The balanced score card needs to be used in conjunction with the strategy and tactical objectives, operational initiatives and support structure to manage the business rather than just as a reporting tool.

These were determined in consideration of the values and outcomes identified earlier.

 The balanced scorecard includes four components: the different perspectives, the strategic objectives, measures or indicators, target performance, and the management initiatives.

ON FINANCIAL PERSPECTIVE:

|  |  |  |  |
| --- | --- | --- | --- |
| OBJECTIVES: Financial perspective | MEASURES | TARGET | INITIATIVE |
| Market share | Number of pre-school enrolees in the learning centre as against the total pre-school enrolees in the sampled city | To capture a market share of not less than 10% of the market in the area | Competitive pricingModern and quality instructional materials |

|  |  |  |  |
| --- | --- | --- | --- |
| Revenue and costs | Revenue is measured as the product of number of enrolees and the tuition fees paid by each Costs are measured in terms of expenditures on space rental, maintenance, instructional materials, overhead, salaries and wages and other incidental expenses | Annual increase in revenue must be at least 10%Aggregate costs must not be more than 50% of revenues in a given academic year | Enrolment campaignsPeriodic monitoring of costsEnsure compliance to budgeted costs and revenues. |

|  |  |  |  |
| --- | --- | --- | --- |
| Profitability | This is measured in terms of Revenues less all the related expenditures | Annual net profit must not be lower than 20% of total revenues in any given period | Enrolment campaign to increase revenuesOffer quality and updated instruction to increase number of enroleesReasonable cost control measures |

ON CUSTOMER VALUE PERSPECTIVE:

|  |  |  |  |
| --- | --- | --- | --- |
| CUSTOMER VALUE PERSPECTIVE: Strategic objectives | Measures  | Target | Initiatives |
| Pupil retention and turnover | .Pre-school completers as a percentage of enroleesPercentage of drop-outs | To retain not lower than 80% of pre-school enrolees in an academic year | Continuous improvement of physical facilities and human resources ( through in-house and outside trainings) |

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| --- | --- | --- | --- |
| Pupils’ and parents’ satisfaction  | Pupils’ academic performanceParents’ involvement in school activities | 100% completersAt least 80% parents’ participation in each related school project | Close monitoring of pupil's’ performanceFormation of parents-teachers’ association |
| Customer value | Referrals to othersWord of mouth  | At least 10% of new enrolees is a result of referrals made by parents of existing pupils | Continuous improvement of the program and the package of related experiences of pupils and their parents |

· ON PROCESS OR INTERNAL OPERATIONS PERSPECTIVE

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| --- | --- | --- | --- |
| **Process or internal operations perspective** | Measures | Targets | Initiatives |
| Measure of process performance | Regularly upgraded learning packagesEnhanced pre-school program | Customized learning packages are made for each core subject in any given academic year. | Periodic review of learning materialsBenchmarking on successful pre-schools in other countriesRegular review and enhancement of the pre-school program |
| Productivity or productivity improvement | Pupils’ academic achievement | High performing pupils (at least 10% of total enrolees) win local competitions. | Periodic enhancement of pre-school program |
| Operations metrics | Teacher-pupil ratio, Class sizeGovernment recognitionSchool rank | 100% compliance to government standards of class size, pupil-teacher ratio, and facilities and equipment. | Pupils’ interest inventoryPeriodic review of pupil and school performance  |

· ON LEARNING AND GROWTH (EMPLOYEE) PERSPECTIVE

|  |  |  |  |
| --- | --- | --- | --- |
| **Learning and growth ( employee perspective**) | Measures | Targets | Initiatives |
| Teacher and support personnel satisfaction  | AttendanceJob commitment | 100% average attendance of teachers and support personnel in any given period | Policies on punctuality on related classroom activities |
| Employee turnover or retention | % of employee resignation to total number of employees | 100% employee retention in any given academic year | Attractive and competitive compensation and benefits packageReasonable and socially responsive working conditions |
| Level of organizational capability | School’s assets and overall organizational performance | A minimum of 10% annual increase in assets and organizational performance | Periodic monitoring/review of school’s physical assets and other resources to ensure capability to meet existing and future market demand |

 Using metrics from a scorecard are a good start on the road to analytics. You are able to monitor changes over a period of time; however, by utilizing only the scorecards companies will run into serious problems when making major decisions since the scorecard metrics are correlations.

