



**Your Strategy, Your Way.**

# **Global Strategy Summit**

Virtual edition 4

**MR. GARY COKINS**

**Balanced Scorecard: Bridging Strategy and Daily Operations**

**We hope you enjoy the presentation.**

**For any inquiries, please feel free to contact the CEO, Mr. Shaik Abdul Khadar, at +91 77997 9833, fruiStrategy Pvt. Ltd.**

<https://www.fruistrategy.com/gss4>

# Balanced Scorecard – Bridging Strategy and Daily Operations

By

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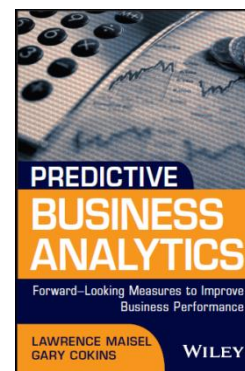
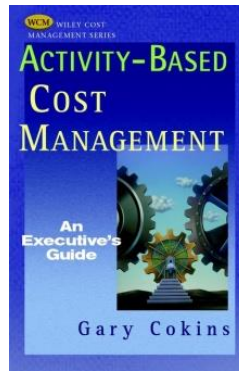
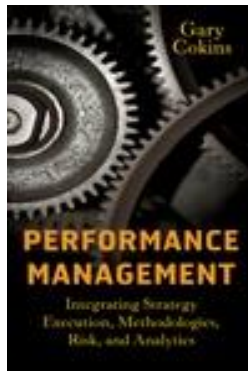
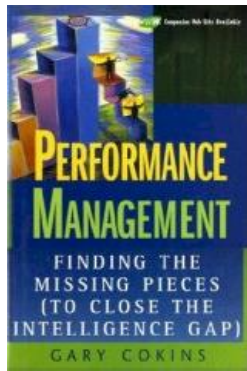
Data Labs India Global Strategy Summit  
July 12, 2025

# About Gary Cokins

## Founder, Analytics-Based Performance Management LLC

B.S. Industrial Engineering & Operations Research;  
Cornell University, 1971

M.B.A. Finance & Accounting; Northwestern University,  
Kellogg School of Management, 1974



### Previous Associations:

- FMC Corporation
- Consultant with: Deloitte, KPMG, Electronic Data Systems [EDS, now HP]
- SAS

# Who will benefit from this presentation?

Managers who have previously struggled at promoting FP&A, corporate performance management (CPM) methods, including the Strategy Map and its Balanced Scorecard.

Managers who intend to “champion” any or all CPM improvement techniques and need a compelling call to action.

# Drowning in Data but Starving for Information.



*"Looks like you've got all the data – what's the holdup?"*

# Agenda

- **What is Corporate Performance Management (CPM)?**
- **Eight Pressures that have caused interest in CPM**
- **Strategy map and its Balanced Scorecard**
- **Differentiating KPIs from OPIs**
- **CPM as a Value Multiplier through Integration**
- **Barriers Slowing the Adoption Rate of CPM**

# Confusion and Lack of Consensus about CPM

Is it human resources PM?

Is it scorecards, dashboards, KPIs and measures?

Is it alignment, such as strategic or resource allocation?

Is it process, productivity and quality improvement?

Or ... is it all of the above? And even more?

**The good news is this .....**

# What is Corporate Performance Management (CPM)?

Corporate Performance Management is the ***integration of multiple*** methods with each ***embedded with business analytics***, such as segmentation analysis, and especially predictive analytics ... to achieve the strategy and to make better decisions.



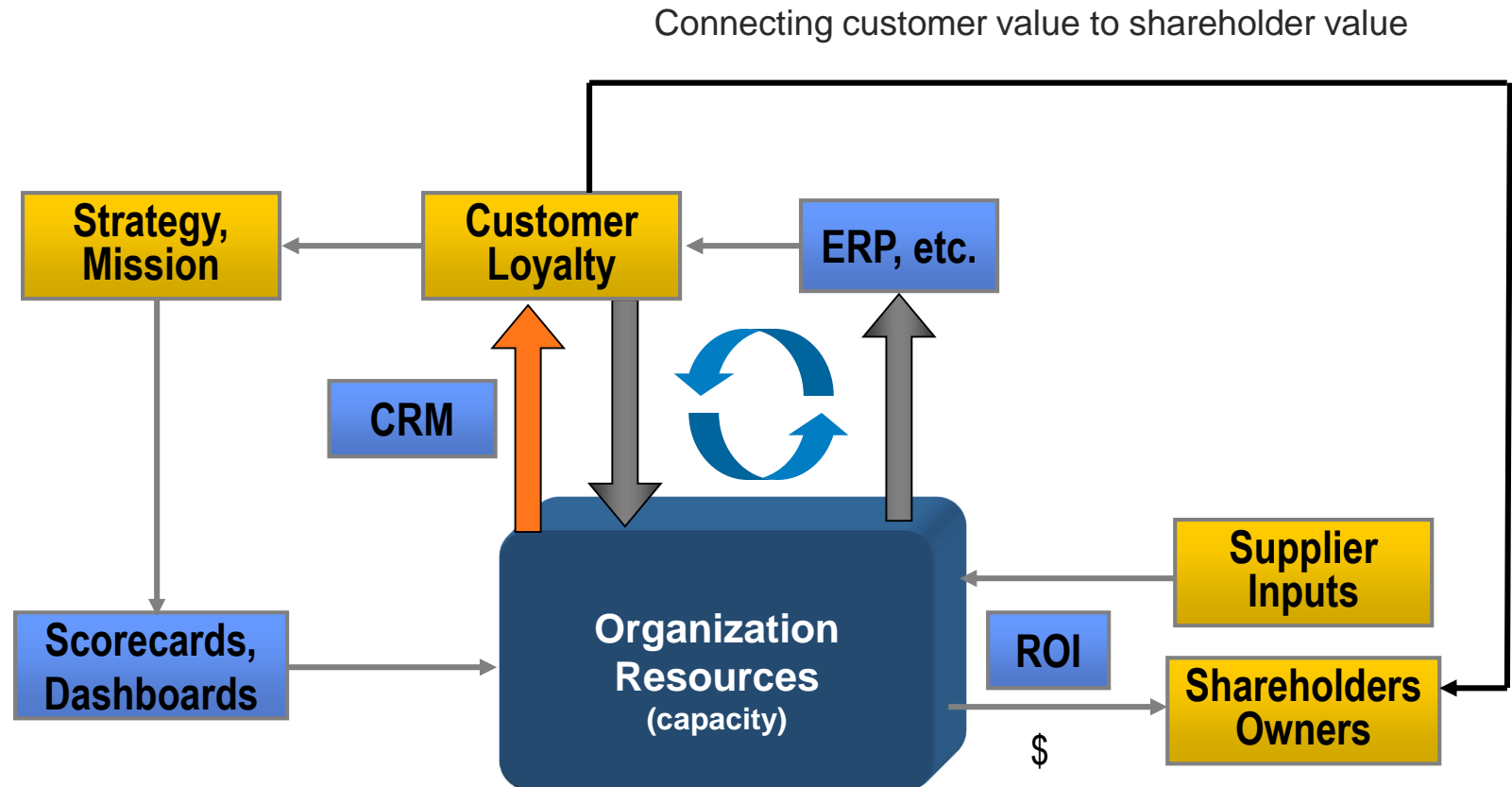
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# What has Caused Interest in CPM?

1. Executives frustrations with strategy failure.
2. Increased accountability.
3. More rapid decision making.
4. Mistrust of the managerial accounting system for transparency.
5. Poor customer value management
6. Contentious budgeting – poor resource capacity planning.
7. Dysfunctional supply chain management.
8. Unfulfilled ROI promises from IT systems – lack of integration.

# How Will It All Fit Together?



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# What has Caused Interest in CPM?

- 1) Failure by executives to execute their well-formulated strategy.

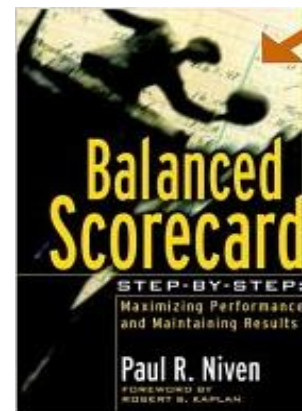
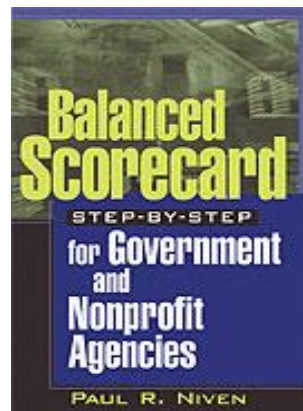
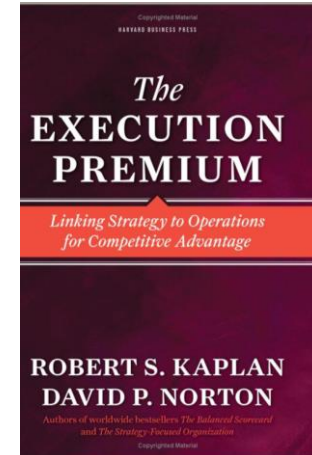
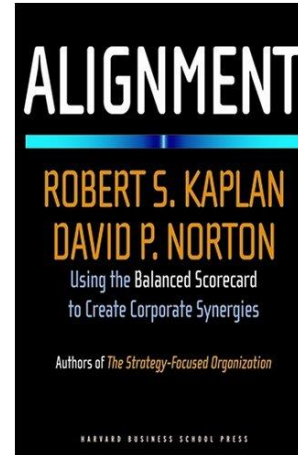
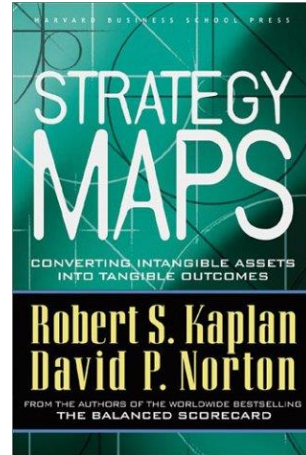
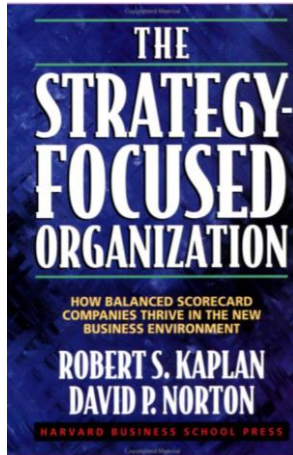
# Executives are Most Concerned About Executing Strategy

