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Adoption of the Balanced Scorecard by State Corporations Within the Ministry of Information and Communication, Kenya

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Abstract

Purpose: The study sought to examine the adoption of the balanced scorecard by state corporations within the ministry of Information & Communication in Kenya. The study was guided by the following specific objectives: to assess the extent to which balanced scorecard has been adopted in state corporations in the Ministry of Information and Communication; and to evaluate the benefits derived from adoption of the balanced scorecard practices in state corporations in the Ministry of Information and Communication.

Methodology: Survey design was used to undertake the study. The population of interest was all state corporations in the Ministry of Information and Communication, whose number stood at 10 as at June 30th 2011. Primary data was collected through questionnaires sent to respondents who are involved with the formulation and implementation of organization's strategies. This ensured data collected is useful to meet specific objectives of the study. The questionnaires were sent to Customer Relation Manager, Head of Finance, Head of Business Development and Head of Operations. Descriptive statistics were used to analyze data pertaining to objectives of the study. Computation of frequencies in tables, charts and bar graphs were used in data presentation. In addition, the researcher used standard deviations and mean scores to present information pertaining to the study objectives. The information was presented and discussed as per the objectives and research questions of the study.

Findings and Discussions: The balanced scorecard may serve as a strategic management system in an organization. Findings of the study indicate that the BSC in practice is a system, which primarily *encourages* managers at all levels to make strategic decisions based on the company's common strategies. In developing the BSC concept further, the study findings indicate that the benefits from using the BSC in organizations include: clarify and gain consensus about strategy; communicate strategy throughout the organization; align departmental and personal goals to the strategy; link strategic objectives to long-term targets and annual budgets; identify and align strategic initiatives; perform periodic and systematic strategic reviews; and obtain feedback to learn about and improve strategy. The balanced scorecard acts like as a new strategic management system. The system is expected to link an organization's long-term strategy with its short-term actions. A well developed and implemented balanced scorecard should focus on the following four critical management processes, namely (i) clarify and translate vision and strategy; (ii) communicate and link strategic objectives and measures; (iii) plan, set targets, and align strategic initiatives, and (iv) enhance strategic feedback and learning.

Keywords: Balanced scorecard; Financial Perspective; Customer Perspective; Internal Business Process Perspective; Learning and Growth Perspective

1.0 INTRODUCTION

1.1 Background of the Study

In an increasingly competitive world, managers rely on sound management approaches and systems to make correct short and long term strategic decisions. Using a balanced scorecard entails down to following a management approach that leads a firm or business unit to focus on achieving both current financial results and on creating future value through strategic activities (Kaplan and Norton, 1996a). A balanced scorecard provides management with the means to identify cause-and effect relationships across key performance indicators and to manage a business more effectively (Gaiss, 1998).

A large number of methodologies have been developed over the years on different facets of strategy formulation and implementation. However, only a few organizations succeed in translating these methodologies into measurable performance results. According to Grundy (2004), an organization should among others have the top management be committed to the strategic direction the firm is taking. It is therefore necessary to question why some organizations are able to achieve outstanding results in financial terms as well as non-financial performance such as customer and employee satisfaction in competitive environments where both the speed of change and competitive challenges are enormous.

1.1.1 The Balanced Scorecard

Kaplan and Norton (1992) introduced the Balanced Scorecard (BSC) concept as a new system for organizing both financial and non-financial performance measurements. In the beginning of their article they discuss the well-known device these days, what you measure is what you get, which points out the authors' view on the role of performance measurements in managerial work (Kaplan and Norton 1992). The wide range of financial and non-financial measurements, which the balanced scorecard offers, provides managers with a comprehensive framework representation of both the organization's tangible and intangible assets.

The BSC concept evolved further to become a strategic management system, which they argue supports four managerial processes namely; clarify and translate vision and strategy, communicate and link strategic objectives and measures; plan, set targets, and align strategic initiatives, and enhance strategic feedback and learning (Kaplan and Norton 1996). As the interest in the Balanced Scorecard has increased over the last decade several authors have questioned its contributions both in theory and practice. Johnsen (2001) who makes a comparison between the BSC and Management By Objectives (MBO) introduced by Drucker in 1954, claims that the basic elements in the BSC are consistent with the elements in MBO. Johnsen (2001) argue that the BSC is an extension of the MBO, since it emphasizes feedback on results with its formal performance measurements. Further examination of the BSC and the MBO respectively indicates that both models emphasize the need to focus on both tangible and intangible assets and to balance the different efforts in order to achieve management control (Drucker 1955; Kaplan and Norton 1996b).

While the MBO is presented as a tool especially designed to make lower managers heard (Drucker 1955) the BSC is argued to be a system for organizing managerial work at all levels in an organization (Kaplan and Norton 1996). A major difference between the BSC and MBO may be found in the division of measures into perspectives in the BSC. However, the idea of perspectives may also be derived from the MBO .According to Drucker (1955), claims that every manager should spell out his contribution to the attainment of company goals in all areas of the business.

Johnsen (2001), Liukkonen (2000), claims that the ideas in this new philosophy are consistent with old management control theories regarding how to implement visions and strategies. She describes the BSC as one of today's management control philosophies and claims that the new is seldom purely new, but rather a classic theory in a new package. Liukkonen (2000) also argues that there is a lack of theoretical foundation and empirical evidence of the practical application of these new philosophies, which make them difficult to understand and use in practice Johanson *et al* (2001) and Otley (1999) also criticize the lack of empirical evidence, and advocate the need for investigations in organizations using performance measurement systems. Otley (1999) advocates a case study approach in single organizations in order to receive an in-depth knowledge of how performance measurement systems are used.

Literature and surveys suggest that Balanced Scorecard (BSC), introduced by Kaplan and Norton in the 1990s, prevails as the most influential and widely accepted performance management system (PMS) (Paranjape *et al*., 2006). Overall, objective of BSC is to align company's strategy, structure, measurements and incentives (Allen *et al.,* 2005). BSC is based on a mixture of usually 15-20 strategy-oriented financial and non-financial measures of 4 key perspectives; financial, customer, internal business processes and learning and growth that provide an extensive overview of the company (Lawrie and Cobbold, 2004).

According to Kaplan (De Waal, 2003), key factor that contributes to BSC success is that it enables to link the company vision and strategy with employees' everyday activities into clear strategic priorities and initiatives; therefore, this modern PMS helps the managers to execute company strategy more successfully. In addition, many researchers Neely *et al.* (1997), Martinez *et al.* (2005), Bititci *et al.* (2006), Ukko *et al.* (2007)) identify positive behavioral effects related to this contemporary PMS implementation.

1.1.2 The Balanced Scorecard in Public Organizations

As earlier mentioned, the BSC was originally created to suit the private sector. The model advocates for that financial measure it is not enough to evaluate an organization's performance, thus it does not show all aspects of an organizations results. It is therefore more suitable for the public sector where the financial perspective is not the most important factor (Olve *et al*, 1999). The financial perspective can play an enabling role, but it will not be the primary objective. The success of public sector organizations can not be measured by how closely they maintain spending to their budgeted amounts or even if they succeed with balancing their budget.

According to Kaplan and Norton (1996) tangible objects must be defined for the customers and the success should be measured by how effectively and efficiently the organizations meet the needs of their customers. Many public sector organizations encountered difficulties in developing their initial BSC and in order to succeed with the development of a BSC for a public sector organization, the thinking within the organization has to shift from thinking of what is planned to what it intends to accomplish. There has to be a shift from activities to outcomes (Atkinson *et al*, 2004). The general model of the BSC is based on four perspectives that were showed earlier. The model can be modified to fit the organization of interest. It can differentiate depending on factors based on; the internal relationships within the organization, size of the organization, competition, business forms, organizational structure and relationships of importance with the external environment. The primary object for public sector organizations is not financial success and they can therefore have problems using the standard architecture of the BSC strategy map where the financial objectives are at top. The four perspectives which are used in the regular BSC may be changed and other perspectives may be added (Atkinson *et al*, 2004).

