

# NCCI Power60: The Balanced Scorecard

Part I: A Framework for  
Strategy Management  
in Higher Education

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# Strategy

- 1) Does your university have a strategic plan? (**Yes/No**)
- 2) Do you understand your university's strategy? (**Definitely, Somewhat, Nope**)

**Enter your responses in Chat**

# Zoom Poll

What percent of organizations successfully execute their strategy?

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10%

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45%

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75%

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90%

# It's pretty simple (or, it should be)

Communicate constantly

Re-allocate resources

Hold employees, but especially, managers accountable

Have effective measures



We tend to over-complicate things

Can I see your strategic  
plan?

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Why, Yes!







Um, Ok. How about  
your metrics?



Thought You'd Never  
Ask!







We can do better

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# VISION

# MISSION

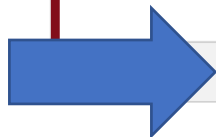
Vision	Transforming society through ease of access to ultra-high-speed information services		
Purpose	Delivering mobile services that contribute to society while acting lawfully, ethically and with integrity wherever we operate		
Strategic Priorities	Content Partnerships	Customer Service	Brand Awareness
Strategic Results	Strong supply chain for content and information services, exclusive agreements	Clarity in offering that surpasses anything in the market today, best user interface	Reinvigorated brand based on successes, attract a wider and younger audience

What are we going to do?

	Strategic Objectives	KPIs	Targets	Projects
Financial		<ul style="list-style-type: none"> <li>Net profit</li> <li>Operating costs</li> <li>Revenue in target markets</li> </ul>	<ul style="list-style-type: none"> <li>↑ 5% per year</li> <li>↓ 3% per year</li> <li>↑ 12% per year</li> </ul>	<ul style="list-style-type: none"> <li>Implement new financial accounting system</li> <li>Simplify billing operations</li> <li>Competitive end user requirements market studies for new UK regions</li> </ul>
Customer		<ul style="list-style-type: none"> <li>% Market share index</li> <li>% Customer satisfaction index</li> <li>% Focus group user index</li> </ul>	<ul style="list-style-type: none"> <li>↑ 3% per year</li> <li>85% this year</li> <li>&gt; 90% each focus session</li> </ul>	<ul style="list-style-type: none"> <li>"Improve the Offering" two year programme</li> <li>Create improved offering selection process</li> <li>Hook into 'Improve the Offering' programme</li> </ul>
Internal Processes		<ul style="list-style-type: none"> <li>New products as % of sales</li> <li>Brand awareness score</li> <li>Cost efficiency index</li> </ul>	<ul style="list-style-type: none"> <li>12% this year</li> <li>↑ 5% per year</li> <li>&gt; 90% every reporting period</li> </ul>	<ul style="list-style-type: none"> <li>Training programme for new offerings and user interface</li> <li>Product and marketing training programme</li> </ul>
Organisational Capacity		<ul style="list-style-type: none"> <li>Employee development plans</li> <li>Technology training index</li> <li>Supply chain efficiency index</li> </ul>	<ul style="list-style-type: none"> <li>95% in place</li> <li>90% efficient</li> <li>95%</li> </ul>	<ul style="list-style-type: none"> <li>2 year content supply agreements</li> <li>Technology improvement programme including data centre upgrade</li> </ul>

How will we stay on track?

# VALUES



Customer Focus - Integrity - Quality - Helpfulness - Community - Efficiency


# Basics - What is a Balanced Scorecard?

The Balanced Scorecard (BSC) is a holistic strategic planning and management system+

Organizations use BSCs to:

- **Communicate** what they are trying to accomplish
- **Align** the day-to-day work that everyone is doing with strategy
- **Stay focused and prioritize** projects, products, and services
- **Make data-informed decisions** by measuring and monitoring progress towards strategic targets
- **Provide line of sight** and visible connections between projects, programs, strategic objectives, mission, vision, and strategy of the organization

# 1) What are Balanced Scorecard Perspectives (or "views")

<b>Financial Stewardship or Stakeholder</b>	<ul style="list-style-type: none"><li>• Financial performance</li><li>• Effective resource use</li></ul>	
<b>Customer</b>	<ul style="list-style-type: none"><li>• Customer-identified value</li><li>• Satisfaction</li></ul>	
<b>Internal Processes</b>	<ul style="list-style-type: none"><li>• Efficiency</li><li>• Quality</li></ul>	
<b>Learning and Growth</b>	<ul style="list-style-type: none"><li>• Staff Engagement</li><li>• Infrastructure &amp; Technology</li><li>• Culture</li></ul>	





# When in Balance ...

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- Strategy is happening with staff, not to them
- Everyone can clearly tell your story
- The organization is aligned
- Staff know where they fit into the bigger picture
  - "We know where we are going"
  - "We know how we will get there"
  - "We know how we are doing"



But wait,  
there's more!