*"Using a 1-5 scale, please rate the level of interest / concern you have in the following business issues at present."*

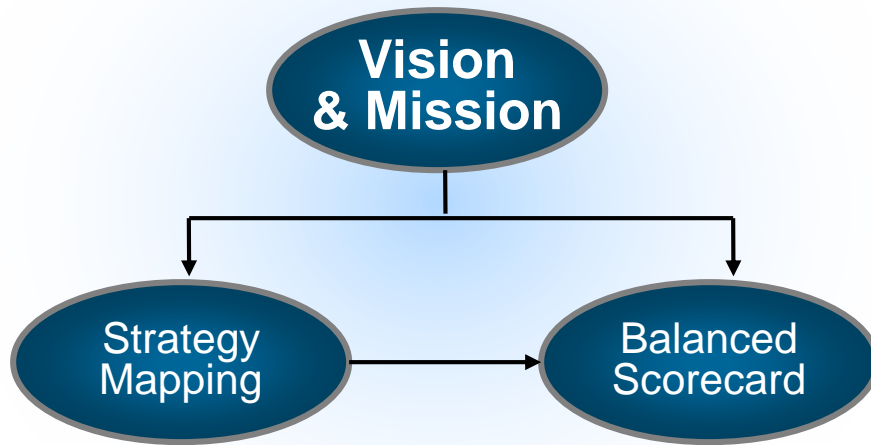


*Source: 2006 Monitor Analysis. Survey of 354 executives; 49% of respondents are C-level and 56% are from companies with revenue greater than \$1 billion*

# Strategy Map and Balanced Scorecard Books



# Vision and Mission Statements



A Vision statement answers  
**“where do we want to go?”**

A strategy maps and its balanced  
scorecard answers  
**“How will we get there?”**

The strategy map and its balanced scorecard are  
mechanical. They help realize the vision and mission.



