



Community Balanced Scorecard & Effective Community Governance:

Part 1

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www.sam-lg.org

Today's Webinar (Part 1)

- Overview
- Effective Community Governance: Model with Citizen Roles & Performance Feedback
- Balanced Scorecards
- Community Balanced Scorecard Concepts with Examples and Issues in Collaboration
- Basic Requirements & Next Steps, Including February 1st Webinar (Part 2)
- Selected Resources
- Questions and Answers

Overview

- Many important issues in communities and regions cannot be resolved by one organization or sector:
 - Meeting threats to public health, safety, & the environment
 - Ending disparities in health & educational outcomes
 - Affordable housing and homelessness
 - Breaking the cycle of intergenerational poverty
 - Becoming & staying competitive in the global economy
 - Moving ahead economically, environmentally, and socially at the same time or the so-called “triple bottom line”

Community Balanced Scorecard:

- Combines the results-focused community building power of *Effective Community Governance* with the strategy alignment of *Balanced Scorecards*
 - Pulls the community together around common outcomes desired by citizens
 - Brings together decision makers and leverages assets from all sectors for shared results
 - Aligns key community collaborators behind a common strategy for faster, measurable results
 - Creates mutual accountability for results

Effective Community Governance

- A set of concepts to help people and organizations become more effective at improving communities
- One-time improvements no longer keep communities vital; effective governance fosters ongoing community renewal and improvement
- Achieve effective governance by aligning core community skills of citizen engagement, measuring results, and getting things done

Effective Community Governance Model

from *Results that Matter* (Jossey-Bass, 2006)

Align 2 or 3 "Core Skills" to Get 4 "Advanced Governance Practices"



Effective Community Governance: Four Key Themes

1. Robust citizen engagement in multiple roles
2. Use of performance feedback in organizational or community decisions
3. Linking desired results to resources and accountable people or organizations
4. Strong collaborations

Why Robust Citizen Engagement?

- Effectiveness
- Legitimacy
- Sustainability
- Ownership of issues
- Mobilize resources and support
- Bring citizens' energy to community improvement

Many Roles for Citizens

Government and nonprofit balanced scorecards tend to view citizens as service customers. That's important, but:

- Citizens play many other roles in communities, which must be recognized and tapped to effectively engage them in community improvement.
- Major roles citizen play include:
 - Stakeholder (includes customer)
 - Advocate
 - Issue Framer
 - Evaluator
 - Collaborator

Citizen Roles

- **Stakeholder:** *Someone who:*
 - Is a service customer,
 - Is an “owner” (shareholder) of the government or civic realm, or
 - Is an interested party concerning community conditions, existing or proposed projects or policies, or community service problems.
- **Advocate:** *Someone who:*
 - Tries to protect or advance specific interests, or
 - Encourages the community to act.
- **Issue framer:** *Someone who:*
 - Helps develop a long-term vision, goals, or strategic plan,
 - Helps determine what issues get on the community agenda, and set priorities for allocating resources or acting on issues, or
 - Defines problems from a citizen’s perspective.
 - Identifies possible solutions to community problems.

Citizen Roles

- **Evaluator:** *Someone who:*
 - Assesses community conditions or service quality,
 - Interprets data on performance or conditions, or
 - Evaluates alternative solutions to community problems.
- **Collaborator:** *Someone who:*
 - Helps forge compromise or build consensus among different interests to solve problems,
 - Works in partnership with others to implement community improvements, or
 - Identifies and helps leverage assets (e.g., other citizens, small businesses, community organizations, community meeting places) the government may not consider.

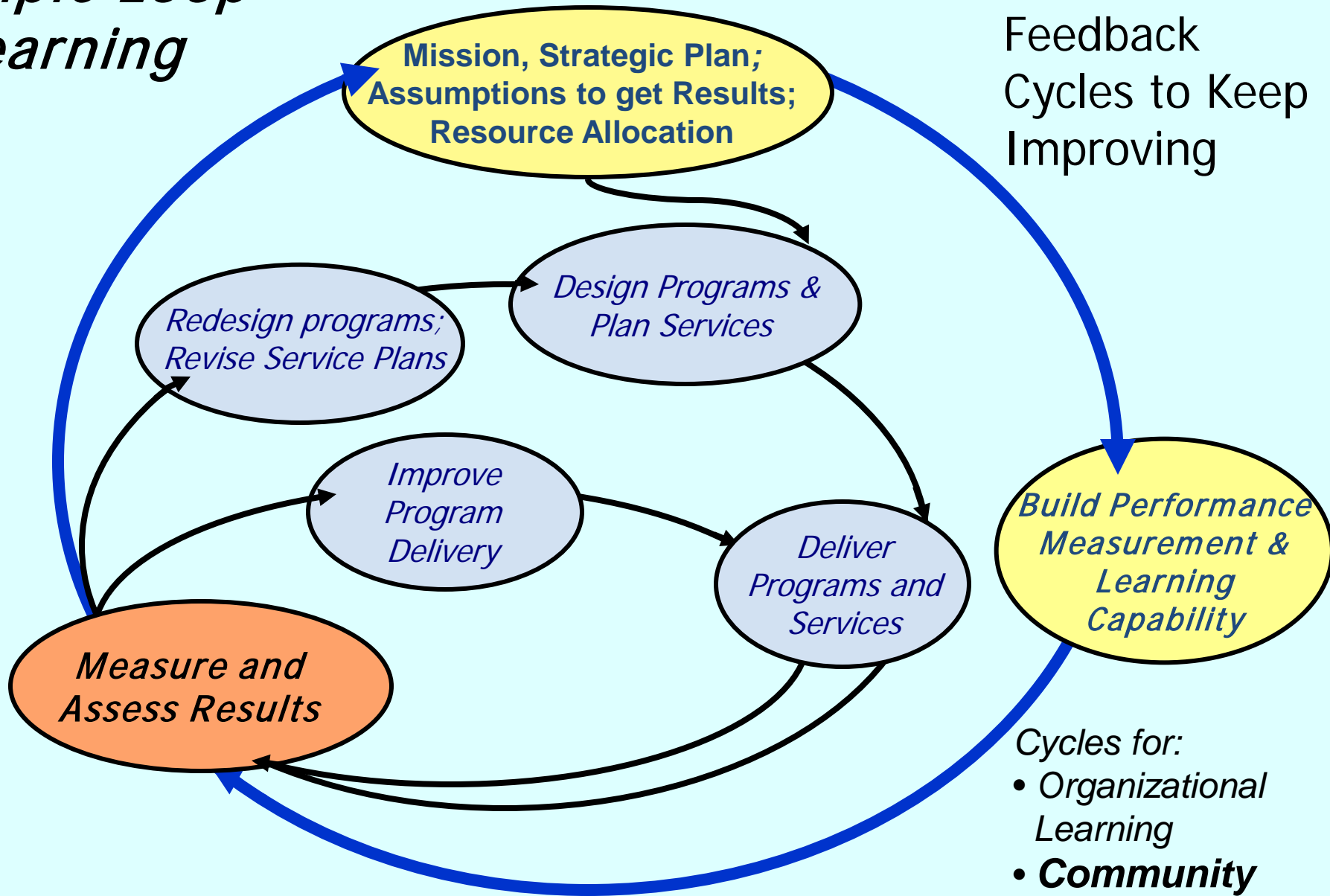
Why Citizens in Multiple Roles?