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Happy Stakeholders

Happy Employees



We should be challenging ourselves to ask: "Will what we did or decide today improve the researcher, faculty, student, or administrator experience and if not, why are we doing it? What are we doing well, what should we do differently?"

## RESEARCHER

Did we help a researcher spend more time in their lab? (i.e., rather than track down policies and fill out confusing forms)?

## ADMINISTRATOR

Did we help an administrator focus on their most mission critical work (i.e., rather than getting bounced around from desk to desk to get an issue resolved)?

## FACULTY MEMBER

Did we help a faculty member concentrate their efforts toward their student's learning (i.e., rather than spend hours on processing administrative paperwork)?

## STUDENT

Did we enhance a student's overall experience (i.e., rather than stressing them with red tape, hoops, and waiting in lines)?



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“I’m Helping Put a  
Man On the Moon”

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# The Balanced Scorecard Basics

- ✓ 1) The 4 Perspectives
- 2) Strategic Objectives
- 3) Strategy Map
- 4) Performance Measures
- 5) Strategic Initiatives
- 6) Cascading

## 2) What are Strategic Objectives?

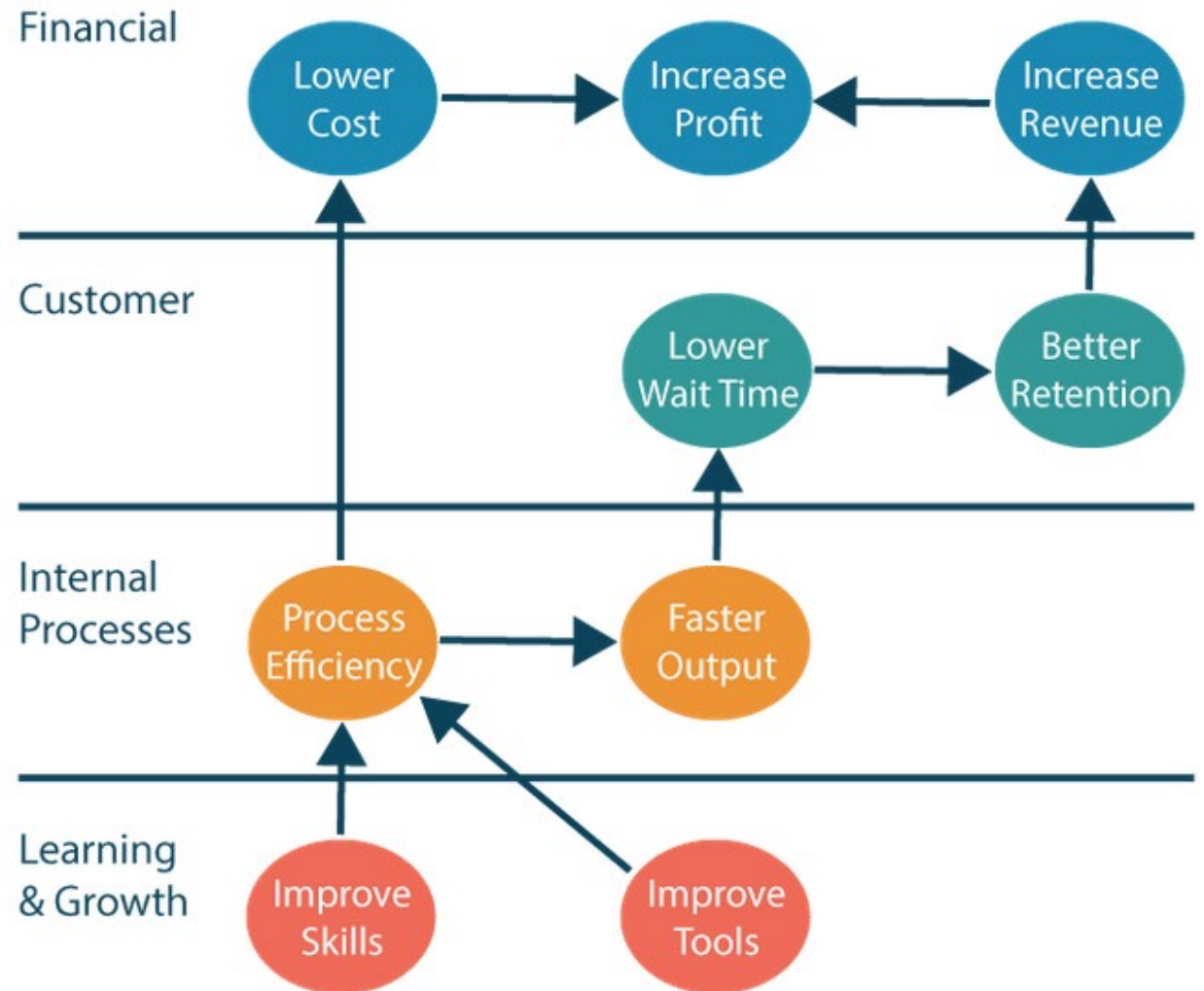
- Strategic Objectives are the actions you must implement in order to see improvement in your strategies
- They break down the abstract concepts like mission and vision into actionable steps





