge, including seeking opportunities for innovation (**learning**)

(4) revising plans based on assessment findings, harmonizing processes and work unit operations, and selecting better measures (**integration**)

5. The Criteria support goal-based diagnosis.

The Criteria and the scoring guidelines make up a two-part diagnostic (assessment) system. The Criteria are a set of 17 performance-oriented requirements. The scoring guidelines spell out the assessment dimensions—process and results—and the key factors used to assess each dimension. An assessment thus provides a profile of strengths and opportunities for improvement relative to the 17 performance-oriented requirements and relative to process and performance maturity as determined by the scoring guidelines. In this way, assessment leads to actions that contribute to performance improvement in all areas, as described in the box on the previous page. This diagnostic assessment is a useful management tool that goes beyond most performance reviews and is applicable to a wide range of strategies, management systems, and types of organizations.



Glossary of Key Terms

This Glossary of Key Terms defines and briefly describes terms used throughout the Education Criteria booklet that are important to performance management. As you may have noted, key terms are presented in SMALL CAPS every time they appear in the Education Criteria for Performance Excellence and scoring guidelines.

The general format in presenting glossary definitions is as follows: The first sentence contains a concise definition of the term. Subsequent sentences in the first paragraph elaborate on and further delineate the term. Any subsequent paragraphs provide examples, descriptive information, or key linkages to other Criteria information.

Action Plans

The term "action plans" refers to specific actions that respond to short- and longer-term strategic objectives. Action plans include details of resource commitments and time horizons for accomplishment. Action plan development represents the critical stage in planning when strategic objectives and goals are made specific so that effective, organization-wide understanding and deployment are possible. In the Criteria, deployment of action plans includes creating aligned measures for all departments and work units. Deployment also might require specialized training for some faculty and staff or recruitment of personnel.

An example of a strategic objective for an education organization might be to achieve student performance in the top quartile of the state's schools on a normalized test that is given annually. Action plans could entail determining in which subjects students have had the lowest scores, understanding skill deficiencies in those subjects, and developing curricula that enable students to master those skills. Deployment might include faculty training in instructional and assessment methods. Organizational-level analysis and review likely would emphasize student learning, budgetary performance, and student and stakeholder satisfaction.

See also the definition of "strategic objectives" on page 65.

Alignment

The term "alignment" refers to consistency of plans, processes, information, resource decisions, actions, results, and analyses to support key organization-wide goals. Effective alignment requires a common understanding of purposes and goals. It also requires the use of complementary measures and information for planning, tracking, analysis, and improvement at three levels: the organizational/senior leader level, the key process level, and the work unit, program, school, class, or individual level.

See also the definition of "integration" on page 61.

Analysis

The term "analysis" refers to an examination of facts and data to provide a basis for effective decisions. Analysis often involves the determination of cause-effect relationships. Overall organizational analysis guides the management of work systems and work processes toward achieving key organizational performance results and toward attaining strategic objectives.

Despite their importance, individual facts and data do not usually provide an effective basis for actions or setting priorities. Effective actions depend on an understanding of relationships, derived from analysis of facts and data.

Anecdotal

The term "anecdotal" refers to process information that lacks specific methods, measures, deployment mechanisms, and evaluation, improvement, and learning factors. Anecdotal information frequently uses examples and describes individual activities rather than systematic processes.

An anecdotal response to how senior leaders deploy performance expectations might describe a specific occasion when a senior leader visited all of the organization's facilities. On the other hand, a systematic process might describe the communication methods used by all senior leaders to deliver performance expectations on a regular basis to all faculty and staff, the measures used to assess the effectiveness of the methods, and the tools and techniques used to evaluate and improve the communication methods.

See also the definition of "systematic" on page 65.

Approach

The term "approach" refers to the methods used by an organization to address the Baldrige Criteria item requirements. Approach includes the appropriateness of the methods to the item requirements and to the organization's operating environment, as well as how effectively the methods are used.

Approach is one of the dimensions considered in evaluating process items. For further description, see the scoring system on pages 68–72.

Basic Requirements

The term "basic requirements" refers to the topic Criteria users need to address when responding to the most central concept of an item. Basic requirements are the fundamental theme of that item (e.g., your approach for strategy development for item 2.1). In the Criteria, the basic requirements of each item are presented as the item title question. This presentation is illustrated in the item format shown on page 29.

Benchmarks

The term "benchmarks" refers to processes and results that represent best practices and performance for similar activities, inside or outside the education community. Organizations engage in benchmarking to understand the current dimensions of world-class performance and to achieve discontinuous (nonincremental) or "breakthrough" improvement.

Benchmarks are one form of comparative data. Other comparative data organizations might use include appropriate data collected by a third party (frequently averages for other organizations), data on competitors' performance, and comparisons with similar organizations that are in the same geographic area or that provide similar programs and services in other geographic areas.

Capability, Workforce

See "workforce capability" on page 66.

Capacity, Workforce

See "workforce capacity" on page 66.

Collaborators

The term "collaborators" refers to those organizations or individuals who cooperate with your organization to support a particular activity or event or who cooperate on an intermittent basis when short-term goals are aligned or are the same. Typically, collaborations do not involve formal agreements or arrangements.

See also the definition of "partners" on page 62.

Core Competencies

The term "core competencies" refers to your organization's areas of greatest expertise. Your organization's core competencies are those strategically important capabilities that are central to fulfilling your mission or provide an advantage in your market or service environment. Core competencies frequently are challenging for competitors or suppliers and partners to imitate, and they may provide a sustainable competitive advantage. Absence of a needed organizational core competency may result in a significant strategic challenge or disadvantage in the market.

Core competencies may involve technology expertise or unique educational programs and services that are responsive to the needs of your students, stakeholders, and market.

Customer

In the Education Criteria, the term "customer" refers to students and stakeholders who are actual and potential users of your organization's educational programs or services (referred to as "products" in the Business/Nonprofit Criteria). The Criteria address customers broadly, referencing current and future customers, as well as the customers of your competitors and other organizations providing similar educational programs or services.

Student-centered excellence is a Baldrige core value embedded in the beliefs and behaviors of high-performing organizations. Customer focus impacts and should integrate an organization's strategic directions, its work systems and work processes, and its results.

See the definition of "stakeholders" on page 64 for the relationship between customers and others who might be affected by your programs and services.

Customer Engagement

The term "customer engagement" refers to your students' and stakeholders' investment in or commitment to your organization and its educational programs and services. It is based on your ongoing ability to serve their needs and build relationships so they will continue using your programs and services. Characteristics of customer engagement include customer retention and loyalty, customers' willingness to make an effort to seek educational services with your organization, and customers' willingness to actively advocate for and recommend your organization and its programs and services.

Cycle Time

The term "cycle time" refers to the time required to fulfill commitments or to complete tasks. Time measurements play a major role in the Criteria because of the great importance of time performance to improving competitiveness and overall performance. "Cycle time" refers to all aspects of time performance. Cycle time improvement might include the time to respond to changing student and stakeholder needs, design time for new programs and processes, and other key measures of time.

Deployment

The term "deployment" refers to the *extent* to which an approach is applied in addressing the requirements of a Baldrige Criteria item. Deployment is evaluated on the basis of the breadth and depth of application of the approach to relevant work units throughout the organization.

Deployment is one of the dimensions considered in evaluating process items. For further description, see the scoring system on pages 68–72.

Diversity

The term "diversity" refers to valuing and benefiting from personal differences. These differences address many variables and may include race, religion, color, gender, national origin, disability, sexual orientation, age and generational differences, education, geographic origin, and skill characteristics, as well as differences in ideas, thinking, academic disciplines, and perspectives.

The Baldrige Criteria refer to the diversity of your workforce hiring communities and your student and stakeholder communities. Capitalizing on these communities provides enhanced opportunities for high performance; student, stakeholder, workforce, and community satisfaction; and student, stakeholder, and workforce engagement.

