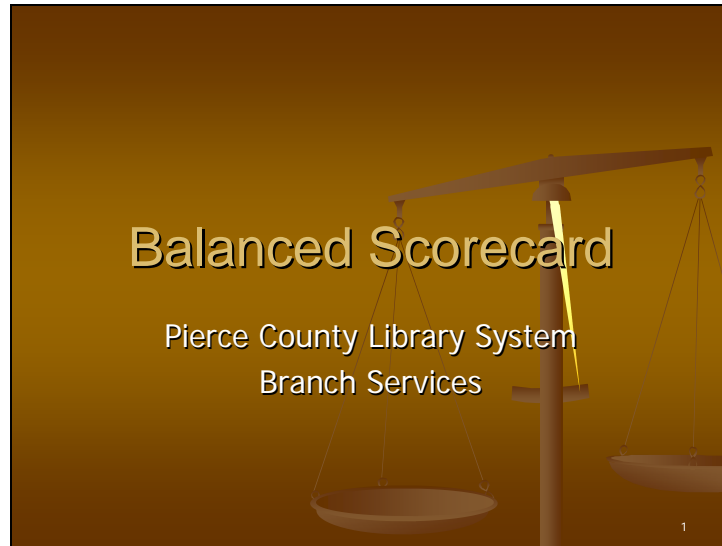


Slide 1



Good Morning!

For those of you who may not know me, I'm David Kennicott and I'm the Branch Coordinator for the library system, which means that I supervise all of our branches.


[Rose and Carol introduce themselves.]

We're here today to talk with you about the Balanced Scorecard. This is a complicated subject and we'll be giving you a whole bunch of information. We don't expect you to be able to absorb all of this in one sitting and I promise that there won't be a quiz in the next period.

After today, the Managing Librarians will begin working with all of you on some projects that involve the Balanced Scorecard, so this is just intended as a first introduction.

I also want to let you know that the Balanced Scorecard is already in use around the system and has been very successful, but many of you may not know what it is.

Slide 2



Balanced Scorecard

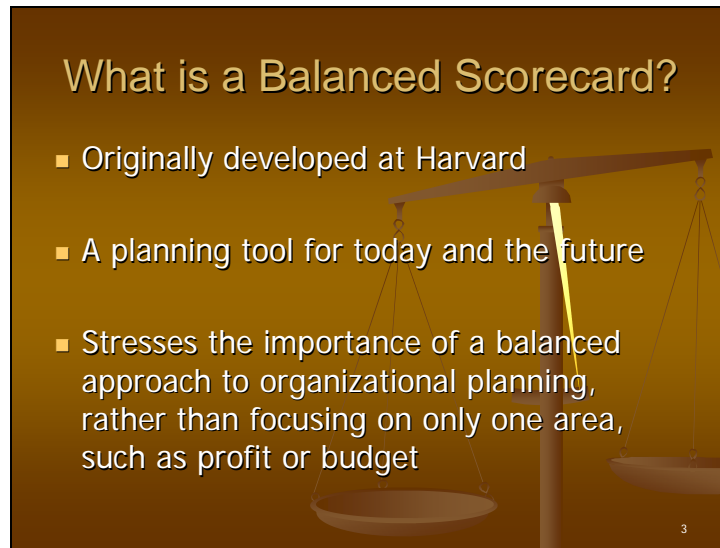
- What is a Balanced Scorecard?
- Why do we want one?
- How do we develop a scorecard?
- How will we measure success?
- Where do you fit in?

2

So, our goal today is to answer the questions:

- What is a Balanced Scorecard?
- Why we want one.
- How do we develop a Balanced Scorecard? In other words, what does it take to put one together?
- How will we measure success? If we have a Balanced Scorecard that tells us things we're going to be doing, we need to know if we've accomplished them.
- And finally, where do you fit into this whole process?

Slide 3



What is a Balanced Scorecard?

- Originally developed at Harvard
- A planning tool for today and the future
- Stresses the importance of a balanced approach to organizational planning, rather than focusing on only one area, such as profit or budget

3

The Balanced Scorecard was originally developed at Harvard University as a planning tool for businesses.

