Strategic Performance Matrix: A Proposed Model for Strategic Performance Measurement

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مصفوفة الأداء الاستراتيجي: نموذج مقترح لقياس الأداء الاستراتيجي

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Abstract:

Performance measurement systems generally occupy a large part of the thinking and efforts of researchers, because of their great interest for survival and continuity of the organization. Many researchers and scientific institutions have sought to find ways and means to measure this performance more accurately. As a result, many measurement tools have emerged, particularly those related to strategic measurement, such as Tableau De Bord, The Performance Pyramid, The Performance Prism, and Balanced Scorecard. On this basis, the researchers presented a proposed strategic measurement tool that helps the organization to determine its strategic performance at a subunit level in addition to overall strategic performance. This strategic tool is combining the characteristics and advantages of a balanced scorecard and responsibility accounting, named Strategic Performance Matrix.

Keywords: Management Control Systems ; Strategic Performance ; Performance Measurement .

(JEL) Classification Codes : M41 ; M49

الملخص:

تحتل أنظمة قياس الأداء بشكل عام جزءًا كبيرًا من تفكير وجهود الباحثين، نظرًا لاهتمامهم الكبير ببقاء واستمرارية المنظمة. لذا فقد سعى العديد من الباحثين والمؤسسات العلمية إلى إيجاد طرق ووسائل لقياس هذا الأداء بشكل أكثر دقة. ونتيجة لذلك، ظهرت العديد من أدوات القياس، خاصة تلك المتعلقة بالقياس الاستراتيجي، مثل Tableau De Bord و The Performance Pyramid و Performance Prism وBalanced Scorecard على هذا الأساس، قدم الباحثان نموذجًا مقترحًا لقياس الأداء الاستراتيجي يمكن أن يوفر أداة قياس استراتيجية تساعد المؤسسة على تحديد أدائها الاستراتيجي على مستوى الوحدة الفرعية بالإضافة الى تحديد ادائها الاستراتيجي الكلي. تجمع هذه الأداة الاستراتيجية بين خصائص ومزايا بطاقة الأداء المتوازن ومحاسبة المسؤولية، وتسمى مصفوفة الأداء الاستراتيجي.

الكلمات المفتاحية: نظم الرقابة الإدارية، الأداء الاستراتيجي، قياس الأداء.

الترميز الاقتصادي (JEL): M41 ; M49

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I-Introduction :

Since the separation between ownership and management, the academic and professional studies and research have not been lacking from the dialectical relationship between stakeholders and management in organization. Perhaps the most important side in this relationship is control systems. Control systems are the means of protection used by organizations against all the risks of collapse and decay. To face these risks, whether internal or external, the organizations are using many systems of measurement to determine the efficiency and effectiveness of its performance in all aspects of its work. This matter led stakeholders to interest in these systems, and linked their confidence with the organization by the level of efficiency and ability of control systems to monitor and avoid risks. Therefore, These systems have undergone significant changes as a result of changes in the business environment. The greater diversity and magnitude of the involved risks, lead to greater need to increase the capabilities of the control systems to address these risks.

1. Performance Measurement Systems

There are many forms of performance measurement systems depending on the nature, direction and type of risks, as well as the flexibility of these risks and the rapid of change in it. In past time, it was common practice that performance measurement systems adopt financial measures as a means to determining the efficiency and effectiveness of organizations' performance. These organizations justify using this type of measures because it is (Atkinson, et al., 1997: 25):

a. In general, it is more reliable and stable, thus giving a solid foundation for the development of responsibility and rewards structures.
b. It is in line with the main objectives of maximizing the profits of the owners, thus it giving the measurement systems the ability to focus on these goals.

