EFFECTIVENESS OF THE BALANCE SCORECARD IN ENHANCING EFFICIENCY IN CUSTOMER SERVICE DEPARTMENT OF ORGANIZATIONS

BY

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UNITED STATES INTERNATIONAL UNIVERSITY

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A Project Report Submitted to Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Masters in Business Administration (MBA)

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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

Signed: __________________________ Date: ______________________________

Faith Mbithe Mutinda (ID No: 635623)

This project report has been presented for examination with my approval as the appointed supervisor.

Signed: __________________________ Date: ______________________________

Dr. Paul Katuse

Signed: __________________________ Date: ______________________________

Dean, Chandaria School of Business
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ABSTRACT

The general objective of this study was to determine the effectiveness of the balanced scorecard in enhancing efficiency in customer service department of organizations. The study was guided by the following specific objectives: to determine the effects of the balanced scorecard on funding and financial stability on business operations, to determine the extent to which the balanced scorecard affects customer focus and customer satisfaction in the determination of success of the business and to determine how well human resources development in terms of learning and growth perspective of the balanced scorecard constitute the essential foundation for success of any knowledgeable worker organization.

In order to achieve the above, the study adopted a descriptive research design in order to obtain the data that is necessary. This in essence helped to facilitate the collection of the primary data as a way of achieving the research objectives. The population under study was 200 employees of commercial banks and microfinance institutions that employed the balanced scorecard. In order to determine the sample size, the study adopted a non-probability sampling technique in the form of random sampling. The sample size selected was of 100 respondents, which was drawn from the banks and microfinance institutions. The collection of the primary data was done using structured questionnaires which were pilot tested so as to ensure that there was reliability as well as validity. Data analysis was done using Microsoft Excel as well as SPSS in order to generate the descriptive statistics for instance frequencies and percentages. The presentation of the results was in form of figures and tables.

The study revealed that the balance scorecard enhances financial stability. Additionally, majority of the respondents are totally satisfied with the financial evaluation process by use of the balance scorecard. It was also revealed that indeed majority of the respondents were very happy with the aspects of the financial perspective of the balance scorecard. Reliable funding was the best ranked followed by accuracy, speed, timely funding, adequate funding, accountability and transparency, effectiveness of the balance scorecard as well as cost of funding.
The study findings on the impact of the balance scorecard on customer focus and customer satisfaction revealed that there is a positive relationship between the balance scorecard on customer focus and customer satisfaction. Additionally it was revealed that respondents agree that they face challenges when ensuring customer satisfaction. Further the study established that majority of the respondents agree that indeed the balance scorecard is effective, customer service perspective of balance scorecard is user friendly, customer service perspective of balance scorecard is accurate, customer service perspective of balance scorecard is reliable and finally customer service perspective of balance scorecard is flexible to change.

The study further revealed that the areas that require improvement include: frequency of training, mode of training, availability of appropriate learning materials, cost of training, quality of information, accessibility to the information, fast, reliable data, up to date data as well as the learning process evaluation.

The study concludes that the balance scorecard enhances financial stability, promotes customer satisfaction and learning and growth in an organisation by ensuring training and employee evaluation is done regularly and consistently. Additionally the research also concluded that most employees face challenges when ensuring customer satisfaction. The balance scorecard establishes that the most efficient and profitable way to operate a business is to give everybody in the company a voice in saying how the company is run and a stake in the financial outcome, whether good or bad.

The study recommends the need for organizations to implement the balance scorecard so as to be able to track financial results while simultaneously monitoring progress through building the capabilities and as well acquiring the intangible assets that they would need for future growth. This will go hand in hand in ensuring that there is improved performance in all sectors of the economy and hence promote the growth of various industries. The balance scorecard should help improve communication between the management and customers in order to improve on the quality service so as to satisfy their customers’ needs. The management needs to pay much attention on the customer complaints in order satisfy the customers’ expectation. The firms should pay attention to those features that contribute to customer satisfaction such as loyalty, retention, rates which are rated very little/weak.
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DEDICATION

This research study is dedicated to my loving parents, Mr. Joseph M. Mbuvi and Mrs. Phoebe M. Mutinda, and my brothers Jacob Muia and Wellington Mbuvi who have always supported me in my education and all aspects of life.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

The balanced scorecard is a strategic planning and management system used extensively in the business industry by private, government and non-profit organizations worldwide to align business operations to the vision, mission, goals and strategy of the organization, monitor organizational performance against strategic goals and improve internal and external communications (Kaplan and Norton, 2001). As defined by Kaplan and Norton (1996), the balanced scorecard translates an organization’s mission and strategy into a comprehensive set of vital performance measures that provided a framework for strategic measurement and management system used for managing diverse firm objectives and activities across all organizational levels.

Knapp (2001) suggests that the Balance Scorecard is a strategic management tool important to the firm’s planning process and advocates for senior management to encompass the firm’s vision and strategy into four performance perspectives that is Financial, Customer, Internal Business process, and Learning and Growth.

Kaplan and Norton (2001) argue that executive and top management support is needed for the introduction, implementation and development of the balanced scorecard, and the support should then cascaded down to subordinates levels such functional and team levels.

This strategic management system measures organizational performance in four balanced perspectives that include; Financial perspective which analyses the measurable economic and financial consequences of actions already taken, Customer perspective identifies and focuses on the customer and market segments in which the business unit will compete and its performance in these targeted segments, Internal Business Process measures the critical internal processes in which the organization must excel in and Learning & Growth perspective which measures the infrastructure or human resources that the organization must build to create long-term growth and improvement ensuring sustainability.
A properly constructed balanced scorecard is structured between financial and non-financial measures, internal and external performance perspectives and short and long term frames. According to Pearce and Robinson (2007), the objectives and measures of the four perspectives are linked by cause and effect relationship between their respective elements leading to successful implementation of the strategy. Thus achieving one perspective target automatically leads to desired improvements in the next perspective hence increasing the overall performance of the company (Pearce and Robinson, 2007).

Cause and effect relationships are considered the core of the balanced scorecard (Kaplan and Norton, 1996; 2001; Norreklit, 2003; Speckbacher, 2003; Malmi, 2001). Norreklit, for instance, argues that Balance Scorecard is based on the assumption that there are generic cause and effect relationships between performance measurement areas, and that it should be based on these established relationships.

Analysis of the cause and effect relationships can assist in adapting the BSC to be used any particular organization (Norreklit, 2003). The relationships in the BSC should not be perceived as generic, but specific and customized to the organization, the actual situation and the relevant time dimension. Malmi (2001) argues that the relationships are not actually known for certain, but are based on beliefs and assumptions. Furthermore, these cause and effect relationships are best defined between measures, not between measurement areas. By following cause and effect logic, executive management can come up with creative and innovative ideas that reflect a unique strategy, and establish measures that lead to desired outcomes (Malmi, 2001).

In the mid 90’s the use of the balanced scorecard evolved from being a performance evaluation reporting tool to a strategic planning and management tool (Kaplan and Norton, 2001). Strategy was developed using traditional tools while using the balanced scorecard to create an equitable balance in the strategy by ensuring that the organization has objectives, measures, targets, goals and initiatives addressing all the four organizational performance perspectives. According to Malmi (2001), the scorecard links together areas of great importance in strategy execution, quality operations and financial outcomes that are critically interlinked as a company executes its strategy. It links shareholders interests in return on capital with a system of performance management measures connected to operational activities and processes within the company.
Knapp (2001) states that strategy is about making the best choices for an organization to achieve its desired vision, mission, objectives, goals and results. According to Lawrie and Cobbold (2004), an organization seeks to create and enhance value to its customers and stakeholders either by conveniently offering products or services that are at the lowest acquisition cost to the customer, these increases sales, enables close relationships with customers, hence promoting customer loyalty and offering customer sensitive solutions, or by offering the best products at the best prices thus establishing product leadership. These dimensions are the pillars of excellence in the balanced scorecard framework thus enabling the organization to gain competitive advantage in the market (Lawrie and Cobbold, 2004).

Kaplan and Norton (2001) argue that the balanced scorecard is therefore a diverse system consisting of people, strategy, processes, and technology that helps align an organization with a shared vision of success, and gets people working on the right things, working in the right way and focusing on results. The development of a balanced scorecard system is transformational process for an organization (Knapp, 2001). Leaders and management are involved in the discovery, initiation and development process, communication of the strategy, planning and managing (Knapp, 2001). It is a performance measurement framework that monitors and evaluates an organization’s strategic planning, management, communications systems, production, operations and service delivery that align the work people do with organization vision and strategy, communicate strategic intent throughout the organization to internal and external stakeholders, and provide a basis for better alignment of strategic objectives with resources (Kaplan and Norton, 2001).

Malmi (2001) states that the balance scorecard is a strategy based system used to make informed decisions at all functional levels in the organization while focusing on accomplishments and results. To ensure effectiveness of the balanced scorecard the organizations should focus not only on the performance measures but also on the desired results to be accomplished. Stephen Covey’s quotes “People and their managers are working so hard to be sure things are done right, that they hardly have time to decide if they are doing the right things.” According to Rohm (2008), doing the right things and doing things right is a balancing act requiring the development of good business strategies that is doing the right things and establishing efficient processes and operations to deliver the programs, products and services, that is doing things right.
The Balanced Scorecard is based on three general management concepts that include business strategy, measurement and goal setting, and communication, empowerment, motivation and human relations.

The Balanced Scorecard and its derivatives are characterized by the presentation of interlinked financial and non-financial measures each compared to a target value (Malmi, 2001). As a model of performance measurement, it is effective in that it articulates the links between leading inputs such as human and physical inputs, processes, and lagging outcomes and focuses on the importance of effectively managing these components to achieve the organization's strategic priorities and desired goals (Malmi, 2001).

If the balanced scorecard is successfully integrated into day to day business life, and adopted in all organisational operations, it can be developed into a comprehensive and universal tool (Norreklit, 2003). It is a tool that provides all activities with a critical strategic framework and ensures clarity, accountability and consistency for all parties involved to help them in formulating, communicating and implementing their strategy (Malmi, 2001). It supports implementation of new ideas and activities, which makes it possible to understand strategic action in terms of it being a daily task and to realize it as such, as well as to link it with operational action (Norreklit, 2003; 2000).

Use of the balance scorecard drives excellence in business by promoting accountability, transparency, and performance management (Malmi, 2001). Many organizations use the balance scorecard criteria to improve their overall performance, hence achieve business excellence and therefore become more competitive in the marketplace (Kaplan and Norton, 2001).

The organisations using balance scorecard usually achieve sustained high levels of excellent performance in the areas of customer focus and satisfaction, people satisfaction on society and business results, consistently meet their own set targets and have favorable benchmark comparisons especially with their competitors (Pearce and Robinson, 2007).

According to Kaplan and Norton (2001), the Balanced Scorecard has evolved and improved considerably as a performance measurement and strategic management tool being more flexible and effective to suit a wider range of organizational types.
Commercial Banks in Kenya are licensed pursuant to the provisions and regulations of the Banking Act and the issued Prudential Guidelines. The Central Bank Kenya (CBK) is the regulatory authority in the financial industry and is responsible for formulating and implementing monetary policy, ensuring the liquidity, solvency and proper functioning of the financial system.

Currently there are 43 licensed commercial banks and 1 mortgage finance company. Out of which 31 are locally owned and comprise of 3 banks with significant shareholding by the Government and State Corporations while 13 are owned by foreigners. Microfinance institutions in Kenya are regulated by the Microfinance Act, 2006, that became operational with effect from 2nd May 2008. The act regulates mobilization of savings from the general public by Deposit Taking Microfinance Institutions licensed by the CBK thus promoting competition, efficiency and ease in access to financial services.

