



**ASSESSMENT OF BALANCED SCORECARD IMPLEMENTATION : THE CASE OF  
SELECTED SECTORES OF KIRKOS SUB CITY ADMINISTRATION**

**A Thesis Submitted to the College of Business and Economics in Partial Fulfillment of the  
Requirement for the Degree of Master of Business Administration**

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# DECLARATION

This research report entitled “ASSESSMENT OF BALANCED SCORECARD IMPLEMENTATION: THE CASE OF SELECTED SECTORES OF KIRKOS SUB CITY ADMINISTRATION” is my original work and has not been presented for any other degree purpose.

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## **ACRONYMS**

**BSC: balanced score card**

**PM: performance measurement**

**FP: financial perspective**

**CP: customer perspective**

**IBPP: internal business process perspective**

**LG: learning and growth**

**SPSS: statistical package for social Science**

**ANOVA: Analysis of variance**

ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS  
DEPARTMENT OF MASTER OF BUSINESS

ADMINISTRATION MBA

**Certificate of Originality**

This is to certify that the thesis report prepared by candidate Getahun Fekadu entitled “ASSESSMENT OF BALANCED SCORECARD IMPLEMENTATION: THE CASE OF SELECTED SECTORES OF KIRKOS SUB CITY ADMINISTRATION” in the Partial Fulfillment of the Requirement for the degree of Master of Business Administration was carried out under my approval and supervision.

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## ABSTRACT

*The purpose of this study was to assess the balanced scorecard implementation on the selected sectors of Kirkos sub city. The study is of great importance to public sectors, government and other stakeholder. The study used descriptive and explanatory research method and 133 sample respondents from the 147 sample populations were participated. Data collection was done through questionnaire and interview from primary sources and some from secondary sources. For the selection of sample of population the stratified sampling technique of probability sampling was used. Data analysis was done using SPSS version 24 and interpretation and findings were presented by descriptive analysis and inferential statistics. Findings from qualitative analysis were presented by narration briefly. The study found that the customer perspective had slight negative influence on the performance measurement of the organization, but the other three perspectives had significant positive impact on the performance measurement of the organization. The study recommends sectors of under study to give adequate and practical training for all stakeholders both on knowledge attitude towards BSC implementation to increase efficiency, measure performance according to the activities weighed and cascaded to the workers, link performance measurement to strategy to increase efficiency, make uniformity in planning and in cascading, link high performance with rewarding system through accurate performance measurement, give attention to improve customer perspective*

**Keywords:** Balanced Scorecard, Strategy, Performance Measurement, Performance Management

# CHAPTER ONE

## Introduction

### 1.1 Background of the Study

The balanced scorecard (BSC) was first introduced by two men, Robert Kaplan, an accounting professor at Harvard University, and David Norton, a consultant from a Boston area posted in the Harvard Business Review Article in 1992. Thus BSC was created as new approach to strategic management during this time. According to Niven (2006), the impetus for the study of the new strategic management tool by Kaplan & Norton was the ineffectiveness and ambiguity of the previous financial measures for performance management approaches to the modern business enterprise. They have demonstrated that balanced scorecard enables organizations to translate their visions and strategies into comprehensive objectives and substantial set of performance measures. Thus the balanced scorecard provides an enterprise view of organization's overall performance by integrating financial measures with the other three BSC perspectives measures namely: customer perspectives, internal business processes, and employee learning and growth (Kaplan and Norton, 1996). Since the concept was introduced in the early 1990s by Kaplan and Norton as a performance measurement system, the Balanced Scorecard (BSC) has attracted considerable interest among different organizations, practitioners and researchers. According to Ittner and Larcker (1998), in order to fill the gap in traditional performance measures, organizations have developed new performance measurement systems. These are significant for modern organizations, even though the initial focus was more on for-profit organizations. According to survey on "Management Tools and Trends" made by Blain and company (2013), BSC was ranked the fifth most widely applied management tool in organizations.

According to survey on "Management Tools and Trends" made by Blain and company (2013, as cited by Abagissa 2018), BSC was ranked the fifth most widely applied management tool in organizations. Due to its strategic approach, BSC was taken as the most important tool to be applied in almost all government institutions throughout Ethiopia since its introduction in 2002. The rationale for adopting the tool was the need to plan, control and report on the

performance of public sector organizations in Ethiopia. According to Marr, 2010 cited by (Hailemariam2016), in spite of the benefits that are promised by the balanced scorecard, practical studies show that there are challenges of implementation and from this the major problems with Balanced Scorecards arises when senior managers use the performance indicators identified to apply a command-and-control approach in which they use the indicators to punish or reward people that creates fear, resistance and cheating. Another problem that organizations frequently make is jumping into a measurement program too fast and making the program too complicated. Deriving meaningful measurements, gathering reliable data, developing useful analytical techniques, and educating managers about how to use the data are all difficult steps. According to the strategic manual (2010, cited by Menwuyelet 2014)), issued by Addis Ababa City Administration, it was justified that the launching of balanced scorecard as a tool to build result based measurement system and develop new attitude of employees to be measured only through their results. BSC design and implementation involves a complex set of steps, perspectives and key performance indicators. Thus, it requires an understanding of its methods and applications both theoretically and practically. Therefore, the major rationale for undertaking this study is the curiosity to check the effectiveness and challenges of BSC implementation in public sector of the construction pool of Kirkos sub city administration.

## **1.2. Background of the Organization**

Kirkos sub city administration is one of the 10 sub city of Addis Ababa city administration located at St. Estifanos, south to the road from Meskel square to St. Urael church on the area of 14.62 Sq.Km. It comprises sectors categorized into four pool namely, The Chief executive Pool, The public service Pool, The Construction Pool, The Land Management Pool. This study was conducted on the construction pool under which six offices (Administration and Finance, Education, Health, Construction, Sport and Youth and Voluntary Coordination) are categorized. As the Ethiopian Government has launched a massive civil service reform program throughout the country by 2002, Kirkos sub city administration started to use BSC. But the researcher, as the member of staff of the city administration, observed that the sectors in the sub city could not make significant use out of this vital strategic management tool because of inappropriate manner of implementing the BSC. Thus, by considering this gab, the researcher has attempted to assess Balanced Scorecard implementation Practice and challenges on the selected sectors of Kirkos

sub city administration, and would give constructive feedback for the effective implementation of the tool.

### **1.3 Statement of Problem**

According to the review of balanced scorecard, literature issued by Jamal Abagissa in 2018, many studies conducted on BSC were focus on the motivation for adopting BSC, nature of performance indicators and perceive benefits, but studies on the implementation of BSC in the public sectors are not consistent or not as such satisfactory.

Robert Kaplan and David Norton (1992), state that BSC translates an organization's strategy into performance objectives, measures, targets, and initiatives in four balanced perspectives which are Financial, Customer, Internal Process, and Employee Learning and Growth. Kaplan & Norton (1992; 1996; 2001), emphasize that the inclusion of non-financial measures of customer measure, internal process measure, and employee learning and growth measure is just one aspect of the balanced scorecard, that make it different from the other performance measures indicators or frameworks like key performance indicator (KPI) cards and stakeholder cards. Robert Kaplan and David Norton (1996, 2001) also suggested that BSC's uniqueness allows it be employed as a strategic tool to direct organizations towards sustainable long-term profitability. But they argued that simply including non financial metrics in their performance measurement system is not enough for organizations to learn improve and grow. Besides, Axelsson (2002) stated that naturally, the most obvious financial measures are related to the profitability of the business unit and identified the financial perspective as the measures, related to the costs of running the operations and the results. According to Otley (1999), the performance measurement systems were based on the management of accounting system, which were primarily based on the financial performance results of the organization. However, Wubamlak (2016), clarified that the importance of the more sophisticated and newly emerged approaches taking into consideration the other dimensions was clear. The balanced scorecard framework which was invented by Robert Kaplan and David Norton in 1992 was an attempt to integrate all dimensions, for it is highly important for the management of performance and one of the best available approaches providing the overview of the strategy of an organization or a business unit. Having the consideration of the paramount significance of the BSC, organizations around the globe have

embraced the Balanced Scorecard and reaped swift benefits from its commonsense principles. Such benefits for those organizations who implement it properly include increased financial returns, greater employee alignment with overall goals, improved collaboration, and an unrelenting focus on strategy, to name just a few. To collect the benefits or rewards gained from BSC, however, an organization must possess that too land implement it in a way to bring them competitive advantages. In such regards however, the researcher has a question whether or not the Kirkos sub city implement BSC management tool that are necessary to boost its performance measurement as well as its employee and organizational performance.

In doing so, the researcher questions whether the BSC implementation in the sub city integrates all the dimensions having high importance for management of performance or not.

All sectors in the sub city (Kirkos) are using the BSC as a management technique to implement corporate strategy & to measure performance of their employees out of 70 percent and 360 degree performance appraisal system complement the rest 30 percent, even though a number of them have encountered different problems ineffective implementation of BSC in their offices. They implemented the BSC but without any significant improvement in performance. Many researches were conducted study on the BSC implementation practice and its challenges; however no improvement has been registered in organizations like Kirkos sub city because of insufficient outcomes from the studies.(Abayneh, 2016)stated the same case of Gulale sub city recommended that the offices should conduct training as if enough trainings were not given on the issue, organize experience sharing program and workshop, but the researcher as the member of the employees in the sub city in a question, observed that so many trainings were given, but yet there is no improvement in implementing BSC. Accordingly, the researcher asks what makes the implementation of the BSC so difficult there by tries to analyze and get answers in different scenarios. By taking this as a foundation, the researcher intends to assess if there is any relation between the many reasons discovered by researchers and the reasons identified as causing the BSC implementation practice challenging in the selected sectors of Kirkos sub city.

Moreover there is lack of inclusive literature reviews and studies aligned to the BSC implementation in Addis Ababa sub city level so that the researcher tried to make assessment of balanced scorecard implementation practice and its challenges in case of selected sectors of Kirkos sub city administration there by tries to analyze and describe the very issues.

## **1.4 Research Question**

The study shall address the following research questions to achieve the intended research objectives:

1. What makes the implementation of the Balanced Scorecard Card (BSC) difficult?
2. To what extent was the BSC measurement implemented and stakeholders' trained and understood?
3. To what extent the BSC implementation in the Kirkos sub city integrates all the dimensions having high importance for management of performance?

## **1.5 Objectives of the Study**

### **1.5.1 General Objective**

To assess balanced scorecard implementation in selected sectors of Kirkos sub city administration.

### **1.5.2 Specific Objectives**

- ❖ To identify the challenges that makes the implementation of Balanced Scorecard Card (BSC) difficult in the sub- city.
- ❖ To find out the extent of the BSC measurement implemented and stakeholders' trained and understood.
- ❖ To find out the extent that the BSC implementation in the Kirkos sub city integrates all the dimensions having high importance for management of performance.

