

Total Performance Scorecard: New blueprint for sustained organizational performance with Integrity

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Numerous case studies indicate that the implementation of the balanced scorecard concept according to Kaplan & Norton in North America have been disappointing at best, and in Europe and South America even more so. A new blueprint for creating a learning organization is needed in which personal and organizational performance and learning mutually reinforce each other on a sustainable base. Traditional business management concepts are insufficiently committed to learning and rarely take the specific personal ambitions of employees into account. In consequence there are many superficial improvements, marked by temporary and cosmetic changes, which are coupled with failing projects that lack sufficient buy-in by personnel and, in some cases, even have an adverse effect. This paper introduces a new holistic business management concept, called Total Performance Scorecard (TPS). It stresses the importance and need of developing an organizational structure and philosophy that combines the goals and aspirations of the individual with those of the company. It is a melding process, which results in a corporate culture that is both individually and organizationally driven. The concepts embodied in this management concept provide solutions to preserving and utilizing individual rights and capabilities while adjusting the organizational structure and philosophy to this new environment. This has been done by expanding and integrating concepts such as the Balanced Scorecard, Total Quality Management, Performance Management and Competence Management into one overall framework.

Keywords: Performance Management, Organizational Behavior, Balanced Scorecard, Organizational Learning, Talent Management, Organizational Change.

Failures of the balanced scorecard concept

Numerous case studies indicate that the implementation of the BSC according to Kaplan & Norton in North America have been disappointing at best, and in Europe and South America even more so (Angel & Rampersad, 2005). An estimated 65% to 70% of organizations within Corporate Canada have adopted BSC's. A few users — some 10% — insist their scorecards are achieving positive results and meet with spirited rebuttal suggestions that balanced scorecards do not work. In contrast, a much larger group doubts that scorecards achieve sustained financial performance improvement. Our view from hands on experience is that scorecards rarely achieve sustained financial improvement break-throughs. BSC implementations tend to be insufficiently committed to learning and rarely take the personal ambitions of employees into account. We do not argue that balanced scorecards are fundamentally inappropriate as management tools. Quite the reverse, we support the philosophy of balanced scorecards — but with a modified approach, according to the OBSC system, to implementation that has been proven to produce better results. Our position is that organizational scorecards need to be aligned with individuals' scorecards to turn the BSC into a powerful tool for sustained organizational performance.

Our conclusion, based on 20 years of research, is that scorecard performance depends on alignment between the goals of the organization and the personal goals of the employees to realize transformational performance change. What we referring to is the aligning of individuals' personal ambition with the shared ambition, which is a prerequisite for sustainable cultural change and development of organizations. Alignment means linking the organization's mission, vision, and core values with the individual's personal mission, vision, and core values. This lies at the heart of successful organizational change and development. Traditional balanced scorecard implementations tend to be insufficiently committed to learning and rarely take the personal ambitions of employees into account. Without a set of rules for employees that addresses continuous process improvement and the personal improvement of individual employees, the experience is that too little employee buy-in and insufficient change in the organization's culture underlies BSC disappointment. The result, experienced in so many BSC implementations, is that any improvements tend to be superficial and temporary. We have seen

many examples of scorecards that did not achieve alignment and resulted in an apparent performance improvement that dissipated very quickly. In other cases, the improvement never materialized. Frequently in such cases, management's efforts to improve performance were seen as divisive, viewed by employees as aimed at benefiting senior management compensation plans and fostering a "what's in it for me" attitude among the employees. In the aligned environment, metrics needs to support the people alignment to organizational alignment. The text box below shows ten reasons for balanced scorecard failures (Angel & Rampersad, 2005).

TEN REASONS FOR BALANCED SCORECARD FAILURES

1. Accounting approach with a systematic neglect of the human capital; no linkage between the critical success factors of the organization and the personal critical success factors of individual employees — creating human capital tensions between work and non-work aspirations.
2. Emphasis mainly on financial measures rather than non-financial, leading to measures that do not connect to the drivers of the business and are not relevant to performance improvement.
3. No explicit link between shared ambition and specific organizational objectives; results in insufficient employee support to work according to organizational performance measures and an implementation plan that is not grounded in reality and unable to respond quickly to unforeseen events.
4. No explicit link between personal ambition and ethical behavior; a systematic neglect of personal integrity.
5. No explicit link between personal ambition and shared ambition.
6. Poor communication of the new way of working by management; results in creation of an employee mentality that is hostile to management messages.
7. Results in an individual performance plan that focuses too much on the money side and not enough on delivering organizational values, leading to a "what's in it for me" culture.
8. Self learning and team learning are not stimulated; results in creation of a climate of defensiveness and mistrust and a business strategy that is poorly understood and therefore impossible to execute.
9. Too many objectives defined and too many performance metrics being measured.
10. Data on current individual and organizational performance insufficiently available; poor data on actual performance, negating most of the effort invested in defining performance measures by not being able to monitor actual changes in results from changes in behaviour.

Total Performance Scorecard Concept

Total Performance Scorecard is defined as the systematic process of continuous, gradual, and routine improvement, development and learning, focused on a sustainable increase of personal and organizational performances.

TPS= PROCESS OF CONTINUOUS [<IMPROVEMENT> + <DEVELOPMENT> + <LEARNING>]

This management concept encompasses the personal and organizational mission, vision, key roles, core values, critical success factors, objectives, performance measures, targets and improvement actions, as well as the resulting process of continuous improvement, development and learning. It consists of the following elements:

1. **The Personal Balanced Scorecard (PBSC)** entails the total idea of personal mission, vision, key roles, critical success factors, objectives, performance measures, targets, and improvement actions (Rampersad, 2003). The PBSC regards the continuous improvement of your personal skills and behavior, focusing on your personal well-being and success. Self-management stands central here and focuses on the managers as well as employees within the entire organization. A new Plan-Do-Act-Challenge cycle (PDAC-learning) is used for personal improvement.
2. **The Organizational Balanced Scorecard (OBSC)** encompasses the total organizational mission, vision, core values, critical success factors, objectives, performance measures, targets and improvement actions. The OBSC regards the continuous improvement and controllability of business processes focusing on achieving competitive advantages for the company. This corporate BSC is communicated and translated into all business unit BSCs, team BSCs and the performance plans of individual employees.
3. **Total Quality Management** encompasses a disciplined way of life within the entire organization whereby continuous improvement of oneself, one's job and organization stand central. Defining problems, determining root causes, taking actions, checking the effectiveness of these actions and reviewing business processes are done here in a routine, systematic and consistent way (Rampersad,

2001). The emphasis is on the mobilization of the entire organization in order to continuously satisfy the needs of the customer. It is a philosophy as well as a set of guidelines forming the basis for a continuously improving organization using the effective Deming cycle (Plan, Do, Check and Act) as its starting point (Deming, 1985). This learning cycle (PDCA-learning) is used for process improvement.

