Now it’s time to put it all together! In this module, you’ll be preparing a report drawing on the SLPs from modules 1-4. The task is not to simply combine these documents, but to show how the business functions relate to each other and lead to strategic action.

The special trick, which you’ve seen in action in the case, is to construct one or more **causal chains** that relate the objectives, starting with the most basic level (learning and growth) and leading to the most visible (financial/effect performance).

**Assignment Expectations:**

The first step is the construction of a consolidated table summarizing all your objectives, measures, targets, and action initiatives. This will then enable you to draw the arrows that make up the causal chains implicit in your objectives. You can find a dandy example to follow here:

BSI (2007) Balance Scorecard Example for the Regional Airline. Balanced Scorecard Institute. Retrieved from <http://www.balancedscorecard.org/Portals/0/PDF/Regional_Airline.pdf>

Here’s a form that you may wish to copy and paste into your report and fill in:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Objective** | **Measure** | **Target** | **Action** |
| **Financial** |  |  |  |  |
| **Customer** |  |  |  |  |
| **Internal** |  |  |  |  |
| **Learning** |  |  |  |  |

Now you need to examine your causal chain(s) and consider them as statement(s) of organizational goals and the strategy necessary to reach those goals.

As the remainder of this assignment, supplement the table you just prepared with a 2-3 page report that addresses the following:

Considering causal chains, organizational goals, and strategies, choose either the "is" or "is not" position in the following statement as a thesis statement for constructing a well reasoned 2-3 page argumentative essay:

**The balanced score card approach is (or is not) a useful tool, applicable to most organizations for identifying strategic action plans. Use the organization you chose for your SLP as an example to support your position.**

In this paper you will need to clearly present your thesis statement. That is, what is your position statement that you plan to support with your upcoming argument (Hint... provided above in blue)? The body of your essay should include well reasoned and well supported arguments. You should finish up with a concluding paragraph which ties your arguments into a convincing and cohesive whole.

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**MODULE 1**

**Improving** **Wal-Mart’s financial position**

|  |  |  |  |
| --- | --- | --- | --- |
| **Balanced Scorecard: Wal-Mart’s Financial Perspective** | | | |
| **Objective** | **Measure** | **Target** | **Initiatives** |
| Better than market returns | Return on assets and return on equity | 1% higher than retail industry average | Membership engagement score initiatives (for SAM’S club).  Vendor selection and associate recruiting and engagement. |
| Earnings per share growth | Earnings per share | 10% growth per year | Control costs through vendor management and training, sales growth, disciplined capital spending. |
| Retail unit growth | Number of retail outlets and total sales | 5% growth annually | Appeal to “generation next” by making shopping possible through smartphones, online purchases and drop-ship directly to homes. Bring together best-in-class online, mobile and social capabilities. New search engine for online customers. |
| Positive financial leverage | Residual Income (operating income less capital charge based on cost of capital) | 5% growth annually | Finance through the lowest cost outlet (loans, bonds, stock). Repurchase stock and finance a long-term historically low rates. |

**Module 2**

|  |  |  |  |
| --- | --- | --- | --- |
| **Balanced Scorecard: Wal-Mart’s Customer Service** | | | |
| **Objective** | **Measure** | **Target** | **Initiatives** |
| Low price check available while shopping competitors to snag customers when in other stores | Number of orders from low price checking on devices | 10% growth year over year | Permit customers using a mobile phone or computer to check the price of an item and buy it while shopping out of store. The era of price transparency is right here, right now and in real time. |
| Deep assortment | Number of customers who leave the store without a purchase | No customers leave without a purchase (not finding what they need) | Deep assortment in every category so all customers find something to meet their shopping need |
| Best shopping experience | Customer satisfaction survey measure of shopping experience | 100% good or very good experience | Create displays and store layout that make shopping, browsing and inspirational shopping choices possible with the least confusion and “hunting.” Shopper guides available at all hours. |

**Module 3**

|  |  |  |  |
| --- | --- | --- | --- |
| **Balanced Scorecard: Wal-Mart’s Internal Business Processes** | | | |
| **Objective** | **Measure** | **Target** | **Initiatives** |
| Utilizing more IT instead of personnel in carrying out internal business processes | Reduction in the number of staff that are needed to carry out internal business over a 6-month period | 5% reduction of staff involved with the internal business over 6 month time period | Increased training and advanced IT equipment utilization by business operations personnel |
| Increase business educational training for business process personnel | Percentage increase in the number of business operations personnel that have at least an Associate’s degree in business within two fiscal years | 20% increase in the number of personnel that have at least an Associate's degree every two fiscal years | A program that needs to be developed is a tuition assistance program for online college courses for business operations personnel |
| Reducing the number of departments within business operations | Percentage decrease in the number of departments within business operations within a six-month period | 10% reduction in the number of departments within business operations within a six-month period | Remaining departments to be trained in handling additional responsibilities as a part of their job duties, with a 2% increase in their annual pay |

**MODULE 4**

|  |  |  |  |
| --- | --- | --- | --- |
| **Balanced Scorecard: Wal-Mart’s Learning and Growth Perspective** | | | |
| **Objective** | **Measure** | **Target** | **Initiatives** |
| Remove discrimination of women and minorities | Number of discrimination complaints received | Reduce employee complaints to zero each year for the next three years | Initiate training for supervisors and managers for inclusion of women and minorities at Wal-Mart |
| Increase employee satisfaction | Employee satisfaction survey | Increase the satisfaction score on the survey by 3% every year for the next three years | Increase employee training. Improve employee benefits |
| Increase innovation at Wal-Mart | Number of new and useful ideas generated by employees | Increase in the number of ideas from employees by3% every year for at least three years | Allow employees more authority for making decisions |

|  |  |  |  |
| --- | --- | --- | --- |
| **Revisions (if any) to Module 1, 2, and/or 3 Objectives** | | | |
| **Objective** | **Measure** | **Target** | **Initiatives** |
| Increasing customer satisfaction | Customer satisfaction Index | Increasing customer satisfaction by 4% every year for next three years | Allow employees more authority for making decisions |
| Increasing Sales | Annual Sales | Increasing annual sales by 8% every year | Increase employee satisfaction through better training, and more benefits |