



Balanced Scorecard Strategy Maps

NONPROFIT AND CHARITY EXAMPLES

Strategy Maps are used by many social and public-sector organizations to clearly communicate their strategic plan.

A good strategy map should identify key “landmarks” such as financial constraints and customer expectations. Strategy maps can also highlight areas that, if neglected, may hinder mission success.

Using this map, a leadership team can explain how they expect to achieve success. In a Harvard Business Review article titled, “Having Trouble with Your Strategy? Then Map It,” Drs. Kaplan and Norton say this about strategy maps:

“The key to executing your strategy is to have people understand it – including the crucial but perplexing processes by which intangible assets will be converted into tangible outcomes. Strategy maps can help chart this difficult terrain.”

Strategy maps are first and foremost a communication tool, so they should never be overly complicated or perplexing. While this white paper is not an exhaustive study, it does include a few strategy map best practices as well as a number of useful examples.

Strategic Perspectives

Typically, a strategy map starts with a few broad perspectives. Using the Balanced Scorecard methodology, broad areas may include the customer’s perspective of success, a financial perspective of success, an internal process perspective, and a final perspective, learning and growth, which describes culture and capacity.

Each of these perspectives serves as a frame of reference for tangible objective statements.





Figure 1: Perspectives in a Nonprofit Organization

Objective Statements

The next step to building a strategy map is to begin identifying the most critical objectives in each perspective.

Objectives are short statements that define what an organization must continually do to achieve its mission. Objective statements can be phrases or complete sentences.

They can be written as declarative statements ("We must develop new technology") or in the voice of the customer ("My family received the best care").

Building Consensus

Building a strategy map is a team effort that requires real time and discussion, especially at the highest levels of leadership.

Each of the example strategy maps below illustrates a strategic plan designed for an organization in a particular situation.

Certain maps may have elements that resonate with your team; however, it is recommended that a leadership team only adopt a strategy map after thorough discussion of the situation and selection of the few critical pieces that will contribute to mission success.



Early Literacy Organization

Strategy Map is Modified for Educational Purposes

Improve literacy rates by encouraging families to start reading to their children at an early age.

Customer Perspective

Provide Quality Training

Provide Early Literacy Tools

Financial Perspective

Build Sustainable Relationships

Maintain a Cost-effective Organization

Internal Perspective

Advocacy/Fundraising

Become Early Literacy Advocates

Create Diverse Donor Base

Training Management

Deliver Effective Staff Training

Deliver Effective Parent Training

Operations

Ensure Scalable Operating Procedures

Create Communications Systems

Learning and Growth Perspective

Utilize Feedback to Expand Quality Programs

Capture Cutting-edge Field Knowledge

Example Strategy Map Template for a Reading Advocacy Organization

Reading is a critical life skill and this organization is hoping to make a difference by encouraging families to read to their children starting at an early age.