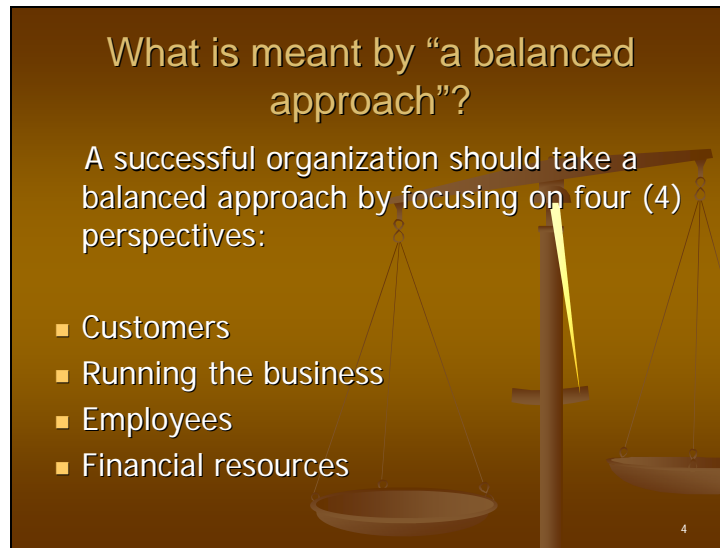
It's designed to be useful both in deciding what to do today and in planning for the future.

The Balanced Scorecard stresses the importance of a balanced approach to planning rather than just focusing on one area.

Many businesses devote all their efforts into trying to figure out how to make the most money or to have the highest profit, which isn't very surprising.

However, in many cases, focusing only on profit is self-defeating. It just doesn't work. The developers of the Balanced Scorecard found that the businesses were failing in other ways within their operation and, as a result, their profit suffered.

Slide 4



What is meant by “a balanced approach”?

A successful organization should take a balanced approach by focusing on four (4) perspectives:

- Customers
- Running the business
- Employees
- Financial resources

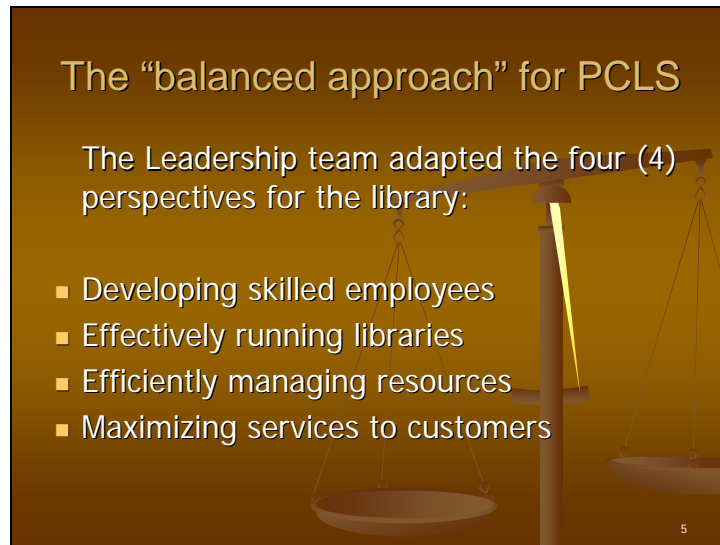
4

After much research, the Harvard team determined that a successful organization is one that takes a “balanced” approach by focusing on four (4) perspectives of the business, rather than just on profit or finances.

These four (4) perspectives are:

- 1) Customers - The people that they are trying to sell something to or provide a service to.
- 2) Running the Business – How the business is structured, who does what, how effective the efforts are, etc.
- 3) Employees – This one is obvious. If you don’t have good employees, it’s hard to make any operation work well.
- 4) And finally, Financial Resources.

Slide 5



The “balanced approach” for PCLS

The Leadership team adapted the four (4) perspectives for the library:

- Developing skilled employees
- Effectively running libraries
- Efficiently managing resources
- Maximizing services to customers

5

At PCLS, the Balanced Scorecard was first discussed and addressed by the Leadership Team about two (2) years ago. By the way, when we first started sending out meeting notes from the Leadership Team, we received a question from one of the Branch Supervisors who said, “Just exactly what is the Leadership Team?” We tried to answer that question then and, hopefully, most of you know what it is, but I thought I’d better review that again.

