

Supertanker in the Ocean

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**No land in sight; Very slow to turn
Therefore...**

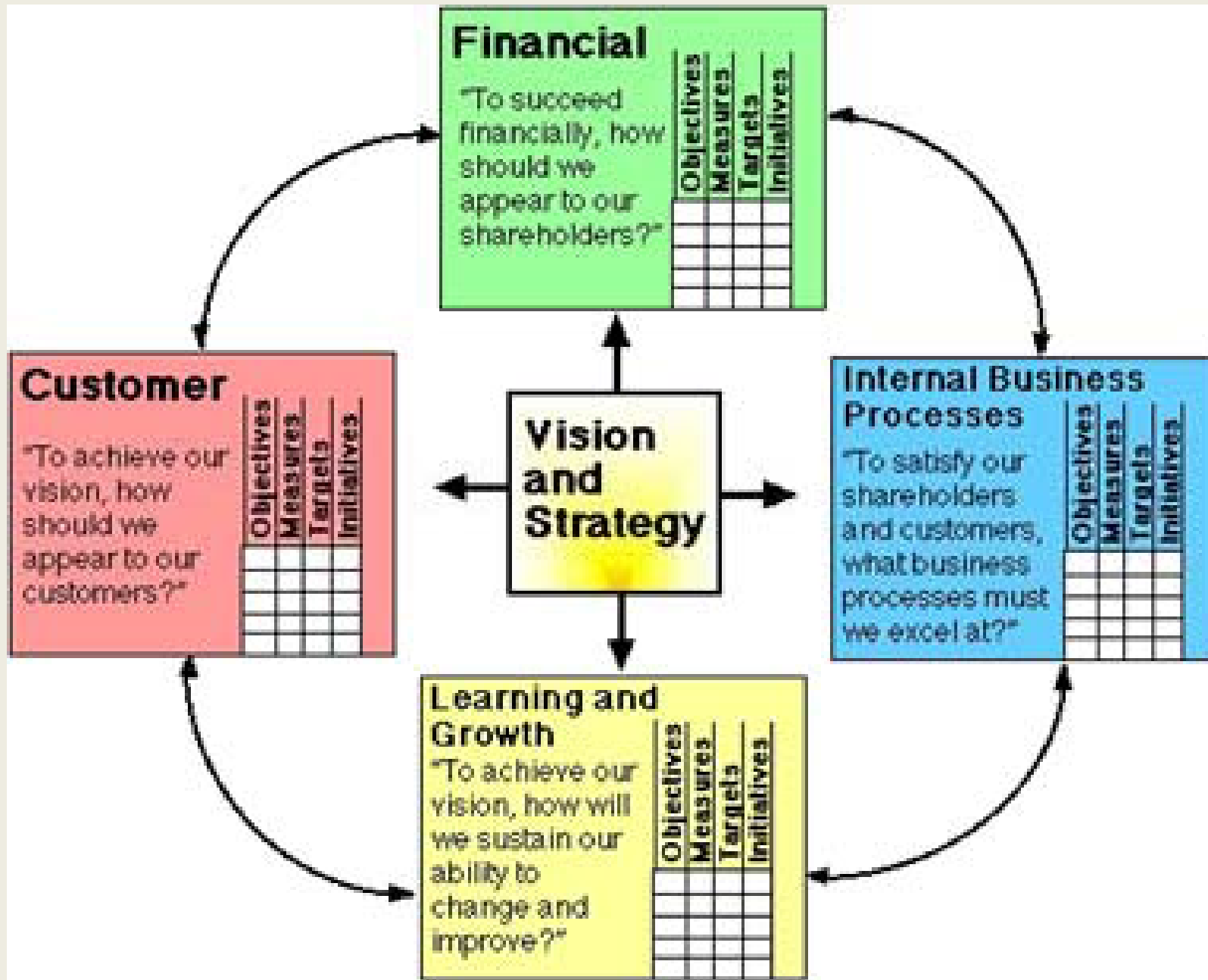
**Every little movement matters!
Need a simple, sophisticated guidance system**

Topics Today

- What is a Balanced Scorecard?
- Why do organizations use it?
- What might ___'s Scorecard look like?
- How-to and practical tips
- Learning more

What is a scorecard?

