

**WIN-WIN SERVICE-LEARNING IN THE  
STRATEGY CAPSTONE COURSE  
WITH STRATMIN.ORG**

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## ABSTRACT

Service-learning experiences provide students with opportunities to put into practice what they've learned in the classroom. And research findings suggest a slew of important benefits, including increased learning, increased spiritual growth, enhanced career development, increased satisfaction with the course and university, and improved university-community relations (Eyler and Giles 1999).

But what meaningful contributions can our students bring to “live” clients in the community? This paper and presentation will layout a terrific turnkey service-learning experience using the balanced scorecard, a tool used by about 60% of medium to large companies, and rated as helpful as mission statements by executives (Rigby 2005). And importantly, a tool that is rarely used by local businesses and nonprofits, so students have every opportunity to be helpful and shine. This has been a terrific confidence booster for our students, as it's usually the first experience where they've been in-charge and led the thinking on an important project.

## WIN-WIN SERVICE-LEARNING IN THE STRATEGY CAPSTONE COURSE WITH STRATMIN.ORG

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"Service-learning is a particularly fertile way of involving young people in community service, because it ties helping others to what they are learning in the classroom. It enables them to apply academic disciplines to practical, everyday problems. In the process, it provides a compelling answer to the adolescent's perennial question, 'Why do I need to learn this stuff?'"

*Colin Powell, Former U.S. Secretary of State*

### SERVICE-LEARNING OVERVIEW

According to Campus Compact ([www.compact.org](http://www.compact.org)), a national coalition of more than 950 college and university presidents—representing some five million students—who are committed to fulfilling the civic purposes of higher education, about 30% of college students are involved with service-learning experiences averaging about four hours per week. And this has grown from single digits just a few years back.

So what is service-learning? We think Colin Powell's quote sums it up well. Service-learning "ties helping others to what they are learning in the classroom." It's a win-win that helps the community while helping students see the power and relevance of the tools they're learning.

And as Senator John Glenn, Chair of the National Commission on Service-Learning, has stated, "service-learning motivates students. Suddenly there's a connection between what the teacher is saying and the world outside the classroom." But this is just the beginning of the benefits.

### SERVICE-LEARNING BENEFITS

In addition to motivation and real-world experience, service-learning impacts student learning and student-university-community relationships in major positive ways. We have excerpted some of the recurring benefits identified in the research literature, as summarized in a meta-analysis of service-learning findings by Eyler, et al. (2001).

#### Personal Outcomes

- Service-learning has a positive effect on student personal development such as sense of personal efficacy, personal identity, *spiritual growth* and *moral development* (italics added).

- Service-learning has a positive effect on interpersonal development and the ability to work well with others, leadership and communication skills.

### Social Outcomes

- Service-learning has a positive effect on reducing stereotypes and facilitating cultural and racial understanding.
- Service-learning has a positive effect on sense of social responsibility and citizenship skills.
- Service-learning has a positive effect on commitment to service.
- Volunteer service in college is associated with involvement in community service after graduation

### Learning Outcomes

- Students or faculty report that service-learning has a positive impact on student's academic learning.
- Students or faculty report that service-learning improves student's ability to apply what they have learned in "the real world".
- The impact of service-learning on student academic learning as measured by course grades.
- Service-learning participation has an impact on such academic outcomes as demonstrated complexity of understanding, problem analysis, critical thinking, and cognitive development.

### Career Development

- Service-learning contributes to career development

### Relationship with Institution

- Students engaged in service-learning report stronger faculty relationships than those who are not involved in service-learning.
- Service-learning improves student satisfaction with college.
- Students engaged in service-learning are more likely to graduate.

### Impact of Service-Learning on Faculty

- Faculty using service-learning report satisfaction with quality of student learning
- Faculty increasingly integrate service-learning into courses

## **GETTING STARTED WITH SERVICE-LEARNING**

This is a fantastic list of benefits that all CBFA faculty members would like to see realized. The question is, what value can students provide local businesses within a term?

For the capstone strategy classes where students have been prepared to think about the various dimensions involved in organizational success, and faculty are looking to provide students with their first integrative experience, we have found that the strategy map and balanced scorecard tools make for an excellent project. These tools consider every aspect of the enterprise, and do so in a coherent and logic-driven manner.

