

Take the Sterling **Challenge**

**The Sterling
Performance Excellence
Challenge**



www.floridasterling.com

2012-2013

ABOUT THE FLORIDA STERLING COUNCIL



The Sterling Categories include:

- Leadership
- Strategic Planning
- Customer Focus
- Measurement, Analysis, & Knowledge Management
- Workforce Focus
- Operations Focus
- Results



The Florida Sterling Council and the Governor's Sterling Award were established by Executive Order of the Governor in 1992 to promote economic development and a high quality of life through organizational performance excellence. The Sterling Criteria provide a management framework for addressing and anticipating change requirements, markets, and environments through self-assessment, analysis, training, and continuous improvement.

The Florida Sterling Criteria for Performance Excellence is based on the National Malcolm Baldrige Award Criteria. These are the research-based best practices of high-performing organizations. They demonstrate sustained trends in providing quality products and services and entail becoming more responsive to customers and other critical stakeholders.

The Florida Sterling Council is a public/private partnership registered as a not-for-profit 501(c)(3) corporation. Our Board of Directors includes business, government, healthcare, and education leaders from around the state.

The Council's work is supported primarily by the Office of the Governor, in cooperation with various agencies of Florida, state government, and Tallahassee Community College.

MISSION: To enhance Florida's competitive edge and quality of life through promotion, assessment, and recognition of performance excellence.

Performance Excellence refers to an integrated approach to organizational performance management. The Sterling Criteria provide a framework and an assessment tool for understanding organizational strengths and opportunities for improvement. Therefore, our Criteria guide planning efforts for organizations in the **private, public, manufacturing, service, education, and healthcare sectors.**

The Criteria are data and information-based and results-focused. They require direct accountability and comparative results linked to your organizational objectives. The Criteria address five types of performance: (1) product, service, program, and process focus, (2) customer-focused, (3) financial and market, (4) workforce-focused, (5) operations effectiveness, and (6) leadership.

Governor's Sterling Award recipients are recognized throughout the state as role model organizations and are honored by the Governor at the Florida Sterling Conference held each spring in Orlando.

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Promotion, Assessment, and Recognition

The Florida Sterling Council’s key processes include:

- Assessment
- Training Design & Delivery
- Examiners
- Team Showcase
- Business Blueprint
- Conference
- Volunteer Management
- Marketing
- Board Development

in support of our

Vision

Florida. A State of Excellence.

Mission

To enhance Florida’s competitive edge and quality of life through promotion, assessment, and recognition of performance excellence.

Promotion	Assessment	Recognition
<p><i>The Florida Sterling Council promotes performance excellence through:</i></p> <ul style="list-style-type: none"> • Regional Training • Organization Specific Training • Mentoring • Regional Team Showcases • Speaking Engagements • Marketing Plan • Sterling Examiners • Volunteers 	<p><i>Sterling’s Assessment Processes are based on the Sterling Criteria for Organizational Performance Excellence:</i></p> <ul style="list-style-type: none"> • Sterling E-Navigator • Sterling Business Blueprint • Sterling Performance Excellence Challenge • Mentoring Challenge - fewer than 50 employees • Governor's Sterling Sustained Excellence Award • Governor’s Sterling Award <p><i>The assessment processes are graduated and become more rigorous and detailed in examining your organization’s approaches, deployment, and results for key processes that lead to organizational success and high levels of customer satisfaction.</i></p>	<p><i>The Annual Florida Sterling Conference is the primary vehicle for recognition of performance excellence:</i></p> <ul style="list-style-type: none"> • Governor’s Sterling Award (GSA) recipients as “Role Models for Organizational Performance Excellence” • Governor's Sterling Sustained Excellence Award • Sterling Quality Achievement recognition for applicant best practices • Sterling Challenge & Navigator Applicants • Team Showcase Winner • Sterling Examiners • The Florida Sterling Council Board of Directors • Volunteers

Sterling Performance Excellence Challenge

Introduction

Success in today's world is defined by organizations that are able to maintain their competitive edge by continuously exceeding customer and stakeholder requirements and expectations. The Florida Sterling Council helps organizations achieve these goals by providing six levels of assessment tools designed for baseline or higher-level analysis. In addition, Sterling provides training and mentoring for continuing organizational growth. Sterling helps you gain "the Competitive Advantage."

This is the Florida Sterling Council's nineteenth year of evaluation, refinement, and improvement of the Sterling Criteria for Performance Excellence. The Criteria are based on the internationally acclaimed Malcolm Baldrige Criteria for Performance Excellence. These are the management best practices used in successful organizations, and they transcend sectors. This integrated set of basic values, requirements, and processes aimed at increasing customer value and driving organizational effectiveness create a self-assessment tool to help organizations determine their current capabilities, including their strengths and opportunities where improvement is needed.

It does not matter what business you are in; if you are a large business or a small one; a public organization or a not-for-profit; a manufacturer or service provider; the questions have been designed to address common elements all leaders and organizations face. Regardless of your current level of performance, the Sterling Management Model can help you increase efficiency, improve your bottom line, and achieve higher levels of employee and customer satisfaction.

The Sterling Performance Excellence Challenge is based on the 2012-2013 Sterling Criteria for Performance Excellence and is specifically designed as an intermediate step in an organization's journey to performance excellence.

Step Forward by Taking the Challenge

Don't miss these valuable resources!

You will see references to the *Criteria* book and the Sterling web site for available supplementary materials for additional learning and support.

2012-2013 Sterling Criteria for Performance Excellence book

- Additional notes about each Category
- Sterling Core Values descriptions
- Glossary of Key Terms
- See order form on page 31 or download the book from our web site.

Sterling's Web Site — www.floridasterling.com

Go to the Performance Improvement Tab/Sterling Challenge

- Sterling Challenge book
- Sterling Performance Excellence Challenge Application Information

You will also find Healthcare and Education Notes and up-to-date information about the Florida Sterling Council, the Board of Directors, the Regional Training Schedule, Becoming an Examiner, the Sterling Conference, and Governor's Sterling Award Role Models.

Sterling Journey to Performance Excellence

Assessment	e-Navigator
<p>Application Description</p> <p>All require an Application of Intent</p>	<ul style="list-style-type: none"> • Survey instrument with 42 questions based on the Sterling Criteria • Likert Scale response descriptions • Includes open comment areas for additional input from participants
Site Visit	None
Feedback Report	<ul style="list-style-type: none"> • Charts/graphs on each Category Item • Composite of comments from participants about strengths and opportunities for improvement • Strength comments synopsis • Opportunity comments synopsis • Navigator Theme Strengths Matrix • Navigator Theme Opportunities Matrix
Who Should or Why Use this Tool	<ul style="list-style-type: none"> • Organizations new to the process • New senior leaders who want a snapshot of the organization • Mature organizations who want a snapshot of employee perceptions of progress • On-line assessment cuts the cycle time for feedback and cost
Cost	<ul style="list-style-type: none"> • Application of Intent \$100 • \$895.00 per 25 electronic surveys
Time Commitment	<p>1 – 2 hours prep 1 – 2 hours to complete</p>
Personnel Commitment	<ul style="list-style-type: none"> • Organization or Sterling may proctor survey to a cross section of employees • Leadership commitment • Personnel to attend Sterling Mentoring
Customized Mentoring Available	<ul style="list-style-type: none"> • Pre-survey Criteria Overview or full Criteria training* • Feedback, Analysis, Results, and Action Planning • Presentation to share throughout organization • Sterling Mentoring - \$2,500.00 per day

*See www.floridasterling.com for additional training and mentoring opportunities.

