



Business Operations: Delivering Value

Vue: The balance scorecard

Darryl Lewis

We make the majority of our money on the high margin items such as popcorn and carbonated drinks and through combo sales, that's what we would want them to sell more of and encourage. However, there are regional variants as an example of that would be for the London area, the combos with the Coca-Cola or a sprite sold, but they didn't sell as well. So what we actually introduced was a water combo. So you got your popcorn with a healthier option which was a water combo.

Narrator

A key part of Vue's strategy to match supply with demand is the scheduling of a flexible workforce.

Andrew Bailey

We need to be very careful about how we hire and when we hire so that we can see where our peaks and troughs are going to be. We have the flexibility of certain contracts so we can flex up and flex down, based on those and we would always try and ensure our pay roll is managed with the smallest possible contract. It's easier to get people in to do extra hours than bring them in and conversely be sending them home if you don't actually need them on a given day. The peaks and troughs in the business are a key factor that we need to manage because the peaks and troughs relate to something that you can't always control. You may have a sleeper movie for example that you don't think is going to do very well and suddenly it blows out of proportion or word of mouth actually sells your movie for you.

Narrator

Vue uses a balance scorecard approach to manage their business performance and the quality of their service.

Darryl Lewis

I think the analogy is that if all measures within the balance score card aren't given equal focus, it's like a chair or a table with four legs, if you disproportionately focus on one of those elements, your chair or your table's going to fall over and we strongly believe that your business is going to fall over if we don't.

Sophie Doherty

A balance scorecard is a common document which is used throughout businesses, but we're very keen to make sure that it's a living document. It's not hidden from the rest of the management team and everyone has a vested interest in the success of it.

Darryl Lewis

The four sections are people, that's about inspiring people to win, about giving them a career path, about setting them objectives and giving them a future.

Sophie Doherty

The people page of the balance scorecard is incredibly important and that's based around individual's development as well as then linking that into the key objectives for the overall business as well.

Kam Dosanjh

It's an integral part of the whole company from the top to the bottom; everyone has a balance scorecard. And we judge people against that each month.

Darryl Lewis

The second element is sales and I think that's really important for the continued improvement of the business and without sales generation we wouldn't be the successful business that we are.

The third element is quality, which is about flawless execution, which is about delivering in the right way and in the right manner, what we want to execute. Whether that be guest service, back of house standards, cleaning standards or whether that be audit requirements.

Andrew Bailey

The balance scorecard for me is the way I manage my unit and the focus I need to give to my unit in order to deliver a profitable business first of all, but also to deliver excellent guest service and manage the costs associated with the business itself.

Darryl Lewis

The fourth element is continuous improvement which is based around efficiency. So we strongly believe that those four elements need to be looked at in equal proportion to maximise what we do as a business.

Kam Dosanjh

Any incentives that we run within our cinemas, or any new strategies, we kind of refer back to the balance scorecard and how we factor all our quadrants. How did it affect our people? What are the sales going to be like? Is the profits going to increase or decrease? So we kind of refer back to it as a terminology and language and it gives us a kind of like a focus point.