

## Two Faces Of Janus: A Critical Perspective On The Balanced Scorecard

*Janus'un İki Farklı Yüzü: Balanced Scorecard'a Eleştirel  
Bir Yaklaşım*

**Mehmet Eryılmaz**

Dr, Uludağ Üniversitesi, İşletme Bölümü

**Ali Fehmi Ünal**

Uludağ Üniversitesi, İşletme Bölümü

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**Makale İçin İletişim/Correspondence to:**

Mehmet Eryılmaz, mehmetery@uludag.edu.tr

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### *Janus'un İki Farklı Yüzü: Balanced Scorecard'a Eleştirel Bir Yaklaşım*

**Mehmet Eryılmaz**

Dr, Uludağ Üniversitesi, İşletme Bölümü

**Ali Fehmi Ünal**

Uludağ Üniversitesi, İşletme Bölümü

#### Özet

Bugünlerde, danışmanlık firmaları, yönetim guruları, işletme okulları ve popüler basın gibi yönetim bilgisi üretim ve tüketim süreçlerinin arz tarafında saf tutan aktörler sayısız yönetsel aracı, baş döndürücü bir süratte icat etmekte ve yaymaktadır. Bu yönetim bilgisinin örgütlerce hiçbir suale lüzum görülmeden, takıntılı bir davranışla benimsenmesi iki ana sakınca doğurabilmektedir. Birincisi, bu araçları her türlü yönetsel sıkıntıya merhem olacak bir ilaç gibi algılayan ve onların ana felsefelerini idrak edemeyen bilginin kullanıcıları, bu yönetim bilgilerinden umdukları ölçüde fayda sağlayamayabilir ve kıt kaynaklarını sorumsuzca heba edebilirler. İkincisi, sıklıkla mutlak anlamda eleştiriyi hak etmeyen yönetsel araçlar, örgütlerin yanlış tercihlerinden ötürü "yönetim modası" hüviyeti ve nihayetinde kötü bir şöret kazanabilirler. Bu durum, tekniklerin kimi müspet özelliklerinin de gözden kaçırılmasına neden olabilir. Bu çalışmada son 20 yılın en kayda değer yönetsel yeniliklerinden bir tanesi olarak yüceltilen Balanced Scorecard (BSC), kuramsal ve metodolojik açıdan mercek altına alınmaktadır. Çalışmanın amacı kesinlikle BSC'nin itibarını zedelemek değildir. Ancak, sorgusuzca aracı kutsayan ortodoks BSC yazınına aksi istikamette, BSC'nin tartışılmalı noktalarına yani Janus'un diğer yüzüne ışık tutarak, tekniğin cari ve potansiyel kullanıcılarının zihinlerinde ayakları daha yere basan, daha gerçekçi bir portreye kavuşmasına yardımcı olmaktadır.

**Anahtar Kelimeler:** Balanced Scorecard, Eleştiri, Performans Ölçümü, Kuram, Metodoloji, Türk Balanced Scorecard Yazını.

#### Abstract:

Nowadays, the actors such as consultants, management gurus, business schools and popular press who frequently hold a place on the supply side of management knowledge production processes, invent and diffuse countless managerial tools at a rattling rate. Adoption of these devices by those with obsessive demand without any questioning may engender two main problems. Firstly, the users who perceive these tools as panaceas for all managerial illnesses and do not commonly grasp their core philosophies, may not benefit from these practices to the extent anticipated and they may squander their scant resources irresponsibly. Secondly, managerial devices, while not deserving complete criticism, may gain notoriety as the latest fashions or fads due to inappropriate selection by organizations and positive sides of these tools can be overlooked. This study examines some theoretical and methodological points of the Balanced Scorecard (BSC), which has been glorified as one of the most important managerial innovations of the last two decades. The main purpose of the current study is not to discredit the BSC but rather to create a more down to earth picture of the technique in the minds of actual and potential users by enlightening them about controversial facets of BSC, the other face of Janus, contrary to the orthodox BSC literature which unreservedly sanctifies the tool.

