The fate of the balanced scorecard: alternative problematization and competing networks

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Abstract

Purpose – This paper aims to report on an empirical investigation of the fate of the balanced scorecard (BSC) approach in an organization.

Design/methodology/approach – Building on actor-network theory and using a qualitative case study approach, this study analyses how across time certain actors attempted to build a competing network in the organization to gain support for their underlying rationales for replacing the BSC with a budgeting system. Data were collected using interviews, observations and archival data from a Sri Lankan commercial bank.

Findings – This paper finds that despite the enthusiastic journey with all its potentials to be a sustainable accounting innovation, the attraction towards the BSC innovation by the organization appeared to be temporary because the BSC knowledge claims that were advanced by its promoters had not been widely accepted by those involved in the practice. Such a consequence of innovation diffusion appeared to be the result of the failure of the innovation promoters in coordinating the heterogeneous interests of various actors involved in the practice. This study concludes that the BSC failed to be sustained, amid varying ideologies and interests of powerful actors across time and opponent actors' perceived deficiencies in its adapted design attributes.

Research limitations/implications – Although the findings relate to a Sri Lankan case, they offer important insight into how parallel, competing networks advocating different control systems may exist in an organization, and that the sustainability of a specific system may depend upon the efforts and the relative power of the advocators of that system.

Practical implications – This paper sheds useful insights for practitioners on the effective implementation of accounting innovations and managing management control systems in organizations amid tensions associated with competing networks.

Originality/value – The outcomes enhance the knowledge of how multiple networks operating in an organization could compete with one another, with the result that one network may fall apart while another network gains prominence in the corporate landscape across time, amid varying interests of key actors, their actions and interessement devices used.

Keywords Balanced scorecard, Actor-network theory, Budgeting, Competing networks

Paper type Research paper

1. Introduction

Over the past 28 years balanced scorecard (BSC) research has flourished (Hoque, 2012, 2014) and accounting literature is replete with examples of the technique in action. The focus of

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this work ranges from its popularity (Ahn, 2001; Kasurinen, 2002; Malmi, 2001; Papalexandris *et al.*, 2004; Speckbacher *et al.*, 2003) to its implementation, use and practice (Ahn, 2001; Butler *et al.*, 1997; Malmi, 2001; Papalexandris *et al.*, 2004), as well as its interplay with other management innovations such as total quality management (Hoque, 2003; Modell, 2009) and to reviews, for instance on the politics of the BSC (Modell, 2012), its contribution in regaining the practice relevance of management accounting research (Nørreklit *et al.*, 2012) and comments on BSC commentaries (Kaplan, 2012). The BSC research also features criticisms of its ontological mismatches (Nørreklit, 2000, 2003), technical flaws (Ahn, 2001; Malmi, 2001) and barriers to implementation (Ahn, 2001; Butler *et al.*, 1997). Amidst this burgeoning literature what's also worthy of note is that despite its theoretical merits, some BSC implementations may not be successful and continued in organizations and in this paper, we strive to explain this phenomenon, by delving into the collapse of the BSC in a Sri Lankan commercial bank (hereafter SLB [1]).

SLB is a technology-led Sri Lankan commercial bank, with a high repute for innovation, which extends beyond the realm of information technology. In its quest for enhanced performance, SLB has implemented several new management practices such as 5 s, six-sigma, continuous improvement and in the accounting arena, the BSC. While the BSC began to diffuse globally and networks of support started to emerge from the late 1990s, the BSC made significant inroads in the Sri Lankan corporate landscape as well. After Professor Robert Kaplan visited the country in December 1998, which was hosted by the Chartered Institute of Management Accountants (CIMA) UK's Sri Lanka Division, the BSC became a buzzword. During this visit, Professor Kaplan became the centre of attention in highly attended seminars and used the opportunity to spread the BSC message among Sri Lankan corporate circles. BSC papers and books became available and leading academic institutions and professional accounting bodies incorporated them into their syllabi for undergraduate business degrees and MBA programmes.

The genesis of the BSC in SLB can be traced to 2004. Several intertwined deliberations are noteworthy here. At the time, the chief executive officer (CEO)/managing director (MD), who had a desire for novelty, falling prey to the tempting words of a motivated manager who participated in a BSC workshop (and later became the BSC champion of the bank) and the positive picture painted by a foreign consultant, all contributed towards the execution of the BSC in the bank.

The CEO and his allies believed that the implementation of the BSC would help overcome the inherent limitations of their existing budgetary control system by providing relevant information for improved decision-making amid the increasing competition in the banking industry. However, the rise of the BSC did not last long and moved back to its former budgeting system. In this paper, we aim to unfold the collapse of the BSC in SLB by addressing the following two research questions:

RQ1. Why did the BSC innovation emerge in the bank?