## **1.6 Significance of the Study**

This study is mainly significant for the public sectors in Kirkos sub city administration and its stakeholder by providing them with some added value on the existing knowledge regarding BSC implementation challenges, ways to overcome such problem so that they could manage their performance measurement appropriately. The study will be important to managers who will strategically manage their employees using the balanced scorecard tool. It provides an in depth understanding of how to effectively manage their performance to gain strategic advantage over

their competitors using the balanced scorecard. It will also serve as a stepping-stone for other researchers who need to make in depth study about the issue under study.

### **1.7 Limitation of the Study**

The questionnaire data that had been gathered from 147 respondents is 133 which is 90.47% of the total questionnaires distributed to employees in the study sample, however, because of Covid19 pandemic and workload of respondents, the whole representative of the team leaders of selected sectors couldn't be interviewed as intended (The intention at the beginning (proposal phase) was to interview six team leaders but this could not be materialized. Moreover the research's incapability to enrich the review literature part with more scientific study was also taken as a limitation due to Covid 19 pandemic.

### **1.8 Organization of the Study**

This study is organized into five chapters, in which first chapter the introductory part is discussed, the second chapter covers the review literature ,the third chapter discuss the research design, the fourth chapter the data presentation and analysis, the last fifth chapter covers the findings, conclusion and recommendation.

## **CHAPTER TWO**

### **Review of Literature**

As the study was intended to be conducted on assessing the BSC implementation , which is part of the Public sector reform as to the strategic Planning and Performance measurement, review of literature would focus on the theoretical foundation for Public sector reform, balanced scorecard in relation to performance measurement and empirical works of the others in similar contexts.

#### **2.1 Theoretical Literature Review**

##### **Definition and uses of the Balanced Scorecard**

Robert Kaplan and David Norton (1992) described balanced scorecard as a tool that 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. Niven (2006), indicated in his book that there is no simple definition that describe balanced scorecard and saw it as three things: communication tool, measurement system, and strategic management system. The BSC Institute (2015), defined it as strategic planning and management system that is used mostly in a business and industry, government, and nonprofit organizations worldwide to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals. According to Niven (2006), the balanced scorecard assists the organizations in overcoming three key issues:

- ❖ Effective organizational performance measurement,
- ❖ The rise of intangible assets,
- ❖ The challenge of implementing the strategy.

As cited in the study by Menwuyelet (2014), Robert Kaplan and David Norton (2001:1996) listed the following benefits of BSC:

- ❖ For clarification and gaining of consensus about strategy,

- ❖ For communication of organization's vision and strategy,
- ❖ For linkage of strategic objectives to long term targets and annual budgets,
- ❖ For the improvement of organizational performance by measuring what matters,
- ❖ For the alignment of organizational strategy to the work people do on day to day basis,
- ❖ For the encouragement of organization to perform periodic and systematic strategic review,
- ❖ For prioritization of projects/initiatives, and
- ❖ For obtaining feedback to learn about and improve strategy.

According to Niven 2006, (cited by Hailemariam 2016) the measurement focus of the scorecard is to accomplish Critical management process;-

1. Clarify and translate vision and strategy,
2. Communicate and link strategic objectives and measures,
3. Plan, set targets, and align strategic initiatives
4. Enhance strategic feedback and learning.

Kaplan and Norton (1992, 1996, 2001 as cited by Marvin Soderberg 2006) propose the use of four perspectives in a balanced scorecard: Learning and Growth Perspective, Internal Business Perspective, Customer Perspective and Financial Perspective in which each perspective contains multiple measures linked together in a series of cause(also called leading)effect(also called lagging)relationships. According to Niven(2006), Balanced Scorecard should contain a mix of leading and lagging indicators and this indicators work together to achieve organizational goals for one indicator lonely cannot show the improvements in the other. Niven (2006),also make a distinction between lag and lead Performance measures as follows based on their focus areas: lag (effect) performance measures indicators focuses on the results at the end (normally it characterizes historical performance. Example: Employee satisfaction.) And lead (cause) performance measures indicator drive or lead the performance measures of the lag measures indicators (normally it measures intermediate processes and activities. Examples: Hours spent with customers, absenteeism).

Niven(2006), forwarded the following some criteria for selecting performance measures:

1. **Linked to strategy:** Choosing performance measures that don't have an impact on your strategy can lead to confusion and lack of clarity as employees devote precious resources to performance measures which has no impact in achieving goals of the organizations.
2. **Quantitative:** Scorecard practitioners often are tempted to include measures that rely on subjective evaluations of performance, such as rating suppliers' performances as "good," "fair," or "average." Of course, the principal issue with this approach is that 10 people rating the same supplier may come up with completely different approaches and responses.
3. **Accessibility:** Kaplan and Norton often discuss the merits of missing measures, the performance measures you didn't capture in the past that came to light only as a result of the Balanced Scorecard development process.
4. **Easily understood:** Your ultimate goal should be to create a Scorecard that motivates action. It's difficult to do so when your audience doesn't grasp the significance of the measures you've selected. At a glance, Scorecard readers should be able to explain both the operational and strategic significance of every measure. The desired direction of movement of the measure should also be obvious. If your employees don't know whether a high value for the measure is good or bad, then you probably need to rethink the measure.
5. **Relevant:** The measures appearing on your Scorecard should accurately depict the process or objective you're attempting to evaluate. A good test is whether measure results are actionable or not. If some aspect of performance failed, you should be able to recognize the significance of the problem and be able to fix it. This issue is demonstrated through the use of performance indices, which many organizations use on their Scorecards

By considering some of the limitations of previous management approaches, Kaplan and Norton have introduced the balanced scorecard approach as management tool in 1992 which considers a company from four perspectives:

1. **Financial Perspective:** This measure should answer the question "How should we appear to our shareholder?" Financial measures are a critical component of the Balanced Scorecard, especially so in the for-profit world. The objectives and measures in this perspective tell us whether our strategy execution which is detailed through objectives and measures chosen in the

other perspectives is leading to improved bottom-line results. Typical examples include profitability, revenue growth, and asset utilization (Niven, 2006).

For most organizations, the financial themes of an increase in revenues, improvements in productivity, and enhancing assets utilization could provide the necessary linkages to the other perspectives (Kaplan and Norton, 1991). According to Tsion(2014), the way we have to understand the “financial” perspective in the government sectors, differs from that of the traditional private sector because success for public sectors should be measured to the extent that organization are effective and efficient in meeting the needs of their customer. Therefore, in government sectors the financial perspective of BSC mainly emphasizes cost efficiency which is the capacity to deliver maximum value to the customer.

**2. The customer perspective:-** This measures should answer the question, “How should we appear to our customers?” The customer perspective refers to the relationship of customers and markets with emphasis on the customers’ wants and needs (Hopf. et.al.Shadbolt et.al, 2003 cited by Tsion 2014). According to Niven(2006), organizations must answer the following three critical questions in choosing measures for the Customer perspective of the Scorecard:

- ❖ Who are our target customers?
- ❖ What is our value proposition in serving them?
- ❖ And what do our customers expect or demand from us

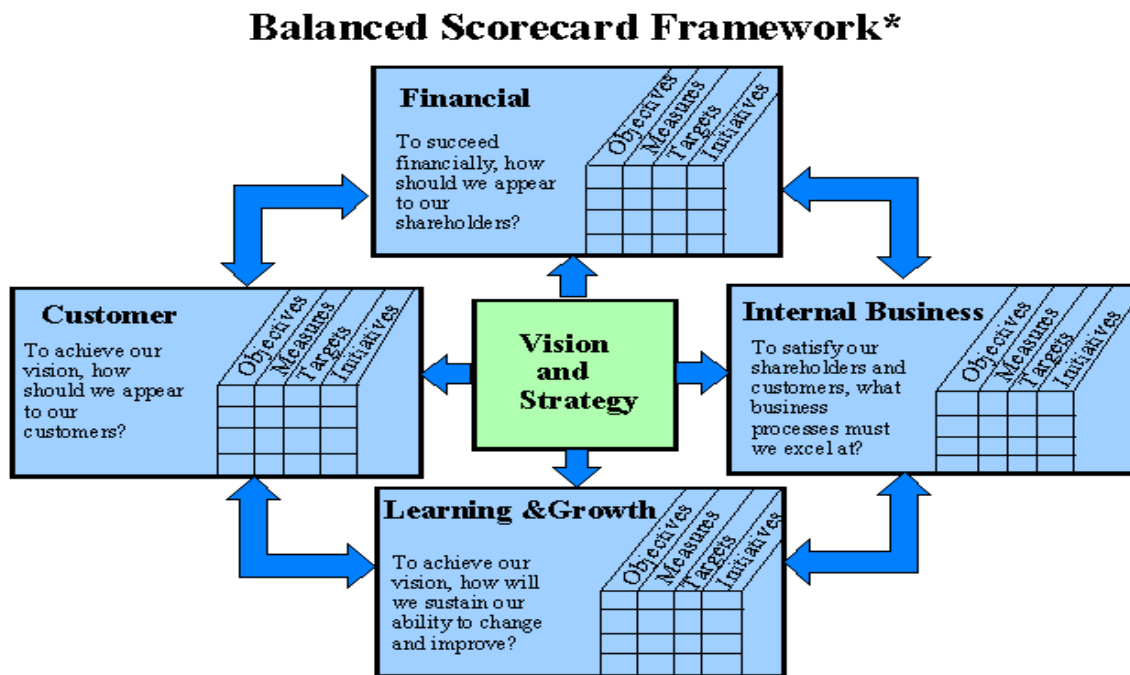
**3. Internal business processes perspective:** Measures in this perspective should answer the question, “What processes must we excel at?” Internal business Processes, represents the impact of product and service quality and helps identify which internal business processes must operate with excellence in order to satisfy customers. Moreover, Kaplan &Nortan (1092,1996a) described this perspective as the perspective which is the most critical in strategy execution of the organization to meet the customer expectations.

**4. Learning and growth perspective:** -This measure should answer the question, “How can we sustain our ability to change and improve?” The objectives and measures in the Employee Learning and Growth perspective of the Balanced Scorecard are really the enablers of the other three perspectives. In essence, they are the foundation upon which the Balanced Scorecard is built Once you identify objectives, measures, and related initiatives in your Customer and

Internal Process perspectives, you can be certain of discovering some gaps between your current organizational infrastructure of employee skills (human capital), information systems (informational capital), and the environment required to maintain success (organizational capital). The objectives and measures you design in this perspective will help you close that gap and ensure sustainable performance for the future (Niven, 2006). Niven (2006), distinguished three core evaluation criteria for learning and growth perspective:

- ❖ employee satisfaction,
- ❖ employee continuity
- ❖ and employee productivity.

The organization will gain the benefit through human capital development; skills, talents and knowledge, capital, information; information systems and networks and organizational capital; organization's ability to sustain the changes necessary to achieve the objectives.



\* Adapted from Kaplan & Norton 1996. *The Balanced Scorecard*. Harvard Business School Press: 9. Original from HBR Jan/Feb 1996, p. 76.

**Figure 2.1 The Four Perspectives of BSC**

Source: <https://www.bing.com/images/search?view=detailV2&ccid=3XobRZR9&id>

The above figure 2.1 shows the visual representation of the four perspectives of balanced scorecard with the objectives of each in translating vision and strategy.

