

Factors Affecting the Implementation of Balanced Scorecard in Ethio-Telecom: The Case Jimma Ethio-Telecom South-Western Regional Office

A Final Thesis submitted to the School of Graduate Studies of Jimma University for the Partial Fulfillment of the Requirement for the Award of Degree in Master of Business Administration (MBA)

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JIMMA UNIVERSITY

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JIMMA, ETHIOPIA

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CERTIFICATE

This is to certify that the thesis entities “Factors Affecting the Implementation of Balanced Score Card in Jimma Telecom”, Submitted to Jimma University for the award of the Degree of Master of Business Administration (MBA) and is a record of Valuable research work carried out by Mr. Milkiyas Deressa, under our guidance and supervision

Therefore, we hereby declare that no part of this thesis has been submitted to any other university or institutions for the award of any degree of diploma.

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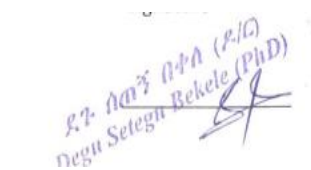





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DECLARATION

I hereby declare that this thesis entitled “Factors Affecting the Implementation of Balanced Score Card in Jimma Telecom” has been carried out by me under the guidance and supervision of Hagos Brhane (PhD Scholar) and Mohammed Yasin (MBA)

The thesis is original and has not been submitted for the award of degree of diploma any university or instructions.

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Abstract

The purpose of this study was to examine the factors affecting the implementation of the Balanced Scorecard (BSC) in Ethio-telecom Jimma Regional Office (SWR). The research design used in this study was Descriptive and Exploratory in nature. Using stratified sampling, a sample of 183 employees was selected from different department and professions. Data collected via semi-structured questionnaire was analyzed using SPSS version 20 and results were analyzed using Descriptive statics to analyze mean, standard deviation, percentage, and inferential statics to analyze correlation and regression methods. The research revealed that BSC implementation is good in some aspects such as knowing of individual numerical target, frequent meeting with managers or supervisors, and BSC training on implementation. BSC implementation has some setbacks with regard to believing and signing on target time willingly, vertically to link to company strategy at each level, effective two-way communication, and support from supervisor before finalization of targets, and training and orientation about its benefit to overall employees and companies adequately. The findings show that factors such as employee perception, resource availability, design of BSC, and internal system, collectively have strong association and significant effect on BSC implementation in Ethio-telecom South-Western Region. Meanwhile, the individual effect analysis result revealed that employee perception has highest effect on BSC implementation in Ethio-telecom followed by design of BSC and resource availability and internal system has the least effect on BSC implementation. Therefore, the study recommended Ethio Telecom South Western Regional Managers' should use strategies such as employee consultation, training on time management, and regular meeting between employees and their supervisors, and incentives in order to reach attain agreement with employees on target time.

Key words: Balanced Scorecard, Design, Employee, Implementation, Perception, System

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Table of Contents

1. INTRODUCTION.....	1
1.1. Background of the study.....	1
1.2. Statement of the Problem	3
1.3. Basic Research Questions.....	4
1.4. Objective of the Study	4
1.4.1. General Objective.....	4
1.4.2. Specific Objectives.....	4
1.5. Significance of the study	5
1.6. Scope of the study	5
1.7. Limitations of the Study	6
1.8. Organization of the Paper	6
CHAPTER TWO	7
2. REVIEW OF RELATED LITERATURE	7
2.1. Concept of BSC	7
2.2. The Four Perspective of BSC	9
2.2.1. Financial Perspective.....	10
2.2.2. Customer Perspective	11
2.2.3. Internal Process Perspective	11
2.2.4. Learning and Growth Perspective	12
2.3. Theoretical Analysis	13
2.4. Types of Balanced scorecard.....	14
2.5. Balanced Scorecard as a Management Control System	15
2.6. The Steps of the Building and Implementation Process of Balanced Scorecard	16
2.6.1. The Building Phase (Corporate Scorecard)	17
2.6.2. The Implementation Phase (Business Unit and Individual Scorecard)	19
2.7. Limitations of the Balanced Scorecard	20
2.7.1. Design Failure.....	21
2.7.2. Process Failure	21
2.8. Benefit of Balanced Scorecard	22
2.9. Factors Affecting the Implementation of BSC	23
2.10. Empirical Literature on Balanced Scorecard Implementation.....	25

2.11. Effect of BSC Implementation on Organizational Performance.....	28
CHAPTER THREE.....	30
3. RESEARCH METHODS	30
3.1. Research Design	30
3.2. Population and Sampling Technique	31
3.2.1. Target Population.....	31
3.2.2. Sampling Technique	31
3.3. Data Source and Method of Data Collection	32
3.3.1. Data Source.....	32
3.3.2. Method of Data Collection.....	32
3.4. Validity and Reliability	33
3.4.1. Validity.....	33
3.5. Method of Data Analysis	33
3.5.2. Homoscedasticity	34
3.6. Ethical considerations.....	35
4. DATA ANALYSIS AND PRESENTATION	36
4.1. Introduction	36
4.1.1. Reliability	36
4.2. Demographic Profile of Respondents.....	37
4.2.1. Sex of the respondents.....	37
4.2.2. Demographic Profile of Respondents, Department of respondents, Position of respondents, Service year of the respondents, Marital Statuses and Educational status	38
4.2.3. Service year of the respondents.....	39
4.2.4. Age of the respondents	40
4.3. Level of BSC implementation in South Western Region of Ethio-Telecom.....	41
4.3.1. Design of balanced scorecard card in South Western Region of Ethio-Telecom.....	41
4.3.2. Resource Availability	44
4.3.3. Internal system	45
4.4. Factors affecting BSC Implementation and organizational performance.....	46
4.5. Factors Affecting BSC implementation in Ethio-telecom.....	47
4.5.1. Normality test	47
4.5.1. Linearity test	48

4.5.2. Autocorrelation test	49
4.5.3. Heteroscedasticity test	49
Interview Analysis	54
5. SUMMARY FINDING, CONCLUSION AND RECOMMENDATION	56
5.1. Summary of Findings	56
5.2. Conclusions	57
5.3. Recommendation	58
5.4. Suggestion for Further Studies	60
REFERENCE.....	61
APPENDIX- A.....	1
APPENDIX – B.....	5

Table, Charts and Figure

FIGURE 2.1. BALANCED SCORECARD FOUR PERSPECTIVES _____	10
FIGURE 2-2: STEPS OF BUILDING BALANCED SCORECARD _____	16
FIGURE 2.3: CONCEPTUAL FRAMEWORK. _____	29
FIGURE 3.1 PROPORTIONAL SAMPLE DISTRIBUTIONS _____	32
TABLE 4.1 SUMMARY OF RELIABILITY MEASUREMENT (CRONBACH’S ALPHA) _____	36
CHART.4-1: SEX OF THE RESPONDENTS _____	37
TABLE 4.2 DEMOGRAPHIC PROFILE OF RESPONDENTS, DEPARTMENT, POSITION, SERVICE YEAR OF THE RESPONDENTS AND MARITAL STATUSES EDUCATIONAL STATUS. _____	38
FIGURE 4.1: SERVICE YEARS IN CURRENT POSITION _____	40
CHART 4.2 AGE OF THE RESPONDENTS _____	41
TABLE 4.3 EMPLOYEE PERCEPTION _____	43
TABLE 4.4. DESCRIPTIVE STATISTICS RESOURCE AVAILABILITY _____	44
TABLE 4.5 DESCRIPTIVE OF INTERNAL SYSTEM _____	45
TABLE 4.6. CORRELATION RESULT _____	46
TABLE 4.7. RESIDUALS STATISTICS _____	47
CHART 4.3. HISTOGRAM DEPENDENT VARIABLE _____	48
CHART 4.4. NORMAL P-P PLOT OF REGRESSION STANDARD RESIDUAL _____	49
CHART 4.5. SCATTERPLOT DEPENDENT VARIABLE _____	50
TABLE 4.8 MODEL SUMMARY _____	50
TABLE 4.9: ANOVA RESULT _____	51
TABLE 4.10: COEFFICIENTS _____	52

ACRONYMS/ABRIVATIONS:

- **BP** Business Partner
- **BSC** – Balanced Scorecard
- **DC** - Direct Channel
- **ET** - Ethio Telecom
- **ETA** - Ethiopian Telecommunication Agency
- **ETC**- Ethiopian Telecommunication Corporation
- **FAN** -Fixed Access Network
- **GTP** – Growth and Transformation Plan
- **HR** – Human Resource
- **IBTE** - Imperial Board of Telecommunication
- **IDC** - Indirect Channel
- **KPI** – Key Performance Indicator
- **O&M** - Operation and Maintenance
- **S&F** - Sourcing and Facility
- **SPSS** - Statistical Package for Social Science
- **SWR** – Southwest Region

CHAPTER ONE

1. INTRODUCTION

This chapter presents a brief introduction of the research project. It covers the research background, objectives, structure and limitations of the study.

1.1. Background of the study

The balanced scorecard (BSC) method has been established and developed as a performance measurement principle over the last two decades (Kaplan R. S., *The balanced scorecard- measures that drive performance*.1992). According to Kaplan and Norton (1996, p. 25), “the balanced scorecard translates mission and strategy into objectives and measures, organized into four different perspectives: financial, customer, internal business process, and learning and growth”. They (Kaplan & Norton, 1996: 25) also add that, “the four perspective of the scorecard permit a balance between short-and-long-term objectives, between outcomes desired and the performance drivers of those outcomes and between hard objective measures and softer, more subjective measures”. In Kaplan and Norton’s view (1996), strategies are developed following a cause and effect approach. The measurement system should make the relationships (hypotheses) among objectives and measures in the various perspectives explicit’

So that they can be managed and validate (Kaplan R. &, 1996)So far, various attempts have been made to actually identify the purposes for using BSC. Making public services more available to users and improving the quality and efficiency are significant challenges for the modernization of the public sector (Mitchell, 2000). The BSC is further described by (Kaplan, R.S., Norton, D.P. (2001b))as an important tool of strategy management which links strategic planning and budget. Budget enables a basis of comparison through which performance is assessed. The balanced scorecard as a tool deals with having strategic plans to achieve set goals. Since its underpinning, the conceptual framework has been changed and has been adopted by many companies The BSC was typically applied in business disciplines and in the strategic management area for industries (R.Niven, 2004). Some studies have attempted to point the business value of BSC and have benchmark the performance of BSC users with those of non-users to see whether their performance differs (Davis and Albright 2004).

However, BSC can also be proposed in government agencies, universities, and non-profit organizations (Niven P. R., *Balanced scorecard step-by step: Maximizing performance and maintaining result*, John Wiley& sons Inc, Hobken, new Jersey, 2006). To ensure that BSC uses in both small and large

corporation, a structured methodology to help small and mid-size (SMEs) companies implement the balanced scorecards has been developed (Ferndale's, 2006).

Kaplan and Norton (Harvard Business Review, 2008) related to performance measurement point that the relevance of financial as well as non-financial measures in performance evaluation of the organization is increasing.

The Balanced Scorecard (BSC) is a performance measurement and strategic management system that appears suitable for use by all types and sizes of business. The BSC's greatest strength for most businesses comes from its innate ability to integrate financial and non-financial measures together by measuring both strategic and business performance across four interrelated perspectives.

Strategies are described, as plans specifically designed are a strategic performance management framework that allows organizations to manage and measure the delivery of their strategy. Holden and Karsh (2010) have pointed out that the adoption of an information system goes beyond mere design or purchasing of a reasonably functional technology. More recently, the performance management experts (Bizshiftstrends, 2010), found out that BSC was mainly used at the executive director's level in an organization and in divisions of large corporation for strategic management, monitoring and evaluation of company's performance. The concept balance scorecard (BSC) is regarded as a possible effective performance measurement system (Der-JangChi & Hsu-Feng, 2011) and it is used for assisting organizations in actualizing its strategy. The balanced scorecard as a tool deals with having strategic plans to achieve set goals. This agrees with the position of (Der-JangChi & Hsu-Feng, 2011) and Kaplan & Norton, Bernard (2012) and thus emphasizing the importance of having strategic plans to enhance the effective use of the balanced scorecard in appraising performance and possible attainment of progressive profit growth. (ALA, 2013).

Therefore, of interest will be to know the factors that influences or that may influence these executives (managers) to continue using BSC aims the different control systems in the organization since the utility of any technology is decided only through its use.

Ethio telecom has introduced the balanced scorecard (BSC) to advance its strategy on June 2015. Each employee from lower level to higher level has aligned company strategic objectives with the day to day operation to achieve company goals and mission and side by side they evaluated their performance based on cascaded strategy twice a year (SHIMELS, 2017) (Kommche, April,2017)The major intention of the

study is to introduce the balanced scorecard (BSC) to measure the performance of individual and the company as a whole.

These all clearly show that the need for the balanced performance measurement such as balanced scorecard, which appears to have all the answers for choosing the most appropriate measures of company performance, to assess or measure performance and competitiveness of organizations in general and Ethio telecom in particular in today's tomorrow is changing and competitive business environment.

Therefore, the purpose of this study is to assess factors affecting the implementation of balanced scorecards and to suggest the best possible solution for the challenges, the realization of the social and economic needs of its members and non- members by laying out the right strategies that could play an important role in increasing the productivity of the workforce (Ethio telecom magazine, 2018).

1.2. Statement of the Problem

Since 1994, the government of Ethiopia has embarked on reforming its civil service organization with the objective of improving the public sector service delivery system. The government sponsored many management-training programs to enhance the capacity in all of its civil service organizations. Thus, Ethio telecom has launched BSC on June 2015 with the objective of using BSC as strategic tool for aligning employee performance to organizational performance and to replace traditional performance measures with BSC format.

Currently, the implementation of BSC in Ethio telecom has generated a number of benefits such as employees started doing their tasks based on plan and target, and resources are utilized in cost effective manner (Hana, 2017). However, there were challenges faced in using BSC as strategic management and performance measurement tool in Ethio-telecom. Studies revealed that lack of knowledge on how to cascade corporate strategy, and other problems lead to less attention in using BSC to its fullest capacity (Daniel, 2017; Hana, 2017), lack of continues performance report, and dissatisfaction of staff with performance evaluation, (SHIMELS, 2017). These problems could lead to poor public services as they improve the quality & efficiency of service delivery and subsequently the modernization of the public sector may fail (Mitchell, 2000). Moreover, the challenges may also negatively affect the future implementation of service improvement initiatives like BSC in Ethio-telecom by influencing employee as well as managers' perception towards such initiatives.

Although few studies (Daniel, 2017; Hana, 2017; were conducted in examining the challenges of implementing BSC in Ethio-telecom, they did not provide rigorous explanation on the factors affecting BSC implementation in Ethio-telecom. Besides, these studies were descriptive in nature and lacks why and how of implementing balance scorecard. According to Kothari (2004), in descriptive research, the researcher can only asses what has happened or what is happening. To fill the stated research gap lack of IT support, templates used to measure performance are difficult to use, poor commitment of higher level management on the implementation of balanced scorecard some parameters were not measured qualitatively, they did not provide rigorous explanation on the factors affecting BSC implementation, this study adopted inferential statistics to examine the factors affecting the implementation of BSC in Ethio-telecom. The study investigated the cause and effect relationship between factors and BSC implementation. Clarify and update the organization's strategy and vision (obtain consensus on the strategy and Clarify and update the organization's strategy and vision (obtain consensus on the follow and a greater degree of uniformity between the different opinions);Translate the mission and strategy of an organization into concrete actions and a set of indicators that inform of the achievement of the objectives and the causes that motivated the results obtained; Facilitate internal communication of the strategy, vision and strategic objectives (communicate clearly the way to follow and how to improve performance throughout the entire organization, and link strategic objectives and indicators through cause-effect relationships);improve the use of available resources.

