



# Strategic Thinking 2008



Creating Positive Change for Responsible Living™



Presented by:

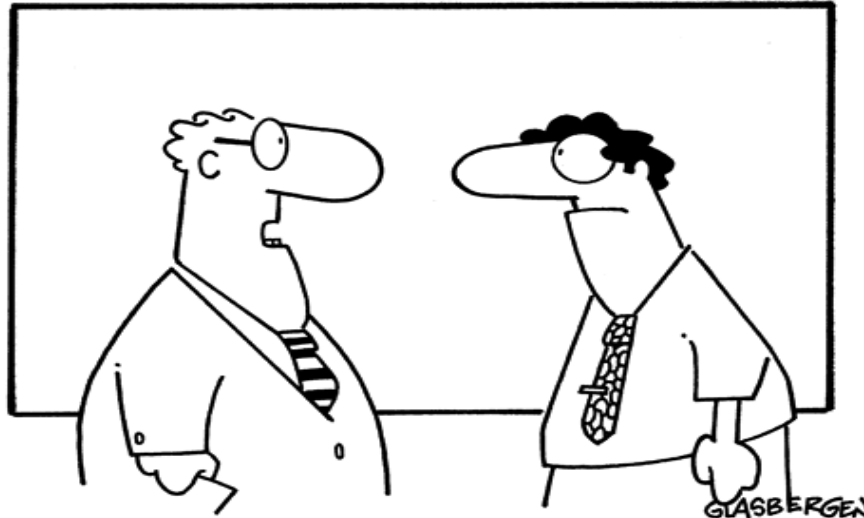
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**Todd Gordon, Regional Director**

The Village Network

[www.thevillagenetwork.org](http://www.thevillagenetwork.org)



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**“We are a company, not a military organization.  
Making you watch a PowerPoint is not a  
violation of the Geneva Convention!”**



## Deliverables

- At least one idea, concept or notion that you can take home and implement;
- A sense of conviction that “it really can be done”;
- A broad base theoretical understanding of The Balanced Scorecard as a strategic management tool;
- Evaluate and consider examples of practical application of the Balanced Scorecard.



## Who Are We?

The Village Network is a comprehensive Child and Adolescent Treatment program located in 11 cities throughout Ohio

\$26m operating budget serving 600 youths per day with 350 staff.

We offer a wide range of services including:

- (3) Residential Treatment: Co-ed MH and Male Sex Offender
- (7) Day Treatment, Coed MH and Sex Offender
- (4) Alternative Schools
- (11) Treatment Foster Care
- High Fidelity Wraparound Services
- Crisis Assessment and Intervention
- Juvenile Court Programs

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## Basic Planning Assumptions

- You have a Mission Statement that is commonly held and understood in terms of daily operations (it is real)
- You already have in place a comprehensive vision statement or set of vision statements that drives your thinking (it is real)
- You have a sense of what and where you want to be in the future (forecasting)
- You have a clear view of your strengths and limitations as an agency (surveys/key informant feedback)
- You know who your customers are and what they want (key informants)
- You know who your major competitors are, and what distinguishes you from them
- You have talented people working for you
- You have an information technology system that provides you with timely data
- You have a Board of Directors that is talented and supportive

