

The Balanced Scorecard's contribution to the company's performance**La contribution du Balanced Scorecard à la performance de l'entreprise****HASSANI Rim¹, DERAHMOUNE Hellal ²**1University of LOUNISSI Ali - Blida 2 -, rymhassani@yahoo.fr2University of LOUNISSI Ali - Blida 2 -, derahilal@yahoo.fr

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Received 13/10/2020

Accepted: 28/10/2020

Published: 15/1/2021

Abstract :

This paper presents the Balanced Scorecard model, which designates a system for measuring and controlling performance. Its goal is to achieve a balance between financial and non-financial indicators, unlike dashboards that are based on only financial information. This article, which is descriptive and explanatory in nature, seeks to identify the factors that determine the practices of performance measurement systems by firms, and to note the possible application of the Balanced Scorecard model. As such, the question we ask is what impact can the Balanced Scorecard have on performance in the company?

Key Words: Balanced Scorecard, Performance, Performance Indicators, Strategic Alignment, Strategy Map.

JEL Classification Codes : M10, M49.

Résumé :

Ce papier présente le modèle du Balanced Scorecard qui désigne un système de mesure et de pilotage de la performance. Son objectif est d'obtenir un équilibre entre les indicateurs financiers et non financiers, contrairement aux tableaux de bord qui se basent sur seulement ce qui est financier. Le présent article, qui est de nature descriptive et explicative, cherche à identifier les facteurs qui déterminent les pratiques des systèmes de mesure de la performance par les entreprises, et de constater l'éventuelle application du modèle Balanced Scorecard. A ce titre, la question que l'on se pose est de savoir quel impact peut avoir le Balanced Scorecard sur les performances dans l'entreprise ?

Mots Clés: Alignement Stratégique, Balanced Scorecard, Carte Stratégique, Indicateurs de Performance, Performance.

JEL Classification Codes : M10, M49.

1. Introduction:

The Balanced Scorecard by Robert Kaplan and David Norton, is a method of designing dashboards which approaches piloting from a global dimension. This method requires the

prior definition of a rigorous strategy development framework, as well as a methodology for operationalizing the strategy. The BSC brings together a set of financial and non-financial indicators, in order to help line managers in the company have a better view of the state of health of their organization. The BSC therefore provides decision-making support to ensure the achievement of their objectives, since the BSC ensures continuous monitoring allowing the evaluation and measurement of the overall performance of the company.

It is around this axis of performance measurement that our article on "The contribution of the Balanced Scorecard to business performance" revolves. As such, the question we are asking ourselves today is what impact can the Balanced Scorecard have on performance in the company?

The answer to this question first requires presenting the generic components of BSC. Nowadays, the need to measure business performance is mainly recognized unanimously, in the current context characterized by an unpredictable economic environment in which companies operate. Then we will discuss the different functions of this instrument, despite the limited number of experiences in this area, in order to make a judgment on the real contribution of the BSC in the performance of companies.

Our approach is based on the description of what already exists in terms of performance evaluation within companies. Our objective is therefore to better understand how the Balanced Scorecard contributes to the performance of companies.

To do this, we will follow a methodology based on a bibliographic research in order to look at the literature devoted to the performance of the Balanced Scorecard. This article is structured around the following three points:

1. Definition of performance and its indicators;
2. The BSC: definition, dimensions and structure;
3. Contribution of the Balanced Scorecard to business performance.

2. Definition of performance and its indicators

The concept of global performance appeared following the limits observed in the measurement of financial performance alone. Today, the company is no longer content to satisfy only its shareholders. It must take into account the interests of other stakeholders such as: unions, suppliers, customers.

Before the 1950s, the effort of companies was directed towards the pursuit of financial profit alone. Therefore, financial performance was the key word. To this end, a whole series of indicators was developed to measure financial performance, and to report it to capital providers. The consequences that this constant and increasing search for financial performance could have on employees, the environment, society and future generations were obscured. From the 1950s, and especially since the 1980s, under pressure from various organizations around the issue of sustainable development, companies began to integrate environmental, social and societal parameters into the development of their strategies. Being socially responsible for a company expresses its ability to take all stakeholders into consideration. This orientation has led to a reconfiguration of performance: it is, thus, question of the overall performance (Lahlou. C, Toubache. A., p. 121).