- Providing a full range of roles:
 - Helps ***more people find their comfort zone*** of what they are willing and able to do, despite their different interests, knowledge, skills, constraints.
 - ***Keeps citizens involved longer***: e.g., from advocacy to getting things done.
 - Helps organizations ***identify more ways to support citizens*** as effective community partners.
- As a result, more people contribute more time and energy to community improvement.
- ***For more on citizen roles***, with references to resources & tools, see www.resultsthatmatter.net “Workshops & Presentations” page:

<http://resultsthatmatter.net/w-p>

Triple Loop Learning

Performance
Feedback
Cycles to Keep
Improving



Cycles for:

- Organizational Learning
- **Community Learning**

Balanced Scorecard

- Balanced Scorecards map strategies based on cause & effect assumptions across *multiple performance perspectives* or “views” that relate to strategy.
- Balanced Scorecards turn “performance management” into “strategy management”
 - Managing For Results becomes *Managing Strategy For Results*
- Traditional balanced scorecards apply to *organizations*,
 - From simple entities, to
 - Complex groups of many departments or companies reporting to one large corporate entity, whether private, nonprofit, or government.

Balanced Scorecards

- Detailed cause-and-effect relationships can be complex, but in general they move upward across the scorecard “perspectives.”
- Perspectives can vary by organization, especially outside the business sector.

Traditional Business Perspectives:

- Financial Performance
- Customer
- Internal Business Process
- Learning & Growth



City of Charlotte, North Carolina:

- Serve the Customer
- Run the Business
- Manage Resources
- Develop Employees

Hartford Public Library:

- End Results
- Processes & Practices
- Learning and Growth
- Leadership and Development

Community Balanced Scorecard:

New Way to Implement Effective Community Governance

- Similar to a traditional scorecard but does not focus on the performance of a single organization
- Focuses on managing a community improvement strategy involving multiple players, e.g., citizens, government, nonprofits, and public-minded businesses
- May focus on one or more important issues for a community, e.g. youth violence or economic competitiveness

Four Contexts for the Balanced Scorecard

1. Business organization
2. Government organization
3. Nonprofit organization

• *Perspectives & strategies differ, and ways to develop scorecards vary,*

• *But a **unified leadership** can still drive the vision, align the strategy, and build accountability for scorecards for ALL types of ORGANIZATIONS.*

4. **Community collaboration**

The game changes dramatically for a community, with many leadership groups & accountability structures.

Community Balanced Scorecards Can Use Non-traditional Perspectives:

Quality of Life Outcomes

e.g., educational achievement, strong local economy, affordable housing, environmental quality.

Projects and Services

e.g., effective public services, caring social infrastructure, physical & economic development projects, environmental strategies (e.g., regulatory, voluntary, market-based, cooperative).

