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St. Mary's University, Ethiopia

ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**ASSESEMENT ON CHALLENGES OF BALANCED SCORE
CARD IMPLEMENTATION IN ETHIO TELECOM**

BY
KIDIST G/EGZIABHER

June 2017
ADDIS ABEBA, ETHIOPIA

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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY SCHOOL
OF GRADUATE STUDIES IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE DEGREE OF MASTERS OF
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June 2017

ADDIS ABEBA, ETHIOPIA

**ST.MARY’S UNIVERSITY
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KIDIST GEBREEGZIABHER

APPROVED BY BOARD OF EXAMINERS

Dean, Graduate Studies

Signature

Advisor

Signature

Name of Advisor

Signature

Name of Advisor

Signature

DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of the research advisor. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

Signature

ENDORSEMENT

This thesis has been submitted to St. Mary's University College, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

Signature

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LIST OF ABBREVIATIONS

BSC	Balanced score Card
ETC	Ethiopian Telecommunications Corporation
SPSS	Statistical Package for Social Science Statistical
TQM	Total quality management
IT	Information technology

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Abstract

Due to the fact that BSC is a complex system of management ,it has its own challenges in measuring the efficiency of the organization from four or more perspectives ,and for widening the goal of the organization out of financial and cascade lowering of the strategic goals in order to make day to day function of every one in organization .therefore ,this study designed to asses balanced score card implementation challenges in Ethio telecom and mainly focused on the existing practice of BSC and barriers of balanced score card .The data for this research is collected through questionnaires that was distributed for 270 employees of the division and 262 were returned .The employees were selected based on stratified random sampling .The data were analyzed using the system SPSS version 20 software . The findings of the study indicated that the challenges for implementation of BSC in Ethio telecom are, there is no full support from top management , there is no education and learning at expected level, there is no IT support for BSC implantation , the employees or other concerned parties are not participating in the implementation .Finally ,the thesis concludes by proposing recommendation to the department and the company in order to use different methods in solving different challenges faced during BSC implementation such as delivering continues training to the employees and managers , supervising the implementation process ,providing clarification ,assessing achievements of lower level employees , using IT support by deploying modern system which helps BSC implementation activities like data gathering, analyzing and distribution .

Key Work: Challenge, Balanced Score card and Ethio telecom, Ethiopia

Chapter One

Introduction

1.1 Background of the study

In this competitive world, companies need to have different strategies and ways of evaluating their performance and learn from their past experience. Measuring performance evaluation plays a great role to know the status of the company as well the staffs so performance evaluation should given a high focus. From different performance evaluation tools Balanced scorecard (BSC) one of the most used and known tools. other than the financial performances it is essential to measure the non financial performances, BSC (balanced score card) was first thesaurus by art schneiderman in 1987 but, till the early 1990's the system was understood to be mix of financial and non- financial measures and then popularized by Kaplan and Norton [1992, 1993, 1996a, b, c] and adopted widely around the world and has been offered as a superior combination of non-financial and financial measures of performance. Because the BSC explicitly focuses on links among business decisions and outcomes, it is intended to guide strategy development, implementation, and communication. Furthermore, a properly constructed BSC could provide reliable feedback for management control and performance evaluation.

As we seen in the above BSC is one method of measuring one company's performance and according to David Norton and Kaplan BSC defined as a strategy management system that helps managers to translate organization strategy into operational objectives and implement it and its implementation assures that strategy gets communicated to all company employees suitably and to facilitate implementation by them and translate company vision and strategy to four perspective

1, **Financial**

2, **customer** (customer satisfaction, effective service partnership)

3, **internal business process** and (Acquisition Excellence: Effective Quality Control System, Acquisition Excellence: Effective Use of Alternative Procurement Practices, Fulfilling Public Policy Objectives

4. **Learning and growth**

Now a day's BSC is implemented in all sectors especially in public one and some authors like Harold Wilson says ,public sector may be perceived as having a short term perspective .this applies, even though management may be permanent while it is the political masters who drive the short –term agenda . Tonge and Callaghan (1993) emphasize the growing similarities between the pressures of public and private sectors .Niven (2002) supports the idea that the public and non-profit organization adopts well but focus on customer perspective rather than financial objective.

As a paper in the performance perspective by Dr .Bod Frost BSC and journal of environment and earth science volume 2,2012 , bsc has the below mentioned benefits

- 1, Scorecard drive better performance
- 2, Implement strategy
- 3, Helps ensure that you have the right measure
- 4, Encourage balanced performance
- 5, points out what's missing
- 6, Encourages good management

In order to build BSC in a company, abundant deal of effort is needed. Resources such as time, expertise, and money should be employed in every BSC implementation. Despite its worldwide popularity, the success of the BSC is quite low.

According to Atkinson (2006, cited by Othman, 2007), it is estimated that 70% of BSC implementation have failed. This fact brings to mind the difficulties involved in the implementation process of the BSC, and the reasons which cause so many BSC implementation to fail.

Ethio telecom established as a public enterprise on 29th day of November 2010 as per the council of ministers regulation NO.197 /2010 and the company has registered several accomplishments required to transform the company to the expected level which is being competent and modern

telecom service provider and in order to achieve operational in support of the organization strategy objective and country's growth ethio telecom re-structured its functions to other departments and division and among them customer service is one of the divisions .

Balanced score card was introduced in the company and also in the division on date July 01, 2015 .Starting from then the division makes effort to achieve the expected targets using key performance indicator (KPI) evaluation on daily terms and other parameters which divided in four perspectives (customer, finance, learning and growth and internal process) but face lots of obstacles in the implementation, according to the weekly achievement report, meeting report, daily communication through email and monthly evaluation report, the implementation is not at expected level. And since this system is new to the company there was no such studies made in other departments or division in order to show the challenges during the implementation and give recommendations to elevate the problem and in the customer service there was also no study paper or researches prepared on the department level before which can able to give constructive feedback and enable the management to achieve the company target as setted for the division and the factors are still there and affecting the implementation so that this study is going to prepared to identify those factors which affect the implementation and give constructive feedback to the division.

1.2 Statement of the Problem

In the early periods, company's performance is measured based on the management accounting system but they found out that it is not sufficient for decision making in this highly competitive world. Dearden(1969) and studies by Banker et al, (2000), Behn and Riley (1999),Foster and Gupta (1999) have shown the help of non-financial performance measures and after Kaplan and Norton popularized the balanced score card (BSC) ,the whole world adopted it , and has been offered as a superior combination of non-financial and financial measures of performance .

According to the studies by Malina (2001) , in parallel to the implementation of the BSC in the company ,there are some factors affecting the implementation related to the fear of accepting new system , continuous changing of the evaluation criteria , difference in view of opportunities , lack of on time discussion and communication which creates miss trust b/n staff and middle managers ,middle managers and top managers . In Ethio Telecom customer service

department(contact center), according to daily, weekly and monthly report the gap is observed in the implementation because of some human related, organizational cultural ,economical ,legal and other challenges faced by the employee and the managers like continues change of the evaluation template, setting unachievable target ,lack of on time planning and other unmentioned reasons .and a literature review and different cases used to identify reasons for balanced score card implementation challenges on customer service division. Taking this as a foundation, it should be assessed if there is any relation between the many reasons discovered by researchers and the reasons identified as causing the balanced score card implementation challenged on measurement of employee performance /appraisal and /or the assigned task to the employees in the call center department in Ethio telecom. Even though researches done on this area by different companies, limited studies have been done on balanced score card implementation challenges on Ethio telecom sector, mainly in call center department .Thus, the aim of this study is to examine the challenges of balanced score card implementation in call center department.

