ADOPTION OF THE BALANCED SCORECARD IN STRATEGY IMPLEMENTATION AT THE KENYA WILDLIFE SERVICE

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DECLARATION

This research project is my original work and it has not been presented to any other university or college for examination.

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D61/7243/2006

This research project has been submitted for examination with my approval as the University supervisor.

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DEDICATION

I dedicate this project to my dad, mum, sister and my grandmother.

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ABSTRACT

Technological advances and increasing competition are forcing organizations to monitor their performance ever more closely. The concept of the balanced scorecard offers a systematic and coherent method of performance measurement and strategy implementation that in particular concentrates on assessing present performance in the light of an organization's strategy and takes into account the importance of the various policy aspects. This paper discusses the concept of the balanced scorecard and its application in the adoption process of strategy implementation at the Kenya Wildlife Service. The research established that the balanced scorecard is a useful tool in driving the strategy implementation process chiefly because it can enable an organization to align its activities with the balanced scorecard perspectives drivers and thereafter do strategy maps which link the activities to the corporate strategy. The balanced scorecard shows any user where the progress in proceeding, where it is blocked and what needs to happen to resolve bottlenecks. It helps organizations turn visions into reality with precision and efficiency. Strategy implementation therefore requires that all business units, support units and employees be aligned and linked to the strategy. And with the rapid changes in technology, competitions and regulations, the formulation and implementation of strategy must become a continual and participative process. Organizations today need a language for communicating strategy as well as processes and systems that help them to implement strategy and gain feedback about their strategy. Success comes from having strategy become everyone's everyday job.

Kenya Wildlife Service realized that exclusive reliance on financial indicators promoted short term behavior that sacrificed long term value creation for long term performance. It is for this fundamental reason that the balanced scorecard approach was incorporated as a tool for driving the strategy implementation process. The approach retained the measures financial performance, the lagging indicators but supplemented them with measures on the drivers, the lead indicators, of future performance. Kenya Wildlife Service consists of a collection of divisions and business units that employ different strategies. The head office determines how each division adds value to the overall corporate strategy. They employ the use of the balanced scorecard which provides a framework for clarifying the value created by the corporate headquarters. Synergy has to be

created in the different divisions. Synergies come from any of the four perspectives i.e. financial perspective, customer perspective, internal processes and the learning and growth perspective of the Balanced Scorecard with the inclusion of another perspective that is unique to KWS namely enhancing wildlife conservation. The Kenya Wildlife Service management has cascaded the Balanced Scorecard from tier 1 –the corporate wide strategy-to tier 2 –departments and then lastly to tier 3 – teams and individuals.

Strategy maps turned out to be the preferred way of cascading the corporate strategy down to the business strategy for departments and finally to the functional units in line with the balanced scorecard perspective drivers. In this way KWS management has been able to build an understanding to its employees that every action in their day to day operations counts on how best it can attain the overall corporate strategy.

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BSC	Balanced Scorecard
EMCA	Environmental Management and Coordination
GoK	Government of Kenya
KWS	Kenya Wildlife Service
KARI	Kenya Agricultural Research Institute
KEFRI	Kenya Forestry Research Institute
PAWS	Protected Areas Wildlife Service
ROCE	Return on Capital Employed
WCMD	Wildlife Conservation Management Department

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Companies are in the midst of a revolutionary transformation. Industrial age competition is shifting to information age competition. During the industrial age 1850-1975, companies succeeded by how well they could capture the benefits of economies of scale. The information age for both manufacturing and service industries require new capabilities for competitive success. The ability of a company to mobilize and exploit its intangible or invisible assets has become far more decisive than investing and managing physical and tangible assets. This role calls for organizations to adopt modern management tools for organization development and performance management.

Strategy implementation is the strategic phase in which staying close to the customer, achieving competitive advantage, and pursuing excellence becomes realities, in other words “this is where the rubber meets the road”. Thus to ensure the success of a strategic plan, the strategy must be translated into a carefully implemented action. This means that the strategy must be translated into guidelines for the daily activities of the firm’s members. The strategy and the firm must become one –that is, the strategy must be reflected in the way the firm organizes its activities, values, beliefs and tone Pearce and Robinson (2005).

Innovative managers use the balanced scorecard not only to clarify and communicate strategy, but to also use it as a strategy implementation tool, Kaplan and Norton (2001). Managers align their daily activities to the balance scorecard perspective drivers, making it easy to measure performance. In effect the balanced scorecard has evolved from an improved measurement system to a core management system.

KWS management became fully aware of the pressure to become a results-oriented and to ensure compliance, improve efficiencies, and effectively execute their mission. The management then decided to look to the Balanced Score Card as a performance management tool to assist in implementation of the strategy. When fully deployed, the balanced scorecard transforms Strategic Planning from an academic exercise into the nerve centre of an organisation management.

1.1.1 Balanced Scorecard

The balanced scorecard is a management tool designed for organizational development and performance management incentive programs developed by Robert Kaplan and David Norton in 1992, it provides a concise picture of the overall organization in four quadrants: financial perspective, customer perspective, internal processes and learning and growth. All metrics should link back to key success factors and represent a balance among all stakeholders.

It is designed to give managers a fast, concise and comprehensive picture of both financial and operational measures. Ideally, a small number of critical measures are summarized in one management report. The process simultaneously allows significant operational areas to be examined to see whether one result may have been achieved at the expense of another. Business consultants on organizational change, management and organizational development advocate that the scorecard is the only method for survival in today's environment. They claim that businesses must develop an overall method of measuring up to the competition and of adapting quickly to environmental conditions e.g., demographics, economy, and technology. Detailed environmental scanning, competitive analysis and meticulous ongoing scorecard planning is encouraged.

Organizations must develop the scorecard to fit their needs. Major challenges occur when developing measures, simplifying the process, handling resistance to change, building in flexibility, communicating organizational weaknesses, gathering data, adapting technology to the process and benchmarking. Considerable time and expense is customarily invested to maintain top management support, keep the scorecard current, and train staff to maintain a positive organizational culture. True drivers for organizational performance should be identified for each category. Determination of drivers can be difficult. It is critical to expose key performance drivers because they provide insight as to what is at the heart of the organization. After key drivers are identified, cause and effect relationships must be pinpointed. Customized scorecards can be developed for all business levels right down to each individual.

Once implemented the balanced scorecard and computerized the system becomes the veritable nerve center of an organization showing any user at a glance where the progress is proceeding, where it is blocked, and what needs to happen to resolve bottlenecks. It helps organizations turn visions into reality with precision and efficiency.

The scorecard presents the big picture while allowing managers to view critical operational factors and their interrelationships with current and future performance in mind. Emphasis is on the organizational vision and long-term success. Kaplan and Norton ("The Balanced Scorecard--Measures that Drive Performance," Harvard Business Review, January-February, 1992). By adopting strategic performance measures, nonprofits can bring focus and discipline to their mission and much-needed information to donors and supporting organizations. The result: a more efficient marketplace that rewards effectiveness, thereby bringing bigger benefits to society. And in the post-Enron era, the stewardship and accountability that the Balanced Scorecard can help nonprofits achieve is just as relevant to the private sector as it is to the public sector.

1.1.2 Strategy Implementation

Successful strategy formulation does not guarantee successful strategy implementation. Articulating a good strategy is only the beginning. It's the strategy execution that determines whether an organization can turn good intentions into profits or excellent outputs. Most of time strategists should not be formulating strategy at all, they should be getting on with implementing strategies they already have, Mintzberg (1991).Strategy implementation means translating formulated strategies into actions. It involves cascading the intellectual exercise of strategy formulation to the realities of tactical choices of day to day operations.

Organizations understand the need for strategy and its implementation. In many organizations implementation falls short of the goals that they set for themselves. This may be attributable to a number of challenges. To achieve a credible implementation of strategic management, an organisation should allocate and manage sufficient resources including financial, personnel, time and technological support. Firms should also establish a chain of command or some alternative structures e.g. cross functional teams and assign responsibility of specific tasks or processes to specific teams or individuals. In implementing the strategy the firm's managers must direct and control actions and outcomes and adjust to change.

Companies initially adopt the balanced scorecard for a variety of reasons including clarifying and gaining consensus on strategy, focusing organization change initiatives, developing leadership capabilities at strategic business units and gaining coordination's and economies across multiple business units. In general, organizations can achieve these targeted objectives with the development of an initial balanced score card. But the development of the scorecard especially the process among senior managers to define the objectives measures and targets for the scorecard, ultimately reveals an opportunity to use the BSC in a far more pervasive and comprehensive manner than originally intended. Integrating the balanced scorecard into the management calendar, all management processes can be aligned with and stay focused on implementing the organizations long term strategy.

1.1.3 Background of the Kenya Wildlife Service

In response to the need to curb extensive poaching, insecurity, infrastructural and environmental degradation in the national parks and reserves, the Government of Kenya with the support of the World Bank formed the Kenya Wildlife Service (KWS) a State Corporation established by the Wildlife (Conservation and Management) Act, CAP 376 and The Wildlife (Conservation and Management) (Amendment) Act no. 16 of 1989. They provide for the establishment of national parks and national reserves and define how they are to be managed. The Environmental Management and Coordination Act (EMCA) of 1999 provides for the legal and administrative co-ordination of the diverse sectoral initiatives, including management and conservation of wildlife so as to improve the national capacity for the management of biodiversity and the environment in general. Between 1898 and 1989, there were numerous changes in the policy on wildlife conservation and institutions managing wildlife resources. KWS the successor to the Wildlife Conservation and Management Department (WCMD), which had been established in 1976 to improve efficiency and to rationalize conservation activities under one department, was preceded by the Game Department and the Kenya National Park trustees. In the 1990s KWS with the support of the GoK and the World Bank designed and implemented the PAWS project which succeeded in halting the decline in wildlife populations, environmental and infrastructural degrad ation and building internal management capacity.

The operations of the KWS are also impacted and guided by other overarching policy and legal frameworks e.g. those relating to Forests, Fisheries, Mining, Lands, Water, Industry, Rural Development, Agriculture, Local Government, National Security, National Museums and the research programmes under KEFRI, and KARI, which necessitate structured and functioning relationships with other GOK departments/agencies and the international and local communities.

Kenya Wildlife Service controls approximately 8% of the country's landmass comprising of four (4) marine parks, five (5) national sanctuaries, six (6) marine national reserves, twenty two (22) terrestrial national parks and twenty eight (28) terrestrial national reserves, it also controls one twenty five (125) game stations outside protected areas. Within these parks and stations there are infrastructural developments like offices, residential blocks, training institutes, workshops, research centres ,hotels, bandas, hotels, airstrips, and other related plants and equipment. From the onset therefore it is discernable that KWS has a far-reaching and indeed a cross-cutting role in the implementation of requisite policy initiatives geared towards realization of the objectives of Vision 2030. Principally, KWS overall mandate of Conserving and Managing Wildlife Resources within the country cannot be divorced from the wider security concerns of the country nor can its role be understated in ensuring that the overall environmental needs are addressed for the benefit of all.