These justifications, besides limited competition, have been sufficient for many organizations to regard financial measures effective in providing an accurate picture of the performance. This matter has given greater ability to sustain this type of measures for a longer period. One of the most prominent traditional performance measurement systems is the responsibility accounting system. It is a system that adopts the organizational structure as a means through which senior management can distribute the various responsibilities and authorities among administrative levels. Thus, the organizational structure is an arrangement of responsibility lines in organization (Bhimani, et al., 2008: 486), these lines defines the successive administrative levels from top to bottom, and defines the degree of responsibility of each administrative level against the authority granted for each responsibility. Through this structure, the organization can be divided into smaller organizational units that are hierarchically connected. Thus, the breadth and enlargement of the organization is a fundamental reason for the extension and expansion of these responsibility lines (Hansen & Mowen, 2007: 419). According to the variety of responsibilities and authorities, four types of responsibility centers that can be included in the organization, cost centers, revenue centers, profit centers and investment centers (Barfield, et al., 2003: 806). The process of assigning certain responsibilities and authorities to managers includes two complementary aspects. First, gives the clear boundaries of these authorities and responsibilities to ensures no misunderstanding will be happen either by senior

management or by managers. Second, provides a tool that ensures the managers committed to the limits of his authorities and responsibilities. These two aspects are complemented only by linking the decision-making authorities of managers with accountability for the outcomes of those decisions (Noreen, et al., 2011: 421). Measures such as profitability, return on investment, etc. are often used to assess the performance of managers.

Despite the great role played by these systems for a long period, they faced widespread criticism, which intensified greatly in the early eighties of the last century, all of which stressed that these systems are no longer able to meet the new requirements of organizations (Bourne, et al., 2003: 4). These systems are characterized (Johnson & Kaplan, 1987; Keegan, et al., 1989; Neely, et al., 1995):

a. Adopting financial dimension only, without taking into consideration the other dimensions that can provide necessary information for a decision-making process.
b. Having a look to the past not to the future, it depends mainly on what has already achieved.
c. Focus on the internal aspects of the organization without regard to their external environment.
d. They more focused on the performance of the segments than the overall performance of the organization.

All of these reasons called for the search a performance measurement systems that contributes to providing appropriate solutions to the problems of competition facing organizations.

2. Strategic Performance Measurement Systems:

The beginnings of globalization and economic openness in the eighties of the last century, sparked the search for more measures that can fulfills needs of organizations to counteract the changes that have taken place. So we find that many researches have turned their attention to study the dimensions of this transformation and its effects on organizations, and looking for how to minimize its effects. This situation redirect attention of management accountants to find the right tools to meet new needs. As a result, strategic performance measurement systems have emerged, that have taken the strategic dimensions of planning into the process of measuring performance. These systems have been defined as "A set of financial and non-financial measures covering different dimensions and aggregated together provides a way to transform strategy into a coherent set of performance measures" (Chenhall, 2005: 400). These definitions refer to the nature of this measurement systems that try to move away from giving a limited picture that covering just financial dimension, to more realistic systems which close to real picture of performance by drawing this image from several dimensions. Porter's writings helped (1980, 1985) to be clear that management accounting and its tools must be linked to the strategic choices made in organizations to become a more valuable and important contributor to the success of the organization (Atkinson, 1998: 553).

3. Strategic Measurement Tools:

Numerous strategic measurement tools have emerged in an attempt to provide a clearer picture of the organization's performance, including Tableau De Bord, Performance Pyramid, Performance Prism, Balanced Scorecard, and others. However, the balanced scorecard was the most widely used,

because it enables the organization to employ a strategy-based performance measurement system to draws managers' attention to critical success factors, and rewarding those managers for their achievements (Blocher, et al.,2010:42). Balanced scorecard is not just a system that includes a framework provides performance measures, but also helps planners to diagnose what they should do and measure, thereby enabling executives to achieve the real achievement of their strategies (Grigoroudis, et al., 2012: 105). All managers are aware the importance of measures and their impact on performance, but it is rare for managers to believe that measurement is an essential part of their strategy (Kaplan & Norton, 1993: 134). This matter create a fundamental change in the concepts of performance measurement systems. Balanced scorecard put strategy and vision in its work center not control (Kaplan & Norton, 1992: 72). As a result, the balanced scorecard cannot be a general model applied in all organizations or even in a particular sector. Different market conditions, product strategies and competitive environment require different scorecards, each organization must design its own scorecard, which fits with its mission, strategy, technology, and culture (Kaplan & Norton, 1993: 135). Therefore, we find that each balanced scorecard is characterized by the nature of the organization and the environment in which it operates.

