

CORPORATE PERFORMANCE MANAGEMENT

Bridging the Gap from Strategy to Execution

Executive Conference

Featured Speakers

Dr. Robert S. Kaplan

Dr. David P. Norton

Featured Cases

Crown Castle International

Helzberg Diamonds

Harrah's Entertainment

Borealis Group

Fisher Scientific International

Northrop Grumman Space Technology

Store 24

Best Buy Company

Gap Inc.

Partners

Institute of Management Accountants

Painted Word

ThinkFast



Use CPM to maximize profits and productivity by learning how to:

- [+] **Use** the Balanced Scorecard to set the strategic context for your CPM initiative
- [+] **Create** actionable business intelligence to drive product positioning and profitability
- [+] **Apply** activity-based costing and six sigma to improve process performance
- [+] **Employ** customer and human capital analytics to boost bottom-line benefits
- [+] **Integrate** strategy and operations for continuous, real time performance management



May 18-20, 2005

Hotel@MIT

Cambridge, MA

■ Are you ready to reap the rewards of Corporate Performance Management?

CPM is emerging as the next major breakthrough on the road to improved productivity, profitability, and competitiveness. Consider the following:

- [+] By 2005, 40% of Fortune 500 companies will have implemented CPM. Enterprises that effectively deploy CPM solutions will outperform their peers. (Gartner Group)
- [+] CPM adopters outperform the industry norm by over 5% in return on assets, and outperform industry laggards by nearly 9% in ROA. (Aberdeen Research Group)
- [+] Many organizations limit the initial deployment of their CPM software to their finance processes. CRM is the most popular choice for subsequent extensions, followed by HR applications. (Meta Group)

“Should the Balanced Scorecard be a guiding force in Corporate Performance Management? Some say it’s too much effort – but the results can be stellar.”

Business Finance Magazine

■ Hall of Fame Case in Point



Hilton Hotels turned to the Balanced Scorecard in 1997 to create a systematic business approach to drive consistently high levels of service across all of its hotels.

Within two years, Hilton’s market revenue index increased 2%, guest loyalty climbed 5%, and its EBITDA margin was 300 basis points above the industry averages. While Hilton’s scorecard started out as a relatively simple instrument that brought strategic awareness down to Hilton’s 80,000 employees, it has since evolved into an all-encompassing enterprise performance management system. As a result, Hilton has consistently delivered a 3% higher profit margin than other full-service hotels. Said Dieter Huckestein, president of Hilton’s Hotel Operations, “What gets measured and managed gets delivered. The scorecard was implemented in a way that integrated all aspects of the business and changed the company’s culture by aligning every single team member toward a common goal.”

For achieving breakthrough performance results, Hilton Hotels was inducted into the Balanced Scorecard Hall of Fame in 2000. Since then, Hilton has continued to achieve breakthrough results.



■ Resources

Extend your learning beyond the conference.

Balanced Scorecard Report (BSR) is the premier publication to help you build a Strategy-Focused Organization. The exclusive source for the most current writing by the creators and leading implementers of strategy maps and scorecards, *BSR*, distributed by Harvard Business School Publishing, offers insight, experience, and ideas available nowhere else. Conference delegates receive a complimentary copy. To save \$100 on a one-year subscription – exclusive to conference delegates – check the box on the enrollment form.

■ Partners



Agenda

WEDNESDAY MAY 18

- 8:00 am clinic registration and continental breakfast
- 9:00-12:00 pm **A: Using the BSC to Set the Strategic Context for Your CPM Program**
- 1:30-4:30 **B: Integrating Six Sigma into Your Strategic Management System**
- C: Executing Your Customer Management Strategy**
- 6:00-8:00 pre-registration and welcoming reception

THURSDAY MAY 19

- 7:00 am registration and continental breakfast
- 8:00 Welcome and Introduction
- THEME 1: USING CPM TO GAIN A COMPETITIVE EDGE**
- 8:15 David Norton – Making CPM a Strategic Asset
- 9:25 Crown Castle International
- THEME 2: OPTIMIZING CRITICAL PROCESSES – TOOLS AND TECHNIQUES**
- 10:40 Developing an Integrated CPM/BI Strategy
- 11:10 Helzberg Diamonds
- 11:55 Harrah’s Entertainment
- 12:40 pm lunch
- 2:10 Driver-Based Planning
- 2:40 Borealis Group
- 3:55 Robert Kaplan – Applying ABM and Six Sigma to Improve Process Performance
- 5:05 Overcoming the Obstacles – Leveraging CPM Best Practices
- 5:30-7:00 cocktail reception