4. **Talent Management** encompasses the process of the continuous development of human potential within the organization. The goal of talent management is continuously delivering top performances with a motivated and developed community. It focuses on the maximum development of employees and make optimal use of their potential in order to achieve the goals of the organization. Competence management involves the development of job-related competences; a collection of information, capabilities, experience, skills, attitudes, standards, values, views, and principles (knowledge) that is focused on the expert fulfilment of your job. The talent development cycle is central here, which consists of the following phases: *result planning, coaching, appraisal, and job-oriented competence development*.
5. **Kolb's Learning Cycle**. This process of *instinctive learning* (learning by experience) is seen in all four management concepts mentioned. Together with the process of *conscious learning* (learning by education) they result in individual and collective behavioral changes. These two learning forms as well as *individual learning, PDCA-learning and collective learning* are important themes in the TPS-concept. These are used to create conditions for effective organizational change. Kolb's learning cycle contains the following four phases (Kolb, 1984): Gaining hands-on experience, observing this experience, drawing conclusions from this experience, and testing these ideas in experiments, which again will result in new behavior and experiences.

Figure 1 illustrates the correlation between the different elements of the Total Performance Scorecard. This philosophy includes a composition of closely related management concepts, which together form a harmonious whole. There are overlaps between the Personal Balanced Scorecard, Organizational Balanced Scorecard, Total Quality Management, and Competence Management. The black area in the center of this figure illustrates the similarities between the aforementioned management concepts. Improvement, Development, and Learning form part of this common area.

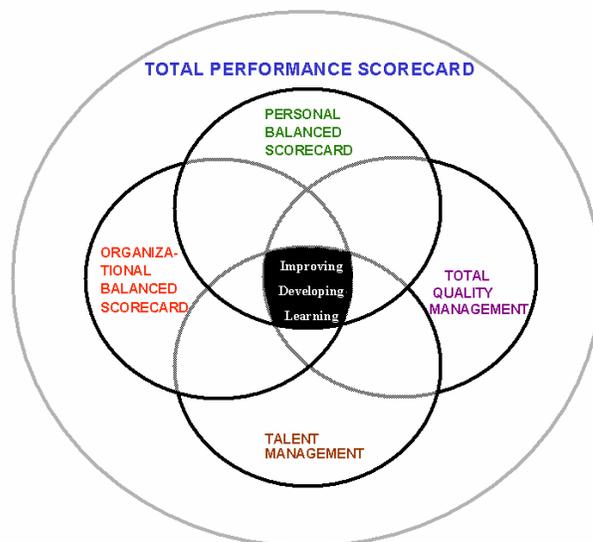


Figure 1: The Interrelated Parts of the TPS-Concept

Seen from a strategic point of view the Total Performance Scorecard is thus continuously on its way to be the routine improvement of the entire organization, as well as the development of human potential and individual and collective learning, using the PBSC and the OBSC as a starting point. The PBSC focuses on your personal

life, well-being and behavior, while the accent of the OBSC falls on achieving competitive advantages for the organization.

The Personal Balanced Scorecard

The Personal Balanced Scorecard (PBSC) forms the total of the personal mission, vision, key roles, critical success factors, objectives, performance measures, targets, and improvement actions (divided along the four perspectives: financial, customers, internal processes, and knowledge & learning), see figure 2. The formulation and use of the PBSC make up the first step in change management. It enables you to distance yourself from your mindsets (your mental frame work, assumptions and beliefs coloring the world) and allows you to listen effectively to your inner voice. By scrutinizing ourselves (through a better self-image and self-knowledge) we improve our learning ability. *Self-knowledge means self-awareness.* Formulating your personal ambition is a search for your identity. Understanding your identity is the key to action. Through this a stable basis will be created for your own credibility. This also has a positive effect on loyalty, motivation, and dedication of others around you. This also involves self-guidance, motivation, enjoyment, passion, commitment, energy, inspiration, and enthusiasm (see also Senge, 1990).

