**What is the Balanced Scorecard Hall of Fame?**

The Balanced Scorecard Hall of Fame for Executing Strategy™, administered by Balanced Scorecard Collaborative, recognizes organizations that have achieved breakthrough performance largely as a result of applying one or more of the five principles of the Strategy-Focused Organization. These principles, formulated by Balanced Scorecard creators Robert S. Kaplan and David P. Norton, are described in detail in their book *The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment* (Harvard Business School Press, 2001). BSC Hall of Fame members are personally selected by Drs. Kaplan and Norton.

To learn more about Hall of Fame selection criteria and Hall of Fame members, visit bscol.com.

**The Five Principles of the Strategy-Focused Organization**

Each of the five principles of the Strategy-Focused Organization include specific management best practices that contribute to the achievement of breakthrough results. These best practices—validated through ongoing research with Hall of Fame organizations and hundreds of other users of the Balanced Scorecard around the world—must be embedded in any organization that wants to make strategy execution a core competency.

**Principle #1. Mobilize Change Through Executive Leadership**

Executive leadership, driven by a need for change, supports the drive to establish a new way of managing based on a performance-oriented culture.

**Principle #2. Translate the Strategy into Operational Terms**

The Balanced Scorecard is used to translate the strategy into a language that everyone understands.

**Principle #3. Align the Organization to the Strategy**

The scorecard is used to cascade the strategy to all parts of the organization and align resources needed to accomplish the strategy.

**Principle #4. Motivate to Make Strategy Everyone’s Job**

The reward and recognition system is used to align individual behavior with performance objectives called for by the strategy.

**Principle #5. Govern to Make Strategy a Continual Process**

Strategy execution is linked to the budget, and a reporting system based on scorecard measures is used to provide feedback on strategic performance.
First charged with bringing peace and order to the Canadian frontier more than 130 years ago, the Royal Canadian Mounted Police has evolved into a far-flung force with a broad mandate and jurisdiction. To meet the new policing demands of the 21st century—and demonstrate accountability to its many constituents—the RCMP adopted the BSC to clarify and execute its strategic priorities. It is the only federal law enforcement agency in the world to use the BSC.

In recent years, the mandate of the RCMP has expanded along with its jurisdiction. Besides providing traditional policing services, this leading police force fights organized crime and global terrorism, carries out domestic and international criminal intelligence and security activities, and provides international peacekeeping services. Among the multiple “outcomes” of this mandate, some—such as youth crime prevention—have extensive social impacts.

The RCMP’s operational “business lines” include the following:

• **Community, Contract, and Aboriginal Policing Services** (CCAPS): Serves local communities with frontline policing.

• **National Police Services** (NPS): Provides laboratory, forensics, intelligence, and technical operations services to the entire policing sector. About 30% of the NPS’s work is for the RCMP; 70% is done for other police forces in Canada.

• **Federal and International Operations** (FIO): Handles police work that falls under federal statute—in areas such as organized crime, immigration, drugs, customs, and major commercial crime. FIO also includes two other directorates: *International Peacekeeping* operates around the world to provide community-building assistance (for example, by training police agencies in strife-torn countries); *Protective Policing* provides protection for government VIPs and international dignitaries traveling and residing within Canada.

• **Criminal Intelligence Directorate**: Runs a national program that manages criminal information and intelligence to combat a variety of threats, including organized crime and threats to national security.
The RCMP's hierarchy spans the roles of commissioner, deputy commissioner, assistant commissioner, chief superintendent, superintendent, inspector, sergeant major, sergeant, corporal, and constable, as well as civilian and public-service employees; the latter are employees of the Public Service Commission of Canada. Although the RCMP is responsible for public-service employees' salaries and benefits, these employees are governed by Public Service Commission regulations. By contrast, civilian employees (non-police) and regular members

Soon after taking office, Commissioner Zaccardelli defined a compelling new vision for the RCMP: “integrated policing.”
In an integrated policing organization, police and non-police agencies (such as customs and immigration) collaborate to achieve shared strategic goals.

(policemen) of the RCMP are governed by the RCMP Act. Almost half of the 23,000-person force (roughly 10,000 employees) consists of constables. Civilian members and public service employees number about 6,600.

The RCMP’s stakeholders and partners include other police services in Canada’s urban centers; provincial police; other government agencies, such as Citizenship and Immigration Canada (CIC), the Canada Revenue Agency (CRA), and the Canadian Border Services Agency (CBSA); nongovernmental organizations (NGOs), such as neighborhood watch programs, Aboriginal friendship centers, and suicide prevention councils; and international policing bodies.