2.1 Definition of performance

Performance is difficult to define precisely, due to its integrative and inclusive nature. There are several conceptually acceptable definitions of performance depending on the area affected and the context of use. For Marmuse, Performance does not exist. It is a contingent and multidimensional notion but necessary to evaluate any decision taken. Indeed, performance is a polysemous or multifaceted concept that can have several meanings depending on its author or assessor. Otley adds that performance is itself an ambiguous term that does not have a unique definition (Rachedi. A, p. 56).

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Performance consists of obtaining a certain result from given objectives, with necessarily limited means and in an environment subject to unforeseeable changes. This performance is more the result of a set of improvements and progress in a business than of changing financial results. Basically, performance is an optimal result obtained by the most efficient use possible of the resources implemented. Performance is therefore always a relative notion (Hamhami. A, SMAHI. A, 2012, p. 22).

For Allain Desreumaux, it is possible to summarize the literature dealing with the world of approach to the notion of performance in the organization in two conceptions (Rachedi. A, p.p 56-57):

- The first is simply to assimilate the performance and the achievement of the objectives pursued by the organization. The difficulty with this approach lies in the lack of consensus from other actors on their nature or their true content.
- A second approach, often qualified as systemic, assesses the performance of the organization in terms of the proper functioning of the vital processes of an open system, the successful organization is one that manages to survive in its environment.

Marmuse distinguishes four dimensions of performance (Rachedi. A, p. 57):

- Strategic performance which corresponds to approaches through excellence;
- Competitive performance which brings together the conditions in terms of analysis of competitive systems; Porter's model with the five competitive forces or Ansoff's model through the idea of a strategic gap;
- Socio-economic performance, based on the idea of organizational performance and the notion of hidden costs;
- The economic and financial performance evaluated from accounting documents.

Indeed, the following three notions are associated with the concept of performance (Doriath. B, 2008, p. 129):

- Economy: consists of obtaining the necessary resources at the lowest cost;
- Efficiency: maximizes the quantity obtained from a given quantity of resources or minimizes the quantity of resources consumed for a given production;
- Efficiency: reflects the ability to achieve goals.

2.2. Definition of performance measurement indicators

Managing company performance involves monitoring performance indicators and constantly comparing them with benchmarks. As a result, the control system focuses on monitoring expected results. However, by the time a manager sees the results, it is often too late to react. As a result, this type of control is not enough. Only the monitoring of the action plan will make it possible to quickly know and understand precisely the shortcomings, and to be able to act accordingly (Ali-Belhadj. Y, Benhabib. A, 2017, p. 16).

Company performance is closely linked to the concept of strategic management which consists, in practice, of making available to company management a limited number of various indicators. These indicators are financial and non-financial, some are short term and others long term. They are most often grouped together in the form of a dashboard, in order to help managers in making strategic decisions. The role of company performance management therefore consists in measuring and monitoring the evolution of the efficiency of the process based on qualitative or quantitative indicators and defining targeted corrective actions, following a preventive or curative (Ali-Belhadj. Y, Benhabib. A, 2017, p. 16).

Performance, according to Claude Billet, is centered on observable and measurable results. Performance highlights the elements that appear essential to the activity through specific indicators. Thus, measuring short-term performance amounts to choosing and selecting performance and productivity indicators. The aim is to highlight the link between the results obtained and the means implemented (Abdellaziz. A, Bekour. F, p. 40).

Measuring medium-term performance comes down to refining the analysis by distinguishing the objective from the result. This is based on medium-term efficiency indicators which provide information on the consistency of results and their trend. As for the measurement of

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long-term performance, the latter is based on the identification of indicators relating to the maintenance and development of professional skills. Long-term performance indicators are very popular these days because they better meet the flexibility and service objectives associated with the product. As such, Paul Pinto evokes the notion of sustainable performance which can be summed up, according to the author, to two main notions (Abdellaziz. A, Bekour. F, p. 40):

- Growth in organic turnover (turnover) as it indicates customer performance and the relevance of the offer;
- Operating income, as it reflects the company's ability to better use its resources and to remunerate the capital invested by shareholders.

The author explains that this sustainable performance is beneficial to all players, whether within the company (managers and staff) or outside (shareholders, customers and suppliers). This is based on four pillars which have very strong relationships, namely values, markets, people and professions, where each of these pillars has a major stake in performance measurement (Abdellaziz. A, Bekour. F, p. 40).