The Leadership Team is a group that meets weekly. The members are Neel Parikh, the Director; Georgia Lomax, Deputy Director; Cliff Jo, Director of Finance and IT; Mary Getchell, Marketing and Communications Manager; Judy Nelson, the Youth Services Coordinator; and me (or David for Carol or Rose).

The Leadership Team first learned of the Balanced Scorecard a couple of years ago and, with the help of a consultant, Bonnie Boyle, we studied it and we adapted it to meet the needs of the library system.

In doing the adapting, we reworded the four perspectives so that they would work better for us.

Our four (4) perspectives are:

- 1) Developing Skilled Employees;
- 2) Effectively Running Libraries;
- 3) Efficiently Managing Resources; and

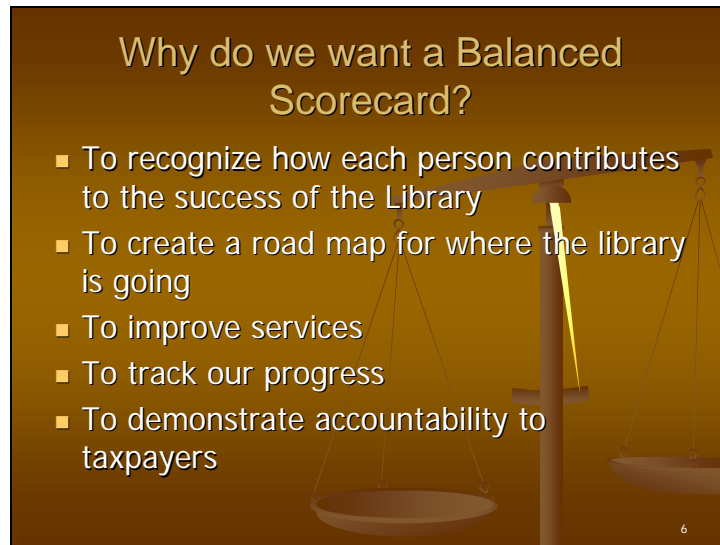
4) Maximizing Services to Customers.

We'll be talking with you more about those four perspectives a little later.

Once the Leadership Team began developing the Balanced Scorecard, we realized that it needed to be adopted throughout the system, from the Administration and the Library Board, through all of the departments and branches. The Leadership Team's Balanced Scorecard addresses the "big picture" items for the system. Then, as each department did their own Balanced Scorecard, they designed them to fit in with the framework of the system's Balanced Scorecard.

Now we're telling you about the Balanced Scorecard so that you can work with the Managing Librarians to develop a response to the focal point of what you do, which is service to the customer at the branch level.

Slide 6



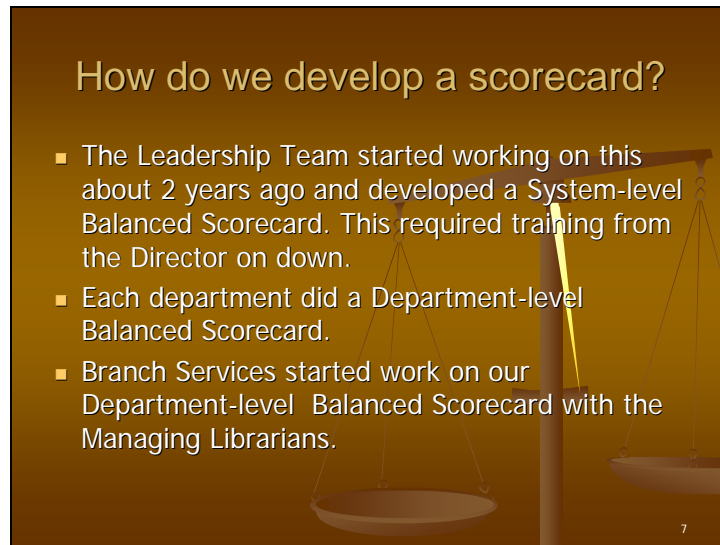
Why do we want a Balanced Scorecard?