Despite the valuable information provided by balanced scorecard, but this information concerns the evaluation of an organization as a whole. It is known that the performance of organization is the aggregate performance of its organizational units. Therefore, measuring performance of organization strategically must be equal aggregation of measuring the performance of organizational units strategically, to see the contribution of each organizational unit to this performance on the one hand, and to link the rewards policy in the organization with this type of performance. In addition, the balanced scorecard was unable to give a single number indicating to the amount of performance either at the organizational unit level or at the organization as a whole. Therefore it was necessary to find a tool to link the strategic performance of organizational units with the organization's overall strategic performance. Through which we can determine contributes each organizational unit to overall strategic performance. In the current research, we will propose this tool, which is the strategic performance matrix.

4. Strategic Performance Matrix:

The strategic performance matrix integrate the responsibility accounting system and the balanced scorecard, in order to reach a strategic performance measurement system used by senior management to evaluate the performance of organizational unit managers according to the multiple dimensions. By which the performance of the organizational unit manager can be demonstrated in line with the organization's strategy. Thus, unlike the traditional responsibility accounting, which depends on the financial dimension mainly to measure performance, the strategic performance matrix has a broader performance measures to consist of non-financial measures beside financial measures . So, implement of strategic performance matrix is based on the idea of measuring performance in two axis. The rows constitute the first trend that shows performance according to each of responsibility center in the organization. At same time, this matrix includes the possibility of determining the overall strategic performance level of the organization, through the second trend, which are the columns, by which the total performance of each perspective is determined for the organization as a whole.

Because of performance measures and perspectives differ in units, percentages are mainly adopted. The relative measurement is a common factor that can combine different units of measurement in an acceptable manner after converting the comparison between the planned units and the actual units into a relative relationship. This will not change the core of measurement and comparison, but it gives an added advantage, by the ability to use mathematical operations on these measures, as shown in the figure (1).

5. Components of Strategic Performance Matrix:

In Figure (2), A number of components that make up the overall strategic performance matrix can be distinguished, as follows:

a. The matrix consists of columns representing the four perspectives of the balanced scorecard, financial, customer, internal processes, and learning and growth. The number of perspectives can be increased according to the need of organization, so the matrix is flexible against the number of perspectives used.
b. The rows represent responsibility centers divided by cost, revenue, profit and investment centers. Each of these classifications also divided by the number of centers in each of these categories. A particular organization may have one of cost center and another organization have three, or five, and so on. Also, the organization does not necessarily have all of these center types, and therefore can leave the types which are not required.
c. Each row of responsibility center divides into four sub-rows; the first sub-row representing target value of each measure within each perspective. The target value represents that part of the strategic objective to be achieved during the current year. The second sub-row indicates the value achieved for this measure during the same year. The third sub-row includes the weight of each measure. This weight represents the importance level of the measure for each organizational unit. The organization distributes the weight among measures according to their relative importance, this importance varies from one organization to another. Finally, the sub-row of the achieved rate which represents the rate of achieved of the measure for the period.
d. Each perspective is measured by a number of different measures that are related to that perspective. Each perspective should include the measures used by all the centers in the organization.
e. Regardless of the number of perspectives used, fully achieving these perspectives means reaching a performance of 100%, so giving a weight value for each perspective according to the importance of that perspective for the responsibility center (Banker, et al., 2011: 261; Libby, et al., 2004: 1076; Herath, et al., 2010: 46). That is, each center responsibility determines, in agreement with the top management, the relative importance of each perspective that appears in the matrix and in accordance with the nature of the work of that center. It may be found that there is a responsibility center which gives a weight value of 20% for the financial perspective and another center gives a weight value of 40% to the same perspective, and so for the rest of the perspectives. For measurement to be correct, total relative weights of all the perspectives shown in the matrix must be 100%.

