

**BALANCED SCORECARD AND STRATEGY IMPLEMENTATION
AT BRITAM ASSET MANAGERS KENYA LTD**

BY

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DECLARATION

This research project is my original work and has not been submitted for a degree or any other award in any other university.

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DEDICATION

This work is dedicated to my family, colleagues and my academic supervisor who assisted me to complete the project successfully.

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ABBREVIATION AND ACRONYM

AUM	Assets Under Management
BSC	Balanced Scorecard
BUs	Business Units
CAGR	Compound Annual Growth
CEO	Chief Executive Officer
CIS	Collective Investment Schemes
CMA	Capital Markets Authority
IT	Information Technology
NSE	Nairobi Securities Exchange
RBA	Retirement Benefits Authority
RBV	Resource Based View
REITs	Real Estate Investment Trusts

ABSTRACT

Strategy implementation is made up of four elements including: identification of the general strategic objectives, formulation of specific plans, resource allocation, budgeting and monitoring and control procedures. It is through strategy implementation that an organization is able to translate formulated strategies into guidelines of its daily operations. Strategy implementation is not easy. The use of the balanced scorecard enhances the strategy implementation process. The balanced scorecard in strategy implementation provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results. The operating environment for Britam Holdings Ltd group has changed as the group evolved from the previous structure. In order to improve the strategy implementation process, Britam Holdings Ltd group adopted the balanced scorecard in its operations. The study objective is to establish the application of balanced scorecard and strategy implementation at Britam Asset Managers Kenya Ltd a wholly owned subsidiary of Britam Holdings Limited. The study adopted a case study research design because the unit of analysis is one institution. The study used primary data and was collected using an interview guide formulated in line with the objective of the study. Data obtained from the interview guide was analyzed using content analysis. The study found out that strategy at Britam Asset Managers Kenya Ltd was formulated every 3 years and follows the Britam Holdings Limited group strategy formulation plan. Every employee at Britam Asset Managers Kenya Ltd is involved in strategy implementation. The balanced scorecard at Britam Asset Managers Kenya Ltd is developed by the management at a high level headed by the Chief Executive Officer and then cascaded down to the departments. The heads of departments prepare the departmental balanced scorecards which are cascaded down to the supervisors and to the respective employees. The study concludes that the balanced scorecard has assisted the organization in clarifying the vision and mission and translating them into tangible actions for each employee. The company encountered challenges in the use of the balanced scorecard as a tool for strategy implementation, which included limited understanding on the link between the strategy and balanced scorecard, mixing up of operational issues and strategic issues when using balanced scorecard. The study recommends that for successful strategy implementation using the balanced score card everyone must fully understand the overall organizational objectives and there is need for further training to deepen the understanding of the balanced scorecard and the role that each employee plays in overall achievement of the organization goals. The limitations of the study include the time factor, and the risk of subjectivity and bias in drawing inferences. These limitations however did not invalidate the research. For further research the study suggests conducting a similar study on other Business Units within the Britam Holdings Ltd group to establish if the results of the study can be generalized. Further the study recommends carrying out studies on the use of balanced scorecard by other asset management companies in Kenya for strategy implementation as well as the customization of the balanced scorecard in different organizations to suit the strategy implementation needs.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic management helps organizations in focusing on their day to day operations as it identifies where an organization is, where it desires to go and how it can get there (Kaplan and Norton, 1996). It has three key distinct phases namely: formulation, implementation, and evaluation and monitoring (Thompson and Strickland, 2001). Strategy implementation presents great challenges to organizations as their excellent strategies formulated end up not being implemented for one reason or another. The balanced scorecard (BSC) helps management in clarifying an organization's vision and strategy and translating them into actions. It further helps in providing feedback on the internal business processes and the external outcomes. This enables organizations to continuously improve their strategic performance against the set objectives (Kaplan and Norton, 1996). Using the BSC enables an organization in transforming its overall corporate objectives to objectives with measures that can be cascaded to the departments and individual employee targets. The balanced scorecard enhances the strategy implementation process.

This study is anchored on the Resource Based View (RBV) theory and the institutional theory. The RBV theory offers important explanations in strategy implementation using the BSC as a tool. In order to implement a strategy, organizations need to have adequate resources both in terms of human capital and money (Wernerfelt, 1984). Many

organizations with well formulated strategies end up not achieving their aims because do not have adequate resources to oversee the implementation process.

Implementation of any strategy requires adequate resources otherwise many aspects will lag behind (Barney, 1991). Organizations need to reserve adequate resources for strategy implementation so as to achieve the set objectives. The institutional theory on the other hand explains the role of an organization structure and how it affects strategy implementation. Organizations have structure which explain the flow of information and define the chain of command (Scott, 2001).The set organizational structure and chains of command need to be efficient in communication and ensure that the information is communicated to all key stakeholders (Peng, 2003). This allows the stakeholders to organize and plan for strategy implementation. This will help them to overcome many challenges that may come along the way once they start implementing strategies (Peng, Wang & Jiang, 2008).

1.1.1 Strategy Implementation

Strategy implementation is the second phase of strategic management after formulation. It involves alignment of an entity's structure, the systems and processes with the strategy so as to achieve the set objectives. Pearce and Robinson (2005) define strategy implementation as the action phase involving translation of strategic thought into organization action drawing different stakeholders into the strategic management for the achievement of organizational objectives. According to Pearson and Robinson (2007), strategy implementation is made up of four elements including: identifying the strategic

objectives, specific plans formulation, allocation of resources, budgeting, monitoring and control.

According to Thompson and Strickland (2001), strategy implementation involves institutionalizing and operationalizing of strategy. Institutionalization is concerned with establishing initiative programs through development of relationships, practices and procedures that become part of the long term organization. Institutionalization lays the guidelines and procedures of how activities are executed in an organization for the smooth running of day to day activities. Operationalization of strategy occurs through incorporation of the various strategies in various operational programs in the organization. Strategy implementation is a complex process. Kaplan and Norton (2001) established that less than 10% of strategies formulated are implemented. They identified four key obstacles to strategy implementation. One of the hindrances to strategy implementation identified is the vision barrier. This is the ability of employees to understand strategy. The second barrier to strategy implementation is the management barrier which is the time spent by the executives discussing strategy. The third independent to strategy implementation is the resource barrier that's looks at the organization's budget allocations and the link to strategy. Finally, Kaplan and Norton (2001) established the people barrier as an impediment to strategy implementation. This involves the linking of employees' incentives to strategy.

1.1.2 Balanced Scorecard

The balanced scorecard was introduced by Kaplan and Norton as a management tool to overcome the traditional challenges to strategy implementation (Kaplan and Norton, 1991).