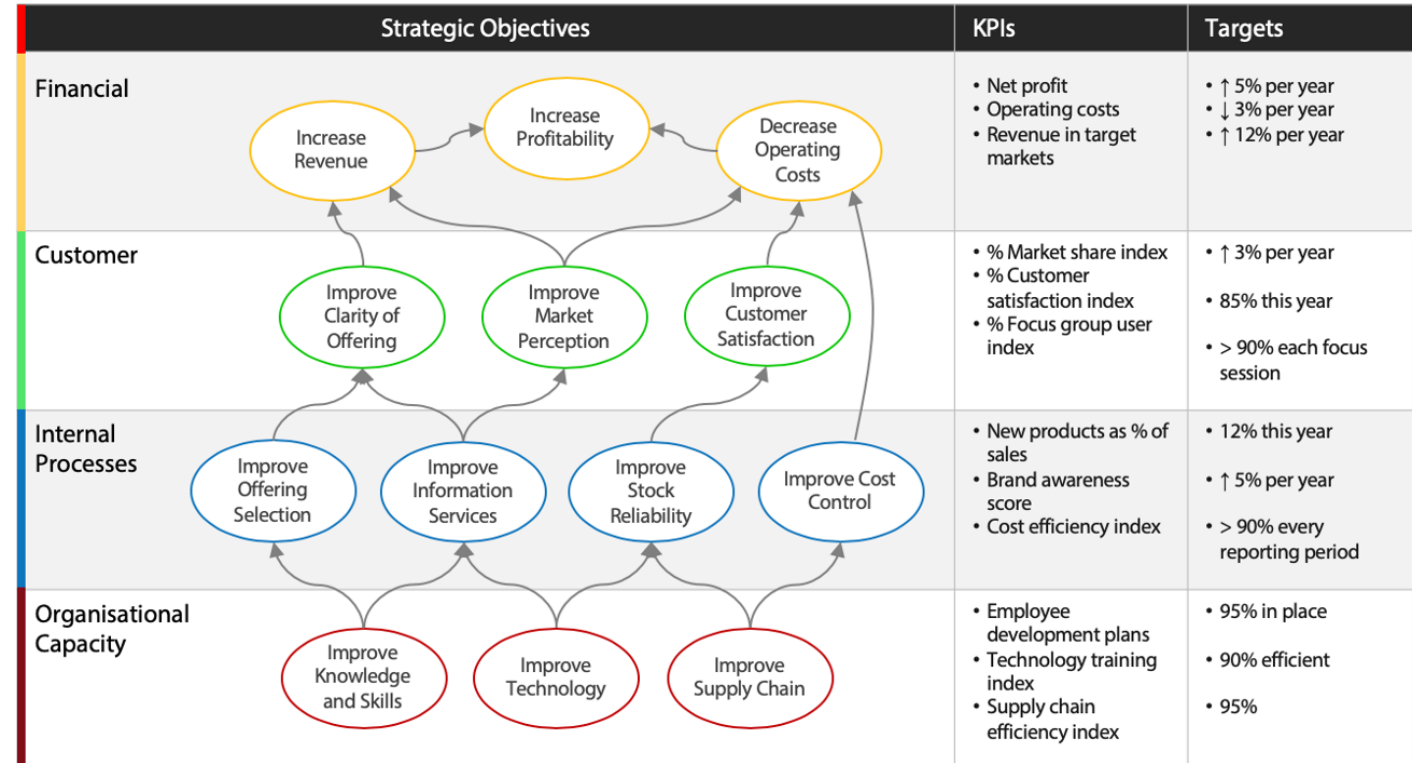
### 3) What is a Strategy Map?