FRIDAY MAY 20

- 7:00 am continental breakfast
- 8:15 Fisher Scientific International
- 9:00 Northrop Grumman Space Technology
- 10:15 Store 24 Case Study
- THEME 3: MAKING CPM HAPPEN: CULTURE, TECHNOLOGY AND CHANGE MANAGEMENT**
- 11:00 Best Buy Company
- 11:45 lunch
- 1:00 pm Gap Inc.
- 1:45 Creating a CPM Roadmap: Best Practices and Keys to Success
- 3:00 conference concludes

Balanced Scorecard Collaborative, Inc

Balanced Scorecard Collaborative (BSCol) is a global family of professional service firms that helps clients use the Balanced Scorecard to successfully execute strategy. BSCol offers a wide range of services, including **education** (conferences, publications, research), **training** (public seminars, in-house, online), **consulting** (strategy, performance, change), and **technology** (BSC Portal™, BSC First Report™, toolkits).



To learn more visit bscol.com, or call 781.259.3737.

Sponsors



HOTEL ACCOMMODATIONS

A block of rooms has been reserved at the Hotel@MIT, 20 Sidney Street, Cambridge, MA, 02139. Make your reservations early by calling the hotel at 617.577.0200 and identifying yourself as part of the Balanced Scorecard Conference to receive a discounted rate. Rooms not guaranteed with a credit card will be released on April 26, 2005. Hotel reservations, cancellations, and charges are your responsibility. Discounted airfares are available for delegates by calling 800.706.2541 and mentioning the Balanced Scorecard conference.

CANCELLATIONS

Cancellations and transfers must be in writing, subject to a 10% service fee if received two weeks before the start date. After that date, cancellations are non-refundable and transfers not allowed. You may make substitutions at any time; please notify us in writing as soon as possible at conferences@bscol.com. For more information regarding policies and refunds or to register a complaint, please contact us at 800.554.2111.

CPE CREDITS

Delegates are entitled to 18 credits upon completion of the live group program. No prior courses or advanced preparation is required. Balanced Scorecard Collaborative, Inc. is registered with the National Association of State Board of Accountancy (NASBA) as a sponsor of the continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. (www.nasba.org)

Enrollment Form

There are **three easy ways** to enroll:

Online at bscol.com/CPM502;

Fax to 781.372.9126; or

Call 800.554.2111

Please submit a completed form for each delegate.

NAME

TITLE

ORGANIZATION

ADDRESS

CITY

STATE/PROVINCE

ZIP

COUNTRY

PHONE

EMAIL

INDUSTRY

JOB FUNCTION (Finance, HR, IT, other)

Payment Form

- \$2,695 for single registration
- \$2,425 each for **three** or more enrolling together
- \$2,155 each for **six** or more enrolling together (team learning pays!)
- \$ 495 Conference Executive Summary

The following applies only with paid enrollment:

- \$ 495 Pre-Summit Clinics – Wednesday, May 18
Morning: ___A (BSC)
Afternoon: ___B (Six-Sigma) or ___C (Customer)
- \$ 195 *Balanced Scorecard Report* 1-year subscription (save \$100)
- \$ 195 Conference Executive Summary (save \$300)

\$____ Total

Enrollment must be accompanied by payment

Make checks payable to Balanced Scorecard Collaborative, Inc.

CREDIT CARD NUMBER

EXP. DATE

SIGNATURE

Visit bscol.com/CPM502 to learn more

■ Themes

USING CPM TO GAIN A COMPETITIVE ADVANTAGE

Cutthroat competition, compressed business cycles, Wall Street worries, and countless other factors are compelling companies to find new ways of working better-faster-and-cheaper. Corporate Performance Management (CPM) is emerging as the next big breakthrough on the road to greater productivity and profitability. What exactly is it...and what's all the buzz about? In this theme, we'll introduce the concept of CPM and offer a working definition. You'll find out how to develop an integrated CPM strategy, and how the Balanced Scorecard fits into the big picture.

OPTIMIZING CRITICAL PROCESSES: TOOLS AND TECHNIQUES

Once you've identified and prioritized the critical internal processes that drive your strategy, you're ready for the next step – process improvement. This is where the rubber meets the road! This theme will showcase several outstanding examples of CPM process optimization projects – from financial planning to store operations and customer management. You'll learn how to use business intelligence and analytics to dramatically improve process performance. And you'll hear how to use process improvement tools like Activity-Based Management and Six Sigma to leverage CPM success.

