

FRONTLINE TRENDS

BSC [Balanced Scorecard]

Presentation

08.06.2023

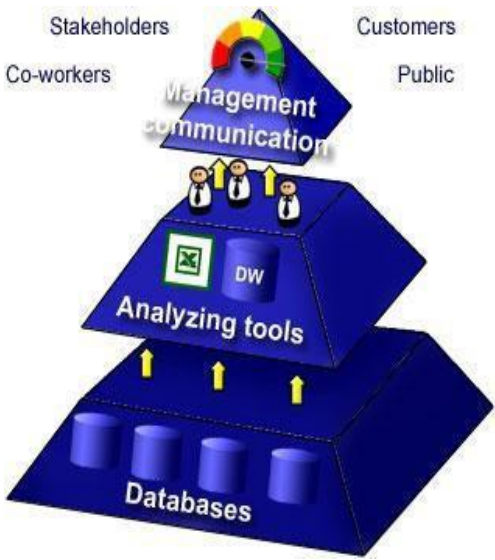
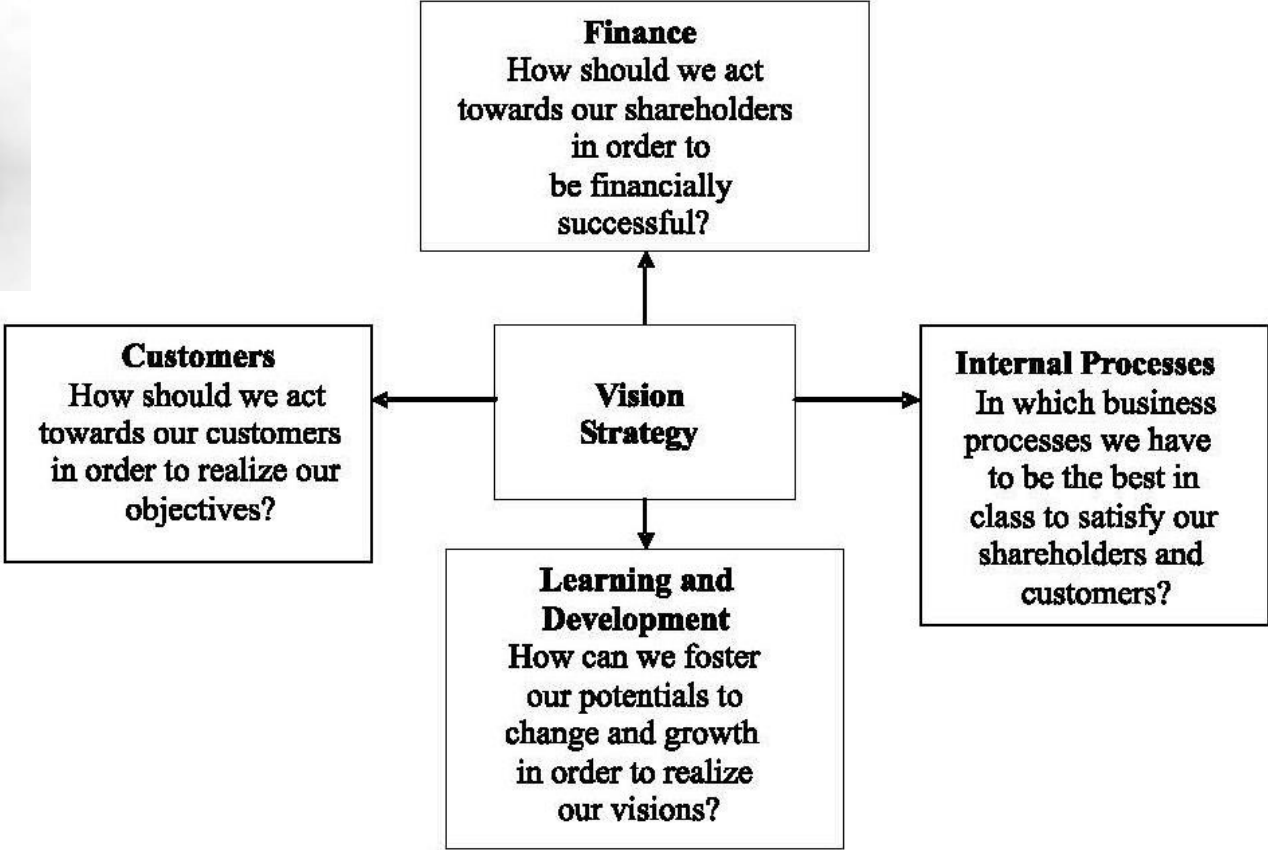


