



CASE STUDY

Operational Data Benchmarks

vizient®

Data that transforms:

how Nor-Lea Hospital District turned benchmarks into a Baldrige-winning management system

A rural Critical Access Hospital in southeastern New Mexico embedded Vizient ODB benchmarks into every layer of its management system — budgeting, staffing, operations, and culture — and emerged as the first and only Critical Access Hospital to win the Malcolm Baldrige National Quality Award.

ORGANIZATION

Nor-Lea Hospital District

LOCATION

Lovington, New Mexico

VIZIENT SOLUTION

Operational Data Benchmarks (ODB)

Baldrige

2025 Malcolm Baldrige
National Quality Award winner
First-ever Critical Access Hospital

#14

Lea County health ranking
improved from #33 of 33
New Mexico counties

22%

Cancer mortality now 22%
below national average
(was 26% above)

~\$2M

Annual savings identified
through ODB supply chain
benchmarking insights

2.54%

Overtime utilization reduced
from ~4.5% — top-decile
workforce performance

“

What made Vizient ODB different was not just the data, but our ability to integrate those benchmarks into our systems, with staffing, budgeting, and operational decision-making.

Lynda Davis

Director of Finance/Decision Support, Nor-Lea Hospital District

vizient®

Data available. Potential unrealized.

As Nor-Lea Hospital District pursued operational excellence across its Critical Access Hospital and rural health clinics, leadership identified a fundamental opportunity: the organization had access to Vizient's ODB benchmarks but wasn't yet using them to their full potential. Traditional budgeting — built on historical spending, inflation factors, and negotiated requests — wasn't leveraging the power of that data. The benchmarks existed. The discipline to embed them everywhere did not.

Benchmarks used, not embedded

Nor-Lea had access to Vizient ODB but wasn't yet using it to its full potential. Traditional budgeting relied on historical spending, inflation factors, and negotiated requests — a process disconnected from the peer benchmark data that could drive genuinely objective performance expectations.

Performance insights not consistently accessible

Benchmark data and performance insights weren't systematically reaching operational leaders. Without shared visibility, accountability remained fragmented — finance owned the numbers while operations managed without them. Performance conversations lacked a common, data-anchored foundation.

Complexity of a Critical Access Hospital

Normalizing benchmarks for a CAH environment requires nuance. Staff wear multiple hats, volume differs from larger health systems, and a previously used productivity tool had grown stale. Nor-Lea needed benchmarks calibrated to its actual operating reality — not generic industry assumptions.

The
organization
had access
to Vizient's
ODB
benchmarks
but wasn't yet
using them
to their full
potential.

A management system, not a reporting function

What distinguished Nor-Lea's approach from conventional benchmark use was depth of integration. Many organizations reference benchmark data during budget development. Nor-Lea embedded ODB benchmarking directly into its budgeting methodology, staffing assumptions, and ongoing operational management — creating a system, not a report. When Baldrige examiners asked about their methodology, Lynda Davis's answer was simple:

“

We just take a different approach to it.

