

A MODEL IMPLEMENTATION BALANCED SCORECARD IN THE RETAIL INDUSTRY

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ABSTRACT

The purpose of this research is to identify in the literature the challenges and barriers to implementing the Balanced Scorecard in the retail industry. Previous research has mostly examined its application in the retail industry but did not explain in detail the challenges and obstacles in its application. Therefore, researchers evaluated the Balanced Scorecard framework in the retail industry into a model in the third-generation balanced scorecard framework by Kaplan & McMillan. This research uses systematic literature review to provide the right position in the direction of renewal into consideration regarding the challenges and obstacles companies face in implementing the Balanced Scorecard in the retail industry. This research finds that the retail category industry must be able to foster a culture of innovation and continuous improvement to take full advantage of the benefits of the Balanced Scorecard. This literature study still refers to the use of the classic Balanced Scorecard. It is hoped that future research will use at least the third-generation Balanced Scorecard is expected to use case studies and empirical research for further research and add measurement methods to evaluate the implementation of the balanced scorecard in s the retail industry.

Keywords: *Balance Scorecard, vision and strategy, retail industry*

INTRODUCTION

In the post-pandemic era, retail industry companies are expected to be able to compete with the changes and developments in the digital world. Before the pandemic, many retail companies had gone out of business because they could not survive for several reasons. The influencing factors also vary, ranging from production costs, and decreased purchasing power, to the shift in lifestyle or the lifestyle of people who are starting to switch to online shopping. Especially with the pandemic, it is impossible for the retail business to become increasingly depressed. The Indonesian Retailers Association (Aprindo) said, "There were more than 400 minimarkets that went bankrupt and went out of business during the pandemic" (Ciptaning, 2021).

Managers will always face complex business environment problems, many opportunities can be used to develop the business, but this is also parallel to the risks that will be faced. Technological developments and a dynamic business environment are major influencing factors in today's world economy. A manager is required to be able to make effective business decisions,

improve relations between employees, and fulfill social obligations with the right strategy (Cusmano, Koreen, & Pissareva, 2018). To succeed, a company must be able to develop appropriate strategies and performance measures. The Balanced Scorecard (BSC) is a performance measurement system that is most widely used by advanced companies in the world, developed by Harvard professors Robert Kaplan and David Norton (1992), this method will help company leaders manage the business and achieve strategy implementation through measures, targets, goals, and initiatives of a company. A positive attitude toward the BSC is critical to gaining managerial support for the system; this response is necessary for system success (Biggart, Burney, Flanagan, & Harden, Fall 2010).

Management is expected to be able to apply the BSC amid economic conditions that are just recovering from the pandemic which is a difficult challenge. People are pessimistic about the financial situation and the future of the economy. People prefer to save their money than spend it on shopping (Ali, et al., 2021). Management challenges in implementing BSC are not without obstacles and many factors can

become management obstacles. There is nothing wrong with the Balanced Scorecard concept applied by management here. The main problem is that it doesn't provide practical guidance for deployment, and some executives see it as a "quick fix" that can be easily installed in their organization. Implementing a balanced metric system is an evolutionary process, not a one-off task that can be quickly checked and then "done". If executives don't recognize this from the start and fail to commit for the long term, then the organization will find itself in for disappointing results.

Balanced scorecard (BSC) implementation can be challenging, and organizations need to be prepared to overcome certain obstacles. The research results (Anh, 2014) show that the views of senior leaders, strategy planning and implementation, performance appraisal, human resource capacity, and company operations management can influence the implementation of the balanced scorecard. Therefore, business leaders need to focus on these factors to successfully implement a balanced scorecard in Vietnamese companies. Research conducted (Kiriiri, 2015), regarding the challenges of implementing the BSC, lack of understanding of the concept of the balanced scorecard is the most important challenge affecting its implementation. Employees must understand the balanced scorecard as a strategy implementation tool, and all of its perspectives, before it can be fully implemented. Another important challenge was management's delay in providing feedback to employees and reviewing monthly and quarterly performance. Research conducted by (Abdeta, 2019) states that an increased level of management commitment is essential for any reform to be successful. The majority of respondents confirmed their agreement regarding the lack of management commitment to implementation. The results imply major challenges faced during BSC implementation as well as failure to maintain the system. Above all, the lack of commitment from top management is a serious challenge that contributes to poor work systems, poor work culture, rejection and incompetence, lack of empowerment and motivation, and lack of information about the BSC implementation process. Lack of leadership commitment in bringing about BSC implementation and lack of reform mentality supporting traditional organizational culture contributed to the failure of BSC reform initiatives.