Moreover, according to Bain & Company's Management Tools study (Rigby 2005), the balanced scorecard is among the top 25 tools in management today, and provides as high a management satisfaction rating as mission statements and strategic planning. However, these tools are rarely found in the family businesses and nonprofit organizations with which students work on course projects, so they present a terrific opportunity for students to add value and shine.

This provides a win-win for our students and their clients. That is, they get a chance to learn-by-doing while clients receive experience with a tool that would cost them a great deal of time and money to develop on their own.

The remainder of this paper focuses on an introduction to the strategy map and balanced scorecard, and includes screen shots from a website we've developed to provide a turnkey solution for this project.

## **WHAT'S A STRATEGY MAP?**

“If you can't describe what you are doing as a process, you don't know what you're doing.”

*W. Edwards Deming, Father of Total Quality Management*

Just as physicians use vital signs to monitor health, pilots have an instrument panel to monitor aircraft performance, and the Fed chairman has economic indicators to monitor the national economy, every organizational leader needs a cause-and-effect model that captures the vital signs of his or her organization. This is the purpose of a strategy map, which describes how the mission will be achieved—the cause-and-effect pathways for reaching an organization's goals.

To understand the nuts-and-bolts of how this works, let's start with a brief look at a generic, for-profit strategy map. Developed by Harvard researchers Kaplan and Norton, the template in Figure 1 represents the cause-and-effect model to maximize long-term shareholder value (which is the fiduciary obligation of every corporate leadership team.)

The researchers developed this model based on an analysis of hundreds of companies with thousands of business and academic leaders.

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Insert Figure 1 about here  
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In a nutshell, as you can see in Figure 1, the linkages to achieving long-term shareholder value are as follows:

- First, achieving financial success requires a winning customer value proposition. This is the “customer perspective” on the map. It lays out the “factors” that create the value-added and consumer surplus.
- Second, achieving a winning customer value proposition requires being skilled at key processes such as operations, marketing, and innovation—the “internal perspective” on the map.
- Third, and to excel at the key processes that are necessary to produce a winning customer value proposition, both today and into the future, a company must have talented people, the right information, a performance-oriented culture, and the capacity to learn and transform itself. The “learning and growth perspective” depicts these foundational elements of success.

Let’s dig a little more into each of these perspectives.

*The Financial Perspective.* At the top of the for-profit model are financial goals, consistent with shareholder expectations given the firm’s resources and capabilities. This “Financial Perspective” essentially answers the question: “how will we appear to our shareholders if we’re successful?” This row on the map includes the overall shareholder value goals, as well as the specific productivity and growth goals necessary to achieve it. These goals vary from company to company, but the pieces are all linked so that when the company meets its productivity and growth goals, it will also meet its shareholder value goals.

*The Customer Perspective.* To achieve whatever financial goals management has set, a company will have to meet sales targets. This means that the product’s pricing, availability, quality, functionality, etc., must be sufficient to generate the desired level of sales. This “Customer Perspective” answers the question: “to achieve our mission and financial goals, how must we appear to our customers?” It captures the essence of what customers value (i.e., the “customer value proposition”), a critical key to success. Moreover, the goals in this row will reflect the product/service offerings necessary to deliver the financial goals in the row above.

*The Internal Perspective.* Delivering on your customer value proposition—that is, delivering something important and desired by those you’re seeking to serve—requires that you create value-added. Operational excellence, innovation, good regulatory and community relations, and sound customer management processes are all part of this

Internal Perspective, a perspective that answers the question: “to satisfy our customers, at what must we excel?” In the for-profit organization, this usually means things like research and development, manufacturing, distribution, and marketing—processes that are vital to create a winning customer value proposition.

*The Learning and Growth Perspective.* At the foundation of every successful organization is a group of talented people who have the skills, tools and information they need to get the job done. Where such a team exists, organizations thrive. They’re positioned to operate with excellence, attract and retain customers, and remain financially healthy. Where such a team doesn’t exist, all the other dimensions suffer. This “Learning & Growth Perspective,” then, answers the question: “to achieve our mission, how must we learn and improve?” It consists of the key personnel and information requirements, such as skilled workers, leadership, and state-of-the-art information systems.

## **WHAT ABOUT NONPROFIT ORGANIZATIONS, LIKE MINISTRIES?**

“Anytime someone says ‘You can’t measure success by numbers,’ my response is, ‘It all depends on what you’re counting!’ If you’re counting marriages saved, lives transformed, broken people healed, unbelievers becoming worshipers of Jesus, and members being mobilized for ministry and missions, numbers are extremely important.”

