



THE BALANCED SCORECARD AS A TOOL FOR WISE DECISIONS

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Let's set the backdrop for the rest of this presentation ...

- Continued drive in public sector for accountability to citizens, politicians, “central agencies” and executive
- Guidelines and standards help shape planning and reporting, particularly for accountability purposes
- Operational and employee plans seen as important, but degree of alignment remains a challenge
- Ongoing struggle putting in place meaningful measures
- Questions remain on use of this information in decisions

What about the private sector?

- Research carried out by Kaplan and Norton has found:
 - For 67%, operational and “corporate” strategies were not aligned;
 - Human resource and information technology plans did not support these same strategies
 - That 85% of executive spend less than one hour per month discussing strategy
 - For 50% of executive, no time was spent on discussing strategy
 - For 60%, financial budgets did not link to strategic priorities

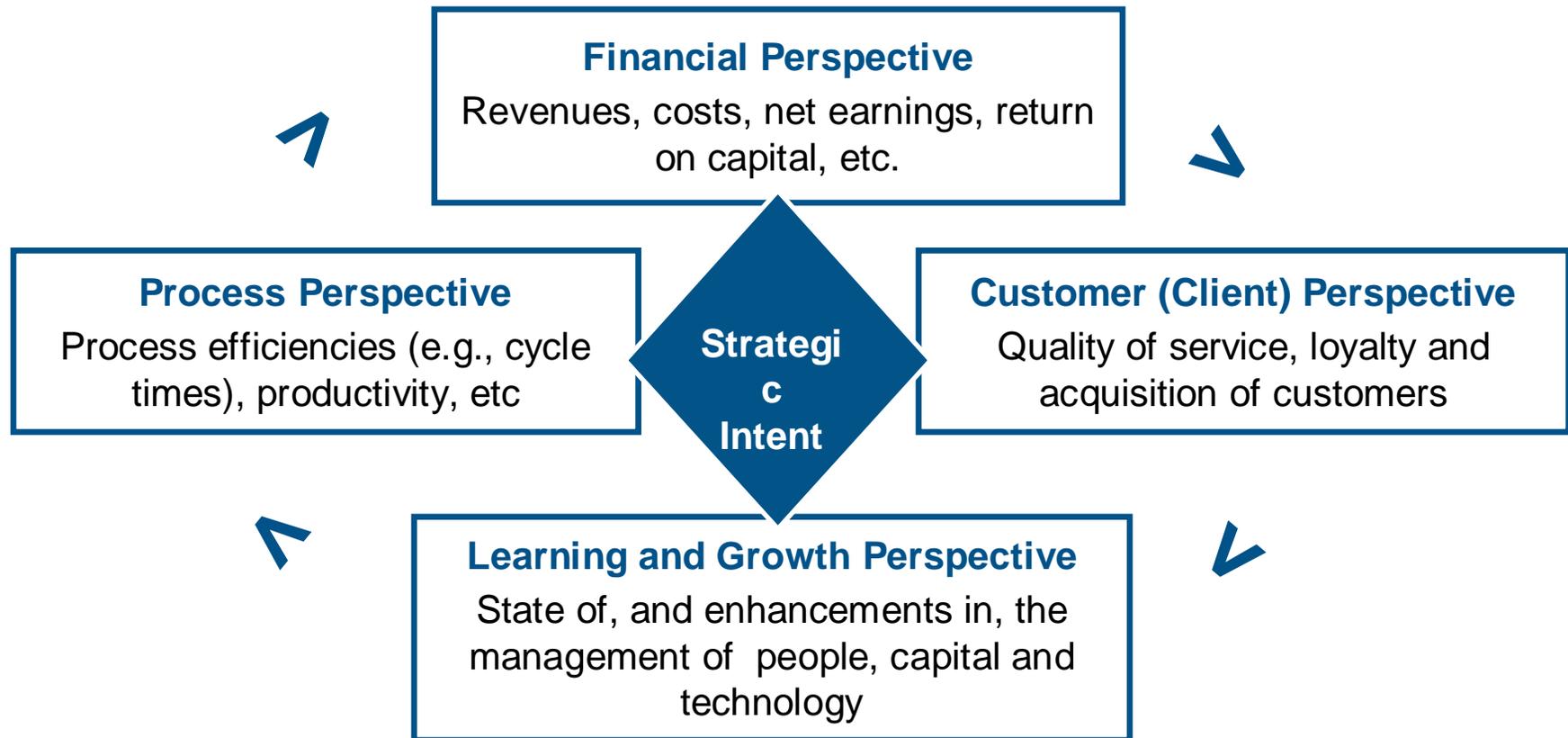