Due to increased competition in the financial market especially amongst commercial banks and microfinance institutions in Kenya, management has been forced to use various strategic tools best suited to evaluate and improve their overall organizational performance. The choice of the organisational performance measurement and evaluation tool to be used is the challenge that most of the commercial banks face (Lipe & Salterio, 2000). The switch from local competition to a dynamic global market environment has led to increasing attention on performance measurement and strategic implementation (Lipe & Salterio, 2000; McCunn, 1998).

Financial institutions have adopted use of performance evaluation measurement tools such as the Balance Scorecard, to improve on staff productivity and communicating the company's strategic intent especially on enhancing customer service. Therefore, a need arises to know how such measurements affect the operations of the banks and to determine their impact on employees’ performance, job satisfaction, financial performance and overall effectiveness of customer service in promoting customer satisfaction. The ultimate aim of implementing the use the Balance Scorecard is to significantly improve the performance of an organization so that it may better serve its customers, employees, owners, and other stakeholders hence ensure efficiency of customer service in financial institutions (Lipe & Salterio, 2000).
1.2 Statement of the Problem

Since the development of the balance scorecard by Robert Kaplan and David Norton in the 1990’s it is evidenced that, the scorecard helps an organization achieve financial stability, create customer satisfaction, improve the efficiency of its internal business process and facilitate human resource development through learning and growth, but with the current growing business trends, advancements in technology, new business risks, and other business related problems, can it still be effective enough to deliver since it can be said that it is outdated in relations to the current business problems? Businesses are faced with new challenges, advancements in technology and other financial constraints making the validity of the balance score card to be questionable for businesses that have adopted the scorecard as their ultimate managerial platform.

Ollila (2010) underscored the role of the balance scorecard in achieving efficiency by stating that the rate at which an organization continuously learns new ways of doing things may become the only sustainable source of organization efficiency. This was also emphasized by Goh (2003) who noted that to remain effective. While there is little opposition to the premise that organizational balance scorecard is a competence that all organizations should develop in fast-changing and competitive environments (Prahald and Hamel, 1994), most literary works have not clearly linked balance scorecard with effectiveness and efficiency, as is the case with intellectual capital (knowledge-based resources) using resource-based view of the firm.

In this research the effectiveness of the Balance Scorecard is investigated further to understand whether in its current formulated state it can be able to sustain and address the current problems facing commercial banks and micro-finance institutions in Kenya and allow for easy flow of business. This study analyses whether financial institutions which have adopted the Balance Scorecard are able to create future customer value and ensure success in their customer service delivery through complete adaptation of the Balance Scorecard criteria while focusing on the current market trends such as advancement in technology, sensitivity and awareness of customer, needs, wants and rights and the increased rate of competition in the market.
1.3 General Objective

The general objective of this study was to determine the effectiveness of the balance scorecard in enhancing efficiency in customer service department of organizations.

1.4 Specific Objectives

1.4.1 To determine the effects of the balanced scorecard on funding and financial stability on business operations.

1.4.2 To determine the extent to which the balanced scorecard affects customer focus and customer satisfaction in determination of success of the business.

1.4.3 To determine the relevance of learning and growth perspective of the balance scorecard on employees.

1.5 Significance of the Study

1.5.1 Customers

The operations of the business will be centered on the extent to which customer focus and customer satisfaction determines future success of the business. Hence customers will be assured of receiving quality services from the organisations.

1.5.2 Management

Due to the dynamism in the business environment, strategic management has become imperative in organizations. The scorecard is linked to the strategy of the firm and improves communication of the organization’s vision and mission. Alignment of business process to the strategy and ensures improvement in organizational performance by measuring what matters in terms of results and focusing on the drivers of future performance.

1.5.3 Policy Makers

This research will assist policy makers in further analysis of the importance of the balance score card. More resources would be put into finding better and more efficient ways of adopting, maintenance and evaluation of the effectiveness of the balance scorecard to enhance customer satisfaction.

1.6 Scope of the Study

The scope of the study was to cover the use of the balanced scorecard in enhancing efficiency and effectiveness in different departments of commercial banks and Micro-
finance Institutions and emphasis was placed on the customer service department and its basic operations.

The geographical scope of the study was limited to Nairobi region and its immediate outskirts areas. The population scope included 200 middle level management and employees of commercial banks and Micro-finance organisations and a representative sample of 100 employees of the total population was taken. The period of study was 3 months.

The study focused on a very sensitive area of strategy in a turbulent market economic environment limiting the extent of information provided by respondents, as some were uninformed about the importance of the scorecard while others suspected the information they gave would be used against them by the management. However, the researcher assured them of the confidentiality clause hence putting the respondents at ease in answering questions. The researcher also analyzed a wide variety of journals, books, newsletters and reports that gave an in depth knowledge of the balanced scorecard.

1.7 Definition of Terms

1.7.1 Balance Scorecard (BSC)

This is a strategy performance management tool that can be used by managers to keep track of the execution of internal activities by the staff within their control and to monitor the consequences arising from these actions. It attempts to measure and provide feedback to organizations in order to assist in implementing strategies and objectives (Kaplan and Norton, 2001).

1.7.2 Strategy

A plan of action designed to achieve a long-term or overall aim. It’s a large scale and future oriented plan to achieve a company’s objectives (Kaplan and Norton, 2001).
1.7.3 **Financial Stability**

Financial stability is a condition in which organisations’ mechanisms for pricing, allocation of funds, and managing financial risks such as credit and liquidity are functioning well enough to contribute to the performance of the organisation. The organisation is resistant to economic shocks and is fit to efficiently and effectively fulfill its basic functions of the intermediation of financial funds, management of risks and the arrangement of payments (Ittner and Larcker, 1998).

1.7.4 **Customer Satisfaction**

It is a measure of how the products and services supplied by an organisation meet or surpass customer expectation (Kaplan and Norton, 2001)

1.7.5 **Customer Focus**

This involves maintaining an effective customer relations and service program thus improving the relationship between an organization and its customers. It results to improved overall business and creation of a good customer base (Kaplan and Norton, 2001).

1.7.6 **Learning and Growth**

It’s a process of gaining knowledge or skill by being taught, studying, experiencing and practicing. It involves measuring the technological infrastructure and human resources development that an organisation must build to create long term sustainability (Kaplan and Norton, 2005).

1.8 **Chapter Summary**

This chapter has presented a general introduction to the background of the study by developing the aspect of competitive advantage in organizations. The problem statement has been established as well as the purpose of the study. Chapter two provides the review of the literature with regards to the research objectives. The goals of the Balanced Scorecard in the three phases that is financial Perspective, Customer focus and
satisfaction and Learning and growth have been linked to each other with a sequence of casualty relationships to show cause and effect in ensuring customer service efficiency. The third chapter covers the research methodology which contains in detail the research design, population and sampling technique, data collection, research procedures and data analysis. The fourth chapter provides the research findings with regards to the information issued by the respondents while the final chapter gives a summary and discussion of the findings as well as the conclusion and recommendations.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This study examines the effectiveness of the balance scorecard in enhancing the efficiency in customer service department of organizations. The paper examines the value of Balanced Scorecard as a strategic management tool in measuring the organizational performance against its strategic goals. This paper analyses the effects of the balance scorecard on funding in ensuring financial stability on business operations; establishes the extent to which the scorecard affects customer focus and customer satisfaction to determine the success of the business; and establishes how well human resource development in terms of the learning and growth perspective of the balance scorecard constitute the essential foundation for success of any knowledgeable worker organization.

2.2 Effects of the Balance Scorecard on Funding and Financial Stability

Financial performance is a delayed financial measurement index that indicates the ultimate definition of an organization success (Kaplan and Norton, 2001). Organizations’ formulate and implement strategies from the perspective of financial plans, income and profit growth analysis and financial forecasts (Knapp, 2001). Financial managers view the organisations’ strategy on how it tries to create a stable growth for investor and provide a high return on capital. Strategic principles are based on the value of investors, production management, quality, basic capacities, innovation, information technology, level of human capital and organization planning (Enteshari, Abadi, Karbasi, and Soltani, 2012).

2.2.1 Effects of the Balance Scorecard on Funding

The financial perspective measures the rate of return on investments to the shareholders of a company in terms of cash flow, quarterly sales growth, operating income by division, and increased market share by segment and return on equity (Kaplan and Norton, 1992; 2000; 2002). Kaplan and Norton (2000) argue that financial performance measures indicate whether the company's strategy, its development, implementation and execution are contributing to the bottom line business improvement. The organizations’ financial
goals have to do with profitability, growth and increased shareholder value (Kaplan and Norton, 2000; 2002).

Organizational performance is the measurement of a firm's ability to operate in a competitive and dynamic business environment and generate profits thus ensuring its sustainability (Lok, Hung, Walsh, Wang and Crawford, 2005). It also measures and reflects on the productivity, cost, market share, product leadership, return on assets and profitability of an organization (Andersen, 2000). Performance measures are used to check the financial and non-financial status of a business on a regular basis by generation and analysis of financial and operating reports (Neely, 1998).

2.2.1.1 Timely Funding

Financial perspective considers profitability and return on shareholder value. Measures such as return on investment and economic value added can be improved by increasing sales revenue, ensuring provision of quality goods and services, decreasing operating costs, enhancing asset utilization (Walsh, 2006), and improving customer satisfaction and higher operating efficiency (Bourne, Franco and Wilkes, 2003).

Currently, business environment is characterized by fast dynamic change in customers, competitors, technologies, suppliers, and regulators. Therefore, all organizations need to continuously renew themselves and be more innovative and creative in order to survive (Kaplan and Norton, 2002). Cost management mainly focuses on the firm's strategic positioning, the full set of cost drivers for the firm and its overall value chain (Lorenzoni, Shank, and Silvi, 1999). Malmi and Brown (2008); Langfield-Smith (1997), suggested that cost management was a management accounting technique for planning and control of the firms operation and production costs which is one of management control systems (MCS) for improved firm success.

2.2.1.2 Accuracy

Accuracy, completeness, reliability, timeliness and relevance of cost management effectiveness have a positive and significant impact on cost information usefulness and corporate competitiveness resulting in the firm success (Malmi and Brown, 2008). Cost management is one of contemporary management accounting techniques that provides
useful cost information used to develop strategies in decision making and achieving sustainable competitive advantage (Tontiset and Ussahawanitchakit, 2009).

The financial (lagging) indicators reveal the results of past economic decisions and actions taken by a firm (Epstein and Manzoni, 1998). One of the critical strategic management tools on performance measurement is Kaplan and Norton’s Balance Scorecard which concentrates on measures that drive growth and profitability (Gadd, Oakland, and Porter, 1998).

According to Enteshari et al. (2012), internal processes of ensuring accurate, adequate and timely funding of business operations create added value to the customers. Organization financial perspective has been faced with a critical status from the view of environmental conditions and internal resources to ensure compliance (Epstein and Manzoni, 1998).

Enteshari et al. (2012) states that in the past, managers only thought to meet financial perspective of the company but today they have found out that excellent financial performance depends upon the customer's satisfaction or lack of satisfaction.

2.2.1.3 Accountability

Financial performance is measured by calculating and analyzing return on investment, return on sales, revenue growth and market share (Sale and Inman, 2003). Many researchers claim that quality management factors such planning, controlling, coordinating and staffing have great influence on the company’s productivity and financial results (Fotopoulos and Psomas, 2010; Kumar et al., 2009; Sila and Ebrahimpour, 2005; Kaynak, 2003).

The six quality management criteria: strategic planning; leadership; customer focus; human resource management; process management; measurement, analysis and knowledge management (Jacob et al., 2004; NIST, 2002) have a positive impact on financial performance leading to a positive effect on customer service thus resulting in increased customer satisfaction. (Poon and Canon, 2012).