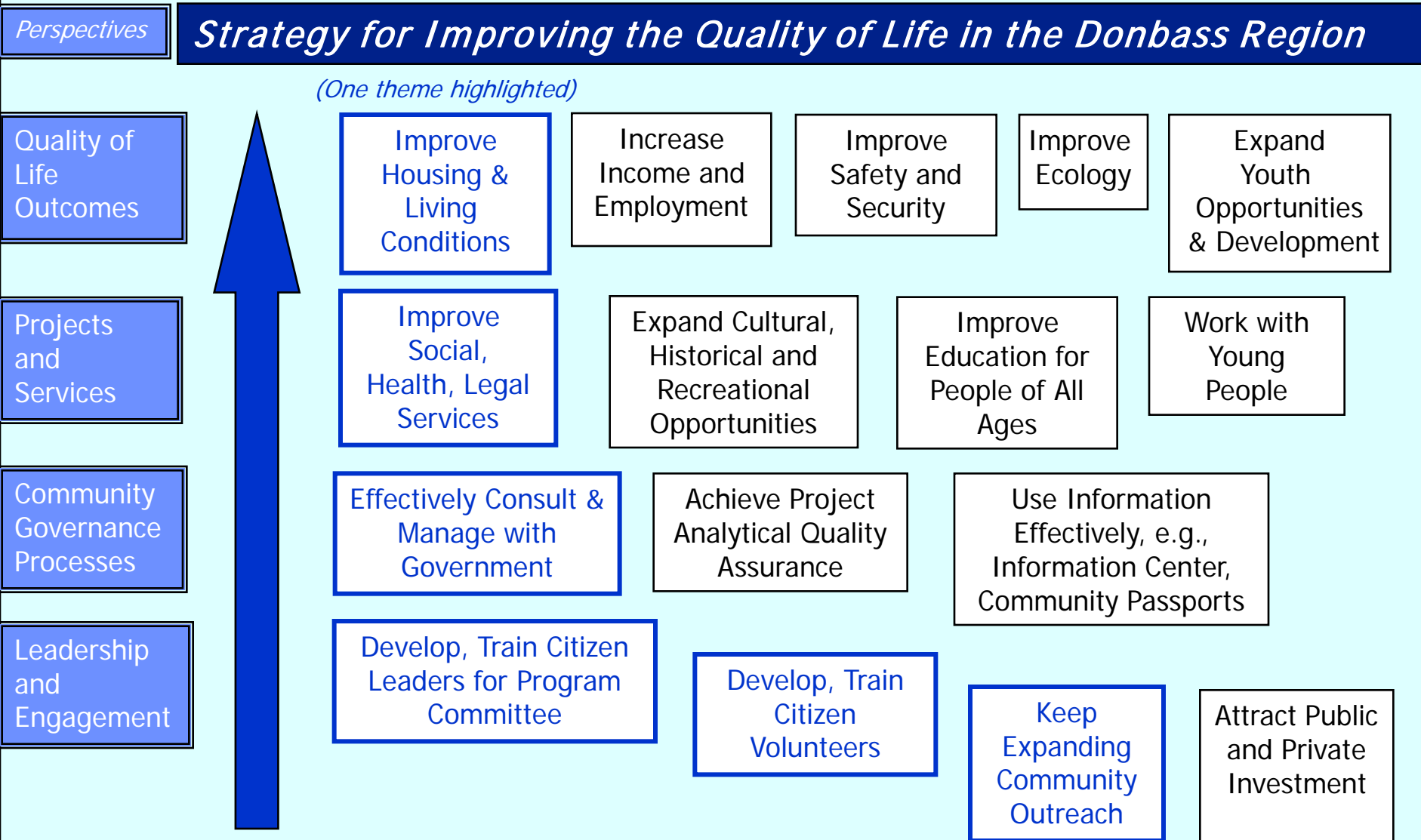
Community Governance Processes

e.g., partnerships, accountability for results, feedback of measured results, resident influence.

Leadership and Engagement e.g., strengthen citizen capacities to play many roles, increase citizen leaders, generate community investment.

Assumed cause & effect

Donbass RDA (Ukraine) Quality of Life Model Arranged by Four Perspectives of Community Quality of Life & Vitality



Community Balanced Scorecard Perspectives Can Be Similar to those of Traditional Scorecards

***Community Priorities:
Desired End Results***

Analogous to "Customer"

Community Economy

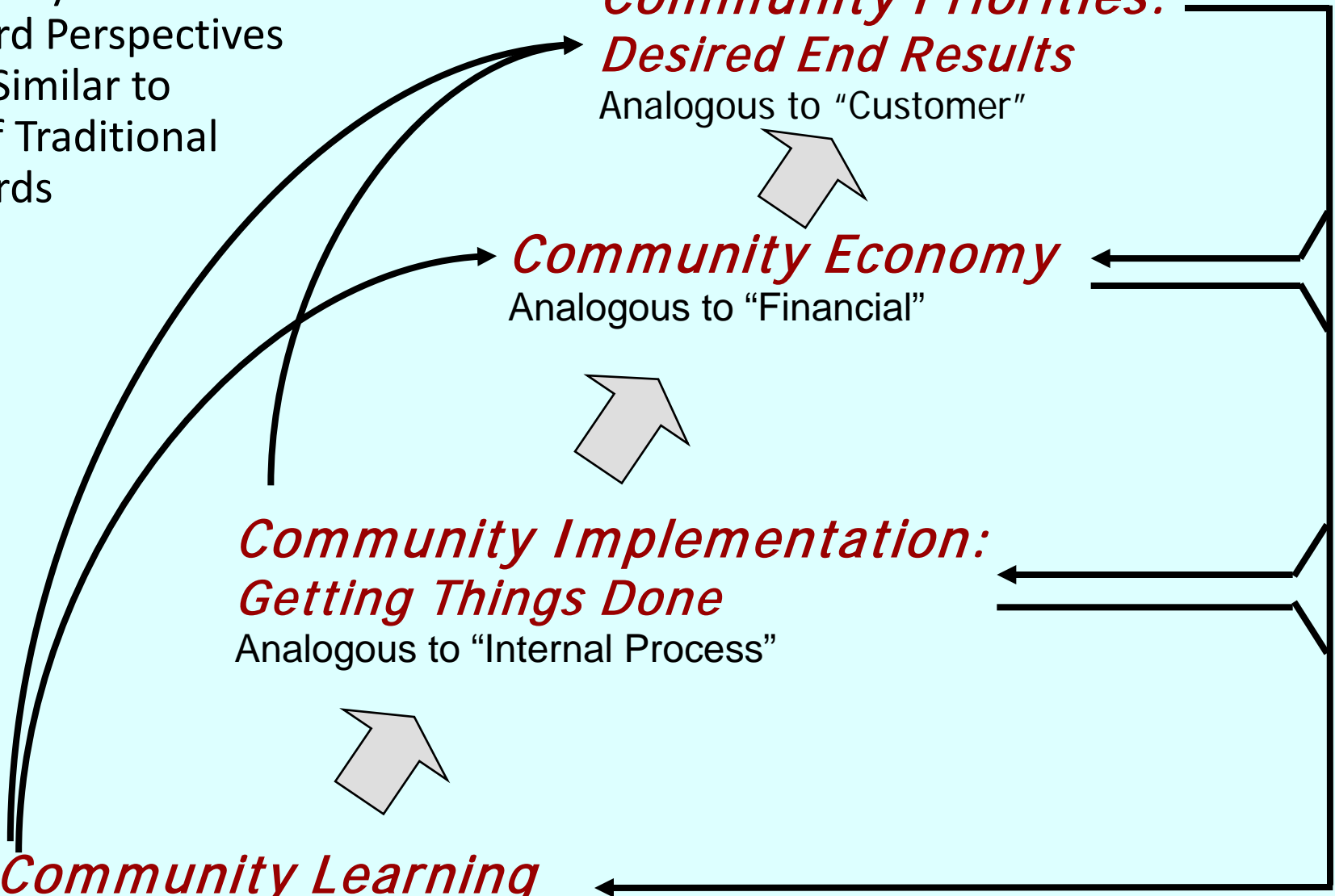
Analogous to "Financial"