One of the main challenges is ensuring that the BSC is aligned with the organization's strategy and that all stakeholders are involved in the

development process. Another challenge is collecting accurate and relevant data for KPIs, which takes a lot of time and effort. Additionally, ensuring that the BSC is communicated effectively and understood by all employees is critical to successful implementation. Companies may also face resistance to change from employees who are not used to the new system. To address these challenges, organizations must provide adequate training and support to employees, establish clear communication channels, and regularly review and update the BSC to ensure its continued relevance and effectiveness. Therefore, there is a need for strong commitment and involvement from top-level management and all staff in the BSC implementation process and the development of an appropriate strategy map to achieve successful BSC implementation.

The implementation of Balanced Scorecards in the retail industry that is already running needs to be evaluated so that the company knows its implementation is by the strategy set by the company. Previous research has mostly examined its application in the retail industry but did not explain in detail the challenges and obstacles in its application.

The main interest in providing solutions is one of the problems associated with implementing the BSC for types of retail industries, especially the evaluation achieved in retail industries through the application of this instrument. The implementation of Balanced Scorecards in retail industry that already running needs to be evaluated for challenges and obstacles so that companies can make efforts to improve the implementation process and if necessary develop or modify the application of the BSC concept that is adapted to the characteristics of the problems and needs of retail industry.

Previous studies have focused more on the application of BCS to the retail industry but did not explain in detail the challenges and obstacles in its application. This research will produce new information that can be used as material for consideration about the challenges and obstacles companies face in implementing the Balanced Scorecard in retail industry by utilizing the literature from the results of this study. Specifically, the purpose of this study is to identify in the literature the challenges and barriers to implementing the Balanced Scorecard in the retail industry.

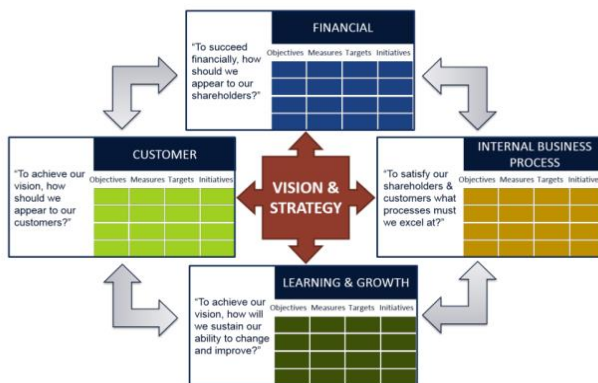
LITERATURE REVIEW

Generation of Balanced Scorecard

Early ('First Generation') Balanced Scorecard designs featured a small number of performance measures typically spread across four perspectives. Kaplan & Norton proposed a set of perspective names (Finance, Customer, Internal Process, Learning & Growth) to aid the design process (meaning, 'to figure out what measure to use, you have to think about choosing five or six measures of each of these categories'). Nonetheless, organizations found selecting measures and targets difficult, and many early Balanced Scorecards failed. One reason for the failure is that Kaplan & Norton's 'standard' perspective is not appropriate for many organizations. Many suggestions have been made for changing the name and number of perspectives to address this issue. However, the initial causes for the failure of the Balanced Scorecard went beyond the choice of perspective titles, and the 1st

Generation Balanced Scorecard continued to fail. In the late 1990s, many Balanced Scorecard designers used the much-improved design processes that had begun to emerge in the middle of that decade. This new approach originally aimed to describe the Balanced Scorecard in terms of a series of high-level 'objectives' to be achieved: measures were then selected for each objective as part of the second design step. This new 'Second Generation' design method illustrates how objectives relate using a diagram called the 'Strategic Linkage Model' or 'Strategy Map'. Using goals and relationships helps provide a stronger basis for choosing actions, and for justifying these choices to others. However, it does little to help with setting targets for selected measures or to allow multiple Balanced Scorecards within an organization to be aligned, constraints that continue to substantially limit the value of Second Generation design methods.