**Keywords:** Balanced Scorecard, Critique, Performance Measurement, Theory, Methodology, Turkish Balanced Scorecard Literature.

## 1. Introduction

A considerable number of macro and micro level factors, for example activation of liberalization policies in many countries, seem to force organizations to change their past habits to survive in severe competitive environments. On the other hand, this increasing environmental uncertainty may arouse organizational actors and hold them back from selection of managerial tools congruent with their goals to a large extent. This may lead to dangerous situations. Firstly, organizations may consume their resources through selection and implementation of inappropriate managerial devices. On the other hand, the resources which organizations currently possess and need, are often restricted and even organizations have to frequently determine and follow some strategies such as co-optation, acquisition, joint venture and merger (Pfeffer and Nowak, 1976; Pfeffer, 1972) to capture these scant resources. Therefore, organizational resources, are important in as much as they should not be wasted. Another danger is that bad news coming from industries regarding the implementation of a specific technique may affect perceptions in a negative way and curtail the value-adding characteristics of a practice in the minds of the potential users.

In summary, the purpose of the current study is to give information about both the advantages and theoretical limitations of BSC. However, the authors will primarily focus on the controversial points of the device since the advantages of BSC have already been emphasized extensively by many writers (e.g., Epstein and Manzoni, 1998). In addition, since theory and research foster each other, shallow research will engender weak or incorrect theory building. The authors are also going to discuss the methodological weaknesses of BSC literature. To this aim, in the first part of the study the BSC concept will be clarified as far as possible, then some theoretical and methodological limitations of BSC will be discussed.

## 2. The Concept of BSC

Literally, "Performance Measurement (PM)" is the process of quantifying past action (Amaratunga et al., 2001: 179, cited from Neely, 1998). In particular, the importance of PM seems to be greatly enhanced in the presence of increasing competition. Although many organizations, consultants and academics have felt dissatisfaction with existing "Performance Measurement Systems (PMS)" since the 1950s (Eccles, 1991) because of the over-emphasis on financial measures and lack of attention particularly on the gap between the strategy expressed in the activities planned and the strategy expressed in the pattern of actions actually undertaken (Norreklit, 2000; Ittner et al. 2003), there were no serious efforts to develop more robust PMS until the beginning of the 1990s. Then, in order to overcome these two inter-related problems, some authors introduced new PMS into the literature such as "Dynamic Multi-dimensional Performance Model (Maltz et al., 2003)", "Holistic Scorecard (Sureshchandar and Leisten, 2005)" and "Systemic Scorecard (Leibold et al., 2002)". In addition, some writers were favor of bringing some rooted PM systems back to the agenda, such as French Tableau de Bord (Bessire and Baker, 2005; Epstein and Manzoni, 1998). The intensive criticism of traditional PMS which are overwhelmingly constructed on financial measures, and claims regarding benefits of non-financial measures usage seem to be the hallmarks of these new generation PMS.

The BSC, when first introduced by Kaplan and Norton in the 1990s generated a great deal of interest as one of the latest and major innovations in management (Bessire and Baker, 2005; Norreklit, 2003). Some articles even discussed in different contexts as to whether BSC was a new "management fashion-fad (Abrahamson, 1996 and 1996)" or a "rationalized myth (Modell, 2004)" sweeping through organizations all around the world (e.g., Eryılmaz, 2008 in Turkey; Braam

et al., 2007 in Netherlands; Ax and Bjornenak, 2005 in Sweden and Malmi, 2001 in Finland). There may be various reasons behind this pervasion of the technique such as encouragement of quality programs and awards (Malmi, 2001), aggressive marketing of the tool, its intrinsic value to businesses and a number of case studies documenting early successful adoption (Evans, 2005).

