

Balanced Scorecard Workshop

Swiss Bikes

Define strategy (2)

Vision

Market leader for manufacturing high-end and middle class bikes as well as for customer advice and support in the Swiss and German market. Open up new markets slowly, but sustainably.

Mission

our mission is to be producer and vendor of well-designed, innovative, high-quality bikes; our highly skilled employees should contribute their outstanding know-how in the design process and be able to satisfy individual customer needs.

Corporate concept

top-motivated and highly skilled employees with private interest in biking collaborate in a creative work environment, keeping in close contact with customers

Strategy

- guarantee product innovation and modern technology, recognise trends
- keep high employee motivation
- grow by 5% each year
- strategic partnerships for opening up European market
- refinement of third party bicycle frames

Task 2: Collect success factors (1)

■ Roles:

1. **CFO:** you are focused on numbers; for you, employees, customers and products are just the sometimes necessary ingredients for generating financial success. The truth lies in the figures...
2. **Director production:** your business is the production process, the technology, the automation and the minimisation of personnel involvement.
3. **Director R/D:** You're an engineer with some background in economics. You are very interested in the latest technologies and in solving challenging problems. You love the word «innovation» and are always looking for highly-skilled team members.
4. **Director marketing/sales:** no-one understands customers like you do. Your world is the world of market segments/shares, customer needs and satisfaction and sales channels.
5. **Director HR:** you know the perspective of the employees, are responsible for their development and recruiting. You know the salaries, sick days and career opportunities within the company
6. **CEO:** you have internalised the vision of the company. You want to be a good employer, advance the company and make customers happy. You see the BSC as a chance to gain information about business areas the details of which you haven't been able to study in detail so far. You want to keep it simple and have meaningful indicators with overall significance.



Task 2: Collect success factors (2)

- Each role contributes their view of the world to our brainstorming of success factors:
 - ◆ **What are the things that we are doing particularly well and /or that we should do better and that will help us move towards our vision?**
- Then: let us assign success factors to perspectives

Task 3: Cause and effect relationships (1)

- Aggregate success factors into strategic goals
- Find cause and effect relationships
 - ◆ Top-down: start with financial goals
 - ◆ Question: which other goals have a (positive) influence onto the goal currently under consideration?

Task 4: Find indicators (1)

- In your groups from the beginning:
 - ◆ Pick one goal in each perspective and find at least one indicator that measures if/in how far the goal has been reached
 - ◆ for these indicators, define
 - a formula if necessary.
 - the unit of measurement
 - whether the amount should be maximised or minimised
 - the periodicity of measurement
 - a target value
 - the threshold values for red/yellow/green display
 - how it can be measured on the basis of (which?) operative data
 - how the source data needs to be integrated