

The ARL Library Scorecard Pilot: Using the Balanced Scorecard in Research Libraries

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ARL has built a program of assessment over time and continues to seek opportunities to develop this capacity in research libraries. In 2009, the Association launched a new initiative to help libraries make a stronger case for the value they deliver through services and programs by developing metrics that are directly tied to strategic goals. ARL invited interested libraries to participate in a pilot effort to develop library scorecards along the lines of the Balanced Scorecard approach created by Harvard business professors Kaplan and Norton.¹ The ARL initiative began as a collaborative project with external consultant Ascendant Strategy Management Group and four participating libraries: Johns Hopkins University, McMaster University, University of Virginia, and University of Washington. At this early stage the project had two primary goals: to assist, train, and facilitate the use of the scorecard in a small number of ARL libraries; and to test the value of a collaborative model for learning about and implementing the new tool.

The Ascendant Strategy Management Group brought deep expertise in the application of the Balanced Scorecard to these four-mission driven organizations that are facing challenges to demonstrate their impact, increase leadership and management effectiveness, leverage networks of stakeholders, and ensure organizational capacity for growth. The consultants were also strongly advocating, “the cornerstone of an effective Balanced Scorecard, or any strategic measurement system, is to identify strategic priorities and clarify the cause-and-effect linkages among them.”²

Many ARL member libraries have long shown an interest in the Balanced Scorecard, as they have closely watched the scorecard’s application for almost a decade at the University of Virginia. Jim Self described the University of

Virginia's use of the scorecard in an article published by ARL in 2003³ and he often discussed their efforts during site visits conducted through the Effective, Sustainable, and Practical Assessment consulting service between 2005 and 2009.⁴

The ARL Balanced Scorecard initiative was based on a series of initial assumptions articulated in the invitation letter. These elements were deemed critical for the success of the implementations:

- Leadership involvement is key for linking the library scorecard to strategy.
- Measures need to be focused on strategic objectives.
- Developing a framework/dashboard for implementing a strategy is useful.
- Implementing a scorecard will lead to its improvement and refinements.
- Applying a scorecard appropriate for each library—not a single scorecard for all libraries—is critical for success.

Other key assumptions underlying the initiative were articulated through the pilot process and confirmed by the experience of the participating libraries:

- The Balanced Scorecard is a change process, not a metrics process.
- Development of strategy and metrics is closely tied to library missions.
- Collaborative learning enhances the creation of new assessment tools.

The yearlong process involving Ascendant Strategy Management Group is now complete, and the four ARL member libraries and ARL staff have continued to refine the Balanced Scorecard effort. Early analysis suggests that the individual library environments have shaped how each library has implemented the Balanced Scorecard and accompanying metrics. Differences aside, a few key processes appear to be consistently important across all sites including:

- Setting objectives that are strategically aligned with the organization's mission
- Visualizing these objectives into a strategy map⁵
- Communicating the strategy map, the objectives, and the metrics consistently and effectively within and outside the organization

Two key metrics are also standing out as commonalities across all four Balanced Scorecards developed by the four organizations: budget and user perceived quality/satisfaction.

The four pilot institutions are engaged in documenting their efforts in a paper to be presented at the Library Assessment Conference in Baltimore this

October.⁶ Their metrics-related work is expected to have a formative influence in ARL's effort to revise the annual ARL statistical surveys. As ARL moves this effort forward into 2011, the Association welcomes input and advice from the ARL membership on the interest in expanding the pilot activity to other ARL libraries. Please send feedback on your needs for strategic management systems such as the Balanced Scorecard to Martha Kyrillidou martha@arl.org. ARL looks forward to working with members in defining the next steps that will facilitate strategic thinking about the future of research libraries and describe that future with balanced and relevant metrics.

- ¹ Robert S. Kaplan and David P. Norton, *The Balanced Scorecard: Translating Strategy into Action* (Boston: Harvard Business School, 1996).
- ² Ascendant Strategy Management Group flier, 2009.
- ³ Jim Self, "Using Data to Make Choices: The Balanced Scorecard at the University of Virginia Library," *ARL: A Bimonthly Report*, no. 230/231 (October/December 2003): 28–29, <http://www.arl.org/bm~doc/balscorecard.pdf>.
- ⁴ Effective, Sustainable, and Practical Assessment service, <http://www.arl.org/stats/initiatives/esp/>.
- ⁵ A good portion of the pilot was spent on developing strategy maps and gaining a better understanding of how they relate to metrics and initiatives. The effective identification of strategic priorities and the clarification of the cause-and-effect linkages among them cannot be underestimated. For more information, see Robert S. Kaplan and David P. Norton, *Strategy Maps: Converting Intangible Assets into Tangible Outcomes* (Boston: Harvard Business School, 2004).
- ⁶ Vivian Lewis, Steve Hiller, Liz Mengel, and Donna Tolshon, "Building Scorecards in Academic Research Libraries: Organizational Issues and Measuring Performance," in *Building Effective, Sustainable, Practical Assessment: Library Assessment Conference Proceedings, Baltimore, Maryland, October 25–27, 2010* (Washington DC: ARL, forthcoming).

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