

Assessment 2



22789 Financial Analytics - Spring 2025

Balanced Scorecard Case Study



Somesh
Shanbhag

25525837



Table of Contents

1. Executive Summary	3
2. Part A: Balanced Scorecard Dashboard.....	3
2.1 Dashboards Design Philosophy.....	3
2.2 Justification, Insight and Actions from the Dashboard.....	4
3. Part B – KPI Development Plan for Balanced Scorecard	5
3.1 Customer Satisfaction.....	6
3.2 Internal Process Efficiency.....	7
3.3 Learning & Growth.....	7
3.4 Social Performance	8
3.5 Environmental Sustainability.....	9
3.6 Indigenous data sovereignty principles and ethical data collection	9
4. Conclusion	11
References	12

1. Executive Summary

For 15 years, Jubilee Superstores has succeeded by focusing on financial growth. The company is now shifting its strategy to meet the expectations of modern customers and investors. This new direction expands Jubilee's focus to include social and environmental responsibility with a specific commitment to advancing reconciliation with Indigenous Australians. This report explains the tools built to guide and measure this new strategy. Part A provides a high-level overview of the dashboard's design for performance analysis and Part B proposes better KPIs to track progress on the company's broader goals.

2. Part A: Balanced Scorecard Dashboard

This section explains the design and strategic thinking behind the four-page Power BI dashboard. The dashboard is not just a collection of charts, it is an integrated analytical tool designed to tell a story and answer critical business questions while also directly supporting Jubilee Superstores strategic objectives.

2.1 Dashboards Design Philosophy

The dashboard is built as a four page story that can guide anyone from an executive to an analyst from a high-level “what,” to a detailed “why.” The dashboard uses a consistent, professional theme with a clear visual hierarchy and purposeful color coding, making complex data easy to understand at a glance.

The dashboard’s story unfolds across four pages:

Page 1 - Executive Summary: This page gives a high overview of the business. It answers the most urgent questions such as “how are we doing right now?” and “what are the main drivers?”

Page 2 - Customer & Product Deep Dive: This page explains the “who” and “what” behind the numbers and answers “who are our most valuable customers?” and “which products are driving our performance?”.

Page 3 - Operations & Sustainability: This page looks at the efficiency of the business’s internal engine and its environmental impact and answers “how efficiently are we operating?” And “what is the environmental cost?”

Page 4 – People & Social Responsibility: This page measures progress on the company's human and social goals and it answers “how effective is the staff and teams?” and “are we delivering on our social commitments?”

2.2 Justification, Insight and Actions from the Dashboard

Every element of the dashboard was deliberately chosen to answer a specific business question and drive action. The executive summary page is fully dynamic allowing management to filter the entire view by year. All key performance indicators include a year over year comparison. This was a deliberate design choice because Jubilee sales are subject to seasonality like holiday peaks. Comparing to the same period last year provides a more accurate measure of true business growth. The top row of the summary features six headline KPIs including total sales, total profit and average order value. This selection provides a complete pulse check answering the question “How are we doing right now?”. The year-over-year comparison on each card provides instant context on business momentum. For example, the dashboard for 2025 shows a sharp 12% decline in unique customers. This is a major red flag that directs management to use the customer deep dive page to investigate if this is a retention or acquisition problem.

To track profitability, two bullet charts were chosen over simple gauges because they are more data dense and professional. They answer the question “Are we meeting our critical profitability target of 40% GPM and 16% OPM?” The dashboard reveals a GPM of 15.93% in the poor red zone and an OPM of 27% in the good green zone. This shows that while the company is operationally efficient, the fundamental profitability of its products is dangerously low. The immediate action for management is to use the product deep dive page to find which products are eroding the gross margin. This is supported by the combo chart showing sales and profit which answers if high sales months are also the most profitable. The profit breakdown decomposition chart also helps this analysis by allowing executives to perform their own root cause analysis and explore exactly where profit is coming from. For example, they can see the high profit from Tasmania and expand the data to find the exact segments driving this success and then create a plan to replicate those processes in other states.

