Energize Your Leadership with Performance Scorecards

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Thank you for all you do!

How wonderful it is that no one need wait a single moment before starting to improve the world.
- Anne Frank

What is a performance scorecard?

A simple way to report progress toward a goal to other stakeholders.

Scorecards can track what should matter most to any organization's leadership and supporters:

RESULTS!

Sometimes called "dashboards"

Why use them?

- They keep your team aware of its collective progress
- They help identify potential trouble BEFORE it gets out of hand
- They stimulate discussion about what matters most
- They demonstrate success (or areas for attention)
- They make complex information understandable

What can scorecards track?

- Client outcomes
- Program performance
- People performance (staff and volunteers – including Board)
- Financial (and fundraising) performance
- Performance in any critical area: policy change, collaborative partnerships, etc.

Scorecard components

- Key indicator
- Goal or benchmark
- Baseline and/or appropriate time-bound measures (mid-year, end of year)
- Current status
- Clear signal (caution, danger, celebration)

Sample – Board performance

Indicator	Goal	Last year	To date (3rd quarter)
% of meetings make quorum	100%	70%	100%
% board giving	100%	100%	80%

Who should develop scorecards

Anyone who wants to measure success!

- Board *with* Executive Director
- Executive Director *with* Management Team
- Management Team *with* Staff
- Committee Chair *with* other Committee Members

When to develop a scorecard

- When the team needs to get focused and re-energized
- When writing a grant proposal (link to logic model)
- After forming a task force or committee and before beginning any work
- Can be a logical outgrowth of strategic planning, program development, or an audit

When to review scorecards

- During strategic planning
- Before developing the annual budget
- When submitting a report on a grant
- At Board meetings on a regular schedule appropriate to the indicator time frame
- At the annual meeting
- During staff performance appraisals

Sample – program performance

Indicator	Goal	6 months ago	Now
# of participants	50	30	52
Satisfaction rating	>80% Good+	95% Good+	80% Good+
HS Graduation rates	>50%	50%	60%

Source: CompassPoint from www.blueavocado.org

When the Board is involved

The Board should determine the areas they want or need to monitor.

Key indicators can be *suggested* by the Executive Director, but should be *chosen* by the Board to demonstrate what they believe is important to measure.

When the Board is involved

Goals should be set by the Board in consultation with the Executive Director and reflect what the Board wants the organization to achieve.

Measurement timeframes should be chosen to adequately allow for change to occur, be cost-efficient, and reflect the need to limit risk/loss.

Like an executive summary

The scorecard should serve as a cover page, NOT a replacement for more in-depth data.

It readily identifies the most IMPORTANT information and can show trends more easily than complex tables or diagrams.

Scorecard discussions force the question: "Is this report really necessary?"

Sample – financial performance

Indicator	Goal	6 months ago	Now
YTD expenses	On budget	5% less than budget	25% greater than budget
Cash reserves	>3 months	3 months	1 month
Grant income	On budget	On budget	10% less than budget

Source: CompassPoint from www.blueavocado.org

Establishing the system

- Introduce the concept
- Determine *what* should be monitored
- Identify *a few* key performance indicators
- Identify measurement time frames
- Set goals or find industry standards or benchmarks

SMART Goals

- **S**pecific
- **M**easurable
- **A**ggressive, but
- **R**ealistic
- **T**ime-bound

Setting Goals

- Recognize comfort level differences
- Capacity dictates performance
- Goals can always be adjusted later

Establishing the system (cont.)

- Identify appropriate and cost-efficient measurement tools
- Take initial measures
- Continue periodic measurement
- Report findings and signals
- Use results
- Adjust indicators, goals, or timelines
- Continue cycle

Sharing results

- Board meetings
- Staff meetings
- Funding proposals/reports
- Annual reports
- Community presentations
- Newsletters
- Website

Stumbling blocks

- No one takes the "taskmaster" role
- Monitoring too much; wrong things
- Inaccurate measurement; too frequently or not often enough
- Fear of setting goals and/or honestly reporting findings
- Lack of consistency and follow-through
- Failure to use results

The road to success

It isn't where you come from, it's where you are going that counts.

- Ella Fitzgerald

Questions?

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