The Change Imperative
Given the RCMP’s widening mandate and sprawling infrastructure, it was clear that by the turn of the millennium, the organization would need to change in order to meet 21st century policing realities, which had begun exerting new pressures on the organization. The changing face of crime and the growing threat of terrorism had heightened the demands on the Canadian government to protect its citizens. In addition, the increasingly global, high-tech nature of crime required a more agile response from policing bodies to emerging threats.

But with so vast a mandate and jurisdiction, the RCMP was finding it increasingly difficult to meet today’s challenges under its existing policing model. In 2000, the organization’s most important stakeholders—federal central agencies—viewed the RCMP as an organization that needed to embrace more modern management practices.

In addition, in recent years, Canada had strained to fund these expanding requirements. After having missed a budget target, the RCMP had to definitively prove the value generated from its allocations. The force had to ensure that it could demonstrate its funding needs to meet its objectives in the face of the new threats and realities. It needed a new approach.

Envisioning “Integrated Policing”
The catalyst for change came in the person of Giuliano Zaccardelli, appointed the RCMP’s new commissioner in September 2000. Soon after taking office, Commissioner Zaccardelli defined a compelling new vision for the RCMP: “integrated policing.” In an integrated policing organization, police and non-police agencies (such as customs and immigration) collaborate to achieve shared strategic goals. As Keith Clark, chief superintendent and director general of the Strategic Policy and Planning Branch, explains, “We need to combine our collective efforts as law enforcement agencies and other organizations to really be effective in taking on [today’s criminal] groups. No one of us can do it alone.” For example, to cope with the conglomerate nature of today’s organized crime groups (organizations tend to diversify in multiple operations, such as narcotics, prostitution, and smuggling), law enforcement might bring together experts in all these areas—not just police officers but also social service professionals, forensic accountants, and so forth—to collaborate on combating crime.

The transition to integrated policing represented a major cultural shift for the RCMP. Certainly, policing organizations have always worked with other forces. But the RCMP decided to make this integration part of its business model. In Commissioner Zaccardelli’s vision, all policing activity would be viewed from the perspective of “Who else needs to be involved?” “Who can help us?” and “Who needs our help?” This was hardly a traditional way of thinking about policing.

The hoped-for payoff of the new mindset? Faster, more flexible response; shared awareness of the larger picture; and ultimately a more favorable reading on the “barometer of crime.”
It all sounded good, but the new vision required substantial shifts in the RCMP’s strategy and management processes. This organization would need to adopt a proactive, strategic mindset to ensure that progress was being made towards achieving clearly articulated outcomes. The cultural ramifications were sobering: getting the traditionally tactically-minded managerial ranks to focus on strategy—and on enhancing their strategic planning skills—as well as to get used to the new management tool. Says Geoffrey Gruson, assistant commissioner of the Strategic Policy and Planning Branch until September 2004, such a transformation in an organization of this scale seemed like “teaching a dinosaur to dance.”

**Constructing a New Strategic Framework**

Commissioner Zaccardelli knew that his organization had to start by articulating a clearer strategy—something beyond simply reaffirming its broad goal of operational excellence. As he pointed out to his executive team, “The massive changes facing us as a result of globalization and technology are forcing us—encouraging us—to be more strategic. There are two goals I would like all of us to have achieved over the next year. I want the RCMP to become a Strategy-Focused Organization, and I want us to build an organization of excellence.”

Though such statements sparked enthusiasm for change, the RCMP needed heavier fuel. As Gruson notes, “When the Commissioner says jump,” people move, “but it [also] helps to have smoke and heat,” acknowledging that in today’s environment, the RCMP has to ensure that resource allocations are focused on strategic priorities. Accordingly, Commissioner Zaccardelli and the rest of RCMP’s senior executive team (his seven deputy commissioners) defined a strategic framework composed of five priorities:

1. Organized Crime
2. Terrorism
3. International Policing
4. Youth
5. Aboriginal Communities

Why define youth and Aboriginal communities as strategic priorities? The RCMP had good reason. For one thing, 20% of Canadian children live in low-income households, and these children are twice as likely as well-off youngsters to live with violence. In Canada, as elsewhere in the world, economic disparities increase the potential for young people to gravitate toward criminal activity. Meanwhile, Canada’s Aboriginal population is ballooning, and underemployed, young urban Aboriginal men account for 18% of Canada’s federally incarcerated population—even though they make up just 2.8% of the population.

The five strategic priorities supported the RCMP’s vision of “safe homes, safe communities.” This strategic framework also defined five “functions” through which the RCMP could achieve its priorities: prevention and education, intelligence, investigations, enforcement, and protection. But management soon realized that the terms used to define the five strategic priorities were too general to be useful. After all, what did “Youth” really mean? And how would the organization measure its progress toward achieving this priority?