- A strategy map is a simple graphic and can show logical cause-and-effect connections between strategic objectives (the circles on the map) and alignment to the mission
- Enables you to visualize and communicate how value is created



## 4) What are Performance Measures (KPIs)?

- For each objective on the strategy map, at least one measure or Key Performance Indicator (KPI) is identified and tracked over time
- KPIs ensure accountability by indicating progress



## 5) What are Strategic Initiatives?

- Strategic Initiatives are projects (new or existing) that help the organization achieve Strategic Objectives
- They can be short term or long term, are measurable, and managed like any other project (ie have an owner, defined scope and schedule, and measurable outcomes)



## 6) What is Cascading?

- One of the most powerful concepts of the Balanced Scorecard framework
- This is what **makes the strategy real** for every individual
- Cascading strategies focuses the entire organization and **creates line-of-sight** between work people do and the high-level mission and goals
- As you cascade down through the organization, objectives become more operational and tactical (as do KPIs)
- This is critical step for an organization to be truly *strategy-focused*



# The Story of Christopher Wren



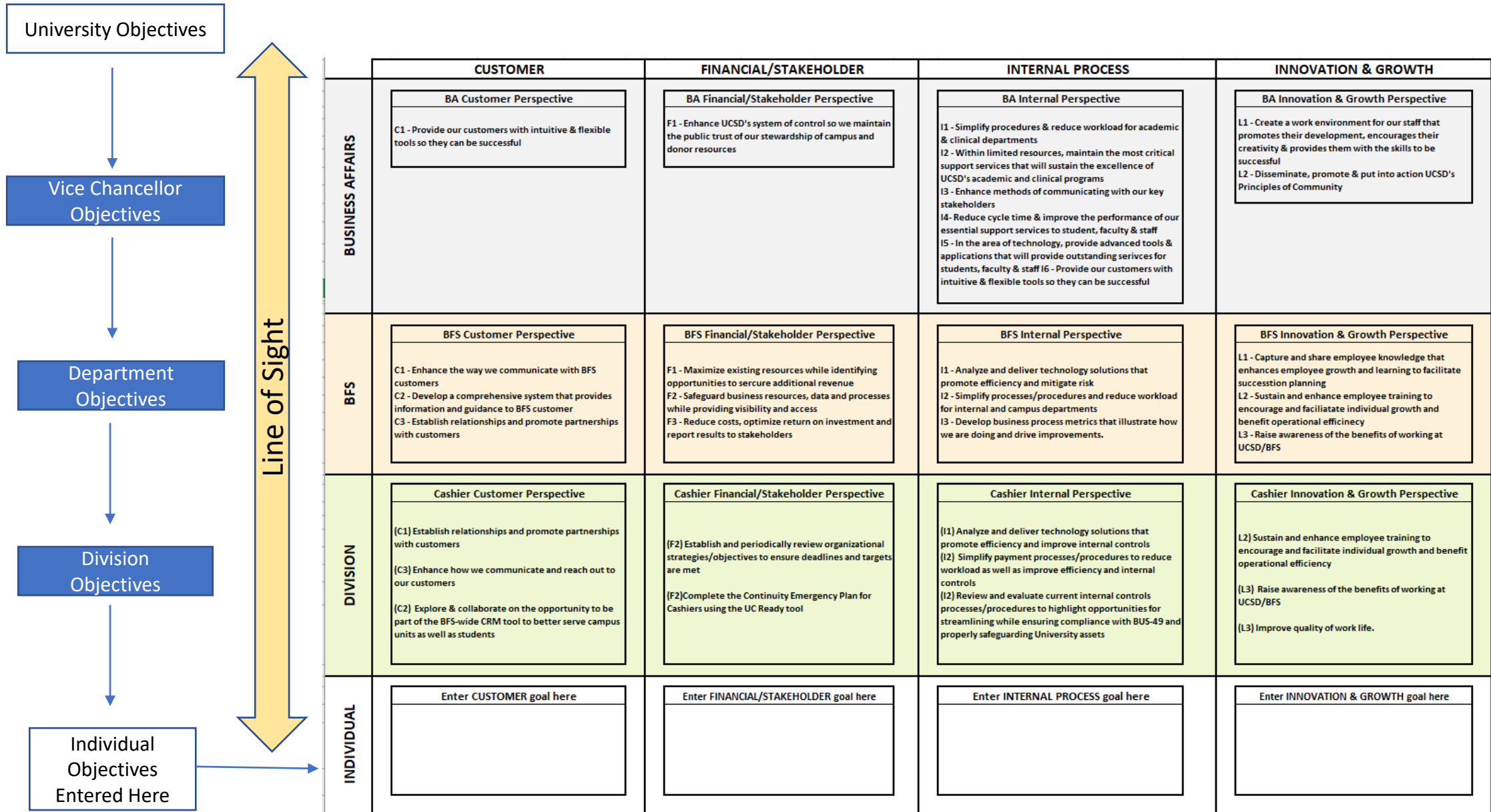
**Wren:** “What are you doing?”

