BALANCE SCORECARD AND FINANCIAL PERFORMANCE: EVIDENCE FROM NIGERIAN CONSUMER GOODS MANUFACTURING COMPANIES

Christmas D. I. Ofurum
Department of Accountancy, Nnamdi Azikiwe University, Awka, Nigeria.
E-mail: christmasofurum8019@gmail.com

Hillary E. Afodigbueokwu
Department of Accountancy, Nnamdi Azikiwe University, Awka, Nigeria.
E-mail: hilachuks@gmail.com

Raymond A. Ezejiofor
Department of Accountancy, Nnamdi Azikiwe University, Awka, Nigeria.
E-mail: thaddray4life@yahoo.com

Abstract
This study examined the effect of the balance scorecard on financial performance of consumer goods manufacturing companies in Nigeria. Ex Post Facto research design was adopted and the data were collected from annual reports and accounts of consumer goods manufacturing companies in Nigeria. Simple regression analysis was used to test the formulated hypotheses with aid of SPSS version 20.0. Based on this, the study revealed that learning and growth perspective, customer perspective and company's business process perspective affected return on assets of consumer goods manufacturing companies in Nigeria. Meanwhile there is a statistical significant effect between the dependent (return on assets) and independent variables (learning, customers and business process perspectives). The study therefore recommended among others that the customers need to be involved more in decision making to make them feel cherished and to continue giving business to the organization instead of the competition.

Keywords: Balanced Scorecard, financial performance and manufacturing companies.

INTRODUCTION

Balance Score Card (BSC) has gained significant importance in recent years as a strategic management tool that enables organizations to align their business activities to the vision and strategy of the organization and improve their overall performance (Kaplan & Norton, 2005). BSC as a concept was first introduced by Robert Kaplan and David Norton in 1992. Saudi companies have started implementing this tool since last few years, though not much information is available on its impact on their business performance (Bassioni, Price & Hassan, 2004). According to Kaplan and Norton, the BSC provides a logical connection between the Vision, Mission and Strategic Objectives with the desired results in terms of Customer and Stakeholder needs, financial, internal processes and capacity building (learning and growth) which are linked through cause-and-effect relationships (Kaplan & Norton, 2015).

The Balanced Score Card (BSC) is a carefully selected set of quantifiable measures derived from an organization's strategy and is a management tool with three main elements namely; measurement system, strategic management system and communication (Bremser & Barsky 2004). For this reason, in the contemporary time, the focus on the non-financial measurements of the performance is gaining grounds and higher support from the business community. A performance measurement tool that has gained popularity in practice and literature is balanced scorecard. Arben, Skender, Arbana and Muhamet, (2016) stated that this model considers necessary financial indexes, and those non-financial ones to determine the performance level of corporations. Balanced scorecard includes performance measurements from those perspectives: Financial, Customer, Internal Business Processes, Learning and Growth.

Supporters of the balanced scorecard argue that to achieve success in financial measurements, first non-financial measures have to be achieved (Davis & Albright 2004). Therefore, empirical research is necessary to determine if the focus on non-financial measures in fact leads towards better profit margins and better organizational performance using balanced scorecard.

Researchers assert that there has been a paradigm shift from the traditional financial performance measurement approach to an approach integrating both financial and non-financial measures (Atkinson & Kaplan, 2003). Firms have a variety of goals and objectives and hence it is more unlikely that a single measure or even several measures of the same type will effectively assess organizational progress towards all of those goals and objectives.

Meanwhile, some measurement of income is used by virtually all businesses to assess performance. Firms have established goals relative to customer satisfaction rates, product defect rates, lead time to market and environmental social responsibility. Such goals are not measured directly by income. Firms producing inferior goods, delivering late, abusing the environment or in general making customers dissatisfied will lose market share and be forced out of business (Spraakman, 2005).

Research has shown that the strongest drivers of competitive achievement are the intangibles, especially intellectual property, innovation, and quality. Since what is measured gets done, and because these factors are important, then they should be measured (Kairu, Wafula, Okaka, Odera & Akerele, 2013).