According to Pearce and Robinson (2005) a balanced scorecard is made up of measures that have a direct link to the strategy of an organization and used as the central framework of organizing key management processes. Kaplan and Norton (1996) acknowledged that the balanced scorecard (BSC) helps to align activities of an organization to the vision and strategy. It further helps in improving internal and external communications, and helps in monitoring of performance against strategic goals. It provides feedback on the internal processes and external outcomes to ensure that organizations continuously improve their strategic performance (Kaplan and Norton, 1996). Further Kaplan and Norton believed that management can only achieve that which can be measured.

The BSC identifies ways of satisfying and delighting customers' thus giving business unit managers the opportunity of translating the mission and strategy statements of organizations into objectives that are specific to the customer (Coop, 2006). The BSC model presents a framework used in translating the vision of an organization into a set of indicators of performance. It identifies four different perspectives from which an organization can measure its performance (Awadallah and Allam, 2015). These include the financial perspective that covers measures of financial performance such as: return on

investment, return on asset and equity returns among other financial ratios (Lynch, 2003). The customer perspective focuses on customer satisfaction and corporate image which are important aspects of organizational performance. The processes perspective looks at the processes that organizations need to use to succeed in the market place (Porter, 2003). The innovation perspective deals with how organizations can move on from learned lessons with sustainability of change and improvement of operations of the organization (Kaplan and Norton, 1996).

1.1.3 Asset Management Industry in Kenya

The key players in the asset management industry are fund managers, insurance companies, pension funds, securities exchanges, central depositories, stockbrokers, investment advisers, securities dealers, authorized depositories (custodians) and trustees. Investment funds in Kenya are known as Collective Investment Schemes (CIS) and the unit trusts funds are the most common. From the year 2010 to 2014 the Unit Trusts' AUM grew at a CAGR of 21.2 percent and reached KES 38.1bn. (PWC,2016).

Despite this growth, the fund management industry remains underdeveloped accounting for only 0.8 percent of total assets in the financial sector and 0.7 percent of the GDP. Due to the booming real estate sector, Kenya leads in the alternative investments market in East Africa. Investments in the real estate sector are becoming attractive and the property prices are increasing, due to the demand from a growing middle class. The population in Kenya is expected to reach 50m by the year 2020. Recently, the Capital

Markets Authority (CMA) introduced the Real Estate Investment Trusts (REITs) which are expected to provide Kenyans with more investing opportunities (PWC, 2016).

1.1.4 Britam Asset Managers Kenya Ltd

Britam Asset Managers Kenya Ltd was established in the year 2004 to offer investments management and financial advisory services for individuals and institutions. It is a fully owned subsidiary of Britam Holdings Limited, previously known by as British-American Investments Company. Britam Holdings Limited is a diversified financial services group listed on the Nairobi Securities Exchange (NSE). The group offers a broad range of financial products and services in insurance, investments management, property and banking (Britam, 2016). Britam Holdings Limited group has expanded over time in the Eastern and Southern Africa region, with subsidiary companies in Kenya, Uganda, Tanzania, Rwanda, South Sudan, Mozambique and Malawi. (Britam, 2016).

Britam Holdings Limited group traces its long history dating back in 1920, in Bahamas where it was incorporated. In Kenya the entity was established in 1965. It has since then grown from a small service insurance company to a leading diversified financial services provider in the region. The human resources at Britam Holdings Limited group has grown from 29 employees and 50 agents in 1980 to about 548 employees and 1,946 financial advisors as at 2014. Further the group has over 100,000 life insurance customers over 5,000 asset management clients and 30,000 general insurance customers (Britam, 2016). Britam Asset Managers Kenya Ltd is licensed by the Capital Markets Authority (CMA) and the Retirement Benefits Authority (RBA) as a fund manager.

1.2 Research Problem

The implementation of appropriate strategies remains one of the most difficult areas of management. Kaplan and Norton (2001) established that less than 10% of strategies formulated are implemented. The application of the BSC in strategy implementation helps in enhancing strategy implementation (Kaplan & Norton, 1996). According to Johnsen (2001), the balanced scorecard is a model for management that translates the mission and strategy into performance measures of an organization.

The operating environment for Britam holdings Limited group has changed over time as the group evolved from the previous structure bringing in changes on how the various BUs including Britam Asset Managers Kenya Ltd one of its subsidiaries is managed. In addition, the operating environment has changed over time including the customers, the economic variables and competition. The group adopted the BSC for strategy implementation to align its operations.

Several studies have examined the application of balanced scorecard in strategy implementation. Mei and Jiang (2013) looked at the reconstruction of the balanced scorecard in Chinese Local Governments in the context of a correction model on service-oriented government strategic goals. The findings indicated that evaluation of the present performance of the local government without a modified BSC design at of strategic level has various limitations and constrains the civil servants. In another study, Chi and Hung (2011) sought to establish whether the balanced scorecard was helpful in improving performance by studying China and Taiwan software companies.

The study found that the companies that used the BSC accomplished the set goals and achieved better performance than the ones that did not. Khomba, Vermaak and Hanif (2012) examined the relevance of the balanced scorecard model in Africa by looking at whether it was shareholder-centred or stakeholder-centred. The findings revealed that the African social-cultural framework was inclusive in that its corporate governance embraced all stakeholders unlike an exclusive western framework of corporate governance that focused on shareholders only. These studies although relevant, were conducted in more developed countries compared to the operating environment in Kenya hence limiting their applicability to this study.

Locally, Waruiru (2009) studied implementation of the balanced scorecard as a strategic management tool at Insurance Company of East Africa .This study was done more than seven years ago and the industry has changed over time which may limit the application of its findings. Kariuki (2012) studied the balanced scorecard as a strategy implementation tool at AAR Kenya Ltd and established that the Company had been using the balanced score card over five years and it had reaped immense benefits. Kimaro (2013) studied the application of balanced scorecard in strategy implementation at Deloitte & Touche East Africa and established that balanced scorecard was linked to strategic implementation through the assignment of dimension owners to individuals in each of the departments.

From the review of above studies, it is evident that a number of studies have examined the application of balanced scorecard in strategy implementation.

However, the studies have been done in different contexts or in different operating environment settings which limits their application in the current study. Further organizations use the balanced scored card in different ways. How is the balanced scorecard applied in strategy implementation at Britam Asset Managers Kenya Ltd?

1.3 Research Objective

This study had one objective. This was to establish the application of balanced scorecard in strategy implementation at Britam Asset Managers Kenya Ltd.

1.4 Value of the Study

The study will be of importance to a number of stakeholders including: managers at Britam Asset Managers Kenya Ltd, managers in other organizations, future scholars and researchers. For the managers at Britam Asset Managers Kenya Ltd and other organizations, the findings of this study will inform them on the application of the BSC in their quest to successfully implement strategies. This will help them identify areas of improvement in strategy implementation to achieve set organizational objectives. The study will also inform them of the other alternatives in strategy implementation.