1.3. Basic Research Questions

The following were basic research questions that this study tried to answer: -

1. What is level of implementation status of BSC at SWR Ethio-telecom?
2. What is the perception of employee on the implementation of BSC at SWR Ethio-telecom?
3. What are the major challenges in the implementation of BSC in SWR Ethio-telecom Regional Office?

1.4. Objective of the Study

1.4.1. General Objective

The main objective of this study was to examine the factors affecting the implementation of in Ethio-telecom South-Western Region.

1.4.2. Specific Objectives

Specific objectives this study were the following:

1. To identify the level of implementation of BSC at SWR Ethio-telecom.
2. To examine the extent to how employee perception affects implementation of the BSC Ethio-telecom South-Western Region.
3. To identify the major challenges faced in the implementation of BSC in Ethio-telecom South-Western Region.

1.5. Significance of the study

BSC has become one of the important reform implementation tools in the Ethiopian public sector. The objective of performance management with BSC is to realize the organizational goal and objectives. This paper also useful in identifying the various challenges of BSC in Southwest region that will help the management to take corrective action to achieve organizational objectives. Moreover, the result from this research will assist the company to improve its BSC practice by identifying problems related with employee's perspective. In addition, the finding of the study will give an insight for other academicians who are interested to asses practice and implementation of BSC of other organization.

1.6. Scope of the study

The study carried out in Ethio-telecom southwest region, which is located in Jimma town, the study examined the factors affecting of Balanced Scorecard in Jimma Ethio-telecom in BSC, to perform and suggest ways of enhancing effectiveness of company performance in the region. Furthermore, it was delimited to 183 sampled respondents. In addition, the study was limited to use questionnaire and interview as data gathering tools and the sample were selected using stratified sampling method.

1.7. Limitations of the Study

The researcher-encountered reluctance by respondents to fill questionnaires for fear that the information was used against them: in some levels of unwillingness to answer the questioners, Information bias and misunderstanding of the question by the respondents. , few number employees are new hired does not get training, some employees does not use computer lack of training the study would have more challenge on status is global Covid -19 is also Major Challenge on collection Data.

1.8. Organization of the Paper

The first chapter would be introduction, which covers the background to the study, statement of the research problem, objective of the study, research questions, and significance of the study, scope of the study and organization of the paper. Chapter 2 would be consists of conceptual definitions, theoretical literature review, empirical literature review, research gap, conceptual framework and theoretical framework. Chapter three would be focus on research design and methodology which includes research design, study area, population of the study, sample size and sampling procedures, data collection methods, data collection tools, reliability and validity of the data, data presentation and analysis and the expected result of the research. Chapter Four would be covers data analysis and discussions. Chapter 5 will be composed of summary, conclusions and recommendations on Factors Affecting of Balanced Scorecard in Jimma Ethio telecom in Balanced Scored Cards.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

In this chapter, a performance management with balanced scorecard from a general perspective as well as the implementation of a balanced scorecard is described. It is organized into different sub topics: definition of balanced scorecard, the four perspectives of balanced scorecard, and steps of balanced scorecard implementation, Barriers to the implementation of balanced scorecard, Benefit of Balanced Scorecard implementation and finally empirical literature on BSC implementation are briefly discussed.

2.1. Concept of BSC

Kaplan and Norton developed the Balanced Score-Card in the USA in the beginning of the 1990s. Kaplan & Norton (1992) criticized the existing methods for assessing business performance for being; too narrow and looking back instead of looking forward. Kaplan and Norton (1992) had devised the Balanced Scorecard in its present form. They had framed the Balanced Scorecard as a set of measures that allows for a holistic, integrated view of the business process to measure the organization's performance. The Balanced Scorecard was originally created to supplement the "traditional financial measures with criteria that measured performance from three additional perspectives – those of customers, internal business processes, and learning and growth" (Kaplan and Norton, 1992). The Balanced Scorecard concept has been successfully employed by many companies in recent years to better measure their financial results. About 40 per cent of Fortune 500 companies were using this system to evaluate performance at the end of 2000.

BSC is not a simple set of measures, but their definition must follow two fundamental principles; all measures used must be based on the definition of objectives established by the company's mission and strategy; and a cause and effect relation between the measures defined for the four perspectives must be ensured.

From this starting point, they created a method, which they named the "Balanced Scorecard". BSC defined differently by different researchers. In evaluation of BSC concept, two fundamental moments were identified; First, BSC was presented as a performance evaluation system (Kaplan & Norton, 1992; 1993 Kaplan, 1994) and the authors defined BSC, as "The Balanced Scorecard is a performance

management tool that enables a company to translate its vision and strategy into a tangible set of performance measures.”

On the second stage, following the experience of implementing BSC in several enterprises, Kaplan and Norton (1996) concluded that managers were not using BSC only as performance evaluation, but also as a strategic management system. So, in the second stage Kaplan and Norton (1996) argue that BSC is more than an operational or tactical measurement system, BSC is management system (not only a measurement system) that enables organizations to clarify their vision and strategy and translate them into action. BSC is not a simple set of measures, but their definition must follow two fundamental principles; all measures used must be based on the definition of objectives established by the company's mission and strategy; and a cause and effect relation between the measures defined for the four perspectives must be ensured.

Clarify and translate vision and strategy, Communicate and link strategic objectives and measures, Plan, set targets, and align strategic initiatives, Enhance strategic feedback and learning. (Huselid, Becker, & Beatty, 2005; Tanyi, 2011) defined BSC as: “A tool manager can employ to measure an organization’s operational success through direct cause-and-effect linkages back into daily operations.

According to (Niven, 2006) the measurement focus of the scorecard is to accomplish critical management process; - Management system (not only a measurement system) that enables organizations to clarify their vision and strategy and translate them into action.

BSC is not a simple set of measures, but their definition must follow two fundamental principles; all measures used must be based on the definition of objectives established by the company’s mission and strategy; and a cause and effect relation between the measures defined for the four perspectives must be ensured. The Balanced Scorecard is a strategic management system as well as a measurement system that enables organizations to clarify their vision and strategy and translate them into action. It provides feedback around both the internal business processes and the external outcomes in order to continuously improve strategic performance and results (Ishtiaque, Khan, Akter and Fatima, 2007). The Balanced Scorecard is a tool that helps to measure performance by balancing financial and non-financial measures (Ishtiaque, Khan, Akter and Fatima, 2007).

(Niven P. R., 2 January, 2012) Defined BSC as: “Balanced Scorecard is a carefully selected set of quantifiable measures derived from an organization’s strategy. The measures selected for the scorecard represent a tool for leaders to use in communicating to employees and external stakeholders the outcomes and performance drivers by which the organization will achieve its mission and strategic

objectives in the eyes of financial, customer, internal process and internal growth and development perspective”.

According to Iqra et al. (2013), BSC is defined as a tool used by the management to keep a record of the activities and actions of the staff and to control and monitor the results or consequences of the actions. More elaborating, Holmes, Gutierrez and Kiel defined BSC as:

“A comprehensive method of measuring organizational performance that is superior to traditional singular and efficiency-based measures of agency performance aimed at determining whether management is building the infrastructure necessary to sustain organizational and institutional resilience and accountability.”

2.2. The Four Perspective of BSC

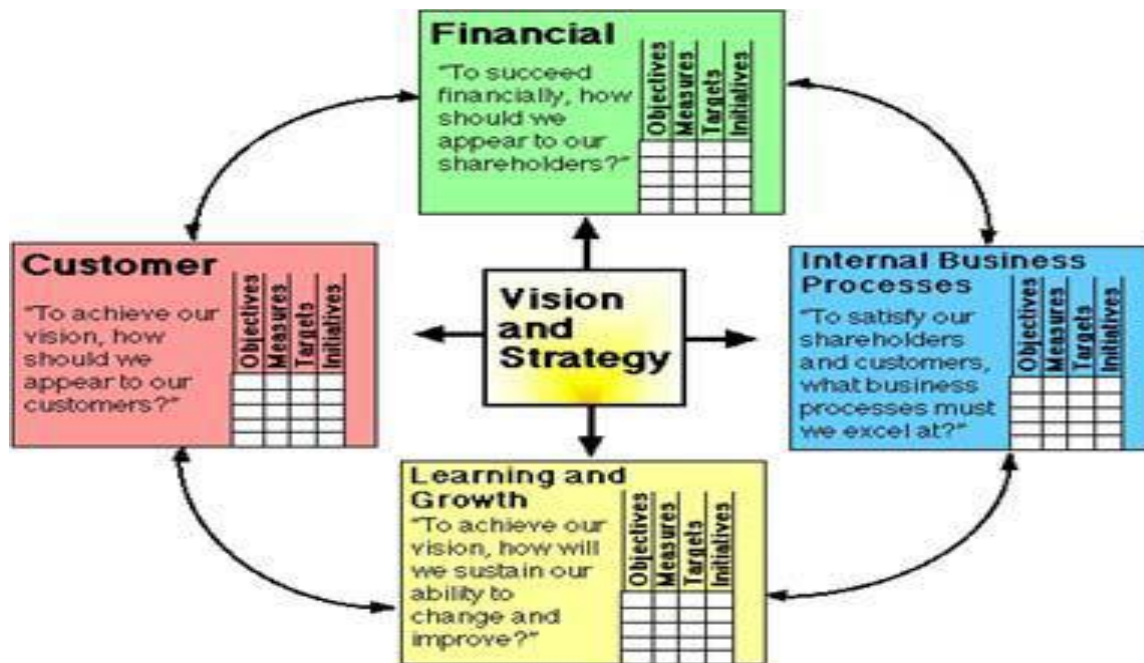
For long-term survival and growth and to compete in business environment it is essential to develop a Performance Measurement system that comprehends all aspects of an organizations and that system should be capable enough to bring out the strengths and weaknesses of the organization for future improvement. Balanced Scorecard is such a comprehensive and flexible performance measurement and management system that encompasses all the aspects of an organization and governed by Strategic orientation and external competitive environment. Perspectives and Measures under balanced scorecard can be different and additional industry to industry, company to company or as per the strategic objectives, vision or mission of organization

For an organization to be financially successful, it must be successful at supporting customer needs. For example, to effectively raise money, an organization must understand and satisfy the philanthropic goals of their donors. To satisfy the goals of donors, internal processes such as providing client services require both effectiveness and efficiency. Lastly, learning and growth (e.g. attending seminars) of employees must be supported to better serve clients. In supporting the learning and growth of employees, a process begins that eventually leads to organizational financial success.

Balanced scorecard is management system that enables your business set, track and achieves its business strategies and objectives. Once the business strategies are developed, they are deployed and tracked through the four legs of balanced scorecard. These four legs of balanced scorecard are made up of four distinct business perspectives: customer leg, financial leg, the internal business process leg and finally the knowledge, education and growth leg (Chuck and rick et.al, 2007). There are a number of balances in

balanced scorecard, among which is the balance or equilibrium between four historical domains or perspectives considered to be mutually linked in terms of strategy and performance. When it comes to (Paul N, 2002) view of the balanced scorecard is like a tree that composed of four perspectives: the learning and growth perspectives are roots, the trunk is the internal process perspectives, customers are the branches and the leaves are the financial perspectives. Each perspective is interdependent on those below as well as those above. It is a continuous cycle of renewal and growth. Leaves (finances) fall to fertilize the ground and the root system, which stimulates growth throughout organization

Figure 2.1. Balanced Scorecard Four Perspectives



Source: Kaplan & Norton, 1996

2.2.1. Financial Perspective

The financial perspective is considered as the most important perspective among the others, particularly in relation to key strategy implementation and assessment of organizations' performances. Usually, it occupies the topmost part of the BSC. This is usually actualized through the provisions of the organizations' mission and vision statements and the transformation of financial issues into sustainable goals and minimal cost (Niven P. R., 2 January, 2012). The cause and effect trend can be seen through the financial index, irrespective of whether they are tangible or intangible. In addition, there should be ways

by which the financial perspective can be used for raising the long-term stakeholder values, expanding the market and reducing costs. In light of this, (Ronchetti, 2006) argued that the financial perspective, defines financial strategic objectives and financial performance measures that provide evidence of whether or not the Company's financial strategy is yielding increased profitability and decreased costs. This view also captures how the organization must look to customers in order to succeed and achieve the Organization's mission; thus, achieving financial strategic objectives is the primary means to realize the company's mission. To achieve this, however, the other three perspectives are very crucial.

2.2.2. Customer Perspective

According to Kaplan and Norton (1992), there are two measurement standards. First one is "Core measure group" standards are including customer retention, market share, and customer satisfaction, customer acquisition and customer profitability. The next performance driver guides the organization to the customer value position, and include lead times, quality, attributes of product and quality, image and relationship. It was therefore argued in (Kaplan and Norton, 2001b), that these will be achievable with the right choice of customers with highest value propositions. These values, according to (Niven, 2011), can be achieved in any of the following three ways: (i) operational excellence concentrates on reasonable price and quick response, (ii) there are turn around innovate drives by product leadership towards improving both products and services qualities of the organization, (iii) creating an enabling customer intimacy based on long-term relationship due to vivid understanding of customer needs. From the report of research by (Larcker, 1998)is revealed that customer behavior and financial results are relatively constant over broad ranges of customer satisfaction, changing only after satisfaction moves through various "threshold" values, and diminishing at high satisfaction levels. As, thus supported by the argument in (Kaplan and Norton, 1996) and (Larcker, 1998).to include customer satisfaction indicators in internal performance measurement systems and compensation plans.

2.2.3. Internal Process Perspective

Internal business processes provide the organization with the means by which performance expectations may be accomplished. This perspective refers to the internal business processes of the organization and, therefore, managers are required to provide measures that answer the following question: "To satisfy our customers and shareholders, what business processes must we excel at?" The central theme of this perspective is the results of the internal business processes, which lead to financial success and satisfied customers. (Kaplan and Norton, 1992, 1996)

Typically, the measures of this perspective are based on producing goods and services in the most efficient and effective methods. Commonly used measures for this perspective are cost of quality, cost of non-conformance, process innovation, time savings etc. (Al-Najjar, 2012). These processes also enable the business to satisfy the shareholder expectations of the company's financial return (Kaplan & Norton, 1996a). The internal business process perspective demonstrated the strategy of increasing and intensifying production while satisfying partners and operating in a socially responsible manner (Awadallah, 2015) However, for nonprofits, realizing excellence in internal operations correlates to increased constituent or congregant satisfaction, not financials (paul.k.nevil, 2003)

2.2.4. Learning and Growth Perspective

The fourth perspective of the Balanced Scorecard, learning and growth, identifies the infrastructure that the organization must build to create long-term growth and improvement. Organizational learning and growth come from three principal sources: people, systems, and organizational processes. The financial, customer, and internal-business-process objectives of the Balanced Scorecard typically will reveal large gaps between the existing capabilities of people, systems, and procedures and what will be needed to achieve breakthrough performance. To close these gaps, businesses will have to invest in re-Skilling employees, enhancing information technology systems, and aligning organizational procedures and routines. (Jerry Luftman, Kalle Lyytinen, Tal ben Zvi, 2015)

In (Kaplan and Norton, 2004), the importance of this perspective measured through the ability of organizational capital, employees, and knowledge systems on one hand, as well as their importance in communicating value creations to the organizations on the other. Human capital attempts to emphasize the investment on the employees who are responsible for critical internal processes to achieve an extraordinary level. The information capital backs up the infrastructure and strategic to assist the performance of human capital. The four elements of organizational capital namely culture, alignment, leadership, and teamwork facilitate and transform the behavior of a successful organization that is focused on strategy (Kaplan and Norton, 2004). According to Park and Gagnon (2006), the learning and growth perspective (organization's employees, infrastructures, and environment, and reflects employee satisfaction, motivation, empowerment, and the capabilities of employees and information systems) are argued to facilitate the performance of the other three perspectives.

