

Strategic plan part iii balanced scorecard essay sample

[Business](#), [Strategy](#)



Before opening its doors, a company must employ researchers and marketers to create new ideas or products that will make his or her company stand out above competitors and get the attention of consumers.

Management will come up with a strategic plan on the direction of the company, which will include a balanced scorecard. According to Pearce and Robinson, (2009) " The balanced scorecard is a set of measures that are directly linked to the company's strategy and was developed by Robert S. Kaplan and David P. Norton in order to direct a company within its long-term strategies with tangible goals and actions " (p. 202). A balanced scorecard includes detailed information regarding the strategic goals of an organization for shareholders and investors. An organization is required to evaluate their performance in four key categories. The four key categories are financial perspective, customer value perspective, internal operations perspective, and growth perspective. These sets of measures are linked to the company's strategy to link their long-term goals with tangible goals and actions (Pearce & Robinson, 2009, p. 202). Financial Perspective

" Shareholder value or financial perspective includes strategic objectives in area such as market share, revenues and costs, profitability, and competitive position." The financial objective of Divine Pride Residential Home's is remain committed to cost efficiency while improving the company's competitive position. Divine Pride's mission to provide competent, innovative, and quality healthy living for the elderly. To achieve the company's mission and strategic financial objective, Divine Pride must remain focus on revenue growth by expanding revenue opportunity. With expansion plans in the next

five years the company; ensure that fundamental training and development for new employees are in place. Customer Value Perspective

“ Customer value perspective includes strategic objectives in areas such as customer retention or turnover, customer satisfaction, and customer value.”

Divine Pride Residential Home management will determine how the company appears to their clients. Without clients, the company would not be in business. Client satisfaction will not only improve the competitive position of the company but also increase market share. Services must be consistent with mission, values, and goals of the organization. Within customer value perspective, the company would hope to increase client satisfaction 15% each year for the next five years. This will ensure a successful start to the new site to be opened. Management s responsible for hiring, training, and developing the most qualified caretakers within the facility. For Divine Pride Residential Home, the customer perspective is the most important part of the scorecard. The majority of the company’s focus is on their clients’ satisfaction. Internal Operations Perspective

“ Process or internal operations perspective include strategic objective in areas such as measure of process performance, productivity or productivity improvement, and operations metrics.” Operations metrics allow the managers and employees know how will Divine Pride is running and whether the companies services conform to the needs, wants, and requirements of clients (Olsen, 2008). Divine Pride Residential Home is new in the residential home market however evaluating how well the companies services conform to the needs, wants, and requirements of the clients will make the company

successful. Offering innovative facilities like a movie theater, golf course, swimming pool, and community hospital will also immense impact on customer satisfaction. These unique offering will help he company maintain market leadership. Learning and Growth Perspective

Lastly, “ learning and growth perspective includes objectives such as employee satisfaction, nature of organization culture or climate, and technological innovation.” In order for Divine Pride Residential Home to achieve their strategic objectives, the company must invest in the proper training and development of skilled caretakers, enhancing information technology and systems, and align organizational procedures and routines with the mission, values, and goals of the organization (Olsen, 2008).

Employee satisfaction is heavily dependent on proper training. Training should include company objectives, procedures, policy, and measureable outcomes. To increase client satisfaction 15% each year for the next five years, training needs to be constant. Procedural information, accurate customer information, and internal process information is made available to employee at Divine Pride.

The balanced scorecard is vital to Divine Pride Residential Home because it is the foundation of how the company is ran. Within the organization, shareholders, management, and employees understand the company strategy and how his or her role affects the outcome. With the alignment of the companies activities to its mission, vision, and values will improve customer satisfaction, employee satisfaction, and provide the company will financial gains and market share.

References

Olsen, E. (2008, December 8). Balance Scorecard. Retrieved October 2, 2013, from My Strategic Plan: <http://mystrategicplan.com/resources/balanced-scorecard-2/> Pearce, J. A., & Robinson, R. B. (2009). Strategic Management: Formulation, Implementation and Control (11th ed.). New York, NY: McGraw-Hill.