

Building Balance into the Workplace

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Balance is achieved when there is alignment among the components of an organization. A tool called the balanced scorecard was introduced (Kaplan & Norton, *The Balanced Scorecard*, 1996) to help organizations focus on four key areas: customers, employees, finance, and internal processes. The original model recommended using no more than nine measures across these four areas to assess the organization's progress, although later this was revised to between sixteen and twenty-five. Initially many clients gasped at the thought of drastically reducing the number of "things" they measured from hundreds or thousands to only a handful, but later they came to appreciate the clarity and focus that resulted from engaging in this exercise.

Since its introduction, the balanced scorecard concept has been adapted for use in a variety of contexts. Below we will talk about how to adapt it in an organizational setting to help build balance and create accountability. For an example of how this concept may be used for creating and maintaining balance in one's personal life, see the article *Creating Balance in Your Personal Life: What's in Your Personal Scorecard?* on my web site.

The idea behind the business scorecard is to ensure that all parts of the organization receive appropriate attention. A healthy organization is one in which all parts are nurtured and aligned: *financial, customers, employees, and internal processes*. Too much emphasis on one or more parts and not enough paid to others results in misalignment. Under those circumstances, the organization cannot possibly optimize its results.

Below are the measures contained in a sample scorecard for the financial division of a public-sector organization:

<p>FINANCIAL</p> <ul style="list-style-type: none"> % of costs compared to budget Injury rate Lost workdays per 100 FTE 	<p>EMPLOYEES</p> <ul style="list-style-type: none"> Employee satisfaction scores (% satisfied) Retention Training hours per employee
<p>CUSTOMERS</p> <ul style="list-style-type: none"> Customer satisfaction scores (% satisfied) Response time 	<p>INTERNAL PROCESSES</p> <ul style="list-style-type: none"> Productivity Accessibility of services Effectiveness of services

The organization's key objectives and the relative weight of each area accompany the list of measures and are defined at the division level. Each department in the division has its own scorecard whose measures are consistent with, and support, those of the division. Progress is assessed quarterly, and results are shared and discussed across the division. Results also are used to celebrate successes, identify areas for improvement, and ensure the continued alignment of the organization. ➔

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