Educational Programs and Services

"Educational programs" refer to all activities that engage students in learning or that contribute to scientific or scholarly investigation, including courses, degree programs, research, outreach, community service, cooperative projects, and overseas studies. Design of programs requires the identification of critical points (the earliest points possible) in the teaching and learning process for measurement, observation, or intervention. "Educational services" refers to those that are considered most important to student matriculation and success. These might include services related to counseling, advising, and tutoring students; libraries and information technology; and student recruitment, enrollment, registration, placement, financial aid, and housing. They also might include food services, security, health services, transportation, and book stores.

Effective

The term "effective" refers to how well a process or a measure addresses its intended purpose. Determining effectiveness requires (1) the evaluation of how well the process is aligned with the organization's needs and how well the process is deployed or (2) the evaluation of the outcome of the measure used.

Empowerment

The term "empowerment" refers to giving people the authority and responsibility to make decisions and take actions. Empowerment results in decisions being made closest to students and stakeholders, the "front line," where work-related knowledge and understanding reside.

Empowerment is aimed at enabling people to respond to students' educational needs, to satisfy students and stakeholders on first contact, to improve processes and increase productivity, and to improve student learning and the organization's performance results. An empowered workforce requires information to make appropriate decisions; thus, an organizational requirement is to provide that information in a timely and useful way.

Engagement, Customer

See "customer engagement" on page 58.

Engagement, Workforce

See "workforce engagement" on page 66.

Ethical Behavior

The term "ethical behavior" refers to how an organization ensures that all its decisions, actions, and stakeholder interactions conform to the organization's moral and professional principles of conduct. These principles should support all applicable laws and regulations and are the foundation for the organization's culture and values. They distinguish "right" from "wrong."

Senior leaders should act as role models for these principles of behavior. The principles apply to all people involved in the organization, from temporary faculty and staff to members of the board of directors, and they need to be communicated and reinforced on a regular basis. Although the Baldrige Criteria do not prescribe that all organizations use the same model for ensuring ethical behavior, senior leaders should ensure that the organization's mission and vision are aligned with its ethical principles. Ethical behavior should be practiced with all students and stakeholders, including the workforce, partners, suppliers, and the organization's local community.

Well-designed and clearly articulated ethical principles should empower people to make effective decisions with great confidence. Some organizations also may view their ethical principles as boundary conditions restricting behavior that otherwise could have adverse impacts on their organizations and/or society.

Goals

The term "goals" refers to a future condition or performance level that one intends or desires to attain. Goals can be both short- and longer-term. Goals are ends that guide actions. Quantitative goals, frequently referred to as "targets," include a numerical point or range. Targets might be projections based on comparative or competitive data. The term "stretch goals" refers to desired major, discontinuous (nonincremental) or "breakthrough" improvements, usually in areas most critical to your organization's future success.

Goals can serve many purposes, including

- clarifying strategic objectives and action plans to indicate how you will measure success
- fostering teamwork by focusing on a common end
- encouraging "out-of-the-box" thinking (innovation) to achieve a stretch goal
- providing a basis for measuring and accelerating progress

See also the definition of "performance projections" on page 63.

Governance

The term "governance" refers to the system of management and controls exercised in the stewardship of your organization. It includes the responsibilities of your governing body (e.g., board of education, board of trustees/overseers) and senior leaders; in some private education institutions, it also may include owners/shareholders. A combination of federal, state, and municipal regulations, charters, bylaws, and policies documents the rights and responsibilities of each of the parties and describes how your organization will be directed and controlled to ensure (1) accountability to stakeholders, (2) transparency of operations, and (3) fair treatment of all stakeholders. Governance processes may include the approval of strategic direction, policy creation and enforcement, the monitoring and evaluation of senior leaders' performance, the establishment of senior leaders' compensation and benefits, succession planning, financial auditing, and risk management. Ensuring effective governance is important to stakeholders' and the larger society's trust and to organizational effectiveness.

High-Performance Work

The term "high-performance work" refers to work processes used to systematically pursue ever-higher levels of overall organizational and individual performance, including quality, productivity, innovation rate, and cycle time performance. High-performance work results in improved programs and services for students and other stakeholders.

Approaches to high-performance work vary in form, function, and incentive systems. High-performance work focuses on workforce engagement. It frequently includes cooperation among senior leaders, administrators, faculty, and staff, which may involve workforce bargaining units; cooperation among work units, often involving teams; the empowerment of your people, including self-directed responsibility; and input to planning. It also may include individual and organizational skill building and learning; learning from other organizations; flexibility in job design and work assignments; a flattened organizational structure, where decision making is decentralized and decisions are made closest to the students and stakeholders; and effective use of performance measures, including comparisons. Many high-performing organizations use monetary and nonmonetary incentives based on factors such as organizational performance, team and individual contributions, and skill building. Also, high-performance work usually seeks to align the organization's structure, core competencies, work, jobs, workforce development, and incentives.

How

The term "how" refers to the systems and processes that an organization uses to accomplish its mission requirements. In responding to "how" questions in the process item requirements, process descriptions should include information such as approach (methods and measures), deployment, learning, and integration factors.

Indicators

See "measures and indicators" on page 62.

Innovation

The term "innovation" refers to making meaningful change to improve programs, services, processes, or organizational effectiveness and to create new value for students and stakeholders. Innovation involves the adoption of an idea, process, technology, program, service, or business model that is either new or new to its proposed application. The outcome of innovation is a discontinuous or breakthrough change in results, programs, or services.

Successful organizational innovation is a multistep process that involves development and knowledge sharing, a decision to implement, implementation, evaluation, and learning. Although innovation is often associated with technological innovation, it is applicable to all key organizational processes that would benefit from change, whether through breakthrough improvement or a change in approach or outputs. It could include fundamental changes in organizational structure to more effectively accomplish the organization's work.

Integration

The term "integration" refers to the harmonization of plans, processes, information, resource decisions, actions, results, and analyses to support key organization-wide goals. Effective integration goes beyond alignment and is achieved when the individual components of a performance management system operate as a fully interconnected unit.

See also the definition of "alignment" on page 57.

Integration is one of the dimensions considered in evaluating both process and results items. For further description, see the scoring system on pages 68–72.

Key

The term "key" refers to the major or most important elements or factors, those that are critical to achieving your intended outcome. The Baldrige Criteria, for example, refer to key challenges, key plans, key work processes, and key measures—those that are most important to your organization's success. They are the essential elements for pursuing or monitoring a desired outcome.

Knowledge Assets

The term "knowledge assets" refers to the accumulated intellectual resources of your organization. It is 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. Your workforce, curricula, software, databases, documents, guides, and policies and procedures are repositories of your organization's knowledge assets. Knowledge assets are held not only by an organization but reside within its students and stakeholders, suppliers, and partners, as well.

Knowledge assets are the "know-how" that your organization has available to use, to invest, and to grow. Building and managing its knowledge assets are key components for your organization to create value for your students and stakeholders and to help sustain a competitive advantage.

Leadership System

The term "leadership system" refers to how leadership is exercised, formally and informally, throughout the organization; it is the basis for and the way key decisions are made, communicated, and carried out. It includes structures and mechanisms for decision making; two-way communication; selection and development of senior leaders, administrators, department heads, and faculty leaders; and reinforcement of values, ethical behavior, directions, and performance expectations.

An effective leadership system respects the capabilities and requirements of workforce members and other stakeholders, and it sets high expectations for performance and performance improvement. It builds loyalties and teamwork based on the organization's vision and values and the pursuit of shared goals. It encourages and supports initiative and appropriate risk taking, subordinates organizational structure to purpose and function, and avoids chains of command that require long decision paths. An effective leadership system includes mechanisms for the leaders to conduct self-examination, receive feedback, and improve.