Considering the circumstances of the Fraser River Port Authority

- Witnessed a transfer of responsibilities and authorities from the Canadian federal government
- Serious financial concerns with millions in annual costs for dredging and little opportunity for revenue generation
- Imperative to create a strategic, team-based approach to managing infrastructure, contracts, operations, etc

Looked to the Balanced Scorecard as the strategic foundation for addressing these and other issues

So what is the Balanced Scorecard?

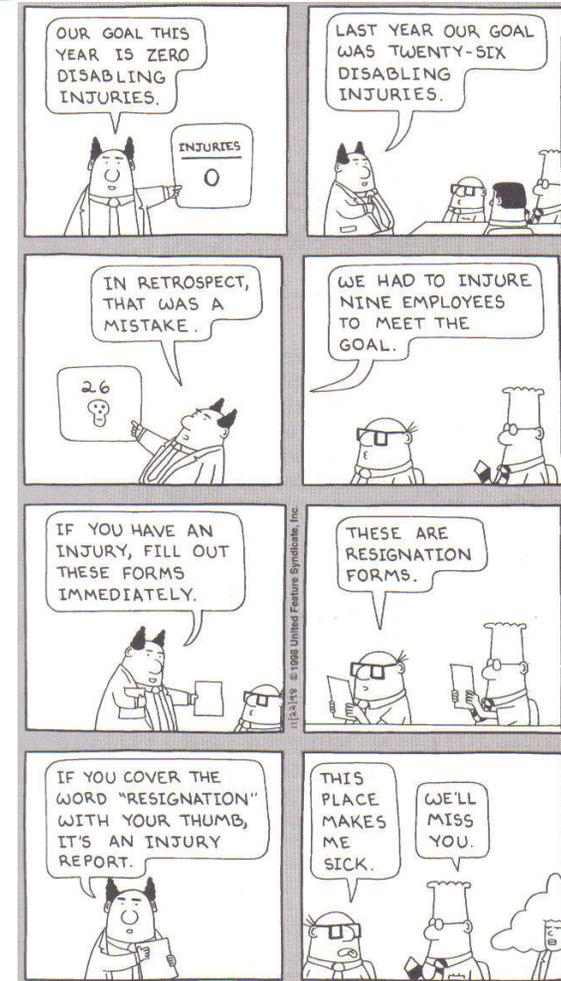




Can the Balanced Scorecard be adapted?

- Performance can have multiple dimensions that extend beyond the “traditional” perspectives including:
 - State of partnerships and relationships (political, community, ...)
 - Level of community involvement and “trust”
 - Growth in key markets and/or infrastructure (e.g., access to land)
 - Security
 - Environmental management and impacts, etc
- Consider “audiences”, types of decisions being made, and strategic aims

Is this indicative of the “reality” in practice?





