Comparison between Malcolm Baldrige Award Criteria* and Joint Commission Standards
*2015-2016 Baldrige Excellence Framework (Health Care), the Baldrige Performance Excellence Program at the National Institute of Standards and Technology, Gaithersburg, MD

1.1 Senior Leadership: How do your senior leaders lead?

<table>
<thead>
<tr>
<th>Baldrige Criteria</th>
<th>Joint Commission Standards</th>
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<tbody>
<tr>
<td>This item asks about the key aspects of your senior leaders’ responsibilities, with the aim of creating an organization that is successful now and in the future.</td>
<td>The Joint Commission standards relevant to senior leadership address:</td>
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<tr>
<td><strong>The role of senior leaders.</strong> Senior leaders play a central role in setting values and directions, communicating, creating and balancing value for all stakeholders, and creating an organizational focus on action, including transformational change in the organization’s structure and culture, when needed. Success requires a strong orientation to the future and a commitment to improvement, innovation and intelligent risk taking, and organizational sustainability. Increasingly, this requires creating an environment for empowerment, agility, and learning. In health care organizations with separate administrative/operational and health care leadership, an important aspect of leadership is the relationship between and the collaboration of these two sets of leaders.</td>
<td>• The development of mission, vision, goals that guide the actions of leaders and communication to staff and the population served (LD.02.01.01)</td>
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<tr>
<td><strong>Role-model senior leaders.</strong> In highly respected organizations, senior leaders are committed to establishing a culture of patient and other customer engagement, developing the organization’s future leaders, and recognizing and rewarding contributions by workforce members. They personally engage with patients and other key customers. Senior leaders enhance their personal leadership skills. They participate in organizational learning, the</td>
<td>• Evaluation of performance against mission (LD.01.03.01)</td>
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<td>• Information needed by leaders (LD.01.07.01)</td>
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<td>• Communication among leaders (LD.02.03.01), communication throughout the organization (LD.03.04.01)</td>
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<td>• Focus of the workforce on safety and quality (LD.03.06.01)</td>
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<td>• A culture of safety and quality and staff involvement, including open discussion of safety issues (LD.03.01.01)</td>
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<td>• Performance improvement, setting priorities, and process design (LD.04.04.01, 04.04.03)</td>
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<td>• Taking action to improve (PI.03.01.01);</td>
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<td>• Change management and organization agility (LD.03.05.01)</td>
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<td>• Planning for safety and quality (LD.03.03.01)</td>
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<td>• The focus of leaders and needs of the population served, LD.01.01.07).</td>
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<td>• Management of a safety program (LD.04.04.05)</td>
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<td></td>
<td>• Conflict of interest in leadership groups (LD.02.02.01); conflict of interest of those working in the organization</td>
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</table>
development of future leaders, succession planning, and recognition opportunities and events that celebrate the workforce. Development of future leaders might include personal mentoring or participation in leadership development courses. Role-model leaders recognize the need for transformational change when warranted and then lead the effort through to full fruition.

<table>
<thead>
<tr>
<th>(LD.04.02.01); ethical practices (LD.04.02.03 and LD.04.02.05); law and regulation (LD.04.01.01); and providing comparable levels of care (04.03.07)</th>
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<tr>
<td>Innovation and intelligent risk taking, while not specifically evaluated, are recognized (LD.03.03.01, 03.05.01)</td>
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<tr>
<td>Succession planning is not directly addressed; Joint Commission focus is more on competence and safety/quality than leadership skills. Reward and recognition programs and the use of social media are not directly addressed in Joint Commission standards</td>
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</table>

### 1.2 Governance and Societal Responsibilities

This item asks about key aspects of your governance system, including the improvement of leaders and the leadership system. It also asks how the organization ensures that everyone in the organization behaves legally and ethically, how it fulfills its societal responsibilities, how it supports its key communities, and how it builds community health.

**Organizational governance.** This item addresses the need for a responsible, informed, transparent, and accountable governance or advisory body that can protect the interests of key stakeholders in publicly traded, private, and nonprofit organizations. This body should have independence in review and audit functions, as well as a function that monitors organizational, CEOs’/chief administrators’, and medical staff leaders’ performance.

<table>
<thead>
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<th>The Joint Commission standards address:</th>
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<tr>
<td>The responsibilities of governance (LD.01.03.01); the CEO (LD.04.01.01); and the medical staff (LD.01.05.01); identifying an fulfilling unique and shared responsibilities of leaders (LD.01.02.01, LD.01.07.01); accountability of management (LD.04.01.05)</td>
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<tr>
<td>Providing sufficient resources (LD.01.03.01, LD.04.01.01); development of budgets and financial audits (LD.04.01.03).</td>
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Legal compliance, ethics, and risks. An integral part of health care delivery, performance management, and performance improvement is proactively addressing (1) the need for ethical behavior; (2) all legal, regulatory, and accreditation requirements; and (3) risk factors. Ensuring high performance in these areas requires establishing appropriate measures or indicators that senior leaders track. You should be sensitive to issues of public concern, whether or not these issues are currently embodied in laws and regulations. Role-model organizations look for opportunities to excel in areas of legal and ethical behavior.

Public concerns. Public concerns that charitable and government organizations should anticipate might include the cost of programs and operations, timely and equitable access to their offerings, and perceptions about their stewardship of resources.

Conservation of natural resources. Conservation might be achieved through the use of “green” technologies, reduction of your carbon footprint, replacement of hazardous chemicals with water-based chemicals, energy conservation, use of cleaner energy sources, or recycling of by-products or wastes.

Societal responsibility. Societal responsibility implies going beyond a compliance orientation. Opportunities to contribute to the well-being of environmental, social, and economic systems and opportunities to support key communities are available to organizations of all sizes. The level and breadth of these contributions will depend on the size of your organization and

- The performance of the organization in achieving mission, vision, and goals (LD.01.03.01); identification of skills needed by leaders (LD.01.07.01); the evaluation of medical staff members (MS.08.01.01, MS.08.03.01). The HR chapter addresses performance evaluation of staff (HR.01.06.01 and HR.01.07.01), but it does not address governance.

Relevant Joint Commission standards cover:
- Conflict of interest among leaders (LD.02.02.01); compliance with law and regulation (LD.04.01.01); general conflict of interest for those working in the organization (LD.04.02.01); ethical business practices (LD.04.02.03, LD.04.02.05); maintaining equivalent levels of care (LD.04.03.07).
- Compliance with recommendations from external authorities (LD.04.01.01); need for external audits (LD.04.01.03) and the need to share them with the Joint Commission (APR.05.01.01).

Conservation of resources, public concerns, and societal responsibility are not covered in Joint Commission standards.
your ability to contribute. increasingly, decisions to engage with an organization include consideration of its social responsibility.

**Community support.** your organization should consider areas of community involvement that are related to its core competencies. examples of organizational community involvement include partnering with other health care providers, businesses, and professional associations to engage in beneficial, cooperative activities, such as increasing equity and access to care and sharing best practices to improve overall U.S. health status and health care.

**Community health.** Actions to build community health might include partnering with local organizations (public entities and businesses) and health care providers. The community health services you offer will depend on your mission, including the service requirements of tax-exempt organizations.

Joint Commission standards address the need for leaders to assess and respond to the needs of the population served (LD.01.07.01, LD.02.03.01, LD.03.01.01), but not with the same focus as the Baldrige criteria.

### 2.1 Strategy Development

This item asks how you establish a strategy to address your organization’s challenges and leverage its advantages and how you make decisions about key work systems and core competencies. It also asks about your key strategic objectives and their related goals. The aim is to strengthen your overall performance, competitiveness, and future success.