1.3 Research Question

This paper addressed the below research questions to achieve the planned research objectives

- What are the employee related challenges on BSC implementation ethio telecom contact center division?
- What are the organizational related challenges of BSC implementation ethio telecom contact center division?
- What are the IT support related challenges in the implementation of BSC implementation ethio telecom contact center division?
- What are the challenges related to learning and growth on BSC implementation ethio telecom contact center division?

1.4 Study Objective

1.4.1 General Objective

The general objective of this paper is to assess the challenges of BSC implementation in Ethio telecom customer service division call center department

1.4.2 Specific objective

- To identify employee related challenges for the BSC implementation ethio telecom contact center division
- To assess the impact of the organizational challenges on BSC implementation ethio telecom contact center division
- To investigate out the challenges related to learning and growth on BSC implementation ethio telecom contact center division
- To assess the impacts of IT support on BSC implementation in ethio telecom contact center division

1.5 Definition of terms

Balanced Scorecard complements financial measures of past performance with measures of the drivers of future performance. The objectives and measures of the scorecard are derived from an organization's vision and strategy. The objectives and measures view organizational performance from four perspectives: financial, customer, internal business processes, and learning and growth. These four perspectives provide the framework for the Balanced Scorecard.

Measures – a standard used to evaluate and communicate performance against expected results .it is normally quantitative in nature which is capturing numbers, dollars, percentages and soon .reporting and monitoring measures helps an organization to determine progress towards effective implementation of strategies.

Perspectives – it refers to category of performance objectives or a measure is balanced scorecard and in most organization chooses the four standard perspective such as; financial, customer, internal process, learning and growth.

Contact Center Advisor: agents or operators that handle incoming call through 994.

Contact Center Coaches: a person who leads advisors/Agents.

Performance – the act of performing, doing something successfully, and using knowledge distinguishing from merely possessing it. a performance comprises an event in which generally one group of people (the performer or performers) behaves in a particular way for another group of people .

1.6 Significance of the Study

Effective implementation of BSC in the company helps to achieve organization target and objective and in the customer service contact center department, BSC enables staffs to share the company strategy and evaluate their contribution in the company. This study helps to

- Gives constructive feedback to the division on the practical experience of the balanced score card implementation and provide possible suggestions
- Help researchers to acquire knowledge on real experience about balanced score card .
- Initiate and to be reference for the division for more research
- Serve as a stepping stone for more future research in this area

1.7 Scope and Limitation of the Study

- In Ethio Telecom customer service department ,Contact Center Division there are totally 4 sites TPO (located around Church Hill square next to church hill hotel) , JEMO SITE (located around jemo area) , LEGHAR SITE(located in front of national theater) and OLD AIREPORT SITE (around Carel square) then this study focused only at TPO site and this site is selected

because of that it is the first site that established after ethio telecom call center emerged as new and well experienced managers and staffs is now working in this site and will include teams from each skill (Amharic , oromifa , tigreña and somaligna) and each team has around 13 members .

Limitation of the study

This study can use causal research method in order to assess the challenges relation with that of the BSC implementation.

1.8 Organization of the Study

This study is organized as follows, The first chapter is about introduction which is the about back ground of the study ,statement of the problem ,objective of the study ,significance of the study and scope of the study. In the second chapter, theoretical literature reviewed about BSC, Concept of customer service and contact center performance management and other related issues .in the third chapter, types and design of the research, the source of data, data collection method and data analysis going to be described. In the fourth chapter data presentation, discussion and analysis will be included .in the final chapter five conclusions and recommendation provided based on the information from analysis.

Chapter two

Literature review

2.1 Introduction

This chapter of the research reviews different literatures on balanced score card definition, characteristics, and elements, about contact center and different countries experience and company history.

2.2 Emergency and Evolution Of BSC

In the late 1980's, organizations started realizing that in order to assess the overall health and performance of the organization, it was important to measure and manage non-financial measures also in addition to the traditional financial measurements such as profits, share values ,sales volumes etc . Traditional financial measures are usually the lag indicators of the business performance and tell the story of the past. They don't provide any insight into the intangible assets and capabilities that need to be developed in order to able to achieve the desired financial results .for example, front line workers in a manufacturing set up are far removed from these financial measures and have no idea about how their day to day work translates into financial results .Thus ,financial measures fail in assessing the intangible value possessed by the organization or the value it can create .they can also fail the knowledge based strategies by treating human capitals expense items; whereas it is widely recognized that human capital is actually the most important component of the value creation chain (Kaplan and Norton, 1996).

Balanced score card was developed in response to this need according to Kaplan and Norton (1992;1996;2001).Bsc introduce the idea of measuring the drivers of performance ,while retaining the measures of financial performance (Brown ,2000)

The term balanced score card was coined by art schneiderman in 1987. But ,till the early 1990's the system was understood to be a mix of financial and non-financial measures limited to 15- 20 numbers which are clustered in four perspectives .BSC become a popular term when Kaplan and Norton who worked extensively on scorecards published reports of several BSC implementation success .however ,there were no clear definition of BSC .

The measures on the balanced score card ensures a balance between external measures for share holders and customers, and internal measures of critical business process, innovation and learning and growth.

2.3 Basic Component and Characteristics Of BSC

According to Kaplan and Norton (1996) there are six basic components of BSC .they are perspective, themes, objectives .measures, targets and initiatives. When we see each by detail

Perspectives: there are four standard perspectives as suggested by Kaplan and Norton .these are financial, customer, internal business process and learning and growth. However, organization can choose any number of perspectives as may suit their need of sufficiently measuring the present performance and the drivers of future performance .the number would depend on how the stakeholders' expectations are being represented and the manner in which the organization would decipher their strategy .All relevant factors for strategy execution are accounted for in these perspective ,thus creating a balance between the short term and long term objectives as well as linking the desired outcomes and the performance drivers for those outcomes .thus ,perspectives form the basic architecture of BSC .

Themes: themes are inherent in the strategy and provide and insight into how an organization would carry out its mission. There are usually three to four basic themes consisting of a collection of objectives across perspective which enable execution of the theme.

Objective: They highlight critical factors to the success of the organization which must certainly be archived.

Measures: what gets measured gets archived .measures help organization determine its success in executing strategy. The two fundamental purposes served by measures are organizational motivation and objective evaluation of the strategy as well as strategic learning.

Targets: Targets help define the level of performance or the rate of improvement that is needed.

Initiatives: These are key action programs that are required to achieve the objectives.

BSC constitutes a good balance between financial and non-financial measures .objectives of the four perspectives shows balance between the external measures usually present in the financial and customer perspectives and the internal measures that are in the other two perspectives of

internal business process and learning and growth. It also indicates a balance between the lag indicators of past performance and the lead indicators that drive future performance.

Financial Perspective

It is obvious that financial measures are related to profitability and cost of the of the business and Axelsson identified the financial perspective as the measures ,related to the cost of running the operation and the results .however ,depending on the life cycle of the business unit ,other financial objectives can be applied . The main directions of non-profitability financial objectives according to (Kaplan & Norton, 1996a) are:

Rapid growth - confirm the business unit in the early stage of development .these objective emphasis development ,particularly depending on the nature of the business unit e.g investing in expansion of operational capabilities and system ,expanding global networks ,developing relationships with various stakeholders

Sustain – applied in developed business units, which still attract investments, however the emphasis on return on investment is introduced, in contrary to the rapid growth direction .the nature of investment in this stage is targeted at like reveling bottlenecks and sustaining continuous improvement

Harvest – used in the mature business units, which don't attract investments any more, apart from repair and maintenance activities .the main target of such business units, is to maximize the cash flow back to the corporation.

