

Management of Changes with the Implementation of Balanced Scorecard Concept

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ABSTRACT

Purpose: The study aimed to determine the feasibility of using balanced scorecard (BSC) in change management.

Methodology/Approach: The study employed theoretical methods of scientific cognition, such as system analysis, synthesis, comparative analysis, and generalisation.

Findings: The study demonstrated that the BSC efficiently connects strategic objectives with operational activities, boosting adaptability, resilience, and competitiveness, while mitigating employee resistance and promoting continuous improvement through clear priorities and integrated performance indicators.

Research Limitation/Implication: The research is theoretical, restricting the empirical validation of its findings. Future research should integrate case studies and quantitative evaluations to confirm the practical influence of BSC on organisational change processes.

Originality/Value of paper: The study illustrates how the BSC aligns strategic objectives with operational activities, enhances adaptability, minimises employee resistance, and promotes continuous improvement and sustainable growth across several sectors.

Category: Research paper

Keywords: organisation; ideas; knowledge; motivation; financial perspective

Research Areas: Management of Technology and Innovation; Strategic Quality Management

1 INTRODUCTION

Change is a universal experience that people and organisations face every day. In an organisational context, change can arise from internal decisions or external forces, requiring adaptation to maintain relevance and competitiveness. Effective management of transformational processes requires proactive engagement with a dynamic environment full of risks and opportunities (Phillips and Klein, 2022). Following J.P. Kotter (2019), the changes that human society has undergone are significant and irreversible. However, despite their necessity, they often encounter resistance, especially when their purpose or results are unclear or perceived as threatening. This resistance is more pronounced in organisations with entrenched bureaucratic systems. At the same time, successful change management can not only support an organisation but also increase its potential for growth and innovation. H. Taherdoost (2023) argued that ignoring change and stagnation in development leads to stress and negative consequences in the future.

In this context, the analysis of organisational change requires systematisation and classification of different types of transformations, which further describes their nature, causes and consequences. Several key parameters are used to analyse organisational change. One of them is the breadth of coverage. E. Jääskä et al. (2025) noted that changes can be narrow, affecting individual processes or structural elements, or broad, covering the entire organisation. As a rule, radical transformations are complex and include changes at all levels of management.

M. Jabri and E. Jabri (2022) highlighted another important parameter – the depth of changes. In some cases, the changes are superficial and affect only certain procedures or mechanisms without affecting the fundamental aspects of the activity, while in other cases, there is a profound transformation of the entire management system, including the strategy, corporate culture and values of the organisation. One of the most important aspects is organisational development. R.L. Daft (2020) contends that alterations not embedded in an organisation's culture may only last if they evolve into daily practices consistent with its norms and values. Otherwise, they will disappear. This transformation is propelled internally by employee expertise, concepts, enthusiasm, and initiative. Unlike externally induced changes, organisational development prioritises innovative management strategies, skill enhancement, and sustainable growth promotion. Fundamental or secondary alterations are strategic, reshaping culture, values, and management practices, while profoundly modifying structure, processes, and relationships to establish new operational models. The authors S. Alateeg and A. Alhammadi (2024) are convinced that organisational culture has a significant impact on innovation, and strategic leadership is key in maintaining the correlation between them.

Current theories of organisational change can be classified based on their emphasis (Kaplan and Norton, 2020). Some focus on lifecycle progression, others on adaptation to external settings like restructuring or crisis management, and others on profound transformations involving strategic or identity alterations. Efficient

management instruments must systematically incorporate change into an organisation's strategy. The balanced scorecard (BSC) provides a systematic framework for transformation (Vankevich, 2021). The BSC is a strategic management tool that combines financial, customer, internal process, and learning and growth aspects (Kaplan and Norton, 2020). It is well acknowledged for transcending conventional financial measurements to incorporate non-financial factors. Hence, it provides a more holistic perspective on organisational performance. The adaptability of the BSC renders it a useful tool for managing organisational change, particularly when combined with other frameworks, such as Kotter's Eight-Step Model, Lewin's Three-Phase Model, and the ADKAR Model. These models offer insights into the psychological and organisational facets of change. Nevertheless, they predominantly concentrate on human behaviour or organisational processes, neglecting the alignment of these dimensions with strategic objectives. The existing literature is deficient in studies that comprehensively combine BSC with various models to establish a unified methodology for managing and assessing change. This research fills that gap by demonstrating how BSC may deliver both strategic and operational alignment while addressing employee resistance and organisational culture.