For future scholars and researchers, this study will act as empirical literature in informing future studies in addition to suggesting further research areas. The study will add knowledge to the existing scholarly findings on the application of BSC in strategy implementation in organizations in Kenya.

CHAPTER TWO :LITERATURE REVIEW

2.1 Introduction

This chapter evaluates studies done previously by other researchers and scholars on the balanced scorecard and strategy implementation. It lays the foundation for the current study by identifying what other scholars have done and the gaps in their studies. It first discusses the theoretical perspective and explains the theories on which the study will be anchored on as well explaining the relationship between BSC and strategy implementation.

2.2 Theoretical Foundation

This study is founded on the Resource Based View (RBV) theory and the institutional theory. The RBV relates to the internal resources at the disposal of an organization. According to Wernerfelt (1984) the intangible and tangible assets owned by an organization affect the way organizations implement their strategies. The institution theory relates to how organizations are structured and the impact of the structures to the operations of the organization (Scott, 2001).

2.2.1 Resource Based View Theory

The Resource Based View Theory was developed by Penrose in 1959 and emphasizes the importance of an internal resources and capabilities of an organization in achieving competitive advantage (Wernerfelt, 1984).

This theory holds that firm-specific resources and capabilities that are expensive to copy are a competitive advantage to an organization. The resource-based view has an internal focus on the organization and argues that firm-specific resources and capabilities affect the performance of an organisation (Barney, 1991). The resources owned and controlled by an organization play a big role in the way it implements strategies. To gain sustainable competitive advantage in an industry, an organization needs to competitively utilize the resources at its disposal in a manner that other organizations cannot (Teece, Pisano and Shuen, 1997).

This theory holds that organizations that are successful will only continue being successful by developing unique capabilities that are sometimes implicit or intangible in nature (Teece et al. 1997). Therefore, in order to be competitive, organizations need to make use of their unique resources for sustainable competitive advantage. According to Barney (1991), if all organizations equal resources there would be no differences in profitability because any organization within the same industry could implement any strategy. It is believed that the cost of resources and capabilities utilized for implementing a strategy affects the sustainability of a competitive position and performance. The Resource Based View theory helps to explain how different entities implement their strategies depending on the resources at their disposal in terms of the competence of the human capital and financial budgets. A good strategy without adequate resources to implement it may not be helpful in building an organization's competitive advantage.

2.2.2 Institutional Theory

This theory holds that something identified at a higher level in an organization's structure explains the processes and outcomes at lower levels of analysis within an organization (Scott, 2005). According to Scott (2008), institutions refer to human constraints that define political, economic and social interactions. Institutions are elements that are regulative, normative, and cognitive of culture and together with associated activities and resources, provide a stable and meaningful social life (Scott, 2014).

Institutions structure actions in an organization by defining how work is done. They are like unwritten rules that dictate how things should happen. Institutions consider the processes by which structures, including schemas, rules, norms, and routines, are established as guidelines with authority for social behavior (Scott, 2001). The theory recognizes the challenges experienced in the current operating environment that is becoming increasingly integrated complex and global posing a significant challenge for organizations operating in diverse contexts of institutions (Peng, Wang & Jiang, 2008). This theory enquires into how over space and time schemas, rules, norms, and routines are made, dispersed, taken up and adjusted; and how these over time drop into decline and are disused (Peng, 2003). This theory is relevant for this study as it explains how the structure and flow of information across the organization structure affects strategy implementation. It helps in explaining how institutionalization can be used as a unique capability in building competitive advantage.

2.3 Strategy Implementation in Organizations

One of the components of strategic management is strategy implementation (Pearce and Robinson, 2007). Implementation of strategy is initiated in three stages that are interrelated and include: identifying measurable mutually determined objectives, developing specific functional strategies and communicating decision guiding policies. A brilliant strategy is valueless if it cannot be implemented. Crawford and Scaletta (2005) argue that the culture associated with an organization should be supported by the strategies implemented. Effective implementation begins during strategy formulation when questions of “how to do it” should be considered parallel with “what to do?” Proposed strategies should aim to preserve, emphasize, and enhance the organisations’ culture. Crafting and executing strategy are core management functions. The process involves the management team charting the direction of the company, developing competitive strategies that are effective, while doing what is needed internally to result to a good strategy execution (Pearce and Robinson, 2007).

In order to be successful, strategy must be translated into actions resulting into guidelines of the daily activities of an organization. The role of the managers in implementing strategy directing and controlling actions, managing outcomes and change management (Pearce and Robinson, 2007). Operationalization of strategy will therefore require involvement of the implementers of strategy right from the formulation stage so that they can own the process.

Organizations that are fruitful at strategy implementation well manage six main supporting factors which include: planning the actions, the organization structure, human resources management, annual business plans, monitoring and control and further the linkage of all the factors.

Kaplan and Norton (2001) established that less than 10% of strategies formulated are implemented. They identified four key obstacles to strategy implementation. One of the hindrances to strategy implementation identified is the vision barrier. Many employees in organizations do not understand the strategies of their organizations. The second barrier to strategy implementation is the management barrier. Many executives do not spend enough time discussing strategy further compounding the problem. The third impediment to strategy implementation is the resource barrier. This looks at organizations' budget allocations and the link to strategy. Many organizations' budgets and resource allocation are not linked to strategy. Finally, Kaplan and Norton (2001) established the people barrier as an impediment to strategy implementation. They noted that organisations fail to link their incentives to strategy thereby reducing the chances of success.

2.4 Balanced Scorecard as a Tool for Strategy Implementation

The development of the BSC performance tool was necessitated by the weaknesses that existed in the traditional approaches to strategy implementation and reliance of financial measures for performance evaluation. This tool has been proven effective in operationalization of an organization's strategy by linking the short-term objectives and measures, to the overall organization strategy (Kaplan and Norton, 1996).

The first step is the translation of an organization's vision to ensure that managers agree on the mission and strategy of the organization. The second step is communicating the strategy and linking the strategic objectives and measures. This will ensure that the personnel at all levels of the organization are cognizant of the long-term strategy aligning it to their departments' and individual objectives. This process enables the employees at the operational level in understanding the strategy and aligning it to their day to day activities Lyons and Gumbus (2004). Business planning is the third process involving the incorporation of the strategic planning and the budgeting process. Kaplan and Norton, (1996) identified feedback and learning as the final step of the process.

The traditional financial measures mainly look at the past and fail to recognize the true organizations' value propositions. This means that emphasis is put on the results past transactions disregarding what the future benefits to an organization could be. Whereas traditional financial measures are important in management, it is only part of the information needed by organizations to manage in highly competitive markets. The BSC incorporates future value propositions and helps bridge the gaps identified in the traditional methods.