Lynda Davis

Director of Finance/Decision Support, Nor-Lea Hospital District

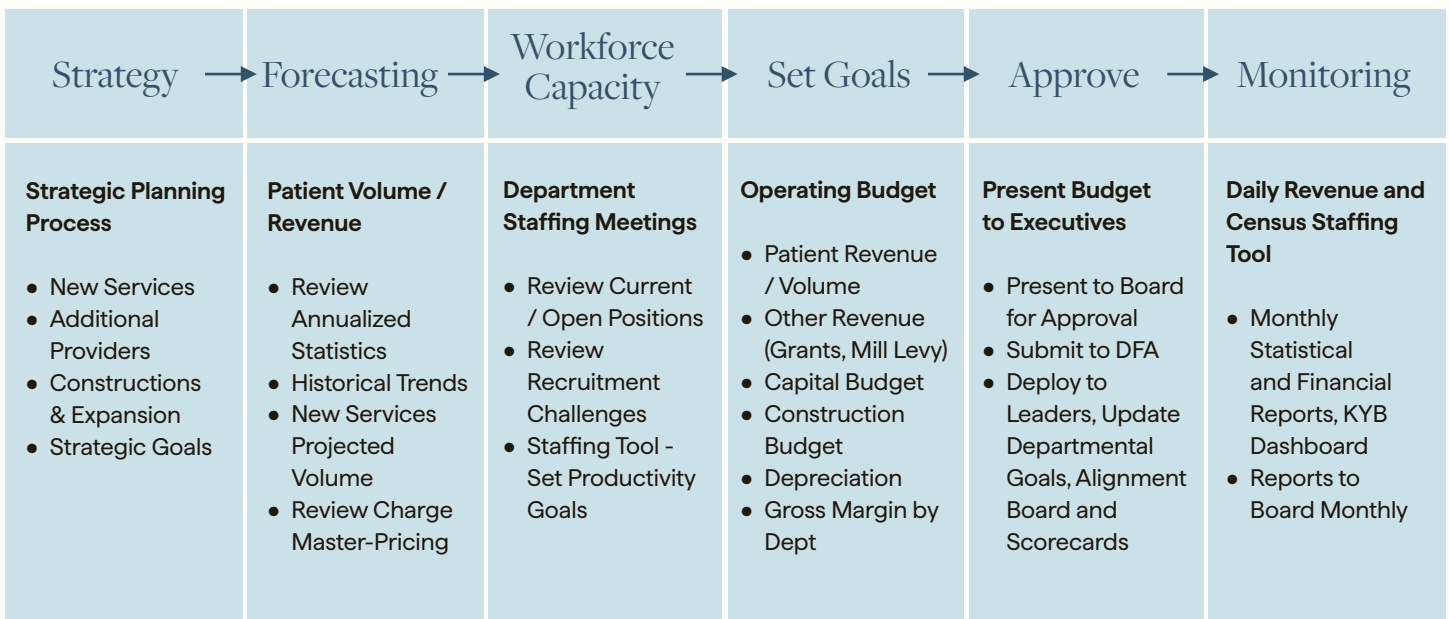
That approach was built on five interconnected capabilities, each reinforcing the others:

1	2	3	4	5
Benchmark-driven budgeting Replacing historical assumptions with externally validated performance expectations	Staffing alignment Applying ODB data to capacity planning and productivity management	Performance management Translating benchmark data into leadership dashboards and department scorecards	Knowledge management Centralizing methodologies, documentation, and training for consistent organization-wide application	Leadership alignment Unifying finance, operations, and clinical leadership around common performance expectations

01 Benchmark-driven budgeting

Nor-Lea replaced the traditional budget process with one anchored in externally validated performance expectations. Instead of projecting from last year's actuals, leadership set targets based on what ODB peer benchmarks demonstrated was achievable — creating a direct, documented link between Vizient data and every budget decision.

The result was a budget process that challenged historical assumptions at every step: patient volume projections grounded in real benchmark trends, workforce capacity targets set against peer productivity standards, and expense expectations validated against the 25th, 50th, and 75th percentile comparisons from ODB peers.