Studies comparing the financial performance of two sister concerns of an electrical wholesale chain based in UK showed that the firm implementing BSC demonstrated better financial performance with respect to its sister concern that did not implement BSC (Neely, 2008). Iselin, Mia, & Sands (2008) studied the impact of BSC on the alignment of strategic goals and performance reporting. Muhammad discussed the usage and issues in implementation of BSC as a tool for performance measurement (Muhammad, 2010). The results indicated that managers who are involved in selecting strategic initiatives perceive those initiatives as having been more successful than managers who are not involved in the strategy-selection process. Thus BSC indirectly influences strategy implementation and performance of firms (Tayler, 2007).

In view of this organizations, especially in the manufacturing companies, have created strategic plans but do not put it to use because they seem to have more urgent issues to deal with in the daily running of the organization. This situation therefore justifies the use of the Balanced Scorecard (BSC) as a critical step in the strategic process implementation.

This situation calls for implementation of more policies that would increase the manufacturing company's performance. Hence the purpose of this study is to assess the effect of the balance scorecard on organizational performance in the manufacturing companies in Nigeria with specific reference to: Learning and Growth Perspective, Costumers perspective, Internal business process of consumer goods manufacturing companies quoted on the Nigerian stock exchange with a view to giving solutions to its under bar performance.

The purpose of this study was to assess the effect of the balance scorecard on financial performance of consumer goods manufacturing companies in Nigeria. The specific objectives are:

1. To ascertain the effect of Learning and Growth Perspective on return on assets of consumer goods manufacturing companies in Nigeria.
2. To determine the effect of Customer Perspective on return on assets of consumer goods manufacturing companies in Nigeria.
3. To evaluate the company's Business Process Perspective on return on assets of consumer goods manufacturing companies in Nigeria.

REVIEW OF RELATED LITERATURE

Conceptual Framework

Balanced Scorecards

Balanced scorecard offers a set of balanced measurements for the management of the performance and the linkage of these measurements towards the strategic initiative for improved performance. There were some studies done in regards to the effects of the usage of balanced scorecard on the improved performance. There is an increasing trend of implementation of the balance scorecard strategy as a tool to measure the business performance (Davis & Albright, 2004). It is estimated that around 44 percent of businesses in USA use balance scorecard. In general, it is perceived that balanced scorecard is mostly used in developed economies where there is high competition. Balanced scorecard can be described as a performance management tool that eases the translation of the vision and the strategy of a company towards a tangible set of measurements (Arben, et al, 2016). In other word, Balanced Scorecard (BSC) is a performance measurement conceptualization that translates an organization's strategy into clear objectives, measures, targets, and initiatives organized in the four perspectives: financial, customer, business processes, and human resources or innovation and learning (Kassahun, 2010). Each area perspective represents a different aspect of the business organization in order to operate at optimal capacity.

Chaudron (2003) asserted that BSC is a way of: measuring organizational, business unit or departmental success; balancing long-term and short-term actions; balancing the following different measures of success; Financial; Customer; Internal Operations; Human Resource Systems & Development (learning and growth); tying the firm's strategy to measures of action. Much of the success of the scorecard depends on how the measures are agreed, the way they are implemented and how they are acted upon (Bourne, 2002).

The BSC therefore takes the specific approach structure and components of a performance measurement system hence assurance of more profits to the firm's activities due to its business efficiency occasioned by the four important balanced perspectives (Christesen, 2008). For the balanced scorecard to work, Kaplan and Norton (2015) suggest that organizations should articulate goals for time, quality, and performance and service while remaining sensitive to the cost of their products in order to build customer confidence and loyalty.

Perspectives of Balanced Scorecard

Customer perspective

This perspective captures the ability of the organization to provide quality goods and services, the effectiveness of their delivery, and overall customer service and satisfaction. This will result from price, quality, availability, selection, functionality, service, partnerships and brand value propositions, which will lead to increased customer acquisition and retention (Gekonge, 2005).

The BSC demands that managers translate their general mission statement on customer service into specific measures that reflect the factors that really matter to customers (Kaplan & Norton, 1992).

Customers' concerns tend to fall into four categories: time, quality, performance and service, and cost. Satisfied customers buy a product again, talk favorably to others about the product, pay less attention to competing brands and advertising, and buy other products from the company (Kotler & Armstrong, 2004). Recent management philosophy has shown an increasing realization of the importance of customer focus and customer satisfaction in any business (Chabrow, 2002; Needleman, 2003).

This perspective takes into account the capacity of a business to secure qualitative goods and services for its clients, effectiveness of offering those services, and addresses the concerns of customers in order to develop ongoing support (Zairi & Jarrar, 2000). The focus here is towards the customers and how to give them value. This is because when a business loses, the drive to track and retain customers losses the credibility. And, as such no business can flourish without a customer bases which is strong.