# Generic Strategy Map Architecture

**Maximize Shareholder Value**

**Financial**



**Customer**

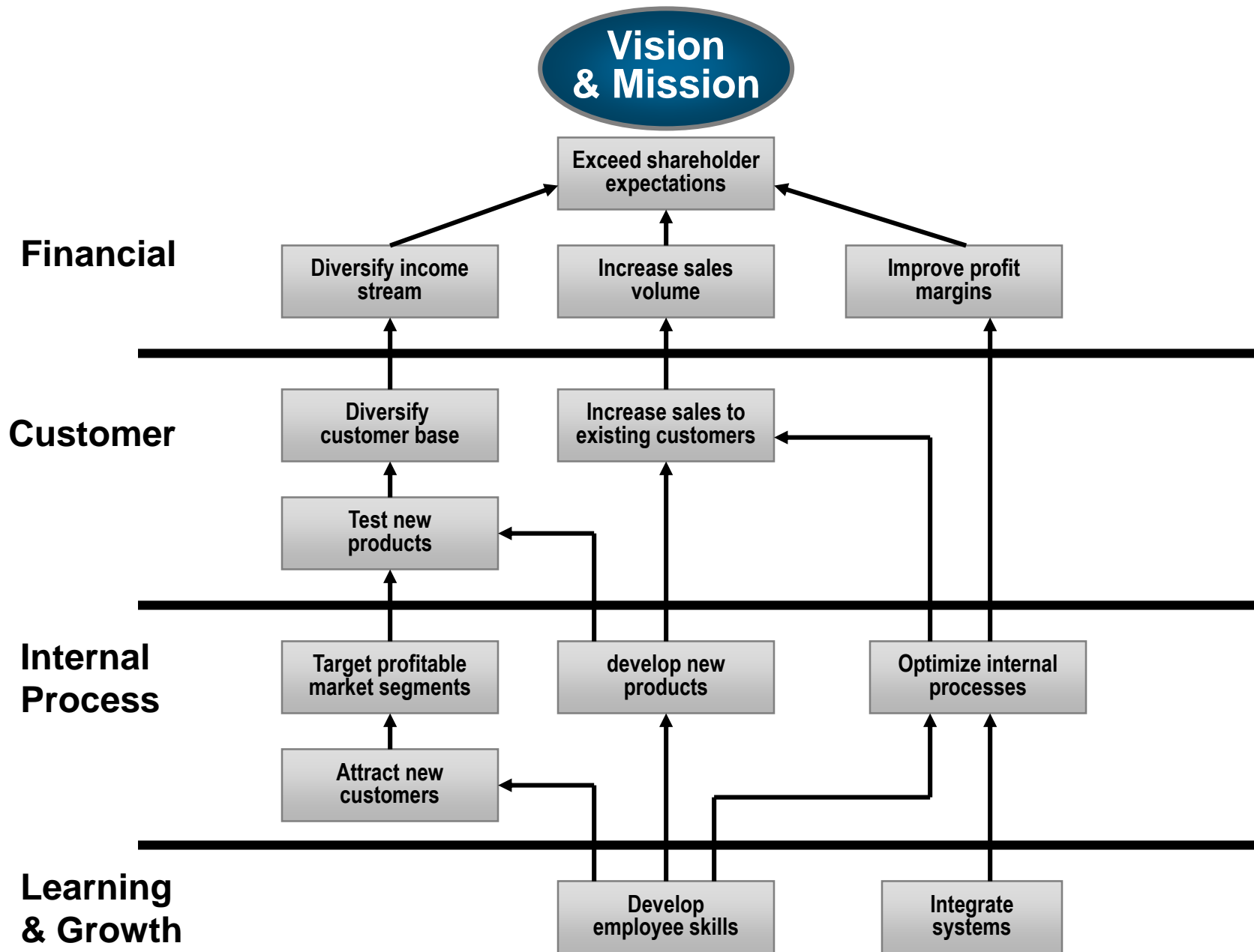


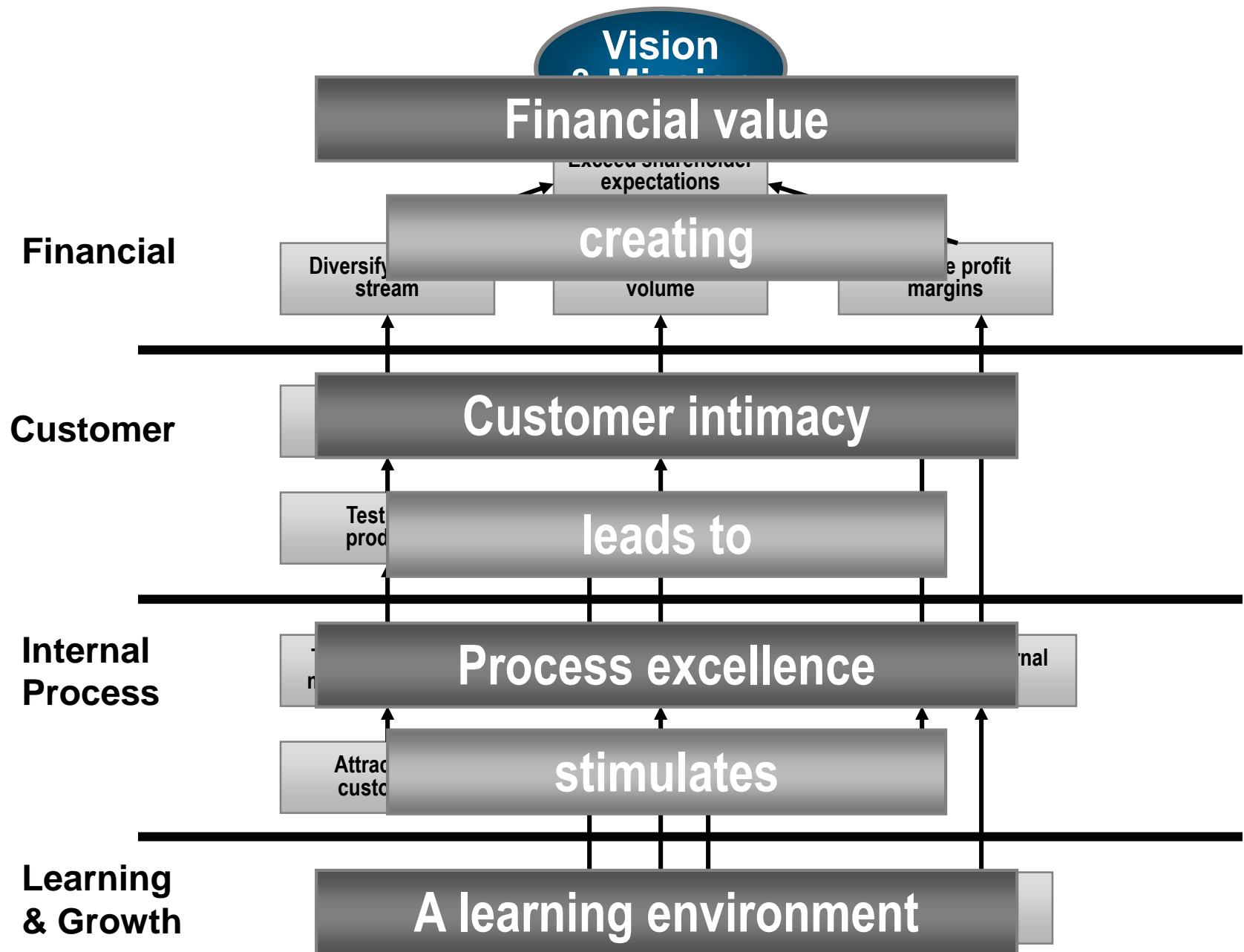
**Internal Processes**



**Learning & Innovation**

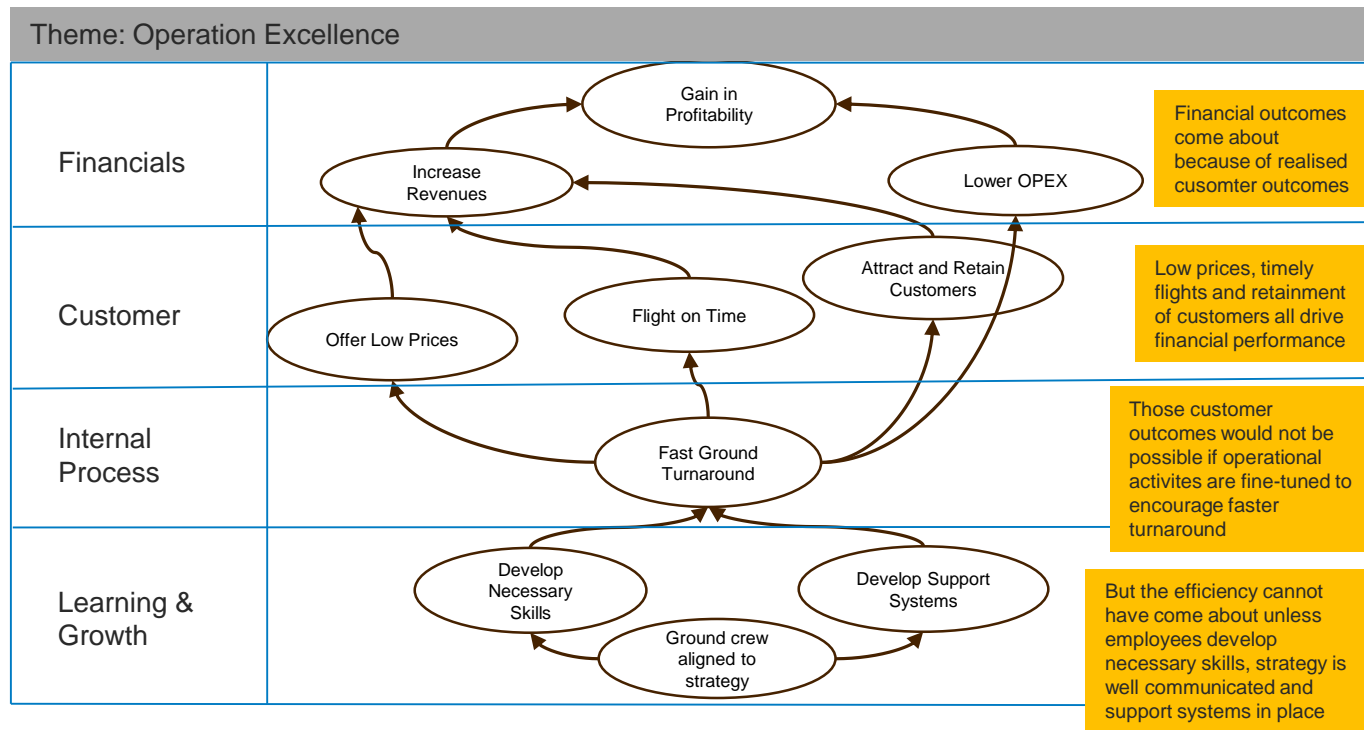






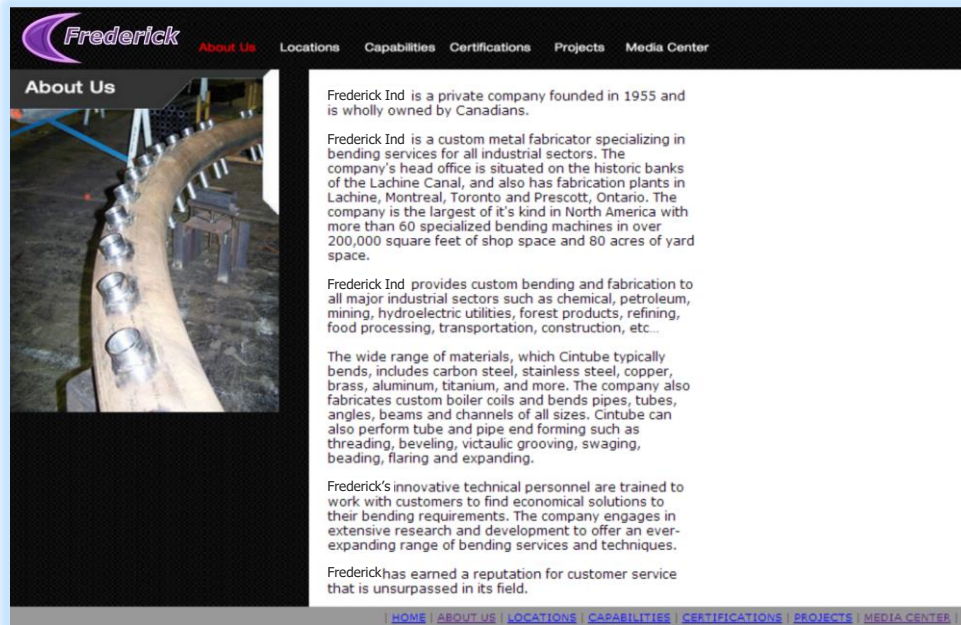
# The cause-effect relationship can be easily seen among the various objectives