1.2 Statement of the problem

Conservation is closely linked with economic development particularly where it underpins tourism, like in Kenya. Kenya Wildlife Service is the backbone of the tourism industry and a core partner in the Government's strategy on formulation and implementation of strategies for tourism and the sustainable exploitation of natural resources, for economic recovery, employment and wealth creation. The aforementioned critical roles call for use of modern tools of management in driving this process.

Kenya wildlife service had developed four strategic plans since 1990 to 2001 which were not clearly implemented because the management and the board of trustees lacked a proper framework and tools to guide the implementation process. In the process of implementing the 2005-2010 strategic plan, KWS management found out through a carefully evaluated process that they had accomplished over 80% of the targets set. It was on this basis that they invited a new consultancy assignment to review the current strategic plan and develop a new 2008/2012 plan which is aligned to the country's vision 2030 economic development model. The balanced score card therefore was adopted as tool for strategy implementation, by KWS management in line with the emerging challenges in natural resources management, the external environment and the dynamic tourism industry.

Various studies have been conducted on the balanced score card on an array of dimensions. For instance Kiragu, (2005) did a survey on the adoption of the balanced score card by selected companies in Kenya which majorly concentrated on manufacturing firms, Kariuki (2007) conducted a study on the application of the balanced score card in strategic management at Flashcom ltd a communication company, Mwangi (2006) undertook a study on the application of the balanced score card in implementation of strategy at the Kenya Revenue Authority which is tasked with role of tax collection by the GoK, Njiru (2007) studied the use of the balanced score card in strategy implementation by quoted companies in the Nairobi Stock Exchange, Sang (2006) did a study on the implementation of the balanced score card at the United Nations Development Program – Somalia.

The findings obtained from the aforementioned studies cannot be replicated to KWS due to, contextual differences and the nature of business that KWS is engaged in which is conservation. Alluded to the above different companies have different strategies given the fact that they are in different businesses and operate in distinct environments. Therefore there will be distinct balanced score card perspective drivers that will steer the implementation process at KWS. Ansoff, and Mc Donnell (1990) argued that challenges that face different industries and firms are different, thus it is not possible for organization to adopt similar prescriptions to all its challenges which would apply to all other industries and firms. The purpose of this study therefore was to find out how Kenya Wildlife Service has adopted the perspectives of the Balanced Score Card in strategy implementation.

1.3 Objectives of the study

The objectives of the study are;

1) Identification of drivers for each balanced scorecard perspectives that drive strategy implementation.
2) Assess the challenges facing management in adopting the balanced score card as a strategic implementation tool.

1.4 Importance of the study

1) The management of KWS will use the information from the study to tackle the challenges faced while adopting the balanced score card and solutions for the aforementioned challenges, thus stimulating interest for improvement and research.
2) Learning institutions will be able to understand the user perception of the balanced score card performance measurement systems they learn.
3) The study is expected to update the existing body of knowledge on performance measurement to stakeholders or organizations which may have interest to adopt the balanced score card.
4) The parent Ministry of the Kenya Wildlife Service i.e. the Ministry of Forestry and Wildlife can gain an insight on how its state corporation is adopting the balanced scorecard in strategy implementation, and therefore propose it as a model for driving strategy implementation in its departments, other sister state corporations within the ministry and other government agencies that will be of interest.

1.5 Scope of the study

The study was conducted at the Kenya Wildlife Service headquarters in Langata and at the eight regional headquarters.

CHAPTER TWO: LITREATURE REVIEW

2.1 The Balanced Scorecard

The balanced scorecard provides managers with the instruments they need to navigate to future competitive success. Today, organizations are competing in complex environments an accurate understanding of their goals and the method of attaining those goals is vital.

Kaplan and Norton (1996) stated that the balanced scorecard translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system. The balanced scorecard retains an emphasis on achieving financial objectives but also includes the performance drivers of these financial objectives.

The scorecard measures organizational performance across four balanced perspectives: financial, customers, internal business processes, and learning and growth. The BSC enables companies to track financial results while simultaneously monitoring progress in building capabilities and acquiring the intangible assets they need for future growth, Kaplan and Norton (2004).

The balance scorecard expands the set of business unit objectives beyond summary financial measures. Corporate executives can now measure how their business units create value for current and future customers and how they must enhance internal capabilities and the investments in people, systems and procedures necessary to improve future performance. The balanced scorecard captures the critical value creation activities created by skilled, motivated organizational participants. According to Kaplan and Norton (1996) while retaining, via the financial perspective, an interest in short term performance, the balanced scorecard clearly reveals the value drivers for superior long term financial and competitive performance.

2.1.1 The Balanced Scorecard as a Management System

Many companies already have performance management systems that incorporate financial and non financial measures. What is new about a call for a 'balanced' set of measures? While virtually many organizations do indeed have financial and non financial measures, many use their non financial measures for local improvements, at their front line and customer facing operations. Aggregate financial measures are used by senior managers as if these measures could summarize adequately the results of operations performed by their lower and middle level employees. These organizations are using their financial and non financial performance measures only for tactical feedback and control of short term operations.

The balanced scorecard emphasizes that financial and non financial measures must be part of an information system for employees at all levels of the organization. Front line employees must understand the financial consequences of their decisions and actions while senior executives must understand the drivers of long term financial success. The objectives and the measures for the balanced scorecard are more than just somewhat ad hoc collection of financial and non financial measures; they are derived from a top down process driven by the mission and strategy of the business unit Kaplan and Norton (2001).

The balanced scorecard is more than a tactical or an operational measurement system. Innovative companies are using the scorecard as a strategic management system to manage their strategy in the long run. They are using the measurement focus of the scorecard to accomplish critical management processes, i.e. to clarify and translate vision and goals through strategy implementation, communicate and link strategic objectives and measures, plan, set targets, and align strategic initiatives and to enhance strategic feedback and learning.

2.2 The Balanced Scorecard Perspectives

There are a number of “balances” in the BSC, among which are the balance or equilibrium between four historical domains or perspectives considered to be mutually linked in terms of strategy and performance namely, Learning and Growth Perspective, Internal Process Perspective, Customer Perspective and Financial Perspectives.

Niven’s (2002) analogy of the Balanced Scorecard is that of a tree .The Learning and Growth perspective are the roots, the trunk is the Internal Process perspective, Customers are the branches, and the leaves are the financial perspective. Each perspective is interdependent on those below as well as those above. It is a continuous cycle of renewal and growth. Leaves (finances) fall to fertilize the ground and root system, which stimulates growth throughout the organization. In this analogy, learning and growth is the foundation on which all other perspectives are built. For example, if a hospital assesses patient satisfaction and discovers patients aren’t satisfied (Customer Perspective), one of the strategies might be the implementation of employee training in the area of customer service (Learning and Growth

Perspective). Improved customer service through a reduction of wait time in the emergency room (Internal Process Perspective) can ultimately improve utilization (Financial Perspective).

The four perspectives have been found to be robust across a wide variety of companies and industries. Kaplan and Norton (2001) however caution that the four perspectives should be considered as a template and not a straight jacket. No mathematical theorem exists that the four perspectives are both necessary and sufficient. Depending on an industry circumstances and a business unit's strategy one or more additional perspectives may be needed. For example, some people have expressed concerns that although the balanced scorecard explicitly recognizes the interest and needs of shareholders and customers, it does not explicitly incorporate the interest of other important shareholders such as community, suppliers.

2.2.1 Financial perspective

Building a balanced scorecard should encourage business units to link their financial objectives to corporate strategy this serves as the focus for the objectives and measures in all other score card perspectives. Every measure selected should be part of a link of cause and effect relationships that culminate in improving financial performance. The scorecard should tell a story of the strategy, starting with the long run financial objectives and then linking them to the sequence of actions that must be taken with financial processes, customers, internal processes and finally employees and systems to deliver the desired long run economic performance, Kaplan and Norton (1997).

For most organizations, the financial themes of increasing revenues, improving cost and productivity, enhancing asset utilization and reducing risk can provide the necessary linkages across all the four perspectives. When developing the financial perspective for their Balanced Scorecard, business unit executives should determine appropriate financial metrics for their strategy. Financial objectives and measures must play a dual role: they define the financial performance expected from the strategy, and they serve as the ultimate targets for the objectives and measures of all other scorecard perspectives Kaplan and Norton (1996).

2.2.1.1 Linking financial objectives to business unit strategy

Financial objectives can greatly differ at different stages of a business cycle. Business theory strategy suggests that business units can follow, ranging from aggressive market share growth down to consolidation, exit and liquidation, Stewart (1994) identified three stages that a business can follow namely growth, sustain and harvest**.**

Growth businesses are at the early stages of their life cycle. They have products or services with significant growth potential. To capitalize on these potential, they may have to commit considerable resources to develop and enhance new products and services e.g. construct and expand production facilities, build operating capabilities, invest in systems, infrastructure and develop customer relationships. Businesses in this stage may operate with negative cash flows and low current returns on invested capital. Therefore the overall financial objective for growth stage businesses will be percentage growth rates in revenue and sales growth rates in targeted markets, customer groups and regions.

Sustain stage is where a majority of business units in a company lie. It is at this stage where they still attract investment and reinvestment, but are required to earn excellent returns on invested capital. Investment projects will be directed more to relieving bottle necks, expanding capacity and enhancing continuous improvement rather than the long pay back period and growth options investments that were made during the growth stage. Most businesses units in the sustain stage will use a financial objective related to profitability, expressed using measures related to accounting income such as operating income (ROCE) and gross margin.

Harvest stage is when many business units have reached a mature phase of their life cycle. Under this stage a company would want to harvest the investments made earlier in the two stages. Businesses at this stage no longer want significant investments only enough to maintain equipment and capabilities. Thus the financial objective for harvest stage businesses would be operating cash flows before depreciation and reduction in working capital requirements.

2.2.1.2 Strategic themes for the financial perspective

There are three financial themes that drive business strategy they include revenue growth and mix, cost reduction/productivity improvement, asset utilization/investment strategy and risk management. Revenue growth and mix refers to expand and product and service offerings, reaching new customers and markets, changing the product and service mix towards higher value added offerings and repricing products and services. The cost reduction and productivity objective refers to efforts to lower the direct costs of product and services, reduce indirect costs and share common resources with other business units. The asset utilization theme, managers attempt to reduce the working capital levels required to support a given volume of business. They also strive to obtain greater utilization of their fixed asset base, by directing new business to resources currently not in used to capacity, using scarce resources more efficiently, and disposing of assets that provide inadequate returns on their market value.