Figure 1 *Balanced Scorecard*



Source: Adapted from (Kaplan & Norton, 1992)

The process of improving the design method continues, and since 2000 the Third Generation Balanced Scorecard design method has emerged. This method is easier to use and implement than the previous version. Their common design feature is that time spent early in the design process builds consensus about what future organizational success will look like - assuming the strategy or operational plan is implemented successfully. It establishes a general view of what the strategy or plan seeks to achieve and can provide a solid foundation for establishing targets for action and for aligning the goals of various units within an organization. Reflecting changes in process design that require more explicit disclosure of the strategy and objectives underlying the Balanced Scorecard are becoming the focus of the broader strategic management process – a framework for strategic management

and control rather than just a performance measurement tool.

Evaluation of Challenges and Barriers

Evaluation is a more complicated and less understood term. A simple explanation of evaluating, making judgments, or determining the quality or value of an object, subject, or phenomenon can be called evaluation. Evaluation is an ongoing process, which begins with the development of initiatives and continues throughout the life of the project and beyond (Abagisaa, 2022). The definition of evaluation is an ongoing process of collecting data on an object, subject, or phenomenon to determine value or determine quality to determine improvement by conducting a study that can determine goals that are as expected. Evaluation of the assessment of an object can produce a challenge and obstacle.

A consultant named Arthur M Schneiderman (1999) as well as a senior examiner at the Malcolm Baldrige National Quality Award described the factors that caused the BSC to fail. These factors are as follows: 1) The independent factor on the scorecard is not properly defined, especially from a non-financial perspective. Even though these non-financial factors are the main indicators that provide satisfaction for stakeholders in the future. 2) Parameters are minimally defined. In general, financial parameters are easier to define because they relate to numbers quantitatively, while for non-financial there is no definite standard. Defining parameters in their concrete form is determining the size of each objective in each BSC perspective.

Implementation of the Balanced Scorecard

The theory of responsibility emphasizes more on the meaning of responsibility which is come from the provisions of Law and Regulations (Fletcher, 2012). Therefore the theory of responsibility is interpreted in sense of liability (Azheri, 2011). It is a concept related to the legal obligation of a person who is legally responsible for certain actions that can be subject to a sanction when his actions are against the law. According to civil law, basic liability divided into two types, namely errors and risks. Thus, it is known as liability without based on fault and liability without fault which is known as risk liability or strict liability (Triwulan & Febrian, 2010). According to the law, liability is a consequence a person's freedom regarding his actions related to ethics or morals in carrying out an action (Notoatmojo, 2010).

In a book entitled "Discipline of market leaders", authors Treacy and Wiersema put forward three value disciplines or strategies that help organizations answer the questions above (Mai, 2016). First, operational excellence is a discipline by which organizations pursue strategies that focus on low prices, convenience, and reliability (Niven 2002, 15). This means that they provide their customers with a reliable product or service, at low prices and hassle-free service. product leadership is a strategic priority, an organization must remain focused on product development (Niven 2002, 15). Furthermore, product leadership is a strategic priority, an organization must remain focused on product development (Niven 2002, 15). They create a culture of innovation, out-of-the-box thinking. Constantly innovating, companies strive to offer cutting-edge products or new useful applications of existing products or services. Unlike other

statements that convey products or services to customers, a "customer closeness" strategy is about selling solutions, not just products and services. Under these circumstances, companies seek to build long-term relationships with their customers through how much they understand customer needs (Niven 2002, 15). They don't give what the market wants, they give what certain customers want. In addition, performance and service should be measured on how they create value for customers. Last but not least, the cost is not the cost of a product or service; it is what it "costs" when the customer uses it. For a balanced scorecard to work, organizations must concentrate on those features when developing customer measures.