***Community Implementation:
Getting Things Done***

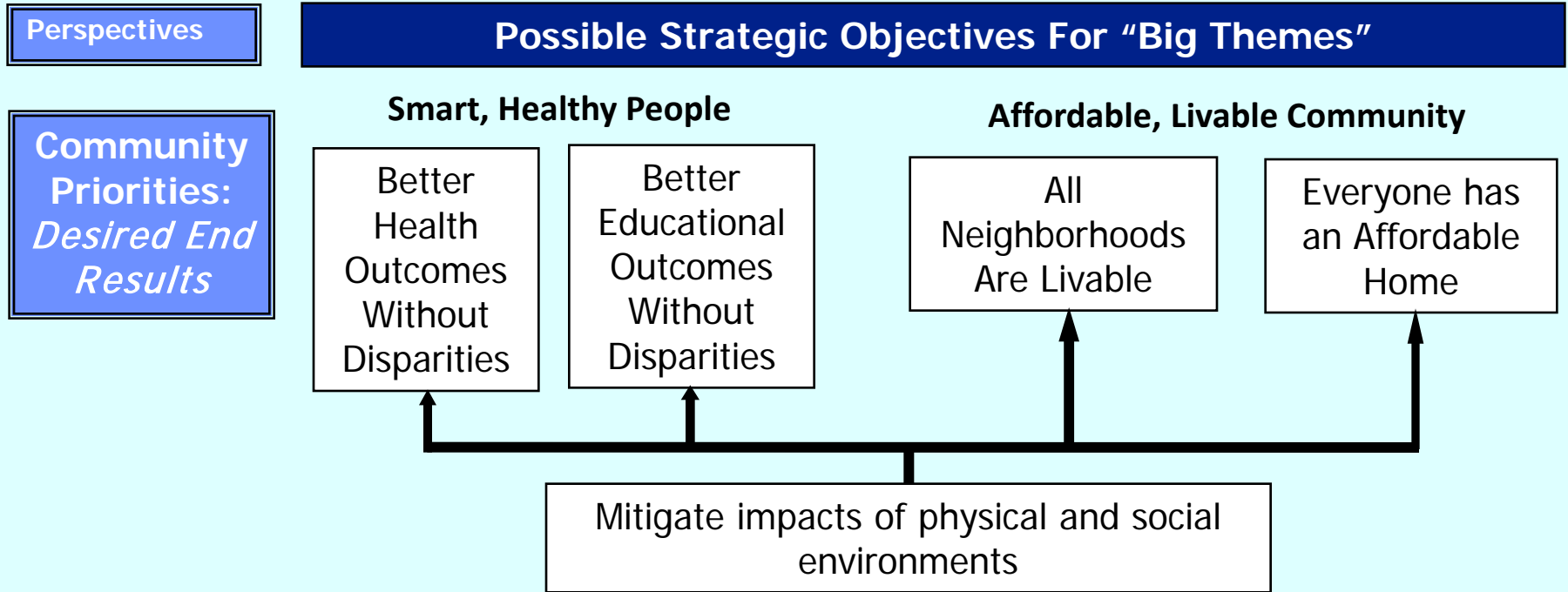
Analogous to "Internal Process"

Community Learning

Analogous to "Learning & Growth"