## 2.2 Phases and steps of the Balanced Scorecard

Robert Kaplan and David Norton (1996), designed the nine steps for the successful implementation of balanced Scorecard by the organization which has two phases and nine steps.

The first phase, which is called the planning phase has six steps namely: 1.Assessment, 2.Strategy Development, 3.Objectives Development, 4.StrategicMap, 5.Performance Measures/Indicators: and 6. Initiatives. The second phase, called Implementation phase has three steps: 7. Automation 8. Cascading, 9. Monitoring and Evaluation and all these nine steps are represented by the following figure 2.2 and explained after the figure.



Figure

e 2.2: The Nine steps of BSC Implementation

Source:<https://www.bing.com/search?q=balanced%20scorecard%20%20nine%20phase&q>

## **1. Assessment**

The organizations need to be assessed to implement BSC successfully by undertaking SWOT analysis, then identify enablers (opportunities and strength) and pains (weakness and treats) and also identify target customers and stakeholders. This is done by taking in to account the organization's mission, vision and core values. Assessment provides the organization direction to successes.

## **2. Strategy Development**

The organization identifies the business strategy taking the mission, the vision and the core values of the organization in to account. Here in strategy development stage it should be known that the balanced scorecard is a tool helps to implement strategy not to formulate strategy. Thus, in order to be successful in implementation of the strategy, the formulated strategy should be good. The strategic theme (focus area) of the organization will be emanated through identifying and understanding the customer and stockholder need and core value and design the expected result from each theme (TSION2014).

## **3. Objectives**

Adamitu(2016), stated that objectives is the actual results which the organizations desired to achieve. According to Room (2008as cited by TSION 2014), stated that strategic objective is used to break strategic themes in to more actionable activities that lead to the strategic results

## **4. Strategic Map**

The strategy map is a visual framework of the organization's strategy that shows how it intends to create value. According to Adamitu (2016),a good strategy map will link productivity and growth outcomes, customer value proposition, outstanding performance in internal processes and capabilities required from intangible assets.

## **5. Performance Measures and Targets**

According to Niven(2006), performance measure is the heart of balanced scorecard. Adamitu (2016) stated the importance of effective performance measurement as a key in ensuring

successful implementation of organization's strategy and that it is about monitoring an organization's effectiveness in fulfilling its own predetermined goals or stakeholder requirements. She also described the importance of this stage of BSC for ensuring better informed and more effective decision making at both strategic and operational levels.

## **6. Strategy Initiatives.**

Initiatives are designed to close the gap between current performance and that embodied in the stretch targets established (Niven 2006). The strategic initiatives are developed that support the strategic objectives. Strategy initiative is the stage where the strategy to be implemented is drafted and assigned.

## **7. Performance Analysis/Automation**

According to Niven (2006), automating the balanced scorecard benefits the organization in maximizing its use as performance measurement system, strategic management system and communication tool. The criticism the researcher has here with automation is that its exposure for changing the results using the input sheet especially in government offices who are organized for nonprofit. Here the researcher observed that there is integrity problem of the system because different offices in the sub city change the result from the automation software by changing input sheet as they want to earn some compensation which they are not disserved for. So the researcher has a question whether the trend of employees automating their works in the sub city under study influences the implementation of BSC.

## **8. Cascading/Alignment**

Cascading is about creating alignment around the organization's shared vision, to make strategy actionable to departments and down to individuals. Menwuyelet (2014), states that cascading which is the key for organization's alignment to their strategy, translates higher level of strategy to lower level objectives, performance measures and targets and operational details.

## **9. Monitoring and Evaluation**

The effectiveness of the balanced score card is based on its ability to translate a firm's mission and strategy in to a comprehensive set of performance measures (Kaplan et al., 2001a).

### **2.3 Empirical Literature**

Several study were conducted on the balanced score card internationally: From these, Helen Chepkoech (2019), in her study on application of balanced scorecard on organizational performance in selected public secondary schools in Nandi (an area in the north rift of Kenya), concluded that, employee learning and growth perspective and financial perspective did not significantly influence the organizational performance of public secondary schools. This study founded that customer perspective and internal process perspectives significantly influence organizational performance of public secondary schools in Nandi County. There are some local authors who have researched on the implementation of balanced scorecard model on organizational performance in different researching areas and especially those on the public sectors are few. Adamitu(2016),onher study the assessment of balanced scorecard implementation, success stories and challenges on Jimma University, concluded that the implementation of BSC specially when supported with automation reduces time, cost and improves productivity of goods and services. This study also revealed that larger proportion of the respondents either agreed or being convinced on Jimma University strength and their work processes effort on in depth analysis of the internal and external environments while developing the strategic plan, strategic plan focus areas are well defined and understood, uses customer, financial, internal process, learning and growth perspectives to assure the balance in the organization strategies and measures and put customer satisfaction as a central position. Tsion(2014), in her study Challenges and prospects of Balanced scorecard Implementation in the Development Bank of Ethiopia founded challenges that influence the application of BSC manipulation of targets, resistance to change, politicizing the tool and early cascading are the major ones and outlined the major causes of the above challenges emanated from lack of understanding of the tool and the early reward seeking of employee. Hailemariam(2016), on his study assessment of balanced score card implementation on Gulele sub-city education offices, concluded that the major causes of the challenges for the implementation of balanced score card

are lack of understanding of the tool, lack of incentive and job displacement is also one of the factors that lead the employees' resistance to the implementation of the BSC and lack of continuous monitoring and evaluation, lack of delivering continuous training and far beyond education to officers. Daniel(2017), in his study practice and challenges of balanced scorecard implementation on Ethio- telecom founded that challenges for the implementation of balanced score card are set unachievable individual target for the benefit of the company, lack of training about BSC, lack of proper follow of BSC implementation, the implementation of BSC has one way communication i.e. Top down, Poor commitment of higher level management, cascaded to individual level is a big challenge.

## **2.4 Summary of Literature Review**

In the context of Ethiopia, the Government introduced BSC as a tool to be used for performance management in 2009 (Ministry of Capacity Building 2010 as cited by Menwuyelet 2014). The theoretical literature was reviewed to address the perspectives to be considered and the phases and steps to be followed to implement the BSC. The seventh step of BSC, automation, is the key area to be discussed how it influences the performance measure of the organization in the study. Empirical literature was reviewed to address the application of balanced score card in different organization. Most of these studies were done on banks and telecom. But the current study will focus on public sectors.

Helen Chepkoech (2019),in her study on application of balanced scorecard, stressed on the more significance of customer perspective and internal process perspectives and less significance that of employee learning and growth perspective and financial perspective in influencing the performance of the organization. But it is believed that financial measures are a critical component of the balanced scorecard and employee learning and growth perspective is the foundation upon which the Balanced Scorecard is built and the enablers of the other three perspectives. So here the researcher will differ from this study in employing the variables using the four perspectives and the current study focused on the performance measurement.

**Table 2.1 Summary of Literature Review**

Researcher	Focus of the study	Findings	Research Gaps	Focus of Current Study
<b>Tsion(2014)</b>	Challenges and prospects of Balanced scorecard Implementation in the Development Bank of Ethiopia	Challenges that influence the application of BSC she founded: wrong measure/target selection, attaching the measure with performance.	The study was done on banks	The current study was focus on public sectors
<b>Adamitu(2016),</b>	assessment of balanced scorecard implementation, success stories and challenges on Jimma University	implementation of BSC specially when supported with automation reduces time, cost and improves productivity of goods and services	The study was done on higher institution	The current study was focus on public sectors
<b>Hellen Chepkoech (2019)</b>	application of balanced scorecard on organizational performance in selected public secondary schools in Nandi	employee learning and growth perspective and financial perspective did not significantly influence the organizational performance	The study concluded employee learning and growth perspective and financial perspective in influencing	The current study considered all perspectives BSC

			the performance of the organization	
<b>Hailemariam (2016)</b>	assessment of balanced score card implementation on Gulele sub-city education offices	the challenges for the implementation of BSC were lack of continuous monitoring and evaluation, lack of delivering continuous training	The study was done on a single sector, used descriptive survey method, did not adopt conceptual framework, did not use the BSC perspectives as variables to assess the implementation of BSC	The current study was done on a six sectors, used descriptive and explanatory method. Adopted conceptual framework, Used the BSC perspectives as variables to assess the implementation of BSC

## 2.5 Conceptual Framework

According to Reichel and Ramey (1987), conceptual framework is given a description as a set of broad ideas and principles taken from relevant fields of study that used for the subsequent presentation. The companies adopt such a management tool that derived from the company's strategy, they can be helpful in formulating administrative planning and BSC and it provides the framework for justifying requests for administration and if effectively and efficiently implemented lead to better customer satisfaction, accurate employee appraisal as well as efficiency & effectiveness.

The following conceptual framework demonstrates how the BSC (independent variable) influences the performance measurement (dependent variable) through its four perspectives with different constructs for each.