Internal processes perspective

According Gekonge (2005), internal processes perspective focuses on the internal business results that lead to financial success and satisfied customers. To meet the organizational objectives and customers' expectations, organizations must identify the key business processes at which they must excel. These key business processes are monitored to ensure that outcomes will always be satisfactory. The internal processes perspective reports on the efficiency of internal processes and procedures. The premise behind this perceptive is that customer-based measures are important, but they must be translated into measures of what the organization must do internally to meet its customers' expectations (Kaplan & Norton, 1992).

According Gekonge (2005), business processes perspective focuses on the internal business results that lead to financial success and satisfied customers. This consists of measures such as cost and quality related to the business processes.

Learning and Growth Perspective

According to Kaplan and Norton (1992), a company innovative ability, learning and growth perspective examine the ability of employees (skills, talents, knowledge and training), the quality of information systems (systems, databases and networks) and the effects of organizational alignment (culture, leadership, alignment and teamwork), in supporting the accomplishment of organizational objectives (Gekonge, 2005). The learning and growth perspective examines the ability of employees (skills, talents, knowledge and training), the quality of information systems (systems, databases and networks) and the effects of organizational alignment (culture, leadership, alignment and teamwork), in supporting the accomplishment of organizational objectives (Gekonge, 2005).

This perspective includes identification of the infrastructure that a business needs to develop in order to create long term and sustainable growth and ongoing improvement. It requires that management continuously improve its organizational skills to meet environment challenges faced by the competition, and to give value for its customer. Kaplan and Norton (2000) identified three sources of a business for learning and growth: people, informational system, and organizational processes. Financial perspective, client, and internal business process often identify gaps in organizational structure, through existing skills and potential abilities to achieve improved performance. These gaps can be addressed from initiatives taken from management such as investments in the training of staff, and IT (Chytas, 2011). Businesses may take as much as their employees, therefore, there should be real efforts to retain employees should to shoulder with knowledge and information which the perspective of learning and growth attempts to determine.

Performance and the Balanced Scorecard

According to Abernathy (2000), the typical employee does not understand the organization's strategy and consequently fails to focus on the right things; does not know his or her personal role in accomplishing the strategy and as a result does what is required, not what is needed. In such a corporate environment, organizational sub-optimization is the result of sub-organizational optimization. Frigo and Krumwiede (2000) suggested that the BSC can help remedy this situation because it requires organizations to engage in several beneficial activities. These activities delineate the major strengths of the BSC.

Performance measurement incorporating non-financial measures has been a topic of great interest throughout most of the 1990s. This is because non-financial measures overcome the limitations of just using financial performance measures. " Soft" measures, such as employee satisfaction and commitment, are coming to the fore as protagonists of the business performance measurement revolution urge organizations to complement their traditional financial focus with softer data. Kaplan & Norton (1992) suggested that what is needed is " a balanced presentation of both financial and operational measures. Meanwhile, BSC translates an organization's' mission and strategy into a comprehensive set of performance measures that provides the framework for a strategic measurement and management system (Kumari, 2011).

Review of Previous Studies

Different studies have been carried out on Balance Scorecard within and across the globe. Kairu, Wafula, Okaka, Odera and Akerele (2013) determined the effects of the Balanced Scorecard (BSC) on performance of Kenya firms in the service sector. A survey research design of 200 service providing firms was employed. Semi-structured questionnaires were employed to collect primary data which were analyzed through descriptive statistics. The study found that non-financial criteria are as important as financial criteria in measurement systems and when both measures are integrated in the system, they lead to superior results.

Braam and Nijssen (2004) examined how to use the Balanced Scorecard (BSC) effectively adopted step-model using regression analysis to regress over company performance over the past three years and a subjective non-financial measure. Empirical evidence from Dutch firms suggests that BSC use will not automatically improve company performance, but that the manner of its use matters.

Kala and Bagr (2014) in their study on Balanced Scorecard Performance of Hotels were conducted in various lodging establishments in some selected tourist towns of the mountainous state of Uttarakh and, India. The results of the study suggest that hospitality managers of the study area need to identify and incorporate the right set of financial and non-financial performance measures, and link them to their organization’s objectives.