As we learned about the Balance Scorecard, we realized that it would give us the ability to better understand how the library system works and to help us plan on where we're going in the future.

We looked to the Balanced Scorecard to:

- Recognize how each person contributes to the success of the library.
- To make a map telling us where the library is going and should be going in the future.
- To improve the service that we provide.
- To track the progress that we make in meeting the goals established by the Balanced Scorecard.
- And to demonstrate accountability to taxpayers.

Slide 7



How do we develop a scorecard?

- The Leadership Team started working on this about 2 years ago and developed a System-level Balanced Scorecard. This required training from the Director on down.
- Each department did a Department-level Balanced Scorecard.
- Branch Services started work on our Department-level Balanced Scorecard with the Managing Librarians.

7

How did we develop the Balanced Scorecard?

As I said before, the Leadership Team started working on it about two years ago when we created a system level scorecard.

In order to do this, all six of us were trained by Bonnie Boyle, who I mentioned earlier.

After we developed the System Scorecard, each Department Head worked with their department to develop a department level Balanced Scorecard.

Now in the case of Branch Services, this would have been a little impossible because there are hundreds of people who work in the department.

So we decided to break it into two more steps.

The first step was that the Managing Librarians and I worked to develop a Department Level Balanced Scorecard.

It worked for us to do this because, in addition to working with all of you to provide library services through all the branches, our group also serves as a work team, itself.

For example, Lynne Zeiher and the Express Checkout Project; Rose Jetter working with the public, staff, and Polaris to improve the online catalog, and so on.

Slide 8



Of course, no new management approach would be complete without introducing a bunch of terms that nobody understands.

In the case of the Balanced Scorecard, some of the words are very familiar to us but are applied in a very specific way and others aren't so familiar.

Some of the phrases that you'll hear us use are:

- Mission
- Values
- Vision
- Initiative, etc.

[Handout: PCLS Balanced Scorecard Terminology.]

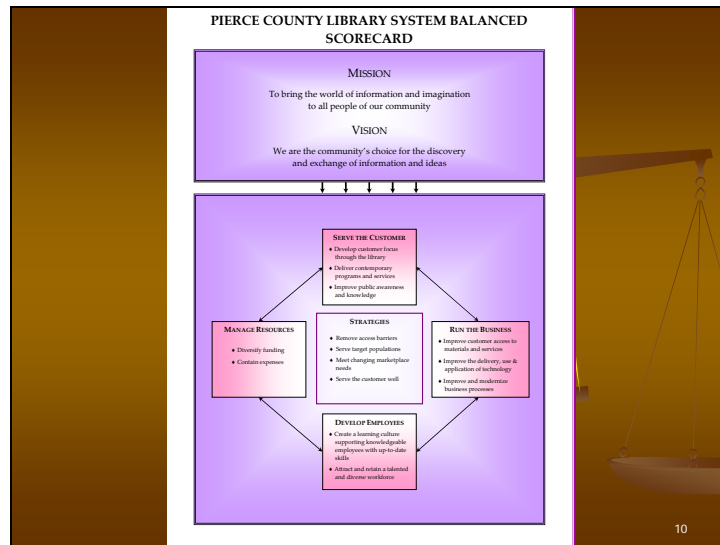
We're handing out a sheet of definitions for the terms that I just listed.

We don't expect anyone to memorized them or, in some cases, even remember them but we thought it would be helpful to refer to as we go further into this discussion and as you get an opportunity to work on the Balanced Scorecard in your branches.

