

Dan Man and the Balanced Scorecard

By Marta Wilson, PhD with Altyn Clark, PhD

In a galaxy far, far away there once lived a successful and important gentleman. His name was Sir Daniel Manchester. Everyone called him Dan Man for short. Dan Man had worked hard to lead a difference on his planet, Mirth. At a young age, he had taken on many responsibilities with purpose and vision. Dan Man's continuing contributions had recently earned him a most influential position, Mirth's Supreme Commander of Peace. This meant he now presided over the Department of Peace (DOP). His office was housed in a large eight-sided satellite called The Octagon, which orbited Mirth's atmosphere. Every day, Dan Man flew back and forth between home and The Octagon on a commuter shuttle rocket. He liked his commute. It gave him time to think.

Our story begins one morning when Dan Man arrived at The Octagon with his head hanging low. He had spent his commute reflecting on how much chaos there was within the DOP community. Various departments weren't getting along with each other, nor were they aligned with the bigger picture that Dan Man and his leadership team envisioned. Mistakes were happening all around, and some of them were even life threatening. Dan Man felt he was losing control of his ability to know what decisions had to be made, let alone the ability to make decisions that would result in improved performance. As you might imagine, none of this was good for peace.

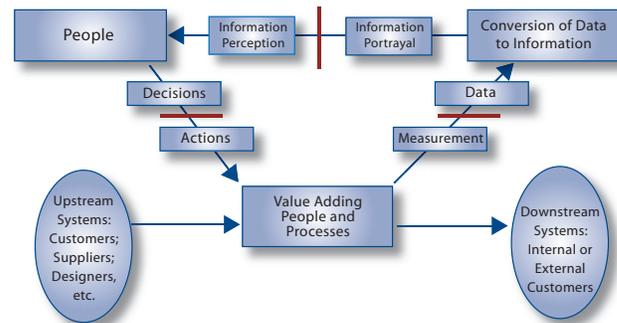
Dan Man called his Deputy, Angela Star, into his office, and said, "Angela, I need to understand how we're doing. You've been around the DOP longer than I have. Can you provide some metrics that tell us where the DOP is healthy and where it's not?" Angela said she would gather the information and left Dan Man's office projecting a confident smile. After all, the Deputy Commander of Peace position had been established to maintain the DOP's corporate knowledge, as Supreme Commanders came and went every few years. Angela's smile quickly disappeared, however, when she was out of Dan Man's sight. Although she had been to a few metrics workshops, she didn't know what to do. What was Dan Man asking for? Was this some kind of test? Previous Supreme Commanders had made decisions primarily based on instinct and experience. No one had ever asked for a formal assessment. "What information does he want?" she wondered.

Angela decided the first person to consult was Mortimer Jones, the expert who provided professional metrics sup-

port to the DOP. Angela recalled years ago this functional position had been in charge of bringing information to the Supreme Commander. She couldn't remember exactly when she last saw one of those reports. Perhaps Mortimer and his team still produced them but had somehow dropped her from the distribution list. In any case, surely Mortimer would know all about the kind of information Dan Man had requested. He was the expert.

In reality, Mortimer had lost interest in metrics many years ago. His passion was gone. In younger days he had a vision of transforming Mirth by providing Supreme Commanders with timely, useful, and relevant information. By now, he had encountered so much resistance and rejection of his ideas that he just wanted to hang onto his job until he turned 100 (the average lifespan on Mirth was 150). At that point, he would be able to retire. Mortimer had devoted his life's energy to serving the DOP, and now he felt bitter. He believed the DOP owed him for his long loyal support. Without even realizing how or when he crossed over, Mortimer would now do almost anything, including sub-optimize the DOP, in order to ensure a safe and comfortable future for himself.

The Management Systems Model Keeps Measurement in Context



This model was developed by Dr. Harold Kurstedt and modified by Dr. Scott Sink while both were faculty at Virginia Tech on the planet Earth in the Milky Way galaxy.

When Angela approached Mortimer for help, he assured her he could produce some data to help her and Dan Man make sense of the current state of the DOP. Filled with the anxiety of a student questioning a reputed master, Angela asked Mortimer politely if he meant information rather than data. She had learned there was a difference between data and

information in a measurement course taught by Dr. Alvares Palomino (whose friends just called him Al). She could even picture the model Al had used to portray the idea that measured data is converted to information, helping people make decisions to take action and improve an organization:

Al had said data must be analyzed in a thoughtful way and portrayed clearly before it became information. Only then could people interpret the information, make meaningful decisions, and act on them in order to improve the current state.