## Strategy Map for an Airline Operator

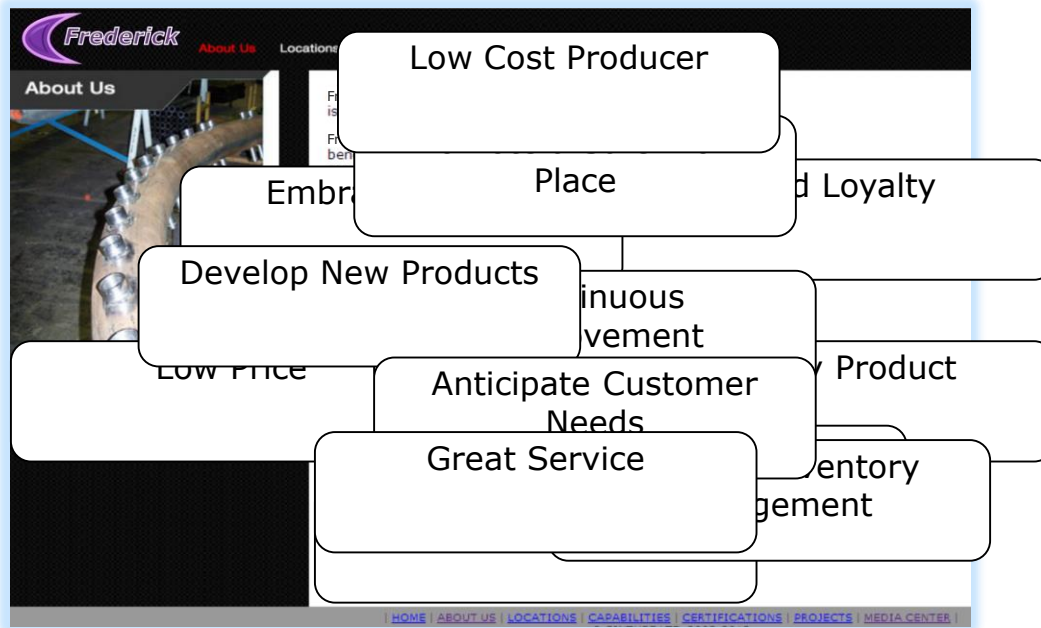


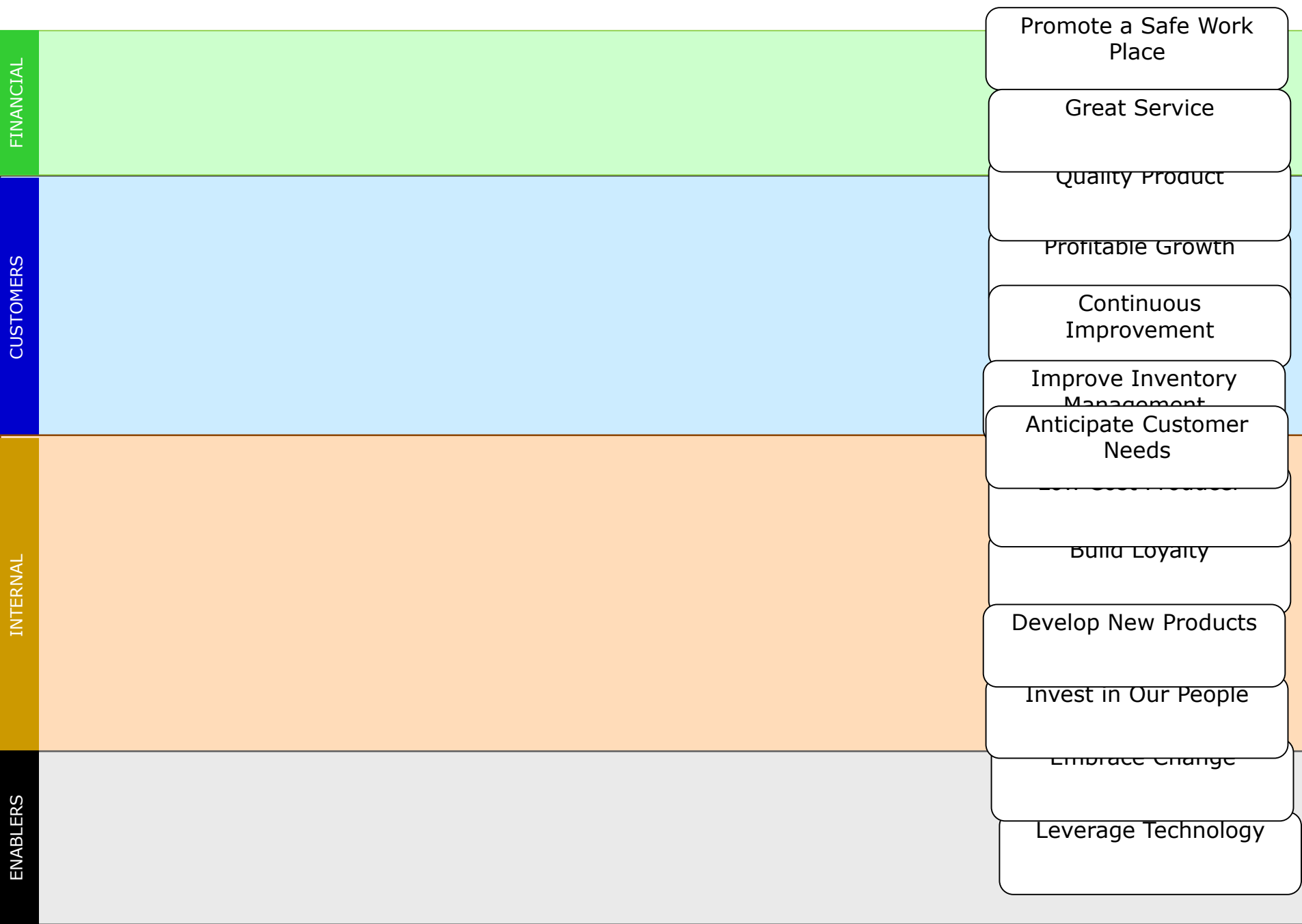
# Strategic Objectives

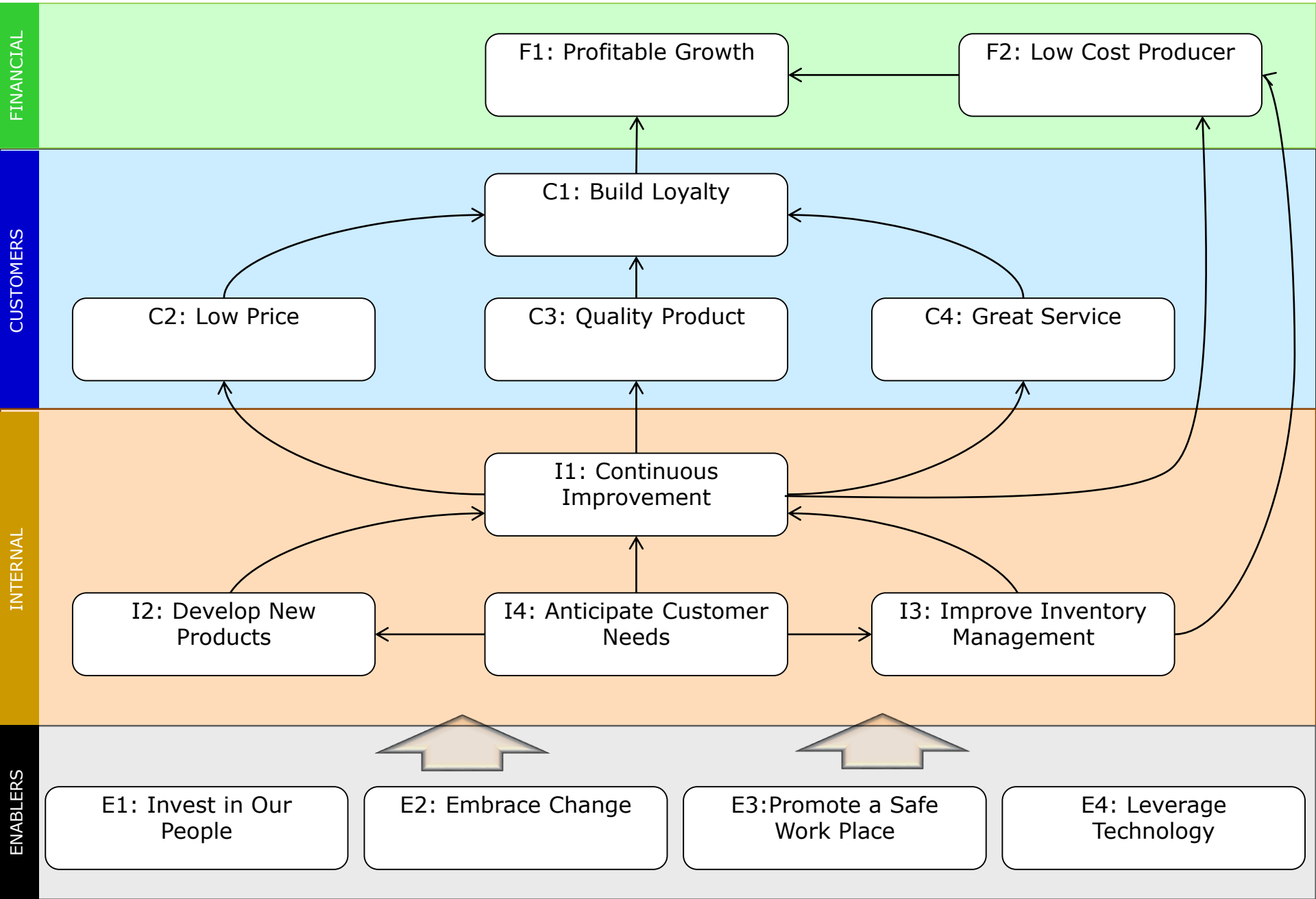
An example of defining strategic objectives for a strategy map using a company's annual report Management Letter.



# Strategic Objectives









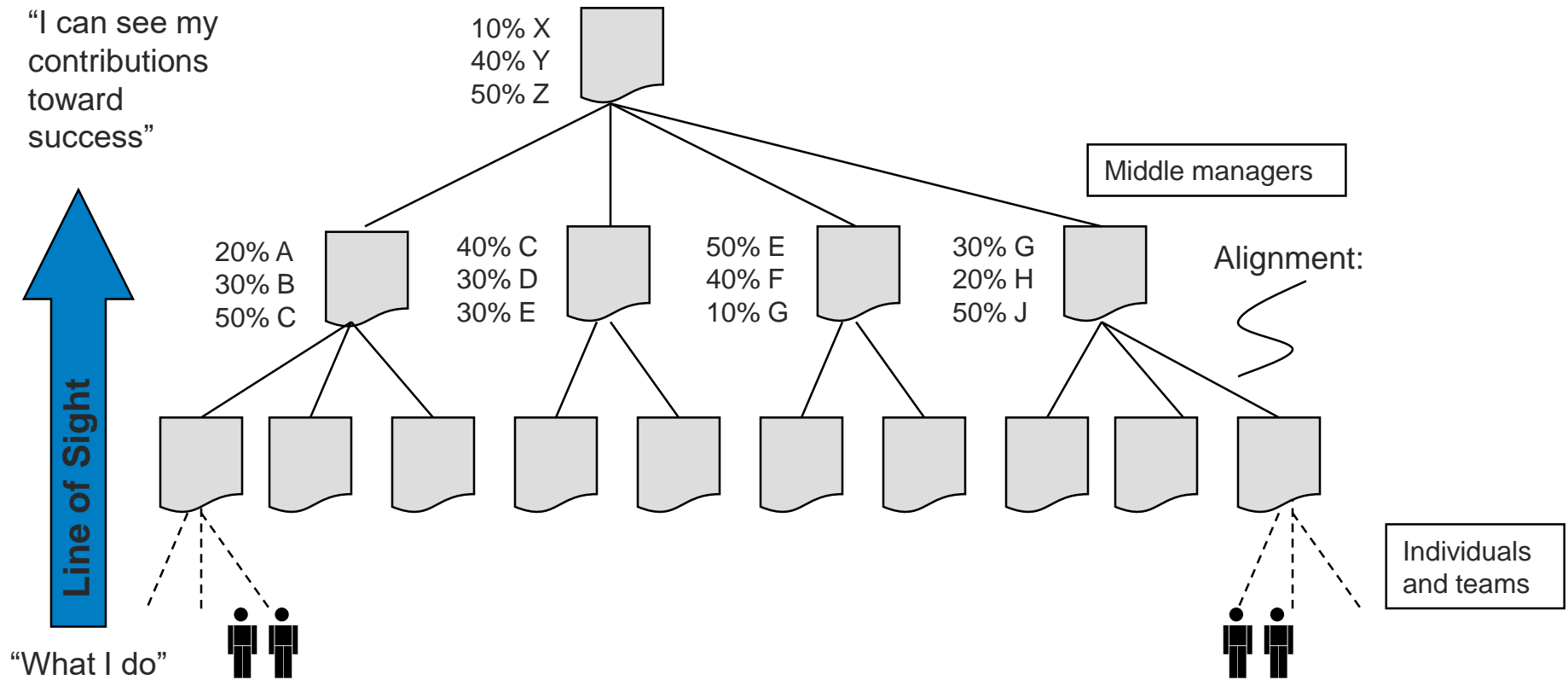
# Who Does What?