Pierce County Library System Balanced Scorecard Terminology

- ♦ **Mission** – the purpose of an organization, why it exists, its reason for being
- ♦ **Values** – principles of how we pursue our mission, how we do business
- ♦ **Vision** – an image/picture of what the organization will become in a finite number of years
- ♦ **Strategy** – how to get from Point A to Point B, organizational strategies are broad priorities in pursuit of the vision
- ♦ **Stakeholder** – individuals or groups that have a vested interest in the success of the organization. Maybe, for example, vendors or officials who are not necessarily customers or users of the library.
- ♦ **Customer** – users of library products and/or services
- ♦ **Potential Customer** – a non-user within the service area
- ♦ **Balanced Scorecard** – a performance management system that includes four perspectives of an organization to include financial, customer, business processes, and learning and growth; links strategies and performance measures; provides a “balanced” look at the performance of an organization
- ♦ **Performance Measurement** – measures that indicate the results of actions/activities that are intended to make the organization more successful
- ♦ **Target** – represents the desired result of a performance measure
- ♦ **Objective** – specific statement about what the organization must do in order to execute its strategy; bridge between broad organizational strategies and measurements; usually begin with an action word like “increase”
- ♦ **Initiative** – specific funded activity/program/project aligned with an objective that supports the performance measure. These may be completed in one, two, or three years.

Slide 9



[Handout: PCLS Balanced Scorecard Mission, vision, etc.]

In order to give you a better idea of how a Balanced Scorecard is developed and structured and how it works, we're handing out a chart that reproduces the various elements as they were laid out by the Leadership Team.

On the top line of the chart is the Library's Mission Statement, "To bring the world of information and imagination to all people of our community." [Refer to *Terminology handout.*]

Over the years, we have developed a number of Mission Statements. All library systems have them.

Sometimes we've developed them with members of the public, sometimes with staff.

What we did in this case was to take concepts we already had, such as *Information and Imagination*, and restructure our statement in light of the Balanced Scorecard approach.

So, our *Mission* is to bring the world of *Information and Imagination* to all people of our community.

It's simple. It's clear. And I think that most of our customers would agree with it.

The next thing that we did was to create a *Vision Statement*.

A *Vision Statement* is an image of what we think the library system should be in the future.

Our *Vision Statement* is: *We are the community's choice for the discovery and exchange of information and ideas.*

Now, to some degree, we already are the place that the communities we serve come to get information and to find things that help stimulate ideas and thinking.

Are we the first place they go?

No, not necessarily.

Sometimes they go to the Internet, sometimes they go to a City Council meeting, sometimes they talk to their friends. That's okay.

Our *Vision* doesn't say that we've achieved this now but that this is what we want to work towards achieving.

We want to reach a point where when somebody thinks about ideas or exchange of information, the first thing that they think of is their public library.

In the middle of the second large square is a box of ideas called *Strategies*. However, you won't find these strategies expressed in the specific Balanced Scorecards sheets that we will be sharing with you and that you may come across in the future.

The strategies are the things that we feel we need to accomplish to reach our *Vision* and we used those strategies to help us in developing the *Action* portion of the Balanced Scorecard.

So what are our strategies? What do we think we need to do in order to ultimately achieve our *Vision* for the library system?

The first is to *Remove Access Barriers*.

What does that mean?

Access barriers are anything that may keep someone from being able to get what they may want from the Library when and how they want to.

It can be the hours that we're open.

It can be an inability to connect with our computer system from home.

It can be actual physical barriers – steps they can't get up, etc.

The next strategy is *Serving Targeted Populations*.

We have over half a million people in our service area. It's obviously not possible to create plans to develop service responses to all 500,000 of those people at once because there are so many interests and needs presented by this large group.

It is possible, however, to identify groups with shared needs and interests that we can develop responses to, one at a time.

- Examples of these groups could be children.
- They can be active, older adults.
- People whose first language is not English.
- People who don't speak English at all.

Meet Changing Marketplace Needs

What's going on in the system right now?

- We're offering blogs.
- We're offering RSS feeds.
- We're offering podcasts, Playaways, and an entire range of new services and materials.

The things that people want from a library change over time – we don't carry records any more. We probably won't be carrying video tapes much longer.

Finally, the last strategy is *Serve the Customer Well*.

This is something that we already do but it's also something that we can always do better.

As I said before, we use these strategies to help us develop responses to the four perspectives.

