



Balanced Scorecard Institute™

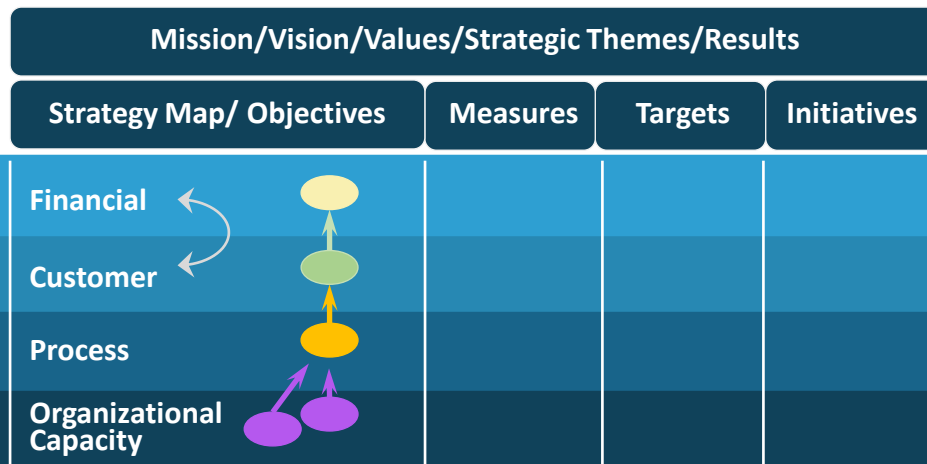
# Understanding Balanced Scorecards and Strategy Maps

## OVERVIEW: WHAT IS A BALANCED SCORECARD?

# What is a Balanced Scorecard?

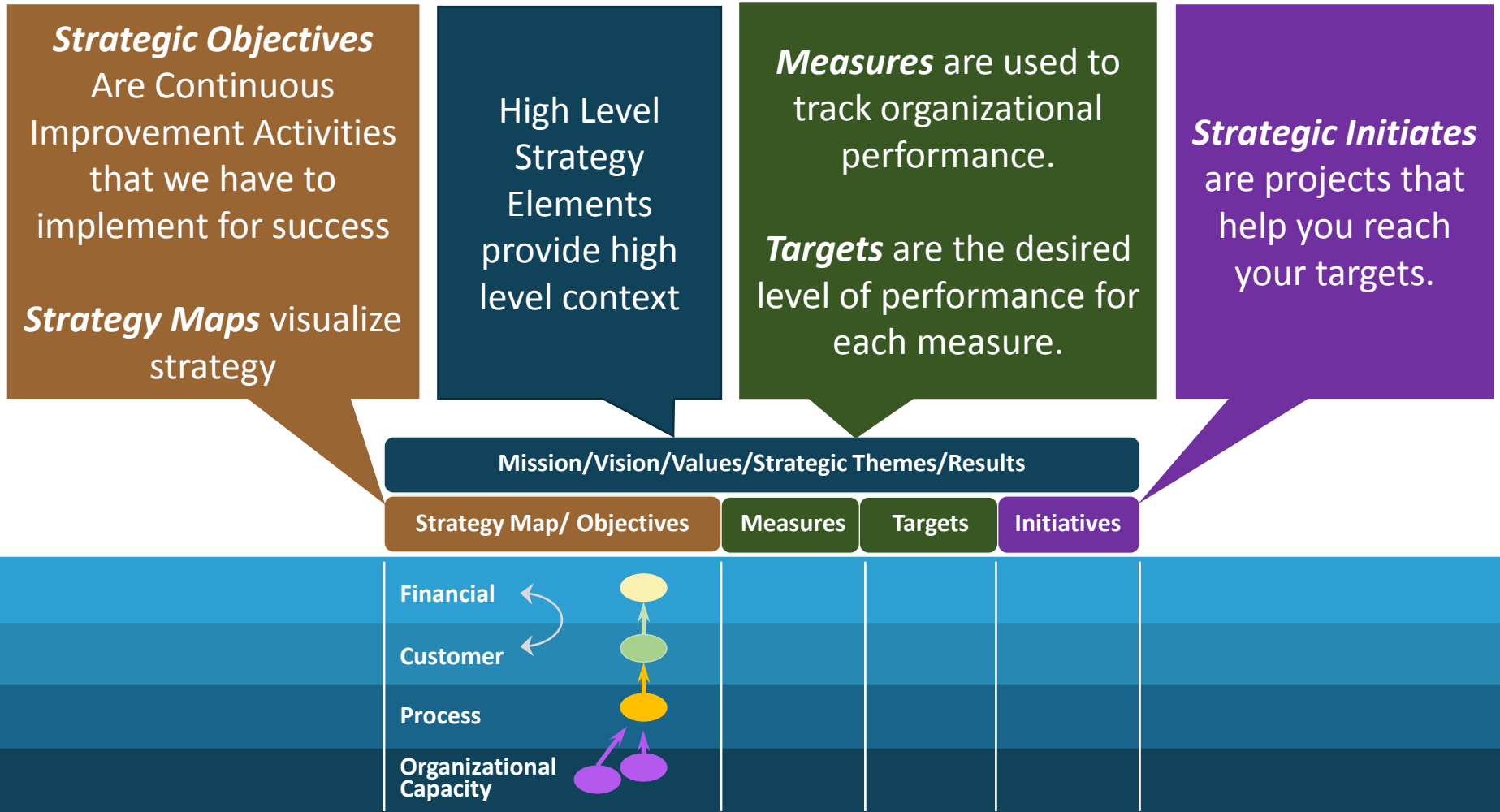
An ***integrated strategic planning and performance management system*** that:

- Communicates with clarity an organization's vision, mission, and strategy to employees and other stakeholders
- Aligns day-to-day work to vision and strategy
- Provides a framework for prioritizing programs, projects, services, products and resources
- Uses strategic performance measures and targets to measure progress



## OVERVIEW: WHAT IS A BALANCED SCORECARD?

# A Strategic Management System Connects the Dots Between Strategy and Action



# Strategic Performance Should be Monitored From Different *Perspectives*

## Financial *or* Stewardship

- Financial Performance
- Effective Resource Use



## Customer & Stakeholder

- Customer Value
- Satisfaction and/or Retention



## Internal Process

- Efficiency
- Quality



## Organizational Capacity *or* Learning & Growth

- Human Capital
- Infrastructure & Technology
- Culture



# Government Strategic Planning and Management System Example

<b>Vision:</b>	Be a world-class model for a successful urban community			
<b>Mission:</b>	Provide effective and fiscally responsible services in a manner that promotes high standards for community life			
<b>Strategic Themes:</b>	<i>Government Reform</i>	<i>Nurturing Children and Families</i>	<i>Public Safety</i>	<i>Economic Abundance</i>
<b>Strategic Results:</b>	Maintain an ethical and transparent government that engages its constituents and provides effective and efficient services.	Create a safe, thriving and engaged community so families can flourish through achievement of social, mental, physical and cultural well-being.	Create and maintain a safe, secure community-oriented city that is clean and vibrant.	Offer abundant opportunity for financial stability and advancement for all socio-economic levels.

Strategic Objectives and Strategy Map		Measures	Targets	Initiatives
Constituent/ Stakeholder		• Livability satisfaction score	• >90% this year	• Green Space program
		• Program satisfaction score	• >85% this year	• New business startup program
Financial Stewardship		• Per capita service utilization	• 65% this year	• Community engage committee
		• Per capita income	• ↑3% this year	• Partnering program
Business Processes		• Tourism revenue	• ↑6% this year	• Simplify tax payments
		• Controllable expenses	• ↓5% this year	• Asset resale program
Organizational Capacity		• Asset value	• ↑8% this year	• Energy savings program
		• Strategic projects on time and budget	• 95% this year	
		• Index of program results	• 85% this year	
		• Shared systems	• 35% this period; 50% this year	• Partner recruitment program
		• Response time changes	• ↑5% this period	• City marketing program
		• Audit score of communication effectiveness	• >90% this period	• Satisfaction surveys
		• Recruitment effectiveness	• > 80% this period	• Customer service training
		• Retention effectiveness	• 92% this year	• Individual development plans
		• Training effectiveness	• >93% this period	• Program evaluation process
		• Employees use of appropriate technology	• ↑45%	

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# Communicate

Vision, Mission & Strategy

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### Communicate Strategy Map is Your Story of Value Creation

	Targets	Initiatives
• Liveability	• >90% this year	• Green Space program
• Program satisfaction score	• >85% this year	• New business startup program
• Percentage of service utilization	• 65% this year	• Community engage committee
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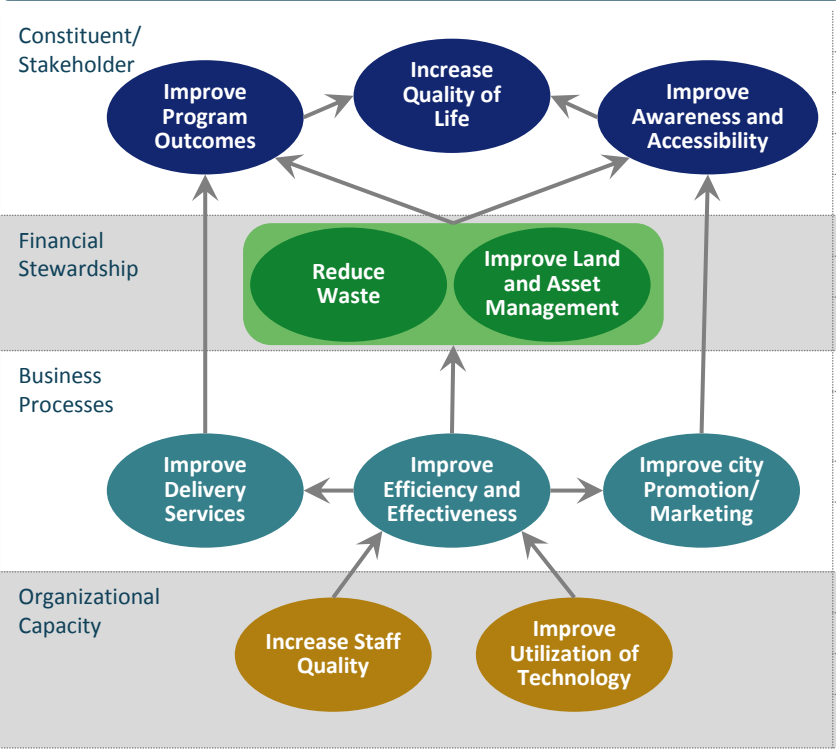
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# Government Strategic Planning and Management System Example

<b>Vision:</b>	Be a world-class model for a successful urban community		
<b>Mission:</b>	Provide effective and fiscally responsible services in a manner that meets the needs for community life		
<b>Strategic Themes:</b>	<i>Government Reform</i>	<i>Nurturing Children and Families</i>	<i>Economic Abundance</i>
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**Measure**  
**Strategic Progress – Strategy Execution**

## Strategic Objectives and Strategy Map



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## Government Strategic Planning and Management System Example

**Prioritize Initiatives/Projects**

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# Organizational Strategy Can Be Aligned By *Cascading to Different Tiers*