Risk management objectives relate to growth, profitability and cash flow with strong emphasis in improving returns from investment .Business should balance expected returns with the management and control of risk, thus many businesses include an objective in their financial perspective that addresses the risk dimension of their strategy, for example diversifying revenue sources away from a narrow set of customers, one or two lines of business or particular geographical regions. In general risk management is an overlay, an additional objective that should compliment whatever expected return strategy the business unit has chosen. All these actions enable the business unit to increase the returns earned on its financial and physical assets.

2.2.2 Customer perspective

The company perspective of the balanced scorecard identifies the customer and market segments in which they have chosen to compete. These segments represent the sources that will deliver the revenue component of the company’s financial objectives Kaplan and Norton (2001) state that the customer perspective enables companies to align their core customer outcome measures-satisfaction, loyalty, retention, acquisition ,and profitability-to targeted customers and market segments. It also enables them to identify and measure, explicitly, the value propositions they will deliver to targeted market segments and customers. The value propositions represent the drivers, the lead indicators, for the core customer outcome measures.

In the past, companies could concentrate on their internal capabilities emphasizing product performance and technology innovation .Most organizations did not understand their customer needs eventually found that competitors could make inroads by offering products or services better aligned to their customers’ preferences. Thus companies are now shifting their focus externally, to customers. Missions and vision statements routinely declare their goal to be "number one in delivering value to our customers" or "number one supplier to our customers". Clearly, if business units are to achieve long run superior financial performance, they must create and deliver products and services that are valued by customers.

Beyond aspiring to satisfying and delighting customers, business unit mangers must, in the customer perspective of the balanced scorecard, translate their mission and strategy statements into specific market and customer based objectives. Companies that try to be everything to everybody usually end up being nothing to anyone Kaplan and Norton (1996).Businesses must identify the market segments in their existing and potential customer populations and then select segments they choose to compete. Identifying the value propositions that will be delivered to targeted segments becomes the key to developing objectives and measures for the customer perspective, Hayes (1992). Thus, the customer perspective of the scorecard translates an organizations mission and strategy into specific objectives about targeted customers and market segments that can be communicated throughout the organization.

2.2.2.1 Customer core measurement group

The core measurement group of customer outcomes is generic across all kinds of organizations. The core measurement group includes measures of market share, customer retention, customer acquisition, customer satisfaction and customer profitability. These five measures appear generic across all types of organizations .For maximum impact; however the measures should be customized to the targeted customer groups from whom the business unit expects its greatest growth and profitability to be derived. Measuring market share is a straightforward exercise once the targeted customer group or market segment has been specified. Industry groups, trade associations, government statistics and other public sources can often provide estimates of the total market size. Companies can measure customer by customer; segment by segment that is how much of the customers' and market segments business they are receiving. Market share measurement provides a strong focus to the company when trying to dominate its targeted customers' purchases of products or services in categories that it offers, Hayes (1992).

Customer retention is clearly a desirable way for maintaining or increasing market share in targeted customer segments. Companies that can readily identify all their customers can readily measure customer retention from period to period, Heskett, and Jones (1994).Beyond just keeping customers, many companies will want to measure customer loyalty by the percentage growth of business with existing customers. Customer acquisition means seeking to grow their business to increase their customer base in targeted segments. The customer acquisition measure tracks, in absolute or relative terms, the rate at which a business unit attracts or wins new customers or business. Customer satisfaction measures and provides feedback on how well a company is doing. Both customer retention and customer acquisition are driven by meeting customers' needs. The importance of customer satisfaction probably cannot be over emphasized. Recent research has indicated that just scoring adequately on customer satisfaction is not sufficient for achieving high degrees of loyalty, retention and profitability. Only when customers rate their buying experience as completely or extremely satisfied can a company count on their repeat buying purchasing behavior Kaplan and Norton (1996).Companies however cannot count on having all their targeted customers proactively supplying feedback on performance. Many companies conduct a systematic customer satisfaction surveys. Three techniques are generally employed; mail surveys, telephone interviews, and personal interviews. These techniques range in cost from low to high, but response rates and valuable insights also range from low to high across them.

Succeeding in the first four core customer measures of share, retention, acquisition and satisfaction however does not guarantee that a company has profitable customers. Obviously, one way to have extremely satisfied customers and angry competitors is to sell products and services at very low prices. Companies will probably wish to measure not only the extent of business they do with customers but also the profitability of the business particularly in targeted customer segments, Dees (1998).

2.2.2.2 Measuring customer value propositions

Customer value propositions represent the attributes that supplying companies provide through their products and services, to create loyalty and satisfaction in targeted customer segments'**.** The value proposition is the key concept for understanding the drivers of the core measurements of satisfaction, acquisition, and retention and market share. While value propositions vary across industries, and across different market segments' within industries, these attributes can be organized into three categories namely, product/service attributes, customer relationship, and image and reputation. Product and service attributes encompass the functionality of the product/service, its price and its quality.

Customer relationship dimension includes the delivery of the product/service to the customer, including the response and delivery time dimension and how the customer feels about purchasing from the company. The relationship dimension also encompasses long term commitments such as when the supplying company links its information systems with its customers to facilitate a broad range of activities across the selling buying relationship.

Image and reputation dimension reflects the intangible factors that attract a customer to a company. This can be done through consistent advertising and delivery of quality product and services. The image and reputation dimension enables a company to proactively define itself for its customers.

2.2.2.3 Performance drivers for customer satisfaction

There are several representative measures that companies can use develop time, quality and price metrics for the customer perspective of their balanced scorecard. Time has become a major competitive weapon in today's competition. Being able to respond rapidly and reliably to a customers' request is often the critical skill for obtaining and retaining valuable customers' business. Including time based customers measure signals the importance of achieving and continually reducing lead times for meeting targeted customers expectations.

Quality was a critical competitive dimension during the 1980s and remains important to this day. By the mid 1990s, however quality has shifted from a strategic advantage to a competitive necessity. Many organizations that could not reliably deliver defect free products or services have ceased to be serious competitors. Quality can also refer to performance along the time dimension .The on time delivery measure is actually a measure of the quality of the company's' performance to its promised delivery date**.** With all emphasis on time, responsiveness and quality one might wonder whether customers still care about price. Whether a business unit is following a low cost or a differentiated strategy customer will always be concerned about price they pay for a product or service.

2.2.3 Internal business process perspective

For the internal business process perspective managers identify the processes that are most critical for achieving customer and shareholders objectives Kaplan (1996).Companies typically develop their objectives and measures for this perspective after formulating objectives and measure for the financial and customer perspectives. This sequence enables companies to focus their internal business processes metrics on those processes that will deliver the objectives established for customers and shareholders.

Managers should define a complete internal process value chain that starts with the innovation process-identifying current and future customers' needs and developing solutions for these needs-proceeds through the operations process - delivering existing products and services to existing customers – and ends with a post sale service- offering services after the sale that add value customers receive from a company's product and service offerings.

The process of deriving objectives and measures for the internal-business-process perspective represents one of the sharpest distinctions between the balanced score card and traditional performance measurement systems. Traditional performance measurement systems focus on controlling and improving existing responsibility centers and departments. The limitations of relying exclusively on financial measurements and monthly variance reports for controlling such departmental operations are of course well known, Kaplan (1993). Most organizations today have moved well beyond using variance analysis of financial results as their primary method for evaluation and control. They are supplementing financial measurements with measures of quality, yield, throughput and cycle time, Simons (1990) .These more comprehensive performance measurement systems are certainly an improvement over exclusive reliance on monthly variance reports but they still attempt to improve performance of individual departments rather than of integrated business processes. Recent trends encourage companies to measure performance of business process like order fulfillment, procurement, and production planning and control that span several organization departments. Typically, cost, quality, throughput and time measures would be defined and measured for these processes Kaplan (1990).

Companies are now attempting to improve quality, reduce time cycles, increase yields, and maximize throughput and lower costs for their business processes. Therefore an exclusive focus on improving the cycle time, throughput, quality and cost of existing processes may not lead to unique competencies. Unless one can outperform competitors across the board on all business processes, in quality, time, productivity, and cost such improvements will facilitate the survival, but will not lead to distinctive and sustainable competitive advantage Cooper (1995).

The business processes perspective is primarily an analysis of the organization's internal processes. Internal business processes are the mechanisms through which organizational performance expectations are achieved. Customer-based measures are important, but they must be translated into measures of what the organization must do internally to meet its customers' expectations. This perspective focuses on the internal business results that lead to financial success and satisfied customers. Therefore, managers need to focus on those critical internal operations that enable them to satisfy customer needs (Kaplan and Norton, 1992). Organizations' should decide at what processes and competencies they must excel and specify measures for each. Key internal processes are monitored to ensure that outcomes will be satisfactory. The measures should also link top management's judgment about key internal processes and competencies to the action taken by individuals that affect overall corporate objectives. This linkage ensures that employees at lower levels in the organization have clear targets for actions, decisions and improvement activities that will contribute to the organization's overall mission (Kaplan and Norton, 1996).

In the internal business process perspective managers identify the critical processes at which they must excel if they are to meet the objectives of shareholders and of targeted customer segments, Kiragu (1995). Convectional performance measurement systems focus only on monitoring and improving cost, quality and time based measures of existing business processes. In contrast the approach of the balanced score card enables the demands for internal process performance to be derived from the expectations of specific external constituencies. In the Balanced Scorecard, the objectives and measures for the internal business process perspective are derived from explicit strategies to meet shareholder and targeted customers' expectations. This sequential top down process will usually reveal entirely new business processes at which the organization must excel.

2.2.3.1 The internal business process value chain

Businesses have unique set of processes for creating value for customers and producing final results. However there is a generic value chain model that provides a template that companies can customize in preparing their internal business process perspective. This model encompasses three principles business processes, innovation, operations and post sale service

In the innovation process, the business unit researches the emerging or latent needs of customers, and then creates the products or services that will meet these needs. The innovation process consists of two components. In the first, managers undertake market research to identify the size of the market, the nature of customers' preference, and price points for the targeted product or service. As organizations deploy their internal processes to meet specific customer needs, having accurate, valid information on market size and customer preferences becomes a vital task to perform well. In addition to surveying existing and potential customers, this segment could also include imagining entirely new opportunities and markets for products and services that the organizations could supply. Hamel and Prahalad (2003), describe this process as searching for the white spaces… "the opportunities that reside between or around existing product based business definitions". They urge companies not to satisfy or delight customers but to amaze them, by finding answers to two critical questions; what range of benefits will customers value in tomorrows products? How might we, through innovation, preempt competitors in delivering those benefits to the market place?

Decades ago when most organizations performance measurement systems were designed, the focus was on manufacturing and operational process and not research and development .This was a rational focus since far more money was spent on the production process rather than on the research and development processes, and key to success was efficient manufacture of high volume products. Today however many organizations gain competitive from a continued stream of innovative products and services so the research and development process has become a more important element of the business value chain. The success of this process should be motivated and evaluated by specific objectives and measures. The increased importance of the research and development process has led organizations to spend more money on the research and development processes. In fact some businesses spend more in their research, design and development processes than they do to support their production and operating processes.