2.3. Theoretical Analysis

Kaplan and Norton BSC Theory

The Balanced Scorecard is a theory and management approach first proposed in the Harvard Business Review by Kaplan & Norton (1996). A subsequent book, The Balanced Scorecard was published in (1996). The most recent refinement of this theory and management approach appeared in Kaplan & Norton's book, The Strategy-Focused Organization (2001). Balance Score Card provided a performance measurement framework that added strategic non-financial performance measures to traditional financial metrics to give managers and executives a more 'balanced' view of organizational performance (Kaplan and Norton, 2002)

According to Kaplan (2002), balanced scorecard transforms an organization's strategic plan from an attractive but passive document into the "marching orders" for the organization on a daily basis. It provides a framework that not only provides performance measurements, but also helps planners identify what should be done and measured. It enables executives to truly execute their strategies. The balanced scorecard approach provides a clear prescription as to what companies should measure in order to 'balance' the financial perspective. The balanced scorecard is a management system not only a measurement system that enables organizations to clarify their vision and strategy and translate them into action. It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results. When fully deployed, the balanced scorecard transforms strategic planning from an academic exercise into the nerve center of an enterprise (Kaplan and Norton, 2002). According to Kaplan and Norton (2002) effective implementation of balanced score card requires organization management to give much emphasis into four BSC perspectives. These include; the financial perspective, internal business processes, learning and growth perspective and customer perspective. The balanced scorecard (BSC) presents a model for strategic performance measurement and management for high performance organizations. According to Kaplan and Norton (2001), the Balanced Scorecard translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system (Kaplan and Norton, 2002).

2.4. Types of Balanced scorecard

In explaining what makes a measurement system BSC, Malmi (2001) observed that either companies or their business units in Finland were using BSC as a more information system or a management by objective (MBO) tool i.e. like a key performance indicator (KPI) scorecards. According to Malmi (2001), the KPI scorecard is a set of strategically relevant information on the company's performance compiled in a framework to help the managers focus. He points out that in companies where there are no targets for the measures in the scorecard, the scorecard barely represents an information system (IS) because there were no targets set that need to be measured. He goes on to state that the KPI scorecard only reports on the performance of the organization from its main area of operations believing that most of the early adopters of the balanced scorecards used but the KPI scorecards.

Although the KPI scorecard is design to comprise of all the relevant measures considered to be crucial for the organization's success, it has been widely criticized for not reflecting the organization's strategy. Since, they comprise mainly of the results from past activities, (i.e. lagging performance indicators) and the measures are usually developed from the KPI in each of the BSC perspectives usually neglecting the linkages between the different perspectives of the BSC. Moreover, as each of the BSC perspective will normally have more than one measure, the KPI scorecard has been criticized for being a bunch of measures with no causal link between them as prescribed in the BSC literature.

On the other hand, Kaplan and Norton (1996) points out that the strategy scorecard is developed based on the strategy of the company. In building the strategy BSC, the governing body of the organization defines what needs to be measured, set targets for each measure and assigns someone the responsibility for achieving those targets, and then rewards them based on the level at which the targets are achieved. Kaplan and Norton (1996) further pointed out that the strategic scorecard takes a long-term view of the organization. They argue that such scorecards normally will include both leading and lagging performance measures which has been developed based on a cause and effect relationships of the organization's strategy. The focus in the strategy scorecard is therefore, on communicating the organizations goals to every employee using strategy maps. Lastly, Jensen (2002) describes BSC as a managerial equivalent to the stakeholder theory. The theory explains that firms should consider the interest of the different stakeholders when executing their strategy. This theory contradicts value

maximization theory that states that firm maximizes value in a competitive market environment. The stakeholder scorecard like the stakeholder theory is the idea that companies should consider the interest of the different stakeholder such as; employees, shareholders, and the society when implementing strategy.

The stakeholder scorecard then should report on the performance of the major stakeholders of the organization. In most of the stakeholder scorecard, performance indicators are assigned to the different stakeholders like Shareholders, customers and employee. In addition, the stakeholder scorecard may aim to fulfill other corporate governance and social responsibilities needs of their organizations. This makes it possible in a stakeholder scorecard for it to have as many dimensions of measures as the needs of the company permits in order for it to achieve its goals. According to Kaplan and Norton (2001), a stakeholder scorecard defines the goals of the organizations for its major stakeholders. This type of scorecard has been widely criticized. Jensen (2002) argues that an organization cannot pursue multiple objectives at a time and be successful as the stakeholder BSC specifies. Likewise, it is argued that the stakeholder scorecard only cares about the goals of the stakeholders and do not explain the strategy of the organization to its members thereby not actually serving as BSC of performance measures (Kaplan and Norton2001). To conclude, three types of BSC exist, a stakeholder scorecard, key performance indicator (KPI) scorecard and a strategy scorecard

2.5. Balanced Scorecard as a Management Control System

Management control systems (MCS) are the information systems and the various applications software's that managers use to direct the behaviors and actions of its members towards the goals of the company. (Järvenpää) Define management control as the process by which managers assure that resources are obtained and used effectively and efficiently to accomplishment the goals of an organization. In another study, (OtleyU, 1999) considers the BSC as a novel management control tool. In fact, the BSC was design to serve as a control tool for managers originally. In their earlier writings on the BSC, Kaplan and Norton (1992) define BSC as a set of measures that give top managers a fast view of their business. These measures were aim to help managers control their organization. To use BSC as a management control tool involves four processes shown in Figure 2.2; namely;

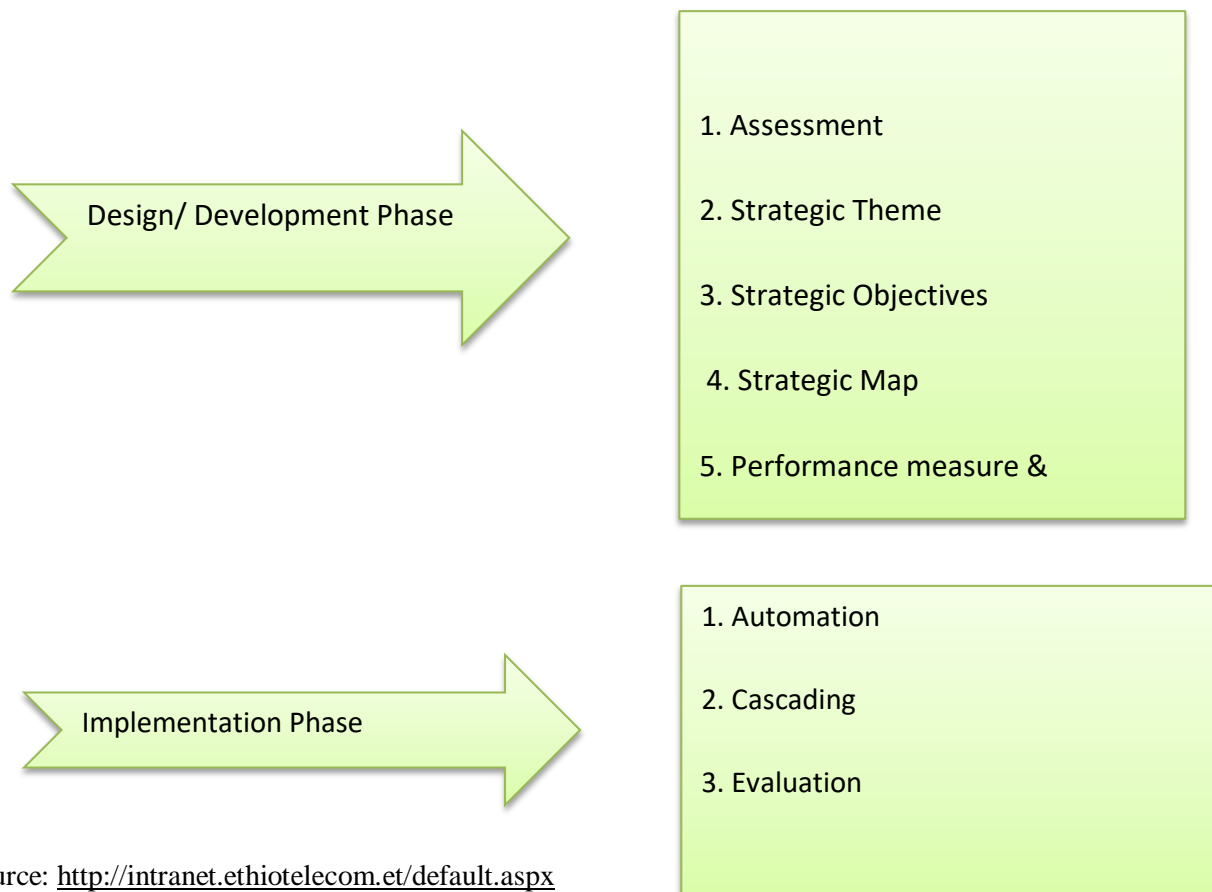
Clarifying and translating the vision and strategy of the organization. This process enables that, managers agree on the direction the company should follow and make it known to other employee. This involves setting appropriate targets and motivating the employee to reach them. The second process,

communication and linking; ensures that the goals of the organization is made known to all the different units of the organization. The process involves linking the business unit goals to those of the organization. It also involves coordination of the various departmental activities such that a common vision is shared among organizational participant. The third process, planning and target setting, ensures the business plans is in line with the financial goal. In the planning and target setting process, the how to achieve organizational goals are elucidated and the measures in the BSC are use as the basis to allocate the resources. The final process, feedback and Learning; makes sure adequate feedback is received from the various activities. The feedback process begins with a clarification of vision for the organization.

2.6. The Steps of the Building and Implementation Process of Balanced Scorecard

Building the balanced scorecard system passes in to nine steps including the design, this is the first six steps, and the implementation steps from seven to nine stepping the BSC as a strategic Management system

Figure 2-2: Steps of building Balanced Scorecard



Source: <http://intranet.ethiotelecom.et/default.aspx>

2.6.1. The Building Phase (Corporate Scorecard)

Step 1: Assessment

In step one, in the organizational assessment, the first one is about a number of things: to finalize the Balanced Scorecard Plan that will detail, among others, all the teams that will be involved in the designing of the Balance scorecard and the training they will require. Secondly, in step one involves conducting the organization assessment of the strategic elements: the mission and vision, SWOT and organization values. Thirdly, Step One is also about preparing a change management plan for the organization, which will entail conducting a change readiness review to determine how ready the organization is in embarking on such a journey and what needs to be put in place to make it ready, as well as defining communications strategy which will identify the target audience, key messages, media channels, timing, and messengers of the communication. The change management activities will take place throughout each step ((Morongwa Ramasobana, 2019).

Step 2: Strategy

Strategy is about determining the strategic themes, including strategic results, strategic themes, and perspectives, which are developed to focus attention on the customer needs and their value proposition. The most important element of this step is to ensure that you have unpacked what your customers are looking for from your organization in terms of function, relationship and image to determine whether you are providing value to your customers (<http://morongwa.co.bw/school.html>).

Strategy represents the broad priorities adopted by the organization in recognition of its operating environment and pursuit of its mission. All performance objectives and measures should align with organizational strategy. Strategy is specific and detailed actions you will take to achieve your desired future and pattern of consistency of action over time (Niven, 2014)

Step 3: Strategic Objectives

A specific result that the organization is aimed to achieve within a period and with available resources. About the third step, it is about determining your organizations Objectives that is your organization's continuous improvement activities, which should link to your strategic themes, perspectives and strategic results ((Morongwa Ramasobana, 2019).

Moreover, a strategic objective is used to break strategic themes in to more actionable activities that lead to the strategic results (Rohm, 2008) thus, it is *action oriented* activities (what must be done to be successful) that serve as a bridge among strategies and performance measures.

Step 4: Strategy Maps

The objectives designed in step Three are linked in cause-effect relationships to produce a strategy map for each strategic theme. The theme strategy maps are then merged into an overall corporate strategy map that shows how the organization creates value for its customers and stakeholders (Makakane, 2019).

Strategic Map is a collection of strategic links constructed using “If- Then” logic to show the logical connection (cause-effect links) among the objectives. According to Kaplan and Norton (2001a,) a strategy map „describes how shareholder value is created from intangible assets“. Hence, Strategic Map is a tool for creating organization alignment, a graphical picture of the customer/ stakeholder value chain and a tool for creating executive consensus and employee accountability. In relation to this, expected outputs at this step are -

- ❖ Cause-effect relationships among objectives will be developed
- ❖ Enterprise-wide Strategy Map created from objectives
- ❖ Enterprise-wide Strategy Map approved by leadership

Step 5: Performance Measures

The fifth step in the design phase about performance measures is translation of an organization’s mission and strategy in to a comprehensive set of performance measures that provides the framework for strategic measurement and management system. The performance measures are developed for strategic objectives. Performance measures should be defined clearly, differentiating the outcome and output measures, as well as the leading measures (future expected performance) and lagging measures (past performance history). In this step, you will also design your performance targets. This might be perceived as the most difficult and confusing step, so it is important that a bit of time is apportioned so that the performance measures will be meaningful (Makakane, 2019). Performance Measures are indicators to track performance of an organization’s strategies and a way of measuring any gaps in actual levels of performance compared to targeted levels. In addition to this, it is a means for measuring both organization

effectiveness and operational efficiency and Visual indicators of relative success. Because of this Performance, measures should be designed in a strategic (focus on results). In this step expected out puts are -Performance Measures and targets for each objective upper and lower threshold for each measure and Baseline data for each Performance Measure.

Step 6: Strategic Initiatives

In Step Six, the strategic initiatives are developed that support the strategic objectives. This is where the projects that have to be undertaken to ensure the success of the organization (the extent to which the organization fulfills its mandate or vision) are drafted and assigned. To build accountability throughout the organization, performance measures and strategic initiatives are assigned to owners and documented in data definition tables (Makakane, 2019).

Moreover, according to David, (2006) strategic initiatives are defined as the collections of finite-duration discretionary projects and programs, outside the organization's day-to-day operational activities, that are designed to help the organization achieve its targeted performance. Strategic Initiatives are actionable projects that are aligned with Strategic Objectives and can be Short-term or long-term also they are Wide-reaching organization projects (or programs) that have potential for significant organization impact and benefit. In this step expected out puts are -

Prioritize list of Strategic Initiatives Project management instituted: ownership, scope, schedule, and deliverables expected

2.6.2. The Implementation Phase (Business Unit and Individual Scorecard)

Step 1: Software and Automation

The study is focused on the implementation of BSC rather than the building phase. Following the development of the corporate scorecard, Step one (Software and Automation) involves automating the Balanced Scorecard system, and consists of analyzing software options and user requirements to make the most cost-effective software choice for today and to meet enterprise performance information requirements in the future. Automation is purposely put as Step 1 on the 3-step framework, to make sure that the proper emphasis is placed on strategic thinking and strategy development before "software seduction" sets in. Purchasing software too early limits creative strategic thinking and purchasing software late makes it difficult to sustain momentum of the new system, as performance information

reporting utilization is clearly an early benefit to be captured from the process of building the scorecard system (Makakane, 2019). Automation is using software to automate the collection, reporting, and visualization of performance data and transforming performance measurement data into useful information and business intelligence and also it is presenting performance information to the people who need it in a visually appealing format.

Step 2: Cascading

(Cascading) involves cascading the corporate scorecard throughout the organization to business and support units. Then team and individual scorecards are developed to link day-to-day work with departmental goals and corporate vision. Cascading is the key to organization alignment around strategy. Optionally, objectives for customer-facing processes can be integrated into the alignment process to produce linked outcomes and responsibilities throughout the organization. Performance measures are developed for all objectives at all organization levels. As the scorecard management system is cascaded down through the organization, objectives become operational and tactical, as do the performance measures. Accountability follows the objectives and measures, as ownership is defined at each level. An emphasis on results and the strategies needed to produce results is communicated throughout the organization (Makakane, 2019).

