Renewing Canada Lands Company’s Balanced Scorecard

Presentation to National Executive Forum on Public Property

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Description of Initiative

• CLC is now completing a process undertaken to renew its annually published balanced scorecard
• The process entailed consulting with 32 internal and external stakeholder representatives to establish which areas were material to stakeholders for reporting purposes
• A cross-functional internal management committee then took this information and drafted the indicators for use in the scorecard
Description of Initiative

• Indicators were then approved and assigned to a specific Senior Management Team member, who then took ownership of its refinement and ongoing measurement
Why A Balanced Scorecard Renewal Was Undertaken

• CLC wanted to create a useful management tool that would steer its activities in directions deemed important by its stakeholders

• It also wanted to leverage its existing and future accomplishments in important areas by getting more credit for them in the public eye
The Outcome – Material CSR Areas Were Identified

- Engaging communities
- Developing sustainably
- Valuing people
- Contributing to society

**Business operations**
- Land acquisition
- Security
- Project efficiency
- Return to shareholder
- Taxes generated
- Customer satisfaction

Note:
1. Only “priority” issues, falling in the upper, right-hand quadrant of the graph have been grouped.
The Outcome – Performance Indicators Were Drafted

<table>
<thead>
<tr>
<th>“CONTRIBUTING TO SOCIETY” – Possible Targets and Metrics</th>
<th>Considerations</th>
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</thead>
<tbody>
<tr>
<td><strong>Land Use</strong></td>
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<tr>
<td>Convert contaminated federal land sold to CLC back to productive use (cumulative $ spent by CLC and site purchasers since company inception in 1995)</td>
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<tr>
<td><strong>Community Investment</strong></td>
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<tr>
<td>Contribute up to 1% of net income before taxes to corporate philanthropy ($ value of charitable donations; % of net income before taxes)</td>
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<tr>
<td>Community investment projects in major developments (cumulative total since company inception in 1995 # and $)</td>
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<tr>
<td><strong>Legacies</strong></td>
<td>Need to define what counts as “celebration of heritage”</td>
</tr>
<tr>
<td>Seek opportunities to create lasting legacies for all major development projects: 1. # and % of projects celebrating Canadian heritage (cumulatively since company inception in 1995); and 2. # of acres (hectares) of public usable open space created cumulatively since company inception in 1995</td>
<td></td>
</tr>
<tr>
<td><strong>Affordable Housing</strong></td>
<td>Perhaps use CMHC guidelines for this calculation</td>
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<tr>
<td>Provide affordable housing choices for all major residential development projects (# and % of residential units built that meet or fall below 30% average regional household income)</td>
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<tr>
<td><strong>Economic Development</strong></td>
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<tr>
<td>Cumulative projected development expenditures for CLC and site purchasers since company inception in 1995 for all past and current projects [$ by category]</td>
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<tr>
<td>Projected cumulative increase in property tax contributions for all past and current projects at completion (total $ in additional property taxes)</td>
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</table>
The Outcome

• CLC is now refining the indicators in its balanced scorecard and is tracking data for the current fiscal year (beginning April 1\textsuperscript{st} 2010)
• Data will be compiled every six months (Year End Outlook data for half way through the year, and actual data for the end of the year)
• The company’s balanced scorecard will be published in its corporate plan and annual report going forward
Lessons Learned

• Each performance indicator must have someone who is made responsible for continually refining implementation as necessary and tracking data
• This person should be the person most in a position to influence it, supported by those that “own” the actual data
• It is only when accountability is assigned in this way, that people in the organization really become engaged and the scorecard ceases to become a public relations exercise
Thank you

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