The dashboard empowers executives to find these answers themselves through interactive deep dive buttons clicking the product button leads to the product deep dive page. This page is a logical workflow for a product manager. It starts with the ribbon chart which answers “how is the sales rank of our main categories changing over time?”. If a manager sees furniture losing rank then they can move to the performance breakdown by subcategory matrix. This matrix answers “Which specific part of the furniture category is causing the problem?”. This leads to the top and bottom 5 products chart which answers “Which individual products are our biggest winners or losers?”. This provides a highly actionable list of items to either promote or investigate. The discount versus profitability scatterplot answers the strategic question “Is our discounting strategy actually working?”.

By analyzing sales to new and old customers, management can make data-driven decisions about whether promotions are a profitable acquisition tool or simply a drain on margins.

The operations and sustainability page answers the question “How efficiently are we operating?” and “What is our environmental cost?”. The on-time shipping target gauge shows a performance of 71.30% against a 95% target. This significant shortfall prompts immediate action to investigate the root cause for delays. The total weight Shipped card shows a +29.6% year on year reduction but the Avg. Shipping Impact Score card shows a slight 0.4% increase. This crucial insight shows that while the company is shipping less weight it is using more carbon intensive methods to do it. To understand this better management can use sales mix by shipping impact chart. This chart answers “which product categories are most reliant on high impact shipping methods?”. If technology sales are skewed towards high impact scores management can take action by creating incentives for customers to choose more sustainable shipping options.

The people and social responsibility page was designed to measure progress against the company's human and social capital goals. The indigenous employment rate gauge was chosen to provide a clear, quantifiable measure of workforce diversity which directly addresses the companies reconciliation goals. It answers the question “Is our workforce representative of the communities we serve?”. If the rate is below the national benchmark of 3.8% then it signals that HR needs to take action by strengthening indigenous recruitment pathways. This is complemented by the Salesforce performance leaderboard and the sales versus hours worked scatter plot. These visuals chosen and move beyond simple sales numbers and analyze team effectiveness and efficiency. They answer “who are our top performers?” and “is there a correlation between hours worked and sales results?”. If the scatter plot shows a weak correlation, it provides a powerful insight that is more hours do not necessarily equal more sales. This prompts management to focus on improving the quality of sales training rather than just encouraging longer hours.

3. Part B – KPI Development Plan for Balanced Scorecard

To achieve its new strategic goals, Jubilee Superstores needs a management framework that goes beyond traditional financial numbers. The balanced scorecard provides this structure, turning strategy into a clear set of principle measures.