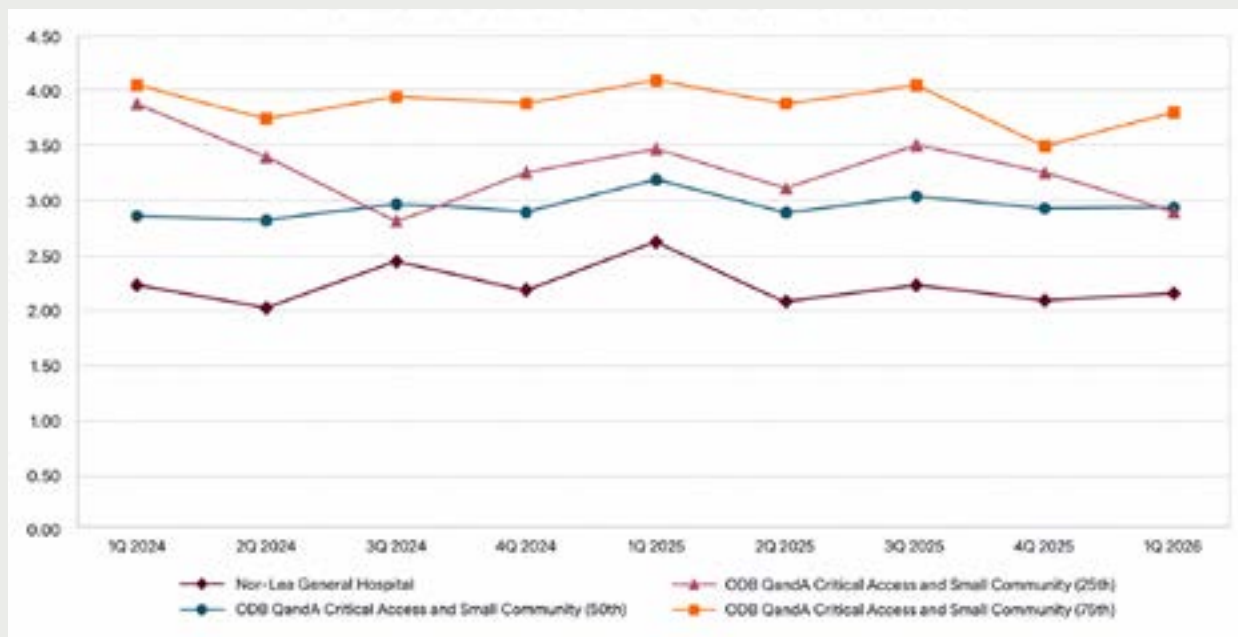
Nor-Lea Budget Process

Nor-Lea's benchmark-driven budget process: from strategic planning through daily monitoring, every step is anchored in ODB data.

02 Staffing alignment and productivity management

Staffing decisions at Nor-Lea shifted from reactive scheduling to predictive management. ODB data informed capacity planning at the department level, setting productivity expectations grounded in peer benchmarks rather than historical patterns. Bi-weekly productivity monitoring and a daily staffing tool — driven by volumes, benchmark productivity, and operational demand — gave leaders the visibility to manage proactively rather than react to variances after the fact. The impact on overtime was direct and sustained. As the chart below shows, overtime utilization declined significantly following the full integration of ODB benchmarks into the staffing model.

Overtime Hours as a % of Non-Provider Worked Hours



Nor-Lea overtime utilization vs. ODB Critical Access peer benchmarks (Q1 2024–Q1 2026). Overtime declined from ~4.5% to 2.54% as benchmark-driven staffing took hold.

03 Performance management: the Know Your Business dashboard

At the center of Nor-Lea's management system is the Know Your Business (KYB) Dashboard — a centralized performance tool that consolidates key financial, operational, workforce, and volume data into a single structured view. These components are integrated into one standardized dashboard, allowing leaders to view performance holistically rather than in isolated reports.



The Know Your Business Dashboard: a single view of financial, operational, workforce, and volume performance — all anchored to ODB benchmarks.

The KYB Dashboard tracks:

- District operating margin and departmental financial performance
- FTE variance and productivity variance against ODB benchmark targets
- Orientation FTEs, overtime FTEs, call-in FTEs, and contract labor
- Provider productivity and volume trends

04 Knowledge management: institutionalizing the system

Nor-Lea built a Knowledge Management system designed to ensure benchmark-driven discipline survived leadership transitions and scaled across the organization.

The system accomplished four objectives:

- Standardized documentation showing how Vizient ODB benchmarks informed staffing models, productivity expectations, budgeting, and operational decision-making
- Educational resources and standardized methodologies that strengthened financial and operational literacy across the organization
- Dashboards and performance frameworks ensuring leaders evaluated performance using consistent metrics and benchmark methodologies
- Institutionalized organizational knowledge within repeatable processes that support continuous improvement beyond any individual leader



Nor-Lea's Ascent to Financial Viability framework: the integrated management system that connects data foundation, benchmarking, staffing alignment, accountability, and sustainable financial performance.

05 Leadership alignment and the Vizient partnership

Nor-Lea's transformation required more than data — it required a partner who could help the organization maximize the value of that data over time. Vizient's contribution extended well beyond platform delivery. The initial ODB implementation was supported by comprehensive training that enabled leaders to understand both the platform and the practical application of benchmark data.

