



Arab American University
Faculty of Graduate Studies

**The Use of Balanced Scorecard for Performance Evaluation in Industrial
Corporations Listed on Palestine Securities Exchange (PSE)**

By

Mahmuod Sameeh Hassan Nearat

Supervisor

Dr. Zahran Daraghme

**This thesis was submitted in partial fulfillment of the requirements for the
Master's degree in strategic planning and fundraising**

June, 2018

© Arab American University 2018. All rights reserved.

The Use of Balanced Scorecard for Performance Evaluation in Industrial Corporations Listed on Palestine Securities Exchange (PSE)

By

Mahmuod Sameeh Hassan Nearat

This thesis defended successfully on June 26, 2018 and approved by:

Committee members

Signature

1. Supervisor Name: Dr. Zahran Daraghmeh

.....

2. Internal examiner: Professor. Aysar Sussan

.....

3. External examiner: Dr. Hisham Jabr

.....

Declaration

I declare that the content of this thesis is my own research work, unless otherwise referenced. I certify that this thesis does not contain any material published before by another person or has been submitted elsewhere for any degree or qualification.

Name: **Mahmuod Sameeh Hassan Nearat**

Signature: _____

Arab American University, Jenin- Palestine.

Date: June 26, 2018

Dedication

To my dear father ... May God prolong his life and provide him with good health and wellness.

To my sweet, mother who enlightens me by her calls.

To my dear brothers and sisters.

Moreover, to all my teachers and colleagues.

To the Arab American University incubator of creativity and science.

To all who contributed to the success of this message.

To all these people I dedicate this study.

Researcher

Mahmuod Sameeh Hassan Nearat

Acknowledgment

First thanks for God, who helped me accomplish this modest study, and then to the Arab American University, which gave me the help and assistance.

I find myself indebted to my Supervisor Dr. Zahran Daraghmeh, the head of the Accounting Department, who has been in charge of supervising this study, he has provided me with care, advice and guidance throughout the study period.

I also extend my thanks and appreciation to the distinguished professors of the discussion committee.

Professor, Aysar Sussan an internal examiner

Dr. Hisham Jabr an external examiner

To discuss this study, and enrich it with valuable observations and guidance. At the end ... many thanks for all those who helped me, even with good wishes and wishes, and God rewarded all good.

The Use of Balanced Scorecard for Performance Evaluation in Industrial Corporations Listed on Palestine Securities Exchange (PSE)

Abstract

The study aimed to measure the use of the BSC in assessing the performance of the Palestinian industrial companies listed on the PSE and knowing whether the elements of implementing the BSC are possible to apply the four dimensions of the card.

The study relied on the analytical descriptive approach through returning to many documents, books and previous studies that focus on the subject. The questionnaire was used to collect the main data of this study, and then to be released and analyzed using SPSS.

The targeted population in this study is each employee have BSC background and working in the industrial Palestinian corporations listed on the PSE; they are 11, and excluded the others. 120 questionnaires were distributed, 91 of them were completed.

The study showed that the Palestinian industrial companies listed on the PSE use BSC dimensions (financial, customers, internal processes and learning and growth) perspectives.

It also showed that there is a relationship between the BSC and its components (customer's perspective, internal business process, learning and growth) and corporate performance.

Furthermore, the interpretation strength is very low between the financial perspective and the company's performance, there is a great relationship between the customer perspective, internal process perspective, and the perspective of learning, growth and company performance.

Recommendations:

1. Attract qualified and technical expertise who are capable to apply a balanced performance measurement card efficiently and effectively in the industrial companies listed on the PSE.
2. Conducting specialized training courses about Balanced Scorecard to train the company's employees how to apply the card axes effectively and know the achieved advantages by applying it.
3. The need for a study of the Balanced Scorecard in various business organizations, as well as in service organizations such as hospitals, government departments and educational institutions to benefit from its advantages as a tool to evaluate performance comprehensively across the various organization parts.

List of abbreviations:

List of abbreviations	
ABC	Activity Based Costing
APIC	Arab Palestinian Investment Company
BSC	Balanced Scorecard
CEO	Chief Executive Officer
NGO	Non-Governmental Organization
PSE	Palestinian Securities Exchange
LT	Private Limited Company
ROE	Return On Equity
ROI	Return On Investment
SPSS	Statistical Package for the Social Sciences
SWOT	Strength ,Weakness, Opportunities , Threat
SME	Small and Medium Sized Enterprises

Table of contents

Declaration.....	III
Dedication.....	IV
Acknowledgment.....	V
Abstract.....	VI
List of abbreviations:	VIII
Table of contents.....	IX
List of tables:	XII
List of figures.....	XIII
List of appendices:	XIII

Chapter One

Introduction

Introduction.....	1
1.1 Introduction.....	1
1.2 Problem Statement.....	2
1.3 Objectives of study	3
1.4 Significint of study.....	4
1.5 Study Model.....	4
Dependent Variable	4
Independent Variables	4
1.6 Hypotheses.....	5
1.7 Limitations of the Study	5

Chapter Two

Literature Review

2.1 Theoretical background	6
2.1.1Introduction.....	6
2.1.2 Definitions of Balanced Scorecard (BSC)	7
2.1.3 The Importance of Balanced Scorecard.....	8
2.1.4 Perspectives of the Balanced Scorecard	10
2.1.4.1 Financial Perspective	10

2.1.4.2 Customer Perspective	13
2.1.4.3 Internal Processes Perspective	13
2.1.4.4 Learning and Growth Perspective.....	14
2.1.5 Steps to Design and Implement a Balanced Scorecard.....	15
2.1.6 The Influence of the BSC on the Organizations	18
2.1.7 Strategy mapping	18
2.1.8 Advantages of using a Balanced Scorecard.....	19
2.1.9 Challenges of applying Balanced Scorecard	20
2.2 Previous Studies.....	21
2.3 Comments on the literature review	36
2.4 Agreement and disagreement of the study and other previous literatures:	36
2.4.1 Consistent of the study with literature review:.....	36
2.4.2 Differences of the study with literature review:	37
2.4.3 The study comparison with the previous literature as follows:	37

Chapter Three

Research Methodology

3.1 Chapter Overview	38
3.2 Research Approach	38
3.3 Study Population and Sample Size	38
3.4 Research Design	39
3.5 Data Collection Techniques.....	39
3.5.1 Primary data.....	40
3.5.2 Secondary data.....	40
3.6 Quality of the Research Design	41
3.6.1 Validity Analysis.....	42
3.6.2 Reliability Analysis.....	42
3.7 Statistical Analysis Approach.....	43

Chapter Four

The Findings

4.1 Chapter Overview	45
4.2 Analysis of Survey Data	45
4.2.1 sample characteristics	45
4.2.2 Results related to Study Hypotheses.....	49

4.2.2.1 Results of the first Hypotheses.....	49
4.2.2.2 Results of the second Hypotheses.....	51
4.2.2.3 Results of the third Hypotheses.....	52
4.2.2.4 Results of the forth Hypotheses.....	54
4.2.2.5 Results of the fifth Hypotheses.....	56
4.2.2.5.1 Results of the first sub- hypothesis.....	58
4.2.2.5.2 Results of the second sub- hypothesis.....	58
4.2.2.5.3 Results of the third sub- hypothesis.....	59
4.2.2.5.3 Results of the fourth sub- hypothesis.....	60
4.3 Additional Tests.....	61

Chapter Five

Conclusion, and Recommenations

5.1 Conclusions.....	64
5.2 Recommendations.....	66
5.3 Suggestion for Future Research.....	67
References.....	68
Arabic Abstract.....	88

List of tables:

Table No.	Table Name	Page No.
2.1	Performance measures appropriate for strategic objectives and performance engines.	17
3.1	The key correction according to a five-point Likert scale (Likert, 1932) for BSC.	41
3.2	The key correction according 10 th scale for Corporation performances directions by 10 items.	41
3.3	Coefficient of Cronbach Alpha for measuring the reliability of the questionnaire domains and total degree of responses.	43
3.4	The estimation level of sample responses on the study tool.	44
4.1	Distribution of study Sample according to Scientific Qualification Variable.	45
4.2	Distribution of study sample according to the respondent's specialization.	46
4.3	Distribution of the study sample according to the Job title variable.	47
4.4	Distribution of the study sample according to the years of experience variable.	48
4.5	Distribution of the study sample according to the number of workers variable.	49
4.6	Applying financial perspective of the BSC for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).	50
4.7	Applying customers' perspective of the BSC for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).	51
4.8	Applying internal process perspective of the BSC for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).	53
4.9	Applying staff capability perspective of the BSC for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).	54
4.10	Descriptive statistics of Corporation performance items.	56

4.11	Linear regression test to determine of the BSC on the performance of the listed industrial corporations on the (PSE).	57
4.12	Linear regression test to determine the impact of the financial perspective on the performance of the listed industrial corporations on the (PSE).	58
4.13	Linear regression test to determine the impact of the customers' perspective on the performance of the listed industrial corporations on the (PSE).	59
4.14	Linear regression test to determine the impact of the internal process perspective on the performance of the listed industrial corporations on the (PSE) .	60
4.15	Linear regression test to determine the impact of the learning and growth perspective on the performance of the listed industrial corporations on the (PSE) .	61
4.16	ANOVA Test for investigating the Inconsistency of the Opinions of the Respondents.	62
4.17	Kruskal Wallis Test for investigating the Opinions Inconsistency of the Respondents.	63

List of figures

Figure No.	Subject	Page No.
1	Dependent Variable and Independent Variable	4
2	four dimensions of the balanced Scorecard model	10

List of appendices:

No.	Subject	Page No.
1	Questionnaire in Arabic	73
2	Questionnaire in English	80
3	Questionnaire Referee	87

Chapter One

Introduction

1.1 Introduction

The world changes in this time are threatening the companies and institutions existence and impede their development and growth so there must implement many powerful functions to continue the company's growth. In addition, the financial managers and the Board of Directors prepare a Performance Evaluation Report generally, the financial indicators are indicative to explain the real performance of the company (Kadam, 2012; Khemani, 2005).

The conventional performance measurement systems just based on financial metrics, have been considered inadequate and paid more attention to nonfinancial metrics. (Singh, 2014).

The Kaplan and Norton 1992, developed the comprehensive model of performance evaluation, This model called the Balance Scorecard (BSC). they introduced the Balanced Scorecard in 1992 Moreover, the manuscript of Kaplan was based on a multi-firm research project to examine the performance measurement in firms whose intangible assets played a central role in value creation. Whereas many of the authors in the management and cost accounting fields testify that the BSC model is comprehensive, use financial and non-financial indicators, and balance between the financial and non-financial measures of performance and measure and enhance the performance in the short run and long run (Dag Madsen, 2014 ; Kaplan, 2007 ; Kaplan, 1992).

The BSC uses four perspectives to measuring the comprehensive performance, they are: the financial perspective, the customer perspective, internal business unit perspective, and learning and innovation perspective, for instance, (Marr, 2010) shows that more than 50% of the companies in America, Europe and Asia are using the BSC model to value the comprehensive performance.

This study chose industrial corporations listed on the Palestinian Security Exchange (PSE), it characterized by transparency and work within the laws, regulations and modern systems that provide the foundations of protection and commercial insurance. There are 48 corporations listed on the Palestinian exchange, they are large, distinct and have an effective role to improve the economic situation in Palestine.

This chapter deals with the problem of the study, study objectives, the study importance, reviewing the literatures, study model, the hypotheses, and what distinguishes this study from others.

1.2 Problem Statement

Most of Palestinians financial managers rely on financial indicators to assess the performance of the Palestinian corporations listed on the Palestine Exchange (Governance, 2012). In addition; many researchers in the developed countries show that the Balanced Scorecard is one of the best model for evaluating the performance. For instance, (Kadam, 2012) shows that the BSC is the most accurate tool for performance evaluation, it explain that the BSC is a comprehensive measure because it exploits the financial and non-financial indicators of performance. Also (Singh, 2014) shows that the components of the BSC claim that it aligns with corporation strategy, which leading to better motivation, communication and performance.

The above mentioned discussions encouraged the author of this thesis to test the problem that stated as follows:

What is the extent to which the in Industrial Palestinian Corporations Listed on the (PSE) use Balanced Scorecard for Performance Evaluation?

There are four sub questions related to the statment of problem are :

1. Are the industrial Palestinian Corporations listed on the (PSE) use the financial perspective of the BSC for performance evaluation ?
2. Are the industrial Palestinian Corporations listed on the (PSE) use the customers' perspective of the BSC for performance evaluation ?
3. Are the industrial Palestinian Corporations listed on the (PSE) use the internal process perspective of the BSC for performance evaluation ?
4. Are the industrial Palestinian Corporations listed on the (PSE) use the staff capability perspective of the BSC for performance evaluation ?

Accordingly, this thesis comes to provide evidence from the listed corporation in the PSE regarding the impact of the balanced scorecard on the industrial corporation's performance.

1.3 Objectives of study

This study aims to achieve the following objectives:

- A. To provide evidence of the reality of the Palestinian industrial companies on how to use the Balanced Scorecard to evaluate the performance.
- B. To evaluate to which extent the Palestinian industrial companies adopt the non-financial perspectives for evaluating the performance.
- C. To suggest recommendations to help the Palestinian industrial companies applying the Balanced Scorecard model.
- D. To identify the model applying weaknesses.

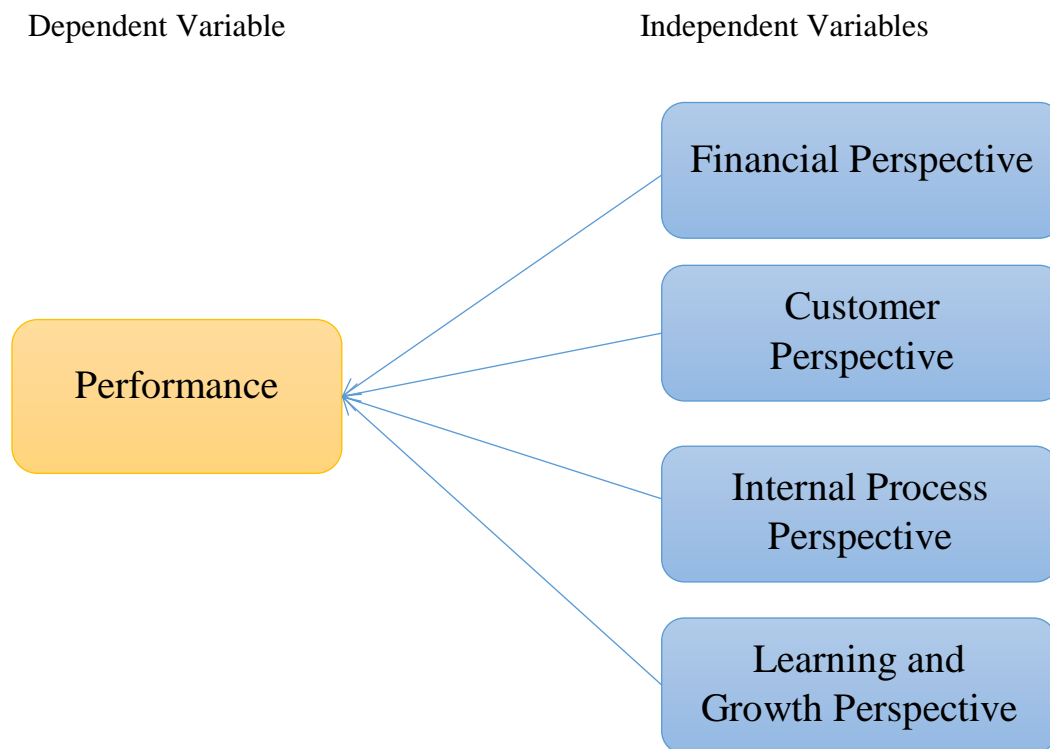
1.4 Significant of study

The presented points below shows the significant of this study.

