

## Selection of Business Perspectives

1. Kaplan and Norton proposed the following private enterprise based perspectives:
  - To succeed financially how should we appear to our shareholders?
  - To satisfy our shareholders what business process should we excel at?
  - To achieve our vision how will we sustain our ability to change and improve?
  - To achieve our vision how should we appear to our customers?
2. A direct equivalent for public bodies could be:
  - To succeed financially how should we appear to HM Treasury?
  - **Deliver PSA targets and spend money, wisely and carefully and in accordance with allocation**
  - To satisfy HM Treasury what business process should we excel at?
  - **Those processes which deliver the PSAs and manage the resources?**
  - To achieve our vision how will we sustain our ability to change and improve?
  - **Horizon scanning, business and resource development**
  - To achieve our vision how should we appear to our customers?
  - **They should know about us have confidence in us and trust us – our customers are all our stakeholders**
3. There is a degree of overlap between first two perspectives and furthermore the limitations of the PSA targets, they are a measure of only a part of our business, could skew the strategic decision making element of the scorecard.
4. Developing **HSC/E's Business strategy** for achieving the mission requires us to modify the usual Kaplan and Norton business perspectives to match the role of a Non-Departmental Public Body with enforcement duties. The following option links with our mission and does not have a compliance bias to the delivery of the business. It is more in tune with the aims and objectives of the change programme.
  - the **core business perspective** - securing an improvement in the control of risks to people's health and safety
  - the **continuous improvement perspective** – how we develop as an organisation and how we develop the business of the organisation
  - the **resource perspective** - managing the resources of the business, the finances, staff and fixed assets such as premises and IT

- the **external relationships perspective** - to secure, maintain and develop our credibility in the eyes of stakeholders, to develop trust in us as regulators etc.
5. This option has clear defined perspectives which allow the cause and effect linkages to be seen with a line of sight between the high level Board scorecard and divisional/section workplans.
6. An alternative option could be :
- the **internal business processes** perspective – actions to deliver the strategic plan, i.e. securing and improvement in the control of risks to people’s health and safety and to provide the facilities, resources staff and IT etc to deliver the strategic plan (in effect the content of the management plan)
  - the **internal relationships** perspective - leadership, valuing staff, performance management, communication, H&S of staff
  - the **“Research and Development”** perspective – horizon scanning, strategic prioritisation, business needs identification,
  - the **external relationships** perspective - to secure, maintain and develop our credibility in the eyes of stakeholders, to develop trust in us as regulators etc.

This Option has all the necessary elements but the cause and effect linkages are less well defined..

7. Alternatively;

- **Are we delivering the strategic plan perspective?** - the core business process and provision of resources
- **Are we getting better at the delivering perspective?** – Business improvement, Business efficiency, effectiveness/ evaluation, performance management, staff development and training,
- **Are we replacing the strategic plan perspective?**– Research and development, stakeholder engagement/confidence & trust
- **Are we communicating and managing stakeholder expectation perspective?** - Internal/external communication / stakeholder awareness and trust.

This option also has all the necessary elements but there is a lesser definition of the cause and effect linkages. However it is easier to see how it fits in with our current Plans.

8. There are other options possible but the Board must decide that arrangement of perspectives which best serves their corporate needs.