Researchers have interpreted organizational structure to include management accounting techniques such as planning and controlling, performance measurement, cost management, the formal and informal communication of information and decision-
making methods that enhance firm performance (Anderson and Lenen, 1999). This perspective is consistent with Cadez and Guilding (2008), who found that strategic management accounting usage including strategic decision making, planning, costing, controlling, performance measurement, strategic decision making, customer focus and competitor analysis have an impact on the firm’s performance that can be explained by contingency framework.

According to Pizzini (2006), found that dimensions of cost management effectiveness, including accuracy, completeness, timeliness, reliability and relevance impact on cost information usefulness and firm performance. Swenson (1995) found that cost management effectiveness supported the strategic and operational decisions such as product design, sourcing, pricing, product mix, customer satisfaction, performance measurement and profitability. These results correspond to Nicolaou (2002), who suggested that cost management effectiveness supports a firm’s strategic decision making.

2.2.1.4 Effectiveness

According to literature, Anderson and Lanen (1999) found that management accounting, including cost management was used primarily to ensure continuous innovation of new ways of doing business for enhanced competitive advantage i.e. identifying improvement opportunities. Gosselin (1997) suggested that cost system such as activity-based costing, should be properly managed for a sustainable competitive advantage. Moreover, Nicolaou (2002) suggested that cost management effectiveness could significantly influence a firm’s ability to achieve and maintain a competitive position in the industry thus establishing market leadership.

Business strategies of government agencies and programs; and private companies are significantly different from strategies of non-governmental organizations (Banker et al., 2011). Most non-profit and government organizations experience difficulties in using the original structure of the Balanced Scorecard, which places the financial perspective at the top of the hierarchy (Banker et al., 2011). Since profitability or increasing market share is not the primary objective for most of the governmental and non-governmental organizations, the structural framework of the BSC can be rearranged to place satisfaction
of customers of these organizations or the goodwill of the constituents at the top of the hierarchy (Banker et al., 2011).

According to Kaplan and Norton (2001a; 2000), exclusive reliance on financial measures in a management system is incomprehensive, as financial measures are lag indicators that report on the outcomes from past actions. Exclusive reliance on financial indicators could promote behaviour that sacrifices long-term value creation for short-term performance thus negatively impacting on the organisation’s future sustainability (Porter, 1992; AICPA, 1994).

2.2.2 Effects of the Balance Scorecard on Financial stability

Many organizations still rely on traditional financial performance measures such as return on investment, however an over reliance on these financial metrics can distort strategy building and may conflict with strategic objectives (Tangen, 2004). According to Niven (2002), reliance on financial measures only is insufficient for measuring the performance of organizations for several reasons such as: inadequate value assessment of intangibles, little predictive power, financial performance maximization at the expense of cross-functional performance and lack of direct relevance to personal prospects. Additionally, as pointed out by Hayes and Abernathy (1980), financial measures look for short term earnings at the expense of long term thinking, thus creating a limitation on the vision of the organisation.

According to Kaplan and Norton (2001), the creation of the balance scorecard bears from the understanding that financial measures, traditionally considered as critical in performance evaluation of firms, weren’t sufficient for this scope in the current dynamic global market because there exist other important aspects such as customer service on which to focus the attention. Financial measures represent ex-post indicators or lagging indicators and thus the inclusion of non financial factors or leading indicators in the balance score card (Tardivo and Viassone, 2010).

According to Fouladgar, Chamzini, and Zavadskas, (2011) to enhance strategy of firms, management should aim at enhancing value addition to customers, decreasing the costs, ensuring risks reduction and mitigation and increasing the investments.
Ittner and Larcker (1998) states the financial perspective, with the objective of realizing long-term stockholder’s equity, is divided into growth strategy encompassing expanded revenue opportunities and enhanced customer value and productivity strategy which includes improved cost and asset utilization. A growing empirical literature in accounting, operations management and marketing has provided evidence of a significant set of relationships between a firm’s overall customer satisfaction and operational and financial performance measurements (Ittner and Larcker, 1998). These functional areas approach the study of these relationships from divergent perspectives but all share the common goal of understanding what variables are critical to the firm financial performance (Ittner and Larcker, 1998).

Research in accounting and operations management has demonstrated a significant linkage between customer satisfactions, operational measures of performance and financial performance (Banker, 2000; Behn and Riley, 1999). However, research conflicts as to whether nonfinancial variables are contemporaneous measures (Behn and Riley, 1999) or leading indicators of financial performance (Ittner and Larcker 1998). While marketing theory suggests increased profitability is attributed to both increased price premiums and increased repeat business, Banker, (2000) found that increased profitability was only related to increase in repeat business through customer retention and creation of customer loyalty.

A fruitful stream of research has identified and documented a strong positive relationship between customer satisfaction, market share and profitability (Anderson, 1994). This linkage has been found to be especially stronger for services than for goods (Johnson and Fornell, 1991). Research has also identified a significant relationship between customer satisfaction and customer loyalty. Therefore, customer loyalty has been shown to have a significant impact on future costs and revenues resulting in outstanding financial performance (Anderson, 1994).

2.2.2.1 Financial versus Non-financial Indicators

Jack Welch of General Electric, GE not only felt that the balanced scorecard was effective, he further believed that there are only three key performance measures that
companies’ need to worry about that is cash flow, customer satisfaction, and employee satisfaction (Wade, 1997).

Financial measures have been the most widely used means of performance measurement in the past and they include return on equity (ROE), profit margin, etc (Kaplan and Norton, 2000). Companies have developed sophisticated systems to help measure their financial performance, however, these systems do not measure non-financial performance, which is an area of increasing importance in the current dynamic economic environment (Anthony, 1998).

Throughout the 1970’s, several large businesses like IBM, Pan Am and Xerox were market leaders in their industry and performing well according to financial performance measures (Anthony, 1998). By the early-to mid1980’s, all three companies were displaced as market leaders by competition (Anthony, 1998). Non-financial measures like provision of quality products and services, customer satisfaction, knowledge and skills human capital and innovation became increasingly important, and competitors were focused on these non-financial areas. IBM, Pan Am and Xerox focused primarily on financial performance indicators, which did not show problems facing the companies until it was too late because they are mostly lagging indicators like ROE (Anthony, 1998).

2.3 Impact of the Balance Scorecard on Customer Focus and Customer Satisfaction

Many companies today have a core corporate mission that focuses on the customer. "To be number one in delivering value to customers" is a typical mission statement. How a company is performing, based on its customers' perspective and views has become, therefore, a priority for top management (Kaplan and Norton, 1992). The balanced scorecard demands that managers translate their general mission statement on customer service into specific realistic measures that reflect factors such as quality that really matter to customers (Kaplan and Norton, 1992).

2.3.1 Impact of the Balance Scorecard on Customer Focus

Customer perspective focuses on providing added value for the customer in the areas of price, quality, availability, accessibility, service, partnership, and reputation in order to
support the core outcomes of customer acquisition, customer satisfaction and customer retention (Kaplan and Norton, 1996).

Kaplan and Norton (2001), suggests that management should analyze how the customers view the company by measuring lead times, quality, performance and service, and costs. Management should also determine what the company must excel in including the operation and production processes and competencies that are most critical such as cycle time, quality, employee skills, and productivity and analyze the ability of the company to enhance its performance in ensuring customer satisfaction through launch of new customized and quality products, continuous improvements, creation of value and improve operating efficiencies (Kaplan and Norton, 2001).

Customer focus has a positive impact on the organizational performance since it promotes customer loyalty (Chong and Rundus, 2004; Nilsson, Johnson and Gustafsson, 2001; Ittner and Larcker, 1996; Anderson, Rungtusanatham and Schroeder, 1994). It may also directly affect the financial performance of a firm especially on profitability and return on capital through market expansion, increasing market share (Zeithaml, Parasuraman and Berry, 1993; Fornell, 1992) and improving profitability (Kumar, 2009).

In the past, organization’s managers emphasized only on meeting financial perspective of the company but due to the dynamic changes in the economic environment, today they have found out that financial performance depends upon the customer's satisfaction or lack of satisfaction (Kaplan and Norton, 2001). Customer’s satisfaction or lack of satisfaction is also the result of efficiency, cycle time, return and quality of the organizations’ processes and operations. The ability of the company to accomplish these processes depends on the operational capacity, human power quality, incentives, management and information systems (Enteshari, Abadi, Karbasi, and Soltani, 2012).

Recently, businesses have introduced a system for improving their responsibility to the customers in terms of job improvement review (Kaplan and Norton, 2001). For example, small quantity batch production increases cost but improve efficiency of management. Companies have introduced the balanced scorecard to evaluate their management and employee job performance based on its specific parameters as part of improvement in its overall performance (Cho, Choi, Kang, Park, and Yang, 2010).
According to Jacob (2004); NIST (2002), the six quality management factors that are strategic planning; customer focus; leadership; measurement, analysis and knowledge management; human resource management; and process management have a positive impact on customer satisfaction (Poon and Canon, 2012).

A company should measure its performance through the view point of customers’ eye to eliminate biasness in evaluation (Ittner and Larcker, 1996). To put the balanced scorecard to work in rating performance, companies should articulate goals for time management, cycle time, provision of quality goods and service and then translate them to achievable targets (Kaplan and Norton, 2001). In addition to measures of time, quality, and performance and service, companies must remain sensitive to the cost of their products (Kaplan and Norton, 2001). Increased cost of production reduces its profitability, thus economies of scale should be used to reduce cost of production, allocate pricing well thus increase profitability and ensure customer satisfaction (Kaplan and Norton, 2001).

Customer based measures are important and they must be translated into parameters of what the company must do internally to meet and exceed its customers' expectations (Ittner and Larcker, 1996). Excellent customer performance derives from quality and strategic processes, decisions and actions occurring throughout an organization (Kaplan and Norton, 2001). Managers need to focus on those critical internal operations that enable them to satisfy customer needs. The Scorecard should stem from the business processes that have the greatest impact on customer satisfaction such as factors that affect cycle time, quality, employee skills, and productivity (Kaplan and Norton, 2001).

Kaplan and Norton (1992), a company's ability to innovate, create, improve and learn ties directly to the company's capacity and value, through the ability to launch new products, create more value for customers and improve operating efficiencies continually. Thus a company should have the ability to penetrate new markets, increase market share and increase revenues and margin resulting in growth and increase in shareholder value (Ittner and Larcker, 1996).

Customers' perspective aims at individuating objectives and measures to control the level of customer satisfaction through numerous rating indices, like the rate of acquisition of new customers, the market share of the chosen segment and customer retention (Tardivo and Viassone, 2010).
According to Tardivo and Viassone, (2010) internal processes perspective controls the ability of an organisation to develop new productive processes and enhance it production technology in line with the market trends. The most used indices are the time to introduce and market a new product and the number of new processes implemented as they have a direct impact on customer satisfaction (Tardivo and Viassone, 2010).

2.3.2 Effect of Balance Score Card on Customer Satisfaction

Many researchers argue that efficient management influence customer satisfaction levels (Siddiqui and Rahman, 2007; Yang, 2006; Lin et al., 2005) and that customer focus is a critical factor to increase customer satisfaction, customer retention, competitive advantage and business profitability (Chong and Rundus, 2004; Crosby, 1996; Juran, 1992; Narver and Slater, 1990).

According to Ittner and Larcker (1998), higher customer satisfaction contributes to better performance through lower marketing, sales and advertising costs or due to lower price elasticity of demand. In their study of the Swedish market, Anderson, Fornell, and Lehmann, (1994), using 1989 to 1990 company-level market share data, suggest that high customer satisfaction positively impacts future financial returns and market leadership. Customer satisfaction can improve profitability because it influences customer retention and the repurchase behavior of customers (Stank, Goldsby, and Vickery, 1999; Verhoef 2003).