*“I am cutting a piece of stone.”*

*“I am earning five shillings  
twopence a day.”*

***“I am helping Sir  
Christopher Wren build a  
beautiful cathedral.”***

# Making the Strategy Real

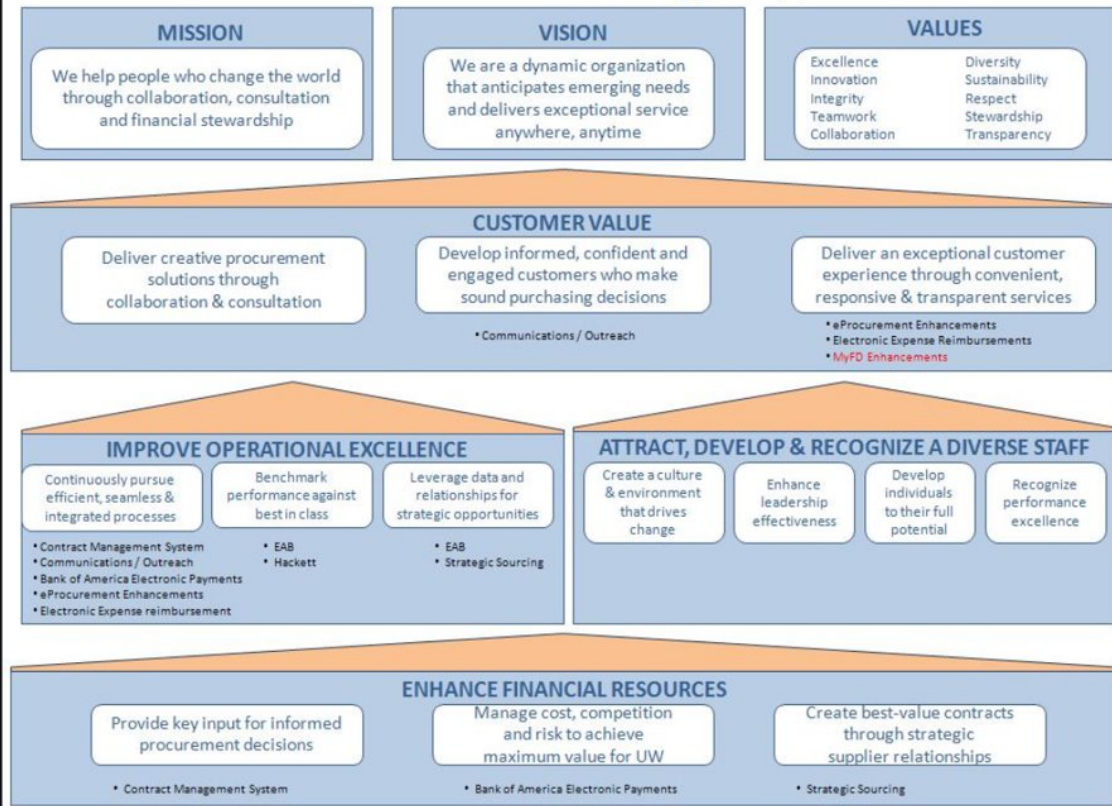


# Strategy Map Examples

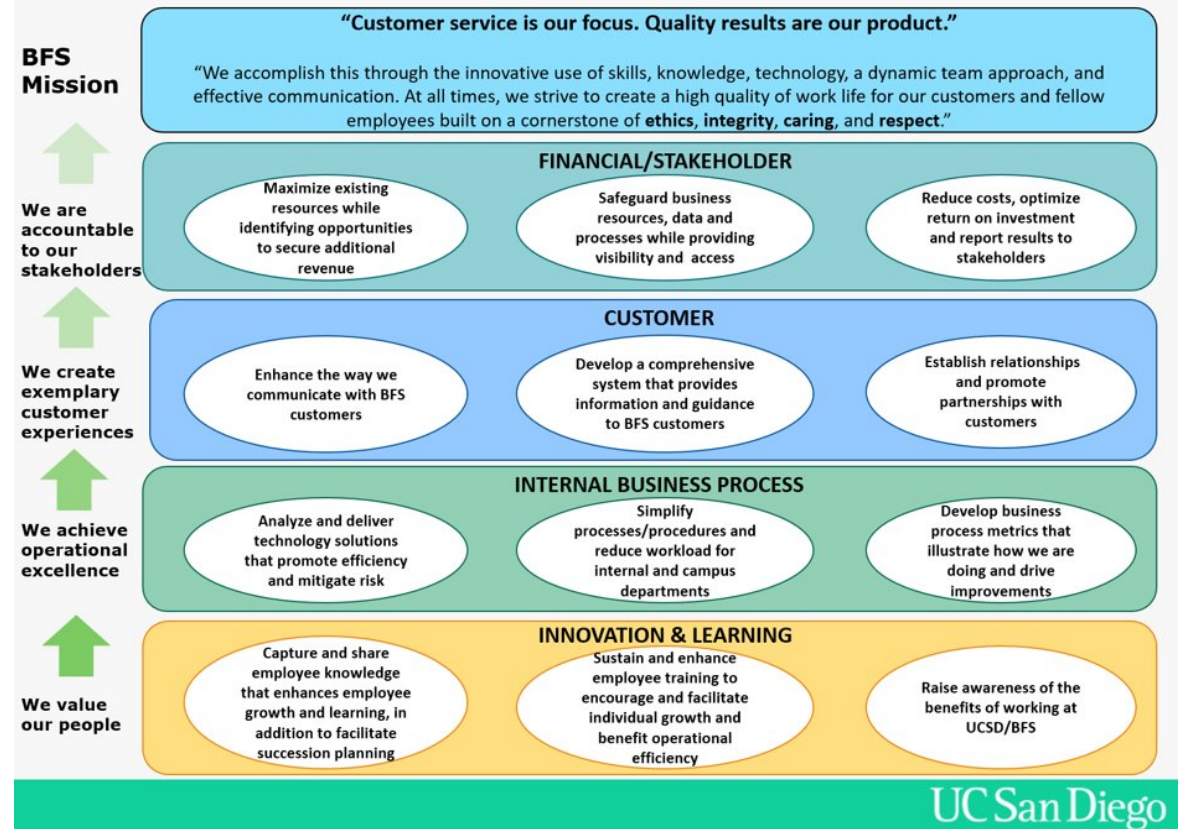
University of Washington

UC San Diego

## UW Procurement Services Strategy Map, 2010-2015



## BFS STRATEGY MAP

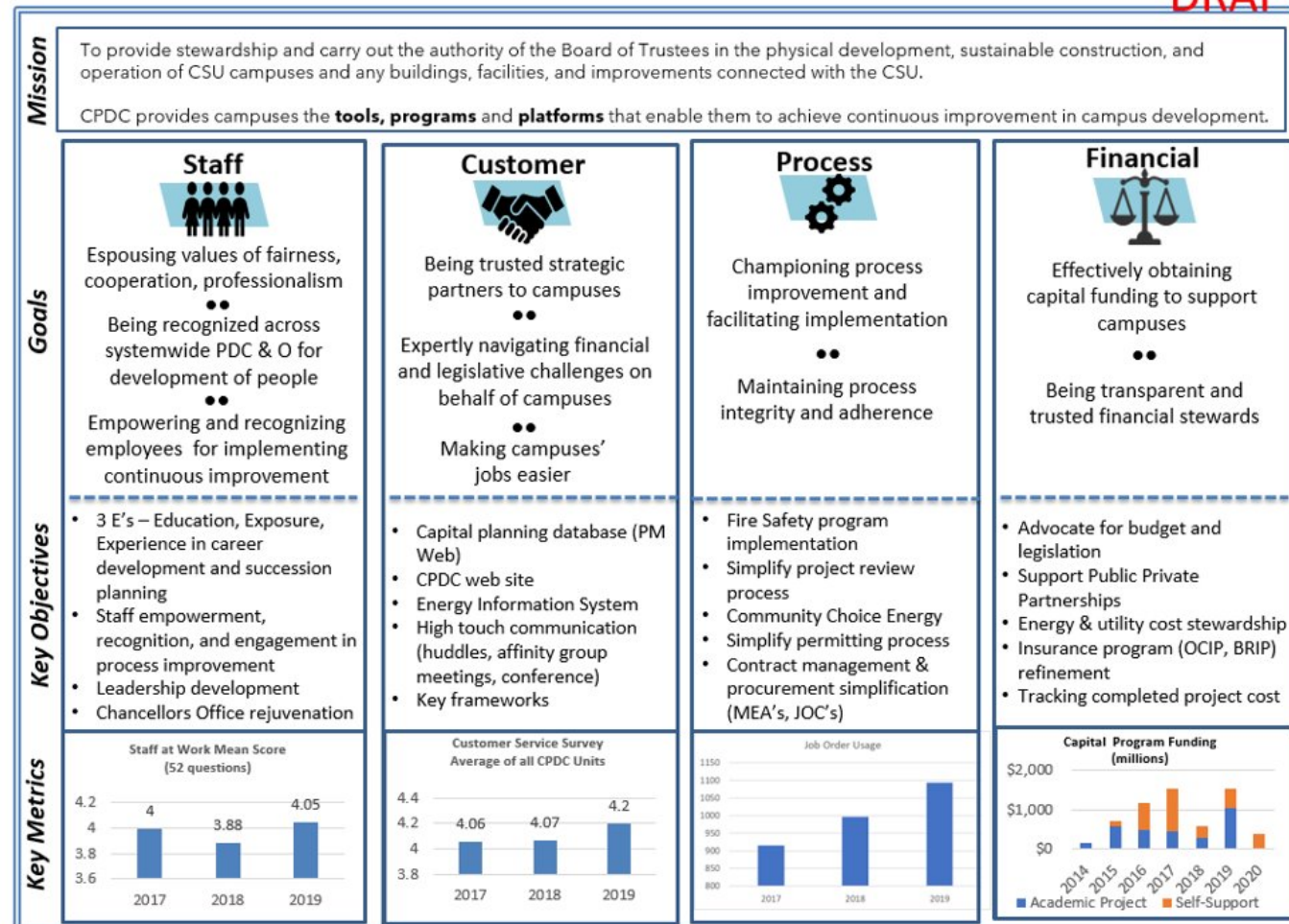


# Scorecard Example

## California State University System

### CPDC Balanced Scorecard 2020-21

1/18/2021  
**DRAFT**





# Cascading Example

## California State University System



### FINANCIAL SERVICES BALANCED SCORECARD (BSC)




#### BUSINESS & FINANCE STRATEGY ALIGNMENT MAP

	STAFF (S)	CUSTOMER (C)	PROCESS (P)	FINANCIAL (F)
<b>BUSINESS &amp; FINANCE</b>	<ul style="list-style-type: none"> <li>S1 – Cultivate a climate of fairness, cooperation and professionalism in Business &amp; Finance</li> <li>S2 – Promote staff development, encourage creativity and provide them with the skills to be successful</li> <li>S3 – Increase staff recognition and solicit ideas from staff to make Business &amp; Finance a better workplace</li> </ul>	<ul style="list-style-type: none"> <li>C1 – Be a strategic resource and trusted partner for campuses to enhance student achievement</li> <li>C2 – Improve communication, increase transparency and offer guidance