RQ2. Why was the BSC subsequently discontinued?

By delving into SLB's decision to discontinue its BSC innovation, which it had at one point considered as a useful management control system (MCS), we shed light on competing networks in an organization and show how a powerful competing network plays a significant role in deciding the fate of innovation. Doing so, we make significant contributions to the management accounting literature by demonstrating that the implementation of an organization's accounting innovation may not happen as desired by its pioneers and may take unexpected pathways resulting in unsettled and partial accomplishments due to diverse interests of different actors groups. Shedding light on the BSC implementation experience and the dynamics of the constructed competing networks of one organization like SLB could also be a lesson for other organizations across the globe. Seeing in this light, our paper from a single entity offers learning points to researchers and practitioners interested in understanding the process of implementing, mobilizing and stabilizing an accounting innovation in organizations. The case study reported providing evidence on how across time certain organizational actors attempted to build a competing network in the organization to gain support for their underlying rationales for replacing one existing system with another new system and vice-versa. Thus, this study highlights the importance of understanding how multiple networks operating in an organization could compete with one another, with the result that one network may fall apart while another network gains prominence in the corporate landscape across time, amid varying interests of key actors, their actions and interessement devices used.

As a prologue to the story which illuminates the issues that emerged from our empirical site, Section 2 outlines our theoretical framework. Then, in Section 3, the methodology used in the study is presented. Section 4 presents the findings. Section 5 offers a discussion of the findings. The paper ends with a conclusion and some implications for research and practice in Section 6.

2. Actor-network theory and accounting innovation diffusion

Implementation of accounting innovations in organizations has been subjected to scholarly inquiry and particularly, building on actor-network theory (ANT), several studies offer insights into how an accounting innovation is implemented, diffused and practised in organizations (for example, Alcouffe *et al.*, 2008; Briers and Chua, 2001; Emsley, 2008; Jones and Dugdale, 2002; Sandhu *et al.*, 2008; Pipan and Czarniawska, 2010; Busco and Quattrone, 2015; Mahama and Chua, 2016; Cooper *et al.*, 2017). This list although illustrative is not exhaustive.

A distinct feature of ANT is that an actor-network contains not merely people but also objects, i.e. human, as well as non-human actors (Callon, 1986a, 1986b; Latour, 1987; Lee and Hassard, 1999) and it captures the actions of actors and the nature of networks formed between them. Lee and Hassard (1999) indicate that actors "views are affected by their self-interests, therefore although proponent actors try to convince other actors, they, in turn, will be enrolled in the network only if they perceive that their interests align with others within the network" (Latour, 1987) and the stability of a network lasts only as long as its constituent actors do not resist the role or definition they have been designated to fulfil (Doolin, 1999). Actors are, thus, important not only in initiating an innovation but also in disseminating it (Harrison and Laberge, 2002) and competing definitions as to what is relevant might lead to some actors refusing to cooperate with a given practice (Chua and Mahama, 2007).

The notions of problematization, interessement, enrollment and translation are central to ANT (Callon, 1986a, 1986b). Problematization occurs when a focal actor structures a problem in its own terms, identifies other relevant actors and highlights how the problem affects other actors. Interessement refers to the actions of getting actors interested, convincing them and negotiating the terms of their involvement (enrollment). This involves the distribution of roles by an actor-world, wherein the actors in the network accept (or at least become aligned to) the roles defined for them during interessement. Translation implies how an actor enrols others in the creation of an actor-network, entailing attempts by innovators to create a forum, a central network in which all actors agree that the network is worth building and defending, thus creating a temporary social order. Due to heterogeneous interests of actors, one could expect different actors within an organization to engage in alternative problematization (Hansen and Mouritsen, 1999), encounter competitive tensions (Callon, 1986a, 1986b), undertake counter-enrollment efforts (Callon and Law, 1982) or even parallel translation (Sarker, Sarker and Sidorova, 2006).

While Briers and Chua (2001) drew on ANT in their activity-based costing (ABC) study of an Australian manufacturer, to delve into how an organization's accounting system can be changed by a heterogeneous actor-network of local and global actors and actants, with a focus on the role of boundary objects, Alcouffe *et al.* (2008) explored the diffusion of two management accounting innovations – the Georges Perrin method and ABC – in France from the lenses of ANT. Moreover, Emsley (2008) in his longitudinal case study on two manufacturing plants in an Australian organization examined Juran's cost of quality also from an ANT perspective. ANT inspired-study by Pipan and Czarniawska (2010) was premised on the introduction of management accounting in the Italian Ministry of Finance, in the Municipality of Genua and the Province of Perugia. It found that translation of a general idea at the local level leads to variations in practice and that there cannot exist a prescription for a successful implementation. Seen through the lens of ANT, Mahama and Chua (2016) investigated the formation and development of an outsourcing alliance, while mapping the changing connections between trust and accounting, defining trust as a situated practice constructed through the actions and routinized practices of multiple actors, both human and non-human.