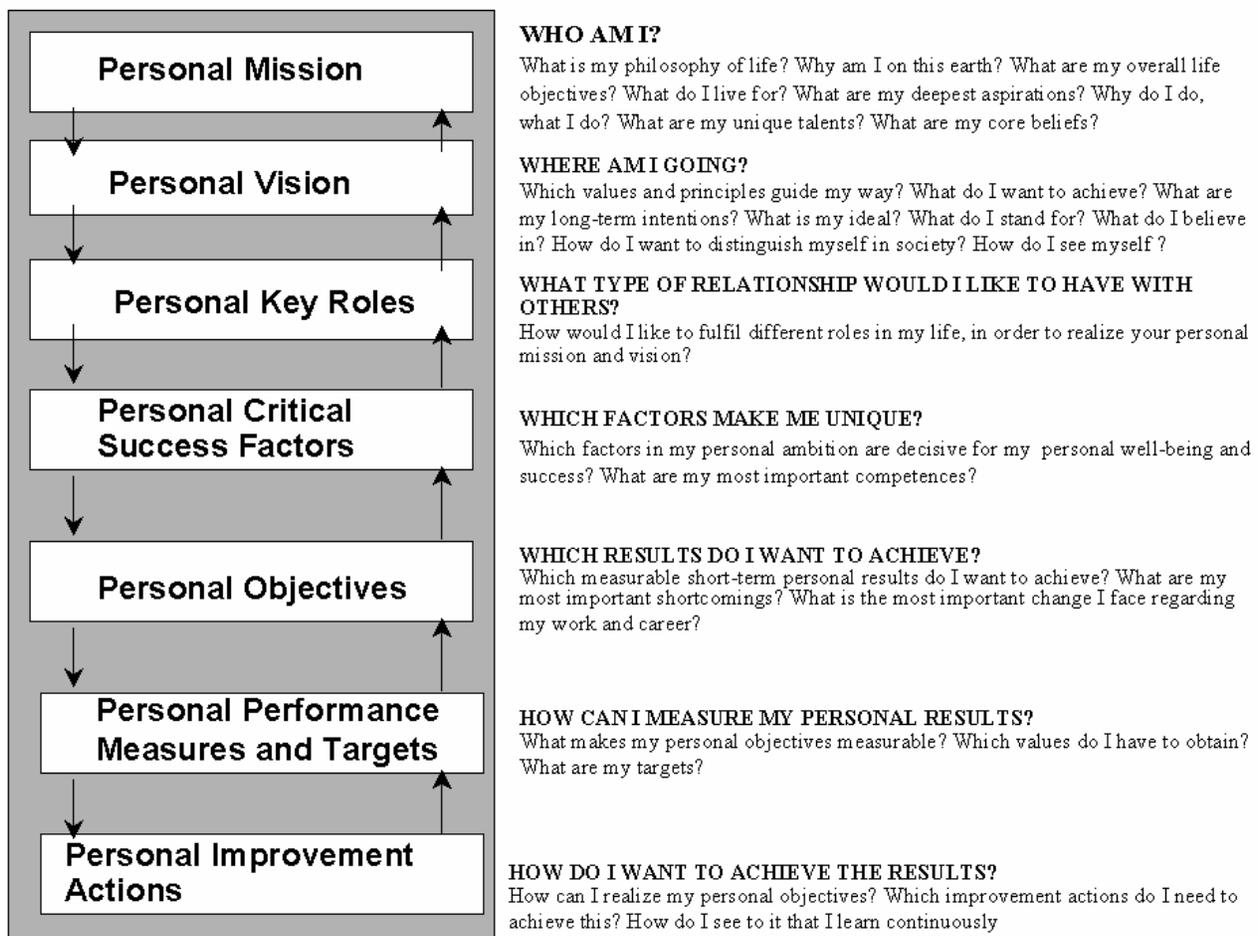


Figure 2: Questions dealing with the PBSC-elements (Rampersad, 2003)

The development of the shared ambition and the personal ambition takes place simultaneously; when answering the question of what we want for the organization and where we want to go together, we also ask ourselves at the same time, what we want for ourselves and which win-win situation lies between both interests. Hidden behind our behavior are the inner needs (incentives) related to our mindsets. These needs and those of the organization have to be aligned for the sake of more labor productivity. Moreover, it can be seen in practice that

if one has a clear personal objective, it gives meaning and direction to one's life. By formulating a Personal Balanced Scorecard and reflecting on it, you'll gain more control over your own life and finally you'll learn to get to know yourself better. It is a personal notice about yourself and is meant to bring you into motion with determination and energy, to prepare you for action and to stimulate your inner involvement. By writing down your personal mission, vision, key roles and objectives, you are putting yourself in front of a mirror; based on the acquired clarity you will become concreter, get more creative ideas, learn better and become more successful. Therefore, everyone in your organization should be stimulated and encouraged to formulate his or her own PBSC in order to develop self-knowledge. A better self-image and greater self-knowledge lead after all to greater learning ability. To that objective we have to continuously ask ourselves three primary questions, and open up ourselves to them: Who am I? For what purpose am I here on earth? And, Where am I going? The aforementioned questions have to do with our personal ambition. This personal mission, and vision should be formulated positively and in the present tense, as if everything is happening now. Your personal mission statement includes your life philosophy and your primary life objective, and indicates what you are living for and what your deepest aspirations are. It functions as an ethical compass that gives direction to your life. Your personal vision statement deals with a description about where you want to go, which values and principles guide your way, what you want to help realize in your life, which ideal characteristics you would like to have, which qualities you like to have when if you could be exactly the way you want, and what is your ideal with respect to your profession, environment, health, etc. It is a concrete translation of your inner longings. Your inner voice and your deeper convictions of how life should be, therefore, play an important role here.

The formulation of your personal mission and vision is meant to improve your learning ability and thus enable you to improve your behavior. This individual behavioral change results from organizational learning to a collective change pattern, called organizational change. Your key roles relate to the way you wish to fulfill the various essential roles in your life and thus realize your personal mission and vision (Covey, 1993). Thus, which types of relations would you like to have with your colleagues, friends, family, neighbors and others? The formulation thereof will also benefit a greater self-knowledge and better self-image, and therefore also your own learning ability. The personal critical success factors are derived from the personal mission, vision, and key roles. The central questions here are: Which factors make me unique? What is deciding for my personal success? Which factors in my mission, vision, and key roles are essential for the realization of my personal objectives? What are my most important competences? The central questions regarding the personal objectives are: Which measurable short-term personal results do I want to achieve? They describe a personal result that you want to achieve to realize your personal vision. They are derived from your personal critical success factors and also result from your personal strength and weakness analysis. They form achievable milestones. In continuation to this, you can also ask yourself the following question: What is the most important change I face regarding my work and career? Factors that could be related to the aforementioned questions are, for example (Wijngaards, 1988): aptitude, talent, ability, intelligence, being goal-oriented, perseverance, self-control, health, integrity, creativity, tolerance, enthusiasm, the situation at home and at work, more responsibility, prestigious job, status, power, being free, having more free time, having more time for the children, etc. The personal performance measure deals with the following questions: How can I measure my personal results? What makes my personal objectives measurable? A personal performance measure is a measuring point related to the personal critical success factor and objective through which your functioning can be assessed. These indicators are criteria that measure your personal objectives. Personal performance measures make your personal vision and objectives measurable. A personal target is a quantitative objective of a personal performance measure. It is a pursued value to be measured through a personal performance measure. Targets indicate values that should be obtained. Personal improvement actions are measures used to realize your personal mission, vision, and objectives. They relate to improving your personal competences and behavior. The how is central here: How do I want to achieve my personal results? How can I realize my personal objectives? How can I improve my behavior? Which improvement actions should I execute in order to achieve this? How do I see to it that I learn continuously, individually as well as collectively? How do I get to know myself better? The same four perspectives in the OBSC-concept form the starting point in the PBSC-concept. In content, however, they have a different meaning. Here the perspectives include the personal results that are of essential importance to your self-development, personal well being and success, namely:

1. *Financial*: financial stability. To what degree are you able to fulfill your financial needs?
2. *Customers (external)*: relations with your spouse, children, friends, employer, colleagues, etc. How do they see you?
3. *Internal processes (internal)*: your physical health and mental state. How can you control these in order to create value for yourself and others?

4. *Knowledge and learning*: your skills and learning ability (the ability to learn, that is, how to learn learning). How can you remain successful in the future?

PBSC = personal mission + vision + key roles + critical success factors + objectives + performance measures + targets + improvement actions (divided along the four perspectives: financial, customers, internal processes, and knowledge & learning).