Beyond the difficulties of clarifying the new framework lay fundamental structural problems. Executives saw that the RCMP’s organizational structure was ill-suited to support its increasingly complex mandate. Lines of reporting had also become overly complicated; responsibility and accountability, unclear. Moreover, management of the RCMP’s business lines had become decentralized as headquarters had increasingly focused on high-level policy and government liaison activity. The organization realized it needed to play a greater role in coordinating the business lines from the center to make better resource-allocation decisions. For example, the high-level perspective that would come with centralized management of the business lines could enable leaders to determine when to move drug-enforcement resources across provinces.

All these challenges left Commissioner Zaccardelli undaunted. With a missionary zeal, he set out to improve the RCMP’s effectiveness and make his new integrated policing vision real. The keys to success? Specificity, clarity, and accountability. After learning
about Kaplan and Norton’s Strategy-Focused Organization model, he decided that the Balanced Scorecard was precisely what the RCMP needed.

**Translating the Vision into Action**

The 20-person Senior Executive Committee (SEC)—the commissioner, regional deputies, deputies of Finance, Operations, and Strategic Direction, the chief information and human resources officers, an ethics adviser, a legal adviser, and the chief of the National Police Services—formally adopted the BSC and decided to implement it down to the division level. The RCMP launched its scorecard adoption with a comprehensive, yearlong communication effort to introduce all senior and middle managers to the scorecard methodology.

Keith Clark led the BSC project team. After extensive training in BSC methodology, and with outside consulting help, the team spent more than a year exclusively on constructing an enterprise-level (SEC) scorecard, business-level BSCs, and division-level BSCs for all 14 provinces and territories. At that point, the BSC program moved from being under the auspices of the Strategic Direction sector to Operations, and a new group—the Performance Management Unit (PMU)—was formed.

Headed by Superintendent Ronald Mostrey, the PMU included five well-respected middle managers from headquarters and one public service employee. PMU members provide consultative support to the different business lines and functions that develop scorecards. They also deliver training on performance management, including introduction to the BSC methodology, to the entire organization. (A year after functioning within Operations, the PMU was moved back to Strategic Direction and its scope expanded to include serving as: a national policy center; secretary to committees for the Strategic Priority Working Groups (see p. 8); and analysts responsible for data mining. Today the group reports to Strategic and Policy Branch director general Clark.)

In August 2001, the organization began its BSC implementation. The effort consisted of seven phases—each characterized by trial and error as well as by breakthrough discovery. The phases, completed by mid-2003, unfolded as follows:

1. **Clarifying strategy through the corporate strategy map**

Empowered by the commissioner, the BSC project team embarked on a process to develop the corporate-level strategy map and scorecard. Through interviews with business-line leaders, the team gathered ideas for strategic objectives and themes and educated business-line leaders on the scorecard methodology. In a workshop, executives reviewed ideas for objectives and linkages between them, and high-level measures.

However, they soon encountered difficulty in achieving consensus on the meaning of the organization’s strategic priorities. They organized another workshop to help executives redefine the priorities in clearer terms:

- The “Organized Crime” priority became “Reduce the threat and impact of organized crime.”
- “Terrorism” became “Reduce the threat of terrorist activity in Canada and abroad.”
- “Youth” became “Prevent and reduce youth involvement in crime as victims and offenders.”
- “International Police Services” became “Effective support of international operations.”
- “Aboriginal Communities” became “Contribute to safer/healthier Aboriginal communities.”

The team also created a plan for communicating these newly defined strategic priorities through various channels, including directional statements from the commissioner, posters, speeches, articles in publications such as the *RCMP Gazette* and the *Pony Express* internal newsletter, and an intranet site devoted to the BSC.

2. **Defining high-level strategic themes**

The team next developed a set of three strategic themes that would be built into the Internal Process perspective of the corporate strategy map and be reflected on business-line and divisional strategy maps. Members also finalized objectives and measures for each theme, and reviewed potential targets and initiatives for each. The Internal Process themes were:

- **Bridge building:** Collaboration with other government departments (such as border services and immigration), additional law enforcement agencies (including the Ontario and Quebec provincial police), and community groups (for example, United Way, Canada) would be a prerequisite for strategic success. This theme contained the objectives “Contribute valued public service,” “Build new and strengthen existing partnerships,” and “Communicate our vision.”

- **Maximize use of the operations model:** The operations model is a behavioral and analytical tool that RCMP police use to approach cases.
It entails developing intelligence, building partnerships, reporting on results, focusing resources on high-priority activities, and managing risk. The RCMP wanted to apply this model to all of its strategic priorities and in all of its operations—not just police casework. This theme included the five priorities, recast in sharper language as explained above, as subsets of the overarching objective “Excellence in service to clients.”

To provide that clarity and drive the strategic priorities out to the entire organization, the Performance Management Unit came up with an ingenious solution: it would build a strategy map and BSC for each of the five priorities—in addition to the maps and scorecards created for the business lines and divisions.