**A context for strategy development.** This item calls for basic information on the planning process and for information on all key influences, risks, challenges, and other requirements that might affect your organization’s future opportunities and directions—taking as long term a view as appropriate and possible from the perspectives of your organization, the health care industry, and your marketplace. This approach is intended to provide a thorough

The Joint Commission standards address the organization’s approach to planning (LD.03.03.01), but do not explicitly cover many of the items cited in the Baldrige criteria. Questions on these topics would be asked during the survey process.
and realistic context for developing a patient-, other customer-, and market-focused strategy to guide ongoing decision making, resource allocation, and overall management.

**A future-oriented basis for action.** This item is intended to cover all types of health care organizations, competitive/collaborative situations, strategic issues, planning approaches, and plans. The requirements explicitly call for a future-oriented basis for action. Even if your organization is seeking to create an entirely new health care service or business, you still need to set and test the objectives that define and guide critical actions and performance.

**Competitive leadership.** This item emphasizes competitive leadership in health care services, which usually depends on operational effectiveness. Competitive leadership requires a view of the future that includes not only the markets in which you provide health care services but also how it competes and collaborates in providing services. How to compete and collaborate presents many options and requires that you understand your organization’s and your competitors’ and collaborators’ strengths and weaknesses. Deciding how to compete and collaborate also involves decisions on taking intelligent risks in order to gain or retain market leadership. Although no specific time horizons are included, the thrust of this item is sustained competitive leadership.

**Work systems.** Efficient and effective work systems require
- effective design;
- a prevention orientation;
- linkage to patients, other customers, suppliers, partners, and collaborators; and
- a focus on value creation for all key stakeholders; operational performance improvement; cycle time reduction; and evaluation, continuous improvement, innovation, and organizational learning; and

The Joint Commission standards address
- The organization’s approach to planning (LD.03.03.01); using data to evaluate performance and plan for needed changes (LD.03.02.01); analyzing data to identify areas for improvement.
- Making decisions about services to be provided (either directly or through consultation or contract) based on the needs of the population served (LD.04.03.01), and managing contracted services (LD.04.03.01).

The Joint Commission standards identify innovation as one of the objectives of organization-wide planning (LD.03.03.01). However, innovation is not specifically evaluated in the accreditation process.
• regular review to evaluate the need for fundamental changes in the way work is accomplished.

Work systems must also be designed in a way that allows your organization to be agile and protect intellectual property. In the simplest terms, agility is the ability to adapt quickly, flexibly, and effectively to changing requirements. Depending on the nature of your strategy and markets, agility might mean the ability to change rapidly from one health care service to another, adopt a new technology or treatment protocol, respond rapidly to changing demands or market conditions, respond rapidly to payor requirements, or produce a wide range of customized services. Agility and protection of intellectual property also increasingly involve decisions to outsource, agreements with key suppliers, and novel partnering arrangements.

2.2 Strategy Implementation

This item asks how you convert your strategic objectives into action plans to accomplish the objectives and how you assess progress relative to these action plans. The aim is to ensure that you deploy your strategies successfully and achieve your goals.

Developing and deploying action plans. Accomplishing action plans requires resources and performance measures, as well as alignment among the plans of your departments/work units, suppliers, and partners. Of central importance is how you achieve alignment and consistency—for example, via work systems, work processes, and key measurements. Also, alignment and consistency provide a basis for setting and communicating priorities for ongoing improvement activities—part of the daily work of all departments/work units. In addition, performance measures are critical for tracking performance.

Performing analyses to support resource allocation. You can perform many types of analyses to ensure that financial resources are available to support the accomplishment of your action plans

The Joint Commission standards cover
• The allocation of resources to support the operations of the organization (LD.04.01.111, LD.01.03.01, LD.01.04.02)
• Resources for important internal systems that support quality and safety (LD.03.02.01, LD.03.03.01, LD.03.04.01, LD.03.05.01, LD.03.06.01) and are integral to successful strategic plans. These systems include data use, planning, communication, managing change, and staffing.
while you meet current obligations. For current operations, these efforts might include the analysis of cash flows, net income statements, and current liabilities versus current assets. For investments to accomplish action plans, the efforts might include analysis of discounted cash flows, return on investment, or return on invested capital. Analyses also should evaluate the availability of people and other resources to accomplish your action plans while continuing to meet current obligations. Financial resources must be supplemented by capable people and the necessary facilities and support. The specific types of analyses performed will vary from organization to organization. These analyses should help you assess the financial viability of your current operations and the potential viability of and risks associated with your action plan initiatives.

**Creating workforce plans.** Action plans should include human resource or workforce plans that are aligned with and support your overall strategy. Examples of possible plan elements are

- a redesign of your work organization and jobs to increase workforce empowerment and decision making;
- initiatives to promote greater labor-management cooperation, such as union partnerships;
- consideration of the impacts of outsourcing on your current workforce and initiatives;
- initiatives to prepare for future workforce capability and capacity needs;
- initiatives to foster knowledge sharing and organizational learning;
- modification of your compensation and recognition systems to recognize team, organizational, patient, other customer, or other performance attributes; and
- education and training initiatives, such as developmental programs for future leaders, partnerships with universities to help ensure the availability of an educated and skilled

These types of analyses are not specifically identified in Joint Commission standards.

The Joint Commission standards address

- Staffing effectiveness (PI.04.01.01, LD.04.05.01) in terms of its effects on patient safety.
- Providing for sufficient staff levels (LD.03.06.01)
- Education and information sharing on safety issues (LD.03.01.01, LD.04.04.05)

Some specific Baldrige requirements are not addressed by The Joint Commission, but are not in conflict with existing standards.
workforce, and training programs on new technologies important to the future success of your workforce and organization.

**Projecting your future environment.** An increasingly important part of strategic planning is projecting the future competitive and collaborative environment. This includes the ability to project your own future performance, as well as that of your competitors. Such projections help you detect and reduce competitive threats, shorten reaction time, and identify opportunities. Depending on your organization’s size and type, the potential need for new core competencies, the maturity of markets, the pace of change, and competitive parameters (e.g., costs or the innovation rate), you might use a variety of modeling, scenarios, or other techniques and judgments to anticipate the competitive and collaborative environment.

**Projecting and comparing your performance.** Projections and comparisons in this item are intended to improve your organization’s ability to understand and track dynamic, competitive performance factors. Projected performance might include changes resulting from new business ventures, entry into new markets, the introduction of new technologies, service innovations, or other strategic thrusts that might involve a degree of intelligent risk.

Through this tracking, you should be better prepared to take into account your organization’s rate of improvement and change relative to that of competitors or comparable organizations and relative to your own targets or stretch goals. Such tracking serves as a key diagnostic tool for you to use in deciding to start, accelerate, or discontinue initiatives and to implement needed organizational change.

<table>
<thead>
<tr>
<th>The intent of Standard LD.03.03.01 states that planning is intended for</th>
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<tr>
<td>• The achievement of short- and long-term goals</td>
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<td>• Meeting the challenge of external changes</td>
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<tr>
<td>• The design of services and work processes</td>
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<td>• The creation of communication channels</td>
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<tr>
<td>• The improvement of performance</td>
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<td>• The introduction of innovation</td>
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Planning includes contributions from the populations served, from those who work for the hospital, and from other interested groups or individuals.

The standards cover the need to reprioritize performance improvement activities in response to changes in the environment (LD.04.04.03).