Implementing the Personal Balanced Scorecard

The next step is the implementation of the formulated Personal Balanced Scorecard (PBSC) in the (self) coaching process. This is necessary to see your awareness grow step-by-step, to continuously develop your skills and to keep improving and become more creative on the basis of the PBSC. I introduce a new learning cycle to accomplish this, the Plan-Do-Act-Challenge (PDAC), which keeps running continuously (see figure 3).

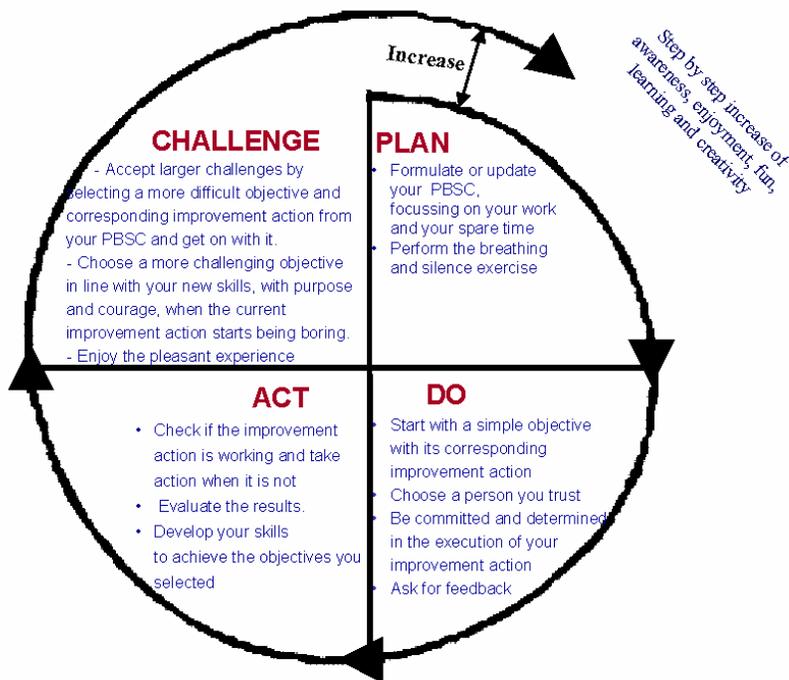


Figure 3: The Personal PDAC Cycle (© Rampersad, 2005)

To live in accordance with the PBSC and the implementation thereof as per the PDAC cycle, results in a cyclical learning and step-by-step process in order to increase awareness, joy, fun and creativity, at work as well in your spare time. This cycle consists of the following four phases (Rampersad, 2005):

- **Plan;** Formulate or update your Personal Balanced Scorecard (PBSC), which focuses on your job and your free time.
- **Do;** Start with a simple objective from your PBSC with corresponding improvement action, keeping in mind the priority this has been given. Submit yourself with courage to this objective, even when you run into resistance. Root your good intentions with an agent (spouse, friend, colleague or manager), or with your group, which will ask questions and gives you honest feedback. After that you start your improvement action with emotional dedication, self-confidence, willpower and purpose and concentrate on your actions. This must be in accordance with your present skills. The “doing” is related to acting with purpose and to deliver efforts to realize your objective. Ask often for feedback from your agent. This gives you the opportunity to measure the improvement you have made. Start with habits, which restrict you, influence your life unfavourably, and deliver poor results.
- **Act;** Check if the improvement action is working and take action when it is not. Review the results according to defined personal performance measures and targets, check to what extent you have realized your personal objectives. If you have not been able to realize your objective, please do not worry about it. Just

start again. You will improve steadily and it becomes a habit to do good things, if you evaluate your PBSC each month with your agent, and learn from the acquired experiences. Develop your skills and competencies to achieve the target you selected. Implement the proven personal improvements, assess the personal results, document the lessons learned, and improve and monitor your actions and thinking continuously. Also think about bringing your personal ambition and your personal behaviour in balance, which will result in influencing your ethical behaviour.

- **Challenge;** Accept larger challenges by selecting a more difficult objective and corresponding improvement action from your PBSC and get on with it. Take your chance and be conscientious to choose a more challenging objective in line with your improved skills when the current improvement action starts being boring. Enjoy the pleasant experience and document what you have learned and unlearned.

The text box below shows ten reasons for applying the personal balanced scorecard.

Ten Reasons to Apply the Personal Balanced Scorecard

1. Self-coaching and self-management aimed at your maximum development and constantly entering into challenges, at work as well as in your spare time; by distancing yourself from your mindsets and listening effectively to your inner voice, you are able to better identify your inner strength, gifts and personal goals and on the basis hereof to create your own future and to discover your destiny.
2. Self-learning and working smarter; formulation and implementation of your PBSC results in (if you are open to it) a better self- image and self-knowledge, which results in a larger self-learning ability, higher creativity and real learning. The boxed text below illustrates the importance of a better self-image.
3. Personal integrity; on the basis of the balance between your personal ambition and your personal behavior, you will create inner peace and improve your own credibility, as well as to try to prevent that you are acting against your conscience. The introduced breathing and silence exercise will assist you to turn your attention inward and to give you control over your awareness.
4. Enjoyment at work; as a result of the balance between your personal ambition and the shared ambition, your inner involvement at work is stimulated and more “warmth” within the organization created. Enhancing happiness at work by reducing the gap between company life and normal life and between the way people deal with their colleagues at work and the way they act with their friends and family in their spare time.
5. Effective talent management; integration of the PBSC in the appraisal system results in a sustainable talent management process. A process, which is related to a continued entering into challenges and development of related skills.
6. Team learning; to stimulate individuals to share their personal ambition with each other so that they get to know, understand and appreciate each other better, which forms a stable basis for more respect for each other and mutual trust.
7. Becoming a highly disciplined time manager by using your time effectively.
8. Driving out fear; the PBSC is a philosophy, which creates conditions to eliminate all fears of employees and enable them to realize their full potential and contribute creatively.
9. Reducing stress and burnout.
10. Recruiting employees effectively. To ensure the necessary job fit by matching the personal ambition with the requirements of the jobs and with the shared organizational ambition.