Prepared by:

David Livingstone Kabasa,
+353 87 11 999 06, david@frontlinetrends.com

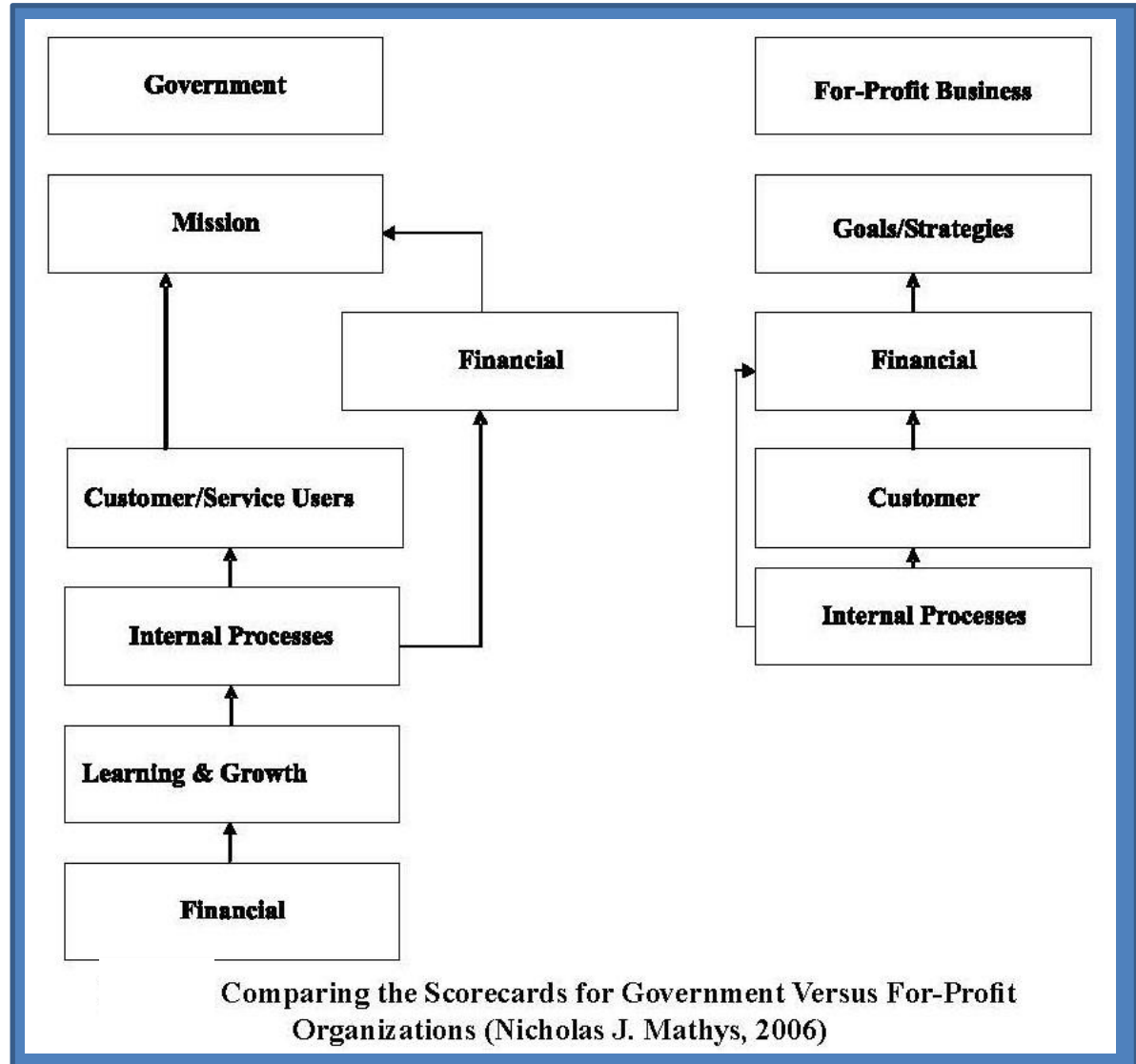
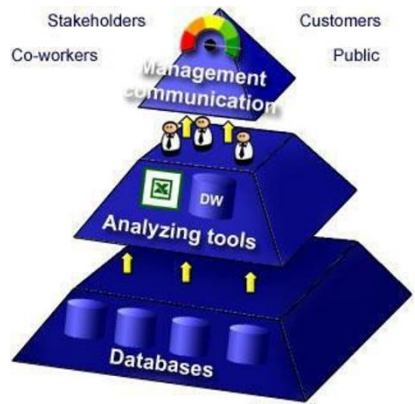
Doc. No. FLT/BSC/DEV/2023-06A