If the customer perspective is about how to fulfill customer satisfaction, the internal perspective refers to the processes, decisions, and actions that occur internally within organizations to enable them to satisfy their customers and add value to the shareholders thereafter. In pursuing a position of market leadership, companies must also identify core competencies, and critical technologies, and decide which actions are critical to critical processes. Kaplan and Norton suggested several factors such as productivity, employee skills, cycle time, and quality as critical internal processes used in an organization.

The customer perspective and internal processes are considered to have the most critical components that are critical to business success. It focuses more on developing and improving existing products and services. In today's business context, where competition is highly competitive, companies are required to continuously improve and innovate their current products or services and introduce new products with updated capabilities (Niven 2002, 16). The Learning and Growth Perspective was developed to help organizations implement the above requirements. According to Kaplan and Norton, some of the measures used in the Learning and Growth Perspective are: improvement maturity, growth, and competitive success.

As long as business organizations exist, traditional measurement methods must be financial. Back in the first days of the twentieth century, the innovation of financial measurement was critical to the success of the American multinational company called General Motors (Mai, 2016). Not surprising news as financial data plays a key role in tracking whether a company's strategy, implementation, and execution are contributing to bottom-line results. The Financial Perspective includes several general measures such

as profitability, growth, or shareholder value (Kaplan & McMillan, 2020). As mentioned above, financial measures have some limitations that make them underappreciated. For example, it is consistent with today's business realities. Today, organizational value is not only captured in tangible and fixed assets but also in intangible assets. Whereas, the value received from intangible assets such as customer satisfaction, cycle time, and employee motivation, is incalculable and unlimited and is considered more important than tangible assets. Another limitation is using financial data such as driving a rearview mirror. Financial measures provide a complete picture of the past performance and activities of an organization. However, it provides almost no indicative information for improvement and future performance (Mai, 2016). In short, financial performance measures still play an important role for organizations. What is needed now is only a tool or method that can help link financial data with the drivers of organizational performance in the future (Kaplan & Norton 1992). By integrating financial, customer, internal, and innovation and learning perspectives, BSC enables managers to understand organizations comprehensively and predict future performance using operational measures. It keeps the company moving and looking forward, not backward (Mai, 2016).

Retail Industry

The retail industry is constantly changing due to changing customer expectations and profiles, as well as changes in the economy, technology, new products, and innovation. These changes have created the need for new systems and strategies to better integrate and understand business processes in the retail industry (Shadrach

& BADMIN (Hons), 2017). Online shopping is about to explode. Retailers of all types are expanding product offerings, adding in-store pickup, free delivery, and experimenting with social media (Mai, 2016).

The existence of offline and online shopping competition makes companies that have implemented the Balanced Scorecard in retail industry naturally conduct evaluations. Evaluation is carried out to see the weaknesses and strengths of the retail industry. Weaknesses and strengths can be in the form of challenges and obstacles, during the Covid-19 pandemic the online shopping method was far superior to offline shopping because the Indonesian government carried out large-scale social restrictions to minimize the transmission of Covid-19. Evaluation needs to be carried out using the 4 perspectives of the Balanced Scorecard so that retail industry know the challenges and obstacles in implementing balanced scorecards and are by the strategy implemented by the company to achieve its vision and mission during the pandemic and after the pandemic is over.

Related Research

Research in strategic management continues to develop and contribute to providing education and human welfare, especially in the Evaluation of the Implementation of the Balanced Scorecard in Shopping Centers or the Retail Industry. The following is research relevant to the literature review and contributes theoretically and practically to science in strategic management. This research also provides direction for further researchers in the definition, measurement, and development of the field of study of applying the Balanced Scorecard.