The rationale for applying the BSC in change management is related to its ability to overcome the key limitations of existing approaches. The BSC creates an integrated management model that provides not only control over change processes but also a mechanism for their consolidation in the corporate culture. Thus, the study of BSC capabilities in change management is an urgent scientific task aiming to identify ways to improve organisational flexibility, adaptability and sustainable development.

This research's novelty lies in comparing the BSC with other prominent change management models, including Kotter's eight-step model, Lewin's three-phase model, and the ADKAR model, demonstrating how the BSC facilitates and organises these processes for enhanced integration and long-term sustainability. This study enhances comprehension of effective implementation of strategic goals across many management levels and diverse sectors, including commercial, public, and social domains, by merging the BSC with current models. Based on the above, the study aimed to theoretically analyse the effectiveness of the balanced scorecard in change management, and identify its impact on strategic management, organisational sustainability, achievement of financial goals and reduction of staff resistance.

2 METHODOLOGY

During the study of change management using the balanced scorecard, a set of theoretical methods of scientific knowledge was applied for a deeper analysis and a more comprehensive consideration of the topic. The choice of methodological tools was based on the multidimensional nature of the phenomenon under study, as the BSC covers strategic management, operational processes, corporate culture

and financial efficiency. Consideration of BSC in the context of organisational change requires a combination of different methods to identify its impact on key aspects of company performance.

System analysis provided a comprehensive understanding of the BSC concept as an integration mechanism linking strategic and operational processes. It evaluated the BSC not as a set of individual indicators, but as a comprehensive strategic management system where human resource metrics interact within a single structure that ensures organisational stability. In this context, this method highlighted BSC as a mechanism for coordinating changes at different levels of management, where strategic goals are transformed into specific operational actions. Importantly, the system analysis revealed causal relationships between different elements of the BSC, which substantiated its effectiveness in change management and its adaptability to external challenges. In addition, dividing the system into separate elements made it possible to study its four perspectives: financial, customer, internal business processes, and training and development. The analysis contributed to an in-depth assessment of the BSC as a tool for linking strategic goals and operational processes, which is particularly important for organisations to adapt to an unstable external environment. The synthesis combined the results of the analysis and formed a holistic view of the BSC as a change management mechanism. The method established a logical relationship between the company's strategic priorities and operational activities to determine the need for adaptation processes in the context of market transformations.

In turn, comparative analysis was used to evaluate BSC in the context of identifying its differences and advantages over alternative approaches to change management. The analysis was conducted based on several substantive criteria derived from the essential characteristics of the approaches themselves, with an emphasis on the ability of the concepts to cover various levels of organisational change: from process transformation to the redefinition of strategic objectives. During the study, BSC was compared with J. Kotter's eight-step model (Ryneerson et al., 2024), K. Levin's three-phase model (Islam, 2023), the Awareness, Desire, Knowledge, Ability, Reinforcement (ADKAR) model (Devi and Thekkekara, 2023), as well as with OKR and holacracy methodologies. The key criterion was the degree of integration of the models into the management structure. BSC was viewed as a system that integrates strategic, operational, and behavioural elements through four interrelated perspectives. The role of approaches in shaping and consolidating corporate culture was also analysed. An additional criterion for comparison was the resilience of the models to external and internal crises, as well as their ability to maintain strategic alignment, reallocate resources and reduce staff resistance.

The generalisation method systematised the results and formed a holistic understanding of the role of BSC in change management. Thus, the study summarised information on the application of BSC in the commercial, public and social sectors, which identified the universality of this approach. The

generalisation method also identified the key factors that determine the effectiveness of BSC.

3 RESULTS

The balanced scorecard (BSC) is a strategic management method that provides a comprehensive measure of an organisation's performance (Oliveira et al., 2021). In contrast to traditional approaches that focus exclusively on financial performance, the BSC system offers a multi-level assessment model that includes financial, customer, internal and learning perspectives (Table 1).

