



## Balanced Scorecard linked to Controls

Based on best practice Enterprise Modelling & Architecture principles



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## Introduction

The Balanced Scorecard is a strategic planning and management system that is used extensively in business, government, and nonprofit organizations worldwide to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals. It was originated by Dr. Robert Kaplan and Dr. David Norton as a performance measurement framework that added strategic non-financial performance measures to traditional financial metrics to give managers and executives a more balanced view of organizational performance.

In order to capture controls related to balanced scorecards, Balanced Scorecard linked to Controls is built as a matrix. The matrix is a representation that shows the relationship of captured information between specific decomposed and/or composed control and balanced scorecard objects. The core idea of a Balanced Scorecard linked to Controls Matrix is that it typically consists of control aspects in a list of columns, and another aspect is a set of balanced scorecard columns (taken from the map), while the third and final aspect being the cross product between the rows and the columns.

This allows for the Balanced Scorecard linked to Controls Matrix to relate (un)familiar objects to familiar objects in the different layers of an enterprise (composition discipline), usually in the form of a diagram, a table or a chart (e.g. rows and columns), thereby outlining direct (and possibly indirect) connection points between different kinds of objects while showing a common pattern of the objects and the relationship between them.

## Balanced Scorecard linked to Controls

The Balanced Scorecard linked to Controls Matrix provides you with a detailed overview of the cross relationships between controls and balanced scorecards (each identified with a unique name and ID number) that has been identified through the Balanced Scorecard Map, and then associated with the performance drivers, business measures, objectives, and performance indicators.

## How to use the Balanced Scorecard linked to Controls

Identify, document and relate controls to the balanced scorecards (each identified with a unique name and ID number) that has been identified through the Balanced Scorecard Map, and then associated with the performance drivers, business measures, objectives, and performance indicators.

*For example:*

1. A control may have multiple yet specific associations with balanced scorecards, performance drivers, business measures, objectives, and performance indicators.
2. Multiple controls may have an association to any single specific balanced scorecard, performance driver, business measure, objective, and performance indicator.



What	Balanced Scorecard #	Why	Where	What	
		Performance Driver	Business Measure	Objective (plan, forecast, budget, etc.)	Performance Indicator
Control 1	#				
Control 2	#				
Control N	#				

Table 1: The Balanced Scorecard linked to Controls Matrix.

Please note that the objects we have listed here are the most typical objects that are commonly used within a Balanced Scorecard linked to Controls, but there may be more (or fewer) relevant objects that are used within your organization. If that is the case, feel free to either add new ones, or remove any objects that are not relevant, or are otherwise unimportant, for this particular map.

Also note that the objects might have a different name in your organization, so make sure to adapt the objects of this artefact so that it fits to the taxonomy of your organization.



The objects involved with a Balanced Scorecard linked to Controls is shown in Table 2.

Objects used with a Balanced Scorecard linked to Controls		
Notation	Name	Description
	Driver (value and performance drivers)	An external or internal factor that drives, establishes motivation for or influences the direction of an enterprise.
	Measure (business measures, and value and performance indicators)	Any type of measurement used to gauge some quantifiable component of an enterprise's performance.
	Objective (plans, forecasting, budgeting, etc.)	The purpose or target of one's efforts or actions.
	Control	The exercise of restraining or directing influence. It includes decision making aspects with accompanying decision logic necessary to ensure compliance.

Table 2: Objects typically associated with the Balanced Scorecard linked to Controls.



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