The Joint Commission standards cover the following issues:

- The use of data throughout the organization (LD.03.02.01) in decision making, in understanding performance, and to adapt to changes in the environment; collecting and analyzing data (PI.01.01.01, PI.02.01.01).
- Hospitals are required to use applicable core performance measures (APR.04.01.01) and to meet specific performance expectations (PI.02.01.03).
3.1 Voice of the Customer

This item asks about your processes for listening to your patients and other customers and determining their satisfaction and dissatisfaction. The aim is to capture meaningful information in order to exceed your patients’ and other customers’ expectations.

**Customer listening.** Selection of voice-of-the-customer strategies depends on your organization’s key business factors. Most organizations listen to the voice of the customer via multiple modes. Some frequently used modes include focus groups with patients and other key customers, close integration with patients and other key customers, interviews with lost and potential patients and other customers about their health care purchasing or relationship decisions, comments posted on social media by patients and other customers, win/loss analysis relative to competitors and other organizations providing similar health care services, and survey or feedback information.

**Actionable information.** This item emphasizes how you obtain actionable information from patients and other customers. Information is actionable if you can tie it to key health care service offerings and business processes and use it to determine the cost and health care quality implications of setting particular improvement goals and priorities for change.

**Listening/learning and organizational strategy.** In a rapidly changing technological, competitive, economic, and social environment, many factors may affect patients’ and other customers’ expectations and loyalty and your interface with patients and other customers in the marketplace. This makes it necessary to continually listen and learn. To be effective, listening and learning need to be closely linked with your overall organizational strategy.

The Joint Commission standards address the need to obtain feedback from patients on
- Their perceptions of safety (PL.01.01.01, PC.02.03.01)
- How members of the population served can help identify and manage safety issues (LD.03.01.01)
- Issues important to the population (LD.02.03.01)

There are no requirements on methods for obtaining patient and customer information or other details in this section, although methods might be considered in the on-site evaluation of standards compliance.

The Joint Commission standards describe the responsibility of leaders to address the needs of the population served (LD.01.07.01, LD.04.03.01) and how they can assist in identifying and managing safety issues.
Social media. Customers are increasingly turning to social media to voice their impressions of your health care services and patient and other customer support. They may provide this information through social interactions you mediate or through independent or customer-initiated means. All of these can be valuable sources of information for your organization. Organizations need to become familiar with vehicles for monitoring and tracking this information.

Customer and market knowledge. Knowledge of patients and other customers, patient and other customer groups, market segments, former patients and other customers, and potential patients and other customers allows you to tailor health care service offerings, support and tailor your marketing strategies, develop a more patient- and other customer-focused workforce culture, gain patients and other customers, evolve your brand image, and ensure long-term organizational success.

Customers’ satisfaction with competitors. A key aspect of determining patients’ and other customers’ satisfaction and dissatisfaction is determining their comparative satisfaction with competitors, competing or alternative health care service offerings, and/or organizations providing similar health care services. Such information might be derived from your own comparative studies or from independent studies. The factors that lead to patients’ and other customers’ preference are critically important in understanding factors that drive health care markets and potentially affect your organization’s longer-term competitiveness and success.

This issue is not covered in Joint Commission standards

This issue is not covered in Joint Commission standards

The Joint Commission standards do not refer to former, potential, and competitor’s patients

3.2 Customer Engagement

This item asks about your processes for determining and customizing health care service offerings that serve your patients, other customers, and markets; for enabling patients and other customers to seek information and support; and for identifying patient and other customer groups and market segments. The item
also asks how you build relationships with your patients and other customers and manage complaints. The aim of these efforts is to improve marketing, build a more patient- and other customer-focused culture, and enhance patient and other customer loyalty.

**Engagement as a strategic action.** Customer engagement is a strategic action aimed at achieving such a degree of loyalty that the patient or other customer will advocate for your brand and health care service offerings. Achieving such loyalty requires a patient- and other customer-focused culture in your workforce based on a thorough understanding of your business strategy and your patients’ and other customers’ behaviors and preferences.

**Customer relationship strategies.** A relationship strategy may be possible with some patients and other customers but not with others. The relationship strategies you do have may need to be distinctly different for each patient group, customer group, and market segment. They may also need to be distinctly different during the different stages of patients’ and other customers’ relationships with you.

**Brand management.** Brand management is aimed at positioning your health care service offerings in the marketplace. Effective brand management leads to improved brand recognition and customer loyalty. Brand management is intended to build patients’ and other the customers’ emotional attachment for the purpose of differentiating yourself from the competition and building loyalty.

**Complaint management.** Complaint aggregation, analysis, and root-cause determination should lead to effective elimination of the causes of complaints and to the setting of priorities for process and health care service improvements. Successful outcomes require effective deployment of information throughout your organization.

The Joint Commission standards include:
- The need for leaders to address issues of importance to the population served (LD.02.03.01)
- To provide services that meet the needs of the population served (LD.04.03.01)

Patient communication and support is addressed in a number of different Joint Commission standards, including:
- Effective communication and respect for personal values, beliefs, and preferences (RI.01.01.01)
- Communication in a manner they understand (RI.01.01.03 and PC.02.01.02)

Management of patient complaints is covered in RI.01.07.01. The Joint Commission standards describe the right of patients to have complaints reviewed and acted upon as possible but do not address patient satisfaction with the process.

The Joint Commission standards do not cover several specific issues contained in the Baldrige criteria such as:
- Market segmentation, creating new markets, or seeking new customers.
- Details in obtaining the voice of the customer, dealing with different market segments, or methods of customer interaction.
### 4.1 Measurement, Analysis, and Improvement of Organizational Performance

This item asks how you select and use data and information for performance measurement, analysis, and review in support of organizational planning and performance improvement. The item serves as a central collection and analysis point in an integrated performance measurement and management system that relies on clinical, financial, and other data and information. The aim of performance measurement, analysis, review, and improvement is to guide your process management toward the achievement of key organizational results and strategic objectives, anticipate and respond to rapid or unexpected organizational or external changes, and identify best practices to share.

**Aligning and integrating your performance management system.** Alignment and integration are key concepts for successfully implementing and using your performance measurement system. The Health Care Criteria view alignment and integration in terms of how widely and how effectively you use that system to meet your needs for organizational performance assessment and improvement and to develop and execute your strategy.

Alignment and integration include how measures are aligned throughout your organization and how they are integrated to yield organization-wide data and information. Organization-wide data and information are key inputs to organizational performance reviews and strategic decision making. Alignment and integration also include how your senior leaders deploy performance measurement requirements to track departmental, work group, and

| • Use of social media  
| • Brand management |

The Joint Commission standards address

- Using data to guide decision making, evaluate performance, and identify changes in the environment (LD.03.03.01)
- Frequency of data collection and measuring important safety and quality issues (PI.01.01.01).
- Improving and taking action when improvement is not sustained (PI.01.03.01).

A focused standards assessment is also required between triennial surveys (APR.03.01.01).
process-level performance on key measures that are targeted for their organization-wide significance or for improvement.

Using comparative data. The use of comparative data and information is important to all organizations. The major premises for their use are the following:

- Your organization needs to know where it stands relative to competitors and to best practices.
- Comparative information and information obtained from benchmarking often provide the impetus for significant (“breakthrough”) improvement or transformational change.
- Comparing performance information frequently leads to a better understanding of your processes and their performance.
- Comparative performance projections and competitors’ performance may reveal organizational advantages as well as challenge areas where innovation is needed.

Comparative information may also support organizational analysis and decisions relating to core competencies, partnering, and outsourcing.

Selecting and using comparative data. Effective selection and use of comparative data and information require you to determine needs and priorities and establish criteria for seeking appropriate sources for comparisons—from within and outside the health care industry and your markets.