1.1.3 The Ministry of Information and Communication in Kenya

The mandate of the Ministry as derived from Presidential Circular No. 1/2004 of September 2004 includes Information and Broadcasting Policy, Development of the Film Industry and Licensing, Kenya Broadcasting Corporation, Kenya News Agency, Kenya Institute of Mass Communication, Kenya Film Censorship Board, Communications Policy, Communications Commission of Kenya, Telkom Kenya Limited, Postal Corporation of Kenya, National Communications Secretariat, Communications Appeal Tribunal, Kenya College of Communications Technology and Gilgil Telecommunications Industries. Whereas the Ministry of Information and Communications was constituted in June 2004, it is composed of one of the oldest Departments in the history of Kenya Civil Service.

The Information and Broadcasting Sub-Sector started in the 1920s when the colonial government decided to create Kenya Information Services. The Kenya Institute of Mass Communication (KIMC) joined the sub-sector much later to provide the much needed human resources in the mass media. After a series of changes in structure and mission at independence in 1963, the information service was a subordinate department of the Ministry of Constitutional Affairs and Administration.

Due to an extensive decentralization of functions in the Ministry of Information and Communication, with the various parastatals undertaking different and specialized roles, the demands on follow-up reports have increased on the parastatals, which are directly subordinate to the Ministry of Communication & Information. The decentralization included greater decision making responsibility for the parastatals implying that every parastatal is autonomous on the basis of its own income statement and balance sheet. In order to support the parastatals in following up their organizations, the boards of some of the parastatals in the Ministry of Communication & Information decided to implement Total Quality Management (TQM) in the late 1990s. According to an interview with one of the Managing Directors of parastatals , the TQM initiative foremost focused on the leadership of the parastatals by introducing management tools, which aimed at supporting management control from different angles.

Although the introduction of a systematic way of working with quality improvements through quality awards led to successful outcomes, the Ministry of Communication & Information decided not to require all the parastatals to work with the TQM concept. The criticism against the TQM concept mainly concerned the difficulties in understanding the basic principles and the large amount of information required. In 2003 the Ministry of Communication & Information decided to implement the BSC in all the parastatals under its jurisdiction. The BSC was perceived as an easier way of appraising the units since the BSC perspectives made managers attentive to the whole organization and not only to the financial results. The implementation of the BSC in the parastatals has led to that all the follow-up reports have to be written according to the perspectives in the BSC. This study seeks to assess the adoption of the balanced scorecard in state corporations in the Ministry of Information and Communication in Kenya.

1.2 Research Problem

According to Speckbacher *et al.,* (2003), BSC has achieved significant attention and has been widely used in the large companies in the United States and the developed European countries. Companies that strive to be efficient, effective and competitive internationally often utilize the Balance Scorecard (BSC), a contemporary performance management system that aligns company's strategy, structure, measurements and incentives. In Kenya, both public and private organizations formulate excellent strategies but very few of them get to implement them successfully. The balanced scorecard is being adopted by an increasing number of organizations, yet they are not all successful. Venkatraman and Gering (2000) reported that there have been as many unsuccessful implementations of the balanced scorecard as successful ones. The design and implementation of BSC has not yet been extensively utilized and researched in the companies of the developing economies. This leads to the question that also represents the main problem of this study.

Despite the wealth of research in balanced scorecard in the developed economies, little research has been undertaken in emerging economies. Studies undertaken on the balanced scorecard in Kenya include the following: Odadi (2002) studied the process and experience of implementing the balanced scorecard technique in Stanbic Bank, Nairobi; Kiragu (2005) undertook a survey on the adoption of the balanced scorecard by selected companies in Kenya; Njiru (2007) studied the use of balance scorecard in strategy implementation by quoted companies in the Nairobi Stock Exchange; Sang (2007) studied the implementation of the balance scorecard at UNDP – Somalia; Mwangi (2006) studied the application of the balanced scorecard in implementation of strategy at KRA; Kariuki (2007) studied the balanced scorecard application in strategic management at Fashcom Ltd; D'souza (2007) studied the application of the balanced scorecard in strategy application at Barclays Bank; Kiplangat (2007) studied the implementation of the Balanced Scorecard at UNDP-Somalia; Wairimu (2008) studied the challenges faced by the co-operative bank of Kenya in integrating balanced scorecard in the performance management process; Murimi (2008) undertook a study of the implementation of balanced scorecard as a continuous improvement tool at Kenya revenue authority; Wangechi (2008) studied the application of balanced scorecard in performance management among commercial banks in Kenya; Agwanda (2008) studied the adoption of the balanced scorecard in the strategic management of state corporations in Kenya; Amboga (2009) studied the adoption of the balanced scorecard in strategy implementation at the Kenya Wildlife Service; Marjan (2009) studied the application of the balanced scorecard in strategy formulation and implementation at Telkom Kenya Limited; and Waruiru (2009) studied the implementation of the balanced scorecard as a strategic management tool at Insurance Company of East Africa.

None of the above studies focused on the state corporations in the Ministry of Information and Communication, thus the justification for this study. The choice of ministry of Information and Communication was based on the fact that ministries are faced with challenges of implementing and measuring performance of the formulated strategies. According to D'souza (2007), the balanced scorecard has mainly been adopted amongst multinational. More research needs to be carried out on how indigenous Kenyan organizations have adopted the balanced scorecard and how they have used it to implement their strategies. The study will sought to find out if the ministry of Information and Communication has adopted balanced scorecard practices in strategy implementation? What are the benefits derived from adoption of the balanced scorecard practices in state corporations in the ministry of Information and Communication?

1.3 Research Objectives

The study sought to establish the following:

(i) To assess the extent to which balanced scorecard has been adopted in state corporations in the Ministry of Information and Communication.

(ii) To evaluate the benefits derived from adoption of the balanced scorecard practices in state corporations in the Ministry of Information and Communication.

1.4 Value of the Study

This study seeks to raise ideas and issues in the hope that the various stakeholders and persons directly addressing issues related to implementation of the balanced scorecard in the public sector in Kenya will continue the discussion. It does not presume to offer a prescription for the ideal measures to be employed by the stakeholders so as to reverse the trends.

The management of state corporations in the Ministry of Information and Communication will gain a better understanding of the benefits to be derived from implementation of the balanced scorecard, the challenges faced in adoption of the balanced scorecard and the possible interventions that could be used to address the challenges. On the basis of the findings of the study, the management of state corporations in the Ministry of Information and Communication will implement the balanced scorecard from an informed position.

The government is charged with the responsibility of ensuring formulation, enforcement and effective implementation of policies. The government will acquire insight into the involvement of the state corporations in balanced scorecard and accommodate it in their policies where applicable.

The academic researchers may need the study findings to stimulate further research in this area of balanced scorecard in state corporations and as such form a basis of good background for further research.

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the literature related to the purpose of the study. The chapter is organized according to the specific objectives in order to ensure relevance to the research problem. The review was undertaken in order to eliminate duplication of what has been done and provide a clear understanding of existing knowledge base in the problem area. The literature review is based on authoritative, recent, and original sources such as journals, books, thesis and dissertations.