*Rick Warren, The Purpose-Driven Church, pp. 52-53*

Strategy maps are useful for non-profit as well as for-profit organizations. In fact, maybe more so. For example, researcher George Barna uncovered a striking disconnect between what pastors believe about their congregants and what the congregants actually say.<sup>1</sup> Specifically, on average, Barna finds that pastors believe 70 percent of “congregants deem their faith in God to be the highest priority in their life.” But when Barna asked the congregants, only 15 percent claim this to be the case. Just imagine how many ministry decisions (and sermons, for that matter) completely miss the audience because of this faulty assumption! And just imagine how the ministry’s strategy would change if the leaders knew the truth about their members’ spiritual condition.

Barna suggests, rightly we think, that the disconnect comes from pastors only measuring easily accessible data such as attendance, ministry involvement and offerings, instead of identifying more relevant factors and measures, such as maturity in the faith and the use of one’s personal resources to advance the kingdom. In short, an imbalanced and myopic view of success in a ministry manifests itself as an inability to really connect with (and disciple) those whom pastors are working so hard to serve. Business tools like strategy maps and balanced scorecards will help churches, and other nonprofits, immeasurably.

To offer a strategy map example from a well-known ministry, we’ve developed a sample based upon Rick Warren’s *Purpose Driven Church*. In a nutshell, as you see in Figure 2, instead of having long-term shareholder value as the ultimate goal, as in a for-profit

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<sup>1</sup> *Barna Update*, January 24, 2006, available at [www.barna.org](http://www.barna.org)

company, the goal at this church is to “Magnify God’s Name.” Two pathways lead there: one through “the impact in the church”, the other “impact through life-mission in the world”.

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Insert Figure 2 about here  
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Next, to accomplish their fruitfulness objectives, the church focuses on four pillars. First, there’s the member’s perspective, which reflects what needs to be happening with church members to achieve desired impact. Second, there’s the seeker’s perspective, or, the ministry value proposition (MVP). It’s what the church expects will attract visitors in a mission-consistent manner. Third, similar to the for-profit map, the ministry needs to excel at certain things to deliver an effective MVP. These things comprise the internal ministry perspective. And fourth, there’s the People/Resource Perspective. Just as transformation in a for-profit company requires talented people, the right information, a performance-oriented culture, and the capacity to learn, so too does a ministry.

As you see, the ministry and for-profit models are conceptually very similar. Each requires skilled people and good information at the foundation, and each requires strong processes that create the products or services necessary to achieve the mission. The key difference, of course, is at the pinnacle of the map: the goal of ministry centers on things like creating and developing disciples, while the goal of business is to increase the company’s value.

But both models help the organization get past relying solely on lagging indicators of success, like financials, and on to the key leading indicators of success, such as core competences and organizational capital. The next step is to develop measures so that those leading indicators can be effectively managed.

## **YOU CAN’T MANAGE WHAT YOU DON’T MEASURE**

It’s great to have a good strategy map visualizing the cause-and-effect model driving results, but how can that process be managed without measures? That’s the role of the balanced scorecard, which provides clear metrics and targets for the key success factors identified in the strategy map.

In for-profit organizations, identifying metrics is pretty straightforward. Books like *Strategy Maps* (2004) provide clear discussions for each part of the map, including sample measures.

But what about nonprofits, such as churches? As students dig into their projects they’ll find several exemplars. For example, in ministry, there are several church health metrics that can be used to measure and manage the key success factors, such as Christian

Schwarz’s eight-factor “Natural Church Development” approach<sup>2</sup> and George Barna’s *The Habits of Highly Effective Churches*,<sup>3</sup> as illustrated in Table 1.

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After developing the cause-and-effect model or strategy map, and identifying metrics, targets, and a basis for the targets, we’ve created for the client a very powerful tool for understanding and aligning everyone to the organization’s strategic priorities. For a church, it might look something like this:

| <b>FRUITFULNESS PERSPECTIVE (excerpt)</b> |                   |                       |  |
|---|-------------------|-----------------------|--|
| <b>Factor</b>                             | <b>Metric</b>     | <b>Target (Index)</b> | <b>Basis</b>   |
| Sending                                   | Church Plants     | 2 (200)               | Typically start half of plants identified at start of year. Have interest in four.                               |
| Sending                                   | Missionaries Sent | 8 (133)               | 12 members are preparing for full-time missions and 75% typically make it out in the first year, the rest later. |