A performance indicator is defined as "information that should help an actor, individual or more generally collective, to lead the course of an action towards the achievement of an objective or to allow him to evaluate the result". The indicator must have operational relevance. It is only useful in relation to an action to be piloted (to launch, to adjust, to evaluate). It is therefore closely linked to a process of specific actions. The indicator will also have a strategic relevance, whether it measures an objective (result indicator) or whether it informs about the good progress of an action aimed at reaching this objective (steering indicator) (Merizek. A, Khaled. G, 2016).

Performance indicators are the factors that influence the desired performance. We distinguish, for example, indicators of cost, quality, time, safety ... They are identified from an in-depth causal analysis. The detection of performance indicators makes it possible to identify actions to be taken to improve performance (Doriath. B, 2008, p. 135).

From the above, we can say that an indicator is a data or a numerical representation of a situation that we want to control, making it possible to objectify it and make its characteristics interpretable. To do this, the indicator must have well-established criteria and characteristics.

These characteristics are:

- Feasible and Reliable, by checking beforehand the availability of information and its reliability;
- Simple and Relevant, in its calculation and its use;
- Easy to understand by all;
- Consistent, non-redundant;
- Valid by reflecting what it is supposed to measure;
- Economical by reducing the cost of implementation;
- Measurable by quantified indicators: it is accompanied by one or even two quantified indicators provided for the past and the future (results targets);
- Sensitive and specific: it varies only if the phenomenon under study undergoes a modification.

The central issue for researchers is the number of BSC indicators. Taking into consideration the Kaplan and Norton approach in 1998: "Many managers want the plan to be simple, that is, not to include more than four to seven indicators, thinking that employees could not understand a system with more than twenty indicators". However, one of the strengths of the BSC is that it makes it possible to structure information and to retain only a limited number of indicators per axis (in general, no more than five). By focusing on monitoring the key points of the management of the entity concerned, it will make it possible to fight against any information overload. The BSC would thus be an instrument for selecting information, in order to help managers focus on key points (Choffel. D, Meyssonnier. F, 2005, pp 11-12).

3. The BSC: definition, dimensions, components and construction

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"A business that only earns money is very poor." Henry Ford's word sums up the Balanced Scorecard philosophy well (Zair. W, 2013, p 20). The Prospective Dashboard, commonly known as the Balanced Scorecard, is not a recent invention, nor a very old one. It dates back to the nineties following the publication of Kaplan and Norton's book "How to use the Forward Looking Dashboard?". Whereas a few years earlier, it was following the 1987 edition of the book "Relevance Lost: the rise and fall of Management accounting" that the two authors, RS Kaplan and HT Johnson realized that the accounting of management at the time was too financial, which explained its inability to explain the industrial phenomena linked to environmental transformations. Thus, the calculated costs are no longer reliable and performance is no longer linked only to costs. Besides this fact, the main objective of the Prospective Dashboard, if not one of the essential conditions for its implementation, is the creation of a strategy-oriented organization according to the Kaplan and Norton approach. At the same time, it is also a question of taking into account intangible capital, because long neglected by traditional company accounting, it is part of the renewal of modern management. Moreover, human capital is increasingly integrated into the assets of companies (Sadaoui. F, Chiha. K, 2013, p. 1).

This management method, born some ten years ago in the United States, and which is starting to gain ground in Europe, is based on the principle that to measure a company's performance, accounting and financial criteria alone are not sufficient. . You have to take into account other elements, intangible assets and tangible assets of the company that also contribute to its performance. This is where the adjective "Balanced" comes from: "balanced", the "Scorecard" itself being a reference to the score sheets of the game of golf. In French, the term is translated as "balanced dashboard". The expression does not really reflect what BSC is: a process of strategic management. "This is not a new dashboard, but an integrated management system to monitor the implementation of the strategy", insist the inventors of this concept (Zair. W, 2013, p. 20).

The BSC, also called a "Prospective Dashboard" is a tool for managing and monitoring performance. It is presented as a set of indicators, directly linked to the strategy developed by the company by offering its user the opportunity to manage all the determinants of performance. These represent the key success factors and are broken down using action and result variables, of a financial and non-financial nature, quantitative and qualitative, with a short-term and long-term orientation. These indicators are accessible to all staff. The BSC therefore becomes a means for employees to appropriate the strategy of their company. Thus, the human aspect comes to the fore, management becomes everyone's business (Zair. W, 2013, p. 21).