According to proponents of BSC, it is a strategic management system which aims to improve organizational performance through providing the 'balance between short-and long-term objectives, financial and non-financial measures, lagging and leading indicators and external and internal performance perspectives' (Hepworth, 1998: 560). When BSC was originally introduced to management literature by Kaplan and Norton (1992) through an article published in Harvard Business Review, it was represented as a tool for performance control. Then, the device was metamorphosed into a comprehensive strategic management system in 1996 by its inventors (Evans, 2005; Anderson et al., 2004; Lawrie and Cobbold, 2004; Speckbacher et al., 2003; Hannula et al., 1999; Dinesh and Palmer, 1998; Hepworth, 1998; Kippenberger, 1996). On the other hand, it is fair to contend that the main focus of BSC is still on control activities (Amaratunga et al., 2001; McAdam and O'Neill, 1999) rather than planning and implementation of strategies.

Like almost all new generation PMS, BSC supplements financial measures with non-financials as well. However, when BSC is compared with other PMS, some conspicuous differences can be observed. Firstly, contrary to other more ambiguous PMS, BSC groups financial and non-financial indicators under four main perspectives of "learning and growth (or innovation and learning)", "internal business process", "customer" and "financial" which have to be derived from organizational vision and

strategies (Dinesh and Palmer, 1998). For example, writings on the French "Tableau de Bord" and "Management by Objectives" which are accepted as rather similar tools to BSC, do not specify details concerning what perspectives, goals and measures should be. On the other hand, since BSC is a customized or unit-specific tool, the content and number of perspectives of BSC partially vary depending on the needs of units. Malmi (2001), for example, revealed that two Finnish organizations participating in his research, favored extending their BSCs with an additional "employee perspective". Other examples of additional perspective usage can be found in the studies of Bhagwat and Sharma (2007), Parmenter (2007), Gordon (2006), Ax and Bjornenak (2005), Sureshchandar and Leisten (2005), Epstein and Manzoni (1998) and Speckbacher et al. (2003). On the other hand, since 'part of the power of the Balanced Scorecard comes from conciseness and the clarity of its presentation' (Epstein and Manzoni, 1998: 198), the number of the perspectives should be as few as possible. Another hallmark of BSC is a bundle of cause and effect relationships among perspectives (Norreklit, 2003, 2000; Hoque et al., 2001; Hoque and James, 2000; Hannula et al., 1999) which was named the strategy map by Kaplan and Norton (2000). According to a survey conducted with Malaysian organizations, the cause and effect chain is not only a basic distinguishing characteristic of BSC but also a necessity to successful implementation of the tool (Othman, 2006). As a final distinguishing characteristic of BSC, some authors claim that BSC is not just a strategic measurement system but also a strategic control system which aligns departmental and individual goals to overall strategy, helping organizations to integrate strategic planning and operational budgeting, clarifying and gaining consensus about strategy and lastly providing feedback and learning (Bose and Thomas, 2007; Hoque, 2003; Norreklit, 2000; Kaplan and Norton, 1996).

According to literature there are critical management processes to be followed to implement BSC, which has the above-mentioned distinguishing characteristics. Firstly, organizations have to clarify their vision and strategy. Then, they have to decide on the perspectives deriving from vision-strategy and consisting of critical actions. Although traditional perspectives are financial, customer, internal business process and learning and growth, as we have already noted, since BSC should be a customized tool, the number of perspectives and their contents can vary depending on the organization implementing it. Then, for every perspective, "Critical Success Factors (CSF)" or objectives should be determined collaboratively in brainstorming sessions. For example, "enhance employee satisfaction", "enhance after-sales service", "increase reference orders" and "sustain and increase sales volume", can be CSFs for learning and growth, internal business process, customer and financial perspectives respectively (Ishiyama, 2007). Then, organizations have to set targets known as "Key Performance Indicators (KPI)" to materialize CSF. For example, the access rate of PCs by sales staff can be a KPI for IT literacy improvement (CSF) under the learning and growth perspective (Ishiyama, 2007). Finally, organizations have to link their BSC measures and reward systems to benefit from the full potential of the practice. Although Speckbacher et al. (2003) consider this connection as the last phase in the evolutionary process of BSC, according to the authors of this study, it should be thought of as an inseparable part of the implementation process if organizations target full goal commitment of employees. However, research has indicated that this link is seldom built into the organizational praxis. As BSC can be constructed at different analysis levels such as company, business unit, division, team and even individual (Ishiyama, 2007; Malmi, 2001; Epstein and Manzoni, 1998; Davis, 1996), these management processes, mentioned above, should be repeated for all BSC at different organizational levels.