So, if we look again at the chart under *Serve the Customer*, the responses:

- ♦ Develop a customer focus throughout the Library
- ♦ Deliver contemporary programs and services
- ♦ Improve public awareness and knowledge

For *Run the Business*, we have:

- ♦ Improve customer access to materials and services
- ♦ Improve the delivery, use, and application of technology
- ♦ Improve and modernize business processes

Managing Resources

- ♦ Diversity funding
- ♦ Contain expenses

And finally, *Developing Employees*

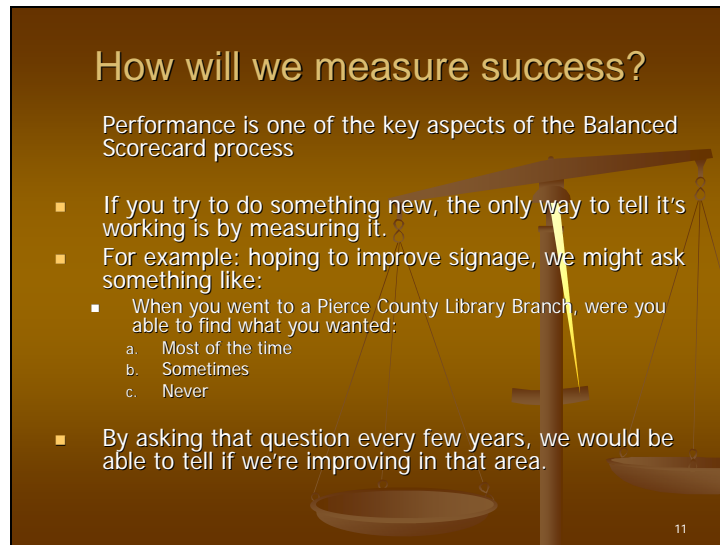
- ♦ Create a learning culture supporting knowledgeable employees with up-to-date skills
- ♦ Attract and retain a talented and diverse workforce

One of these terms, *Learning Culture*, is an idea that we are working on now to adapt to the library system, and that you will be hearing about in the near future.

What a *Learning Culture* is and what it can do has a lot of answers.

Basically, what it means in our case is that we want to provide as many opportunities as possible for our staff to learn, to grow, and to develop within the system.

Slide 10



How will we measure success?

Performance is one of the key aspects of the Balanced Scorecard process

- If you try to do something new, the only way to tell it's working is by measuring it.
- For example: hoping to improve signage, we might ask something like:
 - When you went to a Pierce County Library Branch, were you able to find what you wanted:
 - a. Most of the time
 - b. Sometimes
 - c. Never
- By asking that question every few years, we would be able to tell if we're improving in that area.

11

Once we have decided *what we are going to do*, we need to determine *how we will know if we've accomplished our goals*, or in other words, how will we measure success?

Measuring Performance is one of the key aspects of the Balanced Scorecard process.

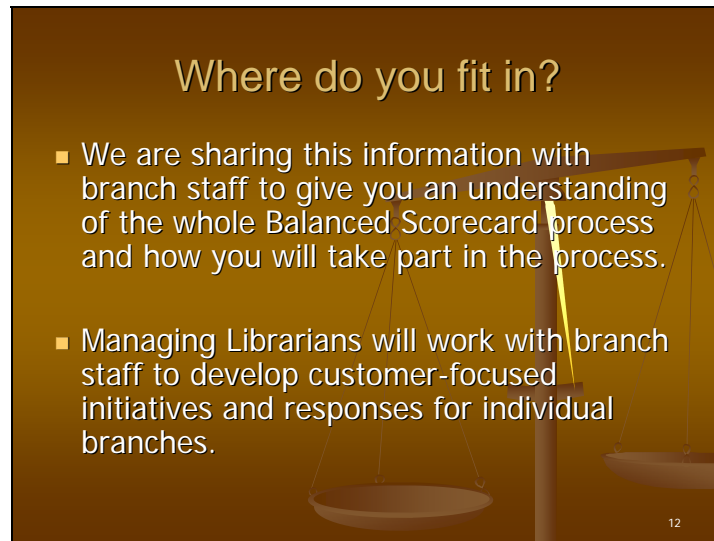
If you do something new and you want to know if it's working, the only way you can really tell is by measuring it.

For example, suppose we wanted to improve the signs in a branch. We might survey the customers before we make any changes and ask them the question that follows here on the slide.

