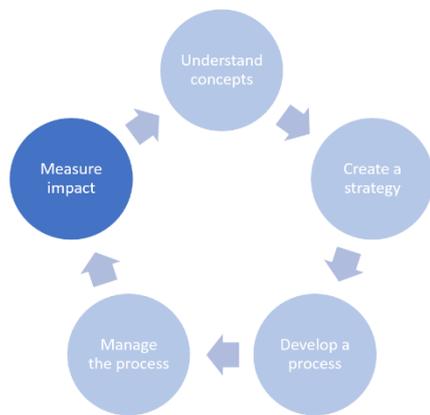


## Measure the Impact - Collaboration Scorecard



### What is it?

A scorecard is a common tool used to evaluate certain processes or actions. You may have used one before for a business plan, or any other company requirement. By analysing the performances of certain aspects of the company, you can made well-informed decisions, based on data obtained from surveys and interviews. The scorecard can help you to align specific parts of your plan. The information on the scorecard comes from investigations by management, company employees, and clients,

detailing comments on the performance of a project, or team.

The balanced scorecard allows you to look at the business from four important perspectives. It provides answers to the following four basic questions:

- How do customers see us? (customer perspective)
- What must we excel at? (internal perspective)
- Can we continue to improve and create value? (innovation and learning perspective)
- How do we look to shareholders? (financial perspective)