Measurement Period;	1st Quarter					
	Strategic Objective	Identify Projects, Initiatives, or Processes	KPI Measure	KPI Target	KPI Actual	comments / explanation
Executive Team	X	↕	↕	X		
Managers and Employees		X	X		<i>their score</i>	X
					<----- period results ----->	

**A scorecard is more of a social tool than a technical tool.**

# Cascading KPIs and Dynamic Strategies

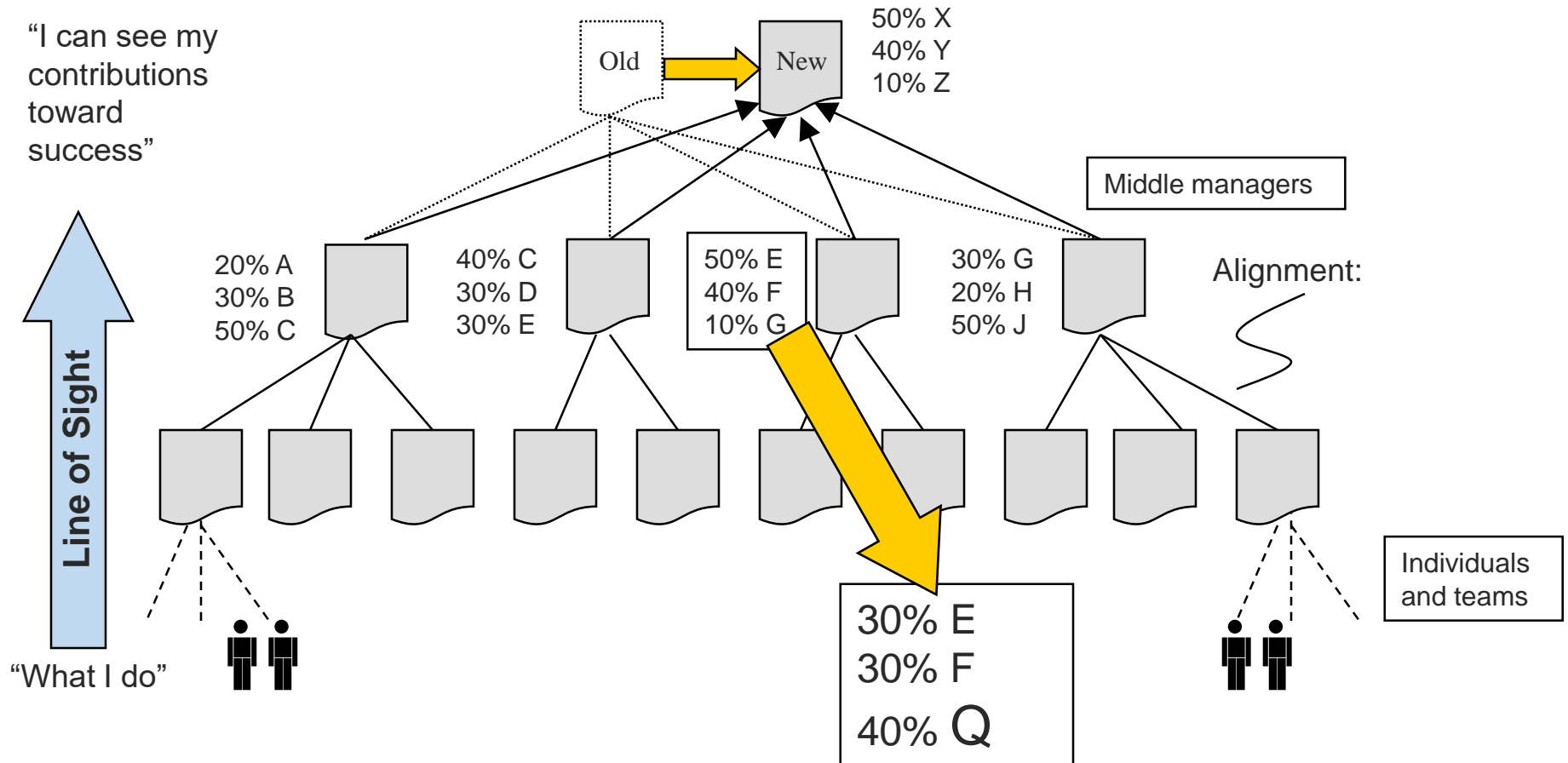
The selection of which measures (e.g., A, B, C,...Z) is critical to unify a consistency of purpose.



Ranks and Weights are important because they communicate what measures have more impact.

# Cascading KPIs and Dynamic Strategies

When executives shift strategy,  
the selections and weightings are adjusted.



# The Key to Scorecards

How does everyone answer this single question:

**“How am I doing on what is important?”**

Strategy Maps and Scorecards provide this answer.

**The overriding purpose of a strategy map and scorecard system is to make mission and strategy everyone’s job.**

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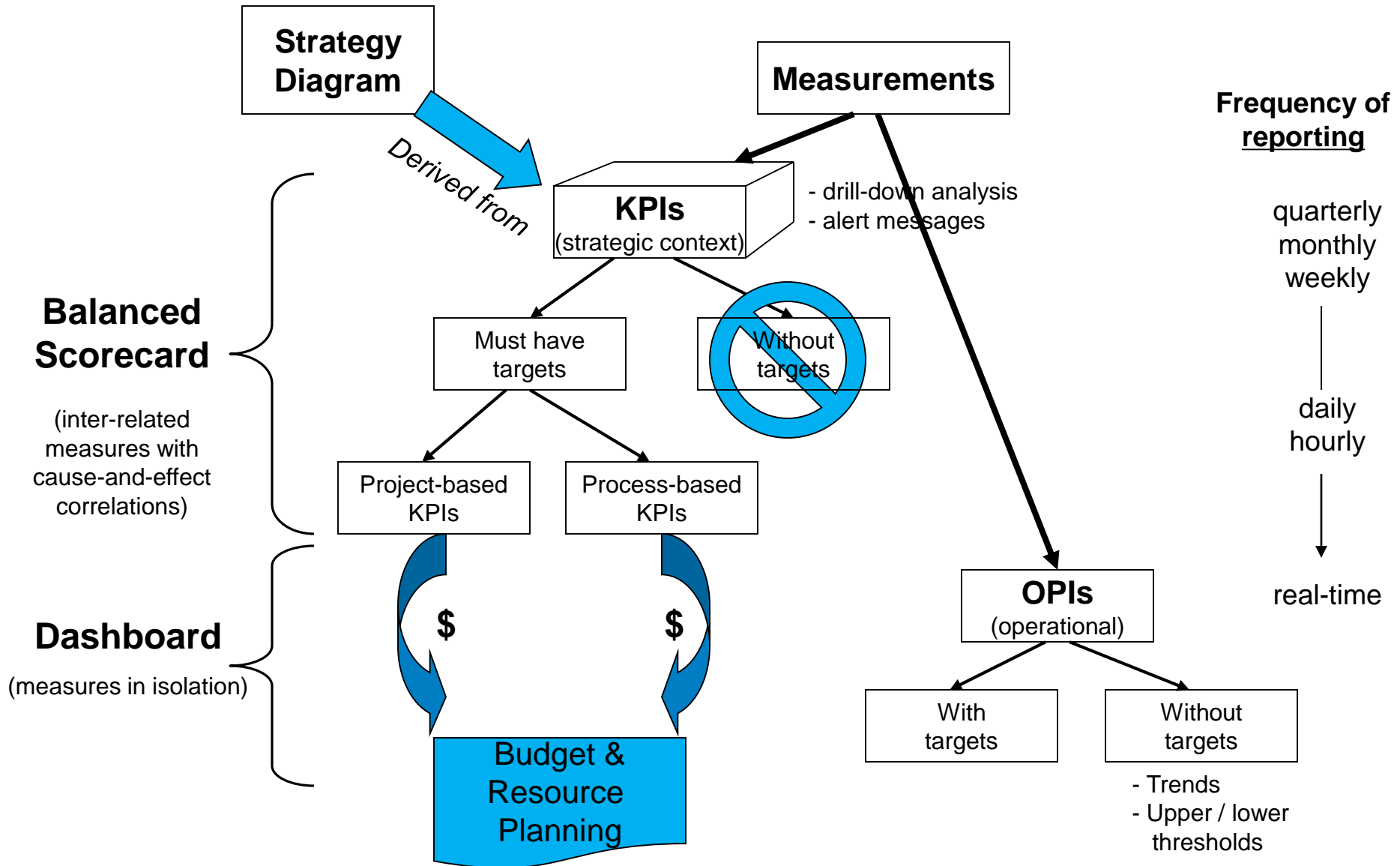
# Scorecard Lessons Being Painfully Learned

## KPIs or OPIs?

I describe this in this article I authored. See Exhibit 3 on page 7 of 10 in the article which describes the next slide.

<https://static1.squarespace.com/static/58cabefc893fc030cbe93858/t/5a46810f8165f549187f8857/1514570000121/Cokins+JCAF+Promise+Perils+of+Balanced+Scorecard.pdf>

# What is the difference between KPIs and OPIs?



# Strategy Map Rapid Prototyping

Managers learn better by “doing”.

A fast start is a one day workshop using Strengths, Weaknesses, Opportunities, and Threats (SWOT) on yellow Post-Its to quickly define the strategic objectives.

Crawl, walk, run, fly.





