Strategy Maps and Balanced Scorecards
Using Business Tools to Align Strategies and Communicate Value

Professor Sheila Corrall
Information School, University of Sheffield
‘Strategy maps and Balanced Scorecards constitute the measurement technology for managing in a knowledge-based economy.

‘By translating their strategy into the logical architecture of a strategy map and Balanced Scorecard, organizations create a common understandable point of reference for all their units and employees.’

(Kaplan & Norton, 2001: 11)
The Balanced Business Scorecard

Balanced Business Scorecard

• A strategic performance measurement system enabling broader assessment of organisational performance than traditional indicators

• Helps managers look beyond financial metrics and physical assets to customer measures and intellectual capital (e.g. innovation and learning)

• Combines 20-30 measures from 4 perspectives to give a fast but comprehensive and balanced view of how an organisation is performing

(Kaplan & Norton, 1992)
4 Perspectives on performance

- **Financial or shareholder**
- **Customer or service**
- **Internal process**
- **Innovation and learning**

(Kaplan & Norton, 1992, 1996)
Benefits of the Balanced Scorecard

- Not only provides a fast comprehensive view of business performance, but also connects measurement with strategy and vision

- In addition, the customer focus encourages organisations to direct management attention towards critical processes (rather than functions)

- The balanced approach has made the system popular with organisations in the public sector and with academic, national and public libraries
Strategic Outcomes

Mission
Why we exist

Core Values
What we believe in

Vision
What we want to be

Strategy
How we plan to get there

Balanced Scorecard
How we will know that we have arrived

Strategic Initiatives
What we need to do

Personal Objectives
What I need to do

Translating a Mission into Desired Outcomes

(Kaplan & Norton, 2001: 73)

Strategic Outcomes

Satisfied Stakeholders
Delighted Customers
Effective Processes
Motivated and Prepared Workforce
The Mission

Funder Perspective
‘If we succeed, how will we look to our taxpayers (or donors)?’

Customer Perspective
‘To achieve our vision, how must we look to our customers?’

Internal Perspective
‘To satisfy our customers and financial donors, which business processes must we excel at?’

Learning and Growth Perspective
‘To achieve our vision, how must our organization learn and improve?’

Balanced Scorecard for the Public Sector

(Kaplan & Norton, 2004: 8)
# Information Literacy Scorecard

## Shareholder/financial perspective

**How do we look to our funders?**

<table>
<thead>
<tr>
<th>Goals</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economy</td>
<td>• Unit costs (e.g. marking student bibliographies)</td>
</tr>
<tr>
<td>Growth</td>
<td>• Income generated (e.g. IL courses delivered to local businesses and professionals)</td>
</tr>
</tbody>
</table>

## Customer/service perspective

**How do we look to our clients?**

<table>
<thead>
<tr>
<th>Goals</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>• Satisfaction rating (e.g. evaluations by students of teaching)</td>
</tr>
<tr>
<td>Penetration</td>
<td>• Participation levels (e.g. % taught units where IL embedded)</td>
</tr>
</tbody>
</table>

## Internal/process perspective

**What must we excel at?**

<table>
<thead>
<tr>
<th>Goals</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability</td>
<td>• Percentage downtime</td>
</tr>
<tr>
<td>Efficiency</td>
<td>• Trainee hours per member of teaching staff</td>
</tr>
</tbody>
</table>

## Innovation/learning perspective

**Can we continue to improve?**

<table>
<thead>
<tr>
<th>Goals</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>New modes</td>
<td>• Online products (e.g. custom VLE tutorials)</td>
</tr>
<tr>
<td>Expertise</td>
<td>• Qualifications gained (e.g. PGCert in L&amp;T)</td>
</tr>
</tbody>
</table>
Lessons Learned from BSC Deployment

1. Define and communicate clearly the library mission.
2. Ensure strong leadership and management support.
3. Measure the right things, not everything.
4. Aggressively communicate the performance results to the library’s constituency.
5. Align incentives creatively to the BSC metrics and find new ways of motivating staff.
6. Make change based on BSC analysis, and demonstrate that change is data driven.