While the map does not specify any target communities, there is an emphasis

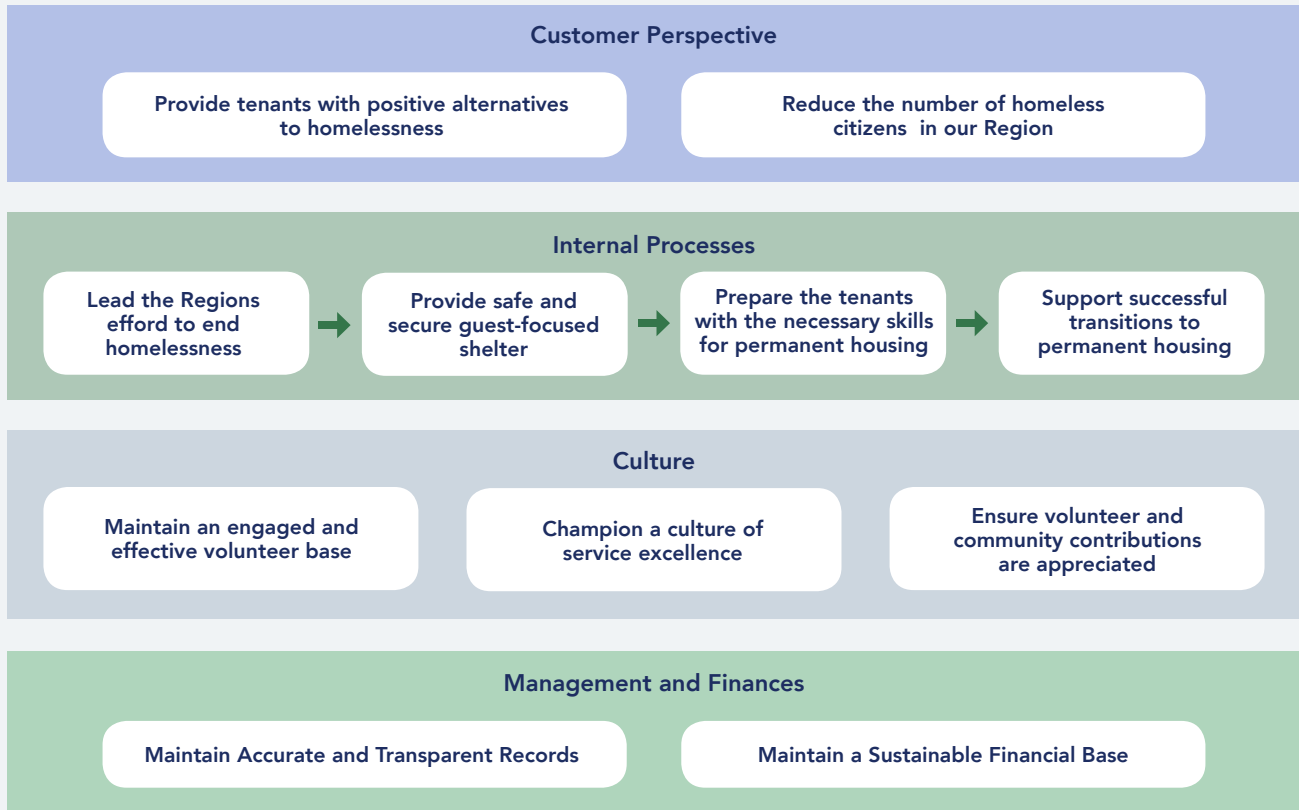
on turning field research into quality programming that can readily be distributed. Vocabulary, grammar, and spelling are all topics children will be studying in school. With the assistance and advocacy of this organization, hopefully an increasing number of students will be comfortable reading out loud to their peers during story time.



A Homeless Shelter

Strategy Map is Modified for Educational Purposes

To provide shelter to end homelessness.



Example Strategy Map Template for a Homeless Shelter

Homeless shelters typically serve a very diverse population. Tenants may have gone a number of years without permanent housing while other may be facing temporary crises and need short term shelter for their children.

In this organization's case, the "shelter" provides much more than just a roof to