BSC DESIGN METHODOLOGY



. The methodology of the Balanced Scorecard (Kaplan and Norton, 1997, p. 9)

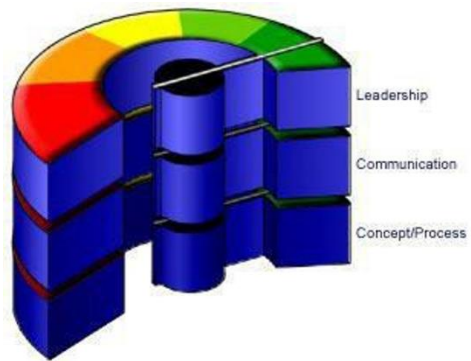
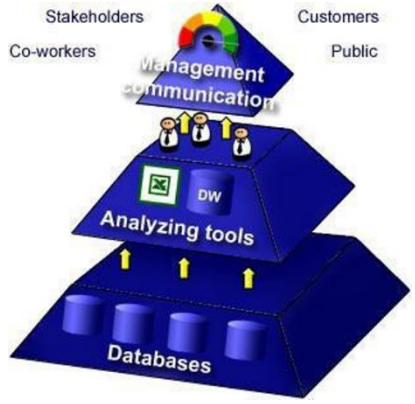
COMPARING THE GOVERNMENT & NON-PROFIT BSC STRUCTURES



Comparing the Scorecards for Government Versus For-Profit Organizations (Nicholas J. Mathys, 2006)

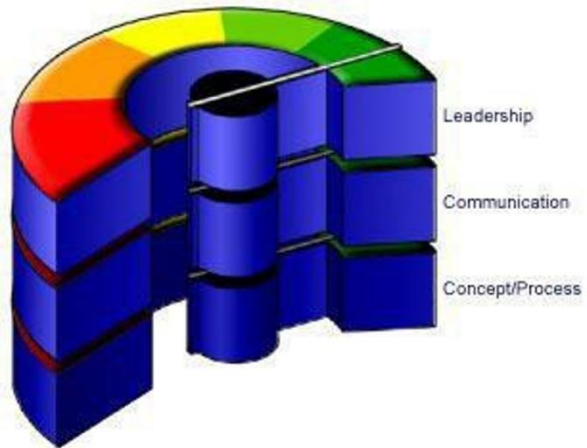
COMPARING THE PRIVATE & PUBLIC SECTORS BSC STRUCTURES

1. Comparison of Balanced Scorecards in the Private and Public Sectors (source Nicholas J. Mathys, 2006)



Features	Private Sector	Public Sector
Focus	Shareholder value	Mission effectiveness
Financial goals	Profit; market share growth; innovation; creativity	Cost reduction; efficiency; accountability to the public
Efficiency concerns of clients	No	Yes
Desired outcome	Customer satisfaction	Stakeholder satisfaction
Stakeholders	Stockholders; bondholders	taxpayers; legislators; inspectors
Who defines budget priorities	Customer demand	Leadership; legislators; funding agencies
Key success factors	Uniqueness; advanced technology	Sameness; economies of scale; standardized technology

KEY PERFORMANCE MEASURES IN PUBLIC SECTORS



- Delivery of right program
- Best use of taxpayers money
- Stewardship of taxpayers assets
- Enhanced accountability taxpayers
- Legislature compliance
- Cost – effective program delivery
- Maximization of revenue
- Improved productivity
- Appropriate infrastructural facility
- Positive climate of innovation
- Community – based decision making
- Skilled workforce
- Motivated team
- Modern information managment system
- Effective communication system
- Facility for training and development
- Positive climate for research and development

