

# [Balanced scoreboard](https://assignbuster.com/balanced-scoreboard/)

Firstly, financial element is an organizational element which aims at examining whether implementation and execution of company’s organizational strategy are equally contributing to company’s improvement. It is characterized by measures which assess whether the company is able to manage its costs and operations. For Accounting Firm financial element is very important for enhancing performance because it helps to manage revenue growth, profit margins, net operation income and cash flows.

Secondly, customer element aims at defining the value proposition to satisfy customers and to generate more sales. This element is used to measure the delivered value, costs and outcomes – for example, market share or customer satisfaction. In Accounting firm customer element will enhance operational performance, productleadership, customer satisfaction and intimacy. Thirdly, internal process element or perspective aims at creating and delivering the value proposition of customers.

The task is to concentrate on key activities and processes to provide value expected by the customers the most effectively and productively. Short-term and long-term objectives are incorporated. In Accounting Firm this element is of great help for developing innovative processes and stimulating further company’s improvement. Internal process assists in improving asset utilization, establishing good relations with external shareholders, etc.

Finally, element of learning and growth aims at founding any effective strategy which will concentrate on intangible assets, internal skills and capabilities necessary for value-creating internal process. Human capital, information capital and organizational capital are involved. This element plays important role for Accounting firm as it stimulates improvement in learning, decreases short-term financial loses and contributes to long-term development. References Cobbold, I. & Lawrie, G. (2002). The Development of the Balanced Scorecard as a Strategic Management Tool. USA: Performance Measurement Association.