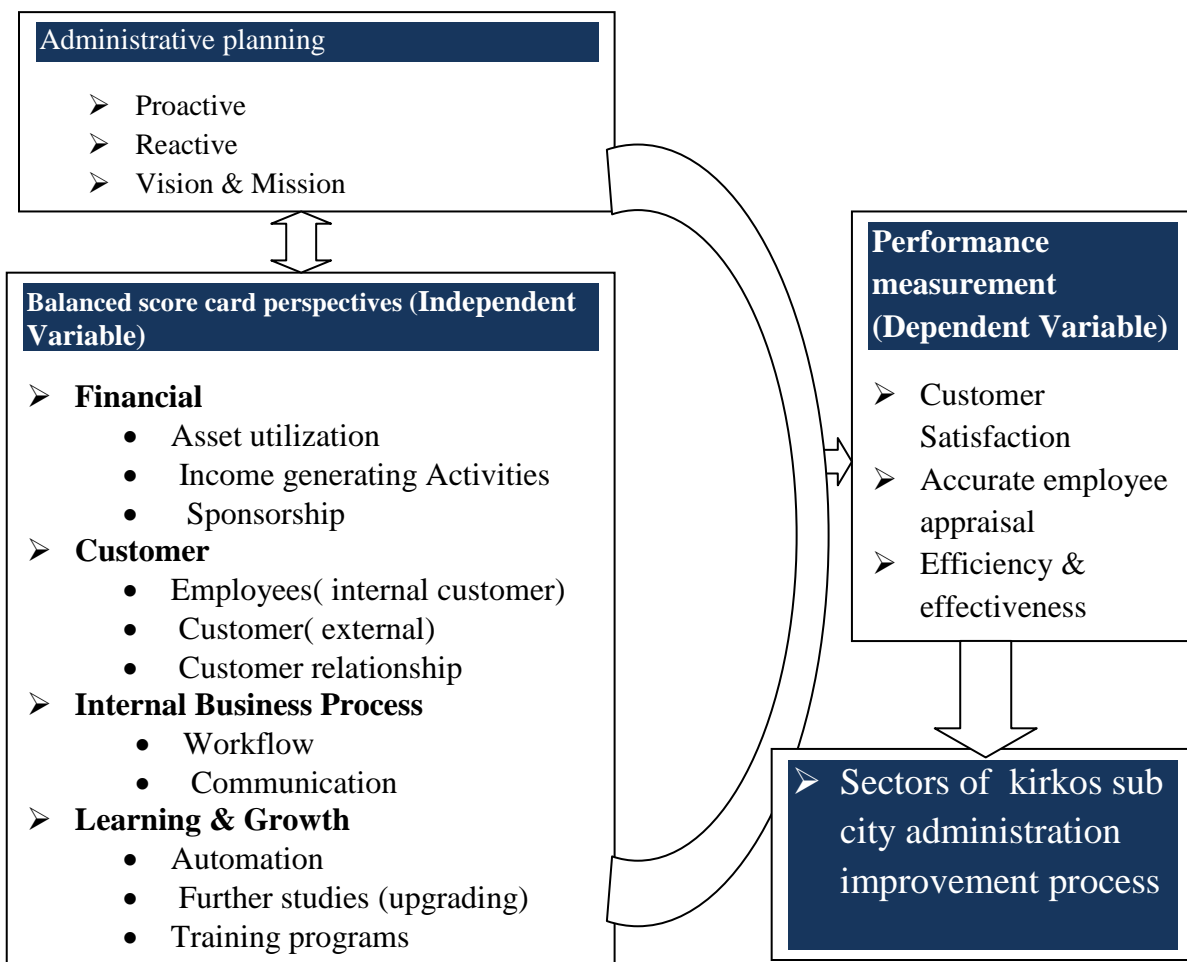


Figure 2.3 Conceptual Framework based on Wubeamlak Mekonnen (2016)

The above figure 2.2 is the conceptual framework adopted by the researcher from Wubeamlak Mekonen (2016) in which the constructs of administrative planning like proactive, reactive, vision and mission were taken only as a strategy to be implemented and sectors of Kirkos sub city administration improvement process was as the expectation from the study and had never been employed as an item of questions. The researcher only used the independent variable of the four perspectives of BSC and the dependent variable, performance measurement.

**Finance:-**As the cascaded Balanced Scorecards of each of six sectors shows, asset utilization management, income generating activities, finding sponsorship activities are measurement areas of financial perspectives. Finance is part of the resources used in an organization to run the whole activities. Management of finance may help the organization to minimize the cost and accomplish their task without interruption. Thus finance has an impact on performance measure of the organization.

**Customers:-**As the cascaded Balanced Scorecards of each of six sectors shows, Employees (internal customer), Customer (external) and Customer relationship are identified as measurement indicators. Employees (internal customer) and external customer have some interest in the organization in which they are working. Their contributions may lead to the success or failure of the organization. According to Soltani and Navimipour (2018), customer relationship directly influences organizational performance. By implementing this perspective effectively the organization can make loyal customer which indicates that this variable has an impact organizational performance measure.

**Internal processes:-** As the cascaded Balanced Scorecards of each of six sectors shows, the effectiveness of work flow and communication are set as measure indicators. The organization uses varied means to process information and documents which enhance performance. Thus, internal processes have an influence in organizational performance measure.

**Learning and growth:-**Niven(2006), in his explanation about the essence of designing the objectives and measures in this perspective ,in order to ensure sustainable performance for the future, organization has to close the gap in human capital, informational capital and organizational capital. To this end Organization can empower the employee's capacity to perform through on job training, seminars, workshops and further studies. It is aimed at

improving efficiency in performance. Automating the Balanced Scorecard provides a number of benefits and maximizes its use as a measurement system, strategic management system, and communication tool (Niven 2006).As one the member of the employees in the sub city under a question, the researcher observed that Automation one of the construct of the independent variable can negatively influence organizational performance measurement if corrupted(not implemented in right way) by changing resulting in the input sheet when organizations want to earn results which they are not deserved for. This situation goes against rewarding system which believed to influence future performance and leads to loss the purpose of measurement.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This chapter deals with issues related to research methodology that is organized into different sub topics: research design, data collection tools and source of data, sampling technique, study population and sample size, validity, reliability, method of data analysis, ethical consideration were precisely presented.

#### **3.1. Research Design**

Research Design is a blue print of collecting, measuring and analyzing of data. In order to answer the research questions stated in the first chapter, the researcher used descriptive and explanatory research design.

#### **3.2 Data Collection Tools and Source of Data**

Instruments the researcher used to obtain data include questionnaires (closed & open ended questions), and interviews. Both primary and secondary data were used. The study was highly depended on primary data which were collected from Team leaders and performers of the selected offices of Kirkos sub city through questionnaires and interviews. Secondary data were assessed from different, previous research papers, journals articles and book written on the research in a question.

#### **3. 3 Sampling Technique**

Sampling has an indispensable role in research as it is impossible to collect data from the entire population because of time and financial constraints. The researcher used the stratified sampling technique of probability sampling.

### 3.4 Study Population and Sample Size

The target populations of this study are team leaders and performers in offices of Administration and Finance, Education, Health, Construction, Sport and Youth and Voluntary Coordination. The entire population offices under study is **233** and from this the sample size will be taken by the formula developed by Taro Yamane (1967)

$$n = \frac{N}{1 + (N * e^2)}$$

Where; N= population size

e= level of confidence, the study took 0.05(95%) confidence

n= sample size.

How the formula is used is shown below

$$n = 233/1 + (233*0.05*0.05) = \mathbf{147}$$

The stratum drawn from each sector was presented according to the following table using the formula stratum = sample (N) \*(strata. Population) /target population.

#### 3.1 Stratified Sample and Participated Respondents

<b>Sector</b>	<b>Strata population</b>	<b>Stratified sample</b>	<b>Participated respondents</b>
<b>Finance</b>	<b>44</b>	<b>28</b>	<b>25</b>
<b>Education</b>	<b>42</b>	<b>26</b>	<b>23</b>
<b>Health</b>	<b>36</b>	<b>23</b>	<b>21</b>
<b>Construction</b>	<b>40</b>	<b>25</b>	<b>23</b>
<b>Sport</b>	<b>36</b>	<b>23</b>	<b>21</b>
<b>Youth and Voluntary</b>	<b>35</b>	<b>22</b>	<b>20</b>
<b>Total</b>	<b>233</b>	<b>147</b>	<b>133</b>

### 3.5 Validity

Validity refers to the extent to which the data collection instrument is accurate in measuring what it is intended to measure. To make the instrument for the study valid and relevant, the researcher carefully prepared questions for questionnaire and interview. The supervisor examined the instruments and gave comment on it for correction and accordingly the researcher made correction before data distribution.

### 3.6 Reliability

Reliability refers to the measure of the degree to which an instrument yields consistent results or data after repeated trials and to check this researcher computed Cronbach Coefficient Alpha for the instrument. Silverman (2005) recommends a reliability score of 0.70 or higher is appropriate. The following table 3.1 indicated that Cronbach Coefficient Alpha score at single variable level and at over all level is greater than 0.70 which implies the instruments used for the study is reliable.

**Table 3.2:** Reliability Analysis

Description	No .of items	Cronbach Coefficient Alpha result
Financial perspectives	4	0.785
Customer perspectives	4	0.776
Internal perspectives	4	0.807
Learning and growth perspectives	5	0.856
Performance measurement	4	0.877
Over all Cronbach Alpha	21	0.859

### **3.7 Method of Data Analysis**

The mixed approach of quantitative and qualitative data analysis method was employed to analysis the data.

**Quantitative Analysis:** The data which was gathered from open ended questionnaire was employ the descriptive analyses using the statistical package for social science (SPSS)version 24 frequencies, percentages, means and standard deviate onto summarize and organize data and also to describe the characteristics of the sample population according to the study's specific objectives. Besides to descriptive analyses, Pearson correlation, simple regression and multiple regression analysis also undertaken to examine the relationship between dependent and independent variable

**Qualitative Analysis:** The data which were gathered from open ended questionnaire, interview and secondary sources were analyzed through narrative(qualitative)analysis in brief and meaningful way according to the study's specific objectives.

### **3.8 Ethical Consideration**

As this research is only for the academic purpose, the researcher highly respected the confidentiality concerning the right of privacy of the respondents in specific and the organization at large. The nature and the purpose of the research has been explained to the respondents by the researcher during data distribution. Because of the pandemic Covid 19, data collection was done with great tolerance in ethical way.

## **CHAPTER FOUR**

### **Data Presentation and Analysis**

This chapter presents the data collected from both primary and secondary sources and these were analyzed using descriptive analysis, Pearson correlation, simple regression and multiple regression analysis. The output of the data was presented using tables and graphs in order to make the topic more understandable.

#### **4.1 Response Rate**

The sample size of the study was 147 respondents. A total of 147 questionnaires were distributed among the respondents and 133(90.47% which is acceptable) of the questionnaires were filled up and returned for data analysis.

#### **4.2 Profile of Respondents**

##### **4.2.1 Sectors of Respondents**

As illustrated in the following table 4.1 the respondents who participated in the replaying questionnaire are represented 18.8 %from Administration and Finance 17.3% ,Education 15.8% from Health , 17.3% from Construction,15.8% from Sport and 15.0 % from Youth and Voluntary of the six selected offices. Thus the figure indicates respondents represented fairly.

**Table 4. 1:** Analysis of sector of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Administration and Finance Sector	25	18.8	18.8	18.8
Education Sector	23	17.3	17.3	36.1
Health Sector	21	15.8	15.8	51.9
Construction Sector	23	17.3	17.3	69.2
Sport Sector	21	15.8	15.8	85.0
Youth and Voluntary Sector	20	15.0	15.0	100.0
Total	133	100.0	100.0	

#### **4.2.2 Gender of Respondents**

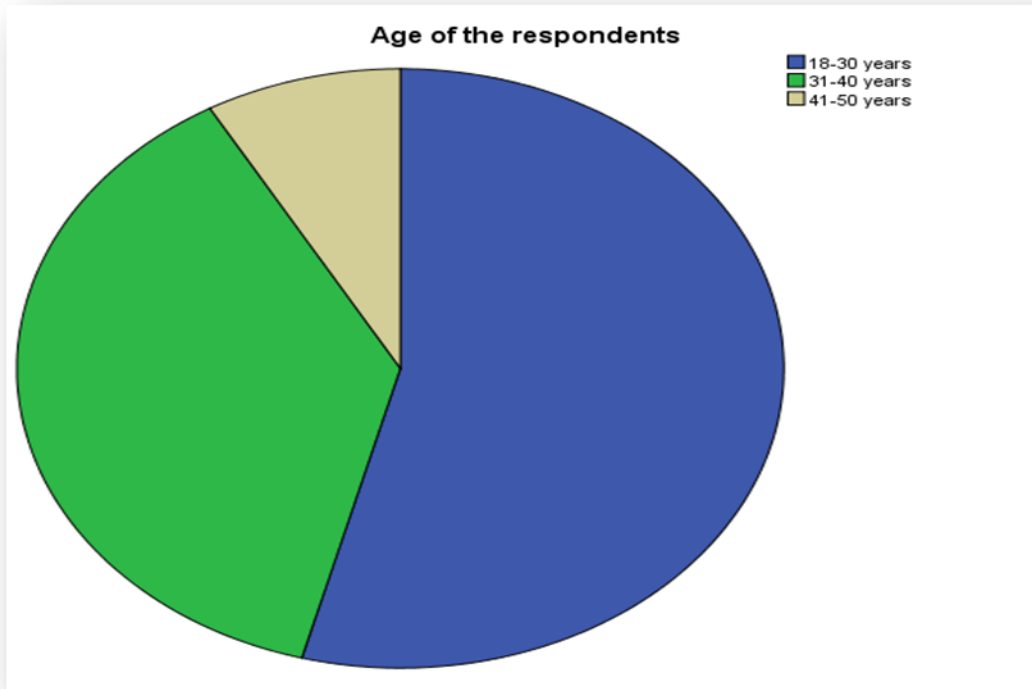
The following table 4.2 shows the involvements of respondents' interims of gender and accordingly 53.4% were male and 46.6% were female which indicates fair representation.