to campuses</li> <li>C3 – Provide campuses with intuitive and flexible tools, so that they can provide outstanding services for students, faculty and staff</li> <li>C4 – Increase the availability and use of data for campuses</li> </ul>	<ul style="list-style-type: none"> <li>P1 – Simplify policies and procedures to reduce workload for campuses</li> <li>P2 – Reduce cycle time and improve the performance of our essential support services</li> </ul>	<ul style="list-style-type: none"> <li>F1 – Research, advocate and secure support for investment by the State</li> <li>F2 – Ensure effective stewardship of resources to maintain stakeholder and public trust</li> <li>F3 – Reduce costs, limit risk and optimize return on investment; report results to stakeholders</li> </ul>
<b>SLT UNIT</b>	<ul style="list-style-type: none"> <li>S1 – Develop annual goals for Financial Services</li> <li>S2 – Recognition – active public recognition</li> <li>S2 – Training – Internal/external training opportunities (skills and leadership)</li> <li>S3 – Financial Services communication – all employee meetings</li> </ul>	<ul style="list-style-type: none"> <li>C1 – Better campus communication – FSAC information-sharing SharePoint</li> <li>C2 – Engage the Financial Officers Association to provide effective guidance regarding CSU fiscal matters</li> <li>C2 – Improve response times – Commit to 24-hour responses or