While drawing on ANT and through a historical analysis Cooper *et al.* (2017) explored how the BSC, as a management accounting technique, was developed and marketed. On a related note, Busco and Quattrone (2015) drew case study material from a large corporation operating in the oil and gas industry and insights from the literature on accounting "inscriptions" illuminate the power of inscriptions in BSC implementation and Baxter and Chua (2019) viewed ANT as a means to examine accounting practices as local associations, which provides practical opportunities to study the social.

Researchers have also leaned on ANT in delving into the localization of a balanced scorecard project in a Singaporean firm (Sandhu *et al.*, 2008) and performance measurement approaches in an Australasian telecommunications organization (Andon *et al.*, 2007). Lowe carried out a series of field studies depicting the flavours of ANT in the New Zealand health-care sector (Lowe, 2000, 2001a, 2001b, 2001c). Preston *et al.* (1992), in examining the processes by which a form of responsibility accounting system emerged in a UK hospital network, offered a "fabrication model" with theoretical roots in ANT. Although not falling within the purview of accounting, using the lens of ANT was fruitful for Sarker *et al.* (2006) in interpreting the sequence of events that led to business failure; they were identified as errors in problematization, parallel translation, betrayal and irreversible inscription. Vinnari and Dillard (2016) in developing a richer theorization of agonistic dialogic accounting, drew on ANT with an example regarding the development of integrated reporting and Rutherford (2016) viewing through the lens of ANT illuminated how amid the inability of accommodating interests of actors, a network fails. This is also midst of the work of Justesen and Mouritsen (2011) which provide an overview of ANT-inspired accounting research.

While respecting these research endeavours, what appears to be missing in this literature is how the presence of competing powerful networks may decide the fate of an accounting innovation. Picking up on this important omission and leaning on the theoretical underpinnings of ANT which serve as a useful theoretical basis for explaining how diverse actors react to innovation and how their actions can decide the fate of the innovation, in this paper, we explore the collapse of the BSC in a Sri Lankan commercial bank – SLB.

3. Methodology

Inspired by ANT and accounting researchers who have drawn on ANT (Chua, 1995; Briers and Chua, 2001; Alcouffe *et al.*, 2008), we have developed an understanding of the fate of the BSC at SLB by following key human actors at the research site via face-to-face interviews and following non-human actors through analysis of archival documents, including accounting and management reports. In doing so, we followed a qualitative case study research methodology as our style of investigation (Miles and Huberman, 1994; Silverman, 2000). Lowe (2001c) strove to show how ANT could contribute to qualitative case study research in accounting by stressing that accounting systems were technological objects within networks of socio-technical relations, emphasizing both humans and objects as means of understanding how "facts" came to be settled as they were.

3.1 The research site

Interest in gaining access to SLB as an appropriate site for this study was sparked by the following considerations. Firstly, SLB being one of the largest banks in the country is considered as an organization important for the country's economy. Secondly, its reputation for being a technology-led commercial bank that is receptive to innovative practices. Thirdly, being an organization, which has implemented the BSC as an innovative accounting practice in the face of increasing competitive pressures. Accordingly, the first-named author contacted the bank's finance division to discuss the possibilities for data collection and with their cooperation, formal consent from the management of the bank was secured.

SLB was established over three decades ago. By the end of its first year of operation, it used less than 100 people and recorded a profit of approximately US$40,000. From this modest beginning, it has steadily grown into one of the premier private sector commercial banks in the country, currently using over 4,000 employees and recording revenue of over US$227m and a profit of US$19 million (2018/2019 SLB Annual Report). As revealed through its Annual Reports it achieved such performance by offering a range of innovative deposit and lending products to a broad spectrum of personal and corporate customers throughout Sri Lanka.

Under the direction of the Board of Directors, SLB is ably managed by a corporate management team consisting of the CEO, chief financial officer (CFO), deputy general managers (DGMs) and assistant general managers (AGMs). Reporting to them are other managerial staff and junior staff at the head office, regional offices and branches. SLB's goal is to be a growing force in Sri Lanka's financial services industry. It is guided by key values such as creating a learning culture, treating all internal and external customers alike, promoting teamwork, being open to feedback and demonstrating a commitment to results and uncompromising ethical and professional standards.