**Table 4. 2** Analysis of Gender of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	71	53.4	53.4	53.4
Female	62	46.6	46.6	100.0
Total	133	100.0	100.0	

### **4.2.3 Analysis of Age of Respondents**

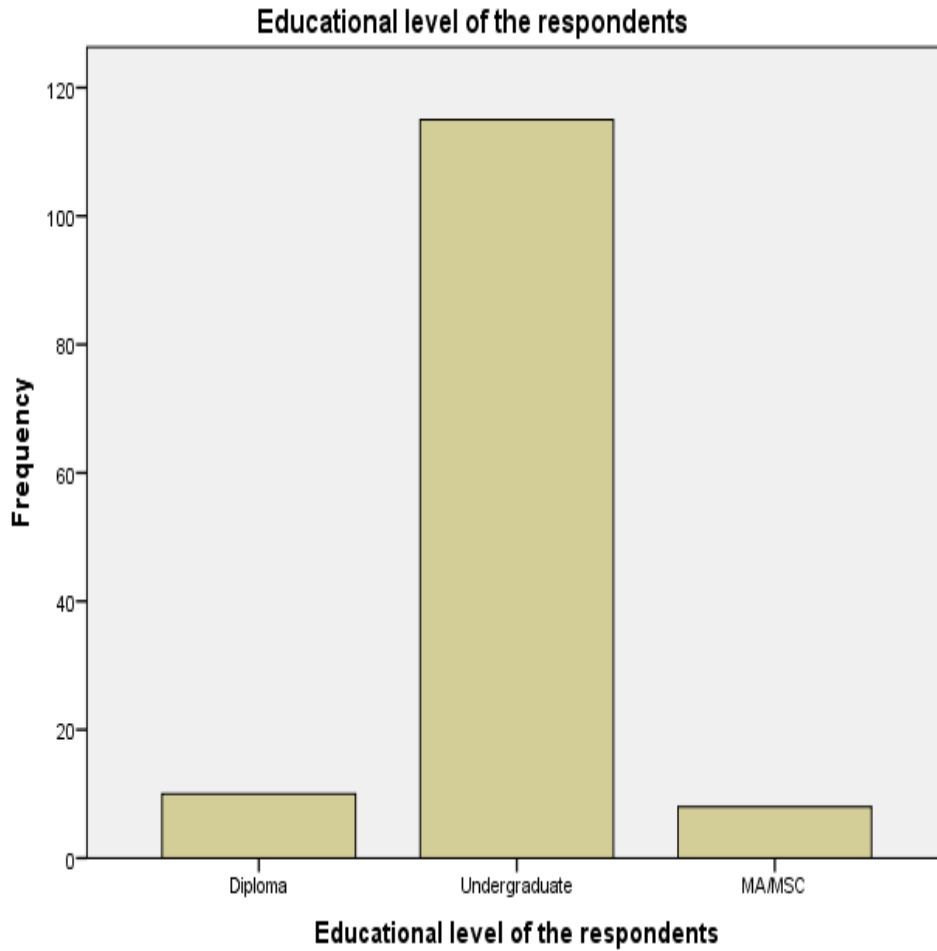
The following figure 4.1 illustrates the ages of the respondents who participated in the replaying questionnaire which are represented by 54.1% 18 –30 years, 37.6% 31 –40 years and 8.3% 41 –50 years. Thus findings from the research data established that little above the half of the respondents (54.1%) are younger who had the age ranged between 18—30 years.



**Figure4. 1:** Age of Respondents

#### **4.2.4 Educational Level of Respondents**

The following figure 4.2 illustrates the educational level of the respondents who participated in responding to questionnaire which are represented by 7.5% Diploma, 86.5% undergraduate and 6.0% of MA/MSC holders. The findings from the figure established that the majority of the respondents are first degree holders which are believed to be literate.



**Figure 4.2** Educational Levels of the Respondents

#### **4.2.5 Position of Respondents**

The following table 4.3 shows the position of the respondents. Accordingly 18.8% are team leaders and 81.2% are performer/expert.

**Table 4. 3:** Position of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Team Leader	25	18.8	18.8	18.8
	Performer	108	81.2	81.2	100.0
	Total	133	100.0	100.0	

#### 4.2.6 Experience Year of Respondents

The following table 4.4 shows the experience years of the respondents. It was represented by 18.8% of 0-5 years, 50.4 % of 6-10 years, 17.3 % of 11-15 years and 14.3 % of greater than 15 years. The finding indicates that the majority of the respondents (50.4%) had 6-10 years of experience which are believed to be well experienced.

**Table 4. 4:**Experience Years of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5 years	24	18.0	18.0	18.0
	6-10 years	67	50.4	50.4	68.4
	11-15 years	23	17.3	17.3	85.7
	>15 years	19	14.3	14.3	100.0
	Total	133	100.0	100.0	

## 4.3 Quantitative Analysis

### 4.3.1. Descriptive Analysis

Descriptive statistics was undertaken by the researcher to examine respondents' views in regard to the independent variables which included, finance perspective, customers' perspective and internal processes perspectives and learning and growth perspective in relation to dependent variable which is performance measurement of the organization.

Respondents' opinion was measured on five point Likert which rated strongly agree (SA)=5, agree (A)=4, neutral (N)=3, disagree (D)=2 and strongly disagree (SD)= 1. The frequency percentages, means and standard deviations were computed

**Table 4.5:** Analysis of Financial Perspective

<b>Financial perspectives</b>	SA	A	N	D	SD	Mea n	Std. Dev	
The proper utilization of asset has helped the Institution to increase efficiency	Frequ ency	26	44	40	22	1	3.54	1.011
	%	19.5	33.1	30.1	16.5	0.8		
Institution's accountability in finance has attracted significant number of sponsorships	Frequ ency	14	36	47	33	3	3.19	1.001
	%	10.5	27.1	35.3	24.8	2.3		
Income generating projects in the offices has improved finances.	Frequ ency	20	37	42	30	4	3.29	1.072
	%	15.0	27.8	31.6	22.6	3.0		
The institution has used its finances to fund several capacity building programs in the institution	Frequ ency	14	38	30	48	3	3.09	1.076
	%	10.5	28.6	22.6	36.1	2.3		
<b>Valid N = 133ave.</b>						<b>3.27</b>	<b>1.037</b>	

Akmaliah, Z (2009) suggested the use of mean score in interpreting data and specified if the mean score is greater than 3.79, it will be considered as high, if it will be between 3.40 and 3.79 it will be considered as moderate and if it will be less than 3.40, it will be considered as low.

Regarding the proper utilization of asset has helped the Institution to increase efficiency, 19.5% of the respondents strongly agreed, 33.1% agreed, 30.1 % neutral, 16.5% disagreed and 0.8% strongly disagreed. Proper utilization of asset moderately increased efficiency (mean of 3.54) and with minimum variation (standard deviation of 1.011). Concerning Institution's accountability in finance has attracted significant number of sponsorships 10.5% of the respondents strongly agreed, 27.1% agreed, 35.3 % neutral, 24.8 % disagreed and 2.3% strongly disagreed. Financial accountability attracted significant number of sponsorships at low level (mean of 3.19) and with minimum variation (standard deviation of 1.001).

Concerning income generating projects in the offices has improved finances 15.0% of the respondents strongly agreed, 27.8% agreed, 31.6 % neutral, 22.6% disagreed and 3.0% strongly disagreed. Income generating improved finances at low level (mean of 3.29) and with minimum variation (standard deviation of 1.072). Regarding the institution use of its finances to fund capacity building programs 10.5% of the respondents strongly agreed, 28.6% agreed, 22.6% neutral, 36.1% disagreed and 2.3% strongly disagreed. The institution use of its finances to fund capacity building programs (Mean of 3.09) and with minimum variation (standard deviation of 1.076).

**Table 4.6:** Analysis of Customer Perspective.

<b>Customer perspectives</b>	SA	A	N	D	SD	Mean	Std. Dev		
Customer relation has influenced the number of employees satisfied in the institution.	Frequency	20	52	23	28	10	3.33	1.185	
	%	15.0	39.1	17.3	21.1	7.5			
Customer relation has reduced the rate of employees' turnover.	Frequency	9	39	28	52	5	2.96	1.055	
	%	6.8	29.3	21.1	39.1	3.8			
Customer relationship directly influences organizational performance.	Frequency	26	53	22	29	3	3.53	1.105	
	%	19.5	39.8	16.5	21.5	2.3			
Customer perspective has influenced performance	Frequency	31	72	12	16	2	3.86	0.963	
	%	23.3	54.1	9.0	12.9	1.5			
<b>Valid = 133</b>						<b>average</b>		<b>3.32</b>	<b>1.077</b>

As we can see from table 4.6, to the statements of Customer relations has influenced the number of employees satisfied in the institution 15.0% of the respondents strongly agreed, 39.1% agreed, 17.3 % neutral, 21.1 % disagreed and 7.5% strongly disagreed. Customer relation influenced employee's satisfaction at low level with (of mean 3.33) and little variation (standard deviation of 1.185). Regarding Customer relation has reduced the rate of employees' turnover 8.3. % of the respondents strongly agreed, 31.6% agreed, 21.1 % neutral, and 36.1 % disagreed and 3.0% strongly disagreed. Customer relation reduced the rate of employees' turnover at low level (with mean of 2.96) and little variation (standard deviation of 1.055). Regarding Customer relationship directly influences organizational performance 19.5% of the respondents strongly agreed, 39.8% agreed, 16.5 % neutral, 21.5 % disagreed and 2.3% strongly disagreed. Customer

relationship influenced organizational performance moderately with (mean of 3.53) and little variation (standard deviation of 1.105). Concerning customer perspective has influenced performance 23.3% of the respondents strongly agreed, 54, 1% agreed, 9.0 % neutral, and 12.9% disagreed and 1.5% strongly disagreed. Customer perspective highly influenced performance of the organization with mean of 3.86 (standard deviation of 0.963).