(Lloyd, 2006)
Strategy Mapping

A strategy development and strategic management system, which uses Kaplan & Norton’s (1992) four perspectives to define goals and show their cause-and-effect relationships in an easy-to-read one-page summary that can be communicated throughout the organisation.
Strategy Maps

• Concept introduced by Kaplan & Norton (2000) as a framework for developing and implementing strategies based on the Balanced Scorecard perspectives

• Strategy maps use the BSC framework to define objectives related to the four perspectives and then display their important cause-and-effect relationships

• They enable managers to capture their plans in an easy-to-read one-page graphical summary and to connect vision, strategy and resources at all organisation levels

• A key feature of the model is its emphasis on communicating the strategy to the whole workforce

© Information School / The University of Sheffield 2010
Strategic Outcomes

Mission
Why we exist

Values
What's important to us

Vision
What we want to be

Strategy
Our Game Plan

Strategy Map
Translate the Strategy

Balanced Scorecard
Measure and Focus

Targets and Initiatives
What we need to do

Personal Objectives
What I need to do

\[ \text{The \ balanced \ scorecard \ is \ a \ step \ in \ a \ continuum \ that \ describes \ what \ value \ is \ and \ how \ it \ is \ created}\] (Kaplan & Norton, 2004: 33)

Strategic Outcomes

- Satisfied Shareholders
- Delighted Customers
- Efficient and Effective Processes
- Motivated and Prepared Workforce
‘Library Strategic Plan on a Page’

- Vision and/or Mission (Purpose) statement
- Strategic (Key) Themes and Objectives grouped under the four Balanced Scorecard perspectives
  - Customer Value Proposition or Customer/User Needs
  - Financial Sustainability or Funders’ Requirements
  - Internal Process or Improving Effectiveness
  - Learning and Growth or Potential (Staff Development)
- American examples have 12-13 objectives, British examples have 30-31 objectives
A good strategy map will link together

- the overall **customer value** proposition,
- the desired **productivity goals** for internal processes,
- the **capabilities required** from the library itself (staff skills, information technology and leadership),
- the characteristics of a **physical collection** and electronic **database provision**,
- the budget and other **financial resources** required to deliver the library’s vision.

Matthews, 2008: 58
Strategy map template with intellectual capital items (Kaplan & Norton, 2004: 55)
Examples of Library Strategy Maps

German National Library of Science and Technology, Johns Hopkins University, The Sheridan Libraries, Leeds University Library, McMaster University Library, University of Virginia Library, University of Warwick Library
Our vision

The TIB is the nationally and internationally most successful specialist library for literature and information supply in the areas of engineering as well as architecture, chemistry, information technology, mathematics, and physics.

Customer

- Product innovation
- First contact in information supply in the areas of engineering, architecture, chemistry, information technology, mathematics, and physics
- TIB easy to use

Financial

- Adequate required funds guaranteed
- Increase of the resources for projects

Process

- Expediting the product development
- Good evaluation results
- Quality Management

Potential

- To better use cooperation
- Extend the personnel development
- Independent decision of the strategic development

German National Library of Science and Technology (Düren, 2010: 162)
Mission: To advance research, teaching, learning at Johns Hopkins University by providing relevant and significant collections, services, and instruction for faculty, students, and staff. The Sheridan Libraries through the University Libraries Council partners with other Johns Hopkins Institutions libraries to maximize support for our constituents while minimizing costs.

Customer Needs
- Provide productive, user-centered workspaces (virtual and physical)
  - Ensure fast, easy access to resources and services needed for research and teaching

Financial Perspective
- Minimize costs
- Develop strong support base

Internal Processes
- Communications
  - Promote resources and services

- Programs
  - Integrate and strengthen instructional and research support services and programs
  - Expand and preserve access to information including digital library development
  - Create productive research, learning, study, and social space

- Operational Efficiency
  - Identify and improve processes and infrastructure with greatest impact

Learning And Growth
- Recruit, develop, and retain productive highly qualified staff
- Promote an adaptive, collaborative, diverse, engaged, innovative workplace
- Create a culture of assessment and accountability
Mission: advance teaching, learning and research at McMaster by teaching students to be successful, ethical information seekers, facilitating access to information resources, providing welcoming spaces for intellectual discovery and promoting the innovative adoption of emerging learning technologies.