- A simple yet (properly used) sophisticated guidance system, or living report card for the organization
- That covers the four essential areas of organizational health
 - Financial
 - Learning and growth
 - Customers
 - Business processes
- Integral to the strategic plan. Cascades directly into resource allocation at all levels of the organization
- Focuses on trend lines, with reference to goals/benchmarks from best practice



Reasons for creating scorecards

- Aligns efforts across units AND through time, even with turnover
- Creates a target so all the organizational arrows can line up
- Brings priorities sharply into focus
- Provides a foundation for unit and individual goals/performance
- Provides a framework for budgeting
- Develops a sense of momentum, focus, accomplishment
- Translates the vision into a “language” all can use strategically
- Translates the goals into researchable problems we can study/solve
- Defines the desired “effects”
 - What are the essential “causes?” – action plans
- Creates a foundation for organizational learning and experimentation
- Facilitates accountability

Hypothetical Balanced Scorecard Fictional Health Sciences University

Mission: To advance and promote natural approaches to health through education, research, clinical services and community involvement.

Goal: The university of choice in natural health care.

1. University of Choice means

- * we attract good students
- * affordable
- * cutting edge content and methods
- * they recommend us to others
- * they go on to professional success

2. In (integrative) natural health care means

- * multi-disciplinary learning experiences
- * applied research across disciplines

		Benefits	Measurement	Target	2008 Trend	FY 09 YTD	3 Month Trend	Projects
Quality of Learning Services	1 1	Student success	Placement index	10		6	<div style="width: 60%; height: 10px; background-color: yellow;"></div>	Alumni employers
	1 2	Integrative learning	Integrative experiences index	8		6		Curric Devmt
	1	Client satisfaction	Surveys	>90%	▲	91%	■	Prof Dev
Strength and Stability	1 2	Integration with the professions	Degrees/demand match	TBD				Partners
	1 1	Enrollment quality, quantity, geograph	FTE/GPA/distance index	up X%/year	■	71		Retention
	1	Financial viability	Index TBD	>1.1		1.08		Campaign
Learning and Growth	2 1	Evidence-based pedagogy	Usage of best practices	80%	■	43%	■ ▲	Prof Dev
	2 2	Applied research	Index of key indicators	TBD	▼			Support Systems
	2	Integrative disciplines development	Index of key indicators	TBD				Faculty workshops
Operational Efficiencies	1 1	Customized learning	Average time to degree	TBD				IT, Prof Dev
	1 1	Lean business processes	Time/cost savings	-50%	▲	-8%		BPR
	1	Optimum IT leverage	Cost/benefit	\$1.5 in 5 years				IT Project

Drivers

- Benefit to learners, patients, and professions
- Evidence and data
- Productivity
- Continuous improvement

Primary Implementation Success Factors

- Obtaining **executive sponsorship** and commitment
- Involving a **broad base** of leaders, managers and employees in scorecard development
- Agreeing on **terminology**
- Choosing the right BSC Program **Champion**
- Beginning **interactive** (two-way) communication first
- Working through **mission, vision, strategic results, and strategy mapping first** to avoid rushing to judgment on measures or software
- Viewing the scorecard as a **long-term journey** rather than a short-term project
- Planning for and managing **change**
- Applying a **disciplined** implementation framework
- Getting **outside help** if needed

From www.balancedscorecard.org

Sample Implementation Steps

- ✓ Readiness: mission, vision, strategic plan
- ✓ Map strategies onto outcomes
- ✓ Set objectives
- ✓ Match with projects/initiatives
- ✓ Define measures and targets
- ✓ Re-examine, reduce, refine, build scorecard
- ✓ Plan formative and summative reporting processes, individual/unit accountabilities for projects/initiatives ...

As a practical matter

- If meaningful, use metrics you already collect for other purposes.
- Use leading metrics, too – not just lagging.
- Develop a systematic way of collecting and reporting the data.
- Lock in routine times to review, learn from, and act on the report.
- Analyze the causes of change in metrics (e.g., flowchart) – environmental, organizational, unit, individual? Levers for change?
- The only right way is the way that works for the individual organization. Generic or borrowed scorecards are useless.
- Thoughtful revisions are good, especially for learning from experiments and for clarity, simplicity, and focus

Learning More:

Balanced Scorecards, Change Management, Strategic Planning, Quality Management, Lean, Continuous Improvement, Accountability, Alignment

- **Read** — from reference list provided, search on Amazon, Google, etc.
- **Professional groups, conferences, workshops** such as AIR (Association for Institutional Research), SCUP (Society for College and University Planning), Palladium Group, balancedscorecard.org
- **Build a peer network** of institutions or individuals
- **Bring in workshops** such as from groups above or AGB
- **Work with consultant(s)** such as from groups above or AGB

Questions?

- How does this fit into our strategic plan, NCA self-study, and long range goal of becoming the best that we can be?
- How does this help us to best use our limited resources to our advantage?
- What kind of training does our staff and administration need to support such an initiative?
- How can we establish meaningful performance measures aligned with strategic goals?