

W4 disc balanced scorecard

Business



Balanced Scorecard al Affiliation Balanced Scorecard The Balanced Scorecard Institute discussed the balanced scorecard approach to evaluation and control. As stipulated, the balanced scorecard “ originated by Drs. Robert Kaplan (Harvard Business School) and David Norton as a performance measurement framework that added strategic non-financial performance measures to traditional financial metrics to give managers and executives a more balanced view of organizational performance” (Balanced Scorecard Instiute, 2014, par. 1).

What do you think of the measurements suggested, the process itself and the potential outcomes?

The recommended metrics of performance has been divided into four perspectives: (1) the customer’s; (2) internal business; (3) innovation and learning; and (4) financial (U. S. Office of Personnel Management, n. d.). The process was evaluated in terms of its ability to link the organization’s mission and vision into the development of strategies that are deemed to be instrumental in the attainment of identified goals. The potential outcomes would depend on the objectives stipulated under each of the four perspectives. For instance, under financial perspectives, the outcome could be indicated as increase of 20% in profits; while under customer’s perspectives, the outcome could be increased customer satisfaction and retention.

What are the strengths and weaknesses of the Balanced Scorecard method?

The strengths of the balanced scorecard method are as follows: (1) the ability to assess the direction of the organization using the designed strategies through measuring outcomes as against stipulated objectives; (2) it provides a holistic view of the performance of the organization from the <https://assignbuster.com/w4-disc-balanced-scorecard/>

short-term to the long-term time frame (Bowen, 2011); and (3) strategies could be adjusted, corrected and improved according to indicated performance metrics.

On the other hand, the weaknesses of the balance scorecard include: (1) the extensive amount of collaborative effort to define objectives and designing strategies that fit the performance metrics; (2) exclusion of competition; and (3) fitting the requirements of this performance tool to cater to the needs of the organization (Bowen, 2011).

References

Balanced Scorecard Institute. (2014). Balanced Scorecard Basics. Retrieved from balancedscorecard.org: <http://balancedscorecard.org/Resources/About-the-Balanced-Scorecard>

Bowen, R. (2011, April 8). Weighing the Pros and Cons of Balanced Scorecards. Retrieved from Bright Hub: <http://www.brighthub.com/office/finance/articles/70687.aspx>

U. S. Office of Personnel Management. (n. d.). Using a Balanced Scorecard Approach to Measure Performance. Retrieved from [opm.gov](http://www.opm.gov): <http://www.opm.gov/policy-data-oversight/performance-management/reference-materials/historical/using-a-balanced-scorecard-approach-to-measure-performance/>