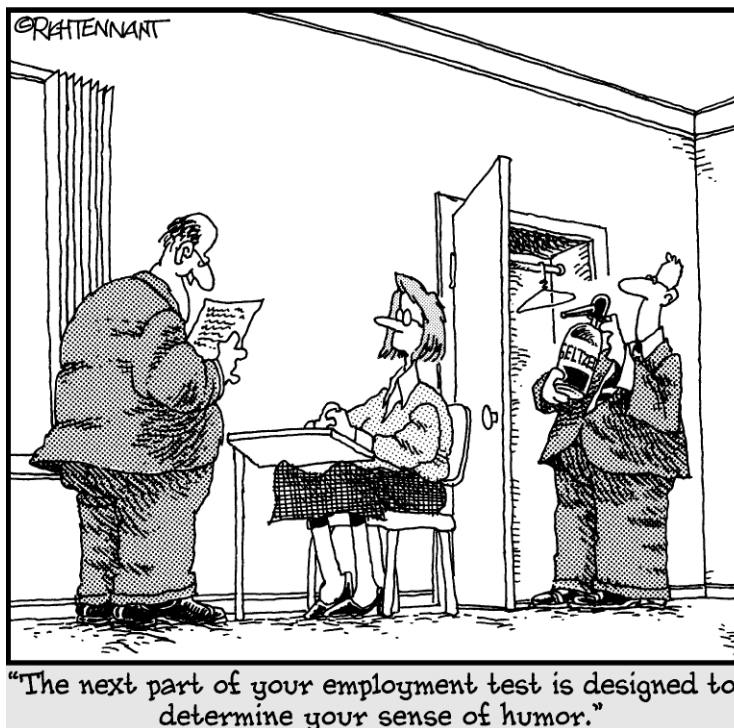


Balanced Scorecard for DUMMIES - A Summary

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1 Goals, Scores, and the Balanced Scorecard



The Balanced Scorecard was first developed in the early 1990s by two guys at the Harvard Business School: Robert Kaplan and David Norton

So, what is the Balanced Scorecard? In short, it's a management system that enables your organization to set, track and achieve its key business strategies and objectives. Once the business strategies are developed, they are deployed and tracked through what we call the Four Legs of the Balanced Scorecard. These four legs are made up of four distinct business perspectives: The Customer Leg, the Financial Leg, the Internal Business Process Leg, and the Knowledge, Education, and Growth Leg.

If you're not keeping score, you're just practicing. If you ask us, truer words were never spoken — especially in today's topsy-turvy business world. To make (and keep) your business a success, you need to not only keep score, but also predict your score in advance by setting goals and then achieving them on a consistent basis. And we're not talking about easy-to-achieve goals and scores. No! We're talking about goals that stretch your imagination and push your creativity and ingenuity to the limits — as well as the creativity and ingenuity of your employees.

Balanced Scorecard is a management system — not a measurement system. Yes, measurement is a key aspect of the Balanced Scorecard, but it is much more than just measurement: it is a means to setting and achieving the strategic goals and objectives for your organization.