acknowledgements</li> <li>C3 – Intuitive online resources – CalState and CSYou websites</li> </ul>	<ul style="list-style-type: none"> <li>P1 – Directors to choose a key procedure for improvement process mapping</li> <li>P2 – Begin data collection for key metrics based on mapping</li> </ul>	<ul style="list-style-type: none"> <li>F3 – Fewer Paper Disbursements – ACH/EFT/Wires/Checks</li> <li>F3 – Engage staff and management to identify financial measures and target levels. Collect data for these metrics</li> </ul>
<b>DEPARTMENT</b>	<ul style="list-style-type: none"> <li>S1 – (FS) Develop specific goals</li> <li>S1 – (FSA) Create FS specific on-boarding material</li> <li>S2 – (Gen Acct) Focus on skills training and cross-training</li> <li>S2 – (FS) Professional skills development opportunities for staff</li> <li>S2 – (FS) Leadership skills development opportunities for managers (e.g., CSU's Got Talent, other soft-skills courses)</li> <li>S2 – (FS) Recognize employee accomplishments</li> </ul>	<ul style="list-style-type: none"> <li>C1 – (SFSR) Tax coordinators quarterly call and Listserv</li> <li>C2 – (MAPO) Responsive to campus requests for updated policies/guidelines</li> <li>C2 – (MAPO) Monthly open lab sessions tracking feedback for topics and improvements</li> <li>C2 – (MAPO) Refresh online training library and include some campus training modules as appropriate</li> <li>C2 – (SRB) Collaborate