Management Case Study
Implementing a Performance Scorecard in a Global Organization: Creating a Roadmap for the International Baccalaureate

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Implementing a Performance Scorecard in a Global Organization: Creating a Roadmap for the International Baccalaureate

By

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Abstract: This case study outlines how the International Baccalaureate (IB) organization is managing the global implementation of a performance scorecard. The case study illustrates how it is creating a strategy map outlining a roadmap to global success as well as a heat map to highlight current priorities and performance levels. IB is using the roadmap to review, challenge and fine tune its strategy. It also shows how managers will be able to design relevant and meaningful key performance indicators to monitor and manage performance.

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Introduction

With a life enhancing mission to "create a better world through education", the International Baccalaureate (IB) has created a “Roadmap” to enable the organization to deliver to this powerful mission that reads: “The International Baccalaureate aims to develop a growing number of inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect. To this end the organization works with schools, governments and international organizations to develop challenging programmes of international education and rigorous assessment. These programmes encourage students across the world to become active, compassionate and lifelong learners who understand that other people, with their differences, can also be right.”

IB created the roadmap on realizing that its 2004 strategic plan was becoming outdated and was not being effectively communicated inside or outside the organization. Moreover there was recognition that success of the strategy was proving difficult to measure.

With external facilitation from the Advanced Performance Institute, IB has identified the core competencies, key performance enablers and key resources that will enable it to deliver to its mission.

Together this strategic performance management framework is known as “the roadmap” within the organization.

The Publishing team at the IB has already crafted its own version of the Strategy Map and Balanced Scorecard, which is part of IB’s goal to rollout “the roadmap” enterprise-wide. But as IB creates an enterprise-wide roadmap, it must do so against a backdrop of a significant reshaping of IB’s global and regional structure.

About the International Baccalaureate

Founded in 1968, the International Baccalaureate® (IB) is a non-profit educational foundation which offers high quality programmes of international education to a worldwide community of schools.

A mission-focused organization

Such is the importance of the mission that enabling its delivery is a primary reason why people are attracted to join the organization (it has more than 500 employees worldwide, about 300 of whom are based in Wales, where its curriculum and assessment centre is housed alongside many of the corporate support functions). There are more than 774,000 IB students (aged from 3-19) at 2,815 schools in 138 countries.
**2004 Strategic Plan**

Experiencing consistent growth of between 15 and 20% since its launch in 1968, IB shaped a strategic plan in 2004 that set out to address two key questions:

1. How can we ensure that the growth of the IB benefits schools and students worldwide, not just an economic elite who can most easily afford high-quality programs?
2. How can we sustain double-digit growth rates while maintaining the IB's reputation for quality and innovation?

With these questions as a guide, three major themes were identified within the strategic plan.

1. Quality: Continuously improving the quality of IB’s programmes
2. Access: Enabling more students to experience and benefit from an IB education, regardless of personal circumstances
3. Infrastructure: Building a highly effective and efficient infrastructure so that we can provide excellent service to students and schools

The plan sets out 28 actions that would be implemented over a five to ten year period to deliver to these themes. For example, within the Infrastructure theme a key activity would be:

“An effective regional structure”, which would involve reviewing the regional and sub-regional structures so that the organization could develop an increasing degree of regional autonomy and ensure the best use of resources given IB’s worldwide coverage.

Two further infrastructural actions focused on performance measurement, which set out to establish a series of key performance indicators (KPIs) for the delivery of defined services, to understand the most important aspects of service delivery and develop the capacity to collect data that would enable the measurement of performance. Amongst other achievements, this led to the creation of “A rudimentary Balanced Scorecard of financial and non-financial KPIs” says Andrea Smith, Head of Strategy at the IB.