Learning

The term "learning" refers to new knowledge or skills acquired through evaluation, study, experience, and innovation. In addition to their focus on student learning, the Education Criteria address two other distinct kinds of learning: organizational and personal. Organizational learning is achieved through research and development; evaluation and improvement cycles; ideas and input from the workforce, students, and other stakeholders; best-practice sharing; and benchmarking. Personal learning (pertaining to faculty and staff) is achieved through education, training, and developmental opportunities that further individual growth.

To be effective, these types of learning should be embedded in the way an organization operates. In addition, they contribute to a competitive advantage and sustainability for the organization and its workforce. For further description of organizational and personal learning, see the related core value and concept on page 50.

Learning is one of the dimensions considered in evaluating process items. For further description, see the scoring system on pages 68–72.

Levels

The term "levels" refers to numerical information that places or positions an organization's results and performance on a meaningful measurement scale. Performance levels permit evaluation relative to past performance, projections, goals, and appropriate comparisons.

Measures and Indicators

The term "measures and indicators" refers to numerical information that quantifies input, output, and performance dimensions of processes, programs, services, and the overall organization (outcomes). Measures and indicators might be simple (derived from one measurement) or composite.

The Criteria do not make a distinction between measures and indicators. However, some users of these terms prefer "indicator" (1) when the measurement relates to performance but is not a direct measure of such performance (e.g., the number of complaints is an indicator of dissatisfaction but not a direct measure of it) and (2) when the measurement is a predictor ("leading indicator") of some more significant performance (e.g., a gain in student performance or satisfaction might be a leading indicator of student persistence).

Mission

The term "mission" refers to the overall function of an organization. The mission answers the question, "What is this organization attempting to accomplish?" The mission might define students, stakeholders, or markets served; distinctive or core competencies; or technologies used.

Multiple Requirements

The term "multiple requirements" refers to the individual questions Criteria users need to answer within each area to address. These questions constitute the details of an item's requirements. They are presented in black text under each item's area(s) to address. This presentation is illustrated in the item format shown on page 29.

Even high-performing, high-scoring users of the Criteria are not likely to be able to address all the multiple requirements with equal capability or success.

Overall Requirements

The term "overall requirements" refers to the topics Criteria users need to address when responding to the central theme of an item. Overall requirements address the most significant features of the item requirements. In the Criteria, the overall requirements of each item are presented in one or more introductory sentences printed in bold. This presentation is illustrated in the item format shown on page 29.

Partners

The term "partners" refers to those key organizations or individuals who are working in concert with your organization to achieve a common goal or to improve performance. Typically, partnerships are formal arrangements for a specific aim or purpose, such as to achieve a strategic objective or deliver a specific program or service. Partners might include other schools, employers and workplaces, social service organizations, private foundations, and parents, as appropriate, with which your organization has cooperative relationships to facilitate effective learning for students. For example, partners might include schools with which "feeder" relationships exist, into or out of your school. Partnerships with social service organizations might involve helping students make these transitions.

Formal partnerships are usually for an extended period of time and involve a clear understanding of the individual and mutual roles and benefits for the partners.

See also the definition of "collaborators" on page 62.

Performance

The term "performance" refers to outputs and their outcomes obtained from student learning, processes, programs, and services that permit the organization to evaluate and compare its results relative to performance projections, standards, past results, goals, and the results of other organizations. Performance can be expressed in nonfinancial and financial terms.

The Education Criteria address four types of performance: (1) program and service, (2) student- and stakeholder-focused, (3) operational, and (4) budgetary, financial, and market.

"Program and service performance" refers to performance relative to measures and indicators of program and service characteristics important to students and stakeholders. Examples include the effectiveness of curriculum and instruction, assessment of student learning, participation in professional development opportunities, and student placement following program completion.

"Student- and stakeholder-focused performance" refers to performance relative to measures and indicators of student and stakeholder perceptions, reactions, and behaviors. Examples include admissions, retention, complaints, and survey results. Student- and stakeholder-focused performance generally relates to the organization as a whole.

"Operational performance" refers to workforce, leadership, organizational, and ethical performance relative to effectiveness, efficiency, and accountability measures and indicators. Examples include cycle time, productivity, accreditation, waste reduction, workforce turnover, workforce cross-training rates, regulatory compliance, fiscal accountability, and community involvement. Operational performance might be measured at the organizational/senior leader level, the key work process level, and the program, school, class, or individual level.

"Budgetary, financial, and market performance" refers to performance relative to measures of cost containment, budget utilization, revenue, and market position, including budget utilization, asset growth, and market share. Examples include instructional and general administration expenditures per student as a percentage of budget; income, expenses, reserves, endowments, and annual grants/awards; program expenditures as a percentage of budget; annual budget increases or decreases; resources redirected to education from other areas; performance to budget; scholarship growth; the percentage of budget for research; the budget for public service; and market gains.

Performance Excellence

The term "performance excellence" refers to an integrated approach to organizational performance management that results in (1) delivery of ever-improving value to students and stakeholders, contributing to improved education quality and student learning, as well as to organizational sustainability; (2) improvement of overall organizational effectiveness and capabilities; and (3) organizational and personal learning. The Education Criteria for Performance Excellence provide a framework and an assessment tool for understanding organizational strengths and opportunities for improvement and thus for guiding planning efforts.

Performance Projections

The term "performance projections" refers to estimates of future performance. Projections should be based on an understanding of past performance, rates of improvement, and assumptions about future internal changes and innovations, as well as assumptions about changes in the external environment that result in internal changes. Thus performance projections can serve as a key tool in both management of operations and strategy development and implementation.

Performance projections are a statement of expected future performance. Goals are a statement of desired future performance. Performance projections for competitors or similar organizations may indicate challenges facing your organization and areas where breakthrough performance or innovation is needed. Where breakthrough performance or innovation is intended, performance projections and goals may overlap.

See also the definition of "goals" on page 60.

Persistence

The term "persistence" refers to the continued attendance by students (from term to term, semester to semester, grade to grade, or class to class) toward the completion of an educational goal or training objective.

Process

The term "process" refers to linked activities with the purpose of producing a product (service) for a customer (user) within or outside the organization. Generally, processes involve combinations of people, machines, tools, techniques, materials, and improvements in a defined series of steps or actions. Processes rarely operate in isolation and must be considered in relation to other processes that impact them. In some situations, processes might require adherence to a specific sequence of steps, with documentation (sometimes formal) of procedures and requirements, including well-defined measurement and control steps.

In service situations such as education, particularly when those served are directly involved in the service, process is used in a more general way (i.e., to spell out what must be done, possibly including a preferred or expected sequence). If a sequence is critical, the service needs to include information to help those served understand and follow the sequence. Such service processes also require guidance to the providers of those services on handling contingencies related to the possible actions or behaviors of those served.

In knowledge work, such as teaching, strategic planning, research, development, and analysis, process does not necessarily imply formal sequences of steps. Rather, process implies general understandings regarding competent performance, such as timing, options to be included, evaluation, and reporting. Sequences might arise as part of these understandings.

In the Baldrige scoring system, your process achievement level is assessed. This achievement level is based on four factors that can be evaluated for each of an organization's key processes: approach, deployment, learning, and integration. For further description, see the scoring system on pages 68–72.

Productivity

The term "productivity" refers to measures of the efficiency of resource use.

Although the term often is applied to single factors, such as the workforce (labor productivity), machines, materials, energy, and capital, the productivity concept applies as well to the total resources used in meeting the organization's objectives. The use of an aggregate measure of overall productivity allows a determination of whether the net effect of overall changes in a process—possibly involving resource trade-offs—is beneficial.

Projections, Performance

See "performance projections" on page 63.

Purpose

The term "purpose" refers to the fundamental reason that an organization exists. The primary role of purpose is to inspire an organization and guide its setting of values. Purpose is generally broad and enduring. Two organizations providing different educational services could have similar purposes, and two organizations providing similar educational services could have different purposes.