Table 1 – BSC model

Prospect	Key issue	Examples of indicators	The goal of strategic management
Financial	How should an organisation work to ensure sustainable financial development?	Profitability, return on assets (ROA), return on investment (ROI), and operating costs.	Ensuring long-term financial stability and growth
Customer	How is the organisation perceived by its target customer groups?	Customer satisfaction index (CSAT), loyalty index (NPS), market share	Increasing competitiveness and customer retention
Internal business processes	What key processes should be optimised to achieve strategic goals?	Lead time, defect rate, innovation activity	Improving the efficiency and quality of internal processes
Learning and development	How does the organisation ensure the growth and development of employees to maintain a competitive advantage?	Level of staff competence, number of training programmes, level of digital maturity	Creating conditions for innovation and sustainable development

Source: compiled by the author based on S. Kumar et al. (2023), A. Tawse and P. Tabesh (2022).

BSC can be used not only to record current performance but also to form a long-term strategic vision, ensuring a balance between short-term efficiency and future development. The BSC concept emerged in the 1990s in response to the limitations of financial metrics, which, although they reflected the results of activities, did not provide a comprehensive picture of the factors determining competitiveness (Gooneratne and Hoque, 2021). Furthermore, in an increasingly complex business environment, rapid technological development and globalisation, there was a need for tools that would address non-financial aspects of management. BSC filled this gap by linking strategic objectives to operational processes and human capital, making it an effective mechanism for change management. In the 21st century, the business environment has become even more complex: companies are facing digitalisation, automation, changing consumption patterns and the need to adapt to global economic and political challenges. BSC can be used to develop more flexible strategies, where financial metrics are combined with indicators of digital transformation, innovation potential and customer engagement in new channels. This is critical for companies operating in highly competitive industries, where

traditional management frameworks no longer provide the necessary speed of adaptation.

In the context of traditional control systems, it is worth noting that the organisation's performance was assessed retrospectively, based on historical reporting. However, in the context of rapid market transformation and instability, this approach no longer meets the requirements of dynamic management. In turn, the BSC enabled companies to move from passive analysis of results to proactive management, focusing on the factors that determine future development (Idogawa et al., 2023). This is relevant for organisations seeking adaptability, as successful change management requires not only monitoring the current state but also anticipating trends, taking timely corrective measures and involving all levels of management in the implementation of the strategy.

The BSC encompasses other organisational dimensions beyond financial indicators, including customer satisfaction, internal processes, and employee development (Eifert and Julmi, 2022). This approach facilitates the assessment of performance and comprehension of how elements such as employee training influence long-term revenue. The BSC bridges the divide between strategy and execution by involving employees with clear, relevant metrics, thereby cultivating a collective strategic comprehension. Furthermore, BSC fosters responsible governance by reconciling economic objectives with social and environmental obligations. Hence, it improves adaptability and stakeholder reputation.

An analysis of the effectiveness of implementing the Balanced Scorecard concept requires a more detailed examination of its impact on key aspects of strategic management, organisational sustainability, financial results and staff adaptation to change. Strategic change management is a complex and multi-level process that requires not only a clear vision but also effective tools for its implementation (Al-Arab and Abbawi, 2024). In this context, a balanced scorecard provides organisational alignment, control over strategy implementation, and support for change at all levels of management. The connection between BSC and classic transformation models, such as J. Kotter's eight-step management model (Figure 1), K. Levin's three-phase model, and the ADKAR, is evident in the fact that BSC forms transparent guidelines for the organisation, minimising resistance to change.