Although this study has a critical disposition, it does not mean that all positive characteristics of BSC will be disregarded. Organizations may obtain many benefits if they utilize BSC in an appropriate way. Firstly, since BSC summarizes organizational performance based on four perspectives in a single document (Epstein and Manzoni, 1998), it may save managers from information overload. BSC also meshes financial with non-financial, short-term with long-term, lagging and leading indicators, presenting a more robust evaluation concerning organizational performance. According to the literature, another advantage of BSC is that the translation of vision and strategy into KPIs or targets reinforce intra-organizational communication. In addition, the building of strategy maps may protect organizations from having unrelated performance indicators, although some authors do not accept strategy maps as a sine qua non to be specified as a "BSCer" (e.g., Aydın et al., 2008; Malmi, 2001). Finally, some studies in the literature have revealed that greater BSC usage is associated with improved performance (e.g., Bose and Thomas, 2007; Strohhecker, 2007; Davis and Albright, 2004; Sim and Koh, 2001; Hoque and Hames, 2000). Also some research findings (e.g., Aydın et al., 2008) have indicated that BSC usage increases the effectiveness of some techniques such as TQM and JIT whose contributions to various facets of organizational performance have been supported by the findings of several studies (e.g., Hoang and Igel, 2006; Chapman and Al-Khawaldeh, 2002; Forker et al., 1999).

Although the BSC approach has become well-known and generally accepted throughout the academic and business sphere, it has also given rise to debates and discussions relating to the validity of the approach for obtaining the results promised. Many disadvantages regarding BSC approach have been presented and BSC has been criticized for jeopardizing the survival of firms, anticipation of performance indicators which are

faulty, increasing dysfunctional organizational behavior and hindering performance. From now on, some of the major problems regarding BSC approach will be discussed.

### 3. Some Discussions on BSC

#### 3.1 Theoretical Discussions

Accepting BSC as a comprehensive strategy implementation tool: As we have already noted, BSC was presented in literature after 1996 as a comprehensive strategic management system comprising strategic planning, implementation and control sub-processes. Therefore, a number of authors attest that BSC is an effective strategy implementation tool. According to the authors of the current study, the appropriateness of this claim varies in terms of the way in which strategy implementation is conceptualized. Evans (2005: 377), for example, states that 'strategic implementation is concerned with turning the strategic vision for an organisation's future development into tangible and realizable results'. If this definition is accepted, it is reasonable to profess that BSC takes the role of 'strategy implementation tool'. On other hand, some authors (e.g., Eren, 1997; Pearce and Robinson, 1997; Dess and Miller, 1993) interpret strategy implementation as a bundle of activities such as communication, changes in organizational structure, culture and leadership styles, and resource reallocations. On the basis of this second approach, BSC seems not to have much to recommend it regarding facets of strategic implementation except for communication. For example, Amaratunga and his colleagues (2001: 183) underline that 'the BSC serves as a way to communicate the business plan and mission of the organization'. Hoque and James (2000)'s opinion on this subject is consistent with Amaratunga et al. (2001). However, according to Dinesh and Palmer (1998), BSC places "Rational Goal Model (RGM)", in other words clear measures and goals in organizations, at its core and RGM was extended with "Human Relations Model" in BSC

philosophy. BSC implementation, thus, may necessitate a paradigm shift in top management of organizations from "scientific management" to a more hybrid management philosophy fostered by "Theory Y" of McGregor. In a similar vein, Gordon (2006) underlined that goal commitment of employees may require a cultural change during BSC implementation process. However, current BSC literature does not point out this issue and does not present much information on possibly needed cultural changes. Also, participative goal setting processes of BSC seem to require a more democratic leadership style in organizations. However, current BSC literature appears to undervalue this point as well.

