

Do You Need a Leadership Balanced Scorecard?

More and more organizations are implementing the Balanced Scorecard approach developed by Robert Kaplan and David Norton. The scorecard approach uses objectives and indicators to channel and align organizational effort to goals. The Balanced Scorecard uses four perspectives: financial, customer, internal business process and learning and growth (see Association™, October/November, 2001, Learning Link Column; Is Association Governance and Management Ready for Balanced Scorecards?).

A fully implemented Balanced Scorecard cascades from the top levels of an organization all the way down. Ultimately, everyone has their own scorecard that lists personal objectives and indicators linked to overall organization objectives and indicators. Personal Scorecards reflect the unique role and abilities of individuals. In some situations, compensation and reward systems are linked to Personal Scorecard results. In some instances they improve or eliminate the annual performance appraisal.

It is important not to get the Personal Scorecard mixed up with the Personal Balanced Scorecard. The Personal Balanced Scorecard helps one perceive and spell out life goals. This type of tool helps increase quality of life in the context of its present complexity. It goes beyond work and helps with personal decision-making, personal growth, the consideration of personal visions and missions, and with management and minimizing stress. It is based on three dimensions: Personal Competence, Competence for Adding Value, and Aptitude for Self-Actualization.

Individuals in an organization develop objectives, indicators and actions in their Personal Scorecards and ensure alignment between personal and organizational goals. They are then able to understand their roles and values in the organization, and, from their Personal Scorecards they may identify the need to develop personal development plans.

If development is necessary from a leadership perspective, it makes sense that the scorecard concept can be applied to developing a Leadership Balanced Scorecard that can improve leadership abilities.

Leaders often operate in a sense of urgency and need to bring others together to share in the development of a vision and action, address risk, work with change and engage in complex communications. Leadership competencies exist to support these activities.

Leadership competencies have been developed by many, and the distinction between leadership and management competencies is becoming increasingly clear. Leadership competencies usually include the following:

- Establishing Vision
- Communication
- Alignment
- Interpersonal and Relationship Building Skills
- Motivation and Inspiration
- Leading Change
- Problem Solving and Decision-Making
- Knowledge Sourcing
- Self-Management

Time for a check up

There may be a need to make shifts in the type of leadership competencies used and those competencies that are not used on a regular basis. Great things are expected from leaders. As such, it is important to engage in ongoing learning activity to support leadership activity.

Students in the Association Management Education (AME) Program often engage in online classroom discussions about the challenges and expectations of leadership. Acquiring the latest practices and tools are a priority, as is engaging in activity that reinforces what they have learned or put into practice.

Development or regular check ups of leadership competencies can be assisted by having a Leadership Balanced Scorecard. The scorecard can identify where improvements are necessary and can improve focus.

Leadership scorecarding activity has been a common practice for many years. While there is no shortage of informal leadership assessment activity, the interest from a self-perspective is on the rise. Why? Individuals who are looking to be successful leaders are paying more attention to managing their careers and the competencies necessary to achieve success. In addition, there is no shortage of research and writing, seminars, workshops, etc., on the topic of leadership.

Whatever your leadership challenges may be, being able to link them to competencies and using them in the right situation and at the right time will contribute to your success as a leader. Individuals aspiring to, or those already in leadership positions, understand there are things "to do" and "not do". Owning the knowledge and skills is important. This leadership approach will make a difference.

Not-for-profit management leaders occasionally have their leadership abilities evaluated through formal performance appraisals. Appraisals seek to determine how well the leader is motivating,

communicating, developing teams, etc. Having a Leadership Balanced Scorecard is a proactive move that could turn comments in the appraisal review from constructive to congratulatory.

Building Your Leadership Balanced Scorecard

If you are looking to improve your leadership capabilities, you may want to set up your own Leadership Balanced Scorecard. How? Identify the leadership competencies required by your organization, the factors used in performance appraisal, and link the leadership expectations to the organization's Balanced Scorecard objectives and indicators.

First establish your leadership perspectives. They could include those in the following:

Vision & Plans § Objectives § Indicators § Actions	Leading & Change § Objectives § Indicators § Actions	Action & Results § Objectives § Indicators § Actions
Alignment § Objectives § Indicators § Actions	LEADERSHIP	Self § Objectives § Indicators § Actions
Communications § Objectives § Indicators § Actions	Decision Making § Objectives § Indicators § Actions	Relationships § Objectives § Indicators § Actions

Next, establish specific objectives, indicators and actions. It is possible to break your scorecard and the perspectives or leadership competency domains into detailed sub domains. For example, under relationships, it could include building teams, facilitation, coaching others, and managing conflict. More specifics will help develop an accurate score.

You can customize your scorecard by identifying the leadership competencies that you and your employer believe are necessary. Having others such as mentors and colleagues rank your performance to these competencies will provide a more realistic picture. Reviewing the results will help you understand where you are in your leadership competency development and performance.

An effective tool to illustrate and determine opportunities for improvement is the leadership competency wheel. Each of the eight competency areas listed above would represent a piece of the wheel with sections allocated to specific competencies. For each competency, a measurement of performance satisfaction would be determined based on a one to ten scale. Ten would be on the outer edge and zero in the centre. As you score and draw a line to reflect the score the wheel helps to clearly see where improvement is necessary. You will have greater insight into what is working and what is not.

If you are serious about achieving leadership success and wish to enhance your leadership competencies, consider scorecarding your leadership capabilities and needs.

This column features innovation and practical solutions applied to challenges, trends, issue and opportunities for the association community. Column editor Jim Pealow, MBA, CMA, CAE is a consultant and the Association Management Education Program Lead Instructor/Coach for CSAE. He can be reached at jim@amces.com.