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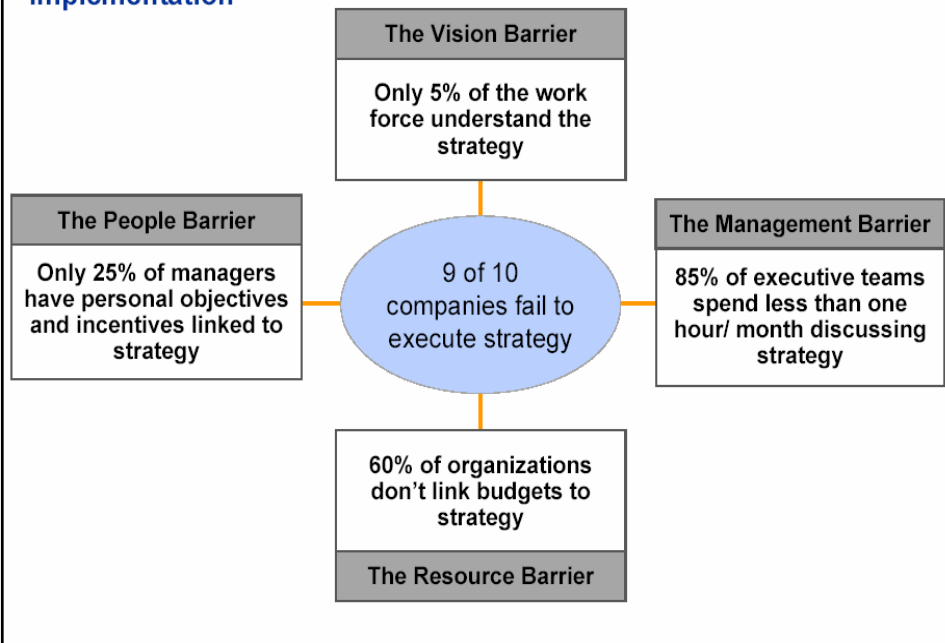
## Evolution of Strategic Thinking

| PERIOD                    | 1950's                    | 1960/70's                | 1980's                     | 1990's                    | 2000+                      |
|---------------------------|---------------------------|--------------------------|----------------------------|---------------------------|----------------------------|
| <b>Dominant Theme</b>     | Budget Planning & Control | Corporate Planning       | Strategic Positioning      | Competitive Advantage     | Strategic Innovation       |
| <b>Main Focus</b>         | Financial Control         | Growth & Diversification | Positioning Segmentation   | Dynamic Reactionary       | Cooperation Best Practices |
| <b>Principle Concepts</b> | Financial Budgeting       | Long-term Forecasting    | Analysis I.T.              | Capabilities & Speed      | Strategic Thinking         |
| <b>Implications</b>       | Coordination Control      | Mergers & Acquisitions   | Multi-divisional Structure | Restructuring Outsourcing | Alliances & Networking     |

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## Our Research Indicates There Are Four Barriers to Strategy Implementation



## Balanced Scorecard Methodology

The Balanced Scorecard methodology is an analysis technique designed to translate an organization's mission statement and overall business strategy into specific, quantifiable goals and to monitor the organization's performance in terms of achieving these goals. Developed by Robert Kaplan and David Norton in 1992, the balanced scorecard methodology is a comprehensive approach that analyzes an organization's overall performance in four ways, so that future performance can be predicted and proper action taken to create the desired future.

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## Performance Indicators

The methodology examines performance in four areas:

**Financial perspective;** How should we appear to our stakeholders?

**Customer perspective;** At which processes MUST we excel?

**Internal perspective;** How will we sustain our ability to change and improve?

**Learning and growth perspective.** How should we appear to our customers?



## Step-by-Step Approach

As a structure, balanced scorecard methodology breaks the mission statement into broad goals then successively into vision, strategies, tactical activities, and metrics.