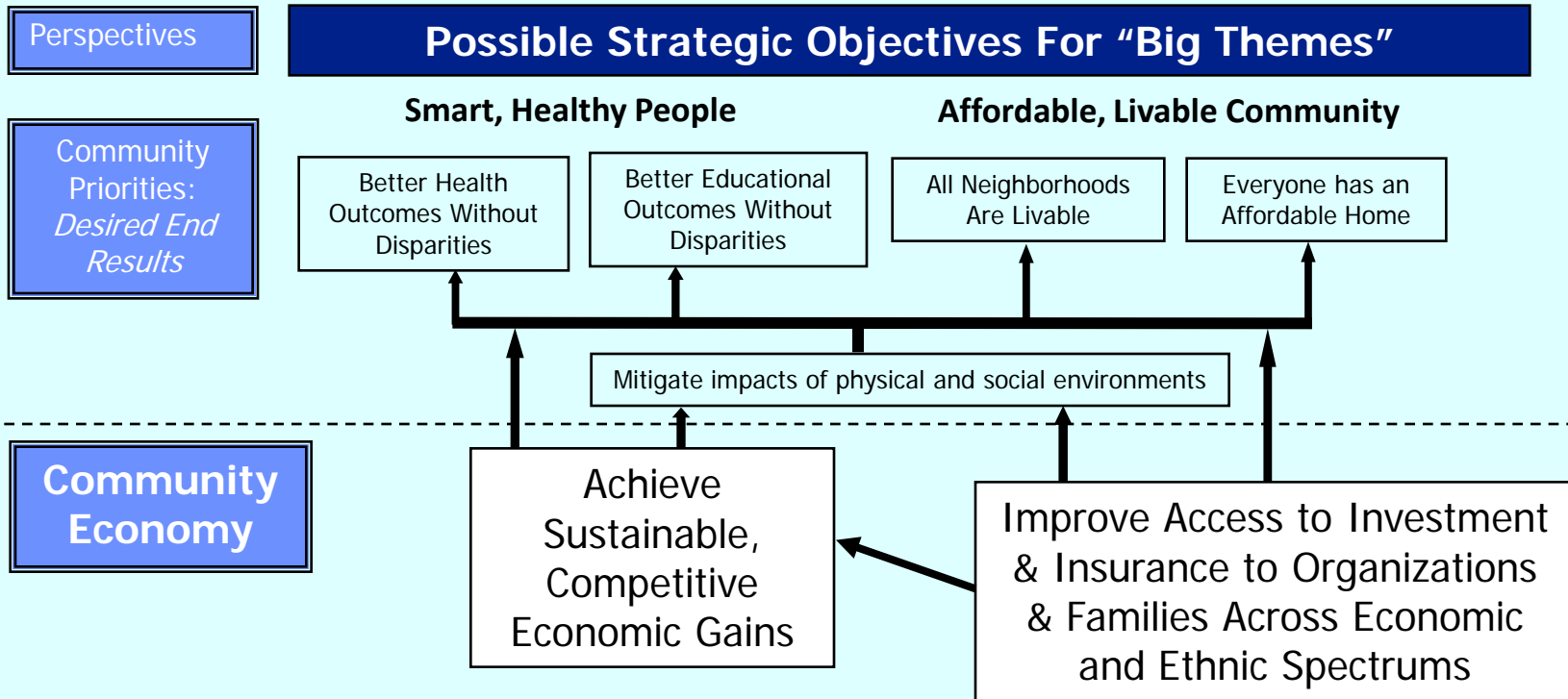


Community Balanced Scorecard Conceptual Example



- Build a consensus on important desired results, including how to define and measure results.
 - Not just by organizations. *Also engage citizens* as issue framers in building the vision, defining strategic goals & outcomes.
- Community partners assume *joint accountability* for jointly produced outcomes.

Community Balanced Scorecard Conceptual Example



- Rising importance of communities' and residents' global economic competitiveness—*not one of many issues, but often paramount.*
- Growth and equity important.
- “Three legged stool” of sustainability can add the environmental economy to extend equity and quality of life to future generations.

Community Balanced Scorecard Conceptual Example



- Use assumed cause & effect assumptions to *align implementation objectives* with objectives for *improving the community economy* and *achieving community priorities*.
- Parse actors & interventions: *specific accountability* for specific actions and interim results.
- Leverage community assets & resources, and *engage citizens in implementation roles*.
- *Measure performance*, test assumptions, track & adjust implementation to improve results.

Community Balanced Scorecard Conceptual Example



- *Engage citizens in multiple roles* to develop community leaders and people who learn to make things happen.
- *Learn from data* to improve community decisions (performance feedback cycles).
- *Gain insight from experience in addressing issues:* what works, who works, what assumptions are correct, what produces high leverage, what is sustainable?

The Community Balanced Scorecard



Community Strategy Map

- Cause and effect diagram of strategic objectives from engaging citizens to getting desired results
- Pictures of the community strategies for achieving major community outcome themes
- Selection of high leverage, high buy-in interventions, with key collaborators on board
- Critical interventions for critical success factors

Community Balanced Scorecard Sample Strategy Map

Perspectives

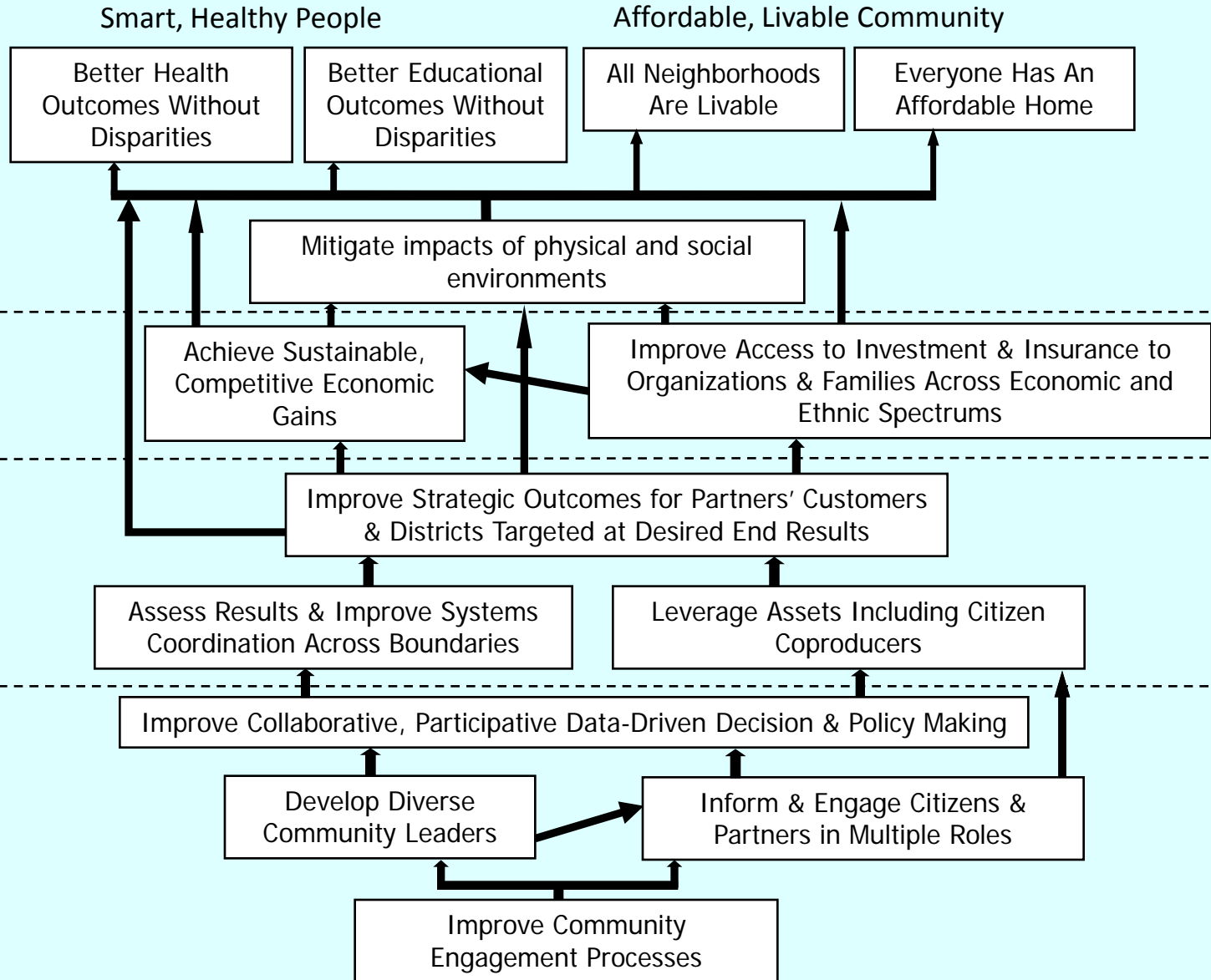
Community Priorities:
Desired End Results