Management excellence: Management and operational improvements would help the RCMP become an exemplar of sound public-sector management principles as well as develop a “value for money” mindset. This theme contained the objectives “Sound and rigorous stewardship of resources,” “Exemplify modern management principles and practices,” and “Accountability at all levels.”

To support these strategic themes and objectives, the corporate strategy map contained five People, Learning, and Innovation objectives: “Provide enabling equipment and technology,” “Ensure leadership for the future,” “Pride and commitment to service,” “HR policies and practices to support strategy,” and “Positive and healthy work environment.”

In the high-level strategy map architecture, the People, Learning, and Innovation perspective supported the Internal Process perspective, which in turn supported the Clients, Partners, and Stakeholders perspective. This latter perspective contained the objectives “Live core values that make us a trusted partner,” “Excel at leading-edge policing,” and “Be the best managed organization in government”—all of which appeared under the theme “World-class police service (clients, partners, and stakeholders).” At the top of the map was the overarching theme: “Safe homes, safe communities.”

By defining the policing world through the high-level strategy map, management teams began focusing on the critical outcomes needed to improve stakeholder satisfaction. Importantly, these stakeholders included the central agencies responsible for funding, to whom the force needed to demonstrate its responsible spending. In the late 1990s, after a budget shortfall, the RCMP needed to regain the confidence of the government if it was to secure the funding it needed for its broadening mandate. The RCMP thus needed to demonstrate accountability for its expenditures, as well as a more businesslike approach to its operations. The strategy map offered a first step in this direction.

Finally, by clarifying objectives and initiatives under the overarching theme of integration, busy managers preoccupied with “fighting bad guys” could now also devote their attention to process improvement and alignment with the help of an easy-to-understand, structured framework in hand.

3. Cascading the corporate scorecard

Over a five-month period (from September 2001 through January 2002), the project implementation team helped the RCMP’s 14 divisions as well as its business lines create BSCs. The organization’s four corporate (shared) services functions—HR, corporate management and comptrollership, IT, and policy and planning—also constructed scorecards during these months. The scorecard was further cascaded to the RCMP’s four regions from March 2002 to May 2002.

To facilitate the cascading process, the RCMP provided a series of BSC-building workshops that fostered a shared understanding throughout the organization of the actions and resources needed to execute the strategy.

4. Creating “virtual” BSCs

After 18 months, despite marked improvements in reporting results and focusing on strategy, the organization wasn’t yet fully aligned. The most obvious symptom? Persistent lack of clarity about the five strategic priorities. To provide that clarity and drive the strategic priorities out to the entire organization, the PMU came up with an ingenious solution: it would build a strategy map and BSC for each of the five priorities—in addition to the maps and scorecards created for the business lines and divisions. These “virtual” scorecards lacked a physical home; that is, there were no business units created specifically for “Youth,” “Organized Crime,” and so
forth. However, the scorecards had a traditional design that showed the causal relationships between and among objectives and perspectives. More important, they promoted horizontal responsibility and shared management.

Once the virtual scorecards had been created, the PMU helped the business lines, support services, and divisions revise their own scorecards so as to link them more explicitly to the virtual scorecards. With the desired outcomes and critical drivers for each strategic priority spelled out, everyone could now see how every part of the organization supported each priority. The virtual “Terrorism” BSC, for example, contained objectives that linked to all the business lines’ BSCs and to international police and intelligence partners. Graphically displaying these relationships helped to unleash the scorecard’s alignment power.

5. Creating Strategic Priority Working Groups

With the virtual strategy maps in place, the RCMP realized it needed an organizational entity to oversee them to ensure cross-organizational collaboration on the strategic priorities. In 2004, it formed five Strategic Priority Working Groups (SPWGs) to engage all parts of the organization in supporting the priorities, thereby promoting horizontal strategy management. Their first order of business: revising all the business line and divisional scorecards so their objectives aligned appropriately with those of the virtual BSCs. Today, each SPWG is led by a deputy commissioner and includes managers at the director-general level and above.

Creation of the virtual scorecards and the Strategic Priority Working Groups enabled the RCMP to transition from “management by business line” to “management by mandate.” The new approach began to break down the business “silos” within the organization, allowing for a more open, nonhierarchical approach to successful strategy execution.

6. Customizing cascaded scorecards

At the RCMP, national strategy gets formulated at the headquarters and business-line levels but is carried out at the division and detachment levels. That is, police work gets done on the front lines, where RCMP members interact with the public. It was therefore essential that cascaded scorecards provide the front lines with sufficient flexibility to meet their local policing needs. Thus:

- **Every objective on a virtual scorecard is owned by a business-line executive from headquarters and embedded into relevant business-line and divisional scorecards.** Each business line and division thus knows exactly how it must support each strategic priority. For example, the strategy map for the CCAPS business line contains three objectives from the virtual “Aboriginal” map: “Safer and healthier Aboriginal communities,” “Improve service with Aboriginal policing,” and “Provide a culturally sensitive police service.”