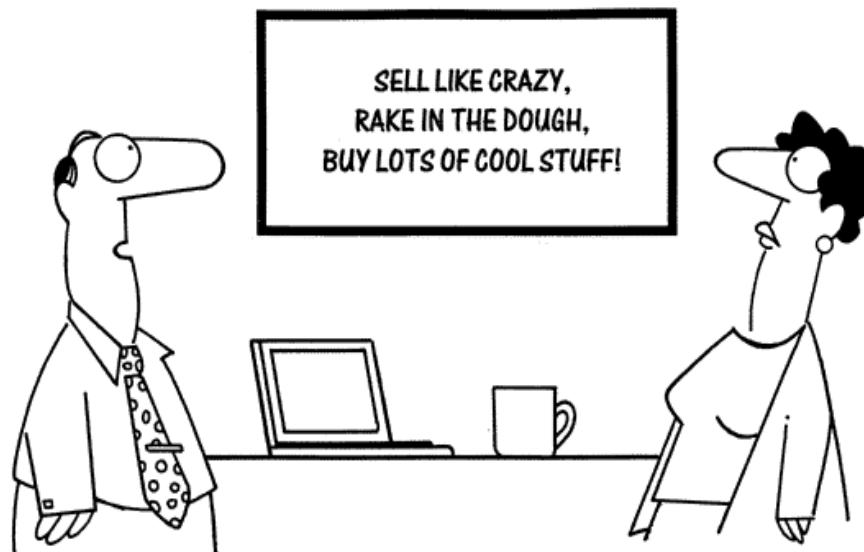


## Balanced Scorecard Development

1. Mission/Vision
2. Identify Strategic Vision
3. Identify Critical Success Factors
4. Identify Strategies/Drivers
5. Convert Strategies into Goals/objectives
6. Identify Measures
7. Create Action-Plans
8. Create the "Scorecard"
9. Follow-up, Evaluate and Manage

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**“Our old mission statement was more eloquent, and dignified, but not nearly as effective.”**

## Drs.' Norton and Kaplan Began With a Simple Premise

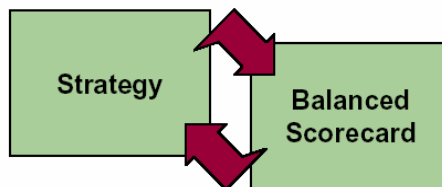
### *The Premise*

Measurement Communicates  
Values, Priorities And Direction



### *The Conclusion*

**Measurement Must Be Linked To Strategy**



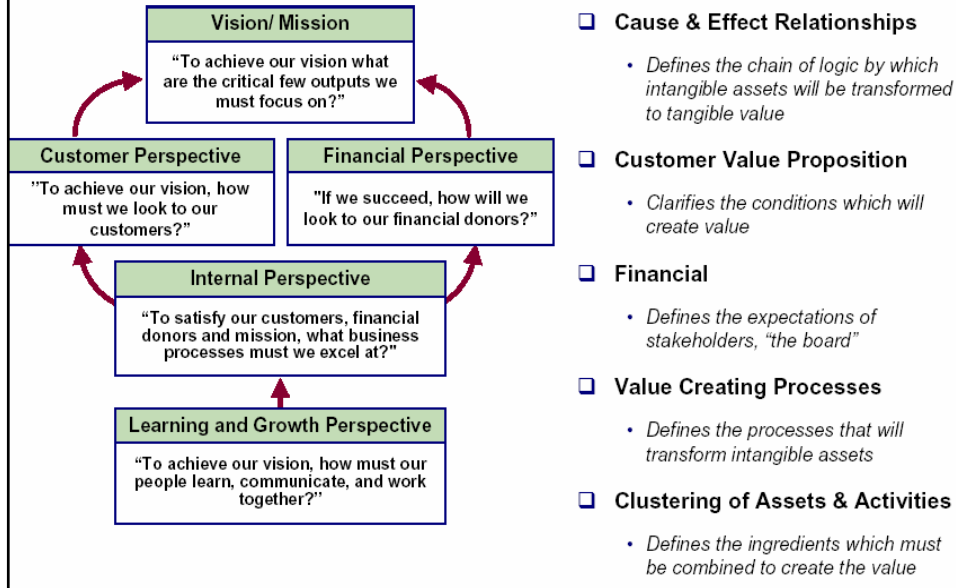
*Measurement To Communicate, Not To Control*