The operation process represents the short wave of value creation in organizations. It starts with receipt of a customer order and finishes with delivery of the product or service to the customer. This process stresses efficient, consistent and timely delivery of existing products and services to existing customers. Existing operations tend to be repetitive so that scientific management techniques can be readily applied to control and improve customer order receipt and processing, and vendor, production and delivery processes. Traditionally these operating processes have been monitored and controlled by financial measures such as standard costs budgets and variances. Over time however excessive focus on narrow financial measures as labor efficiency, machine efficiency and purchase price variances led to highly dysfunctional actions.

Post sale service includes warranty and repair activities, treatment of defects and returns and the processing of payments such as credit card administration Companies attempting to meet their targeted customers' expectation for superior post sale service can measure their performance by applying some of the same time, quality, and cost metrics, described for operating processes for their post sale service processes. Thus cycle times –from customer request to ultimate resolution of the problem- can measure the speed of response to failures .Cost metrics can evaluate the efficiency –the cost of resources used –for post sale services processes. The post sale service process enables companies to feature, when appropriate, the important aspects of service that occur after the purchased product or service has been delivered to the customer.

2.2.4 Learning and growth perspective

The learning and growth perspective drives the organization learning and growth process. The objectives established in the financial, customer, and internal business process perspectives identify where the organization must excel to achieve breakthrough performance. The objectives in the learning and growth perspective provide the infrastructure to enable ambitious objectives in the other three perspectives to be achieved. Objectives in the learning and growth perspective are the drivers for achieving excellent outcomes in the first three scorecard perspectives.

This perspective includes employee training and corporate cultural attitudes related to both individual and corporate self-improvement. In a knowledge-worker organization, people -- the only repository of knowledge -- are the main resource. In the current climate of rapid technological change, it is becoming necessary for knowledge workers to be in a continuous learning mode. Metrics can be put into place to guide managers in focusing training funds where they can help the most. In any case, learning and growth constitute the essential foundation for success of any knowledge-worker organization.

Kaplan and Norton (2004) emphasize that 'learning' is more than 'training'; it also includes things like mentors and tutors within the organization, as well as that ease of communication among workers that allows them to readily get help on a problem when it is needed. It also includes technological tools; what the Baldrige criteria call "high performance work systems."The learning and growth perspective supports the other three perspectives. Ultimately, if the workforce is not enabled with knowledge, innovation and advanced skill sets, the workforce will be unable to build and enhance innovative business processes, that in-turn will not help retain and acquire new customers, and ultimately unable to financial objectives.

The balanced score card stresses the importance of investing for the future and not just in traditional areas for investment such as new equipment and new product research and development .Equipment , Research and Development investments are certainly important but they are unlikely to be sufficient by themselves. Organizations must also invest in their infrastructure –people systems and procedures- if they are to achieve ambitious long term financial growth objectives. Ultimately the ability to meet ambitious targets for financial, customer, and internal-business process objectives depend on the organization capability for learning and growth. The enablers for learning and growth come primarily from three sources employees, systems and organizational alignment. Strategies for superior performance will generally require significant investments in people, systems and processes that build organizational capabilities. Consequently objectives and measures for these enablers of superior performance in the future should be an integral part of any organizations balanced score card. There are three principles for learning and growth, employee capabilities, information system capabilities and motivation empowerment and alignment.

2.2.4.1 Employee capabilities

One of the most dramatic changes in management thinking during the past 15 years has been the shift in the role of organization employees. In fact, nothing better exemplifies the revolutionary transformation from industrial age thinking to information age thinking than the new management philosophy of how employees contribute to the organization. The influence of scientific management systems left a legacy where companies hired employees to perform well defined and narrowly defined work. Organization elites specified in detail the routine and repetitive tasks of individual workers and established standards and monitoring systems to ensure that workers performed these tasks just as designed .Workers were hired to do physical work and not to think Kaplan and Norton (1996).Today almost all routine work has been automated thus replacing workers who did routine machining. In addition doing the same job over and over at the same level of efficiency and productivity is no longer sufficient for organization success. For an organization to maintain its existing relative performance, it must continually improve, and if it wants to grow beyond today's financial and customer performance, adhering to standard operating procedures established by the organizational elites is not enough. Ideas for improving processes and performance for customers must increasingly come from front line employees who are closest to internal processes and organizations customers.

Standards for how internal processes and customer responses were performed in the past provide a baseline from which improvements must continually be made. They cannot be a standard for current and future performance. This shift requires major re skilling of employees so that their minds and creative abilities can be mobilized for achieving organizational objectives.

2.2.4.2 Information system capabilities

Employee motivation and skills may be necessary to achieve stretch targets for customer and internal business process objectives. But they are unlikely to be sufficient. If employees are to be effective in today's competitive environment, they need excellent information –on customers, on internal processes and of the financial consequence of their decisions. Front line employees need accurate and timely information about each customer's total relationship with the organization. They should also be informed about which segment an individual customer occupies so that they can judge how much effort should be expended not only to satisfy the customer on the existing relationship or transaction but also learning about and attempting to satisfy emerging needs from that customer. It is only by having such feedbacks can employees be expected to sustain improvement programs where they systematically eliminate defects and drive excess cost, time, and waste out of the production system. Several companies have defined a strategic information coverage ratio. This ratio is analogous to the strategic job coverage ratio i.e. it assesses the current availability of information relative to anticipated needs. Measures of strategic information availability could be a percentage of process with real time, quality, cycle time, and cost feedback. Therefore excellent information systems are a requirement for employees to improve processes either continuously, via total quality management efforts or discontinually through process redesign and re-engineering projects.

2.2.4.3 Motivation empowerment and alignment

Even skilled employees, provided with superb access to information will not contribute to organizational success if they are not motivated to act in the best interests of an organization or if they are not given freedom to make decisions and take actions Kaplan and Norton (1996). Thus the third enabler for the learning and growth objective focuses on the organizational climate for employee motivation and initiative.

One can measure the outcome of having motivated, empowered employees in several ways. One simple and widely used measure is the number of suggestions per employee. This measure captures the ongoing participation of employees in improving the organizations' performance. Such a measure can be reinforced by a complimentary measure, number of suggestions implemented, which tracks the quality of the suggestion being made as well as communicating to the work force that is suggestion are valued and taken seriously. The tangible outcome from successfully implemented employee suggestions does not have to be restricted to expense savings. Organizations can also look for improvements say in quality, time or performance, for specific internal and customer processes. Measuring the number of suggestions successfully implemented and the rate of improvements actually occurring in critical processes are a good outcome measures for organizational and individual alignment objective. These measures indicate that employees are actively participating in organizational improvement activities.

The performance drivers for individual and organizational alignment focus on whether departments and individuals have their goals aligned with the company objectives as articulated in the balanced score card. Organizations' can measure not only outcomes but also short term, intermediate indicators about their attempts to communicate and align individuals with organization objectives.

2.3 Linking Balanced Scorecard Measures to a Single Strategy

Many companies may be using a mixture of financial and non financial measures, even in senior management reviews and to communicate with boards of directors. The best Balanced Scorecards are more than the collections of critical indicators or key success factors. The multiple measures on a properly construed Balanced score card should consist of a linked series of objectives and measures that are both consistent and mutually reinforcing, Kaplan, and Norton (2001).

Like a flight simulator, the scorecard should incorporate the complex set of cause and effect relationships among the critical variables include leads, lags and feedback loops that describe the trajectory, the flight plan of a strategy. The linkages should incorporate both cause and effect relationships and mixtures of outcome measures and performance drivers.

2.3.1 Cause and effect relationships

A strategy is a set of hypotheses about cause and effect. The measurement system should make the relationships (hypotheses) among objectives and (measures) in the various perspectives explicit so that they can be managed and validated. The chain cause and effect should pervade all four perspectives of a balanced scorecard. A properly constructed balanced scorecard should tell a story of the business unit strategy. It should identify and make explicit the sequence of hypotheses about the cause and effect relationships between outcome measures and performance drivers of those outcomes. Every measure selected for a balanced scorecard should be an element in a chain of cause and effect relationships that communicates the meaning of the business unit's strategy to the organizations.

2.3.2 Performance drivers

A good Balanced Scorecard should have a mix of outcome measures and performance drivers. Outcome measures without performance drivers do not communicate how outcomes are to be achieved. They also do not provide an early indication about whether the strategy is being implemented successfully. Conversely, performance drivers without outcome measures may enable the business unit to achieve short term operational improvements, but will fail to reveal whether the operational improvements have been translated into expanded business with existing and new customers, and eventually to enhance financial performance.

2.3.4 Cascading the Balanced Scorecard

Cascading a balanced scorecard means to translate the corporate-wide scorecard (referred to as Tier 1) down to first business units, support units or departments (Tier 2) and then teams or individuals (Tier 3). The end result should be focus across all levels of the organization that is consistent. The organization alignment should be clearly visible through strategy, using the strategy map, performance measures and targets, and initiatives. Scorecards are used to improve accountability through objective and performance measure ownership, and desired employee behaviors are incentivized with recognition and rewards.

While the balanced scorecard has been touted as an effective tool for creating organizational alignment, the actual success of the system as an alignment tool can vary depending on the strategic focus of scorecard (simple performance measurement dashboard tend to not be very helpful), the success of its implementation and whether or not the organization successfully cascades the scorecard down to business or support unit level and/or individual levels.

2.4 Corporate strategy

Corporate strategy refers to the overreaching strategy of the diversified firm. Such a corporate strategy answers the questions of "in which businesses should we be in?" and "how does being in these business create synergy and/or add to the competitive advantage of the corporation as a whole?"Management of a firm's internal activity is only a part of the modern Chief Executive Officers responsibility. The CEO must also respond to the firm's immediate and remote external environment. The immediate external environment includes but not limited to competitors, suppliers, government agencies and customers whose preferences often shift inexplicably. The remote external environment comprises of economic, social conditions, political priorities and technological developments all of which should be anticipated, monitored, assessed and incorporated into a firm's decision making process. To deal effectively with everything that affects the growth, profitability and existence of a firm, executives employ a management process that they feel will position it optimally in its environment by maximizing the anticipation of environmental changes and of unexpected internal and competitive demands, called a strategy. Pearce and Robinson (2005), defined strategic management as a set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives.

According to Ignor Ansoff (1987) Strategy is a rule for making decisions, while Kenichi Ohmae (1983) saw strategy in terms of the way in which corporation endeavours to differentiate itself positively from competitors using relative strengths to better satisfy customer needs. Arieu (2007) maintained that there is a strategic consistency when the actions of an organisation are consistent with the expectations of management and these in turn are with the market and the context. Strategic management also involves managing the process, by monitoring results, comparison to benchmarks and best practices, evaluating the efficacy and efficiency of the process, controlling for variances, and making adjustments to the process as necessary.