**Table 4.7:** Analysis of Internal process Perspective

<b>Internal process perspectives</b>	SA	A	N	D	SD	Mean	Std. Dev
The Internal process perspective has reduced the number of workflow procedures in the institution.	Frequency	18	52	30	28	5	3.38 1.077
	%	13.5	39.1	22.6	21.1	3.8	
Internal process operations have reduced the number of channels of communication in the institution.	Frequency	19	45	34	33	2	3.35 1.052
	%	14.3	33.8	25.6	24.8	1.5	
The number of activities change communication has increased	Frequency	39	48	32	12	2	3.83 1.004
	%	29.3	36.1	24.1	9.0	1.5	
Internal process has increased performance	Frequency	61	44	14	11	3	4.12 1.045
	%	45.9	33.1	10.5	8.3	2.3	
<b>Valid N = 133</b>						<b>average</b>	<b>3.67</b> <b>1.044</b>

As illustrated in the table 4.7 to the statements of the internal process perspective has reduced the number of workflow procedures in the institution, 13.5% of the respondents strongly agreed, 39.1 % agreed, 22.6% neutral, 21.1% disagreed and 3.8% strongly disagreed. Internal process perspective reduced the number of workflow procedures at some level with mean of 3.38 and slightly low variation (standard deviation of 1.077). Regarding Internal process operations have

reduced the number of channels of communication in the institution,, 14.3% of the respondents strongly agreed, 33.8 % agreed, 25.6 % neutral, 24.8 % disagreed and1.5% strongly disagreed. The internal process reduced channels of communication with some significant role (mean 3.35)and little variation (standard deviation of 1.052). Regarding The number of activities change communication has increased, 29.3% of the respondents strongly agreed, 36.1% agreed, 24.1% neutral, 9.0 % disagreed and 1.5% strongly disagreed. The communication activity increased at significant record (mean of 3.83) and with slightly low variation (standard deviation of 1.004).Concerning internal process has increased performance, 45.9% of the respondents strongly agreed, 33.1% agreed, 10.5% neutral, 8.3 % disagreed and2.3 % strongly disagreed. The process led to some significant increase in performance (mean of 4. 12) whose variation was slightly low (standard deviation of 1.045).

**Table 4.8:** Analysis of Learning and Growth Perspective

<b>Learning and Growth perspectives</b>		SA	A	N	D	SD	Me an	Std. Dev
Adequate training were given to the leaders and employees on BSC	Freque ncy	9	24	34	53	13	2.7	1.08
	%	6.8	18.0	25.6	39.8	9.8	2	3
The institution has made a conducive environment to workers for upgrading	Freque ncy	1	27	32	51	22	2.5	1.02
	%	0.8	20.3	24.1	38.3	16.5	0	0
The leaders and performer (experts) have High level of knowledge and understanding on BSC at this time.	Freque ncy	2	22	22	61	26	2.3	1.01
	%	1.5	16.5	16.5	45.9	19.5	2	2
The number of employees who can automate their work has increased	Freque ncy	1	14	31	64	23	2.29	0.903
	%	0.8	10.5	23.3	48.1	17.3		
Automation is carried out in right way without cheating in the input sheet	Freque ncy	1	9	23	65	35	2.0	0.86
	%	0.8	6.8	17.3	48.9	26.3	3	1
<b>Valid N = 133</b>							<b>2.3</b>	<b>0.97</b>
<b>average</b>							<b>7</b>	<b>5</b>

As illustrated in the tables 4.8 to the statements of adequate trainings were given to the leaders and employees on BSC, 6.8% of the respondents strongly agreed, 18.0% agreed, 25.6% neutral, 39.8 % disagreed and 9.8 % strongly disagreed .The statements' record was weak mean of 2.72 and (standard deviation of 1.083). Regarding the institution has made a conducive environment to workers for upgrading, 0.8% of the respondents strongly agreed, 20.3% agreed, and 24.1 % neutral, 38.3 % disagreed and 16.5 % strongly disagreed. The statements' record was weak mean of 2.50and (standard deviation of 1.020). Regarding the leaders and performer (experts) have High level of knowledge and understanding on Balanced Scorecard at this time, 1.5% of the respondents strongly agreed, 16.5% agreed, 16.5 % neutral, 45.9 % disagreed and 19.5 % strongly disagreed.

The statements' record was weak mean of 2.32and (standard deviation of 1.012). Regarding the number of employees who can automate their work has increased, 0.8 % of the respondents strongly agreed, 10.5% agreed, 23.3 % neutral, 48.1 % disagreed and 17.3 % strongly disagreed . The statements' record was weak mean of 2.29 and with low variation (standard deviation of 0.903). Regarding the execution of automation, 0.8 % of the respondents strongly agreed, 6.8 % agreed, 17.3% neutral, 48.9 % disagreed and 26.3 % strongly disagreed. The statements' record was weak mean of 2.03 and with low variation (standard deviation of 0.861).

**Table 4.9:** Analysis of Performance Measurement

<b>Performance Measurement perspectives</b>	SA	A	N	D	SD	Mea n	Std. Dev	
The immediate boss for the leader and employees has established the proper performance measurement according to the plan of balanced score card.	Freq uenc y	3	22	26	63	19	2.45	1.004
	%	2.3	16.5	19.5	47. 4	14.3		
Employees are satisfied with performance appraisal (measurement)	Freq uenc y	4	15	37	57	20	2.44	0.980
	%	3.0	11.3	27.8	42. 9	15.0		
Efficiency & effectiveness of the organization has increased because of correct performance appraisal	Freq uenc y	4	23	25	62	19	2.48	1.034
	%	3.0	17.3	18.8	46. 6	14.3		
The organization uses the performance measurement system to align with rewarding system for high performing employees	Freq uenc y	5	25	26	58	19	2.54	1.070
	%	3.8	18.8	19.5	43. 6	14.3		
<b>Valid N = 133</b>					<b>average</b>	<b>2.47</b>	<b>1.022</b>	

As illustrated in the tables 4.9 to the statements of the immediate boss for the leader and employees has established the proper performance measurement according to the plan of balanced score card, 2.3 % of the respondents strongly agreed, 16.5 % agreed, 19.5% neutral, 47.4 % disagreed and 14.3 % strongly disagreed . The statements’ record was weak mean of 2.45 and with low variation (standard deviation of 1.004). Regarding employees are satisfied with performance appraisal (measurement), 3.0 % of the respondents strongly agreed, 11.3% agreed, 27.8% neutral, 42.9 % disagreed and 15.0 % strongly disagreed. The statements’ record

was weak mean of 2.44 and with low variation (standard deviation of 0.980). Regarding efficiency & effectiveness of the organization has increased because of correct performance appraisal, 3.0 % of the respondents strongly agreed, 18.8% agreed, 20.3% neutral, 46.6 % disagreed and 14.3% strongly disagreed . The statements' record was weak mean of 2.48 and with low variation (standard deviation of 1.034). Regarding the organization uses the performance measurement system to align with rewarding system for high performing employees, 3.8 % of the respondents strongly agreed, 18.8 % agreed, 19.5% neutral, 43.6 % disagreed and 14.3% strongly disagreed . The statements' record was weak mean of 2.54 and with low variation (standard deviation of 1.070).

### 4.3.2. Correlation Analysis

The researcher tried to observe if there exists any relationship between the independent variables and the dependent variable using Pearson correlation coefficient analysis model.

**Table 4.10:** Correlation analysis between Financial Perspective and Performance Measurement

	FP-	PM
F Pearson Correlation	1	.297**
P Sig. (2-tailed)		.001
N-	133	133
P Pearson Correlation	.297**	1
M Sig. (2-tailed)	.001	
N	133	133

\*\* . Correlation is significant at the 0.01 level (2-tailed).

As illustrated by table 4.10, the analysis indicated that there is weak positive correlation between financial perspectives and performance of the organization of the sectors under study with an r-value of 0.297.

**Table 4. 11:** Correlation analysis between Customer Perspective and Performance Measurement

	CP	PM
Pearson Correlation	1	-.005
Sig. (2-tailed)		.955
N	133	133
Pearson Correlation	-.005	1
Sig. (2-tailed)	.955	
N	133	133

As illustrated by table 4.11, the analysis indicated that there is negative weak correlation between customer perspectives and performance measurement of the organization with an r- value of - 0.005

**Table 4. 12: Correlations analysis between internal process Perspective and Performance Measurement**

		IBP	PM
IBP	Pearson Correlation	1	.217*
	Sig. (2-tailed)		.012
	N	133	133
PM	Pearson Correlation	.217*	1
	Sig. (2-tailed)	.012	
	N	133	133

\*. Correlation is significant at the 0.05 level (2-tailed).

From the table 4.12, the analysis indicated that there is weak positive correlation between internal process perspectives and performance measurement of the organization with an r- value of 0.217. .

**Table 4.13:** Correlations analysis between Learning and Growth Perspective and Performance Measurement

		LG	PM
LG	Pearson Correlation	1	.573 <sup>**</sup>
	Sig. (2-tailed)		.000
	N	133	133
PM	Pearson Correlation	.573 <sup>**</sup>	1
	Sig. (2-tailed)	.000	
	N	133	133

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The output in table 4.13 indicated that there is strong positive correlation between learning and growth perspectives and performance measurement of the organization with an r- value of 0.573.

### 4.3.3 Regression Analysis

#### 4.3.3.1 Simple Regression Analysis

The simple regression analysis was undertaken to examine the influence of individual parameters (the four perspectives) of balanced scorecard on performance measurement. The findings of the analysis were presented and discussed as hereunder.

**Table 4. 14:** Co efficiency of determination Analysis for financial perspectives

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.297 <sup>a</sup>	.088	.081	3.35011

a. Predictors: (Constant), FP

In table 4.14, R- squared value of 0.088 was obtained indicating that financial perspectives accounted up to 8.8% of the total variance in organizational performance measurement. The remaining 91.2% in the variation in organizational performance measurement could be explained by factors not included in this model.

**Table 4.15:** ANOVA<sup>a</sup> Analysis for financial perspectives

			ANOVA <sup>a</sup>			
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	141.845	1	141.845	12.638	.001 <sup>b</sup>
	Residual	1470.246	131	11.223		
	Total	1612.090	132			

a. Dependent Variable: PM

b. Predictors: (Constant), FP

Table 4.15 indicated that F-value of 12.638 with p-value 0.001 which is less than the established 0.05% significant level. This shows that financial perspective had significant role in influencing the organizational performance measurement which is in against with Hellen Chepkoech (2019) who founded that the insignificance of this perspective.

\*

**Table 4. 16:** Co-efficiency of Determination Analysis for Customer Perspective

Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.005 <sup>a</sup>	.000	-.008	3.50795

a. Predictors: (Constant), CP

Table 4.16 gave the result R –Square of 0.000 showing that customer perspective accounted up to 0.0% of the total variance in organizational performance measurement. This indicates that customer perspective had little influence on organizational performance measurement for the selected sectors of Kirkos sub city.