Step 3: Evaluation

Evaluation is the last step of balanced scorecard implementation, which involves evaluating the success of chosen business strategies. The key question asked is where the expected results achieved. The evaluation step includes ensuring that organizational learning and knowledge building are incorporated into planning, making adjustments to existing service programs, adding new programs if they are more cost effective and eliminating programs that are not delivering cost effective services or meeting customer needs; and linking planning to budgeting (MorongwaMakakane, 2007)

2.7. Limitations of the Balanced Scorecard

The BSC has its own drawbacks. The criticisms levied on the concept target different areas and theories that have developed surrounding the BSC concept. To begin with, it is argued that the concept is not new. The notion that BSC is a new management system is contemptuous. Because, the French for example used the tableau deBord which is widely considered a similar concept to BSC long before the BSC was

introduced (Bourguignon, Malleret and Nørreklit 2001). In addition, the idea that BSC could be used in all type of businesses is disputed too. Despite many stories of successful implementation of the Balanced Scorecard in large companies, Kaplan and Norton (2001), based on their experience of Balanced Scorecard implementation in many organizations, identify two sources of the failure of the Balanced Scorecard in large companies: the design and the process.

2.7.1. Design Failure

A poorly designed Balanced Scorecard may lead to its failure in an organization. A poor design includes: Too few measures in each perspective, leading to failure to obtain a balance between leading and lagging indicators or financial and non-financial indicators, too many indicators without identifying the critical few: in this case, the organization will lose focus and be unable to find linkage between indicators, failure of measures selected to depict the organization's strategy. This happens when an organization tries to input all its Key Performance Indicators (KPIs) into each perspective without screening to select only those measures linked to its strategy. This means the organization's strategy is not translated into action and it thus does not obtain any benefit from the Balanced Scorecard.

2.7.2. Process Failure

Process failures are the most common causes of failure of the Balanced Scorecard and include (Kaplan and Norton, 2001, p. 361): Lack of senior management commitment, too few individuals involved, keeping the scorecard at the top, overly long development process, treating the Balanced Scorecard as a one-time measurement project, treating the Balanced Scorecard as a systems project, hiring inexperienced consultants, introducing the Balanced Scorecard only for compensation.

The underlying factor behind these failures is ineffective communication within an organization. This means that not everyone in the organization understands the concept and thus may even oppose it. The Balanced Scorecard is not a one-time project: It is a continual process. It translates strategy to operational terms, aligns the organization to strategy, and makes strategy everyone's everyday job. All of these elements must be fully supported by senior management and the executive leadership is clearly required (Kaplan and Norton, 2001).

Other critics of the BSC like Norreklit (2000) believe a persuasive rhetoric was used to introduce BSC arguing that that most organizations that used BSC did so because they saw BSC to be a management fashion sweeping the business world. He further pointed out also how the assumed cause effect relationships in business strategy at times do not hold. That is to say, the assumption that improvement in

the customer perspective will automatically lead to improved financial results is not always true. Other shortcomings of the BSC frequently cited in the literature concerns maximizing multiple objectives at a time. Yet, according to Jensen (2002), a firm cannot maximize several objectives at the same time. Thus, the stakeholders BSC do not specify any single objective that the organization aims to achieve; instead, it gives managers an unlimited power to do what they want only subject to restrictions from the financial markets. Jensen (2002) further argues that by just presenting managers with a list of measures, it is hard for them to make purposeful decisions based on such information.

2.8. Benefit of Balanced Scorecard

Madsen and Stenheim (2014), support that the BSC has an overall positive effect on the performance of an Organization and they found three common benefits of balanced scorecard to management

- The BSC assists managers to focus on strategy, structure and vision.
- The BSC integrates financial and non-financial-based metrics to assist managers to focus on the entire business process and ensure current business activities and events contribute to customer values and to the long-term organizational strategy
- The BSC assist managers to monitor the execution of a strategy by mapping cause-and-effect linkages between employee activities and strategy implementation.

In the same scenario, Casey and Peck (2004) also support that the BSC benefits organization. The BSC benefits organizations by providing managers with a deeper insight into business operations and into different ways to create value. In particular, strategy maps provide managers with a visual illustration of the inter-relationships between employee activities and strategy implementation. The process of developing strategy maps in itself provides the management with a deep insight into business operations and the potential areas to focus to create value. Thus, strategy maps are especially beneficial to organizations that use the BSC as a strategic management tool. The benefits come from strategy maps providing a common language and a common frame of reference, facilitating discussion, communication and visualization of the organization strategy and channels or activities required to achieve the strategy.

Moreover, (Basuony, 2014) observes aligning organization to the strategy assists in solving the problem of communication especially formal reporting and bureaucracy whereas making the organization strategy an everyday job solves the problem of communication and coordination. Further, as a control system, the

BSC assists large organizations to achieve their strategies by enabling management to articulate, communicate, and monitor strategy implementation.

In Addition to this, according to (Kaplan and Norton, 96) The Balanced Scorecard has many advantages these are: -

- ❖ Balanced Scorecard (BSC) provides managers with the instrumentation they need to navigate to future competitive success.
- ❖ The Balanced Scorecard translates an organization's mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system
- ❖ The BSC enables companies to track financial results while simultaneously monitoring progress in building the capabilities and acquiring the intangible assets they need for future growth.

2.9. Factors Affecting the Implementation of BSC

Factors that have affected BSC implementation negatively at SWR under the customer perspective are the internal systems, procedures and their capacity in serving customers. The company (SWR) has performed least in creating a linkage of all activities in the organization to service to the customer hence failure to meet expectations of the customer. This has thus negatively affected implementation of the BSC.

The learning and growth perspective of the BSC advocates for continuous development of staff to be able to take up higher responsibilities in the organization to effect growth (Peter Senge, 1990). Such growth should be balanced between employees and the organization. From findings of the survey, SWR has made recognized efforts at making maximum utility of human capital. Employees recognize growth they have experienced through their work responsibilities and feel a sense of ownership of the mission and vision of the organization. The findings also show that SWR has however fallen short when it comes to purposive efforts to actually training staff to acquire new skills or sharpen the existing ones. Few staff attends training courses and there is an inherent gap in succession planning in the organization. Learning and growth initiatives ought to be a balanced approach of enabling staff learn through the job and sponsorship to external programmers where they can advance their knowledge and skills in order to make them ready for more advanced level positions in the organization. Such efforts will in the future enhance succession planning in the organization.

Further, on this perspective, there have been factors that have affected the implementation of the BSC at SWR positively and negatively. Positive influencing factors that emerge include on the job skill

development and the organization integrating its vision and mission to the roles of staff. On the other hand, factors that have negatively influenced implementation of the BSC include: inadequate deliberate efforts to steer development of the workforce in areas of training, skills acquisition; inadequate succession planning of the organization and ensuring a good job fit i.e. that skills of the employees match the job that they are carrying out. This finding validates Harrison's (2005) research, which demonstrates that the learning and development activity does consistently emerge as a crucial intervention factor in organizational performance. Two human resource practices were identified as being particularly powerful in influencing employee attitudes and creating positive discretionary behavior: careers and training. The Learning and development processes that help to activate the people performance link are those that hold the promise "of learning to do things better ordering new things. In SWR, the most mentioned factors that impede learning and growth in the organization are lack of career growth program; inadequate funds/resources for facilitation of employee programs; lack of staff motivational programs and favoritism in the organization. These factors ought to be addressed at SWR in order to enhance learning and growth of the staff that would influence growth of the organization as a whole. Business process re-engineering perspective of the BSC is about innovation in the organization (Asli Goksoy , 2012). Innovation starts from inclination of staff to contribute to new ideas and is enhanced by top management of the organization creating a conducive, environment for implementation of the innovations and support of the same. From the findings, SWR comes out to have achieved creation of synergies among departments to support creative thinking and the top management has provided requisite support to departments. Unfortunately, the needed environment of innovation has ended there because the management has not done much in inspiring individual innovation among staff. They rarely feel compelled to suggest new ways of doing things in the organization. Issues under this are lack of motivation, inadequate employee improvement programs, inadequate communication and persistent bureaucracy than does not permit efficient follow-ups. All these factors combined have been a killer of innovativeness SWR that ought to be tackled to have a turnaround situation.

Finally, on Business Process Perspective, there are similarly factors that have contributed to successful implementation of the BSC and those that have impeded its implementation. On the former case, SWR has been most successful in creating synergies in different departments and also presence of top management support in the organization that the employees acknowledge is provided support where needed to run departmental activities. On the latter, the organization has not been successful in inspiring individual innovativeness among staff, which is important in determining business process improvement.

The factor of top management support necessary in encouraging implementation of the BSC under the Business Process Perspective was effectively brought out by (Al w. e., 1995) who pointed out that BPR (Business Process Re-engineering) must have the full support of top management to succeed. If resistance is encountered, the leader must be willing to "drive" change, even to the point of ruthlessness. This appears to be reflective in SWR.

2.10. Empirical Literature on Balanced Scorecard Implementation

The main purpose of this study was to examine the factors affecting the implementation of BSC in Ethio-Telecom South West Region. To achieve this purpose, the study conducted review of domestic and international empirical studies conducted on BSC implementation in telecom firms and other industries. The reviewed studies cover period between 2010 and 2019 as discussed here under.

(Farooq, Ayesha and Hussain, Zareen , 2011)The study on Application of balanced scorecard at Essar Telecom Kenya Ltd, the result shows that even if this company uses the balanced scorecard primarily for strategy implementation and performance management tool; various challenges experienced such as Management being too busy solving and implementing short term goals, inadequate top management support, lack of highly developed information system to support balanced score card, lack of linkage of balanced scorecard to employee reward, balanced scorecard is time consuming to develop, lack of skills and know how in developing and implementing balanced score card, organizational politics, change management strategies, revenue constraints. The study further shows that the benefits of balanced score card outweigh the costs if implemented fully, efficiently and effectively.

The main aim of the BSC is enhancing performance and translating strategy into action of the individual firm without consideration of the interlinked and networked business environment. In today's business Eco-system, firms collaborate within their networks to improve their own performance. Thus, this kind of innovation driven by external networks is not possible in a firm implementing the BSC. In related with the above study, (Bizshiftstrends, 2010) in his study support that, within a decade of its foundation, an estimated 44% of organizations worldwide had implemented the BSC; however, only 22% to 50% of these organizations achieved higher return on asset and higher return on equity while an estimated 85% of the organizations experienced problems during implementation.

The study conducted by (Monyenyi, 2010)the study findings show that the implementation of BSC in Kenyan Commercial Bank was majorly influenced by factors such as ability to measure all targets, the accuracy of the measurement methods, BSC skills, management involvement, and failure to follow the appraisal period Farooq and Hussain (2011) concluded that Indian Organizations have incorporated the dimensions of BSC as a performance measurement tools and use it to create change and improve performance. They suggested that private and public sector organizations differ on the dimensions of technological change while service and manufacturing organizations differ on financial perspective. Statistical tools such as t-test and correlation were applied to achieve the objectives of the study

. (CHERUIYOT, 2013)an Investigation into Factors Affecting Implementation of the Balanced Score Card Instate Corporations in Kenya: The study found out that implementation of balanced score card in many Kenyan state corporations was the major problem that also affected the level of state corporation's performance in terms of effectiveness and efficiency in service delivery. The study drew conclusion that the key notable factors hindering the success of BSC implementation in includes; poor employees job description, low level of top management support, poor employee supervision and inadequate financial resources

Abdullah, Yahya, &Naeem (2013), concluded that BSC must not focus only on past, it must be future oriented to affect future organizational performance and approach of BSC is somewhat objective. Further they added, common BSC measures should be adopted by all SBU's and organizations to ensure uniformity in performance evaluation and responsiveness of BSC to external situation of business environment.

(Cheruiyot, 2013), taking of Kenya Bureau of Standards as a case study. The main finding of the study revealed that factors like poor employees' job description, low level of top management support, poor employee supervision, and inadequate financial resources had negatively affected the successful implementation of BSC in Kenya Bureau of Standards.

Another study conducted by (Al Q. e., 2014). The study found that the major factors associated with the implementation of BSC in Portugal were decentralization, vertical differentiation, and higher level of education.

A study conducted by (Madsen and Stenholm, 2014) proof that the concept is useful. In this finding the consultants highlighted that the BSC can be used to balance shareholder and stakeholder demands, the concepts compatibility with local culture and business practices in Scandinavia, and how the BSC can be used to communicate and visualize. The user organizations highlighted that the concept helps them with managerial „focus“, gives them a sense of „balance“, helps with communication and visualization, aligns goals, is a cultural and motivational tool, and that the BSC label can be used to drive organizational change processes.

(Wambui Pauline Muthoni)Conducted a study aimed at to examine the factors affecting the implementation of the Balanced Scorecard (BSC) in Kenya Wildlife Service (KWS). The study findings indicate that major factors affecting BSC implementation were internal systems & procedures, resource constraints, inadequate deliberate efforts to steer development of the workforce, skills acquisition; lack of inspiring individual innovativeness, inadequate succession planning of the organization, and lack of ensuring a good job fit.

(Omar, 23 January 2016) Perceptions of Middle Managers. The results of the study showed that middle managers perceived a moderate level of leadership and commitment from the top management towards the BSC implementation initiatives in the company. They also perceived that the BSC had some positive implications on their performance but they did not have a clear understanding of the workings. Middle managers also perceived that the company had good data processing and information technology to support the implementation process. However, clear guidelines on their individual performance evaluation process were not provided. These results indicate that the organization derive benefits from the implementation of the BSC. Areas that can be improved to gain more benefits from implementing the system are highlighted.

(Dr. Abedalqader Rababah & Dr. Ashraf Bataineh , 2016), the results of this study showed that the cultural factors have significant positive impact on the implementation of BSC. The results showed that the data analysis of team orientation, Innovation, and mission have significant relationship on BSC implementation. The results also showed that no relationship found between "outcome orientation and attention to Detail” and BSC implementation.

(Heromi, Nadri Aetis, 02, November,2017): The studies conducted in Sarawak context, particularly addressing Balanced Scorecard initiative in Sarawak Civil Service. Study done in European context may

be differing than the study conducted in Asian context. These create an uncertain decision, due to dynamic changes and forces from different region.

(Hoang, ,2018): the case of Vietnam. This research is conducted for testing the hypothesis of the relationship between contingency variables and the usage of Balanced Score Card (BSC) for performance measurement. Data were collected by receiving 217 questionnaires given to firms in Vietnam using factor analysis, Ordinary Least Square (OLS) regression analysis. The results show that the business strategy, perceived environmental uncertainty, intensity of competition, total quality management have significant positive impacts on the usage of BSC while the organizational structure has no impact. Based on the findings, some implications have been given for promoting the usage of BSC for performance measurement in firms in emerging countries, including Vietnam.

(Haymanot Hailezgy Hagos, 2019) The Case of Customer service division the study to assess the main challenges and key success factors of BSC implementation in Ethio telecom specifically in customer service division. . Based on this, the study identified that lack of effective communication and creating adequate understanding about BSC on employees by allocating sufficient time for that before implementing the tool, lack of periodic training about BSC as demonstrative training or any other form to empower employees once it becomes operational and lack of consistent support from top management in implementing BSC in the division were identified as bottle necks in implementing BSC.

Thus, the above studies show that even though the balanced scorecard implementation has benefits for the organization performance it has its own challenges and limitations for the successful implementation. Considering this challenge, deploying this tool needs a careful attention.