3.2 Data collection and data sources

We gathered our empirical data over three phases. Firstly, a pilot study with a focus on obtaining historical and background knowledge of the research site, its processes, management structure, business environment, technology and it is BSC in a broader sense. Secondly, the main field study with a more focused exploration of the bank's BSC, deeply capturing the emerging issues during the pilot inquiry. Thirdly, a follow-up study to obtain any additional information needed.

A series of open-ended interviews (see broad interview questions in Appendix 1) were carried out with personnel representing different levels of the management hierarchy, at various locations (head office, regional offices and branches) and diverse functional areas such as accounting, finance, strategic planning, marketing, HR, operations (for details, see Table 1).

The names and position details of potential participants were obtained from the bank's HR division. Care was taken to include people in diverse roles to obtain an in-depth understanding of the BSC of the bank. The primary researcher personally contacted all potential participants via email or telephone to invite them to take part in the research. Each participant was provided with a Participant Information Sheet, Consent Form and Withdrawal Form, following University Research Human Ethics Guidelines.

In total, 31 interviews, each ranging from 30 min to 2 h, were conducted. In so doing, we were able to generate a plausible fit between the research questions, the theory and the data (Ahrens and Chapman, 2006; Ahrens and Dent, 1998) and arrive at a position of theoretical saturation as no further surprises emerged from the field. Supplementary to these formal interviews, the primary researcher was involved in informal conversations with various members of the bank, as substantial time was spent in the field. The thoughts expressed during these discussions provided insights into the bank in general and its BSC system, in particular.

Our research involved the triangulation of data collected using multiple sources (Jick, 1979; Hopper and Hoque, 2006). In-depth interviews with key informants (elaborated above) were supplemented by documentary reviews and observations of day-to-day practices through several visits to the head office, bank branches and departments. The archival materials examined included the bank's annual reports, web pages and press releases and an array of internal documents (Appendix 2). Scrutinizing this documentation revealed any disparities with interview data and an assessment of the extent to which official documents reflected actual practice. This data triangulation strategy helped us ascertain whether the data collected through various means corroborated each other and to resolve any contradictions (Hopper and Hoque, 2006; Hoque *et al.*, 2013). Furthermore, as a means of respondent validation (Atkinson and Shaffir, 1998; Scapens, 1990; Yin, 2003), key organizational members were presented with a draft summary of case findings to confirm our interpretation of the phenomena under study and to enhance the credibility of the research.

3.3 Data analysis

Before analysis, interviews were digitally recorded and transcribed verbatim and field notes were maintained. Interview transcriptions were scrutinized for subsequent analysis, where we reconstructed the story of the fate of the BSC in SLB largely through the interpretations of various interviewees, using illustrative quotes to demonstrate our points.

Table 1. Profile of interviewees

Level of management	Pilot study No. of interviews	Pilot study Hours	Main study No. of interviews	Main study Hours	Follow-up study No. of interviews	Follow-up study Hours	Total No. of interviews	Total Hours
Corporate management	2	4.0	5	11	1	1	8	16
Senior managers:								
Functional	3	2.5	1	1.5	2	1.5	6	5.5
Regional	–	–	3	3.5	–	–	3	3.5
Managers:								
Functional	1	1.0	5	6	–	–	6	7.0
Branch	3	2.5	5	6.5	–	–	8	9.0
Total	9	10	19	28.5	3	2.5	31	41.0

Guided primarily by Miles and Huberman (1994), our analysis involved three intertwined activities: data reduction, data display and conclusion drawing and verification. Data reduction, which involved selecting, focusing, simplifying, abstracting and transforming data into field notes and transcriptions, commenced during the pilot study phase and continued throughout the project. Both the transcripts and field notes were scrutinized and key themes highlighted, after which coding was carried out. The initial codes were rather broad categories, a provisional start list which was refined as data collection proceeded, to follow up on surprises (Miles and Huberman, 1994).

Early analysis of the pilot study interviews dictated the data collection in the main study by identifying aspects worthy of further investigation. As the fieldwork advanced, additional codes were identified based on emerging themes, actors' interpretations were reproduced using direct quotations within a particular theme and an in-depth understanding of the data was developed. It was decided to carry out the process of coding and categorizing data manually, with the aid of Microsoft Word and Excel, while ensuring maintenance of proper records. Data were organized and displayed in summary tables in the form of a data analysis grid, listing the main themes/codes as the table heading and interviewees' comments/responses arranged in rows (See Appendix 3 for an example). Responses to each question were grouped to identify recurring and common themes. This facilitated analyzing the interviewees' diverse views. Furthermore, cross-checking of information was carried out by asking similar questions of members at different levels in the bank's hierarchy. Consistencies and inconsistencies in data were reflected upon while looking for rival explanations and any other supporting evidence (McKinnon, 1988; Miles and Huberman, 1994; Patton, 1990).