Sterling Journey to Performance Excellence

Sterling Challenge	Governor's Sterling Award
<ul style="list-style-type: none"> • Complete a 5-page Organizational Profile • Complete a 30-page (max.) application addressing questions based on items in the Criteria 	<ul style="list-style-type: none"> • Complete a 5 page Organizational Profile • Complete a 50 page (max.) application addressing questions based on Items and sub-items (Areas to Address) in the Criteria
<ul style="list-style-type: none"> • Team of 7-8 Sterling Examiners conduct a 5-6 day visit at your site(s) to clarify & verify application and results • Challenge mentor (less than 50 employees - 3 Sterling Examiners) 	<ul style="list-style-type: none"> • Team of 8 – 10 Sterling Examiners conduct a six day visit at your site(s) to clarify & verify application and results
<ul style="list-style-type: none"> • Written report with strengths and opportunities for improvement at the Category level • Recommendations for next steps 	<ul style="list-style-type: none"> • Written report with strengths and opportunities for improvement at the Category, Item, and Area to Address levels
<ul style="list-style-type: none"> • Organizations in the early to middle stages of development of their management processes • Seeking external review and feedback 	<ul style="list-style-type: none"> • Mature organizations with positive trended results and positive comparison data • Seeking high-level, detailed objective feedback and role model status
<ul style="list-style-type: none"> • Application of Intent \$100 • Application Fee: \$1,500 for small or medium organizations and \$3,500 for large organizations • Site Visit \$2,000 due 30 days prior to site visit plus examiner expenses. 	<ul style="list-style-type: none"> • Application of Intent \$100 • Application Fee \$3,000 small or medium organizations and \$5,000 for large organizations • Site Visit \$2,500 due 30 days prior to site visit plus examiner expenses
Depends on level of organization, and maturity of processes and information systems	
<ul style="list-style-type: none"> • Category Champions and Teams to write profile and application • Leadership commitment & participation • All employees for site visit • Teams to utilize the feedback 	
<ul style="list-style-type: none"> • Criteria, Organizational Assessment, Writing your Application, Balance Scorecard, Process Management* • Feedback Results and Action Planning • Sterling Challenge Leadership Team Follow-Up “Making the Connections and Taking Action” • This one-day session gives leaders in-depth knowledge about the concepts of approach, deployment, learning, and integration. <ul style="list-style-type: none"> - Leaders will be coached in exploring the themes and specific statements in the Challenge feedback report. - Sterling experts will help you make the connections to establish your priorities and begin planning focused improvements on your journey to excellence. \$2,500.00 per day. 	

Sterling Challenge Process

What is the Sterling Challenge Process and how can our organization participate?

Welcome to the Sterling Performance Excellence Challenge, the second level of Sterling assessment tools. The Challenge questions reflect the concepts defined in the Governor's Sterling Award Criteria for Organizational Performance Excellence. However, the questions at the Challenge level are more general in nature and do not ask for the same level of detail as the Award level.

The intent of the Challenge is for you to conduct a self-assessment of your organization to define who you are, what is important to you, what you do well, and what you need to improve to be more successful. The self-assessment approach gives you the opportunity to develop teams for discussions about the way you do business, and to begin to articulate and define the key processes that lead to organizational success and customer satisfaction. You will begin to define those processes you do very well, and you will, probably, find gaps when comparing to benchmark practices. Most organizations participating in the Sterling Performance Excellence Challenge are seeking the input of an impartial third party. The Challenge is designed to provide you direct feedback from performance improvement experts outside your organization.

The Challenge site visit gives you external feedback from a highly trained Sterling Examiner Team that will verify your findings and clarify any confusing issues by interviewing senior leaders and employees and by reviewing appropriate documents. The team will have reviewed your application early in the process, come to consensus, and prepared questions for the site visit long before visiting your organization. During their week in your locale, they will continue to refine their report as they talk with people in your organization. This site visit will add additional depth of knowledge and a personal understanding of the organization for the examiners. This is critical in ensuring that your feedback report is meaningful to your organization. Before they leave your site, the team will give an overview of their overall findings.

To participate in this process, you will need to answer the questions listed within this guide and prepare a five-page Organizational Profile. We ask that you limit your responses to 30 pages (plus the five page Profile) and submit them to the Florida Sterling Council. Upon receipt of your application, the Florida Sterling Council will assign a team of examiners with a diversity of sector experience. Teams have completed formal training and have knowledge of the Sterling Award Criteria, specialized work experience, analytical skills, written communication skills, interpersonal and presentation skills, and formal education or equivalent training and development.

Your final report will come from the Sterling office and will include the examiner team's recommendations for key crosscutting improvements. Approximately 45 days after your site visit, your organization can be using the feedback report to plan, set direction, and improve those vital areas key to organizational success. In effect, you will have taken your organization to another level on its performance excellence journey.

Organizations may take the Sterling Challenge throughout the year, but we suggest that participation occur during the Governor's Sterling Award cycle, December through March of each year.

Mentoring Challenge – New Opportunity

The Sterling Mentoring Challenge is for small organizations, with 50 or fewer employees, that want the external feedback and recommendations for moving forward, but do not want to invest as much time in the application writing, want to be mentored during the site visit, do not need a feedback report with as much detail, and want to keep expenses lower. The feedback report includes an Executive Summary and Category Summaries and recommendations for moving forward on the organization's performance excellence journey.

Sterling Challenge Process

What does my organization get from going through this process?

First and foremost, you get a feedback report. This feedback report can serve as the basis for making further organizational improvements. It will provide an unbiased look at your entire operation by citing organizational strengths and helping you focus on those vital few opportunities your organization can undertake to further your commitment to operational excellence and greater satisfaction for customers and other stakeholders.

The Florida Sterling Council also provides opportunities for recognition of an organization's commitment to excellence. Those organizations that have participated in the Sterling Performance Excellence Challenge are appropriately recognized at the annual Florida Sterling Conference, held in the spring of each year. The conference is a time to celebrate successes, and for people to learn from other high performing private and public organizations.

What are the Criteria and Core Values we are measuring against?

Sterling Criteria	Sterling Core Values
<p>The Sterling Criteria include seven categories of questions about how you manage and do work in your organization, how you connect that work, and how you continually work on your organization to improve it.</p> <ol style="list-style-type: none"> 1. How does your leadership team set and continually focus direction and review progress? 2. How do you create and implement strategic plans and action plans? 3. How do you focus on your customers and other key stakeholders? 4. How do you select, collect, analyze, and use data and manage your technology and informational infrastructure? 5. How do you focus on your workforce? 6. How do you design, deliver, and measure progress in your processes and operations? 7. What are your organizational results? <p style="text-align: center; margin-top: 20px;"><i>See pages 17-20 for detailed questions.</i></p>	<p>The Sterling Criteria are built upon a set of interrelated Core Values and concepts. These are embedded beliefs and behaviors found in successful organizations. They are the foundation for integrating key requirements and a results-oriented framework to drive high performance.</p> <ul style="list-style-type: none"> • Visionary Leadership • Customer-driven Excellence • Organizational and Personal Learning • Valuing Workforce Members and Partners • Agility • Focus on the Future • Managing for Innovation • Management by Fact • Societal Responsibility • Focus on Results and Creating Value • Systems Perspective <p style="text-align: center; margin-top: 20px;"><i>See Criteria book for full descriptions.</i></p>

Criteria for Performance Excellence Framework

The figure below provides the framework connecting and integrating the Categories. From top to bottom, the framework has the following basic elements.

Organizational Profile

Your Organizational Profile (top of figure) sets the context for the way your organization operates. Your environment, key working relationships, and strategic challenges and advantages serve as an overarching guide for your organizational performance management system.

System Operations

The system operations are composed of the seven Sterling Categories in the center of the figure that define your operations and the results you can achieve.