2.11. Effect of BSC Implementation on Organizational Performance

This study's independent variables are Employee perception, Implementation of BSC, Design of the implementation of BSC and Challenge of implementing BSC are expected to affect the dependent variable i.e. Balanced Score Card. The above relationship is diagrammatically presented in figure below which displays how the independent and dependent variables relate as conceptualized by the researcher. The directions of the arrows show the interrelationships between the variables of the study.

Conceptual Framework.

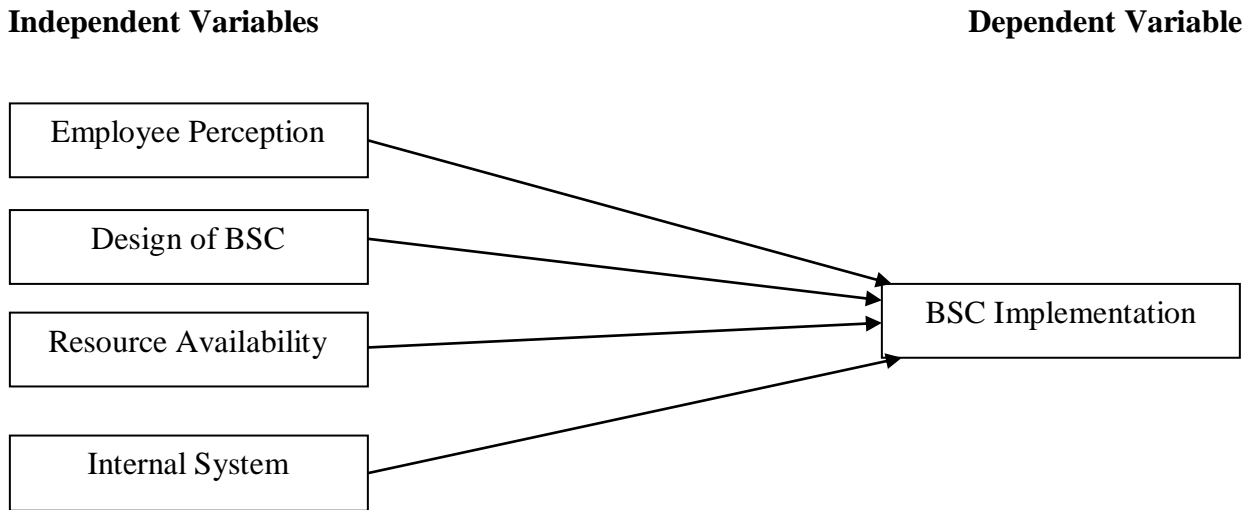


Figure 2.3: Conceptual Framework.

Source: Researcher, (2020)

2.12. Employee Perceptions

Perception is the process by which an employee organizes and interprets his/her impressions in order to give meaning to his/her environment and thus, it influences significantly his/her workplace behavior (Langton & Robbins, 2006). The evidence suggests that what individuals perceive about their work situation influences their attitudes and behavior during organizational change. Thus, (Kleanthis K. Katsaros, Athanasios N. Tsirikas, Sofia-Maria N. Mpani, July 2014) will lead to either resistance or acceptance of change. (e.g. (Kleanthis K. Katsaros, Athanasios N. Tsirikas, Sofia-Maria N. Bani, 1, 2014).

CHAPTER THREE

3. RESEARCH METHODS

3.1. Research Design

The main purpose of this study would examine factors affecting BSC implementation in Ethio-Telecom, Southwest region. The study used explanatory and descriptive research designs. When the focus is on cause-effect relationships, the study can be explanatory explaining which causes produce which effects (Yin, 1994). Our concern in casual analysis is how one variable affects, or is „responsible for“, changes in another variable. The stricter interpretation of causation is that some external factor produces a change in the dependent variable.

Explanatory research which is grounded in theory is another research purpose type, and the theory is created to answer why and how questions. We are more interested in understanding, explaining, predicting and controlling relationships between variables than we are in detecting causes. Explanatory studies go beyond description and attempts to explain the reasons for the phenomenon that the descriptive study only observed. In an explanatory study, the researcher uses theories or hypotheses to represent the forces that caused a certain phenomenon to occur.

Yin (1994) highlights that the boundaries between the categories are not always clear. The research purpose and research questions indicate that this study is mainly descriptive and explanatory, yet as exploratory in pilot test; this means that we are going to answer a „what“ question and also find out how causal relationship between variables in our conceptual framework will be established Hence, this study was conducted to examine the cause and effect relationship between the various factors and BSC implementation in Ethio-Telecom, Southwest region.

Exploratory research has the goal of formulating problems more precisely, clarifying concepts, gathering explanations, gaining insight, eliminating impractical ideas and forming hypotheses. Literature research, survey, focus group and case studies are usually used to carry out exploratory research. An exploratory research may develop hypotheses, but it does not seek to test them (Darabi, 2007).

Moreover, this study adopted a mixed research approach but quantitative approach was dominated the qualitative approach. According to Creswell (2005), quantitative research is a type of research in which

the researcher decides what to study, asks specific narrow questions, collects numeric (numbered) data from participants and analyzes these numbers using statistics, and conducts the inquiry in an unbiased, objective manner. Quantitative research is based on the measurement of quantity or amount. It is applicable to phenomena that can be express in terms of quantity. Qualitative research is concerned with qualitative phenomena. To achieve the aforementioned objectives, therefore the study adopted a quantitative research approach, as the methodology to provide a quantifiable statistical analysis of the responses to the study. Qualitative research is especially in the behavioral scientist where the aim is to discover the underline motive, interest, personality and attitude of human being, (Shajahan, 2004).

3.2. Population and Sampling Technique

3.2.1. Target Population

The target populations of this study were permanent employees and managers in Ethio-Telecom, Southwest Region. According to Human Resource department of the Southwest Region (2019), there are 336 employees. These employees are working in different division and functional departments of the organization. The target employees would only permanent employees because they have consistent and accurate data about BSC implementation in Ethio-Telecom, Southwestern region.

3.2.2. Sampling Technique

The target populations of this study were Ethio telecom staffs. Thus, the study used Stratified Sampling Technique. According to (Abdullah, Iqra&Umair, Tahira&Rashid, Dr. Yahya&Naeem, 2013) Stratified sampling divided population into subpopulation or strata and use simple random on each stratum. To classify each department of the sample respondent’s stratification sampling method was used to strata sub-population.

Sample size determination is based on formula derived by Taro Yamane (1967)

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

When n= sample size, N= population size, α = sampling error 336

Based this formula: $n = \frac{N}{1+N(\alpha^2)}$

$$n = \frac{336}{1 + 336(0.0025)}$$

$$n = \frac{336}{1.84} \quad n = 183$$

Therefore, table 3.1 shows the proportional sample respondents will be selected from each cluster.

Figure 3.1 Proportional sample distributions

No.	DEVISION	POPULATION	SAMPLE $n_1 = (n_1/N) * n$
1	CEO Office (Anticorruption)	2	1
2	Enterprise	12	7
3	Finance	21	11
4	Human Resource	8	4
5	Information System	2	1
6	Legal	5	2
7	Network	159	87
8	Residential Sales	42	24
9	Security	5	3
10	Sourcing and Facility	80	43
	TOTAL	336	183

3.3. Data Source and Method of Data Collection

3.3.1. Data Source

In this study, both primary and secondary sources of data were used. The primary data were collected from permanent employees and managers in Ethio-Telecom, Southwest Region through questionnaire and interview. In addition, the secondary data were gathered from files, pamphlets, office manuals, circulars and policy papers were used to provide additional information where appropriate. Besides, variety of books, published and unpublished documents, websites & governance document of organization were reviewed to make thesis fruitful.

3.3.2. Method of Data Collection

To collect the data needed, this study used questionnaire and interview data collection techniques.

3.3.2.1. Questionnaire

In this study, self-administered questionnaire was used to collect quantitative data from permanent employees of Ethio-Telecom, Southwest Region. The questionnaire had included three sections. Section 1 was about demographic data of the respondents while section two was about challenges faced during the implementation of BSC. The questionnaire for this section had five-point Likert scale (1= strongly disagree to 5= strongly agree). Questionnaire was self-developed. Section 3 was about BSC implementation with five-point Likert scale (1= Not at all to 5= to a greater extent). After developing the

questionnaire, the study conducted pilot test in selected companies in aiming to check the reliability and validity of the questionnaire (see separate section below). Then the researcher for using the questionnaires in the final survey made appropriate correction.

3.3.1.2. In-depth Interview

In addition to the questionnaire, interview was another data collection technique the study used. The interview was semi-structured and conducted with one manager who was responsible to the implementation of BSC in Ethio-Telecom, Southwest Region.

3.4. Validity and Reliability

3.4.1. Validity

Validity refers to the accuracy and meaningfulness of inferences, which are based on the research results. Harper and Thompson (2011) note that in order for data collection tools to provide useful results, the questions must be both valid and reliable. Reliability measures the relevance of the questions included in the questionnaires. Validity also refers to whether the instrument is actually able to test what it is supposed to test (Harper and Thompson, 2011). According to Creswell (2009), the usual procedure in assessing the content validity of a measure is to use a professional or expert in a particular field, which helps in discovering question content, correction in the wording and the sequencing problems before the actual study as well as exploring ways of improving overall quality of study. For the sake of this study, the researcher used the opinions of experts in the field of study especially university research instructors to establish the validity of the research instrument.

In addition, the researcher used opinions of experts of the organization for the questionnaires whether they are correctly processed or not. This facilitated the necessary revision and modification of the research instrument thereby enhancing validity.

3.5. Method of Data Analysis

Once the researcher collected the questionnaires, they were coded and fed into the SPSS computer software and analyzed. Initially screening of data were done using sort functions. Quantitative data were analyzed using descriptive statistical techniques, which were frequencies, percentage, and mode. Qualitative data were categorized and reported in emergent themes. Measures of central tendency gave

expected summary statistics of the variables being tested. The findings were presented by using of frequency distribution tables that gave record of the number of times a score or a response occurs.

Moreover, inferential statistics was used to answer the two basic research questions. Thus, Pearson correlation and the Multiple Regression Analysis were applied to examine the factors that affect the implementation of BSC. Multiple regression analysis models used to determine the relationship between the dependent and independent variables.

Hence, the model used:

$$E (Y_i | X_i) = \beta_0 + \beta_i X_i \quad \text{or}$$

$$P (\text{BSCI}) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where,

BSCI = BSC implementation

β_0 = Constant term

$\beta_1.. \beta_4$ = Regression Coefficient to be estimated

X_1 = Employee Perception towards BSC

X_2 = Design of Implementation of BSC

X_3 = Customer Service Capability

X_4 = Internal System

e = stochastic term.

The distribution of residuals should be normal at each value of the dependent variable is one of multiple linier regression assumption. This means that errors are normally distributed, and that a plot of the values of the residuals was approximated a normal curve (Keith, 2006). According to Gujarati (1995) u_i are independently and normally distributed with mean zero and a common variance α^2 was given as; $u_i \sim \text{IN} (0, \alpha^2)$

3.5.2. Homoscedasticity

The variance of the residuals for every set of values for the independent variable is equal and violation is called heteroscedasticity. This means that researcher assume that errors are spread out consistently between the variables. Symbolically described as follow;

$$\text{var} = \left(\frac{u_i}{(x_1, \dots, x_k!)} \right) \alpha^2$$

For all i

U_i = is disturbance term or error term

X_k = is explanatory variable

α^2 is the constant or homoscedastic variance of u_i

Sample size: sample size Representative was tested by the formula given by Tabachnick and Fidell (2001). This formula used to test sample size Representative by taking into explanation the number of independent variables as follow:

$$N > 50 + 8m$$

Where; m = number of independent variables, N -sample size.

$$183 > 50 + 8 * 4$$

$$183 > 82$$

3.6. Ethical considerations

In this study, all participants and data collected remain confidential and identities of respondents remain anonymous. Moreover, the privacy of all respondents was respected in the reporting of this research. No details of individuals involved in this research. Informed consent was written statement that explains aspects of a study to participants and asked for their voluntary agreement to participate before the study begun. (Neumann, 2006). In this study, each participant provided with an information sheet at the beginning of the research questions explaining the purpose of the research prior to each questionnaire and interview. In addition, the researcher got consent from the participants before the survey and interview was made.

CHAPTER FOUR

4. DATA ANALYSIS AND PRESENTATION

4.1. Introduction

This section is organized in to two major categories on the bases of the basic research questions of this study.

A total of 183 questionnaires were distributed to sample respondents and all of them were completed and returned making the response rate 100%. This may be due to personal contact of the researcher with respondents as the researcher was former staff member of the South Western Regional office of Ethio-telecom.

4.1.1. Reliability

The internal consistency of the research instrument should be tested by reliability analysis Ndubisi, 2006. Nunnally as cited in Ahsan et al., 2009 suggested that the minimum alpha of 0.6 sufficed for early stage of research. The Cronbach's alphas in this study were all much higher than 0.6 even if efficiency and security is less than 0.6, the constructs were therefore deemed to have adequate reliability because the whole reliability of the study turns out to be 0.881. The reliability estimates are shown in table 4.1 below

Table 4.1 Summary of reliability measurement (Cronbach's Alpha)

Category of questionnaire	Cranbach's Alpha	No of Items
Employee Perception	.771	13
Design of BSC	.729	10
Recourse availability	.764	6
Internal system	.702	4
Total	.881	33

Source: Own survey data 2020

4.2. Demographic Profile of Respondents

4.2.1. Sex of the respondents

This section presents the descriptive analysis of sample respondents included in the study, which is concerned about sex of the respondent, age, educational level, profession, number of years for the service and insurance plan used by respondents.

Respondents were asked to express their sex for the purpose of the study. The Below chart 4.1 depicts that about 18.03% of the respondents were females and majority of the respondents i.e. 81.97% of them were male respondents. This indicates that the responses were male dominated.

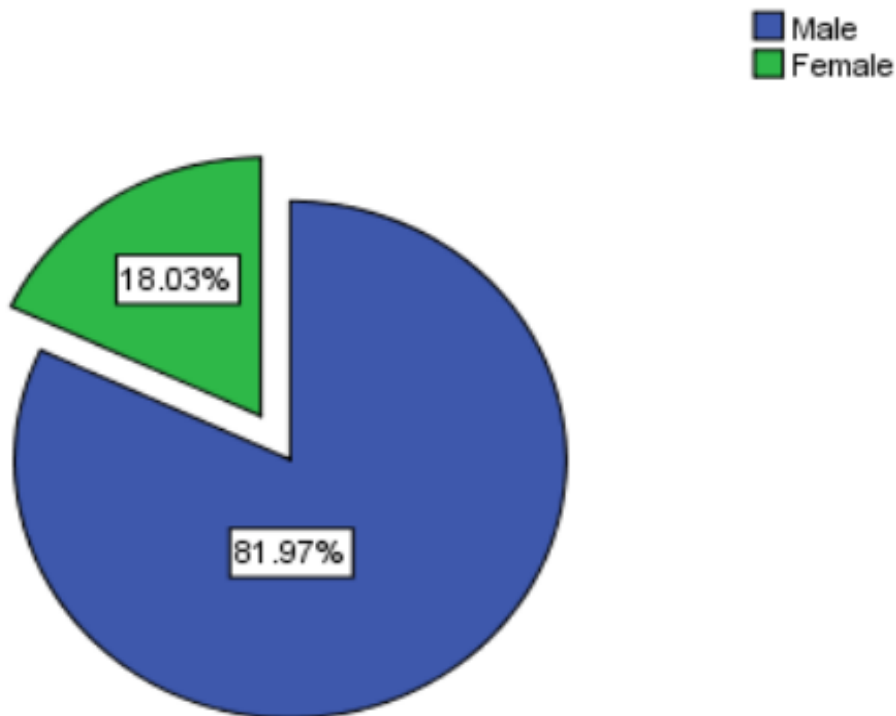


CHART.4-1: SEX OF THE RESPONDENTS

Source: Own survey data, 2020

4.2.2. Demographic Profile of Respondents, Department of respondents, Position of respondents, Service year of the respondents, Marital Statuses and Educational status

Table 4.2 Demographic Profile of Respondents, Department, Position, Service Year of the Respondents and Marital Statuses Educational Status.