| <b>MEMBER PERSPECTIVE (excerpt)</b> |                                     |                       |  |
|-------------------------------------|-------------------------------------|-----------------------|--|
| <b>Factor</b>                       | <b>Metric</b>                       | <b>Target (Index)</b> | <b>Basis</b>   |
| Discipleship                        | % from 101 to 201 class             | 75 (120)              | Improved advertising and materials for the 201 class                             |
| Fellowship                          | % of crowd that joined congregation | 33 (130)              | Have created seeker friendly neighbor groups to facilitate relationship building |

| <b>INTERNAL MINISTRY PERSPECTIVE (excerpt)</b> |  |                       |  |
|--|--|-----------------------|--|
| <b>Factor</b>                                  | <b>Metric</b>  | <b>Target (Index)</b> | <b>Basis</b>   |
| Innovation-Launch Improvements                 | # of testable new ideas to increase impact or decrease costs | 40 (130)              | Have designated one day a month for reinventing the future brainstorming sessions. |

<sup>2</sup> See [www.ncd-international.org/public/?jsessionid=21D59D6437DB61695DD9A15FC9749FD4](http://www.ncd-international.org/public/?jsessionid=21D59D6437DB61695DD9A15FC9749FD4)

<sup>3</sup> Barna, George (1999), *The Habits of Highly Effective Churches*, Regal Books: Ventura, CA.

|                                |                                    |           |   |
|--------------------------------|------------------------------------|-----------|---|
| Innovation-Launch Improvements | % new programs that achieved goals | 100 (125) | Have developed core group of new members to help core members in charge better understand and meet unmet needs. |
|--------------------------------|------------------------------------|-----------|---|

| PEOPLE/RESOURCE PERSPECTIVE (excerpt) |                     |                |   |
|---------------------------------------|---------------------|----------------|---|
| Factor                                | Metric              | Target (Index) | Basis   |
| Staff/Volunteers-Retention            | % high performers   | 100 (110)      | Will continue to develop, reward and challenge high performers, and will send to specialized schools of their choice. |
| Leadership/Culture-Aligned to Mission | % with OM memorized | 100 (100)      | Will continue to maintain as central to all new staff/volunteer orientation training.                                 |

As business school educators, we know that a causal model of success—a strategy map—isn't optional for 21<sup>st</sup> Century business and ministry. It's necessary to get past the traditional focus on *lagging* indicators, like financial results, and on to *leading* indicators, such as innovative programs in the pipeline, customer satisfaction, and human capital.

As Barna observed in his January 24, 2005 update, when pastors are primarily measuring attendance, volunteer activity, and donations, they are 21 times more likely to know who showed up than who is following Christ. That's not to say that pastors don't care who's following Christ. It is to say, though, that if Barna is right, many ministry leaders are woefully out of touch with their congregational realities. Why? It's not because they don't care; it's because they never learned to develop an early warning radar system. And this would be no different for many other organizations in your community.

### WHAT DO I DO NEXT?

If you're reading this before the 2006 CBFA annual conference, we will have sample service-learning project instructions at the presentation and do a website demo ([www.stratmin.org](http://www.stratmin.org)). If the conference has past, we'll have step-by-step instructions at the website. We also recommend *Strategy Maps* (2004) for for-profit projects, and *The Minister's MBA* (2006) for ministry projects. The Balance Scorecard Institute's web site is also an excellent source for becoming familiar with these tools ([www.balancedscorecard.org](http://www.balancedscorecard.org)).

As Christian professors who have seen dozens of students use stratmin.org for service-learning projects, there are two things the authors are confident you'll like about this

experience. First, you'll like seeing students piece together the moving parts of a business or ministry, and taking pride of ownership in creating something helpful for others. Second, you'll like seeing the look on their faces when they realize that they know how to add value to a family business or cherished ministry, and that college really did prepare them to do something important and meaningful right out of the blocks.

Being perceived as a professional for the first time is a fabulous gift to give students in the capstone strategy course. It instills confidence in their abilities at just the time they need it most. This is among the benefits of a service-learning project with [stratmin.org](http://stratmin.org) and we encourage you to try it out.

