



Changes from the 2021–2022 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 32 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, helping organizations address current leadership and management challenges and 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 address the first consideration, several concepts are woven into the changes reflected in the 2023–2024 *Baldrige Excellence Framework*. For example, *agility* and *resilience* are integrated across categories, and *innovation(s)* is clarified. Other examples include the changing nature of work and workplace arrangements, as well as *diversity*, *equity*, and *inclusion*, which are emphasized throughout the Criteria and in the notes.

To address the second consideration, many changes in this revision make the Criteria more user-friendly through updates, simplifications, and clarifications. For example, some notes that were not critical to understanding how to answer a Criteria question have been moved from the Criteria items to the online commentary or eliminated altogether.

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

Organizational Profile

- Some “what” questions have been moved into the Organizational Profile; for example, the concept of *strategic opportunities* was moved because it fits better with strategic challenges, and opportunities have implications across multiple categories. In other cases of “what” questions, the decision was made to leave them in the categories where they have the most impact.
- Item P.1a(3), Workforce Profile, has been simplified for clarity. In addition, *educational requirements* have been removed from the Criteria questions based

on feedback that these were not regularly used in assessments.

- Questions have been embedded to provide a better understanding of an organization's business model in P.1a(1; percentage of revenue) and P.2a(1; differentiators).

Category 1: Leadership

- In 1.1a, *mission* is now referenced among key elements for which senior leaders are responsible for setting and deploying. Similarly, in 1.1c(1), *safety* and *diversity* were added in relation to senior leaders' responsibility to create an environment for success.
- Questions on the board's role in organizational performance evaluation were moved from 4.1b to 1.2a(3) to keep governance board questions together.

Category 2: Strategy

- In 2.1a(2), the strategy considerations list was revised to focus on key elements and risks.
- The term *work systems* was removed from the title of the area to address, which now references *outsourcing* and *core competencies*. The important concept of *work systems* still appears in 2.1a(4) and 5.1a(3), and in several notes, as well as in the glossary.

Category 3: Customers

- The cross-cutting concept *voice of the customer* is now embedded in items 3.1, 3.2, and 6.1 in listening to customers, identifying their requirements, designing products and services, etc.
- In 3.2b, areas to address on customer satisfaction, dissatisfaction, and engagement were streamlined for clarity. The concept of *customer experience* is also referenced as overarching for item 3.2.

Category 4: Measurement, Analysis, and Knowledge Management

- *Measurement agility* was moved into 4.1a(1) to better fit with the other questions, and performance and performance projections were rolled into 4.1b. This revision makes *performance projections* a multiple-level versus an overall-level question and aligns the question better with the Results Scoring

Guidelines for projections, which are in the 70–85% and 90–100% ranges.

- Based on user feedback, *cybersecurity* was moved from category 6 to category 4 to be incorporated within information and knowledge management. The wording in the Criteria still conveys that cybersecurity is an organization-wide strategic imperative.
- Item 4.2c now features *the pursuit of innovation*, moving the concept from category 6 to category 4 as an attempt to minimize confusion on where to respond to *innovation* in the Criteria. Item 4.2c has been reworded to indicate the importance of innovation to the overall organization and its relationship to an organization’s knowledge management system.

Category 5: Workforce

- *Workforce dissatisfaction* has been called out as an area to independently determine root causes and enable a systematic remedy to avoid future dissatisfaction.
- *Learning and development system effectiveness* (formerly 5.2c[3]) is embedded in the Criteria’s learning element in the Scoring System and addressed in 5.2c(2), with effectiveness results reported in category 7.
- *Compensation* is now called out with workforce benefits and includes a consideration of fairness.

Category 6: Operations

- Items 6.1a and 6.1b were streamlined to focus first on product and or/service and process design, then on process management and improvement.
- Items 6.1a(2) and 6.1a(4) now include language that relates to minimizing harmful societal or environmental impacts of products and/or services and operations.
- *Supply-network management* was moved from item 6.1 to item 6.2 under the umbrella of operational effectiveness. A note in 6.2b explains why the term *supply network* is used instead of *supply chain* in the Criteria, to reflect a more resilient approach to supplier management.
- Reducing waste associated with your products and/or services was added as an example and as a note, reflecting a growing focus on a circular economy.
- An area to address on your overall approach to risk management was added as 6.2c(2).

Category 7: Results

- Item 7.2 now asks for *customer experience* results.
- Item 7.3 now asks for results for *workforce dissatisfaction* and *retention*.
- Item 7.4 now asks for results for how senior leaders cultivate a culture that values diversity and fosters

equity and inclusion, innovation, and intelligent risk taking.

- Item 7.5 now asks for your results for key measures or indicators of innovation efforts.

Scoring System

Scoring information, including maximum score values per item, has been moved into the Scoring System section. This reinforces use of the Criteria as a leadership and management guide, while still enabling self-assessments.

Some point values have shifted among items to improve balance: (1) Five points have been moved from item 1.1 to item 2.2 to give more weight to strategy implementation. There is not an intention to downplay leadership; category 1 is still the process category with the highest potential points. However, strategy is one of leadership’s key responsibilities, and strategy implementation is crucial for ongoing success. (2) Point values have been switched for items 6.1 and 6.2 because item 6.2 now has a strong focus on the *supply network, safety/business continuity/resilience, and risk management*.

Core Values

- The concept of *customer-focused excellence* now looks at reducing dissatisfaction as well as complaints.
- The concept of *valuing people* now references the fair treatment of all customers and workforce members.
- The concept of *focus on success and innovation* now references the pursuit of sustained growth and performance leadership as potentially entailing a business transformation.

Glossary of Key Terms

- Definitions have been added for the terms *agility, culture, and system*.
- The term *innovation(s)* has been clarified; for consistency, the Criteria now use *innovation* as a process/activity and *innovations* to refer to the outcomes (discontinuous or “breakthrough” improvements in results, products, processes, or societal well-being). *Innovation* is now included in 2.1a(3) as part of a focus on *strategic opportunities*. An entire area on *the pursuit of innovations* and *managing innovation* has been consolidated in 4.2c.
- There are a few terms that are intentionally not included in the Glossary for two reasons: (1) definitions in the Glossary are intended for words that may be used differently in the Criteria than in common understanding; and (2) definitions of terms that could be deemed sensitive politically may be spelled out in the notes (rather than in the Glossary) so that their context and usage can be made clear.