Aligning Personal Ambition and Personal Behavior

The next step on the way to sustainable personal improvement is to give attention to your personal ambition. Aligning your ambition with your behavior is necessary for developing inner peace and personal charisma, as well as for improving your credibility with others (Rampersad, 2003). When you do this you avoid conflict with your conscience and act in an ethical manner. Indeed, whereas we judge ourselves by our invisible behavioral patterns, others judge us by our visible behavioral patterns—what we do and say. This balancing process is about the interaction between, on the one hand, your aspirations, intentions, purpose, principles, ethical standards, and values—in other words, your personal ambition—and, on the other hand, how others interpret you. There is always potential difference, which is often difficult to accept, between how you see yourself and who you want to be, and how others see and judge you. To become the person you have envisioned in your personal ambition, you also have to know how others see you and what they think of you. When you know this, your self-knowledge increases and you are able to improve the effectiveness of your actions. Therefore, this process of developing self-knowledge involves the establishment of a balance between your personal ambition (which envisions a higher level of consciousness) and your personal behavior (which refers to your present behavior), see Figure 4. In order to achieve real personal improvement and change it is

necessary first to find a balance between behavior and inner motives. The central questions in this contemplative process are: How do my ideals, ambitions, intentions, needs, and deepest desires fit my present actions? Does my personal ambition reflect my desire to act ethically? Are there contradictions in my personal ambition? In what way does my behavior influence my views, and vice versa? Do I act in accordance with high ethical standards?

Personal (<Mission>, <Vision>, <Key Roles>) ≈ Personal Behavior
Personal Ambition ≈ Personal Behavior

When people find harmony between their personal ambition and their personal behavior, they will not come into conflict with their own *conscience* and will be able to work efficiently in a goal-oriented way for continuous improvement, development, and learning. According to Selvazajan Yesudian (1991), our conscience is the inner voice that talks to us with firm conviction to help us distinguish between right and wrong, between fact and fiction. It is a voice that whispers to us what we can do best and guides us in our daily activities. It is a voice that we can trust and on which we can build our existence. It is the only reliable compass to follow if there is a conflict between the mind that reasons and the heart that decides.

Align your personal ambition with your personal behavior

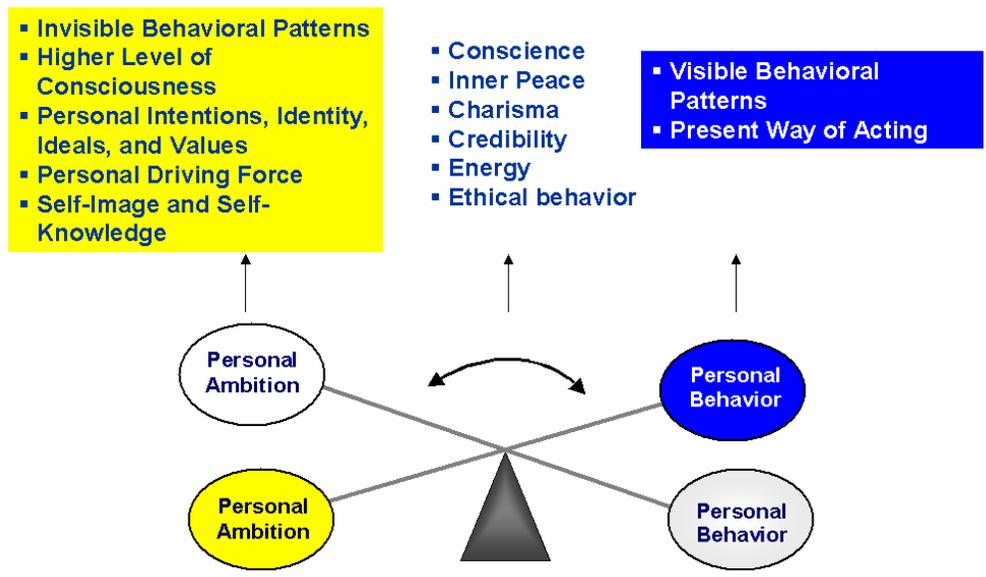


Figure 4: Aligning Personal Ambition with Personal Behavior

Aligning your personal ambition with your behavior ensures that your actions in society are *right* and in accordance with your conscience. I have defined this action as:

Right personal action = being + PBSC + doing + aligning personal ambition with personal behavior

According to Chatterjee (2002), right action is one that flows from our being; being is the very spirit of action. To act right, you should obtain better insight into your own behavior, strengths, and weaknesses, as well as your personal goals. This is not only based on insight into yourself but also on reality. Continuous learning and the gaining of knowledge about people, theories, techniques, methods, and so on are therefore also inevitable. Creating organizational harmony between personal and shared ambitions is discussed in the second half of this chapter. Balancing these two types of ambition is the essential first step in the process of achieving durable organizational improvement and change. Unfortunately, these are steps that are often ignored by management.

The Organizational Balanced Scorecard

The Organizational Balanced Scorecard (OBSC) has the same framework as the PBSC and therefore will not discuss here in detail. The elements of this strategic management concept are presented in figure 5.