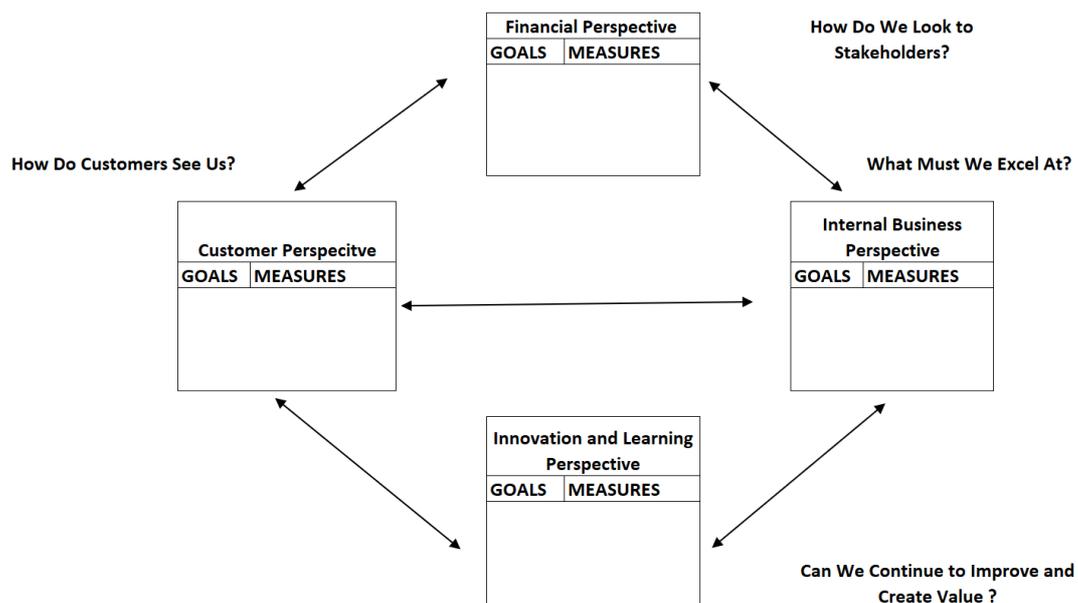


Figure 1 basic questions posed by the balanced scorecard

---

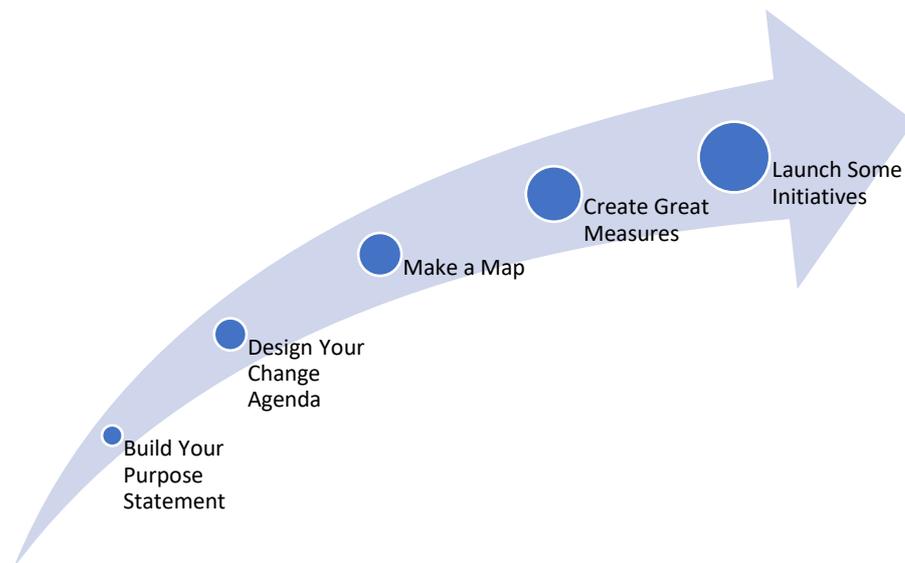
Use the Balanced Scorecard to translate your business mission and strategy into tangible objectives and measures.

---

## How do I use it?

Think of the balanced scorecard as the dials and indicators in an airplane cockpit. For the complex task of navigating and flying an airplane, pilots need detailed information about many aspects of the flight. They need information on fuel, air speed, altitude, bearing, destination, and other indicators that summarize the current and predicted environment. Reliance on one instrument can be fatal. Similarly, the complexity of managing an organisation today requires that managers be able to view performance in several areas simultaneously.

Let's have a look at the steps of how to create a Balanced Scorecard.



### Build your purpose statement

A purpose statement clearly communicates how you'll be different to your competitors, and it should include three different aspects:

1. Objective
2. Advantage
3. Scope.

Put simply, your purpose statement tells the world what you're going to do (your objective), how you're going to win (your advantage), and where you're going to do it (your scope).

### Design your change agenda

If the purpose statement looks outward, the change agenda looks inward. What do you need to make better in your organization to achieve your purpose statement? What levers can you pull to drive change? Your change agenda is a simple representation of the changes that will occur in your organization as you execute your strategy.

### Make a map

Without a map to guide you to your destination, it's very easy to make lots of wrong turns on your way to strategy execution. A strategy map is a simple, one-page visual representation

of your strategic objectives, with cause and effect linkages. It paints a picture of your strategy, so everyone can understand it.

### Create great measures

Once you have your map, it's time to think about measures. Measures do two things: They help you manage (understand what's not working) and they help you motivate (people respond to what's being measured, even if there's not compensation tied to it.) Choose the measures that help you drive your strategy.

### Launch some initiatives

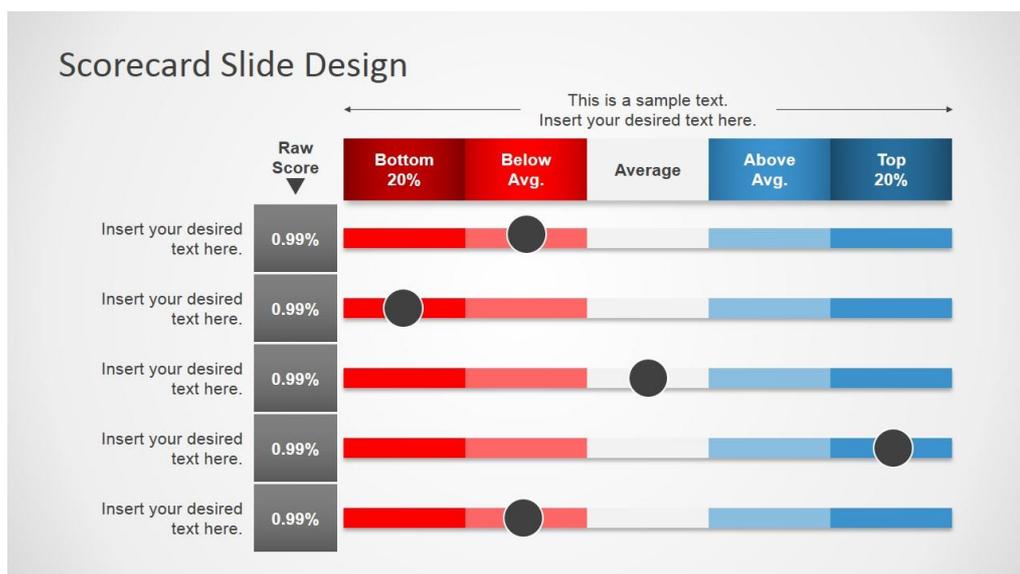
Initiatives (or projects) are where your strategy comes to life. What projects do you need to kick off in order to execute this strategy? And, just as important, what things are you going to stop doing in order to focus on your strategy?

