A CORPORATE SOCIAL RESPONSIBILITY PERSPECTIVE FOR THE BALANCED SCORECARD

As expectations in society for corporate social responsibility evolve, so too must both business strategy and the tools with which businesses measure and achieve such a strategy. The Balanced Scorecard (Kaplan & Norton, 1996) has become a popular tool for measuring and achieving strategy. Suggestions that corporate social responsibility is implicit in the Scorecard by virtue of the explicit consideration it gives to customers and employees are insufficient. This paper proposes that an explicit fifth perspective, a Social Responsibility perspective, within the Balanced Scorecard framework will allow for behaviors to receive the necessary focus and accountability for social responsibility to be actualized.

The Balanced Scorecard has become arguably the preeminent performance measurement tool for business organizations (DeWaal, 2003). The Scorecard encompasses four distinct but integrated perspectives developed to capture both traditional financial and non-financial performance measures. Through continuing research and implementation, the Balanced Scorecard has evolved from a discrete performance measurement system to an integrated performance management system. This evolution is continuous and explicit recognition of a fifth perspective, which places an emphasis on corporations’ responsibility to society, seems a natural evolutionary direction.