During the data display phase, it is crucial to allow the distinctive patterns of the case data to appear (Miles and Huberman, 1994). Hence, a detailed case study write-up by way of a descriptive report was produced for the research site; it was later used as a basis for the analysis. For conclusion drawing and verification, there was continual iteration between theory and field study evidence (Ahrens and Chapman, 2006). Pilot interview findings were compared with the theoretical lens as a means of revising, reformulating, discarding and supplementing interview questions for the main study (Humphrey and Scapens, 1996). Empirically based themes were thereby incorporated to ensure that the case did not become a mere replication of the chosen theoretical orientation (Scapens and Roberts, 1993). In doing so, pattern matching (Yin, 2003), which involves a comparison of the empirically based pattern with predicted patterns, was carried out.

4. Findings

4.1 Emergence of the balanced scorecard – rationales

The roots of SLB's management control lie in a traditional budgeting system which was practised from the inception of the bank to the year 2004. At that time, keeping with the aspirations of the Board of Directors and the corporate management, the finance division prepared certain *ad hoc* budget reports at the aggregate level along with budgets for each branch and division focusing primarily on quantitative financial indicators such as revenues, profit, assets, deposits, advances, return on assets (ROA) and return on equity (ROE). Recalling this era, interviewees noted that a budget was nothing more than a *rough* target. As one branch manager recollected, the common feeling conveyed was, "at that time the head office prepared the budget and sent to us; we were supposed to achieve it". While another branch manager expressed, "budgets were prepared by the finance people; our major focus was how to attract more customers, not to spend time with filling-in figures for a budget".

Although the budget provided a rough target for branch and divisional managers, no formal mechanisms existed to periodically monitor actual performance versus targeted performance and to neither execute corrective action nor a forum to discuss budget results. Budgeting was not strictly enforced, as achievements were not praised and penalties were not imposed for under-achievement and it failed to provide timely information for managerial decision-making. Seen in this light, budgets played a limited role in organizational control processes and were perceived by interviewees as a “showcase” for corporate management.

As a senior official in finance recollected and became evident through published financial statements, amid heightened competition in the industry, the bank experienced varying performance results, particularly, fluctuating profits over the years. Thus, threats to the long-term prosperity by focusing solely on financial indicators through such a traditional budgeting system became increasingly evident to the top management, for the bank lacked useful and relevant information to enable it to accurately measure and manage performance across various branches and units. By this time, alongside its efforts to achieve greater efficiency of operations and enhance performance and combat the stiff competition encountered, SLB actively embarked on process improvement projects and served as a sort of a laboratory to implement new tools. Notwithstanding such developments on the operations front, accompanying changes were not witnessed in the accounting arena. Accordingly, the management accounting implications of such process improvements did not get reflected through the existing control mechanisms of the bank and the usefulness of its management accounting system was questioned by senior managers of the corporate office. Collectively, these deliberations moved management control of the bank into a different regime, a different control system: the BSC. We elaborate this, in turn.

4.2 Forming a balanced scorecard implementation network

Several intertwined deliberations are noteworthy concerning the origin of the BSC at SLB. This includes the interest of the former CEO/MD, enthusiasm of the strategic planner and the role of a foreign consultant. The need for the BSC was, thus, problematized by these key actors highlighting the deficiencies of the existing traditional budgetary control system and illuminating how the BSC could address these limitations.

According to public records such as local newspapers in Sri Lanka, a series of BSC workshops were held in the period 2003 to 2005, facilitated by a foreign consultant. At that time a manager of SLB (who later became the BSC champion) also attended one of these workshops and encountered the idea of the BSC. In line with MD’s thoughts, this manager recognized the potential capability of transforming SLB into a more efficient one by implementing the BSC, when he was impressed by the presentation of this consultant from the UK. This impression was decisive because when the MD obtained proposals on potential management tools to be adopted, he was convinced of the one submitted by this consultant. The strategic planner [2] noted:

> Our CEO was keen on implementing different things; I happened to participate in a BSC seminar by one foreign consultant in 2003. Then I informed our CEO, he was so serious about it. Ultimately this consultant was the resource person for the BSC here.

Persuaded by the technique of BSC, the MD pronounced its merits for the banking industry in particular, as the four quadrants being measured were very important for banks. He added, “financial performance measures are important, the staff is very important, customer service is more important and without information technology and other internal processes you cannot deliver superior customer service”. He further reiterated:

> I wouldn't say that it is the only tool, but it is one of the very useful measurement tools. With the BSC, you can measure the targets and see how well you are moving towards meeting your targets. You can have a scorecard for the bank, replicate it to the branches, take some important things to the cost centres, there are lots of things you can do.