- This study is consider rare which examines the use of BSC in industrial companies for performance evaluation.
- This paper deals with a vital topic in performance evaluation that should been used by corporations.
- It shows the shortcoming of applying the (BSC) from the reality of the listed industrial corporation in the PSE.
- This paper will suggests recommendations that will assist the listed Palestinian industrial corporation in the PSE to apply the BSC model in correct way.

1.5 Study Model

Figure 1 shows the dependent variable and independent variables related to this thesis:



1.6 Hypotheses

This Research comes to examine the following hypotheses.

Main hypotheses:

H_0 : There is no relationship between the use BSC and performance evaluation of Industrial Corporation listed on the PSE.

H_1 : *There is a relationship between the use BSC and performance evaluation of Industrial Corporation listed on the PSE.*

Sub hypotheses:

1. H_0 : There is no relationship between the use financial perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.

H_1 : *There is a relationship between the use financial perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.*

2. H_0 : There is no relationship between the use customers' perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.

H_1 : *There is a relationship between the use customers' perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.*

3. H_0 : There is no relationship between the use internal process perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.

H_1 : *There is a relationship between the use internal process perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.*

4. H_0 : There is no relationship between the use the staff capability perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.

H_1 : *There is a relationship between the use the staff capability perspective of the BSC and performance evaluation in Industrial Corporation listed on the PSE.*

1.7 Limitations of the Study

There are many limitation of this study:

- Place: the questionnaires were distributed to the industrial corporations in the west bank, but the Gaza strip was excluded.
- Time: the study covers the year 2018.

Chapter Two Literature Review

2.1 Theoretical background

This chapter will present the theoretical background and review of the previous literatures.

2.1.1 Introduction

There are many internal and external complications and obstacles facing the Palestinian society like occupation and siege, which divided between the West Bank and Gaza strip. This has hindered providing services by the community institutions and the large and small Palestinian companies, in the strategic planning process to manage these companies. In the management of these companies and this corresponds the use of administrative accounting in the Palestinian working environment is a greater way from the modern accounting methods (El-Daour J, 2010).

The successful management functions depend on the successful planning adopted by the institution in the work place, which helps to control the quality of the products provided by the institution. Also provides an institution performance assessment and achieve high competitive advantages to help decision-makers making strategic decisions, renew investment and expand provided institutions services through increasing the capital and achieve high profits. In addition, helps raising the share prices of these institutions, increase the welfare of employees, and provide new jobs opportunities, high quality products and good prices that suits the customer's desire. (Abdul Aziz, 2003).

The management accounting methods and the principles of modern strategic planning are summarize in the high quality of the products to suit the customers' desires at a certain cost. The balanced performance card interacts with them to achieve institution strategic objectives while achieving the customer's satisfaction. The balanced performance card is one of the latest

management accounting methods to evaluate corporate performance and Success Strategies. (Al-Rafati, 2011).

2.1.2 Definitions of Balanced Scorecard (BSC)

The BSC is an incorporated set of financial and non-financial measures employed in a firm's strategy executing procedure, which underlines the strategy of communication with the members and for providing feedback for attaining goals of the organization (Mendoza, 2001).

The success of an organization depends on the capabilities and competencies it possesses and the methods of evaluation it follows. The Balanced Scorecard is one of the most popular evaluation tools that developed by Norton and Kaplan 1992, (Abhijit, 2006).

Norton and Kaplan presented a Balanced Scorecard when they acknowledged the change among companies around the world. Where it was found that there was a difficulty in exploiting intangible assets compared to investing in or managing physical assets; enabling companies to adopt a financial perspective, and monitor progress in capacity building and intangible asset acquisition, which they use to grow in the future (Kaplan, 2007).

The BSC means different things to different people, and they mean a measurement system that measures the organizational performance across four perspectives that derived from the organization's Mission, vision and strategy (Kaplan, 2012).

The balanced scorecard is defined as a new tool that complement traditional measures of business unit performance, where they contains diverse set of performance measures, including (financial, customer, internal processes and learning and growth) perspectives (Lipe, 2002) .

Balanced Scorecard is a tool that motivates employees and helps them to achieve the organization's vision, strategy, and promote balance between the four basic dimensions (financial dimension, customer satisfaction, learning and growth and internal processes) (Aabdeen, 2013).

Financial standards in a complex and changing business environment have become inadequate to manage this environment, especially since most establishments have become more interested in the internal work environment, focusing on working to capitalize on intellectual capital and knowledge-based assets. (Anthoula, 2011; Abdul Aziz, 2003).

The Balanced Scorecard is a strategic planning and management system used to align business activities to the vision and strategy of the organization, improve internal and external communication and monitor organizational performance (Nyaega, 2013).

The balanced scorecard has set of measures that give top managers a business view, measurement system, strategic management system and strategic communication tool between management levels and all units of the organization (Tarazi, 2015).

Based on these definitions, we find that the Balanced Scorecard has many uses, objectives and strategies. Therefore, the study defines the Balanced Scorecard as a set of measures that gives senior managers a quick and comprehensive approach to business, measurement system, strategic management system and management communication between administrative levels and all institution sections from the perspectives of (financial, customer, learning and growth and internal operations).

2.1.3 The Importance of Balanced Scorecard

A Balanced Scorecard helps organizations to overcome three key challenges: performance measurement, high intangible assets and strategy implementation, as traditional financial measures of performance do not reflect the daily business environment and do not help to think long-term (Geoffrey R. Frost, 2000). Concluded the importance of the BSC in four points as follows:

1. Provides an integrated reporting mechanism that summarizes the organization's performance.
2. The results provided by the Balanced Scorecard help to develop strategies for the organization's progress and to make strategic decisions.
3. An important role in developing the internal performance of the institution and its internal and external relations.
4. Helps implement enterprise strategies.

According to the study (Abu Hammam, 2013), summarized the importance of a BSC as follows:

1. Relying on traditional evaluation systems that were limited to quantitative measures.
2. The absence of a comprehensive system that balances short-term goals and long-term objectives of the organization.
3. The company's expansion in terms of multiple branches in many countries called for linking the company's vision with its strategic objectives.

(Dyllick, 2001) Considers the important main points as follows:

1. It is the cornerstone of the organization's current and future success.
2. Linking the organization's long-term strategies with short-term activities will be the basic plan for success.
3. Identify new areas of work that fit the objectives and vision of the institution and match the wishes of customers.
4. Focus on the organization's needs to increase performance through specific quality and customer service programs and a suitable nutrition status for the organization.

2.1.4 Perspectives of the Balanced Scorecard

There are four Perspectives of Balanced Scorecard as explored in (Kaplan, 1996) in figure 2 below.

Figure 2 shows the four dimensions of the balanced Scorecard model:



Figure 2: Perspectives of the balanced Scorecard (Kaplan, 1996).

2.1.4.1 Financial Perspective

The financial perspective is one of the most important perspectives of measuring and evaluating performance. This perspective represents measures aimed to achieve the objectives, the level of profits achieved for the institution strategy and focuses on the level of operating income, returning to the investment capital, which resulting from costs reduction and sales volume growth of current and new products, Owners' rights and return on total assets (Ghalebi, 2008).

The financial perspective is the result of the institution activities, which seeks to maximize profits to meet the shareholders expectations, is the picture showing the strategies success pursued the institution to achieve the profitability of shareholders by increasing the value of their investments, and can achieve this through two basic strategies (Talebnia, 2012 ; Horngren, 2009).

A. Revenue Growth Strategy: Revenue growth can be achieved through two methods:

- Building a unique service relationship that generates additional revenue from new market and customer services.
- Increasing services to current customers by deepening the relationship with them, trying to find the appropriate solutions to achieve their desires, and finding the appropriate mix of products and services provided to them.

B. Productivity Growth Strategy: The productivity of the organization can be achieved through two methods:

- Improving the cost structure: by reducing direct and indirect expenses.
- Asset utilization efficiency: through the asset turnover, in order to reach an appropriate operational level.

Financial performance measures:

1. Profitability: Measured by operating income, return on investment, and economic value added (Harmon, 2003) follows:

A. Operating income: subtracting operational expenses from operating income calculated it.

There are a range of measures that fall under this scale:

- Short-term operating margin.
- Contribution margin subject to supervision.

- Profit before taxes.

B. Return on Investment (ROI): Calculated in one of the following equations (Horngren, 2009).

- $ROI = (\text{net profit after interest and taxes} / \text{net assets}) \times 100\%$
- $ROI = (\text{net profit after interest and taxes} / \text{net sales}) \times (\text{net sales} / \text{net assets}) \times 100\%$

The ROI is one of the most common performance measures for two reasons:

- It combines all the components net profit margin and asset turnover in one ratio.
- It is also comparable to the return rate on both opportunities within and outside the organization. Like any performance measure, investment must use prudently and linked to other standards.

C. Economic Value Added (EVA): It's calculated by subtracting the cost of capital invested from net income before taxes and used to assess the performance of the various organization divisions (Kaplan, 1996).

2. Productivity: It is a relationship between outputs and inputs amount, which exhausted; this means that productivity can be used as an economic unit measure ability. It is the ability to achieve targeted outputs from an input element; the objective is to judge efficiency to use production factors (Marr, 2010).

3. Growth sales ratio: This measure gives efficiency and efficiency performance indication of the of the Organization's Revenue Department over several consecutive years, and calculated by subtracting the net income for the current year, from the preceding and previous year and falling by percentage (Davidson. B, 2011).

4. Cash flows: Net cash flows that calculated by subtracting cash payments for investment, financing and operating activities from cash receipts, the cash balance is determined by adding the

initial balance to net cash flows. This statement helps investors, creditors and managers to manage the organization's ability to generate cash flows, the cash management in the profits distribution and obligations, and the investment surplus cash excess of the minimum cash amount to be retained (Kaplan, 2001; Kaplan, 1996).

2.1.4.2 Customer Perspective

In order to achieve the financial objectives, the Companies must achieve the objectives which relating to the customer perspective and the Success in the customer perspective lead to improvement the financial perspective objectives for growth in revenues and profits. There are a set of characteristics, which govern values from the customers viewpoint in different institutions (Kaplan, 1996) there are .

- Features or characteristics of the service: The price of products includes the services quality provided, the availability of services and goods.
- Customer relationship and responsiveness of the organization to customer requests.
- Goodwill: It is the organization ability to identify its products, and the most distinguished features, which are distinguished from other institutions.

2.1.4.3 Internal Processes Perspective

This Perspective focuses on the internal factors and internal procedures that enable the organization to excel and thus lead to achieving the customers expected desires efficiently and effectively, as well as, to achieve outstanding financial results satisfactory to the enterprise employees. Also introduces in this aspect inventions and innovations that lead to the introduction of verification services Satisfaction of existing and new customers, (Awad, 2009).

This dimension focuses on measuring the future institution performance by presenting the internal activities, and processes carried out by the institution to achieve the objectives and requirements of the customers. This would happen through the development, innovation and development in light of the community determinants as this dimension focuses on internal processes that enhance both customers dimension by creating value for them and the financial dimension by increasing the revenue of the enterprise (Alpeshtawi, 2001).

The series of activities and internal stages of enterprises that value the customers divided into the following stages (El- Daour , 2013).

- Phase 1: The research and development cycle called after the studies of the community, the required work plan, used means quality in the institution and the period to carry out the work.
- Phase 2: the cycle of operation defined as the method, quality of the services provided, the delivery methods, services processing, and the nature of the service provided to the customers.
- The third phase: which called post-service cycle and goods.

2.1.4.4 Learning and Growth Perspective

The learning and growth perspective, the institution guaranteed the ability to innovate, which is the prerequisite for long-term survival and continuity. This perspective aims to guide individuals towards the continuous improvement and improvement necessary to survive (Abdullatif, 2006).

In this perspective, the organization examines what it should do to retain the technical knowledge required to understand and satisfy the needs of customers, and to develop that knowledge, as well

as to study how to maintain the efficiency and productivity necessary to processes that create value for the customer (Atkinson, 2012).

Learning and growth perspective, focuses on how the organization adapts effectively to change circumstances, in other words, what the organization must do to improve its capabilities for good internal processes, which add value to the customers and society. Through the ability to deliver superior customer service, create greater value for them, and where the organization can create new areas (Crosson, 2011).

2.1.5 Steps to Design and Implement a Balanced Scorecard

A set of measures aimed to achieve the effectiveness, comprehensiveness and balance of the financial and operational performance appraisal system that called the Balanced Scorecard. It reflects the performance of the organization in four perspective: the financial, customer, internal operations, learning and growth. The Balanced Scorecard can applied using the following steps: (Abadi, 2002).

1. Formulating Organizational Vision

Firstly, the organization must determine the vision and mission of the strategic business unit. In general, the Balanced Scorecard based on a common vision that fits into the business unit, which has customers, channels of communication with customers that satisfy their wishes, and their financial performance metrics (Rohm, 2002).

The main objective at this stage is to lay the groundwork for a consensus on the characteristics and requirements of the service, a clear definition of the organization's status, and agreement on how the service will evolve in the future for the vision of the organization and its mission, goals and objectives (Zaghloul, 2010).

2. Determine the Overall Strategy of the Institution

The senior management determines the strategy of the institution in its life cycle, its objectives, the level of competition it faces, its potential, its internal resources, if the institution is new, the stage of growth and a highly competitive. It will focus on external performance engines such as customer satisfaction, environmental performance, and innovation in the field information technology in the technology light applied by competitors, in order to strengthen the institution competitive position (Perry, 2011).

3. Determination the Success Factors

The general strategies are loaded and translated as strategic objectives to the four performance engines; this achieves the vertical coherence of the performance appraisal system, as well as achieving horizontal coherence by deriving objectives from strategies and collaborating with one another in achieving strategies (Niven, 2006).