Department	Frequency	Percent
CEO	1	0.5
Enterprise	7	3.8
Finance	11	6
HR	4	2.2
IS	1	0.5
Legal	2	1.1
Network	87	47.5
Residential Sales	24	13.1
Security	3	1.6
Sourcing and Facilities	43	23.5
Position		
Manager	11	6
Supervisor	26	14.2
Specialist	17	9.3
Professional (Driver, Sales, line man, Accountant, and others)	129	70.5
Marital Statuses		
Single	27	14.8
Married	139	76
Divorce	10	5.5
Separated	7	3.8
Educational status		
Certificate	46	25.1
Diploma	54	29.5
1st Degree	37	20.2
2nd Degree	39	21.3
Above second Degree	7	3.8
Total	183	100

Department of Respondent they belong and the result shows that, majority of the respondents that contributes 47.5% belong to network department, those working under sourcing & facilities department comprises about 23.5% of the total respondents, about 24 (13.1%) of them were working in residential sales department. From those respondents 11 (6%) of them were grouped under finance department and 7 (3.8%) of them were working in enterprise department. The remaining respondents were grouped in human resource (4), CEO (1), IS (1), legal (2), and security (3). This indicates that the respondents were qualified samples to give knowledge about balanced scorecard.

The respondents were also requested to indicate the position they hold in their respective office. Accordingly, as shown in the above table 4.3, majority of the respondents 129 (70.5%) held a position of professionals like driver, sales, line man, accountant & others, those comprising 17 (9.3%) were respondents having a specialist quality within the organization, about 26 (14.2%) of them were staffs with supervisor position and the remaining position were held by managers 11 (6%).

Marital Statuses indicate that majority 139 (76%) of the respondents were married, 27 (14.8%) of the respondents were single i.e. still unmarried, 10 (5.5%) of them were divorced respondents and the remaining 7 (3.8%) of the total respondents were those separated. This indicates that majority of the respondents were married.

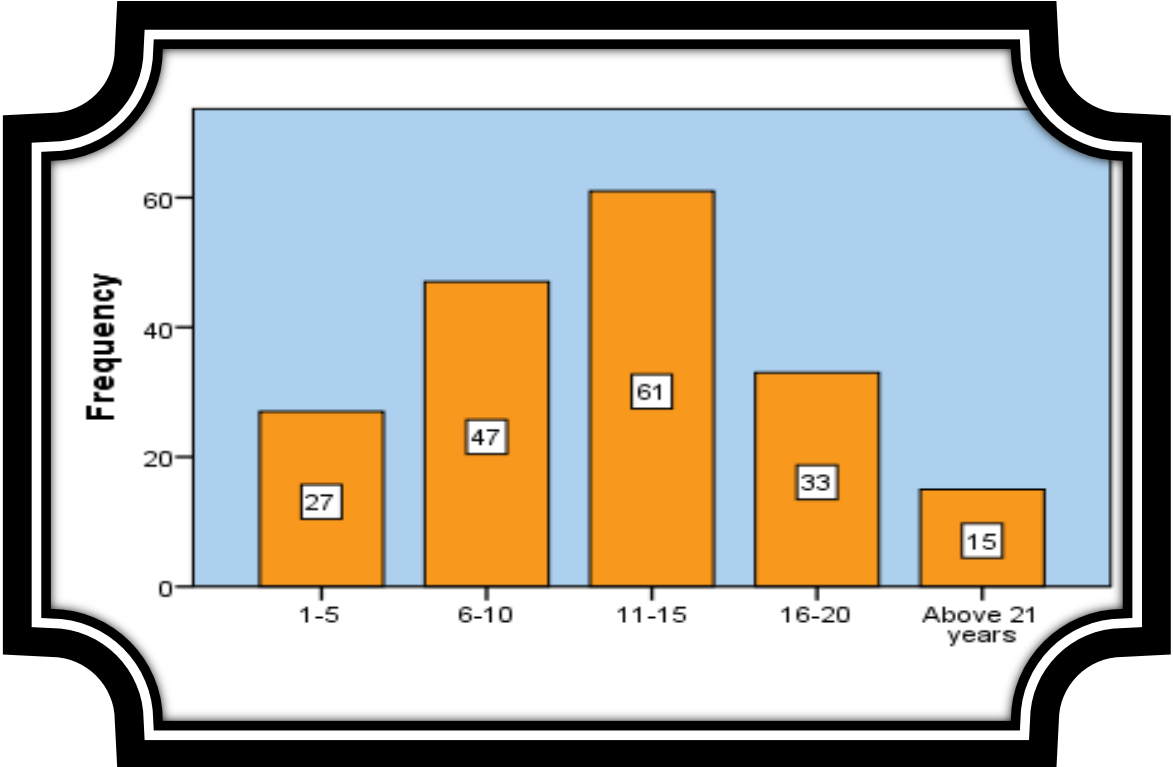
Educational status shows as far as the current qualification level of the sample respondents is regarded, an increasing number of the sample respondents, 54 (29.5%) were trained in diploma level only, while 46 (25.1%) of the respondents were qualified with certification. Another considerable group, 39 (21.3%) were qualified with 2nd degree. The proportion of 1st degree holder and above 2nd degree was 37 (20.2%) and 7 (3.8%), respectively. This in fact, turns the organization to hire different educational backgrounds and this reveals that majority of the respondents.

4.2.3. Service year of the respondents

Service year of the respondents were put into account by the researcher to check whether the respondents have enough knowledge about the study or not. Based on the results found from the above chart 4.2, about 27 (14.8%) of them worked for the organization from one year to five years, 47 (25.7) of them have an experience on the job for six to ten years, majority of the respondents worked between 11 to 15 years

within the organization, 33 (18%) of them have an experience of 16 to 20 years and the remaining 15 (8.2%) of the respondents have an experience of more than 21 years. Therefore, the result showed that the majority 156 (83.2) of them have a work experience of more than five years within the telecom. Responses from those respondents can be reliable since they have been working in the organization more than 5 years. This implies that the respondents were being able to respond to every question appropriately.

Figure 4.1: Service years in current position

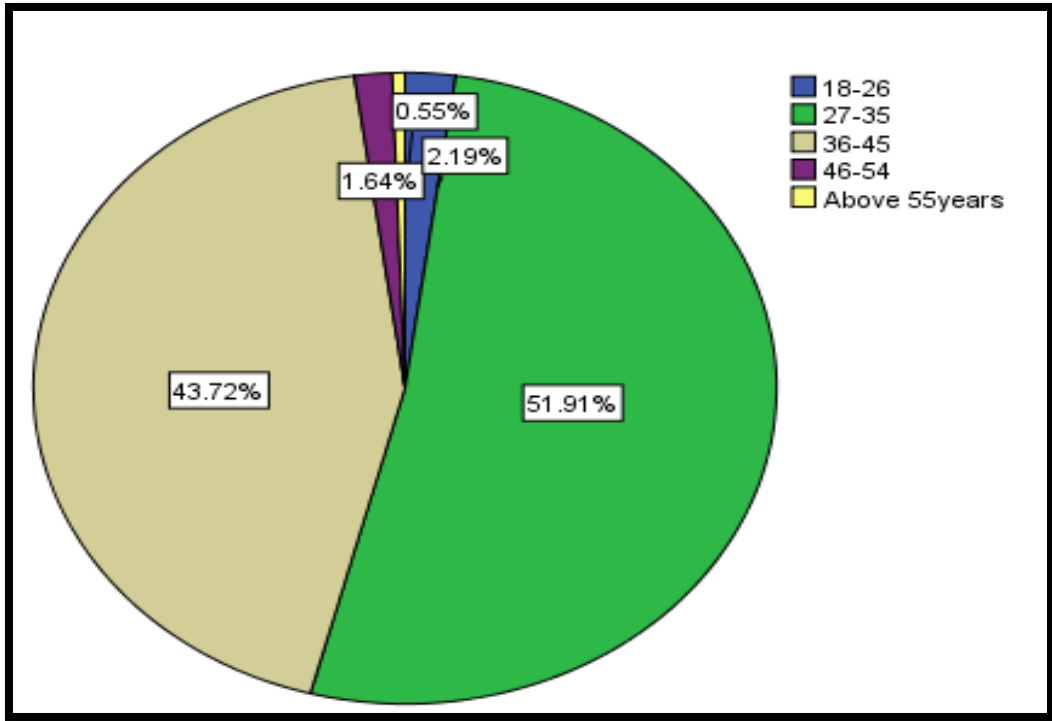


Source: Own survey data, 2020

4.2.4. Age of the respondents

The below chart 4.3 indicates the age categories of the respondents. Accordingly, 4 (2.2%) of the respondents were in the age category of 18-26, majority of the respondent 95 (51.9%) were in the range of 27 to 35 years, also second largest group fall under the age of 36 to 45 with total number of 80 (43.7%) respondents, those fall under the age of 46-54 were only 3 (1.6%) of the respondents and the remaining one respondent was above 55 years. This implies that, the expected age distribution in the telecom where fall under the productive age group. Due to this, the credibility of the data is in good manner.

Chart 4.2 Age of the respondents



Source: Own survey data, 2020

4.3. Level of BSC implementation in South Western Region of Ethio-Telecom

In this section a descriptive analysis is presented, which demonstrates the perception of the sample and agreement in relation to implementation of BSC in their organization. Moreover, each dimension of the implementation of BSC will be presented in the following section, with its associated statements mean, standard deviation and relative importance. Subsequently, an explanation into the sample agreement and disagreement in regards to the different dimensions and their subsequent statements will be provided later through these dimensions. A specific scale was used in the process of analyzing questionnaire statements, which was divided into five levels that relate to the weights of the questionnaire (Sekaran, 2004).

4.3.1. Design of balanced scorecard card in South Western Region of Ethio-Telecom

Source: Own survey data, 2020

On table 4.6 about 67.21% of the respondents indicated that there is not enough KPI/measure across each business unit. There is high coordination across business unit for 40.98% of the respondents. Majority of the respondents disagreed with the times given to each KPI or measures are enough to meet the target and

for the targets given to them. 63.94 % of the respondents disagreed with each measure/KPI weighted based on their importance. The identified measures /KPI's/ clearly measure their work for 54.65% of the respondents and at the same time it is not clearly measure their work for 25.14% of the total respondents. 66.12% & 91.81% of the respondents disagreed with targets given in our division is achievable & targets given in Balanced Scorecard help Ethio Telecom meet its goal respectively. KPI in each perspective are not enough to measure company performance according to 78.14% and majority of the respondents stayed neutral for the works they perform within the organization is measurable. This indicates that the laid down key performance indicators doesn't fit with the employee's requirement and it is only targeted to do jobs but, employees are not happy with the performance measures in relation to KPI.

Table 4.3 Employee Perception

	SD	D	N	A	SA	Mean	St dv
I understand the organizations vision & missions	3.28	20.77	18.03	31.15	26.78	3.57	1.183
I see the BSC as opportunity rather than threat	3.83	21.31	11.48	43.17	20.22	3.55	1.147
My organization encourages employees in career progression	2.73	13.66	48.63	0	34.97	3.51	1.181
BSC has impacted my understanding of organizations strategy	1.64	28.96	18.03	39.89	11.48	3.31	1.061
I possess positive attitude toward performance management improvement	8.2	32.79	20.77	27.32	10.93	3	1.172
In my organization BSC is serving us strategy management tools	7.65	35.52	15.3	34.43	7.1	2.98	1.139
I fully understand what's BSC and what's my role in the system	2.73	43.72	19.13	22.95	11.48	2.97	1.11
It's better to do evaluation of BSC quarterly so as to make alarm for strategy management and facilitate employees	14.21	26.78	12.02	44.81	2.19	2.94	1.173
Innovation is fully embraced in the organization	25.14	20.77	12.57	26.23	15.3	2.86	1.442
My organization is applying BSC in a successful manner	20.22	16.39	25.68	36.61	1.09	2.82	1.165
I understand well what is the advantage of BSC to organization and to employees.	12.02	30.6	26.23	30.05	1.09	2.78	1.043
It is better to use BSC as the only performance management tools to satisfy both employees and organization vision.	20.77	23.5	25.14	28.42	2.19	2.68	1.158
BSC is a tool for performance measurement but seen as a threat in the organization	28.42	38.8	28.42	4.37	0	2.09	0.86

Source: Own survey data, 2020

From the above table about 106 (57.93%) of the respondents agreed to the question raised as 'I understand the organizations vision and missions' and 44 (24.05%) of the respondents disagreed to the

same question. This implies most employees of Ethio telecom have awareness on the organizational vision and mission

For the possession of positive attitude 75 (40.99%) of the respondents responded by disagreeing and only 70 (38.25%) of them agreed for the same question. Most of the respondents i.e. 85 (46.45%) does not know their role in BSC and even they did not fully understand what BSC mean. Majority of the respondents agreed with the impact of BSC on understanding the organizational strategy. About 84 (45.91%) of the respondents disagreed with innovation is fully embraced in the organization and 76 (41.53%) of them agreed for the same question. About 89, (48.63%) of the respondents, stayed neutral for their organization encourages employees in career progression and 34.97% of them agreed that their organization encourages them in career progression. About 42.02% of the respondents do not know the advantage of BSC to the organization & to employees. In relation to this about 67.22% of the respondents saw BSC as threat to the organization and majority of the respondents disagreed for BSC is serving as strategic management tool.

4.3.2. Resource Availability

Table 4.4. Descriptive Statistics Resource Availability

	SD	D	N	A	SA	Mean	St D
There adequate tools and infrastructure of work so as to be evaluated by BSC	10.93	30.05	22.95	32.24	3.83	2.88	1.098
Ethio Telecom has adequate IT support to implement BSC properly	11.48	36.07	15.30	32.79	4.37	2.83	1.140
Linking remuneration system with BSC result in this organization is satisfactory	3.83	51.91	16.39	26.78	1.09	2.69	.946
There is comfortable environment to implement and achieve all objectives of each perspective	33.88	25.14	25.68	8.20	7.10	2.30	1.218

Source: Own survey data, 2020

The above table indicates about Resource Availability and the responses from the table are explained one by one. Majority of the respondents stayed Disagree 40.68 % on the adequate tools and infrastructure of

work to be evaluated by BSC and for the same idea about 36.07% agreed. Majority of the respondents were not satisfied with the BSC as performance evaluation system of the organization. On Ethio telecom has adequate IT support to implement BSC properly 47.55% disagreed and 37.16 % of respondent's responses agree. Linking remuneration system with BSC result in this organization is not satisfactory for 55.74% of the respondents. There is no comfortable environment to implement and achieve all objectives of each perspective for 59.02% the respondents

4.3.3. Internal system

Table 4.5 Descriptive of Internal System

	SD	D	N	A	SA	Mean	St D
There is a standard for the internal activities & in-service provision to be done completely in the organization in all business unit	7.65	15.85	43.17	30.6	2.73	3.05	0.939
The performance evaluations of Ethio telecom after the implementation of BSC become very interesting.	10.93	29.51	17.49	32.79	9.29	3	12
The implementation of BSC makes the rewarding system fair and attractive.	6.01	31.15	43.72	18.03	1.09	2.77	0.853
The template that require for the performance evaluation is easy to use.	11.48	29.51	32.79	24.04	2.19	2.76	1.015
The nature of KPI is flexible enough to incorporate all emerging works in organization	10.93	38.8	33.33	9.84	7.1	2.63	1.039
There is good two-way communication among higher and lower level employees	10.93	38.8	36.61	12.57	1.09	2.54	0.888

Source: Own survey data, 2020

According table 4.9 Internal System the responses explained one by one. Majority of the respondents stayed disagree on two-way communication between higher and lower level employees according to 49.73% of the respondents. Templates used for performance evaluation in the organization are not easy

according to 40.99% and 32.79% of them stayed neutral and agree 26.14% respondents. The implementation of BSC makes the rewarding system fair and attractive was disagreed with 37.16% of the respondents and majority of them stayed neutral. 42.08 % of the respondents agreed for performance evaluation of their organization after implementing BSC become very interesting. Flexibility of the KPI to incorporate all emerging works in the organization is in big question according to 49.73% of the respondents. Standard for the internal activities & in-service provision to be done completely in the organization in all business units 33.33% agree and 43.17 stayed neutral.

