PERSONAL BALANCE SCORECARD: TOOL FOR INTEGRATING ORGANIZATIONAL AND PERSONAL GOALS

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Abstract:

This article entails some new unique principles that will help organizations head various problems and the demanding and the often frustrating road towards sustained employee engagement improvement and stress reduction. Managers today have to realize that people—not cost cutting or innovative products—make difference between high performers and market laggards in years ahead. We must understand that freedom and inner peace comes from within and that this can be realized in a simple manner. Managers should also realize that they can improve the quality of life of their customers and make them happy, if they improve the quality of life of their employees and make them happy first.

Here the aim with Personal Balance Score Card is to make companies more ‘Human’, to create a stable basis for work life balance.

This is one of the most important challenge in the corporate world and one that we must focus on.

Key Words: Inner peace, Quality of life and Freedom.
**Introduction:**

Out of all resources available to the company, Human resource is one of the most important, critical and valuable resource in an organization. Well managed and engaged human resource creates operationally productive groups. The root of productive workforce directly or indirectly lies in highly engaged and happy workforce. Research on happiness in the workplace suggests that worker well-being plays a major role in organizational performance that there is a strong relationship between worker happiness and workplace engagement.

**How to do it? :**

Everyone’s lives objectives are difficult. It is difficult to have standardized formula for life balance. Nevertheless, there is a proven methodology for measuring and growing the operational health of an organization. It provides us with a method to plan how to balance all of the key elements in our lives. The purpose is to improve our life quality, our health and our productivity in day to day activities. This tool is balance scorecard. In other words, we can create our own Personal Balance Score Card (PBSC).

**Understanding PBSC:**

The PBSC is a personal approach to non-work and work performance founded on self examination. The underlying principle is quite straightforward. By writing down your personal ambition (personal mission, vision and key roles) enables us to express our personal intentions, identity, ideals, values and driving force, as well as gain more insight into ourselves. Following are the four major elements of PBSC:

*Internal*: your physical health and mental state. How can you control these in order to create value for yourselves and others? How can you remain feeling good in your skin at work as well as in your spare time?

*External*: relations with your spouse, children, friends, employer, colleagues and others. How do they see you?

*Knowledge and learning*: your skills and learning ability. How do you learn, and how can you remain successful in the future?

*Financial*: financial stability. To what degree are you able to fulfill your financial needs?

These four fundamentals perspectives form an integral part of our personal ambition and together with our personal critical success factors form the bridge between personal ambition(long term) and personal objectives, performance measures, targets and improvement (short term). Thus, PBSC can be defined as: PBSC= personal mission+ vision+ key roles+ critical success factors+ objectives+ performance measures+ targets+ improvement actions (divided among four perspectives: internal, external, knowledge and learning and financial).
Implementation of PBSC:

The next and the most important step in PBSC process is implementation of our formulated PBSC. This is necessary to let our awareness grow step-by-step to continuously develop our skills and to become more creative. To live in accordance with PBSC and implementation it according to PDAC (Plan-Do-Action-Challenge) cycle, results in a cyclical learning step-by-step process in order increase happiness, self awareness, self-regulation, empathy, enjoyment, fun and creativity at work as well as in our spare time. After all, when we are in control of our own actions and are free to face challenges, we tend to be happier.

*Plan:* Formulate or update your PBSC, which focuses on work as well as on your spare time. This gives you more energy, which you need to transform your personal ambition into action with purpose and resolution.

*Do:* Start with simple objective. With correspondence improvement action, keeping in mind the priorities that have been identified. Execute the improvement action with emotional dedication on the action. This must be in concordance with your present skills. Root your good intention with a trusted person (spouse, friend, colleague or managers), who will ask question and give your honest feedback. Feedback gives you the opportunity to measure the progress you have made.

*Act:* Check if improvement action is working and take action when it is not. Review the results, measure your progress and check to what extent you have realized your objectives, do not worry. Just start again. Think of three people who can act as your trusted person, provides motivation and inspirational support to realize your objectives. Plan to meet them regularly. Listen to them enthusiastically, brainstorm with them, and take their wise counsel. Develop your skills and competencies. Implement the proven personal improvements; assess the personal results, document the lesson learned, improve and monitor your acts and thinking continuously.

*Challenge:* Accept larger challenges by selecting more difficult objectives, in line with your improved skills, when the current improvement action starts being boring. Enjoy the pleasant experiences and document you what have learned and unlearned during the execution of the improvement action. Refine it and review your PBSC regularly.