Results

The term "results" refers to outputs and outcomes achieved by an organization in addressing the requirements of a Baldrige Criteria item. Results are evaluated on the basis of current performance; performance relative to appropriate comparisons; the rate, breadth, and importance of performance improvements; and the relationship of results measures to key organizational performance requirements. For further description, see the scoring system on pages 68–72.

Segment

The term "segment" refers to a part of an organization's overall base related to students, stakeholders, markets, programs, services, or the workforce. Segments typically have common characteristics that can be grouped logically. In results items, the term refers to disaggregating results data in a way that allows for meaningful analysis of an organization's performance. It is up to each organization to determine the specific factors that it uses for segmentation.

Understanding segments is critical to identifying the distinct needs and expectations of different student, stakeholder, market, and workforce groups and to tailoring programs and services to meet their needs and expectations. Student segmentation might reflect such factors as the educational service delivery (e.g., classroom or Web-based) or students' career interests, learning styles, living status (e.g., residential versus commuter), mobility, or special needs. For those education organizations that must respond to the annual requirements of the No Child Left Behind (NCLB) Act, segmentation might include the NCLB-designated accountability subgroups (i.e., a student's race or ethnicity, economically disadvantaged status, limited proficiency in English, and classification as in need of special education). Workforce segmentation might be based on geography, skills, needs, work assignments, or job classifications.

Senior Leaders

The term "senior leaders" refers to those with the main responsibility for managing the overall organization. Senior leaders might include administrators, department heads, and/or faculty leaders. In many organizations, senior leaders include the head of the organization and his or her direct reports.

Stakeholders

The term "stakeholders" refers to all groups that are or might be affected by an organization's actions and success. Examples of key stakeholders might include parents, parent organizations, the workforce, collaborators, governing boards, alumni, employers, other schools, regulatory bodies, funding entities, taxpayers, policy makers, suppliers, partners, and local and professional communities. Although students are commonly thought of as stakeholders, for purposes of emphasis and clarity, the Education Criteria refer to students and stakeholders separately.

See also the definition of "customer" on page 58.

Strategic Advantages

The term "strategic advantages" refers to those market benefits that exert a decisive influence on an organization's likelihood of future success. These advantages frequently are sources of an organization's current and future competitive success relative to other providers of similar educational programs and services. Strategic advantages generally arise from either or both of two sources: (1) core competencies, which focus on building and expanding on an organization's internal capabilities, and (2) strategically important external resources, which are shaped and leveraged through key external relationships and partnerships.

When an organization realizes both sources of strategic advantage, it can amplify its unique internal capabilities by capitalizing on complementary capabilities in other organizations.

See the definitions of "strategic challenges" and "strategic objectives" below for the relationship among strategic advantages, strategic challenges, and the strategic objectives an organization articulates to address its challenges and advantages.

Strategic Challenges

The term "strategic challenges" refers to those pressures that exert a decisive influence on an organization's likelihood of future success. These challenges frequently are driven by an organization's future competitive position relative to other providers of similar educational programs and services. While not exclusively so, strategic challenges generally are externally driven. However, in responding to externally driven strategic

challenges, an organization may face internal strategic challenges.

External strategic challenges may relate to student, stakeholder, or market needs or expectations; changes in educational programs or offerings; technological changes; or budgetary, financial, societal, and other risks or needs. Internal strategic challenges may relate to an organization's capabilities or its human and other resources.

See the definition of "strategic advantages" on page 64 and of "strategic objectives" on this page for the relationship among strategic challenges, strategic advantages, and the strategic objectives an organization articulates to address its challenges and advantages.

Strategic Objectives

The term "strategic objectives" refers to an organization's articulated aims or responses to address major change or improvement, competitiveness or social issues, and organizational advantages. Strategic objectives generally are focused both externally and internally and relate to significant student, stakeholder, market, program, service or technological opportunities and challenges (strategic challenges). Broadly stated, they are what an organization must achieve to remain or become competitive and ensure long-term sustainability. Strategic objectives set an organization's longer-term directions and guide resource allocations and redistributions.

See the definition of "action plans" on page 57 for the relationship between strategic objectives and action plans and for an example of each.

Sustainability/Sustainable

The term "sustainability" refers to your organization's ability to address current educational needs and to have the agility and strategic management to prepare successfully for your future educational, market, and operating environment. Both external and internal factors need to be considered. The specific combination of factors might include sectorwide and organization-specific components.

Sustainability considerations might include workforce capability and capacity, resource availability, technology, knowledge, core competencies, work systems, facilities, and equipment. Sustainability might be affected by changes in the educational market, student and stakeholder preferences, the operating environment, budgets and finances, and the legal and regulatory environment. In addition, sustainability has a component related to day-to-day preparedness for real-time or short-term emergencies.

In the context of the Education Criteria, the impact of your organization's programs, services, and operations on society and the contributions you make to the well-being of environmental, social, and economic systems are part of your organization's overall societal responsibilities. Whether and how your organization addresses such considerations also may affect its sustainability.

Systematic

The term "systematic" refers to approaches that are well-ordered, are repeatable, and use data and information so learning is possible. In other words, approaches are systematic if they build in the opportunity for evaluation, improvement, and sharing, thereby permitting a gain in maturity. For use of the term, see the scoring guidelines for process items on page 70.

Trends

The term "trends" refers to numerical information that shows the direction and rate of change for an organization's results or the consistency of its performance over time. Trends provide a time sequence of organizational performance.

A minimum of three historical (not projected) data points generally is needed to begin to ascertain a trend. More data points are needed to define a statistically valid trend. The time period for a trend is determined by the cycle time of the process being measured. Shorter cycle times demand more frequent measurement, while longer cycle times might require longer time periods before meaningful trends can be determined.

Examples of trends called for by the Education Criteria include data related to student learning results; the performance of education design and delivery processes and student services; student, stakeholder, and workforce satisfaction and dissatisfaction results; budgetary, financial, and market performance; and operational performance, such as cycle time, support process, supplier/partner, and safety performance.

Value

The term "value" refers to the perceived worth of a program, service, process, asset, or function relative to cost and to possible alternatives.

Organizations frequently use value considerations to determine the benefits of various options relative to their costs, such as the value of various educational program and service combinations to students or stakeholders. Organizations need to understand what different student and stakeholder groups value and then deliver value to each group. This frequently requires balancing value for students and other stakeholders, such as your workforce and the community.

Values

The term "values" refers to the guiding principles and behaviors that embody how your organization and its people are expected to operate. Values reflect and reinforce the desired culture of an organization. Values support and guide the decision making of every workforce member, helping the organization accomplish its mission and attain its vision in an appropriate manner. Examples of values might include demonstrating integrity and fairness in all interactions, exceeding student and stakeholder expectations, valuing individuals and diversity, protecting the environment, and striving for performance excellence every day.

Vision

The term "vision" refers to the desired future state of your organization. The vision describes where the organization is headed, what it intends to be, or how it wishes to be perceived in the future.

Voice of the Customer

The term "voice of the customer" refers to your process for capturing student- and stakeholder-related information. Voice-of-the-customer processes are intended to be proactive and continuously innovative to capture stated, unstated, and anticipated student and stakeholder requirements, expectations, and desires. The goal is to achieve customer engagement. Listening to the voice of the customer might include gathering and integrating various types of student and stakeholder data, such as survey data, focus group findings, satisfaction data, and complaint data, that affect students' and stakeholders' engagement decisions.

Work Processes

The term "work processes" refers to your most important internal value creation processes. They might include program and service design and delivery, student and stakeholder support, organization, and support processes. They are the processes that involve the majority of your organization's workforce and produce student, stakeholder, and market value.

Your key work processes frequently relate to your core competencies, to the factors that determine your success relative to competitors and organizations offering similar programs and services, and to the factors considered important for organizational growth by your senior leaders.

Work Systems

The term "work systems" refers to how the work of your organization is accomplished. Work systems involve your workforce, your key suppliers and partners, your contractors, your collaborators, and other components needed to produce and deliver your programs, services, and support processes. Your work systems coordinate the internal work processes and the external resources necessary for you to develop, produce, and deliver your programs and services to your customers and to succeed in your market.