Wasatoin (2013) ascertained the application of the BSC attributes among firms listed on the Stock Exchange of Thailand (SET). A simple regression analysis was employed to test the proposed hypotheses. The regression analysis results showed that top management support was a key influencing factor for the implementation of each BSC attribute.

Noor, Mseden and Mohammad (2015) investigated the effect of the independent variables (Balanced Scorecard Dimensions) on the dependent variables (ROA and ROE) using the Jordanian industrial companies listed on the Amman Stock Exchange for a period of five years (2008-2012). The results revealed that each one of the balanced scorecards dimensions (internal business processes, innovation and growth and customer) has a significant positive effect on the financial performance drivers ROA and ROE. Arben, Skender Arbana and Muhamet (2016) assessed the impact of balanced scorecard on improving the performance and the profitability of the implementing companies. Research has been carried out using secondary data; narrative analysis has been adopted for this study. This study revealed that balanced scorecard has contributed to improve the performance and profitability for the businesses that have adopted the model. Hoque and James (2000) examined the relationship between improvement of organizational performance and balanced scorecard. A survey of 66 manufacturing firms has been done in Australia. Their findings suggest that bigger businesses use more the model as oppose to little ones. Moreover, results show a very positive relationship between measurement usage and superior performance. Malina and Selto (2001) ascertained large divisions of a big manufacturing company, with the aim to assess the efficiency of the model to communicate strategic objectives and as a tool of control for the management. It was found that the model has presented relevant opportunities to develop, and to communicate the business strategy. They have also found evidence between the functioning of control of balanced scorecard and the improvement performance level.

Davis and Albright (2004) have studied the degree to which the use of the model improves financial performance of bank branches in the USA. Their study provides credence to propose that model can be used to improve financial performance after the findings show that branches that have used the model have exceeded those who have not on the common measurements. Lasisi, Olajide, Hasan and Shodiya (2014) determined the relationship between relational capabilities and balanced scorecard in the Nigerian manufacturing firms. The result of the study confirms that a statistical significant relationship exists between relational capabilities and balanced scorecard in the Nigerian manufacturing firms.

Akram and Tariq (2014) examined the extent of BSC adoption and implementation among Palestinian listed corporations as a performance evaluation tool. Financial perspective and other non-financial perspectives (Customer, Internal Business Process, and Learning and Growth) were used. One sample t-test technique was used to test hypotheses and findings showed that majority of Palestinian corporations use BSC in their evaluation process either fully or partially.

Ibrahim and Upendra (2016) examine the impact of implementation of Balanced Scorecard (BSC) on the financial performance of Listed Companies in the Kingdom of Saudi Arabia. A sample of 57 companies from different business sectors was taken for this study. Annual performance data for key financial parameters over a five-year period was taken for this comparison, and the average performance for these parameters was compared using t statistic. The study found that the adoption of BSC significantly improves the revenue growth, while it does not have much impact on other financial parameters such as Net margin, Current ratio and Operating Cash Flow/Net income.

Ondieki (2017) carried out at Kenya Bureau of Standards (KEBS), which is a state corporation situated in the Southern part of Nairobi County on Popo road off Mombasa road in South C. The study used a cross sectional descriptive design. Data for the study were collected using a self-administered questionnaire. Informed consent was sought before the questionnaire was administered. IBM SPSS® version 23 was used to analyze data. Presentation of the results from the analysis was done using tables and bar charts. Bi-variate analysis and Pearson's product-moment correlation co-efficient (*r*) were used to establish the relationship between dependent variable, performance and the independent variables. The findings of this study indicated that the four perspectives under study namely; finance, internal business, innovation and customer do have an effect on the performance of the organization and on the overall there was good organizational performance at KEBs despite the lack of profitability.

Most of the study of this nature were carried out in foreign countries, studies like; Edwin (2004); Kairu, Wafula, Okaka, Odera and Akerele (2013); Braam & Nijssen (2008); Kala and Bagr (2014; Wasatoin (2013); Noor, Mseden & Mohammad (2015); Zuriekat, Salameh and Nrawasdeh, (2015); Arben, Skender Arbana and Muhamet (2016); Hoque and James (2000); Ibrahim and Upendra (2016) etc. Few of them that had been conducted in Nigeria were not in financial performance; Lasisi, Olajide, Hasan, & Shodiya (2014), in their study investigated the relationship between relational capabilities and balanced scorecard in the Nigerian manufacturing firms. As such, this study set up to assess the effect of Balanced Score card on financial performance on consumer goods manufacturing companies in Nigeria.