Thus depending on the development stage of the business unit, the objectives and measurements are different .A business unit in the rapid growth stage will apply financial measures such as sales growth in new markets and with new customers , maintaining levels of investment into product or process development and employee capabilities . during the sustain stage, the traditional measures such as return on capital employed ,gross margin ,economic value added ,share –holder value and others ,targeted to the same concept –highest return on investment .finally ,as the harvest stage identifies the short time remaining in the economic life of the business unit thus the measures are directed towards increased cash flow from the business unit to the company ,in contrast to the reverse cash flow in the previous stages.

Customer Perspective

This perspective is about the attitude and view of the customer towards the company and this is captured by the ability of the organization to provide quality goods and service, the effectiveness of their delivery, and overall customer service and satisfaction. According the description provided by Axelsson (2002), customer perspective has five main aspects which must be measured in any types of business units

Customer satisfaction – this measure is extremely important, however it can be taken into account only when the customers are completely or extremely satisfied –only in this case customer’s retention and loyalty can be expected

Customer retention - a basic measure identifying the customer retention rate as well as customer loyalty.

New customer acquisition – rate identifying the number of new customer acquired in a certain period of time.

Customer profitability – without profitability, the other customer perspective measures are irrelevant as after all, the customer profitability is the most relevant measure.

Market and account share – the measure are targeting at identifying the market share and account share in the target customer segment. These measures are particularly important as they are complementary to the purely financial measures of sales, which can provide false positive results due to sales in the non-target segments.

Internal Business Process Perspective

Internal business process measurement focus on the most crucial function of the business that have contribution for financial objective achievement and it reveals the significant difference between measurements in balanced score card and other approaches .the difference is mainly on attempting to improve the internal process – the balanced score card emphasis on the importance of innovation and other approaches that helps to measure the improvements in the existing process. It is known that innovation leads to long term success and improvement in existing process can ensure only short term benefit .Thus balanced score card framework is including both

improvement in the existing process as well as innovation so that both short term and long term financial benefits can be achieved. As Axelsson(2002) defines internal perspectives like number of agreements settled ,initiatives taken and e.t.c.

Learning and growth perspective

Learning and growth has three sources

People – people is one of company resource so that employee satisfaction, employee retention, employee skills based on the market requirement and investments in training in order to achieve them

System- the availability, suitability and usability of the IT system, meeting employee and customer demand

Organizational procedures – improvements in the critical –based and internal process.

2.4 BSC and Other Performance Measurement Systems

According to the journal by Milad Abdelnabi Salem¹, Dr. Norlena Hasnan², Dr. Nor Hasni Osman (2003) refers bsc has advantage over the other performance measurement systems.

2.4.1 Balanced score card and TQM

Both of the system focuses on communication, reducing cost and the importance of organization on managing the system not the people and need to be supported by the top management but BSC mainly emphasis on financial objects relating to profitability, asset return and revenue enhancement where as TQM doesn't diminish the importance of financial solvency but focus more on the system of the organization AS a result ,when BSC focuses on whole organization ,TQM focuses more on internal process .BSC takes a whole organization –wide view where TQM emphasis on improvements to internal business process . As zahirul(2003) conclude ,TQM doesn't consider employees in its search for continues improvement but BSC does and a firm that adopt BSC may overcome the oversight which should increase employee satisfaction and organizational performance.

2.4.2 Balanced score card and ISO14001

ISO 14001 was created by the international organization of standardization. It is defined as environmental management system guidelines to improve the environmental management.

ISO14001 describes the management system and doesn't describe how to address environmental management issues, its lack to integrate the full legal requirements and company police and the need to consideration of environmental factors by every decision.

The main difference between BSC and ISO14001 is that BSC is a strategy management tool, which focuses on the organization, where as ISO14001 is system that focus on Environmental issues, with regardless to the other aspects that may affected by the environmental aspects .

2.4.3 Balanced score card and the performance pyramid

The performance pyramid was introduced by cross and lynch (1992).it focuses on the linkage of organization's strategy with its operations within four levels, which seem to fit into each other in the achievement of objectives.

Miral and mark (2005) note that the performance pyramid doesn't explicitly integrate the concept of continues improvements, does not provide any mechanism to identify key performance indicators, and also the model has not been empirically tested

BSC is more effective than the pyramid performance in the use of the strategic map according to Hasnan(2006).

The success map of the pyramid is more difficult to understand than the strategy of BSC but the strategy map of BSC everybody can understand the cause and effect of logical mapping and direction towards

The strategy map of BSC everybody can understand the cause and effect of logical mapping and direction towards the strategy objectives.

2.4.4 Balanced score card and management by objective

According to Karl (2001), MBO is a process whereby the superior and subordinate managers of an organization jointly identify its common goal, define each individual's major area of responsibility in terms of the results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members .it emphasizes the setting of goals over the marking of a plan as a driver of outcomes, the neglect of the importance of environmental

differences, and the evaluation of employees by comparing them to the ideal employee . both BSC and MBO are influenced by four functions of management :planning, organizing, leading and controlling (karl,2001).BSC has advantage over MBO because BSC focuses on only four business areas and within each areas focuses only on the most important performance indicators

2.4.5 Balanced score card and environmental shareholder value (ESV)

According to Wanger(2007) that ESV is a potential candidate to support the integration of environmental management with the strategy of the company in way that positivity influence the economic performance of the company . Schaltegger and Figge(1998) notion that ESV covers only one part of environmental management when analyzing the corporate environmental protection . The difference between is that BSC takes into account all stakeholders of the company including shareholders, whereas, the ESV focuses on the aspects of shareholders.

According to Kaplan and Norton (1996), the balanced score card can be used to;

- 1, clarify and gain consensus about strategy
- 2, communicate strategy throughout the organization
- 3, align departmental and personal goals to the strategy
- 4, link strategic objectives to long term targets and annual budgets
- 5 identify and align strategic initiatives
- 6, perform periodic and systematic strategic reviews
- 7, obtain feedback to learn about and improve strategy

2.5 Cascading and Diffusion of Scorecards

The BSC approach can be applied at all the levels. At the corporate level it translates organizational vision and strategy into overall corporate scorecard. At the level of strategic business units (SBU),teams or even individuals ,there can be SBU scorecards , team score cards or individual score cards respectively .all it involves is developing the destination statement (or vision) for the particular level, identifying key performance indicators ,setting goals and targets and finding ways to measure progress towards their achievement(Evans,2005;Sandkuhl et al ,2003;Walker,1996). Thus, scorecards are created at all the important levels and even for individual employees.

2.6 performance measurement in call center

In call center , measuring performance starts with understanding the customer ,communication is often a very task oriented , whereas call center need to recognize the importance of listening to the customers in order to understand their needs and requirements form their perspective , detect failures , bottle necks ,or improvement potentials and deliver service that satisfies the customer .