The BSC looks at the issues of alignment of strategy, coordination, and implementing the strategy effectively (Kaplan and Norton, 2001). The BSC builds in the cause-effect linkages while at the same time taking into account both financial and intangible resources thus driving the future direction of an organization. The BSC achieves this by further linking employee rewards to performance. Conceiving ideas with the big picture

in mind is easy and a good number of organization's are not able to take the process further. Many good ideas for going in a new direction fall and are abandoned due to misunderstanding, creeping back old behaviors, and lethargy.

Business strategy was first popularized by Drucker and since then many more strategies have been conceived than implemented successfully. Over the last four decades much more attention has been paid to developing better strategies than strategy implementation. The BSC uses an organizations strategy map and connects the day-to-day processes to the strategic goals (Kaplan and Norton, 2001). The perspectives of the BSC fall well into the operationalization or instutionalisation of strategy (Braam & Nijssen, 2004). The internal business processes perspective is concerned with what organizations need to do to gain an upper hand in the market and this will include procedures and some planning. The financial perspectives are concerned with the financial position of the organization and it helps to determine whether the organization is likely to survive in the future or not. This entails coming up with sustainability plans for the future and also clear plans on the spending of the organization. These two perspectives enhance the operationalization of strategies in an organization.

Mooraj, Oyon and Hostettler (1999) in their quest to ascertain whether the BSC was necessary good or an unnecessary evil found it to be a strategic control tool. It is also a navigation tool for managers to achieve future competitive success. Atkinson, Waterhouse and Well (1997) criticized the BSC that it considers a single output of strategic planning which is the senior management's select of the kind of pacts that are

negotiated ignoring the contributions of the employee and suppliers which are important elements of organizations today's highly networked entities . It also does not identify the community's role in defining the environment within which the organizations work.

According to Kaplan and Norton (1992), the BSC helps in performance management by linking the strategy and the objectives of an organization using four perspectives namely; the financial perspective, the customer perspective, internal processes and learning and growth also known as innovation. Organizations use the BSC for clarifying, updating and communicating strategy.

The BSC is also used to align the goals of BUs to individual goals and also link strategic objectives to long term goals and annual budgets. Further, the BSC helps in identifying and aligning strategic initiatives. Organizations also use the BSC for periodic performance reviews aiding learning and improvement of strategy implementation (Niven, 2002).

2.5 Challenges of Using the Balanced Scorecard in Strategy Implementation

Several challenges have been identified which affect the rate of strategy implementation in organizations that adopt BSC in strategy implementation. For instance, Creelman (1998) argued that half of balanced scorecards use fails because they fail to live up to the users' expectations. This arises from failure to relate the competitive forces of an organization in the industry in which it competes with the strategies formulated. These

forces the management to frequently develop scenario strategies to ensure the organization survives. Heavey and Murphy (2012) argues that one reason why BSC initiatives fail is the fact that many of them should not be in the BSC in the first place. Many organizations have limited understanding of what exactly BSC is all about. Further different organizations have used different measures which makes it difficult to standardize.

Niven (2002) identifies the level of support and involvement by top management in strategy implementation as a key factor in ensuring the success of BSC use in strategy implementation. The top management needs to fully support the strategy being implemented and ensure that adequate resources are allocated towards the implementation of the strategy (Niven, 2002). Othman (2009) also emphasizes on the importance of top management support and commitment for successful use of the BSC.

Niven (2002) identified inadequate education and training in the use of the BSC as a challenge in application of the tool in strategy implementation. Strategy implementation involves all employees in an organization who may not be well versed with the strategies formulated. The employees involved in formulation of strategies assume that the strategies are simple and straight forward (Niven, 2002). In other circumstances, training and capacity building among employees on strategies have been influenced by the resources at the disposal of an organization. Sharma and Gadenne (2011) identified lack of efficient data collection and reporting systems as a challenge to the application of BSC

in strategy implementation. Financial metrics are easily available as compared to other performance management measures proposed in the BSC framework.

At a first glance, the logic in a BSC appears obvious. It is a model of processes that looks at the whole organization, and tries to demonstrate positions with a future consideration. One of the difficulties while using the BSC for strategy implementation is too much information and details in the tool.

Kaplan and Norton (1996) found that the measures within the various perspectives in the BSC range between 20 and 21. The majority of them concentrate on the internal process perspective. That much level of details and measures can be overwhelming.

2.6 Empirical Studies and Research Gaps

Kariuki, (2012) studied the use of balanced score card to implement strategy at AAR Kenya. He found that using the BSC has enabled AAR Kenya in transforming its overall objectives to that can be measured and are cascaded to the departments and individual employees'. This study may be limited by the fact that it was done a few years ago and also that every organization is unique and the findings in one entity within the industry cannot be generalized to all.

Marete (2015) researched on the influence of the balanced scorecard on organizational performance in institutions of higher learning and established that the BSC is a framework that enables organizations to implement a chosen strategy. It aids in provision

of adequate linkages enabling organizations to implement complex and elaborate activities that are part of the corporate strategies implementation process. The BSC also helps in monitoring an organization's activities for achievement of strategic objectives. This study is however limited contextually as the findings cannot be generalized across all the industries.

Musyoki (2015) examined the role of balanced score card as a strategic management tool at Kenya Ports Authority, Mombasa, Kenya. The study showed that BSC provides feedback around both the internal business processes and external outcomes to continuously improve strategic performance and results. This study although recent and relevant is limited in that the findings of the study done on a government institution and cannot be generalized as the dynamics in commercial organizations are different from governmental organizations.

Chi and Hung (2011) sought to establish whether the balanced scorecard was helpful in improving performance by studying China and Taiwan software companies. The study found that the companies that used the BSC accomplished the set goals and achieved better performance than the ones that did not. The applicability of this study although relevant is limited because the study relates to the information technology industry whose operations are different from the financial services sector.

Mei and Jiang (2013) looked at the reconstruction of the balanced scorecard in Chinese Local Governments in the context of a correction model on service-oriented government strategic goals. The balanced scorecard is built up from the profit oriented organizations, and different from the local governments .The findings indicated that evaluation of the present performance of the local government without modifying the BSC design at of strategic level has various limitations. This study is relevant in that it explores the various ways in which the BSC is used by organizations. It is however limited in its application to our study because it was done in the context of a governmental organization.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter details the methodology that has been used to ensure that accurate data is collected to achieve the objectives of the study. It discusses the research design, how the data has been collected and analyzed.