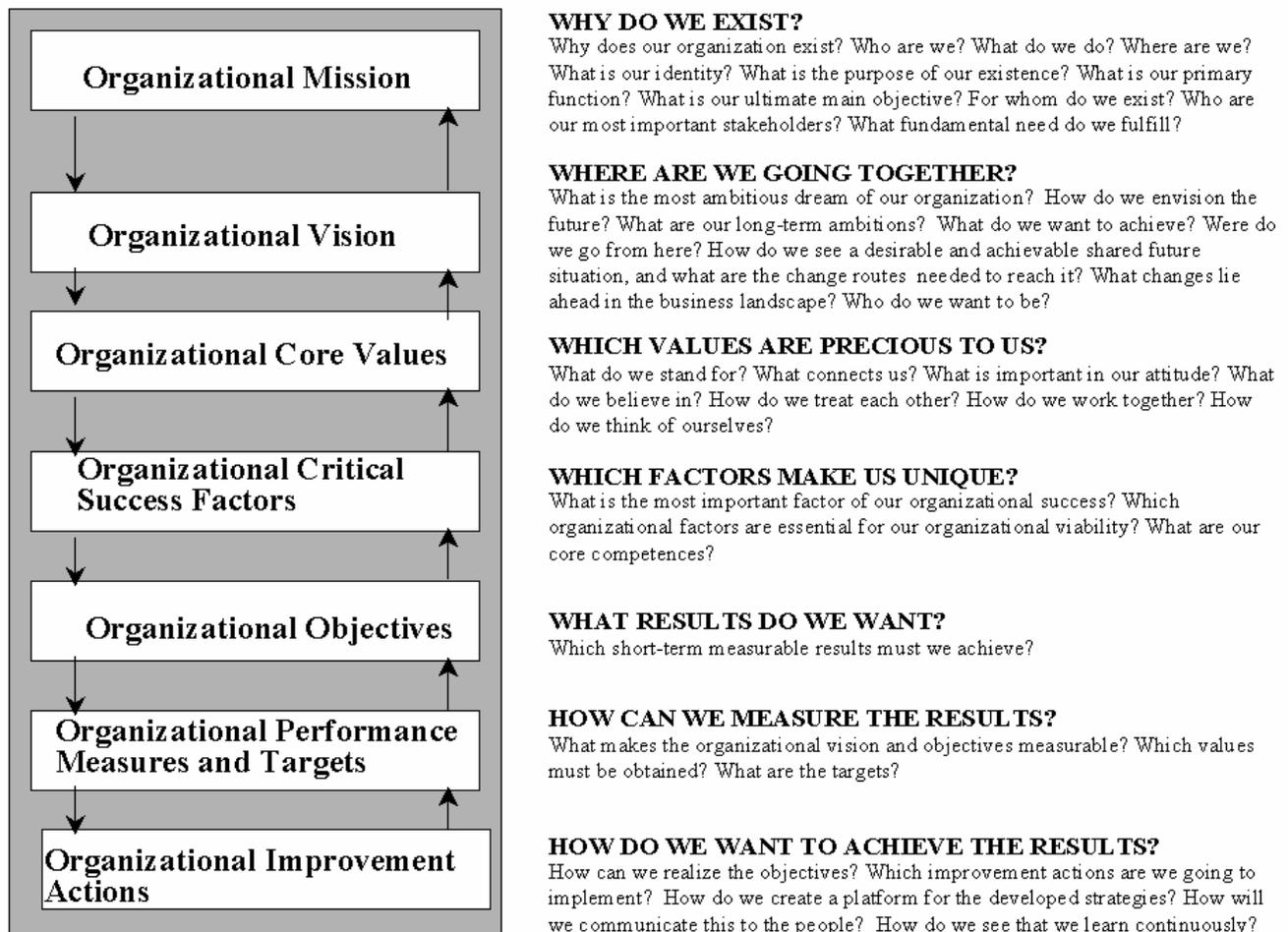


Figure 5: Questions Pertaining to the OBSC-Elements (Rampersad, 2003)

OBSC = organizational mission + vision + core values + critical success factors + objectives + performance measures + targets + improvement actions (divided along the four perspectives: financial, customers, internal processes, and knowledge & learning).

Aligning Shared Ambition with Ethics

Business ethics is an essential part of the Total Performance Scorecard concept. This implies that organizations must care about ethics and corporate social responsibility to ensure that their actions have integrity and reflect high ethical standards. The shared ambition should, therefore, be inspired by ethics. Ethics concerns human *duty* and the principles on which this duty is based (Thompson and Strickland, 2002). Every company has an ethical duty to its shareholders, employees, customers, suppliers, and the community at large. Each of these stakeholders affects the organization and is in turn affected by it.

A shared ethical ambition requires ethical behavior of everyone within the organization. In order to be successful, management and employees should act in accordance with the formulated principles and values. The boxed text discusses the infamous example of a successful company that had an effectively shared ethical ambition but nevertheless went bankrupt because it was undermined by the unethical behavior of its management (Thompson and Strickland, 2002). The Enron case stresses the importance of balancing the personal ambition of management and employees with their personal behavior and with the

shared organizational ambition. The mutual alignment of the personal and shared ambition will be discussed in the next section. It forms a strong base for ethical management.

The Enron Debacle: A Bold Shared Ambition Undermined by Management's Unethical Behavior

Who Are We and Why Do We Exist?

We offer a wide range of physical, transportation, financial, and technical solutions to thousands of customers around the world. Our business is to create value and opportunity for your business. We do this by combining our financial resources, access to physical commodities, and knowledge to create innovative solutions to challenging industrial problems. We are best known for our natural gas and electricity products, but today we also offer retail energy and broadband products. These products give customers the flexibility they need to compete today.

What Do We Believe?

We begin with a fundamental belief in the inherent wisdom of *open markets*. We are convinced that consumer choice and competition lead to lower prices and innovation. Enron is a laboratory for *innovation*. That is why we employ the best and the brightest people. And we believe that every employee can make a difference here. We encourage people to make a difference by creating an environment where everyone is allowed to achieve their full potential and where everyone has a stake in the outcome. We think this entrepreneurial approach stimulates *creativity*. Our success is measured by the success of our *customers*. *Together* we are creating the leading energy company in the world. Together, we are defining the energy company of the future.

Our Core Values

Integrity: We work with customers and prospects openly, honestly, and sincerely. When we say we will do something, we will do it; when we say we cannot or will not do something, then we won't do it.

Respect: We treat others as we would like to be treated ourselves. We do not tolerate abusive or disrespectful treatment. Ruthlessness, callousness, and arrogance don't belong here.

Excellence: We are satisfied with nothing less than the very best in everything we do. We will continue to raise the bar for everyone. The great fun here will be for all of us to discover just how good we can really be.

Communication: We have an obligation to communicate. Here, we take time to talk with one another and to listen. We believe that information is meant to move and that information moves people.

Aligning Personal Ambition with Shared Ambition

In the first half of this paper I discussed the alignment of personal ambition and personal behavior for the purpose of acting ethically, creating inner peace, developing personal charisma, and improving personal credibility. Here the alignment of the personal ambition with the shared organizational ambition is central for the purpose of stress and burn-out reduction, stimulating the enjoyment, active participation, and motivation of employees. Once these two ambitions have been formulated there is the need for a period of reflection, a time in which to think profoundly about balancing these two scorecard elements. This process of balancing deals with obtaining a high level of concordance between personal and organizational goals and a mutual rise in value. People do not work with devotion and do not spend energy on something they do not believe in or agree with. Clarity and uniformity of personal and organizational values and principles are, therefore, essential for the active involvement of people. Experience teaches us that identification with the organization is the most important motive for employees to dedicate themselves actively to the organizational objectives. People all have different personal values and principles that we must try to understand and key to the values of the organization. Only by doing this will changes and improvements have a permanent nature. The questions that are central here are: Does your personal ambition match the shared organizational ambition? Do they balance? As summary:

Personal (<Mission>,<Vision>,<Key Roles>) ≈ Organizational (<Mission>,<Vision>,<Core Values>)
Personal Ambition ≈ Shared Organizational Ambition

Do you act in accordance with the formulated shared ethical ambition? Can you identify with the shared organizational ambition? In doing this, do you feel personally involved and addressed by the organizational ambition? Do your personal values and principles match the organizational vision and core values? If they conflict, is leaving the best answer? Do your most important personal values do justice here? Which points in your personal ambition are strengthening to and which conflict with the shared organizational ambition? Which

ones are neglected? Is there a win-win situation between your own interests and the ones of your organization? Are your personal mission, vision, and key roles to be found in the shared organizational ambition? If not, do they have to be expanded or adjusted? Are they acceptable? How can they flourish within the organization? Does your level of ambition have to be lowered? Which skills do you need to be a pillar of the organization and thus realize the organizational mission? What do you want to gain yourself with this? Are your developmental expectations in tune with those of the organization? Do you have ethical problems on the job? Have you considered a job change because of this? Miller, Catt, and Carlson (1996) introduce a personal way to deal with ethical problems on the job (when your manager asked you to do something unethical):