By going further and using analytics, these companies can get to the cause and effect of an investment in isolation of all the other variables that also maybe influencing the outcome. Done right, you can also begin to predict with great accuracy (or significantly reduce the error rate) of future investments, thus optimizing your HR investments.

Many organizations seek to mitigate capacity drains by automating their BSC but, in my experience, some manual intervention by employees is required. So, as you point out, organizations must be prepared to assign some resources to the BSC and need to realize that there will be some impact on capacity but by keeping the BSC simple and the indicator numbers manageable, the potential capacity drain can be and should be contained.

As conclusion, I have seen some successful organizations integrate their balanced scorecard into their employee performance management framework very well - the BSC became the organizing framework for PM. This is just another important step in building employee engagement and making the business strategy the way your company works every day.

REFERENCE:

David, Fred R. (2005). Strategic Management: An Integrated Approach.

 Pearson Education South Asia Pte. Ltd.

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| --- | --- | --- |
| ***Content and Organization 7*** ***0 Percent*** | ***Percent Earned:*** |  |
| Balanced Scorecard Essay | 60 | Sandra, you covered most of the objectives required for this week’s assignment.There was **an** actual balanced scorecard format included that had information pertinent to your company. You were sure to include a metric and targets for each objective. Targets must be exact goals and metrics show us how we will measure those goals. You did develop at least **three**  strategic objectives for the four required areas. The four areas that were to be covered are financial perspective, customer value perspective, internal operations perspective and employment development perspective You did include issues/opportunities identified in the SWOTT analysis paper you completed in Week Three but a bit more in this area would be helpful.You did not include an area on stakeholder analysis. You did not include ethical implications in your essay, so a bit more here would be helpful.Sandra, make sure to include the omitted areas mentioned above before submitting your final paper.     |
| * All key elements of the assignment are covered in a substantive way.
	+ **Develop** at least three strategic objectives for each of the following four balanced scorecard areas identified above (Financial, Customer, Process, Learning and Growth).
	+ Your objectives should be selected, in part, based on an evaluation of a number of potential alternatives to the issues and/or opportunities identified in the SWOTT Analysis paper and table you completed in Week Three.
	+ Base your solutions on a ranking of alternative solutions that includes an identification of potential risks and mitigation plans, and a stakeholder analysis that includes mitigation and contingency strategies.
	+ You should also incorporate the ethical implications of your solutions into your selection.

 For each strategic objective, develop a metric and target using a balanced scorecard format. (For example, a strategic objective in the shareholder or Financial Perspective is to increase market share. A metric to actually measure this strategic objective of market share increase is, "The percentage of increase in market share." The target is the specific number to be achieved in a particular time period. The target for the metric of "Increase market share" could be "Increase market share by 2% for each of the next 3 years" of an increase of 2% per year for 3 years.)  |
| The content is comprehensive, accurate, and/or persuasive. |
|  |
| The paper links theory to relevant examples of current experience and industry practice and uses the vocabulary of the theory correctly. |
|     |
| The introduction provides sufficient background on the topic and previews major points. |
| The conclusion is logical, flows from the body of the paper, and reviews the major points. |
|   |
| ***Readability and Style  15 Percent*** | ***Percent Earned*** | **Comments:**  |
|   |  15 | Tone and content were appropriate.Sentences overall were well constructed and the use of **bolded** subheadings greatly helped readability. Overall sentence and paragraph transition was good. |
| Paragraph transitions are present and logical and maintain the flow throughout the paper. |
| The tone is appropriate to the content and assignment.  |
| Sentences are complete, clear, and concise. |
| Sentences are well-constructed, with consistently strong, varied sentences. |
| Sentence transitions are present and maintain the flow of thought. |
|   |
| ***Mechanics 15 Percent*** | ***Percent Earned*** | **Comments:**  |
|   |  15 |  A properly formatted title page was present. Arial font medium was used. APA guidelines were followed.Word requirement was met. **No** Certificate of Originality was included.  |
| The paper, including the title page, reference page, tables, and appendices, follow APA guidelines for format. |
| Citations of original works within the body of the paper follow APA guidelines. |
| The paper is laid out with effective use of headings, font styles, and white space. |
| Rules of grammar, usage, and punctuation are followed. |
| Spelling is correct. |
|   |
| ***Total 100 Percent*** | ***Percent Earned*** | **Comments:** |
|   |   |   |
| ***Points Possible: 100***  | ***Percent Earned    x Points Possible*** | **Points earned: 88** |