Strategic management is the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives Pearce, and Robinson (2005) Strategy, is about change, adaptability and flexibility. These issues also underpin the literature on strategy in the public sector. Strategic planning processes, provides a guide for the practitioner. While Bryson's (1995) summarizes the views of these writers and suggests that, a strategy may be thought of as a pattern of purposes, policies, programs, actions, decisions, and/or resource allocations that defines what an organization is, what it does, and why it does it. In Bryson's guide to strategic planning, strategy is essentially an emergent phenomenon, involving the crafting of corporate culture through reviews of the organizations present state, and formation of a mission and vision to guide its future development. Leadership is given prominence, counterbalanced with "stakeholder" issues, which are to be "managed", chiefly, internally. This approach may have much to do with the size of the organizations concerned. The strategic management model is a three-tier process involving corporate – business and functional level planners and support personnel. At each progressively lower level, strategic activities were shown to be more specific, narrow, short term and action oriented with lower risks but fewer opportunities for dramatic impact.

2.5 Strategy implementation

A strategy is irrelevant if you can‘t implement it. That is the collective realization of the business world after decades of obsession with strategy and strategic thinking. That realization has led to a voracious market for ideas on execution, alignment around strategy and predictable achievement of strategic results.

Among the many pundits responding to this shift in emphasis were David P. Norton and Robert S. Kaplan. In1992 they began advocating a concept for strategy implementation attractively dubbed balanced scorecard (BSC). As one might imagine, it is an organizational score keeping system. It is designed to help organizations express and cascade strategy by setting up a framework for collecting organizational performance metrics.

It is only half of the success to develop a good strategy. Execution is equally important, since it can make or break the best strategy. Herebiniak (2001) says that many of today's top executives are far better at developing strategy than executing it and overcoming the political and organizational obstacles that stand in their way.

Strategy Implementation is driven by a broad Implementation Plan, which in turn, is driven by individual project action plans. The Implementation Plan lays out budgetary, human resource, and institutional, and procedural implications of implementing the strategy. Strategy implementation is thus the point of integration of all ingredients and programs within a strategy.

The action plan lays out a hierarchy of tasks, responsible parties, realistic time tables, human resource and financial need, sources of funding, expected impacts and results, performance measures and systems for evaluating progress for each project.

The Implementation plan acts, in the final instance, as a mediator between various departments and their action plans to ensure that these do not inappropriately compete for resources.

The key aspect of implementing a strategy is the instutionlization of the strategy so that it permeates daily decisions and actions in a manner consistent with long term strategic success

Pearce and Robinson (2005).The recipe that binds strategy and organization involves three key ingredients organizational structure, leadership and culture.

Institutionalizing a strategy requires a good strategy – structure fit. Organization leadership is crucial to effective strategy implementation. The CEO plays a critical role in this regard. Assignment of key managers, particularly within the top management team, is an important aspect of organizational leadership. Deciding on whether to promote insiders or higher outsiders is often a central leadership issue in strategy implementation. Organization culture has been recognized as pervasive influence on an organizations life. Organization culture which is the shared beliefs and values of organization members may be a major help or hindrance to strategy implementation.

The BSC helps organizations align sufficiently to execute their strategies; it creates a vertical alignment, ensuring that the achievements of employees and managers sum up to achieve the strategic intent of the organization. It does it align organizations horizontally, ensuring that employees work well across boundaries, instead of working at cross purposes.

2.5.1 Strategy Implementation Foundation

It is one thing to declare a strategy, but quite another to track how well you are executing it. The balanced scorecard is one way to help track it. Most strategies can be fleshed out with metrics across at least some of the four prescribed categories of metrics. If you attach goals -and accountability - to those metrics, then you begin to have a creditable strategy implementation engine.

But here begin the caveats. One must begin with a strategy, and that strategy ought to be expressed as measurable goals. However, simply populating a BSC template with goals does not mean that you know where you are going or how to get there; doing so is a recipe for misalignment. BSC provides no strategy development template, nor does it claim to.

But thinking that it does is a common pitfall

2.6 Performance measurement

One of the common standard performance measurement clichés in management circles: “what gets measured gets done,” “if you don’t measure results, you can’t tell success from failure and thus you can’t claim or reward success or avoid unintentionally rewarding failure,” “if you can’t recognize success, you can’t learn from it; if you can’t recognize failure, you can’t correct it,” “if you can’t measure it, you can neither manage it nor improve it,” Norton (2004). But what eludes many managers is the easy path to identifying truly strategic measurements without falling back on things that are easier to measure such as input, project or operational process measurements**.** One of the hallmarks of leading edge organizations has been the application of Performance Measurement to gain insight into and make judgments about the organizations and the effectiveness and efficiency of its progress, processes and people. For large organizations it is an enormous challenge to directly control all the cost center operations that are spread throughout the country. A cost center is any responsibility center that has control over the incurrence of cost. A cost center has no control over either the generating of revenue or the use of investment funds. A cost center may be either standard cost center or discretionary expense center Kaplan and Atkinson (1992). Cost centers represent the narrowest span of work unit accountability encountered in most firms.

Performance measurement information is used to effect positive change in organization culture systems and processes, by helping to set agreed upon performance goals, allocating and priotizing resources informing managers to either conform or change current policy or program directions to meet those goals and sharing results of performance in pursuing those goals.

2.6.1 Establishing Accountability for Performance

Establishing viable performance measures is critical for organizations; making those measures work is much more important. Successful deployment appears to be strongly related to developing a successful system of accountability: that is, of making managers and employees alike “buy in” to performance measurement by assuming responsibility for some part of the process.

Following are successful strategies used for establishing employee and management accountability for the success of the organization’s performance measurement system, empowerment, owner identification, rewards and incentives, and culture and communication. Employees are most likely to meet or exceed performance goals when they are empowered with the authority to make decisions and solve problems related to the results to which they are accountable. A critical challenge for private and public organizations alike is ensuring that this shared responsibility does not become an unfulfilled responsibility. Underlying employee empowerment is management's view of its employees as an asset rather than resource. Owner identification is one of the strategies most managers from best-in-class organizations hold an appropriate individual accountable for each performance measure. Most organizations therefore identify a measurement owner. This is an assigned individual who is accountable and responsible for a particular measure. Rewards and incentives is one of the most popular strategies managers use to ensure that performance goals are met by rating individual contributions to performance measures for determining management pay. In addition to rewarding achievement, many organizations also recognize a pattern of chronic substandard by linking job performance to pay, Atkinson and Waterhouse (1997). Culture and communication is based on understanding the reality of human error and striving to improve, employees do not fear admitting mistakes. Periodic meetings allow staff to review progress and strategize about solving problems.

2.7 Performance Management

Measurement is not an end in itself but a tool for more effective management. The results of performance measurement will tell you what happened and not why it happened or what about it. Leading organizations do not stop at gathering and analysis of performance data, rather these organizations should use performance measurement to drive improvements and successfully translate strategy into actions. In other words they use performance measurement to manage their organizations.

Performance management therefore is an integrated approach to sustained success to organizations by improving the performance of people who work in them and by developing capabilities of teams and individual contributors. This is a systematic process for improving the organization productivity by developing the performance of individuals and teams. It is a means of getting better results based on agreed framework, planned goals, objectives and targets, Ndungu (2009).Performance management as an ongoing process helps employees to know that their contributions are recognized and acknowledged. It is a cycle which includes planning, monitoring review and feedback.

Performance management focuses on targets, standards, and performance measures based on agreements. Therefore performance management should be a continuous and flexible process that involves team members working within a framework that sets to achieve required results. Performance management should be owned and driven by line managers who need to be involved in the development process. Performance management aligns individual and organizational objective, it is up to individuals to contribute towards the set targets of the team or department.

Performance management creates a shared understanding about what is to be achieved and how it is achieved. Individuals and teams need to have a common understanding of how their roles connect to the business mission and goals of the organization. To improve performance they also need to know what superior performance looks like and how to achieve it. A performance management formalizes the goals, tasks and behaviors.

Performance management has a clear purpose of delivering success for individual’s teams and the organizations. By establishing a continuous management process that delivers clarity support and feedback and recognition to all, leaders take a major step in sustaining performance, the performance management process and organizational life span.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research design

The research was conducted through a case study. A case study is an in depth investigation of an individual group, institution or phenomena Mugenda (2001) defines a case study a very powerful form of qualitative analysis and involves a careful observation of a social unit be that of unit, person family, institution, cultural , group or even the entire community.

The importance of using a case study is that enables an in-depth understanding of behavior patterns of the concerned unit facilitating intensive study of concerned unit facilitating intensive study of the concerned unit which is not possible with different methods. It also avails possibility of obtaining the inside facts from experienced personnel. A case study also enriches generalized knowledge and makes it possible for the researcher to use one or more methods depending upon the relevant circumstances for example in depth interviews and questionnaires, this makes it more relevant for this study.

3.2 Data collection

The study used both primary data and secondary data to study how Kenya Wildlife Service has adopted the balanced scorecard. The data was obtained through personal interviews guided by a questionnaire consisting of open ended questions covering on issues relating on the balanced scorecard adoption. The drop and pick method was also used. The researcher collected data from top management, middle level management and frontline employees i.e. customer service employees and selected uniformed staff. The secondary data used included, strategic plans, obtained from the organizations strategic plan and other related documentations including internal memos ,minutes of strategic planning meetings and training manuals.

3.3 Data analysis

The collected data was analyzed using content analysis technique because the study solicited for data that is qualitative in nature. This type of analysis is relevant to this study since it does not set barriers on the respondents’ answers, i.e. they can express their opinion full. It involved a detailed description of items that comprise the study.

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND FINDINGS

This chapter represents the research findings, analysis and presentation of data gathered from questionnaires, personal interviews and data gathered from secondary sources that included strategic plans, training manuals, and minutes from meetings that discussed the balanced scorecard adoption, internal memos and circulars. The findings are presented mainly in form of tables, pie-charts and in percentages.

4.1 Respondents demographics

The researcher sent out one hundred (100) questionnaires to the staff based at the KWS headquarters and at the eight (8) regional headquarters comprising of Southern, Central rift, Western, Northern, Tsavo, Coast, Mountain and Eastern regions. Eighty Two percent of the questionnaires were returned registering an 82% response rate.

Table 1: Response rate

Selected Region	Sample	Response	Response rate in %
Headquarters	25	23	92
Southern	10	8	80
Central Rift	10	7	70
Mountain	10	9	90
Western	10	9	90
Northern	5	3	60
Tsavo	10	8	80
Coast	10	8	80
Eastern	10	7	70
TOTALS	**100**	**82**	**82%**

This was a remarkable response rate indicating the willingness of the members of staff to share their views on how they are adopting the balanced scorecard in their day to day operations, thus increasing the validity of the research.