3.2 Research Design

The study used a case study research design because the unit of analysis is one institution which is Britam Asset Managers Kenya Ltd. A case study provides an in-depth and thorough investigation of a phenomenon as it allows for a detailed enquiry.

Case studies excel at enhancing the understanding of complex issues and increase the depth to what has been established through previous researches. A case study puts emphasis on detailed contextual analysis of a few events, their situations and how they are related. According to Kothari (2004), a case study is a great method of qualitative analysis and entails carefully observing a social unit such as an individual, family, institution or any other group.

3.3 Data Collection

Primary data was used in the study. Data collection was done using an interview guide which was formulated in line with the objective of the study. Primary data refers to the data collected for the first time from the field.

The study targeted managers at Britam Asset Managers Kenya Ltd because they formulate strategies and are also involved in measuring the performance achieved. The study specifically targeted 11 managers from Fund Management, Human Resource Management, Operations, Finance, Business Development, Legal, Marketing and Risk and Compliance Departments.

An interview guide was used to collect data. The interview guide was created by carefully selecting a few open ended questions and ensured that the information follows in a logical manner. The interview guide contained questions on the organization's general background information and how it has used and continues to use the BSC as a tool for strategy implementation. The interview guide was administered in person to ensure adequate and relevant data was collected.

3.4 Data Analysis

The study collected qualitative data since an interview guide was used. Content analysis method was used to analyze the data collected. Harris (2001) defines content analysis as any method used in making interpretations by systematically and objectively finding the specified features of the information.

Kothari (2004) explains content analysis as evaluating the contents of textual and verbal material. He further explains that it is qualitatively analyzing the general messages extracted and determining the extent of prevalence. The researcher analyzed the information provided by the interviewees against known strategic implementation tools and models to describe and establish the application of the balanced scorecard in strategy implementation at Britam Asset Managers Kenya Ltd.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter is a presentation of the analysis and findings of the study as defined in the research objective and methodology. The objective of the study was to establish the application of balanced scorecard in strategy implementation at Britam Asset Managers Kenya Ltd. The study targeted 11 managers from all the departments namely Fund Management, Human Resource Management, Operations, Legal, Finance, Marketing, Business Development and Risk and Compliance departments. 9 managers availed themselves for the interview.

4.2 General Information

The use of BSC in strategic management was informed by the need to align strategy to every day operations of the Britam Holdings Limited group. The group has had a keen interest on strategy because of its role in driving the day to day operations towards a future desired position. The use of BSC followed a recommendation from external consultants. Britam Asset Managers Kenya Ltd being part of the wider Britam Holdings Limited group has used the BSC as a strategy implementation tool since the year 2008. As a result of continued effective application of BSC in strategy implementation, Britam Holdings Limited group was listed in the hall of fame in the year 2014. The hall of fame is a strategy management framework by the Palladium Group that honors organizations that have achieved outstanding performance using the BSC. The Palladium Group is a global consulting firm founded by Kaplan and Norton.

Prior to the adoption of the BSC, Britam Holdings Limited group used tools with key performance indicators such as budgets, sales targets, and people skills such as attitude to evaluate employee performance. These were not linked to strategy.

The management and all the staff are involved in strategy implementation although at different levels. Different departments contribute to strategy implementation in various ways. The company is so focused on strategy so much so that over and above using its own staff it also uses external consultants in the area of strategy. At Britam Asset Managers Kenya Ltd, strategy is cascaded from Britam Holdings Limited group strategy to different Business Units (BUs). The process begins at the group level by formulating a comprehensive strategy aligned with the mission, vision and values of the group then follows the description of the group's set of clear set objectives and the operationalization of those objectives. Next is the alignment of each business unit to the group strategy. The strategy is then linked with operations at each BU. The BUs apply processes and procedures and implement initiatives that drive the achievement of the developed strategy.

The implementation of strategy using the BSC is a continuous process. Performance management is also carried out as well as monitoring and evaluation from time to time. The BSC at Britam Asset Managers Kenya Ltd is developed by senior management headed by the Chief Executive Officer (CEO). This is then cascaded down to the departmental BSC where each department led by its head formulates the departmental BSC. Further down is the departmental BSC.

The head of the departments prepare their BSC which are cascaded down to the supervisors and respective employees. Strategy is “everyone’s business” at Britam Asset Managers Kenya Ltd.

The role of the managers in strategy implementation at Britam Asset Managers Kenya Ltd is communicating the strategy, allocating resources to ensure that the strategy is executed well, employing best practices and policies and developing control systems, linking the reward structure to the strategy and ensuring that the culture that embraces the strategy is enforced. The managers are in charge of the respective departmental score cards. They communicate departmental score cards, measures and targets for each of the teams. The human resources department facilitates the training of teams in the development of the scorecards.

4.3 The Application of Balanced Scorecard in Strategy Implementation at Britam Asset Managers Kenya Ltd

Britam Asset Managers Kenya Ltd uses all the four perspectives of the BSC in strategy implementation. At first the company had five year strategic plans which was later reviewed shorter periods of three years because of the unpredictability of the operating environment. Reviews are done continuously to ensure that each department keeps pace on achieving the set strategic goals. The balanced score card is used very consistently with semiannual employees performance appraisals.

Initially the company used the BSC in its generic form to evaluate employees' performance. Recently the company modified the employees review templates from the generic BSC to departmental BSCs and personal score cards. The personal score cards are prepared by employees from the departmental balanced score cards.

At Britam Asset Managers Kenya Ltd all the employees have the strategy map pinned on their desks to ensure that the employees are reminded at all times of the company's strategy. Currently, in the strategy implementation each department is either an "owner" or a "contributor" to the strategy objectives. "Owners" of a strategic objective have the full responsibility over the objective while the "contributors" support the objectives within the perspectives of the scorecards. When the company began using the balanced scorecard for strategy implementation, all the four perspectives and objectives were allocated to all the departments and then weighted. The Finance department had the highest weighting on internal processes while the Business development, the CEO's office and the fund management teams had a higher weighting on the financial perspectives. The operations team and the highest weight on the customer perspective of the balanced scorecard. The human resources department had the highest weight on the learning and growth perspectives. Currently the departments only pick the objectives where they either own or contribute to the strategy to develop the departmental score cards. The objectives are categorized as strategic, initiatives and operational. Managers have a higher weighting on the strategic objectives while the other staff have a higher weighting on the operational objectives.

From the departmental score cards the employees within the departments develop their personal score card. The managers facilitate the development of personal score cards with measures and targets.