2.2 The Concept of Balanced Scorecard

According to its creators (Kaplan and Norton, 1992), the BSC has been offered as a superior combination of non-financial and financial measures developed to meet the shortcomings of traditional management control and performance measurement systems. The BSC incorporates the financial performance measures with the non-financial performance measures in areas such as customers, internal processes and learning and growth. Consequently, the BSC includes measures of financial performance, customer relations, internal business processes and organizational learning and growth. The combination of financial and non-financial measures of the BSC was developed to link short-term operational control to the long-term vision and strategy of the business (Kaplan and Norton, 1992, 1996a, 2001).

The BSC, therefore, explicitly adopts a multi-dimensional framework by combining financial and non-financial performance measures (Otley, 1999). Hence, the BSC allows a more structured approach to performance management while also avoiding some of the concerns associated with the more traditional control methods. The BSC allows for the evaluation of managerial performance as well as the individual unit or division. Kaplan and Norton (1993, 2001) argue that one of the most important strengths of the BSC is that each unit in the organization develops its own specific or unique measures that capture the unit's strategy, beside common measures that are employed for all units. The four critical perspectives that can be translated to conceptualize the organization's vision and strategy are financial, customer, internal business process, and learning and growth is illustrated in Figure 2.1; and further discussed in the following paragraphs.

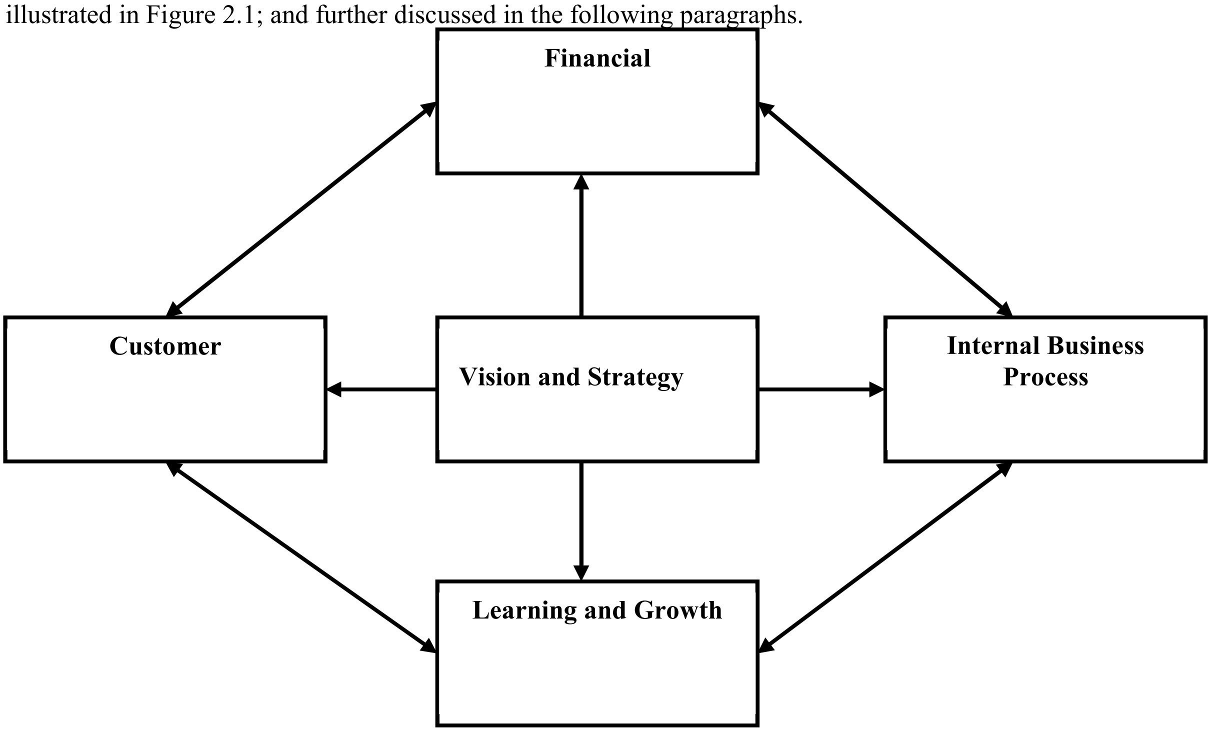

Figure 2.1: The balanced scorecard: A framework to translate a strategy into operational terms.
Source: Kaplan, R and Norton, D (1996a, p .76).The balanced scorecard, Boston Massachusetts, Harvard Business School Press.

2.2.1 Financial Perspective
This perspective represents the financial results of the strategies from the other perspectives (Olve *et al.*, 1999), and serves as a focus for the objectives and measures in all of them (Kaplan, Norton, 1996). Many aspects are taken into consideration, such as owner's expectations of the organization's growth and financial progresses. What is considered acceptable for negative financial results and possible financial risks may also be taken into account. Every measure chosen should together be a part of trying to reach the organization's outmost financial improvement.

Kaplan and Norton (1996a) BSC model still use the financial perspective due to its ability to summarize the readily measurable and important economic consequences of actions already taken. This indicates whether the organization's strategy and its implementation are contributing to the bottom-line improvement (Kaplan and Atkinson, 1998). Measures of financial goals can range from traditional accounting approaches such as total costs, total revenue, profit margin, operating income, return on capital, to sophisticated value-added measures intended to link managerial goals to shareholder interests (McKenzie and Shilling, 1998).

2.2.2 Customer Perspective
The customer perspective explains the means to create value for customers and how customers demand for this value in order to get satisfied and why they are willing to pay for it (Olve *et al.*, (1999). This perspective serves as a guideline for the internal process and the development efforts of the organization. According to Olve *et al* (1999), one could say that this part of the process is the heart of the scorecard. If the organization provides product or services which are not satisfactory, it cannot generate a profit and this will lead to a termination of business (Olve *et al.*, 1999).

The main factors that should be considered in this perspective are customer loyalty, and how the organization can build on this. Olve *et al* (1999), states that to be able to comprehend the buying process it is important to understand how the product or service offered affects the customer. It is also important to compare the price with other factors such as quality, functionality, delivery time, image, and customer relations. However, it is of significant value for the organization to distinguish customer preferences so it is based on upon customer value and not the organization's own interpretation. From the customer perspective of the BSC, it is very important for managers to identify the customer and market segments where the organization will compete with its competitors and determine the performance measures of the organization in these targeted segments (Kaplan and Norton, 1996a).

2.2.3 Internal Business Process Perspective

To fulfill the shareholders' expectations and customer needs, the organization must identify the processes through which the measures to see what generates the right forms of values (Olve *et al*, 1999). An organization must often identify totally new processes to meet financial and customer perspectives (Kaplan, Norton, 1996). The objectives and measures in this perspective manage the long wave innovation cycle and the short wave operations cycle. The long wave innovation cycle is when value is created by constantly developing products or services to cope with the changes within customer needs. The short wave operations cycle is when value is created for a product or service through a process from producing to delivering (Kaplan and Norton, 1996). From an internal business process perspective of the BSC, managers identify the critical internal processes at which the organization must excel. According to Kaplan and Norton (1996a), identifying the critical internal business processes enables the company to deliver the value propositions that are crucial to attract and retain customers in targeted market segments; and to satisfy shareholders expectations for the excellent financial returns.

