



# Contents

## **ii About the Baldrige Excellence Framework**

The Baldrige framework empowers your organization to reach its goals, improve results, and become more competitive. The framework consists of the Criteria, the core values and concepts, and the scoring guidelines.

## **v How to Use the Baldrige Excellence Framework**

You can use this booklet as a reference, for self-assessment, or as the basis of an external assessment.

## **1 Criteria for Performance Excellence Overview and Structure**

The Criteria include the Organizational Profile and seven integrated, interconnected categories. The categories are subdivided into items and areas to address.

## **3 Criteria for Performance Excellence Items and Point Values**

## **4 Criteria for Performance Excellence**

4 Organizational Profile

7 1 Leadership

10 2 Strategy

13 3 Customers

16 4 Measurement, Analysis, and Knowledge Management

19 5 Workforce

23 6 Operations

25 7 Results

## **30 Scoring System**

Performance against Criteria items is scored on two evaluation dimensions: process and results.

34 Process Scoring Guidelines

35 Results Scoring Guidelines

## **36 How to Respond to the Criteria**

This section explains how to respond most effectively to the Criteria item requirements.

## **39 Core Values and Concepts**

These embedded beliefs and behaviors form the foundation of the Criteria.

## **44 Changes from the 2013–2014 Criteria**

## **47 Glossary of Key Terms**

The glossary includes definitions of terms presented in SMALL CAPS in the Criteria and scoring guidelines.

## **55 Index of Key Terms**

## **58 List of Contributors**

## **On the Web**

### **Category and Item Commentary** ([http://www.nist.gov/baldrige/publications/business\\_nonprofit\\_criteria.cfm](http://www.nist.gov/baldrige/publications/business_nonprofit_criteria.cfm))

This commentary on the Criteria provides additional examples and guidance.

**3.1b(2).** Information you obtain on relative customer satisfaction may include comparisons with competitors, comparisons with other organizations that deliver similar products in a noncompetitive marketplace, or comparisons obtained through trade or other organizations. Information obtained on relative customer satisfaction may also include

information on why customers choose your competitors over you.

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

## 3.2 Customer Engagement: How do you engage customers by serving their needs and building relationships? (45 pts.)

In your response, include answers to the following questions:

### a. Product Offerings and CUSTOMER Support

- (1) **Product Offerings** **HOW do you determine product offerings?** HOW do you
- determine CUSTOMER and market needs and requirements for product offerings and services;
  - identify and adapt product offerings to meet the requirements and exceed the expectations of your CUSTOMER groups and market SEGMENTS; and
  - identify and adapt product offerings to enter new markets, to attract new CUSTOMERS, and to create opportunities to expand relationships with current CUSTOMERS, as appropriate?
- (2) **CUSTOMER Support** **HOW do you enable CUSTOMERS to seek information and support?** HOW do you enable them to conduct business with you? What are your KEY means of CUSTOMER support, including your KEY communication mechanisms? HOW do they vary for different CUSTOMERS, CUSTOMER groups, or market SEGMENTS? HOW do you
- determine your CUSTOMERS' KEY support requirements and
  - DEPLOY these requirements to all people and PROCESSES involved in CUSTOMER support?
- (3) **CUSTOMER Segmentation** **HOW do you determine your CUSTOMER groups and market SEGMENTS?** HOW do you
- use information on CUSTOMERS, markets, and product offerings to identify current and anticipate future CUSTOMER groups and market SEGMENTS;
  - consider competitors' CUSTOMERS and other potential CUSTOMERS and markets in this segmentation; and
  - determine which CUSTOMERS, CUSTOMER groups, and market SEGMENTS to emphasize and pursue for business growth?

### b. CUSTOMER Relationships

- (1) **Relationship Management** **HOW do you build and manage CUSTOMER relationships?** HOW do you market, build, and manage relationships with CUSTOMERS to
- acquire CUSTOMERS and build market share;
  - manage and enhance your brand image;
  - retain CUSTOMERS, meet their requirements, and exceed their expectations in each stage of the CUSTOMER life cycle; and
  - increase their ENGAGEMENT with you?
- HOW do you leverage social media to manage and enhance your brand and to enhance CUSTOMER ENGAGEMENT and relationships with your organization, as appropriate?
- (2) **Complaint Management** **HOW do you manage CUSTOMER complaints?** HOW do you resolve complaints promptly and EFFECTIVELY? HOW does your management of CUSTOMER complaints enable you to recover your CUSTOMERS' confidence, enhance their satisfaction and ENGAGEMENT, and avoid similar complaints in the future?

*Terms in SMALL CAPS are defined in the Glossary of Key Terms (pages 47–54).*

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## Notes

**3.2.** Customer engagement refers to your customers' investment in or commitment to your brand and product offerings. Characteristics of engaged customers include retention, brand loyalty, willingness to make an effort to do business—and increase their business—with you, and willingness to actively advocate for and recommend your brand and product offerings.

**3.2a.** Product offerings refer to the goods and services that you offer in the marketplace. In identifying product offerings, you should consider all the important characteristics of products and services and their performance throughout their full life cycle and the full consumption chain. The focus should be on features that affect customers' preference for and loyalty to you and your brand—for example, features that differentiate your products from competing offerings or other organizations' services. Those features might include price, reliability, value, delivery, timeliness, product-customization, ease of use, requirements for the use and disposal of hazardous materials, customer or technical support, and the sales relationship. Key product features might also

take into account how transactions occur and factors such as the privacy and security of customer data. Your results on performance relative to key product features should be reported in item 7.1, and those for customer perceptions and actions (outcomes) should be reported in item 7.2.

**3.2a(2).** The goal of customer support is to make your organization easy to do business with and responsive to your customers' expectations.

**3.2b.** Building customer relationships might include developing partnerships or alliances with customers.

**3.2b(1).** Brand management is generally associated with marketing to improve the perceived value of your product or brand. Successful brand management builds customer loyalty and positive associations, and it protects your brand and intellectual property.

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