3.1. Definition of Balanced Scorecard

Performance measurement systems are divided into two parts: the strategic part and the operational part. The Balanced Scorecard or the Prospective Dashboard is a system for measuring strategic performance. It is a tool that facilitates proactive management and helps reduce uncertainty and risk when making decisions. It aims to provide solutions to the shortcomings of classic dashboards too focused on measuring past performance. In a classic management mode, time revolves around planning, and is divided into three periods: before (Planning), during (Execution) and after (Verification). The Balanced Scorecard is used primarily in the second period (during), during execution, when it is still possible to correct the bar, to influence the direction. This means that the BSC is adapted to the decision in real time. It represents in an integrated manner financial measures that reflect the results of past actions, and operational activity measures that will eventually lead to the future financial performance of the company (Belarbi. A, Alibelhadj. AY, p 8).

According to the designers of the Balanced Scorecard (Kaplan & Norton), it allows for a global and balanced vision thanks to the articulation between the different axes so as to reveal the link between the activities of the company and its strategy. This vision stems from a series of links between the axes. Thus organizational learning will improve internal processes, which in turn, will enable customer loyalty and thereby achieve economic goals. This purpose

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does not arise only from purely commercial actions, but it is combined with other actions such as environmental protection (Lahlou. C, Toubache. A, p 128).

The Balanced Scorecard is not a simple assembly of indicators but a structured set that deals with the overall dimension of performance by taking into account the different stakeholders. It measures the performance of the organization through the financial perspective, the customer perspective, the perspective on internal management processes, and the perspective on learning and growth (Belarbi. A, Alibelhadj. AY, p. 22).

By combining indicators from four different perspectives in the same medium, the BSC must constitute a privileged means to allow an overall management of performance. These four perspectives aim to focus management's attention on the fundamental questions of an organization (Zair. W, 2013, p. 22):

- To be financially successful, how should we be viewed by our shareholders?
- To get our vision, how should we be seen by our customers?
- To satisfy our shareholders and customers, what processes do we need to be good at?
- To get our vision, how will we keep our capacity to adapt and improve?

The BSC as a strategy implementation instrument aims to fulfill three functions (Zair. W, 2013, p. 26):

- the BSC was designed with the aim of ensuring an efficient deployment of the strategy. This begins with clear communication of its elements to the entire organization;
- the deployment of a new strategy very often supposes major changes of direction and consequently substantial adaptations of the structure. To encourage employees to change, incentives must be put in place;
- the strategic control and the continuous adaptation of the organization to changes in the environment are not possible without measuring its performance and that of its actors during a continuous and continuous process.

3.2. Dimension of the Balanced Scorecard

In order to drive the performance of a business, it is necessary to interpret results, establish measurement systems, plan operations and make sound decisions to achieve set goals. The Balanced Scorecard model is a model for proactive management of one or more activities, helping to reduce the risk-taking inherent in any decision by structuring information. It integrates financial and non-financial dimensions in which neither of these two dimensions was privileged over the other (Kaplan and Norton, 1992). It allows the measurement of commercial performance in terms of value creation for customers, which is an intermediate performance inseparable from the financial performance of a firm. Two other dimensions are tracked to measure the company's ability to achieve its objectives, namely internal processes and organizational learning. The former constitute the determinants of current performance and the latter constitute the determinants of the firm's future performance (Ali-Belhadj. Y, Benhabib. A, 2017. p. 20).

The Balanced Scorecard covers four dimensions (Ali-Belhadj. Y, Benhabib. A, 2017, p. 44):

a. The financial dimension Financial performance thus remains the ultimate objective of the company. It is necessary to ensure the increase in shareholder value (turnover), profitability and productivity.

b. The customer dimension It is not possible to build a BSC without clarifying an axis specifically dedicated to customers. It is necessary to target the market segments that generate a turnover that meets the objectives set from the financial perspective. The indicators identified at this level will measure the company's performance with its customers, such as satisfaction and loyalty.

c. The internal process dimension The internal process dimension makes it possible to link the objectives of the organization with the determinants of its performance. We must identify the

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key value creation processes that have the most impact on customer satisfaction and find drivers on which to act to increase performance. It concerns the degree of mastery of production processes and their potential changes, as well as the quality of after-sales service.

d. The organizational learning dimension

This axis, which is dedicated to innovation and development, deals with questions of the capacities that the company possesses (human, technological) and of adequate information systems (Information capital). This is to ensure that new value-creating processes can be developed. The corresponding indicators are the degree of attraction of skills, their development and retention, and of having good information systems.