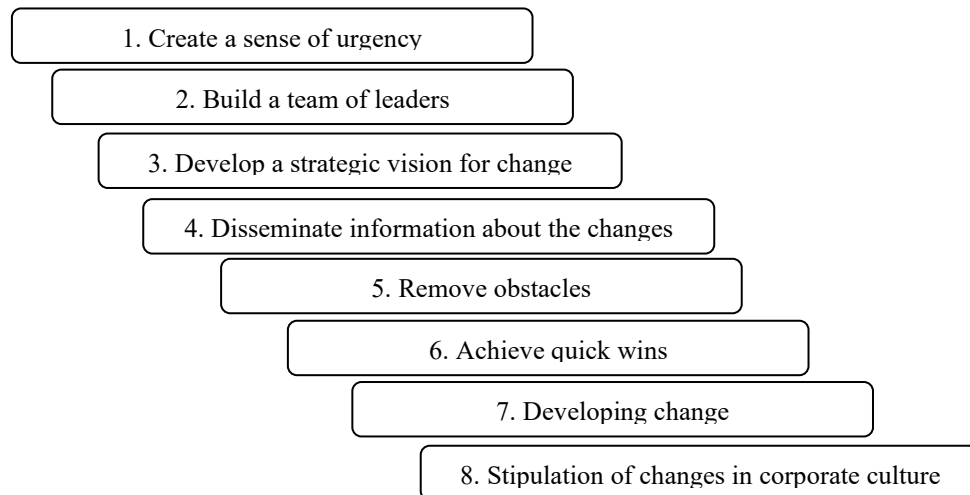


Figure 1 – Stages of J. Kotter's management model

For instance, J. Kotter's model emphasises the importance of forming an urgent understanding of the need for transformation and creating a coalition of change leaders. At the same time, BSC, as a strategic management system, can structure these processes, therefore making them measurable and consistent. In K. Levin's model, which is illustrated in Figure 2 and consists of the stages “unfreezing, changing, and refreezing,” BSC is particularly effective in supporting the final phase, consolidating new management practices through a system of measurement and control.

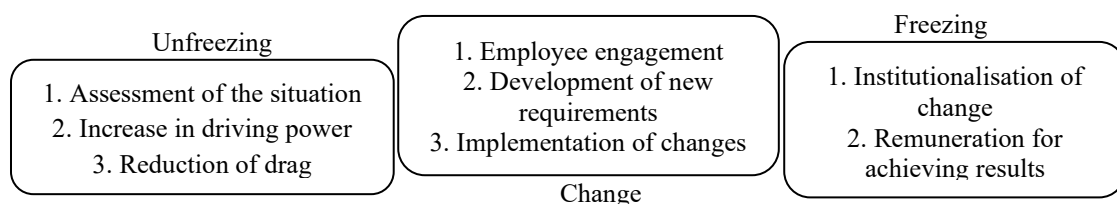


Figure 2 – K. Levin's model of change management

In turn, the ADKAR model (Figure 3) is a step-by-step approach to change management focused on individual perception and adaptation of employees to transformations. In contrast to the models of J. Kotter and K. Levin, which emphasise organisational dynamics, ADKAR views change through personal perception and employee engagement. The connection between this model and the Balanced Scorecard (BSC) is that both concepts are aimed at structuring the change process, creating motivation and forming sustainable mechanisms for implementing new strategies.

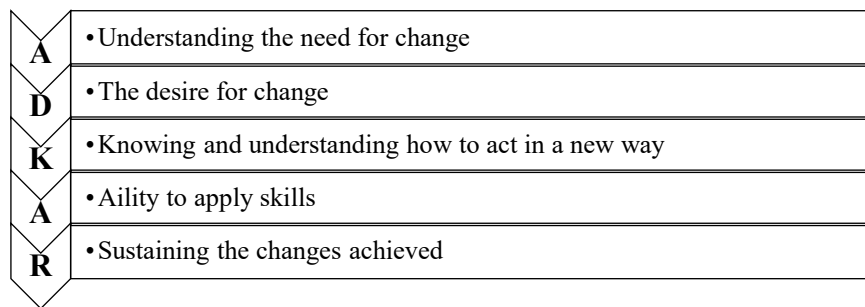


Figure 3 – ADKAR model

The first stage, “Awareness”, in the ADKAR model implies the need to communicate to employees the reasons behind the required changes. BSC fulfils this function through the transparency of strategic goals: defined key performance indicators demonstrate the connection between employees and the organisation's global goals. The “Desire” stage focuses on getting staff interested in change, which BSC does by linking individual and team metrics to the incentive system. For instance, if a company implements a customer-focused strategy, the corresponding customer satisfaction indicators in the BSC can be integrated into the personnel evaluation system, which creates an additional incentive for its implementation. The “Knowledge” and “Ability” stages in ADKAR are aimed at training employees and helping them adapt to new working conditions. In this context, the BSC's training and development perspective includes indicators related to staff training, participation in training courses and the implementation of innovations. Lastly, the Reinforcement stage involves the sustainable implementation of new approaches into the corporate culture, which in BSC is ensured through continuous monitoring of indicators and their adjustment in line with changing conditions. Thus, BSC can be viewed as a way not only to support strategic management but also to help implement the key principles of ADKAR at all levels of the organisation, reducing resistance to change and increasing its effectiveness.