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Table 1: Comparison of Strategy Map with NCD and Barna’s Nine Factors

| <b>Strategy Map</b>                         | <b>Factors Based on Natural Church Development (Schwarz)</b>   | <b>Factors Based on Habits of Highly Effective Churches (Barna)</b>   |
|---|--|---|
|   |  |   |
| Fruitfulness Perspective                    | Gift oriented ministry   | Engage in strategic evangelism<br>Serve the needy<br>Equip families to minister to themselves   |
| Customer (member or new member) Perspective | Holistic small groups<br>Loving Relationships<br>Passionate spirituality<br>Inspiring worship services<br>Need-oriented evangelism | People involved in systematic theological growth<br>Congregants invest in genuine worship<br>Emphasize developing significant relationships |
| Internal Process Perspective                | Functional structures  | Organized to facilitate effective ministry<br>Utilize holistic stewardship practices  |
| Learning & Growth Perspective               | Empowering leadership  | Strategic Leadership  |

Figure 1: Generic For-Profit Strategy Map

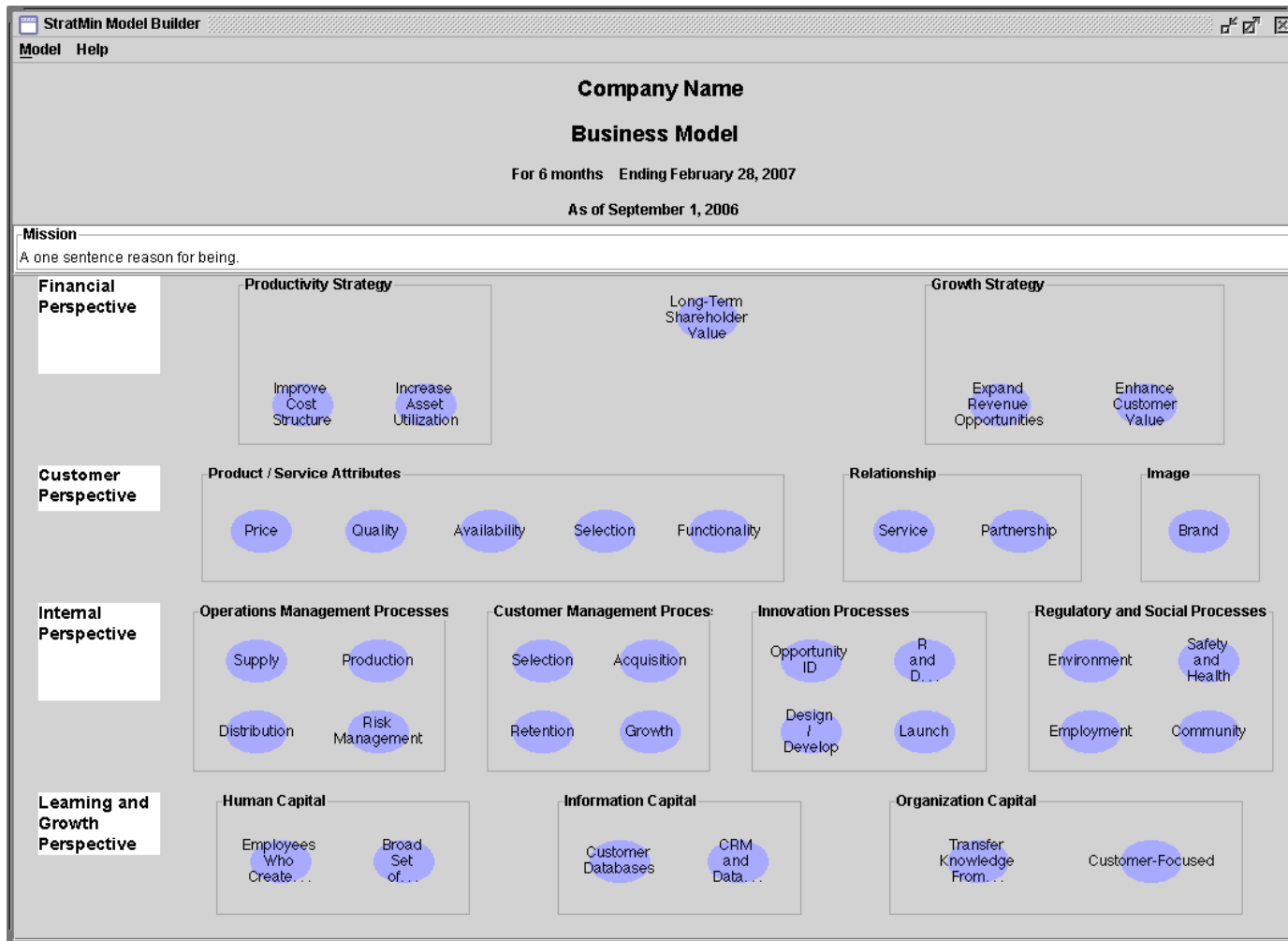


image courtesy of stratmin.org

Figure 2: Sample Purpose-Driven Church Strategy Map

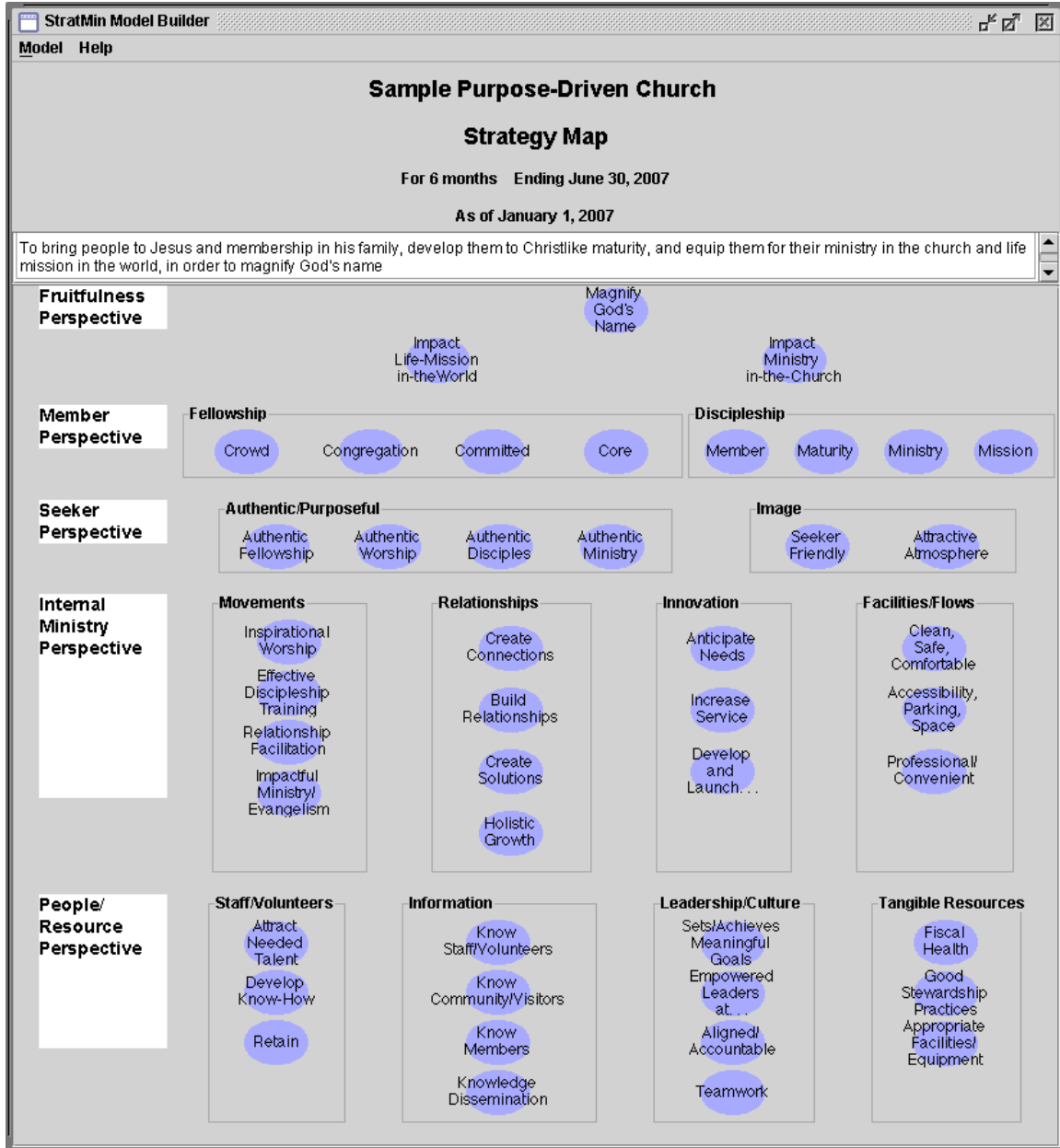


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