Decisions about work systems are strategic. These decisions involve protecting and capitalizing on core competencies and deciding what should be procured or produced outside your organization in order to be efficient and sustainable in your market.

Workforce

The term "workforce" refers to all people actively involved in accomplishing the work of your organization, including paid employees (e.g., permanent, part-time, temporary, and telecommuting employees, as well as contract employees supervised by the organization) and volunteers, as appropriate. The workforce includes administrators and supervisors at all levels.

Workforce Capability

The term "workforce capability" refers to your organization's ability to accomplish its work processes through the knowledge, skills, abilities, and competencies of its people.

Capability may include the ability to build and sustain relationships with your students and stakeholders; to innovate and transition to new technologies; to develop new educational programs, services, and work processes; and to meet changing education, market, and regulatory demands.

Workforce Capacity

The term "workforce capacity" refers to your organization's ability to ensure sufficient staffing levels to accomplish its work processes and successfully deliver your educational programs and services to your students and stakeholders.

Workforce Engagement

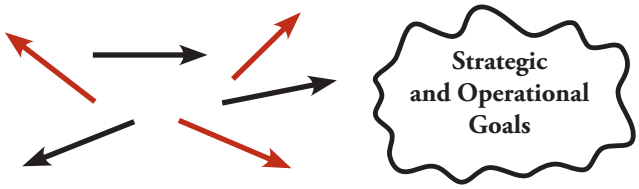
The term "workforce engagement" refers to the extent of workforce commitment, both emotional and intellectual, to accomplishing the work, mission, and vision of the organization. Organizations with high levels of workforce engagement are often characterized by high-performing work environments in which people are motivated to do their utmost for the benefit of their students and stakeholders and for the success of the organization.

In general, members of the workforce feel engaged when they find personal meaning and motivation in their work and when they receive positive interpersonal and workplace support. An engaged workforce benefits from trusting relationships, a safe and cooperative environment, good communication and information flow, empowerment, and performance accountability. Key factors contributing to engagement include training and career development, effective recognition and reward systems, equal opportunity and fair treatment, and family-friendliness.

Steps Toward Mature Processes

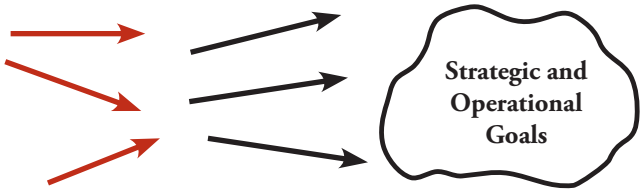
An Aid for Assessing and Scoring Process Items

(1) Reacting to Problems (0–25%)



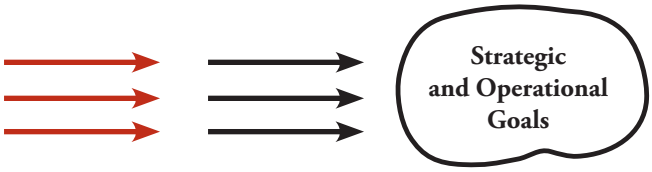
Operations are characterized by activities rather than by processes, and they are largely responsive to immediate needs or problems. Goals are poorly defined.

(2) Early Systematic Approaches (30–45%)



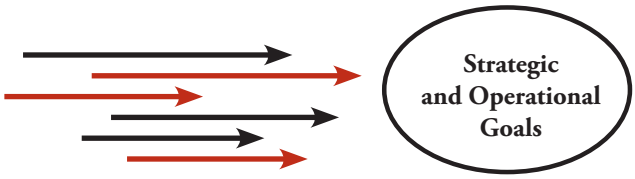
The organization is at the beginning stages of conducting operations by processes with repeatability, evaluation and improvement, and some early coordination among organizational units. Strategy and quantitative goals are being defined.

(3) Aligned Approaches (50–65%)



Operations are characterized by processes that are repeatable and regularly evaluated for improvement, with learnings shared and with coordination among organizational units. Processes address key strategies and goals of the organization.

(4) Integrated Approaches (70–100%)



Operations are characterized by processes that are repeatable and regularly evaluated for change and improvement in collaboration with other affected units. Efficiencies across units are sought and achieved through analysis, innovation, and the sharing of information and knowledge. Processes and measures track progress on key strategic and operational goals.

Scoring System

The scoring of responses to Criteria items and Baldrige Award applicant feedback are based on two evaluation dimensions: (1) process and (2) results. Criteria users need to furnish information relating to these dimensions. Specific factors for these dimensions are described below. Scoring guidelines are given on pages 70–71.

Process

"Process" refers to the methods your organization uses and improves to address the item requirements in categories 1–6. The four factors used to evaluate process are approach, deployment, learning, and integration (ADLI).

"Approach" refers to

- the methods used to accomplish the process
- the appropriateness of the methods to the item requirements and the organization's operating environment
- the effectiveness of your use of the methods
- the degree to which the approach is repeatable and based on reliable data and information (i.e., systematic)

"Deployment" refers to the *extent* to which

- your approach is applied in addressing item requirements relevant and important to your organization
- your approach is applied consistently
- your approach is used (executed) by all appropriate work units

"Learning" refers to

- refining your approach through cycles of evaluation and improvement
- encouraging breakthrough change to your approach through innovation
- sharing refinements and innovations with other relevant work units and processes in your organization

"Integration" refers to the *extent* to which

- your approach is aligned with your organizational needs identified in the Organizational Profile and other process items
- your measures, information, and improvement systems are complementary across processes and work units
- your plans, processes, results, analyses, learning, and actions are harmonized across processes and work units to support organization-wide goals

Results

"Results" refers to your organization's *outputs* and *outcomes* in achieving the requirements in items 7.1–7.5 (category 7). The four factors used to evaluate results are levels, trends, comparisons, and integration (LeTCI).

"Levels" refers to

- your current level of performance

"Trends" refers to

- the rate of your performance improvements or the sustainability of good performance (i.e., the slope of trend data)
- the breadth (i.e., the extent of deployment) of your performance results

"Comparisons" refers to

- your performance relative to appropriate comparisons, such as competitors or organizations similar to yours
- your performance relative to benchmarks or industry leaders

"Integration" refers to the *extent* to which

- your results measures (often through segmentation) address important customer, product, market, process, and action plan performance requirements identified in your Organizational Profile and in process items
- your results include valid indicators of future performance
- your results are harmonized across processes and work units to support organization-wide goals

Item Classification and Scoring Dimensions

Items are classified according to the kinds of information and data you are expected to furnish relative to the two evaluation dimensions given above.

The two types of items are designated as

1. process **Process**
2. results **Results**

In process items, approach, deployment, learning, and integration are linked to emphasize that descriptions of approach should always indicate the deployment—consistent with the *specific requirements* of the item and your organization. As processes mature, their description also should indicate how cycles of learning (including innovation), as well as integration with other processes and work units, occur. Although the ADLI factors are linked, feedback to Baldrige Award applicants reflects strengths and opportunities for improvement in any or all of these factors.

Results items call for data showing performance levels, trends, and relevant comparisons for key measures and indicators of organizational performance, and integration with key organizational requirements. Results items also call for data on the breadth of the performance results reported. This is directly related to deployment and organizational learning; if improvement processes are widely shared and deployed, there should be corresponding results. A score for a results item is thus a composite based on overall performance, taking into account the four results factors (LeTCI).

"Importance" as a Scoring Consideration

The two evaluation dimensions described previously are central to evaluation and feedback. A critical consideration in evaluation and feedback is the *importance* of your reported process and results to your key business factors. The areas of greatest importance should be identified in your Organizational Profile and in items such as 2.1, 2.2, 3.2, 5.1, 5.2, and 6.1. Your key customer requirements, competitive environment, workforce needs, key strategic objectives, and action plans are particularly important.