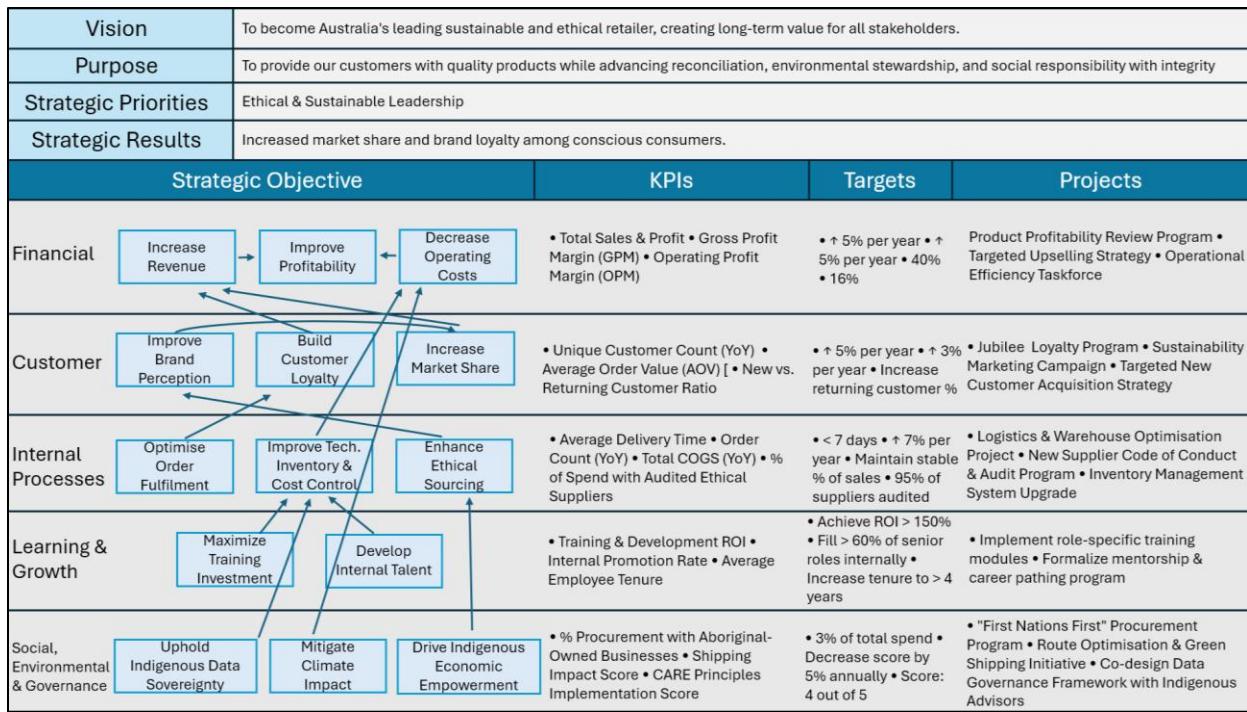


Figure 1: Strategic Map for KPI Planning

3.1 Customer Satisfaction

This area focuses on creating value for customers which in turn drives financial performance. For Jubilee, this means providing quality products and aligning with customer values along ethical and sustainable business.

KPI 1 - Average Order Value (AOV): This KPI featured on the executive summary page measures the average dollar amount spent each time a customer places an order. It was chosen because it is a direct driver of the company's primary objective to increase revenue. By focusing on increasing AOV, the company can grow its revenue without needing to increase the number of customers in the crucial measure of the quality of sales transactions. An increase in AOV directly contributes to a higher total sales and total profit. It can also be influenced by the effectiveness of the sales team linking it to average profit per employee (learning and growth).

KPI 2 - New vs. Returning Customer Ratio: This KPI measures the proportion of sales that come from newly acquired customers versus those from the existing customer base. This metric which is directly visualized on the customer deep dive page was chosen to provide a clear picture of the company's growth model. A healthy business needs a balance of both as retaining customers is significantly more cost effective. If the ratio skews too heavily towards new customers it may indicate a leaky bucket problem where customers are not returning prompting investment in loyalty strategies. A high proportion of returning

customers is often a result of efficient internal processes such as low average delivery time which in turn drives sustainable total profit.

3.2 Internal Process Efficiency

This area focuses on the internal processes that are most important for creating customer value and meeting financial goals for a retailer like Jubilee, fulfilling orders efficiently is key.

KPI 1 - Order Fulfilment Cycle Time: This KPI displayed on the dashboard as Del. Time Avg. Measures the average time from when a customer places an order to when it is shipped. It was chosen because in today's competitive retail world shipping speed is a key part of customer satisfaction. A short cycle time improves the customer experience and can be a big advantage. Monitoring this KPI helps management identify and address delays in the warehouse and shipping operations. A low average delivery time (Internal Process) this is a key driver of customer satisfaction which influences the New vs. Returning customer Ratio (Customer). Efficient processes also help control operational costs which support a healthy operating profit margin (Financial).

KPI 2 - Order Count: This KPI which is tracked on the executive summary page with the year-on-year comparison measures the total volume of orders processed by the business. It was chosen as a fundamental measure of operational throughput and demand. Tracking its growth year on year is essential for capacity planning staffing and inventory management directly supporting the company's objective of year-on-year revenue growth. A rising order count (Internal Process) should ideally be managed without a significant increase in average delivery time (Internal Process). This volume directly drives total sales (Financial) and is influenced by the number of unique customers (Customers).

3.3 Learning & Growth

This area focuses on the company's people and culture which are the foundation of all other improvements. A skilled and motivated team is needed to carry out Jubilee's new strategy.

KPI 1 - Training & Development ROI: This proposed KPI measures the financial return generated by training programs comparing the costs of training to the increase in business performance. It was chosen to prove that training is a valuable investment not just a cost ensuring that the training budget is spent effectively. This KPI helps management decide which training programs deliver real value and should be funded. A positive Training and development ROI (Learning and Growth) directly increases total profit (Financial). Effective training also improves the employee competency score (Learning and Growth) And can

even lower the average shipping impact score (Environmental) if it focuses on sustainable practices.