- **Each business-line scorecard also defines unique objectives and established initiatives in support of those objectives.** Executing some of these initiatives requires assistance from RCMP divisions. Thus relevant initiatives were cascaded down to divisions as “mandatories.” Divisional commanding officers are required to insert the mandatories into their respective scorecards and provide progress reports on the initiatives every 90 days.

Every RCMP division across Canada thus has a scorecard that contains a mix of objectives, measures, targets, and initiatives that reflect both national and local priorities—customized to each division’s specific policing environment and geography.

7. Leveraging the BSC to improve business planning

The RCMP’s scorecards exposed an important weakness in the force’s existing business-planning process: that process was not oriented to strategy development and execution. For example, funding for national initiatives was not managed by the business lines, but was instead divided equally among the 14 divisions, regardless of any differences in local need.
To correct this, the RCMP introduced a strategy-focused business planning and budgeting process designed to clarify accountability and make the funding of the five strategic priorities an imperative at every level. This process, begun in September 2003, has helped transform headquarters' focus from policy to true business-line management with the money and responsibility for setting strategy and funding initiatives. Planning now drives budgeting, instead of the reverse.

Crucial to this process are regularly scheduled communications and meetings. These consist of the following:

- Every June (the beginning of the RCMP’s fiscal year), managers hold a five-year strategic priority assessment and confirmation session. They evaluate the previous year’s progress and plan for the next strategic planning cycle and five-year horizon, based on a comprehensive scan of the environment.

- Every August or September, the commissioner publishes a directional statement communicating the RCMP’s long-term (five-year horizon) goals.

- Every fall, business-line leaders meet to define the current year’s planning activities through joint business-line and divisional operational planning, based on BSC objectives. Participants reassess and agree on the objectives, measures, and targets that must go into divisional scorecards. They also agree on divisional plans to fulfill the national requirements for service delivery and performance. And they formulate business-line directional statements.

- Every December through February, executives review and refine the business lines’ and corporate services’ business plans. They also assess “pressures” (urgent needs for which funds had been unavailable) and existing activities and initiatives as “high” or “low” value and “high” or “low” priority. They eliminate low-priority items and reallocate funding accordingly.

### Scoring Successes

Though still relatively young, the RCMP’s scorecard implementation has already yielded solid results. For example, thanks to strategic initiatives aimed at encouraging RCMP officers to engage with Aboriginal communities and learn their unique policing needs, the force has seen a sharp spike in these stakeholders’ favorable perceptions of the RCMP. Community surveys show a 13% increase in the force’s “sensitivity to Aboriginal issues” and a 16% increase in its value as a partner for “providing service to Aboriginal communities.”

A July 2003 article in the *Pony Express*, an internal publication for RCMP employees, relates an inspiring anecdote about the efforts the RCMP has expended to improve its services to Aboriginal communities. Corporal Wills Thomas is head of the RCMP’s V Division Community Policing in Nunavut, Canada’s largest territory, carved out of the Northwest Territories in 1999 as a result of an Inuit land claim. According to Thomas, members of an Inuit community there asked the RCMP to support a suicide-prevention video created by a group of Inuit teens who wanted to present it to other teens during the summer and fall of 2003. (A 2003 Health Canada report estimates the suicide rate among young Aboriginal peoples in northern communities to be five to six times higher than that of non-Aboriginal youth in Canada’s southern regions.) Thomas promptly offered funding for a coffeehouse showing of the teens’ video. His hope? That because of actions such as these, “the kids in this community will be able to celebrate life and see that there are healthier ways to deal with problems.” Before development of the RCMP’s scorecard, Thomas adds, the organization might have overlooked such opportunities.

The BSC has also helped the organization achieve significant efficiencies and cost savings. For instance, in its international policing services, the RCMP created an initiative to standardize travel information requests so as to streamline reporting procedures, control expenditures, and capture knowledge acquired by employees working in remote geographical locations. In its first year alone, the new initiative saved millions of dollars. People throughout the RCMP now view travel as a strategic resource—and use it specifically to support strategic objectives.

The RCMP’s Protective Policing services (part of the Federal and International Operations business line) have enjoyed similar gains. For example, to support the objective “Demonstrate sound stewardship,” the organization developed a measure related to the percentage of hours expended on regular-time duty versus overtime—with a target of 80% of hours expended on regular-time duty. This effort to reduce overtime costs also yielded savings in the range of $20 million to $25 million in its first year.