Thus, customer satisfaction leads to customer loyalty, which in turn contributes to the increased profitability of a firm (Anderson, 1994). In addition, satisfied customers may be willing to pay premium prices for products, due to value addition and improved quality thus also contributing to increased profitability (Anderson, 1994).

Dresner and Xu (1995), in addition to examining the impact of efficient customer service on customer satisfaction, also looked at the impact of satisfaction on profitability of a company. Their finding suggests that increased satisfaction contributes to higher profits, even after putting controls on the additional costs involved in providing that higher level of satisfaction. Thus higher levels of customer satisfaction lead to improved overall firm’s performance (Ittner and Larcker, 1998).
Fouladgar, Chamzini, and Zavadskas (2011) states customer satisfaction results from improvement in the level of provision of customer service and effective supply chain management. Business strategy outlines how to successfully grasp and retain target customers and is an essential factor for improving financial performance. Customer service perspective not only measures the output of delayed indices but also define the success in fields related to the customer like satisfaction, customer’s support and growth and the value addition to the target customers. Selecting the value addition to the customer is the basic element of the strategy (Enteshari, 2012). Organizational achievements include sustained high levels of performance in customer satisfaction across a range of customer attributes such as market share, demand and customer preferred interest on the features of goods and services (Gadd, Oakland, and Porter, 1998).

Customer’s satisfaction or lack of satisfaction also results from efficiency, return and quality of the organization processes. The quality of accomplishment of these processes depends on the human power quality in terms of knowledge, skills, expertise, training, incentives, their authority and information systems (Enteshari, 2012).

Knowledge, skills and ability level of the people involved in implementing the balance scorecard system and running the organisation operations impacts on the level of customer satisfaction (Hatch, Lawson, and Stratton, 2007).

Wealth management in terms of bank performance measurement, organization, management practices and competitive advantage influence lead in innovation system programming, quality banking operations for customers, internal customer satisfaction, certified financial integration platform for professionals and management stratum support thus ensuring institutions such as banks attract and retain customers through customer satisfaction (Lin, Tsai, and Cheng, 2008).

Corporate competency aims to achieve the primary objective of customer satisfaction by enhancing product features, introducing new lines of product, being the first business to introduce new products and techniques, using advanced technology, quick to respond to customers’ needs and offering after sales services (Henri, 2006).
Kaplan and Norton (2004), effective strategy incorporates a view from the customer and stakeholder perspective and includes an understanding of customer needs especially on product and service characteristics, desired relationships to be established with internal and external stakeholders and the corporate image that the organization seeks to portray. If customers are not satisfied, they will find other suppliers that are more sensitive to their needs and desires (Ittner and Larcker, 1998). Poor performance in customer focus is a leading indicator of future decline in growth and sustainability of the organisations, even though the current financial picture may look good as it will eventually lead to decrease in market share as the customers move to where they feel they will get better services (Ittner and Larcker, 1998).

Kaplan and Norton (2004) postulate that customer might be concerned with the amount of time a manufacturer takes to introduce a new design (research and design cycle), or in how quickly the manufacturer can deliver a product (production cycle). The goal of an organisation is to be perceived as the most innovative and creative supplier to the industry, thus new product introduction cycle time is a vital statistic in measuring organisational performance (Kaplan and Norton, 2004). Innovators should spend resources in terms of money, human capital and time wisely in research and design so as to come up with innovative and creative products that meet or surpass the customers’ needs and expectations so as to cut a niche in the market segment by becoming a market and product leader resulting in yield of high profits (Kaplan and Norton, 2004).

Treacy and Wiersema (1995) earlier studies of the Balanced Scorecard did not specially address the formulation of an organisation strategy. Treacy and Wiersema (1995) propose that the customer perspective of a company’s scorecard and the formulated strategy map, must match the company’s strategy to focus on its customers, thus creating customer value discipline and promoting customer loyalty.

Treacy and Wiersema (1996) propose that, to accomplish maximum effectiveness in customer service, a company must pursue one of the three customer value disciplines that is Operational excellence: providing customers with reliable products or services at competitive prices while ensuring ease in their availability and accessibility with minimal difficulty or inconvenience, Product leadership: provision of products that continually
redefine the state of the art and innovation and Customer intimacy: selling the customer a total solution to their needs, not just a product or service.

One of the critical keys to formulating a successful Balanced Scorecard is the linkage between the measures in the customer perspective and the company’s operational value discipline (Knapp, 2001). The parameters in the customer perspective should indicate the success or failure of the company’s value discipline (Knapp, 2001).

The company’s customer value discipline also has a great impact on the other measures in the company’s scorecard such as finance, learning and growth and operational efficiency (Kaplan and Norton, 2004). According to Knapp (2001), parameter metrics in the business process perspective, should reflect and directly support the company’s customer value discipline as stipulated in its strategy. For example, a company that pursues a product leadership value discipline should focus on creativity and innovation. The lack of these innovative and creative measures characterizes a weak link between the stated value discipline and the internal operational processes of the company that execute the strategy (Knapp, 2001).

2.4 Relevance of Learning and Growth Perspective to Employees

Learning and growth perspective is directly linked to a company’s strategized value discipline and involves a company's ability to continuously learn, innovate, create and improve (Kaplan and Norton, 2005) and its competitive advantage (Day, 1994a; 1994b; Sinkula, 1994; Glazer, 1991). A strong internal human resource characterized by knowledge, skills and expertise, information communication and organizational capabilities are the ingredients of learning and growth (Walsh et al., 2006).

Intangible assets are the ultimate end resources of stable value creation. They describe the goals of growth and learning, the quality of persons’ skills and knowledge integration, advanced technologies and other related supportive factors to the organization’s strategy (Kaplan and Norton, 2005). The advancement of growth and learning measures are the leading indices for exemplary internal processes, customers’ satisfaction and financial performance (Enteshari, et al., 2012).
Human resource management has a significant impact on organizational performance (Ahmad and Schroeder, 2003; Samson and Terziovski, 1999; Delaney and Huselid, 1996) and can enhance its competitive advantage in the market (Wright, McMahan and McWilliams, 1994). Effective human resource management is especially important in the service industry because employees have direct one on one contact with customers (Sit et al., 2009; Bartel, 2004). Some literature claims that customer satisfaction is also influenced by employee satisfaction, morale and staff turnover rate (Voss, Tsikriktsis, Funk, Yarrow and Owen, 2004; Heskett, Jones, Loveman, Sasser and Schlesinger, 1994) and operation efficiency (Bourne, 2003), which in turn affects the financial performance (Rucci, Kirn and Quinn, 1998) and impacts on the overall organizational performance (Madu, Kuei and Jacob, 1996).

Leadership helps an organization to improve in its business operations (Samson and Terziovski, 1999) therefore, increases customer satisfaction (Wilson and Collier, 2000). It has been established that exemplary leadership plays a great role in organizations as it has a substantial effect on financial performance (Koene, Vogelaar and Soeters, 2002; Avolio, Waldman and Einstein, 1988). Leadership also drives other quality management factors, such as strategic planning, controlling and coordination organisational resources, human resource management, production and operational process management and analysis to improve financial performance (Fotopoulos and Psomas, 2010; Wilson and Collier, 2000).

Enteshari et al. (2012) strategic principles are formed around human resource development, innovation, organization planning, and learning while emphasizing on use of advanced information technology.

2.4.1 Relevance of Organization Learning on Employees

Senge (1990), a learning organization is an organisation where new expansive patterns of thinking are nurtured and cultured into the system, people continually learn and expand their capacity to create the results they desire, collective aspiration is set free and teamwork is promoted to see the whole together. Teamwork enables people to work together and accomplish things that they cannot do individually (Senge, 1990). A learning organization promotes its operational stability as it builds collaborative work relationships that draw strength from the diverse knowledge, skills, experience,
capabilities, and ways of doing things that people and communities have cultured (Senge, 1990).

A learning organization facilitates both individual and organizational learning with a view to continuously transform itself in accordance to the current market trends, let go of the past and learn from its business experience and take the risk to try new ways in the future (Senge, 1990).

Senge writes that continuing learning, both individual and collective enables a learning organization to value and derive competitive advantage. The five disciplines of a learning organisation are system thinking, personal mastery, mental models, shared vision and team learning (Senge, 1990). Senge proposes that people should put aside their old ways of thinking and doing (mental models), learn to be open with others (personal mastery), understand how their company really works (system thinking), form a plan everyone is on board with (shared vision), and then work effortlessly together to achieve that vision (team learning).

Organizational learning is one of the most critical valuable dynamic capabilities (Teece, Pisano and Shuen, 1997) and enhances organizational performance (Wageman, 1995). Organizations can ensure they gain and retain competitive advantage through training and improving their learning ability and skills (Skerlavaj et al., 2007; Zack, 2005; Bontis, Crossan and Hulland, 2002).

Employee attitudes directly impact on customer satisfaction, particularly in the service industry. Therefore, improvement on employee attitude promotes customer satisfaction and increase in revenue returns (Rucci et al., 1998). Continuous training is recommended to improve the working attitude and morale of staff (Wang et al., 2006). Kaplan and Norton, (2004) found that employees with the right set of skills, talent, knowledge, attitude and are well remunerated have a great impact on business process improvement resulting in improved sales turnover.

In knowledge based economies, companies can sustain their competitive advantage by adequately using the skills, knowledge and expertise of their employees (Burrows, Drummond and Martinsons, 2005). Development of a formal knowledge management system that is sensitive to the employees’ needs and wants is necessary because it increases knowledge transfer throughout the organization, improve employees’ skills and
create a favourable working environment (Kaplan and Norton, 2004; Poon and Canon, 2012).

Tardivo, and Viassone, (2010) learning and growth perspective of the BSC is based on intangible assets and inter-linked with human capital concepts (competencies, capacities, knowledge), technological informative capital (databases, ERP systems, intranet systems) and organisational capital (organisational culture, styles of leadership, management and teamwork).

Learning and growth entails innovation, creativeness, and the use of advanced technology, competent staff and continuous improvement of the labour force efficiency through team building activities, training and remuneration (Fouladgar, Chamzini, and Zavadskas, 2011). The non-financial perspectives that are customer service, internal business processes and learning and growth reveal how the firm is working and preparing its future (Malina and Selto, 2001).

According to Thompson and Mathys (2008) the Aligned Balance scorecard (ABS) main distinction from the original balance scorecard is its dynamic proposal on an organizational cause and effect chain link of activities to support strategy. The Aligned Balance scorecard (ABS) framework proves valuable as it identifies how the organizational strategy clearly influences learning and growth towards internal processes improvement and proposes a feedback move where strategic plans are translated and implemented into action plans for learning and growth activities (Thompson and Mathys, 2008).

Firms seam to value non financial indicators such as organisational learning and growth indicators especially human resource skills, motivation and technology as they impact on internal business processes and influence customer satisfaction (Curado and Manica, 2010).

2.4.2 Relevance of Organization Growth on Employees

Growth can be defined as an increase in size or quantity of different variables (Oxford, 2010). In the context of this study growth in general refers to increase in size (Storey et al., 2007). In research, different ways and measures have been used to determine firm
growth (Storey, 2007). This may be one reason for the contradictory results reported by previous studies (Weinzimmer 2000), though other explanations have also been presented. Change in the firm’s sales turnover has been the most frequently used measure for growth (Ittner and Larcker, 1998). Another typical measure used to determine growth has been rate of employee turnover (Ittner and Larcker, 1998). It has been found that these measures, frequently used in the Micro and small enterprises, MSE context, are strongly inter-correlated (North and Smallbone, 2003; Storey et al., 2007). However, such an inter-correlation may not exist among capital-intensive large companies.