4.4. Factors affecting BSC Implementation and organizational performance

Correlation is a statistical tool to determine the strength of relationship between two suitability variables. Therefore, correlation matrix is an interpretation of the correlations is based on a significant of the correlation between two or more variables. The ranges of r value from -1 to +1, which used to describe a direction relationship between two variables. Among them, minus means the relationship between two variables is negative, and if the greater, the absolute value of correlation coefficient, the stronger the relationship. It shows that if one variable becomes bigger and another variable will become to smaller. For plus sign means a positive relationship between two variables, a variable tends to directly become bigger with another variable, or smaller and smaller with this variable (direct relation). When correlation coefficient equal to 0, it means the weakest relationship between two variables. The correlation matrix table is a comparison of needs, requirements, or functions whereby the user identifies a relationship of either mutual benefit, conflict, or no.

Table 4.6. Correlation result

Variables	EP	DES	RA	IS	IMP
EP	1				
DES	.278**	1			
RA	.599**	.567**	1		
IS	.635**	.640**	.612**	1	
BSC IMP	.786**	.516**	.781**	.695**	1

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

As shown in the table above, the factors such as employee perception ($r = 0.786$, $p < 0.01$), resource availability ($r = 0.781$, $p < 0.01$), and internal system ($r = 0.695$, $p < 0.01$) has strong, positive, and significant association with BSC implementation in Ethio-telecom. However, design of BSC has moderate ($r = 0.516$,

$p < 0.01$) association with BSC implementation in Ethio-telecom. Therefore, it can be concluded that the level of BSC implementation in Ethio-telecom is mainly related with employee perception, resource availability, design of BSC, and internal system.

4.5. Factors Affecting BSC implementation in Ethio-telecom

Before running regression analysis, it was essential to test assumptions of multiple linear regression analysis Model (Keith, 2006; Pallant, 2005). Therefore, each assumption result was discussed below:

4.5.1. Normality test

Another important diagnostics test conducted in this study is the normality assumption (i.e. the normally distributed errors). The normality assumption is about the mean of the residuals is zero. Moreover, Normality tests are used to determine whether a data set is well modeled by a normal distribution or not, or to compute how likely an underlying random variable is to be normally distributed (Gujarati, 2009). Therefore, the researcher used histogram for testing the normality of the data. According to Fidell (2001), if the residuals are normally distributed around its mean of zero, the histogram should be a bell-shaped and regression standardized residual plotted between 3.3 and -3.3 . So that, from table 4.10 below, it can be noted that the data conforms to the normality assumption (Stevens, 2009). As we can understand from the histogram and p-p plot depicted below, the residuals seem normally distributed and the residuals are distributed with a mean of 0 and standard deviation of 0.989 which is approximately 1. Thus, the model fulfills the assumption of being normally distributed. Moreover, in the normal probability plot it is expected that our points will lie in a reasonably straight diagonal line from bottom left to top right, which would suggest no major deviations from normality

Table 4.7. Residuals Statistics

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8529	3.8524	2.9303	.50253	183
Residual	-.98177	1.59066	.00000	.37588	183
Std. Predicted Value	-2.373	2.138	.000	1.000	183
Std. Residual	-2.399	2.642	.000	.989	183

A. Dependent Variable: BSC

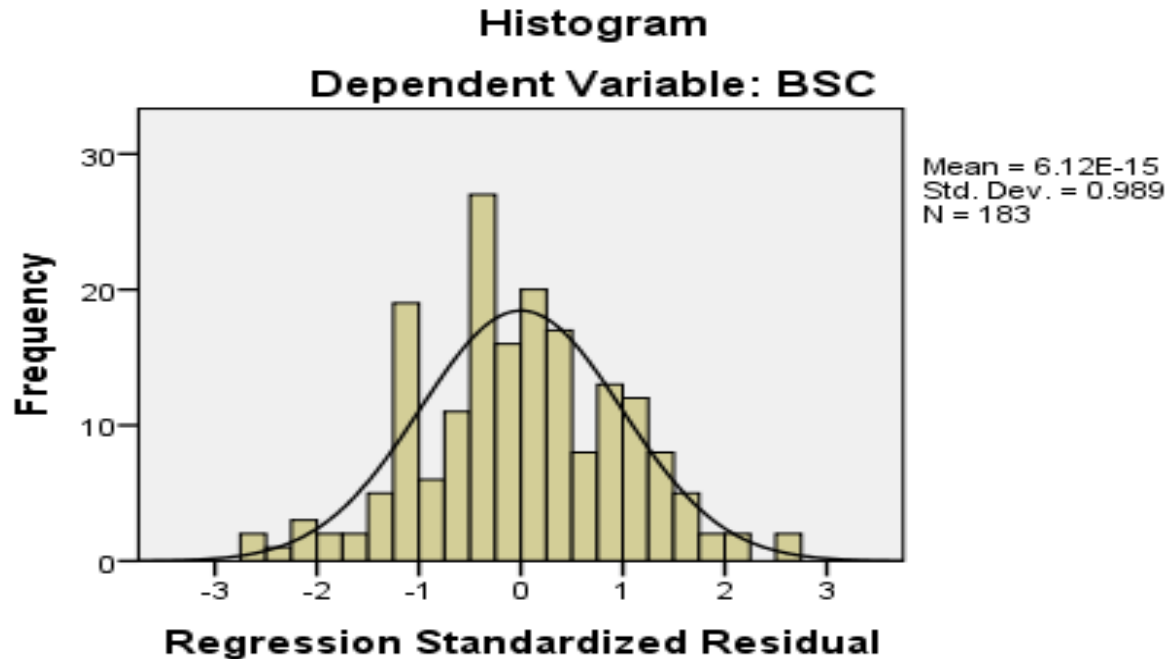


Chart 4.3. Histogram Dependent variable

Source: Own survey data, 2020

4.5.1. Linearity test

This is slightly different from simple linear regression as we have multiple explanatory variables. Multiple regressions can accurately estimate the relationship between dependent and independent variables, when their relationship is linear in nature (Keith, 2006). If linearity is violated, all the estimates of the regression including regression coefficients, standard errors, and tests of statistical significance may be biased (Keith, 2006). This can be best checked by p-p plot residual as shown in the appendixes. When, p-p residual looks at straight line, the relationship between the dependent and independent variables is linear. Therefore, there is no linearity problem on the data used for this study.

Normal P-P Plot of Regression Standardized Residual

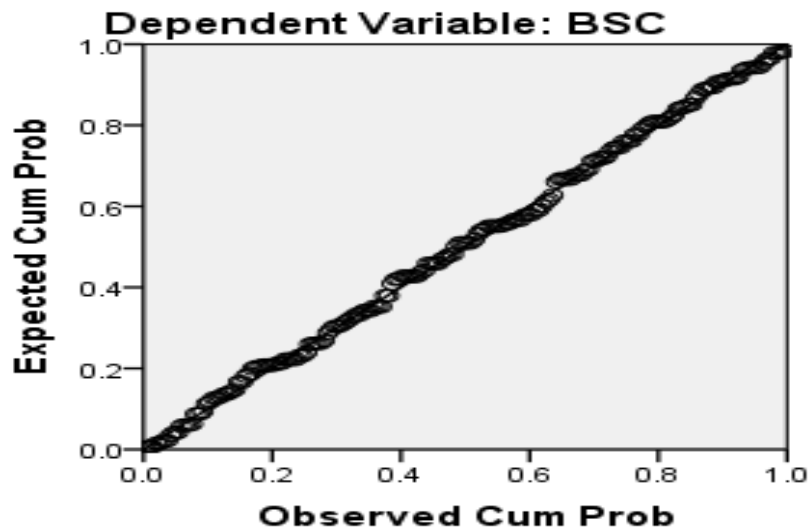


Chart 4.4. Normal P-P Plot of Regression Standard Residual

Source: Own data survey, 2020

4.5.2. Autocorrelation test

For any two observations, the residual terms should be uncorrelated (or independent). This eventuality is sometimes described as a lack of autocorrelation. The researcher used and tested this with the Durbin–Watson (DW) test, which tests for serial correlations among errors. A value substantially below 2 (and especially a value less than 1) means that the data is positively auto correlated, i.e. on average a data element is close to the subsequent data element. A value of d substantially above 2 means that the data is negatively auto correlated, i.e. on average a data element is far from the subsequent data element. Thus, the DW test from the appendix shows Sig. F Change 1.885, which means the data, is positively auto correlated. This implies that there is no problem with the assumption of autocorrelation and the variables are good predictors of BSC.

Durbin-Watson	1.885
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Source: own data survey, 2020

4.5.3. Heteroscedasticity test

Heteroscedasticity statistics checked is used to measure model fitness. The variance of the residuals for every set of values for the independent variable should be equal and violation is called Heteroscedasticity.

This means that investigators assume that errors are spread out consistently between the factors of BSC implementation. Scatter plot of more than 3.3 or less than -3.3 indicates a Heteroscedasticity problem (Tabachnick & Fidell, 2007). Therefore, as shown in appendix the data did not violate Heteroscedasticity assumption and instead it was Homoscedasticity.

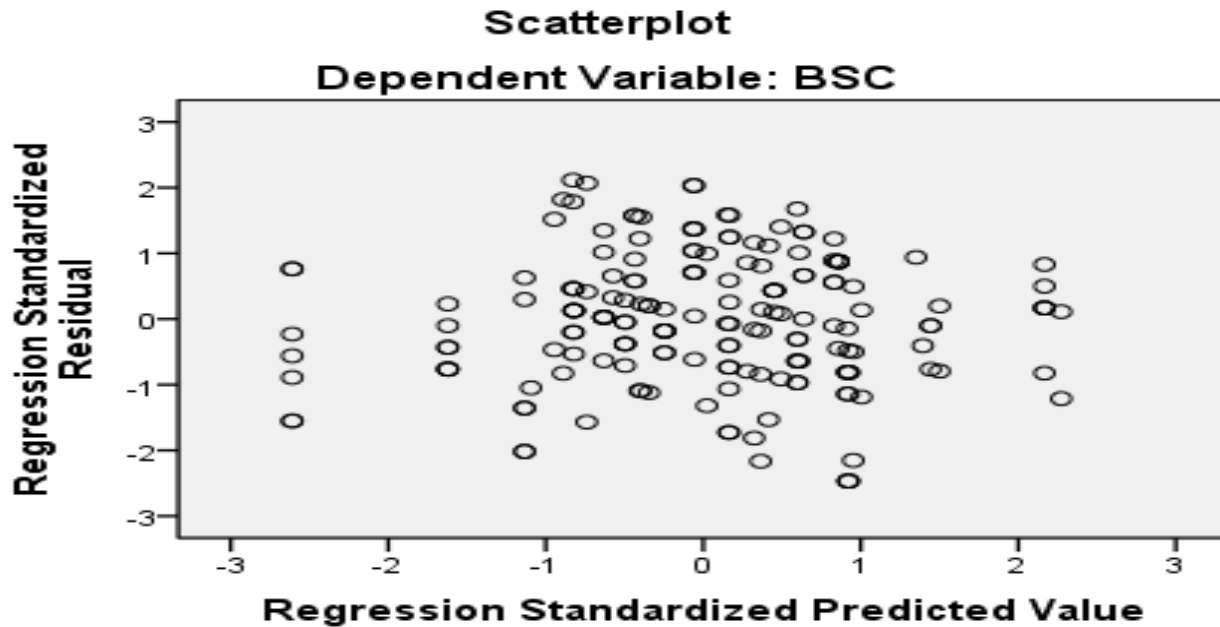


Chart 4.5. Scatterplot Dependent variable

Source: Own data survey, 2020

Since all the assumptions are met, it is possible to run regression analysis. The result is discussed here under. Table 4.9 gives the regression model summary results. It presents the R value which is the measure of association between the dependent and the independent variables, the R Square which is the coefficient of determination measuring the extent at which the independent variables influence the dependent variable as well as the Adjusted R Square which measures the reliability of the regression results.

Table 4.8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.913 ^a	.834	.829	.21824

The R value (Pearson product moment correlation coefficient) indicating the strength and direction of the linear relationship between the dependent and independent variables in the model is 0.913 and reflects a

strong degree of the association between balanced scorecard implementation and four independent variables. Therefore, a value of 0.913 offers good or significant level of prediction (Creswell, 2012). The predictive capacity is the square of the correlation coefficient and it is 0.834 (R square or R^2) for this model. The results showed 83.4% of the variation of BSC is explained by the variation in the independent variables such as employee perception, resource availability, design of BSC, and internal system. Based on Field (2009) the R^2 reflects the percentage of variance in the dependent variable that is explained by the variation in the independent variable(s). Adjusted R^2 adjusts the value of R^2 when the sample size is small, because an estimate of R^2 obtained when the sample size tends to be higher than the actual R^2 in the population.

The rule of thumb is to report adjusted R^2 when it substantially differs from R^2 (Green and Salkin, 2010). In this model depicted in the regression table above, the difference is very small (adjusted R squared = 0.829). Therefore, we can report the unadjusted R^2 . However, 16.6% of variation in BSC implementation is explained by other variables, which were not included in this study model.

Another important result is ANOVA table. Analysis of the variance (ANOVA) was used to make simultaneous comparisons between means; thus, testing whether a significant relation exists between dependent and independent variables. ANOVA indicates a significant F statistic implying that the model was fit for the estimation.

Table 4.9: Anova Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	42.381	5	8.476	177.962	.000 ^b
	Residual	8.430	177	.048		
	Total	50.812	182			

a. Dependent Variable: IMP

b. Predictors: (Constant), IS, BSC, RA, FA, DES

The results presented in table 4.10 gives the ANOVA results which shows the reliability of the model developed in explaining the relationship between the study variables. The significance of the model was tested at 5% level with a 2-tailed test. The F statistic is 177.962 with a distribution F (5,177), and the probability of observing a value greater than or equal to 177.962 is less than 0.001 as given by the

significance value of 0.000, which is less than the threshold value at 0.05 significance level in a 2-tailed test. Therefore, it reveals that the regression model developed is statistically significant and the variation in the results is insignificant that cannot result to a much difference in case of a change in the study units (population). Therefore, the model can be relied up on to explain the effects of the specific factors on balanced scorecard of Ethio telecom.

Moreover, the coefficient table below shows which variable has more influence on BSC implementation in Ethio-telecom.

Table 4.10: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0.434	0.108		4.013	.000
EP	0.506	0.044	0.522	11.403	.000
DES	0.29	0.048	0.332	6.095	.000
RA	0.189	0.032	0.277	5.875	.000
IS	0.117	0.04	0.15	2.916	.004

a. Dependent Variable: IMP

To achieve the objective of this study, the following four null hypotheses were formulated for testing.

Ho1: The Extent to which Employee Perception affects BSC implementation is not significant.

Ho2: The Extent to which Design of BSC affects BSC implementation is not significant

Ho3: The Extent to which Resource Availability affects BSC implementation is not significant

Ho4: The Extent to which Internal System affects BSC implementation is not significant.