Call center helps a company to build, maintain and mange customer relationships by solving problems and resolving complaints quickly, having information, answering questions and being available 24houraday, 7days per week, 365 days per year .and there are various measurement as Audrey Glimore and Lensley Moreland identified the measures which were displayed in all call centers

- number of calls answered with in past ten minutes
- Calls waiting to be answered, that is in the queue
- number of agents currently talking calls
- number of agents waiting to take calls (free agents)
- Number of not ready agents
- Number of agents on outgoing calls or on a call to another agent

2.7 Characteristics of successful implementation of BSC

One system of measurement is said successful while it shows transformation based on the strategy and objective .and according to Kaplan and Norton ,the successful implementation of BSC have the following characteristics

Awareness – there is awareness among employees about the concept of BSC and an understanding of how it helps in executing organizational strategy .employees understand the casual relationships among the objective in all perspectives of the score card. Accordingly, they focus on the drivers of desired performance which are usually the objectives in the internal process and the learning and growth perspective. (Cases of Citizens School and AT&T, Kaplan and Norton, 2001); (Davis, 1996)

Alignment – all support functions, budgets, external partners, competency development initiatives, rewards and incentives are aligned with score cards. (Cases of Kinnarp

Academy, IBM Learning, Borealis, Kaplan and Norton, 2006)

Assessment – actual performance is regularly assessed vis –a-vis the targets and initiatives mentioned on the scorecard. Regular operational and strategic reviews get conducted. (Case of New York Police Department, NYPD, Kaplan and Norton, 2008)

Achievement – Eventually, successful implementation of BSC leads to achieving the strategic objectives as identified in for perspectives of score cards, thereby implementing the strategy (Cases of City of Charlotte and Luxefer Gas Cylinder, Kaplan and Norton, 2008).

2.8 Problems and Barriers Associated with the Implementation of BSC

A, Differences in the requirements for the individual and organizational BSC construction; requirements for structural BSC are significantly higher than setting individual objectives derived from the BSC mainly considering cause and effect connections and relationships between organizational levels etc.

B, Applicability of the BSC perspectives for individual needs is limited

C, The number of BSC objectives is too high for individual levels

As stated in a journal by Dr Norlena Hasnan, Milad Abdelnabi Salem, Dr. Nor Hasni Osman (Vol 2, No.9, 2012) BSC has limitation as stated below

1, the causality relationships between the areas of measurement in the BSC are unidirectional and too simplistic .some scholars note that there is no cause and effect relationship between some of the suggested areas of measurements in the BSC (Norrekelit, 2003; Mohobbot, 2004; Henk and Kim 2002). Norrekelit (2003) has depened on the relationship between customer loyalty and financial performance .and the lack of cause and effect relationship crucial because this shows that invalid assumption in a feed-forward control system will cause individual companies to anticipate performance indicators, which are actually faulty.

2, The BSC neglects the time dimension .this critical points of the BSC starts from the assumption that the linkage between different points of time must be understood .in this point of view, BSC doesn't explain the role of time in its cause and effect relationship Norrekelit (2003), note that BSC doesn't incorporate the time dimension in the cause and effect relationship and It also doesn't separate cause and effect relationship in time.

3, The lack of the validation ; the reliance of BSC on few measures makes a critical point of BSC Mohobbot (2004) and Henk and Kim (2002),point out that the advantage of checking just a few

number measures become disadvantage when not the right numbers are selected for the BSC . This critical points of view depends on that BSC lacks the mechanism for maintain the relevance of defined measures .this leads to reduce the validation of BSC and the possibility to miss some critical measures.

4, The lack of the integration between top –level and operational level measures. Mohobbot (2004), Henk and Kim(2002) point out that BSC fails to identify performance measures as two-ways process ,the lack of integration between top and operational levels may leads to strategic problem . this refers to the ability of low levels to understand the implantation of BSC

5, An internally focus, one of the criticism of BSC is that its frame work encourages the focus on internal aspects Mohobbot (2004) mentions that the BSC is incapable to answer the question related to the competitors movement in addition to this ,the BSC doesn't evaluate the significant changes in external condition . The management should asses how the external changes affect the implementation of BSC

Barriers to implementation of BSC

According to in the thesis in Modul University Vienn by Dragan Pujas (January 2010),there are around nine barriers listed as below

Barrier 1- limited understanding to balanced score card

Barrier 2- lack of executive sponsorship

Barrier 3- lack of balanced score card education and training

Barrier 4- the strategy is not formulated in a strategy map

Barrier 5- inadequate T support

Barrier 6- inadequate project team

Barrier 7- not involving the whole organization

Barrier 8- inadequate KPIs

Barrier 9- lack of planning and communication

2.9 Contact Center Division and Ethio Telecom

- Ethio telecom company that located in Ethiopia was established as a public enterprise on 29th day of November of 2010 .the company aims to provide next generation network service based on a world class standard information technology service and to build a competent next generation network –based work force with appropriate knowledge ,skill, attitude ,and work culture .since its establishment as ethio telecom ,the company has registered several accomplishments required to transform the company to a level excepted from other modern telecom service provider and competitors and tried to build the first professional call center in Ethiopia.

2.9.1 Ethio Telecom Call Center

According to the information found in the company site about the history of the company, Ethio telecom was introduced by Emperor Menelik II in 1894 when the construction of the telephone line from Harar to Addis Abeba, was commenced. Then the interurban network was continued to expand satisfactorily in all other directions, many important centers in the empire were interconnected by lines, thus facilitating long distance communication with the assistants or operators at intermediate stations frequently acting as verbal human respondents between the distant calling parties. As the company background shows many changes were taken place and are taking place .this changes made significant change on call center. Before ethio telecom established there was three national call centers .the first one was in” 997”, which was for residential customers and the second one is “980” which is for enterprise customer and the third one was 998 that was for international calls .

Ethio telecom call center established in January 2011 with 100 staffs, 2 sites and managed by Patrick (France citizen).after two years Patrick is replaced by Ethiopian leader called Ato Muez Yedgu as chief customer service officer . Currently call center section have 1 chief officer, 1 officer, 3 site managers, 6 contact center senior supervisors, 30 supervisors, 150 contact center coaches and 2100 contact center advisors(who handled all incoming calls coming from 994) .one coach is assigned to 15 contact center advisors and one contact center supervisor assigned for 4 coaches and the same for supervisors and senior supervisors .

At present time there are four sites (Leghar site, Old airport site ,Jemo site and TPO site)and uses the same system like IPCC,CRM ,CRBT PORTAL ,Z-SMART and others also uses key

performance indicator, daily audio evaluation based on required criteria and other company related measurements to evaluate the daily performance of all the staffs and all this is included on balanced score card (BSC) .

In conclusion, now a day's balanced score card is more than a planned or an operational measurement system. Companies are using the score card as a strategic management system to manage their strategy in the long run. And in order to increase call centers efficiency and their effectiveness; companies should integrate BSC with its strategic planning.

Ethio telecom implemented balanced score card to link day to day activity with the organization's long term direction and to create a sustainable system of strategic planning and management . as we seen in the above ,BSC implementation face different barriers and hindering factors so in this paper the main hindering factors for the implementation of BSC in call center going to be analyzed and identified and some recommendations will be delivered to overcome the barriers on next .

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Chapter Three

Research Design and Methodology

3.1 Introduction

This chapter describes the research design that employed to achieve the main goal of the research which is that assessing the challenges of BSC implementation on ethio telecom ,so in this chapter the research design ,source of data and sampling technique ,data collection instrument and data analysis method will be discussed.

