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WORKING PAPER

The balanced scorecard as an enabling technology – the role of participation

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THE BALANCED SCORECARD AS AN ENABLING TECHNOLOGY: THE ROLE OF PARTICIPATION

Abstract

Previous literature indicates that systems implemented in an enabling way have a positive impact on managerial outcomes. This study explores whether and under which conditions the balanced scorecard is developed and used as an enabling technology. Drawing on the literature on enabling formalization we posit that the balanced scorecard inherently is an enabling technology characterized by repair, internal transparency, global transparency, and flexibility. However, data collected during a field study in two Belgian companies show that developing a balanced scorecard as an enabling technology is not only a matter of fulfilling these four characteristics. We found that middle managers perceive the balanced scorecard as enabling only when they had sufficient opportunity for true participation during the development process of the balanced scorecard.

Keywords – balanced scorecard, performance measurement systems, participation, enabling formalization, case study

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