4. Determine Performance Metrics

(Kaplan, 2010) Shows that this phase is concerned with defining performance measures to the predefined strategic objectives of the four performance engines. Also to considering that the number of measures is appropriate for the strategic objective, and expressing its evolutionary and competitive reality in the best possible way, the performance measures appropriate to the above strategic objectives for performance engines identified in the previous phase as shown in table (2.1) below:

Table (2.1)**Performance measures appropriate for strategic objectives and performance engines:**

BSC	Performance measures	Strategic goals
Financial Perspective	<ul style="list-style-type: none"> - Return on investment. - Revenue growth. - Change in the cost of money. 	<ul style="list-style-type: none"> - Improving the return. - Expand the customer mix. - Reduce costs.
Customer Perspective	<ul style="list-style-type: none"> - Development of services provided. - Increase new customers 'number. 	<ul style="list-style-type: none"> - Customer satisfaction. - Market share of the institution. - New customers.
Internal Processes Perspective	<ul style="list-style-type: none"> - Developing employees' skills. - Evolution in the practical approach. - Innovating new production methods. 	<ul style="list-style-type: none"> - Improving performance and operating methods. - Division of tasks . - inventing new production methods.
Learning and Growth Perspective	<ul style="list-style-type: none"> - The rate of technological development. - Technological response rate. - The rate of research activity development and its effectiveness. 	<ul style="list-style-type: none"> - Technical development in the production field. - Research and development in the production field. - Evolution of the information systems and production methods.

Source (Abadi, 2002)

5. Identify and Develop the Work Plan

In this step; goals are formulated, a work plan is developed that includes responsible personnel and a timetable for the progress preparation and final reports, the group must agree on a list of priorities and on a specific timetable to avoid unexpected problems (Almaghrabi, 2006).

6. Determining Operational Activities

It requires the activities identification and actions carry out and achieve the objectives and plan's transition to the real world; this requires annual identification targets, resources allocation, responsibilities identification and strengthening programs. Moreover, employees definition who working on the Balanced Scorecard in all institution sections (Pujas, 2010).

7. Monitoring and Evaluation

At this stage, institution monitors have standards achievement by preparing an information guide on the balanced performance card quarterly or monthly, and presenting it to the senior management for review and discussion with the unit managers and sections, the Balanced Scorecard is re-examined annually as a part of the strategic planning processes, objectives and resource allocation (Niven, 2006).

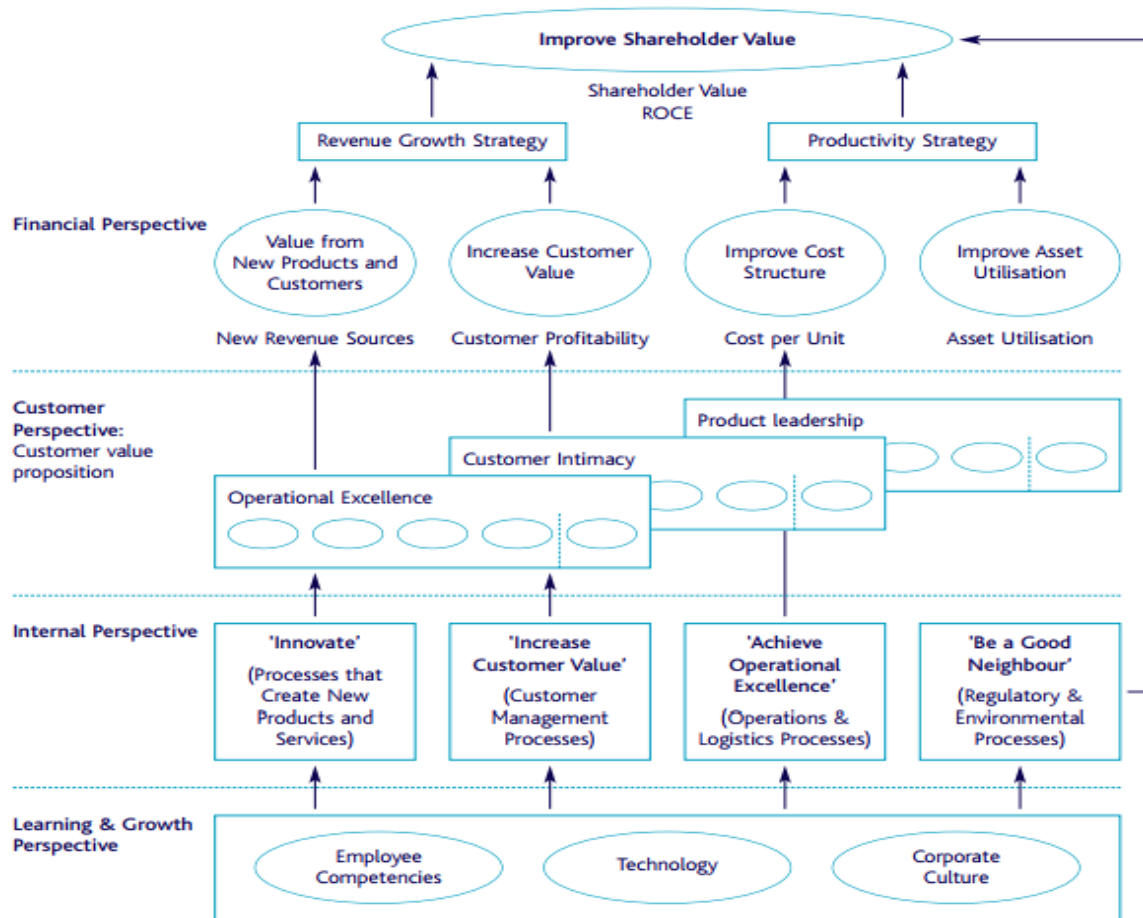
2.1.6 The Influence of the BSC on the Organizations

The Best practice in large firms propose that the BSC design activity should be a collective effort drawing upon the combined operational and strategic vision of key employees, which involved with business running; the failure to use a collective approach may weak the strategy value itself (Simon, 1957).

2.1.7 Strategy mapping

Strategy mapping provides an opportunity to articulate the key strategies or initiatives. The management adopts it to achieve the strategic objectives; the mapping process can be effective if it narrows the gap between the strategic vision/direction and the organization operational activities ensuring better execution of strategy (Kaplan, 2000).

Strategy Mapping Model



Source: Adapted from (Kaplan, 2001).

2.1.8 Advantages of using a Balanced Scorecard

The application of the Balanced Scorecard has many advantages (Alshishini, 2004), (Abdullatif, 2006), these are:

- A. Provides a comprehensive framework to the strategic translation objectives into a comprehensive set of benchmarks, which reflected in a strategic performance measure.
- B. It satisfies several administrative needs and provides a comprehensive management to the organization operations.

- C.** Protect the institution from occurrence the partial idea dimension, because it makes the managers to take into account performance measures and other Balanced Scorecard dimensions.
- D.** Balanced Scorecard includes many balances, which include balancing between long-term and short-term objectives, financial and non-financial measures, and balance of external and internal measures.
- E.** The Balanced Scorecard provides primary principles of development by focusing on the expected benefits.

2.1.9 Challenges of Applying Balanced Scorecard

Business organizations and service organizations face challenges that prevent the Balanced Scorecard to apply successfully; the following challenges are part of the challenges facing these institutions, (2008 Jacobsen).

- A.** Lack of managements and employees commitment in Balanced Scorecard applying process.
- B.** Failure to comply with the implementation of short-term operational plans and annual budgets in a timely manner.
- C.** Information system restrictions, which prevent the possibility to evaluate the institution performance, and therefore the inability to monitor progress towards the goals.
- D.** Difficulties facing the task force in drawing up the strategic map.
- E.** Consensus on the selection of performance measures.
- F.** Workers' resistance to change.

In order to overcome the Balanced Scorecard implementing challenges, the management and employees must adopt a performance measurement system based on the Balanced Scorecard,

which ensures that the organization vision, strategy and objectives translated into a comprehensive set of performance indicators, which help the organization to achieve its objectives (Jakobsen, 2008).

2.2 Previous Studies

This section comes to discuss the previous studies about examining the reliance on the balanced scorecard extent for Performance evaluation.

(Daraghma, 2015)

This paper titled using of the Balanced Scorecard for Performance Evaluation it is an empirical evidence from the Listed Corporations in the Palestinian Securities Exchange, the study used questionnaire to investigate the opinion of financial manager of the listed corporation in PSE, the study showed that :

- (1) The financial managers rely on the financial and customer perspectives to evaluate the performance of the listed corporations in the PSE.
- (2) The listed Palestinian companies do not rely on the learning and growth indicators to measure the performance.
- (3) The listed Palestinian Companies do not depend on the business process indicators to measure the performance.
- (4) This study conclude that the listed companies in Palestine do not rely on the indicators of BSC to measure the performance in a correct way.

This study recommends the corporations listed on the PSE to adopt the BSC for evaluating the performance. It also recommends the Palestine Exchange to obligate the listed corporations to use the BSC as a tool for strategic planning and performance evaluation.

(Tarazi, 2015)

The study showed that the scope measure using the BSC in performance evaluation for the Arab Palestinian Investment Company (APIC), and to see if BSC implementation elements are available for the implementation of its four perspectives. It relied on descriptive -analytical method and the study population; it presented to the company senior management, which has 45 employees.

The study concluded many outcomes including:

- The organization's has BSC implementation elements, where it has an ongoing appreciation of its operations and it has a clear vision and mission.
- The organization's presence an integration between the administrative companies levels through applying the strategy.

The study showed that there are challenges prevent using the BSC; divided into two categories;

- Challenges that related to the firm itself, such as: (lack of company's management adoption to the BSC applying idea, and the measures selecting difficulty).
- Challenges that beyond the company control, such as: (Palestinian economic situation weakness because of its association with the Israeli economy, lack of stabile security in Palestine).

The study recommend that , the need of hold training courses and workshops that are required in the areas of evaluating performance and financial and strategic planning by professional organizations, and the need to treat the obstacles were faced by the application of the BSC .

(Najafi, 2015)

This paper titled Personnel Performance Evaluation based on Balanced Scorecard (BSC) in Iran Health Networks, in this paper the BSC considered as an evaluation model and suitable criteria of personnel's performance appraisal; selected due to its four perspectives afterwards the weight of each criteria achieved using factor analysis, to studying the data research was collection for instrument for designing the questionnaire was a 101-question.

This paper specify personnel performance rank and be a strategy of motivation and efficiency job promotion for each of them.

(Singh, 2014)

This paper titled Enhancing Organizational Performance through Balance Scorecard with Strategic Management Activities in Indore, India the study showed the (BSC) is one of the management organizational performance enhancing technique and the BSC is a strategic management system that is used broadly in industries.

(Al-Najjar, 2013)

This study aims to show the Balanced Scorecard applying extent in the financial institutions in Gaza Strip, and to reveal the most important metrics actually used by these institutions in order to evaluate the strategic competitive position.

In addition, the study highlight of the effect of the Balanced Scorecard full implementation in its four dimensions (financial, customer, operational processes and learning and growth) strengthening the competitive position.

It applied upon banks and insurance companies operating in Gaza Strip; the sample consists of executive managers, branch managers, and some personnel charged with administrative activities as well as their technical duties.

The study found a set of results that the financial institutions operating in Gaza Strip; apply the financial and non- financial standards performance measuring, but that is not within the framework of the full and comprehensive model of the Balanced Scorecard (BSC).

The study also came up with a set of recommendations including the need for the financial institutions operating in Gaza Strip to adopt the Balanced Scorecard (BSC) in an integrated manner, with its four main dimensions.

(Aabdeen, 2013)

The study aims to identifying the extent the BSC using as a tool to evaluate the Science and Technology college performance Faculty in Khan Younis. This is to achieve the study objectives and to test its hypotheses. It relied on the analytical descriptive method, and the questionnaire designed to survey the opinions of the sample members with 30 respondents.

The most important study results are:

- The Science and Technology College uses a Balanced Scorecard with its four dimensions to evaluate the performance, the financial dimension, student satisfaction, internal operating processes, growth and learning of employees.
- The fee of the study hours are commensurate with the number and quality of services provided to students.

- The college seeks to increase revenues in a way that enables it to achieve its objectives.

The study results indicate that there is insufficient follow-up by the college administration with the graduates and follow up their situation.

It recommended finding other sources of income to cover the college employees' expenses.

(Poureisa, 2013)

This study showed that ,the most important evaluation goals is measurement performance while modern approach has focused on evaluated growth and development capacity, which reverse what came on the traditional performance measurement approach,

Modern evaluation system results:

- Satisfaction improvement, efficiency improvement, and improvement in effectiveness of organizational activities.
- BSC is a new tool in the firm's management, which can provide a better competitive situation by better organizational performance assessment.

(Weerasooriya, 2013)

This study examines the performance of entire administration faculties in Sri Lankan Universities and the perception level of employee's management about the BSC. This study concluded that using BSC could be highly benefited to the universities and the staff management to welcome the BSC implementation, although that the BSC knowledge under administrative level is less.

(AbuSharakh, 2012)

The study aimed to analyze the theoretical, scientific and applied principles of the Balanced Scorecard, as well as exploring the accounting system that applied in the Islamic University in Gaza, according to the strengths and weaknesses of the evaluating perspective performance.

The study recommended several results:

- The Islamic University vision, mission, and objectives centered on the Balanced Scorecard dimensions.
- The university administration applies in its performance measurement to clear the performance measures strategic.
- The academic hour cost at the university, which reflected by the level of academic and administrative services offered to students, is much higher than the fee of hours for students in different colleges.

The study recommended reviewing the fee of students' academic hours, working on their budget with the services provided to them, taking into account social situations, and not depriving any student for financial reasons, to continue intensifying efforts, continuing development and upgrading to reach the international universities levels.

(Al-Ghareeb, 2012)

This study aimed to introduce BSC scientific and theoretical principles as well as to know.

The questionnaire of this research consists of two parts.

- The first part representing the personal and the functional information of the individuals study sample.

- The second part consists of questions to know the possibility that the Libyan commercial Banks to use the BSC in performance evaluating, which have 120 employees and directors.

The study provided a set of results, one of them is, The Libyan commercial banks are ready to use the Balanced Scorecard and they need to apply it and the measures.

The study reached many recommendations, the most important are:

- The necessity to apply the BSC at the Libyan commercial banks in evaluating the performance, because it considered as an important element for competition between the local and foreign banks.
- The Libyan commercial banks should overcome the difficulties facing BSC application through allocating sufficient funds to provide the material and the financial requirements in applying it and qualifying the human staff working through training them on how to use the Balanced Scorecard in performance evaluating.

(Li Yuling, 2012)

This study titled The Performance Evaluation System Transformation Based on Balanced Scorecard in Tsinghua University, Beijing, China, this study presents how the firm of Sichuan Ertan; an Industrial Corporation in china, design performance evaluation system to improve its efficiency and effectiveness and satisfy customers' needs.

This study found that the key steps to design performance evaluation system are to:

- Link strategy and performance measurements at company-level.
- Decompose them into all the members in all units at all the levels of that company and tie them to an incentive plan.