Disregarding the institutional environment as a BSC perspective. Many articles written in the field of organizational sociology conceptualize the external environment of the organization as a construct that has two main dimensions of technical and institutional environment. Technical environment was sometimes designated with a different title such as "task environment (Oliver, 1997; Carroll and Huo, 1986; Dill, 1958)", "competitive environment (North, 1991)", "local environment (Kraatz and Zajac, 1996)", "market forces (D'Aunno et al., 2000)" or "industrial environment (Hardly and Mavondo, 2003)". According to Scott and Meyer (1983: 140):

"Technical sectors are those within which a product or service is exchanged in a market such that organizations are rewarded for effective and efficient control of the work process".

The other dimension of the external environment of organizations is the institutional one. According to Carroll and Huo (1986), the term was coined by Selznick (1948). However, he used the concept at organizational level consistent with the old-institutionalist tradition. Carroll and Huo (1986: 841) also emphasized that the institutional environ-

ment concept was labeled under different names such as macroenvironment, suprasystem, social/cultural environment or social structure. The institutional environments, in particular the neo-institutional organization theorists (DiMaggio and Powell, 1983; Meyer and Rowan, 1977) vigorously underlined the vitality of it:

"...are characterized by the elaboration of rules and requirements to which individual organizations must conform if they are to receive support and legitimacy from the environment" (Scott and Meyer, 1983: 140).

The main actors of the institutional environments are the state, in particular regulatory agencies, and the professional-trade associations qualified by DiMaggio and Powell (1983: 147) as 'the great rationalizers of the second half of the twentieth century'.

Both environments have great potential to produce substantial effects on many facets of an organization's behavior, structure and performance. For example Carroll and Huo (1986), in their analysis based on a local newspaper industry in US over a 125 year period, found that technical environment variables are more closely associated with the performance of ongoing organizations than the institutional ones. On the other hand, institutional environment variables in particular political disorders produce stronger effects on rates of organizational founding and death in the industry. Orru et al. (1991)'s study also showed that institutional arrangements in different East Asian businesses play a crucial role in the economic success and fitness of the organization.

Although the literature dominantly claims that BSC is a firm-specific tool, as we have already noted earlier, only a few studies recommend alternative or additional perspectives to the traditional BSC framework. On the other hand, as some actors in particular health and education organizations operate in highly institutionalized environments

(Meyer and Rowan, 1983; Meyer et al., 1983), a new perspective which measures performance exhibiting conformity to expectations of the institutional environment can be added to the BSC of these organizations. However, to date, BSC literature has to a great extent disregarded the plurality of external organizational environments and underemphasized the institutional environments of organizations. On the other hand, there are also some exceptional studies in literature. Epstein and Manzoni (1998), for example, present political and social environments as potential additional perspectives for the BSC.

Finally, at this point, the question comes to mind of whether indicators concerning institutional environmental performance of organizations can be added to the existing perspectives of BSC. According to Marr and Adams (2004), Kaplan and Norton have tried to adapt the popular concept of "intangible assets" into the learning and growth perspective in their latest book. However, Kaplan and Norton classify intangible assets as human, information and organization capital. In this classification, relational capital, 'refers to the nature of the organization's relationships with all its key stakeholders' (Marr and Adams, 2004: 22), is completely missing. If Kaplan and Norton had built their learning and growth perspective consistent with embedded intangible assets literature, it would to a great extent, include indicators concerning relations with regulatory agencies and professional-trade associations, who are some of the important actors in institutional environments. However, indicators regarding quality of relations with these mentioned stakeholders do not appear to exist in the current framework of Kaplan and Norton.