4.3.1 Linking of the Balanced Scorecard Perspectives to Strategy

According to the study one of Britam Asset Managers Kenya Ltd's current financial objectives is profitability of the company. Being a fund manager the revenues are driven by growth in Assets under Management (AUM). Another of the company's financial objective is growth in AUM and also to achieve a top market share in AUM. Since the company is a fund manager, part of its financial objectives is to be able to deliver top performance for all the funds it manages for its clients. Additionally expanding the business is another of the objectives in the financial perspective. The CEO's office is responsible for the profitability and growth in AUM while the fund management department supports the objective. The legal, risk and compliance are the contributors to the expansion objectives. Further, the fund management department is responsible of the performance of the clients' investments while the CEOs office, and the operations and client services department are the contributors to this objective.

The study also established that Britam Asset Managers Kenya Ltd uses the internal business processes of the balance scorecard in the strategy implementation. The business processes that impact most on customer satisfaction form the basis of the objectives and measures of the BSC of Britam Asset Managers Kenya Ltd. The company seeks to put in place processes that they must excel at to ensure continued market leadership. The

internal business processes is broad and the company has defined various objectives. One of the main objectives in the internal business processes within the company is product research and development. The Britam brand visibility, enhancing customer service, customer acquisition and retention are also part of the objectives in internal processes perspective of the balanced scorecard. Further, financial and operational efficiency, investment research and assets allocation, risk and compliance management are also objectives in internal business processes. In addition thought leadership is also part of the internal processes objectives. The business development department is responsible for the product research and development, customer acquisition and retention objectives.

The finance department is responsible for the cost efficiency and contributors to the product development and review objectives. The Fund management department is the responsible for the investment research and assets allocation objectives. The marketing department is responsible for the marketing of the business and thought leadership objectives and is a contributor to product research and development and the customer services objectives. The operations department is responsible for the customer service objective while they contribute to product development, risk and customer retention objectives.

The risk and compliance department is responsible for the risk management objective while the legal department is the contributor. The legal and risk department also contributes to the product development objective.

Performance from the customers' perspective is a priority to Britam Asset Managers Kenya Ltd. The balanced scorecard approach allows the company to translate the mission statement on customer service into specific measures that are a reflection of the aspects that are most important to the customers. Customers in the asset management business are mainly interested in the service, quality, return and time. Maintaining a superior client experience is one of the objectives. Developing innovative distribution relationships and market expansion and penetration are also further objectives in the customer perspective. The responsibility of the client service objective lies with the operations team. The contributors are the fund management, business development, finance, legal and the marketing departments. The business development team is responsible for the distribution objective while the CEO's office is a contributor to this objective. Additionally the business development department is also responsible for the market expansion and penetration objectives while the marketing department is a contributor to this objective.

The learning and growth perspective at Britam Asset Managers Kenya Ltd is about the company's ability to continue to create value and improvement for competitive success. The learning and growth perspective also known as innovation is an enabler to the other perspectives. Creating a high performance culture and motivated teams and attracting the right talent are some of the objectives of the learning and growth perspective. Under the learning and growth perspective another objective is ensuring alignment and fostering synergies within the Britam Holdings Limited group. In addition, the company aims to leverage on the IT ecosystem that supports the digital enterprise. The employee

performance, culture, motivation and attracting and retaining the right talent is the responsibility the human resources department and the contributor is the CEO's office. The alignment and fostering synergies with the group is an objective whose responsibility lies with the CEO's office. The operations department is the responsible for leveraging on IT ecosystem as a strategic objective.

According to the study the four balanced scorecards perspectives are linked. The specific goals in each of the four perspectives are interlinked further to the objectives. All the internal business processes objectives are linked to profitability and growth which are the expected financial outcomes. Further innovation is linked to growth and expansion, a further financial outcome. The customer service objectives are linked to growth in AUM and in extension increased profitability.

Further the customer service objective will lead to superior performance of the clients' investment which is also another expected financial outcome. The learning and growth objectives are business enablers. These enable transformation of the business as a whole.

Additionally the study found out that Britam Asset Managers Kenya Ltd has clear strategic measures, targets and action plans for all the set objectives. For each objective the departments prepare their scorecards with clear targets objectives and action plans. At the individual employees' level the score cards are clearly prepared with the objectives, personal contribution, the measures and the targets. It is at this stage the weighting is employed depending on the employees' level. The management team has a higher

weighting on the overall strategic objective while the lower levels have a high weighting on day to day tasks. For each of these objectives measures and targets there is a time frame forming the basis of the half year and midyear employee reviews. The achievement scores are on a scale of 1-5 with the lowest score of 1 being “not met”, “partially met”, “generally exceeding” and the highest score being “exceeded by far”.

4.3.2 The Key Factors to Successful Use of BSC for Strategy Implementation

The respondents indicated that key factors that enabled successful implementation of the BSC at Britam Asset Managers Kenya Ltd were the organization’s culture, well formulated strategy, cohesive relationships among different departments and different strategy levels, high quality and levels of education of the employees, experience by the executors, communication and participation by all the employees.

A clearly formulated strategy was easier to implement because it allows activities to flow smoothly. Team synergy was identified as one of the key enablers in strategy implementation. Different departments worked together for the common good of the company.

The quality of executors of the strategy in terms of education and experience also played an important role. The company engaged the services of well qualified and experienced staff to drive the implementation process. Clarity of communication especially on strategy and all through the company characterized the implementation process.

Communication clarity ensured that every employee is informed of what is happening in the company.

The respondents indicated that the employees generally understood the concept of the BSC and its role in strategy implementation. The BSC and its role in strategy implementation is communicated and employees are also taken through the use of BSC when on boarding new staff as part of the induction process by the human resources department. In addition the interviewees indicated that considering the levels of education of the people at Britam Asset Managers Kenya Ltd, being in a professional specialized industry the concept is fairly well understood as 98% of the employees in Britam Asset Managers Kenya Ltd have an undergraduate degree and other business related professional qualifications at over 70%.

The financial resources and competences available to Britam Asset Managers Kenya Ltd are also contributors to the successful use of the balanced scorecard in strategy implementation. The company uses its own employees and top consultants in the area of strategy which requires the right competencies and also financial resources.

4.3.3 The Benefits of BSC as a Strategy Implementation Tool

The management of today's organizations needs managers to be able to assess the performance of their organizations in different areas. The use of BSC at Britam Asset Managers Kenya Ltd has enabled the company, the departments and the individual

employees' goals to be aligned and linked to Britam Holdings Limited group strategy. In addition this alignment has led to clarity of individual contribution to the company.

The use of balanced scorecard has also enabled the company in aligning key measures of performance with strategy at all levels within the organization. Further the balanced scorecard has enabled Britam Asset Managers Kenya to transform its strategy into action and desired behaviors. The balanced scorecard has also provided the management with an all-inclusive picture of company's operations. In using the balanced scorecard at Britam Asset Managers Kenya Ltd communication and cooperation has been enhanced.