Table 1: "The number of items of performance management measurement variables".

Performance dimensions	Determining variables
Finance	Return on investment
	Growth in net profit
	Sales growth
	Profitability on sales
	Economic profitability
	Cash Flow
	Productivity
Clients	Commercial dynamism
	Customer satisfaction
	Loyalty
Internal processes	Innovation process
	Operational process (production management process)
	After-sales service (quality control process)
Organizational learning	Attract skills
	Develop skills
	Retain skills (employee satisfaction and motivation)
	Information systems (databases, tools and network necessary to promote the strategy)

Source : (Ali-Belhadj. Y, Benhabib.

A, 2017, p. 22).

Some indicators are considered more important than others, insofar as they are used more frequently in the business press and they are, moreover, widely understood by managers (Ali-Belhadj. Y, Benhabib. A, 2017, p. 22).

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Kaplan and Norton also evoke a causal link in the Balanced Scorecard that links the four perspectives: organizational learning, internal processes, customer satisfaction and financial results, a link which is explained by a correlation between the indicators of every perspective and business strategy.

3.3. Components of the Balanced Scorecard

The Balanced Scorecard consists of (Sahel. F, 2014-2015, p. 63):

- Perspectives (axes): the perspective is the component that pushes the company to adopt a certain strategy according to the analysis of its indicators, and then execute this strategy to achieve the indicators from this perspective. There are four (4) perspectives:

- Financial perspective: To be financially successful, how should we be viewed by our shareholders?
- Customer perspective: to achieve our vision, how should we be viewed by our customers?
- Internal business process perspective: To satisfy our shareholders and our customers, which business process should we excel?
- Learning and growth perspective: to achieve our vision, how do we maintain our capacity for change and improvement?

- The future vision: this is how to see the future of the company according to the goal assigned by the strategy, or the future state of the company.

- Strategy: the set of actions and procedures necessary to achieve the objectives set.

- Objectives: state how to make the strategy operational, they usually form the backbone of the company's strategy. (example: ensuring customer satisfaction).

- Targets: these are quantifiable data and conceptions of performance indicators. (example reduce delivery times by one day, increase turnover by 20%).

- Indicators (measures): they must be quantifiable, they communicate a specific behavior to achieve the objectives and they provide a state that explains how to achieve the strategic objectives. Upstream indicators are predictions of future performance, while downstream indicators are results.

- Strategic initiatives: work programs that guide strategic performance and facilitate execution at all levels of the organization.

- Cause and effect relationships: the overall consistency between these four axes is ensured by a network of cause and effect relationships.

A Balanced Scorecard should state the strategy through a series of cause and effect relationships. It must show the relationship between the objectives of the four axes so that they are first validated and then exploited. Each action should be part of a chain of cause and effect relationships that express the strategic direction of the business. It must also combine results indicators (a posteriori indicators) and performance determinants (leading indicators) adapted to the strategy and linked to the financial objectives. For example, economic profitability depends on revenue growth and can be related to customer loyalty, meeting deadlines, controlling cycle times, quality and, ultimately, the competence of the staff. We can reverse the cycle. Indeed, it is learning and training that allow the improvement of internal processes with a new organization of work reducing costs. This in turn generates customer satisfaction through better quality and shareholders through higher profitability.

3.4. Construction of the Balanced Scorecard

An important part of the discussion regarding the Balanced Scorecard focuses on its construction and the stages of its design and implementation. Three main stages mark the design of the Balanced Scorecard: the development of the strategy map and the construction of the indicator identity card.

a. Development of the strategic map

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The strategic map is a method of analysis that relates globally to the consistency between the *raison d'être*, the issues, the strategic objectives and the processes of an organization. This model is based on the work of researchers Kaplan and Norton. On a single page, the strategy map outlines the alignment of the key components of the organization's strategy, namely (Treasury Board Secretariat, 2008, p. 6):

- The purpose of the company;
- The main challenges, in the form of issues to be resolved;
- Strategic objectives, to which priorities are assigned;
- Alignment between *raison d'être*, challenges and objectives;
- The processes related to each issue and each strategic objective;
- The main performance targets.