Although there had been clear successes against the plan, by 2008, “the plan was becoming somewhat dated and was not being communicated well, which meant that it wasn’t that well understood either inside or outside the organization,” comments Smith. “Within the IB, we began to witness a loss of clarity around what the strategic plan was or what we were trying to achieve. People could understand the mission, but the next level down was not particularly clear,” she continues, adding that it was difficult to accurately gage how well the organization was performing against the strategy.”

**Introducing a “Balanced Scorecard”**

Being already familiar with the Balanced Scorecard, Smith attended a scorecard training session in late 2008, and soon afterwards two of her staff attended another scorecard event led by the Advanced Performance Institute (API). “I believed that a Balanced Scorecard, and especially the Strategy Map component, would be beneficial to the IB,” says Smith. Consequently, Smith commissioned the API to make a presentation to the five-strong
senior leadership team, explaining what a Strategy Map was and how it would assist the organization in the delivery of its mission. “For the scorecard design and implementation to be successful, it was of paramount importance that the senior team bought into the concept,” stresses Smith, who agreed with the core scorecard message that is impossible to succeed with a Balanced Scorecard without the active support of the senior team (or at least influential members). “Without that support the idea would have been dead in the water”, she says. “The senior leadership team has to own an organization’s strategy, so if they do not own the map then it would not work.”

Building a Roadmap

With senior management buy-in secured, the draft Balanced Scorecard Strategy Map was built in the early months of 2009. An early decision was to not call it a Balanced Scorecard. “Many people might feel uncomfortable with the term,” says Smith. “And we wanted to call it something that resonated with the business and that would not be viewed as a program that was separate from the everyday working of the organization,” she continues. “We certainly did not want people talking about “this thing” called the Balanced Scorecard.” At the moment the framework is called “the Roadmap,” which she stresses might be altered to something more IB-centric as usage evolves.

The benefits of external facilitation

To create the map API first interviewed each member of the senior leadership team individually as well as members of the Board of Governors. Such individual interviews helped the external facilitator gain a clear understanding of how each senior manager viewed the strategy and what they felt to be the opportunities for improvement. There was also another benefit, as Smith explains. “The fact that a consolidated view of the senior managers’ interviews was provided in a draft strategy map (and not their individual responses), meant that the leaders felt more comfortable in giving full and frank feedback, which strengthened the work,” she says.

Smith points to some of the other benefits of external facilitation. “As a concept the Balanced Scorecard was relatively new to the organization, so it was important that somebody could clearly and practically explain how the map could steer the organization toward its mission,” she says. “Also the fact that the external facilitator was independent was important, as it assured the senior team that there were no hidden agendas and the goal would not be to steer the map in a particular direction but to design the most appropriate Strategy Map for the organization.”

Following the individual interviews a draft Strategy Map was created, which was debated and refined through a series of workshops with the senior team. Furthermore, API spoke to a group of managers just below the senior team to get their feedback and clarification.

Creating a ‘Heat Map’

On shaping the first draft of the map, API used the feedback from the senior team to create a heat map. This is a color coded version of the map that highlights current performance levels for each objective (based on either existing KPIs or views of interviewees). Five color codes are typically used:
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- Green: Everything good
- Yellow: Some issues
- Amber: Bigger issues
- Red: Not good at all

Smith comments that the heat map triggered a really useful debate within the senior team, but that there were some concerns. “The senior team was initially concerned about the colors on the map, believing that the goal should be to turn every objective green [that is everything is good],” she explains. “But the facilitator stressed that this is not what you want to achieve. Rather that it is important to have a blend of colors so that you can prioritize performance improvement efforts.”

**Explaining the Roadmap**

IB’s current Strategy Map (Roadmap) is shown in Figure 1. As a mission-based organization, the mission statement sits atop the map. “The mission...
is critical to the organization and it was important that everything on the Strategy Map supported that," says Smith. That said, she comments that the mission statement is fairly broad and philosophical, as to be expected from a global educational foundation, and so the board and senior team are presently working on a new five year vision that will enable a more practical and focused implementation of that mission. That the shaping of this vision is still going on is important to note, as the final outcome will be captured in the final Strategy Map (this will not be finalized until August 2010).