Comparative data might include data from similar organizations or health care industry benchmarks. Local or national sources of such data might include Leadership is expected to change performance improvement priorities based on changes in the internal and external environments (LD.04.04.01)

The Joint Commission requires hospitals to use relevant performance measures and to submit data quarterly (APR.04.01.01) and to meet established performance expectations (PI.02.01.03). Quarterly reports to accredited organizations include comparative information on the organization’s performance over time and comparisons to other organizations collecting those measures are available. Using comparative data is also addressed in PI.02.01.01.
- other organizations through sharing or contributing to external reference databases (e.g., indicator projects),
- the open literature (e.g., outcomes of research studies and practice guidelines), and
- independent organizations (e.g., CMS, accrediting organizations such as the NCQA and the Joint Commission, and commercial organizations) that gather and evaluate data.

Effective use of comparative data and information allows you to set stretch goals and to promote major nonincremental (“breakthrough”) improvements in areas most critical to your competitive strategy.

**Reviewing performance.** The organizational review called for in this item is intended to cover all areas of performance. This includes not only current performance but also projections of your future performance. The expectation is that the review findings will provide a reliable means to guide both improvements and opportunities for innovation that are tied to your key objectives, core competencies, and measures of success. Review findings may also alert you to the need for transformational change in your organization’s structure and work systems. Therefore, an important component of your organizational review is the translation of the review findings into actions that are deployed throughout your organization and to appropriate suppliers, partners, collaborators, and key customers.

**Analyzing performance.** Analyses that you conduct to gain an understanding of performance and needed actions may vary widely depending on your organization’s type, size, competitive environment, and other factors. Here are some examples of possible analyses:

The standards address the leaders’ role in establishing performance improvement priorities and organization-wide activities (LD.04.04.01) and the need to improve performance on an ongoing basis (PI.03.01.01).

The Joint Commission standards also cover:
- Evaluating the performance of the organization in relationship to goals by governance (LD.01.03.01); assessing the culture of safety (LD.03.01.01); assessing the effective use of data (LD.03.02.01); the effectiveness of planning activities (LD.03.03.01); the effectiveness of communication (LD.03.04.01); the effectiveness of change management (LD.03.05.01); the effectiveness of staff in promoting safety and quality; the effectiveness of performance improvement (PI.03.01.01)
- The standards also contain requirements to assess the effectiveness of the medication management system (MM.08.01.01), infection control activities (IC.03.01.01), and conditions in the environment of care (EC.04.01.01-EC.04.01.03)
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<th></th>
<th>How health care service improvements or new health care services correlate with key patient and other customer indicators, such as satisfaction, loyalty, and market share</th>
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<tr>
<td></td>
<td>Return on investment for intelligent risks that you pursue</td>
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<td>Cost and revenue implications of patient- and other customer-related problems and effective problem resolution</td>
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<td>Interpretation of market share changes in terms of gains and losses in patients and other customers and changes in their engagement</td>
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<td>Trends in key operational performance indicators, such as productivity, cycle time, waste reduction, utilization rates, error rates, and cost per case</td>
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<td>Relationships among learning by workforce members, organizational learning, and the value added per staff member</td>
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<td>Financial benefits derived from improvements in workforce capacity, safety, absenteeism, and turnover</td>
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<td>Benefits and costs associated with education and training</td>
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<td>Benefits and costs associated with improved organizational knowledge management and sharing</td>
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<td>The relationship between knowledge management and innovation</td>
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<td></td>
<td>How the ability to identify and meet workforce capability and capacity needs correlates with retention, motivation, and productivity</td>
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<td>Cost and revenue implications of workforce-related problems and effective problem resolution</td>
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<td></td>
<td>Individual or aggregate measures of productivity and quality relative to competitors’ performance</td>
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<td>Cost trends relative to competitors’ trends</td>
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<td>Compliance with preventive screenings compared with that of similar health care providers</td>
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The evaluation and improvement of contracted services is covered in LD 04.03.09, although the standards do not address other suppliers.

The Joint Commission requires organizations to compile and analyze data (PI.02.01.01), but the standards do not address the details provided in this section of the Baldrige criteria.
<table>
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<tr>
<th>Relationships among health care service quality, operational performance indicators, and overall financial performance trends as reflected in indicators such as operating costs, revenues, asset utilization, and value added per staff member</th>
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<tr>
<td>Allocation of resources among alternative improvement projects based on cost/benefit implications or environmental and societal impact</td>
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<td>Net earnings or savings derived from improvements in quality, operational, and workforce performance</td>
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<td>Comparisons among cost centers showing how quality and operational performance affect financial performance (e.g., impacts of health maintenance organization [HMO] preventive care versus diagnostic expenses and treatment of potentially preventable illnesses)</td>
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<tr>
<td>Contributions of improvement activities to cash flow, working capital use, and shareholder value</td>
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<tr>
<td>Impacts of patient and other customer loyalty on profit</td>
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<tr>
<td>Cost and revenue implications of entry into new health care markets, including service-line and geographic expansion</td>
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<tr>
<td>Market share versus profits</td>
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<tr>
<td>Trends in economic, market, and stakeholder indicators of value and the impact of these trends on long-term organizational success</td>
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</table>

**Aligning analysis, performance review, and planning.**

Individual facts and data do not usually provide an effective basis for setting organizational priorities. This item emphasizes the need for close alignment between your analysis and your organizational performance review and between your performance review and your organizational planning. This ensures that analysis and review are relevant to decision making and that decisions are based on relevant data and information. In addition, your historical

As noted earlier, the standards address the leaders’ role in establishing performance improvement priorities and organization-wide activities (LD.04.04.01) and the need to improve performance on an ongoing basis (PI.03.01.01). They also cover the use of data in decision-making and in responding to changes in the environment (LD.03.02.01).
performance, combined with assumptions about future internal and external changes, allows you to develop performance projections. These projections may serve as a key planning tool.

**Understanding causality.** Action depends on understanding causality among processes and between processes and results. Process actions and their results may have many resource implications. Organizations have a critical need to provide an effective analytical basis for decisions because resources for innovation and improvement are limited.

The Joint Commission standards require the collection of data on patient perceptions of safety (PI.01.01.01 and LD.03.01.01) and to educate them on how to report safety concerns (PC.02.03.01). The standards do not specifically address social media.

The standards address disseminating lessons learned on safety issues (LD.04.04.05) and information on safe practices (LD.03.01.01).

<table>
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<tr>
<th>4.2 Knowledge Management, Information, and Information Technology</th>
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<tbody>
<tr>
<td>This item asks how you build and manage your organization’s knowledge assets and ensure the quality, security, and availability of data, information, software, and hardware, normally and in the event of an emergency. The aim of this item is to improve organizational efficiency and effectiveness and stimulate innovation.</td>
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<tr>
<td>The Joint Commission has requirements on:</td>
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</table>
**Knowledge management.** The focus of your knowledge management is on the knowledge that your people need to do their work; improve processes and health care services; and innovate to add value for patients, other customers, and your organization.

**Organizational learning.** One of the many issues facing organizations today is how to manage, use, evaluate, and share their ever-increasing organizational knowledge. Leading organizations benefit from the knowledge assets of their workforce, customers, suppliers, collaborators, and partners, who together drive organizational learning and innovation.

**Information management.** Managing information can require a significant commitment of resources as the sources of data and information grow dramatically. The continued growth of information within organizations’ operations—as part of organizational knowledge networks, through the web and social media, in organization-to-organization communications, and in electronic communication/information transfer—challenges organizations’ ability to ensure reliability and availability in a user-friendly format. In addition, the ability to blend and correlate disparate types of data, such as video, text, and numbers, provides opportunities for a competitive advantage.