## The Balanced Scorecard (BSC) Bridges the Gap Between Strategy and Action

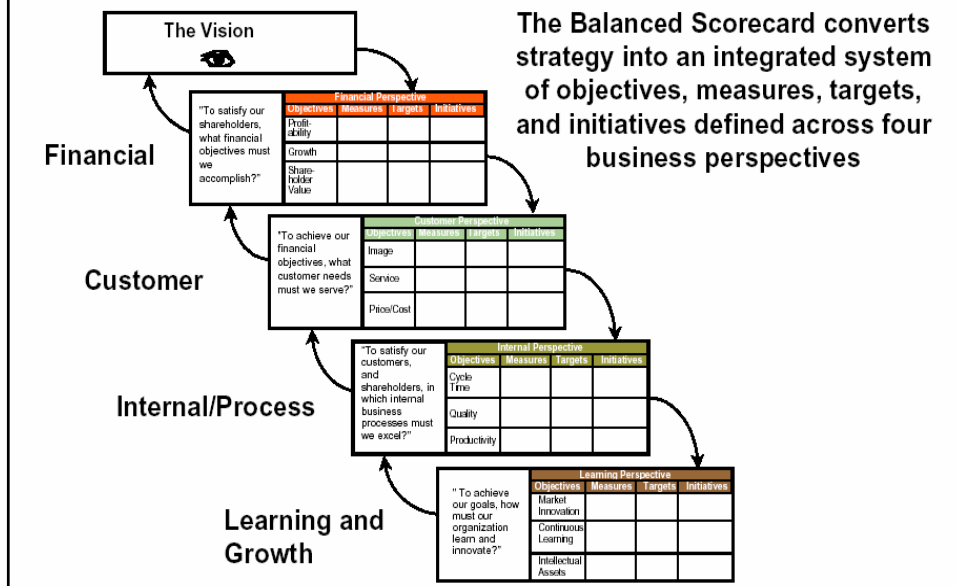
### *Strategy Is a Step In a Continuum*



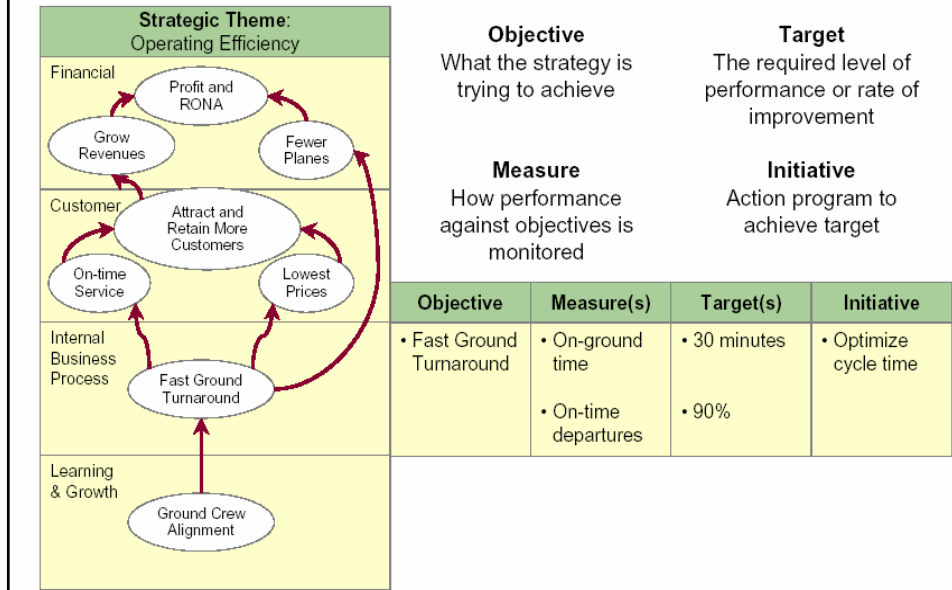
## The BSC provides a framework to describe the strategy – in terms the organization can understand



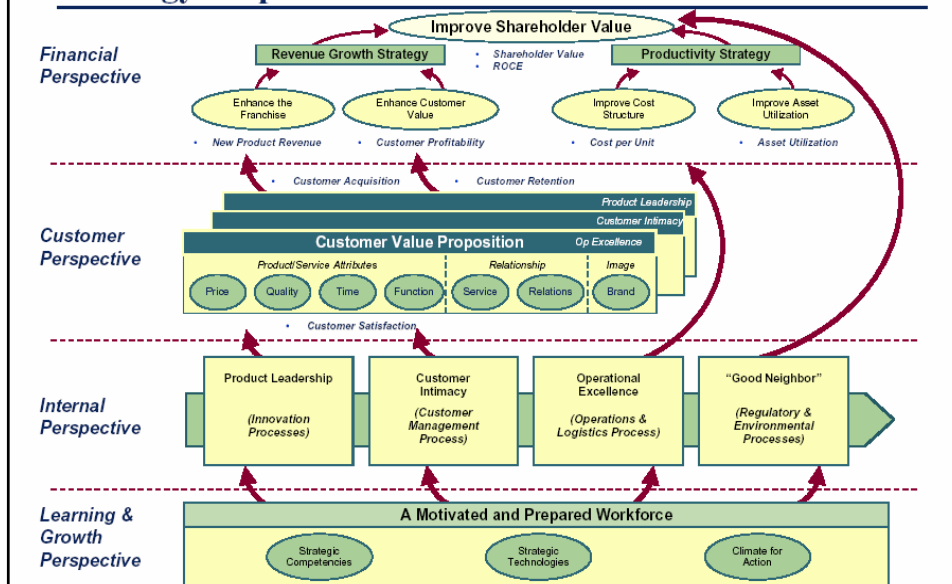
## How Do You Measure Strategy?



