



Managing Sustainable Profit

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Represented research was performed as a single case study on the performance measurement system of the Ydria Motors LL Company (YM), which is engaged in manufacturing. The company is a part of the EBM-Papst group and focuses on the prototypes of new products and manufacturing machines. The company is a competence centre of EBM-Papst group and its vision is to become the leading manufacturing and development location within the group in the field of AC and EC motors, pumps, fans and components for home appliances. In the Slovenian region, the company is an important manufacturer of electric motors and fans, which exports as much as 95% of its production for large and important manufacturers of upmarket white goods and household appliances such as Miele, Bosch-Siemens, Gorenje, Electrolux and AEG.

When companies are chasing the profit they usually become aware that the latter is merely the result of employee competence and satisfaction, process excellence and customer satisfaction. Based on that ascertainment, companies integrate different managerial tools in the management system. One with the most dominant position is the Kaplan and Norton's balanced scorecard (BSC).

Within our survey we have closely examined the development of a performance measurement model which supports the decision making process in real time. Our main finding relates to the fact that we empirically confirmed the error correction models (ECM) which are supporting the cause and effect relations between the strategic goals (e.g. stake holder's long term value-monthly profit). In this context the company has identified opportunities for improvement in the field of performance measurement.

Keywords: causal relations, error correction model, long term stability, performance measurement system, short term dynamic, strategy fulfilment, sustainable growth