(Sawalqa, 2011)

This study aimed to analyze the state of balanced scorecard (BSC) implementation among Jordanian industrial companies, from an economic perspective, Jordan is an example of an advanced developing nation in the Middle East region.

A quantitative survey of 168 companies provided insight into the level of implementation, diffusion and purposes for the use of the BSC approach among medium and large industrial companies.

The results showed that:

- 35.1% of the surveyed companies used the BSC approach.
- Approximately more than 30% of the responding companies were either considering or currently implementing the BSC approach.

It recommended the future researches that may also develop a model to assess the impact of using BSC on organizational performance.

(Anthoula, 2011)

This research title designing a Balanced Scorecard for the Evaluation of a Local Authority Organization (LAO) in Conference on Applied Business and Economics that was held at Kavala, Greece, the aim of this study is to characterize and present BSC designing order to apply the evaluation of LAO.

The main change of the presented Balanced Scorecard is the modification of its architecture, which in the case of a LAO that named of Stakeholders Perspective. it placed at the top of the BSC, instead of Financial and it is similar to the mission foundations; for each one of the four

diminutions, a three-level sub-system is employed which include one strategic goal, three to four objectives and five performance drives for every objective.

The design of BSC starts with determining the strategic goal of every perspective, the completed process with the selection of the objectives and the performance drivers of the four BSC perspectives.

(AlShammari, 2011)

This research titled the evaluation of the impact of using balanced scorecard on strategic performance in small and medium enterprises in Galway-Mayo Institute of Technology - Dublin, Ireland, this research discussed the BSC, the significance and analyzed for implement the BSC model in the organizations, and try to improve the employees performance as well as the performance of the organizations will improved.

This study use the questionnaire to fill and interviews the company's managers, after analysis; it proved that the performance of the organizations and employees can be improved by implementing the BSC model in the organizations.

(Al-Rafati, 2011)

This study aimed to demonstrate the Balanced Scorecard concept and the ability to apply it in NGOs of health in the Gaza Strip; in measuring and evaluating the financial performance. In addition, to demonstrate the availability of the necessary elements in these organizations to implement the Balanced Scorecard, in addition, it sought to explain the relationship between the Balanced Scorecard application and financial performance efficiency.

The study depended on descriptive and analytical approach by using random method in choosing the study sample of multiple chasses and the questionnaire as a tool in collecting the primary data, which consists of the study population of all employees in the health organization.

There are several results to the study; the most important one is the necessary elements to apply BSC in the NGOs of health in the Gaza Strip; to assess the financial performance, which constitutes 76.18 %. In addition to that, the administration of NGOs of health pays great attention to evaluate its financial performance from non-financial levels as well as financial levels, which constitutes 72.13%.The researcher recommended a set of recommendations including:

- The need to use the elements of the Balanced Scorecard in the NGOs of health in the Gaza Strip to increase their ability to evaluate the financial performance.
- The need to provide integrated measures work to link short-term objectives and long-term objectives together and leading to boost the elements of applying BSC.

(Ramesh, 2010)

This research titled the importance of balanced scorecard for growth of SME Sector in Hyderabad, Indonesia, the study designed to use the Balanced Scorecard to evaluate the small businesses performance in the management and profit organizations, especially as the vision of this sector based on maximizing the return of activities carried out in a financial environment that sustains the continuity of its resources.

The results of the study:

The study recommended to use the financial and non-financial performance measures, but they did not measure the government units performance that embrace these small projects to measure the possibility of implementing a balanced performance card, projects in Egypt such as the Social Fund for Development.

(Tohidi, 2010)

This research titled the using balanced scorecard in educational organizations degree in industrial engineering, Islamic Azad University, South Tehran Branch, Tehran, Iran, the study

examined the importance of using the Balanced Scorecard; specifically in the governmental educational institutions, in order to evaluate performance by comparing the planned and targeted performance with the actual evaluating performance results of the online education services, the study reached the following:

- The use of the Balanced Scorecard has resulted in maximizing the return on educational services by increasing the number of beneficiaries and service recipients; this reflected in the revenues growth of this service because of improved performance resulting through the customer perspective.
- The facilitation of the educational provision service leads to constant interaction between the user and the institution, which reflected in the revenues increase of the service delivery.

(Dergham, 2009)

The study aimed at finding out the effect of implementing the balanced performance card in enhancing the strategic financial performance of the Palestinian national banks operating in the Gaza Strip, the main results of this study were:

- The Palestinian national banks have a clear perspective on the dimensions of strategic financial performance.
- The Balanced Scorecard used in its four dimensions while enhancing the strategic financial performance of banks.

The most important recommendations of the study:

- The need for operating Palestinian national banks in the Gaza Strip to adopt balanced performance measurement through the restructuring of institutional culture.

- The need for banks to use the Balanced Scorecard as a means to rationalize managers' decisions, guide their behavior, evaluate their performance, and also train bank employees on how to apply a Balanced Scorecard and its benefits.

(Abu Qamar, 2009)

The aim of the study was to evaluate the Bank of Palestine performance using the Balanced Scorecard, it also aimed to develop the Balanced Scorecard by adding a fifth dimension which is the social dimension of the institution's adoption of a social role, the most important results of the study:

- The Bank of Palestine strategic objectives focused on the Balanced Scorecard dimensions, and strategic performance measures, which used "financial and non-financial", but this does not mean that the Bank applies the Balanced Scorecard.
- Bank of Palestine has community support contributions, but its social dimension interest was not as important as the other dimensions.

The study concluded with several recommendations, the most important is the need to adopt a balanced performance card as an integrated system in Bank of Palestine of strategic management.

(AL Shaikh Ali, 2007)

This study conducted on the Palestinian Telecommunications companies in Gaza strip, the study evaluate of the performance of Jawwal and Paltel under the four BSC perspectives as assessed by their employees and shareholders.

The results of this study showed:

1. There is a strong, direct and significant relation between every perspective and total degree of the BSC.

2. Most of the stakeholders equally evaluate the performance of the company in Customers and financial perspectives, which was consistent with the companies' visions, missions and main objectives.

The study recommended that necessity of enhancing and developing the training programs and the internal business processes in addition, to conducting more communications that is effective cascading and deployment activities.

(Abdullatif, 2006)

This research titled “Balanced Scorecard as a Performance Measurement Tool” in Tishreen University- Syria, the aim of the study was to introduce the Balanced Scorecard technology to use in the creation of a new performance evaluation system that combines financial and non-financial standards, the main findings of the study were:

1. Balanced Scorecard is a modern strategic tool for measuring and evaluating performance in a comprehensive manner, including financial and non-financial measurements for the institution performance.
2. The study concluded that the Balanced Scorecard should be used in business organizations, service organizations such as hospitals and government departments to benefit from their advantages, moreover the Balanced Scorecard should be used in both public and private sectors.

(Chen, 2006)

This study showed that the use of the BSC to compare hospital performance between China and Japan shows that the benefits not only suggest performance evaluation in individual hospitals, but also expose effective health factors allowing application of valid national health policies.

(Alshishini, 2004)

This research titled " Towards a framework for measuring the determinants of the use and success of a balanced performance measurement system " in Gaza strip, the study aimed to determine the effect of some contextual factors on the success of adopting the Balanced Scorecard by determining the factors affecting its use such as the size of the institution, the role of the consulting offices, the strategy of the institution and the type of control used.

The success of adopting a balanced performance measurement system has shown that there are relationships between some contextual factors, and the success of the card application.

(Abdul Aziz, 2003)

This research titled " Proposed Framework for the use of Balanced Performance Measures in Non-Governmental Organizations by Application to NGOs " in Egypt, the aim of this study was to study the feasibility of applying balanced performance card standards to non-governmental organizations, and to study the difficulties encountered applying them, while developing a vision for the development of the balanced performance card to suit these organizations.

The study found several results, including:

- The data available in NGOs allow the Balanced Scorecard implementation model, which constitutes an integrated framework for assessing the performance and accountability of NGOs.
- The processes of growth and learning must be a cornerstone in the civil work of a push towards its role, and the lack of financial and accounting systems in the NGOs to the extent

that does not allow the extraction of the data necessary to achieve control and performance evaluate.

(Kaplan, 1993)

Kaplan and Norton study analyzed the total performance of three company's follow the Balanced Scorecard approach in specifying the financial and nonfinancial measures and appreciate their interrelated relationship among them.

This study formed that the Balanced Scorecard is likely to become the cornerstone of the management system, more than a total performance measurement system. It transformed from just a performance measurement system to a strategic management system; therefore, it concentrates on the individual and departmental long-term objectives besides the detailed information, which introduced by this system in measuring performance.

(Kaplan, 1992)

This study presents an ideal revolution on performance evaluation through the BSC.

The BSC consist of four diminution:

- Financial diminution.
- Customer diminution.
- Internal processes diminution.
- Learning and growth diminution.

Each of these diminutions consist of financial and non-financial measures of evaluation. They should be balanced to provide inclusive and useful data to the organization management in order

to has a competitive advantage, and they announced that BSC enables the management to see the whether they have improved in one firm at the expense of another firms.

This study provides the management with an inclusive framework that show a company's strategic objectives into a consistent set of performance evaluation measures.

2.3 Comments on the literature review

The previous literature have tried to prove the effectiveness of the balanced scorecard approach as a performance measurement tool and a strategic management system by analyzing the total company's performance that implemented it. In addition, some studies conclude that the balanced scorecard in its four perspectives need to improve by adding other perspectives depending on the company situation.

2.4 The aspects of agreement and disagreement between the study and other previous literatures:

2.4.1 Consistent of the study with literature review:

- A. The study is compatible with (AbuSharakh, 2012), (AL Shaikh Ali, 2007), (Al-Ghareeb, 2012), (Daraghma, 2015) and (Al-Rafati, 2011) in terms of methodology.
- B. The study uses descriptive statistical approach, to measure the scope of using the BSC; .This measure will take place in industrial companies listed on PSE.
- C. This study agreed with literatures that it has talked about the difficulties. In addition, the study agree with (AL Shaikh Ali, 2007) and (Obaid, 2014) that using companies listed on the PSE.

- D. The study agreed with Kaplan and Norton (the authors of the BSC) since we use only the four basic perspectives they introduced and this disagreed with many of the previous studies.

2.4.2 Differences of the study with literature review:

In each of the following studies: (Dergham, 2009) which investigates the study population on the Palestinian banks, and in the study of (AbuSharakh, 2012) which discusses the university sector. These organizations is non- profit organizations and they disagree with the industrial companies listed in PSE that is seeking for profit and improving the Palestinian economic. Most of the previous studies take only the scope of using and did not take the all sectors in considerations.

2.4.3 The study comparison with the previous literature as follows:

- a) The previous literature where implemented in other countries and there is a few previous studies examining this issue from the reality of Palestine.
- b) This thesis release on new measure of the BSC that not used by other authors (questionnaire).
- c) This study exploring application of the BSC only from the de facto the industrial companies in the PSE.

Chapter Three:

Research Methodology

3.1 Chapter Overview

This chapter presents the methodology used to conduct the research outputs. The study also used the research design method and data collection process. Furthermore, it described the targeted population and sample methods.

3.2 Research Approach

This thesis relies on the descriptive analytical approach, this approach relies on pre-designed questionnaire used to collect the data from respondents.

3.3 Study Population and Sample Size

The process of collecting data only starts with determining the population and sample size of this study. Therefore, the targeted population in this study is each employee have BSC background and working in the industrial Palestinian corporations listed in PSE; they are 11, and excluded the others.

The distributed questionnaire forms were 110 forms, the received questionnaire from respondents were 91, which represent 82.7% of the study sample. The sample consisted of 91 individuals who referred to employees working in the industrial Palestinian corporations listed on the (PSE).

3.4 Research Design

The research methodology used in this research consists of sixth steps, as the following:

Step one: Identifying the research problem and building the research questions in order to get the required data about the **extent of the reliance on the balanced scorecard for performance Evaluation in industrial Palestinian corporations listed on the (PSE).**

Step 2: Reviewing literatures associated with the topic of the study by; checking surveys books, scholarly articles, and any other sources relevant to **Balanced Scorecard** and **Performance** issues.

Step three: Determining population sample size instrument and designing the research by using analytical correlated methodology that includes selecting the data collection tools for quantitative data to get the required result from this research.

Step four: Data collection and analysis, by analyzing the collected data to highlights the major results.

Step five: Data analyzing.

Step six: Obtaining the research finding.

Step seven: Results and recommendations, which will obtain, from the previous steps.

3.5 Data Collection Techniques

The type of research approach that used influences on the choice of the data collection tools. Thus, the data collection tools have been selected based on the nature of explanatory sequential method and they involved quantitative data for study purpose.

3.5.1 Primary data

The primary data collected by using a questionnaire for quantitative part.

A questionnaire consists of 50 items distributed among five dimensions was developed by the researcher. Questionnaire considered an important method of quantitative data collection used in research. It mainly developed based on the research objectives and research questions.

The final draft of the questionnaire gave to the **industrial Palestinian corporations listed on the (PSE)**.

In order to distribute through the Palestinian governorates. It took about five weeks for the instrument to distribute, collect, and returned to the researchers. The total number of the returned questionnaires was 110 and only 91 analyzed which represent 82.7% of the study sample and 19 questionnaires excluded, as their responses were neither consistent nor complete.

The questionnaire organized into three highly structured sections as follow:

Section I aims to collect information about the targeted employee respondents such as (age, gender, scientific qualification, experience, specialization, and job title).

Section II 40 items identifying and balanced scorecard domains of (Financial Perspective, Customer Perspective, Internal Business Process and Learning and Growth.).

Section III 10 items for determination of Corporation performances.

3.5.2 Secondary data

The secondary data obtained from the published articles and books about a topic of this thesis, which can be found in the references list. These sources used in order to gain the information about the statement problem.

To evaluate the range of the scores of responses, each item calculated according to a five-point Likert scale for the responses as shown in Tables (3.1 and 3.2) below:

Table 3.1: The key correction according to a five-point Likert scale (Likert, 1932) for Balanced Scorecard

No.	Domain	Five-point Likert scale for the responses				
		1	2	3	4	5
Balanced Scorecard						
1	Financial Perspective					
2	Customer Perspective	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Undecided</i>	<i>Agree</i>	<i>Strongly agree</i>
3	Internal Business Process					
4	Learning and Growth					

Table 3.1 shows the key correction according to a five-point Likert scale for the responses on the study tool for Balanced Scorecard.

Table 3.2: The key correction according 10th scale for Corporation performances directions by 10 items.

No.	Domain	10 th scale for Corporation performances directions by 10 items									
		1	2	3	4	5	6	7	8	9	10
1	Corporation performances										

3.6 Quality of the Research Design

Validity and reliability presented as criteria for assessing the quality of business research. The major aim of selecting this type is to add value to research's reliability, validity and getting the best results, it required raising the validity level from the researcher.