f. For each organizational unit, the same manner used to determine the relative weights of perspectives, is also used to determine the relative weights of each measure in each perspective. Each perspective is divided into a number of measures that reflect type of perspective for all organizational units in organization. They also differ in their relative importance from one responsibility center to another, and therefore it is necessary to give a weight value to each of these measures according to the relative importance for each responsibility center. Thus, the weight value of the perspective is divided to their measures according to its importance, so that the sum of the weights of the measures is equal to the weight value of the perspective in each organizational unit. For example, if one perspective is given a weight of 30% for a particular organizational unit, this weight percent will be distributed among measures in that perspective. If this perspective had three measures, for example, and the first of which is the most important, the organizational unit may give it 15% of the total 30%, the second measure that have less importance may give it 10% of the total 30%, and the third measure may give it 5% of the total 30%.

g. The target which represents the segment of strategy must be achieved during the year. The target for each measure is determined by the number of units of measurement (profits, training courses, market share, etc.). If the number of training courses needed by the organization during the next five years is 20 courses, for example, and the organization identified that only 5 courses are needed during the first year, then the target amount of the training measure in the first year is 5 courses, which can be described as "the target of the measure".

h. "Achieved" refers to how much the responsibility center achieves from the target during the period.

i. After determining the three basic elements of each measure (target, achieved, and weight), the achieved rate can be obtained as follows:

$$\text{Achieved Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{weighting}$$

If the target of the profits is, for example, 1 million and realized 500 thousand, and the weight of this measure is 5%, the achieved rate will be 2.5%, that the contribution of this measure in the strategic performance of responsibility center is 2.5% of the 5%. If the responsibility center aims to provide 20 training courses during the year to its employees for the purpose of developing their skills in certain areas, and that center actually held 15 training courses during the year, and the weight of this measure is 10%, the achieved rate is 7.5%. In other words, the contribution of this measure to the strategic performance of responsibility center is 7.5% of 10%, and so for the other measures.

j. All achieved rates for the different measures in perspective can be combined. If the achieved rate of the first measure is 10%, achieved rate of the second measure is 8%, and achieved rate of the third measure is 3%, then, the total achieved rate for the perspective is 21% of 30%.

k. After determining the contribution percentage of each perspective for responsibility center, the total strategic performance of the center can be calculated, by collecting the contributions

of different measures to reach the total percentage of strategic performance for that center out of the total amount of this performance of 100%. This procedure applies to each responsibility center separately.

After determining the percentages of strategic performance for each responsibility center, the next step is to determine the strategic performance of the organization as a whole. This also begins by giving weight to each of the perspectives that constitute the strategic performance of the organization. On the basis of the same concept and logic used in determining the weight of different perspectives in the responsibility center, the weight of different perspectives will be determined, but more broadly to cover the whole organization as a single unit. The target and achieved cells are aggregated for each measure, and calculate the achieved rate by using main weight for whole organization. As a result, the total achieved rate for the all measures lead to the overall strategic performance of the organization as shown in the figure (2).

II– Methods and Materials:

In this section, the strategic performance matrix will be tested by taking partial data from one of the companies which will mark with X. This means that the purpose of the test is the matrix not the calculation performance of the company X. Following the process of measuring the strategic performance of some departments of the company:

1. A responsibility centers in the company will be accredited for the purposes of testing the strategic performance matrix, one of which is a cost center and the other a profit center.
2. The used perspectives and measures were identified in each perspective, as shown in Table (1).
3. The weights were determined for each perspective and each measure as in Table (2).
   Thus the matrix will be as in figure (3).
4. Identification of the target, achieved and percentage of achieved of each measure are as follows:
   a. Cost Center:
      - Cost: Reducing costs or continuing with planned level of these costs is one of the most important goals adopted by the company, which seeks to control the volume of product costs to maintain the stability of its market price on the one hand, and rationalize the use of the resources of the company on the other hand. As records of the company that the industrial cost expected 295 thousand I.D per ton, while the actual industrial cost amounted to 386173 I.D. per ton.