Assignment of Scores to Your Responses

The following guidelines should be observed in assigning scores to item responses.

- All areas to address should be included in the item response. Also, responses should reflect what is important to the organization.
- In assigning a score to an item, first decide which scoring range (e.g., 50 percent to 65 percent) is most descriptive of the organization's achievement level as presented in the item response. "Most descriptive of the organization's achievement level" can include some gaps in one or more of the ADLI (process) factors *or* the LeTCI (results) factors for the chosen scoring range. An organization's achievement level is based on a holistic view of either the four process or the four results factors in aggregate and not on a tallying or averaging of independent assessments against each of the four factors. Assigning the actual score *within* the chosen range requires evaluating whether the item response is closer to the statements in the next higher or next lower scoring range.

- A process item score of 50 percent represents an approach that meets the overall requirements of the item, that is deployed consistently and to most work units, that has been through some cycles of improvement and learning, and that addresses the key organizational needs. Higher scores reflect greater achievement, demonstrated by broader deployment, significant organizational learning, and increased integration.
- A results item score of 50 percent represents a clear indication of good levels of performance, beneficial trends, and appropriate comparative data for the results areas covered in the item and *important* to the organiza-

Process Scoring Guidelines

SCORE	PROCESS (for use with categories 1–6)
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 through 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 your basic organizational needs identified in response to the Organizational Profile and other process items. (I)
50%, 55%, 60%, or 65%	■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the OVERALL REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is well DEPLOYED, although DEPLOYMENT may vary in some areas or work units. (D) ■ A fact-based, SYSTEMATIC evaluation and improvement PROCESS and some organizational LEARNING, including INNOVATION, are in place for improving the efficiency and EFFECTIVENESS of KEY PROCESSES. (L) ■ The APPROACH is ALIGNED with your overall organizational needs identified in response to the Organizational Profile and other process items. (I)
70%, 75%, 80%, or 85%	■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the MULTIPLE REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is well DEPLOYED, with no significant gaps. (D) ■ Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING, including INNOVATION, are KEY management tools; there is clear evidence of refinement as a result of organizational-level ANALYSIS and sharing. (L) ■ The APPROACH is INTEGRATED with your current and future organizational needs identified in response to the Organizational Profile and other process items. (I)
90%, 95%, or 100%	■ An EFFECTIVE, SYSTEMATIC APPROACH, fully responsive to the MULTIPLE REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is fully DEPLOYED without significant weaknesses or gaps in any areas or work units. (D) ■ Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING through INNOVATION are KEY organization-wide tools; refinement and INNOVATION, backed by ANALYSIS and sharing, are evident throughout the organization. (L) ■ The APPROACH is well INTEGRATED with your current and future organizational needs identified in response to the Organizational Profile and other process items. (I)

tion's business or mission. Higher scores reflect better trends and levels of performance, stronger comparative performance, and broader coverage and integration with the requirements of the business or mission.

Baldrige Award applicants do not receive a single, final score as part of their feedback. They receive a scoring range for each Criteria item, and they receive scores in two overall bands: one for process items and one for results items. The descriptors for these scoring bands portray the organization's overall progress and maturity in the process and the results dimensions. The scoring band descriptors are available on the Baldrige Web site.

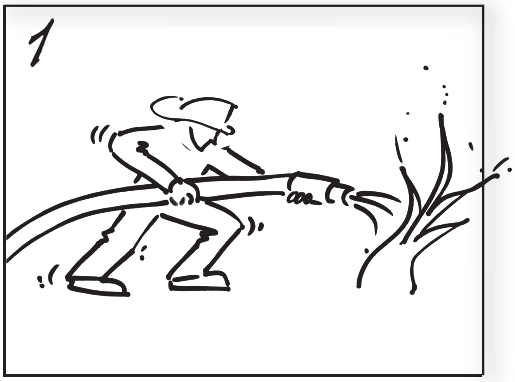
Results Scoring Guidelines

SCORE	RESULTS (for use with category 7)
0% or 5%	■ There are no organizational performance results and/or poor results in areas reported. (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's mission. (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's mission. (I)
30%, 35%, 40%, or 45%	■ Good organizational performance levels are reported, responsive to the basic requirements of the item. (Le) ■ Some trend data are reported, and a majority 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's mission. (I)
50%, 55%, 60%, or 65%	■ Good organizational performance levels are reported, responsive to the overall requirements of the item. (Le) ■ Beneficial trends are evident in areas of importance to the accomplishment of your organization's mission. (T) ■ Some current performance levels have been evaluated against relevant comparisons and/or benchmarks and show areas of good relative performance. (C) ■ Organizational performance results are reported for most key student, stakeholder, market, and process requirements. (I)
70%, 75%, 80%, or 85%	■ Good to excellent organizational performance levels are reported, responsive to the multiple requirements of the item. (Le) ■ Beneficial trends have been sustained over time in most areas of importance to the accomplishment of your organization's mission. (T) ■ Many to most trends and current performance levels have been evaluated against relevant comparisons and/or benchmarks and show areas of leadership and very good relative performance. (C) ■ Organizational performance results are reported for most key student, stakeholder, market, process, and action plan requirements. (I)
90%, 95%, or 100%	■ Excellent organizational performance levels are reported that are fully responsive to the multiple requirements of the item. (Le) ■ Beneficial trends have been sustained over time in all areas of importance to the accomplishment of your organization's mission. (T) ■ Evidence of education sector and benchmark leadership is demonstrated in many areas. (C) ■ Organizational performance results and projections are reported for most key student, stakeholder, market, process, and action plan requirements. (I)

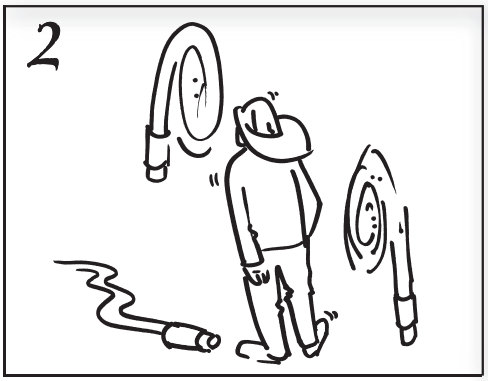
An Analogy for Learning: From Fighting Fires to Innovation

Learning is an essential attribute of high-performing organizations and, therefore, a critical concept in performance excellence. It is a key term used throughout the Education Criteria booklet and is one of the four scoring factors used to assess the maturity of an organization's processes (pages 68 and 70, scoring system and scoring guidelines).

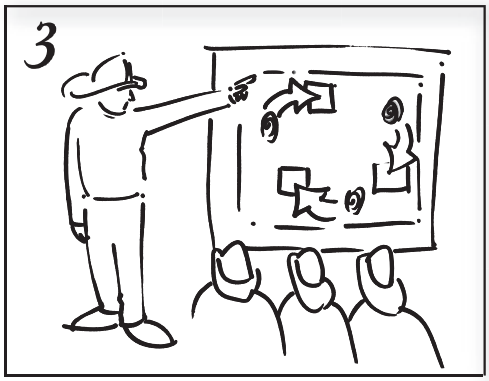
Effective, well-deployed organizational learning can help an organization improve from the early stages of reacting to problems (0–5% in the scoring guidelines) to the highest levels of organization-wide improvement, refinement, and innovation (70–100%). The firefighting analogy illustrated here depicts a progression through the levels of maturity for this scoring dimension.