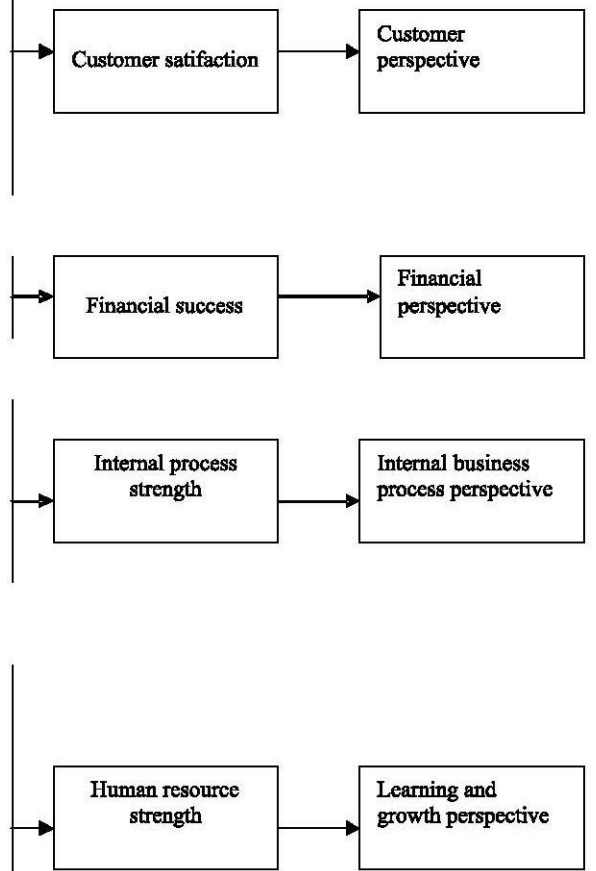


Figure 3. Is it meaningful to measure performance in public sector?

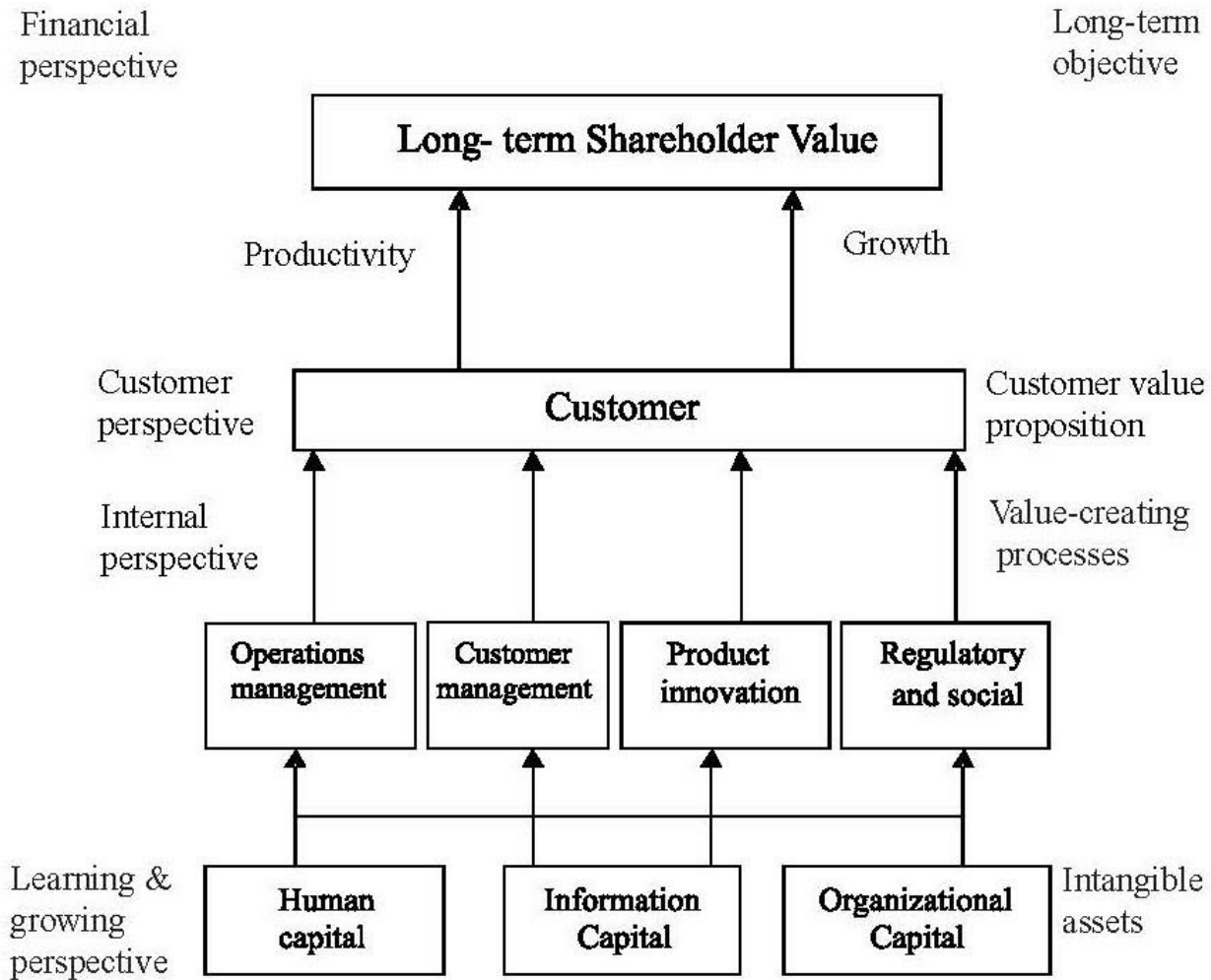
COMPARISON OF PRIVATE VS. PUBLIC STRATEGIES