4.1.1 Employee category

The table below shows the response rate in terms of employee category, in this analysis the respondents were categorized in terms of divisional heads, departmental heads, managers, senior officers, junior officers and support officers.

Table 2: Employee category response

Employee category	**Sample**	**Response**	**Response rate in %**
Divisional Head	5	5	100
Departmental Heads	15	12	80
Managers	20	17	85
Senior Officers	20	15	75
Junior Officers	25	20	80
Support Officers	15	13	86.7
	100	**82**	Average % 84.45

The purpose of this analysis was to determine the response according to the level of strategies i.e. Tier 1 Corporate level strategy for divisional heads, departmental heads, Tier 2 Business level strategy for managers, senior officers and Tier 3 for functional strategy for junior officers and support staff.

The average percentage response rate of 84.45%, was a positive one clearly indicating a connection between the tier one strategy – corporate strategy to tier two- business level strategy- and lastly to tier three-functional strategy, indicating that there was an understanding and synergy between the different levels of strategy.

4.1.2 Employees categorized by divisions they serve

The respondents were distributed as follows;

Table 3: Distribution of employees per division

Division	No of respondents	Response	Response in %
Finance and Administration	20	18	90
Strategy and Change	20	17	85
Corporate Support Services	20	15	75
Wildlife Service	15	12	80
Security	15	12	80
Directors office	10	8	80

The purpose of this analysis was to categorize employees according to the divisions they serve and to identify key Balanced Scorecard perspective drivers for each division given that each division has unique day to day activities, how they have adopted the balanced scorecard and the challenges faced as a division.

4.1.3 Respondents gender distribution

Table 4: Respondents gender distribution

Gender	Respondent	Response in %
Male	**52**	**63.4%**
Female	**30**	**36.6%**

This was to analyse the respodents in terms of gender to get a balanced view of both sides, in line with the government policy of gender balance in all its instutions.

4.1.4 Respondents by academic qualifications

Table 5: The respondents academic qualifications

Academic Qualifications	No of staff
PhD	1
Masters	15
Degree	30
Diploma	17
A-Levels	7
O-Levels	12
Total	**82**

The purpose of this analysis was to determine the quality of answers, understanding of the concept of the Balanced Scorecard and how it drives strategy implementation in their day to day operations and how it links to the corporate strategy given the level of education of the respondent.

4.1.5 Respondents work experience at KWS

Table 6: Respondents work experience;

Years of Experience	No of respondents
1-5	**13**
5-10	**17**
10-15	**20**
15-20	**24**
Over 20 years	**8**

The purpose of this analysis was to determine the participation of employees on the criteria of work experience, this chiefly because employees who have many years of experience tend to have much information compared to employees who have less experience in years, these impacts positively on value of information collected.

4.2 Identification of Balanced Scorecard perspective drivers response

This section analyses the response rate of how the members of staff identify key drivers of strategy implementation in their respective divisions.

4.2.1 Financial Perspective

The employees of each division identified the financial perspective drivers in their division's operations as follows;

Table 7: Identification of financial perspective drivers

	Finance & Admin	Strategy & Change	Corporate Support Services	Wildlife Service	Security	Directors Office
Financial Perspective Drivers						
Revenue growth and mix	18	17	8	12	0	8
Cost reduction	18	8	15	12	12	8
Productivity improvement	18	17	15	12	12	8
Asset Utilization	17	6	15	7	4	8
Investment strategy	14	17	0	0	0	8
Risk management	18	12	12	12	12	8

4.2.2 Customer Perspective

The employees of each division identified the Customer perspective drivers in their division's operations as follows;

Table 8: Identification of customer perspective drivers

	Finance & Admin	Stratey& Change	Corporate Support Services	Wildlife Service	Security	Directors Office
Customer Perspective Drivers						
Customer retention	8	17	12	12	0	8
Customer Acquisition	0	17	0	0	0	8
Customer Satisfaction	18	17	15	12	12	8
Rapid response to Customer request	17	17	15	12	12	8
Quality of products	8	17	8	12	0	4
Value for money	18	17	14	12	0	8
Enhance corporate social responsibility	17	17	12	12	12	8

4.2.3 Internal business process perspective

The employees of each division identified the internal business process perspective drivers in their division's operations as follows;

Table 9: Identification of internal business process perspective drivers

	Finance & Admin	Strategy & Change	Corporate Support Services	Wildlife Service	Security	Directors Office
Internal business process						
Innovation process	4	17	15	4	0	8
Operation process	18	17	15	12	12	8
Post sale service	2	17	15	12	0	8
Fosters creativity and innovation	18	17	15	12	12	8
Leverage internal synergies	18	14	12	8	8	8
Business process reengineering	18	17	15	9	4	8

4.2.4 Learning and growth perspective

The employees of each division identified the learning and growth perspective drivers in their division's operations as follows;

Table 10: Identification of learning and growth perspective drivers

	Finance & Admin	Strategy & Change	Corporate Support Services	Wildlife Service	Security	Directors Office
Learning and growth						
Strategic placement of staff	17	14	15	12	12	8
Employee capabilities	18	17	15	12	12	8
Information system capabilities	18	17	15	6	4	8
Motivation	12	11	7	12	12	8
Multi skilling and staff empowerment	14	15	12	11	9	8
Enhance reward	8	11	6	8	3	7

4.2.5 Enhancing wildlife conservation perspective

This was the fifth balanced scorecard perspective that was incorporated in line with the KWS mission away from the traditional generic perspectives.

Table 11: Identification of drivers that enhance wildlife conservation

Enhancing wildlife conservation	**Finance & Admin**	**Strategy& Change**	**Corporate Support Services**	**Wildlife Service**	**Security**	**Directors Office**
Strengthen law enforcement capacity	16	14	8	12	12	8
Secure land for conservation	11	17	15	12	12	4
Endangered species conservation	14	17	12	12	12	8
Ensuring ecological integrity	12	17	4	12	12	8
Governance of the wildlife industry	8	15	10	12	12	8

4.3 Extent of adoption of the balanced scorecard

This section sets to explore to what extent the members of staff have been exposed to the balanced scorecard perspectives and how they are adopting the tool in their day to day operations.

4.3.1 Members of staff exposure levels to the balanced scorecard

The following divisional heads, departmental heads, managers, senior staff, junior staff and support staff sampled have been exposed to the balanced scorecard. The purpose of this analysis was to get to know how many members of staff understand the concept of the balanced scorecard, through training and other learning materials that relate to the balanced scorecard.

Table 11: Number of employees exposed to the balanced scorecard

Employee category	Sample	Response	No. exposed	Response rate in %
Divisional Heads	5	5	5	100
Departmental Heads	15	12	12	100
Managers	20	17	17	100
Senior Officers	20	15	11	73.3
Junior Officers	25	20	14	70
Support Officers	15	13	7	53.8
	100	82	66	

4.3.2 Building understanding and acceptance of the balanced scorecard.

All divisions have been able to communicate to their members of staff the meaning of the balanced scorecard through periodic meetings, aligning strategic objectives to the employee's personal and individual objectives, establishing individual targets towards achievement of divisional goals and ensuring participation of members of staff in preparation of the performance targets and annual work plans.

4.3.3 Developing an implementation plan for cascading the balanced scorecard

The divisions have been able to develop standard templates framework that guides the cascading of the scorecard from tier one corporate strategy to tier two business strategy and finally tier three the functional strategy. The cascading framework has also been enhanced by developing strategy maps for each division and how it links to the overall corporate strategy.

4.3.4 Tracking performance in line with the balanced scorecard perspectives

The divisions have been able to develop the fortnightly, monthly and quarterly review meetings to do follow ups on the set targets and conduct variance analysis on the same. In addition, section heads are required to submit a number of reports on their day to day operations in line with the scorecard perspectives. The divisions have also developed a system of deriving job descriptions that are aligned to the perspective drivers which are then used to set targets that are measurable.

4.3.5 Divisions alignment to the overall goals of the organization and perspective drivers

All divisions have been able to develop a divisional scorecard that captures all perspectives of the balanced scorecard and through strategic mapping there is a clear linkage to the corporate strategy and overall goals of the organization. In addition all divisions' activities are derived from the mission statement and the vision of the organization.

4.3.6 Systems for performance measurement and link to the balanced scorecard drivers

The divisions applied various performance measurement systems which include half yearly performance appraisals that are in line with the balanced scorecard perspective drivers. A quarterly performance analysis is conducted which measures actual performance against strategic expectations and a variance analysis conducted thereafter. The balanced scorecard perspective drivers form the baseline under which the performance appraisal and strategic expectations are derived from.

4.3.7 Improvement performance management

This section analyses the response to what extent has the balanced scorecard has been able to improve performance management**.** Below are the responses in terms of percentages by the various employee categories.

Table 12: Improvement in performance management

Employee category	Sample	Response	Extent of improvement in %
Divisional Head	5	5	95
Departmental Heads	15	12	92
Managers	20	17	85
Senior Officers	20	15	82
Junior Officers	25	20	76
Support Officers	15	13	70
	100	82	

4.4 Challenges faced by KWS in the adoption process

Challenges facing KWS in the adoption of the balanced scorecard was one of the key objectives of this research. The table below shows how various respondents indicated the various challenges that have faced KWS in the adoption of the balanced scorecard. This table was developed to ascertain the key challenges that KWS has faced, based on the majority response. On a scale of 1-5 i.e. extremely low to extremely high, the researcher picked the column that had a higher percentage response rate to show the impact of a particular challenge to the organization. Therefore the percentage on extreme right column indicates the majority response to a particular variable. From the table above the researcher was able to deduce that 64 out of 82 respondents or 78% of the respondents stated that internal resistance to the adoption of the balanced scorecard was low indicating good acceptance levels. Provision of adequate resources for the training of members of staff and the acquiring the balanced scorecard software proved to be a challenge with 65.9% or 54 respondents suggesting the same. Alignment of the strategic business units' goals to corporate strategy was done with ease with 52 respondents suggesting that it was extremely low. Both the parent ministry and the board of trustees have given KWS immense support in the implementation of the strategic plan using the balanced scorecard as the key tool in driving the process. Development of a cascading framework i.e. devolving the corporate strategy to the functional units had a moderate impact with 38 respondents suggesting so.KWS seemed to have instituted a supporting organization structure to drive the implementation process with 68 respondents or 82.9% suggesting that it had an extremely low impact. Interdepartmental synergies had a moderate impact in the adoption implying that the various departments are working quite well in the implementation process with 51% of the respondents agreeing to that sentiment. Staff competence was also tested by the researcher, with the findings suggesting that it has had a moderate impact on adoption process with 58.5% confirming the same. Stakeholders had an extremely low impact on the adoption process with 62% of the respondents implying the same. 58 respondents or 70.7% confirmed that shifts in customer preferences had a low impact on the adoption process. Staff participation in the adoption process had almost similar responses between having an extremely low impact with 22 respondents, 28 respondents suggesting a low impact while the majority 32 respondents suggesting that staff participation had a moderate impact. Decentralization of KWS activities to the regional levels had a high impact on the adoption process with 46 respondents suggesting so. The relationship between the lead consultant and the members of staff had a high impact on the adoption process with 56.1% of the respondents confirming the same. Technology leveraging had a high impact on the adoption process with 42 respondents suggesting so.