3.2 Research Design

This research adopted descriptive research method to find out the challenges of balanced score card implementation among those three categories namely explanatory, descriptive and causal. Descriptive method is selected because it describes the characteristics of variables, peoples, organizations or environments means descriptive research tries to draw a picture of a given situation by addressing who, what, when, where and how questions .according to (Kothari ,2004) descriptive research designs are those which are concerned with describing the characteristics of a particular individual or group and also (zakamund,2010) describes that ,descriptive research designs describe what exists in a given situation .So this research method describe the existing situation and hindering factors of balanced score card implementation in ethio telecom .And this study used quantitative method of analysis.

3.3Data Sampling and Sampling Techniques

Due to limited capacity, this study can't address all population of the employee of Ethio telecom. For this study , stratified random sampling by sub dividing the department existing by skill (Amharic ,oromifa, and Tigregna) and give equal chance of being selected and the total population is 2100 contact center advisors and 150 contact center coach but only use the TPO site total population of both contact center coach plus contact center advisor which is 913 .

And In order to select the representative sample the formula published by Krejcie and Morgan's (1970)is :

$$(x)^n = \frac{X^2(NP(1 - P))}{D^2(N - 1) + X^2P(1 - P)}$$

Where

S= required sample size

X² =The table value of 95% confidence interval

P= the population proportion (assumed to be 0.5 for it provides the maximum sample size)

D=the degree of accuracy expressed as a proportion (0.05)

N=the population size

Hence

$$X^2 = 1.96 \quad N = 913$$

$$D = 0.05 \quad P = 0.5$$

$$= \frac{(1.96)^2(913)(0.5)(1 - 0.5)}{0.05^2(913 - 1) + 1.96^2(0.5)(1 - 0.5)}$$

$$= \frac{(3.8416)(456)(0.5)}{0.0025(912) + (3.8416)(0.5)(0.5)}$$

$$= \frac{875.88}{3.24}$$

$$S = 270$$

Therefore, the result is 270 so the representative sample going to be taken from total population of 913 for questioner survey and in order to make proportional stratified random sampling the sample divide for the total number of group based on skill

According to the book form Kotheler proportional sampling, this research use the formula for equal distribution to the group – total sample

$$\frac{\text{total number of the group}^*}{\text{total population}} \text{ sampling number}$$

Total population = 913

Table 3.1 Sample taken from each stratum

Population type	Population size	Sample
Amharic	510	$270 * (510/913) = 150$
Oromifa	304	$270 * (304/913) = 89.9$
Tigrigna	35	$270 * (35/913) = 10.26$
Coachs	64	$270 * (64/913) = 18.9$
Sum	913	270

From this result , the proportional distribution going to be for Amharic skill 150 employees fill the questionnaires , 90 Oromifa skill employees fill the questionnaires , 11 Tigrigna skill Employees fill the questionnaires and 19 contact center coaches expected to fill the questioner

3.4 Source of Data and Instrument of Data Collection

The necessary data for this research is gathered using both primary and secondary data. The primary data include questionnaires that contain closed ended questions and secondary data will be gathered from different reports, documents and other relevant materials. In order to prepare questions for the questioners, this paper adopts questioners and made some changes from the thesis prepared by Amsalu Mamo (2014), even if the organization and both studies output is different the area of the study is the same and both studies objective planned to achieve is similar .

3.5 Validity and Reliability

In order to measure the consistency of the scores obtained and how consistent they were for each individual from one set to another, this study used Cronbach's alpha (a measure of the internal consistency of the questionnaire items) using data from all the respondents . The key statistic in interpreting the reliability of the scale was alpha listed under the reliability coefficient section at the end of the output. The value of coefficient alpha ranges from zero (no internal consistency)

,accordingly ,the alpha coefficient for the thirty six items were 0.93,suggesting that the items have relatively high internal consistency .(note that a reliability coefficient of 0.7 or higher is considered ‘‘acceptable ‘‘ in most social science research situations . the measurement scales for the variables of this study was based on five point Likert scale ranging from ‘‘strongly agree’’ to ‘‘strongly disagree’’.

Table 3.2 Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.938	32

3.6 Data Analysis Method

This study gathered all necessary data on four perspectives (eight areas)of balanced score card on Ethio telecom by using both primary data (questionnaires) and secondary data (report, documents and other materials), and going to analyze using the SPSS in terms of descriptive statistic which include mean, frequency, standard deviation and percentage .

Here, means are translated based on translation level of ranking is analyzed which was taken from Achilles (2013).

$$\text{Range} - (\text{max}-\text{min})/5=(5-1)/5=0.8$$

Agreement level 1.00-1.80-means strongly disagree

Agreement level 1.81-2.60-means Disagree

Agreement level 2.61-3.40-means Neutral

Agreement level 3.41-4.20-means Agree

Agreement level 4.21-5.00-means strongly agree

Chapter Four

Data Analysis and Interpretation

4.1 Introduction

This study was conducted in the contact center department of Ethio telecom customer service division to assess the challenges of balanced score card implementation .Analysis was conducted using data collected from primary and secondary sources .For the analysis ,the employees are categorized with four demographic variables; sex, education level, position at work, and years of experience in current .

In order to collect relevant data questionnaires were distributed to sample respondents of 270 TPO site call employees .Out of which 262 were returned .this accounts for 97% of response rate. The data collected through questionnaires are presented below using tables.

4.2 Background of the Respondents

Table 4.1 The respondents general profile in the study area

Item		Frequency	Percent
Sex of the respondent	Male	105	39.90%
	Female	157	60.10%
	Total	262	100.00%
Educational level of the respondent	Diploma	0	0.0
	Degree	245	93.3
	Masters	17	6.7
	Total	262	100.00%
Position Held by the respondent	Management	19	7.5
	Non- Management	243	92.5
	Total	262	100.00%
Work Experience of the respondent	1--3	188	71.6
	4--6	63	24.0
	7--9	9	3.7
	More than 10yrs	2	.8
	Total	262	100%

Source ; own survey ,2017

As the above table illustrates, around 40% percent of the sample respondents are male and 60% of the sample respondents are female and this implies the female proportion in the division .and the division participates and gives higher priority for female in the working field and females are encouraged to apply in the call center. The table also shows 93.3% of the sample respondents are Degree holder, 6.7% of the respondents are masters holder and there is no below degree so this implies most of the employees are well educated and are fast to learn and to understand the system even can participate actively on the implementation so it become more effective for the company for having more educated employees in the division. Under the heading of work position of the respondent, 7.5 percent of the respondents are at management position and remaining 92.5 percent of the respondents go to non-management position level. Employees and managers feedback is taken at face value without considering their position as supervisors or manager could also provide feedback themselves as subordinate.

Based on the data collected in the questioner and presented in the above table, 71.6percent of the respondent has 1 up to 3years experience and this shows they have good experience on BSC implementation, and 24percent of the respondent has more than4years experience in the company and has experienced well on the BSC system. and around 4 percent of the respondent has more than 7 year experience .Hence, based on their work experience on BSC implementation results ,it is evident that the majority work experience on BSC implementation is substantial to be equally weighted and therefore be valuable to the realization of the research objective.

4.3 Concepts of balanced score card

According to the below table , the respondents over all mean regarding concepts of balanced score card was 3.74 implies that the mean result is Average concerning concepts of balanced score card .The mean result varies between 3.62 -3.82 and the highest mean result was BSC rolls down the company's vision from corporate to division, from division to teams,down to individual employees . The standard deviation varies between 0.907 -1.005 this shows that the individual response is not deviates from the mean. And variable which have the lowest standard deviation is BSC links short-term operational performance with long- term strategies and this implies the individual response is relatively the same.