# 10 Strategic Planning Tools

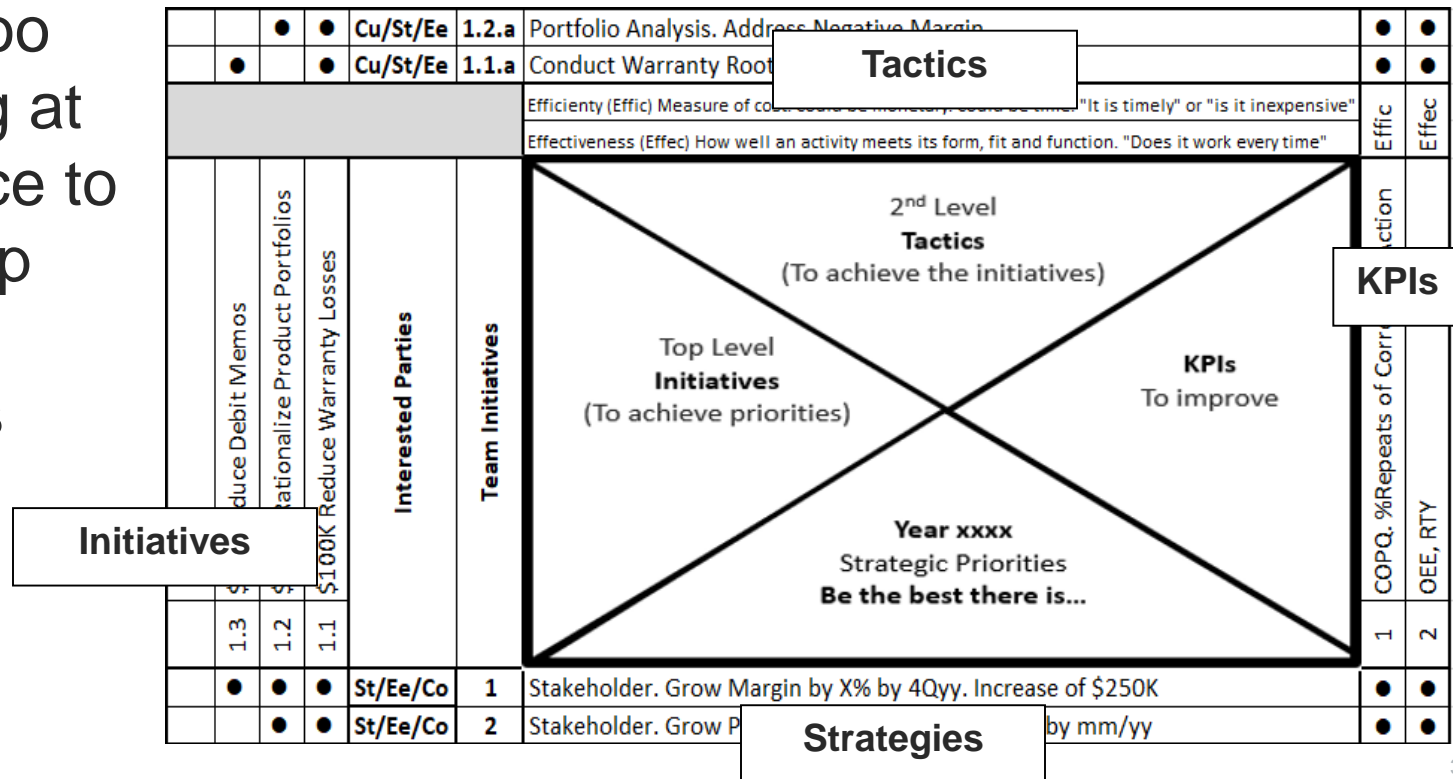
There are several strategic planning tools. Each has its own pros and cons. An article I co-authored on this is on pages 9 to 28 in this link:

[01134248-3a97-47a6-aaf6-acce3dd640d1.pdf \(constantcontact.com\)](https://www.constantcontact.com/resources/strategy/01134248-3a97-47a6-aaf6-acce3dd640d1.pdf)

Tool #	Tool Name	Strategic Planning and Management Steps				
		Business Environment Analysis	Mission, Vision & Core Values	Strategy & Business Objectives	Communication, Implementation & Alignment	Performance Evaluation & Feedback
1	Balanced Scorecard					X
2	Strategy Map			X	X	
3	SWOT Analysis	X		X		
4	PEST/PESTEL/STEEPLE/STEER	X				
5	Porter's Forces			X		
6	Balanced Scorecard			X	X	X
7	Baldrige Performance Excellence (PEx) Framework	X	X	X	X	X
8	Business Strategy Canvas	X				
9	Enterprise Risk Management		X	X	X	X
10	Objectives and Key Results (OKR)			X	X	X

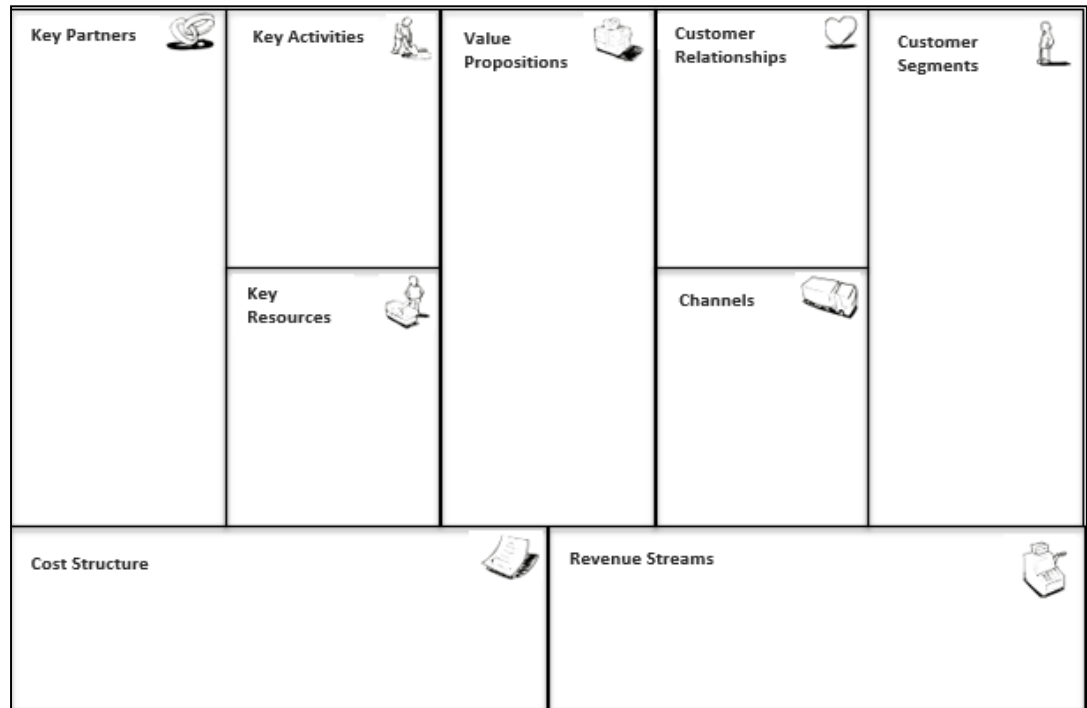
# Hoshin Kanri

- A comprehensive one-page depiction of an organization's strategies, initiatives, tactics and KPIs
- Rapidly aligns a team around key themes and minimizes quantity of initiatives and KPIs
- Can be too confusing at first glance to leadership team members



# Business Strategy Canvas

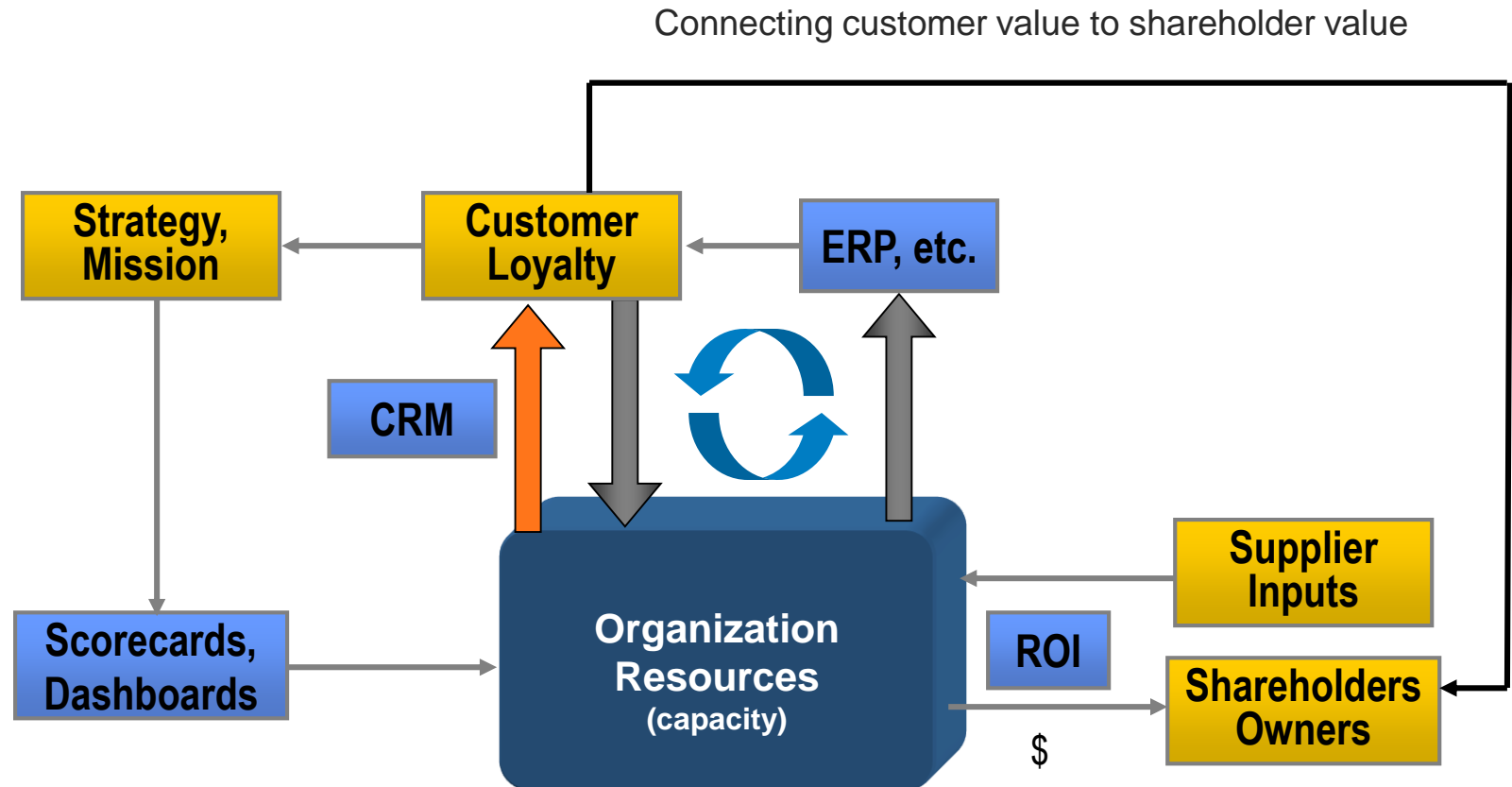
- AKA the Blue Ocean Theory. This enables the organization to graphically capture, in one simple picture, the current strategic landscape and the future prospects for an organization
- The canvas has two purposes:
  - It captures the current state of the known market space
  - It propels action by reorienting the focus from *competitors* to *alternatives*