KPI 2 – Internal Promotion Rate: This proposed KPI measures the percentage of senior roles filled by promoting existing employees instead of hiring externally. It was chosen because it provides tangible outcomes for employee development, showing that the company successfully grows its own talent. For this, we need to collect data by creating a metric called Hire Acquisition (Internal / External) which is what we can use to count and analyze the percentage distribution. A high internal Promotion Rate (Learning & Growth) is a direct result of effective training, which can be measured by Training and Development ROI (Learning and Growth). Promoting experienced internal staff helps retain operational knowledge supporting a low order fulfillment cycle time (Internal Process) and is often cheaper than hiring externally which benefits Operating Profit Margin (Financial).

3.4 Social Performance

This area directly measures Jubilee's commitment to its social responsibilities especially its goal of advancing reconciliation.

KPI 1 – Procurement Spend with Aboriginal -Owned Businesses: This KPI measures the value of goods bought from certified Aboriginal-owned suppliers as a percentage of the company's total procurement spending. This KPI was chosen because buying from Indigenous businesses is a real and effective way to support Indigenous economic empowerment and provides a clear, measurable sign of the company's commitment to its reconciliation goals. A strong commitment to this KPI can enhance brand reputation which can attract more Unique Customers (Customer) and demonstrates a commitment to building a stable and ethical supply chain influencing Supplier relationship Years (Social Performance).

KPI 2 – Average Supplier relationship Length: This KPI featured on the “People & Social Responsibility” page measures the average number of years the company has been working with its suppliers. This metric was chosen to measure the stability of the supply chain. Long-term partnerships are a cornerstone of ethical and sustainable sourcing as they are less transactional and allow for deeper collaboration on social and environmental goals. A high average relationship length indicates a stable, lower risk supply chain. Stable supplier relationships (social Performance) can lead to more reliable delivery and better cost control positively impacting Average Delivery Time (Internal Process) and COGS (Financial).

3.5 Environmental Sustainability

KPI 1 – Average Shipping Impact Score: This is a proxy metric, visualized on the “Operations & Sustainability” page, that assigns a score to each order based on the environment impact of its shipping method. Since direct emissions data is unavailable, this KPI was chosen to provide an innovative way to measure the environmental footprint of the company’s logistics. A lower score is better. Tracking this allows management to set clear target for shifting towards more sustainable shipping methods. Our focus on reducing the shipping impact score(Environmental) may involve promoting “Standard Class” shipping which could slightly increase the average delivery time (Internal Process) Creating a strategic tradeoff that management must balance.

KPI 2 – Total Weight Shipped: This KPI which is tracked on the “operations and sustainability” page measures the total physical mass of all products shipped. This was chosen as the best available proxy for the carbon footprint of the company's transportation a primary way for a retailer to reduce its environmental impact is to reduce the total weight it leads to transport. Tracking this KPI allows the company to set reduction targets. Total Weight Shipped (Environmental) is directly influenced by the Order Count (Internal Process) and the mix of products sold. A shift in sales towards lighter products would reduce this KPI and likely improve the overall GPM (Financial).

3.6 Indigenous data sovereignty principles and ethical data collection

This unique area is key for Jubilee to truly meet its commitment to reconciliation and ethical data practices.

KPI 1 – Indigenous Employment Rate: This KPI displayed as the gauge on the people and social responsibility page measures the percentage of the sales force who identify as Aboriginal or Torres Strait Islander. This was chosen as a direct and transparent measure of the company's commitment to providing equitable employment opportunities. It is a foundational goal for any meaningful Reconciliation Action Plan (RAP) in Australia. By setting a target against the national demographic benchmark (3.8%) The company can hold itself accountable for achieving representative employment. A strong indigenous employment rate (Indigenous Engagement) is a key component of a healthy and inclusive workplace which can lead to a higher Average Employee Tenure (Learning & Growth) and an enhanced brand reputation that attracts more Unique Customers (Customer).