In a global alignment approach, Kaplan and Norton (2007) present a method of total strategic alignment based on balanced scorecards. This approach has eight stages, namely (Rebai. B. K, 2013, p, 28):

- Align financial strategy and customer strategy: synergies generated by business value offerings that align financial and customer axes across all operational units;
- Align internal processes with training and professional development;
- Align support functions;
- Deploy the processes; - Align boards of directors and investors;
- Align external partners;
- Manage the alignment process;
- Achieve full strategic alignment.

The development of the strategic map presupposes the definition of the strategic framework which integrates:

- Developing the company's strategic vision: where does the company see the company in the future, in 10, 15 or 20 years?
- Definition of the company's mission: this is the *raison d'être* of the company;
- Definition of company values: these are the common principles that we like to convey in the company, it is the corporate culture;

- Definition of the general strategy of the company as well as the four strategic axes, namely: the financial axis, the customer axis, the internal process axis and the organizational learning axis; based on the SWOT analysis (Strength, Weaknesses, Opportunities and Threats), (Strengths and Weaknesses, Opportunities and Threats).

- Setting of the general strategic objectives of the company and determination of the key success factors and the strategic map of the company; (projection over 3 to 5 years) based on the 4 axes and in harmony with the mission and the vision of the company. The strategic objectives are then translated into annual action plans which will be the starting point for the implementation of the strategy.

- Definitions of objectives, selection and preparation of performance indicators and values: The real work begins from this stage: it is necessary to define performance indicators to measure the effectiveness of the implementation of the strategy and the achievement objectives.

Once the strategy and objectives have been decided by top management, the exchange of information is a two-way street, as all hierarchical levels of the company are involved, from management to employees and vice versa. This is inspired by Simon's "Top-down" phases.

Once the strategic framework is defined, the strategic map can be developed. It is a tool for viewing all of the company's strategic objectives on a single page. It therefore serves as a conceptual framework for the subsequent organization of indicators or other performance measurement systems. The graphic formatting plays a central element. The map is used to visually understand the desired orientations. It is a tool for communication and strategy clarification. It later tends to become the dashboard, since computer systems allow the

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introduction into graphic objects of colors in relation to the degree of achievement of predefined targets. A reflection on the level of the strategic map is therefore essential if one wishes to acquire a vision and a strategic representation that is as complete and lasting as possible (Trebuq. S, 2010, p.3).

To obtain this strategic map, called the performance model, it is necessary to start from the objectives that the company has determined from the SWOT analysis. These objectives are then identified according to each of the four axes of the Balanced Scorecard. For each strategic objective, the key success factors called action variables are defined; it is these variables which constitute the essential determinants of the achievement of strategic objectives, and therefore of the desired performance. The "cause and effect" relationship established between the action variables thus constitutes the strategic map and therefore the company's performance model. Once the strategic map has been drawn up, it is easy to set up the indicators.

For each factor of the strategy map, several indicators must be set. The choice of an indicator is determined by its actual impact on the strategy. These indicators are called: KPIs (Key Performance Indicators) or key performance indicators. KPIs refer to the measures of Key Success Factors (FCS). It is with the help of these indicators that it will be possible to monitor the implementation of the strategy.

b. Construction of the indicator identity card The construction of the identity card of the indicators is considered as the final stage of the "top down" approach; this phase begins with the identification of the most relevant indicators that ensure the reliability of the Balanced Scorecard. The reflection on strategic objectives and action variables determines the identification of indicators. The Balanced Scorecard indicators must therefore allow the manager to realize the level of achievement of the objectives and the level of control of the action variables. Then comes the realization of the identity card of the indicators.

b.1. Identification of indicators To identify the indicators, the strategic objectives are first broken down into concrete actions likely to lead to the achievement of the strategic objectives. There are two types of indicators:

- result indicators: also called "performance indicators", they relate to defined strategic objectives, measuring the final result of the action through the degree of performance achieved or achievement of an objective.
- monitoring indicators: also called "prospective indicators" and "performance management indicators", they relate to action variables and make it possible to measure the progress of the action, to anticipate by reacting with corrective measures before the end of the action.

b.2. Identity card for indicators Once the indicators have been identified, the identity card of each of them should be established. For each indicator, it has the following characteristics:

- its definition;
- its source ;
- its calculation formula;
- its frequency of production;
- the current value;
- the target value;
- the alert level;
- the person in charge of its production.