**Data and information availability.** Data and information are especially important in organizational networks, partnerships, and supply chains. You should take into account this use of data and information and recognize the need for rapid data validation, reliability assurance, and security, given the frequency and magnitude of electronic data transfer and the challenges of cybersecurity. This is of particular concern given the use of electronic health records and in light of HIPAA requirements.

- Communication among leaders (LD.02.03.01)
- Identifying internal and external information management needs (IM.01.01.01)
- The availability of knowledge-based information (IM.03.01.01)
- Sharing lessons learned from the safety program (LD.04.04.05)
- Providing staff access to safety literature (LD.03.01.01).

Effective, organization wide communication is covered in LD.03.04.01. The availability of information for planning is addressed in LD.03.03.01.

The standards also address effective use of data throughout the organization (LD.03.02.01), effective making patient safety information widely available (LD.03.01.01).

In addition, there are requirements for managing information (IM.01.01.01); privacy of health information (IM.02.01.01), security and integrity of information (IM.02.01.03); timeliness (IM.02.02.03); and accuracy (IM.04.01.01).

As noted above, the identification of internal and external information management needs is covered under IM.01.01.01. IM.02.02.03 addresses useful formats for retrieval, dissemination, and transmission of information, and IM.03.01.01 contains requirements on the availability of current knowledge-based information.
**Emergency availability.** You should carefully plan how you will continue to provide an information technology infrastructure, data, and information in the event of either a natural or man-made disaster. These plans should consider the needs of all your stakeholders, including the workforce, patients, other customers, suppliers, partners, and collaborators. The plans also should be coordinated with your overall plan for operational continuity (item 6.2) and cybersecurity.

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<thead>
<tr>
<th><strong>Continuity of information</strong> is covered by Standard IM.01.03.01.</th>
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<th><strong>5.1 Workforce Environment</strong></th>
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This item asks about your workforce capability and capacity needs, how you meet those needs to accomplish your organization’s work, and how you ensure a supportive work climate. The aim is to build an effective environment for accomplishing your work and supporting your workforce.

**Workforce capability and capacity.** Many organizations confuse the concepts of capability and capacity by adding more people with incorrect skills to compensate for skill shortages or by assuming that fewer highly skilled workers can meet capacity needs for processes requiring less skill or different skills but more people to accomplish. Having the right number of workforce contributors with the right skill set is critical to success. Looking ahead to predict those needs for the future allows for adequate training, hiring, relocation times, and preparation for work system changes.

Relevant Joint Commission standards on workforce capability and capacity address:

- Staffing effectiveness (PI.04.01.01);
- An adequate mix of competent staff and design of work processes (LD.03.06.01) to support safety and quality;
- Staff qualifications (HR.01.02.01 and 01.02.05);
- How staff function in the organization (HR.01.02.07);
- Staff competence and skills and performance evaluation (HR.01.06.01 and 01.07.01);
- Ongoing education including new responsibility and special areas of focus (HR.01.05.03);
- Medical staff credentialing and privileging MS.06.01.01-MS.06.01.13);
- Evaluation of practitioners (MS.08.01.01 and 08.01.03);
- Continuing education of practitioners (MS.12.01.01)
**Workforce support.** Most organizations, regardless of size, have many opportunities to support their workforce. Some examples of services, facilities, activities, and other opportunities are personal and career counseling; career development and employability services; recreational or cultural activities; formal and informal recognition; non-work-related education; child and elder care; special leave for family responsibilities and community service; flexible work hours and benefits packages; outplacement services; and retiree benefits, including ongoing access to services.

**Workforce groups.** In some health care organizations, the variety of workforce groups—such as paid staff, independent practitioners, volunteers, and students—contributing to delivering the organization’s services is a challenge. You should consider each of these groups in responding to this category.

<table>
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<tr>
<th>Issues covered in Joint Commission standards on workforce support include:</th>
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<tr>
<td>• Orientation of staff, which includes cultural diversity (HR.01.04.01)</td>
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<tr>
<td>• Ongoing education and training relevant to the needs of the population served (HR.01.05.03)</td>
</tr>
<tr>
<td>• Medical staff credentialing and privileging MS.06.01.01-MS.06.01.13)</td>
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<tr>
<td>• Continuing education of practitioners (MS.12.01.01)</td>
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Recruitment and retention practices and employee benefits are not addressed in the standards.

The standards do not address continuity, workforce reduction, or managing periods of growth, although maintaining and adequate workforce and the design of work processes are leadership responsibilities (LD.03.06.01).

Monitoring situations leading to occupational illness and staff injuries as well as security incidents are covered in EC.04.01.01.

The safety of the environment of care is in the EC chapter. While most of the requirements are focused on systems that support patient safety, many standards (such as those related to security and fire safety) also protect staff.

### 5.2 Workforce Engagement

This item asks about your systems for managing workforce performance and developing your workforce members to enable...
and encourage all of them to contribute effectively and to the best of their ability. These systems are intended to foster high performance, to address your core competencies, and to help accomplish your action plans and ensure your organization's success now and in the future.

**High performance.** The focus of this item is on a workforce capable of achieving high performance. High performance is characterized by flexibility, innovation, empowerment and personal accountability, knowledge and skill sharing, good communication and information flow, alignment with organizational objectives, customer focus, and rapid response to changing organizational needs and health care marketplace requirements.

**Workforce engagement and performance.** Many studies have shown that high levels of workforce engagement have a significant, positive impact on organizational performance. Research has indicated that engagement is characterized by performing meaningful work; having clear organizational direction and accountability for performance; and having a safe, trusting, effective, and cooperative work environment. In many organizations, employees and volunteers are drawn to and derive meaning from their work because it is aligned with their personal values. In health care organizations, workforce engagement also depends on building and sustaining relationships between administrative/operational leaders and independent practitioners.

**Drivers of workforce engagement.** Although satisfaction with pay and pay increases are important, these two factors generally are not sufficient to ensure workforce engagement and high performance. Some examples of other factors to consider are effective problem and grievance resolution; development and career opportunities; the work environment and management support; workplace safety and security; the workload; effective

<table>
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<tr>
<th>The Joint Commission standards address:</th>
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<tr>
<td>- A culture of safety (LD.03.01.01) and internal systems that support effective organization performance (LD.03.02.01 through LD.03.06.01)</td>
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<tr>
<td>- Staff orientation including cultural diversity (HR.01.04.01).</td>
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<tr>
<td>- Communicating the mission, value, and goals to staff (LD.02.01.01)</td>
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Relative to workforce engagement and performance, the standards include the following:

- Evaluating the workforce collectively in terms of its effectiveness in promoting safety and quality (LD.03.06.01) and patterns and trends in staffing effectiveness (PI.04.01.01).
- Competence assessment and performance evaluation (HR.01.06.01 and 01.07.01)
- Assessing staffing effectiveness in terms of safety and quality (LD.03.06.01; PI. 04.01.01).

The standards also cover:

- Orientation on ethical practices, the needs of the population served, safety issues, and required skills (HR.01.04.01).
- Ongoing education and training addresses a number of issues including new job skills, the needs of the patient population, safety issues, communication and collaboration, etc.(HR.01.05.03).
- Competence assessment and performance evaluation (HR.01.06.01 and 01.07.01)
communication, cooperation, and teamwork; the degree of empowerment; job security; appreciation of the differing needs of diverse workforce groups; and organizational support for serving patients and other customers.