### Realizing the Vision

With the help of the BSC, integrated policing at the RCMP has expanded to meet organizational priorities.
The Integrated Border Enforcement Teams (IBETs), established by Canada and the United States in strategic locations along the common border, demonstrate the two nations’ collaboration in protecting their borders against smuggling and terrorism. The teams share intelligence, interoperable systems, and other resources and strategic priorities. At the Group of 8 Summit in Alberta in June 2002, military and security officers, municipal forces, and intelligence networks partnered with the RCMP to coordinate security seamlessly—an example of integration in protective policing. And in April 2005, the Child Exploitation Tracking System was launched by a coalition of the RCMP and other Canadian law enforcement agencies, the federal government, and Microsoft Canada to fight online child exploitation.

Commissioner Zaccardelli sums up the BSC’s impact: “We have made great progress together [and] can be counted on for perseverance and resolve. Partners and stakeholders—nationally and internationally, at all levels—consider us a best practice organization and are very interested in our approach.”

Superintendent Mostrey echoes these sentiments: “For the first time, managers at various levels throughout the RCMP are using a consistent set of guideposts, speaking the same language, and reporting in a similar format on a prescribed 90-day cycle.” They meet regularly to ensure they are working horizontally to drive success on [strategic priorities]. With the benefit of more detailed information, the force is now better positioned to demonstrate its accountability, as well as to tell its performance story in a more meaningful way.”

Looking to the Future

To date, the RCMP has created 31 BSCs, including the business-line, divisional, and SPWGs (virtual scorecards), as well as scorecards created for several groups within business lines. In 2005, the force will begin cascading the BSC to the next level—its 750 detachments countrywide. The RCMP still has numerous opportunities to strengthen its use of the BSC methodology. For example, scorecard reporting is still done through spreadsheets and slides; the organization is currently working on automating the scorecard. One step forward came in the form of a BSC Web site launched in 2002, which provides employees with information on the organization’s strategic direction and the BSC as a performance management tool.

In addition, the RCMP is experimenting with streamlining the process by which scorecard performance is reported to the SEC. Whereas previously, deputy commissioners (the owners of business-line BSCs) would report on the progress of their individual business lines, as of April 2005, reporting will be framed in terms of cross-organizational progress on specific strategic priorities. That is, the SPWGs will present progress on the five strategic priorities as captured by their virtual scorecards.

Another innovation the RCMP plans relates to integrated policing: inviting representatives from outside agencies to the Strategic Priority Working Groups. According to Keith Clark, “Our hope is that the SPWGs will have the benefit of external resources and will therefore be able to tackle broader issues in a more effective and integrated fashion.”

Changing demographics may also prompt the RCMP to develop new strategies. For instance, recent immigration patterns have sharply internationalized the Canadian labor force. By the end of 2016, projections indicate that visible minorities will constitute about 20% of the Canadian population. This, combined with the fact that baby boomers will soon retire at a predictable high rate, is motivating ongoing development of an RCMP force that is representative of Canada’s increasingly diverse population.

The RCMP’s road to strategic performance management hasn’t been easy. It has required careful planning, imagination, and the freedom to experiment and make mistakes. With the BSC to help, and new processes and structures to support the shift to mandate management, the RCMP has made significant headway. It may also have achieved a new distinction—as the world’s only strategy-focused law enforcement agency. Facing both new opportunities and challenges, the RCMP stands an excellent chance of building further on its successful use of the BSC—and generating even more impressive results in the future.
KEY RESULTS

• The alignment power of the BSC has helped the RCMP promote the use of an important, but previously little-used, tool that prioritizes criminal investigations—an objective on the Organized Crime strategy map. As a result, the percentage of cases prioritized skyrocketed from 18% in 2003 to 77% just one year later. Progress in this area has reinforced the RCMP’s reputation within the government as a well-managed organization.

• The RCMP has formed an alliance with the Australian Federal Police. The two organizations share international offices, personnel, and intelligence in joint projects—an example of progress in integrating police agencies globally to combat organized crime and terrorism (an International Policing objective).

• The RCMP Survey Center, which surveys clients, partners, and stakeholders on their satisfaction levels, has recorded across-the-board improvements. Between 2003 and early 2005, the RCMP enjoyed increases of between 3% and 23% in stakeholders’ (in this case, assistant deputy ministers of federal departments and agencies, and provincial government contacts) satisfaction with the force’s performance on the five strategic priorities. During the same period, Canadians’ satisfaction level rose, particularly with respect to the RCMP’s sensitivity to different cultures and groups.

• Overtime expenditures in Protective Policing were cut significantly, producing savings of between $20 million and $25 million.

• The RCMP moved to streamline its reporting process as of FY2005; instead of each business line reporting to the Senior Executive Committee, reporting becomes horizontal. Now, just the Strategic Priority Working Groups will report to the SEC, giving them a full picture of progress on the give key strategic priorities.