“Are you able to find what you wanted most of the time, sometimes, or never?”

So then, when we have changed the signs and want to know if the change helped, we can ask our question a second time to see if the responses have improved.

Slide 11



Where do you fit in?

- We are sharing this information with branch staff to give you an understanding of the whole Balanced Scorecard process and how you will take part in the process.
- Managing Librarians will work with branch staff to develop customer-focused initiatives and responses for individual branches.

12

Where do you fit in?

Why are we telling you all this and what happens next?

We're sharing this information with branch staff to give you an understanding of the Balanced Scorecard and how you will take part in the process.

As I told you before, the Managing Librarians and I developed a Department Level Balanced Scorecard within our work group.

Then, we had the same consultant who provided training to the Leadership Team give that training to all Branch Supervisors.

Next, we developed the presentation that we are giving to you today.

Slide 12

Branch Services BALANCED SCORECARD	
Mission	Branch Services provides access to information and entertainment through welcoming, community-centered facilities
Vision	We are the place people choose to visit because we provide positive experiences and valuable resources
Values	<ul style="list-style-type: none">❖ We value the diversity of people we serve❖ We believe in equitable access❖ We believe in the importance of a clean, bright, inviting and attractive place❖ We believe in the mission of the Library❖ We value service and helping people❖ We value positive interaction with the public and the community❖ We value respect for each other
Strategies	<ul style="list-style-type: none">❖ Remove access barriers❖ Serve target populations❖ Meet changing marketplace needs❖ Develop and enable a workforce to achieve our mission

[Handout: Branch Services Balanced Scorecard.]

We are now handing out the Branch Services Balanced Scorecard.

[Review Mission and Vision.]

A portion of the Balanced Scorecard process that I haven't talked about yet is *establishing values*.

As you can see, the Managing Librarians and I came up with seven (7) Values for Branch Services.

We all have values in our life.

They can be anything from high-level values like ethics, religion, etc., on down to much more basic levels like we value a really good cheesecake.

As part of our Balanced Scorecard Project, the Managing Librarians and I identified:

- We value the diversity of people we serve
- We believe in equitable access
- We believe in the importance of a clean, bright, inviting and attractive place
- We believe in the mission of the library
- We value service and helping people
- We value positive interaction with the public and the community
- We value respect for each other

We're now ready to move to the next part of our project. Later this year, the Managing Librarians will be working with the staff in each branch to develop *Customer Focused Initiatives* for each individual branch.

So, what's an *Initiative*?

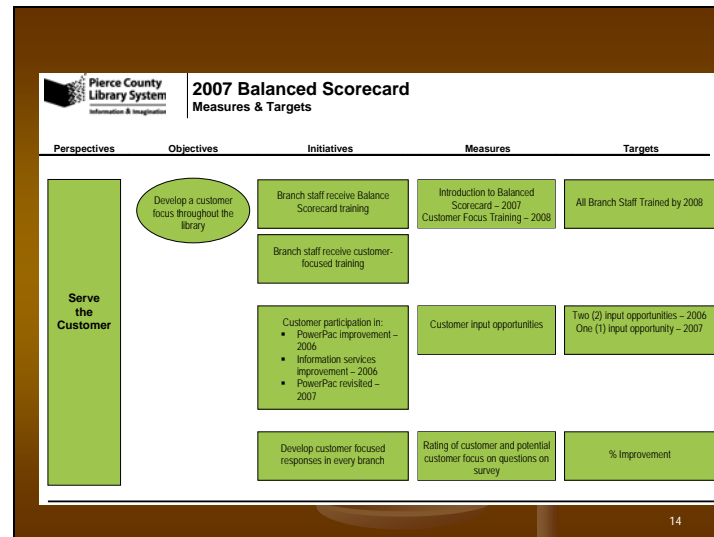
If we go back to the terminology page, we see that an *Initiative* is a *specifically funded activity/program/project aligned with an objective that supports a performance measure*.

Well, what the heck does that mean???

This is my least favorite definition on the whole sheet because I don't think it's very clear. Basically, an *Initiative* is *something that you decide to do*.