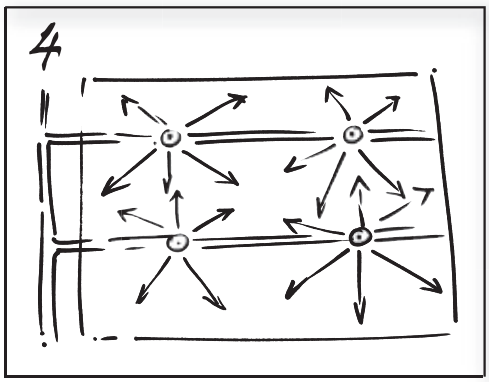
Reacting to the problem:
Run with the hose and put out the fire.
(0–5%)



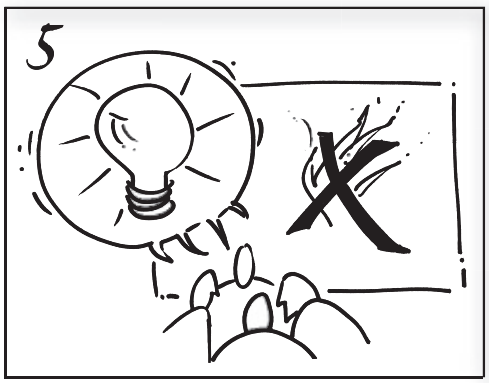
General improvement orientation:
Install more fire hoses to get to the fires quickly and reduce their impact.
(10–25%)



Systematic evaluation and improvement:
Evaluate which locations are most susceptible to fire. Install heat sensors and sprinklers in those locations.
(30–45%)



Learning and strategic improvement:
Install systemwide heat sensors and a sprinkler system that is activated by the heat preceding fires.
(50–65%)



Organizational analysis and innovation:
Use fireproof and fire-retardant materials.
Replace combustible liquids with water-based liquids.
Sensors and sprinklers become the secondary line of protection, with prevention the primary approach for protection.
(70–100%)

Applying for the Malcolm Baldrige National Quality Award

The Malcolm Baldrige National Quality Award is the highest level of national recognition for performance excellence that a U.S. organization can receive. The award promotes

- awareness of performance excellence as an increasingly important element in competitiveness
- the sharing of information on successful performance strategies and on the benefits derived from using these strategies

Organizations apply for the award in one of six eligibility categories:

- manufacturing
- service
- small business
- education
- health care
- nonprofit

Up to 18 awards may be given across the six eligibility categories each year. Whatever your award eligibility category, you will need the *Baldrige Award Application Forms* before applying. You can download the document, as well as fillable Microsoft Word forms, from http://www.nist.gov/baldrige/publications/award_application.cfm.

Application Process

Applying for the award is a two-step process:

- **Submit an eligibility certification package**. In the first part, you certify that your organization meets eligibility requirements.
- **Submit an award application package**. In the second part, you submit an award application (on CD or on paper) that addresses the Criteria for Performance Excellence (pages 4–26).

You should use the Criteria in this booklet only if your organization is applying in the education eligibility category. Applicants in the business (manufacturing, service, or small business) or the nonprofit eligibility categories should use the *Criteria for Performance Excellence* booklet, and applicants in the health care eligibility category should use the *Health Care Criteria for Performance Excellence* booklet. For information on ordering or downloading these booklets, see pages 76–77 or http://www.nist.gov/baldrige/publications.

If your organization files an eligibility certification package, you may nominate a senior member of your staff to serve on the Board of Examiners for the Malcolm Baldrige National Quality Award. To reserve a place on the board for a staff member, submit your eligibility certification package by March 1, 2011, for the 2011 award cycle and by February 28, 2012, for the 2012 award cycle. For other due dates, see the box below. For detailed information on the eligibility certification package, the award application package, deadlines, and fees, see the *Baldrige Award Application Forms*, which can be downloaded at http://www.nist.gov/baldrige/publications/award_application.cfm.

Application Review

A team from the Board of Examiners, which adheres to strict rules regarding conflict of interest, reviews each award application against the Criteria for Performance Excellence using the following process:

- **Independent and Consensus Review**: Members of the Board of Examiners review the application (1) independently and (2) as a team led by a senior or alumni examiner.

Application Deadlines for the 2011 and 2012 Award Cycles

	2011	2012
Eligibility certification packages		
With a nomination to the Board of Examiners	March 1	February 28
Without a nomination to the Board of Examiners	April 12	April 3
Award application packages		
Submitted on CD	May 3	May 1
Submitted on paper	May 17	May 15

For fees related to applying for the Baldrige Award, see the *Baldrige Award Application Forms* booklet (http://www.nist.gov/baldrige/publications/award_application.cfm).

- **Site Visit Review**: Higher-scoring organizations receive site visits.
- **Judges' review**: The Panel of Judges conducts final reviews and recommends award recipients.

The identity of all applicant organizations remains confidential unless they receive the award. The Baldrige Program treats all information submitted by applicants as strictly confidential and has numerous protocols and processes in place to protect the organizations and help ensure the integrity of the award.

Award Recipients

Award recipients may publicize and advertise their awards. Recipients are expected to share information about their successful performance strategies with other U.S. organizations.

Fees for the 2011 and 2012 Award Cycles

Information on current fees related to applying for the Malcolm Baldrige National Quality Award is available at http://www.nist.gov/baldrige/publications/award_application.cfm. Note: the program anticipates a rise in fees in the 2012 award cycle, as well as possible increases thereafter. Such increases would be based on related changes in the Consumer Price Index.

Feedback to Applicants

Feedback is one of the most important parts of the Baldrige Award process; it provides a pathway for improvement.

At the conclusion of the review process, each award applicant receives a feedback report—a written assessment by an evaluation team of leading U.S. experts. The report contains an applicant-specific listing of strengths and opportunities for improvement based on the Criteria. Used by organizations in their strategic planning, the feedback report helps organizations focus on their customers and improve overall performance.

Feedback reports are mailed at various times during the award cycle based on the stage of review an applicant reaches in the evaluation process. Strict confidentiality is observed at all times and in every aspect of application review and feedback.

If your organization is applying in the business, nonprofit, or health care categories, refer to the appropriate sector-specific Criteria booklet. For ordering information, see pages 76–77 or http://www.nist.gov/baldrige/publications.

Summary of Eligibility Requirements

Organizations that are headquartered in the United States, including U.S. subunits of foreign organizations, may apply for the award. For eligibility purposes, overseas U.S. military installations and embassies do not constitute U.S. territories.

To be eligible, your organization must

- have existed for at least one year
- have the operational practices associated with all of its major organizational functions available for examination in the United States or its territories
- be able to share information on the seven Criteria categories at your organization's U.S. facilities and The Quest for Excellence® Conference.

Eligibility rules for the education category are summarized here. For summaries of business (manufacturing, service, and small business) and health care eligibility rules, see the respective Criteria booklets.

Basic Eligibility

Organizations eligible in the education category are for-profit and nonprofit public, private, and government organizations that devote more than 50 percent of their faculty and staff members and/or budget to providing teaching and instructional services directly to students. Examples are elementary and secondary schools and school districts; colleges, universities, and university systems; schools or colleges within universities; professional schools; community colleges; and technical schools. Departments within schools or colleges are ineligible.

Education organizations may choose to apply in the education category, using the Education Criteria for Performance Excellence, or, as appropriate, in the service, small business, or nonprofit category, using the Criteria for Performance Excellence.

If you have a question about eligibility, see the complete description of eligibility requirements in the Baldrige Award Application Forms (http://www.nist.gov/baldrige/publications/award_application.cfm) or call the Baldrige Performance Excellence Program at (301) 975-2036.

Eligibility Restrictions

Parent Organizations and Subunits

The larger organization that holds or has control of a subunit is the "parent"—the highest level of an organization that is eligible to apply for the award. To be eligible, subunits must be recognizable as discrete entities; be easily distinguishable from the parent and its other subunits; be self-sufficient enough to be examined in all seven Criteria categories; have a clear definition of "organization" reflected in their literature; and function as business or operational entities, not as activities assembled to write an award application.

A subunit and its parent may not both apply for awards in the same year. Depending on the number of employees, up to five subunits of a single parent organization may apply for the award during the same award cycle.

Award Recipients

Award recipients are ineligible to apply for the award again for five years. However, they may submit award applications to receive feedback only during those five years. After five years, recipients may apply for the award or, if they wish, for feedback only.