Factors inhibiting engagement. It is equally important to understand and address factors inhibiting engagement. You could develop an understanding of these factors through workforce surveys, focus groups, blogs, or exit interviews with departing workforce members.

Compensation and recognition. Compensation and recognition systems should be matched to your work systems. To be effective, compensation and recognition might be tied to demonstrated skills, peer evaluations, and/or collaboration among departments and health care practitioners. Compensation and recognition approaches also might include profit sharing; mechanisms for expressing simple “thank-yous”; rewards for exemplary team or unit performance; and linkage to patient and other customer engagement measures, achievement of organizational strategic objectives, or other key organizational objectives.

Other indicators of workforce engagement. In addition to direct measures of workforce engagement through formal or informal surveys, other indicators include absenteeism, turnover, grievances, and strikes.

Workforce development needs. Depending on the nature of your organization’s health care services, workforce responsibilities, and stage of organizational and personal development, workforce development needs might vary greatly. These needs might include participating in continuing clinical education and gaining skills for knowledge sharing, communication, teamwork, and problem

- Ethical business practices (LD.04.02.01 and 04.03.01)
- Focus of staff on safety and quality issues (LD.03.06.01)

LD.03.06.01 describes the evaluation of the effectiveness of those working in the organization to promote safety and quality, but not specifically the learning and development system.

The standards do not cover compensation and reward/recognition programs or intelligent risk-taking.

As described above, the Joint Commission standards cover:
- Orientation on ethical practices, the needs of the population served, safety issues, and required skills (HR.01.04.01).
- Ongoing education and training addresses a number of issues including new job skills, the needs of the patient population, safety issues, communication and collaboration, etc.(HR.01.05.03).
solving; interpreting and using data; exceeding patients’ and other customers’ requirements; analyzing and simplifying processes; reducing waste and cycle time; applying HIPAA regulations and concepts in daily work; working with and motivating volunteers; and setting priorities based on strategic alignment or cost-benefit analysis.

Education needs might also include advanced skills in new technologies or basic skills, such as reading, writing, language, arithmetic, and computer skills.

**Learning and development locations and formats.** Learning and development opportunities might occur inside or outside your organization and could involve on-the-job, classroom, e-learning, or distance learning, as well as developmental assignments, coaching, or mentoring.

**Individual learning and development needs.** To help people realize their full potential, many organizations prepare an individual development plan with each person that addresses his or her career and learning objectives.

**Customer contact training.** Although this item does not specifically ask you about training staff members who have direct contact with patients and other customers, such training is important and common. It frequently includes gaining critical skills and knowledge about your health care services, your patients and other customers, how to listen to them, how to recover from problems or failures, and how to effectively manage and exceed patients’ and other customers’ expectations.

**Knowledge transfer.** Your organization’s knowledge management system should provide the mechanism for sharing your people’s and your organization’s knowledge to ensure that high performance is maintained through transitions. You should determine what knowledge is critical for your operations and then implement systematic processes for sharing this information. This

- Medical staff credentialing and privileging MS.06.01.01-MS.06.01.13)
- Continuing education of practitioners (MS.12.01.01)
is particularly important for implicit knowledge (i.e., knowledge personally retained by workforce members).

**Learning and development effectiveness.** Measures to evaluate the effectiveness and efficiency of your workforce and leader development and learning systems might address the impact on individual, departmental/unit, and organizational performance; the impact on patient- and other customer-related performance; and costs versus benefits.

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<th>6.1 Work Processes</th>
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<tr>
<td>This item asks about the management of your key health care services, your key work processes, and innovation, with the aim of creating value for your patients and other customers and achieving current and future organizational success.</td>
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**Work process requirements.** Your design approaches could differ appreciably depending on the nature of your health care service offerings—whether they are entirely new, are variants, are customized, or involve major or minor work process changes. Your design approaches should consider the key requirements for your services. Factors that you might need to consider in work process design include desired health care outcomes; safety and risk management; timeliness of, access to, coordination of, and continuity of care; patient involvement in care decisions; variability in patients’ and other customers’ expectations of health care service options; environmental impact, your carbon footprint, and use of “green” technology; measurement capability; process capability; availability of referral sources; supplier capability; technology; facility capacity or utilization; regulatory requirements; and documentation.

Effective design must also consider the cycle time and productivity of health care service delivery processes. This might involve detailed mapping of service delivery processes and the redesign

The Joint Commission addresses work process design through the following standards:
- Design of work processes to focus on safety and quality (LD.03.06.01)
- Design of new and existing processes using information from performance improvement, risks to patients, evidence-based practices, etc. (LD.04.04.03)
- Identification of services that will be provided directly or through referral or contractual agreement (LD.04.03.01)
- Managing contracted services (LD.04.03.09).
- Using clinical practice guidelines and evaluating their effectiveness (LD.04.04.09)

Specific care processes are covered in detail in the National Patient Safety Goals and in the Provision of Care, Medication Management, Infection Control, Transplant safety, Waived Testing, Environment of Care, and Record of Care, Information Management, Life Safety, and Emergency Management chapters.
reengineering”) of those processes to achieve efficiency, as well as to meet changing patient and other customer requirements.

**Work process design.** Many organizations need to consider requirements for suppliers, partners, and collaborators at the work process design stage. Overall, effective design must take into account all stakeholders in the continuum of care. If many design projects are carried out in parallel or if your organization’s health care services use equipment and facilities that are used for other services, coordination of resources might be a major concern, but it might also offer a means to significantly reduce costs and time to design and implement new services.

**Key health care service-related and business processes.** Your key work processes include your health care service-related processes and those business processes that your senior leaders consider important to organizational success and growth. These processes frequently relate to your organization’s core competencies, strategic objectives, and critical success factors. Key health care processes might include assessment, screening, treatment, and therapy. Key business processes might include physician integration, research and development, technology acquisition, information and knowledge management, supply-chain management, supplier partnering, outsourcing, mergers and acquisitions, project management, and sales and marketing. Given the diverse nature of these processes, the requirements and performance characteristics might vary significantly for different processes.

**In-process measures.** This item refers specifically to in-process measurements. These measurements require you to identify critical points in processes for measurement and observation. These points should occur as early as possible in processes to minimize problems and costs that may result from deviations from expected performance.
**Key support processes.** Your key work processes include those processes that support your daily operations and the delivery of your health care services but are not usually designed in detail with them. Support process requirements do not usually depend significantly on health care service characteristics. Such requirements usually depend significantly on internal requirements, and they must be coordinated and integrated to ensure efficient and effective linkage and performance. Support processes might include processes for housekeeping, medical records, finance and accounting, facilities management, legal services, human resource services, public and community relations, and other administrative services.

**Process performance.** Achieving expected process performance frequently requires setting in-process performance levels or standards to guide decision making. When deviations occur, corrective action is required to restore the performance of the process to its design specifications. Depending on the nature of the process, the corrective action could involve technology, people, or both. Proper corrective action involves changes at the source (root cause) of the deviation and should minimize the likelihood of this type of variation occurring again or elsewhere in your organization.

When interactions with patients or other customers are involved, evaluation of how well the process is performing must consider differences among patient and other customer groups. This might entail allowing for specific or general contingencies, depending on the patient or other customer information gathered. In some organizations, cycle times for key processes may be a year or longer, which may create special challenges in measuring day-to-day progress and identifying opportunities for reducing cycle times, when appropriate.

The Joint Commission requires hospitals to use relevant core measures that address the performance of several important patient care issues (APR.04.01.01) and to meet certain performance levels (PI.02.01.03). Organizations are also required to collect and analyze data on several important patient safety and quality issues and to make improvements where needed (PI.01.01.01-03.01.01). Not all organization work processes are explicitly cited in the Joint Commission standards but efforts to improve them would be consistent with standards.