3.6.1 Validity Analysis

Validity refers to the extent of which a test measures what actually wished to measure.

The respondents from the industrial Palestinian corporations listed on the (PSE) are those who participated in quantitative phase in the same population.

The questionnaire presented to a group of arbitrators consisting of eight professors from the Board Teaching in various Palestinian universities specializing in accounting and business administration and the names of the arbitrators in Appendix (3).

The necessary deletion and modification in the light of the proposals submitted, and thus the questionnaire emerged in its form (See Appendix 1).

The purpose of the judgment was to determine whether the questions were comprehensible and can be interpreted by the study sample, as they are intended to be measure. The referees suggestions and comments were taken into consideration to modify and improve the questionnaire's content and wordings by omitting, adding or rephrasing items bringing the number of items 50.

3.6.2 Reliability Analysis

Reliability refers to the extent, which the same answers can obtained using the same instruments more than one time. The reliability of the questionnaire calculated through Coefficient of Cronbach Alpha. Table (3.3) shows the results.

Table 3.3: Coefficient of Cronbach Alpha for measuring the reliability of the questionnaire domains and total degree of responses.

No	Domains of BSC	Items	Cronbach Alpha
1	Financial Perspective	10	89.7
2	Customer Perspective	10	87.2
3	Internal Business Process	10	82.4
4	Learning and Growth	10	87.9
Total degree of domain one (Perspectives of BSC)		40	91
5	Total degree domain two Corporation performances and BSCPerspectives)	10	97.2

Table 3.3 shows Cronbach Alpha for the questionnaire domains and total degree of responses. They ranged from 82.4 for the third domain of (Internal Business Process) and 89.7 for the first domain of (Financial Perspective). Cronbach Alpha result for the total degree of section one (Balanced Scorecard) was 91.0 which is accepted for the study purpose. In addition, the same table shows Cronbach Alpha for the second section responses. The total degree of section two (Corporation performances) was 97.2 which accepted for the study purpose.

3.7 Statistical Analysis Approach

The collected data was analyzed by using (SPSS) to answers the hypotheses of this study by using the following statistical tests:

- a) Means, Frequencies and Standard Deviations.
- b) One Sample T- Test.

- c) Liner Regression to determine the relationship between the independent variable **(Balanced Scorecard Perspectives)** and dependent one **(Corporation performances)**.

Accordingly, the researcher used the following scale to represent the estimation level of sample responses. In order to limit the length of the cells of the five-point Likert scale minimum and maximum limits , range has been calculated $5-1=4$, divided on the correct length of the cell $4/5=0.80$ and added to the lowest value of the scale 1 in order to reach the highest limit of this cell . Cell limits became as in Table 3.4.

Table 3.4: Scale to represent the estimation level of sample responses on the study tool.

Mean	Percentage	Estimation level	Evaluation
4 and more	84.0%	Very High	A
3.40- 4	68.0 – 83.8%	High	B
2.60-3.39	52.0 – 67.8 %	Moderate	C
1.80- 2.59	36.0 – 51.8 %	Low	D
Less than 1.79	35.9% and less	Very Low	E

Chapter Four:

The Findings

4.1 Chapter Overview

This chapter comes to present the results of the statistical analysis.

4.2 Analysis of Survey Data

This study aimed at examining the (extent of the reliance on the balanced scorecard for performance evaluation in industrial Palestinian corporations listed on the (PSE).

Presented below are the outcomes of the statistical analysis that match this objective.

4.2.1 Sample Characteristics

- **Scientific Qualification**

Table (4-1) the distribution of study Sample according to scientific qualification variable.

Variable	Class	Frequency	%
Scientific Qualification	Diploma and Less	7	7.7
	Bachelor's Degree	75	82.4
	Master's Degree	9	9.9
Total		91	100

Table (4.1), which is related to the distribution of the respondents according to their scientific qualification, shows that the respondents are divided into three categories; the first one includes

the master's degree which constitutes 9.9%, the second one is Bachelor's degree which constitutes 82.4%, while the third one is Diploma and Less constitutes 7.7%. This indicates the company's interest in the eligible (competent staff) that increases the possibility of its understanding for the subject of the BSC and its role in the performance evaluation.

- **Specialization**

Table (4.2) the distribution of study sample according to the respondent's specialization

Variable	Class	Frequency	%
Specialization	Accounting	38	41.8
	Business Administration	33	36.3
	Financial Science	6	6.6
	Others	14	15.4
Total		91	100

Table (4.2), which related to the respondents distribution according to their Specialization, the accounting major gets the majority of the study sample, which constitutes 41.8% and business administration 36.3% of the study sample. While financial science, and others specializations constitute 22%, this leading to increase the trust of the given information from these respondents to the questionnaire.

- **Job title**

Table (4.3) the distribution of the study sample according to the Job title variable

Variable	Class	Frequency	%
Job title	General Manager	1	1.1
	Financial Manager	9	9.9
	Accounts Manager	4	4.3
	Internal Auditor	6	6.6
	Accounting	20	22
	Sales Manager	12	13.2
	Purchasing Manager	6	6.6
	Internal Controlling Officers	11	12.1
	Financial Controlling Officers	13	14.3
	Board Member	9	9.9
Total		91	100

The table (4.3), which related to the distribution of respondents according to the Job title, shows that respondents divided into ten categories. The largest one is the Accounting 22% , followed by the Board Member category which constitutes 14.3%, then the categories of Sales Manager which constitutes 13.2 % and the Financial Controlling Officers categories which constitutes 12.1% and the others categories (General Manager, Financial Manager, Accounts Manager, Internal Auditor, Purchasing Manager and Board Member) which constitute 38.5% .

- **Years of Experience**

Table (4.4) the distribution of the study sample according to the years of experience variable

Variable	Class	Frequency	%
Years of Experience	Less than 5 Years	8	8.8
	From 5-10 Years	38	41.7
	11-16 Years	31	34.1
	More than 16 Years	14	15.4
Total		91	100

Table (4.4), which related to the distribution of respondents according to number of years' experience, shows that 8.8% of respondents have less-than-5-year experience, 41.7 % from 5 to 10 years, 34.1% from 11 to 16 years, and 15.4% more than 16 years. This indicates that the company has various qualifications and experiences, which supports the reliability of getting information from them.

- **Number of Workers**

Table (4.5) the distribution of the study sample according to the number of workers variable

Variable	Class	Frequency	%
Number of workers	Less than 50 Workers	12	13.2
	51-100 Workers	41	45.1
	101-150 Workers	4	4.4
	More than 150 Workers	34	37.3
Total		91	100

Table (4.5), which related to the distribution of respondents according to number of workers, shows that 13.2% of companies have less than 50 workers, 45.1 % have 51 to 100 workers, 4.4% have 101 to 150 workers, and 37.3% more than 150 workers. This indicates that companies have many workers, and this support the reliability of access to information from them.

4.2.2 Results related to Study questions

4.2.2.1 Results of the first question

Are the industrial Palestinian Corporations listed on the (PSE) use the financial perspective of the BSC for performance evaluation?

To test this question, descriptive statistics and one Sample t-test was used as shown in table 4.6.

Table 4.6: Applying BSC financial perspective for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).

#	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	T Value	Sig.	Result
1	Return on investment	24	61	6	0	0	4.19	21.081	0.000*	A
		26.40%	97.00%	6.60%	%0.00	%0.00				
2	Return on equity	23	59	9	0	0	4.15	19.114	0.000*	A
		25.30%	64.80%	9.90%	%0.00	%0.00				
3	Return on Assets	28	54	9	0	0	4.2	19.034	0.000*	A
		30.80%	59.30%	9.90%	%0.00	%0.00				
4	Earnings Per Share	30	54	7	0	0	4.25	20.301	0.000*	A
		33.00%	59.30%	7.70%	0.00%	0.00%				
5	Value Added Index	24	54	13	0	0	4.12	16.984	0.000*	A
		26.40%	59.30%	14.30%	0%	0.00%				
6	Cash Flow Indicator	33	45	13	0	0	4.21	17.114	0.000*	A
		36.30%	49.50%	14.30%	0.00%	0.00%				
7	Net Profit to Sales Ratio	28	52	10	1	0	4.17	16.999	0.000*	A
		30.80%	57.10%	11.00%	1.10%	0.00%				
8	Market Value Added	23	50	18	0	0	4.05	14.96	0.000*	A
		25.30%	54.90%	19.80%	0.00%	0.00%				
9	Sales Growth Index	27	54	10	0	0	4.18	18.468	0.000*	A
		29.70%	59.30%	11.00%	0.00%	0.00%				
10	Growth Index in Fixed Assets	25	50	16	0	0	4.09	15.703	0.000*	A
		27.50%	54.9	17.60%	0.00%	0.00%				
Total		256	543	158	1	0	4.16	25.984	0.000*	A
		27.29%	56.30%	16.40%	1.10%	0.00%				

The test value of the One-Sample T test is 3.0. Ho: M=3, Ha: M≠ 3. If Sig. > 0.05, Ho must be accepted which means incorrect application of the financial perspective. The negative value of T when Sig. < 0.05 means the correct application of the financial perspective. The positive value of T when Sig. < 0.05 means incorrect application of the financial perspective. Where: A = Very High, B = High, C= Moderate, D= Low And E, Very Low.

*** The mean difference is significant at the 0.05 level**

Table 4.6 shows that all items of performance evaluation in the industrial Palestinian Corporations listed on the (PSE) have means higher than 4.00 points out of five, the value of T- test 25.984 and

statistical significant of 0.000 which are less than 0.05 this result indicates that the industrial Palestinian corporations listed on the (PSE) use the BSC financial perspective for performance evaluation.

4.2.2.2 Results of the second question

Are the industrial Palestinian Corporations listed on the (PSE) use the customers' perspective of the BSC for performance evaluation?

To test this question, descriptive statistics of (frequencies, percentages and means) and one Sample t-test used as shown in following table show:

Table 4.7: Applying BSC customers' perspective for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).

#	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	T Value	Sig.	Result
1	Number of new customers	41	44	4	2	0	4.36	19.251	0.000*	A
		45.10%	48.40%	4.40%	2.20%	0%				
2	Number of lost customers yearly	40	37	12	2	0	4.26	15.611	0.000*	A
		44.00%	40.70%	13.20%	2.20%	0%				
3	Customers' satisfaction rate	49	38	4	0	0	4.49	24.391	0.000*	A
		53.00%	41.80%	4.40%	0	0%				
4	Products delivery in the exact time	36	52	3	0	0	4.36	23.718	0.000*	A
		39.60%	57.10%	3.30%	0	0%				
5	Post- purchasing customers following up	33	54	4	0	0	4.31	22.651	0.000*	A
		36.30%	59.30%	4.40%	0	0%				

Continued on the above table (4.7)

#	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	T Value	Sig.	Result
6	Customers' impression about the organization reputation	34 37.40%	54 59.30%	3 3.30%	0 0	0 0%	4.34	23.596	0.000*	A
7	Customers' complains	25 27.50%	52 57.10%	13 14.30%	0 0	1 1.10%	4.09	14.645	0.000*	A
8	Reasons for customers' complains	26 28.60%	52 57.10%	12 13.20%	1 1.10%	0 0%	4.13	16.112	0.000*	A
9	Resolving customers' complains	40 44.00%	44 48.40%	6 6.60%	1 1.10%	0 0%	4.35	19.651	0.000*	A
10	Index of customers' 'trust and loyalty	38 41.80%	44 48.40%	7 7.70%	2 2.20%	0 0%	4.29	17.496	0.000*	A
Total		362 39.80%	471 51.80%	68 7.40%	8 0.90%	1 1.00%	4.3	29.799	0.000*	A
The test value of the One-Sample T test is 3.0. Ho: M=3, Ha: M≠ 3. If Sig. > 0.05, Ho must be accepted which means incorrect application of the customer perspective. The negative value of T when Sig. < 0.05 means the correct application of the customer perspective. The positive value of T when Sig. < 0.05 means incorrect application of the customer perspective. Where: A = Very High, B = High, C= Moderate, D= Low And E, Very Low.										

*** The mean difference is significant at the 0.05 level**

Table 4.7 shows that all items of customers' perspective in the industrial Palestinian Corporations listed on the (PSE) have means higher than 4.00 points out of five with high values of T- test and significant values 0.000 which are less than 0.05 the results indicate that the industrial Palestinian corporations listed on the (PSE) use the BSC customers' perspective for performance evaluation.

4.2.2.3 Results of the third question

Are the industrial Palestinian Corporations listed on the (PSE) use the internal process perspective of the BSC for performance evaluation?

To test this question, descriptive statistics of (frequencies, percentages and means) and Independent Sample T-test used as shown in following table shows.

Table 4.8: Applying internal process perspective of the BSC for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).

#	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	T Value	Sig.	Result
1	Manufacturing Quality Index	55 60.40%	35 38.50%	1 1.10%	0 0%	0 0%	4.59	29.462	0.000*	A
2	Lose rate from raw materials during manufacturing	44 48.45	42 46.20%	3 3.30%	2 2.20%	0 0%	4.4	20.138	0.000*	A
3	Using the perfect time in manufacturing	44 48.40%	44 48.40%	3 3.30%	0 0%	0 0%	4.45	24.578	0.000*	A
4	Speed of preparing machines	40 44.00%	47 51.60%	4 4.40%	0 0%	0 0%	4.39	23.153	0.000*	A
5	Criteria for manufactured products evaluation	48 52.70%	38 41.80%	5 5.50%	0 0%	0 0%	4.47	23.311	0.000*	A
6	Good relations with suppliers	54 59.30%	36 39.60%	1 1.10%	0 0%	0 0%	4.58	29.152	0.000*	A
7	Developing internal work systems	50 54.90%	32 35.20%	7 7.70%	2 2.20%	0 0%	4.42	18.605	0.000*	A
8	Using IT in manufacturing	49 53.80%	31 34.10%	10 11.00%	1 1.10%	0 0%	4.4	18.382	0.000*	A
9	Depending on the results of manufacture units reports	41 45.10%	46 50.50%	4 4.40%	0 0%	0 0%	4.4	23.258	0.000*	A
10	depending on executing the results of manufacture units reports	38 41.80%	49 53.80%	4 4.40%	0 0%	0 0%	4.37	22.967	0.000*	A
Total		463 50.90%	400 44.00%	42 4.60%	5 0.50%	0 0.00%	4.45	38.897	0.000*	A

The test value of the One-Sample T test is 3.0. Ho: M=3, Ha: M≠ 3. If Sig. > 0.05, Ho must be accepted which means incorrect application of the internal process perspective. The negative value of T when Sig. < 0.05 means the correct application of the internal process perspective. The positive value of T when Sig. < 0.05 means incorrect application of the internal process perspective.. Where: A = Very High, B = High, C= Moderate, D= Low And E, Very Low.

