

Balanced Scorecard

Introduction

Balanced Scorecard Implementation is a company management tool which when successfully applied from the top down ensures focused and high-performance best practice.

The Balanced Scorecard translates an organization's mission and strategy into a comprehensive set of performance measures that provides a framework for a strategic measurement and management system.

The Balanced Scorecard retains an emphasis on achieving financial objectives, but also includes the performance drivers of these financial objectives.

The focus of our training will be heavily directed to achieving a practical, realistic beneficial and successful outcome, not academic theory, thus enabling participants to read and interpret the Balanced Scorecard.

Objectives

By the end of this course participants will be able to:

- Explain what mission, vision and strategy are and what they are in their own organisation
- Explain their role in delivering on mission, vision and strategy
- Linking mission, vision and strategy to real performance
- Describe the structure and typical content of a Balanced Business Scorecard
- Read and interpret the Balanced Scorecard
- Translate an organisations strategic themes and objectives into a Balanced Scorecard.
- Use a Balanced Scorecard in a management-for-results environment
- Explain how to use the Balanced Scorecard to align operational activity with strategy
- Identify financial, business process, customer satisfaction and internal development metrics that support corporate strategy
- Track performance against the established strategic and operational goals
- Identify improvements that will impact corporate success
- Use best practice approaches to overcome obstacles and challenges
- Explain the change management implications of implementing a Balanced Scorecard
- Effectively communicate strategic intent throughout the organization

Content

A sample of what is covered includes:

Tools for self-development and learning

- Review of the participants' experience and knowledge

Mission, vision and strategy

- Mission, vision and strategy - what they are
- Mission, vision and strategy in our organisation

Performance

- What is performance, performance measurement and performance management?
- Measurement and Management challenges in the Information Age
- Traditional performance measurement techniques

Balanced Scorecard

- Introducing the Balanced Scorecard approach
- Features and benefits of the Balanced Scorecard
- Why the Scorecard is gaining in popularity among Business Leaders?
- Why do too many Scorecards fail?
- Understanding the balanced scorecard implementation programme
- Understand the entire schedule from initial sponsorship through to actual launch of the Scorecard as an active management tool
- How Balanced Scorecard is maintained and managed in an organization and how the results can keep the interest sustained
- The 4 perspectives in detail; stakeholder, customer, internal, innovation
- How different types of organisations apply the Scorecard concept

Developing Strategy Maps

- Defining cause-and-effect diagrams that set out a diagrammatic picture of the organisation's strategy - the concept appears very easy; but practice is different
- How you develop a strategy map that correctly represents the real strategy of the business
- Specific Measures - developing specific measures from the strategy maps - creating a lead and lag schedule of measures

Prioritising Measures

- The importance of the 'sanity check' at the culmination of this stage of development is vital to success
- Review and undertake your own 'sanity check'
- Developing the 'Measure Library'
- Working with the Output Reports
- The Scorecard is a reporting tool for management and must be designed according to management needs and requirements
- A range of examples and set out what the issues are for each organisation to address
- The supporting system requirements of a Scorecard application

Cascading the Scorecard

- The practicalities of applying a Scorecard at strategic business unit, division and department levels
- How can we ensure our Scorecards are aligned to the overall corporate level?
- Linking the Scorecard to Reward and Compensation
- The link between a Scorecard and incentives
- How to sustain and maximise the benefits from those links

The HR implications

- Performance management
- How the Scorecard can best link with existing planning, budgeting and management accounting processes and management reports

Launching the Scorecard - if handled successfully Balanced Scorecard creates great benefit but requires careful advance planning

- The issue of communication
- The critical planning steps
- Using the Scorecard
- Balanced Scorecard versus other methodologies
- Beyond the Balanced Scorecard
- Next Steps - a next-steps action plan to take back to your organisation. This session will also include a focus on keeping the Scorecard dynamic and refreshed - it is not a rigid view of the business
- Scorecard clinic