When asked whether he meant information or data, Mortimer seemed to gain a moment of clarity and said, “Er... of course, Angela, information is critical. I just sometimes use the words data and information interchangeably.” For a moment, Angela had a flash of hesitation about Mortimer, thinking his response was inconsistent with what she had been taught by Al. Then she remembered Mortimer was the expert.

Mortimer said he would need about a week to do some analyses and pull some charts together for Dan Man and Angela. Angela thought that seemed like a long time. Shouldn't Mortimer have current information ready at a moment's notice? She remembered how distressed Dan Man had appeared earlier that morning. They needed information now, but she thought Mortimer's charts might be worth the wait. So, she left Mortimer's office and sent Dan Man a t-mail (telepathic mail used by high-ranking Mirth officials with special brain implants) saying Mortimer would provide all needed metrics in one week.

A week later, Angela and Mortimer met to review the information before showing it to Dan Man. Mortimer began by displaying some charts, but Angela noticed they were at different levels of analysis. Some were very detailed while others were aggregated and generalized. There was no information whatsoever on what the people of Mirth (the DOP's ultimate customers) thought about the DOP's performance. For that matter, there wasn't any information on the millions of DOP employees. Were they satisfied? How were they performing? Did they have unmet needs?

Mortimer's information didn't seem balanced or complete. Angela had no more sense of how healthy the DOP was now than she had before meeting with Mortimer. So, she sent Dan Man another t-mail, asking for more time. Dan Man reminded her how important this was and pointed out that progress was a function of intention, energy, and time—she should devote hers to producing this crucial information.

Even though Angela knew Mortimer was viewed as an expert, she had some doubts about him at this point and decided to call upon Al for advice. Al had done a lot of work in the past with the DOP, but now he was usually off helping establish the use of metrics on other, less developed planets. When she reached Al on his mobile communication device, he was on the planet Pattern (a beautiful planet

covered with a black and red checkerboard design visible from outer space).

Angela told Al everything. Al listened intently and asked, “Angela, has someone asked you to build a balanced scorecard?” Angela knew what he meant, having learned about it in his class the year before. At the time, she had thought the DOP metrics department used a balanced scorecard but had assumed she just wasn't up to speed on its components and how to use it.

Now, after her meeting with Mortimer, Angela knew the DOP did not have a balanced scorecard. They simply had a smorgasbord of anecdotes, presentations, financial tables, and subjective stoplight charts: apples, oranges, cats, and dogs that really couldn't help Dan Man, her, or any members of the leadership team make sound decisions to take action to improve the DOP. Angela asked Al what she should do. Al said:

Angela, measurement is the process of using language and numbers to interpret feedback about personal and organizational effectiveness. Measurement's highest purpose is to raise people's consciousness about their environment, thereby permitting them to make informed choices for the greater good. Measurement is a means, not the end. The end is whatever you want to bring into being. If you want to check a box that says, “We have a balanced scorecard,” then I will choose not to assist you. If you can convince me you are sincere about using measures as part of a systematic approach to help you achieve worthy goals for the DOP, then I'm your man!

Angela convinced Al she was sincere. He continued:

Angela, there are a few simple steps required to create metrics that support the end you want to achieve. Let me tell you what they are, so you can get started while I finish my work here on Pattern. First, choose what you want to create. Second, draw a picture of the evidence you would need to assess whether you have yet created what you want. Third, choose what you are willing to think, say, and do to create what you want. There are subtleties involved, but that's basically it: What do you want? How will you know when you have it? And, what are you willing to think, say, and do to get it? Will you start answering those questions in as much detail as you can?

Angela agreed, and Al told her he could be at The Octagon in two days, as soon as he finished his work on Pattern. Angela sent a t-mail to Dan Man and Mortimer to schedule the meeting with Al. Understandably, Mortimer felt threatened



when he received the t-mail. Al had anticipated this, and contacted Mortimer to schedule a private coffee klatch before they were to meet with Dan Man and Angela.

Two days later, Al met with Mortimer for morning coffee at The Octagon Starbucks. Within minutes, Al was clear about Mortimer's pain and offered these healing words:

Mortimer, most people are bouncing along in life unconsciously, unknowingly guided by the prevailing social winds. Often, they show up on their planets and live their entire lives as victims of circumstance. Other people are trying to make a difference in the universe, but their conscious efforts are often overruled by their unconscious conditioning. Their behavior is dictated by a set of habits and attitudes of which they are not even aware. They have accumulated baggage, built up over the years, that blinds them and gets in their way. A small, growing minority of people guide themselves, with conscious intention and purpose. They work hard to understand and overcome their unconscious conditioning. They are clear about their purpose and their contribution to humankind. Mortimer, you were once one of these conscious contributors. I believe you can be again. You are holding onto negative stories from the past...when you proposed your good measurement ideas and they were dismissed. You've given up on yourself and become a victim of your past. You can choose to believe in yourself again, reassert your power, and be the contribution you want to be in the world. Dan Man and Angela need your help. The question I'll leave you with is, "Are you willing?"