        The equation of the achieved ratio includes the relationship between the target value of the measure and the actual realized value of that measure. The closer the target achieves or exceeds the target, give a higher rate of achieved and vice versa. However, this concept will be wrong for the cost element. The relationship between the target value and the value achieved for that measure is usually inverse. The lower value achieved for the measure than the target value, will be better. Thus, the lower actual

cost of the target cost was better for the company, so the use of the equation of achieved rate should be as follows:

$$\text{Achieved Cost Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{weighting}$$

Thus, the achieved rate for cost will be:

$$\text{Achieved Cost Rate} = \frac{295000}{386173} * 70\% = 53\%$$

◆ Training Courses: The company seeks to develop the capabilities of its employees to perform their operations better in the long term, by involving them in internal and external training courses. The cost center has set its requirements form these courses for the year 2016 with 14 courses in the industrial and technical fields. Eleven training courses have been achieved, thus the achieved rate can be calculated as follows:

$$\text{Achieved Courses Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{Weighting}$$

Thus, the achieved rate for cost will be:

$$\text{Achieved Courses Rate} = \frac{11}{14} * 30\% = 24\%$$

After calculating all the measures of the cost center, the strategic performance of that center will be 77% of the expected performance rate during 2016, as shown in Figure (4).

b. Profit Center:

◆ Profit: Net profit is an important indicator of the company's ability to cover its costs and continue, to achieve competitiveness in the market. Thus, the company seeks to establish competitive selling prices to enable it to obtain the largest possible market share. In order to achieve this, the profit center constantly communicates with the latest developments in the market to put a competitive market price, which are 550 thousand I.D. / ton in 2016. Comparing this price with the (total) expected cost per ton of the product of 342 thousand I.D. / ton, the expected profit is 208 thousand I.D. / ton, while comparing the same price with the actual (total) cost per ton of 453 thousand I.D., the actual net profit achieved is 97 thousand I.D. / ton. This indicator can be calculated as follows:

$$\text{Achieved Profit Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{Weighting}$$

Thus, the achieved rate for Profit will be:

$$\text{Achieved Profit Rate} = \frac{97}{208} * 40\% = 19\%$$

◆ Market Share: Market share determines the extent to which a company affects a particular product market. Studies have determined that the expected volume of the product market in Iraq during 2016 is 1.6 million tons. In comparison to the planned production of this product of 370,000 tons in 2016, the target market share is 370000/1600000 = 23.1%. The actual market share achieved by the sale of 202041 tons for the year 2016 (202041/1600000) = 12.6%. Thus, the achieved rate of market share is as follows:

$$\text{Achieved Market Share Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{Weighting}$$

Thus, the achieved rate for Market Share will be:

$$\text{Achieved Market Share Rate} = \frac{12.6}{23.1} * 20\% = 10.9\%$$

◆ Customer Satisfaction: To measure the level of satisfaction with the company's products, it will be considered that the planned level of satisfaction is the acceptance of all units sold, amounting to 202041 tons. While the actual level of satisfaction means the number of units actually accepted after excluding the number of rejected units (70 tons), (202041 - 70) = 201971 tons. Thus, the level of actual customer satisfaction can be calculated as follows:

$$\text{Achieved Customer Satisfaction Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{Weighting}$$

Thus, the achieved rate for Customer Satisfaction will be:

$$\text{Achieved Customer Satisfaction Rate} = \frac{201971}{202041} * 15\% = 14.99\%$$

◆ Delivery Time: The delivery indicator determines the ability of company to deliver its products to customers on time. It is one of the indicators used to determine the extent to which the company can retain its customers by increasing the satisfaction of those customers through delivering products according to the contractual agreements

between the company and its customers. The fulfillment of all the commitments and contracts of the company towards the customers is the target of the measure and represents 100%. Achieved by the measure is the actual contracts, which identified by the records of the company by 72% of these contracts. The achieved rate is as follows:

$$\text{Achieved Delivery Time Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{Weighting}$$

Thus, the achieved rate for Delivery Time will be:

$$\text{Achieved Delivery Time Rate} = \frac{72}{100} * 10\% = 7.2\%$$

◆ Training Courses: The company is working to involve the staff in various courses to increase their competence and capabilities. Profit center identified the need for the development courses for the staff in 10 different courses during 2016. The target of the measure is 10 courses, while the measure achieved is 8 courses. The achieved rate is as follows:

$$\text{Achieved Training Courses Rate} = \frac{\text{Achieved}}{\text{Target}} * \text{Weighting}$$

Thus, the achieved rate for Training Courses will be:

$$\text{Achieved Training Courses Rate} = \frac{8}{10} * 15\% = 12\%$$

After calculating all the measures of profit center, the strategic performance of that center will be 64.09% of the expected strategic performance rate during 2016, as shown in Figure (5).