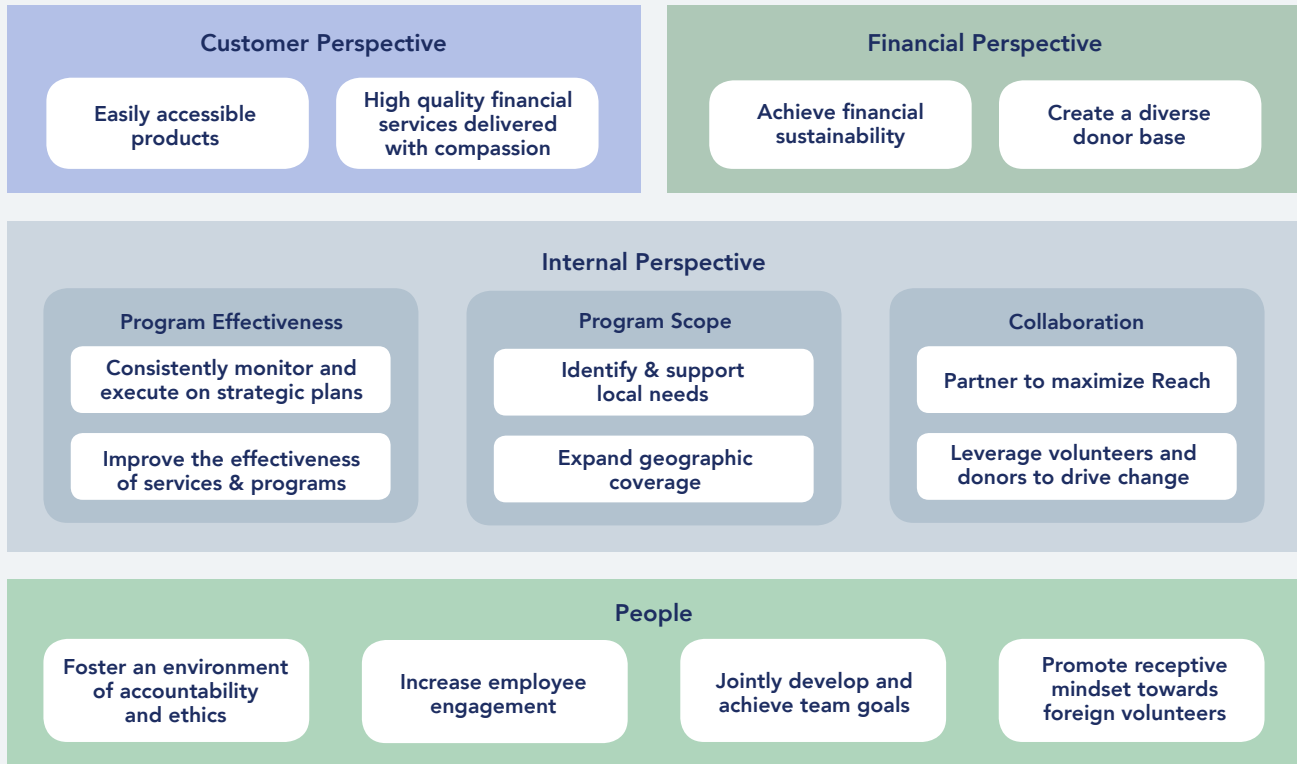
sleep under. They want to a hub of services to help people get back on their feet. To do this they provide longer term solutions such as workforce development classes, rehab support groups, and more permanent housing solutions in addition to short term shelter. Based on the strategy map, this shelter also appears to also take a lead role in organizing a number of community efforts to meet the diverse needs of the homeless population.



Microfinance Organization

Strategy Map is Modified for Educational Purposes

Develop and distribute the financial programs that micro-business owners need to escape the cycle of poverty.



Example Strategy Map Template for a Microfinance Bank

Microfinance is an exciting field that has proven to be a great way of helping people help themselves. By providing startup capital, communal support, and introductory level business management classes, micro-business owners can break the cycle of poverty and begin building local enterprises.

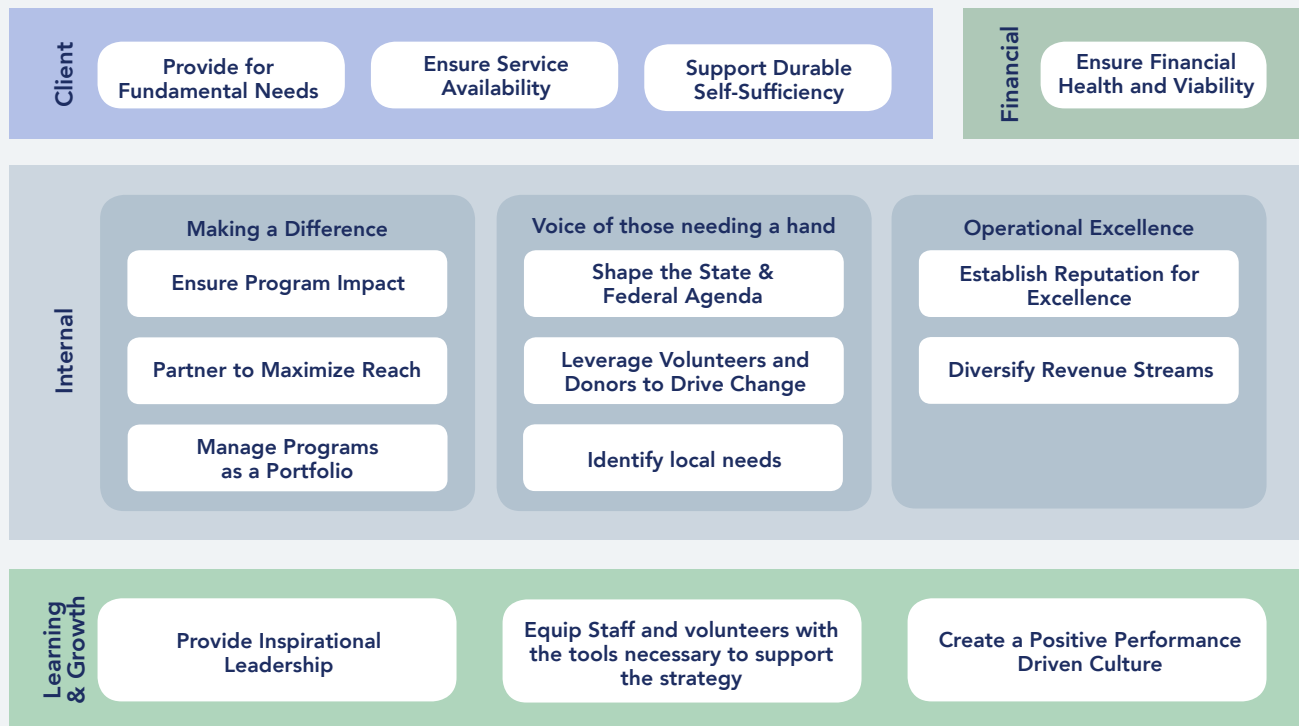
Recent headlines have brought troubling news however. A few major microfinance organizations are being investigated for mismanagement and the entire sector is now scrambling to prove their own trust worthiness. One tool that might help a microfinance group focus on strategic objectives is a Balanced Scorecard Strategy Map such as this one. It can be a great tool to communicate with funders and regional leadership as well.