2.2.4 Learning and Growth Perspective

For an organization to survive over a long period of time, the learning and growth perspective must provide the organization a long run renewal for it to cope with the changes in the environment (Olve *et al*, 1999). It is sufficient to maintain and develop the knowledge of satisfying customer needs and sustain the necessary efficiency and productivity of the processes which creates value for the customer. The objectives in this perspective supply an infrastructure to reach the objectives in the other perspectives (Kaplan, Norton, 1996). There are three categories distinguished for the learning and growth perspectives which are: the competence of the employees, the information system performance, and motivation. The employees are those who are close to the customers and to the internal processes. The organization must let the employees be a part of the processes to improve the customer satisfaction.

2.3 Implementation of the Balanced Scorecard

In order to success with an implementation of a BSC, it is of relevance to have a vision and mission, perspectives, success factors, objectives, measures, strategies and action plans. The BSC should be shaped for the individual organization with further attention towards its needs (Ericsson *et al*, 2002).According to Hallgårde *et al* (1999), one of the keystones for conducting a successful scorecard is to have a good plan and method that can be done through a 7-step plan as explained below.

The vision is usually an expression for the comprehensive objective for an organization. It shall give a mental picture of the future and a purpose for the activity it performs. One of the most important things to consider when creating a vision is simplicity; it is essential that the vision is simple enough to be understood by all personnel. According to Hallgårde *et al* (1999), a good vision should include information about who the organization is there for, which area of action it includes and in which direction the organization develops.

Developing overall strategies in order to accomplish the vision and mission is the next step of the procedure when implementing a BSC (Ericsson *et al*, 2002). A strategy explains how to allocate resources to reach the objectives aimed for (Hallgårde *et al*, 1999). There are different ways and methods to do this and Hallgårde *et al*, (1999) states that a commonly used model is Porter five forces analysis and strategy where five forces determine the competitive intensity and attractiveness of a market.

When defining critical success factors and perspectives, the question what is important for us to do in order to succeed as an organization may arise (Hallgårde *et al* , 1999). When that question can be answered, the critical success factors should be defined before the definition of the perspectives can be made. It is of importance to have perspectives that are relevant and can be balanced. Measures must be created correctly in order to show that a company work towards the vision and accordingly to its strategies. It is of importance to choose measures that are of relevance and they must be explained accurate (Hallgårde *et al.*, 1999). The measures should include a mix of outcome measures and performance drivers and they to be linked to financial measures.

The presented scorecard and the results from its objectives must be evaluated and it is important that the scorecard describes the organizations strategy. The evaluation can be done in several ways and accordingly to Hallgårde *et al* (1999), a connection analysis is first presented and an evaluation of the scorecard must be done. It is of importance to make sure that the right measures are considered (ibid).

Vision, objectives and strategies must be complied with decisions and actions. (Ericsson *et al*, 2002). Plans of actions must be developed in order to start with the improvement work. These plans of actions include proposals and activities that can be used to improve the results of the objectives (Hallgårde *et al.,* 1999). The final stage of implementing a scorecard is to create routines for the follow up and operation of organizations BSC. The BSC must be integrated with the ordinary planning and the follow up within an organization. Reward systems can be linked to the BSC in order to motivate people and to keep it as a living document (Hallgårde *et al.,* 1999). The rewards are usually connected to goal fulfillment but an additional approach is to link the rewards to the activities within the action plans.

2.4 Benefits derived from adoption of the Balanced Scorecard

According to Kaplan and Norton (1996) the scorecard addresses serious deficiencies in traditional management systems, namely a company's inability to link long-term strategy with its short-term actions, and a pre-occupation with financial measures. Financial measures report on historical outcomes but do not communicate the drivers of future performance. Kaplan and Norton studied (2001) more than 100 organizations, which implemented the scorecard for the first time, with the intention of developing new strategic management systems. The senior executives of those organizations discovered that the scorecard supplied a framework focused on many critical management processes, and that those processes referred to departmental and individual goals, business planning, strategic initiatives, feedback and learning. By using the scorecard, it is reported, the senior executives immediately started processes of change. In 1996 Kaplan and Norton argued that the BSC acts like as a new strategic management system. The system is expected to link an organization's long-term strategy with its short-term actions (Kaplan and Norton 1996a).

Mooraj *et al*.. (1999) agree with Kaplan and Norton that the BSC may serve as a strategic management system in an organization, and advocate further that the BSC in practice is a system, which primarily encourages managers at all levels to make strategic decisions based on the company's common strategies. It helps people in the organization understand cause-and-effect relationships of the things they do (Papalexandris *et al*., 2004, 2005).

3.0 METHODOLOGY

3.1 Research design

The researcher adopted the survey design which was most appropriate in determining the adoption of balanced scorecard in the Ministry of Information and Communication in Kenya.

3.2 Population

According to Burns and Grove (2001), a population is the whole set of individuals who meet the sampling criteria. The population of interest was all state corporations in the Ministry of Information and Communication. There are five (5) functional parastatals and five (5) semi autonomous government agencies in the Ministry of Information and Communication as for the year 2010.The list of the parastatals in the ministry of Information and Communication in Kenya is appended at the end of this proposal as Appendix II.

3.3 Data Collection

The study used both secondary and primary data .The secondary data was gathered from the ministry's strategic plans, performance development articles, and magazines and in- house journals. Electronic journals and corporation's websites were also used as sources of secondary data. Secondary data is very important in the formation of the study's literature review. Primary data was collected through questionnaires sent to respondents who are involved with the formulation and implementation of organization's strategies. This ensured data collected is useful to meet specific objectives of the study. The questionnaires were sent to Customer Relation Manager, Head of Finance, Head of Business Development and Head of Operations. These are the top management team responsible and accountable for initiating and driving the strategic management process in Ministry of Information and Communication in Kenya therefore, they are considered to be key informants for this research. The questionnaire used is appended at the end of this proposal as appendix III. During this period, a follow up using telephone and emails was undertaken as reminders and as a means of enhancing a higher response rate.

3.4 Data Analysis

Descriptive statistics were used to analyze data pertaining to objectives of the study. Computation of frequencies in tables, charts and bar graphs were used in data presentation. In addition, the researcher used standard deviations and mean scores to present information pertaining to the study objectives. The information was presented and discussed as per the objectives and research questions of the study.

4.0 FINDINGS AND DISCUSSIONS

4.1 Introduction

This study sought to establish the extent of adoption and determine the benefits derived from the balanced scorecard in state corporations in the Ministry of Information and Communication. A combination of both quantitative and qualitative techniques was used in data collection. A total of 40 questionnaires were administered to selected respondents (Customer Relation Manager, Head of Finance, Head of Business Development and Head of Operations) in the 10 state corporations under the Ministry of Information and Communication. Out of the 40 questionnaires sent out, 36 were returned completed (90% response rate). The high response rate could be attributed to the personal efforts of the researcher, who made a follow up of every questionnaire given out. The data pertaining to the profile of respondents was analyzed by employing content analysis while descriptive statistics were used to analyze data pertaining to the objectives of the study. Computation of frequencies and percentages was used in data presentation. The information is presented and discussed as per the objectives and research objectives of the study.

4.2 Background information of the respondents and their respective businesses

Background information of the respondents is summarized and presented in presented in table 4.1 below.