As the table 4.2 illustrates, around 63 percent of the respondents agree on BSC linkage of short-term operational performance with long- term strategies objective,50.7percent of the respondent agree on the “BSC creates the ability for management to translate a generic vision into strategy” that can build consensus and commitment throughout the company and customer service ,57.8 percent of the respondent agrees that the division/company has used the balanced score card to set ,track and achieve its key business strategy and objective and 50.8percent of the respondent agrees on the BSC rolls down the company's vision from corporate to division from division to teams ,down to individuals employees . And all the results from the respondent indicates that most of the employees has better concept and are already aware the Balanced score card and the company's implementation towards at individual level so that it is easy for the division to create more awareness and use the BSC system and eliminates the effort that deploy on the knowledge transfer .

Table 3.2 Respondents concept on BSC

Variables	SD	D	N	A	SA	Mean	ST.DV
BSC links short-term operational performance with long –term strategies objectives.	2.7	9.9	10.7	62.8	13.9	3.75	.907
BSC creates the ability for management to translate a generic vision into strategy that can build consensus and commitment throughout the company and customer service	4.7	14.8	12.3	50.7	17.6	3.62	1.079
The division /company has used the balanced score card to set, track and achieve its key business strategy and objective	3.8	9.3	11.9	57.8	17.2	3.76	.972
BSC rolls down the company’s vision from corporate to division ,from division to teams ,down to individual employees	4.9	8.5	11.0	50.8	24.8	3.82	1.055

Source; own survey, 2017

Aggregate Mean = 3.74

4.4 Executive Sponsorship

The overall mean of the respondents regarding on the Executive Sponsorship of BSC is 2.89 that implies their responds were average concerning executive sponsorship .The mean result varies between 2.49-3.56.and the highest mean has “The BSC initiatives was one of the company’s priorities when it was implemented” and this implies most of the respondents response in this subject is good. The standard deviation varies between 1.041-1.099; this show the individual response is not deviates from the mean and not different from each other responses. The variable which have the lowest standard deviation is The BSC initiatives was one of the company’s priorities when it was implemented and this implies the respondent’s response was relatively the same.

The findings of the study in the below table indicates that, 49.8percent of the respondent agrees that, the top management of the division took the initiative to implement the balanced score card so that it helps the division to achieve the objective through hierarchal level and 53.8percent of the respondent agrees on the BSC initiative was one of the company’s priorities when it was

implemented. 48.3 percent of the respondent disagrees on the full support of top management when it was decided to start the BSC implementation, 45.7percent of the respondent disagrees on the top management periodically monitoring of the BSC implementation progress and also 46.6percent of the respondent disagrees on the working closely of Top management with champions so this shows there is gap on working together and monitoring of top management while BSC implements and this creates Di-Motivation on employees and discourages employees while they didn't get support and it is impossible to expect output at expected level when there is no periodically monitoring and follow up from Top management

Table 4.3 Executive Sponsorship

Variables	SD	D	N	A	SA	Mean	ST.DV
The top management of the division took the initiative to implement the balanced score card	4.8	24.0	11.6	49.8	9.9	3.37	1.091
There was full support from the top management of the division when it was decided to start the BSC implementation	14.3	48.3	12.9	21.7	2.8	2.49	1.057
The BSC initiatives was one of the company's priorities when it was implemented	4.7	14.8	13.8	53.8	12.9	3.56	1.041
The top management of the Division periodically monitors the progress of the balanced score card implementation	14.5	45.7	12.6	24.4	2.7	2.55	1.091
The Top management works closely with the champions or the responsible process to implement the system	16.0	46.6	12.5	21.5	3.4	2.50	1.099

Source; own survey, 2017

Aggregate Mean = 2.89

4.5 Balanced Score Card Education and Training

As the table 4.4 illustrates, 37.8percent of the respondent agrees on that the company did provide training for them with sufficient knowledge about the concept and meaning of the balanced score card and 60.4percent of the respondent agrees that they understood the alignment of their work unit's objective with the division level objective of the company so that the respondents /employees are well aware and have knowledge on the concept of BSC. And 43.4percent of the respondent disagrees that they had been informed and understood the meaning of the division and company objective in each perspective of the BSC, 50.3percent of the respondent disagrees that the division has informed all employees to clearly understand the division level objective of the company and 47.7percent disagrees that the division has provided them a training to design their own personal score card alignment to the team score card. From this finding we can understand that there is lack of proper training, learning education and awareness creation on BSC and division level or company level related objective and BSC linkage with their personal BSC and this will improve employee's efficiency and their productivity by elevating the problems related to this gap.

Table 4.4 balanced score card education and training

Variables	SD	D	N	A	SA	Mean	ST.DV
The company has provided me a training that equipped me with a sufficient knowledge about the concept and meaning of the balanced score card	16.0	34.7	9.7	37.8	1.9	2.75	1.177
I have been informed and understood the meaning of the division and company objective in each perspective of the BSC.	7.6	43.4	11.8	32.6	4.6	2.83	1.106
The division has informed all employees to clearly understand the division level objective of the company	13.4	50.3	11.0	23.4	1.9	2.50	1.050
I have understood the alignment of my work unit's objective with the division level objective of ethio telecom	4.6	14.5	8.0	60.4	12.5	3.62	1.028
The division has provided me a training to design my own personal score card in alignment to the team score card	16.0	47.7	6.6	29.4	.4	2.50	1.089

Source; own survey, 2017

Aggregate Mean = 2.84

4.6 IT SUPPORT

According to the below table finding ,52.3percent of the respondent disagrees on the fully automation of company’s balanced score card system and 39.9percent of the respondent disagrees the balanced score card is supported by IT in collecting, analyzing, reporting and distributing relevant data ,48.8 percent of the respondent also disagrees on an appropriate IT system has been designed to help employees to collect record and report their periodic performance ,thus the division BSC system is not supported by technology to collect, analyze and distribute data but it is known that technology always fasten our work and reduces energy and time wastage and increases efficiency so not having well developed technology in the implementation of BSC affects the performance.

Table 4.5 Balanced score card education and training

Variables	SD	D	N	A	SA	Mean	ST.DV
The company’s balanced score card system is fully automated.	19.0	52.3	11.6	16.0	1.1	2.28	.988
The balanced score card is supported by IT in collecting ,analyzing ,reporting and distributing relevant data	20.9	39.9	8.7	29.3	1.1	2.5038	1.15054
An appropriate IT system has been designed to help employees collect record and report their periodic performance..	20.8	48.8	9.9	19.4	1.1	2.3168	1.04443

Source; own survey, 2017

Aggregate Mean = 2.37

4.7 Competent Project Team

The respondents were asked to indicate their level of agreement with the following statements regarding competent project team .Establishing a specific process /department to exclusively monitor the implementation of the balanced score card ensures the success of the implementation and 54.4percent of the respondent agrees on this, in our company, there is a specific person or department who is responsible to implement BSC and 59.7 percent of the respondent agrees. Having responsible person or department positively affect the success of the BSC implementation and ethio telecom has this responsible person so that it can help the division to increase accountability .but 44.5 percent of the respondent disagrees that the process that is responsible to oversee BSC implementation is handling it duties effectively so even if the company has

responsible to implement BSC , the process is not handling effectively which is one of the challenge that the company is facing .