**Table 4. 17:** ANOVA<sup>a</sup> Analysis for Customer Perspectives

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	.039	1	.039	.003	.955 <sup>b</sup>
Residual	1612.051	131	12.306		
Total	1612.090	132			

a. Dependent Variable: PM

b. Predictors: (Constant), CP

Table 4.17 gave the result F-value 0.003(3) % with p –value 0.955(95.5%) which is greater than the 0.05(5) %significant level. Thus the customer perspective was founded not significantly influence organizational performance measurement in the sectors under study which is against Hellen Chepkoech (2019) who founded that customer perspective significantly influence organizational performance measurement.

**Table 4. 18:** Co-efficiency of Determination Analysis for Internal Process

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.217 <sup>a</sup>	.047	.040	3.42426

a. Predictors: (Constant), IBP

Findings from co-efficiency of determination for internal process perspective gave R -Square 0.047 showing that internal process perspective accounted for up to 4.7% of the total variance in organizational performance. Thus, the remaining 95.3% of the variance in organizational performance is accounted for by other factors not considered in the model.

**Table 4. 19:** ANOVA<sup>a</sup> Analysis for Internal Process Perspectives

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	76.041	1	76.041	6.485	.012 <sup>b</sup>
	Residual	1536.049	131	11.726		
	Total	1612.090	132			

a. Dependent Variable: PM

b. Predictors: (Constant), IBP

Table 4.19 gave the result F- value of 6.485 with p- value 0.012(1.2%) which is less than the established 0.05 (5%) significant level. Thus the internal process perspective had significant role in influencing the performance measurement of the organization which is in agreement with Hellen Chepkoech (2019) who founded the same result.

**Table 4.20:** Co-efficiency of Determination Analysis for Learning and Growth Perspective

Model	R	R Square	Adjusted R Square	Std. Error- of the Estimate
1	.573 <sup>a</sup>	.328	.323	2.87505

a. Predictors: (Constant), LG

Findings from co-efficiency of determination for learning and growth perspective gave R - Square 0.328 showing that learning and growth perspective accounted for up to 32.8% of the total variance in organizational performance. Thus, the remaining 67.2% of the variance in organizational performance is accounted for by other factors not considered in the model.

**Table 4.21:** ANOVA<sup>a</sup> Analysis for Learning and Growth Perspective

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	529.255	1	529.255	64.029	.000 <sup>b</sup>
	Residual	1082.835	131	8.266		
	Total	1612.090	132			

a. Dependent Variable: PM

b. Predictors: (Constant), LG

Table 4.21 gave the result F-value 64.029 with p-value 0.00 which is less than the established 0.05 (5%) significant level. Thus the learning and growth perspective had significant role in influencing the performance measurement of the organization which is against Hellen

Chepkoech (2019) who founded that learning and growth perspective did not significantly influence organizational performance measurement.

To sum up the simple regression analysis, with the exception of customer perspective all the three BSC perspectives had significant role in influencing the performance measurement of the selected sectors of Kirkos sub city.

### 4.3.3 .2. Multiple Regression Analysis

To examine whether the independent variables together had significant influence on performance measurement of sectors under study, the researcher undertook Multiple Regression Analysis and the findings were analyzed here under.

**Table 4. 22:** Co-efficiency of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.647 <sup>a</sup>	.418	.400	2.70701

a. Predictors: (Constant), LG, CP, IBP, FP

In table 4.22 R- square value of 0.418 was obtained that indicates when all independent variables are taken together they account for up to 41.8% of the total variance on organizational performance measurement. The remaining 58.2% variation on the organizational performance measurement could be explained by factors not included in the model.

**Table 4. 23:** ANOVA<sup>a</sup> Analysis for the Predictors(LG,CP,IBP,FP)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	674.120	4	168.530	22.998	.000 <sup>b</sup>
	Residual	937.971	128	7.328		
	Total	1612.090	132			

a. Dependent Variable: PM

b. Predictors: (Constant), LG, CP, IBP, FP

ANOVA<sup>a</sup>Table 4.23 illustrates the results from the ANOVA<sup>a</sup> analysis of F-value 22.99 and P-value =0.000 which is less than 0.05 the established significant level. This indicated that all independents together had significant influence on the organizational performance measurement of sectors under study.

**Table 4. 24:** Coefficients<sup>a</sup> Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.822	1.419		1.284	.202
	FP	.290	.082	.269	3.527	.001
	CP	-.268	.082	-.257	-3.289	.001
	IBP	.158	.076	.150	2.088	.039
	LG	.476	.062	.531	7.630	.000

a. Dependent Variable: PM

From the table 4.24 model coefficients we can generate the regression equation

$$Y = 1.822 + .290x_1 - .268x_2 + .158x_3 + .476x_4$$

Where

Y = performance measurement

X<sub>1</sub> = Financial perspective

X<sub>2</sub> = Customer perspective

X<sub>3</sub> = Internal perspective

x<sub>4</sub> = Learning and Growth perspective

According to table 4.24 findings, the model constant was 1.822 and a t- value of 1.284 with p-value 0.202 which is insignificant for it is greater than the 0.05 established significant level. This indicates that the value of dependent variable Y with all other factors held constant has a constant of 1.822.

The financial perspective's beta ( $\beta$ ) was 0.290 and a t- value of 3.527 with p-value 0 .001 which is significant for it is less than the 0.05 established significant level. Thus a unit increase in financial perspective would significantly lead to an increase in performance of sectors under study in the sub city by a factor of 0.290

The customer perspective's beta ( $\beta$ ) was -0.268 and a t- value of -3.289 with p-value 0.001 which is significant for it is less than the 0.05 the established significant level. Thus a unit increase in customer perspective would significantly lead to a decrease in performance of sectors under study in the sub city by a factor of -2.68.

For the internal perspective beta ( $\beta$ ) was 0 .158 and a t- value of 2.088 with p-value of .039 which is significant for it is less than the established 0.05 significance level. Thus a unit increases in the internal process perspective would significantly lead to an increase in performance of the sectors under study in the sub city by a factor of 0. 158.

As the table 4.24 indicates the beta ( $\beta$ ) for learning and growth perspective was 0.476 and t – value of 7.630 with p-value of 0.000 which is highly significant for it less than the established 0.05 significance level. Hence a unit increase in the learning and growth perspective of the balanced scorecard would significantly lead to an increase in performance of sectors under study in the sub city by a factor of 0.476.

#### **4.4 Qualitative Analysis**

The researcher made an interview with three process leaders for thirty five minutes on the seven questions designed to meet research objectives. All the three respondents knew the vision of their organization but they explained that all members of the offices were not in a position of understanding of the vision of their organization and not doing towards achieving the goals. The interviewed explained that they did not measure the performance of their subordinates according to the intended plan for some reason like lack of uniformity in cascading, the measure target quality 100 % and lack of understanding. They responded that they use performance measurement only for the purpose of promotion and reporting to the concerned body, not for the improvement of performance of the organization and one of the interviewed explained there is culture of measuring workers not the work itself. Performance measurement was done twice a year but no improvement in achieving the goal determined because they used it only for reporting purpose. In their response to the question what are the challenges that their offices encountered in implementing the BSC, they listed lack of understanding, negative attitude of workers towards the tool, unclarity of the measure target in number for there are activities that can be and cannot be measured in numbers, limitation in planning and cascading. To overcome the above mentioned problem they recommended that the measure targets should have objectivity to make it suitable for measurement more reliable, adequate training on knowledge, skill and attitude for the trainers who can make it feasible settle uniformity in planning and implementation, sector specificity for pool arrogance in which the established sectors in the pool were tried to supervise sectors under it. The responses from open ended questionnaire indicated that the challenges in implementing the BSC and recommendation suggested were similar with the above interview analysis. Sources assessed from secondary resources for example according to review literature issued in 2018 by Jamal Abagissa on the a review of balanced scorecard implementation in selected offices of Addis Ababa city, the findings show that though there have

been positive achievements, the leaders and organizers of the change initiatives have not yet fully discharged their responsibilities of using strategic measures and customer service standards as performance measurement and management tool. Moreover, Jamal Abagissa (2018) in his literature founded that in the actions taken in monitoring and evaluation is not as such satisfactory. According to Haiemariam Abayneh (2016), the major cause of the challenges implementation of BSC were derived from lack of continuous monitoring and evaluation, lack of delivering continuous training and far beyond education to officers and recommended that in order to solve the above challenges and problems and to utilize the tool efficiently. As presented in chapter two Niven (2006), in his book entitled Balanced Score card Step by step from the criteria for selecting performance measures he forwarded the linkage to strategy was highly considered which states that choosing performance measures that don't have an impact on your strategy can lead to confusion and lack of clarity as employees devote precious resources to the pursuit of measures that don't influence the firm's overall goals.

Since the study used mixed approach of qualitative and quantitative research method, the researcher triangulated or crosschecked the outcome of the study from analysis of both methods one against the other. The output from the quantitative descriptive analysis indicated that the average mean for all perspective were low with the exception of internal business process perspective whose mean was moderate (3.67). This shows that the extent to which the organizations under study implement and utilize the BSC tool for strategic management and performance measurement was low which the qualitative output also signifies that those organizations under study were used performance measurement only for the purpose of reporting not for the improvement of the performance of the organization. Moreover, the score recorded in percentage for most of the items were in agreements with the output in the qualitative. Examples: in learning and growth perspective to the item "adequate training were given to the leaders and employees on BSC" the majority of respondents were disagreed which the qualitative analysis also recommended practical training after founded that there is wide lack of understanding of the tool by the workers to automate their work, in the dependent variable performance measurement perspective the items (The immediate boss for the leader and employees has established the proper performance measurement according to the plan of balanced score card, Employees are satisfied with performance measurement, Efficiency & effectiveness of the organization has increased because of correct performance appraisal, The organization uses the performance

measurement system to align with rewarding system for high performing employees) earned the largest score disagreed which is 47.4%, 42.9%, 46.6%,43.6% respectively. This shows that similar output with that of qualitative in this regard for it indicates performance measurement was not done according to the activities weighed and cascaded to the workers by immediate boss and only for reporting purpose as explained earlier.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

This last chapter was organized into summary of the findings, conclusions, recommendations and future work parts. The study was conducted to assess the implementation practice and challenges of BSC in the selected sectors of Kirkos sub city and to suggest ways how to improve it. The response rate computed was 90.47% which is good. The Overall Cronbach Alpha for the whole questionnaire was 0.859 which is reliable because it is greater than the recommended score 0.7.

#### **5.1 Summary of the Findings**

Summary of findings of the four perspectives of the balanced score card would be presented as analyzed using descriptive analysis, correlation analysis, simple regression analysis, and the dependent variable performance measurement using descriptive analysis and multiple regression analysis and finally findings from qualitative analysis would be presented in summary hereunder.