Table 1. Development of Balance Scorecard Study

No	Title, Author	Methods	Result	Country, Year
1	Is a Balanced Scorcards Useful in a Competitive Retail Enviroment? (Biggart et al.)	An Internet-based survey was used to collect data for this study, from 475 current Wildcat managers, 361 respondents submitted the survey. Of these responses, we omitted 15 due to incomplete information, so we have 346 usable responses (308 store	1. Results in several areas view managers report higher levels of organizational usefulness, information characteristics, and functionality, as well as positive attitudes towards the BSC. 2. A positive managerial attitude towards BSC is associated with higher BSC scores and higher BSC scores are associated with higher financial performance. At the same time, research highlights	UK, 2010

No	Title, Author	Methods	Result	Country, Year
		managers and 38 district and regional managers) and a response rate of 72.8%.	weaknesses in BSC Wildcat, such as timeliness, adequacy of training, and measurement of individual employee performance.	
2	Implement the Balanced Scorecard as a Measuring Management Performance at the Indramayu Regional General Hospital (Luciawanty & Christianti)	This research data collection method uses interviews, questionnaires, documentation, and a literature study. Sampling in this study was simple random sampling, where questionnaires were distributed to company employees, and consumers, namely respondents who had come to MDS II with a purposive sampling method.	The measurement results from the MDS financial perspective, namely revenue growth, ROI, and profit margins, show that the company's performance is said to be good when compared to the previous year. Second, the measurement results from a customer perspective reflect good employee performance in customer service, including MCC and VOC card services. Third, the measurement results from the Internal Business Perspective, namely company innovation and after-sales service, overall the company's performance shows good results. Fourth, the results of measuring the learning and growth perspective regarding the level of employee satisfaction also show good results.	Indonesia, 2011
3	Do Really Competitive Strategy And Strategic Alliances Affect Retail Business Performance? Evidence From The Mini Market Retail In Jakarta And Bandung City, Indonesia (Yacob et al.)	The research method that will be used is a mixed method research with a concurrent embedded strategy approach. The analysis that will be used to test the hypothesis and the relationship between variables is used the Partial Least Squares (PLS) analysis tool.	This research clarifies the competitive strategies and strategic partnerships that influence the performance of modern retail format minimarkets in Jakarta and Bandung. Second, the partnership strategy affects the modern competitive strategy of retail format minimarkets in Jakarta and Bandung. Third, competitive strategy and partnership strategy affect the format of minimarket retail business performance in Jakarta and Bandung.	Indonesia, 2016
4	Is the Balanced Scorecard Useful in a Competitive Industry: Using Tesco PLC as a Case Study in the UK Grocery Retail Industry (Mai)	Case study approach, data analyzed based on the company's annual report in the nearest future to reflect fair and reliable results from the implementation of the Balanced Scorecard in Tesco	The results show significant year-over-year increases, increasing from 51% to 68% in the UK and from 58% to 70% for the Group as a whole. This data implies how well suppliers are treated by Tesco and how strong and reliable the relationship between Tesco and its suppliers is. This type of	Vietnam, 2016

No	Title, Author	Methods	Result	Country, Year
		Operations.	relationship is win-win, meaning it brings benefits to both Tesco and the supplier and the stronger the relationship, the more profit Tesco and the supplier will get, the reason why building trust and transparent relationships with suppliers is one of Tesco's strategic priorities and needs to be done as soon as possible.	
5	A Study On the Impact Of The Balanced Scorecard as a Performance Management System on Performance and Motivation in the Retail Industry (Shadrach & BADMIN (Hons))	A mixed methods approach in which the quantitative study investigates the influence of the BSC as a performance management system, and its effect on motivation. Participants consisted of 64 store managers in the retail industry, and a sequential explanatory design was used in this study. One-way ANOVA and standard multiple regression models were used to analyze the quantitative data. This is followed by a qualitative approach that examines managers' perceptions of implementing the BSC, and its impact on business operations and their motivation. For the qualitative study, a non-probability convenience sample of 10 store managers was interviewed using a semi-structured interview schedule. The process of thematic analysis is used to analyze qualitative data.	<ul style="list-style-type: none"> • Quantitative results show that BSC significant effect on employee performance, but not organizational performance. The impact of BSC on employee performance led to an increase in store manager's Sales and Customer Service, and a decrease in Inventory Loss and Manageable Expenses. • The quantitative results show that the BSC has no impact on motivation. However, the qualitative findings show that some store managers are highly motivated by the BSC. In addition, the qualitative findings indicated that some of the interviewees felt that they had good support from management and that the BSC communication plan was sufficient. • An important finding from the qualitative analysis is that the BSC and employee performance goals are not aligned with the organization's performance goals. 	Afrika Selatan, 2017