Table 4.1: Background Information

Characteristic	Optional responses	Frequency	Percentage	Mean	Standard deviation
Period respondent worked in the current organization	Less than 1 year	7	19.4	**2.50**	**1.08**
	Between 1 and 5 years	12	33.3		
	Between 6 and 10 years	10	27.8		
	Between 11 and 15 years	6	16.7		
	16 years and above	1	2.8		
	Total	**36**	**100**		
Period respondent worked in the current position in the organization	Less than 1 year	5	13.9	**2.58**	**1.02**
	1 to 5 years	14	38.9		
	6 to 10 years	8	22.2		
	10 years and above	9	25.0		
	Total	**36**	**100**		
Gender distribution of respondents	Male	21	58.3	**1.42**	**0.50**
	Female	15	41.7		
	Total	**36**	**100**		

4.2.1 Period of respondent worked in the current organization

Findings in table 4.1 above show that (33.3%) of the respondents have worked in the current employment for a period of between 1 and 5 years, (27.8%) of the respondents have worked in the current employment for a period of between 6 and 10 years, (19.4%) of the respondents have worked in the current employment for a period of less than 1 year, (16.7%) of the respondents have worked in the current employment for a period of between 11 and 15 years and (2.8%) of the respondents have worked in the current employment for more than 16 years.

4.2.2 Period respondent worked in the current position in the organization

Findings in table 4.1 above show that (38.9%) of the respondents have worked in the current position for a period of 1 to 5 years, (25%) of the respondents have worked in the current position for a period of 10 years and above, (22.2%) of the respondents have worked in the current position for a period of 6 to 10 years, (13.9%) of the respondents have worked in the current position for Less than 1 year

4.2.3 Gender distribution of respondents

Findings in table 4.1 above show that (58.3%) of the respondents are Male and (41.7%) of the respondents are Female

4.3 The extent to which balanced scorecard has been adopted in state corporations in the Ministry of Communication & Information

Respondents were asked to indicated the extent to which they agree/disagree that their organization has adopted each of the practices of a balanced score card, responses are summarized and presented in table 4.2 below

Table 4.2: Steps involved in implementation of a balanced scorecard

The steps involved in implementation of a balanced scorecard		**(SA)**	**(A)**	**(SA)**	**(D)**	**(SD)**	**Mean**	**Standard Deviation**
Developing a vision	Frequency	9	13	14	-	-		
	Percentage	38.9	36.1	25.0	-	-	4.14	0.80
Developing strategies	Frequency	12	16	8	-	-		
	Percentage	33.3	44.4	22.2	-	-	4.11	0.75
Developing critical success factors and perspectives	Frequency	11	15	7	2	1		
	Percentage	30.6	41.7	19.4	5.6	2.8	3.92	1.00
Developing measures	Frequency	10	14	9	3	-		
	Percentage	27.8	38.9	25.0	8.3	-	3.86	0.93
Evaluation of performance	Frequency	12	15	8	1	-		
	Percentage	36.1	41.7	22.2	2.8	-	4.14	0.76
Creating an action plan.	Frequency	11	17	6	1	1		
	Percentage	30.6	47.2	16.7	2.8	2.8	4.00	0.93
Monitoring and evaluation of performance	Frequency	12	16	7	1	-		
	Percentage	33.3	44.4	19.4	2.8	-	4.08	0.81

Findings in table 4.2 above show that:

Developing a vision: With respect to developing a vision, (38.9%) of the respondents “Strongly Agreed”, (36.1%) of the respondents “Agreed” and (25%) of the respondents “Somehow agreed”. The state corporations in the Ministry of Communication & Communication had developed a vision, as indicated by all (100%) the respondents, giving a mean score of 4.14 and a standard deviation of 0.80.

Developing strategies: With respect to developing strategies,(33.3%) of the respondents “Strongly Agreed”, (44.4%) of the respondents “Agreed” and (22.2%) of the respondents “Somehow agreed”. The state corporations had developed strategies, as indicated by all (100%) the respondents, giving a mean score of 4.11 and a standard deviation of 0.75.

Developing critical success factors and perspectives: With respect to developing critical success factors and perspectives,(30.6%) of the respondents “Strongly Agreed”, (41.7%) of the respondents “Agreed”, (19.4%) of the respondents “Somehow agreed”, (5.6%) of the respondents “Disagreed” and (2.8%) of the respondents “Strongly Disagreed”. The state corporations had developed critical success factors and perspectives, as indicated by at least (91.6%) of the respondents, giving a mean score of 3.92 and a standard deviation of 1.00.

Developing measures: With respect to developing measures,(27.8%) of the respondents “Strongly Agreed”, (38.9%) of the respondents “Agreed”, (25%) of the respondents “Somehow agreed” and (8.3%) of the respondents “Disagreed”. The state corporations had developed measures to show that the organizations worked towards the vision and accordingly to their strategies, as indicated by at least (91.7%) of the respondents, giving a mean score of 3.86 and a standard deviation of 0.93.

Evaluation of performance: With respect to evaluation of performance, (36.1%) of the respondents “Strongly Agreed”, (41.7%) of the respondents “Agreed” and (22.2%) of the respondents “Somehow agreed”. The state corporations undertook evaluation of their performance, as indicated by at least (97.2%) of the respondents, giving a mean score of 4.14 and a standard deviation of 0.76;

Creating and action plan: With respect to creating and action plan,(30.6%) of the respondents “Strongly Agreed”, (47.2%) of the respondents “Agreed”, (16.7%) of the respondents “Somehow agreed”, (2.8%) of the respondents “Disagreed” and (2.8%) of the respondents “Strongly Disagreed”. The state corporations created action plans in order to start with the improvement work, as indicated by at least (94.4%) of the respondents, giving a mean score of 4.00 and a standard deviation of 0.93.

Monitoring and evaluation of performance: With respect to addressing serious deficiencies in traditional management systems,(33.3%) of the respondents “Strongly Agreed”, (44.4%) of the respondents “Agreed”, (19.4%) of the respondents "Somehow agreed" and (2.8%) of the respondents "Disagreed". The state corporations undertook monitoring and evaluation, as indicated by at least (97.2%) of the respondents, giving a mean score of 4.08 and a standard deviation of 0.81.

4.4 The benefits derived from adoption of the balanced scorecard practices in state corporations in the Ministry of Communication & Information

Respondents were asked to indicated the extent to which they agreed/disagreed that their organization has realized each of the listed benefits derived from adoption of the balanced scorecard practices, responses are summarized and presented in table 4.3 below.