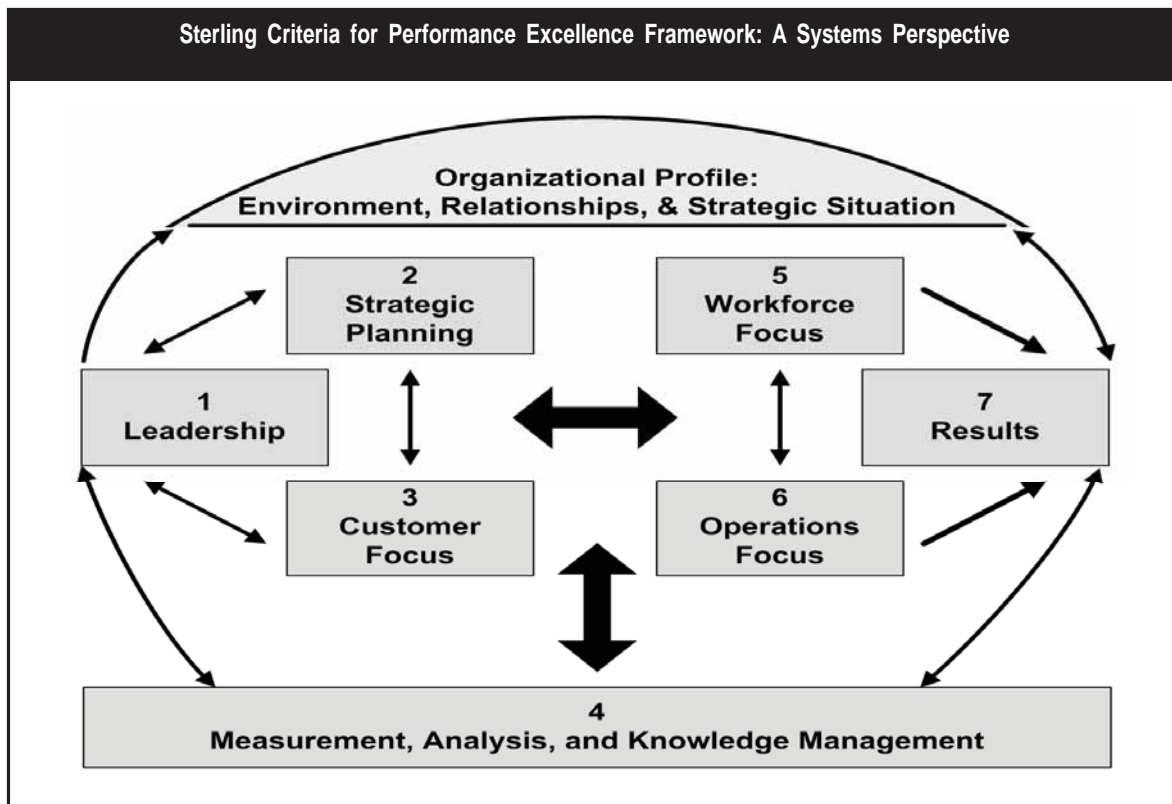
Leadership (Category 1), Strategic Planning (Category 2), and Customer Focus (Category 3) represent the leadership triad. These Categories are placed together to emphasize the importance of a leadership focus on strategy and customers, students, or patients. Senior leaders set your organizational direction and seek future opportunities for your organization.

Workforce Focus (Category 5), Operations Focus (Category 6), and Results (Category 7) represent the results triad. Your organization's workforce and key processes accomplish the work of the organization that yields your performance results.

All actions point toward Results—a composite of product, service, customer, market, financial, and internal operational performance results, including workforce, leadership, governance, and societal responsibility results. The horizontal arrow in the center of the framework links the leadership triad to the results triad, a linkage critical to organizational success. Furthermore, the arrow indicates the central relationship between Leadership (Category 1) and Results (Category 7). The two-headed arrow indicates the importance of feedback in an effective performance management system.

System Foundation

Measurement, Analysis, and Knowledge Management (Category 4) are critical to the effective management of your organization and to a fact-based, knowledge-driven system for improving performance and competitiveness. Measurement, analysis, and knowledge management serve as a foundation for the performance management system.



Key Characteristics of the Sterling Criteria

The Sterling Challenge questions are based on the seven categories and requirements of the *Sterling Criteria for Performance Excellence*.

The Criteria focus on performance results across the organization.

This focus on a composite of indicators is intended to ensure that strategies are balanced among stakeholders, objectives, and short and long-term goals in the areas of:

- Product, service, and process outcomes
- Customer-focused outcomes
- Workforce-focused outcomes
- Leadership and Governance outcomes
- Financial and market outcomes

The Criteria are nonprescriptive and adaptable.

The Criteria questions embed the research-based collective beliefs and best practices that drive excellent results for highly successful organizations. The questions do not prescribe **HOW** you should do things, but rather, ask how your organization sustains consistency of purpose and focuses on common requirements to foster better understanding, communication, sharing, and alignment, while supporting innovation that gets positive results.

The Criteria support a systems perspective.

The Sterling Management Model is a fact-based system that requires connecting and reinforcing measures derived from your organization's processes and strategies. The use of measures channels activities in consistent directions and provides necessary information for productive decision-making. The Criteria require a dynamic system that adapts when strategies and goals change over time to address the challenges of a changing world.

The 44 Challenge questions create a diagnostic assessment of your management system. Your responses and the feedback from Sterling Examiners can lead to actions that contribute to performance improvement in all areas of your organization.

Evaluation dimensions include:

Approach – refers to systematic methods used, and the appropriateness and effectiveness of these methods

Deployment – refers to the depth and breadth of those approaches to appropriate work units

Learning – refers to knowledge/skills acquired through systematic research, evaluation/improvement cycles, input from stakeholders, benchmarking

Integration – refers to alignment to organization's needs as identified in the Profile and across categories.

See pages 26 and 27 for more complete descriptions of these terms and to see how they are reflected in the "Scoring Guidelines."

You may also want to refer to the "Glossary of Key Terms" in the Criteria book or download the Glossary from the Sterling web site at www.floridasterling.com under the Performance Improvement/Challenge tabs.

Getting Started with the Sterling Challenge

Congratulations! Your organization has decided to participate in the Sterling Challenge process: so where do you begin?

There are many approaches to completing a Sterling Challenge application, and there is not one “right” way. There are, however, some commonalities in the processes used by Sterling Challenge applicants since its inception in 1998. Sterling would like to share these ideas with you as you discuss your organization’s approach to the self-assessment process. You may also contact the Sterling office.

Who should be involved in your Challenge-level self-assessment?

The number and diversity of participants in your initial efforts depends on the size and flexibility of your organization.

A few suggestions for assembling a team...

- Include senior leadership in initial discussions and representation throughout the process.
- Include representatives from different levels and functions across your organization.
- Have a designated facilitator and timekeeper to keep the team focused.
- Maintain a manageable team size, but remember they cannot complete the self-assessment without cooperation and support from leadership and the entire organization.

Before you begin using the Sterling Challenge Criteria for your assessment...

- Read and discuss the introductory pages in the *Sterling Challenge* (pages 2-9).
- Create a purpose statement for completing the self-assessment. Why are you doing this? What outcomes do you desire? Examples from others who have used the Challenge, Navigator, or Sterling Award process include:
 - To create a document that defines who we are as an organization, what is most important to our success, and how all parts of the organization are linked to support and achieve that success.
 - To identify strengths and opportunities for improvement in our system that can drive desired results.
 - To receive a verification feedback report from highly trained Sterling Examiners.
 - To identify company-wide improvement strategies for improved management of processes and better results.
 - To use the document as part of our orientation programs for new leaders, employees, suppliers, and other stakeholders as appropriate.

Next steps may include...

1. If your purpose is to just have the discussion in-house, see page 12 for a simple Self-Analysis Worksheet to complete.
2. If your purpose is to get an in-depth look at your organization, below are some steps that previous Sterling Challenge applicants have taken. Additionally, consider using bullets to capture answers to Criteria questions so time is spent on content rather than wordsmithing. Assign a strong writing team to bring the application together in one voice.
 - All team members read pages 14-23 from the Organizational Profile through Results to get a full view of the assessment scope.
 - Review “Writing an Application Helpful Hints” page 28 and Scoring System and Guidelines page 24-26. Discuss how you will incorporate these ideas as you pull category information together.
 - Refer to the Criteria book Glossary or download it from www.floridasterling.com to clarify any Criteria language.
 - As a full team, discuss the concept of “system” as it relates to your organization.
 - Complete the Organizational Profile as a full team.
 - Leadership Team completes Category 1 and Category 7 questions 4 & 5.
 - Sub-team completes Categories 2 and 3 and associated results from Category 7 questions 1 & 2.
 - Sub-team completes Category 5 and Category 7 question 3.
 - Sub-team completes Category 6 and associated results from Category 7 question 1.
 - Sub-team completes Category 4 and associated results from Category 7 question 1.