Meghan Murtaugh, Nor-Lea's ODB Product Advisor from 2017–2022 who recently resumed that role, provided consistent strategic guidance — helping the organization maximize benchmark value while continuously advancing its use of ODB data for performance improvement. That continuity of partnership compounded the organization's ability to apply benchmarks with increasing sophistication over time.

Core Components of the KYB Model

- **Financial Outcomes** – overall financial performance and sustainability
- **Expenses** – cost management across key categories
- **Volumes** – demand and activity levels across departments
- **Revenue** – financial performance and revenue trends
- **Productive FTE** – staffing alignment and productivity
- **Workforce Utilization** – labor management and efficiency

These components are integrated into a single, standardized dashboard, allowing leaders to view performance holistically rather than in isolated reports.



Know Your Business Performance Model

The integrated KYB model: data foundation, benchmarking, staffing alignment, accountability, and sustainable financial viability — five interconnected pillars.

“

Benchmarking was a differentiator. It demonstrated consistency, alignment, and a mature use of data across the organization — particularly in how we connected external benchmarks to internal decision-making. It showed that we were not only tracking performance but actively managing it against industry standards in a disciplined and systematic way.

Lynda Davis

Director of Finance/Decision Support, Nor-Lea Hospital District

Top-decile performance. National recognition. Community transformation.

Nor-Lea Hospital District's benchmark-driven management system delivered results across every dimension of organizational performance — financial, operational, community health, and organizational culture.

The culmination: the 2025 Malcolm Baldrige National Quality Award, the nation's only presidential honor recognizing performance excellence, making Nor-Lea the first and only Critical Access Hospital to receive this distinction.

~\$2M

Annual supply chain savings

ODB benchmarking identified supply expenses above the 75th percentile, revealing missed GPO contracted pricing. Also achieved CLA Gold Standard for Salaries and Benefits as % of Net Patient Revenue and Top Decile Days Cash on Hand.

#14

Lea County health ranking

Improved from #33 out of 33 New Mexico counties. Cancer mortality shifted from 26% above to 22% below the national average. The organization now meets ~92% of the county's primary care needs.

2.54%

Overtime utilization

Reduced from ~4.5%. Most non-clinical departments now operate at the 25th percentile; clinical departments at the 50th — far more sustainable than prior levels that often exceeded the 75th and 90th percentiles.

Top decile

Employee engagement — “My department is adequately staffed”

Operational leaders now own performance improvement — not just finance. Performance conversations are objective and data-anchored, reflecting workforce confidence in the benchmark-driven staffing model.

Four principles that multiply performance



Integration beats reporting

Referencing benchmarks is not the same as embedding them. Nor-Lea's results accelerated when ODB moved from a reporting function to a management system — shaping budgets, staffing models, and daily operational decisions.



Finance ownership limits impact

When performance data lives exclusively in finance, operational improvement stalls. Moving ownership to operational leaders — with consistent data and shared dashboards — transforms performance conversations from reviews into drivers.



Knowledge management sustains results

Documented methodologies, standardized training, and centralized dashboards ensure that performance discipline survives leadership transitions. Institutional knowledge built into repeatable processes multiplies long-term impact.



Rural context requires benchmark expertise

A Critical Access Hospital isn't a scaled-down health system. Applying benchmarks correctly requires understanding the nuances of rural operations — and a partner like Vizient who provides that guidance consistently over time.

Nor-Lea's transformation offers a replicable model for any healthcare organization — rural or urban, large or small — seeking to move beyond benchmark reporting to benchmark-driven management.

About Vizient

Vizient is the nation's largest healthcare performance improvement company. Through our unparalleled data and analytics, collaborative network, and expert guidance, we help healthcare organizations reduce costs, improve quality, and accelerate performance. Our Operational Data Benchmarks give leaders the insight to identify where performance gaps exist, understand why they persist, and act with confidence.

About Nor-Lea Hospital District

Nor-Lea Hospital District ensures access to high-quality care for rural communities throughout southeastern New Mexico and West Texas through a coordinated system including a 25-bed Medicare-certified Critical Access Hospital, four rural health clinics, school-based clinics, a specialty clinic housing ten specialties, a cancer center, and the Lovington Community Wellness Center.



TRANSFORM PRESSURE INTO PROGRESS.

Contact Vizient to learn how we multiply performance.

vizient®