1. Make sure there is a conflict. Make sure both you and your manager have all the facts. Check the contract to see if the activity is permitted.
2. Decide how much you are willing to risk. Do a cost-benefit analysis. Look at everyone involved, and ask yourself what the harm and benefit is to each group.
3. Make your move. If the unethical action is important enough for you to take a risk, tell your manager you cannot do it. Do not make accusations to your manager. Let him or her save face.
4. If there is trouble, get help. If your manager says you have to do it anyway and you feel that you cannot, then you should go to some influential person in the company. Try not to go directly above your manager.
5. Consider a job change. If the people you turn to for help do not have a problem with the situation, then perhaps you need to quit. Evaluate your manager's personal ambition and the shared organizational ambition. If they conflict with yours, then leaving may be the best answer.

Aligning personal ambition with shared ambition deals with the mutual concordance of the Personal and Organizational Balanced Scorecards or individual versus collective learning (see Figure 6). It has to do with reaching a higher degree of match between personal and organization objectives and mutual addition to value, see figure 7. This ensures that your organizational actions are *right*. I have defined this action as:

Right personal action within your organization = being + PBSC + doing + aligning personal ambition with personal behavior + aligning personal ambition with shared ambition



Figure.6: Aligning Personal Ambition with Shared Organizational Ambition

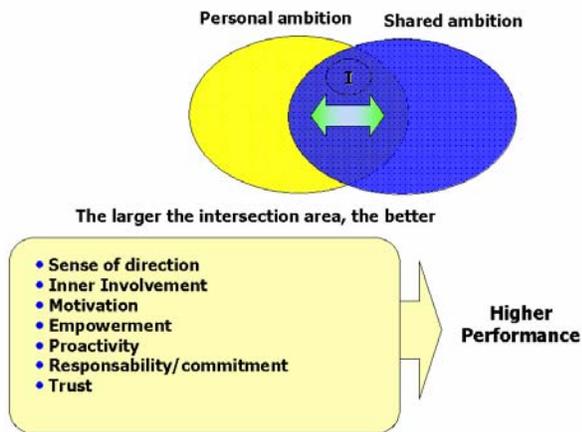


Figure 7: Match between Personal Ambition and Shared Ambition (Rampersad, 2005)

Communicating and linking

To be able to put the strategic vision into action, it will be necessary to link the corporate (OBSC) to the scorecard of the business units and teams, as well as to the individual performance plans of the employees. Figure 8 illustrates the different cascading layers in this process. Each process participant formulates his or her own Personal Balanced Scorecard, which is then situated on a higher abstraction level than the related individual performance plan. With this approach, a bridge is drawn between the successive organizational levels; the message from top management is consistently articulated to the lower levels and visa versa.

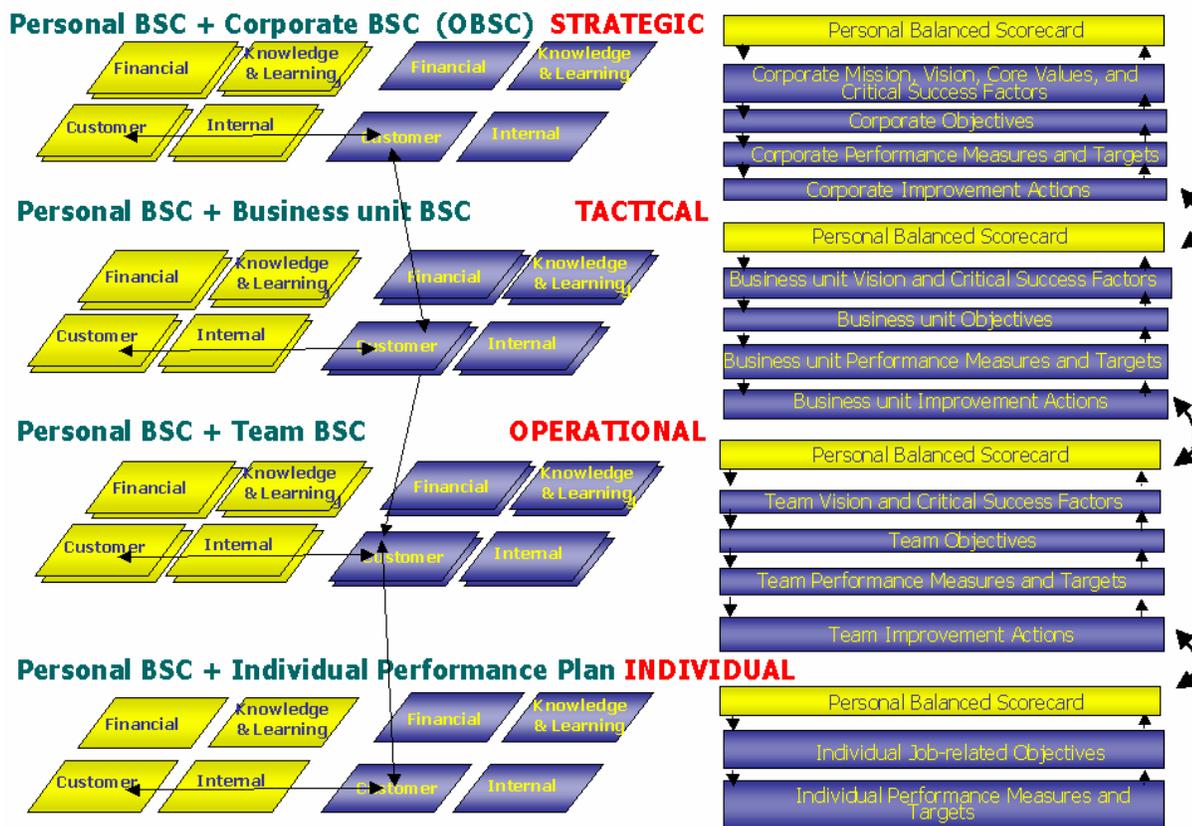


Figure 8: Linking the OBSC to the Business Units' BSC, Team BSC and Individual Performance Plan

By linking the objectives as such, the local efforts are aligned to the overall organizational strategy. The formulating process is identical for the first three organizational sections mentioned. The formulated organizational mission in the OBSC and the perspectives apply to all organizational levels. The organizational vision and linked critical success factors, objectives, targets, and improvement actions are adjusted and fine-tuned to the related business units and teams. Here the OBSC is used as a frame of reference. Each lower level member should also reflect upon the alignment between the own personal ambition and the organizational, business and team ambition.