After completing all of the categories and assembling available results...

- Reconvene to report findings in each category and fill in any gaps in information.
- Use this process to gain insights about your overall organizational operations, strengths, and opportunities for improvement.
- Have discussions about overall themes that recur through the category reports.
- Identify the highest impact areas for the “vital few” improvements.
- Create action steps and timelines to work on prior to your site visit.

Give all work to your writing team to combine to meet the Sterling Challenge Application Guidelines (download *Sterling Challenge Application* booklet from www.floridasterling.com under the Performance Improvement tab).

Sterling Challenge Self-Assessment Worksheet

(optional - do not submit with Sterling application)

While insights gained from external Examiners or reviewers are always helpful, you know your organization better than they will. You are currently in an excellent position to identify your organization's key strengths and key opportunities for improvement (OFIs).

Having just completed your responses to the Sterling Challenge questions, you can accelerate your improvement journey by doing a self-analysis. Use this optional worksheet to list your key strengths and key OFIs. Start by identifying one or two strengths and one or two OFIs for each Criteria category. For those with the greatest projected impact on your organization, establish a goal and a plan of action.

Criteria Category	Project Impact: High Medium Low	Strength or Opportunity for Improvement	How Do We Know? Measures, Data, Information	For High-Impact Areas		
				What Action is Planned?	By When?	Who is Responsible?
Category 1 - Leadership						
Strength						
1.						
2.						
OFI						
1.						
2.						
Category 2 - Strategic Planning						
Strength						
1.						
2.						
OFI						
1.						
2.						
Category 3 - Customer and Market Focus						
Strength						
1.						
2.						
OFI						
1.						
2.						

Criteria Category	Project Impact: High Medium Low	Strength or Opportunity for Improvement	How Do We Know? Measures, Data, Information	For High-Impact Areas		
				What Action is Planned?	By When?	Who is Responsible?
Category 4 - Measurement, Analysis, and Knowledge Management						
Strength						
1.						
2.						
OFI						
1.						
2.						
Category 5 - Workforce Focus						
Strength						
1.						
2.						
OFI						
1.						
2.						
Category 6 - Operations Focus						
Strength						
1.						
2.						
OFI						
1.						
2.						
Category 7 - Results						
Strength						
1.						
2.						
OFI						
1.						
2.						

Begin With Your Organizational Profile

The Importance of Beginning with Your Organizational Profile

Your Organizational Profile is critically important because

- it is the most appropriate starting point for self-assessment and for writing an application;
- it helps you identify potential gaps in key information and focus on key performance requirements and results;
- it is used by the Examiners and Judges in application review, including the site visit, to understand your organization and what you consider important (you will be assessed using the Criteria requirements in relation to your organization's environment, relationships, influences, and challenges, as presented in your Organizational Profile); and
- it also may be used by itself for an initial self-assessment. If you identify topics for which conflicting, little, or no information is available, it is possible that the Organizational Profile can serve as your complete assessment, and you can use these topics for action planning.

Preface: Organizational Profile

The *Organizational Profile* is a snapshot of your organization, the **KEY** influence on **HOW** you operate, and the **KEY** challenges you face.

P.1 Organizational Description: What are your key organizational characteristics?

Describe your organization's operating environment and your **KEY** relationships with **CUSTOMERS**, **SUPPLIERS**, **PARTNERS**, and **STAKEHOLDERS**.

Within your response, include answers to the following questions:

a. Organizational Environment

- (1) **Product and Service Offerings** What are your organization's main product and service offerings (see note 1 below)? What is the relative importance of each to your organizational success? What mechanisms do you use to deliver your products and services?
- (2) **Vision and Mission** What are the distinctive characteristics of your organizational culture? What are your stated **PURPOSE**, **VISION**, **VALUES**, and **MISSION**? What are your organization's **CORE COMPETENCIES** and their relationship to your **MISSION**?
- (3) **Workforce Profile** What is your **WORKFORCE** profile? What are your **WORKFORCE** or employee groups and **SEGMENTS**? What are their education levels? What are the **KEY** elements that engage them in accomplishing your **MISSION** and **VISION**? What are your organization's **WORKFORCE** and job **DIVERSITY**, organized bargaining units, **KEY WORKFORCE** benefits, and special health and safety requirements?
- (4) **Assets** What are your major facilities, technologies, and equipment?
- (5) **Regulatory Requirements** What is the regulatory environment under which your organization operates? What are the applicable occupational health and safety regulations; accreditation, certification, or registration requirements; industry standards; and environmental, financial, and product and service regulations?

b. Organizational Relationships

- (1) **Organizational Structure** What are your organizational structure and **GOVERNANCE** system? What are the reporting relationships among your **GOVERNANCE** board, **SENIOR LEADERS**, and parent organization, as appropriate?
- (2) **Customers and Stakeholders** What are your **KEY** market **SEGMENTS**, **CUSTOMER** groups, and **STAKEHOLDER** groups, as appropriate? What are their **KEY** requirements and expectations for your products and services, **CUSTOMER** support services, and operations? What are the differences in these requirements and expectations among market **SEGMENTS**, **CUSTOMER** groups, and **STAKEHOLDER** groups?
- (3) **Suppliers and Partners** What are your **KEY** types of suppliers, **PARTNERS**, and **COLLABORATORS**? What role do these suppliers, **PARTNERS**, and **COLLABORATORS** play in the production and delivery of your **KEY** products and services and **CUSTOMER** support services? What are your **KEY** mechanisms for communicating with suppliers, **PARTNERS**, and **COLLABORATORS**? What role, if any, do these organizations play in implementing **INNOVATIONS** in your organization? What are your **KEY** supply-chain requirements?

Notes:

N1. “Product and service offerings” and “products and services” (P.1a[1]) refer to the goods and services that your organization offers in the marketplace. Mechanisms for product and service delivery to your end-use customers might be direct or through dealers, distributors, collaborators, or channel partners. *Nonprofit organizations might refer to their product and service offerings as programs, projects, or services.*

N2. “Core competencies” (P.1a[2]) refers to your organization’s areas of greatest expertise. Your organization’s core competencies are those strategically important capabilities that are central to fulfilling your mission or provide an advantage in your marketplace or service environment. Core competencies frequently are challenging for competitors or suppliers and partners to imitate. Also, core competencies frequently preserve your competitive advantage.

N3. Workforce or employee groups and segments (including organized bargaining units; P.1a[3]) might be based on the type of employment or contract reporting relationship, location, tour of duty, work environment, family-friendly policies, or other factors.

N4. Customer groups (P.1b[2]) might be based on common expectations, behaviors, preferences, or profiles. Within a group there may be customer segments based on differences and commonalities. Your markets might be subdivided into market segments based on product lines or features, distribution channels, business volume, geography, or other factors that your organization uses to define related market characteristics.

N5. Customer group and market segment requirements (P.1b[2]) might include on-time delivery, low defect levels,

safety, security, ongoing price reductions, leveraging of technology, rapid response, after-sales service, and multilingual services. Stakeholder group requirements might include socially responsible behavior and community service. *For some nonprofit organizations, requirements also might include administrative cost reductions, at-home services, and rapid response to emergencies.*

N6. Communication mechanisms (P.1b[3]) should be two-way and in understandable language, and they might be in person, via e-mail, Web-based, or by telephone. For many organizations, these mechanisms may change as marketplace, customer, or stakeholder requirements change.

N7. Many nonprofit organizations rely heavily on volunteers to accomplish their work. These organizations should include volunteers in the discussion of their workforce (P.1a[3]).

N8. For nonprofit organizations, industry standards (P.1a[5]) might include industry-wide codes of conduct and policy guidance. The term “industry” is used throughout the Criteria to refer to the sector in which you operate. For nonprofit organizations, this sector might be charitable organizations, professional associations and societies, religious organizations, or government entities—or a subsector of one of these.