Compared to other popular management concepts, such as objectives and key results (OKR) (Sörgens, 2023; Helmold, 2022) and holacracy (Schell and Bischof, 2021), BSC is more balanced in nature. OKR is widely used in technology companies and is focused on setting short-term goals that are reviewed in a flexible manner. However, the lack of a long-term vision makes this method less suitable for strategic management. In contrast to OKR, BSC integrates short- and long-term goals, which maintains strategic focus without losing flexibility. The significance of the BSC in strategic management is also manifested in its ability to ensure multi-level coordination. The development of a balanced scorecard involves not only setting measurable goals but also building feedback mechanisms that enable adjustments to the direction of development based on actual data. This is especially important in a highly uncertain environment when the need for rapid adaptation requires accurate performance indicators and transparency of processes. In contrast to approaches that rely solely on historical financial metrics, the BSC offers

A dynamic management system focused on achieving competitive advantage through continuous improvement. It is this model that enables organisations not only to formulate a strategy but also to effectively manage its implementation, minimising losses caused by strategic inconsistency or lack of information.

In turn, holacracy is a decentralised management model where decisions are made at the level of self-organising teams. However, one of its significant drawbacks is the lack of a unified system of metrics, which makes it difficult to measure effectiveness at the strategic level. In this context, BSC is used as a structuring element, enabling the organisation to maintain management flexibility while controlling the implementation of strategic priorities.

The use of BSC in government and social organisations confirms its effectiveness as a universal management tool (De Freitas et al., 2021). In contrast, in the private sector, where the key performance indicators are financial results, non-financial indicators such as citizen satisfaction, social engagement, and the quality of services provided are substantial in government agencies and non-profit organisations.

The Balanced Scorecard (BSC) revolutionises management across diverse sectors by establishing transparent and accountable control mechanisms, especially in healthcare, education, and municipal administration, where economic efficiency and social impact are both essential considerations. The UK National Health Service (NHS) employs the Balanced Scorecard (BSC) to assess financial performance, patient happiness, accessibility of medical treatments, and the efficacy of preventive initiatives (Darling and Venkitachalam, 2020). In educational institutions, BSC evaluates teaching quality, student outcomes, and the incorporation of innovative technology into the curriculum (De Jesus Alvares Mendes and Junior, Alves, 2022). These examples demonstrate how BSC adjusts to various organisational requirements, providing data-driven management and strategic direction.

The use of the Balanced Scorecard (BSC) influences the attainment of financial objectives, improves profitability, and optimises resource allocation. Its strength is in its impact on strategic budgeting, transitioning from static planning to facilitate dynamic resource reallocation according to strategic priorities. This is especially advantageous in volatile businesses where it is crucial to modify budgets in reaction to external fluctuations (Alazzam et al., 2024). Organisations employing the Balanced Scorecard (BSC) exhibit enhanced financial stability due to their budgeting processes incorporating predictive models instead of depending exclusively on historical data.

A significant benefit of BSC is its capacity to incorporate investments in intangible assets such as employee training, organisational culture, and technological innovation into financial budgeting. In contrast to conventional models that categorise them as expenses, BSC regards them as strategic assets that facilitate long-term growth (Halima et al., 2023). By integrating Economic Value Added (EVA) into the management framework, BSC enhances risk management and

investment decision-making (Cherviakova and Cherviakova, 2024; Munir, 2022). Furthermore, BSC mitigates employee resistance to change by cultivating a culture of continuous learning and aligning individual objectives with organisational strategies, thereby enhancing motivation and commitment to transformation (Li et al., 2021).

In this context, the impact of BSC on staff motivation can also be considered through the prism of classical motivational theories, such as A. Maslow's hierarchy of needs and F. Herzberg's two-factor theory. According to Maslow, high employee engagement in work processes is achieved when their basic and social needs are met (Ain et al., 2021). The BSC contributes to this by creating a transparent assessment system in which each employee understands how performance affects the company's strategic goals. F. Herzberg's theory emphasises that, in addition to basic motivation factors (working conditions, salary), so-called "growth factors" are also important, including opportunities for professional development and recognition of achievements (McAnally and Hagger, 2024). The BSC integrates these principles, not only recording the contribution of employees to the overall results but also forming a system of non-financial incentives that increases job satisfaction.

Thus, a balanced scorecard not only structures the strategic management process but also contributes to the formation of flexible and sustainable organisations, ensuring a balance between financial goals, business process efficiency, human capital development and customer satisfaction. Thanks to its adaptability and versatility, BSC continues to be one of the most effective management tools for helping organisations successfully transform in a dynamic business environment.

