

2006 BALDRIGE ACTIONABLE CRITERIA

Item 4.1: Measurement, Analysis, Review of Organizational Performance (45 pts.) Process

How do you measure, analyze, and review organizational performance?

Describe **HOW** your organization **MEASURES**, **ANALYZES**, **ALIGNS**, reviews, and improves its **PERFORMANCE** at all **LEVELS** and in all parts of your organization.

Within your response, include answers to the following questions:

4.1a. Performance Measurement

- (1) **HOW** do you select, collect, **ALIGN**, and **INTEGRATE** data and information for tracking daily operations and for tracking overall organizational **PERFORMANCE**, including progress relative to **STRATEGIC OBJECTIVES** and **ACTION PLANS**?

What are your **KEY** organizational **PERFORMANCE MEASURES**?

HOW do you use these data and information to support organizational decision making and **INNOVATION**?

- (2) **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) **HOW** do you keep your **PERFORMANCE MEASUREMENT SYSTEM** current with business needs and directions?

HOW do you ensure that your **PERFORMANCE MEASUREMENT SYSTEM** is sensitive to rapid or unexpected organizational or external changes?

4.1b. Performance Analysis and Review

- (1) **HOW** do you review organizational **PERFORMANCE** and capabilities?

HOW do your **SENIOR LEADERS** participate in these reviews?

What **ANALYSES** do you perform to support these reviews and to ensure that conclusions are valid?

HOW do you use these reviews to assess organizational success, competitive **PERFORMANCE**, and progress relative to **STRATEGIC OBJECTIVES** and **ACTION PLANS**?

HOW do you use these reviews to assess your organization's ability to rapidly respond to changing organizational needs and **CHALLENGES** in your operating environment?

- (2) **HOW** do you translate organizational **PERFORMANCE** review findings into priorities for continuous and **BREAKTHROUGH IMPROVEMENT** and into **OPPORTUNITIES** for **INNOVATION**?

HOW are these priorities and **OPPORTUNITIES DEPLOYED** to work group- and functional-level operations throughout your organization to enable **EFFECTIVE** support for their decision making?

When appropriate, **HOW** are the priorities and **OPPORTUNITIES DEPLOYED** to your suppliers, **PARTNERS**, and **collaborators** to ensure organizational **ALIGNMENT**?

Notes:

N1. **PERFORMANCE MEASUREMENT** is used in **fact-based** decision making for setting [organizational directions] and **ALIGNING** organizational directions and resource use at the work unit, **KEY PROCESS**, departmental, and whole organization **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 your organization's industry. Competitive **COMPARISONS** relate your organization's **PERFORMANCE** to that of competitors **and other organizations providing similar products and services**.

N3. Organizational **PERFORMANCE** reviews (**4.1b[1]**) should be informed by organizational **PERFORMANCE MEASUREMENT** and guided by the **STRATEGIC OBJECTIVES** and **ACTION PLANS** described in **Item 2.1** and **Item 2.2**. The reviews also might be informed by internal or external Baldrige assessments.

N4. **ANALYSIS** includes examining **TRENDS**; organizational, industry, and technology **PROJECTIONS**; and **COMPARISONS**, cause-effect relationships, and correlations intended to support your **PERFORMANCE** reviews, help determine root causes, and help set priorities for resource use. Accordingly, **ANALYSIS** draws upon all types of data: **CUSTOMER**-related, financial and market, operational, and competitive.

N5. The **RESULTS** of organizational **PERFORMANCE ANALYSIS** should contribute to organizational strategic planning in **Category 2**.

N6. Your organizational **PERFORMANCE RESULTS** should be reported in **Item 7.1**, **Item 7.2**, **Item 7.3**, **Item 7.4**, **Item 7.5**, and **Item 7.6**.

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For additional description of this Item, see [4.1 Measurement, Analysis, and Review of Organizational Performance Description](#).

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Key: [CAPS](#) link to [GLOSSARY](#) terms; **Red** words link [CORE VALUES](#); **Yellow** identifies new 2006 words; [Best Practices](#); [Application Information Capture Templates](#)