

## STRATEGIC COST REDUCTION, MAXIMIZATION OF RESULTS

In an increasingly demanding economic scenario, with reduced revenues and increased costs, coupled with increased competition and high market volatility, companies need better responses.

Despite the different weights and factors promoting results, such as:

- Strategic awareness (shared formulation)
- Leadership (ability to influence people)
- Structure (competencies and responsibilities)
- Processes (procedures)
- Projects (unfolding strategy)
- Contractualisation (agreement of results)
- People (training)
- Information technology (innovation)
- Financial resources (flow regularity)

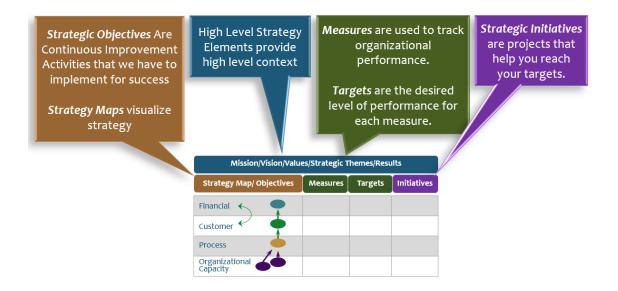
The biggest concern then is how to get the results.

## SOLUTIONS FOR RESULTS

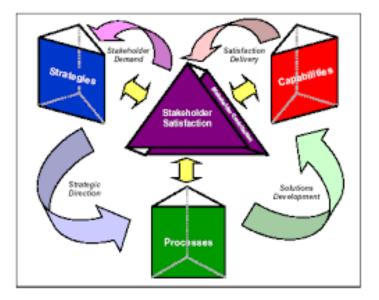
There are several performance management methodologies already consolidated and tested in several organizations. We can cite:

- Balanced Scorecard (BSC)
- Performance Prism (Emphasis on Stakeholders)
- Porter's Value Chain
- Others

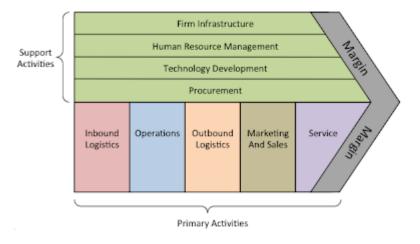
The BSC is a strategic management model that explicitly communicates, aligns and monitors the organizational strategy, translating the mission and strategy of a business unit into tangible and measurable objectives and measures. It has the advantage of great flexibility and ease of organizational alignment.



The Prism of Performance is an integrated model of results whose focus is the creation of value for the interested parties, from the construction of indicators that help in obtaining the maximum satisfaction of the parties.



The Porter Value Chain has developed a methodology to look inside organizations and identify competitive advantages.



In a differentiated and unified way, the 6E's of the initial figure proposes to manage results, in a comprehensive way encompassing not only efforts as the results.

The concepts adopted by the effort dimension are:

**Economics**: the process of capturing and using resources with the least possible burden, within the required requirements and quantity of inputs (resources, people, time).

**Execution**: execution of processes and activities according to the established deadlines and requirements.

**Excellence**: compliance with quality criteria and standards, with a view to carrying out processes, activities and projects in search of the best execution, efficiency and effectiveness.

In the Result dimension are:

Efficiency: relationship between outputs and inputs.

Efficacy: quantity and quality of products and services delivered to the user.

Effectiveness: impacts generated by products, processes or projects.

## Considerations

• The implementation of management models for dynamic results is a challenge for organizations, on the one hand seeking strategic reduction of costs and on the other side the maximization of results / margin.

• Developing a model with an alignment throughout the organization is a major difficulty and also a great need of organizations.

• All models apply to both private and public areas.