The TPS-Cycle

The TPS cycle has been developed in order to guide you in the successful implementation of the TPS concept. This cyclic model consists of the following five phases, see figure 9 (Rampersad, 2003):

1. **Formulating.** This phase involves the formulation of the Personal and Organizational Balanced Scorecards.
2. **Communicating & linking.** Here all stakeholders share in the business strategy by effectively communicating and translating (rolling out) the corporate scorecard to all scorecards of the underlying business units and teams, and finally linking the team scorecard to the individual performance plan of the employees. This top-down and bottom-up process is implemented, step-by-step, to all successive organization levels in increasing detail. In this way, the overall strategy of the organization (OBSC) is systematically translated into more specific plans on each organization level. This is needed to shift the strategic version into action. Every individual on these three organizational levels formulates his own PBSC and share this with colleagues.
3. **Improving.** This indicates continuously improving yourself and your work. It concerns the implementation of the personal and organizational improvement actions based on the PBSC and OBSC, respectively. The focus here is on correct mistakes, improve existing things, do things right the first time, and obtain new skills and capabilities through step-by-step improvement. The personal improvement actions are implemented according to the introduced Plan-Do-Act-Challenge cycle. This results in a step-by-step increase in happiness, awareness, joy, pleasure, learning and creativity occurs at work as well as in your free time. The alignment of personal ambition with personal ethical behavior is also part of this process). The organizational improvement actions are implemented according to the Plan-Do-Check-Act cycle of Deming. This cycle consists of the following 4 phases: 1) *Plan* (develop an improvement plan); 2) *Do* (execute this improvement plan on a limited scale); 3) *Check* (review the results of the improvement actions; and 4) *Act* (implement the proven improvements).
4. **Developing & learning.** Here the emphasis is on job-related talent management and learning. To be able to manage and use the talents within the organization effectively, it is necessary to embed the personal and organizational balanced scorecards together with the ambition meeting in the talent management process. This is done on the basis of the introduced talent management cycle that consists of the following phases: Result Planning, Coaching, Appraisal and Talent Development. The learning process in this phase encompasses the review of the scorecards, the actualisation of these scorecards based on changing conditions, the documentation of the lessons learned, and checking which things went well and which went wrong during the previous phases. Depending on these evaluation results the implementation or the formulation of the scorecards may be adjusted. This deals with learning from gained experiences. It refers to internalizing acquired knowledge and actualizing it through experience in order to change both the individual and collective behavior of employees and thus enable the organization to perform better. The concordance of personal ambition and the shared organizational ambition is taken place at all lower levels of the organization. The alignment of the shared ambition with business ethics is also taken place in this phase of the TPS cycle.

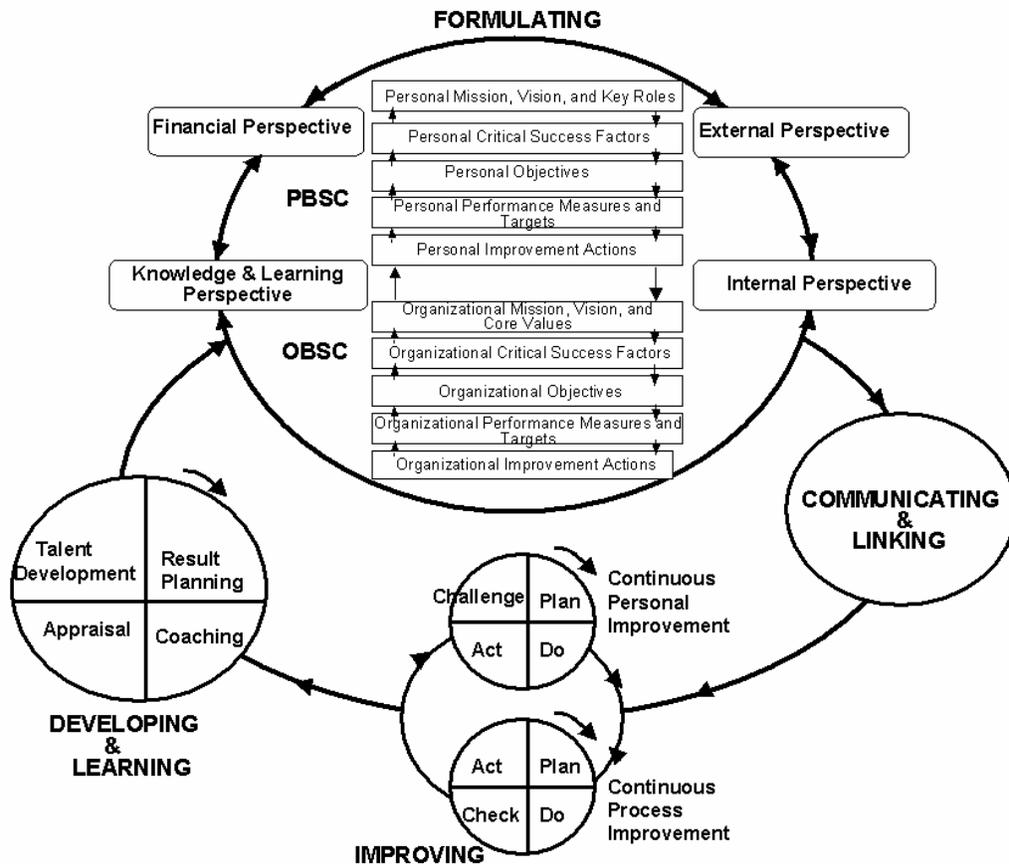


Figure 9: The TPS-Cycle (© Rampersad, 2005)

After completing the last step in the TPS-cycle, it will again be followed through in order to continuously align the BSCs to the surroundings. Through the thereby created learning effect, your organization will get to know itself and its surroundings better and will thus improve. This will continuously improve your organization's learning ability. Naturally, the same also applies to you. For example, by reviewing your PBSC quarterly with a trusted representative and by learning from previously obtained experiences, you'll learn to get to know yourself and your surroundings better and through this you will improve. Strategy formation, improvement, development of human potential and learning are thus a perpetual process. Continuously going through the TPS-cycle will result in the continuous improvement of business results through the years.

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