Traditional BSC as a non-ideological managerial tool serving all stakeholder interests equally: Marx describes the concept of ideology at a more macro level as the distortion

of reality in such a way as to serve the economic interests of the ruling class (Barrett, 2004; Mardin, 1993). Managerial tools may serve the interests of specific sections as well. For example, Knights and Morgan (1991: 251) adduce that strategy 'is a mechanism of power that transforms individuals into particular kinds of subjects who secure a sense of well-being through participation in strategic practices'. In a similar vein, BSC seems to have an ideological disposition. Although there are four perspectives and many indicators in a traditional BSC, when a strategy map is built, the last point on the map is financial perspective or shareholder value and the others exist to fulfill it. At this point, a question comes to mind. Have additional perspectives in new generation PMS and BSC been included to increase robustness of PM or to blur extensive financial focus? To mitigate this intensive shareholder focus, some modifications can be made in BSC content without losing its core philosophy. For example, Ax and Bjornenak (2005) indicated that the majority of large Swedish organizations' BSCs include an employee perspective which is in harmony with the embedded business culture of Sweden called "Stakeholder Capitalism". These Swedish organizations commonly located this new employee perspective on top of their strategy maps to balance the unbalanced attitude of the traditional BSC and to protect the interests of different sections.

Strategy map, as a BSC tool to visualize cause and effect relationships between the four traditional perspectives: One of the main criticisms of the BCS approach is about the description of cause-and effect relationship between the four perspectives. In the BSC approach, the key success factors are defined based on four main perspectives. Hence, it is suggested that BSC, as a strategic control system, limits the perspectives on organizations. Particularly because of its rigidity, it tends to force the indicators to one of the four perspectives and assume a linear cause-and effect relationship (Voelpel et al.,

2006). Instead of the assumed relationship, it has been claimed that the relationship between perspectives is one of interdependence (Norreklit, 2000). For instance, the suggested cause-and-effect relationship between customer loyalty or customer satisfaction and profitability is problematic (Voelpel et al., 2006; Norreklit, 2000, 2003). The following quotation from Norreklit (2000: 74-75) may serve to illustrate the view about this limitation;

"We can say that customers that are not satisfied do not lead to financial success, however, this does not allow us to conclude that satisfied customers lead to financial success."

The authors of this study are of the same opinion as Norreklit (2000). An organization, for example, may design a high quality product which results in high customer satisfaction. However, this satisfaction may not be reflected in the financial results of the organization due to excessive design costs of the product.

BSC is also criticized for simplifying reality and reducing complex relationships to a linear one-way relationship (Voelpel et al., 2006; Bessire and Baker, 2005). For example, customer satisfaction may be linked to various factors such as employee satisfaction, quality and delivery time and so on. However, BSC fails to comprehend the non-linear interrelation between these measures. Therefore even though some stakeholders measures are excluded from BSC as discussed previously, additional perspectives may be needed, Kaplan and Norton have not discussed how these additional perspectives should be placed in the cause-and-effect chain (Norreklit, 2000).

The culture-free theory of BSC: Another point missing from BSC literature is sensitivity to culture. To the best of our knowledge, there are few studies which question the congruency of BSC philosophy to national

norms, beliefs and values. For example, almost all studies in Turkish BSC literature unreservedly sanctify the practice but do not explicate its congruency with the national culture. Örnek (2000), for example, states that:

"Balanced Scorecard is one of the techniques which every business organization (decision maker) requires to make effective decisions. It can not be thought that our business organizations which feel crisis keenly, do not obtain benefit from such a technique."

The culture-free theory of management and organization field, pioneered by Hickson et al. (1974), seems to be the norm for Turkish management literature. For example, Üsdiken and Wasti (2002)'s study revealed that the Turkish "Personnel/Human Resource" literature completely disregarded problems which can stem from the cross-cultural transference of knowledge and adopts a universalist attitude.