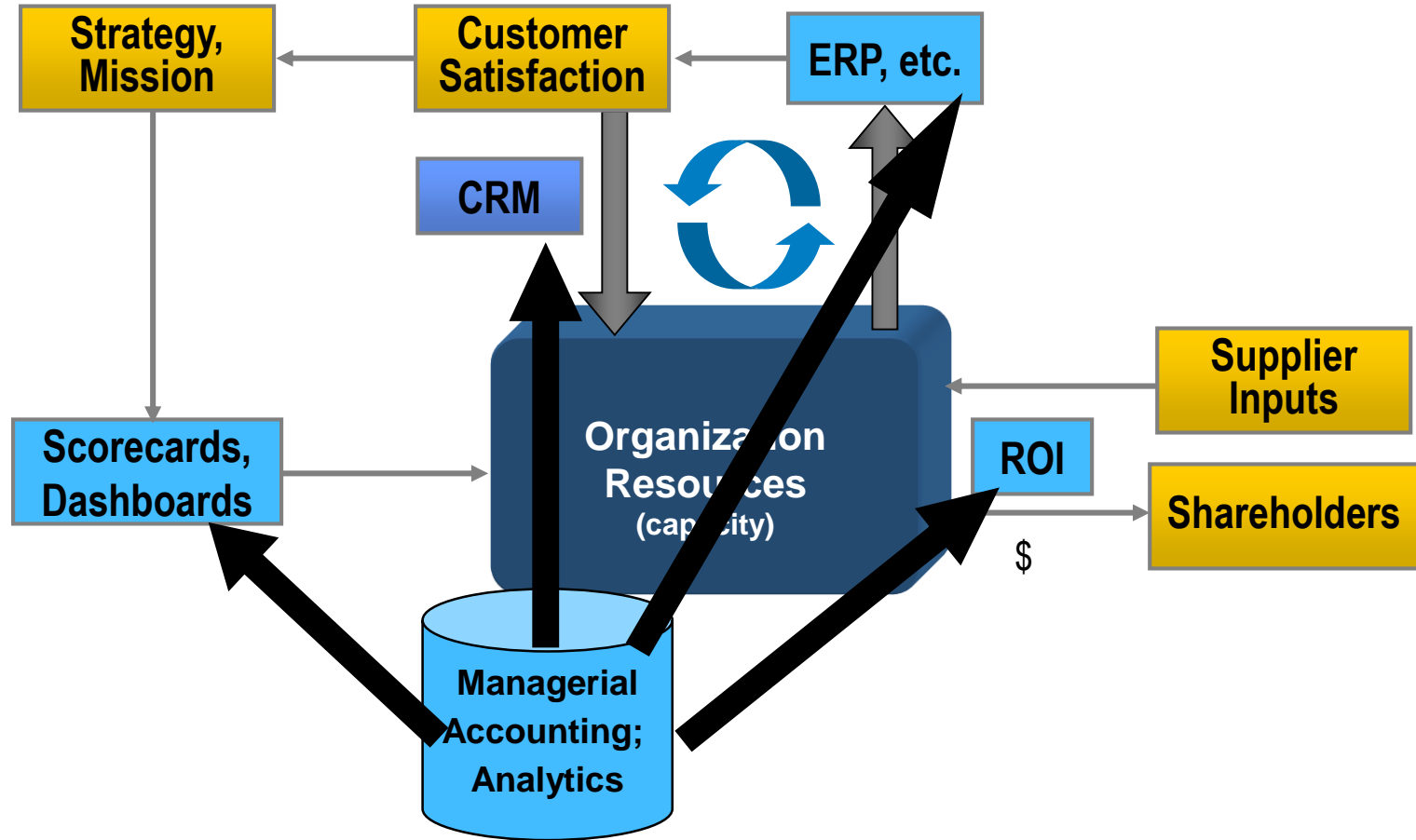
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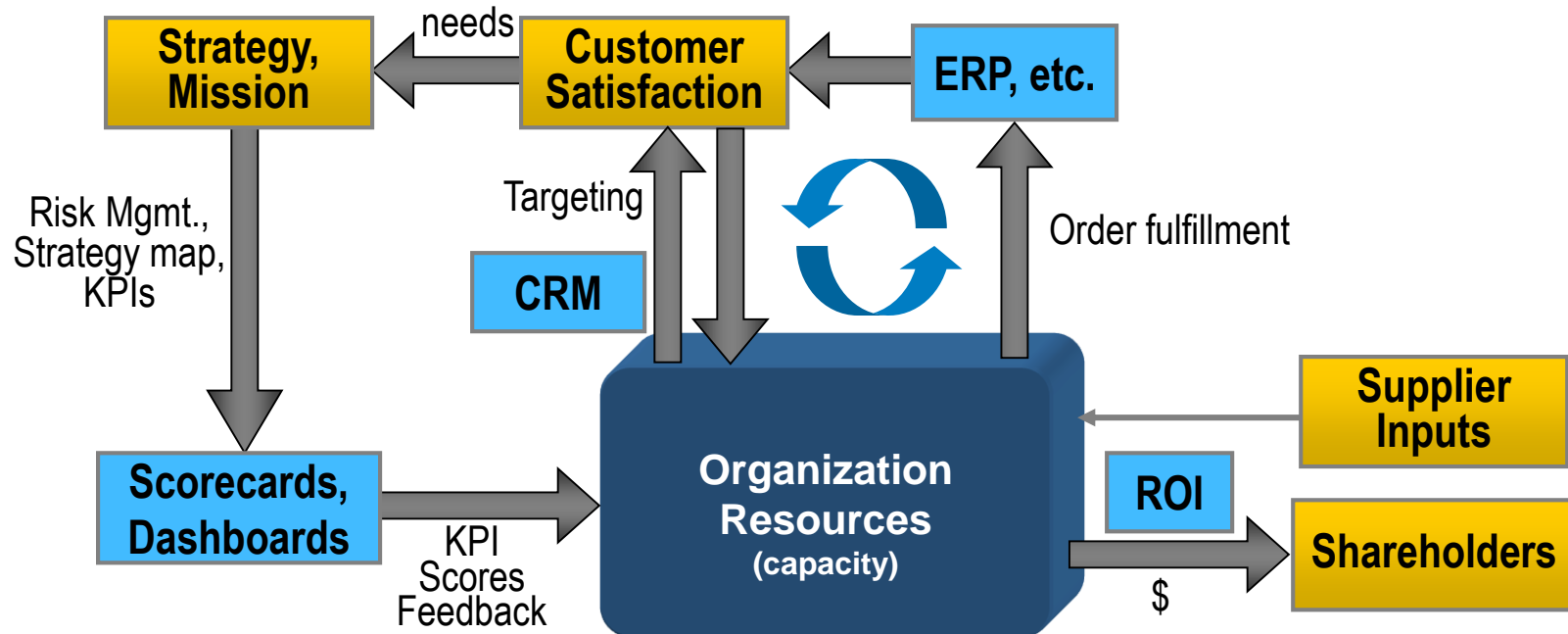