### Present the information

We have used the **Scorecard Slides for PowerPoint** as they are ideal for employee evaluations and company reports. They are widely available. You can edit the data and graphics on the scorecard to fit your own specifications. The PowerPoint slide is customisable and easy to adapt but you can use any other template that you find useful.

You have three options to present the information, applying the same table format. The first type uses stars to indicate the score on the table. The columns are highlighted in bright colours for easy identification. The second type contains the same stars but does not have highlighted columns. The columns in the last slide are shown in red, grey, and blue. The specific points are demonstrated by grey circular PowerPoint shapes.

Figure 2 Example of Scorecard Slide Design



To use the balanced scorecard, you should define goals for time, quality, and performance and service and then translate these goals into specific measures.

Here’s an example of how senior managers at ECI used it. They established the following general goals for customer performance: get standard products to market sooner, improve customers’ time to market, become customers’ supplier of choice through partnerships with them, and develop innovative products tailored to customer needs. The managers translated these general goals into four specific goals and identified an appropriate measure for each as in the following diagram. To track the specific goal of providing a continuous stream of attractive solutions, ECI measured the percent of sales from new products and the percent of sales from proprietary products. That information was available internally. But certain other measures forced the company to get data from outside. To assess whether the company was achieving its goal of providing reliable, responsive supply, ECI turned to its customers.

Here’s an example of its output:

<b>ECI’s Balanced Business Scorecard</b>			
<b>Financial Perspective</b>		<b>Customer Perspective</b>	
GOALS	MEASURES	GOALS	MEASURES
Survive	Cash flow	New products	Percent of sales from new products
Succeed	Quarterly sales growth and operating income by division		Percent of sales from proprietary products
Prosper	Increased market share and ROE	Responsive supply	On-time delivery (defined by customer)
		Preferred supplier	Share of key accounts' purchases
			Ranking by key accounts
		Customer partnership	Number of cooperative engineering efforts
<b>Internal Business Perspective</b>		<b>Innovation and Learning Perspective</b>	
GOALS	MEASURES	GOALS	MEASURES
Technology capability	Manufacturing geometry vs. competition	Technology leadership	Time to develop next generation
Manufacturing excellence	Cycle time Unit cost Yield	Manufacturing learning	Process time to maturity
Design productivity	Silicon efficiency Engineering efficiency	Product focus	Percent of products that equal 80% sales
New product introduction	Actual introduction schedule vs. plan	Time to market	New product introduction vs. competition

Figure 3: Balanced business scorecard example

## The end of the reading.....and the beginning of your collaboration!

So now you should understand that Collaboration is a good thing for you and your business. It can help you to get new skills, solve problems through different insights, and improve your opportunities for creativity and innovation.

Over the course of reading these materials you have thought about:

- How collaboration management is aligned with innovation
- How you can benefit from collaboration management
- Which type of collaboration you can apply in your organisation
- How you can apply collaboration process in your organisation
- How you can you find right partners for collaboration
- What factors influence the collaboration process in your organisation.

Overall you have learned that collaborative leadership is an increasingly vital source of competitive advantage in today's highly networked, team-based, and partnership-oriented business environments. You have also learned that certain factors are vital for successful collaboration. While some factors, such as culture, leadership, organisational structure and communication are vital to both internal and external collaboration, the most important for external collaboration is to find the right partner.

Innovation can arise from interactions among people with different skill sets and experiences, who either solve problems or generate ideas that create value. Collaboration is very important to increase the potential for innovation and as such is vital to innovation.

At a very high level, you now know that you can collaborate successfully by doing the following:

- chose the right partner
- agree shared intentions
- define a single definition of success
- create a shared level of engagement
- establish common goals by negotiation
- divide the whole task into smaller tasks
- distribute the tasks to owners to complete, and finally,
- combine the work to get an outcome which is better than you could have achieved by yourself.
- If you are improving internal collaboration it's a great idea to bring your staff along with you and ensure they feel part of the process.

You should also now have some practical strategies tools you can use along the way, like the balanced score card to translate your business mission and strategy into tangible objectives and measures and the collaboration process for innovation. We hope you now feel confident to use these materials to improve your collaboration and harness its benefits for your business.