MAKING CPM HAPPEN: CULTURE, TECHNOLOGY, AND CHANGE MANAGEMENT

As you've heard from our best practice case examples, CPM can create dramatic performance results relatively quickly. But as with any major change initiative, you'll first need to assess your organization's readiness for CPM. What kind of information infrastructure should be in place? How do you get buy-in from your people and create a performance-driven culture? In this theme, we'll cover these issues and help you create a roadmap for rolling out a CPM program in your organization.

■ Panel and Interactive Exercise

OVERCOMING THE OBSTACLES – LEVERAGING BEST CPM PRACTICES

Dr. Robert S. Kaplan, Dr. David P. Norton, Robert E. Paladino, Butch Jagoda,
Jonathan Halkyard, Thomas Boesen, Gregg Siuciak

Here's your chance to find out about potential hazards on the road to CPM success! We'll reconvene today's corporate speakers for an unfettered discussion of toughest challenges, potential solutions, and words of wisdom as you embark on your CPM journey. We'll identify critical success factors and best practices, and show you how to avoid the bumps and potholes on the road to CPM. Here's your chance to gain insight from those that have been in your shoes!

CREATING A CPM ROADMAP: BEST PRACTICES AND KEYS TO SUCCESS

Michael G. Contrada, Executive Vice President, [Balanced Scorecard Collaborative](#)
Cary Greene, Managing Director, Strategy Consulting Practice, [Painted Word Inc.](#)
Brenda Moncla, Vice President, Corporate Performance Management
[ThinkFast Consulting, Inc.](#)

You've heard a lot of great success stories at this conference – now how do you get started on the road to CPM – where do you begin? How do you ensure a successful CPM program? In this session, we'll help you construct a roadmap for your CPM initiative. By assessing where you are today vs. where you'd like to be, you can determine the best route to take to realize your CPM vision.

Here's what delegates at our other events have said:

"Loved your conference. I learned a tremendous amount from both the planned sessions and the informal discussions. You provided a lot of clarity using real-life experience and great tips so I can return to my company and apply what I learned."

Whipple Smith, Manager, Strategic Initiatives, Jacques Whitford

Morning Clinic A

A) USING THE BALANCED SCORECARD TO SET THE STRATEGIC CONTEXT FOR YOUR CPM PROGRAM

Mario A. Bognanno, Vice President, [Balanced Scorecard Collaborative](#)

Just getting started on your BSC program? Learn how to develop and implement a Balanced Scorecard, cascade it to create alignment, and use it to become a Strategy-Focused Organization (SFO). Chock full of “how-tos” and “watch outs,” this interactive clinic offers practical advice to help you integrate the BSC into your performance management system. We’ll also discuss how successful organizations build an internal capability to execute strategy. If you need the basics, or want to align your organization, this clinic is a must!

Afternoon Clinics (Choose B or C):

B) INTEGRATING SIX SIGMA INTO YOUR STRATEGIC MANAGEMENT SYSTEM

Maurice Klaus, Manager, [Balanced Scorecard Collaborative](#)

Six Sigma is a powerful methodology that can yield significant cost and quality improvements within any organization and process. However, without a strategy management methodology such as the Balanced Scorecard to set the strategic context, the bottom-line benefits of Six Sigma projects may be limited. In this interactive clinic, we’ll examine the productive synergies to be gained from implementing both the BSC and Six Sigma as part of your CPM system. We’ll share case examples illustrating how the two methodologies are best integrated.

C) EXECUTING YOUR CUSTOMER MANAGEMENT STRATEGY

Michael G. Contrada

Ken Demma, Managing Director, Marketing Effectiveness, [Quaero Corporation](#)

Improving customer management effectiveness is now a strategic imperative for companies facing increasingly diverse customer preferences and complex analytic, campaign management and service tools. Strategy maps can provide the missing link between strategic direction and the underlying processes, skills, and technology required to execute. The payoff can be substantial. In this clinic, we’ll describe the key components of best practice customer management strategy, show how they can be linked together in strategy maps, and tied to customer profitability and marketing effectiveness.

BSCol Support Center

To tailor the conference to your unique needs, Balanced Scorecard Collaborative experts are available to meet with you and your team at anytime in the BSCol Support Center. You may drop by anytime, or schedule an appointment at a time convenient for you. We’ll be pleased to answer any questions, offer advice, and suggest ways to accelerate your time to results. In the center you’ll also find Balanced Scorecards and strategy maps by industry and function, online assessment and diagnostic tools, educational material, and other unique resources for getting started on CPM or enhancing an existing program.

“Great conference to round out my learning from the training seminar. Excellent expansion on learning.”