N9. For some nonprofit organizations, governance and reporting relationships (P.1b[1]) might include relationships with major agency, foundation, or other funding sources.

N10. Customers (P.1b[2]) include the users and potential users of your products and services. In some nonprofit organizations, customers might include members, taxpayers, citizens, recipients, clients, and beneficiaries. Market segments might be referred to as constituencies.

Information for Understanding All Criteria Items

- For definitions of key terms presented throughout the Criteria and Scoring Guidelines text in **SMALL CAPS**, see the Glossary of Key Terms in the Criteria book or on our website, www.floridasterling.com.
- Frequently, several questions are grouped under one number (e.g., P.1a[3]). These questions are related and do not require separate responses. These multiple questions serve as a guide in understanding the full meaning of the information being requested.
- The items in the Sterling Criteria are divided into three groups: a Preface that defines your organizational environment, Categories 1-6 that define your organization’s Processes, and Category 7 that contains your Results for your organization’s processes.
- Item notes serve three purposes: (1) to clarify terms or requirements presented in an item, (2) to give instructions and examples for responding to the item requirements, and (3) to indicate key linkages to other items. In all cases, the intent is to help you respond to the item requirements.
- *A number of item notes include guidance specifically for nonprofit organizations. This information appears in italics.*

For definitions of key terms presented throughout the Challenge and Scoring Guidelines, text in **SMALL CAPS**, see Glossary of Key Terms in the Sterling Criteria book or download from our website at www.floridasterling.com.

P.2 Organizational Situation: What is your organization's strategic situation?

Describe your organization's competitive environment, your **KEY STRATEGIC CHALLENGES** and **advantages**, and your system for **PERFORMANCE** improvement.

Within your response, include answers to the following questions:

a. Competitive Environment

- (1) **Competitive Position** What is your competitive position? What are your relative size and growth in your industry or markets served? What are the numbers and types of competitors for your organization?
- (2) **Competitiveness Changes** What are any **KEY** changes taking place that affect your competitive situation, including opportunities for **INNOVATION** and collaboration, as appropriate?
- (3) **Comparative Data** What are your **KEY** available sources of comparative and competitive data from within your industry? What are your **KEY** available sources of comparative data from outside your industry? What limitations, if any, affect your ability to obtain these data?

b. Strategic Context

What are your **KEY** business, operational, societal responsibility, and human resource **STRATEGIC CHALLENGES** and **ADVANTAGES**?

c. PERFORMANCE Improvement System

What are the **KEY** elements of your **PERFORMANCE** improvement system, including your evaluation, organizational **LEARNING**, and **INNOVATION PROCESSES**?

Notes:

N1. Strategic challenges and advantages (P.2b) might relate to technology, products and services, your operations, your customer support, your industry, globalization, your value chain, and people. Strategic advantages might include differentiators such as your price, leadership, design services, innovation rate, geographic proximity, accessibility, and warranty and product and service options. *For some nonprofit organizations, differentiators also might include your relative influence with decision makers, ratio of administrative costs to programmatic contributions, reputation for program or service delivery, and wait times for service.*

N2. Performance improvement (P.2c) through learning and integration is an assessment dimension used in the scoring system to evaluate the maturity of organizational approaches and deployment (see page 24). This question is intended to help you and the Sterling examiners set an overall context for your approach to performance improvement. Approaches

to performance improvement that are compatible with the systems approach provided by the Sterling framework should be related to your organization's needs and might include implementing a Lean Enterprise System, applying Six Sigma methodology, using ISO standards (e.g., 9000 or 14000), or employing other process improvement and innovation tools. A growing number of organizations have implemented specific processes for meeting goals in product and service and process innovation.

N3. Nonprofit organizations frequently are in a highly competitive environment; they often must compete with other organizations and with alternative sources for similar services to secure financial and volunteer resources, membership, visibility in appropriate communities, and media attention.

N4. For nonprofit organizations, the term "business" (P.2b) is used throughout the Criteria to refer to your main mission area or enterprise activity.

Page Limit

For Sterling Challenge applicants, the Organizational Profile is limited to five pages. These pages are not counted in the overall application page limit. Typing and formatting instructions for the Organizational Profile are the same as for the application. These instructions are given in the *Sterling Challenge Application Forms*, which can be downloaded at www.floridasterling.com under Sterling Challenge.

1 Leadership (140 points)

The *Leadership* category examines **HOW** your organization's **SENIOR LEADERS'** personal actions guide and sustain your organization. Also examined are your organization's **GOVERNANCE** system and **HOW** your organization fulfills its legal, ethical, and societal responsibilities and supports its **KEY** communities.

Process

1. **Vision and Values** **HOW** do **SENIOR LEADERS**:
 - a. Set and communicate organizational **VISION** and **VALUES**?
 - b. Show commitment to those **VALUES**?
2. **Promoting Legal and Ethical Behavior** **HOW** do **SENIOR LEADERS**:
 - a. Demonstrate their commitment to legal and ethical behavior?
 - b. Promote an environment that requires it?
3. **Creating a Sustainable Organization** **HOW** do **SENIOR LEADERS** create a sustainable organization through:
 - a. Creating an environment for **PERFORMANCE** improvement and **INNOVATION**?
 - b. Creating an environment for **WORKFORCE LEARNING**?
 - c. Creating an environment that fosters **CUSTOMER ENGAGEMENT** and delivers a consistently positive **CUSTOMER** experience?
 - d. Creating an environment to accomplish your **MISSION** and **STRATEGIC OBJECTIVES**?
 - e. Participating in organizational **LEARNING** and succession planning?
4. **Communication** **HOW** do **SENIOR LEADERS**:
 - a. Communicate with and engage the entire **WORKFORCE**?
 - b. Encourage two-way communication?
 - c. Take an active role in reward and recognition programs to reinforce a **CUSTOMER** and **PERFORMANCE** focus to accomplish the organization's objectives?
5. **Focus on Action** **HOW** do **SENIOR LEADERS** create a focus on action to:
 - a. Accomplish the organization's objectives?
 - b. Identify needed actions?
 - c. Improve performance?
6. **Governance System** **HOW** does your organization review and achieve:
 - a. Management accountability?
 - b. Fiscal accountability (including internal and external audits)?
 - c. Operational transparency?
 - d. Protection of stakeholder interests?
7. **Legal, Regulatory and Ethical Behavior:** **HOW** does your organization address:
 - a. Any adverse impacts on society from current and future products, services and operations?
 - b. Compliance with legal and regulatory requirements?
 - c. Monitoring and responding to breaches of ethical behavior?
8. **Societal Well-Being and Community Support** **HOW** does your organization:
 - a. Plan for and contribute to the well-being of your environmental, social and economic systems?
 - b. Actively identify, support, and strengthen **KEY** communities?

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

2 Strategic Planning (100 points)

The *Strategic Planning* Category examines **HOW** your organization implement **STRATEGIC OBJECTIVES** and **ACTION PLANS**. Also examined are **HOW** your chosen **STRATEGIC OBJECTIVES** and **ACTION PLANS** are implemented and changed if circumstances require, and **HOW** progress is measured.

Process

1. **Strategic Planning Process** **HOW** does your organization conduct its strategic planning?
 - a. What are the process steps?
 - b. Who are the **KEY** participants?
 - c. How do you identify your organization's **CORE COMPETENCIES**, **STRATEGIC CHALLENGES**, and **STRATEGIC ADVANTAGES**?
2. **Strategy Considerations** **HOW** does your strategic planning **PROCESS** address:
 - a. Strengths, weaknesses, opportunities, and threats?
 - b. Early indications of shifts in technology, competitors, **CUSTOMERS** or markets, and regulatory environment?
 - c. Long-term organizational **SUSTAINABILITY** through **PROJECTIONS** of your future **PERFORMANCE** and competitors' or comparable organizations' future **PERFORMANCE**?
3. **Key Strategic Objectives** What are your organization's:
 - a. **KEY** short and longer-term **STRATEGIC OBJECTIVES**?
 - b. The timetable for accomplishing these?
4. **Strategic Objective Considerations** **HOW** do your **STRATEGIC OBJECTIVES** address:
 - a. Your organization's **CORE COMPETENCIES**?
 - b. The strategic challenges and advantages identified in your Organizational Profile?
5. **Action Plan Development and Deployment** **HOW** does your organization:
 - a. Develop and deploy **ACTION PLANS**?
 - b. Allocate financial and human resources to support the action plans?
 - c. What are your **KEY PERFORMANCE MEASURES** or **INDICATORS** for tracking **ACTION PLAN** achievement and effectiveness?
 - d. Establish and implement modified **ACTION PLANS** if circumstances require a shift in plans and rapid execution of new plans?