Customer
- Improve discovery of and access to scholarly resources
- Create world-class teaching & learning environments
- Strive for exemplary service that is responsive to user needs

Internal Processes
- Marketing and Communications
  - Promote the Library’s role in the discovery, dissemination, and preservation of knowledge
- Services
  - Integrate the Library into the University’s teaching, learning, and research mission
- Operational Effectiveness
  - Enhance the Library’s commitment to strategic planning
  - Track efficiency and effectiveness of Library programs and services

Learning & Growth
- Develop highly-trained, technologically-fluent superlative staff
- Nurture a healthy, collaborative, and dynamic organization
- Grow an evidence-based culture
- Encourage innovation and risk taking

Finances
- Align the Library’s budget with the University’s mission
- Increase alternate sources of revenue e.g. fundraising, grants and revenue generation
Facilitate world-class research, teaching and learning through leadership in the creation, access, use, and preservation of information and knowledge for scholars at the University of Virginia.

<table>
<thead>
<tr>
<th>Customer Perspective</th>
<th>Financial Perspective</th>
<th>Internal Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy access to superb information and resources</td>
<td>Increase financial base for unrestricted funds</td>
<td>Marketing &amp; Communications</td>
</tr>
<tr>
<td>Welcoming spaces that promote productivity and collaboration</td>
<td>Focus on resources &amp; services with high ratio of value to cost</td>
<td>Library Services</td>
</tr>
<tr>
<td>Services and programs that add value to scholarship</td>
<td>Maintain funding levels to responsibly steward the University’s knowledge resources</td>
<td>Operational Efficiency</td>
</tr>
</tbody>
</table>

- **Promote Library as intellectual crossroads**
- **Develop effective digital services**
- **Prioritize strategic programs and adjust budget and staffing accordingly**

---

<table>
<thead>
<tr>
<th>Learning And Growth</th>
<th>Strategic Skills / Workforce</th>
<th>Infrastructure</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruit, develop, and retain productive, highly qualified staff</td>
<td>Implement space and technology upgrades to support cutting-edge services and initiatives</td>
<td>Promote culture of assessment and accountability</td>
<td>Develop “community” model of leadership and organization</td>
</tr>
</tbody>
</table>
### University of Warwick Library Strategy Map 2009/10

**Mission:**
Connecting you with information, support and your community to enhance Warwick’s research, learning and teaching

**Strategic Themes:**
1. To make Warwick an undisputed world leader in research and scholarship
2. To sustain an exceptional teaching and learning experience at Warwick
3. Enhancing the Library environment
4. Developing the University and Library infrastructure

### Stakeholders & Partners:

#### Our funders require:-
- support for the university’s research ambitions
- high return on investment
- support for excellent teaching & learning experiences

#### Our users require:-
- access to an excellent portfolio of resources
- engaged and motivated staff
- customer-focused services & facilities (virtual & physical)

#### Our partners require:-
- productive working relationships
- collaborative service development
- catalyst for change

### Examples of how we will achieve this

<table>
<thead>
<tr>
<th>Examples of how we will achieve this</th>
<th>MISSION:</th>
<th>MISSION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1: Develop proposals &amp; costed plans to manage and promote the institution’s intellectual assets through JCR and related services (Theme 1, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>E1: Implement new staff structure, operations and staff skill sets to increase direct support for the academic enterprise (Theme 1, Theme 2, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>C1: Increase use of the Library as an institutional shared space (Theme 3, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A2: Engage with IAS &amp; Faculty Research Committees on how to develop research support through the Research Exchange, including support for multi-disciplinary research (Theme 1, Theme 3, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>E2: Plan to upgrade the remaining floors of the main Library and the MRC seeking external funding where appropriate (Theme 3)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>C2: Support collaborative activities through the Teaching Grid, The Learning Grid and Research Exchange to develop and promote innovative teaching and research (Theme 1, Theme 2, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A3: Develop and implement a plan to increase awareness of and support for the changing scholarly communications agenda (Theme 1, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>E3: Refine the remodeled Library configuration and user support model to promote considerate use and community ownership of Library space (Theme 2, Theme 3)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>C3: Build on the repository infrastructure to develop services to collect, manage and promote institutional assets such as research outputs (Theme 1, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A4: Enhance methods of monitoring and meeting research resource requirements to provide best fit with the University’s developing research portfolio (Theme 1)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>E4: Develop and showcase the MRC as an institutional research and learning facility, considering business and external funding opportunities where appropriate (Theme 1, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>C4: Seek to develop linkages with “academic champions” in order to increase academic engagement in Library and MRC matters (Theme 1, Theme 2, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A5: Increase stakeholder engagement with the Teaching Grid &amp; strengthen the links with the Learning Grid (Theme 2)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>E5: Target resource to improve taught course support and continue existing investment in research resources (Theme 1, Theme 2)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>C5: Explore opportunities for further integration of services to support research and teaching (Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A6: Implement business process reviews of library operations (Theme 1, Theme 2, Theme 4)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>E6: Employ Web 2.0-based and other technologies to enrich and personalise resource discovery and delivery through a Warwick Digital Library (Theme 1, Theme 2)</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>C6: Consider ways to develop infrastructure services offered by academic support departments</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
</tbody>
</table>

