

NASD

By regulating its own activities with the BSC, NASD is demonstrating its value to its members.

NASD is the primary private-sector regulator of the U.S. securities industry. With a staff of 2,200 and a budget of \$500M, NASD registers securities firms and their employees, writes rules that govern their behavior, examines them for compliance, and disciplines those that fail to comply. It provides education and supports firms in their compliance activities. The BSC has helped NASD successfully meet significant challenges in its industry.

"In 2002, we had developed a new strategic plan. The challenge now was execution. We needed to become more strategy focused and performance driven. We decided to adopt the Balanced Scorecard. We have experienced a culture change at the NASD, and the BSC has been a big part of it. We have become more performance driven at all levels. We also now have a better understanding of how all our diverse functions contribute to our mission. We are one organization. In the last three years, the securities industry as a whole has faced significant challenges. Through NASD's decision to focus solely on regulation, and its implementation of that strategy through a carefully articulated balanced approach, NASD has been able to rise to these challenges and demonstrate its value as a self-regulatory organization. This was facilitated by the implementation of the Balanced Scorecard."

Dr. Robert R. Glauber, Chairman and CEO