No	Title, Author	Methods	Result	Country, Year
6	Socio-Economic Developmental Strategies as Retail Performance Indicators (Sewell et al.)	A qualitative research methodology with formative evaluation study, following a data collection and analytical approach (Emmel, 2013). The literature review phase seeks to strengthen understanding of the international retail business context of the 'Triple Bottom Line' (Elkington, 1997) and 'Balanced Scorecard' (Kaplan & Norton, 1996) performance management paradigms.	The findings for the empirical component of this 'balanced scorecard' analysis of socioeconomic development management strategies by a South African retailer reflect this follow: <ul style="list-style-type: none"> • Most of the larger retail companies are aware of the balanced scorecard approach as a performance indicator for measuring success, while the smaller retail businesses focus on finances. • Performance but recognizes the operational value of goals to enhance reputation in society. • Dominant financial targets; and where there are other indicators, such as transformation and community projects, managers do not always communicate them to their staff. • The main problems retailers experienced in extending their scorecard from purely financial indicators were the time required and additional costs, as well as the risk of competitors imitating their strategy. • Most collaboration between businesses on social development issues is at the sector/industry level; Business leaders prefer to do so through sector associations, to prevent accusations of collusion. • There is little evidence of collaboration or knowledge sharing between business and government agencies on socio-economic development issues. 	Afrika Selatan, 2017
7	Analysis of Supply Chain Performance Using the Balanced Scorecard Method at PT. Sumber Alfaria Trijaya, Tbk (Alfamart) (Khadijah et al.)	The analytical method used is the balanced scorecard using a questionnaire as an assessment.	A supply chain performance at PT. Sumber Alfaria Trijaya, Tbk based on the four perspectives of the balanced scorecard is good, but there must still be efforts made by the company to maintain or improve the performance of the supply chain in PT. Sumber Alfaria Trijaya,	Indonesia, 2020

No	Title, Author	Methods	Result	Country, Year
8	Development Of A Strategic Plan For A Retail Company In The Kingdom Of Saudi Arabia Using Balanced Scorecard (Balain & Rizwan)	Literature review with data collected from Nielsen's enterprise data repository (BI) and market share with 30 departments.	Tbk. The literature says a top-down approach is important for BSC to be successful. Case facts show that the bottom-up strategy is used. Therefore, one way to overcome this problem is to start all over again by using a top-down strategy. In addition, keeping the scorecard at the top will require real sub-process level fixes. Therefore, one way to get an effective BSC, including strategies and actions to support implementation, is to share it with the entire organization.	Saudi Arabia, 2020
9	Shopping Mall Retailing: a Bibliometric Analysis and Systematic Assessment of Chebat's Contributions (Krey et al.)	Drawing on a bibliometric analysis and systematic review of 31 articles, this study synthesizes the contributions of Jean-Charles Chebat to the shopping center literature.	The findings highlight four core groups from the shopping center literature, namely the search for spatial direction, atmosphere, consumer differences across shopping center experiences, and shopping center consequences. The newly developed Shopping Center Experience Framework expands on Chebat's research proposing an exciting additional element to current mall retail research.	2022
10	Implementation of the Balanced Scorecard in Determining Business Strategy at PT. Mahameru Pacific Ambassador (Retail and Distribution) (Yuwanda et al.)	Questionnaires to companies to share and obtained primary and secondary data, where statements are prepared based on Critical Success Factors.	Manage distribution routes and distribute at one time, this can reduce operational costs and minimize distribution costs. Establishing more good cooperation with various retailers and stimulating it with bundling and discount strategies, this can increase the level of customer satisfaction and loyalty and increase partner trust in the company. Providing creativity training to employees to become innovative behavior. Innovative employees will implement their creative ideas in business activities that will benefit the company.	Indonesia, 2022
11	Management Factors Affecting the Use of Dumb Scorecard by: Research on Vietnamese Retail Enterprises	The research method uses a questionnaire survey of managers, chief accountants, and accountants in the retail business	The management control system used, the ability of managers to receive new knowledge, how to evaluate subordinates of managers and the perceived usefulness of the balanced	Vietnam, 2022