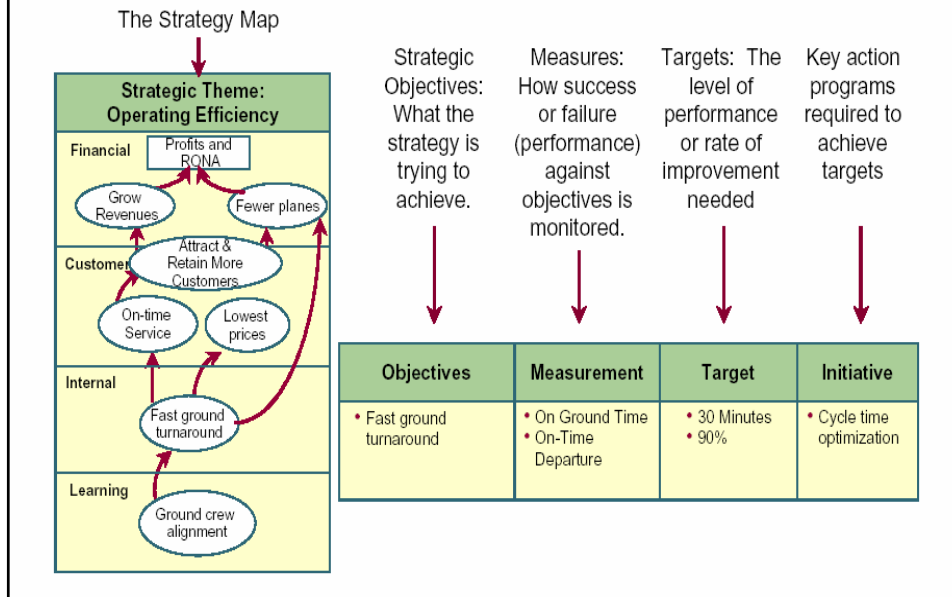
## The BSC Includes *Measures* and *Targets* that are Identified and Communicated for Each *Objective*



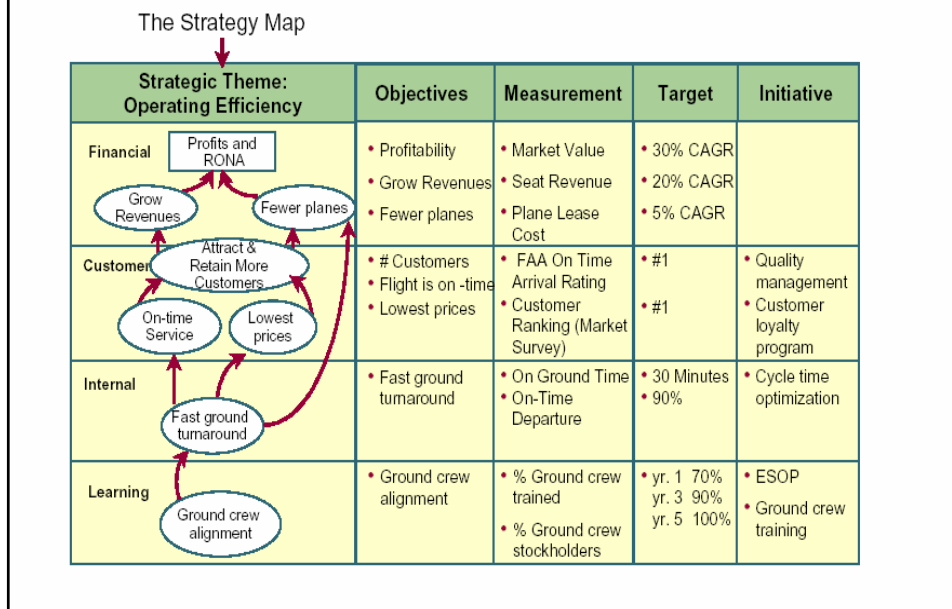
## Telling the Story of Your Strategy With the Strategy Map