METHODOLOGY

Research Design

Ex-post facto research design was adopted for this study. Ex-post facto determine the factors that are associated with certain occurrence, conditions, events or behaviours by analyzing past events or already existing data for possible casual factors (Orji, 1996). This is appropriate because the study aims at measuring the relationship between one variable and another, in which the variables involved are not manipulated by the researcher.

This study used twenty consumer goods manufacturing companies quoted on the Nigerian Stock Exchange for seven years study periods.

Method of Data Analysis

To test the formulated hypotheses, the study used simple regression analysis to test the balanced score cards (BSC) perspectives companies. Independents variables include learning and growth perspective, customers' perspective and internal perspective while dependent variable is return on assets.

Model Specification

The following logistic regression model will be used to test the formulated hypotheses:
To determine the effect of the balanced scorecard on financial performance, the functional model formulated for this study is expressed as;

$ROA = \beta0 + \beta1\ LGP + \beta2\ CUSTP + \beta3\ BUSP + et$……………………….………i

$ROA = \beta0 + \beta1\ LGP + et$…………………………………………………….…….ii

$ROA = \beta0 + \beta2\ CUSTP + et$…………………………………………….….……iii

$ROA = \beta0 + \beta3\ BUSP + et$……………………………………………………iv

Where:
ROA = Return on Assets
LGP = Learning and Growth Perspective
CUSP = Customer perspective
BUSP = Business process perspective
et = Error Term

Description of Variables

Dependent variable: Financial performance proxy by Return on Assets (ROA).
Independent variables**:** Learning and Growth Perspective = Measured as Human Cost/Revenue,
Customer Perspective = Measured as Percentage in Customers sales growth,

Internal Business Perspective = Measured as (inventories + Trade Receivables)/Total Assets.

DATA PRESENTATION AND ANALYSIS

Data Presentation (See appendix)

Test of Hypotheses

Hypothesis one

Ho: Learning and growth perspective does not affect return on assets of consumer goods manufacturing companies in Nigeria.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.877[a]	.769	.723	21.78662

a. Predictors: (Constant), LGP

Table 2: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7898.538	1	7898.538	16.641	.010[b]
	Residual	2373.283	5	474.657		
	Total	10271.822	6			

a. Dependent Variable: ROA
b. Predictors: (Constant), LGP

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-263.937	59.901		-4.406	.007
	LGP	72.977	17.890	.877	4.079	.010

a. Dependent Variable: ROA

Table 1 above shows that the Model revealed the value of R^2 = 0.769 and Adjusted R^2value is 0.723, this suggests that the model explains about 77% of the systematic variations in the dependent variable. This means that the regression explains 77% of the variance in the data.

In table 2, it reveals that the F-stat (16.641) and p-value (0.010) indicates that the hypothesis is statistically significant and effect between the dependent and independent variables in which alternative hypothesis cannot be rejected at 5% level.

In table 3, the regressed coefficient correlation result shows that an evaluation of the financial performance of the explanatory variable (Beta Column) shows that learning and growth perspective is positive and significant (Sig.= .007). Therefore learning and growth perspective has a significant effect on financial performance using return on asset of the consumer goods manufacturing companies in Nigeria. In the light of this, we reject alternative hypothesis and accept null hypothesis with state that learning and growth perspective does not affect return on assets of consumer goods manufacturing companies in Nigeria.

Hypothesis Two

Ho: Customer Perspective does not affect return on assets of consumer goods manufacturing companies in Nigeria.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.867[a]	.752	.702	22.57424

a. Predictors: (Constant), CUSPERS

Table 5: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7723.841	1	7723.841	15.157	.011[b]
	Residual	2547.981	5	509.596		
	Total	10271.822	6			

a. Dependent Variable: ROA

b. Predictors: (Constant), CUSPERS

Table 6: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	153.729	45.913		3.348	.020
	BUSPERS	-1.935E-007	.000	-.867	-3.893	.011

a. Dependent Variable: ROA

Table 4 above shows that the Model revealed the value of R^2 = 0.752 and Adjusted R^2value is .702, this suggests that the model explains about 75% of the systematic variations in the dependent variable. This means that the regression explains 75% of the variance in the data.