with CPDC</li> <li>C2 – Response times to campus questions/requests a 24 hour goal</li> <li>C2 – (FSA) Host CO Business Forum</li> <li>C3 – (SFSR) Reinvent SFSR SharePoint site for SW collaboration and knowledge sharing</li> <li>C3 – (MAPO) Interunit CFS implementation</li> </ul>	<ul style="list-style-type: none"> <li>P1 – (SPA) Proposal clearance process improvement/automation</li> <li>P1 – (FS) Utilize technology effectively to free up time for analysis</li> <li>P1 – (Gen Acct) CPO process improvements</li> <li>P2 – (Gen Acct) Asset management process improvement</li> <li>P2 – (FS) Continue to deploy Promapp</li> <li>P2 – (SFSR) Convert CSURMA accounting software to PeopleSoft</li> </ul>	<ul style="list-style-type: none"> <li>F2 – (SFSR) Implement LeaseAccelerator</li> <li>F2 – (FS) Ensure effective utilization of CARES Act funds</li> <li>F3 – (AP) Achieve a 5% increase in AP electronic payments</li> <li>F3 – (Gen Acct) Financial reconciliations of Cal State Apply systemwide</li> </ul>

**In Summary:** the Balanced Scorecard is a strategy management framework, a measurement system, and a communication tool





# 10 Common Mistakes in Implementing the BSC, and How to Avoid Them

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# Thank you!

## Part II: April 22, 2021 Deeper Dive into the BSC: Metrics, Management, and More

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