Social Services Organization Strategy Map

Strategy Map is Modified for Educational Purposes

Our Mission: Connecting a community of volunteers to support the dignity of those needing a hand.



Example Strategy Map Template for a Social Services Charitable Organization

As the metaphor goes, “give a man a fish, he will eat for a day; teach a man to fish, and you feed him for a lifetime,” so too does this organization try to solve immediate needs while also working to try and correct the root causes on a much deeper level.

This organization seeks to support a number of local needs by connecting a

network of volunteers and full time professionals behind local initiatives. To ensure local donors and volunteers understand the full impact of the organization, senior leaders utilize a strategy map like this one to show the full interaction and scope of impact that time and financial donations can create. In addition to providing for local needs, this charity actually takes a stake in identifying local needs and then advocating on local, regional, and national levels to help find solutions to the root causes of local needs.



Environmental Organization

Strategy Map is Modified for Educational Purposes

Protect the Environment through Education and Action

MINIMIZE Environmental Threats and Attain MEASURABLE Results

Replicate Successful
programs across Planet Earth

Maximize each program's
effectiveness

Publicize positive impacts
and results

Build partnerships and capabilities

Change attitudes and local behaviors

Expand fundraising, human capital, and marketing reach

Example Strategy Map Template for an Environmental Protection and Conservation Group

Saving the world is no easy task. This organization proposes that they will do their part to minimize environmental threats with partners through both education and action.

By using a nontraditional format in their strategy map, this leadership team focuses on protecting sensitive ecosystems like the live coral reefs shown in the background. The leadership team reminds viewers that the colorful background could very well be replaced with wilted coral and diseased fish, something that could happen without their

combined intervention. The other unique feature of this strategy map is the heavy reliance on partnership. Rather than trying to do all the labor themselves, it seems this group prefers to prototype successful methods and then relies on marketing and education to leverage their impact around the world. Local partners can sustain projects for longer periods of time and it also allows this group to impact a larger number of projects with a lower number of staff and overhead expenses, leaving more money for conservation projects.



Conclusion

Successful strategy maps come in a number of shapes, styles, structures, and complexities. Aside from sector-by-sector differences, varying formats can be found across many languages, cultures, and

strategic environments. The one unifying goal is to make a communication tool that engages the entire team and community behind a shared plan of action to achieve the mission at hand.

ClearPoint Strategy Balanced Scorecard Software

ClearPoint's reporting software is built by managers, for managers. It's made for the value-conscious organization that needs a single place to organize and analyze all of its data. If you're ready to find a solution for your organization, or want to try out ClearPoint for free, let's talk.

TOUR CLEARPOINT NOW



ClearPoint Strategy
www.clearpointstrategy.com