TAKEAWAYS

• Form follows function. To develop and execute strategy successfully, the organizational structure must support these actions. Unify employees around common goals by establishing clear lines of reporting; mechanisms that foster cross-organizational, cross-functional coordination; and a management structure that centralizes process and policy while allowing organizational entities the flexibility to adapt to local conditions.

• Invest time at the outset to clearly articulate strategic priorities and objectives. Ambiguity will only undermine your change effort.

• If at first you don’t succeed, think outside the box. Once RCMP managers conceived of “virtual” scorecards for the five strategic priorities, they were able to overcome their alignment roadblock and advance the strategic transformation.

• Planning should drive budgeting, not the reverse. Frequent review of the strategic plan gives leaders and managers flexibility; they can reallocate according to strategic need as circumstances change.

• Public-sector organizations—in particular those with large, complex mandates, and those that serve the public—can’t always accomplish their strategic goals alone. Coordinate and collaborate with counterparts in related organizations, as well as with organizations from different spheres that are tackling the same issues.

• Specificity, clarity, accountability: these words guided the RCMP’s progress toward achieving its vision of integrated policing.
All Balanced Scorecard Hall of Fame organizations exemplify the five principles of the Strategy Focused Organization. The Royal Canadian Mounted Police is especially noteworthy as an exemplar of the following SFO best practices:

- **Top leadership sponsorship:** From the outset, Commissioner Zaccardelli embraced the Balanced Scorecard as the right vehicle for implementing strategic change and aggressively pursued the goal of becoming a Strategy-Focused Organization. He organized and led the Senior Executive Committee (SEC), the high-level body overseeing the RCMP’s strategic transformation, to which the BSC project team reports. Zaccardelli gave the BSC project team and the Performance Management Unit (PMU) visibility and resources. He remains a vigorous champion of the effort to internal as well as external stakeholders. [Principle #1: Mobilize Change Through Executive Leadership]

- **Vision and strategy clarified:** Soon after taking office in September 2000, Commissioner Zaccardelli defined the new vision of integrated policing. Recognizing the enormity of the transition—that it would require major shifts in strategic and management processes, changes in reporting lines, and significant cultural change—he and the SEC led the effort by working toward a clear articulation of the organization’s strategy. They supported the trial-and-error process of shaping strategic priorities into actionable definitions and facilitated a more open, nonhierarchical approach to strategy execution. [Mobilize principle]

- **Strategy map developed:** In consultation with business-line leaders, the BSC project team identified strategic themes and objectives, explored linkages, and developed measures. The team persevered through more than one round of map design to clarify and get consensus on the organization’s overarching strategic priorities. It devised an overall strategic theme (safe homes, safe communities) and three internal-process themes. [Principle #2: Translate the Strategy into Operational Terms]

- **BSC created:** The BSC project team created the enterprise BSC, identifying three perspectives for the RCMP scorecard, with Clients, Partners and Stakeholders as the uppermost perspective. The team guided business leaders in developing divisional, business-line, and shared services BSCs. The organization’s initial difficulty in becoming aligned led the team back to the drawing board. That’s when members came up with the idea of virtual strategy maps and scorecards for each strategic priority—the breakthrough in the RCMP’s transformation. The project team implemented the BSC cascade by creating the PMU, now a permanent body. The PMU retrofitted each BSC and map to the virtual maps and BSCs, incorporating the relevant objectives. [Translate principle]

- **Accountability assigned:** The PMU drives implementation and supports the BSC program and provides training in performance management. To foster shared responsibility and horizontal management, every objective on the five virtual BSCs is owned by a business-line executive. The Strategic Priority Working Groups (SPWGs) ensure cross-organizational collaboration on the strategic priorities. They report directly to the SEC. [Translate principle]
• **Corporate role defined:** To cultivate horizontal management and organization-wide collaboration and synergy, senior executives created special teams, structures, and processes. Among its many responsibilities, the RCMP’s Strategic Policy and Planning Branch serves as overall coordinator for strategy planning and execution, which are carried out by the BSC project team, the PMU, and the SPWGs—all of which report directly to top executives. Reflecting the importance the RCMP places on strategic alignment, the SPWGs are headed by deputy commissioners and made up of executives at the director-general level and above. Leaders and managers meet regularly to review strategic progress, address problem areas, and further integrate planning, management, and operations with strategy. [Principle #3: Align the Organization to the Strategy]

• **Corporate–SBUs aligned and SBUs–Support units aligned:** The objectives of all five virtual BSCs are embedded in the relevant BSCs throughout the organization, so every division, business line, and shared service knows how it must support each strategic priority. SPWGs foster alignment and collaboration on the strategic priorities and represent a horizontal management approach that has helped break down business silos throughout the organization. Initiatives are cascaded to the BSCs of those divisions involved in executing them. In 2005, the RCMP began rolling out the BSC to its 750 detachments. [Align principle]

