

## 7.5 Financial, Market, and Strategy Results

### Purpose

This item asks about your key financial and market results, which demonstrate your financial sustainability and your marketplace achievements. It also asks about the achievement of your strategy.

### Commentary

**Senior leaders' role.** Measures to report in this item are those that senior leaders track on an ongoing basis to assess your organization's financial performance and viability.

**Appropriate measures.** 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, new products and markets entered, or the percentage of revenues derived from new products.

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

SOURCE: 2019–2020 Baldrige Performance Excellence Framework Criteria Commentary - This commentary provides brief summaries of the Baldrige Criteria for Performance Excellence categories and items. It also includes examples and guidance to supplement the notes that follow each Criteria item in the Baldrige Excellence Framework booklet. For additional free content, and to purchase the booklet, see [www.nist.gov/baldrige/publications](http://www.nist.gov/baldrige/publications).