The balanced score card model has enabled the organization also to align the employee incentives to strategy. The incentives are based on the overall performance of the company and individual performance. The study further noted that the company has created performance incentives bonuses to motivate employees depending on their scores on evaluation. These are aimed at motivating the employees to better performance. Promotions are also based on the balanced scorecard performance evaluations.

4.3.4 The Challenges of Using the Balanced Scorecard in Strategy Implementation

On the challenges encountered in the implementation of the balance scorecard as a tool for strategy implementation, the interviewees indicated that there is an understanding gap on the link between the strategy and BSC. Additionally there is the struggle to fit in some roles into the score cards at the individual levels. For example one manager commented that "a driver 's role is contributory to strategy however performance in such a role is

based more on softer skills such as punctuality, courtesy and general appearance. Where do these exactly fit into the balanced scorecard?”

When setting objectives, the respondents also added that there was sometimes mixing up of operational and strategic issues when using BSC. The balanced scorecard was also reported as being rigid in that changes within the organization that take place after the balanced scorecard objectives are set are not factored in .

The managers interviewed also reported that the balanced scorecard for strategy implementation was too involving, complex and time consuming. Another challenge was the feeling that the balanced scorecard is “not really balanced”. Some respondents felt that there is biasness in within the company when using the BSC. The financial objectives are still deemed more relevant as they contribute to the bottom line even though these heavily rely on all the other objectives and are interlinked.

Mismatch of incentives to strategy was also sighted as a challenge in using the balanced scorecard for strategy implementation. Some interviewees felt that sometimes despite the best effort to use the balanced scorecard objectively in evaluation of employee performance there was biasness. Internal politics sometimes overshadow the process and objectivity is lost.

4.3.5 Addressing the Challenges

To mitigate the challenges in strategy implementation using BSC, Britam Asset Managers Kenya Ltd uses internal training to equip employees with the relevant skills and experience in using BSC as a tool in strategy implementation. The company also engages the services of well qualified external BSC consultants to help in equipping employees with the relevant knowledge for strategy implementation using BSC.

Britam Asset Managers Kenya Ltd also uses quarterly reviews of strategy through committees to revise and align so as to factor in any changes. At times the formulated strategy may not be feasible in the prevailing business environment unless certain issues are addressed. The quarterly reviews ensure that the issues are addressed in good time for smooth strategy implementation.

To address the challenge of biasness while using the balanced scorecard in performance evaluation the company has a moderation process which is carried as a part of the employee evaluation process involving different managers. This ensures that there is increased objectivity in the process.

4.4 Discussion

Kaplan and Norton in the early 1990's developed the balanced scorecard as a tool to help organizations to align the vision and strategy with employees' day to day activities. As opposed to measuring performance from financial perspective only, the BSC introduced three other measurement perspectives to help capture non-financial performance which

may be difficult to express in figures. These are the customer perspective, internal business processes and the learning and growth perspective. The balanced scorecard enables the employees to know where and how they fit into the overall organization's strategy. The study's objective was to establish the balanced scorecard and strategy implementation at Britam Asset Managers Kenya Ltd.

4.4.1 Comparison with Theory

The research found that the resources, skills and capabilities have led to the successful use of the BSC for strategy implementation. This is in line with Barney (1991) that a firm's specific resources form its fundamental determinants of competitive advantage and performance. It is believed that the resources planned and controlled by an organization play a big role in the way it implements its strategies.

Scott (2005) explains how institutionalization can be used as a unique capability in building competitive advantage. The theory explains how something identified at higher levels in an organization is used to explain processes and results at a lower level in an organization. In line with this, the study found that the strategy implementation at Britam Asset Managers Kenya Ltd starts at the Britam Holdings Limited group level and cascaded down using the BSC to the BU levels and further down to the individual employee levels.

The study established that the main reason that led to the use of the BSC for strategy implementation in Britam Asset Managers Kenya Ltd was the need to link the operations of the organization to strategy. The BSC would not only help the company to implement the strategies but also help in the monitoring and evaluation of results. This would help link the long and short term strategic plans of Britam Asset Managers Kenya Ltd. This finding is in line with that of Niven (2002) that organizations use the BSC for clarifying, updating and communicating strategy. The BSC is also used to align the goals of BUs to individual goals and also link strategy objectives to long term goals and budgets. Further, the BSC helps in identifying and aligning strategic initiatives. Organizations also use the BSC for periodic performance reviews aiding learning and improvement of strategy implementation. (Niven, 2002)

Kaplan and Norton (2001) established the people barrier as an impediment to strategy implementation. This involves the linking of employees' incentives to strategy. The study also established that the balanced score card model has enabled the organization also align the employee incentives to strategy.

4.4.2 Comparison with Other Studies

The interviewees indicated that the BSC has enabled the company, the departments and the individuals' goals to be aligned and linked to Britam Holdings Limited group strategy. This concurs with the findings of Marete (2015) that the balanced scorecard is a structure that aids entities in implementation of chosen strategies by providing adequate linkages thus enabling organizations to implement elaborate activities involved in

implementing corporate strategies while monitoring every activity of the organization with the intent of achieving the strategic objectives.

The research also found that the overall Britam Holdings Limited group objectives are cascaded down to the BUs and to the individual's personal scorecards. This is in line with the findings by Kariuki,(2012) that the use of balanced score card in strategy implementation at AAR Kenya enabled the organization to transform its overall corporate objectives to objectives with measures cascaded to the departments and individual employees.

Although the use of BSC in strategy implementation has mainly been successful, the respondents indicated that one of the challenges they encountered in using BSC was mixing up of strategic and operational issues on the critical tool. This finding concurs with that of Othman (2009) that one reason why some BSC initiatives do not succeed is that many of them are not supposed to be in the balanced scorecard in the first place. Many organizations have limited understanding of what exactly the BSC is all about and what should be included.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary, conclusion, limitations and recommendation for further research. It gives the highlights of the key findings, draws conclusion and further gives recommendations for future research.

5.2 Summary of the Findings

The objective of this study was to establish the application of balanced scorecard in strategy implementation at Britam Asset Managers Kenya Ltd. To achieve this, the study applied a case study design as the unity of analysis was only one organization. The study collected primary data using interview guides for key personnel in the study organization.

The study established that strategy implementation using the BSC was informed by the need to align strategy to every day operations of the Britam Holdings Limited Group. Prior to the adoption of the BSC, the group used tools with key performance indicators such as budgets, sales targets, and people skills such as attitude to evaluate employee performance. The management and all the staff are involved in strategy implementation although at different levels.