Later that day, Al arrived at Dan Man's office to find Dan Man and Angela waiting for him. Mortimer was nowhere to

be seen, but Al believed firmly in managing all agreements. He laid out his things, and they began on time. Al started by saying:

I assume you want to improve the DOP. Let's suppose there's a state you want for the DOP at some point in the future. Let's call it "point of arrival." Perhaps you want more customer satisfaction, employee retention, and funding. Suppose, right now, you have less customer satisfaction, employee retention, and funding than you would like. We'll call your current state "point of departure." There is a "gap" between what you have and what you want. Measurement can describe this gap, enabling you to make choices in favor of what you want.

With that, Al showed them a picture illustrating the point of arrival, point of departure, and gap he had described:

Dan Man and Angela thought about what Al had shown them. They asked Al if there was anything else they should think about, and he responded:

In my experience, when most leaders want to improve their organizations, they become intent on mastering their business or enterprise, while ignoring their own personal growth and how they deal with people. Focusing only on the enterprise, without attending to people and self, is ineffective and potentially disastrous. Self, people, and enterprise mastery are interdependent "touchstones" necessary for sustainable improvement. Organizations who demonstrate balanced leadership choose to consciously evolve and integrate all three touchstones to achieve their full potential. Here is a picture that portrays what I just said.

Measurement is instrumental in balanced leadership. When someone says they want better measurement, what they are really saying is, "I want to grow. I want more understanding of my relationships. I want more knowledge of my enterprise." Measurement is simply a means to that end.

Angela and Dan Man agreed everything Al had said made sense, but they were not sure where to begin. They asked

Al how to get started. Al told them he would illustrate with role-play, pretending to ask Dan Man questions and pretending to answer for Dan Man:

Al: *Dan Man, as Mirth's Supreme Commander of Peace, what do you want?*

Dan Man: *I want Peace on Mirth.*

Al: *What do you mean by that?*

Dan Man: *I mean I want there to be no wars on Mirth.*

Al: *What do you mean by that?*

Dan Man: *I want there to be no wars among nations on Mirth, and no wars between Mirth and other planets.*

Al: *So, you want peace on Mirth, and peace means the absence of war?*

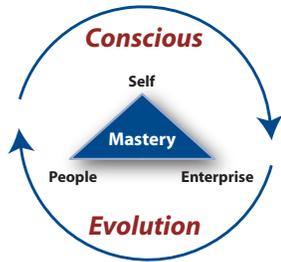
Dan Man: *Well, yes, but that's not all.*

Al: *What else do you want?*

Dan Man: *I want citizens of Mirth to feel they have high quality of life and the opportunity to reach full potential.*

Al: *What do you mean by...*

**Balanced Leaders Consciously Evolve
3 Transformation Touchstones:
Self, People, and Enterprise Mastery**



Suddenly, Mortimer burst in with a flurry of energy and excitement and said:

I acknowledge my breakdown! I'm late. I see Al has been teaching you his measurement philosophy and models. Well, I'm here to tell you I won't rest until together we have all used this approach to lead a difference in the DOP! I know exactly what to do to apply Al's theories to our situation. Al's approach is not new. In fact, we in the measurement field have advocated this approach for centuries. I confess I've been coasting for a while now, but a friend helped me see how much renewed joy there can be in my life if I choose to experience it. Let's get started!

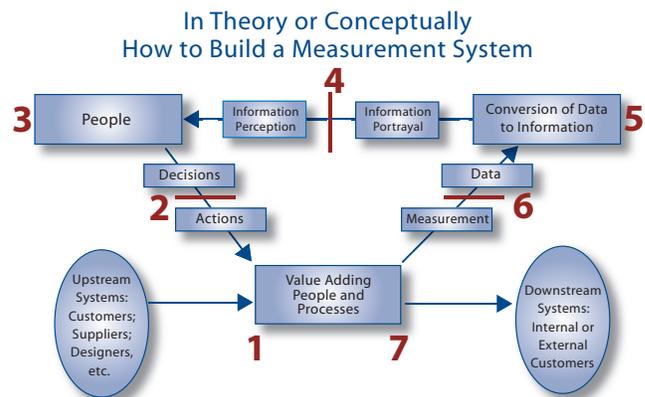
And so the dialogue continued, with Mortimer and Al asking deeper and deeper questions about what Dan Man, Angela, and the leadership team wanted to create...what they really meant by "Peace on Mirth." Once Dan Man and Angela became clear about their priorities, Mortimer had no trouble guiding them toward measuring what they wanted. Building a balanced scorecard was relatively easy. Making choices about what they wanted, and what they were willing to think, say, and do (as well as not think, not say, and not do) to get what they wanted was difficult.