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

3 Customer Focus (100 points)

The *Customer Focus* category examines **HOW** your organization engages its **CUSTOMERS** for long-term marketplace success. This **ENGAGEMENT** strategy includes **HOW** your organization listens to the **VOICE OF ITS CUSTOMERS**, builds **CUSTOMER** relationships, and uses **CUSTOMER** information to improve and identify opportunities for **INNOVATION**.

Process

1. **Listening to Current and Potential Customers** What are your organization's methods for listening to **CUSTOMERS** to obtain:
 - a. Customer requirements, suggestions, or complaints?
 - b. Feedback and actionable information on your products, services, and customer support?
2. **Customer Satisfaction and Engagement** **HOW** do you:
 - a. Determine customer satisfaction and engagement?
 - b. Determine customer dissatisfaction?
 - c. Use this information for improvements throughout your organization?
3. **Product Offerings & Support** **HOW** does your organization:
 - a. Identify product and service offerings and support to meet and exceed customer and market expectations?
 - b. How do you enable customers to seek information and conduct business with you?
4. **Customer Segmentation** **HOW** do you use **CUSTOMER**, market, and product offering information to:
 - a. Identify current and anticipate future **CUSTOMER** groups and market **SEGMENTS**?
 - b. Determine which customer groups and market segments to pursue?
5. **Customer Data Use** **HOW** does your organization use **CUSTOMER**, market, and product offering information to:
 - a. Improve marketing?
 - b. Build a more **CUSTOMER**-focused culture?
6. **Relationship Management** **HOW** do you build and manage relationships to:
 - a. Acquire new **CUSTOMERS** and build market share?
 - b. Meet and exceed **CUSTOMER** expectations in each stage of the customer relationship?
 - c. Increase loyalty and repeat business, and gain positive referrals?
7. **Complaint Management** **HOW** does your customer complaint management process:
 - a. Ensure complaints are promptly and effectively resolved?
 - b. Recover customers' confidence, satisfaction and engagement?

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

4 Measurement, Analysis, and Knowledge Management (100 points)

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 uses review findings to improve its **PERFORMANCE**.

Process

1. **Performance Measurement** **HOW** do you:
 - a. Select, collect and use data and information in your daily operations?
 - b. Select, collect and use data and information to track overall organizational performance?
 - c. Select, collect and use data and information relative to progress on your strategic objectives and action plans?
 - d. Select and use **KEY** comparative data and information?
 - e. Select and use **VOICE-OF-THE-CUSTOMER** data and information (including complaints)?
 - f. What are your **KEY** organizational **MEASURES**, including financial **PERFORMANCE MEASURES**?
2. **Performance Improvement** **HOW** do you:
 - a. Review and analyze organizational **PERFORMANCE**?
 - b. Identify and set priorities for improvement?
3. **Data and Information Availability** **HOW** do you ensure data, information and knowledge:
 - a. Accuracy?
 - b. Integrity and reliability?
 - c. Timeliness?
 - d. Security and confidentiality?
 - e. Availability to workforce and suppliers, partners, and customers as appropriate?
4. **Knowledge Management** **HOW** do you:
 - a. Collect and transfer knowledge from and to your **WORKFORCE**?
 - b. Transfer relevant knowledge from and to **CUSTOMERS**, suppliers, **PARTNERS**?
 - c. Rapidly identify, share, and implement best practices?
5. **Information Technology Management** **HOW** do you ensure:
 - a. Hardware and software are reliable, secure and user-friendly?
 - b. The continued availability of data and information and hardware and software systems in the event of an emergency?

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

5 Workforce Focus (100 points)

The **Workforce Focus** category examines your ability to assess **WORKFORCE CAPABILITY** and **CAPACITY** needs and build a **WORKFORCE** environment conducive to **HIGH PERFORMANCE**. The category also examines **HOW** your organization engages, manages, and develops your **WORKFORCE** to utilize its full potential in **ALIGNMENT** with your organization's overall **MISSION**, strategy, and **ACTION PLANS**.

Process

1. **Capability and Capacity** **HOW** do you assess current and future **WORKFORCE CAPABILITY** and **CAPACITY** needs, including:
 - a. Skills and competencies?
 - b. Staffing levels?
2. **New Workforce Members** **HOW** do you:
 - a. Recruit, hire, and place new workforce members?
 - b. Retain new **WORKFORCE** members?
 - c. Ensure your workforce represents the diverse ideas, cultures, and thinking of your hiring and **CUSTOMER** community?
3. **Work Accomplishment and Change Management** **HOW** do you organize your workforce to:
 - a. Accomplish the work of your organization?
 - b. Reinforce a customer and business focus?
 - c. Accomplish your **STRATEGIC CHALLENGES** and **ACTION PLANS**?
 - d. Manage changing capability and capacity needs to ensure continuity, prevent or minimize workforce reductions, or manage periods of workforce growth?
4. **Workforce Climate** **HOW** do you:
 - a. Ensure, measure, and improve workplace health, safety, and security, including different workplace environments?
 - b. Support your workforce via policies, procedures, and benefits?
5. **Organizational Culture & Elements of Engagement** **HOW** does your organization:
 - a. Determine the **KEY** elements that affect **WORKFORCE ENGAGEMENT** and satisfaction, including different **WORKFORCE** groups and **SEGMENTS**?
 - b. Foster a culture of open communications, engagement, and high performance work?
6. **Performance Management** **HOW** does your **WORKFORCE PERFORMANCE** management system:
 - a. Support high performance work?
 - b. Support workforce engagement?
 - c. Reinforce a customer and business focus and achievement of action plans?
7. **Assessment of Workforce Engagement** **HOW** do you:
 - a. Assess **WORKFORCE SATISFACTION** and **ENGAGEMENT** (formal and informal methods)?
 - b. How do these differ across workforce groups and segments?
8. **Learning and Development System** **HOW** does your **LEARNING** and development system address:
 - a. Organizational **CORE COMPETENCIES**, **STRATEGIC CHALLENGES**, and accomplishing your **ACTION PLANS**?
 - b. Organizational **PERFORMANCE** improvement and innovation?
 - c. Ethics and ethical business practices?
 - d. A focus on customers
 - e. **LEARNING** and development needs?
 - f. Reinforcing new knowledge and skills on the job?
 - g. Evaluating the effectiveness of workforce development and learning systems?
9. **Career Progression** **HOW** do you manage:
 - a. Career progression for your workforce?
 - b. Succession planning for management and leadership positions?

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

6 Operations Focus (100 points)

The *Operations Focus* category examines **HOW** your organization designs, manages, and improves its **WORK SYSTEMS** and **WORK PROCESSES** to deliver **CUSTOMER VALUE** and achieve organizational success and **SUSTAINABILITY**. Also examined is your readiness for emergencies.