*** The mean difference is significant at the 0.05 level.**

Table 4.8 shows that all items of internal process perspective in the industrial Palestinian Corporations listed on the (PSE) have means higher than 4.00 points out of five with high values of T- test and significant values 0.000 which are less than 0.05 the results indicate that the industrial Palestinian corporations listed on the (PSE) use the internal process perspective of the BSC for performance evaluation.

4.2.2.4 Results of the forth question

Are the industrial Palestinian Corporations listed on the (PSE) use the staff capability perspective of the BSC for performance evaluation?

To test this question, descriptive statistics of (frequencies, percentages and means) and one Sample T-test used as shown in following table shows.

Table 4.9: Applying staff capability perspective of the BSC for performance evaluation in the industrial Palestinian Corporations listed on the (PSE).

#	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	T Value	Sig.	Result
1	The organization ability to develop new products	47	39	5	0	0	4.46	23.16	0.000*	A
		51.60%	42.90%	5.50%	0%	0%				
2	Using modern technology in manufacturing	48	36	6	1	0	4.43	20.492	0.000*	A
		52.70%	39.60%	6.60%	1.10%	0%				
3	Conducting training sessions for employees	48	36	4	3	0	4.41	18.492	0.000*	A
		55.70%	39.60%	4.40%	3.30%	0%				

Continued on the above table (4.9)

#	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	T Value	Sig.	Result
4	Impulses for employees	33 36.30%	41 45.10%	15 16.50%	2 2.20%	0 0%	4.15	14.23	0.000*	A
5	Creating new methods to decrease time	22 24.20%	56 61.50%	13 14.30%	0 0%	0 0%	4.09	17.028	0.000*	A
6	Creating new methods to decrease costs	30 33.00%	46 50.50%	14 15.40%	1 1.10%	0 0%	4.15	15.422	0.000*	A
7	Updating administrative policies	27 29.70%	40 44.00%	23 25.30%	1 1.10%	0 0%	4.02	12.591	0.000*	A
8	Using feedback for manufacturing	24 26.40%	48 52.70%	19 20.90%	0 0%	0 0%	4.05	14.606	0.000*	A
9	Trained employees	31 34.10%	51 56.00%	9 9.90%	0 0%	0 0%	4.24	19.082	0.000*	A
10	Training department inside the organization	38 41.80%	42 46.20%	8 8.80%	2 2.20%	1 1.10%	4.29	13.204	0.000*	A
Total		348 38.90%	415 46.40%	121 13.50%	10 1.10%	1 0.10%	4.23	25.02	0.000*	A
The test value of the One-Sample T test is 3.0. Ho: M=3, Ha: M≠ 3. If Sig. > 0.05, Ho must be accepted which means incorrect application of the staff capability perspective. The negative value of T when Sig. < 0.05 means the correct application of the staff capability perspective. The positive value of T when Sig. < 0.05 means incorrect application of the staff capability perspective. Where: A = Very High, B = High, C= Moderate, D= Low And E, Very Low.										

* The mean difference is significant at the 0.05 level

Table (4.9) shows that all items of staff capability perspective in the industrial Palestinian Corporations listed on the (PSE) have means higher than 4.00 points out of five with high values

of T- test and significant values 0.000 which are less than 0.05 the results indicate that the industrial Palestinian corporations listed on the (PSE) use the staff capability perspective of the BSC for performance evaluation.

4.2.2.5 Results of the main Hypothesis

Which is: There is no impact of the BSC on the performance evaluation of the listed industrial corporations on the (PSE).

To test this hypothesis, linear regression used as the following tables show:

Table 4.10: Descriptive statistics of Corporation performance items

#	Question	Means*	standard deviations
1	Sales growth	7.47	1.75
2	Return growth in share	7.59	1.76
3	Growth in return rate of property	7.4	1.7
4	Growth in return rate of assets	7.4	1.85
5	Growth in customers	7.52	1.83
6	Company work expanding	7.85	1.86
7	Products quality enhancement	8.14	1.85
8	Manufacturing costs decrease	7.68	1.95
9	Loss decrease	7.69	1.7
10	Company sales in new markets	7.87	2.08
Total		7.66	1.61

***The highest point = 10, the lowest =1.**

Table 4.10 shows that the total degree of Corporation performances items was 7.66 the highest mean value was given to the item (Products quality enhancement) the lowest was for the items (Growth in return rate of property and Growth in return rate of assets.).

Table 4.11: Linear regression test to determine of the BSC on the performance of the listed industrial corporations on the (PSE).

Model	Sum of Squares	DF	Mean Square	F	Sig	Consonant	Beta	² R	R
Regression	28.874	1	28.874	12.517	0.001*	-0.928	0.351	0.123	0.351
Residual	205.31	89	2.307						
Total	234.184	90							

* The mean difference is significant at the 0.05 level

Table 4.11 shows that calculated F is 12.517 , the significant value 0.001 and degrees of freedom are 1 and 89 which means that there is significant statistical relationship at $\alpha = 0.05$ between the balanced scorecard with its components (Financial Perspective, Customer Perspective, Internal Business Process and Learning and Growth) and corporation performances, R square is 0.123 and correlation coefficient is 0.351 which means an interpretation power between the independent variable (the balanced scorecard with its components (Financial Perspective, Customer Perspective, Internal Business Process and Learning and Growth) and dependent one (corporation performances), the items of between the balanced scorecard with its components (Financial Perspective, Customer Perspective, Internal Business Process and Learning and Growth interpret 12.3% of the process fit as component of Customer Relationship Management).

The equation is ($Y = -0.928X + 0.351$).

4.2.2.5.1 Results of the first sub- hypothesis

Which is: There is no impact of the financial perspective on the performance of listed industrial corporations on the (PSE).

To test this hypothesis, linear regression used as shown in following table.

Table 4.12: Linear regression test to determine the impact of the financial perspective on the performance of the listed industrial corporations on the (PSE)

Model	Sum of Squares	DF	Mean Square	F	Sig	Consonant	Beta	² R	R
Regression	2.427	1	2.427	0.932	0.337	9.263	-0.1	0.01	0.102
Residual	231.757	89	2.604						
Total	234.184	90							

*** The mean difference is significant at the 0.05 level**

Table 4.12 shows that calculated F is 0.932, the significant value 0.337 and degrees of freedom are 1 and 89 which means that there is no significant statistical relationship at $\alpha = 0.05$ between financial perspective and corporation performance. R square is 0.02 and correlation coefficient is 0.102 which means no association between the independent variable (financial perspective) and dependent one (corporation performance), the items of financial perspective interpret 1.2% of the corporation performance. The equation is ($Y = 9.263X + -0.102$).

4.2.2.5.2 Results of the second sub- hypothesis

Which is: There is no impact of the customers' perspective on the performance of the listed industrial corporations on the (PSE).

To test this hypothesis, linear regression used as shown in following table.

Table 4.13 :Linear regression test to determine the impact of the customers' perspective on the performance of the listed industrial corporations on the (PSE)

Model	Sum of Squares	DF	Mean Square	F	Sig	Consonant	Beta	² R	R
Regression	24.405	1	24.405	10.354	0.002*	2.292	0.323	0.104	0.323
Residual	209.779	89	2.357						
Total	234.184	90							

*** The mean difference is significant at the 0.05 level**

Table 4.13 shows that calculated F is 10.354, the significant value 0.002 and degrees of freedom are 1 and 89 which means that there is a significant statistical relationship at $\alpha = 0.05$ between customers' perspective and corporation performance. R square is 0.104 and correlation coefficient is 0.323 which means high interpretation power between the independent variable (customers' perspective) and dependent one (corporation performance), the items of customers' perspective interpret 10.4% of the corporation performance. The equation is :($Y = 2.292X + 0.323$).

4.2.2.5.3 Results of the third sub- hypothesis

Which is: There is no impact of the internal process perspective on the performance of the listed industrial corporations on the (PSE).

To test this hypothesis, linear regression used as shown in following table.

Table 4.14: Linear regression test to determine the impact of the internal process perspective on the performance of the listed industrial corporations on the (PSE)

Model	Sum of Squares	DF	Mean Square	F	Sig	Consonant	Beta	² R	R
Regression	23.867	1	23.867	10.1	0.002*	1.227	0.319	0.102	0.319
Residual	210.318	89	2.363						
Total	234.184	90							

* The mean difference is significant at the 0.05 level

Table 4.14 shows that calculated F is 10.100, the significant value 0.002 and degrees of freedom are 1 and 89 which means that there is a significant statistical relationship at $\alpha = 0.05$ between the internal process perspective and corporation performance. R square is 0.102 and correlation coefficient is 0.319 which means very low interpretation power between the independent variable (the internal process perspective) and dependent one (corporation performance), the items of the internal process perspective interpret 10.4% of the corporation performance. The equation is ($Y = 1.227X + 0.319$).

4.2.2.5.3 Results of the fourth sub- hypothesis

Which is: There is no impact of the learning and growth perspective on the performance of the listed industrial corporations on the (PSE).

To test this hypothesis, linear regression used as shown in following table.

Table 4.15 :Linear regression test to determine the impact of the learning and growth perspective on the performance of the listed industrial corporations on the (PSE)

Model	Sum of Squares	DF	Mean Square	F	Sig	Consonant	Beta	² R	R
Regression	39.168	1	39.168	17.875	0.000*	1.729	0.409	0.167	0.409
Residual	195.016	89	2.191						
Total	234.184	90							

* The mean difference is significant at the 0.05 level

Table 4.15 shows that calculated (F) is 17.875, the significant value 0.000 and degrees of freedom are 1 and 89 which means that there is a significant statistical relationship at $\alpha = 0.05$ between the learning and growth perspective and corporation performance. R square is 0.167 and correlation coefficient is 0.409 which means high interpretation power between the independent variable (learning and growth perspective) and dependent one (corporation performance), the items of the learning and growth perspective interpret 16.7% of the corporation performance. The equation is ($Y = 1.729X + 0.409$).

4.3 Additional Tests

The thesis respondents are (general managers, financial managers, and accounts managers, internal auditors, accountants, sales managers, purchasing managers, internal control officers, financial control officers and the board director's member). It is very important to explore the influence of respondent's inconsistency. For this reason, this thesis exploited two statistical tests (ANOVA and Kruskal Wallis Tests) to investigate the inconsistency impact on the tested hypotheses outcomes. Based on the outcomes of these tests, if there are differences in the respondent's opinions, this

thesis must divide the observations to sub-samples with consistency. In addition, if there are no differences in the respondent's opinions, the outcomes of this thesis presented in correct situation.

Table 4.16: ANOVA Test for investigating the Inconsistency of the Opinions of the Respondents.

ANOVA						
		Sum of Squares	DF	Mean Square	Calculated F	Sig.
Financial Perspective	Between Groups	3.6	9	0.39	1.92	0.12
	Within Groups	12.9	81	0.16		
	Total	16.5	90			
Customer Perspective	Between Groups	2.8	9	0.30	1.81	0.07
	Within Groups	12.9	81	0.16		
	Total	15.6	90			
Internal Process Perspective	Between Groups	1.6	9	0.17	1.40	0.20
	Within Groups	9.9	81	0.12		
	Total	11.4	90			
Learning and Growth Perspective	Between Groups	1.2	9	0.13	0.56	0.82
	Within Groups	18.8	81	0.23		
	Total	19.9	90			
BSC	Between Groups	1.1	9	0.12	1.66	0.11
	Within Groups	6.06	81	0.08		
	Total	7.2	90			

Table (4.16) shows that the calculated F value of the BSC variable is 1.66 and Sig. value is 0.11.

This outcome proves that all respondents gave the same answers. For this reason, there are no differences in the respondent's opinions. Moreover, the hypotheses outcomes presented in correct situation.

This thesis gave more explanations regarding this issue by exploiting other alternative test (Kruskal Wallis).

Table 4.17: Kruskal Wallis test for investigating the opinions inconsistency of the respondents.

	Financial Perspective	Customer Perspective	Internal Process Perspective	Learning and Growth Perspective	BSC
Chi-Square	15.9	14.37	11.22	3.31	12.52
DF	8	8	8	8	8
Sig.	0.043	0.073	0.19	0.92	0.13

Table 4.17 presents the outcomes of Kruskal Wallis test of the BSC perspectives.

Table 4.17 demonstrates that the calculated Chi-Square value of the BSC variable is 12.52 and Sig. value is 0.129. This outcome prove that all the respondents gave the same answers. For this reason, there are no differences in the opinions of respondents. In addition, the outcomes of hypotheses presented in correct situation.

Chapter Five:

Conclusion & Recommendations

5.1 Conclusions

This part provides a debate results that examining the reliance extent on the Balanced Scorecard performance evaluation in the Palestinian industrial corporations, which Listed on the (PSE). Instead that everyone who has an administrative role will have information on BSC, other employees do not have such information.; in the Industrial Palestinian Corporations Listed on the (PSE) to apply the balanced scorecard perspectives (financial, customer, internal business processes and learning and growth). This is consistent with a study (Daraghma, 2015), which states that the financial managers rely on the financial and customer perspectives to evaluate the listed corporations on the (PSE) performance, and (Tarazi, 2015) study, which states that the organization's has the BSC implementing elements, where it has an ongoing appreciation of its operations and it has a clear vision, mission and the organization's presence of integration between the company administrative levels in the strategy application.

Also it showed that the industrial Palestinian corporations listed on the (PSE) use the BSC (financial, customers, internal process and the staff capability perspectives) for performance evaluation, this results consistent with the study of (Daokui Jiang, 2014) about the BSC application and implementation. That can be an important measure of government management innovation, and plays an important role in the function transition process and administrative system reform.

It shows that there is a relationship between the balanced scorecard with its perspectives (Financial Perspective, Customer Perspective, Internal Business process, and learning and Growth) and corporation performances. This corresponds to (Iselin, 2008) and (Kaplan, 1996), the

BSC is a strategic management system involving strategic goal setting and performance reporting across four perspectives: financial, customer, internal business processes, and learning and growth.

The study showed on table 4.6 that the Palestinian companies listed on the PSE adopting the financial perspective; especially they focus on Return on Investment, Earnings per Share, cash flow indicators and Sales Growth Index, in very high level, this provides a better competitive situation by better assessment of organizational performance.

This is consistent with (Poureisa, 2013), that the BSC is a new tool in the firm's management can provide a better competitive situation by better assessment of organizational performance.

It also presents on table 4.7 that the Palestinian companies listed on the PSE adopting the customers' perspective especially; they focus on customers' satisfaction rate, number of new customers, number of lost customers yearly and Products delivery in the exact time, in very high level, this provide a better evidence of the companies' interesting in customers.

The study presents on table 4.8 that the Palestinian companies listed on the PSE adopting the internal process perspective especially; they focus on Manufacturing Quality Index, good relations with suppliers, using the perfect time in manufacturing and developing internal work systems in very high level. This provides a better evidence of the companies' developing the skills of employees, evolution in the practical approach and innovating new production methods.