Tim MacEwen, Balanced Focus Leader, Cavendish Farms

■ Featured Speakers

MAKING CPM A STRATEGIC ASSET

Dr. David P. Norton, President, [Balanced Scorecard Collaborative](#)

What is strategy and why is it important to your CPM initiative? Strategy is based on a set of business processes that create value for customers, and ultimately for shareholders. CPM allows you to manage these processes strategically by supporting them with information, analytics, and intelligence. Strategy maps and scorecards can help you describe these processes, and show how they're linked to customer and financial outcomes as well as intangible assets. David Norton will introduce a working definition for CPM, and show how you can tightly link it to your strategy.

APPLYING ACTIVITY-BASED COSTING, SIX SIGMA, AND OTHER TOOLS TO IMPROVE PROCESS PERFORMANCE

Dr. Robert S. Kaplan, Marvin Bower Professor of Leadership Development
[Harvard Business School](#)

Over the past fifteen years, Activity-Based Costing has enabled managers to see that not all revenue is good and not all customers are profitable. Unfortunately, the difficulties of implementing and maintaining traditional ABC systems have precluded widespread adoption. Time-driven ABC overcomes these difficulties. Be among the first to hear from the father of ABC about this new and improved approach, and how it, along with quality programs such as Six Sigma and TQM, can enhance the value of your CPM program.

DEVELOPING AN INTEGRATED CPM/BUSINESS INTELLIGENCE STRATEGY

Tom Phelps, President and Chief Executive Officer, [ThinkFast Consulting, Inc.](#)

Only when its inter-locking parts work perfectly in sync can an engine generate optimal power. The same holds true for the interrelated organizational components that drive the design and implementation of CPM programs. Designing enterprise-specific approaches to CPM involves three synergistic components – processes, people and systems. Tom Phelps will describe how a CPM implementation strategy can be developed by focusing on these three “engine parts” that point to crucial CPM issues and action items – and which, when integrated, power CPM success.

USING DRIVER-BASED PLANNING TO STREAMLINE THE PLANNING AND BUDGETING PROCESS

George Veth, President and Chief Executive Officer, [Painted Word Inc.](#)

To meet the heightened demand for both increased financial visibility and more efficient operations, leading companies are quickly adopting driver-based planning methods. These methods enable companies to focus on the activities that directly impact financial results. George Veth will share real world examples of how you leverage driver-based planning approaches to manage business performance, resulting in improved forecasting accuracy and streamlined business management.

“Excellent speakers, and very practical information. BSCol's contribution under the leadership of Dr. David Norton is impressive. We now have a management roadmap.”

Natali Justiniano Pahl, Human Resources Consultant, Wells Fargo Home Mortgage

■ Featured Cases

TRANSFORMING THE PLANNING AND BUDGETING PROCESS ALONG THE SFO JOURNEY

Robert E. Paladino, Former Senior Vice President, Global Performance
Crown Castle International Corporation



Creating a performance-centered corporate culture is the difference between simple one-time improvements and broad-based, sustainable productivity enhancements to drive free cash flow. Bob Paladino will describe Crown Castle's award-winning performance management model that integrates leading methods – including the Balanced Scorecard, Six Sigma and knowledge management – to proactively manage critical business processes and achieve self-reinforcing results.

USING CPM TO INTEGRATE PEOPLE, PROCESS, AND TECHNOLOGY

Butch Jagoda, Vice President, Information Technology, Helzberg Diamonds

Helzberg Diamonds developed a vision to improve its planning, transaction systems, and corporate information reporting needs. By leveraging an enterprise data warehouse and integrating its people and processes across merchandising, marketing, store operations, finance and human resources, Helzberg is delivering a single version of the truth to its people as well as portals and dashboards that feature CPM metrics at all levels. Butch Jagoda will share Helzberg's CPM success story and how it's driving behavior and company-wide goals and objectives.

CREATING ACTIONABLE BUSINESS INTELLIGENCE TO DRIVE PRODUCT POSITIONING AND PROFITABILITY

Jonathan S. Halkyard, Vice President and Treasurer, Harrah's Entertainment, Inc.

Customer analytics represents a brave new world for many finance executives, but Harrah's has set a standard to emulate. Jonathan Halkyard will describe how the finance organization worked closely with the corporate CIO to create a fact-based view of what drives loyalty, satisfaction, and profitability across diverse customer segments at Harrah's various entertainment locations. Harrah's continually reconfigures the layouts of its casinos based on this customer intelligence. The business benefits have been rapid and significant for general managers across the enterprise.