Process

1. **Work System Design & Requirements** **HOW** do you:
 - a. Design and coordinate your key work system(s)?
 - b. Decide which key processes will be internal and which will use external resources?
 - c. Determine **KEY WORK SYSTEM** requirements, incorporating input from **CUSTOMERS**, suppliers, partners and collaborators, as appropriate?
 - d. What are these key work system requirements?
2. **Work System Management**
 - a. What are your organization's work system(s)?
 - b. How do you manage and improve these to achieve success?
 - c. How do you control overall costs of your work systems?
 - d. How do you prevent defects, errors and rework?
3. **Emergency Readiness** **HOW** do you ensure:
 - a. Work system and workplace preparedness for disasters or emergencies?
 - b. Ensure continuity of operations and recovery after disasters and emergencies?
4. **Work Process Design & Requirements**
 - a. How do you design and innovate your **KEY WORK PROCESSES**?
 - b. How do you determine key process requirements?
 - c. How does your design process and requirements address:
 - new technology?
 - product excellence?
 - **CYCLE TIME**, **PRODUCTIVITY**, cost control, and other efficiency and effectiveness factors?
 - d. What are your key work processes?
 - e. What are the key requirements for these work processes?
5. **Work Process Management & Improvement** **HOW** does your organization:
 - a. Relate your **KEY WORK PROCESSES** to the **WORK SYSTEMS**?
 - b. Ensure day-to-day operation of these processes meets **KEY PROCESS** requirements?
 - c. Manage your supply chain and ensure suppliers are effective and enhance your organization's performance?
 - d. Improve your **WORK PROCESSES** to achieve better **PERFORMANCE**, reduce variability, and improve products and services?

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

7 Results (360 points)

The **RESULTS** Category examines your organization's **PERFORMANCE** and improvement in all **KEY** areas—product and service and **PROCESS** outcomes, **CUSTOMER**-focused outcomes, **WORKFORCE**-focused outcomes, leadership and **GOVERNANCE** outcomes, and financial and market outcomes. **PERFORMANCE LEVELS** are examined relative to those of competitors and other organizations with similar product and service offerings.

Results

Provide data and information to answer the following questions. Segment your **RESULTS** as appropriate. Include appropriate comparative data, including competitors.

1. **Product and Service Outcomes:** What are your **RESULTS** (current **LEVELS**, **TRENDS**, and comparisons) for **KEY MEASURES** or **INDICATORS** of:
 - a. Product and service **PERFORMANCE** that are important to and directly serve your **CUSTOMERS**? [Category 3]
 - b. Operational **PERFORMANCE** (**PROCESS** effectiveness and efficiency) of your **KEY WORK SYSTEMS** and **PROCESSES**? [Categories 4 & 6]
 - c. Workplace preparedness for disasters or emergencies? [Categories 4 & 6]
 - d. Accomplishments of organizational strategy and action plans? [Category 2]
2. **Customer-Focused Outcomes [Category 3]:** What are your **RESULTS** (current **LEVELS**, **TRENDS**, and comparisons) for **KEY MEASURES** or **INDICATORS** of:
 - a. **CUSTOMER** satisfaction and dissatisfaction?
 - b. **CUSTOMER ENGAGEMENT**, including relationship building?
3. **Workforce Focused Outcomes [Category 5]:** What are your **RESULTS** (current **LEVELS**, **TRENDS**, and comparisons) for **KEY MEASURES** of:
 - a. **WORKFORCE CAPABILITY** and **CAPACITY** (including staffing levels and skills)?
 - b. Workforce climate (including health, safety, security, services and benefits)?
 - c. **WORKFORCE** satisfaction and **ENGAGEMENT**?
 - d. Workforce and leader development?
4. **Leadership and Governance Outcomes [Category 1]:** What are your **RESULTS** (current **LEVELS**, **TRENDS**, and comparisons) for **KEY MEASURES** or **INDICATORS** of:
 - a. Leadership communication and engagement with the workforce?
 - b. Management and fiscal accountability?
 - c. Regulatory and legal compliance?
 - d. Ethical behavior, including stakeholder trust and breaches of ethical behavior?
 - e. Societal responsibility and community support?
5. **Financial and Market Outcomes [All Categories]:** What are your **RESULTS** (current **LEVELS**, **TRENDS**, and comparisons) for **KEY MEASURES** or **INDICATORS** of:
 - a. Financial performance (including financial return, viability, and budgetary performance as appropriate)?
 - b. Marketplace **PERFORMANCE** (including market share or position, growth, and new markets entered, as appropriate)?

[Categories listed in the brackets show the primary process areas from which these results are generated. Some results may also come from other categories.]

Refer to the 2012-2013 Sterling Criteria for Performance Excellence glossary for the terms in **SMALL CAPS**.

Scoring System

The scoring of responses to Challenge items and Sterling Challenge applicant feedback are based on two evaluation dimensions: (1) process and (2) results. Challenge users need to furnish information relating to these dimensions. Specific factors for these dimensions are described below. Scoring guidelines are given on pages 26-27.

Process

“Process” refers to the methods your organization uses and improves to address the item requirements in Categories 1–6. The four factors used to evaluate process are approach, deployment, learning, and integration (ADLI).

“Approach” refers to

- the methods used to accomplish the process
- the appropriateness of the methods to the item requirements and the organization’s operating environment
- the effectiveness of your use of the methods
- the degree to which the approach is repeatable and based on reliable data and information (i.e., systematic)

“Deployment” refers to the *extent* to which

- your approach is applied in addressing item requirements relevant and important to your organization
- your approach is applied consistently
- your approach is used (executed) by all appropriate work units

“Learning” refers to

- refining your approach through cycles of evaluation and improvement
- encouraging breakthrough change to your approach through innovation
- sharing refinements and innovations with other relevant work units and processes in your organization

“Integration” refers to the *extent* to which

- your approach is aligned with your organizational needs identified in the Organizational Profile and other Categories
- your measures, information, and improvement systems are complementary across processes and work units
- your plans, processes, results, analyses, learning, and actions are harmonized across processes and work units to support organization-wide goals

Scoring System

Results

“Results” refers to your organization’s *outputs* and *outcomes* in achieving the requirements in items 7.1–7.5 (Category 7). The four factors used to evaluate results are levels, trends, comparisons, and integration (LeTCI).

“Levels” refers to

- your current level of performance

“Trends” refers to

- the rate of your performance improvements or the sustainability of good performance (i.e., the slope of trend data)
- the breadth (i.e., the extent of deployment) of your performance results

“Comparisons” refers to

- your performance relative to appropriate comparisons, such as competitors or organizations similar to yours
- your performance relative to benchmarks or industry leaders

“Integration and Gaps” refers to the *extent* to which

- your results measures (often through segmentation) address important customer, product, service, market, process, and action plan performance requirements identified in your Organizational Profile and in Categories
- your results include valid indicators of future performance
- your results are harmonized across processes and work units to support organization-wide goals

Category Classification and Scoring Dimensions

Category are classified according to the kinds of information and data you are expected to furnish relative to the two evaluation dimensions given above.

The two types of Categories are designated as:

1. Process **Process**
2. Results **Results**

Scoring Guidelines

For Use With Categories 1 - 6

SCORE	PROCESS
0% or 5%	<ul style="list-style-type: none"> ■ No SYSTEMATIC APPROACH to item requirements is evident; information is ANECDOTAL. (A) ■ Little or no DEPLOYMENT of any SYSTEMATIC APPROACH is evident. (D) ■ An improvement orientation is not evident; improvement is achieved through reacting to problems. (L) ■ No organizational ALIGNMENT is evident; individual areas or work units operate independently. (I)
10%, 15%, 20%, or 25%	<ul style="list-style-type: none"> ■ The beginning of a SYSTEMATIC APPROACH to the BASIC REQUIREMENTS of the item is evident. (A) ■ The APPROACH is in the early stages of DEPLOYMENT in most areas or work units, inhibiting progress in achieving the BASIC REQUIREMENTS of the item. (D) ■ Early stages of a transition from reacting to problems to a general improvement orientation are evident. (L) ■ The APPROACH is ALIGNED with other areas or work units largely through joint problem solving. (I)
30%, 35%, 40%, or 45%	<ul style="list-style-type: none"> ■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the BASIC REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is DEPLOYED, although some areas or work units are in early stages of DEPLOYMENT. (D) ■ The beginning of a SYSTEMATIC APPROACH to evaluation and improvement of KEY PROCESSES is evident. (L) ■ The APPROACH is in the early stages of ALIGNMENT with your basic organizational needs identified in response to the Organizational Profile and other process items. (I)
50%, 55%, 60%, or 65%	<ul style="list-style-type: none"> ■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the OVERALL REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is well DEPLOYED, although DEPLOYMENT may vary in some areas or work units. (D) ■ A fact-based, SYSTEMATIC evaluation and improvement PROCESS and some organizational LEARNING, including INNOVATION, are in place for improving the efficiency and EFFECTIVENESS of KEY PROCESSES. (L) ■ The APPROACH is ALIGNED with your overall organizational needs identified in response to the Organizational Profile and other process items. (I)
70%, 75%, 80%, or 85%	<ul style="list-style-type: none"> ■ An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the MULTIPLE REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is well DEPLOYED, with no significant gaps. (D) ■ Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING, including INNOVATION, are KEY management tools; there is clear evidence of refinement as a result of organizational-level ANALYSIS and sharing. (L) ■ The APPROACH is INTEGRATED with your current and future organizational needs identified in response to the Organizational Profile and other process items. (I)
90%, 95%, or 100%	<ul style="list-style-type: none"> ■ An EFFECTIVE, SYSTEMATIC APPROACH, fully responsive to the MULTIPLE REQUIREMENTS of the item, is evident. (A) ■ The APPROACH is fully DEPLOYED without significant weaknesses or gaps in any areas or work units. (D) ■ Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING through INNOVATION are KEY organization-wide tools; refinement and INNOVATION, backed by ANALYSIS and sharing, are evident throughout the organization. (L) ■ The APPROACH is well INTEGRATED with your current and future organizational needs identified in response to the Organizational Profile and other process items. (I)

Scoring Guidelines

For Use With Category 7

SCORE	RESULTS
0% or 5%	<ul style="list-style-type: none"> ■ There are no organizational PERFORMANCE RESULTS and/or poor RESULTS in areas reported. (Le) ■ TREND data either are not reported or show mainly adverse TRENDS. (T) ■ Comparative information is not reported. (C) ■ RESULTS are not reported for any areas of importance to the accomplishment of your organization's MISSION. (I)
10%, 15%, 20%, or 25%	<ul style="list-style-type: none"> ■ A few organizational PERFORMANCE RESULTS are reported, responsive to the BASIC REQUIREMENTS of the item, and early good PERFORMANCE LEVELS are evident. (Le) ■ Some TREND data are reported, with some adverse TRENDS evident. (T) ■ Little or no comparative information is reported. (C) ■ RESULTS are reported for a few areas of importance to the accomplishment of your organization's MISSION. (I)
30%, 35%, 40%, or 45%	<ul style="list-style-type: none"> ■ Good organizational PERFORMANCE LEVELS are reported, responsive to the BASIC REQUIREMENTS of the item. (Le) ■ Some TREND data are reported, and a majority of the TRENDS presented are beneficial. (T) ■ Early stages of obtaining comparative information are evident. (C) ■ RESULTS are reported for many areas of importance to the accomplishment of your organization's MISSION. (I)
50%, 55%, 60%, or 65%	<ul style="list-style-type: none"> ■ Good organizational PERFORMANCE LEVELS are reported, responsive to the OVERALL REQUIREMENTS of the item. (Le) ■ Beneficial TRENDS are evident in areas of importance to the accomplishment of your organization's MISSION. (T) ■ Some current PERFORMANCE LEVELS have been evaluated against relevant comparisons and/or BENCHMARKS and show areas of good relative PERFORMANCE. (C) ■ Organizational PERFORMANCE RESULTS are reported for most KEY CUSTOMER, market, and PROCESS requirements. (I)
70%, 75%, 80%, or 85%	<ul style="list-style-type: none"> ■ Good to excellent organizational PERFORMANCE LEVELS are reported, responsive to the MULTIPLE REQUIREMENTS of the item. (Le) ■ Beneficial TRENDS have been sustained over time in most areas of importance to the accomplishment of your organization's MISSION. (T) ■ Many to most TRENDS and current PERFORMANCE LEVELS have been evaluated against relevant comparisons and/or BENCHMARKS and show areas of leadership and very good relative PERFORMANCE. (C) ■ Organizational PERFORMANCE RESULTS are reported for most KEY CUSTOMER, market, PROCESS, and ACTION PLAN requirements. (I)
90%, 95%, or 100%	<ul style="list-style-type: none"> ■ Excellent organizational PERFORMANCE LEVELS are reported that are fully responsive to the MULTIPLE REQUIREMENTS of the item. (Le) ■ Beneficial TRENDS have been sustained over time in all areas of importance to the accomplishment of your organization's MISSION. (T) ■ Evidence of industry and BENCHMARK leadership is demonstrated in many areas. (C) ■ Organizational PERFORMANCE RESULTS and PROJECTIONS are reported for more KEY CUSTOMER, market, PROCESS, and ACTION PLAN requirements. (I)

Writing an Application - Helpful Hints

Helpful Hint #1

There are many ways to write an application; using a team approach does help.

Helpful Hint #2

Write the Organizational Profile early. You need the information to help you create terminology guidelines. It sets the stage for the application. Finally, it creates a common view for all of what is important.

Helpful Hint #3

Create two critical tables/figures early.

- Mission, vision, values, and key drivers
- Strategic Plan (Category 2) table of key drivers, action plans, measures, targets, and comparative data

These tables provide a guide to address and describe your organization's most important processes.

Helpful Hint #4

Get a "visual" person to help you.

- Tables and flowcharts help organize your thoughts
- Graphs or tables help organize your data and results

Helpful Hint #5

Avoid:

- Abbreviations
- Acronyms
- Jargon
- Non-specific words like "periodically", "regularly", "encourage", "could"

Helpful Hint #6

Identify your organization's "WOWs!" – Make sure they come out strong and early, but avoid bullet lists that are not supported by facts and data.

Helpful Hint #7

Do Category 7 (Results) early – it drives the process descriptions in Categories 1, 2, 3, 4, 5, and 6.

Helpful Hint #8

Writing Process Hints - Getting Started:

- Use common software and formatting.
- Drafts should be done in two-column format with figures and tables integrated with the text
- Determine a central point for input (file server or data base) that is accessible by all team members
- Develop milestones for key events, such as the first draft, second draft, executive management review, and final document

Helpful Hint #9

Writing Process Hints:

- Write in terms an outsider to your organization and sector can understand
- Write in terms of processes, not activities
- Use the questions from the Challenge to help you define what information you need to gather
- Understand the Criteria requirements before you start writing - see further description in the Sterling Criteria book
- Refer back to the Challenge questions frequently while writing
- Write in a positive tone
- Be honest and factual
- Do not get overly concerned about length initially – but do not write a novel either

Helpful Hint #10

Writing Process Hints:

- Be prepared to prove every statement you make
- As you write, develop a list of opportunities
 - Documente issues and improvement ideas
 - Address some of these opportunities before the site visit
 - Develop an action plan and update it when the feedback report is received from the examiners

Helpful Hint #11

Writing Process Hints:

- Read and understand the Sterling Core Values
- Read and understand the Scoring System (pages 24-26)

Helpful Hint #12

Writing Process Hints:

- Use the questions to gather information
- Write a draft
- Have subject matter experts review the draft for completeness and accuracy

Helpful Hint #13

Writing Process Hints:

These are suggested page limit guidelines –

- | | |
|--------------|----|
| • Category 1 | 4 |
| • Category 2 | 4 |
| • Category 3 | 3 |
| • Category 4 | 3 |
| • Category 5 | 3 |
| • Category 6 | 4 |
| • Category 7 | 9 |
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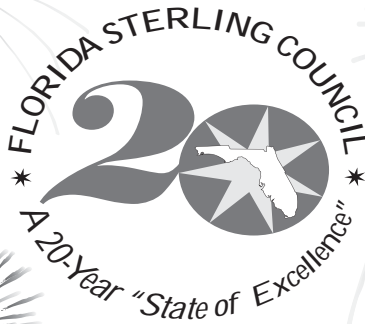
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