

BSBMGT616 Develop and implement strategic plans

Assessment Task 4- Case Study/Report (Reviewing implementation)

About the assessment

This assessment is about writing a progress report based on a case study related to the unit BSBMGT616 Develop and implement strategic plans and its elements and performance criteria.

Performance objective

In this assessment, you are required to review the implementation of a strategic plan within an organisation, and develop a report evaluating the implementation.

Assessment description

As part of your review, you need to develop a report describing the implementation as measured by the achievement of KPIs, milestones and overall effectiveness. You also need to identify and describe any refinements or improvements that can be made to the implementation process.

Procedure

For the case study information provided, you need to develop a progress report with information provided under the following headings:

1. **KPI progress:** Review and describe the progress of the strategic plan, according to each of the identified performance indicators.
2. **Milestone progress:** Evaluate the achievement of identified objectives against the established timeline milestones for the strategic plan.
3. **Overall progress:** Evaluate and describe the overall effectiveness and progress of the strategic plan.
4. **Improvements:** Make necessary refinements to ensure continued achievement of the plan; describe methods for improving strategic planning processes.

The Assessment Task is due on the date specified by your assessor. Any variations to this arrangement must be approved in writing by your assessor. Submit this document with any required evidence attached. See specifications below for details.

Specifications

You will be assessed against performance objectives mentioned in this assessment task. Before you submit your work to Assessor, check to include the following-

You must provide:

- A completed progress report, as described above [*Steps 1–4*].

Your assessor will be looking for:

- Evidence that you have analysed and evaluated the progress of the strategic plan implementation through the case study, and reflected these in the progress report you have developed.

Case study

Objective 1 – To sell and service MacVille espresso coffee machines in every state of Australia in the next five years. All states have a MacVille machine, apart from the Northern Territory where it took some time to get an agent, and an experienced espresso machine repairer has not yet been found to take on the job due to the attractiveness of mining industry pay rates.

- **Strategy (a)** – Sign, action and establish the strategic alliance agreement with Java Estate.

KPI (plan) – 200 machines installed p.a.

KPI (actual) – Agreement signed within the time limit and actioned, but only 180 machines installed in the past 12 months. There was a slower uptake in Northern Territory and North Queensland, due to the tourist slump with the strong Australian dollar.

- **Strategy (b)** – Establish a MacVille Melbourne warehouse.

KPI (plan) – MacVille opens in Melbourne within two years after Sydney opens for business.

KPI (actual) – Melbourne warehouse is still not open. It is currently being run on the more expensive agency model.

- **Strategy (c)** – Set up agents in other states and outsource maintenance contracts.

KPI (plan) – Agent agreements and outsource maintenance contracts for South Australia, Western Australia, Northern Territory, Tasmania, ACT.

KPI (actual) – Still no service contractor for Northern Territory. All others met the deadline, although agents in Western Australia, Tasmania and Northern Territory were very expensive.

Objective 2 – To increase profit margins by 5% from our 2010 benchmark in the next five years. After two years, profit margins have improved by 2%. Some agent contracts and outsourcing contracts are very expensive.

- **Strategy (d)** – Instigate bulk buying negotiations to reduce supplier price.

KPI (Plan) – 100% of purchase by the container load.

KPI (Actual) – 100%. Volumes have increased to the point that all orders fill a container. KPI achieved in quicker time due to the initial increase in demand.

- **Strategy (e)** – Operate all departments at optimum capacity and productivity.

KPI (plan) – Wages to turnover ratio of 12.5%.

KPI (actual) – 13.8%. Some states still underperforming. Strategy still in line with timetable.

Objective 3 – To establish the MacVile brand recognition in our key markets over the next five years. After two years, 50% of our target market recognise the brand and 87% of those responding said the brand reaction was very positive.

- **Strategy (f)** – Establish social, internet and networking marketing.

KPI (plan) – 10,000 clicks per day on the website.

KPI (actual) – 12,000 clicks per day. Achieved in half the time allocated. SEO specialist contractor very experienced.

- **Strategy (g)** – Join with Java Estate in co-branding cups and cafe banners.

KPI (plan) – 100% of cafes with our machine, using our cups.

KPI (actual) – Survey reveals only (50%) uptake. Design and colours not attractive. Strategy introduced within timeframe.

Objective 4 – To reduce our waste and energy use by 10% from our 2010 benchmark within the next five years. After two years, the reduction is 8% lower than 2010 benchmarks.

- **Strategy (h)** – Set up innovation and reward programs for reducing waste use.

KPI (plan) – 25 suggestions per year; 6 new innovations introduced per year in relation to reducing waste.

KPI (actual) – 30 suggestions and 8 new innovations, leading to a significant reduction in waste. Introduced within designated timeframe.

- **Strategy (i)** – Develop and implement energy use awareness campaign.

KPI (plan) – Kw per use per person to drop to 10kW.

KPI (actual) – 12kW per person. Introduced too late in the year and not rolled out across the whole organisation.