## Illustrative Example: Southwest Airlines

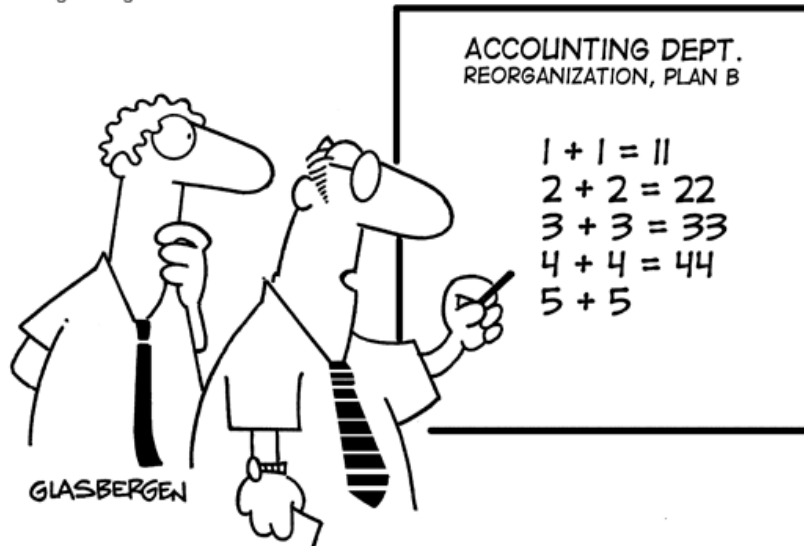


## A Complete Scorecard Is a Program for Action





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**“For years, we’ve been playing by old rules and the results have been dismal. It’s time for a bold new direction!”**



## Balanced Scorecard - Practical Applications

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## Guiding Principles

### *Strategic Thinking 2007 – TVN Program Services*

- Innovation and Creativity
- We will be Smart and Healthy
- Alignment and focus so that we may derive maximum benefit
- Balance the brain
- Personality styles matter
- Results oriented, Solutions focused on Execution
- Only the Best and Brightest on our bus
- Meetings can be and should be productive
- We will be the best at what we do
- If you can't see it, you can't fix it
- As Leaders we are Architects not Drill Sergeants
- We must be fiscally responsible
- **It's Always About the Kids!**

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## Balanced Scorecard and Restraint Reduction

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## Restraint Reduction

*on Residential Campus*

- Reduce injuries to youth and staff
- Reduce financial losses due to Workers Compensation (85% of claims were related to injuries during restraint)
- Used Balanced scorecard to look at dealing with restraint from the four perspectives



## Restraint Reduction

*on Residential Campus*

Reduce financial losses due to Workers Compensation (85% of claims were related to injuries during restraint).



## Restraint Reduction

*on Residential Campus*

Used Balanced Scorecard to look at dealing with restraint from the four perspectives.



## Financial Impact

- Reduce cost of overtime while people were out on Workers Compensation
- Reduce Workers Compensation cost



## Customer Impact

- Placing agencies and regulatory boards were wanting to see reductions
- Viewed as more professional
- Less negative discharges



## Internal Processes

Evaluated the internal processes we needed to support staff in reducing restraints.

- Recording and measuring restraints
- Defining restraints
- Debriefing tools



## Growth & Development

Needed to teach staff new de-escalation skills.

- CPI
- Behavior Therapy Plans at admission
- Team reviews of all restraints



## Scorecard

Measured:

- Minutes of restraint
- Number of clients restrained
- Total number of incidents requiring restraint
- Staff involved



## Results

- Fiscal year 2006-2007
- 100% reduction in days missed due to injuries during restraint
- Approx. a 40% reduction in incidents of restraint



## Questions and Comments