In addition, it presents on table 4.9 that the Palestinian companies listed on the PSE adopting the staff capability perspective especially; they focus on the organization ability to develop new products using modern technology in manufacturing, conducting training sessions for employees and training department inside the organization in very high level. This provides a better evidence

for the companies' technological development rate, technological response rate, development of research activity rate and its effectiveness.

5.2 Recommendations

Based on the findings of this thesis the following recommendations were suggested:

1. Attract qualified and technical expertise who are capable to apply a balanced performance measurement card efficiently and effectively in the industrial companies listed on the PSE.
2. Conducting specialized training courses about Balanced Scorecard to train the company's employees how to apply the card axes effectively and know the achieved advantages by applying it.
3. The need for a study of the Balanced Scorecard in various business organizations, as well as in service organizations such as hospitals, government departments and educational institutions to benefit from its advantages as a tool to evaluate performance comprehensively across the various organization parts
4. The necessity to have the professional associations represented by the Association of Palestinian Accountants and Universities to have their role by establishing specialized training courses, lectures and workshops to the banking sector and other sectors employees, to inform them about the benefits of applying the Balanced Scorecard and urge them to apply it.
5. The necessity to teach the Balanced Scorecard methodology within the administrative accounting and strategic management courses, even if only briefly in the Palestinian universities at the bachelor stage.

Finally, yet importantly, this manuscript recommends that the Palestine Exchange to take a decision that effectively lead to apply the BSC model correctly. It also recommends the companies to applying the BSC model requirements in the performance evaluation.

5.3 Suggestion for Future Research

The present study focused on the industrial Palestinian corporations listed on the (PSE). Its recommend that Future authors could explore the effect of applying the BSC model for performance evaluation for Public Joint Stock Companies, Private Joint Stock Companies, Banks, and Other Financial Institutions. Accordingly, future studies can integrate this model with other performance evaluation methods, and disclosure for other evaluation method in the other firms listed on the (PSE).The study leaves this interesting area for Future authors could explore this issue by analyzing the audited annual reports of these corporations.

References

- Aabdeen Hosny, M. (2013). *The Use of Balanced Scorecard to Evaluate the Performance of the Faculty of Science and Technology. Khan Younis: a Field Study from the Employees' Point of View.*
- Abadi, M. R. (2002). A proposed framework for evaluating the performance of industrial establishments in the light of its modern manufacturing environment. *Journal of Studies and Business Research*, 22(2).
- Abdul Aziz, S. (2003). Proposed Framework for the Use of Balanced Performance Measures in Non-Governmental Organizations by Application to NGOs. *Egyptian Journal of Commercial Studies*(3).
- Abdullatif, T. H. (2006). Balanced Scorecard as a Performance Measurement Tool, Tishreen University. *Journal of Studies and Scientific Research*, 28, 141-156.
- Abhijit, S. ... (2006). balanced scorecard a strategic management tool. *Vidyasagar University Journal of Commerce*, 11.
- Abu Qamar, M. A. (2009). *Evaluation of the Performance of Bank of Palestine Limited using Balanced Scorecard.* Gaza: Islamic University.
- AbuSharakh. (2012). *The extent of the possibility of evaluating the performance of the Islamic University in Gaza using a balanced performance measurement card field study from the point of view of university staff.* Gaza: Central Library - Special Collections.
- AL Shaikh Ali, M. N. (2007). Performance evaluation of Palestinian telecommunication corporation by using Balanced Scorecard approach. *Master research non puplish, college of commerce, Islamic.*
- Al-Ghareeb, A. A. (2012). *The Extent of the Possibility of Using a Balanced Performance Card to Evaluate Performance in Libyan Commercial Banks.* Middle East University.
- Almaghrabi, A. A. (2006). *Strategic management by measuring balanced performance.* Egypt - Mansoura: Modern Library for Publishing and Distribution.
- Al-Najjar, J. (2013). *The Effect of Implementing Balanced Scorecard on Enhancing Strategic Competitive Position.* Gaza: Al-Quds Open University, Palestine.
- Alpeshtawi, S. H. (2001). *Evaluation of performance according to the system of balanced performance card using the integration of cost and management systems based on activities, study in a bank in Jordan.* Baghdad, Iraq: unpublished PhD thesis Mustansiriya University.
- Al-Rafati, A. (2011). *The extent to which private health organizations in the Gaza Strip can apply a balanced performance card as a tool to evaluate financial performance.*
- AlShammari, A. (2011). *Assessing the Impact of Using Balanced Scorecard on Strategic Performance in SMEs.* unpublished thesis Galloway May Institute of Technology.

- Alshishini, H. A. (2004). *Towards a framework for measuring the determinants of the use and success of a balanced performance measurement system*. Gaza: Unpublished Master Thesis .
- Anthoula, K. (2011). Designing a Balanced Scorecard for the Evaluation of a Local Authority Organization. *European Research Studies*(2).
- Arman Poureisa, g. A. (2013). "Balanced Scorecard: A New Tool for Performance Evaluation. *interdisciplinary journal of contemporary research in business*, 5(1).
- Arman Poureisa, M. B. (2013). Balanced Scorecard: A New Tool for Performance Evaluation. *Interdisciplinary journal of contemporary research in business*, 5.
- Atkinson, A. Y. (2012). *Management Accounting information for Decision making and strategy Execution*. new york: persons.
- Awad, F. R. (2009). *The effect of linking and integrating the Balanced Scorecard and the cost system in the development of performance of the Palestinian banks on the basis of activities*. Gaza, Palestine.
- Chen, X. Y. (2006). Using the Balanced Scorecard to Measure Chinese and Japanese Hospital Performance. *International Journal of Health Care Quality Assurance*, 339-350.
- Dag Madsen, T. S. (2014). Perceived Benefits of Balanced Scorecard Implementation: Some Preliminary Evidence. *Problems and Perspectives in Management*, 12(3), 81-90.
- Daokui Jiang, Z. L. (2014). Research on Application of Balanced Scorecard in the Government Performance Appraisal. *Open Journal of Social Sciences*. Отримано з <http://www.scirp.org/journal/jss>
- Daraghma, R. I. (2015). Using of the Balanced Scorecard for Performance Evaluation: Empirical Evidence from the Listed Corporations in the Palestine Exchange (PEX). *International Journal of Business and Management*, 215.
- Davidson. B, K. .. (2011). Balanced Scorecard Building Standards Development and Enterprise. 1-23.
- Dergham, A. F. (2009). Impact of a Typical Application of National Financial Institutions in the Gaza Strip. *Journal of the Islamic University*, 17(2), 741-788.
- Dudin, M. (2009). Obstacles to the Use of Balanced Scorecard in Jordanian Commercial Banks. *Zarqa Journal for Research and Human Studies*, 9(2).
- Dyllick, B. a. (2001). Umweltmanagement-Barometer 2001. *IWÖ-Diskus- sionsbeitrag*.
- El- Daour . (2013). The Effect of Adopting the Balanced Scorecard to Limit Earning Management Applied Study. *Journal of Economics and Business Islamic University*, 21, 101-161.

- El-Daour, J. (2010). *The methods of administrative units used in Palestinian economic units and the determinants of their use.*
- Errol R. Iselin, L. M. (2008). The effects of the balanced scorecard on performance: The impact of the alignment of the strategic goals and performance reporting. *Journal of general management*, 33(4), 71-85.
- Geoffrey R. Frost, T. D. (2000). Evidence of Environmental Accounting in Australian Companies. *Asian Review of Accounting*, 6(2).
- Ghalebi, T. H. (2008). *Strategic Management (Integrated Systematic Perspective)*. Amman: Wael Publishing and Distribution.
- governance, I. f. (2012). Measuring and Developing Social Capital in the Democratization and Governance Process in Palestine. *the Applied Research Institute*.
- Harmon. (2003). The Evolution of the Balanced scorecard. *Business Process Trends*.
- Hassan Issa Abu Hammam, J. I.-D. (2013). *Strategic Management Accounting Techniques applied by the corporations listed in the Palestine Exchange (PEX) & their impact on the Capital Structure*. Gaza: Al-Azhar University .
- Horngren, C. T. (2009). *Cost Accounting*. Amazon.com.
- Kadam, R. N. (2012). FINANCIAL MANAGEMENT FOR THE ORGANIZATIONAL SUCCESS: CHALLENGE BEFORE FINANCE MANAGERS. *International Journal of Advanced Research in Management and Social Sciences*, 1(2278-6236), 128-134.
Отримано з <http://www.garph.co.uk/IJARMSS/July2012/10.pdf>
- Kaplan, R. (1992). The Balanced Scorecard Measures that Drive Performance. *Harvard Business Review*.
- Kaplan, R. (1993). Putting the Balanced Scorecard to Work. *Harvard Business Review*, 134-147.
- Kaplan, R. (1996). The Balanced Scorecard: Translating Strategy into Action. *harvard business review press*.
- Kaplan, R. (2001). Transforming the Balanced Scorecard from Performance Measurement to Strategic Management. *American Accounting Association*, 15, 147-160.
- Kaplan, R. (2007). Using the Balanced Scorecard as a Strategic Management System. *Harvard Business Review*, 150-160.
- Kaplan, R. (2010). Conceptual Foundations of the Balanced Scorecard Working Paper. *Handbook of Management Accounting Research*, 3, 10-74.
- Kaplan, R. (2012). Management Accounting Information for Decision-Making and Strategy Execution. *Theed Bearson Education*.

- Khemani, J. D. (2005). Introducing Financial Management Information Systems in Developing Countries . *International Monetary Fund*.
- Li Yuling, C. Y. (2012). The Performance Evaluation System Transformation Based on Balanced Scorecard A Case Study of SEICO Company. *Journal of Modern Accounting and Auditing*, 8, 578-586.
- Lipe, M. S. (2002). A note on the judgmental effects of the balanced scorecard's information organization. *Accounting, Organizations and Society*, 27, 531-540.
- Magdy A Abu-Gharbia, O. M.-M.-S. (без дати).
- Marr. (2010). *What is a Modern Balanced Scorecard? Management Case Study Management White Paper Advanced Performance Institute*. .
- Mendoza, C. &. (2001). Strategy and Performance: Competing Through Competences. *Measuring up. Financial Management*, 26-29.
- Najafi L, N. A. (2015). Personnel Performance Evaluation based on Balanced Scorecard (BSC) in Iran Health Networks. *Research Journal of Management Sciences* , 4(2319), 1171.
- Niven, P. R. (2006). *balanced scorecard step-by-step maximizing performance and maintaining results*. Hoboken, New Jersey: John Wiley & Sons, Inc.
- Nyaega, S. N. (2013). *Application of Balanced Scorecard in Performance Measurement at Essar Telecom Kenya Limited*. School of Business, University of Nairobi. Отримано з <http://dx.doi.org/10.2139/ssrn.2231330>
- Obaid, W. (2014). *The extent to which the balanced performance card can be applied as a tool to evaluate the performance of the Electricity Distribution Company of Gaza Governorates*. Islamic University of Gaza.
- Perry. (2011). *Strategic Themes – How Are They Used and WHY? Scorecard Institute, a Strategy Management Group company*.
- Pujas, D. (2010). *Barriers to the Successful Implementation of the Balanced Scorecard - the Case of Plava Laguna J.S.C.* modul university vienna.
- Ramesh, B. (2010). Importance of Balanced scorecard for Growth of SME Sector. *Management accountant*, 45(5).
- Rashid, S. A. (2008). *Strategic Management: Integrative Approach*. Jordan- Amman: Dar Al-Mihaj for Publishing and Distribution.
- Rohm. (2002). Developing and Using Balor Scorecard Performance Systems. *The Balanced Scorecard Institute U.S Foundation for Performance*.
- Sawalqa, F. A. (2011). balanced scorecard implementation in jordan an initial analysis. *international Journal of Electronic Business Management*, 9, 196-210.

- Simon, H. A. (1957). A Behavioral Model of Rational Choice. *The Quarterly Journal of Economics*, 69(1), 99-118.
- Singh, R. J. (2014). Enhancing Organizational Performance through Balance Scorecard with Strategic Management Activities. *International Journal of Core Engineering & Management*. Отримано з <http://ijcem.in/wp-content/uploads/2014/04/Paper-on-Balance-Scorecard1.pdf>
- Susan V. Crosson, B. E. (2011). *Managerial Accounting Principles*. South-Western Cengage Learning.
- Talebnia. (2012). The major perspectives weighted model for balanced scorecard system in the case of auto industries. *Indian Journal of Science and Technology*, 15(10), 3412-3430.
- Tarazi, K. D. (2015). *The scope of using Balance Scorecard (BSC) in performance Valuation for the Corporations listed on the Palestine Exchange (PEX) Case study on APIC Holding Company 2012* . Gaza: Al-Azhar University- Gaza.
- Tohidi, H. (2010). Using balanced scorecard in educational organizations. *Procardia- Social and Behavioral Sciences*, 2(2).
- Weerasooriya, W. (2013). Performance Evaluation using the Balanced Scorecard: The case of Sri Lankan Universities. *World Review of Business Research*, 3, 125-137.
- Zaghloul, t. q. (2010). *The use of balanced performance measures in building a four-track measurement model to manage the strategic and operational performance of intellectual assets*. Saudi Arabia: Program of the twelfth symposium on ways of developing accounting.

Appendix (1)



استبيان

برنامج التخطيط الاستراتيجي وتجديد الأموال

كلية الدراسات العليا

الجامعة العربية الأمريكية

السادة المحترمين:

تحية طيبة وبعد:

يقوم الباحث بإجراء دراسة ميدانية بعنوان " مدى الاعتماد على بطاقة الأداء المتوازن في تقييم أداء الشركات الصناعية المدرجة في سوق فلسطين للاوراق المالية "، نأمل من حضرتكم التكرم بالإجابة على أسئلة الاستبانة بدقة، مع العلم بأن البيانات التي سيتم جمعها هي لأغراض البحث العلمي فقط وتعامل بسرية تامة.

وتفضلوا بقبول فائق التقدير والاحترام

تعليمات عامة:

1- يرجى الإجابة على جميع الأسئلة.

2- في حال وجود أي استفسار يرجى التواصل مع الباحث:

بريد الكتروني: msameh2080@gmail.com

هاتف رقم : 0599550853

الباحث

محمود سميح انعيرات

إشراف

د. زهران محمد دراغمة

نبذة مختصرة عن بطاقة قياس الأداء المتوازن:

بطاقة قياس الأداء المتوازن هي عبارة عن أداة لتقويم الأداء التشغيلي والمالي والاستراتيجي في إطار متكامل من المقاييس المالية وغير المالية، حيث تستخدم بطاقة الأداء المتوازن لتقويم أداء الشركات أربعة أبعاد رئيسية وهي:

1. البعد المالي Financial Perspective.
2. بعد العملاء Customer Perspective.
3. بعد العمليات الداخلية Internal Business Processes.
4. بعد التعليم والنمو Learning and Growth.

