

An Evaluation of the Impact of Strategic Linkage on BSC Usage and Performance

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Previous research supports the link between the balanced scorecard and firm performance. Research further suggests that this link may be affected by strategy, though few studies provide empirical support for this link. The purpose of this study is to examine and provide empirical evidence on how strategic linkage affects the relationship between BSC usage and performance. The research also examines factors that affect the extent of BSC usage in an environment outside the United States. Based on a sample of 259 South Korean firms, the results indicate that strategic linkage mediates the link between BSC usage and firm performance, though there was no moderating effect. The results provide support for the significant effects of organization size, market position and market competition on BSC usage. Marginal support is found for market uncertainty on BSC usage. Results indicate that product life-cycle and market growth do not impact on BSC usage.