Table 13: Response to the challenges posed

Challenges	1	2	3	4	5	Total	Percent %
Internal resistance to the process		64	13	5		82	78.0
Adequate resources for the training and software		4	24	54		82	65.9
Alignment of strategic business units goals to corporate strategy	52	21	9			82	63.4
Support by the parent Ministry	74	8				82	90.2
Support by the board of trustees	80	2				82	97.6
Development of a cascading framework		25	38	19		82	46.3
Instituting a supporting organization structure to drive the implementation	68		9	5		82	82.9
Inter departmental synergy problems		13	42	27		82	51.2
Staff capabilities/ competence	6	16	48	12		82	58.5
Extent of stakeholder involvement	62	12	8			82	75.6
Changes in customer preferences	17	58	7			82	70.7
Extent of staff participation	22	28	32			82	39.0
Decentralization		4	12	46	20	82	56.1
Relationship between the lead consultant and the organizations participants		7	7	47	21	82	57.3
Technology leveraging	2	6	14	42	18	82	51.2

CHAPTER FIVE: DISCUSSION, RECOMMENDATIONS AND CONCLUSION

This chapter presents the discussion, recommendations and conclusion that the researcher found to be fundamental in relation to the adoption of the balanced scorecard in strategy implementation at the Kenya Wildlife Service.

5.1 Discussion of the results

The researcher found out that Kenya Wildlife Service, was adopting the balanced scorecard relatively well despite the many drawbacks posed. The sampled members of staff exposed to the balanced scorecard were encouraging given the fact that it has a large workforce, whereby the exposure process would have had tremendous logistics hiccups. The members of staff embraced the balanced scorecard concept positively in their day to day operations, since most job descriptions and personal goals were aligned to the perspective drivers which are used to set targets that are tailored towards attaining the overall corporate strategy. The respective divisions at KWS have been able to set performance management systems to track performance in accordance with the balanced scorecard perspectives. This showed positive response by management that they are really committed to the successful implementation of the strategic plan using the balanced scorecard. Strategy maps turned out to be the preferred way of cascading the corporate strategy down to the business strategy for departments and finally to the functional units in line with the balanced scorecard perspective drivers. In this way KWS management has been able to build an understanding to its employees that every action in their day to day operations counts on how best it can attain the overall corporate strategy. Decentralization and technology leveraging were critical challenges facing management. With most of the operations being decentralized from the headquarter level to the regional levels, it has posed a great challenge to the management in rolling out the balanced scorecard due to the geographical scope and limitations of infrastructure to support technology. In addition, there seemed to be a frosty relationship between the lead consultant and KWS participants during the familiarization process. Interesting to note also is that KWS has introduced an additional perspective in their in their balanced scorecard matrix i.e. enhancing wildlife conservation which has its unique perspective that drive strategy implementation. Wildlife conservation is the core business of KWS and therefore there was a strong urgency to create a perspective to drive implementation.

The adoption of the balanced scorecard has been able to improve the overall performance management ratings of KWS, this is testified by the numerous recognitions in the corporate scene and improvement of the performance indicators scores on various variables. In addition a number of targets set by management have been attained during the given timeframe, available resources and other supporting infrastructure, with most of the staff members attesting to the fact that the balanced scorecard went an extra mile in guiding and facilitating their activities.

5.2 Conclusion

This study has showed that the balanced scorecard concept can further improve KWS performance if properly applied. The researcher identified the various drivers for each balanced scorecard perspective that drive strategy implementation for each division, given that each division has got different activities though all of them are linked to the overall corporate strategy and the various challenges facing KWS in the adoption process. The management of KWS acknowledged the several challenges facing them and they are continually instituting mitigating measures against them.

5.3 Recommendation

During the study the researcher recorded some observations in key areas and therefore recommends that members of staff should be involved more in the change process particularly in areas that touch their day to day operations like in the case of adopting the balanced scorecard in implementing the corporate strategy if management wishes to achieve maximum response and output. Communication of the management intention on key policy issues should be clear in order to build a collective understanding and positive sharing of the information being conveyed, this would go a long way in limiting miscommunications. There is also need to develop a continuous training mechanism so that the members of staff are updated regularly on the developments for the concept to be meaningful to all.

5.4 Limitations of the study

The researcher encountered a number of challenges during the course of the study that included, cost, time constraints, and the geographical scope of KWS operations.

5.5 Suggestions for further research

It would be interesting to further understand how KWS will fully apply the balanced scorecard initiative in their day to day operations and how the management of KWS will manage both cognitive, analytic process, translating general statements about strategy and intent into explicit measurable objectives.

Additional studies should be conducted to establish how the corporate balanced scorecard adds value beyond the value created by the collective divisions operating independently otherwise referred to as the ‘parenting advantage’.

Finally a research should be conducted to establish how KWS and other organizations using the balanced scorecard embed the balanced scorecard in a strategic learning framework, this process is fundamental in providing the capability for organizational learning and enhancing the feedback process.

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APPENDIX 1

Letter of introduction to the respondent

University of Nairobi
School of Business
Dept. Of Business Administration
P.O. Box 30197
Nairobi

Dear Respondent,

COLLECTION OF SURVEY DATA

I am a postgraduate student at the University of Nairobi, School of business. In order to fulfill the degree requirements; I am undertaking a management research project on **“Adoption of the Balanced Scorecard in Strategy implementation at the Kenya Wildlife Service”.**

You have been selected to form part of this study. Therefore, I kindly request your assistance to kindly fill the accompanying questionnaire.

The information provided will be used exclusively for academic purposes and will be held in strict confidence.

Thank you

Yours faithfully

JOHN AMBOGA	DR.JOHN YABS
STUDENT	LECTURER

APPENDIX 2

Questionnaire

This survey research is undertaken in partial fulfillment of the requirements for the University of Nairobi, Master of Business Administration. SECTION 1 requires you to fill in information about yourself (Respondent demographics).

Section 1: Respondent demographics

Kindly fill appropriately:

1. Your position within the organization ______________________________________

2. Which employee category do you belong at KWS?

   a. Divisional head [ ]
   b. Departmental head [ ]
   c. Manager [ ]
   d. Senior Officer [ ]
   e. Junior Officer [ ]
   f. Support staff [ ]

3. In which division do you serve

   a) Finance and Administration [ ]
   b) Strategy and Change [ ]
   c) Corporate Support Services [ ]
   d) Wildlife Service [ ]
   e) Security [ ]
   f) Directors Office [ ]

4. Gender: Male [ ] Female [ ]

5. Total number of years worked in the organization_____________________

6. Kindly state your academic qualification:
    a. PhD [ ]
    b. Masters [ ]
    c. Degree [ ]
    d. Diploma [ ]
    e. A -levels [ ]
    f. O -level [ ]

7. Kindly list professional qualifications if any that you have pursued:
    ____

Section 2: Identification of drivers

For each of the following scorecard perspectives (But not limited to the selected), please identify the key drivers in strategy implementation in your division

1. Financial perspective

Revenue growth and mix [ ]

Cost reduction [ ]

Productivity improvement [ ]

Asset utilization [ ]

Investment strategy [ ]

Risk Management [ ]

2. Customer Perspective

Customer retention [ ]

Customer acquisition [ ]

Customer satisfaction [ ]

Rapid response to customer request [ ]

Quality of products [ ]

Value for money [ ]

3. Internal business process perspective

Innovation process [ ]

Operation process [ ]

Post sale service [ ]

Fosters creativity and innovation [ ]

Leverage internal synergies [ ]

Business process reengineering [ ]

4. Learning and growth perspective

Strategic placement of human capacity [ ]

Employee capabilities [ ]

Information system capabilities [ ]

Motivation [ ]

Multi skilling and staff empowerment [ ]

Enhance reward and performance
Management systems [ ]

Section 3: Adoption

1. What percentage of top managers i.e. divisional and departmental heads have been exposed to the balanced scorecard?
 ....
 ....
2. What percentage of staff in general has been exposed to the balanced scorecard?
 ....
 ....
3. What percentage of top managers have their personal goals aligned to the balanced scorecard perspectives?
 ....
 ....
4. What percentage of staff have their personal goals aligned to the balanced scorecard perspectives?
 ....
 ....
5. Briefly explain how the management has built the understanding and acceptance of the balanced scorecard amongst its employees?
 ....
 ....
6. How has the management established the context for the balanced scorecard as a means to communicate shared objectives?
 ....
 ....

7. Clearly enumerate how the line managers have been able to develop and execute an implementation plan for cascading the balanced scorecard down their business units?

   ....

   ....

8. How have managers been able to track performance in order to establish a baseline of information for establishing targets in line with the balanced scorecard perspectives?

   ....

   ....

9. How have employees adapted to respective perspective drivers in there areas of responsibility?

   ....

   ....

10. How are the major activities of your unit aligned to the perspectives of the balanced scorecard and to the overall goals of the organization?

    ....

    ....

11. Kindly elaborate on the systems for performance measurement in use by your division?

    ……………………………………………………………………………………………

    ……………………………………………………………………………………………

12. Does your division have a strategic objective, if yes please state.

    ……………………………………………………………………………………………

    ……………………………………………………………………………………………

13. To what extent has the adoption of the balanced scorecard improved the organizations performance management?

    …………………………………………………………………………………………

Section 4: Challenges

Below are some of possible challenges facing the organization in the adoption of the balanced scorecard, kindly indicate to what extent they have affected the organization.