• **Strategic review meetings conducted:** SPWGs meet regularly to review BSCs and discuss strategic progress and change management issues. At the beginning of each fiscal year, the RCMP holds a five-year strategic priority assessment and confirmation meeting whose outcomes form the basis of all business plans. Activities and initiatives are evaluated every third quarter. [Principle #5: Govern to Make Strategy a Continual Process]

• **Planning, budgeting, and strategy integrated:** The force instituted a new strategy-focused business planning and budgeting process in September 2003 to make funding for the five strategic priorities a top priority at every level. Headquarters now focuses chiefly on setting strategy and funding initiatives, instead of policymaking. The five-year assessment meeting (early Q1) is the foundation for the annual fall planning meeting. At the fall gathering, business-line executives reassess objectives, measures, and targets, agree on divisional plans, and create directional statements. Then, throughout Q3, senior management reviews all business plans, allocates funding, and considers urgent, and as yet unfunded, needs. Activities and initiatives are classified according to their value and strategic priority. Thus, planning now drives budgeting. [Govern principle]
Balanced Scorecard Hall of Fame Profile: Royal Canadian Mounted Police

THE ROYAL CANADIAN MOUNTED POLICE STRATEGY MAP

World-class police service (clients, partners and stakeholders)
- Live core values that make us a trusted partner
- Excel at leading-edge policing
- Be the best managed organization in government

Clients, Partners, & Stakeholders Perspective

Internal Process Perspective

People, Learning & Innovation Perspective

Excellence in integrated policing
- Bridge building
  - Contribute valued public service
  - Build new and strengthen existing partnerships
  - Communicate our vision
- Maximize use of the operations model
  - Reduce the threat of terrorist activity in Canada and abroad
  - Prevent and reduce youth involvement in crime as victims and offenders
  - Effective support of international operations
  - Contribute to safer/healthier Aboriginal communities
- Management excellence
  - Sound and rigorous stewardship of resources
  - Exemplify modern management principles and practices
  - Accountability at all levels

People, learning, and innovation
- Provide enabling equipment and technology
- Ensure leadership for the future
- Pride and commitment to service
- HR policies and practices to support strategy
- Positive and healthy work environment

Safe homes, safe communities

Clients, Partners, & Stakeholders Perspective

Internal Process Perspective

People, Learning & Innovation Perspective

Excellence in integrated policing
- Bridge building
  - Contribute valued public service
  - Build new and strengthen existing partnerships
  - Communicate our vision
- Maximize use of the operations model
  - Reduce the threat of terrorist activity in Canada and abroad
  - Prevent and reduce youth involvement in crime as victims and offenders
  - Effective support of international operations
  - Contribute to safer/healthier Aboriginal communities
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  - Exemplify modern management principles and practices
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People, learning, and innovation
- Provide enabling equipment and technology
- Ensure leadership for the future
- Pride and commitment to service
- HR policies and practices to support strategy
- Positive and healthy work environment
To learn more about the Royal Canadian Mounted Police and its Balanced Scorecard program, see:

- The *Balanced Scorecard Report* article “Creating Organizational Alignment at the RCMP with the Scorecard,” by Andrew J. Pateman, Manager, Balanced Scorecard Collaborative, and Geoff Gruson, Acting Deputy Commissioner, Strategic Direction, Royal Canadian Mounted Police, *BSR* September–October 2004 (Reprint #B0409B).

- *Balanced Scorecard Hall of Fame Report 2005*, which features an overview of the Royal Canadian Mounted Police and the 17 other Hall of Fame inductees from 2004 (Product #9157).


- The BSC library: BSC portal members with access to the library can search the keyword “Royal Canadian Mounted Police” for a complete list of resources, including conference presentations and executive video interviews. (For information on becoming a BSC Portal member, go to www.bscol.com.)

- www.rcmp-grc.gc.ca

- Royal Canadian Mounted Police and the Balanced Scorecard at http://www.rcmp.ca/dpr/dir_stat_2001_e.htm

### ADDITIONAL RESOURCES

- For more information on the Strategy-Focused Organization (SFO) principles, visit BSC Online. Membership is free. Go to www.bscol.com/bsc_online.

- For additional guidance on the SFO principles, and to learn about best practices in use at other organizations that have successfully executed strategy, go to www.bscol.com/toolkits. Here, you’ll find many resources available for purchase, including Strategy Execution Toolkits.

- For access to the largest compilation of published materials on the Balanced Scorecard and the Strategy-Focused Organization, visit www.sfo.harvardbusinessonline.org.

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