Firm growth may be subject to the Gibrat law which states the size of a firm is immaterial with regard to the probability of a proportional increase in such size over a specified interval (Suresh, 2007). According to Gibrat law occurrence of such a proportional increase is independent of the size of a firm (Suresh, 2007). Therefore, the Kenyan MSEs have an equal capacity to grow despite their sizes as its growth is associated closely to the firm’s overall success and survival. This is mainly because growth has been used as a vital measure of success in business and is an important precondition for the achievement of other financial goals of a business (Storey, 1994). Also, as Brush and Vanderwerf (1992) suggest, growth is the most appropriate indicator on the performance of firms in measuring their future sustainability.

Dakhli and deClercq (2004), using data from the World Values Survey, provided empirical statistical support that social capital have a positive impact on innovation and operational process. Moreover, Fairchild (2002) with the use of Balance Scorecard (BSC) in discussing knowledge management stipulates that knowledge includes concepts such as culture, custom, values, training, expertise and skills. Kaasa (2009) considers social capital as a relevant innovative activity and refers to it as the sum of networks, trust and norms. Finally, Kaasa (2009), defines the aggregate social capital as the sum total of individual social capital of all persons who are involved in innovative activities of an organisation, and constructs six factors of social capital using factor analysis. Furthermore, Kaasa (2009), measures the impact of these factors on the innovative activities in an organisation to determine the significant role of social capital on innovation. Jamali et al., (2011) and also Molina-Morales, Martinez-Fernandez (2010) confirmed the vital role of social capital in partnerships and networks on creativity and
innovation performance. Adam (2011) investigated the impact in regional technological innovation systems on the firm’s growth. According to Ghazinoory and Soofi (2012), human resource development entails promoting continuous training and learning work environment as it enhances growth employees and facilitates mobility of human resources.

Gadd, Oakland, and Porter (1998) self assessment is a strategic business management and improvement tool that managers and employees use to assess their performance in achieving the organisational goals and targets and to determine where corrective measures need to be taken. Self-assessment enables management and employee to be involved in improvement of organisational performance, builds on the initial success and promotes team work which is essential for success in any knowledgeable worker organisation (Gadd, Oakland, and Porter, 1998).

The factors comprising the learning and growth perspective in the case of wealth management banks include employees’ professional knowledge and growth, education and training of the work force, banks management and leadership style, complaint system, information communication system and appropriateness of performance policy for rewards and punishments (Lin, Tsai, and Cheng, 2008).

Herzberg's motivation theory (1966) argued that there must be a link between striving, performance and remuneration to ensure appropriateness of performance policy on rewards and punishments. Academicians have also indicated that linking remuneration and performance to the performance bonus system can enable wealth managers to work more effectively with increased motivation due to the increased incentives thus promoting customer focus and satisfaction leading to improved organisation performance (Lin, et al., 2008).

To achieve goals and targets on research and design cycle time, quality, productivity, and cost managers must devise measures that are influenced by employees' actions (Lin, et al., 2008). Therefore, the measures will link top management's decisions on key internal processes and competencies to the actions taken by individuals that affect overall
corporate objectives (Kaplan and Norton, 1992). This linkage ensures that employees at lower levels in the organization have clear targets and goals for actions, decisions, and improvement activities that will contribute to the company's overall mission (Kaplan and Norton, 1992).

2.5 Chapter Summary

The chapter provides a theoretical background on balanced scorecard and its role enhancing efficiency of customer service in an organization. It stated the findings of previous studies on BSC, outlined the framework of the BSC in relation to the organisational strategy map as well examining the measurement parameters in determining the effectiveness of the balance scorecard in enhancing the efficiency in customer service department of organizations. The goals of financial perspective, customer focus and satisfaction and learning and growth perspective of the BSC have been linked to each other with a sequence of casualty relationships (Pearce and Robinson, 2007).

In determining the impact of the BSC on financial funding and stability and its relation to customer service, the study used the aid of financial performance rating metrics such as cash flows, sales turnover, profitability and return on capital to establish the organisational financial performance (Malmi and Brown, 2008).

Under impact of the BSC on customer focus and satisfaction the chapter discusses that the fundamental objective of the BSC in enhancing customer service through provision of products and services that are sensitive to customers need and sourcing for regular feedback from customers (Kaplan and Norton, 2001).

Under the impact of the scorecard on organisational learning and growth the studies advocated for continuous learning and training of employees to enhance their skills, knowledge and expertise in their specialized field and the use of advanced technology in business process as this directly impacts positively on customer satisfaction (Ittner and Larcker, 1998).

In Chapter Three, the study will focused on the research design and methodology used in collecting and analyzing the data.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This study examined the effectiveness of the balance scorecard in enhancing efficiency in customer service department of organizations. The paper examined the value of Balanced Scorecard as a strategic management tool in measuring the organizational performance of commercial banks and microfinance institutions against strategic goals.

This research was a descriptive survey intended to establish the role of balance scorecard in ensuring organisational success. This chapter outlines how the study was conducted to investigate the effectiveness of the balance scorecard in enhancing the efficiency in customer service in organizations. It discusses the research design, population, sample design, data collection methods and an overview of how data was analyzed.

3.2 Research Design
The research design used was a descriptive study aimed at determining the effectiveness of the balance scorecard in enhancing efficiency in customer service department of organizations. This design acquired a lot of information through description and was useful for identifying variables, seeking information on them and determining the correlation between variables.

According to Cooper and Schindler (2000), a descriptive study is concerned with finding out who, what, where and how of a phenomenon. This study was aimed at providing background of a situation and also a detailed relative accurate picture, therefore it was descriptive as it measured how the balance scorecard impacted on an organisations level of customer service and customer satisfaction.
3.3 Population and Sampling Design

3.3.1 Population

A population is the total collection of elements about which to make some inferences (Cooper and Schindler, 2000). A population element is the subject on which the measurement is being taken (Cooper and Schindler, 2000).

The population in this research study focused on 200 middle level managers and employees of commercial banks and micro-finance institutions in Nairobi irrespective of their gender, race, age group, education and social economic status. The researcher focused on financial institutions that used the balance scorecard with a target of customer service department, finance department and human resources department and general operations management in order to determine the correlation of these variables in enhancing customer satisfaction and business operations to improve organisational performance.

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

According to Cooper and Schindler (2000) a sampling frame is a list of elements from which the sample is actually drawn and closely resembles to the population. The basic idea of sampling is that by selecting some of the elements in a population, we may draw conclusion about the entire population. Cooper and Schindler, (2000) the validity of the sample chosen depends on two considerations: accuracy (degree to which bias is absent from the sample) and precision (measured by the standard error of estimate thus an ideal sample design produces a small standard error of estimate).

The registers obtained at the Central Bank of Kenya (CBK) database provided a list of names of licensed commercial banks and microfinance institutions authorized to provide financial services, their locations and names of the executive management from which the sample was obtained. The organisational structure of the companies surveyed provided a list of departments to be researched on.
3.3.2.2 Sampling Technique
The researcher used probability sampling where each organisation was given a non-zero chance of selection. According to Cooper and Schindler (2001), probability sampling allows each case an equal chance to be selected from the population.

The population was divided into different respondent groups, which was a naturally occurring stratum. A sample was then selected randomly from each stratum. The respondents were divided into middle level managers and employees working in finance, customer service and human resource departments of five commercial banks and microfinance institutions located in Nairobi taking into consideration the representative branches of each of the financial institution. This ensured that every possible respondent was given an equal chance of participating in the research. The respondents were picked randomly to avoid errors due to biasness.

The probability sampling method that was used in the study was stratified sampling technique. Stratified sampling technique is where each stratum is properly represented so that the sample drawn from it is proportionate to the stratum’s share of the population (Welman and Kruger, 2001).

3.3.2.3 Sample Size
According Saunders, Lewis and Thornhill, (2003) a sample size is the proportion of the total population selected for a probability sample. A sample size is the selected element to be studied or subset of a population (Cooper and Schindler, 2000).

Since it was not possible to access the whole population of interest due to the large number involved, a sample frame of 5 financial organisations was used. Random sampling was undertaken to give the best chance of collecting unbiased data and ensure groups in the population were adequately represented. As illustrated in table 3.1 below, the participating organisations were randomly selected and proportional stratified sampling was used to select 20 employees from each company so that the total number of individuals sampled was 100 respondents.
<table>
<thead>
<tr>
<th>Organization</th>
<th>Sample</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-Operative Bank</td>
<td>20</td>
<td>45</td>
</tr>
<tr>
<td>Family Bank</td>
<td>20</td>
<td>55</td>
</tr>
<tr>
<td>Equity</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Faulu</td>
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<td>30</td>
</tr>
<tr>
<td>Rafiki</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
<td>200</td>
</tr>
</tbody>
</table>

3.4 Data Collection Methods

The study involved the use of a semi-structured questionnaire for primary data collection. This was administered by drop and pick method. The questionnaires were both open ended and close ended. The questionnaires were self administered to the respondents and also through face to face interviews between the researcher and some of the respondents.

The objective of the questions in the questionnaire was to determine the role of the balance scorecard in enhancing customer service and customer satisfaction in organizations. The key questions were those related to delivering quality customer service so as to meet the objective of the study. The questionnaire was in two parts; part one covered the general information of the respondents and part two covered questions on each of the research questions where section one dealt with rating the BSC on funding in ensuring financial stability, the second section rated the impact of the BSC on customer focus and satisfaction while the third section rated the impact of learning and growth perspective of BSC on customer service.

3.5 Research Procedures

The researcher conducted a pilot research study to determine the possible outcome of the study and to test the quality and validity of the questionnaire developed. A sample of 5 respondents was drawn from each category of respondents in the various organisations. The results of the pilot study were used to make any possible amendments to improve the questionnaire after which the final research study was carried out.
The field work then begun, covering the total sample size of 100 respondents. The questioner was administered through face to face interviews. Trained research assistants were used to aid in the data administration and collection so as to ensure ease in accessibility to all respondents. Where interviews had been booked punctuality was emphasized thus ensuring a high response rate.

3.6 Data Analysis Methods

The data collected was edited for completeness, accuracy and consistency after which it was analyzed. The data was then entered by the use of data capturing software and exported to Statistical Package for Social Sciences (SPSS) where it was further checked for consistency and analyzed. The information obtained from SPSS was then interpreted, reported and presented in frequency tables, bar graphs and pie charts.

Quantitative data analysis method used was used in the research with the aid of descriptive statistics. Descriptive statistics is concerned with the numerical summarization of the data obtained for a group of individual units of analysis (Welman and Kruger, 2001). The large amount of quantitative data obtained could only be analyzed accurately using this method. The purpose was to describe the state of affairs at that particular time and to provide accuracy, completeness, reliability, relevance, flexibility and speed while analyzing the data.

The researcher used quantitative data analysis techniques where the data collected was represented in numerical form. The descriptive techniques used were frequency and percentage distributions, mean and standard deviation and development of bar graphs and pie charts as data presentation methods.

A regression model was also developed to test the relationship between the balance scorecard and level of customer service efficiency. The dependant variable was customer service efficiency while the independent variable was balance scorecard.

3.7 Chapter Summary

This chapter outlined the research methodology adopted in the study. It contains in detail the research design, population and sampling technique, data collection, research procedures and data analysis. The research design was descriptive quantitative survey
study aimed at determining the effectiveness of the balance scorecard in enhancing the efficiency in customer service department of organizations.

In the study, a population of two hundred subjects was targeted. A random sampling technique was used and a sample size of 100 respondents was then drawn from the population. The study used questionnaires which were both closed and open ended to collect primary data. The questionnaires were developed in line with the objectives of the study. The questionnaires were administered through face to face interview. The target respondents included middle level managers and employees of commercial banks and microfinance institutions working in customer service department, finance department, human resource department and the general operations management so as to investigate if the Balance scorecard improves the overall business performance especially in terms of customer service. Lastly the study used descriptive statistics to analyze the data. This was aided by use of the data analysis tool called Statistical Package for Social Sciences (SPSS). The output of the analysis was presented in tables and graphs.