Table 4.6 Competent project team

Variables	SD	D	N	A	SA	Mean	ST.DV
Establishing a specific process /department to exclusively monitor the implementation of the balanced score card ensures the success of the implementation.	3.4	9.1	12.9	54.4	20.2	3.7871	.98088
In our company, there is a specific person or department who is responsible to implement BSC.	4.9	7.6	11.8	59.7	16.0	3.7481	.97747
The process that is responsible to oversee BSC implementation is handling its duties effectively	19.0	44.5	11.4	23.6	1.5	2.4427	1.09447

Source; own survey, 2017

Aggregate Mean = 3.33

4.8 organization level participation

The below table shows that, 37.5percent of the respondent disagrees on the involvement of all employees in the BSC implementation and 46.7percent of the respondent disagrees on the balanced score card of the division prepared by participating all concerned parties and 48.9percent of the respondent also disagrees on the information about the division’s BSC implementation status is being provided timely which all the responses indicates the employees are not participated or were not one part of the implementation and in addition the division is not providing the status of the implementation on time so not participating all the employees in the implementation is the major problem which affects the proper implementation of BSC and the dedicated party failure on delivering on time report on the status of BSC implementation influences the employee on their performance and motivation .

Table 4.7 organization level participation

Variables	SD	D	N	A	SA	Mean	ST.DV
All employees of the division have been involved in the implementation of BSC	18.3	37.5	6.8	33.3	4.2	2.6756	1.22775

Balanced score card of the division/company were prepared by participating all concerned parties	24.0	46.7	10.6	16.8	1.9	2.2595	1.06197
I was properly guided by my immediate supervisor while I was designing my individual work unit's balanced score card	15.8	27.9	5.4	47.9	3.0	2.9504	1.22920
Information about the division's BSC implementation status is being provided timely	24.8	48.9	8.8	16.0	1.5	2.2061	1.03737

Source; own survey, 2017

Aggregate Mean = 2.52

4.9 KEY PERFORMANCE INDICATOR

The result form the respondents result as the below table shows is that, 58.9percent of the respondents agrees on the key measures of the division BSC are designed based on the division's mission and vision, 54.6percent and 52.7 percent of the respondents Agrees on balanced score card complements the financial measures of the past performance with operational measures that drive future growth and while designing the key performance indicators (KPI)at the level, the data collection method and its frequency were also set respectively .so the KPI of the division is designed based on the division mission and vision and the indicators shows the method and frequency of the data that can able to understand the parameters easily by the employees ,that implies how the division works based on its vision and mission and employees know the KPI parameters well and that helps them to follow up their performance and work on their gap.

When we come to the mean of key performance indicator the average mean is 3.7, from is the highest value is for balanced scorecard complements the financial measures of the past performance with operational measures that drive future and growth variable and this shows the respondent have positive feedback.

Table 4.8 key performance indicators

Variables	SD	D	N	A	SA	Mean	ST.DV
Key measures of The division BSC are designed based on the division's mission and vision.	4.6	8.7	12.4	58.9	15.4	3.7176	.98085

Balanced scorecard complements the financial measures of the past performance with operational measures that drive future and growth.	3.0	8.6	13.7	54.6	20.2	3.8053	.95707
While designing the key performance indicators (KPI) at the level, the data collection method and its frequency were also set.	4.2	10.4	12.3	52.7	20.5	3.7519	1.02996

Source; own survey, 2017

Aggregate Mean = 3.7583

4.10 Planning and Communication

The below table 4.9, shows the respondents response on the planning and communication of the BSC ,55.7percent ,54.6percent ,54.4percent,51.5percent,56.8percent of the respondents Agree on that ,the strategy plan of the division is clear, understandable and achievable, they understand the benefits of implementing the BSC as performance measurement strategic management and communication system of the division ,BSC is a relevant performance management tool for the division and it is the right time for the company or division to implement the balanced score card as its performance and strategic management respectively . This result generally indicates that the employees are accepted BSC as performance management tool and believes it is better than the previous one and the organization do implement it at the right time so the division can use this as better opportunity in order to make successful BSC implementation.

Table 4.9 planning and communication

Variables	SD	D	N	A	SA	Mean	ST.DV
The strategy plan of the division is clear, understandable and achievable.	6.2	19.9	8.0	55.7	10.3	3.9656	.99557
I understand the benefits of implementing the balanced score card as performance measurement strategic management and communication system of the division.	4.9	9.9	11.0	54.6	9.6	3.7366	1.04098
The balanced score card system is better than the previous performance measurement system of the division /company.	3.8	8.6	12.4	54.4	20.9	3.8053	.98858
BSC is a relevant performance management tool for the division.	3.6	7.6	7.6	51.5	29.7	3.4427	1.10492
It is the right time for the company or division to implement the balanced score card as its performance and strategic management.	1.9	8.7	6.8	56.8	25.9	3.9656	.91537

Source; own survey, 2017

Aggregate Mean = 3.7832

Chapter Five

Summery, Conclusion and Recommendation

5.1 Summary of Major Findings

The study was conducted to assess the challenges of Balanced score card implementation in Ethio Telecom .In order to attain these ,relevant data was gathered through questioners with 270employees at TPO site customer service department call center division. The data was analyzed with the aid of descriptive statistics (percentage) ,mean, standard deviation .based on the discussion of the data ,the below summaries of findings are drown

- Regarding the concepts of BSC 62.8 % ,50.7%,57.8% and 50.8% of the respondent believes that BSC links short-term and long –term strategies objective , BSC creates the ability for management to translate a generic vision into strategy that can build consensus and commitment throughout the company and customer service, The division /company has used the balanced score card to set, track and achieve its key business strategy and objective, BSC rolls down the company’s vision from corporate to division ,from division to teams ,down to individual employees respectively .as a result of this more than 50 percent of the respondent have concept on BSC .
- 49.8% and 53.8% of the respondent agrees The top management of the division took the initiative to implement the balanced score card and The BSC initiatives was one of the company’s priorities when it was implemented.48.8% of the respondent disagrees about there was full support from the top management of the division when it was decided to start the BSC implementation and this shows there is no support from TOP management in customer service department ,call center division ,TPO site .45.7% and 46.6% of the respondent disagrees the top management of the Division periodically monitors the progress of the balanced score card implementation and works closely with the champions or the responsible process to implement the system respectively .

- Concerning the balanced score card education and training 37.8% and 60.4 % of the respondent agrees on the company has provided them a training that equipped them with a sufficient knowledge about the concept and meaning of the balanced score card and they have understood the alignment of their work unit's objective with the division level objective of Ethio Telecom. 43.4% of the respondent believes that they haven't been informed and understood the meaning of the division and company objective in each perspective of the BSC. 50.3% and 47.7% of the respondent disagrees that The division has informed all employees to clearly understand the division level objective of the company and The division has provided them a training to design their own personal score card in alignment to the team score card. As a result the division has a gap on cascading the company and division level objective and delivering on time and effective training.
- Based on 52.3 % of the total respondent believe, the company's balanced score card system is not fully automated. 39.9% of the respondent disagrees that the balanced score card is supported by IT in collecting, analyzing, reporting and distributing relevant data and 48.8% of the respondent also disagrees on the an appropriate IT system has been designed to help employees collect record and report their periodic performance..So that majority of the respondent believed that the BSC implementation is not supported by any of IT system.
- The mean value of the Establishing a specific process /department to exclusively monitor the implementation of the balanced score card ensures the success of the implementation and In our company, there is a specific person or department who is responsible to implement BSC variables are 3.78 and 3.74 which indicates that the respondents replay positively. 44.5% of the respondents disagrees on the process that is responsible to oversee BSC implementation is handling its duties effectively so that the dedicated party to implement BSC is not performing at expected level.
- 37.5%, 46.7% and 48.9% of the respondent disagrees on All employees of the division have been involved in the implementation of BSC, Balanced score card of the division/company were prepared by participating all concerned parties, Information about the division's BSC implementation status is being provided timely respectively so that the result shows, the division is not participating all employees and didn't provide information on time about the implementation and its status respectively. 46.7% of the respondent

believes that Balanced score card of the division/company were prepared by participating all concerned parties.

