



Changes from the 2019–2020 Baldrige Excellence Framework

Revisions have one overarching purpose: for the framework and the Criteria to reflect the leading edge of validated leadership and performance practice while ensuring that they are as concise and user-friendly as possible.

For more than 30 years, the Criteria for Performance Excellence have evolved along with the drivers of organizational competitiveness and long-term success. Through this evolution, the Baldrige Excellence Framework offers today's organizations a nonprescriptive leadership and management guide that facilitates a systems approach to achieving excellence.

As the Baldrige framework and the Criteria evolve, they must balance two important considerations. On the one hand, the Criteria need to reflect a national standard for performance excellence, educating organizations in all aspects of establishing an integrated performance management system. On the other hand, the Criteria need to be accessible and user-friendly for a variety of organizations at varying levels of maturity.

To strike this balance, changes reflected in the *2021–2022 Baldrige Excellence Framework* focus on raising or strengthening organizations' awareness of the need for organizational resilience; the benefits of diversity, equity, and inclusion; and the ongoing digitization of nearly all aspects of organizational operations and management. Other changes clarify the role of innovation in organizational competitiveness and success, and expand the framework's focus on societal responsibility. Other changes throughout the Criteria clarify the intent of questions.

Resilience. Agility (a capacity for rapid change and for flexibility in operations) has long been a part of the Core Values and Concepts. The accelerating pace of change and the more frequent occurrence of disruptions—from economic upheaval or stress, major weather or health events, social or societal demands, or innovative technologies or product introductions—means that organizations must now focus on resilience. Resilience is the ability to anticipate, prepare for, and recover from disasters, emergencies, and other disruptions, and—when disruptions occur—to protect and enhance workforce and customer engagement, supply-network and financial performance, organizational productivity, and community well-being. Resilience includes the agility to modify plans, processes, and relationships whenever circumstances warrant. The core value titled Agility has been broadened to Agility and Resilience, and the term “resilience” is defined in the Glossary of Key Terms. In the Criteria, organizational resilience is a focus of business continuity planning. It is also a consideration for leaders, in strategic planning, for work accomplishment, and in supply-network management.

Equity and inclusion. Expanding on the concept that the successful organization capitalizes on the diverse backgrounds and characteristics, knowledge, skills, creativity, and motivation of people, this revision of the Baldrige framework includes a stronger focus on equity and inclusion. The core values titled Customer-Focused Excellence, Valuing People, and Societal Contributions now include this stronger focus, and equity and inclusion are now considerations for organizational culture and for customer and workforce engagement, as well as in notes throughout the Criteria.

Digitization and the fourth industrial revolution. In today's digitally and data-enhanced economy, the use of data analytics, the Internet of Things, artificial intelligence, the adoption of cloud operations, large dataset-enabled business and process modeling, enhanced automation, and other “smart” technologies is accelerating rapidly. Although these tools may not affect all organizations currently or directly, they will most likely affect the competitive environment and new competitors. Notes on digitization and “big data” have been augmented throughout the Criteria. Questions on strategic planning and workforce change, as well as notes throughout the Criteria, now include these concepts, complementing the existing focus on incorporating new technology into product and process design.

Innovation. Since 2001, the Baldrige framework has emphasized the role of innovation in organizational success. This revision makes that relationship explicit by combining two previously separate core values into one, titled Focus on Success and Innovation. The Core Values and Concepts state that innovation may be present in organizations of all maturity levels; an innovation may even be the genesis of an organization. Revisions to the Scoring System, Process Scoring Guidelines, and definition of innovation in the Glossary of Key Terms reflect this clarification. In addition, the definition of innovation now includes the concept of making meaningful change to improve societal well-being.

Societal contributions. This concept has been present in the Baldrige framework since its inception in 1988 (as Public Responsibility), and changes since then have reflected the evolution of the role of societal contributions for successful organizations of all types. High-performing organizations see contributing to society as more than something they must do. Going above and beyond responsibilities in contributing to society can be a driver of customer and workforce engagement and a market differentiator. Employees, customers, and communities increasingly exhibit an interest

in organizational social purpose and in how organizations contribute to society. Questions on societal contributions and strategy development, as well as notes throughout the Criteria, now include this strengthened focus.

The most significant changes to the Criteria items are summarized as follows.

Category 1: Leadership

Item 1.1, Senior Leadership, now includes questions about creating an organizational culture that fosters customer and workforce equity and inclusion, and about cultivating organizational resilience.

In item 1.2, questions now ask how you incorporate, rather than consider, societal well-being and benefit as part of your strategy and daily operations.

Category 2: Strategy

In item 2.1, Strategy Development, questions now ask how your strategic planning process addresses resilience and how you consider relevant technological changes and innovations in your planning.

Category 3: Customers

Item 3.2, Customer Engagement, now asks how your customer experience processes ensure fair treatment for all customers.

Category 5: Workforce

In item 5.1, questions now ask how you prepare your workforce for changes in workplaces and technology, and how you organize and manage your workforce to reinforce organizational resilience and agility.

In item 5.2, Workforce Engagement, a new area to address asks how you ensure that your performance management, performance development, and career development approaches promote equity and inclusion, and an existing question has been expanded to ask how you ensure that your organizational culture promotes equity and inclusion.

Category 6: Operations

In item 6.1, Work Processes, the fourth area to address is now called Management of Opportunities for Innovation. A note explains that your process for pursuing opportunities for innovation should capitalize on strategic opportunities

identified as intelligent risks, as well as intelligent risks arising from performance reviews, knowledge management, and other sources of potential innovations.

In item 6.2, the third area to address is now titled Safety, Business Continuity, and Resilience. It includes questions on how you ensure that your organization can anticipate, prepare for, and recover from disasters, emergencies, and other disruptions.

Category 7: Results

Item 7.4, Leadership and Governance Results, now asks for your results for leaders' communication and engagement to cultivate innovation and intelligent risk taking.

Scoring System

The explanation of the learning evaluation factor clarifies that learning comprises (1) the refinement of approaches through cycles of evaluation and improvement, (2) the adoption of best practices and innovations, and (3) the sharing of refinements and innovations. The Process Scoring Guidelines now specifically refer to these components. Like Baldrige scoring in general, scoring for the learning factor is holistic: the organization's achievement level in one component is not a "gate" blocking a score in a particular range.

Core Values

The concept of agility, formerly paired with organizational learning, now forms part of the core value titled Agility and Resilience. The core value titled Focus on Success and Innovation pairs two formerly separate, but complementary, concepts.

Glossary of Key Terms

The Glossary of Key Terms now includes a definition of the term resilience. The definition of innovation now reflects the clarifications described above. One term, cycle time, has been deleted, as the definition used in the Criteria reflects the definition that is in common use.