Community Economy

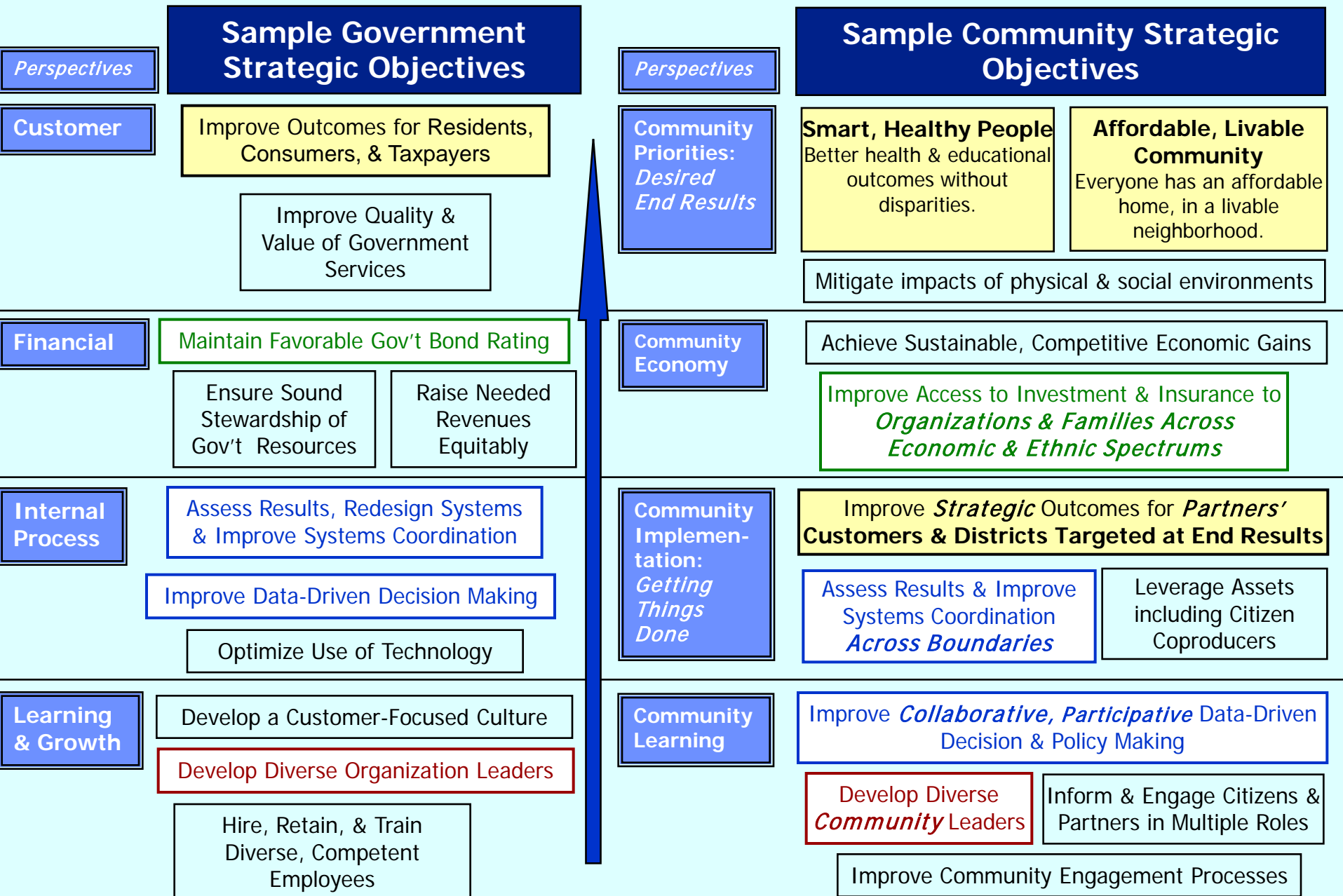
Community Implementation:
Getting Things Done

Community Learning

Possible Strategic Objectives



Differences from Typical Government Scorecard Strategy:

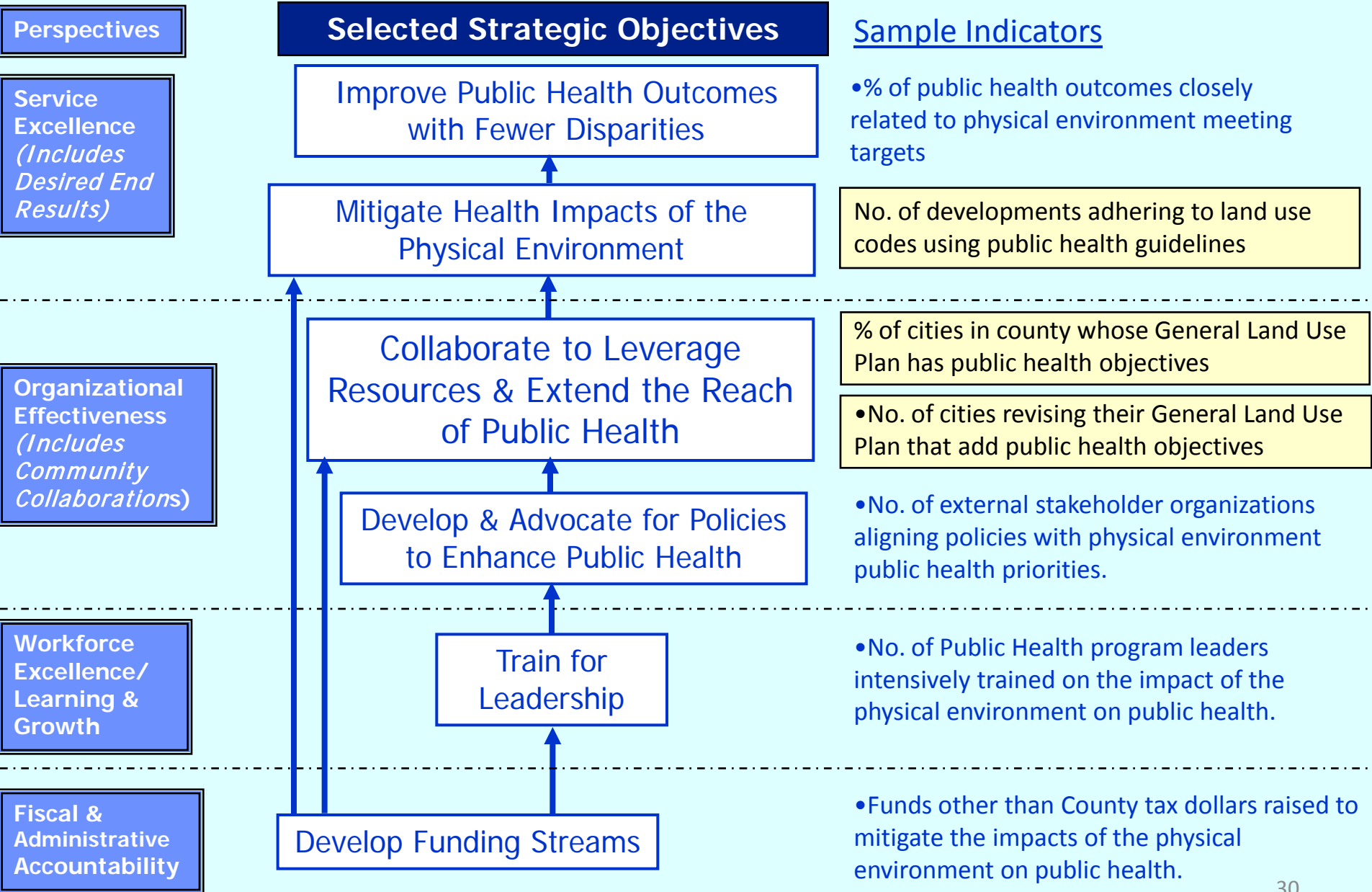


Toolkit of Useful Practices

- *Chart symptoms and causes* (e.g., fishbones, mindmaps) to identify cause & effect assumptions for strategic actions to achieve priority outcomes.
- Work with *antecedents of growth and equity*: what builds an economic foundation?
- Use *leading indicators*: what should we see change early if we are progressing toward desired end results & economic outcomes?
- Use *evidence-based interventions* to improve success.
- *Build a Knowledge base*: harvest, store, and pass on problem solving knowledge in the community on issues—both among organizations and citizens.

Real World Example That Comes Close:

Draft County Public Health Scorecard: *Physical Environment Theme*



Collaborative Practices Essential

- Partners agree on shared purpose involving citizen-tested goals and outcomes all want to achieve.
- Decision makers are at the table whenever needed, in fact or by real delegation—no waiting to confirm agreements.
- Partners each commit to open communication and accountability for their own actions and measured results.
- Partners are accountable to each other and to the community.
- “Facilitative leadership” and “network leadership” styles more important than “command & control.”

Collaborative Community Learning

- Commit to a “mutual learning approach” among partners and engaged citizens, e.g.:
 - Make differences among participants opportunities for learning, not win-lose situations:
 - Focus on interests, not positions
 - Combine advocacy and inquiry
 - Test assumptions (consistent with balanced scorecard) including hidden assumptions and inferences
 - Jointly define problems and design solutions
- Openly share information & review each others’ results to “close the loop” of community learning.

