Welcome and Topics

Topics:
- Challenges standing in the way of improving performance in government and other mission-driven organizations, and what can be done to address them
- Tools and techniques to improve performance
- A disciplined process for getting more balance and creating more high performance

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Adopt a Balanced, More Disciplined Approach to Improve Mission-Driven Organization Performance

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A Balanced Systems Approach Addresses Many Government / Mission-Driven Organization Challenges

- Program Effectiveness/Value
- Accountability for Results
- Evidence-Based Decision Making
- Informed Budget Process
- Continuous Improvement
- Organization Alignment

A Formal, Balanced Approach to Performance Management Answers Key Questions and “Connects Dots”

What is our mission and vision for a successful future?
Performance Questions:
• “What are we trying to accomplish?”
• “How will we know success when we see it?”
• “How will we monitor and report success using simple, concrete terms?”

What is our strategy and plan?

How do we align programs, services, departments, and employees with the plan?

How do we measure progress, prioritize work, and get the important stuff done?
Changes in People’s Mindset and Behaviour Contribute to Improved Performance

Change = Transformation

- Establishing what needs to change and the reasons
- Creating a guiding coalition that builds an engaged leadership team and a dedicated workforce:
  - A clear shared picture of future success
  - Effective communication
  - A clear road map
  - Evidence of success – Using performance measures

Balanced Strategic Planning

- Mission: Purpose, what we do
- Vision: Picture of the future
- Perspectives: Different view of organizational performance
- Strategic Themes and Results (Strategy): Main focus areas (pillars of excellence) driving key results
- Strategic Objectives and Strategy Maps: Key strategy components connected to tell a cause-and-effect value creation story
- Performance Measures and Targets: Captures whether an organization is performing at the desired level or not
- Strategic Initiatives: Projects and action plans that drive results

Customer/Stakeholder/Market Needs

Strategic Altitude
- 30,000 ft.
- 25,000 ft.
- 15,000 ft.
- Ground Level

Corporate, or Enterprise-wide Strategy Formulation
Balanced Strategy Built on “Pillars of Excellence”

“Balanced” = f (short/long term, financial/non-financial, leading/lagging, internal/external, strategic/operational, customers/employees, stability/agility, people/profits/planet)

Some Tools to Help Improve Performance

- Scenario Planning
- SWOT/PESTLE
- Stakeholder Focus Groups
- Customer/Competition Profile (Strategy Canvas)
- Customer Value Proposition
- Strategic Goals (Intended Results)
- Strategy Map
- Balanced KPI Development Process
- Balanced Strategic Plan
- Balanced Scorecard System
- Change Management Plan
- Capacity-Capability-Competency Matching
- Process Improvement/Lean/Six Sigma
The Strategy Profile Compares “As Is” to “To Be”

This “Strategic Performance Profile” or “Strategy Canvas” allowed Southwest to understand and build market share by focusing on differentiators.

Source: Adapted from Charting Your Company’s Future, W. Chan Kim and Renée Mauborgne, HBR, June 2002.
Understand Customer Needs, and Formulate Strategy Through a Process of Strategic Thinking and Discovery

- Mission
- Vision
- Core Values

- SWOT / Enablers & Challenges
- Environmental Assessment
- Other Strategic Assumptions

Customer Needs Analysis

Customer Value Proposition

Discovery

- Perspectives
- Strategic Themes & Results (Goals)