No	Title, Author	Methods	Result	Country, Year
	(Luu et al.)		scorecard. Managers' perceptions of the ease of use of the balanced scorecard have a positive effect on the use of the balanced scorecard in Vietnamese retail businesses.	

Source: Processed by researchers, 2023 from various sources (Google Scholar, ResearchGate, ScienceDirect, etc.)

RESEARCH METHODS

The research method used in this study is systematic literature review, which is process that allowed to collect relevant evidence on the given topic that fits the pre-specified eligibility criteria and to have an answer for the formulated research questions (Mengist, Soromessa, & Legese, 2020). This research can also be categorized as developmental studies, which is research that is intended to try to find out the development of the subject, for example how babies develop in terms of their physical and psychological aspects. (Hardani, et al., 2020, hal. 67). Research analysis and development techniques use literature studies from various sources including Google Scholar,

Sinta, Science Direct, ResearchGate and other web search paper research.

Researchers also analyzed the evaluation steps in preparation to identify challenges and obstacles to the Balanced Scorecard. The preparation of the proposed Balanced Scorecard framework for the retail industry was carried out by cascading to the Human Resources Department. The data obtained was assessed through validity testing through expert testing, and reliability testing through data triangulation. Data analysis in qualitative research requires conceptuality, namely the process of developing concepts that is carried out before entering the field. Data triangulation is a data collection technique that combines various existing data and sources (Sugiyono, 2018, hal. 85).

RESULTS AND DISCUSSION

Results

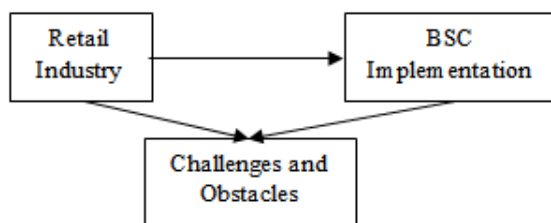


Figure 2. Framework Model

This research refers to the theory used as a template for the development of the balanced scorecard from the first generation to the third generation. In their research, Kaplan & McMillan explained that the Balanced Scorecard Triple Bottom Line model is an extension of the original or classic BSC template for a triple bottom line

strategy that is intended to occur when a company expands while simultaneously creating economic, environmental, and social value. Template The first generation of balanced scorecards is described as having only 4 perspectives that are used in implementation by companies. Here is an example in Figure 3 of the original or classic BSC:

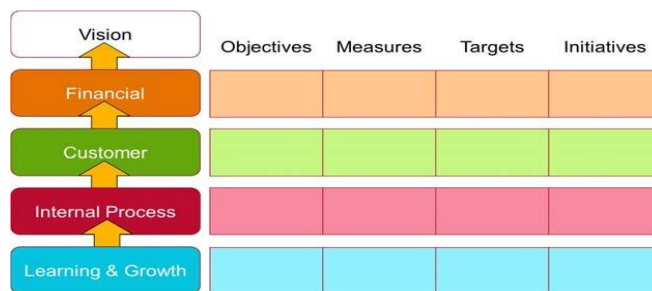


Figure 3. Classical Balanced Scorecard Perspective for Commercial Entities

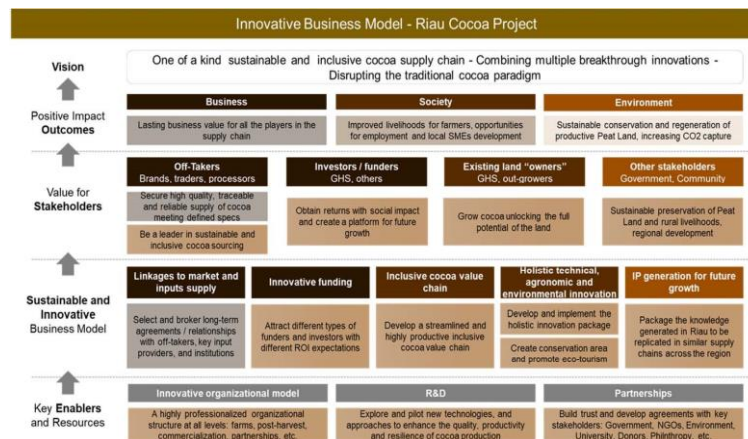


Figure 4. 3rd Generation Balanced Scorecard applied

Evaluation is needed by retail industries that apply Balanced Scorecards in running their business. Evaluation of the implementation of the balanced scorecard in retail industry can be a challenge and obstacle/obstacle. The first challenge is aligning the scorecard with the company's strategy and goals. This requires a clear understanding of the company's goals and a commitment to achieving them. Another challenge is selecting the most relevant key performance indicators (KPIs) that reflect the company's goals and objectives. Too many or irrelevant actions can lead to confusion and a lack of focus. Poor data quality and availability can also hinder the implementation of the balanced scorecard. Retailers must ensure that they have access to accurate and timely data to make informed decisions. Finally, resistance to change and learning can be a significant barrier to successful implementation. Retail companies must foster a culture of innovation and continuous improvement to take full advantage of the benefits of the balanced scorecard.

Discussion

This research still refers to the use of the classic Balanced Scorecard. Objectives and measures in the structure of the four perspectives can be linked to describe cause-and-effect relationships in a profitable strategy. The financial perspective of a retail company's balanced scorecard typically focuses on metrics such as revenue growth, profitability, and return on investment. These metrics are critical to measuring a company's financial performance and ensuring long-term sustainability. To use the financial perspective effectively in BSC, retail companies must define clear and specific financial objectives that align with their overall strategy. They must also collect accurate and relevant financial data and report it in a timely and efficient manner. By tracking and analyzing these metrics, retail

companies can make informed decisions and take corrective actions to improve financial performance and achieve their strategic goals.

In the context of retail companies, the customer perspective is very important because it allows companies to understand the needs, expectations, and satisfaction levels of their customers. Metrics such as customer acquisition, retention, and satisfaction are used to evaluate the success of a retail company's customer perspective. By focusing on the customer perspective, retail companies can improve their customer service, enhance their brand reputation, and ultimately increase customer loyalty and profitability.

The internal process perspective of the retail company's balanced scorecard focuses on internal processes and systems that drive operational efficiency and effectiveness. This perspective includes metrics such as inventory turnover, supply chain efficiency, and employee productivity. By measuring and improving internal processes, retail companies can reduce costs, increase productivity, and improve the overall customer experience. For example, a retail company might measure the time it takes to restock certain products or the efficiency of its checkout process to identify areas for improvement. This perspective helps retail companies to streamline their operations and deliver greater value to their customers.

The learning and growth perspective of the retail company's balanced scorecard focuses on developing employee skills and knowledge, enhancing corporate culture, and implementing new technologies to remain competitive. This perspective includes metrics such as employee satisfaction, training and development, innovation, and IT infrastructure. By investing in employee training and development, companies can improve employee retention, productivity, and overall performance. Moreover, by cultivating a culture of

innovation and implementing new technologies, companies can stay ahead of the competition and provide a better customer experience. Improving these metrics can lead to long-term success and growth for a retail company.

CONCLUSION

Balanced Scorecards in running their business. Retail companies must foster a culture of innovation and continuous improvement to take full advantage of the benefits of the balanced scorecard. This research is expected to contribute the literature to the development of theories about the challenges and obstacles to implementing Balanced Scorecards in the retail industry.

Balanced Scorecard. It is hoped that future researchers will use the 3rd generation-balanced scorecard in conducting their research to examine the obstacles and challenges of implementing the Balanced Scorecard in the retail industry. Future research is expected to use case studies and empirical research for further research and add measurement methods to evaluate the implementation of the balanced scorecard in the retail industry.

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