We'll talk more about *Initiatives* and about *Customer Focus* in a few minutes.

Slide 13



This next page, which you won't find in any of the handouts, is a different way of portraying the information that's contained in the Balanced Scorecard.

The perspective addressed on this page is *Serve the Customer*.

The Objective **under** *Serve the Customer*, is **Develop a Customer Focus Throughout the Library**. [Point.]

A simple definition of *Customer Focus* is that we want to see the service we provide through the eyes of our customers.

- ♦ What do they want?
- ♦ How do they perceive what we're doing?
- ♦ What do they like?
- ♦ What don't they like?
- ♦ What confuses them, etc.?

For example, let's go back and talk about the signs that people see when they come in.

In developing signs we could, and sometimes have, just decided that we need a sign that says *Fiction*. So we put it up and that's the end of it.

Then, later we may discover that the sign isn't helping customers find the fiction at all.

Why? Because it's impossible to see it where we hung it, or it's a color that doesn't stand out, or the letters are too small, or they don't know what *fiction* means.

If instead, when we were designing the sign, we had taken a *customer focused* approach, we might have asked some customers, “When you come into the library and you want to find the *fiction*, do you know where it is? If you don’t know where it is, what would help you to find it?”

Then we could show them samples of signs or colors and eventually develop a sign that would work for them.

In truth, we probably wouldn’t put quite that much work into a sign that says *fiction*, but it gives you the general idea.

The next thing we come to is *Initiatives*. An *Initiative* is *what you are going to do to achieve your objective*.

In the case of the Branch Services Balanced Scorecard, we have a number of *Initiatives* or *actions* to help us achieve *customer focus*.

These include:

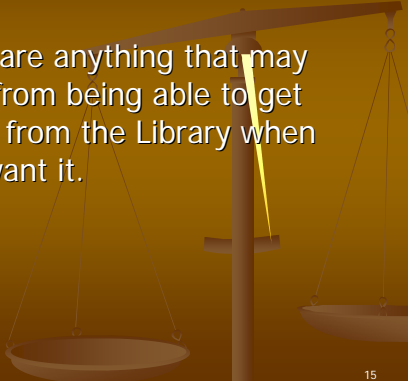
- Branch staff receive Balanced Scorecard training – which is what we’re doing today.
- Branch staff receive Customer Focus training – This is something that we’re still developing.
- Customer Participation in:
 - ♦ *PowerPac improvement – 2006*
 - ♦ *Information services improvement – 2006*
 - ♦ *PowerPac revisited – 2007*
- Finally, Develop Customer Focused Responses in each branch, which is where all of you come in.

As a first step, we want to ask you what you see as **Access Barriers** to your customers. As I said earlier, *Access Barriers* are anything that may keep someone from being able to get what they want from the Library when and how they want it.

Slide 14

Access Barriers

- Access Barriers are anything that may keep someone from being able to get what they want from the Library when and how they want it.



15

Slide 15




What happens next?

- Managing Librarians will work with branch staff to develop customer-focused initiatives designed to help overcome some of the barriers to service that you expressed today and identify responses and actions that would work especially well for individual branches.

16

In the next few months, Managing Librarians will work with branch staff to develop customer-focused initiatives **designed to help overcome some of the barriers to service** that you expressed today and identify responses and actions that would work especially well for individual branches.

Slide 16



Balanced Scorecard

- What is a Balanced Scorecard?
- Why do we want one?
- How do we develop a scorecard?
- How will we measure success?
- Where do you fit in?

17

Now, to recap, today we talked about the fact that a Balanced Scorecard is a business tool designed to approach the operation of any organization by focusing on four perspectives:

- Customers
- Running the Business
- Employees
- Financial Resources

Having a Balanced Scorecard helps us in:

- 1) Developing Skilled Employees;
- 2) Effectively Running Libraries;
- 3) Efficiently Managing Resources; and
- 4) Maximizing Services to Customers.

Then, we talked about how we developed a scorecard and various ways that we can tell if we've been successful in our new initiatives.

Finally, we discussed where you will be fitting in during the next few months as the Managing Librarians begin meeting with you to develop customer focus activities for each branch.

Are there any questions?