Organization as a nonpolitical existence: The implementation of BSC is characterised by a hierarchical and top-down approach which leads to increased focus on given goals and performance aspects and hence, under-utilizes the potential energy beyond given BSC targets (Voelpel et.al., 2006; Modell, 2004; Norreklit, 2000). While consensus-building is emphasized as a key factor for successful implementation of BSC, the political dimension of the organizations appears to be disregarded. As emphasized by Hinings et al. (1974) and March (1962), an organization is a political coalition of different sub-groups which have different interests and expectations. On the other hand, the main assumption of BSC is that management can formulate a tenable strategy for the company and therefore will be able to establish a consensus. (Bessire and Baker, 2005; Modell, 2004). Rather than conceiving the organizations as neutral, social tools of rational administration (Cooper and Burrell, 1988), we may draw on the interpretation of organiza-

tions as instruments of domination and control within a continuing power struggle to secure finite resources (Reed, 1992). Adopting such a framework will enable us to see that specific social actors in the organizations generally struggle to control the way in which work is to be structured and output of the productive activity is to be distributed. Therefore, caution is needed against a naive belief in the possibilities of consensus-building and goal congruence (Modell, 2004; Norreklit, 2000).

### 3.2 Methodological Discussions

Ignoring the vitality of method triangulation during research concerning implementation of management innovations: Triangulation means that 'it is better to look at something from several angles than to look at it in only one way' (Neumann, 2003: 138). According to Neumann (2003), several types of triangulation exist such as measures, observers, theory and method. In particular, during research which aims to learn about implementation levels of a specific management innovation among organizations, triangulation is a 'sine qua non'. Organizations, participating in such types of research, may distort reality to give an impression of innovative organization in particular when organizations gain rewards such as legitimacy through adoption and implementation of a device. Therefore, qualitative and quantitative data collection methods should be used together to enhance the scientific rigor of the research. For example, Coşkun (2006) investigated BSC usage among the largest 500 organizations of Turkey in his comprehensive research. According to that study, roughly 20% of 107 organizations claimed to have implemented BSC in various ways and levels. However, there is no clear evidence in the study regarding usage of alternative data collection methods beyond sending a questionnaire. Consistent with the idea of method triangulation, the researcher could benefit from document control by requesting some written materials such as strategy

maps of the BSC organizations. Or he could conduct one-to-one and face-to-face semi-structured interviews with respondents to examine their familiarity with the concept of BSC. These recommendations are reasonable because a quantitative research, conducted by Eryılmaz and Ünal (2008) on the largest 250 organizations in Bursa in 2006, supported by semi-structured telephone interviews, revealed contradictory findings to Coşkun in that few organizations were familiar with the concept of BSC and had implemented it. Although Coşkun (2006) had conducted his research 2 years previously to Eryılmaz and Ünal (2008), he concluded that there was the highest BSC implementation intent and level in Bursa.

Measuring the extent of BSC use with a constant scale: Although BSC is a firm-specific tool, many researchers try to measure the extent of the use of BSC with constant scales. The most favored measurement instrument seems to be a 20-item scale developed by Hoque et al. (1997). This instrument has been preferred in a number of previously published studies (e.g., Aydin et al., 2008; Hoque and James, 2000). On the other hand, an organization, despite having many financial and non-financial measures which can be classified under the four traditional BSC perspectives and interlinked in a strategy map, can be assessed as a low-level BSC user when the extent of its BSC usage is evaluated with this tool. In fact, the studies which employ a common measurement tool for every organization in their sample, frequently emphasize the disadvantages of this situation in the limitations section.

#### *4. Conclusion*

This study has discussed in detail the advantages and in particular some theoretical and methodological limitations of BSC, which has been accepted as one of the most impressive management innovations of the last 20 years. The aim of the study was not

to discredit BSC but to present a more tough-minded or more 'balanced' perspective. The study seems to have some original points. For example, to the best of our knowledge, it is one of the few studies or even maybe the only one that directly considers the link between BSC and institutional environment. Also, another hallmark of the study is a discussion on the issue of whether BSC is a comprehensive strategy implementation tool or not. In addition, as far as we know, it is one of the few studies (e.g., Eryılmaz and Ünal, 2009) to claim that traditional BSC has an ideological disposition in the Marxist manner.

Theorists and practitioners can obtain some benefits from studies like this. For example, in countries where critical approaches to management tools are in the age of adolescence such as Turkey, a study such as this can contribute to the development of the field and may trigger critical studies among management theorists. In addition, through critical management studies, practitioners may become aware that no single management tool is flawless and the effectiveness of every managerial practice varies depending on the context.

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