Comparison of Private and Public Sector Strategies (Marco Ahrendt, 2006)



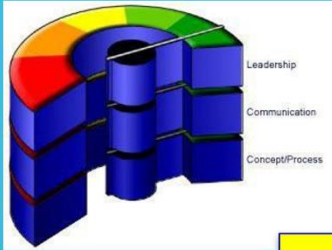
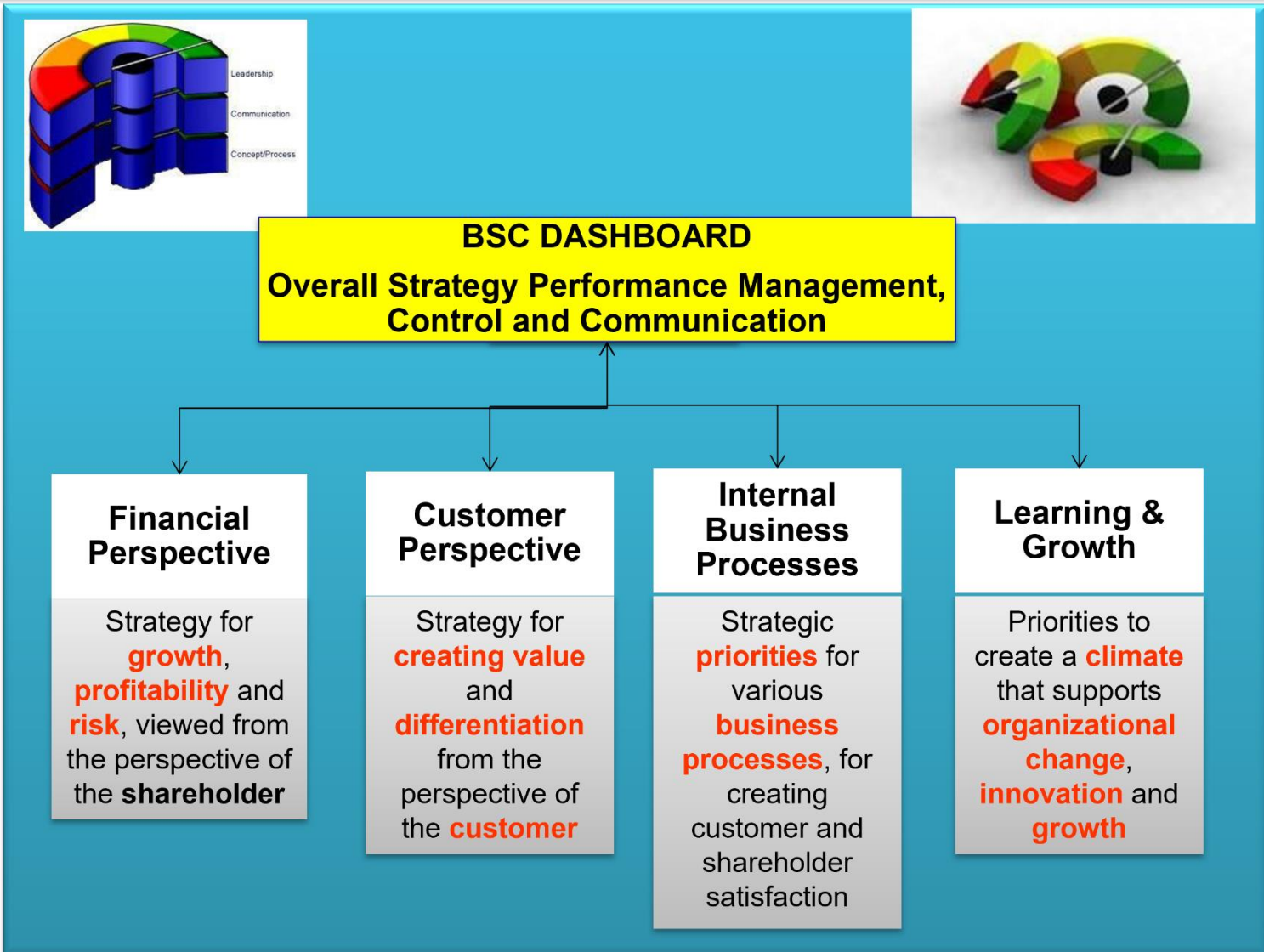
Strategy	Private Sector	Public Sector
common target	competitive	achievement of mission
financial target	profit, growth, increasing market share	cost reduction, effectiveness
values	innovation, creativity, acceptance	responsibility to the public, equity, integrity
desired result	customer satisfaction	customer satisfaction
stakeholder	founder, market, stockholder	tax payer, legislator, auditor
prioritisation of budget	customer demand	management, legislator
orientation in terms of security	securing intellectual property	national security
critical factors for success	growthrate, revenue, market share, uniqueness, superior technology	best management practices, consistency, standardised technology