Key

1. Extremely low
2. Low
3. Moderate
4. High
5. Extremely high

Challenges	**1**	**2**	**3**	**4**	**5**
Internal resistance to the process					
Adequate resources for the training and software					
Alignment of strategic business units goals to corporate strategy					
Support by the parent Ministry					
Support by the board of trustees					
Development of a cascading framework					
Instituting a supporting organization structure to drive the implementation					
Inter departmental synergy problems					
Staff capabilities/ competence					
Extent of stakeholder involvement					
Changes in customer preferences					
Extent of staff participation					
Decentralization					
Relationship between the lead consultant and the organizations participants					
Technology leveraging					

Others challenges please specify

APPENDIX 3

Figure 01

Employee category response rate

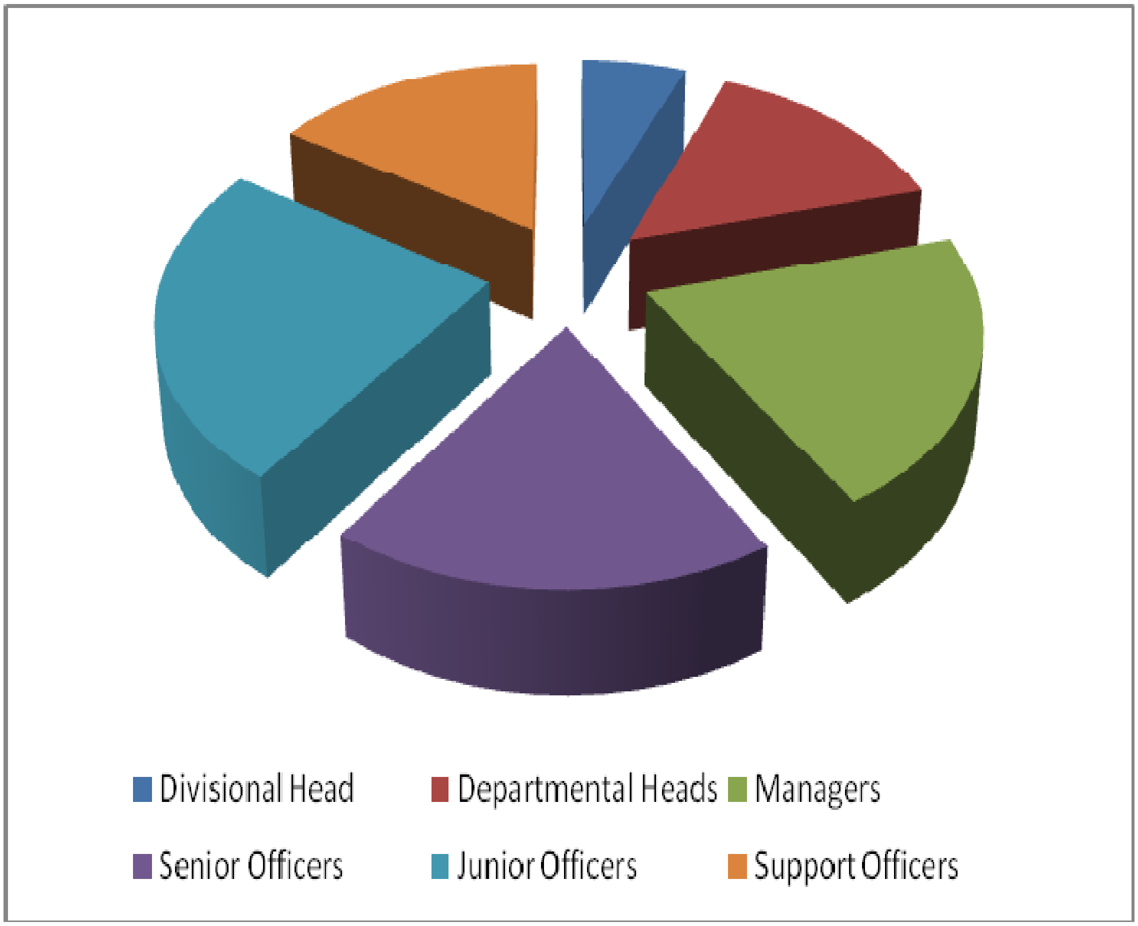

Figure 02 Response per division

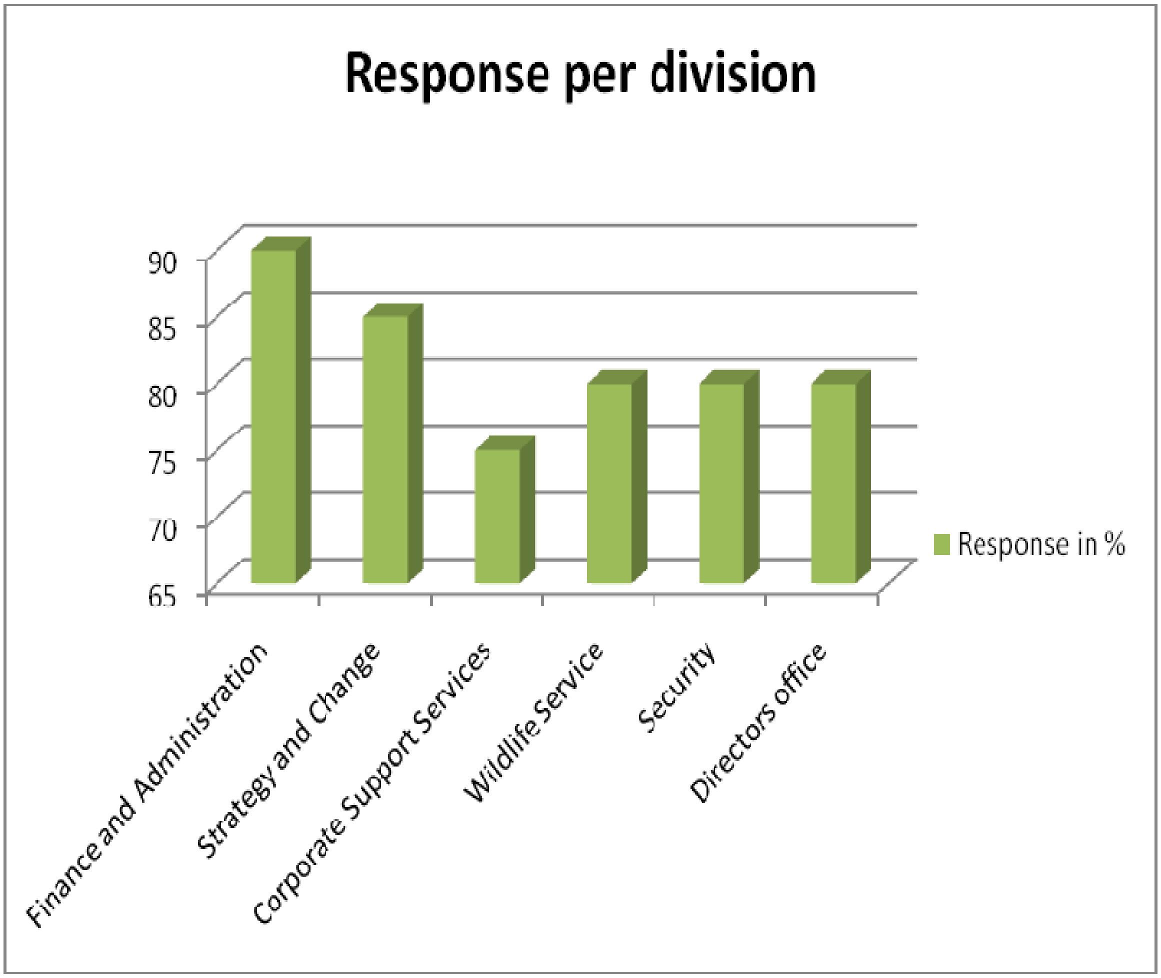

Figure 03: Employees exposed to the balanced scorecard in %

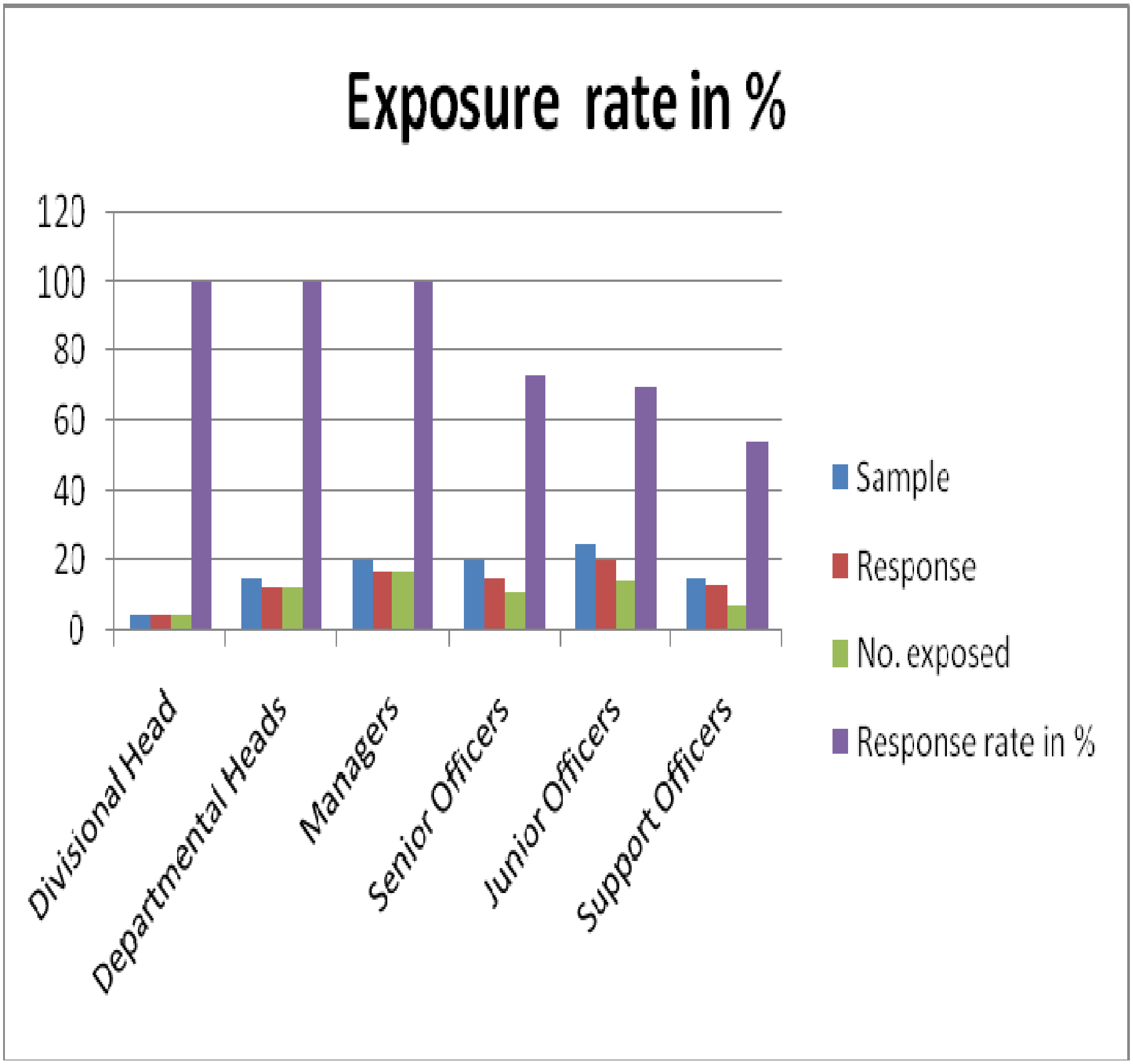

Figure 04: Improvement in performance management