An important perspective for the development of the BSC is its integration with behavioural aspects of management. Although the balanced scorecard already incorporates the human factor through the human resources perspective, its capabilities in managing personnel changes remain insufficiently explored. Modern research in the field of neuroeconomics and behavioural psychology demonstrates that the successful implementation of strategic initiatives largely depends on the perception of employees and their cognitive and emotional reactions to changes. Incorporating behavioural analytics mechanisms into the BSC to predict staff reactions to new management decisions can significantly increase its effectiveness as a strategic management method.

In addition, a promising area is the development of dynamic versions of BSC, which not only record key performance indicators but also automatically adapt to changing conditions. In conditions of high uncertainty, traditional static models may lose their relevance, as they do not consider the speed of change in the business environment. The use of adaptive algorithms and machine learning technologies can enable companies to operate a balanced scorecard system in real-time, optimising management processes in response to current challenges and new opportunities.

Thus, the further development of BSC is correlated with the expansion of its scope. As a universal methodology, the balanced scorecard has the potential to go beyond the corporate sector and become the basis for managing social, governmental and global transformations. In this context, future research should be aimed at identifying mechanisms for adapting the BSC to different industries and areas of activity, as well as integrating it with the latest technological and behavioural approaches, which will make the system more flexible, accurate and efficient.

4 DISCUSSION

A comparison of the results of the current study with the works of other authors revealed both similar approaches to change management and unique aspects that reflect the scientific novelty of this work. For instance, A. Errida and B. Lotfi (2021) analysed organisational change management in the context of factors influencing its success, including leadership, communication, employee engagement, and organisational adaptability. These aspects correlate with the conclusions obtained in this study, in which a balanced scorecard was analysed as a tool for effective change management. However, an important difference is the emphasis on the structured and systematic approach of BSC, which not only accounts for the influence of organisational factors on transformation processes but also ensures their measurability through the integration of strategic and operational objectives.

L.S. Ackerman (2023) addressed the classification of changes, dividing them into development, transition and transformation. In contrast to this approach, this study considers change management through the prism of the balanced scorecard, where changes are not just classified but integrated into the management system, linking strategic guidelines to operational activities. L.S. Ackerman emphasised that the successful implementation of changes depends on the depth of their integration into the corporate culture, which corresponds to one of the key findings of this study on the role of BSC in the formation of sustainable change management mechanisms. However, an important difference between the papers is that BSC not only facilitates the adaptation of organisations but also ensures the long-term sustainability of changes by creating a system of interrelated indicators that enable monitoring and adjusting their effectiveness at all levels of management.

C. Mio et al. (2021) consider BSC through the prism of sustainable development, analysing its role in achieving the goals of corporate social responsibility and environmental management. This direction is close to the present study in the sense that BSC is an integrated management system that incorporates not only financial but also non-financial indicators. However, in contrast to the current study, this analysis addressed the role of BSC in change management in general rather than sustainable development, emphasising its adaptability and effectiveness in the context of business process transformation.

Sancak (2023) addressed change management issues in the context of sustainable transformation, proposing a model in which organisational culture, staff engagement and management support are key success factors. This approach shares similarities with the present study, particularly in terms of analysing the role of personnel management in the success of change. However, in contrast to a study by I.E. Sancak, the present study addressed the mechanism of change implementation through the BSC system, which makes transformation processes more manageable and measurable. In contrast to the model proposed by I.E. Sancak, where changes are analysed from the perspective of corporate sustainability, this study considers BSC as a reduction of employee resistance and forms transparent management guidelines that ensure the successful implementation of changes. The study by I. Hristov et al. (2022) analysed cognitive distortions that influence the process of implementing performance management systems, focusing on the behavioural aspects of decision-making. In this context, there is a correlation with the present study, since the use of BSC is also aimed at improving strategic decision-making through a systematic approach to analysing the performance of an organisation. In contrast to a study by I. Hristov et al. on the risks of subjectivity and irrational behaviour of managers, the present study emphasises structured change management and minimisation of uncertainty using a balanced scorecard. Thus, while I. Hristov et al. highlighted the complexities associated with the implementation of performance management systems. This study proposed BSC as a tool that can overcome these complexities through transparency and multi-level control over strategic objectives.