SIMPLIFIED STRATEGY MAP

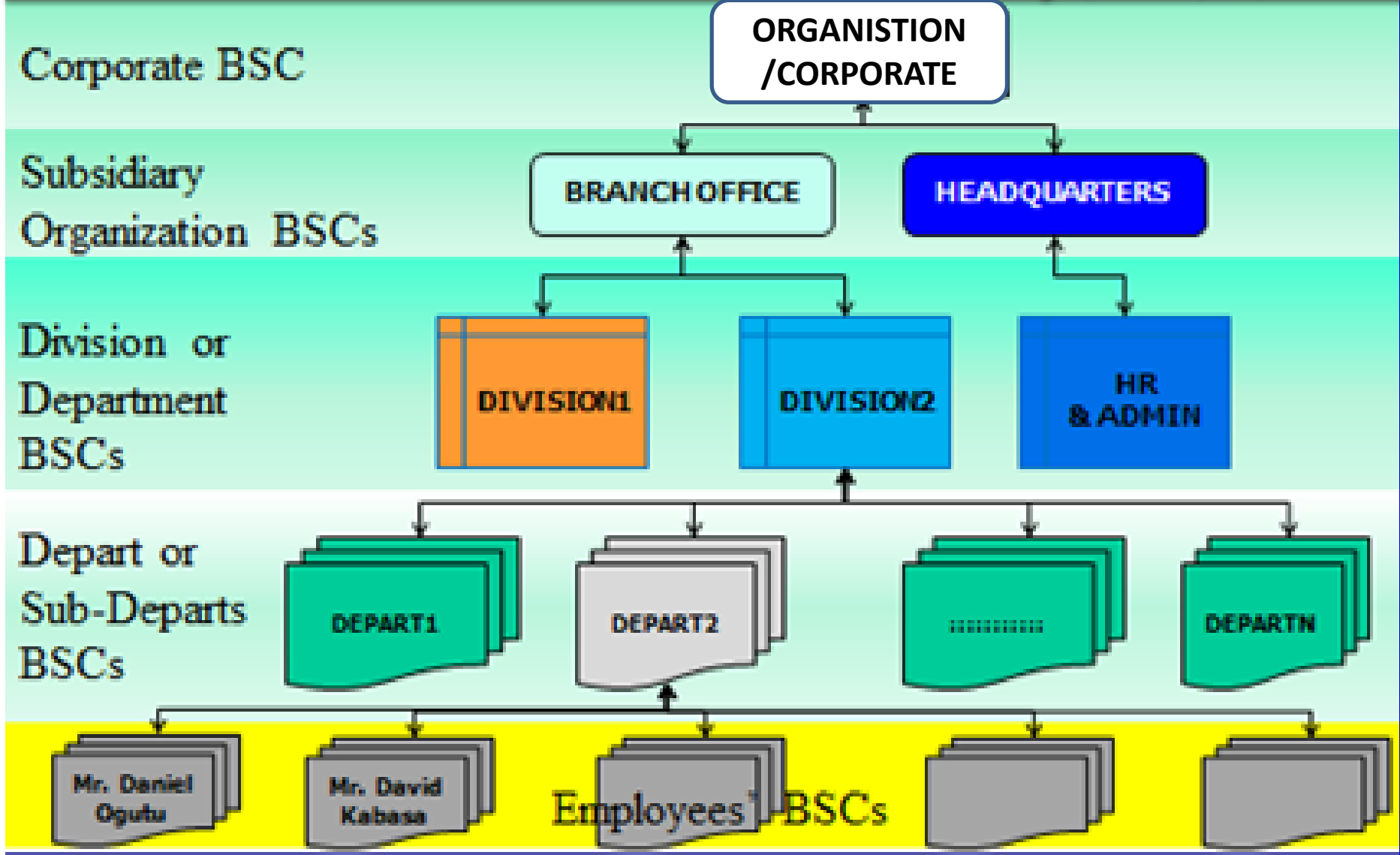


A simplified strategy map (source Kaplan, Norton, 2002)

TYPICAL BSC SYSTEM SETUP



Example of Balanced Scorecard Hierarchy



Template for BSC Design

VISION STATEMENT

MISSION STATEMENT AND MAIN OBJECTIVES

STAKEHOLDER PERSPECTIVE

Financial Perspective **Customers Perspective** Process Perspective Learning & Growth Perspective Employees Perspective