When the indicators are constructed, they are formatted for easier reading and interpretation. Different modes of presentation exist; the BSC can be presented in the form of a table or a graph.

c. Implementation, monitoring and evaluation of the Balanced Scorecard This step proposes

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to effectively set up the BSC, and to develop the control mechanisms that will allow the monitoring and evaluation of the BSC.

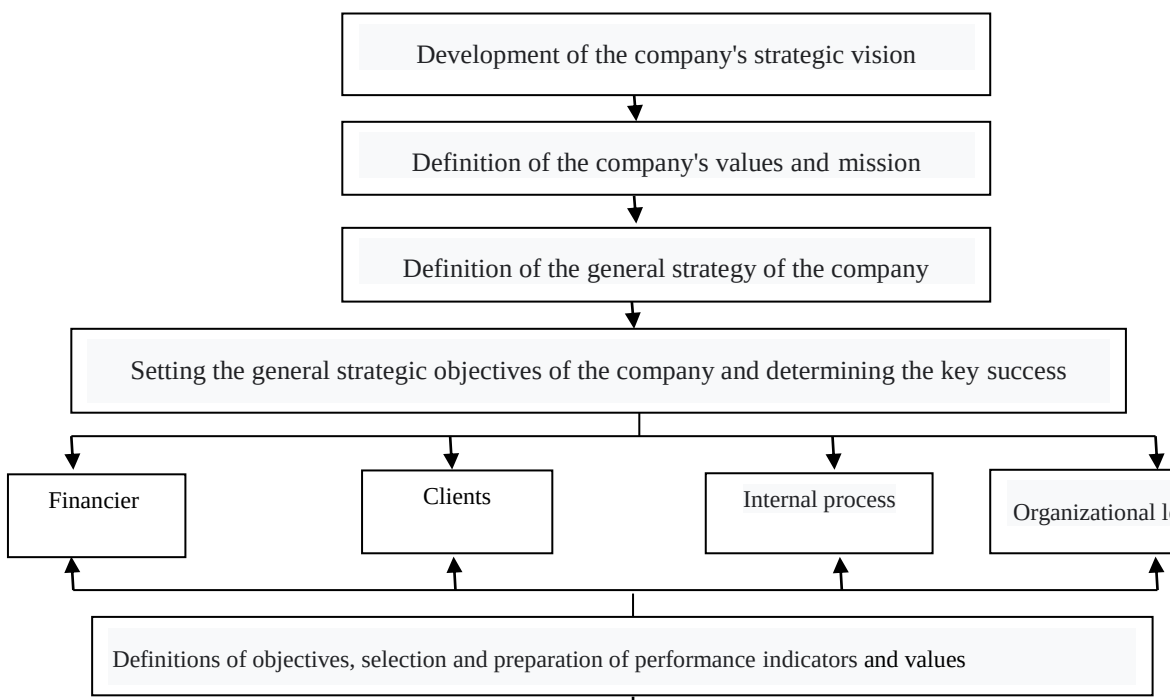
c.1. Setting up the Balanced Scorecard Once the Balanced Scorecard has been completed, it must be deployed in a “top / down” fashion, from the top of the hierarchy to the bottom. During its implementation, two difficulties may appear: first, it is imperative to inform the entire hierarchy and then, it will be a question of ensuring that it has a shared and global vision. of the Balanced Scorecard. Then you have to adapt the BSC to the operational units. The link between local operational measures and the strategic indicators associated with the objectives is not always obvious (Zair. W, 2013, p. 28).

c.2. Monitoring and evaluation

Monitoring and evaluation are two closely related concepts. However, it is necessary to distinguish between their different objectives and functions if one wishes to set up an efficient indicator system. Monitoring essentially consists of comparing the results obtained with the expected results. In general, it is relatively easy to monitor output indicators and - at the cost of some additional effort - results indicators (European Commission, 2006, p. 10).