4 Perspectives are lenses to view the organization

Objectives are continuous improvement action statements

Strategy Maps shows upward flow and cause-effect relationships

Strategy Maps Help Visualize Linkages Between Objectives

<table>
<thead>
<tr>
<th>Perspectives</th>
<th>Objectives</th>
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</thead>
<tbody>
<tr>
<td>Constituent/ Stakeholder</td>
<td>Improve Quality of Life</td>
</tr>
<tr>
<td></td>
<td>Improve Program Outcomes</td>
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<tr>
<td></td>
<td>Improve Awareness &amp; Accessibility of Services</td>
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<td></td>
<td>Increase Economic Abundance</td>
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<tr>
<td>Financial Stewardship</td>
<td>Reduce Waste</td>
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<td></td>
<td>Improve Land &amp; Asset Management</td>
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<tr>
<td>Internal Process</td>
<td>Improve Delivery of Services</td>
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<tr>
<td></td>
<td>Improve City Promotion/Marketing</td>
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<tr>
<td></td>
<td>Improve Community &amp; Economic Partnerships</td>
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<tr>
<td></td>
<td>Improve Law Enforcement</td>
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<tr>
<td></td>
<td>Improve Internal Efficiency &amp; Effectiveness</td>
</tr>
<tr>
<td>Organizational Capacity</td>
<td>Increase Quality of Staff</td>
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<tr>
<td></td>
<td>Improve Utilization of Technology</td>
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</tbody>
</table>

Source: Balanced Scorecard Institute City Government client
Example: Translate Strategy Into Action

<table>
<thead>
<tr>
<th>Strategic Objectives</th>
<th>Strategic Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Customer Service</td>
<td>FY 2022 Targets</td>
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<tr>
<td>Improve Customer Service</td>
<td>Desired End Outcome</td>
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<tr>
<td>Improve Customer Service</td>
<td>Objective Description</td>
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<tr>
<td>Improve Customer Service</td>
<td>Intended Results</td>
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<tr>
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<td>Performance Measures</td>
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</tr>
</tbody>
</table>

Objective Description:
This objective deals with improving processes for efficient energy generation, utility service reliability, and customer-facing services. We can and should make improvements in these areas.

Intended Results:
- Less than or equal to 14 business days
- Less than or equal to 2 days
- Less than or equal to 4 hours
- Less than or equal to 82 minutes

Performance Measures:
- Customer facing process bottleneck improvement program
- Advanced repair training for field staff
- Expanded Q&A database for call center

Desired End Outcome:
- Our service excellence reputation is characterized by timely installations, prompt repairs, efficient customer service, and utility service reliability in the top 5% of our industry.

Different Types of Measures Are Used to Measure Progress Towards Results

Operational Measures:
- Inputs: cost of Dropout Prevention Programs in $ or FTEs
- Process: delivery of program quality or consistency measures
- Outputs: # of programs held or # of people attending parenting programs

Strategic Measures:
- Project: Curriculum redesign schedule and resource attainment
- Employee: Instructor skills measures
- Risk: parental, child, or cultural backlash; negative behavior results

Outcomes: parent program graduations or behavior improvement; child school attendance; child dropout rates
Understand Leading and Lagging KPIs

**Leading Indicator:**
An indicator of performance that is a precursor of future success.

**Lagging Indicator:**
An indicator of past performance that shows how successful we were in achieving results.

**Desired Outcome:**
Reduced incidents of disease and reduced cost of medical care.

- **Leading Indicator:**
  - # of Smoking Cessation Programs Held
  - % of Population that Smokes

- **Lagging Indicator:**
  - Cancer Rates

Identify Potential Strategic Initiatives

**Candidate Initiatives (examples):**
- Marketing campaign
- Pre-promotion studies
- Business Process Reengineering
- Process improvement
- TQM proposals
- Training Course
- Policy analysis
- R & D efforts
- Branding studies
- Workflow improvements

**Prioritized Funded Initiatives (example):**
1. Branding Studies
2. Workflow improvements
3. Marketing campaign
4. Training Course, etc.

Example Filter Criteria:
Potential impact on strategy, cost, time to results, FTE commitments.
Cascading Strategy Aligns the Workforce, Processes, IT, and Projects

Tier 1: Organization Wide:
- Mission, Vision, Core Values etc.
- Strategic Themes

Tier 2: Dept., Business Units, etc.:
- Department Business Purpose
- Department Programs & Products & Projects

Tier 3: Teams (Job Description) and individuals
- Objectives, Measures and Initiatives

Building & Implementing a Balanced Scorecard: Nine Steps To Success™

PROGRAM LAUNCH

1. Assessment
2. Strategy
3. Objectives
4. Strategy Map
5. Measures & Targets
6. Strategic Initiatives
7. Performance Analysis
8. Alignment
9. Evaluation
10. Balanced Strategic Plan & System Rollout

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