STAKEHOLDER OBJECTIVES AND GOALS

Objective 1 Objective 2 Objective 3 **OOO** **OOO**

KEY PERFORMANCE INDICATORS (KPIs) AND TARGETS

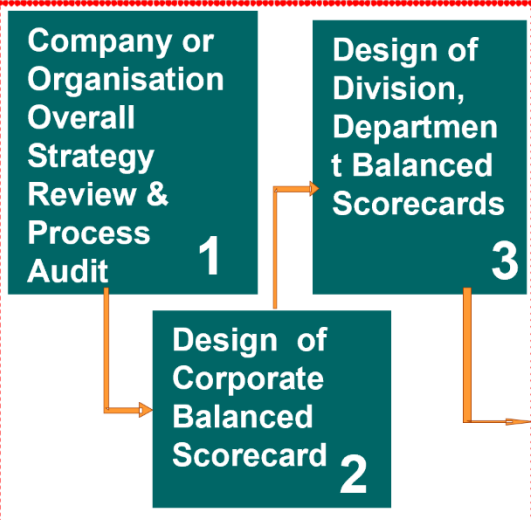
KPI 1 KPI 2 KPI 3 **OOO** **OOO**

STRATEGIC PROJECTS AND ACTION PLANS

Action 1 **Action 2** Project 1 Project 2

BSC SYSTEM SOFTWARE DESIGN & AUTOMATION PROJECT ROLLOUT METHODOLOGY

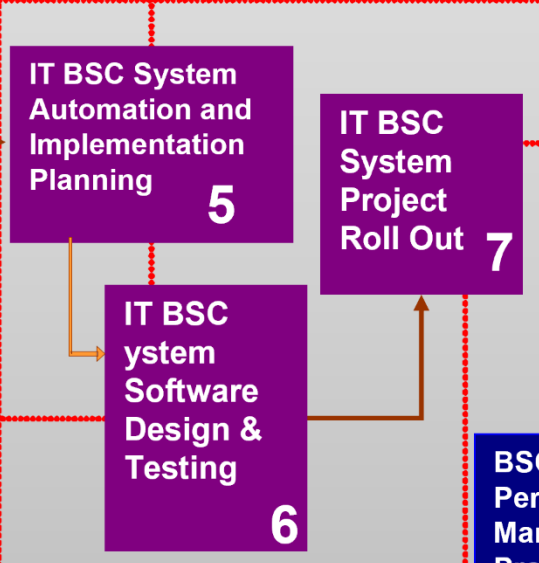
PHASE 1: STRATEGIC ENTRY & DESIGN OF SCORECARDS