Chapter 4 presents the results and findings of the study on the research questions with regards to the data collected from the respondents.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the results and findings of the study on the research questions with regards to the data collected from the respondents. The initial section covers the background information with respect to the respondents; consequently the second section covers the effects of the balanced scorecard on funding and financial stability on business operations. The third section looks at the extent to which the balanced scorecard affects customer focus and customer satisfaction in determination of success of the business, while the fourth section presents findings on how well human resources development in terms of learning and growth perspective of the balanced scorecard constitute the essential foundation for success of any knowledgeable worker organization. The target respondents were 100 employees deployed in various departments of the banks and micro-finance institutions involved in the study. At least 50% of the population under study was able to respond to the research questions.

4.2 Background Information

This section offers the background information with regards to the respondents’ age, gender, position, and the number of years. This was put into consideration because of the meaningful contribution it offers to the study as the variables help to provide the logic behind the responses issued by the respective respondents.

4.2.1 Gender of the Respondents

Table 4.1 shows that male respondents constituted 72 percent of the respondents while the female respondents accounted for 28 percent. This indicates that majority of the respondents were male.

Table 4.1 Gender of Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Male</td>
<td>72</td>
<td>72</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.2.2 Age of the Respondents

According to the study most of the respondents were between 30-40 years. Specifically 30 percent were 20-30 years old, while 42% were 30-40 years old respectively. Consequently 26 percent of the respondents were between 40-50 years percent while the remaining 2 percent were above 55 years old.

Table 4.2: Age of the Respondents

<table>
<thead>
<tr>
<th>Age of the Respondents</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td>20-30</td>
<td>30</td>
</tr>
<tr>
<td>30-40</td>
<td>42</td>
</tr>
<tr>
<td>40-50</td>
<td>26</td>
</tr>
<tr>
<td>Above 55</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2.3 Level of Education

Table 4.3 indicates that 54 percent of the respondents have undergraduate qualifications, as their highest education level. 28% reported that they had attained a post-graduate degree as their highest level of education while 12% have doctorate qualifications. Those who reported as having attained a diploma or any other qualifications as their highest education level made up 6% of the respondents.

Table 4.3: Level of Education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctorate</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Postgraduate</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td>Diploma</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Certificate</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
4.2.4 Department

Analysis of table 4.4 indicates that majority of the respondents, 43%; work in the customer service department while 23% are in the operations department. In addition, 14% of the respondents are in the finance department and 20% in the human resource department.

Table 4.4 Respondents Department

<table>
<thead>
<tr>
<th>Department</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Operations</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Human Resources</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Finance and Accounting</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>Customer Service</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

4.3 Effects of Balanced Scorecard on Funding and Financial Stability On Business Operations

The first objective of the study was to establish the effects of the balanced scorecard on funding and financial stability on business operations. The following subsection presents a summary of the findings in this regard.

4.3.1 Balance Scorecard and Financial Stability

As seen in the figure 4.1, it is evident that the balance scorecard has been used to enhance financial stability in most organizations. Specifically 52% went for perfect, 33% good, 11% fair, 2% bad and 2% pathetic. This is an indication that the balance scorecard enhances financial stability.
4.3.2 Satisfaction with Financial Evaluation Process

Figure 4.2, shows that indeed majority of the respondents are totally satisfied with the financial evaluation process by use of the balance scorecard. Specifically 41%, were totally satisfied, 32% were satisfied, 17% were not sure, 4% were dissatisfied and 6% were totally dissatisfied, with the financial evaluation process by use of the balance scorecard, an indication that indeed that the evaluation process is well above board.

4.3.3 Aspects of the Financial Perspective of the Balance Scorecard

The study revealed that indeed majority of the respondents, were very happy with the aspects of the financial perspective of the balance scorecard. As seen in the figure 4.3, Reliable funding was the best ranked (92%), accuracy (92%), fast (90%), timely funding (88%), adequate funding (88%), accountability and transparency (88%), effectiveness of the balance scorecard (87%), cost of funding (86%).
Respondents were further asked to state their liking of the financial perspective of the balance score card. As seen in figure 4.4, it is evident that a substantial majority (87%), agreed to this while only 13% disagreed.
4.4 Impact of the Balance Scorecard on Customer Focus and Customer Satisfaction

The second objective of the study was to establish the impact of the balance scorecard on customer focus and customer satisfaction. The following subsection presents the respondents views on how the balance scorecard enhances customer focus and customer satisfaction.

1.4.1 Challenges on ensuring Customer Satisfaction

Figure 4.5 show that indeed organizations face a number of challenges when ensuring customer satisfaction. It is evident that 71% of the respondents agree that they face challenges when ensuring customer satisfaction while 29% disagree.

![Figure 4.5: Challenges on ensuring Customer Satisfaction](image)

1.4.2 Shortcomings of Existing Organizational Structure and Internal Business Process

As seen in figure 4.6, it is evident that there are shortcomings that come about as a result of the existing organization structure and internal business process. Specifically 38%, said they were too many, 34% few, 11% not sure and 17% none.
Figure 4.6: Shortcomings of Existing Organizational Structure and Internal Business Process

4.4.3 Balance Score Card and Customer Service

Respondents were asked to state their opinion on how the balance score card impacts on customer service. As seen in table majority of the respondents agree that indeed the Customer Service perspective of Balance Scorecard is effective, user friendly, accurate, reliable and flexible to change.

As per Table 4.5 below, the respondents were asked to rate how the balance scorecard impacts on customer service on a similar 5 point mean ranking scale where 1 was “very poor” and 5 was “excellent”. The standard deviation (SD) shows the level of variation or dispersion from the average. A low standard deviation indicates that the data points tend to be very close to the mean or expected value while a high standard deviation indicates that the data points are spread out over a large range of values. A low standard deviation shows that the performance measurements of the scorecard agree with the theoretical prediction on the effectiveness of the impact of the BSC on customer service while a high standard deviation is a measure of a high degree of uncertainty among the variables hence the theory being tested should be revised.

The effectiveness and ease of use of the balance score card were rated 4.10 and 4.11 respectively with a standard deviation of 1.085 and 1.225 respectively. Other aspects like accuracy were ranked 4.50, reliability 4.20 and flexibility 4.02, each scoring a standard deviation of 1.116, 1.325 and 1.323 respectively.
Table 4.5: Balance Score Card and Customer Service

<table>
<thead>
<tr>
<th>Attributes of the Customer Service Perspective of the Balance Scorecard</th>
<th>Totally Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Don’t agree</th>
<th>Don’t agree at all</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective</td>
<td>70.0</td>
<td>20.0</td>
<td>5.0</td>
<td>2.0</td>
<td>3.0</td>
<td>4.10</td>
<td>1.085</td>
</tr>
<tr>
<td>User friendly</td>
<td>60.0</td>
<td>12.0</td>
<td>20.0</td>
<td>8.0</td>
<td>1</td>
<td>4.11</td>
<td>1.225</td>
</tr>
<tr>
<td>Accuracy</td>
<td>55.0</td>
<td>35.0</td>
<td>5.0</td>
<td>5.0</td>
<td>0</td>
<td>4.50</td>
<td>1.116</td>
</tr>
<tr>
<td>Reliable</td>
<td>72.0</td>
<td>15.0</td>
<td>3.0</td>
<td>5.0</td>
<td>5.0</td>
<td>4.20</td>
<td>1.325</td>
</tr>
<tr>
<td>Flexibility</td>
<td>69.0</td>
<td>24.0</td>
<td>7.0</td>
<td>0</td>
<td>0</td>
<td>4.02</td>
<td>1.323</td>
</tr>
</tbody>
</table>

In order to test the relationship between balance score card and customer service efficiency the following regression model was developed.

\[ Y_{(efficiency)} = C + BX_1 + BX_2 + BX_3 + \epsilon \]

Where:

\( Y \) = Customer Service Efficiency (dependent factor)

\( X_1 \) = Balance Score Card (independent factor) i.e.

- X1- Financial perspective
- X2- Customer perspective
- X3- Learning and growth perspective

C= Constant; any other factor that affects customer service efficiency other than the balance scorecard such as costs, sales promotion, advertisements, after sale services, internal business process and existing organization structure.

B= Co-efficient of the balance scorecard. That is between 0-1. If the variable is closer to 1 it shows that the balance scorecard is most effective however if it reflects more towards 0 the scorecard is less effective.

The dependent variable was customer service efficiency while the independent variable was balance scorecard.

The error factor represented any other effect of customer service efficiency.

As seen in table 4.6, the \( R^2 \) of the regression was 0.521 which implies that the included explanatory variables explained only 52.19 percent. The remaining 47.81 percent was explained by other explanatory variables not included in the model.
Table 4.6: Model Summary

<table>
<thead>
<tr>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>.724</td>
<td>.5219</td>
<td>.0197</td>
<td>10.534</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Micro Factors

As seen in table 4.7, it is evident that the balance scorecard enhances customer service efficiency, with a beta of .493 $Y_{(efficiency)}=1.976+0.493$ Balance scorecard

Table 4.7 Relationship between Balance Scorecard and Customer Service efficiency

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>1.976</td>
<td>4.638</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Customer Service</td>
<td>.493</td>
<td>.004</td>
<td>.947</td>
<td>.021</td>
</tr>
<tr>
<td>efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.5 Impact of Learning and Growth Perspective of the Balance Scorecard

The third and final objective of the study was to establish the impact of learning and growth perspective of balance scorecard. The following subsection presents a summary of the findings with regards to how respondents perceived this matter.

4.5.1 Success of the Balance Scorecard on Learning and Growth of Employees

As seen in the figure 4.7, a substantial majority of the respondents agree that indeed the success of learning and growth of employees is attributable to the balance scorecard. Specifically 81%, said yes while 19% were of the contrary opinion.
4.5.2 Learning and Growth Perspective that Need Improvement

Respondents, opinion was sought to establish the learning and growth perspective that need improvement. Their response was based on a likert scale of 1 to 5 where 1 was “doesn’t require improvement at all” and 5 was “requires improvement most”. A low standard deviation shows that the data variables are close to the mean hence reinforcing the theory while a high standard deviation indicates the need to retest the theory.