القسم الأول: المعلومات العامة:

يرجى وضع دائرة حول الخيار الملائم:

1- المؤهل العلمي:

أ- دبلوم فأقل ب- بكالوريوس ج- ماجستير د- دكتوراه

2- التخصص:

أ- محاسبة ب- إدارة أعمال ج- علوم مالية ومصرفية د- اقتصاد هـ-
أخرى حدد _____

3- المسمى الوظيفي:

مدير عام ب- مدير مالي ج- مدير حسابات
د- مدقق داخلي هـ- محاسب و- مدير مبيعات ز- مدير مشتريات ح- موظف رقابة داخلية ط- موظف
رقابة مالية ي- عضو مجلس إدارة

4- عدد سنوات الخبرة في مجال العمل:

أ- أقل من 5 عام ب- من 5-10 عام ج- من 11-16 عام
د- أكثر من 16 عام

5- عدد العاملين في الشركة:

أ- أقل من 50 عامل ب- من 51 - 100 عامل ج- من 101 - 150 عامل
د- أكثر من 150 عامل

القسم الثاني: الرجاء وضع إشارة (V) أمام الإجابة التي تراها مناسبة:

أولاً: البعد المالي: يعتبر أحد أهم أبعاد قياس وتقييم الأداء، ويمثل هذا البعد مقياس لتحقيق الأهداف، والوقوف على مستوى الأرباح المتحققة لإستراتيجية المؤسسة.
أ. تقوم شركتكم باستخدام المقاييس التالية لتقييم الأداء المالي؟

رقم	العبرة	موافق بشدة	موافق	محايد	غير موافق	غير موافق بشدة
1	مؤشر العائد على الأنشطة الاستثمارية.					
2	معدل العائد على حقوق الملكية.					
3	معدل العائد على الموجودات.					
4	نصيب السهم من الأرباح.					
5	مؤشر القيمة الاقتصادية المضافة.					
6	مؤشر التدفقات النقدية في الشركة.					
7	معدل صافي الربح إلى المبيعات.					
8	القيمة السوقية المضافة.					
9	مؤشر النمو في المبيعات.					
10	مؤشر النمو في الأصول الثابتة.					

ثانيا: بعد العملاء : يعتبر من أهم الخصائص التي تحكم محركات القيمة من وجهة نظر العميل في المؤسسات التي تتمثل بسمات أو خصائص الخدمة، وجودة وكفاءة المنتجات، العلاقة مع الزبائن وغيرها من المقاييس.

ب. تقوم شركتكم باستخدام المقاييس التالية لتقييم بعد العملاء؟

رقم	العبرة	موافق بشدة	موافق	محايد	غير موافق	غير موافق بشدة
1	عدد العملاء الجدد.					
2	عدد العملاء المفقودين سنويا.					
3	نسبة رضا العملاء.					
4	تسليم المنتجات أو الخدمات في الوقت المحدد.					
5	مؤشر متابعة العميل بعد الشراء.					
6	انطباع العملاء عن المؤسسة وسمعتها.					
7	عدد شكاوى العملاء.					
8	أسباب شكاوى العملاء.					
9	معالجة شكاوى العملاء.					
10	مؤشر ولاء وثقة العميل.					

ثالثاً: بعد العمليات الداخلية: يركز هذا البعد على العوامل والإجراءات التشغيلية الداخلية المهمة التي تمكن الشركة من التميز، وتؤدي إلى تحقيق رغبات الزبائن المتوقعة بكفاءة وفاعلية.

ج. تقوم شركتكم باستخدام المقاييس التالية لتقييم بعد العمليات الداخلية؟

رقم	العبارة	موافق بشدة	موافق	محايد	غير موافق	غير موافق بشدة
1	مؤشر جودة التصنيع.					
2	نسبة الفاقد من المواد الخام أثناء التصنيع.					
3	استخدام الوقت الأمثل في تصنيع المنتج.					
4	سرعة تهيئة الآلات.					
5	وجود معايير لتقييم المنتجات المصنعة.					
6	العلاقة الجيدة مع الموردين.					
7	تطوير أنظمة العمل الداخلية.					
8	استخدام تكنولوجيا المعلومات في التصنيع.					
9	الاعتماد على نتائج تقارير وحدات الإنتاج.					
10	الاعتماد على تنفيذ نتائج وتوصيات تقارير وحدة الإنتاج.					

رابعاً: بعد التعلم والنمو: إن هذا البعد يضمن للمؤسسة القدرة على التجديد، حيث يعتبر الشرط الأساسي للاستمرار والبقاء على المدى الطويل، ويهدف هذا البعد إلى توجيه الأفراد نحو التطوير والتحسين المستمر الضروري للبقاء .
د. تقوم شركتكم باستخدام المقاييس التالية لتقييم بعد التعلم والنمو؟

رقم	العبارة	موافق بشدة	موافق	محايد	غير موافق	غير موافق بشدة
1	قدرة المؤسسة على تطوير منتجات جديدة.					
2	استخدام التكنولوجيا الحديثة في التصنيع.					
3	عقد الدورات التدريبية للموظفين.					
4	وجود حوافز للموظفين.					
5	ابتكار طرق جديدة للتقليل من وقت عملية الإنتاج.					
6	ابتكار طرق جديدة للتقليل من تكاليف عملية الإنتاج.					
7	إجراء تحديث على السياسات الإدارية.					
8	استخدام المعلومات من نتائج التغذية الراجعة لعملية التصنيع.					
9	الحرص على وجود طاقم مدرب من الموظفين.					
10	الحرص على وجود دائرة للتدريب والتطوير داخل المؤسسة.					

خامساً : تقييم الأداء العام للمؤسسة.

هـ. يرجى اختيار علامة من 1 إلى 10 حول أداء شركتكم من حيث الأبعاد التالية حيث أن 1 بشكل قليل و10 بشكل عالي.

رقم	العبارة	1	2	3	4	5	6	7	8	9	10
1	النمو في المبيعات										
2	نمو العائد على السهم الواحد										
3	النمو في معدل العائد على حقوق الملكية										
4	النمو في معدل العائد على الأصول										
5	النمو في الزبائن										
6	توسع أعمال الشركة										
7	تحسين جودة المنتجات										
8	انخفاض تكاليف التصنيع										
9	انخفاض نسبة الفاقد والتالف										
10	انتشار مبيعات الشركة في أسواق جديدة.										

وشكراً جزيلاً على تعاونكم

Appendix (2)



Questionnaire

Strategic Planning and Fundraising Program

College of Graduate Studies

Arab American University – Jenin

Mr. Mrs..... Respectable:

After Greetings:

This paper come to explore the “ **The Use of Balanced Scorecard for Performance Evaluation in Industrial Corporations Listed on Palestine Securities Exchange (PSE)**”.I hope that you will be able to answer the questions accurately, knowing that the data collected will be for scientific research only and treated confidentially complete.

Yours sincerely

General Instructions:

1. Please answer all questions.
2. If you have any questions please contact the researcher :

Mobile: 0599550853 Email: msameh2080@gmail.com

Researcher

Mahmuod Sameeh Hassan Nearat

Supervisor

Dr. Zahran Mohammed Dragameh

About Balanced Scorecard:

Balanced Scorecard is a tool for evaluating operational, financial and strategic performance in an integrated framework of financial and non-financial measures. The Balanced Scorecard used to evaluate the company's performance, which using main four dimensions:

1. Financial Perspective.
2. Customer Perspective .
3. Internal Business Processes.
4. Learning and Growth.

Section 1: General Information:
--

Please circle around the appropriate option:

1- Academic Qualification:

A - Diploma and less B. Bachelor C – Master D – PhD

2- Specialization:

A – Accounting B - Business Administration C - Finance and Banking Sciences D – Economy E - Other Specify

3- Job title:

**A - General Manager B - Financial Manager C - Accounts Manager
D - Internal auditor E. Accountant F- sales manager
G - Purchasing Manager H - Internal Control Officer I - Financial Control Officer
K- Member of the Directors Board**

4- Years of experience in the field of work:

**A - Less than 5 years B - From 5 - 10 years C - from 11 - 16 years
D - More than 16 years**

5 - Number of employees in the company:

A- Less than 50 workers b- From 51 to 100 workers c- From 101 to 150 workers D. More than 150 workers

Section II: Please place a reference (✓) in front of the answer you deem it appropriate:

First: The financial Perspective: It is one of the most important dimensions of measuring and evaluating performance, and this dimension is a measure to achieve the objectives, and to stand on the achieved profits level for the institution strategy.

a. Does your company use the following metrics to assess financial performance?

#	Item	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Return on investment					
2	Return on equity					
3	Return On Assets					
4	Earnings Per Share					
5	Value Added Index					
6	cash flow indicator					
7	Net profit to sales ratio					
8	Market value added					
9	Sales Growth Index					
10	Growth Index in Fixed Assets					

Second: Customers Perspective: One of the most important characteristics that govern the engines value from the client point of view in institutions that characterized by characteristics or service characteristics, quality and efficiency of products, relationship with customers and other standards.

B. Does your company use the following metrics to evaluate after customers?

#	Item	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	New customers Number					
2	Lost customers yearly Number					
3	Customers' satisfaction rate					
4	Products delivery in the exact time					
5	Post- purchasing customers following up					
6	Customers' impression about the organization reputation					
7	Customers' complains					
8	Reasons for customers' complains					
9	Resolving customers' complains					
10	Customers' index trust and loyalty					

Third: Internal Business Processes Perspective: This dimension focuses on the internal factors and internal operational procedures that enable the company to excel, and lead to achieve the wishes of the expected customers efficiently and effectively.

C. Does your company use the following metrics to evaluate after internal processes?

#	Item	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Manufacturing Quality Index					
2	Lose rate from raw materials during manufacturing					
3	Using the perfect time in manufacturing					
4	Preparing machines speed					
5	Criteria for manufactured products evaluation					
6	Good relations with suppliers					
7	Developing internal work systems					
8	Using IT in manufacturing					
9	Deigning on the manufacture units reports results					
10	Deigning on executing the manufacture units reports results					

Fourth: Learning and growth Perspective: This dimension guarantees the institution ability to innovate, which is the prerequisite for long-term survival and survival. This dimension aims to direct individuals to the continuous improvement and improvement necessary to survive.

D. Your company uses the following metrics to assess after learning and growth?

#	Item	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	The organization ability to develop new products					
2	Using modern technology in manufacturing					
3	Conducting training sessions to the employees					
4	Impulses for employees					
5	Creating new methods to decrease time					
6	Creating new methods to decrease costs					
7	Updating administrative policies					
8	Using feedback for manufacturing					
9	Trained employees					
10	Training department inside the organization					

Fifth: Evaluating the institution general performance:

E. Please choose from 1 to 10 on your company's performance in terms of the following dimensions:

1 is very small and 10 is high.

#	Item	1	2	3	4	5	6	7	8	9	10
1	Sales growth										
2	Return growth in share										
3	Growth in property return rate										
4	Growth in assets return rate										
5	Growth in customers										
6	Company work expanding										
7	Products quality enhancement										
8	Manufacturing costs decrease										
9	Lose decrease										
10	Company sales in new markets										

Thank you very much

Appendix (3)

Questionnaire referees

#	Name	Specialization
1	Dr. Mohammed Abu Sharba	PhD in Finance and Banking, Assistant Professor at the Faculty of Finance and Management.
2	Dr. Soliman Al abadi	PhD in Economics and Finance, Assistant Professor at the Faculty of Finance and Administration.
3	Dr.Raed Orekat	PhD in Business Administration, Assistant Professor in the Faculty of Finance and Administration.
4	Dr. Mazen Rabaya	PhD in Curriculum and Teaching Methods.
5	Dr. Ahmed Dababat	Ph.D. Mathematics Methods.
6	Dr. Shaher Obaid	PhD in Business Administration, Assistant Professor in Business Administration, Al-Quds Open University–Jenin.
7	Dr. Hisham Jabr	PhD in Business Administration and Finance.
8	Dr. Hossam Rabaya	PhD in Political Science

مدى استخدام بطاقة الأداء المتوازن في تقييم أداء الشركات الصناعية المدرجة في سوق فلسطين للأوراق المالية

ملخص:

هدفت هذه الدراسة إلى فحص مدى استخدام بطاقة الأداء المتوازن في تقييم أداء الشركات الفلسطينية الصناعية المدرجة في بورصة فلسطين، ومعرفة إذا ما كانت مقومات تطبيق بطاقة الأداء المتوازن ممكنة في تطبيق الأبعاد الأربعة للبطاقة (البعد المالي، وبعد الزبائن وبعد العمليات الداخلية، وبعد التعلم والنمو).

اعتمدت هذه الدراسة على المنهج الوصفي التحليلي من خلال الرجوع إلى العديد من الوثائق والكتب والدراسات السابقة التي تتمحور حول الموضوع، حيث تم الاعتماد على الاستبيان لجمع البيانات الرئيسية لهذه الدراسة ومن ثم تفريغها وتحليلها باستخدام برنامج التحليل الإحصائي (SPSS).

وكان مجتمع الدراسة متمثلاً بالإدارة العليا وكل شخص لديه دور إداري ولديه معلومات عن بطاقة الاداء المتوازن في للشركات الفلسطينية الصناعية المدرجة في بورصة فلسطين وعددها 11 شركة، حيث تم توزيع 120 استبانة وبلغ عدد الاستبيانات المكتملة 91.

توصلت الدراسة للعديد من النتائج ومنها: إن الشركات الفلسطينية الصناعية المدرجة في بورصة فلسطين تستخدم بطاقة الأداء المتوازن في أبعادها (البعد المالي و بعد الزبائن و بعد العمليات الداخلية و بعد التعلم والنمو)، كما وبينت الدراسة أن هناك علاقة بين بطاقة الأداء المتوازنة مع مكوناته (المنظور المالي، منظور العميل، عملية الأعمال الداخلية والتعلم والنمو) وأداء الشركات. وأظهرت الدراسة أيضاً أن قوة تفسير منخفضة للغاية بين المنظور المالي وأداء الشركة وهناك علاقة كبيرة بين منظور العملاء ومنظور العملية الداخلية ومنظور التعلم والنمو وأداء الشركة.

التوصيات:

1. استقطاب الكوادر والخبرات الفنية المؤهلة والقادرة على تطبيق بطاقة قياس الأداء المتوازن بشكل كفؤ وفاعل في الشركات الصناعية المدرجة في البورصة.
2. إقامة الدورات التدريبية المتخصصة حول موضوع بطاقة قياس الأداء المتوازن لتدريب العاملين في الشركات على كيفية تطبيق محاور البطاقة بشكل فاعل ومعرفة المزايا التي تحققها الشركات من وراء ذلك.
3. القيام بدراسة مدى تطبيق بطاقة الأداء المتوازن في منظمات الأعمال المختلفة في المنظمات الخدمية كالمستشفيات والدوائر الحكومية والمؤسسات التعليمية للاستفادة من مزاياها كأداة لتقويم الأداء بشكل شامل لمختلف أجزاء المنظمة.