PHASE 2: BSC METHODOLOGY TRAINING INTERNAL CAPACITY BUILDING



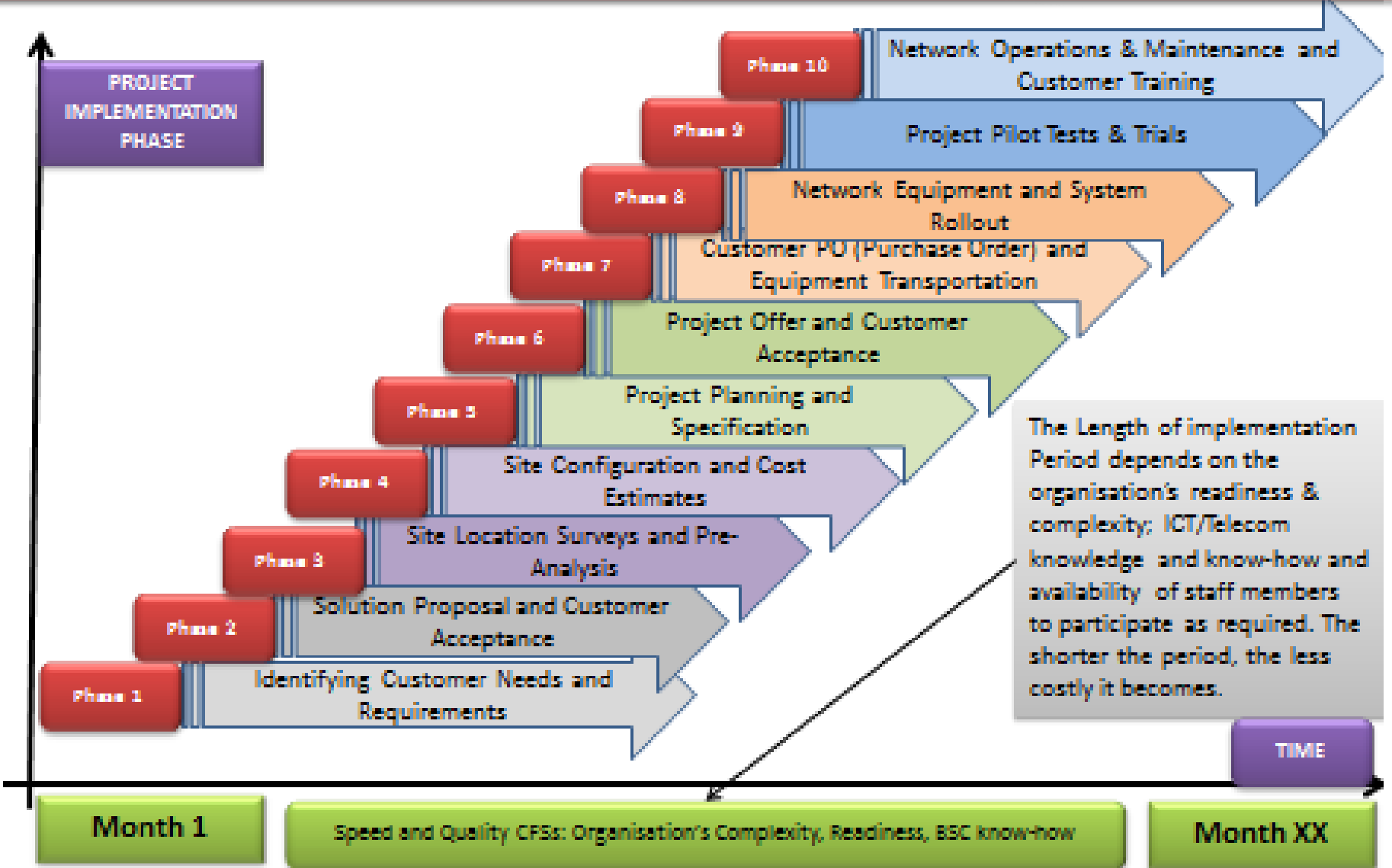
PHASE 3: BSC SYSTEM DESIGN, IMPLEMENTATION & AUTOMATION



PHASE 4: STRATEGY PERFORMANCE MANAGEMENT PROCESS SETUP & IMPLEMENTATION



BSC Pilot Project Implementation Phases



Contacts for more information



info@frontlinetrends.com



+353 87 11 99906