5. Strategic Performance for Company X:

The role of the strategic performance matrix is not limited to determining the strategic performance of the responsibility centers, but extends to give a holistic perception of the strategic performance for the organization as a whole. Therefore, after determining the strategic performance of the responsibility centers begins the last step, which provides the overall strategic performance of the company. Assuming that the company contains only the cost center and profit center.

The strategic performance of organization represents the total performance of its organizational units. The real performance of this organization is the work carried out by its various components represented by the organizational units. Therefore, reach to the overall performance of any organization according to Strategic Performance Matrix is combined perspectives and measures used by all units in that organization to form a Strategic Performance Matrix of the organization. Every perspective and every measure is part of the overall picture of an organization's performance. But the difference arises when the company wants to put the relative weight of each perspective and each measure within the perspective. There is certainly a difference in the relative weight among the

measures used by each responsibility center. Therefore, there is a need to establish a proportional weight among these perspectives on the one hand, and among measures within each perspective on the other hand. As shown in Table (3), which the researchers reached in an approximate manner through personal interviews.

Using the same previous equation and using the total data can be reached total strategic performance matrix for company Figure (6).

Figure (6) represents the final content of the Strategic Performance matrix. It includes the level of performance of responsibility centers according to the percentages appearing in front of each one, besides the percentage of the overall performance level of the company. This figure clearly indicated two basic levels of performance. The first includes the level of performance on the strategic basis of responsibility centers, and what is achieved through each center of the company's strategy. the urea plant / 2 achieved 77% of the total strategic goals identified for this center during the current year, while the Commercial Affairs Division has achieved 64.09% of the total strategic goals set for this center during the current year. The second level, it includes the overall strategic performance of the company, which derives its components from the performance of the various responsibility centers to provide an integrated picture of the strategic performance of the company. Assuming that the company consists of these two centers only, its total performance has achieved 68.2% of the total strategic goals set for it during the current year. That is, the matrix was able to link the operational performance to the company's strategic performance in a way that helped to solve the problem of linking both levels of performance.

III- Conclusion

The authors employed the characteristics and advantages of two main measurement tools, namely responsibility accounting and balanced scorecard, in finding a tool for measuring strategic performance, this tool was called the Strategic Performance Matrix. The authors have partially experimented with the application of this tool in one of the institutions in order to find out the effectiveness of this tool in application. As it became clear through the use of the strategic performance matrix that it enables the institution to calculate the strategic performance of its organizational units. The implementation of this matrix showed that the strategic performance of the cost center was 77%. This percentage represents the percentage of completion of the strategic plan for this year. While the matrix showed that the strategic performance of the profit center reached 64.09% from the completion of the strategic plan for this year. In addition, the strategic performance matrix showed the organization's overall strategic performance at 68.2%. Among the most prominent results of the implementation of this matrix is that it determined the level of strategic performance of the organization and its responsibility centers with one number representing the percentage of this performance, which was missing in the balanced scorecard. The use of percentages enabled the authors to collect the different measures for each perspective, as well as collect the results of the perspectives, to express the strategic performance of each center of responsibility and also express the company's strategic performance through one ratio. Then it is said, For example, the level of strategic performance of the urea plant is 77%. Therefore, the authors recommend using the strategic performance matrix, because it gives results which are more accurate and detailed than the balanced scorecard. The authors also recommend that other researchers should contribute to the development and maturity of this tool.