The evaluation is based on the use of information collected during monitoring, supplemented by other sources in order to determine the effects of the interventions. Evaluators use data provided by the monitoring system, including output and result indicators. However, the main instrument used during the evaluation remains the impact indicator. The impact indicators move away over time from the action accomplished (specific impact indicator) or move away from its direct beneficiary (overall impact indicator). The whole difficulty is then to distinguish the net effects from the gross effects. Due to this temporal distance and the disappearance of the link with the direct beneficiary, it will be concretely difficult to obtain impact values in a manner as easy and reliable as for the output or result indicators. This is why it is necessary to determine during the program development phase which indicators could result from monitoring and which ones can only be provided by evaluation) (European Commission, 2006, p. 10).

Figure 1: Design of the Balanced Scorecard.



Source : prepared by the researchers.

4. Contribution of the Balanced Scorecard to the performance of the company

What cannot be measured, cannot be managed for several reasons, including the need of the human being to have benchmarks. To date, performance assessment systems have focused on external performance, on financial or economic measures such as ROI (Return On Investment) or EPS (Earnings per Share). However, these cannot be managed, they only express the consequence of decisions relating to the three dimensions of the company: the what, the who and the how (Zair. W, 2013, p. 28):

- The "what" dimension relates to the product / service portfolio: which product / service should be marketed? What product / service should we focus on? Which product / service should we give up? At what price should you sell? Can we produce at this cost?
- The dimension of the "who" tries to measure the performance of the various markets of the company, of its different customer segments in order, for example, to focus on the most profitable niches or on those which are the most promising in the medium and long term.
- The "how" dimension seeks to dissect the performance of internal value creation processes with the aim also of making choices: determining the processes to improve, to subcontract, to abandon, to redesign, to distribute activities between the management units, determine the scope of responsibility of the management units and employees.

In addition to this dimension of measuring to better manage the company, measuring performance also helps motivate employees. In essence, the human being is stimulated by goals. The mere setting of targets to be achieved regardless of whether or not a reward or sanction system exists is already sufficient to increase employee motivation. In this context, the BSC becomes a central element of the evaluation and motivation system and represents a key element of the steering and control system. Ultimately, the BSC is just an instrument. For example, and by analogy with piloting an airplane, it does not replace the pilot or the airplane. Sometimes you have to have the courage to recognize this and replace the pilot, the plane or both at the same time before worrying about the cockpit (Zair. W, 2013, pp. 28-34).

The Balanced Scorecard is intended as a support for defining dated and quantified objectives belonging to four different "blocks" or pillars. The final quality of the tool is guaranteed by the existence of indicators relating to each of the four dimensions (Löning, H & others. 2008. p. 158):

financial measures, corresponding to short-term economic objectives, which may vary depending on the business sector or strategy. For example, the turnover, the growth rate, the turnover realized by new products or new markets, will dominate the growing activities; profitability measures such as net income, gross margin, EVA (economic added value), ROI (return on investment), are essential for activities which have reached maturity and which must finance the development of the company elsewhere;

The Balanced Scorecard's contribution to the company's performance

- products at the end of their life cycle are often focused on short-term financial indicators, financial recovery times and cash balance;
- indicators relating to the commercial relationship and customer capital; beyond the traditional measures of turnover, market share, customer profitability, customer satisfaction and loyalty, the designers of the Balanced Scorecard insist on the "action" indicators and attributes provided by the company to maintain customer satisfaction at a high level: product / service attributes, customer relationship, corporate image and reputation;
- indicators corresponding to internal process improvement objectives, aimed at improving productivity and quality at a lower cost; to traditional methods of cost reduction, process re-engineering or even kaizen costing (gradual improvement), Kaplan and Norton add the focus on strategic key processes, in order to focus the measure and effort on them. here first; - indicators trying to capture organizational learning, which concern human skills in the company as well as organizational systems and procedures.

5. Conclusion:

The Balanced Scorecard is a management tool for companies, serving strategic management, the objective of which is to measure performance in order to help managers make decisions within the framework of management control. This has encouraged participatory planning, by mobilizing all stakeholders in the company, because its design is carried out using a "top-down" approach that ensures strategic alignment. Following this approach, the development of the Balanced Scorecard is carried out in two phases: the development of the strategic map then the construction of the identity card of the indicators.

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