Such words of the MD signified his strong belief and commitment towards the BSC and the strategic planner praised the MD's efforts noting:

> The MD was the key person in the whole idea of the BSC in the bank. Though he was an Accountant, he was not looking only at accounting numbers. He thought that we should look beyond financial figures, from a strategic point of view. He strongly believed in the BSC's potential; it is that commitment, which made it happen here.

The MD elaborated how his interest was further boosted when he listened to the consultant:

> We were looking for a business process and a monitoring tool, so we got proposals from a few people and one British consultant came up with this BSC idea. The consultant was a banker who had been also a consultant for a UK bank. When a former leading foreign banker says that this is going to work, you have that much more confidence because the language being talked is the language we understand as bankers.

In the early stages of the project, SLB, thus, obtained the services of this foreign consultant, who had led the BSC implementation projects in several countries and is a popular seminar leader, who had also facilitated discussions for CIMA Sri Lanka (CIMA records) as a renowned BSC expert in the Sri Lankan corporate arena. In the mind of the MD, getting a consultant from a Western country was imperative, in convincing other actors. Such an opinion is to be expected in a country like Sri Lanka, which was under British rule for well over 150 years. The consultant agreed on the project for a substantial fee and the MD was not hesitant to allocate that resources. Interviewees echoed comments such as, "an awful sum of money was spent; we had a foreign consultant who was flown in here"; "there was a tremendous cost for the consultant", "the foreign consultant's fees we do not even know".

The first mission of the consultant was to brief SLB's senior management about the concept, approach and merits of the BSC. Such a kick-off presentation was vital to enlist the support of actors. However, rather than critically analyzing how the concept could be applied to this particular context, the consultant tried to impose the BSC model into the bank. He was dissociated from the system: he was simply attached to the fad of the BSC, as one manager summed up:

> Consultants know their theories, but they must first try to understand this country, culture, bank's history. I don't think this consultant did anything like that. He just gave his experiences in other countries; those things cannot be just implemented here. To formulate something acceptable to this environment it takes someone more than a foreign consultant.

Similar sentiments were echoed by several others. One senior manager remarked, "the consultant was always telling us to look at [. . .] (the UK Bank where he implemented the BSC). However, our bank is different. He never understood that". Another manager explained, "we can get something from consultants, but our people should decide what to accept, what to reject and whether this will work here". Amid such critics, understandably the consultant's involvement was short-lived.

Following his high interest, the MD formed a division by the name of Planning and assigned a manager possessing multiple academic and professional qualifications in business, who was deemed suitable to take charge of the BSC project. Manager – Planning had this to say, "I was in main banking operations, but I was invited by the MD to take on this 'new' but challenging role may be because, on many occasions, the MD realized that I wanted to do new things”. This manager was assisted by five department staff members and in 2007, he was promoted to a senior manager in the renamed division, Strategic Planning. Interviews with him gave a clear indication of his devotion to the project, as he recounted the hard work put in by his team:

> It was a long process. Our team spent a lot of time selling the idea to the people. We conducted training programmes: initially for the management then down the line we visited branches and conveyed the message. It is not the consultant, it was our team who developed the whole project, measures and reporting structures with some initial discussion with the consultant.

Interviewees noted that for the sake of simplicity, the bank opted to stick to the traditional four perspectives of the BSC model prescribed by its advocates. This was corroborated through a review of internal documents. Accordingly, the corporate level featured 19 key performance indicators (KPIs), while the branches were assessed on 15 KPIs. While the corporate and branch level encompassed some common indicators around profits, income, assets, automated teller machine (ATM) downtime, employee training, etc., the corporate level included indicators such as ROE, employee satisfaction and retention which were monitored on an overall basis, for they were subjected to wider policy decisions of the management and was beyond the control of individual branch managers.

Table 2 presents the BSC perspectives and related KPIs in the corporate and branch scorecards.

4.3 Interessement devices and actor enrolment

Amid the strong support from the MD, the strategic planner took a leading role and used compulsory presentation sessions and the monthly performance monitoring mechanism as implementation tools (interessement devices in ANT jargon) to absorb actors across different functional areas and layers of management into the emerging BSC network.