In table 5, it reveals that the F-stat (15.157) and p-value (0.011) indicates that the hypothesis is statistically significant and effect between the dependent and independent variables in which alternative hypothesis cannot be rejected at 5% level.

In table 6, the regressed coefficient correlation result shows that an evaluation of the financial performance of the explanatory variable (Beta Column) shows that customer perspective is positive and significant (Sig. = 0.020). Therefore customer perspective has a significant effect on financial performance using return on asset of the consumer goods manufacturing companies in Nigeria. In the light of this, we reject null hypothesis and accept alternative hypothesis which states that customer perspective affect return on assets of consumer goods manufacturing companies in Nigeria.

Hypothesis Three

Ho: Company's Business Process Perspective does not affect return on assets of consumer goods manufacturing companies in Nigeria.

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.448[a]	.201	.041	40.51312

a. Predictors: (Constant), BUSPERS

Table 8: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2065.259	1	2065.259	1.258	.313[b]
	Residual	8206.563	5	1641.313		
	Total	10271.822	6			

a. Dependent Variable: ROA
b. Predictors: (Constant), BUSPERS

Table 9: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-135.394	102.326		-1.323	.243
	BUSPERS	7.080	6.312	.448	1.122	.313

a. Dependent Variable: ROA

Table 7 above shows that the Model revealed the value of R^2 = 0.201 and Adjusted R^2value is .041, this suggests that the model explains about 20% of the systematic variations in the dependent variable. This means that the regression explains 20% of the variance in the data.

In table 8, it reveals that the F-stat (1.258) and p-value (0.313) indicates that the hypothesis is statistically significant and effect between the dependent and independent variables in which alternative hypothesis cannot be rejected at 5% level.

In table 9, the regressed coefficient correlation result shows that an evaluation of the financial performance of the explanatory variable (Beta Column) shows that Business Process Perspective is positive and significant (Sig. = 0.448). Therefore customer perspective has a significant effect on financial performance using return on asset of the Business Process Perspective goods manufacturing companies in Nigeria. In the light of this, we reject null hypothesis and accept alternative hypothesis with state that Business Process Perspective affect return on assets of consumer goods manufacturing companies in Nigeria.

Discussion of Findings

The study found that learning and growth perspective affect return on assets of consumer goods manufacturing companies in Nigeria, while customer perspective and company's business process perspective affect return on assets of consumer goods manufacturing companies in Nigeria. Meanwhile there is a significantly significant between the dependent (return on assets) and independent variables (learning, customers and business process perspectives).

This result is in line with the following studies; Braam and Nijssen (2008) evidence from Dutch firms suggests that BSC use will not automatically improve company performance, but that the manner of its use matters. Noor, Mseden and Mohammad (2015), results stipulate that each one of the balanced scorecards dimensions (internal business processes, innovation and growth and customer) has a significant positive effect on the financial performance drivers ROA and ROE. Arben, Skender Arbana and Muhamet (2016) research concludes that balanced scorecard has contributed to improve the performance and profitability for the businesses that have adopted the model. Lasisi, Olajide, Hasan, & Shodiya (2014) result of the study confirms that a statistical significant relationship exists between relational capabilities and balanced scorecard in the Nigerian manufacturing firms.

CONCLUSION AND RECOMMENDATIONS

The study found that financial perspective does not affect return on assets of consumer goods manufacturing companies in Nigeria, while customer perspective and company's business process perspective affect return on assets of consumer goods manufacturing companies in Nigeria. Meanwhile there is a statistically significant effect between the dependent (return on assets) and independent variables (learning and growth, customers and business process perspectives). This indicates that the companies are meeting the expectations of its shareholders, delighting or at least satisfying its customers and that the companies are doing the right things.

Despite opposing views of supporters and critics for the use of balance scorecard, it is important to note that model is broadly acceptable framework for the measurement of performance as it points out the two measurements of financial and non-financial performance translates a business strategy into operational terms. Based on the results of the empirical studies and the analysis carried out, conclusively, balanced scorecard has contributed to improve the performance for the businesses that have adopted the model.

Recommendations

Based on the findings, the study made the following recommendations:

1. Manufacturing companies in Nigeria should consider the issue of cost of production to make it profitable and must improve on its cost minimization strategy.
2. The customers need to be more involved in decision making to make them feel cherished and to continue giving business to the organization instead of the competition.
3. There is need to review the strategic plan to aim for financial sustainability and to see how to improve on the human resource management.

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