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Appendix:

Table (1): Perspectives & Measures

Perspective	Cost center	Profit center
Financial	Costs	Profit
Customer	--	market share
	--	Customer satisfaction
Internal Process	--	Delivery time
Learning & Growth	Training courses	Training courses

Table (2): Weights for Perspectives and Measures

Perspective	Cost Center			Profit Center		
	Weight of perspective	measures	Weight of measures	Weight of perspective	measures	Weight of measures
Financial	70%	cost	70%	40%	profit	40%
Customer	--	--	--	35%	market share	20%
		--	--		Customer satisfaction	15%
Internal Process	--	--	--	10%	Delivery time	10%
Learning & Growth	30%	Training courses	30%	15%	Training courses	15%
Total	100%		100%	100%		100%

Table (3): Perspectives and Measures for Company

Perspective	Weighting for Perspectives	Measures	Weighting for Measures
Financial	35%	Cost	15%
		Profit	20%
Customer	30%	Market Share	20%
		Customer Satisfaction	10%
Internal Process	15%	Delivery Time	15%
Learning & Growth	20%	Training Courses	20%
	100%		100%

Figure (1): Relative Measurement

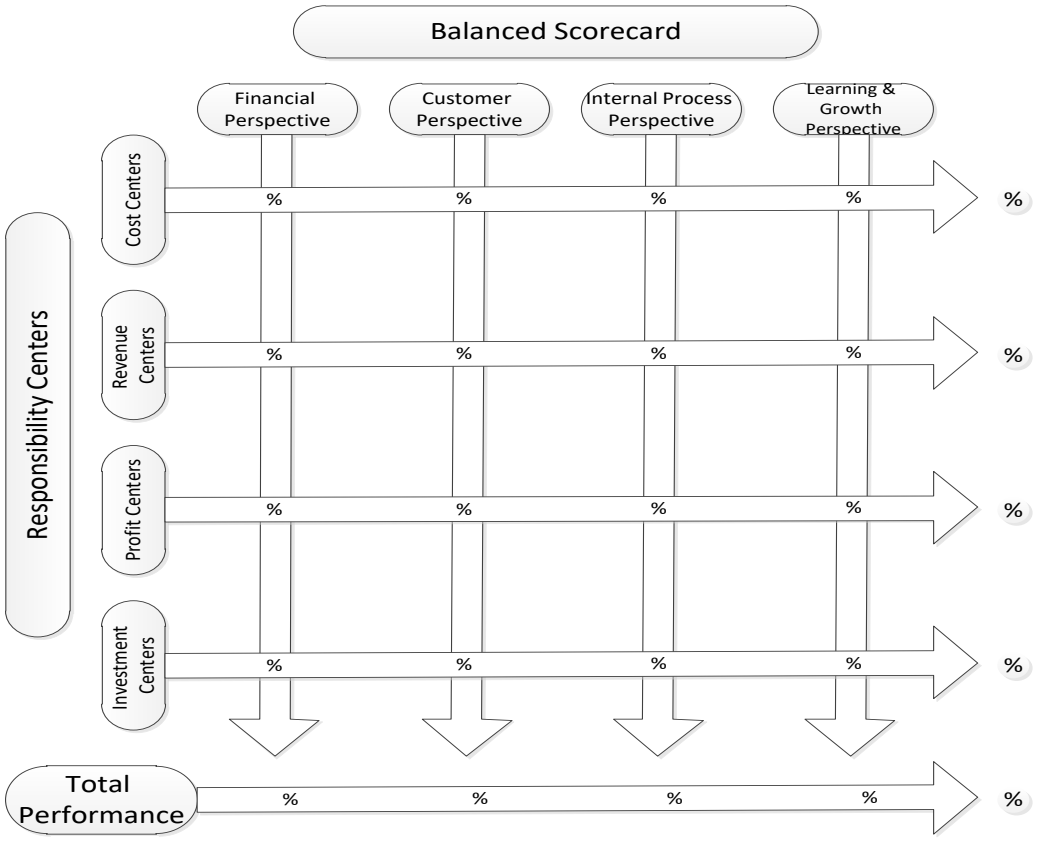

Figure (2): Strategic Performance Matrix

Perspectives / Responsibility Centers			Financial Perspective				Customer Perspective				Internal Process Perspective				Learning & Growth Perspective				Total strategic performance measures for the center of responsibility
			measure 1	measure 2	measure 3	etc.	measure 1	measure 2	measure 3	etc.	measure 1	measure 2	measure 3	etc.	measure 1	measure 2	measure 3	etc.	
Cost Centers																			
No.	Weight for each perspective																		
	Name of Center	Target																	
		Achieved																	
		Weighting																	
		Achieved Rate																	
Earnings Centers																			
No.	Weight for each perspective																		
	Name of Center	Target																	
		Achieved																	
		Weighting																	
		Achieved Rate																	
Profit Centers																			
No.	Weight for each perspective																		
	Name of Center	Target																	
		Achieved																	
		Weighting																	
		Achieved Rate																	