As seen in the table 4.8 it is evident that the areas of learning and growth that require improvement include: frequency of training 4.24, mode of training 3.96, availability of appropriate learning materials 4.36, cost of training 4.30, quality of information 4.24, accessibility to the information 4.13, fast 4.06, reliable data 4.03, updated data 4.28 as well as the learning process evaluation 4.224. The standard deviation on the various attributes of the learning and growth perspective of the BSC scored as follows frequency of training 1.224, mode of training 1.310, availability of appropriate learning materials 1.432, cost of training 1.432, quality of information 1.443, accessibility to the information 1.133, fast 1.225, reliable data 1.132, updated data 1.114 as well as the learning process evaluation 1.521.
Table 4.8: Learning and Growth Perspective that Need Improvement

<table>
<thead>
<tr>
<th>Statement</th>
<th>Require most</th>
<th>Require</th>
<th>Not sure</th>
<th>Doesn’t require</th>
<th>Doesn’t require at all</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency of training</td>
<td>55.0</td>
<td>40.0</td>
<td>5.0</td>
<td>0</td>
<td>0</td>
<td>4.24</td>
<td>1.224</td>
</tr>
<tr>
<td>Mode of training</td>
<td>45.0</td>
<td>32.0</td>
<td>10.0</td>
<td>13.0</td>
<td>0</td>
<td>3.96</td>
<td>1.310</td>
</tr>
<tr>
<td>Availability of appropriate learning materials</td>
<td>81.0</td>
<td>10.0</td>
<td>6.0</td>
<td>2.0</td>
<td>1.0</td>
<td>4.36</td>
<td>1.432</td>
</tr>
<tr>
<td>Cost of training</td>
<td>73.0</td>
<td>20.0</td>
<td>7.0</td>
<td>0</td>
<td>0</td>
<td>4.30</td>
<td>1.432</td>
</tr>
<tr>
<td>Quality of information</td>
<td>65.0</td>
<td>35.0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4.24</td>
<td>1.443</td>
</tr>
<tr>
<td>Accessibility to the information</td>
<td>76.0</td>
<td>5.0</td>
<td>6.0</td>
<td>14.0</td>
<td>0</td>
<td>4.13</td>
<td>1.133</td>
</tr>
<tr>
<td>Fast</td>
<td>35.0</td>
<td>35.0</td>
<td>15.0</td>
<td>15.0</td>
<td>0</td>
<td>4.06</td>
<td>1.225</td>
</tr>
<tr>
<td>Reliable data</td>
<td>34.0</td>
<td>35.0</td>
<td>26.0</td>
<td>6.0</td>
<td>0</td>
<td>4.03</td>
<td>1.132</td>
</tr>
<tr>
<td>Updated data</td>
<td>65.0</td>
<td>35.0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4.28</td>
<td>1.114</td>
</tr>
<tr>
<td>Learning process evaluation</td>
<td>76.0</td>
<td>4.0</td>
<td>7.0</td>
<td>14.0</td>
<td>0</td>
<td>4.224</td>
<td>1.521</td>
</tr>
</tbody>
</table>

4.6 Chapter Summary

In this chapter the researcher has provided the findings with regards to the information issued by the respondents. The initial section covers the background information with respect to the respondents; consequently the second section covered the effects of the balanced scorecard on funding and financial stability on business operations. The third section looked at the extent to which the balanced scorecard affects customer focus and customer satisfaction in determination of success of the business, while the fourth section presented findings on how well human recourses development in terms of learning and growth perspective of the balanced scorecard constitute the essential foundation for success of any knowledgeable worker organization. The next chapter offers the conclusion, summary as well as the discussions and the recommendations.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter has four sections which include the summary, discussion, conclusions, and recommendations in that particular order. The first section provides a summary of the important elements of the study which includes the study objectives, methodology and the findings. The second section provides a discussion of the major findings of the study with respect to the specific objectives. The third section presents the conclusions made on the basis of the specific objectives, while using the findings and results which are obtained in chapter four.

5.2 Summary

The general objective of this study is to determine the effectiveness of the balance scorecard in enhancing efficiency in customer service department of organizations. The study was guided by the following objectives: to determine the effects of the balanced scorecard on funding and financial stability on business operations, to determine the extent to which the balanced scorecard affects customer focus and customer satisfaction in determination of success of the business and to determine how well human resources development in terms of learning and growth perspective of the balanced scorecard constitute the essential foundation for success of any knowledgeable worker organization.

In order to achieve the above, the study adopted a descriptive research design in order to obtain the data that is necessary. This in essence helped to facilitate the collection of the primary data as a way of getting into the research objectives. The population under study was of 200 middle level managers and employees of commercial banks and micro-finance institutions employing the balance scorecard. In order to determine the sample size, the study adopted a probability sampling technique in the form of random sampling. The sample size was 100 respondents. The collection of the primary data was done using structured questionnaires which were pilot tested so as to ensure that there was reliability as well as validity.
Data analysis was done using of a computer application tool namely the Statistical Package for Social Sciences (SPSS) in order to generate the descriptive statistics such as percentages, mean and standard deviation and also to aid in accuracy, interpretation and reporting. The resulting data was then represented in bar graphs, pie charts and frequency tables.

The study revealed that the balance scorecard enhances financial stability by 85%. Additionally 73% of the respondents are totally satisfied with the financial evaluation process by use of the balance scorecard. It was also revealed that indeed 87% of the respondents were very happy with the aspects of the financial perspective of the balance score card. Reliable funding was the best ranked (92%), followed by accuracy (92%), fast (90%), timely funding (88%), adequate funding (88%), accountability and transparency (88%), effectiveness of the balance score card (87%), cost of funding (86%).

The study findings on the impact of the balance scorecard on customer focus and customer satisfaction revealed that there is a positive relationship between the balance scorecard on customer focus and customer satisfaction. Additionally it was revealed that respondents agree that they face challenges when ensuring customer satisfaction. Further the study established that majority of the respondents agree that indeed the balance Scorecard is effective 90%, customer Service perspective of Balance Scorecard is user friendly 72%, customer Service perspective of Balance Scorecard is accurate 90%, customer Service perspective of Balance Scorecard is reliable 87% and finally customer Service perspective of Balance Scorecard is flexible to change 93%.

The study further revealed that the areas that require improvement include: frequency of training 95%, mode of training 77%, availability of appropriate learning materials 91%, cost of training 93%, quality of information 100%, accessibility to the information 81%, fast 70%, reliable data 69%, updated data 100% as well as the learning process evaluation 80%.
5.3 Discussion

5.3.1 Effectiveness of the Balance Scorecard on Funding And Financial Stability

The study revealed that the balance scorecard enhances financial stability as 85% of the respondents noted so. Specifically 52% went for perfect and 33% choose good in terms of the balance scorecard’s ability to enhance financial stability. It was also revealed that indeed 87% of the respondents were very happy with the aspects of the financial perspective of the balance score card. The findings affirm that indeed organisations formulate strategies from the perspective of financial plans and through income and profit growth. Financial managers view the organisations’ strategy on how it tries to create a stable growth for investor. Strategic principles are formed around the value of investors, production management, quality, basic capacities, innovation, information technology and organization planning (Enteshari, Abadi, Karbasi, and Soltani, 2012).

Additionally majority of the respondents (73%) are totally satisfied with the financial evaluation process by use of the balance scorecard. It was also revealed that indeed majority of the respondents, were very happy with the aspects of the financial perspective of the balance score card. The findings also affirm that indeed the current business environment is characterized by fast change in customers, suppliers, competitors, technologies, and regulators. Therefore, all organizations need to continuously renew themselves to survive. Cost management focuses on the firm's strategic positioning, its overall value chain, and the full set of cost drivers for the firm (Lorenzoni, Shank, and Silvi, 1999). Malmi and Brown (2008); Langfield-Smith (1997), suggested that Cost management was management accounting technique for planning and control which is one of management control systems (MCS) for enhanced firm success.

Reliable funding was the best ranked (92%), followed by accuracy (92%), fast (90%), timely funding (88%), adequate funding (88%), accountability and transparency (88%), effectiveness of the balance score card (87%), cost of funding (86%). This finding agrees with the study by Enteshari et al., (2012), which established that indeed internal processes of ensuring accurate and timely funding of business operations create value to the customers. Organization financial perspective has been faced with a critical status from the view of environmental conditions and internal resources. Additionally Enteshari et al., (2012) states that in the past, organizations managers only thought to meet financial
perspective of the company but today they have found out that financial performance depends upon the customer's satisfaction or lack of satisfaction.

The findings also agree with Pizzini (2006), who found that dimensions of cost management effectiveness, including accuracy, completeness, timeliness, and relevance impact on cost information usefulness and firm performance. This is because aspects of the financial perspective of the BSC such as timely, accuracy, adequate and reliable funding were best ranked by employees scoring 54%, 52%, 48% and 52% respectively. This attributes contributes to increased firms’ performance. Swenson (1995), found that cost management effectiveness supported the strategic and operational decisions such as sourcing, pricing and product mix, customer profitability, product design and performance measurement. These results correspond to Nicolaou (2002), who suggested that cost management effectiveness supports a firm’s decision making.

The findings reiterates the literature, by Anderson and Lanen (1999), who found that management accounting, including cost management was used primarily to affect new ways of doing business to enhanced competitive advantage i.e. identifying improvement opportunities. Gosselin (1997) suggested that cost system i.e. activity-based costing, can be managed for a sustainable competitive advantage. Moreover, Nicolaou (2002) suggested that cost management effectiveness could significantly influence a firm's ability to achieve and maintain its competitive position in the industry.

5.3.2 Impact of the Balance Scorecard on Customer Focus and Customer Satisfaction

The study findings on the impact of the balance scorecard on customer focus and customer satisfaction revealed that there is a positive relationship between the balance scorecard on customer focus and customer satisfaction with a beta of 0.493 and that indeed the balance Scorecard is effective 90%, customer Service perspective of Balance Scorecard is user friendly 72%, customer Service perspective of Balance Scorecard is accurate 90%, customer Service perspective of Balance Scorecard is reliable 87% and finally customer Service perspective of Balance Scorecard is flexible to change 93%. 
The findings are in line with Kaplan and Norton (2001), who suggests that management should analyze how customers see the company by measuring lead times, quality, performance and service, and costs. 71% of the respondents agree that organisations face challenges when ensuring customer satisfaction and thus the organisation should tackle these issues to enhance customer service efficiency and also determine what the company must excel in including the processes and competencies that are most critical, and specify measures, such as cycle time, quality, employee skills, and productivity and analyze the ability of the company to enhance its performance in ensuring customer satisfaction through launch of new products, continuous improvements and creation of value and improve operating efficiencies.

The findings also agree totally with Fouladgar, Chamzini, and Zavadskas (2011), who states that Customer satisfaction results from improvement of the level of services and Customer Management of supply chain. Business strategy describes success in grasping target customers and is an essential factor for improving financial performance. Customer side not only measures the output delayed indices but also define the success in fields related to the customer like satisfaction, customer’s support and growth and the value presentable to the target customers. Selecting the value presentable to the customer is the basic element of the strategy (Enteshari et al., 2012).

Additionally the findings agree totally with Ittner and Larcker (1998), who established that indeed higher customer satisfaction contributes to higher performance; for example through lower marketing costs or due to lower price elasticity of demand. In their study of the Swedish market, Anderson, Fornell, and Lehmann, (1994), using 1989 to 1990 company-level market share data, suggest that the provision of high customer satisfaction positively impacts future financial returns. Customer satisfaction can improve profitability because it influences the repurchase behavior of customers (Stank, Goldsby, and Vickery, 1999; Verhoef 2003).

Finally the findings affirm that, customer satisfaction leads to customer loyalty, which in turn contributes to the profitability of a firm (Anderson et al., 1994). In addition, satisfied customers may be willing to pay premium prices for products, thus also contributing to increased profitability (Anderson et al., 1994). This is the same as what was established
by Dresner and Xu (1995), who revealed that increased satisfaction contributes to higher profits, even after controlling for the additional costs involved in providing that higher level of satisfaction. Thus higher levels of customer satisfaction lead to improved firm performance (Ittner and Larcker, 1998).

5.3.3 Impact of Learning and Growth Perspective of the Balance Scorecard

The study further established that the areas that require improvement include: frequency of training, mode of training, availability of appropriate learning materials, cost of training, quality of information, accessibility to the information, fast, reliable data, updated data as well as the learning process evaluation.

The findings show that indeed Knowledge level of the people involved in implementing their scorecard system and running the organisation operations impacts on the level of customer satisfaction (Hatch, Lawson, and Stratton, 2007). In the same regard the findings prove that organizational learning may be the most valuable dynamic capability (Teece, Pisano and Shuen, 1997) and learning can enhance organizational performance (Wageman, 1995). Organizations can enhance their competitive advantage through training and improving their learning ability (Skerlavaj et al., 2007; Zack, 2005; Bontis, Crossan and Hulland, 2002).

Additionally the findings show that employee attitudes affect customer satisfaction, particularly in the service industry, and the improvement of employee attitude increases customer satisfaction and revenue (Rucci et al., 1998). Therefore more training is recommended to improve the working attitude of staff (Wang et al., 2006). Kaplan and Norton, (2004) found that employees with the right skills, talent, and knowledge have a great impact on business process improvement and improve sales effectiveness.