4.3.1 Balanced scorecard presentations. SLB’s management thought that the presentation was a viable endeavour to spread the BSC message across the bank. Thus, a

BSC dimension	Corporate level measures	Branch level measures
Financial	Return on assets	Return on assets
(How do we look to shareholders?)	Cost to income	Cost to income
	Fee-based income	Fee-based income
	Asset growth	Asset growth
	Profit growth	Profit growth
	Return on equity	Non-performing advances
	Non-performing advances	
Customer services standard	Cross-sales ratio	Cross-sales ratio
(How do customers see us?)	Customer profitability	Customer profitability
	Customer retention	Customer retention
	Product profitability	Customer waiting time
	Customer waiting time	
Internal processes	Credit risk rating	Credit risk rating
(What must we excel at?)	Audit rating	Audit rating
	ATM downtime	ATM downtime
People and learning	Training courses provided	Training courses provided
(Can we continue to improve and create value?)	Employee satisfaction	New ideas
	New ideas	
	Employee retention	

Table 2. Balanced scorecard perspectives and related KPIs at SLB

compulsory 20 min PowerPoint presentation followed by a 10 min discussion became an integral part of the BSC implementation process and branch/regional managers and functional heads were compelled to fall in line with it. A manager from operations remarked, "it was a direction from the management, so we were forced to do it". A branch manager added, "top management wanted the presentation to happen, there was no choice for us". Parallel sentiments came from the corporate management level, as an AGM noted, "I was looking at the scorecard and going to the meetings because I had to do it, not because I liked it". The BSC champion, however, elaborated upon its merits:

> The BSC is about reviewing the performance of a particular business unit plus how you will meet the overall targets. KPIs were given and the branches and departments came twice a year. They are the CEOs of their units. They told their achievements. If they have not achieved, they give the business rationale and how they were going to achieve the targets in the future, it was not a post-mortem. It indicated the top management to decide whether we will align with the expected results or whether there will be a deviation; if so, how to meet the final targets.

He further revealed that while the dates of the presentations were circulated in advance, the planning team facilitated the process by guiding the branches and units on carrying out a focused business presentation, which enabled managers to enhance their skills. As he elaborated:

> Because I closely worked with the managers, I saw that certain managers were maturing because of the BSC. Some might not be good presenters; people have different abilities. But they were thinking in business lines; rationally they were doing things. The BSC apart from measuring allowed the branch managers to come to the head office and present their branch situation. This was a rare chance they got in front of the corporate team. It gave them some pride.

The interactions with the PowerPoint presentation sessions were seen differently by various managers. Some took it as an occasion to make their presence felt to the top management. As one branch manager added, "We got to present to the most top people in the bank. I never had that opportunity before the BSC". On a connected note, interviewees reiterated how managers strove to impress the "higher-ups" at this forum. A representative view of this was put forth by an AGM, "most managers wanted to get into the good books of the superiors by showing a nice picture about the past and by telling big plans about the future. I felt are we focusing on the wrong things". Recollecting their experiences during presentation encounters, some managers claimed that it privileged those possessing good presentation skills. Such sentiments were also expressed from the apex level.

The BSC presentations were criticized for absorbing a significant amount of management and presenter time. This general view was reflected in an interview quote from an AGM, "I had enough core business to attend to and to be very honest; it was a waste to be sitting in these presentations 3 days a week, 2½ hours". Apart from this, from the viewpoint of managers presenting, it was a time-consuming exercise in terms of gathering information, preparing and decorating slides and rehearsing the presentation. Interviewees representing various levels of management expressed their thoughts on this. One functional head observed, "when the presentations were scheduled for a Monday, some managers worked here on the weekend preparing slides". A regional manager reiterated these points, saying, "people cannot just do presentations. They have to get ready, otherwise, the management will shout, what have you done". A branch manager spelled out, "we had pictures; letters coming like this and that. We took photographs of the area, a lot of additional work, we also took leave and stayed at home to get ready. It was such a headache". As the visual attractiveness took precedence over content, some compromised their everyday banking responsibilities, sacrificed weekends or took leave to come up with an impressive presentation. Not everyone was critical and it found favour among certain members. One manager recounted:

> Beginning of the year we are told the presentation date, so we have ample time. It was a matter of one- or two days' work to prepare. I don't know why such resistance came from branches, but I know there was resistance. It is not a problem unless you are going to do something extraordinary.

