



CONSTRUCT 2009
hanley▲wood SPONSORED BY 

The Organizational Scorecard and Performance Management

Presented by:

Peter G. Furst
The Furst Group

CONSTRUCT2009
Conference: June 16-19, 2009
Indiana Convention Center
Indianapolis, IN



CONSTRUCT 2009
hanley▲wood SPONSORED BY 

A FEW REMINDERS...

- Please remember to mute all electronic devices.
- You must swipe your card at the door in order to receive credit for your course.
- No one under the age of 18 is allowed in meeting rooms.



CONSTRUCT 2009
hanley wood SPONSORED BY 

AIA/CES Credits

Hanley Wood is a Registered Provider with The American Institute of Architects Continuing Education Systems. Credit earned on completion of this program will be reported to CES Records for AIA members. Certificates of Completion for non-AIA members available on request.

This program is registered with the AIA/CES for continuing professional education. As such, it does not include content that may be deemed or construed to be an approval or endorsement by the AIA of any material of construction or any method or manner of handling, using, distributing, or dealing in any material or product. Questions related to specific materials, methods, and services will be addressed at the conclusion of this presentation.



CONSTRUCT 2009
hanley wood SPONSORED BY 

CSI CEN Credits

This program is a registered educational program with the Construction Specifications Institute of Alexandria, VA. The content within this program is not created or endorsed by CSI nor should the content be construed as an approval of any product, building method, or service. Information on the specific content can be addressed at the conclusion of this program, by the Registered Provider.

Credit earned for completing this program will automatically be submitted to the CSI CEN. Completion certificates can be obtained by contacting the Provider directly.

This logo and statement identify Provider programs registered with the CSI CEN and are limited to the educational program content.





CONSTRUCT 2009
hanley▲wood SPONSORED BY 

This program is a registered educational program with the Construction Specifications Institute of Alexandria, VA. The content within this program is not created or endorsed by CSI nor should the content be construed as an approval of any product, building method, or service. Information on the specific content can be addressed at the conclusion of this program, by the Registered Provider.

Credit earned for completing this program will automatically be submitted to the CSI CEN. Completion certificates can be obtained by contacting the Provider directly.

This logo and statement identify Provider programs registered with the CSI CEN and are limited to the educational program content.



© 2009 - All Rights Reserved – Not to be copied, modified, reproduced or distributed without written permission of the author



CONSTRUCT 2009
hanley▲wood SPONSORED BY 

Learning Objectives

Upon completing this program, the participant should understand:

1. Understanding some basics organizational and business dynamics
2. Identify the fundamentals of the balanced scorecard technique
3. Devise a measurement system to drive
4. Creating an integrated & aligned framework to drive organizational behavior and success

© 2009 - All Rights Reserved – Not to be copied, modified, reproduced or distributed without written permission of the author



Session Outline

- Develop operational framework
- Develop strategic framework
- Implement the scorecard



Optimal Results

- Is driven by organizational culture, climate, leadership & metrics
- Sustained by institutionalization this into the organizational systems, processes & procedures



Business and the Economy

Changes in the economy

- Industrial age
- Information age



Organizational Holistic View TM

- Operations
- Organization
- Leadership



Migration to Performance Discrepancy

- Boundaries
- Possibilities
 - Employees
 - Management
- Outcomes



Measurement System Evolution

- Measures of tangibles
 - Assets
 - Financial measures
- Measures of intangibles
 - Human capital
 - Intellectual capital
 - R & D value
 - Customer loyalty



The Balanced Scorecard

- Multi-perspective view
 - Customer
 - Processes
 - Innovation
 - Financial



The Balanced Scorecard

Assists organization in overcoming two key issues:

- Effective performance measurement
- Strategy implementation



Organizational Fundamentals

- Mission
- Vision
- Strategy
- Measures
- Goals
- Etc.



Mission

- Product
- Service
- Etc.



Value

- Operational excellence
- Superior quality
- Integrity
- Etc.



Vision

- Communicates future state
 - World class
 - Superior service
 - Customer focus
 - Etc.



Strategy

- Differing set of activities that creates value
- The correct mix of competencies, processes, and value propositions to take the organization into the future



BSC Technique

Advantages:

- Integration with company goals & objectives
- Alignment of safety with business strategy
- Keyed into business processes
- Etc.



Performance Stakeholders

- Workers
- Line management
- Middle management
- Upper management
- Others



Performance Perspective:

- Climate
 - Trustful & supportive
 - Encouraging & enabling
 - Etc.
- Leadership
 - Empowerment
 - Problem solving
 - Coaching & counseling
 - Modeling
 - Etc.



Excellence Vision

- Tools
- Process
- Improvement
- Goal attainment



The Performance Scorecard

- Perspective
 - Statement
 - Goal
 - Measure



Developing Strategy:

- Name of the strategic area
- A statement of what needs to be done to improve
- Objectives
- Measures
- Target



Innovation

Statement		
Objectives	Measures	Target



Performance Measurement

- Outcome measures
- Goal attainment
- Participation factor
- Percent improvement
- Etc.



Promote Innovation

Statement

Objectives	Measures	Target
Increase		
Improve		
Achieve		



The Balanced Scorecard

- Organizational
 - Culture
 - Leadership
- Scorecard
 - Perspectives



The Balanced Scorecard

- Requires a new business paradigm of:
 - Information sharing
 - Collaboration
 - Empowerment
 - Problem solving



Implementation

- Management support
- BSC Champion
- Education & training
- All employee participation
- Plan for implementation
- Etc.



Barriers to Implementation

- Lack of management support
- Process barriers
- Middle management resistance
- Poor implementation
- Etc.



CONSTRUCT 2009
hanley▲wood SPONSORED BY

Thank You!

Any Questions?

Peter G. Furst
www.thefurstgroup.com
Info.thefurstgroup.com
Peter.furst@gmail.com
(925) 367 - 4567



This concludes the American Institute of Architects
Continuing Education Systems Program.

© 2009 - All Rights Reserved – Not to be copied, modified, reproduced or distributed without written permission of the author