



MANIGENT

the Management Intelligence company

**STRATEGY MAP AND
BALANCED SCORECARD**
PROFESSIONAL SERVICES

Client *case study*



The business situation

Whilst often portrayed as a cosy club that lacks competition, the 'big four' audit firms operate in a very competitive market, particularly in relation to attracting clients, retaining talent and, of course, profit per partner competition between firms. Adding to this challenge, the tax and audit industry is under ever-increasing scrutiny from regulators such as the Financial Reporting Council (UK) and SEC (US). Memories of Arthur Andersen's collapse are still fresh in many minds and concern continues to grow about the dominant position of the 'big four' within the audit market.

Recognising the challenges the market presents, our client, one of the 'big four', chose to move beyond its dashboard approach to management information to a more strategic approach. Drawing on Jim Collins Good to Great and Kaplan & Norton's Balanced Scorecard, the company set out to transform its management information environment, going from a data-centric, departmental approach to a more strategic, enterprise approach, ensuring the senior management team has the right information, at the right time and in the right format.

The challenges

Over the last 4 to 5 years, our client followed a familiar path, moving from detailed management packs to a dashboard-driven approach. However, recognising that existing dashboards were no longer meeting business needs, the company decided to take the next step by introducing a strategic perspective to its management information via the adoption of Jim Collins' Good to Great and the Balanced Scorecard methodology.

In addition to enhancing strategic execution, there was a more pragmatic driver for change. Over time a large number of data analysts had emerged in the business, operating departmentally, in silos, producing reports that were in direct competition to the management information produced by the central management information team. A need to remove 80-100 surplus reporting analysts was identified to ensure the central management information team became more responsive to the business.



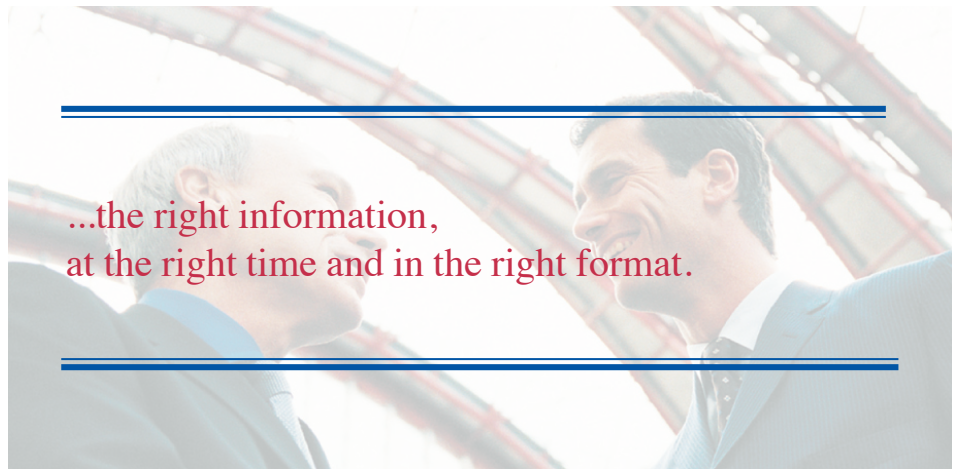
Two new challenges emerged during the project that had to be addressed. There was a lack of clarity around the roles and responsibility of senior managers and projects needed rationalisation and consolidation because they were ill-defined, not available via a single repository and not aligned to strategic objectives.

Our role

Our client recognised the need to implement both a strategically oriented management information process and related enabling technology solutions as an integrated project.

Manigent was engaged to provide subject matter expertise around the Strategy Map and Balanced Scorecard development and technology expertise to support the implementation of management information software.

Projects of this nature have unusually high failure rates, often attributed to failure to align the business and technology streams. In addition to providing management information processes and technology expertise, Manigent provided essential project management skills honed specifically to addressing the challenges of delivering business and technology work streams within an integrated management information project.



Our approach

Manigent's approach to delivering this project was built around our values of keeping it simple and being pragmatic. We focused on moving the management agenda from "how we do implement Strategy Maps/Balanced Scorecard?" to "how do we use the Strategy Map and Balanced Scorecard to drive cost out of the business and manage revenue growth?".

Key to the project's success was helping our client to understand the principles behind 'Good to Great' and Strategy Maps, and enabling these principles to be applied and embedded into their day-to-day management discussions and decision-making.

Our pragmatic approach helped the client recognise they were undertaking a significant change process, and that there are limits to people's appetite for change. This led to a realistic vision of the extent of change possible given their existing workloads.

By working closely with key members of our client's senior

leadership team, we developed a corporate Strategy Map and Balanced Scorecard and distilled their thoughts into a shared vision and strategy that their team supported and could buy in to.

To address issues of roles, responsibility and ownership within the team, we introduced the simple RACI (Responsibility, Accountability, Consult and Inform) methodology.

The supporting technology used to deliver the Balanced Scorecard and Strategy Map is an essential component and often a major stumbling block. Drawing on our considerable technical and project delivery experience, we used our unique methodology to ensure the two work streams were aligned to, and driven by, business requirements rather than technology.

Training was critical throughout the implementation of both business and technology work streams to build staff understanding and skills and ensure sustainability of the solution in the long term.

Deliverables



Manigent achieved all the major deliverables defined at the outset of the project:

- A corporate strategy map with supporting balanced scorecard and management information processes.
- A well defined cascade process to enable the internal team to propagate the corporate strategy map and balanced scorecard to lower level business units.
- A enterprise-wide management information platform supporting the corporate level management information.
- RACI methodology was introduced to clarify roles and responsibilities within management team.
- Cost saving of £250k before the project closed.
- A consolidated portfolio of projects, aligned to strategic objectives.

PRAGMATIC CONSULTING

Project Summary



CHALLENGES

- Transform the management information environment to support the turnaround of falling profit per partner.
- Implement strategic management processes and enabling technologies.
- Reduce the number of analysts by 80-100.

OUR ROLE

- Lead the development of the Corporate Strategy Map and Balanced Scorecard.
- Implement enabling software solution.
- Clarify leadership team roles and responsibilities.
- Project consolidation, rationalisation and alignment.
- Identified, and took out, excess cost from the business.

OUR APPROACH

- Keep it simple and be pragmatic
- Engage senior management team
- Integrated project designed for sustainability Benefits delivered
- Corporate Strategy Map with supporting processes and technology.
- Clear senior management roles and responsibilities
- £250k in initial cost savings
- A consolidated, aligned portfolio of projects



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