This study validates the efficacy of the BSC as a change management instrument, consistent with other studies that emphasise the significance of a multifaceted approach to organisational transformation. This research is distinguished by its emphasis on the practical implementation of BSC in change management, in contrast to previous studies that typically investigate specific elements or wider corporate contexts. This study's innovation resides in its integration of the BSC with existing change models, including Kotter's, Lewin's, and ADKAR, positioning it as a pivotal instrument for strategic change management. This methodology is absent in prior research, which predominantly emphasises singular aspects or restricted uses of BSC, especially in domains such as sustainable development.

This work greatly contributes to the area by providing a comparative examination of several change management models, presenting the BSC as a systematic, universal technique that formulates strategic guidelines and ensures their practical execution. This is particularly pertinent for organisations seeking to enhance sustainability, mitigate risks, and adeptly manage change processes. This study further develops previous methodologies by delineating the measurement and integration of change in organisational processes. Future research may investigate the behavioural dimensions of BSC, namely its impact on employee perceptions of change and its role in mitigating resistance. Analysing cognitive distortions and devising strategies to enhance BSC's acceptance across all management tiers may

prove beneficial. Moreover, examining the correlation between company culture, management approaches, and the efficacy of BSC implementation may offer useful perspectives on its incorporation within human resource management systems.

This study's contribution is its thorough examination of the Balanced Scorecard as a strategic instrument for change management. In contrast to conventional models that emphasise only financial outcomes, the BSC integrates financial, customer, internal company operations, and learning perspectives, providing a comprehensive approach to management. This enables organisations to assess their performance and align their plans with operational actions, thereby ensuring a comprehensive approach to strategic change. The study emphasises that BSC can mitigate resistance to change by increasing openness, strengthening employee involvement, cultivating a culture of trust, and fostering ongoing improvement. This strategy allows organisations to respond to external problems, enhance their adaptability, and handle transformations effectively.

This study offers theoretical and practical advantages by advancing change management theory and its implementation in organisational contexts. Theoretically, integrating the BSC with traditional change models, such as Kotter and Lewin, enriches the understanding of organisational change management through a multidimensional, structured framework that balances financial, customer, internal process, and learning perspectives. This method offers a comprehensive perspective for analysing organisational transformation that goes beyond the parameters of current theories. The report provides managers with practical insights on how the BSC may mitigate employee resistance, enhance strategic alignment, and cultivate a culture of continuous learning. The BSC facilitates organisations in aligning strategic objectives with operational activities, enhancing their adaptability to external changes and maintaining sustained competitiveness across diverse sectors, such as healthcare, education, and government.

5 CONCLUSION

The study confirmed the effectiveness of the balanced scorecard as a tool for strategic change management. In contrast to traditional management methods that focus primarily on financial results, the BSC provides a comprehensive approach, linking strategic goals to operational activities. By incorporating financial, customer, internal and learning perspectives, the system enables companies to adapt to changing environmental conditions, increase resilience to crises and build long-term competitive advantage.

One of the key findings of the study is the determination of the BSC's ability to reduce staff resistance to change by ensuring transparency of strategic guidelines and integrating behavioural analytics. The inclusion of non-financial indicators (such as employee satisfaction, competence development and efficiency of internal

processes) helps create a culture of change where transformations are perceived not as a threat but as an opportunity for growth and innovation. In contrast to retrospective methods of performance assessment, the BSC can be used not only to analyse the current situation but also to predict future development, promptly adjusting the strategy in response to changing conditions. Thus, due to its high adaptability, BSC can be successfully applied in various sectors – from commercial organisations to government agencies. In particular, the use of the BSC in strategic management can be integrated with traditional change models, ensuring consistency of changes at all levels of the organisation, which helps to improve the efficiency of transformation processes, minimise risks associated with staff resistance, and strengthen strategic discipline.

Notably, the current study was theoretical in nature, which limited the empirical validation of the conclusions. Although theoretical analysis has made it possible to systematise existing knowledge about BSC and its role in change management, further research using empirical methods is needed to further determine the impact of BSC on corporate transformations. Thus, a promising direction for further research is to expand the empirical database on the application of BSC in real-world conditions, which will improve the accuracy of quantitative and qualitative assessments of its impact on strategic change management.

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Redon Koleci – Conceptualisation, Methodology, Software, Validation, Investigation, Resources, Original draft preparation, Review and editing.

CONFLICTS OF INTEREST

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