The study findings also show that Dakhli and deClercq (2004), was right when he provided 'partial' statistical support that social capital have positive effect on innovation. Moreover, Fairchild (2002) in discussing knowledge management with the use of Balance Scorecard (BSC) includes concepts such as culture, custom, values and skills as the constituent parts of knowledge. Kaasa (2009) refers to the sum of networks, trust, norms,
as social capital and considers it "a relevant innovative activity". Finally, Kaasa (2009),
defines the aggregate social capital as the sum of individual social capital of all persons
who are involved in innovative activities, and constructs six factors of social capital using
factor analysis.

Furthermore, the study explains the argument by Kaasa (2009), who measures the effect
of these factors on the innovative activities at the regional level in Europe, and concludes
that social capital plays a significant role in innovation activities of the studied countries.
Jamali et al., (2011) and also Molina-Morales, Martinez-Fernandez (2010) confirmed the
role of social capital in partnerships and networks on the innovation performance. Adam
(2011) investigated the impact in regional innovation systems. According to Ghazinoory
and Soofi (2012), human resource development entails continuous training and promoting
learning and growth of employees while facilitating the mobility of human resources.

Finally the findings show that, the best, most efficient, most profitable way to operate a
business is to give everybody in the company a voice in saying how the company is run
and a stake in the financial outcome, good or bad. According to Case (1995), open-book
management is a way of running a company that gets everyone to focus on helping the
business makes money. Case further argues that open-book management takes the new
management ideas such as empowerment, TQM, and team work and gives them business
logic. In an open-book company, employees understand why they’re being called upon to
solve problems, cut costs, reduce defects, and give the customer better service

5.4 Conclusions

5.4.1 Effectiveness of the Balance Scorecard on Funding And Financial Stability

The study concludes that the balance scorecard enhances financial stability. Additionally
it can be concluded that most employees are totally satisfied with the financial evaluation
process by use of the balance scorecard. It can also be concluded that indeed most
employees are very happy with the aspects of the financial perspective of the balance
score card. Reliable funding was the best ranked followed by accuracy, speed, timely
funding, adequate funding, accountability and transparency, effectiveness of the balance
score card as well as cost of funding.
5.4.2 Impact of the Balance Scorecard on Customer Focus and Customer Satisfaction

The study findings on the impact of the balance scorecard on customer focus and customer satisfaction lead to a conclusion that there is a positive relationship between the balance scorecard on customer focus and customer satisfaction. Additionally it can be concluded that most employees face challenges when ensuring customer satisfaction. Further the study established that majority of the respondents agree that indeed the balance Scorecard is effective, customer Service perspective of Balance Scorecard is user friendly, customer Service perspective of Balance Scorecard is accurate, customer Service perspective of Balance Scorecard is reliable and finally customer Service perspective of Balance Scorecard is flexible to change.

5.4.3 Impact of Learning and Growth Perspective of the Balance Scorecard

The study findings on the impact of learning and growth perspective of the Balance Scorecard lead to a conclusion that the areas that require improvement include: frequency of training, mode of training, availability of appropriate learning materials, cost of training, quality of information, accessibility to the information, fast, reliable data, updated data as well as the learning process evaluation.

5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 Effectiveness of the Balance Scorecard on Funding And Financial Stability

The study recommends the need for organizations need to implement the balance scorecard so as to be able to track financial results while simultaneously monitoring progress though building the capabilities and as well acquiring the intangible assets they would need future growth. This will go hand in hand in ensuring that there is improved performance in all sectors of the economy and hence promote the growth of various industries.

5.5.1.2 Impact of the Balance Scorecard on Customer Focus and Customer Satisfaction

The balance scorecard should help improve communication between the management and customers in order to improve on the quality service so as to satisfy their customers’
needs. Additionally the management needs to improve quality services so as to satisfy customer’s needs. The management needs to pay much attention on the customer complaints in order satisfy the customers’ expectation. The firms should pay attention to those features that contribute to customer satisfaction such as loyalty, retention, rates which are rated very little/weak.

5.5.1.3 Impact of Learning and Growth Perspective of the Balance Scorecard

The study recommends that indeed with the conceptualization of the balance score card, it will enable the managers to gain knowledge and ability to know at any point in its implementation whether the strategy they have formulated is in fact working, and in case it is not working, they should be able to understand why.

5.5.2 Recommendations for Further Studies

Whereas no effort was spared in ensuring the objective of the study was achieved, the researcher faced some challenges that limited the extent to which the study be done. Time was a key limitation during data collection and analysis. There were cases of travelling constraints as the sampled organisations were located in different geographical areas. Other main limitation was during data collection as in some cases the respondents were unavailable delegating their responsibility a case which limited the extent of information availed to researcher. The study focused on a very sensitive area of Strategy in a turbulence market economic environment limiting the extent of information provided by respondents. Also, the study was cross-sectional collecting data at one point of time. A Longitudinal study would be useful in order to compare the different companies over a long period of time.
REFERENCES


Knapp, K. R., (2001), The balance scorecard: Historical development and context, as developed by Robert Kaplan and David Norton.


Lawrence, P.R., & J.W. Lorsch. (1967). Organizations and Environment. *Harvard University Press, Boston, MA.*


APPENDIX 1- INTRODUCTION LETTER

Faith Mutinda
United States International University
P. O. Box 1901-90100
Machakos, Kenya.

Dear Respondent,

RE: REQUEST TO TAKE PART IN A RESEARCH STUDY

I am a graduate student at United States International University in Nairobi. In partial fulfillment for the award of a Masters degree in Business Administration, I am carrying out a research study on the effectiveness of the balance scorecard in enhancing efficiency in customer service department of organisations.

Attached is a questionnaire that collects data to aid in the study. You have been selected as a participant for this study. I would like to kindly request you to take some time and read through the questionnaire and answer all the questions herein.

Your participation is essential to this study and will be highly appreciated. I assure you that the information you will provide will only be used for academic purposes and will be treated with utmost confidentiality.

Should you require a summarized report please indicate your contacts on the back of the questionnaire. I will send you a report on the findings. Once again thank you for your cooperation and time.

Sincerely,
Faith M. Mutinda
How to fill the questionnaire

The questionnaire has 2 parts, namely Part A and B.

Part 1 – This section has some demographic information. Kindly fill all the questions by either ticking the boxes or filling the spaces provided.

Part 2 – In Section A, you are required to rate some statements on the basis of effectiveness of the Balance Scorecard on funding in ensuring financial stability. The rating is on a scale of 1–5.

In Section B, you are required to rate some statements on the Impact of the Balance scorecard on customer focus and customer satisfaction on a scale of 1 – 5.

In Section C, you are required to rate some statements on impact of Learning and Growth Perspective of the Balance Scorecard on a scale of 1 – 5.

In the above 3 sections some statements will require you to provide your opinion by filling in the blank spaces.

Please answer all questions.
Part 1 - General Information

1. Name of the respondent (optional)………………………………………………

2. Gender: Male ( ) Female( )

3. Age
   20-30 years ( )
   30-40 years ( )
   40-50 years ( )
   50-55 years ( )
   Above 55 years ( )

4. Level of education
   Certificate ( )
   Diploma ( )
   Bachelors Degree ( )
   Masters ( )
   PHD ( )

5. Occupation
   Banking ( )
   Micro-finance ( )

6. Department
   Customer Service ( )
   Accounting and Finance ( )
   Human Resource ( )
   General Operations and Administration ( )

7. Does the organisation you work for use the balance Scorecard as a performance measurement tool
   1. ...................... Yes
   2. ...................... No

If yes, what do you know about the above mentioned tool (Balance Scorecard)?
Part 2

Section A: Effectiveness of the Balance Scorecard on funding and financial stability

1. Have you ever used the Balance Scorecard as a performance measurement tool on the financial stability of an organisation

1. ………………..Yes
2. ………………No

If Yes, how would you rate the evaluation?

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perfect</td>
<td>5 ( )</td>
</tr>
<tr>
<td>Good</td>
<td>4 ( )</td>
</tr>
<tr>
<td>Fair</td>
<td>3 ( )</td>
</tr>
<tr>
<td>Bad</td>
<td>2 ( )</td>
</tr>
<tr>
<td>Pathetic</td>
<td>1 ( )</td>
</tr>
</tbody>
</table>

2. Why do you say so?


3. How satisfied are you with the financial evaluation process by use of the balance scorecard in your organization?

<table>
<thead>
<tr>
<th>Satisfaction</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totally satisfied</td>
<td>1 ( )</td>
</tr>
<tr>
<td>Satisfied</td>
<td>2 ( )</td>
</tr>
<tr>
<td>Not sure</td>
<td>3 ( )</td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>4 ( )</td>
</tr>
<tr>
<td>Totally dissatisfied</td>
<td>5 ( )</td>
</tr>
</tbody>
</table>

4. How would you rate the following aspects of the financial perspective of the Balance Scorecard?

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Best</th>
<th>Good</th>
<th>Not sure</th>
<th>Bad</th>
<th>Worst</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timely funding</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Accuracy</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Adequate funding</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Cost of funding</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Fast</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Reliable funding</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
5. Do you like the financial perspective of the Balance Scorecard?
   1. Yes  
   2. No

If yes, what do you like about the financial perspective?

Section B: Impact of the Balance scorecard on customer focus and customer satisfaction

1. Do you face any challenges in ensuring customer satisfaction?
   1. Yes 
   2. No

If yes, what challenges do you face in provision of customer service that ensures customer satisfaction?

2. Does the existing organisational structure and internal business process have any shortcomings that hinder provision of customer service?
   
   Too many.........................................................1 ( )
   Few...............................................................2 ( )
   Not sure.........................................................3 ( )
   None.........................................................4 ( )

3. How can the internal organisational process be improved to ensure customer satisfaction is achieved?

4. What are your expectations of an ideal customer service perspective of the balance scorecard?
5. What should an organisation do to achieve efficient and effective customer service?

6. What should an organisation do to ensure that customer satisfaction is achieved and maintained?

7. Are there any problems you experience in using the Customer Service Perspective of the Balance Scorecard?
   1. Yes
   2. No

   If yes please list the problems you experience

8. Are there aspects of the customer service perspective of the Balance Scorecard you would like changed in order to improve the customer services?
   1. Yes
   2. No

   If yes, what would you most like to be changed on the customer service perspective in order to improve the organisations customer service and ensure customer satisfaction?

9. Which of the following statements do you agree with?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Totally Agree</th>
<th>Agree</th>
<th>Not sure</th>
<th>Don’t agree</th>
<th>Don’t agree at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Scorecard is effective</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Customer Service perspective of Balance Scorecard is user</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Customer Service perspective of Balance Scorecard is accurate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Service perspective of Balance Scorecard is reliable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Service perspective of Balance Scorecard is flexible to change</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Section C: Impact of Learning and Growth Perspective of the Balance Scorecard**

1. Would you consider the use of the Balance Scorecard a success in ensuring learning and growth of employees is achieved?

   1. .................. Yes
   2. .................. No

2. Would you attribute this success or failure to the balance Scorecard?

   1. .................. Yes
   2. .................. No

If yes why do you say so?

3. What would you say contributes most to the challenges in ensuring human resource development?

4. Do you have any suggestions on how to solve the above challenges faced?
1. Yes

If yes, what solutions would you recommend to solve the problems?

2. No

5. Which of the following aspects of the learning and growth perspective of the Balance Scorecard do you feel requires improvement?

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Require most</th>
<th>Require</th>
<th>Not sure</th>
<th>Doesn’t require</th>
<th>Doesn’t require at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency of training</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Mode of training</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Availability of appropriate learning materials</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Cost of training</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Quality of information</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Accessibility to the information</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Fast</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Reliable data</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Updated data</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Learning process evaluation</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Any other comments?

THANK YOU VERY MUCH FOR YOUR TIME AND CONSIDERATION!!!