The present map, therefore, and indeed accompanying Key Performance Questions (KPQs) and KPIs are very much work in progress. However, Smith stresses that the existence of the “the Roadmap” is already delivering tangible benefits to the organization. “Without question the main benefit so far is that it has got everyone thinking about and talking about the IB strategy,” she says. “It has given us something useful to work with and has provided a framework through which we can reflect on the strategy and make sure that people in the organization understand what we are trying to achieve,” adding that. “Although our current Strategy Map is broadly right we need to do some more work on our priority areas going forward.”

As shown in Figure 1, the IB mission is divided into two more specific outcomes: “increase impact of IB education,” and “broaden IB influence.” Scrolling down the map, a set of core competencies has been defined that the organization believes it must master if it is to successfully deliver to its mission. These are arranged under three groupings: “delivering high quality operational services (such as “teacher development”), “managing our reputation: (essentially about “generating awareness” and “marketing of services”) and “developing a high quality continuum of educational programmes”.

Delivering to the core competence is through a set of key performance enablers, such as “relationships,” “innovation,”, “research”. In turn these enablers are supported by key resources, such as “our people, competencies and our values”, “our IT systems” and “our infrastructure”. Also at the base of the map can be found “finance.” As a nonprofit organization, the leaders of IB recognize that in essence it is more focused on the wise stewardship and allocation of financial resources than on making money. That said it has created a Strategy Map for the IB publishing team that has a financial perspective near the top of the map.

**KPQs and KPIs**

In keeping with the API methodology, each “bubble” within the Strategy Map, from mission down to key resources is supported by KPQs and KPIs. To explain, a KPQ is a management question that captures exactly what managers need to know when it comes to reviewing each of their strategic elements and objectives. The rationale for KPQs is that they focus attention on what actually needs to be discussed when an organization reviews performance and most importantly, they provide guidance for collecting meaningful performance indicators. By first designing KPQs organizations ask themselves: “What is the best data and management information we need to collect to help us answer our key performance questions?” Starting with KPQs ensures that, by default, all subsequently designed performance indicators are relevant. In
The leadership team of IB is fully aware that successfully delivering to the objectives on the map is largely dependent on the quality of the performance improvement initiatives that are subsequently launched. To that end, Smith and her team are holding conversations with IB’s project management office to ensure that projects green-lighted by the organization will be fully aligned to the Strategy Map. “Projects will be agreed by the senior team based on the strategic relevance and the needs of the map,” explains Smith.

**Roadmap: The Next Steps**

As stressed throughout this case study, the International Baccalaureate roadmap is still being fine tuned. The intent is that the new map, KPQs KPIs and key projects/initiatives will be finalized by August 2010. Smith says that the Strategy Map will then be in place for a five-year period, adding that: “We still have a lot of work to do. And this includes plans to align individual performance reviews with department goals through to strategic goals, so that IB has full performance alignment throughout the organization.

**Key Success Factors**

Smith can point to several critical factors for succeeding with a strategic performance roadmap. “Senior management buy-in is a must,” she stresses, as is being prepared to question the current strategy and priorities. “Creating the map..."
provides an ideal opportunity to clarify and agree on what is important to the organization,” she says. “And this opportunity should not be wasted.”

Finally Smith highlights the importance of using an external facilitator. “Bringing somebody in from the outside provides expert guidance that is independent and it really helps connect all of the strategic performance dots,” she says.

### Endnotes, References & Further Reading


### Highlights from the API resources library:

Our Resource and Research Library offers a selection of relevant downloads and links to books, articles and case studies. These have been selected as useful information sources for further reading and to illustrate best practice and leading thinking.

Some key ideas explained in simple terms:

- What is Performance Management?
- What is the Balanced Scorecard?
- What is a Key Performance Indicator?

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