Patient expectation and preferences are covered in several areas, including:
**Patient expectations.** Critical to patient-focused delivery of health care are the consideration of patient expectations, the setting of realistic patient expectations for likely health care outcomes, and the opportunity for patients to participate in making informed decisions about their own health care.

**Process improvement.** This item calls for information on how you improve processes to achieve better performance. Better performance means not only better quality from your patients’ and other customers’ perspectives, but also better financial and operational performance—such as productivity—from your other stakeholders’ perspectives. A variety of process improvement approaches are commonly used. Examples include:

- using the results of organizational performance reviews;
- sharing successful strategies across your organization to drive learning and innovation;
- performing process analysis and research (e.g., process mapping, optimization experiments, error proofing);
- conducting technical and business research and development;
- using quality improvement tools like Lean, Six Sigma, and Plan-Do-Check-Act (PDCA);
- benchmarking;
- using alternative technology; and
- Meeting patient communication needs when providing care (PC.02.01.01) and patient education on various aspects of their care (PC.02.03.01);
- Involving patients in the design of new or modified services (LD.04.04.03);
- Respecting the patient’s rights, including cultural and personal values, beliefs, and preferences and right to effective communication (RI.01.01.01);
- Patient participation in decisions about care including refusal of treatment and potential outcomes (RI.01.02.01);
- Informed consent (RI.01.03.01);
- Information about those providing care (RI.01.04.01).

As noted above, The Joint Commission requires hospitals to use relevant core measures that address the performance of several important patient care issues (APR.04.01.01). Organizations are also required to collect and analyze data on several important patient safety and quality issues and to make improvements where needed (PI.01.01.01-03.01.01).
• using information from customers of the processes—within and outside your organization.

Process improvement approaches might use financial data to evaluate alternatives and set priorities. Together, these approaches offer a wide range of possibilities, including a complete redesign ("reengineering") of processes.

**Innovation management.** In an organization that has a supportive environment for innovation, there are likely to be many more ideas than the organization has resources to pursue. This leads to two critical decision points in the innovation cycle: (1) commensurate with resources, prioritizing opportunities to pursue those opportunities with the highest likelihood of a return on investment (intelligent risks) and (2) knowing when to discontinue projects and reallocate the resources either to further development of successful projects or to new projects.

### 6.2 Operational Effectiveness

This item asks how you ensure effective operations in order to have a safe workplace environment and deliver customer value. Effective operations frequently depend on managing your supply chain effectively and controlling the overall costs of your operations.

**Cost control.** Cost and cycle-time reduction may be achieved through Lean process management strategies. The elimination of waste may involve Six Sigma projects. It is crucial to utilize key measures for tracking all aspects of your operations management.

**Supply-chain management.** For many organizations, supply-chain management has become a key factor in achieving productivity and profitability goals and overall organizational success. Suppliers, partners, and collaborators are receiving increasing strategic attention as organizations reevaluate their core

Design of new and modified processes and services is addressed at LD.04.04.03.

The Joint Commission standards identify innovation as one of the objectives of organization-wide planning (LD.03.03.01). However, innovation is not specifically evaluated in the accreditation process.

Error prevention is one of the key concepts behind the National Patient Safety Goals and the Performance Improvement Standards. The standards also address the design of new or modified processes (LD.04.04.03) and specify the need to base process design on performance improvement results, evidence from the literature, feedback from staff and patients, etc.

Performance of specific care processes are covered in detail in the National patient Safety Goals and the Provision of Care, Medication Management, Infection Control, Transplant safety,
competencies. Supplier processes should fulfill two purposes: to help improve the performance of suppliers and partners and to help them contribute to improving your overall operations. Supply-chain management might include processes for selecting suppliers, with the aim of reducing the total number of suppliers and increasing preferred supplier and partner agreements.

**Workplace safety.** All organizations, regardless of size, are required to meet minimum regulatory standards for workplace and workforce safety; however, high-performing organizations have processes in place to ensure that they not only meet these minimum standards but also go beyond a compliance orientation to a safety-first commitment. This includes designing proactive processes, with input from people directly involved in the work, to ensure a safe working environment.

**Emergency preparedness.** Efforts to ensure the continuity of operations in an emergency should consider all facets of your operations that are needed to provide your health care services to patients, including supply-chain availability. The specific level of operations that you will need to provide will be guided by your mission and your patients’ and other customers’ needs and requirements. Health care providers are likely to have a higher need for continuity of services than organizations that do not provide an essential function. You should also coordinate your continuity-of-operations efforts with your efforts to ensure the availability of data and information (item 4.2).

### 7.1 Health Care and Process Results

This item asks about your key health care and operational performance results, which demonstrate health care outcomes, service quality, and value that lead to patient and other customer satisfaction and engagement.
**Measures of health care outcomes.** This item addresses those measures that best reflect your organization’s success in delivering on its mission as a health care provider. It calls for the use of key data and information to demonstrate your organization’s performance on health care outcomes and processes and in delivering health care. Overall, this is the most important item in the Health Care Criteria, as it focuses on demonstrating improving health care results over time.

**Examples of patient outcome measures.** Patient outcome measures might include improvement in perceived pain, resumption of activities of daily living, return to work, decreased severity of decubitus ulcer, decreased mortality and morbidity, and long-term survival rates.

**Measures of service performance.** This item also emphasizes measures of health care service performance that serve as indicators of patients’ and other customers’ views and decisions relative to future interactions and relationships. These measures of service performance are derived from patient- and other customer-related information gathered in category 3.

**Examples of health care process measures.** Health care process measures appropriate for inclusion might be based on the following: adherence to patient safety practices, treatment protocols, care plans, critical pathways, care bundles, medication administration, patient involvement in decisions, timeliness of care, information transfers and communication of treatment plans and orders, and coordination of care across practitioners and settings.

**Service performance and patient and other customer indicators.** The correlation between health care service performance and patient and other customer indicators is a critical management tool with multiple uses: (1) defining and focusing on

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The Joint Commission requires organizations to use relevant core measures that address important patient care issues (APR.04.01.0).

Standards also address:
- Collecting and analyzing data and improving performance (PI.01.01.01, PI.01.02.01; PI.01.03.01) and setting priorities for improvement (LD.04.04.01).
- The effectiveness of important functions such as infection control (IC.03.01.010); medication management (MM.08.01.01); and the environment of care (EC.04.01.01-EC.04.01.05)
- Using clinical practice guidelines and evaluating their effectiveness (LD.04.04.09)

Levels and trends in performance are not directly addressed in standards but are covered in the survey process.

Performance of competitors is not covered in the standards, although comparative performance data for core measures and National Patient Safety Goals is available on The Joint Commission’s Quality Check.
key quality and patient and other customer requirements, (2) identifying service differentiators in the health care marketplace, and (3) determining cause-effect relationships between your health care service attributes and evidence of patients’ and other customers’ satisfaction and engagement. The correlation might reveal emerging or changing market segments, the changing importance of requirements, or even the potential obsolescence of offerings.

