

ADOPTION OF BSC SYSTEM AND ITS EFFECT ON FIRM PERFORMANCE: EVIDENCE FROM KSA MANUFACTURERS

Mohammed Al-Omiri, Umm Al-Qura University, Saudi Arabia.

dx.doi.org/10.18374/EJBR-14-1.1

ABSTRACT

In recent years, many authors have been claimed that many companies adopt new approaches to their performance and measurement systems. The BSC is one of the most widely used approaches making new in roads into the academic and business literature. Therefore, the present paper reports the findings of a postal questionnaire survey undertaken in 2010 that examines the extent of the adoption rate of BSC and to which degree potential explanatory factors influence the adoption of BSC in KSA firms. In addition, the effect of BSC on performance “ has opened up flood gets of new research. In addition BSC, which has an effect on firms performance “ assigns a new role model to global planners and economic strategist in order to accommodate all those issues, problems and obstacles emanating from the growing colossal form and size of enterprise. It is a comprehensive study how the balanced score card system, has become an unavoidable necessity in order to see the far-reaching effects and after effects of the applicability of BSC on firm performance. Hence adoption of BSC acts as an innovator; it is a new variable applied on firm performance “ is a post structuralist stands points in the area of prising, budgeting and accounting. It basically seeks for creating equilibrium between adoption and firm performance. Results demonstrate that there is indeed a significant relation between BSC and some potential explanatory factors giving direction for further research. In addition BSC system which makes a tremendous impact on firm’s performance “ assign a new role modern to the global planners and big strategist in ordered to accommodate an address all those issues and crises emanating from growing colossal form, nature and shape of enterprise. Adoption of BSC system and its impact on firm performance is an analytical and objective study made to involve a system through which the Managerial apparatus can be more effective in running companies organisational processes. The present study comprehensively shows how the balanced score card system has become an unavoidable necessity in order to see the far-reaching effects and after effects of the applicability of BSC on firms’ performance. Hence adoption of BSC acts as a new innovator; it is a new variable applied on firm “ performance “ is principally a post structuralist perspective operative in manifold areas viz, pricing, budgeting and accounting etc. It basically seeks for and equilibrium between adoption and firm performance. Hence it would be in fitness of things to argue that the BSC system a sign a new role model to the planners and strategist all over the world; it acts as a new modus operandi to address the new incoming challenges in the areas of pricing accounting and budgeting. BSC thus gives new teeth to the planner’s business analysts and strategist and above all to the managerial apparatus. Hence from the post structurlist stand points it would be in fitness of tings to apply BSC as a new modus operandi; a new motivator to facilitate manifold organisational activities. Hence BSC system in the present global scenario can act as a new variable to establish a balance between adoption and performance.

Keywords: *BSC; Adoption; management accounting techniques; JIT; TQM; Competition; Information technology.*