The role of the managers in strategy implementation at Britam Asset Managers Kenya Ltd is communicating the strategy, allocating resources to ensure that the strategy is executed well, employing best practices and policies and developing control systems, linking the reward structure to the strategy and ensuring that the culture that embraces the strategy is enforced. At Britam Asset Managers Kenya Ltd, strategy is cascaded from Britam Holdings Limited group's strategy to different Business Units.

Britam Asset Managers Kenya Ltd uses all the four perspectives of balanced scorecard in strategy implementation. The key objectives under the financial perspectives are the profitability, growth in AUM and business expansion. The customer perspectives objectives include brand awareness and visibility, enhanced distribution channels and market expansion. The internal business processes is the broadest with objectives such as innovation, operational cost efficiency, risk management, customer acquisition and retention and research and development. The learning and growth perspective at Britam Asset Managers Kenya Ltd is concerned with the company's ability to continue to create value and continue improving for competitive success. Fostering synergies with the Britam Holdings Limited group, Leveraging on IT ecosystem, employee performance, culture, employee motivation and attracting and retaining the right talent are the objectives in the learning and growth perspective.

The benefits of using the balanced scorecard use within Britam Asset Managers Kenya Ltd is that it has enabled the company, the departments and the individual employees' goals to be aligned and linked to group strategy. Further it has led to clarity of individual

contribution to the company, aligning key measures of performance with strategy at all levels while also enabling translation of strategy into action. The balanced scorecard has also provided the management with an all-inclusive picture of company's operations and enhanced communication.

The challenges encountered in use of the balance scorecard for strategy implementation include; an understanding gap on the link between the strategy and BSC, the struggle to fit in some roles into the score cards at the individual levels and mixing up of operational and strategic issues when using BSC. The balanced scorecard was also reported as rigid, too involving, complex, time consuming and biasness towards the financial objectives. To mitigate the issues arising in strategy implementation using BSC, the company uses internal trainings, quarterly reviews, as well engaging the services of external consultants.

5.3 Conclusion

The market has witnessed high competition as more and more financial institutions come up with innovative products competing for the same resources that Britam Asset Managers Kenya Ltd seeks to manage hence the need for the company to remain competitive.

The company is effectively using the BSC in strategy implementation. Incorporation of non-financial objectives and measures and link to strategy through the BSC which could not be achieved previously with the use of the traditional financial performance indicators is now achievable. The company has benefited from using the BSC in strategy

implementation in that it has enabled the company, the individual employees' goals to be aligned and linked to that of the company and the group strategy. The employees' incentives are also linked to strategy. Further it has led to clarity of individual contribution to the company, and enabled transformation of strategy into action and desired behaviors. The balanced scorecard has also provided the management with a comprehensive picture of company's operations.

Successful Strategy implementation using the BSC in the Company has been affected to a great extent by the organization culture, well formulated strategy, cohesive relationships among different departments, high quality of the level of education highly experienced executors, communication and participation by all the employees. The key challenges in strategy implementation using BSC included misunderstanding on the application of the BSC, mixing up of the operational and strategic objectives and biasness towards the financial objectives. The company addressed the challenges in strategy implementation using BSC by supporting employee training and external consultation with BSC experts.

5.4 Recommendations

The study recommends that Britam Asset Managers Kenya Ltd continues to apply the BSC in its strategy implementation because it aligns each employee's objectives to the overall organizational objectives. The company should continue to train its employees on application of the BSC in strategy implementation to help eliminate the confusion among some staff members who are unable to effectively apply the BSC.

The study also recommends that the Britam Asset Managers Kenya Ltd clearly distinguishes between strategic and operational issues to help improve efficiency in strategy implementation through a careful and thorough analysis of the BSC process in strategy implementation. This will help keep the group goals, the company goals and the individual employee goals clearly aligned.

Further the study recommends an employee survey to understand the perceptions of the employees on the use of balanced score card for strategy implementation and also get feedback on areas of improvement and other ways of enhancing the strategy implementation process. This will ensure that the tool remains relevant in strategy implementation.

5.5 Limitations of the Study

Time factor is one of the challenges of the study. The interviewees selected were not always available for the interviews. Collecting research data required scheduling time and conducting the face to face interviews which was very time consuming. Further the analysis and drawing meaningful inferences was very time consuming. The response rate for this research was however quite high.

The risk of subjectivity as the researcher attempted to draw meaningful interpretations about the relationships and the effects inferred in the study is another limitation of this study. Whereas the case study is meant to draw its conclusion from content analysis of the data collected it is important to acknowledge the risk of subjectivity and bias in

interpretation. However, since the researcher attempted to compare the findings with theory and other studies, this limitation does not invalidate the research.

5.6 Suggestions for Further Research

This study concentrated on the application of balanced scorecard in strategy implementation at Britam Asset Managers Kenya Ltd. This was a case of one organization which is part of a larger Britam Holdings Limited group. This study therefore recommends that similar studies should be conducted on other BUs within the group to establish if this study's finding can be generalized in all the other entities.

This study additionally recommends further studies on the use of BSC and other tools used by other asset management companies in Kenya for strategy implementation. In addition research needs to be done on how organizations customize the BSCs to suit their needs in strategy implementation.

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APPENDICES

Appendix I: Interview Guide

BALANCED SCORECARD AND STRATEGY IMPLEMENTATION AT BRITAM ASSET MANAGERS KENYA LTD

Section A: General Information

1. Who is involved in strategy implementation at Britam Asset Managers Kenya Ltd?
2. What informed the use of the balanced scorecard at Britam Asset Managers Kenya Ltd?
3. What was Britam Asset Managers Kenya Ltd using to implement Strategy before the adoption of the balanced scorecard?
4. What is your role in strategy implementation?

Section B: Application of Balanced Scorecard in strategy Implementation

5. Explain how the BSC is applied in strategy implementation at Britam Asset Managers Kenya Ltd .
6. Explain how the company uses the balanced scorecard perspectives in strategy implementation.
7. What are the key factors that have lead to the successful use of the BSC as a strategy implementation tool at Britam Asset Managers Kenya Ltd?
8. What are the key benefits of using the balanced scorecard in strategy implementation at Britam Asset Managers Kenya Ltd?
9. What are the challenges encountered in the implementation of strategy Britam Asset Managers Kenya Ltd using the balanced scorecard?
10. How have these challenges been addressed?

Appendix II: Research Permit



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DATE 11/10/16

TO WHOM IT MAY CONCERN

The bearer of this letter IRENE M MWANIKI

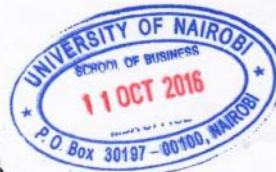
Registration No. ~~D/E~~ D6107811/2011

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.



Patrick Nyabuto
**PATRICK NYABUTO,
SENIOR ADMINISTRATIVE ASSISTANT
SCHOOL OF BUSINESS**