**Process effectiveness and efficiency measures.** Measures and indicators of process effectiveness and efficiency might include the following:

- Work system performance that demonstrates improved cost savings or higher productivity by using internal and/or external resources
- Internal responsiveness indicators, such as cycle times and turnaround times
- Utilization rates
- Waste reduction, such as reductions in repeat diagnostic tests
- Reduced emission levels, carbon footprint, or energy consumption
- Waste stream reductions, by-product use, and recycling
- Strategic indicators, such as innovation rates, time to introduce new health care services, and increased use of e-technology
- Supply-chain indicators, such as reductions in inventory, increases in quality and productivity, Six Sigma initiative results, improvements in electronic data exchange, and reductions in supply-chain management costs

**Measures of organizational and operational performance.** This item encourages you to develop and include unique and innovative measures to track key processes and operational improvement. Unique measures should consider cause-effect relationships between operational performance and health care

Processes are measured as noted above, but Joint Commission standards do not address productivity, cycle time, efficiency or innovation. Addressing such issues would not conflict with Joint Commission requirements.

The standards address the effectiveness of services provided by contract, but not supply chain issues.

Standard LD.04.01.05 covers the effective management of products and services.
service quality or performance. All key areas of organizational and operational performance, including your organization's readiness for emergencies, should be evaluated by measures that are relevant and important to your organization.

7.2 Customer-Focused Results

This item asks about your patient- and other customer-focused performance results, which demonstrate how well you have been satisfying your patients and other customers and engaging them in loyalty-building relationships.

Your performance as viewed by your customers. This item focuses on all relevant data to determine and help predict your performance as viewed by your patients and other customers. Relevant data and information include the following:

- Patient and other customer satisfaction and dissatisfaction
- Retention, gains, and losses of patients, other customers, and their accounts
- Patient and other customer complaints, complaint management, and effective complaint resolution
- Patient- and other customer-perceived value based on health care quality, outcomes, and cost
- Patients’ and other customers’ assessment of access and ease of use (including courtesy in service interactions)
- Patients’ and other customers’ advocacy for your brand and health care service offerings
- Awards, ratings, and recognition from patients, other customers, and independent rating organizations

Results that go beyond satisfaction. This item places an emphasis on patient- and other customer-focused results that go beyond satisfaction measurements, because customer engagement and relationships are better indicators and measures of future success in the marketplace and of organizational sustainability.

The Joint Commission standards require organization to obtain information from patients on safety and quality issues (PI.01.01.01, LD.03.01.01). The standards do not explicitly focus on patient satisfaction or a comparison with competitor results. However, such information would not conflict with Joint Commission standards.

Other than as noted above, this is not addressed in Joint Commission standards.
7.3 Workforce-Focused Results

This item asks about your workforce-focused performance results, which demonstrate how well you have been creating and maintaining a productive, caring, engaging, and learning environment for all members of your workforce.

**Workforce results factors.** Results reported might include generic or organization-specific factors. Generic factors might include safety, absenteeism, turnover, satisfaction, and complaints (grievances). For some measures, such as absenteeism and turnover, local or regional comparisons might be appropriate.

Organization-specific factors are those you assess to determine workforce climate and engagement. These factors might include the extent of training, retraining, or cross-training to meet capability and capacity needs; the extent and success of workforce empowerment; the extent of union-management partnering; or the extent of volunteer and independent practitioner involvement in process and program activities.

**Workforce capacity and capability.** Results reported for indicators of workforce capacity and capability might include staffing levels across organizational units and certifications to meet skill needs. Additional factors may include organizational restructuring, as well as job rotations designed to meet strategic directions or patients’ and other customers’ requirements.

**Workforce engagement.** Results measures reported for indicators of workforce engagement and satisfaction might include improvement in local decision making, commitment to organizational change initiatives (such as implementation of evidence-based care processes), organizational culture, and workforce knowledge sharing. Input data, such as the number of cash awards, might be included, but the main emphasis should be on data that show effectiveness or outcomes. For example, an

<table>
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<tr>
<th>The standards identified in the section on Workforce Environment (5.1) are relevant this requirement:</th>
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<td>• Staffing effectiveness (PI.04.01.01);</td>
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<td>• Adequate mix of competent staff (LD.03.06.01) to support safety and quality</td>
</tr>
<tr>
<td>• Staff qualifications (HR.01.02.01 and 01.02.05)</td>
</tr>
<tr>
<td>• How staff function in the organization (HR.01.02.07)</td>
</tr>
<tr>
<td>• Staff competence and skills and performance evaluation (HR.01.06.01 and 01.07.01)</td>
</tr>
<tr>
<td>• Ongoing education (HR.01.05.03)</td>
</tr>
<tr>
<td>• Medical staff credentialing and privileging MS.06.01.01-MS.06.01.13)</td>
</tr>
<tr>
<td>• Evaluation of practitioners (MS.08.01.01 and 08.01.03)</td>
</tr>
<tr>
<td>• Continuing education of practitioners (MS.12.01.01)</td>
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</table>

The evaluation of sufficient numbers of competent staff is covered in LD.03.06.01.

The evaluation of the culture of safety described in LD.03.01.01 includes the evaluation of staff involvement in safety and quality issues, safety education, and sharing of safety information.
outcome measure might be increased workforce retention resulting from establishing a peer recognition program or the number of promotions into leadership positions that have resulted from the organization’s leadership development program.

### 7.4 Leadership and Governance Results

This item asks about your key results in the areas of senior leadership and governance, which demonstrate the extent to which your organization is fiscally sound, ethical, and socially responsible.

**Importance of high ethical standards.** Independent of an increased national focus on issues of governance and fiscal accountability, ethics, and leadership accountability, it is important for organizations to practice and demonstrate high standards of overall conduct. Governance bodies and senior leaders should track relevant performance measures regularly and emphasize this performance in stakeholder communications.

**Results to report.** Your results should include key accreditation and regulatory review findings, patient safety data, staff licensure and recredentialing determinations, external audit findings, proficiency testing results, and utilization review results, as appropriate. Other results should include environmental, legal, and regulatory compliance; results of oversight audits by government or funding agencies; noteworthy achievements in these areas, as appropriate; and organizational contributions to societal well-being, support for key communities, and contributions to improving community health.

**Sanctions or adverse actions.** If your organization has received sanctions or adverse actions under law (including malpractice), regulation, accreditation, or contract during the past five years, you should summarize the incidents, their current status, and actions to prevent reoccurrence.

**Measures of strategy implementation.** Because many organizations have difficulty determining appropriate measures,

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The Joint Commission standards include:

- The leaders’ assessment of organization performance in relation to mission, vision and goals (LD.01.03.01) and the leader’s assessment of the performance of key organization systems (LD.03.02.01-03.06.01).
- Reviewing relationships with other organizations to determine whether conflicts of interest exist. (LD.04.02.01)
- Acting upon reports and recommendations from external accreditation, certification, and regulatory organizations.(LD.04.01.01)
measuring progress in accomplishing their strategy is a key challenge. Frequently, organizations can discern these progress measures by first defining the results that would indicate end-goal success in achieving a strategic objective and then using that end-goal to define intermediate measures.

### 7.5 Financial and Market Results

This item asks about your key financial and market results, which demonstrate your financial sustainability and your marketplace achievements.

**Senior leaders’ role.** Measures reported in this item are those usually tracked by senior leaders on an ongoing basis to assess your organization’s financial performance and viability.

**Appropriate measures to report.** In addition to the measures included in the note to 7.5a(1), appropriate financial measures and indicators might include revenues, budgets, profits or losses, cash position, net assets, debt leverage, cash-to-cash cycle time, earnings per share, financial operations efficiency (collections, billing, receivables), and financial returns. Marketplace performance measures might include measures of business growth, charitable donations and grants received, new services and markets entered, new populations served, or the percentage of income derived from new health care services or programs.

The standards cover the development and monitoring of budgets (LD.01.04.01, LD.04.01.03), but financial performance is not addressed in standards.

Market performance is not addressed in standards.