Table 4.3: Benefits derived from adoption of the balanced scorecard practices

Benefits derived from adoption of the balanced scorecard practices		(SA)	(A)	(SA)	(D)	(SD)	Mean	Standard Deviation
The balance scorecard addresses serious deficiencies in traditional management systems	Frequency	15	14	4	2	1		
	Percentage	41.7	38.9	11.1	5.6	2.8	4.11	1.01
The balanced scorecard provides a framework to look at the strategy used for value creation from four different perspectives	Frequency	9	10	11	5	1		
	Percentage	25.0	27.8	30.6	13.9	2.8	3.58	1.11
The balanced scorecard supplies a framework on many critical management processes	Frequency	12	8	10	3	3		
	Percentage	33.3	22.2	27.8	8.3	8.3	3.64	1.27
By using the scorecard, the senior executives immediately started processes of change	Frequency	11	10	8	5	2		
	Percentage	30.6	27.8	22.2	13.9	5.6	3.64	1.22
The balanced scorecard acts like a new strategic management system	Frequency	14	10	10	2	-		
	Percentage	38.9	27.8	27.8	5.6	-	4.00	0.96
The balance scored card clarifies and translates vision and strategy	Frequency	8	12	10	5	1		
	Percentage	22.2	33.3	27.8	13.9	2.8	3.58	1.08
The balanced score card serves as a strategic management system in an organization	Frequency	13	7	8	4	4		
	Percentage	36.1	19.4	22.2	11.1	11.1	3.58	1.38
The balance scorecard is used to clarify and gain consensus about strategy	Frequency	15	16	4	1	-		
	Percentage	41.7	44.4	13.9	11.1	5.6	4.25	0.77
The balanced scorecard is used to communicate strategy throughout the organization	Frequency	10	15	5	4	2		
	Percentage	27.8	41.7	13.9	11.1	5.6	3.75	1.16
The balanced scorecard is used to align departmental and personal goals to the strategy	Frequency	11	9	10	6	-		
	Percentage	30.6	25.0	27.8	16.7	-	3.69	1.09
The balance scorecard is used to link strategic objectives to long-term targets and annual budgets	Frequency	15	14	5	1	1		
	Percentage	41.7	38.9	13.9	2.8	2.8	4.14	0.96
The balanced scorecard is used to identify and align strategic initiatives	Frequency	9	13	19.4	4	3		
	Percentage	25.0	36.1	19.4	11.1	8.3	3.58	1.23
The balanced scorecard is used to perform periodic and systematic strategic reviews	Frequency	16	14	5	1	-		
	Percentage	44.4	38.9	13.9	2.8	-	4.25	0.81
The balanced scorecard is used to obtain feedback to learn about and improve strategy	Frequency	13	8	9	4	2		
	Percentage	36.1	22.2	25.0	11.1	5.6	3.72	1.23
The balanced scorecard creates accountability for the goals and objectives in the organization	Frequency	8	12	9	7	-		
	Percentage	22.2	33.3	25.0	19.4	-	3.58	1.05
The balanced scorecard connects strategy to performance	Frequency	10	14	6	5	1		
	Percentage	27.8	38.9	16.7	13.9	2.8	3.75	1.11
The balanced scorecard provides a way of identifying whether or not progress is being made	Frequency	16	8	7	3	2		
	Percentage	44.4	22.2	19.4	8.3	5.6	3.92	1.23
The balance scorecard helps people in the organization understand cause-and-effect relationships of the things they do	Frequency	15	13	6	1	1		
	Percentage	41.7	36.1	16.7	2.8	2.8	4.11	0.98
The balance scorecard helps everyone understand the mission , vision and strategy of the organization	Frequency	12	13	5	4	2	3.81	1.19
	Percentage	33.3	36.1	13.9	11.1	5.6		
The balanced scorecard clarifies objectives	Frequency	7	16	10	1	2		
	Percentage	19.4	44.4	27.8	2.8	5.6	3.69	1.01

Findings in table 4.3 above show that the benefits derived form adoption of the balanced scorecard include the following:

Addresses serious deficiencies in traditional management systems: With respect to addressing serious deficiencies in traditional management systems,(41.7%) of the respondents "Strongly Agreed", (38.9%) of the respondents "Agreed", (11.1%) of the respondents "Somehow agreed", (5.6%) of the respondents "Disagreed" and (2.8%) of the respondents "Strongly Disagreed". The balance scorecard addresses serious deficiencies in traditional management systems, as indicated by (91.6%), giving a mean score of 4.11 and a standard deviation of 1.01.

Provides a framework to look at the strategy used for value creation: With respect to providing a framework to look at the strategy used for value creation,(25%) of the respondents "Strongly Agreed", (27.8%) of the respondents "Agreed", (30.6%) of the respondents "Somehow agreed", (13.9%) of the respondents "Disagreed" and (2.8%) of the respondents "Strongly Disagreed". The balanced scorecard provides a framework to look at the strategy used for value creation from four different perspectives, as indicated by (83.3%), giving a mean score of 3.58 and a standard deviation of 1.11.

Supplies a framework focused on many critical management processes: With respect to supplying a framework focused on many critical management processes,(33.3%) of the respondents "Strongly Agreed", (22.2%) of the respondents "Agreed", (27.8%) of the respondents "Somehow agreed", (8.3%) of the respondents "Disagreed" and (8.3%) of the respondents "Strongly Disagreed". The balanced scorecard supplies a framework on many critical management processes, as indicated by (83.4%), giving a mean score of 3.64 and a standard deviation of 1.27.

Helps the senior executives to start processes of change: With respect to helping senior executives to start processes of change,(30.6%) of the respondents "Strongly Agreed", (27.8%) of the respondents "Agreed", (22.2%) of the respondents "Somehow agreed", (13.9%) of the respondents "Disagreed" and (5.6%) of the respondents "Strongly Disagreed". By using the scorecard, the senior executives immediately started processes of change, as indicated by (80.5%), giving a mean score of 3.64 and a standard deviation of 1.22.

Acts like a new strategic management system: With respect to acting like a new strategic management system,(38.9%) of the respondents "Strongly Agreed", (27.8%) of the respondents "Agreed", (27.8%) of the respondents "Somehow agreed" and (5.6%) of the respondents "Disagreed". The balanced scorecard acts like a new strategic management system, as indicated by (83.3%), giving a mean score of 4.00 and a standard deviation of 0.96.

Clarifies and translates vision and strategy: With respect to clarifying and translating vision and strategy,(22.2%) of the respondents "Strongly Agreed", (33.3%) of the respondents "Agreed", (27.8%) of the respondents "Somehow agreed", (13.9%) of the respondents "Disagreed" and (2.8%) of the respondents "Strongly Disagreed". The balance scored card clarifies and translates vision and strategy, as indicated by (94.4%), giving a mean score of 3.58 and a standard deviation of 1.08.

Serves as a strategic management system in an organization: With respect to serving as a strategic management system in an organization,(36.1%) of the respondents "Strongly Agreed", (19.4%) of the respondents "Agreed", (22.2%) of the respondents "Somehow agreed", (11.1%) of the respondents "Disagreed" and (11.1%) of the respondents "Strongly Disagreed". The balanced score card serves as a strategic management system in an organization, as indicated by (77.8%), giving a mean score of 3.58 and a standard deviation of 1.38.

Used to clarify and gain consensus about strategy: With respect to clarifying and gaining consensus about strategy ,(41.7%) of the respondents "Strongly Agreed", (44.4%) of the respondents "Agreed", (11.1%) of the respondents "Somehow agreed" and (2.8%) of the respondents "Disagreed". The balance scorecard is used to clarify and gain consensus about strategy, as indicated by (83.3%), giving a mean score of 4.25 and a standard deviation of 0.77.

Used to communicate strategy throughout the organization: With respect to communicating strategy throughout the organization,(27.8%) of the respondents "Strongly Agreed", (41.7%) of the respondents "Agreed", (13.9%) of the respondents "Somehow agreed", (11.1%) of the respondents "Disagreed" and (5.6%) of the respondents "Strongly Disagreed". The balanced scorecard is used to communicate strategy throughout the organization, as indicated by (83.3%), giving a mean score of 3.75 and a standard deviation of 1.16.

Used to align department and personal goals to the strategy: With respect to aligning department and personal goals to the strategy, (30.6%) of the respondents "Strongly Agreed", (25%) of the respondents "Agreed", (27.8%) of the respondents "Somehow agreed" and (16.7%) of the respondents "Disagreed". The balanced scorecard is used to align departmental and personal goals to the strategy, as indicated by (83.3%), giving a mean score of 3.69 and a standard deviation of 1.09.

Used to link strategic objectives to long-term targets and annual budgets: With respect to linking strategic objectives to long-term targets and annual budgets,(41.7%) of the respondents "Strongly Agreed", (38.9%) of the respondents "Agreed", (13.9%) of the respondents "Somehow agreed", (2.8%) of the respondents "Disagreed" and (2.8%) of the respondents "Strongly Disagreed". The balance scorecard is used to link strategic objectives to long-term targets and annual budgets, as indicated by (94.4%), giving a mean score of 4.14 and a standard deviation of 0.96.