Similarly, if a subunit with more than 50 percent of the total employees of the parent receives an award, the parent organization and all its subunits are ineligible to apply for the award for five years. They may submit award applications to receive feedback only during those five years. If any subunit of an organization receives an award, that subunit and all its subunits are ineligible to apply for the award for five years, but they may also submit award applications to receive feedback during those five years.

Note: If you are planning to apply for the award, you will need the *Baldrige Award Application Forms* in addition to the Criteria booklet.

Criteria for Performance Excellence and Award Application Forms

Individual Copies

You may download the Criteria booklets and the Baldrige Award Application Forms from http://www.nist.gov/baldrige. Individual copies of the Criteria booklets and paper copies of the Baldrige Award Application Forms are available free of charge from

Baldrige Performance Excellence Program
National Institute of Standards and Technology
Administration Building, Room A600
100 Bureau Drive, Stop 1020
Gaithersburg, MD 20899-1020
Telephone: (301) 975-2036
Fax: (301) 948-3716
E-Mail: baldrige@nist.gov

Bulk Orders

Packets of ten copies of the Criteria booklets are available for $39.95 per packet (plus shipping and processing) from the American Society for Quality (ASQ). (See "Ordering from ASQ" on page 77.)

2011–2012 Criteria for Performance Excellence (referred to as the Business/Nonprofit Criteria)—Item Number T1535

2011–2012 Education Criteria for Performance Excellence—Item Number T1534

2011–2012 Health Care Criteria for Performance Excellence—Item Number T1536

Baldrige Educational Materials

Each year, the Baldrige Performance Excellence Program develops materials to train members of the Board of Examiners and share information on the successful performance excellence strategies of award recipients. The following items are samples of these materials. For the full list, see http://www.nist.gov/baldrige.

Case Study Packets

Case study packets contain a case study (a fictional Baldrige Award application), a scorebook, a feedback report, and an executive summary. When used with the related *Criteria for Performance Excellence* booklet, the case studies are valuable resources to Baldrige Award applicants and other Criteria users. They illustrate the award application, review, and feedback process; show the format and general content of an application; and furnish information on scoring. Case study packets based on fictional organizations from the business, nonprofit, health care, and education sectors are available in PDF format from http://www.nist.gov/baldrige/publications. The following are a few examples of these case study packets:

2010 Nonprofit Case Study Packet: NuGrain Laboratories (based on the *2009–2010 Criteria for Performance Excellence*)

2009 Education Case Study Packet: Nightingale College of Nursing (based on the *2009–2010 Education Criteria for Performance Excellence*)

2008 Manufacturing Case Study Packet: Novel Connect (based on the *2008 Criteria for Performance Excellence*)

2007 Nonprofit Case Study Packet: Share Food (based on the *2007 Criteria for Performance Excellence*)

2006 Health Care Case Study Packet: Arroyo Fresco Community Health Center (based on the *2006 Health Care Criteria for Performance Excellence*)

2005 Business Case Study Packet: Landmark Dining, Inc. (based on the *2005 Criteria for Performance Excellence*)

2004 Education Case Study Packet: Sandy Hill School District (based on the *2004 Education Criteria for Performance Excellence*)

2003 Business Case Study Packet: GeoOrb Polymers, North America (based on the *2003 Criteria for Performance Excellence*)

2002 Health Care Case Study Packet: CapStar Health System (based on the *2002 Health Care Criteria for Performance Excellence*)

2001 Business Case Study Packet: TriView National Bank (based on the *2001 Criteria for Performance Excellence*)

Ordering from ASQ

ASQ offers four convenient ways to order:

- For fastest service, call toll-free (800) 248-1946 in the United States and Canada (in Mexico, dial toll-free 95-800-248-1946). Have item numbers, your credit card or purchase order number, and (if applicable) your ASQ member number ready.
- Fax your completed order form to ASQ at (414) 272-1734.
- Mail your order to ASQ Customer Care Center, P.O. Box 3005, Milwaukee, WI 53201-3066.
- Order online: http://www.asq.org.

Payment

Payment options include check, money order, U.S. purchase order, Visa, MasterCard, or American Express. Payment must be made in U.S. currency; checks and money orders (payable to ASQ) must be drawn on a U.S. financial institution. All international orders must be prepaid.

Shipping and Processing

Order Amount	U.S.	Canada	Outside U.S./Canada
Up to $34.99	$ 4.25	$ 9.25	25% of order amount
$35.00–$99.99	6.50	11.50	
$100.00 or more	12.50*	17.50*	

**If actual shipping charges exceed $12.50 ($17.50 Canadian), ASQ will invoice you for the additional expense.*

- Orders within the continental United States and Canada will be shipped by UPS when available.
- Your credit card will not be charged until your items are shipped. Shipping and processing are charged once, up front, for the entire order.
- Please allow one to two weeks for U.S. delivery and six to eight weeks for international delivery.

The Baldrige Performance Excellence Program welcomes your comments on the Criteria or any of the Baldrige Award processes. Please address your comments to

2011–2012 Criteria for Performance Excellence
Baldrige Performance Excellence Program
National Institute of Standards and Technology
Administration Building, Room A600
100 Bureau Drive, Stop 1020
Gaithersburg, MD 20899-1020

E-Mail: baldrige@nist.gov
Web Site: http://www.nist.gov/baldrige

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The Baldrige Performance Excellence Program and Its Impacts

The Malcolm Baldrige National Quality Award was created by Public Law 100-107 and signed into law on August 20, 1987. Public Law 100-107 led to the creation of a new public-private partnership. Principal support for the program comes from the Foundation for the Malcolm Baldrige National Quality Award, established in 1988.

The award is named for Malcolm Baldrige, who served as secretary of commerce from 1981 until his death in 1987. His managerial excellence contributed to long-term improvement in the efficiency and effectiveness of government.

In 2010, as a result of a branding study, the program's name was changed to the Baldrige Performance Excellence Program.

On August 20, 1987, President Ronald W. Reagan signed the "Malcolm Baldrige National Quality Improvement Act of 1987," establishing a program that many credit with making quality a national priority and helping to revitalize the U.S. economy during the 1990s. Today, the Baldrige Performance Excellence Program and the Baldrige Award recipients are imitated and admired worldwide. More than 30 states and many countries, including Japan, have programs modeled after Baldrige. In particular, the Baldrige Criteria for Performance Excellence are widely used as an assessment and improvement tool. Millions of print and electronic copies of the Criteria have been distributed.

In 1999, categories for education and health care were added to the original three categories: manufacturing, service, and small business. In 2007, a nonprofit category was added.

Impacts of the program have been far-reaching:

- Since the Baldrige Program's inception in 1987, there have been nearly 1,500 applicants for the Malcolm Baldrige National Quality Award. These applicants have received vigorous evaluations by the Board of Examiners, using the Criteria for Performance Excellence.
- Through 2009, 84 award recipients have been selected across six categories: 28 manufacturing companies, 15 service companies, 19 small businesses, 8 education organizations, 11 health care organizations, and 3 nonprofit organizations.
- There are more than 35 active state and local, regional, and sector-specific quality award programs based in states throughout the country. All of these programs are modeled to some degree after the Baldrige Performance Excellence Program, and their award criteria are based on the Criteria for Performance Excellence.
- From 1996 to 2009, 45 of the 60 Baldrige Award recipients were previous winners in state award programs.
- Since 1991, there have been nearly 11,800 applications for state and local quality awards.
- Since 1988, the Baldrige Program has trained about 8,800 examiners. Since 1991, the state and local programs have trained more than 39,000 examiners.
- The Quest for Excellence conferences have reached approximately 21,300 attendees over the Baldrige Program's history.

The Baldrige Performance Excellence Program thanks the following award recipients in education for the use of the photographs in this booklet: Iredell-Statesville Schools (2008), Richland College (2005), Kenneth W. Monfort College of Business (2004), and the University of Wisconsin–Stout (2001).

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