Areas of challenge and opportunity

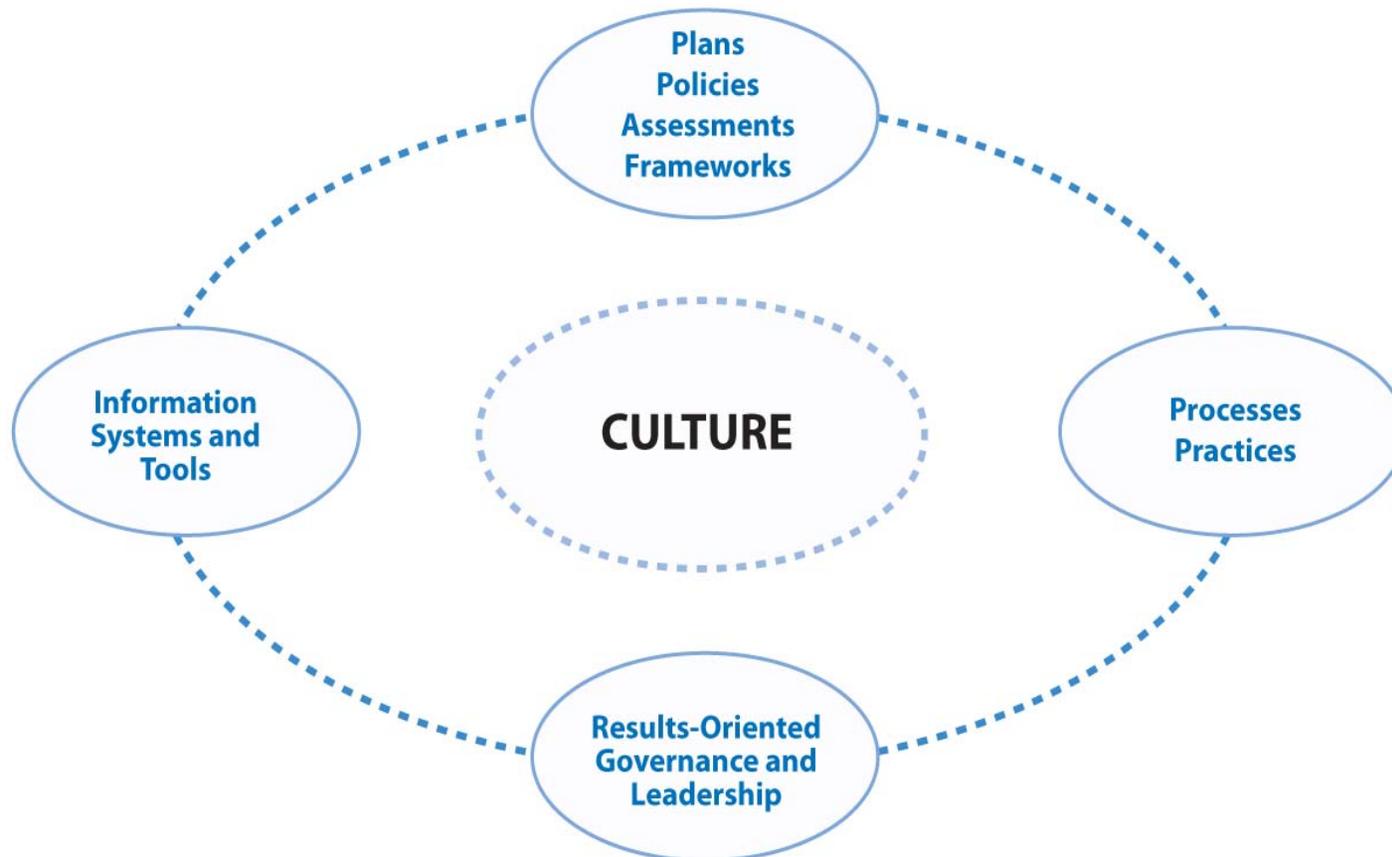
- Ensuring use of performance information in governance
- Reinforcing key messages and maintaining momentum
- Aligning planning, risk management, monitoring and reporting practices
- Avoiding overly complex processes and systems
- Accounting for different generational cultures
- Shift from “denial” to “compliance” and then engagement



What might we consider as strategies in moving forward?

- Put in place governance principles and process
- Assign accountabilities and promote shared ownership
- Use common terms, templates and technology to foster consistency while maintaining simplicity
- Communicate using various approaches and a focus on “this is why it is valuable”, and “this is how it will be used”
- Celebrate successes, use teams and “peer-to-peer” processes, and foster communities of practice

Laying out an agenda for the future



CONTACT US

Elevate Consulting Inc.

Carnegie Building,
5th Floor, 1312 Blanshard Street
Victoria, BC Canada
V8W 2J1

Phone: 250.483.6660 /
250.483.6661

Fax: 250.483.4353

Email: bill@elevateconsulting.ca
jae@elevateconsulting.ca
info@elevateconsulting.ca

Web: www.elevateconsulting.ca