Used to identify and align strategic initiatives: With respect to identifying and aligning strategic initiatives, (25%) of the respondents "Strongly Agreed", (36.1%) of the respondents "Agreed", (19.4%) of the respondents "Somehow agreed", (11.1%) of the respondents "Disagreed" and (8.3%) of the respondents "Strongly Disagreed". The balanced scorecard is used to identify and align strategic initiatives, as indicated by (80.6%), giving a mean score of 3.58 and a standard deviation of 1.23.

Used to perform periodic and systematic strategic reviews: With respect to performing periodic and systematic strategic reviews, (44.4%) of the respondents "Strongly Agreed", (38.9%) of the respondents "Agreed", (13.9%) of the respondents "Somehow agreed" and (2.8%) of the respondents "Disagreed". The balanced scorecard is used to perform periodic and systematic strategic reviews, as indicated by (97.2%), giving a mean score of 4.25 and a standard deviation of 0.81.

Used to obtain feedback to learn about and improve strategy: With respect to obtaining feedback, (36.1%) of the respondents "Strongly Agreed", (22.2%) of the respondents "Agreed", (25%) of the respondents "Somehow agreed", (11.1%) of the respondents "Disagreed" and (5.6%) of the respondents "Strongly Disagreed". The balanced scorecard is used to obtain feedback to learn about and improve strategy, as indicated by (83.3%), giving a mean score of 3.72 and a standard deviation of 1.23.

Creates accountability: With respect to creating accountability , (22.2%) of the respondents "Strongly Agreed", (33.3%) of the respondents "Agreed", (25%) of the respondents "Somehow agreed" and (19.4%) of the respondents "Disagreed". The balanced scorecard creates accountability for the goals and objectives in the organization, as indicated by (80.6%), giving a mean score of 3.58 and a standard deviation of 1.05.

Connects strategy to performance: With respect to connecting strategy to performance, (27.8%) of the respondents "Strongly Agreed", (38.9%) of the respondents "Agreed", (16.7%) of the respondents "Somehow agreed", (13.9%) of the respondents "Disagreed" and (2.8%) of the respondents "Strongly Disagreed". The balanced scorecard connects strategy to performance, as indicated by (83.3%), giving a mean score of 3.75 and a standard deviation of 1.11.

Provides a way of identifying whether progress is made: With respect to providing a way of identifying whether progress is made, (44.4%) of the respondents "Strongly Agreed", (22.2%) of the respondents "Agreed", (19.4%) of the respondents "Somehow agreed", (8.3%) of the respondents "Disagreed" and (5.6%) of the respondents "Strongly Disagreed". The balanced scorecard provides a way of identifying whether or not progress is being made, as indicated by (86.1%), giving a mean score of 3.92 and a standard deviation of 1.23.

Helps in understanding cause-and-effect relationships: With respect to helps understanding cause-and-effect relationships, (41.7%) of the respondents "Strongly Agreed", (36.1%) of the respondents "Agreed", (16.7%) of the respondents "Somehow agreed", (2.8%) of the respondents "Disagreed" and (2.8%) of the respondents "Strongly Disagreed" . The balance scorecard helps people in the organization understand cause-and-effect relationships of the things they do, as indicated by (94.4%), giving a mean score of 4.11 and a standard deviation of 0.98.

Helps in understanding the mission, vision and strategy of the organization: With respect to helping in understanding the mission, vision and strategy of the organization, (33.3%) of the respondents "Strongly Agreed", (36.1%) of the respondents "Agreed", (13.9%) of the respondents "Somehow agreed", (11.1%) of the respondents "Disagreed" and (5.6%) of the respondents "Strongly Disagreed". The balance scorecard helps everyone understand the mission, vision and strategy of the organization, as indicated by (83.3%), giving a mean score of 3.81 and a standard deviation of 1.19.

Clarifies objectives : With respect to clarifying objectives, (19.4%) of the respondents “Strongly Agreed”, (44.4%) of the respondents “Agreed”, (27.8%) of the respondents “Somehow agreed”, (2.8%) of the respondents “Disagreed” and (5.6%) of the respondents “Strongly Disagreed”. The balanced scorecard clarifies objectives, as indicated by (91.6%), giving a mean score of 3.69 and a standard deviation of 1.01.

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Findings of the study indicate that the state corporations in the Ministry of Communication & Communication had implemented the following activities in line with the adoption of the balanced scorecard: developed a vision; developed strategies; developed critical success factors and perspectives; developed measures to show that the organizations worked towards the vision and accordingly to their strategies; undertook evaluation of their performance; created action plans in order to start with the improvement work; and undertook monitoring and evaluation. According to Ericsson *et al*, (2002), in order to success with an implementation of a balanced scorecard, it is of relevance to have a vision and mission, perspectives, success factors, objectives, measures, strategies and action plans. The findings are also in line with a study by Hallgårde *et al.,* (1999), who asserts that one of the keystones for conducting a successful scorecard is to have a good plan and method that can be done through a 7-step plan, namely: developing a vision; developing strategies; developing critical success factors and perspectives; developing measures correctly in order to show that an organization works towards the vision and accordingly to its strategies; evaluation of performance; creation of action plans; and monitoring of performance.

Findings of the study show that the balanced scorecard addresses serious deficiencies in traditional management systems. This finding is in line with the findings of Kaplan and Norton (1996), who asserted that the scorecard addresses serious deficiencies in traditional management systems, namely a company’s inability to link long-term strategy with its short-term actions, and a pre-occupation with financial measures. The findings also indicate that the balanced score provides a framework to look at the strategy used for value creation from four different perspectives and also supplies a framework on many critical management processes and the balanced scorecard acts like a new strategic management system. Kaplan and Norton studied (2001) noted that the scorecard supplied a framework focused on many critical management processes, and that those processes referred to departmental and individual goals, business planning, strategic initiatives, feedback and learning. The findings also show that by using the scorecard, the senior executives immediately started processes of change. This finding is corroborated by Kaplan and Norton (1996), who argued that that the balanced scorecard acts like as a new strategic management system. The system is expected to link an organization’s long-term strategy with its short-term actions (Kaplan and Norton 1996a).

The findings also indicate that the balance scored card not only clarifies and translates vision and strategy; serves as a strategic management system in an organization; is used to clarify and gain consensus about strategy; is used to communicate strategy throughout the organization; is used to align departmental and personal goals to the strategy; is used to link strategic objectives to long-term targets and annual budgets; is used to perform periodic and systematic strategic reviews; is used to obtain feedback to learn about and improve strategy creates accountability for the goals and objectives in the organization; connects strategy to performance; provides a way of identifying whether or not progress is being made helps people in the organization understand cause-and-effect relationships of the things they do; helps everyone understand the mission, vision and strategy of the organization; but also clarifies objectives.

Mooraj *et al.* (1999) noted that the balanced scorecard may serve as a strategic management system in an organization, and advocate further that the balanced scorecard in practice is a system, which primarily encourages managers at all levels to make strategic decisions based on the company’s common strategies. Papalexandris *et al*., (2004) and Papalexandris *et al*.,(2005) also noted that the balanced scorecard helps people in the organization understand cause-and-effect relationships of the things they do.

5.2 Recommendations

In view of the findings of the study, the following recommendations are made:

5.2.1 Recommendations for policy and practice

The balanced scorecard may serve as a strategic management system in an organization. Findings of the study indicate that the BSC in practice is a system, which primarily *encourages* managers at all levels to make strategic decisions based on the company’s common strategies. In developing the BSC concept further, the study findings indicate that the benefits from using the BSC in organizations include: clarify and gain consensus about strategy; communicate strategy throughout the organization; align departmental and personal goals to the strategy; link strategic objectives to long-term targets and annual budgets; identify and align strategic initiatives; perform periodic and systematic strategic reviews; and obtain feedback to learn about and improve strategy.