# In Summary ... first, we energize *with good managerial accounting.*



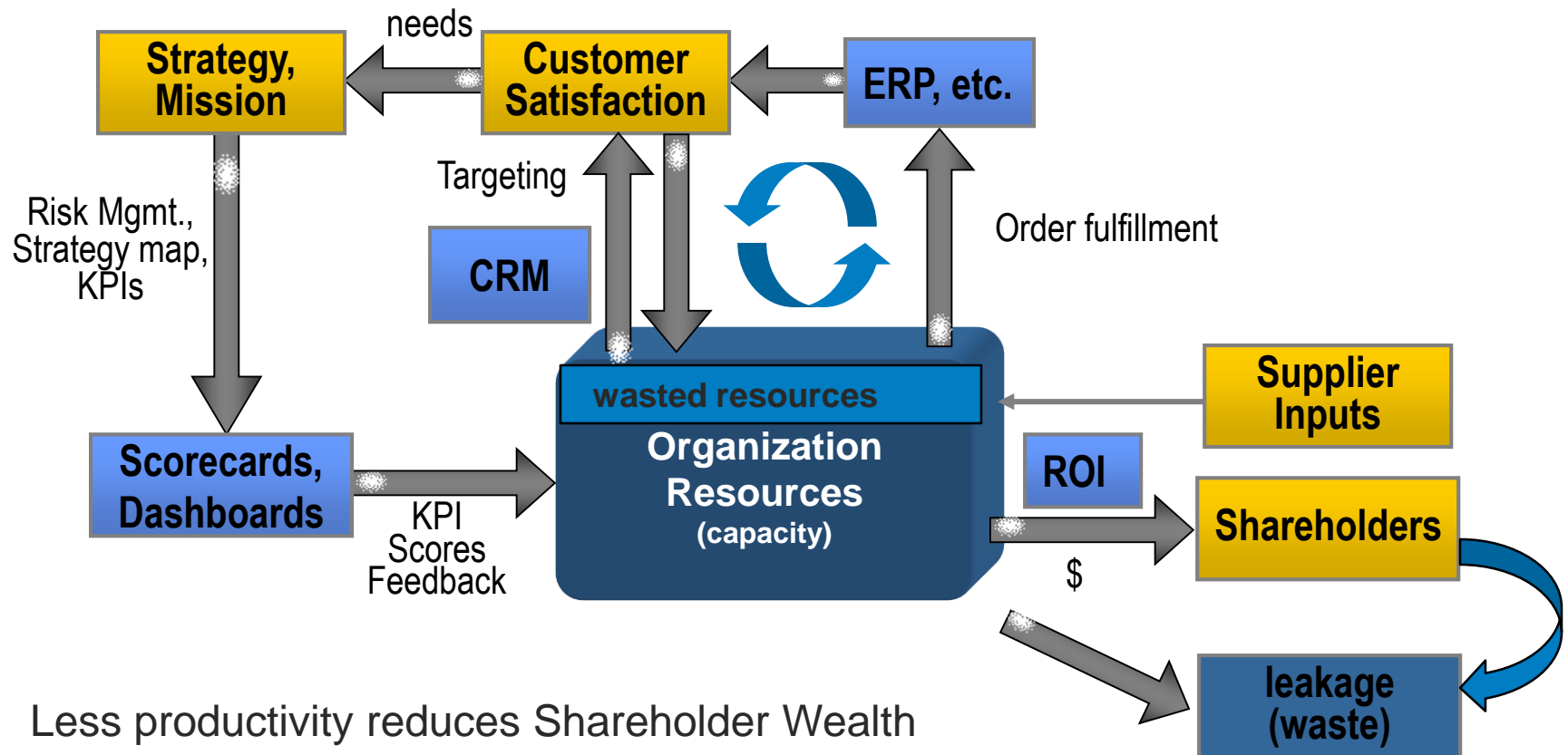
# CPM is Circulatory and Simultaneous

*Shareholder Wealth Creation is not a goal. It is a result!*



# CPM is Circulatory and Simultaneous

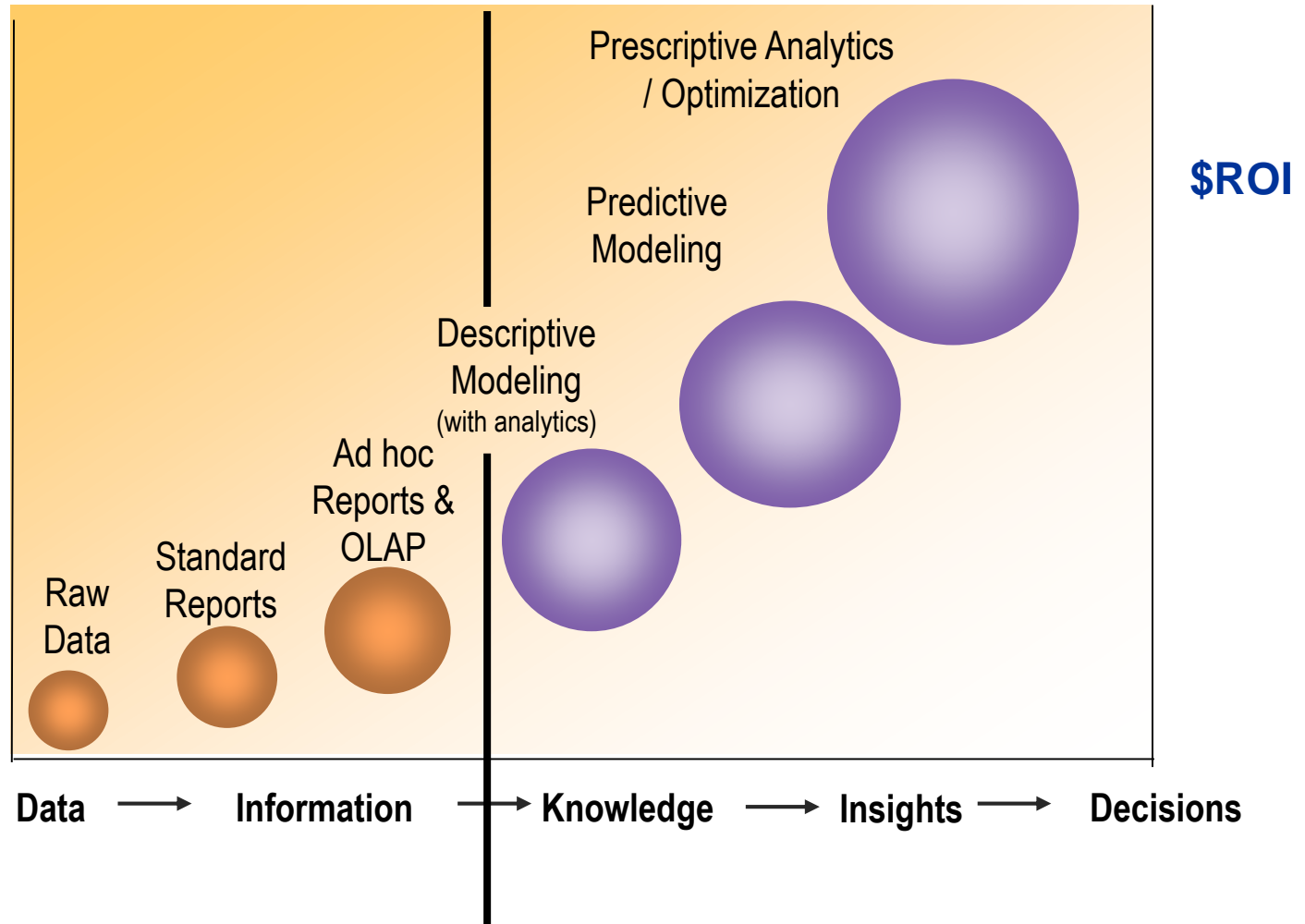
*Shareholder Wealth Creation is not a goal. It is a result!*





# The Intelligence Hierarchy

**Power of  
Information**



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# The Buy-in to Corporate Performance Management

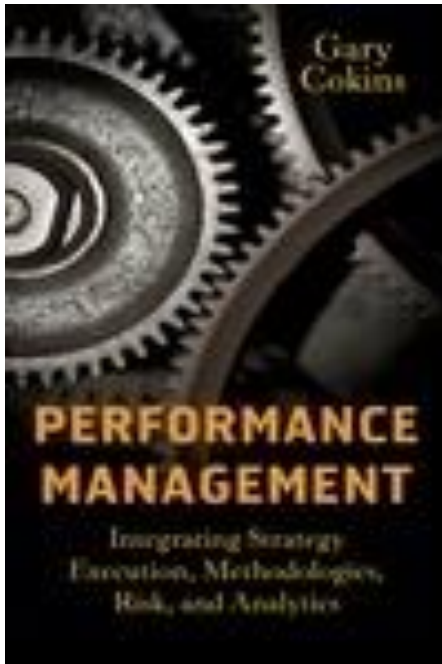
Why has the adoption rate for CPM's methods been so slow?

# Why is the adoption rate so slow?

## What are the barrier categories?

- (1) Technical barriers include IT related issues.**
- (2) Perception barriers are excess complexity and affordability.**
- (3) Organizational behavior barriers involve resistance to change, culture, and leadership.**

# The Complete Vision of Performance Management



versus  
this



Make the RPM of the CPM and BA gears spin ...  
... better, faster, cheaper ... safer and smarter

# Getting Started Actions and Resources

## Action steps

- Get educated. Get buy-in.
- Rapid prototyping. Start small; think big.
- Improve incentives. (Motivational theory)

## Resources:

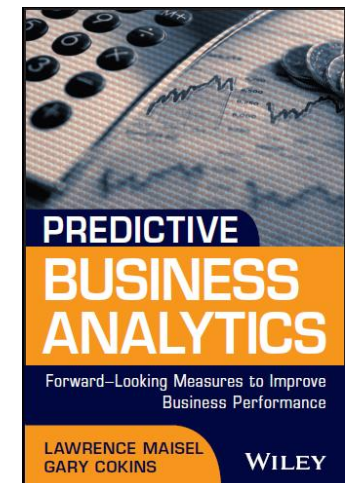
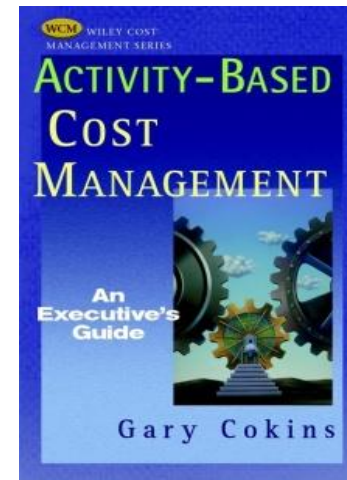
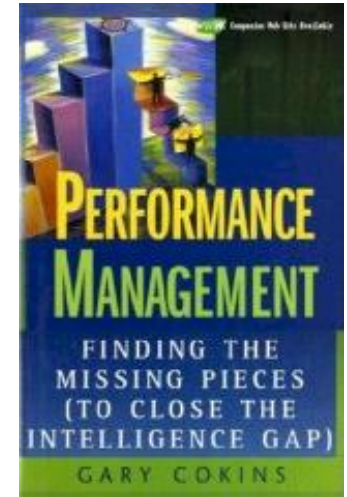
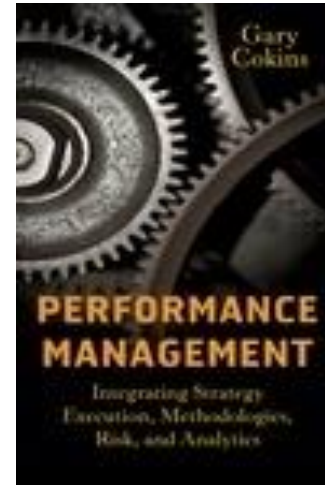
<http://fpa-trends.com/article/exceptional-epmcpm-systems-are-exception>

<https://opexsociety.org/body-of-knowledge/enterprise-corporate-performance-management/>

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# From Theory to Practice

Your success depends on how well and how fast the right information and intelligence gets to the right people.



# Thank You

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