Later, Al and Mortimer met at The Octagon's Hard Rock Café to debrief. Over a couple of refreshing greenblatrons, Al reviewed the following seven steps for building a measurement system with Mortimer:

1. Select a target system and define the target system's desired point of arrival.
2. Describe the decisions, actions, problems, and issues the people in the target system face in reaching their desired point of arrival.
3. Identify the people who will use the measurement system. Learn their needs and preferences.
4. Define the information the users want and need. Design appropriate portrayals, pictures, and charts.
5. Select the data processing tools needed to create the desired information portrayals.
6. Determine what data are required. Set up the system to collect, store, process, and retrieve the data.
7. Use the measures and the information as part of the Plan-Do-Study-Act process. Debug and enhance the measures and Plan-Do-Study-Act review process over time.

Al then pulled a diagram out of his spacecase, laid it in front of Mortimer, and said:

When I get stuck in the muck of setting up a particular measure, describing the stuck



point in the context of this model usually shows me a way out by helping me get clear again on the purpose of the step I'm working on.

Al told Mortimer people often mistakenly started at step 5 or step 6 in this process, resulting in comments like: “We’ve been collecting all this data for years, what can we do with it?” or “There’s a new software package that’s supposed to make measurement really easy, let’s get it.” He asked Mortimer to always begin with the desired point of arrival in mind and work backwards.

So, Mortimer gave it a shot. He engaged Dan Man and Angela in the process. Visions were shared. A balanced scorecard was created. Sound decisions were made. Actions were taken. The result was peace on Mirth. Dan Man received the Intergalactic Peace Prize. Peace broke out all over the universe, and everyone lived happily ever after.

THE END

Galaxy's Best Greenblatron Recipe

Ice - 2 cups large cubes
Pineapple Juice - 6 oz.
Rose's Lime Juice - 1 oz.
Cream of Coconut - 1 oz.

Frozen Limeade Concentrate - 8 oz.
Fresh Grated Nutmeg
Fresh Lime - one

1. Get a blender and add ice cubes.
2. Pour pineapple juice, orange juice, lime juice, and cream of coconut into blender and pulse until mixed.
3. Pour in frozen limeade and pulse until concoction fizzes slightly.
4. Garnish glass with lime wedge.
5. Pour yourself a greenblatron.
6. Sprinkle with nutmeg and enjoy!

Mirth Department of Peace Balanced Scorecard v. 1.0

Customers

1. P_o=Operational Peace-ability (the % of time Mirth is free of conflict)
2. Public Perceptions of DOP (measured by feedback from random Mirthlings)

Employees

1. Turnover Rate
2. Attitude Survey
3. Core Equity Knowledge Gaps
4. Resources Devoted to Training

Financials

1. Fully Funded Peace Programs
2. Funding Execution
3. Military Hardware Cost Avoidance Due to Prevention of War

Processes

1. Schedule Performance on the Critical Path to Peace
2. Time to Fill Vacant Peace Positions

ABOUT THE AUTHORS

Dr. Marta Wilson founded TSI and now leads the dynamic group of PhDs and possibility thinkers whose expertise guides executives to achieve bold enterprise transformation goals. Dr. Wilson represents TSI in the industry and regional community as part of business development in the organization. A Board Member of the Northern Virginia Technology Council, Dr. Wilson is active in multiple professional organizations. She holds a PhD in Industrial and Organizational Psychology from Virginia Tech and specializes in leadership effectiveness. Dr. Wilson created and steers TSI's Feed to Lead Program, which nourishes the body, mind and spirit by supporting leadership potential in local youth. A prolific writer, she has written leadership articles and books, including *The Transformation Desktop Guide*, *Live A Difference*, and, most recently, *Leaders in Motion: Winning the Race for Organizational Health, Wealth and Creative Power*.

Dr. Allyn Clark is the Chief Solutions Officer at TSI. He has over 20 years experience leading groups in the federal sector, and today guides all solution-based work at TSI and serves in

an advisory capacity in all TSI customer initiatives. Dr. Clark is an expert in collaborative agenda design, group dynamics and processes, participant involvement, and linking organizational goals with group and individual objectives. In his role as consultant and facilitator, he has served national government agencies in the U.S., Canada and Botswana, as well as local and state agencies and private industry. A Licensed Professional Engineer and a long-standing member of the Institute of Industrial Engineers (IIE); Dr. Clark holds a Ph.D. in Industrial and Systems Engineering from Virginia Tech.

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