The balanced scorecard acts like as a new strategic management system. The system is expected to link an organization's long-term strategy with its short-term actions. A well developed and implemented balanced scorecard should focus on the following four critical management processes, namely (i) clarify and translate vision and strategy; (ii) communicate and link strategic objectives and measures; (iii) plan, set targets, and align strategic initiatives, and (iv) enhance strategic feedback and learning.

Although there are several alternative approaches of developing a balanced scorecard, every organization is unique and may wish to follow its own path for creating the balanced scorecard according to its organization needs. Findings of the study indicate that implementation of the balanced scorecard using the 7 – step process overcomes the lack of the stakeholders' involvement and a lack of consensus about the role for the Balanced Scorecard. If implemented properly, the processes will encourage commitment to the scorecard among all executives and employees that is sometimes not found in the other approaches mentioned. The processes are: developing a vision; developing strategies; developing critical success factors and perspectives; developing measures correctly in order to show that an organization works towards the vision and accordingly to its strategies; evaluation of performance; creation of action plans; and monitoring of performance.

In order for implementation of the balanced scorecard to succeed, irrespective of the type of organization implementing it, the key implementers should strive to: translate the strategy to operational terms; align the organization to the strategy; make strategy everyone's everyday job; make strategy a continual process; and mobilize leadership for change.

5.2.2 Recommended areas of further study

Despite the wealth of research in balanced scorecard in the developed economies, little research has been undertaken in emerging economies. Though the researcher has attempted to bridge the gap with respect to the extent to which balanced scorecard has been adopted in state corporations in the Ministry of Information and Communication and the benefits derived from adoption of the balanced scorecard practices, further research is recommended in the following areas: (i) the application of balance scorecard in strategy implementation; and (ii) the challenges faced by the state corporations in integrating balanced scorecard in the performance management process.

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APPENDIX I: PARASTATALS IN THE MINISTRY OF INFORMATION AND COMMUNICATION

PARASTATALS IN THE MINISTRY OF INFORMATION AND COMMUNICATION IN THE YEAR 2010.

1. Kenya Broadcasting Corporation
2. Postal Corporation of Kenya
3. Telkom Kenya Ltd.
4. Gilgil Telecommunications Industries
5. Kenya Film Commission
6. Multimedia University
7. Communications Commission of Kenya
8. Kenya Film Censorship Board
9. National Communications Secretariat
10. Commission Appeal Tribunal

Source: MIC Strategic Plan 2006-2010

APPENDIX II: QUESTIONNAIRE

SECTION I: BACKGROUND INFORMATION

1. Name of state corporation (Optional) ___________________________________
2. For how long have you been in your current employment? (Tick as appropriate)

(a) Less than 1 year [ ]
(b) Between 1 and 5 years [ ]
(c) Between 6 and 10 years [ ]
(d) Between 11 and 15 years [ ]
(e) 16 years and above [ ]

3. For how long have been in current position in the organization? (Tick as appropriate)

(a) Less than 1 year [ ]
(b) 1 to 5 years [ ]
(c) 6 to 10 years [ ]
(d) 10 Years and above [ ]

4. Please indicate your gender (Tick as appropriate)

(a) Male [ ]
(b) Female [ ]

SECTION II: ADOPTION OF THE BALANCED SCORECARD IN STATE CORPORATIONS IN THE MINISTRY OF COMMUNICATION & INFORMATION, KENYA

5. The extent to which balanced scorecard has been adopted in state corporations in the Ministry of Communication & Information.

Listed below are statements related to the seven steps involved in the implementation of a balanced scorecard. With respect to your organization, indicate the extent to which you agree/disagree that your organization has adopted each of the practices (please tick as appropriate)

The steps involved in implementation of a balanced scorecard	Response				
	Strongly agree (5)	Agree (4)	Somehow agree (3)	Disagree (2)	Strongly disagree (1)
Developing a vision*:* The organization has developed a vision a vision and mission. An expression for the comprehensive objective for the organization, which gives a mental picture of the future and a purpose for the activity it performs.					
Developing strategies*:* Developing overall strategies in order to accomplish the vision and mission. A strategy explains how to allocate resources to reach the objectives aimed for.					
Developing critical success factors and perspectives*:* When defining critical success factors and perspectives, the question "what is important for us to do in order to succeed as an organization" arises.					
Developing measures: - Measures must be created correctly in order to show that an organization works towards the vision and accordingly to its strategies. The measures include a mix of outcome measures and performance drivers and they to be linked to financial measures.					
Evaluation of performance*:* a connection analysis is first presented and an evaluation of the scorecard must be done. It is of importance to make sure that the right measures are considered					
Creating an action plan*:* Plans of actions must be developed in order to start with the improvement work. These plans of actions include proposals and activities that can be used to improve the results of the objectives					
Monitoring and operations*:* The balanced scorecard is integrated with the ordinary planning and the follow up within the organization. Reward systems are linked to The balanced scorecard in order to motivate people and to keep it as a living document.					

6. The benefits derived from adoption of the balanced scorecard practices in state corporations in the Ministry of Communication & Information.

Listed below are some of the benefits derived from adoption of the balanced scorecard. With respect to your organization, please indicate the extent to which you agree/disagree that your organization has realized each of the listed benefits (please tick as appropriate).

Benefits derived from adoption of the balanced scorecard practices	**Response**				
	Strongly agree (5)	**Agree (4)**	**Somehow agree (3)**	**Disagree (2)**	**Strongly disagree (1)**
The balanced scorecard addresses serious deficiencies in traditional management systems, namely an organization's inability to link long-term strategy with its short-term actions, and a pre-occupation with financial measures.					
The balanced scorecard provides a framework to look at the strategy used for value creation from four different perspectives: financial; internal business processes; learning and growth; and customer.					
The balanced scorecard supplies a framework focused on many critical management processes, and that those processes referred to departmental and individual goals, business planning, strategic initiatives, feedback and learning.					
By using the scorecard, the senior executives immediately started processes of change.					
The balanced scorecard acts like as a new strategic management system. The system links the organization's long-term strategy with its short-term actions					
The balanced scorecard clarifies and translates vision and strategy; communicate and link strategic objectives and measures; plan, set targets, and align strategic initiatives; and enhance strategic feedback and learning.					
The balanced scorecard serves as a strategic management system in an organization. The balanced scorecard is also a system, which primarily encourages managers at all levels to make strategic decisions based on the company's common strategies.					
The balanced scorecard is used to clarify and gain consensus about strategy					
The balanced scorecard is used to communicate strategy throughout the organization					
The balanced scorecard is used to align departmental and personal goals to the strategy					
The balanced scorecard is used to link strategic objectives to long-term targets and annual budgets					
The balanced scorecard is used to identify and align strategic initiatives					
The balanced scorecard is used to perform periodic and systematic strategic reviews					
The balanced scorecard is used to obtain feedback to learn about and improve strategy.					
The balanced scorecard creates accountability for the goals and objectives in an organization.					
The balanced scorecard connects strategy to performance					
The balanced scorecard provides a way of identifying whether or not progress is being made and gives the organization opportunity to adjust as necessary					
The balanced scorecard helps people in the organization understand cause-and-effect relationships of the things they do					
The balanced scorecard helps everyone understand the mission, vision and strategy of the organization.					
The balanced scorecard clarifies objectives, helps employees see the long-term effects of actions, and helps them to understand their contributions					