

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 reviews and uses reviews to improve its **PERFORMANCE**.

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

How do you measure, analyze, and then improve organizational performance?

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

Describe **HOW** you **SYSTEMATICALLY** use the **RESULTS** of reviews to evaluate and improve **PROCESSES**.

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**, including **KEY short-term and longer-term financial 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, Review, and Improvement

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

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**?

- (3) **HOW** do you incorporate the **RESULTS** of organizational **PERFORMANCE** reviews into the **SYSTEMATIC** evaluation and improvement of **KEY PROCESSES**?

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 whole organization **LEVELS**.

N2. COMPARATIVE data and information (**4.1a[2]**) are obtained by **BENCHMARKING** and by seeking competitive

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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 MEASUREMENTS**, **PERFORMANCE MEASURES** reported throughout your Criteria Item responses, and **PERFORMANCE MEASURES** reviewed by **SENIOR LEADERS (1.1b[2])**, and they should be 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 (4.1b[1])** includes examining **TRENDS**; organizational, industry, and technology **PROJECTIONS**; and **COMPARISONS**, cause-effect relationships, and correlations. **ANALYSIS should** 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** and review 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**.

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

2007 Criteria Item Links: [1.1](#) - [1.2](#) - [2.1](#) - [2.2](#) - [3.1](#) - [3.2](#) - [4.1](#) - [4.2](#) - [5.1](#) - [5.2](#) - [6.1](#) - [6.2](#) - [7.1](#) - [7.2](#) - [7.3](#) - [7.4](#) - [7.5](#) - [7.6](#) - [P.1](#) - [P.2](#)

[Blue Words](#) above are hyperlinks. [Yellow highlight](#) identifies words that are newly added to the 2007 Business and Nonprofit Criteria.

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