**Organizational Balance Score Card:**

The OBSC has the same framework as the PBSC. It is a combination of organizational mission, vision and core values. Thus, it can be defined as:

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OBSC = \text{organizational mission} + \text{vision} + \text{core values} + \text{critical success factors} + \text{objectives} + \text{performance measures} + \text{targets} + \text{improvement actions (internal process, knowledge and learning, financial and customers)}.
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**Shared Ambition** = organizational mission + vision + core values.
Aligning PBSC and OBSC:

This has an important impact on binding the employees to the organization. It gives the proud feeling that they count, they are appreciated, and they are human beings and that they make a useful and valuable contribution. Employees are stimulated in this way to commit themselves and to exert dedication and to focus themselves on relevant activities, which create value for clients. This will create a firm foundation of peace and stability upon which creativity and growth can flourish. The alignment of the personal with the shared organizational ambition has to do with reaching a high degree of match between the PBSC and OBSC as shown in figure:

Suggestions:

The ever expanding gap between personal ambition and shared ambition has forced organization to face the challenge of employee disengagement. There are four people oriented strategic performance management principles that can help supervisors tread the demanding and often frustrating road towards sustained staff engagement improvement. These four principles are colored by our own work in aligning people with organizational goals and vice versa, in order to create a high performance culture. However, there is a valid reason for this- people alignment is the single biggest facto holding back organization from moving to a high performance culture.

Principle 1: Organizational performance is the sum of its individuals

Most organizations create the appearance of assigning performance activities to individuals, typically creating individual performance plans that have been laid down from organizational goals. For instance, an organizational goal might be to improve group cash flow by 25% over next year. The supervisor’s group might be assigned a sub-set of the organization’s
objectives, supported by some uniquely departmental activities and some shared with other groups. The hope is that, if each individual in group is assigned a portion of the overall goals, organizational results will materialize. Allocating tasks based only on the organizations needs is an incomplete basis on which to ask employee to act. It is a recipe for employee disengagement and underperformance. The cumulative disengagement of individual employees is a significant cost item that rarely shows on conventional financial reports. It is serious cost issue and only few address it.

**Principle 2: Align goals between individuals and the organization**

Our work in performance, scorecards and organizational development has demonstrated quite clearly that aligning individuals’ personal goals with the goals of the organization translates into measurable and sustained performance improvement. Results are typically visible in metrics improvements such as in employee satisfaction and employee absenteeism. These in turn translate into growth in revenue, productivity and customer loyalty.

**Principle 3: Take improvement actions, don’t just measure**

As we have discussed before, just planning would not help to reach the desired results, but proper implementation would do. While senior manager are paying increasing attention to engagement, there is little visibility in engagement results. Reason, may be that performance improvement programs tend to lose the focus on improvement action and settle down into just measurement programs. In the aligned environment metrics measurement is just the starting point to developing improvement actions that work. To support a continuous initiative performance improvement program, business metrics such as customer profitability and retention, appropriateness of recommendations to perspective customers and perceived compatibility of frontline staff with customer goals are required. Employee metrics should focus on motivational measures, team productivity and leadership quality and employee satisfaction. In managing such metrics, remedial actions by highlighting how well employees are functioning as teams to what extent personal ambition are compatible with organizational direction and where the organization can move more quickly towards an environment of information sharing and trust. Outcomes might include reducing employee disengagement costs as evidence by sickness, mental absence, elevated error levels and low satisfaction scores.

**Principle 4: Implement continuous improvement, starting at the top**

While employee disengagement is pervasive across most organizations today and increasingly middle management people stand out in this, root causes are often to be found with the personal goals of senior management who set the culture of entire organization. By working top-down many of the issues can be resolved. To start with, a survey regarding the existing knowledge and of culture, examine the results of survey in order to provide actionable feedback. While defining and aligning individual goals has been proven to result in substantial organizational improvements. For this, it is necessary for the individuals to update their PBSC regularly as a living document, as they make progress in acting on their personal plan.
Conclusion:

The organizations today, have to realize that people are the most critical factor in their company’s ability to perform better. They have to realize that people- not cost cutting or innovative products- make difference between high performers and market laggards in the years to come. One must understand that personal development is one’s own responsibility to develop himself and to become more proactive, for his own good, loved ones, his work, his organization, his country and the world he is part of. Here an effort has been made that with PBSC concept, a fear from organizations and to create a way of life within organizations, which is characterized by freedom, trust enjoyment, motivation, self-awareness, ethical behavior and learning so that individuals and organizations can deliver sustainable top performance and enhance their value.

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