##### **5.1.1 Financial Perspective**

The descriptive analysis indicated that the majority of respondents 33.1% agreed that the proper utilization of asset has helped the institution to increase efficiency. 35.3% of respondents were neutral (undecided) on whether institution's accountability in finance has attracted significant number of sponsorships and 31.6 % were neutral (undecided) on whether income generating projects in the offices has improved finances. On the other hand, the majority of (36.1%) of respondents were disagreed on office's use of its finances to fund capacity building programs. Correlation analysis indicated that there is positive correlation between financial perspectives and performance of the organization of the sectors under study and therefore financial perspective was found to be observed significant in determining the performance measurement of the organization. Finally the simple regression analysis indicates that financial perspective was

found to be observed significant in determining the performance measurement of the organization.

### **5.1.2 Customer Perspective**

The descriptive analysis for customer perspective indicated that the majority of respondents (39.1%) were in agreement with customer relations has influenced the number of employees satisfied in the institution. On the other hand the majority of respondents (39.1%) were disagreed on the reduction of turnover because of customer relation. In addition to this, the majority of respondents (39.8%) were in agreement with direct influences of customer relationship on organizational performance. Finally the majority of respondents (54.1%) were in agreement with that customer perspective has influenced performance. Correlation analysis indicated that there is weak negative correlation between customer perspectives and performance of the organization of the sectors under study and therefore customer perspective was found to be weak in determining the performance measurement of the organization in the sectors under study. Finally the simple regression analysis indicates that customer perspective was found not significantly influence organizational performance measurement in the sectors under study.

### **5.1.3 Internal Perspective**

The descriptive analysis for internal perspective indicated that the majority of respondents (39.1%) were in agreement with the reduction of work flow procedures by the internal perspective, 33.8% were agreed on the reduction of the number of channels of communication. On the other hand 36.1% were agreed the increment of the number of activities in change communication. Finally 33.1% were in agreement with that internal perspective has increased performance. Correlation analysis indicated that there is positive correlation between internal process perspective and performance of the organization of the sectors under study and therefore internal process perspective was found as significant in determining the performance measurement of the organization. Finally the simple regression analysis indicates that internal process perspective was found as significant in determining the performance measurement of the organization for its p-value (0.012) lower than 0.05.

#### **5.1.4 Learning and Growth Perspective**

The descriptive analysis for learning and growth perspective indicated that the majority of respondents (39.9%) disagreed on the adequacy of training given to the leaders and employees on BSC. In addition to this, 38.3% disagreed on existence of conducive environment to workers for upgrading. Moreover, 45.9% disagreed on the leaders and experts having High level of knowledge and understanding on Balanced Scorecard. The majority of respondents (48.1%) disagreed on the increment of the number of employees who can automate their work. Finally, 48.9% disagreed on the right way execution of automation. Correlation analysis indicated that there is positive correlation (r-value 0.573 and p-value 0.000) between learning and growth perspective and performance of the organization of the sectors under study and therefore learning and growth perspective was found as significant in determining the performance measurement of the organization. Finally the simple regression analysis indicates that learning and growth perspective was found as significant in determining the performance measurement of the organization for its p-value(0.012) is lower than 0.05.

#### **5.1.5 Organizational Performance Measurement**

The descriptive analysis for performance measurement indicated that the majority of respondents (47.4%) disagreed on the proper performance measurement according to the plan of balanced score card by immediate boss. 42.9% of respondents were disagreed on employees 's satisfaction with performance appraisal (measurement) done to them. More over 46.6% of respondents were disagreed on the increment of efficiency & effectiveness of the organization because of correct performance appraisal. Finally 43.6% of respondents were disagreed on the alignment of the performance measurement system to align with rewarding system for high performing employees. Multiple regression analysis indicates that when all variables taken together with Co-efficiency of Determination R-Square value 0.418, ANOVA<sup>a</sup> analysis of F-value 22.99 and P-value =0.000, could significantly account for the variation in the performance measurement of the organization.

#### **5.1.6 Findings from Qualitative Analysis**

- All members of the offices were not in a position of understanding of the vision of their organization and not doing towards achieving the goals.
- The culture of measuring workers not works itself.

- Failure to measure performance due to lack of understanding.
- Use performance measurement only for the purpose of promotion and reporting purpose not for the improvement of performance of the organization.
- Failure to link performance measures to strategy.
- Challenges that sectors under study faced in implementing the BSC were lack of understanding, negative attitude of workers towards the tool, unclarity of the measure target in number for there are activities that can be and cannot be measured in numbers, limitation in planning and cascading.

## **5.2 CONCLUSIONS**

This study was conducted to assess the implementation practice of Balanced Score card in selected sectors of Kirkos sub city. The study concluded that customer perspective which was given 40% weight in cascading in each selected sectors of Kirkos sub city did not significantly influence the performance measurement of the organization and the rest three perspectives were significant in influencing the performance measurement of the organization. Based on the findings from the qualitative analysis, the study also concluded that the major challenges for effective implementation of BSC were lack of uniformity, lack of knowledge, use of performance measurement only for report purpose, limitation in planning and cascading.

## **5.3 RECOMMENDATIONS**

The study recommended that to overcome the challenges that offices faced in implementing BSC and to increase efficiency in their organization all stakeholder of selected sectors of Kirkos sub city:

- ❖ Give adequate and practical training for all stakeholders both on knowledge attitude towards BSC implementation to increase efficiency.
- ❖ Measure performance according to the activities weighed and cascaded to the workers.
- ❖ Link performance measurement to strategy to increase efficiency.
- ❖ Make uniformity in planning and in cascading.
- ❖ Link high performance with rewarding system through accurate performance measurement.

- ❖ Use fiancées for capacity building to their employees.
- ❖ Make conducive environment for employees upgrading to increase the execution capacity of their worker.

## **5.4 Future work**

This study was limited in scope for it was conducted only on the selected sectors under Construction pool of Kirkos sub city administration which inhibits the generalization of the study across other sectors in the sub city and other government sectors of the country. Therefore, the researcher recommends that the study be replicated in the other public sectors of the country for generalization purpose and authentication of the study's findings. Moreover, the researcher urges further studies on how to improve the customer perspective that this study found to be negative in influencing performance, but Kaplan and Norton proposed it one of the four perspective of BSC tool to help the organization to translate their strategy and to increase efficiency.

\*

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## APPENDIX: QUESTIONERS AND INTERVIEW



Addis Ababa University School of Graduate Studies College of Business and Economics  
Department of Business Administration

Date: \_\_\_\_\_

**Dear Respondent!**

I am Getahun Fekadu Mosisa a student at Addis Ababa University pursuing a Master degree in Business Administration (MBA Specialization in Management).

I am currently carrying out a study on 'Assessment of Balanced Scorecard Implementation Practice and its Challenges:-The Case of Selected Sectors of Kirkos Sub City Administration', Addis Ababa. You are kindly requested to assist in the collection of primary data, from your office so as to enable me accomplish the study. Please, note that all the information given shall be treated as confidential and used for academic purposes only. Writing your name is unnecessary

**Thank you in advance for your anticipated cooperation!**

**Email. [getinetyomison@gamil.com](mailto:getinetyomison@gamil.com) Telephone no. (251) – 0913471384.**

**Section A: Respondents' Profile**

1. Offices (optional) -----

2. Gender      male  female

3. Age 18-30 years     

31-40 years     

41-50 years     

Above 50 years     

4. Education level: Diploma  undergraduate  M/MSc

PHD

5. Position      Team Leader       Performer

6. Years of experience 0-5       11-15

6-10       More than 15

**Section B:-Close Ended Questions**

Please indicate how much you agree or disagree with each of the following statements by **circling** the number that best represents your opinion.

**Ratings**      1=strongly disagree (**SD**) 2= Disagree(**D**) 3= Neutral (**N**)

4= Agree (**A**) 5=Strongly Agree (**SA**).

No	<b>Questions for Constructs of Financial Perspective</b>	SA	A	N	D	SD
1	The proper utilization of asset has helpedthe Institution to increase efficiency	5	4	3	2	1
2	Institution’s accountability in finance has attracted significant number of sponsorships	5	4	3	2	1
3	Income generating projects in the offices has improved finances.	5	4	3	2	1
4	The institution has used its finances to fund several capacity building programs in the institution	5	4	3	2	1
No	<b>Questions for Constructs of Customer Perspective</b>	SA	A	N	D	SD
1	Customer relation has influenced the number of employees satisfied in the institution.	5	4	3	2	1
2	Customer relation has reduced the rate of employees’ turnover.	5	4	3	2	1
3	Customer relationship directly influences organizational performance.	5	4	3	2	1
4	Customer perspective has influenced performance	5	4	3	2	1

No	<b>Questions for Constructs of Internal Business Process</b>	SA	A	N	D	S D
1	The Internal process perspective has reduced the number of workflow procedures in the institution.	5	4	3	2	1
2	Internal process operations have reduced the number of channels of communication in the institution.	5	4	3	2	1
3	The number of activities change communication has increased	5	4	3	2	1
4	Internal process has increased performance	5	4	3	2	1
No.	<b>Questions for Constructs of Learning &amp; Growth and for the Research Question- The extent to which the BSC measurement is implemented and stakeholders' trained and understood</b>	SA	A	N	D	S D
1	Adequate training were given to the leaders and employees on BSC	5	4	3	2	1
2	The institution has made a conducive environment to workers for upgrading	5	4	3	2	1
3	The leaders and performer (experts) have High level of knowledge and understanding on Balanced Scorecard at this time.	5	4	3	2	1
4	The number of employees who can automate their work has increased	5	4	3	2	1
5	Automation is carried out in right way without cheating in the input sheet	5	4	3	2	1

No	<b>Questions for Performance Measurement</b>	SA	A	N	D	S D
1	The immediate boss for the leader and employees has established the proper performance measurement according to the plan of balanced score card.	5	4	3	2	1
2	Employees are satisfied with performance appraisal	5	4	3	2	1

	(measurement)					
3	Efficiency & effectiveness of the organization has increased because of correct performance appraisal	5	4	3	2	1
4	The organization uses the performance measurement system to align with rewarding system for high performing employees	5	4	3	2	1

**Section C:-Open Ended Questions**

Please kindly write your answer for the following open ended questions on the space provided.

1. What challenges did you face or observe in implementing the Balanced Scorecard Card (BSC) in your office? -----

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2. Does your immediate boss measure your performance periodically according to your plan using size, time and quality as measure? If no, what do you think for his/her failure to do so?-----

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3.What do you recommend to improve the implementation of BSC in your office -----

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4.If you have any extra ideas regarding the implementation of the BSC in your office -----

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## **Section D:-Interview Questions for Process (team)Leader**

1. Do you know the vision of your office? If yes, explain it.
2. Do you think that all the members of the office have understanding of the vision of the organization and are doing towards achieving it? Please explain it.
3. Do you measure the performance of your subordinates periodically according to the activities weighed to them? If no, what is the problem in doing so?
4. For what purpose do you use the performance measurement?
5. Is there any improvement in your office after the performance measurement in achieving the goals determined?
6. What are the challenges that your office encountered in implementing the BSC?
7. What do you recommend for the improvement of BSC implementation to get out of it uses (the competitive advantages) it offers?