Investment Centers																			
No.	Weight for each perspective																		
	Name of Center	Target																	
		Achieved																	
		Weighting																	
		Achieved Rate																	
perspective The total weight of each																			
Total strategic performance measures of the organization		Target																	
		Achieved																	
		Weighting																	
		Achieved Rate																	

Figure (3): Perspectives, Measures and Weights

Perspectives / Responsibility Centers			Financial Perspective		Customer Perspective		Internal Process Perspective	Learning & Growth Perspective	Total strategic performance measures for the center of responsibility
			cost	profit	Market share	Customer satisfaction	Delivery time	Training courses	
Cost Centers									
1	Weight for each perspective		70%					30%	
	Cost center	Target							
		Achieved							
		Weighting	70%					30%	
		Achieved Rate							
Profit Centers									
1	Weight for each perspective		40%		35%		10%	15%	
	Profit center	Target							
		Achieved							
		Weighting		40%	20%	15%	10%	15%	
		Achieved Rate							

Figure (4): Strategic Performance of Cost Center

Perspectives / Responsibility Centers			Financial Perspective		Customer Perspective		Internal Process Perspective	Learning & Growth Perspective	Total strategic performance measures for the center of responsibility
			cost	profit	Market share	Customer satisfaction	Delivery time	Training courses	
Cost Centers									
1	Weight for each perspective		70%					30%	77%
	Cost center	Target	295000					14	
		Achieved	386173					11	
		Weighting	70%					30%	
		Achieved Rate	53%					24%	

Figure (5): Strategic Performance of Centers

Perspectives / Responsibility Centers			Financial Perspective		Customer Perspective		Internal Process Perspective	Learning & Growth Perspective	Total strategic performance measures for the center of responsibility
			cost	profit	Market share	Customer satisfaction	Delivery time	Training courses	
Cost Centers									
1	Cost center	Weight for each perspective	70%					30%	77%
		Target	295000					14	
		Achieved	386173					11	
		Weighting	70%					30%	
		Achieved Rate	53%					24%	
Profit Centers									
1	Profit center	Weight for each perspective	40%		35%		10%	15%	64.09%
		Target		208	23.1	202041	100	10	
		Achieved		97	12.6	201971	72	8	
		Weighting		40%	20%	15%	10%	15%	
		Achieved Rate		19%	10.9%	14.99%	7.2%	12%	

Figure (6): Strategic Performance Matrix for Company

Perspectives / Responsibility Centers			Financial Perspective		Customer Perspective		Internal Process Perspective	Learning & Growth Perspective	Total strategic performance measures for the center of responsibility
			cost	profit	Market share	Customer satisfaction	Delivery time	Training courses	
Cost Centers									
1	Cost center	Weight for each perspective	70%					30%	77%
		Target	295000					14	
		Achieved	386173					11	
		Weighting	70%					30%	
		Achieved Rate	53%					24%	
Profit Centers									
1	Profit center	Weight for each perspective	40%		35%		10%	15%	64.09%
		Target		208	23.1	202041	100	10	
		Achieved		97	12.6	201971	72	8	
		Weighting		40%	20%	15%	10%	15%	
		Achieved Rate		19%	10.9%	14.99%		12%	
The total weight of each perspective			35%		30%		15%	20%	
Total strategic performance measures of the organization		Target	295000	208	23.1	202041	100	24	68.2%
		Achieved	386173	97	12.6	201971	72	19	
		Weighting	15%	20%	20%	10%	15%	20%	
		Achieved Rate	11.5%	9.3%	10.9	9.99%	10.8%	15.8%	

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