The table above shows the individual effect of independent variables on the dependent variable. To report the above result, it is appropriate to use unstandardized coefficients because the study data were collected

using likert scale, which is unit less. The result revealed that employee perception (Beta= 0.506, p<0.05) has highest effect on BSC implementation in Ethio-telecom followed by design of BSC (Beta= 0.290, p<0.05) and resource availability (Beta= 0.189, p<0.05). This means changes in employee perception can lead to 50.6% of variation in BSC implementation while design of BSC and resource availability can lead to 29% and 18.9%, respectively. Meanwhile, internal system has the least effect on BSC implementation in Ethio-telecom leading only 11.7% of variation.

Hence, the model specified in chapter three is re-written as:

$$E (Y_i | X_i) = \beta_0 + \beta_i X_i \quad \text{or}$$

$$P (\text{BSCI}) = \beta_0 + 0.506X_1 + 0.290X_2 - 0.266X_3 + \beta_4 X_4 +$$

Where,

BSCI = BSC implementation

β_0 = Constant term

$\beta_1 \dots \beta_4$ = Regression Coefficient to be estimated

X_1 = Employee Perception towards BSC

X_2 = Design of Implementation of BSC

X_3 = Resource Availability

X_4 = Internal System

Thus, the model is

$$P (\text{BSCI}) = 0.434 + 0.506X_1 + 0.290X_2 + 0.189X_3 + 0.117X_4$$

Interview Analysis

BSC, at Ethio telecom SWR used as a shift in paradigm, is focused on improving performance measurement systems through its motivational attributes; by providing clarification of vision and goals, management consensus on vision and strategy, and focus on improved job performance.

I made an interview with Manager who was working at SWR HR. According this interview, BSC Training and orientation implied in Ethio telecom Before June 2015. This orientation not continuous after this time, the new hired Employees does not get Training and orientation. Therefore, it shows that major numbers of employees have knowledge and other does not know it.

The objective of Balanced Scorecard is to translate organizational vision and strategy into a specific objectives and measures in four main perspectives: finances, customers, internal business processes and learning/ growth. The balanced scorecard helps companies form strategies designed for getting more Customers, to serving more customers according company product and service by making managers consider factors like external customers and internal efficiencies.

The advantages of BSC implementing for the organization developed organizations are constantly looking for means to improve their business processes and increase output to achieve their goals and objectives and to follow up each employee who meet target effectively and to evaluate easily each employee twice a year. Some challenges faced in organization on implementing performance management system with BSC, the manual nature of its implementation makes difficult to control each individual's objective and measure. Other challenges Faced in organization when BSC implemented Over target of GTP plan, knowledge gap, shortage of product and service on sales area, System development and still know KPI of some departments like Drivers, Technical Team and uncounted Target of Ethio telecom service. On other side disadvantage of Implementation of Balanced Scorecard Card is more of less it is countable target if it not meets the result will be less performance. Performance management system with BSC is counted

target-based employees are focusing on quantity rather than quality of their respective work is impossible. Because Ethio telecom focus on Quality than Quantity. During evaluation performance of employees Challenges faced, employees cannot achieve their targets according company target. The reasons of low performance depend up on The Network Expansion company side, Fear of Fraud case, Shortage of Low-cost mobile and products, Shortage of vehicle for Maintenance, Security issue, and using annual leave. In case of this reason organization not conformable enough to measure employee performance with BSC. Lack of appreciation and recognition can demoralize, leading to poor employee performance. Make sure you have well-planned processes in place for rewarding and promoting accomplishments, actions, and behaviors that have an impact on your business success.

Finally, Ethio telecom at the corporate level do have enough measure in each perspective to evaluate the performance of each division but there is a problem when departments, sections, groups and individuals cascade the division level BSC as a result adequate measures may not be cascaded and therefore the organization" strategy may not translate into action at a full capacity.

Lack of appreciation and recognition can demoralize, leading to poor employee performance. Make sure you have well-planned processes in place for rewarding and promoting accomplishments, actions, and behaviors that have an impact on business success.

CHAPTER FIVE

5. SUMMARY FINDING, CONCLUSION AND RECOMMENDATION

5.1. Summary of Findings

The summary of findings summarizes each of the results under each objectives of the study. The study sought what are the factors that affect implementation of balanced scorecard in South West Region Ethio telecom Southwestern Region.

The first objective of this study was to assess the status of BSC implementation in South-Western Region of Ethio-telecom. The study results show that BSC implementation is good in some aspects such as knowing of individual numerical target, frequent meeting with managers or supervisors, and BSC training on implementation. This is indicated by agreements of majority of respondents in each aspect.

However, the study findings revealed that BSC implementation has some setbacks with regard to believing and signing on target time willingly, vertically to link to company strategy at each level, effective two-way communication, and support from supervisor before finalization of targets, and training and orientation about its benefit to overall employees and companies adequately.

Finally, BSC implementation status information and required resource were not availed timely, interface among work units was weak, monitoring and evaluation system as well as management effort to bridge any knowledge gap was very low and the BSC system was not perfectly supported by IT in SWR Ethio-telecom. Generally, as the study result reveals majority of respondents were not satisfied on the progress of BSC implementation in the Company.

In connection with the second and consecutive objectives, the association between study variables was examined. The Pearson correlation results indicate that the factor such as employee perception, resource availability, and internal system has strong, positive, and significant association with BSC implementation in Ethio-telecom. However, design of BSC has moderate association with BSC implementation in Ethio-telecom.

Meanwhile, Pearson Product Moment correlation coefficient indicating the strength and direction of the linear relationship between the dependent and independent variables in the model is 0.913 and reflects a

strong degree of the association between balanced scorecard implementation and four independent variables including employee perception, resource availability, design of BSC and internal system.

In addition to correlation, in order to examine the factors affecting BSC implementation, multiple linear regressions was carried out. The regression analysis revealed that 83.4% of the variation of BSC implementation is explained by the variation in the independent variables such as employee perception, resource availability, design of BSC, and internal system. However, 16.6% of variation in BSC implementation is explained by other variables, which were not included in this study model.

Moreover, the findings show that all factors collectively have significant effect on BSC implementation in Ethio-telecom South-Western Region. The individual effect analysis result revealed that employee perception has highest effect on BSC implementation in Ethio-telecom followed by design of BSC and resource availability. This means changes in employee perception can lead to 50.6% of variation in BSC implementation while design of BSC and resource availability can lead to 29% and 18.9%, respectively. Meanwhile, internal system has the least effect on BSC implementation in Ethio-telecom leading only 11.7% of variation.

5.2. Conclusions

Based on the findings of this study, discussed in the above sub-section, the following conclusions were forwarded. The status of BSC implementation in South West Region Ethio Telecom is in good manner in some aspects while poor in some other aspects. BSC implementation is good in aspects such as knowing of individual numerical target, frequent meeting with managers or supervisors, and training on implementation. This has a number of implications for the future implementation of BSC in the regional branch. First is that knowing of individual numerical target enable the organization to measure outcomes in quantifiable manner and follow up progress towards target easily. Second is that frequent meeting with managers or supervisors could help managers and employees to share common understanding of the implementation and solve problems as they happen. Third is that training on implementation helps to enhance current skill required to the successful implementation of BSC.

However, BSC implementation is not as per expected some other aspects such as believing and signing on target time willingly, vertically to link to company strategy at each level, effective two-way communication, support from supervisor before finalization of targets, and training and orientation about its benefit to overall employees and companies adequately. Similarly, these issues have negative

implications. For example, lack of believing and signing on target time willingly could hamper the measurement and control over progress towards target in BSC implementation in Ethio Telecom. Added to this, weak vertical link to company strategy at each level during BSC implementation may lead to loosely integration and coordination among the different levels of management in the organization. Moreover, lack of support from supervisor before finalization of targets could the mentioned benefits above related to frequent meeting with supervisor.

Based on the findings, it can be concluded that the factors such as employee perception, resource availability, and internal system have strong and significant association with BSC implementation in Ethio-telecom. In addition, design of the system has moderate association with BSC implementation in Ethio-telecom. However, all of the four factors (employee perception, resource availability, design of BSC and internal system) together have strong association balanced scorecard implementation and four independent variables including. This association with BSC implementation implies that managers at Ethio Telecom need to enhance all the four elements well and in appropriate fashion. Employees are agents for change in Ethio Telecom. BSC implementation in the organization is translated in to meaningful outcomes with and through workers, which are commonly named as agents of change. Therefore, their motivation and commitment are so much important. Likewise, availability of another resources, internal system, and design of BSC have critical role in the success of the BSC implementation in Ethio-Telecom.

Meanwhile, employee perception has highest effect on BSC implementation in Ethio-telecom followed by design of BSC and resource availability. This means changes BSC implementation may be greatly hampered if any this issue in the organization is adversely damaged. However, internal system has the least effect on BSC implementation in Ethio-telecom. This implies that BSC may also bring changes in various processes and systems already so that existing systems are insignificant in the implementation process.

5.3. Recommendation

Based on the findings and conclusions discussed in the above two sections, the following are recommendations from this study. The findings from this study revealed that BSC implementation is not in good status with respect to some aspects such as believing and signing on target time willingly, vertically to link with company strategy at each level, effective two-way communication, and support from supervisor before finalization of targets, and training and orientation about its benefit to overall

employees and companies adequately. Similarly, these issues may have negative implications in Ethio Telecom South West Region. The organization should take actions in order to improve the mentioned setbacks as follows.

- Ethio Telecom South Western Regional Managers' should use strategies such as employee consultation, training on time management, and regular meeting between employees and their supervisors, and incentives in order to reach attain agreement with employees on target time. The agreed target time may include three-time horizons divide in terms of short, medium and long term.
- In order to solve lack of vertical linkage to organizational strategy at different levels in the implementation of BSC, managers at Ethio Telecom South West Region should take actions like involving managers responsible for BSC implementation at various levels in strategy formulation, implementation, and evaluation at organizational level.
- BSC cascading can be a good solution here in solving linkage problem in the implementation process. It should be supported with appropriate plan and sharing of duties and responsibilities at various levels in the management hierarchy of the regional office.
- BSC implementation was not good with regard to effective two-way communication. As communication is lifeblood of all kinds of organization, this setback in the implementation process should be address well. This can be done with taking measures like revisiting reporting procedure and feedback systems between different levels of management in Ethio Telecom. The organization should redesign communication system with applying various information systems like management information system, which may enable to communicate effectively, cost efficiently, with quality, and speed.
- Ethio Telecom South West Region should take actions to improve the problem of support from supervisor to employees before finalization of their targets. This can be done via provision of training to supervisors on coaching skill so that they can support their employees on how to set targets and achieve them. This training should also include on how to orient and direct their subordinates with regard to benefits of successful BSC implementation. Managers themselves also improve their leadership skill by developing themselves via various mechanisms such as taking online trainings, experience sharing, and mentorship support from executives.

5.4. Suggestion for Further Studies

The study aimed to investigate factors affecting implementation of balanced scorecard in (SWR). The study hence gave emphasis on the key notable factors, which were; job description, management support, supervision and financial resources. The study therefore includes other factors such as training, leadership styles and level of employees' commitment, which were also noted to have a significant effect on implementation of BSC.

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Appendix- A

JIMMA UNIVERSITY

School of Postgraduate Studies

MBA Evening Program

Questionnaire

This questionnaire is designed specifically to carry out a research on the assessment A factors affecting the implementation of balanced scorecard at Ethio-Telecom Southwest Region for partial fulfillment of the requirements for the Masters of Business Administration.

Hence, I kindly request you to attempt all the questions in the questionnaire to meet the aim of the study. The information you provide will be treated with utmost confidentiality and strictly used for academic purpose only. There is no need to write your name.

I thank you in advance

Milkiyas Deressa Angassa

Tell: 0911504514/936707070

Email: milkiyasderessa20@gmail.com or Milkiyas.Deressa@ethiotelecom.et

If you have any question with regard to the questionnaire, please contact me using the above-mentioned address.

Part I

Section One:

Background Information

Please put right mark (?) in front of your choice box that express yourself

Sex: Male Female

Your section (Department) -----

Current Position (level) -----

Year of service in current position -----

Years of service in the organization -----

Age: 18-24 25-35 36-50 51-60 above 60

Marital status: Single Married Divorced Widowed

Educational status: Primary High school TVET 1st degree Master Degree and above

Part II

TABLE 1: DESIGN OF THE IMPLEMENTATION OF BALANCED SCORECARD CARD

No	Design of the implementation of balanced scorecard card	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1	There is enough KPI/measure across each business unit					
2	There is high coordination across business unit					
3	The times given to each KPI or measures are enough to meet the target.					
4	I accept the targets given to me under BSC.					
5	Each measures/KPI weighted based on their importance.					
6	The identified measures /KPI's/ clearly measure my work					
7	The Target given in our division is achievable.					
8	The targets given in Balanced Scorecard help Ethio Telecom meet its Goal.					
9	The measures/KPI in each perspective are enough to measure Company Performance					
10	I believe that all works employees do is measurable in this organization					

TABLE 2: GENERAL PERCEPTION OF EMPLOYEES ON BSC PRACTICAL APPLICATION

No	Employee Perceptions	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree(5)
1	I understand the organizations vision and missions					
2	I possess positive attitude toward performance management improvement					
3	I fully understand what's BSC and what's my role in the system					
4	BSC has impacted my understanding of organizations strategy					
5	Innovation is fully embraced in the organization					
6	My organization encourages employees in career progression					
7	My organization is applying BSC in a successful manner					
8	I understand well what's the advantage of BSC to organization and also to employees.					
9	I see the BSC as opportunity rather than threat					
10	BSC is a tool for performance measurement but seen as a threat in the organization					
11	In my organization BSC is serving us strategy management tools					
12	It's better to use BSC as the only performance management tools so as to satisfy both employees and organization vision.					
13	It's better to do evaluation of BSC quarterly so as to make alarm for strategy management and facilitate employees					

Table 3: Resource Availability

No	Resource Availability	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree(4)	Strongly Agree(5)
1	There adequate tools and infrastructure of work so as to be evaluated by BSC					
2	Ethio Telecom has adequate IT support to implement BSC properly					
3	Linking remuneration system with BSC result in this organization is satisfactory					
4	There is comfortable environment to implement and achieve all objectives of each perspective					

Table 4: Internal system

No	Internal system	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree(4)	Strongly Agree(5)
1	There is good two way communication among higher and lower level employees					
2	The template that require for the performance evaluation is easy to use.					
3	The implementation of BSC makes the rewarding system fair and attractive.					
4	The performance evaluations of Ethio telecom after the implementation of BSC become very interesting.					
5	The nature of KPI is flexible enough to incorporate all emerging works in organization					
6	There is a standard for the internal activities & in service provision to be done completely in the organization in all business unit					

Appendix – B

JIMMA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

Questionnaires' FOR HR MANAGER

Do you believe that all employees in this organization know about Performance management on BSC very well?

What advantages the organization has got from implementing BSC?

What the challenges organization faced in implementing performance management system with BSC?

What are the disadvantages of Implementation of Balanced Scorecard Card?

Since performance management system with BSC is counted target based employees are focusing on quantity rather than quality of their respective work. What do you perceive about it?

What challenges do you face during evaluation of performance of employees?

Does the organization is conformable enough to measure employee performance with BSC?

Does Balanced Scorecards at across all levels and department have sufficient measures of objectives?

How was any rewarding system linked with BSC is going on in the organization? What do you suggest?

How do you see employee's perceptions in overall performance management system with BSC implementation?

How does the organization overcome the encountered challenges so as to achieve its vision and mission of the organization?

Do you believe that employee performance management barriers found before implementation of BSC is solved after implementation BSC?

You know BSC is not only performance measurement tools but also its strategy implementation & management tools. So, how was your organization or particularly your business unit in using BSC as performance management tools effectively?