Module 2
Scorecards

Objectives and integration

- **Understanding scorecard objectives**
  - What is a scorecard
  - Comparing a dashboard against a scorecard
  - What dashboards and scorecards enable
  - Scorecard alignment
  - Three key elements relating to objectives
  - Maintaining alignment to corporate objectives

- **Integrating dashboards and scorecards into the total BI solution**
  - Integrating into BI
  - Aligning strategy with operation
  - Monitoring and communicating strategy
  - Enabling accountability using scorecards
  - Enabling sharing

Building a scorecard

- **Facts and issues to be aware of when building a scorecard**
  - Scorecard implementation realities
  - Key implementation issues
    1. Metrics issue
    2. Format issue
    3. Standards issue
    4. Collection issue
    5. Use issue

Using a scorecard

- **Sustaining a scorecard**

- **Cascading a scorecard into the organization**

- **Making a scorecard more useful**

Making an actionable scorecard

- **Basic characteristics of an actionable scorecard**

- **How to make a scorecard :**
    - Focused
    - Comprehensive
    - Proactive and analytical

- **What is included in an actionable scorecard**

Balanced scorecard

- **Concept and history**
- **What is a balanced scorecard**
- **Balanced scorecard objectives**
- **What a balanced scorecard can be used for**

4 Balanced scorecard perspectives

Financial Perspective

Financial result and growth
Key Financial parameters and performance (ROE, ROCE)
Higher Profit Margin
Improved Cash flow
Lower Bad loans and lower debt
Net Interest Margin
Reduced overhead Expenses
Proper Revenue Mix

Learning and Growth

Develop Critical Skills and Knowledge
Proper Knowledge Management
Provide Strategic Information to all
Align Personal Goals with Company goals
Employee growth and turnover
Employee Satisfaction and Retention

Balanced Scorecard

Customers

Increase Customer Satisfaction
Increase Customer Loyalty
Retention of key customers
Sales revenue per customer
Competitive pricing and product offering
High Quality Service
Customer preference compared to competitors

Internal Business Processes

Cross-Sell Products
Improve Operational efficiency and minimize Problems
Proper Customer relationship management
Higher success rate in converting business opportunities
Fast business decisions and approvals
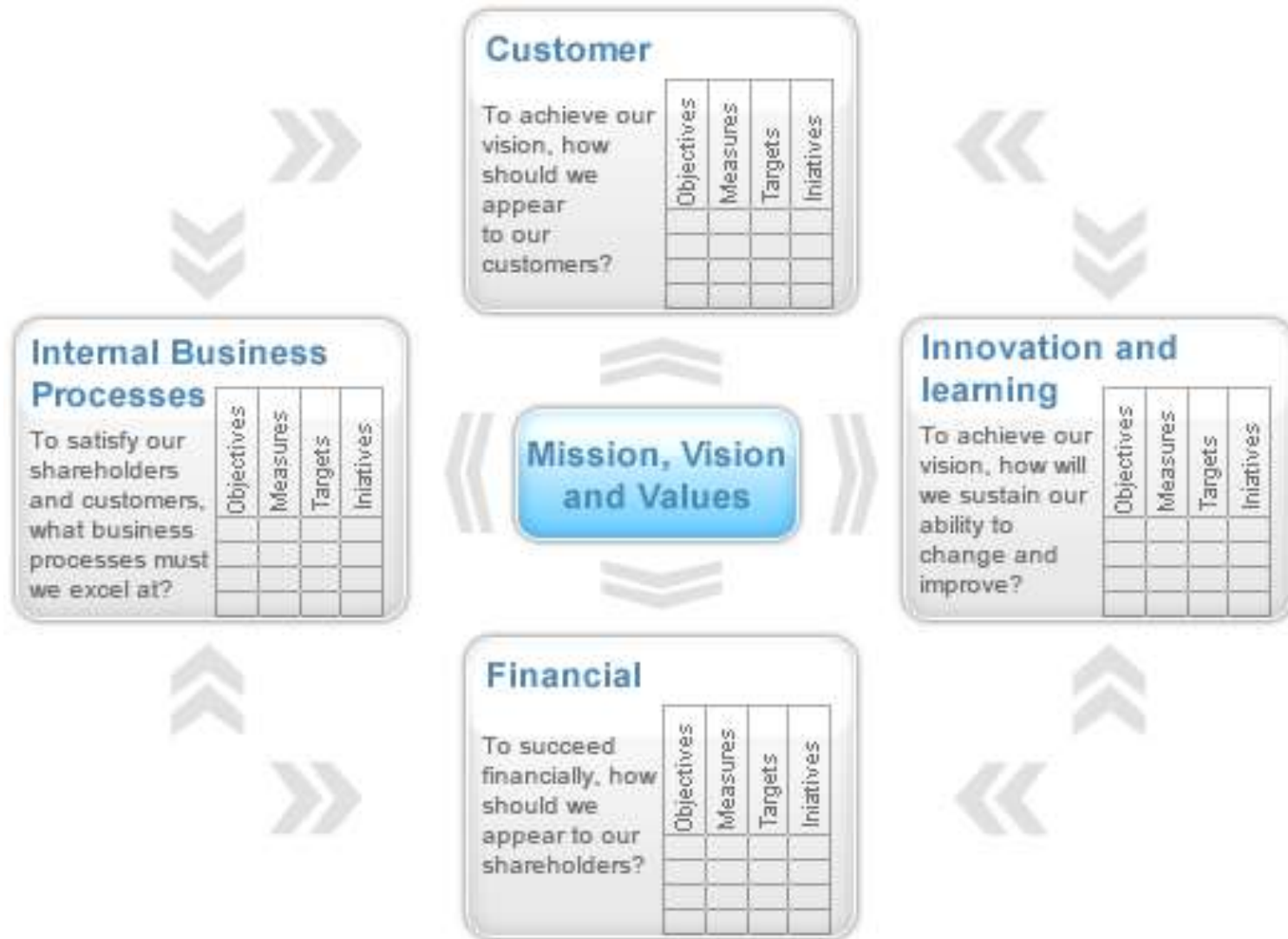Proper work culture and higher employee confidence

Perspectives provided

- **What the financial perspective provides**
- **What the customer perspective provides**
- **What the internal business processes perspective provides**
- **What the learning and growth perspective provides**
- **Types of KPIs used for the different BS perspectives**
- **Customizing the perspectives**

Connection between perspectives

Customer

To achieve our vision, how should we appear to our customers?

Objectives	Measures	Targets	Iniatives

Internal Business Processes

To satisfy our shareholders and customers, what business processes must we excel at?

Objectives	Measures	Targets	Iniatives

Mission, Vision and Values

Innovation and learning

To achieve our vision, how will we sustain our ability to change and improve?

Objectives	Measures	Targets	Iniatives

Financial

To succeed financially, how should we appear to our shareholders?

Objectives	Measures	Targets	Iniatives

Connection between perspectives