Real World Example That Comes Close

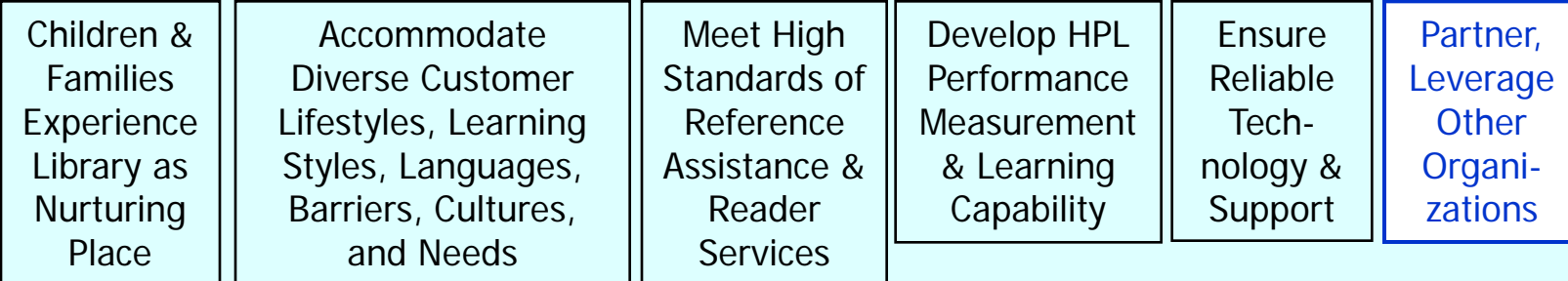


Strategy: LIBRARY-WIDE "High-Level" STRATEGIC OBJECTIVES

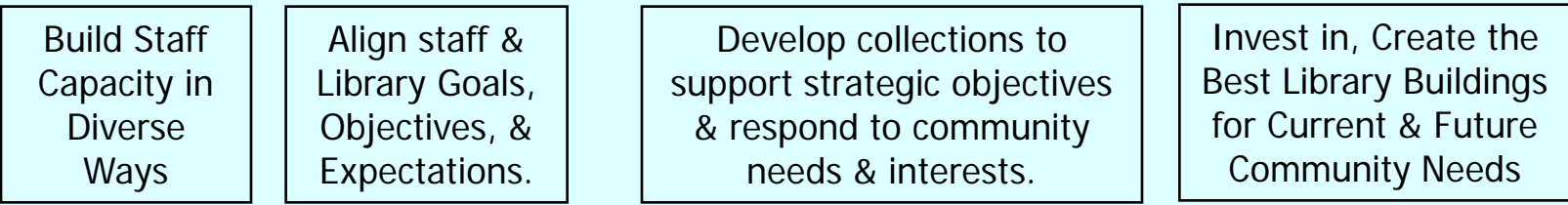
End Results Perspective



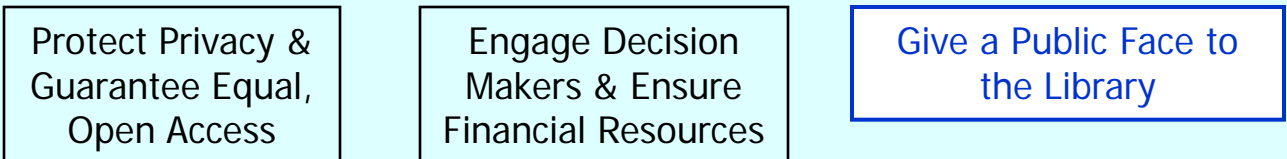
Processes & Practices Perspective



Learning & Growth Perspective



Leadership & Development Perspective



**Real
World
Example
That
Comes
Close**



**End Results
Perspective**

*Programmatic End Results,
e.g., Early Literacy, Youth
Education & Development,
Connect Customers with
Humanities, Adult Learning*

**Build Civic
Participation
and Pride in the
Community**

An Indicator:
Number of organizations that can point to specific accomplishments the Library helped them achieve.

**Processes &
Practices
Perspective**

**Partner,
Leverage
Other
Organizations**

Indicators:

- Number of active programmatic collaborations.
- Number of active financial collaborations.

**Learning &
Growth
Perspective**

**Give a Public Face
to the Library**

An Indicator:
Number of public appearances by Library staff.

**Leadership &
Development
Perspective**

Toward Community Balanced Scorecards

- Basic requirements to get started:
 - *At least 2 community partners, at least 1 an investor or implementer, at least 1 in touch with citizens*
- Optimum conditions for success:
 - *More partners, support citizens in multiple roles, mutually accountable collaborative relationships, decision makers engaged, data-driven decisions*
- Leverage prior efforts and other toolkits
- Road map for building outcomes, tracking success, and learning to improve

Mechanisms for Alignment, Accountability, Transparency, & Learning: *Coming Feb. 1*

- *Cascading the strategy map* among community organizations to strengthen alignment, and differences from organizational cascading.
- Agreements among community partners to *clarify accountability* for implementation, and interim measurable results each is to achieve.
- *Communication plan for transparency* of how all partners do their part.
- *Feedback of results* and review by partners and citizens (playing several roles) for *community learning* to sharpen the strategy and how it is implemented.

Community Balanced Scorecard: Next Steps

- [February 1st Webinar](#): Community Balanced Scorecard: Using data, community agreements & reporting, sharpening strategy, specific citizen roles.
- Demonstrations in communities that combined Effective Community Governance and Community Balanced Scorecard tools: *Partners Welcome*
- Identification of tools and tactics to increase the likelihood of successful applications and achieve results that matter for communities
- www.resultsthatmatter.net

Selected Resources

On Effective Community Governance & Citizen Roles:

- Epstein, P., L. Wray, P. Coates with D. Swain. *Results That Matter*. (San Francisco: Jossey-Bass, 2006)
- Effective Community Governance: www.effectivegovernance.com

On Balanced Scorecards:

- Niven, P. *Balanced Scorecard Step-By-Step for Government and Nonprofit Agencies*. (Hoboken, New Jersey: John Wiley & Sons, 2003)

On Collaborative Practices:

- Crosby, B. & J. Bryson. *Leadership for the Common Good*. (San Francisco: Jossey-Bass, 2005)
- Goldsmith, S. & W. Eggers. *Governing by Network: The New Shape of the Public Sector*. (Washington, D.C.: Brookings Institution Press, 2004)
- Linden, R. *Working Across Boundaries*. (San Francisco: Jossey-Bass, 2002)
- Schuman, S. (Editor). *Creating a Culture of Collaboration: The International Association of Facilitators Handbook*. (San Francisco: Jossey-Bass, 2006)

Selected Resources (cont.)

More Resources Related to Citizen Roles:

- Tools to Help Citizens as Stakeholders (Owners):
 - From the Governmental Accounting Standards Board (www.seagov.org):
 - Criteria to help governments prepare performance reports for citizens: *Special Report: Reporting Performance Information: Suggested Criteria for Effective Communication*. (August 2003).
 - Guide to help citizens understand and use public performance reports: *Government Service Efforts and Accomplishments Performance Reports: A Guide to Understanding*. (July 2005).
- To Help Citizens as Advocates & Issue Framers on Policy Issues:
 - Jacksonville Community Council Inc. (JCCI) Citizen Issue Study Process: <http://jcci.org/projects/studyprocess.aspx>
- Tools to Help Citizens as Issue Framers:
 - Best practices in community strategic planning: <http://www.cairf.org/research/bpstrategic.pdf>
 - Future Search interactive planning process: <http://www.futuresearch.net>
 - *AmericaSpeaks* “21st Century Town Meeting” for large-scale engagement of citizens on issues, planning, priority setting: <http://www.americaspeaks.org>

Selected Resources (cont.)

More Resources Related to Citizen Roles (cont.):

- Tools to Help Citizens as Evaluators:
 - Manual on measuring effectiveness of nine common local public services: Hatry, H., et. al. *How Effective Are Your Community Services?* Third ed. (Washington, DC: Urban Institute and International City-County Management Association, 2006).
 - JCCI Articles and guidebook on conducting citizen-driven Quality of Life assessment, including guidelines for selecting indicators: <http://jcci.org/statistics/understandingindicators.aspx>
 - Community Indicators Consortium network of indicators, practitioners, and researchers: <http://www.communityindicators.net>
- Tools to Help Citizens as Collaborators:
 - “Asset-based” community improvement approach: Kretzmann, J. & J. McKnight. *Building Communities from the Inside Out*. (The Asset Based Community Development Institute, Northwestern University. 1993) <http://www.northwestern.edu/ipr/abcd.html>
 - Children First, a call to individuals, families and organizations to give kids the care and support they need: <http://www.slpschools.org/cf/>

Question and Answers

www.RTMteam.net
& www.sam-lg.org