TRANSFORMING THE PLANNING AND BUDGETING PROCESS

Thomas Boesen, eBusiness Project Manager, Borealis Group



Borealis, a leading European maker of polyolefin plastics abandoned traditional budgets, replacing them with a new steering system built on four pillars: rolling forecasts, the Balanced Scorecard, activity-based costing, and decentralized investing. Together, these tools equipped Borealis with a much more flexible and effective governance system. Nine years later, Thomas Boesen will update us on how the system is working, modifications made, and how it has transformed the organization.

USING ABM TO DRIVE PERFORMANCE IMPROVEMENTS

Gregg Siuciak, Vice President, Finance – Global Profitability Improvement
Fisher Scientific International, Inc.

Fisher Scientific has been successful at using ABC as a tool to help their businesses meet aggressive goals and plans. The ABC information is used to reduce costs, increase revenue, and achieve profitability goals by assisting in the identification, implementation, and measurement of initiatives that drive a bottom-line impact. Gregg Siuciak will discuss Fisher's ABM journey, describe some of the ABM initiatives to date, and outline plans for sustaining the value of ABM into the future.

"The CPM session I attended was a great way of showing how systems need to support strategy. Dr. Norton crystallized the critical importance of this alignment. I now have a better understanding of what I need to do in my organization."

Linda Roche, Director, Quality & Strategic Planning, Northeast Delta Dental

USING SIX SIGMA AS A STRATEGIC PERFORMANCE MANAGEMENT SYSTEM

Andrew Abranches, Master Black Belt, Northrop Grumman Space Technology

Andy Abranches will provide an overview of how Six Sigma is being used at Northrop Grumman Space Technology to drive business transformation at the sector level. He'll reveal the core elements of NGST's Six Sigma-based performance management system including dashboards, process maps, continuous improvement tools, change management methodologies, process maturity assessments and communication. He'll describe how NGST linked Six Sigma to organizational strategy, ensured metrics were tied to customer needs, integrated process management, and connected improvement actions to measurable results.

CAUSE AND EFFECT ANALYSIS: STORE 24 CASE STUDY

Dr. Dennis Campbell, Assistant Professor, Accounting & Control, Harvard Business School

How well do you understand the relationships among the key performance indicators in your scorecard? How long does it take before improvements in customer satisfaction show up as increased sales and profits? Do improvements in service quality or employee skills actually translate into improved customer satisfaction and profits? Dennis Campbell will discuss the benefits of rigorous analysis of cause-and-effect relationships. He'll highlight his own research that has tested relationships among multiple measures at Store 24, a retail convenience store chain, and Hilton Hotels.

CREATING A HIGH-PERFORMANCE CULTURE

Susan Grafton, Vice President, Performance and Planning Management
Best Buy Company, Inc.

Creating a performance management culture is a journey that can proceed at varying paces and include its share of bumps in the road. For Best Buy, the last few years were not only ripe for enhancing its existing performance culture, but the business required it. Susan Grafton will share Best Buy's journey in creating a high performance culture and the characteristics that enable it. She'll provide insight on where strategy and scorecards meet along with the role of accountability. She'll discuss what's working well and what isn't...yet!

HUMAN CAPITAL ANALYTICS – MEASURING IMPACT ON DESIRED BUSINESS OUTCOMES

Al Adamsen, Acting Director, Employee Insights, Gap Inc.

Al Adamsen will discuss the activities of Gap Inc.'s Employee Insights function, which is responsible for human capital analytics. He'll describe the retailer's people strategy and how human capital metrics and analytics play a role in executing this strategy. He'll share advice on how to engage internal customers in formulating research priorities and, in turn, integrate the resulting insight. And he'll share how Gap Inc. is using the BSC framework as part of this effort.

"These conferences do more than stimulate the mind and promote learning from others. They engage the spirit and motivate your desire to do the work needed to realize the full potential of BSC implementation."

Kathy Suddreth, Assistant Director for Strategic Deployment & Integration, NASA



55 Old Bedford Road
Lincoln, MA 01773

Corporate Performance Management **Bridging the Gap from Strategy to Execution**

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Our value proposition to you:

An unparalleled learning experience, tailored to your unique needs, with practical lessons learned that can be applied immediately to accelerate your time to results. Featuring:

- [+] Drs. Robert Kaplan and David Norton, world's leading experts on strategy execution
- [+] Three clinics on Balanced Scorecard, Six Sigma, and Customer Management
- [+] Interactive exercise on creating a CPM roadmap to guide your journey
- [+] Ten exemplary case studies, three clinics, two receptions, panel and interactive exercise

All taking place at a high-tech hotel in the heart of MIT country!

Get the BSC Hall of Fame Report 2005 free!



Visit bscol.com/CPM502 to learn more