KPI 2 – Indigenous Data Agreement Coverage Rate: This KPI measures the percentage of company projects or initiatives that use or collect data from or about aboriginal or Torres

Strait Islanders peoples that are governed by a formal data agreement with the relevant community or representative body. The goal is to ensure that whatever indigenous data is involved, the principles of Collective benefit, Authority to control, Responsibility and Ethics (CARE) are formally respected and documented.

In order to set up this KPI, a clear respectful and transparent process is needed. The first step is to establish a clear and internal definition of what constitutes indigenous data this definition created in consultation with indigenous advisors should include data collected from individuals identifying as indigenous, data about indigenous communities or cultural heritage and aggregated data sets where indigenous people are a significant cohort. The next step is to identify relevant projects and in order to do that we must create a central register or flag that is able to identify all projects products or marketing campaigns that meet this definition. The next stage is to develop a data agreement framework while working with indigenous experts.

This document must outline ownership and control protocols regarding collection storage access use and sharing of the data, how the data and any insights derived from it will be used and how the company will be responsible and report back on the data usage. The KPI is calculated using a simple formula:

$$\text{Indigenous Coverage Rate} = \frac{\text{Number of projects with a signed Data Agreement}}{\text{Total number of projects using Indigenous data}} \times 100$$

The target for this KPI would ideally be 100%.

This KPI is not a standalone metric and is deeply interconnected with other measures of success on the dashboard. For example a high data agreement coverage rate demonstrates that jubilee is a genuine and respectful partner and not just an employer this builds trust and strengthens the company reputation within indigenous communities making it more attractive place to work and positively influencing the indigenous employment rate. The process of code designing these agreements also fosters relationships that can lead to employment opportunities. Another example is that employees, both indigenous and non indigenous, are more likely to stay with the company that demonstrates strong ethical principles this KPI is a clear signal of corporate integrity and respect. It contributes to a culturally safe workplace, boosts morale, job satisfaction and all of these in turn boost the average employee tenure. Another example is the corporate social responsibility which is a significant driver of consumer choice. Publicly reporting a high score on this KPI enhances jubilee's brand reputation as an ethical leader. This commitment to genuine reconciliation and data ethics can attract new socially conscious customers thereby increasing the total number of customers.

4. Conclusion

This report has laid out a plan to improve the strategic management of Jubilee Superstores. The financial Analysis in Part A shows the need to look deeper than just the top-level numbers. The interactive dashboard is the tool for management to find and fix these issues.

But financial health is not enough for long-term success. The Balanced Scorecard in Part B provides a framework for today's complex retail world. By adding customer, internal process and learning perspectives to social and environmental measures, the scorecard gives a complete view of the business. The proposed KPIs are management tools designed to drive action. They will guide spending on customer loyalty, improve operations, build an inclusive and skilled team and ensure the company meets its commitments to the community and the planet.

The inclusion of KPIs for indigenous procurement and data sovereignty positions Jubilee Superstores to be a leader in corporate reconciliation. By using this balanced Scorecard, Jubilee can turn its strategic vision into a reality creating a business that is not only profitable but also resilient, respected and truly sustainable.

References

- insightsoftware. (2021, January 2). *Top 25+ Retail KPIs and Metrics for 2021 Reporting*. Insightsoftware. <https://insightsoftware.com/blog/retail-kpis-and-metrics-for-reporting/>
- GoTo Blog. (2025, October 16). *10 ways to improve your CSAT score (Customer Satisfaction Score)*. GoTo.com Blog; GoTo. <https://www.goto.com/blog/how-to-improve-csat-customer-satisfaction-score>
- Marketos, G., & Theodoridis, Y. (2006). Measuring Performance in the Retail Industry (Position Paper). *Business Process Management Workshops*, 129–140. https://doi.org/10.1007/11837862_14
- *Reconciliation Action Plan*. (2017). https://www.bhp.com/-/media/documents/ourapproach/operatingwithintegrity/indigenouspeoples/180717_bhpreconciliationactionplan.pdf?la=en
- *Reconciliation Action Plans*. (n.d.). Reconciliation Australia. <https://www.reconciliation.org.au/reconciliation-action-plans>
- Team DigitalDefynd. (2024, March 16). *Top 20 Sustainability KPI Measures for Businesses [2024]*. DigitalDefynd. <https://digitaldefynd.com/IQ/top-sustainability-kpi-measures-for-businesses/>