- The mean values of the Key measures of the division BSC are designed based on the division's mission and vision, balanced scorecard complements the financial measures of the past performance with operational measures that drive future and growth, While designing the key performance indicators (KPI) at the level, the data collection method and its frequency were also set is 3.7,3.8,and 3.75 respectively .this indicates that the respondent reply positively about key performance indicators .the average mean value of key performance indicators was 3.75 .this also indicates the respondents replay was positive .
- The averages mean value of planning and communication variable was, that indicates the respondent's response was positive. 55.7%,54.6%,54.4%,51.5% and 56.8% of the respondent believes that the strategy plan of the division is clear, understandable and achievable, they understand the benefits of implementing the balanced score card as performance measurement strategic management and communication system of the division, The balanced score card system is better than the previous performance measurement system of the division /company, BSC is a relevant performance management tool for the division and It is the right time for the company or division to implement the balanced score card as its performance and strategic management. So that, the result shows that the respondent have positive reply on planning and communication of BSC implementation.

5.2 Conclusion

Despite its worldwide popularity and its acceptance as powerful strategic management tool, a significant number of organizations have encountered different problems when trying to introduce the Balanced Score Card in their business. A majority of organizations have either implemented BSC without achieving any significant performance improvement, or have abandoned it at the implementation level .The purpose of this study has been to assess the challenges of BSC implementation in customer service department and based on the results in the study most of the challenges are similar with the barriers found in the literature review and the challenges that discovered by this study are

- No IT support in the implementation to collect, analyze and distribute data the implementation is a manual job and creates stress and loss of data and unable to deliver report on time.
- No full support from Top management ,No periodically monitoring of the progress and the top management don't work closely with the staffs so this leads to misunderstanding ,conflict and no clear and accountable work to be done and also the working environment become disturbed and loss of time and energy to correct errors again .
- The gap on not informing and cascading the objective of the division and delivering personal development training as needed .Not handling the responsibility of the dedicated party to implement the BSC is the factor that merges because of no periodically monitoring and accountability
- Not involving all employees in the implementation and not participating all concerned parties at the preparation and delivering the implementation status on time

5.3 Recommendation

Taking under consideration of the findings and conclusions, a number of recommendations are suggested as follows

- ✓ The findings indicates that, the employee has good BSC concept so that, the department as well as the company need to keep sustain creating the awareness among the employees.
- ✓ Even if the Top management has the initiatives to implement BSC, they need to work together and support the subordinates and deliver on time status for all concerned bodies because it creates better work environment and improves employee motivation and innovation and helps to raise sense of ownership.
- ✓ If there is no knowledge and understanding about the BSC and division objective with perspective of BSC it is hard to imagine successful goal achievement so that the company or the Division need to deliver on time and continues training and do assessment on the knowledge gap of the employees and always try to make sure the gap is not there otherwise the BSC implementation become meaningless.
- ✓ Technology is the core stone for any successful organization in this competitive world and as long as Ethio Telecom is the one and only technology importer in Ethiopia, the inside activities need to be fully supported by modern technologies. BSC is now a day's worldwide system but according to the study findings, the company didn't deploy any supporting system while implementing BSC which is now one of the challenges faced by the division to achieve the target so , the researcher recommends that Ethio telecom right away starts automating the BSC implementation process if it aspires to benefit from the tool. The performance appraisal templates forms and reporting templates need some updates accordingly.

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a. Management

b. Non-Management

4, work experience

a. 1-3 years

b. 4-6 years

c. 7-9 years

d. more than 10 years

Part two -Please indicate how much you agree or disagree with each of the following statements by putting the **tick mark (√)** in front of the items of your choice ‘ NO.1 ‘ indicates ‘**strongly disagree** ‘ ‘ NO.2’’ indicates ‘**Disagree** ‘, ‘NO.3’’ indicates ‘**Neutral** ‘, ‘NO.4’’ indicates ‘**agree**’,and ‘NO.5’’ indicates ‘**strongly agree**’

No.	Questions	Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly disagree(1)
1	BSC implementation					
2	Concepts of balanced score card (BSC)					
1.1	BSC links short-term operational performance with long –term strategies objectives.					
1.2	BSC creates the ability for management to translate a generic vision into strategy that can build consensus and commitment throughout the company and customer service					
1.3	The division /company has used the balanced score card to set, track and achieve its key business strategy and objective					
1.4	BSC rolls down the company’s vision from corporate to division ,from division to teams ,down to individual employees					
2	Executive sponsorship					
2.1	The top management of the division took the initiative to implement the balanced score card					

2.2	There was full support from the top management of the division when it was decided to start the BSC implementation					
2.3	The BSC initiatives was one of the company's priorities when it was implemented					

No	Questions	Strongly agree (5)	Agree(4)	Neutral (3)	Disagree (2)	Strongly disagree(1)
2.4	The top management of the Division periodically monitors the progress of the balanced score card implementation					
2.5	The Top management works closely with the champions or the responsible process to implement the system					
3	Balanced score card education and training					
3.1	The company has provided me a training that equipped me with a sufficient knowledge about the concept and meaning of the balanced score card					
3.2	I have been informed and understood the meaning of the division and company objective in each perspective of the BSC.					
3.3	The division has informed all employees to clearly understand the division level objective of the company					
3.4	I have understood the alignment of my work unit's objective with the division level objective of ethio telecom					
3.5	The division has provided me a training to design my own personal score card in alignment to the team score card					

No	Questions	Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly disagree (1)
4	IT SUPPORT					
4.1	The company's balanced score card system is fully automated .					
4.2	The balanced score card is supported by IT in collecting ,analyzing ,reporting and distributing relevant data					
4.3	An appropriate IT system has been designed to help employees collect record and report their periodic performance..					
5	Competent project team/dedicated process					
5.1	Establishing a specific process /department to exclusively monitor the implementation of the balanced score card ensures the success of the implementation.					
5.2	In our company, there is a specific person or department who is responsible to implement BSC.					
5.3	The process that is responsible to oversee BSC implementation is handling its duties effectively					
6	Organization level participation					
6.1	All employees of the division have been involved in the implementation of BSC					
6.2	Balanced score card of the division/company were prepared by participating all concerned parties					
6.3	I was properly guided by my immediate supervisor while I was designing my individual work unit's balanced score card					
6.4	Information about the division's BSC implementation status is being provided timely					

No	Questions	Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly disagree (1)
7	Key performance indicators					
7.1	Key measures of t in BSC division are designed based on the division's mission and vision.					
7.2	Balanced scorecard complements the financial measures of the past performance with operational measures that drive future and growth.					
7.3	While designing the key performance indicators (KPI) at the level ,the data collection method and its frequency were also set .					
8	Planning and communication					
8.1	The strategy plan of the division is clear and understandable.					
8.2	I understand the benefits of implementing the balanced score card as performance measurement strategic management and communication system of the division.					
8.3	The balanced score card system is better than the previous performance measurement system of the division /company.					
8.4	BSC is a relevant performance management tool for the division.					
8.5	It is the right time for the company or division to implement the balanced score card as its performance and strategic management.					