### What will progress

<table>
<thead>
<tr>
<th>What will progress</th>
<th>MISSION:</th>
<th>MISSION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>A best practice and differentiated research support portfolio</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>The means to satisfy their information requirements conveniently and effectively</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Collaborative approaches to developing the University’s research support systems</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Sustained improvement in student satisfaction survey Library rankings</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Improved support for curriculum development and delivery</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Improved integration of student and teacher support</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A fit for the 21st Century physical environment meeting learning and research requirements</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Flexible spaces and facilities supporting different needs at different times</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Effective collaboration as associates and providers in Library developments</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Innovative academic and institutional support services and policy developments to support the institutional information landscape</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>A staff structure, operations and services configured to fit their needs</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
<tr>
<td>Strategic lead in appropriate areas of service identification and development</td>
<td>MISSION:</td>
<td>MISSION:</td>
</tr>
</tbody>
</table>
Example of an Information Literacy Strategy Map

Based on data collected in investigating the development of information literacy strategies in a sample of institutions
## INFORMATION LITERACY STRATEGY MAP

### Vision
Information Literacy is a core competence of the University enhanced by the educational partnership of Librarians, Teachers, Researchers, Students and Managers working together at the frontiers of knowledge.

### Purpose
Our mission is to help all members of the University develop the ability to find, evaluate, manage and use information effectively for academic, professional and personal purposes by providing:
- strategic institution-wide information leadership
- world-class information literacy education
- a conducive information environment

### Stakeholder Concerns

<table>
<thead>
<tr>
<th>Stakeholder Concerns</th>
<th>Financial Sustainability</th>
<th>Customer Value Proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1 Achieve required efficiency savings</td>
<td>F3 Grow external project funding</td>
<td>O1 Strengthen frontline and roving IL support</td>
</tr>
<tr>
<td>F2 Expand income-generating activities</td>
<td>F4 Win learning development grants</td>
<td>O2 Establish student IL mentoring network</td>
</tr>
<tr>
<td>O3 Develop customised IL tutorials</td>
<td>O4 Extend integration of IL in curriculum</td>
<td>O5 Launch data literacy unit</td>
</tr>
<tr>
<td>O6 Enhance research training program</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Internal Processes

| Internal Processes | P1 Exploit new learning technologies | P2 Increase reusable learning objects | P3 Formalise internal co-ordination | P4 Adopt institutional IL standards | P5 Build academic and professional teams |

### Effective Operations

### A Motivated and Prepared Workforce

| Learning and Growth | L1 Promote IL knowledge sharing | L2 Define competency framework | L3 Develop assistants as learning facilitators | L4 Build workforce strategic skills | L5 Stimulate IL research and scholarship |

### Strategic Themes
- Value for Money
- Inclusive Community
- Professional Leadership

© Information School / The University of Sheffield 2010


Library Balanced Scorecard Case Studies


© Information School / The University of Sheffield 2010
Library Strategy Maps and Case Studies


© Information School / The University of Sheffield 2010
Recommended Reading

- covers the extension of the Learning and Growth perspective to intellectual capital and its incorporation in Strategy Maps.

- includes a useful resource list for strategic planning.
Any Questions?

Sheila Corrall
s.m.corrall@shef.ac.uk

Information School, The University of Sheffield  www.shef.ac.uk/is