

Re-energizing Your Balanced Scorecard Efforts

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What is the Balanced Scorecard?

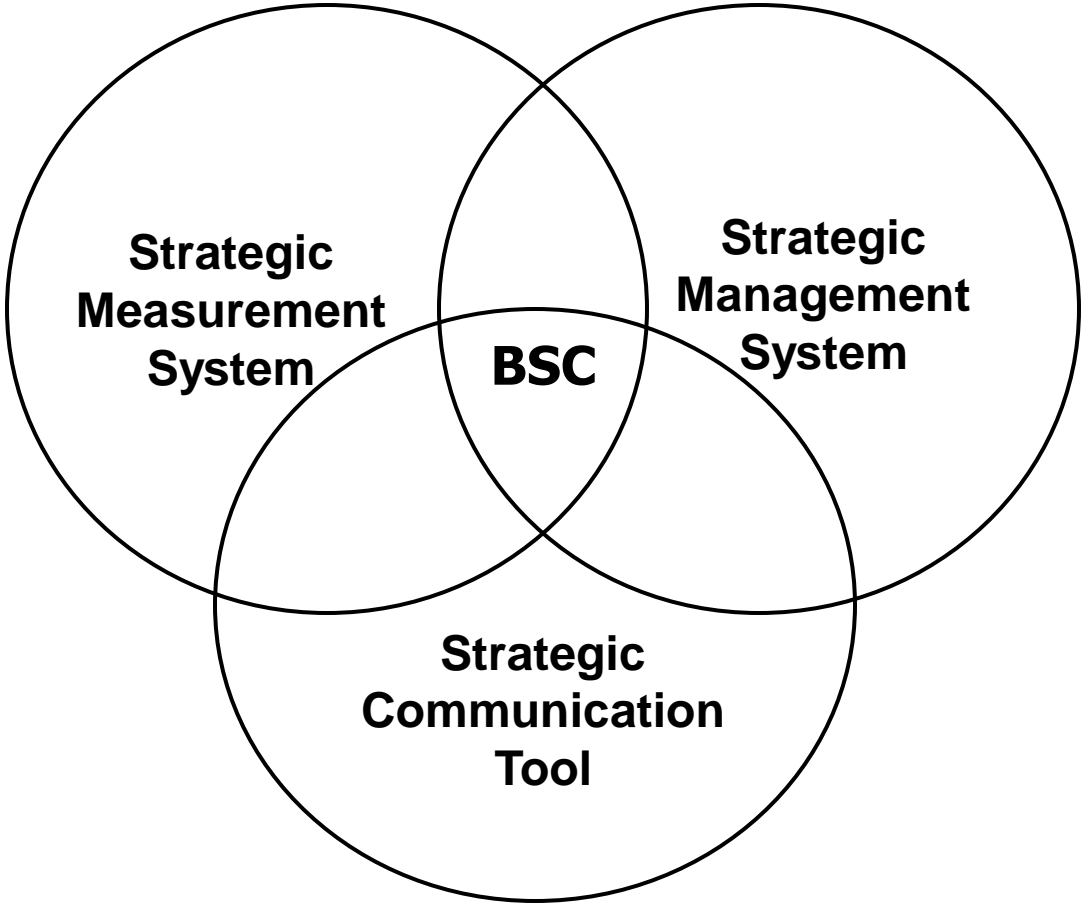
“At the highest conceptual level, the Balanced Scorecard is a framework that helps organizations translate strategy into operational objectives that drive both behavior and performance.”

Norton & Kaplan

The Scorecard is ...

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

What is the Balanced Scorecard



Measure—Manage – Communicate

Montana BSC Project

- **2005 pilot 2 CAHs and the Performance Improvement Network (PIN)**
- **Hospital readiness assessment**
- **1 week site visit**
 - Refined strategies
 - Identify BSC champion and developed performance standards
 - Built strategy map and BSC communication plan
 - Identified BSC perspectives
 - Built scorecard measures – 1 RPM, 1 excel
 - Built top 5 initiatives
 - Department Directors education on BSC
 - BSC reference materials
- **Conference calls – weekly, biweekly and monthly**
- **Quarterly BSC Interest Group webinars**

Stroudwater Associates Approach

- **New Mexico, Arkansas, Wyoming, Montana and many other states**
- **Perspectives vary from traditional to 5 pillar models**
- **Structures for implementing strategic initiatives vary**
- **Ongoing relationship to support BSC deployment and to refine measures as initiatives are implemented**

What we've Learned

Challenges

- Resource allocation
- Initiative building – project management skills

• Lessons learned

- BSC champion should be a senior leadership position with clearly defined performance expectations, allocated time and functional authority over the scorecard to insure departmental compliance
- Your strategic plan needs to be well articulated and strategic, not a list of tactics and projects
- Expect results and move rapidly into Board reporting
- Strategy is everyone's job - Plan for cascading to departments to create strategic alignment throughout the organization
- The CEO is seen as the leader of the BSC and it is integrated into the organization as an essential component of the management system

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