Given that the audience was the all-powerful corporate management, managers were striving for extraordinary presentations devoting an unacceptable amount of time and effort. Notwithstanding, the feedback from the corporate management evoked negative sentiments, for the forum named and shamed poor performance. Interviewees had more to say on this:

> If you use a tool for fault-finding, to harass a person then it won't work. The bad side of the presentation was that. If they used it for fact-finding, it is good for the bank and the person.
>
> (A functional head)

> When managers presented, corporate management was never helpful. They were asking various questions and people got into more and more trouble and if we make a small mistake it was hell.
>
> (A branch manager)

The comments of one branch manager, "work-overload no appreciation" further illustrated the unpleasant plight faced. He went on to say, "we had to present our plan, how to achieve it and the BSC. Then the management fire questions, there was no productive conversation it was pressurizing for extra work". Nevertheless, as one functional head espoused, "the feedback was a combination of user feedback and criticisms, for the corporate management were highly critical of weaknesses and praised work well done". Consequently, managers in well-performing ("good") branches responded differently to their peers in poorly performing ("difficult") branches. One manager stated, "I didn't have any issues, [name] branch was doing well, all targets were achieved. When you don't achieve only, you have to give explanations in the presentation". Signalling that favouritism crept into the BSC translation process, a regional manager postulated how the feedback differed according to the presenter, "The presentation allowed the top management to side-line people. If they don't like the face they just shout at him. Their favourites were given the opportunity to come up".

Reinforcing such criticisms, some senior members raised doubt as to whether the top management gave any constructive comments. An AGM noted, "due to the short-comings we were satisfying some people's egos". Two other senior officials exemplified:

> How the top people around the table react is important. Whether you have a go at them or encourage. Here the managers were saying "oh my god, BSC presentation".
>
> (A member of the corporate management)

> For some, it was a terrible experience, with all the questioning as if the manager had done a criminal offence. Some people were travelling hundreds of kilometres to head office to get scolded by the top people and go back.
>
> (A member of the trade union)

The above evidence suggests that while the periodic presentation sessions were an important interessement device within the realm of the BSC, various actors of the bank held diverse views about their interactions with the presentations. Ironically, a majority expressed negative sentiments.

4.3.2 Monthly performance monitoring via the balanced scorecard report. Supplementing the much-discussed presentations, monitoring of the corporate and unit (branch/functional) level performance via the BSC report, was a salient feature. Each of these reports included monthly performance figures (actual, plan and variance) and cumulative figures encompassing the year-to-date performance with the full-year plan, forecast and variance. Documentary evidence corroborated this view. Colour-coded status indicators for each KPI under the four perspectives were significant elements of SLB's BSC system (Appendix 4). On the KPI scale, "red" denoted unfavourable performance; "green" favourable performance; and "amber" (yellow) which is in between as an alert. The scorecard was formulated and made available by the strategic planning division for each branch and functional unit, which, in turn, were required to explain their "red" KPIs. This practice attracted a fair share of praise and criticism. Although proponents of the BSC saw value in this mission for it made unit managers focused on their performance and envisaged writing commentaries for the scores as an avenue to enhance professional writing skills, the majority opinion was different. The need to comment monthly on reasons for variances (*why red*) was seen as a burden. A regional manager expressed displeasure stating:

> The strategic planning division used to send us the scorecard monthly and we had to give reasons for not achieving the target. They were telling us your ratios are not good, address them. If they were really planning, they should have known that it is too much. They should have helped us. If we are in the wrong direction, they should have told us you are doing this, you are getting low-cost deposits, but you are not getting the current account deposits, now this area is enough, now do more pawning. That would have been more effective than the managers giving answers just to cover up.

A branch manager recollected on a critical note:

> They were asking the same thing and we were giving almost the same explanations. Marketing and all are different from branch to branch, some branches you don't get many customers, some branches you have a lot of customers, so you can lend, but even where you can lend easily they were asking how you are going to lend. For some branches all the items they asked for were valid, for some, all were not valid, but still, we had to comment on all. Sometimes we don't do those things; because it is not necessary for us to canvass, we already had the business, so it was not a real thing that we had written.

Continuing from such remarks, interviewees raised suspicions about the follow-up mechanism of the planning department. A branch manager explained that some members, in their comments on the monthly scorecard indicators, merely copied the previous month's responses, but this practice went unnoticed. The non-financial elements of the scorecard were open to question and interviewees expressed reservations as to whether they were monitored objectively. A branch manager said, "how can you monitor customer service standards, few customers come and appreciate our work, there is no mirror to see that". A functional head maintained, "even though the measurement of the financial performance is objective, other scorecard figures just became figures, they did not mean a thing". Such words constructed a shared view that the monitoring mechanism was far from being balanced and accurate, although denied by the BSC champion. He explained that corporate management was able to view the monthly scorecard of individual branches and that of the bank as a whole (corporate). While the focus was on the corporate scorecard when unsatisfactory performance (in the region of the colour *red*) was experienced, poorly performing branches, which contributed to this outcome were examined in-depth, with the assistance of the strategic planning team.

To recapitulate, with the growing popularity of the BSC in the country, in his search for better processes, the MD perceived the BSC as a useful ally. He was pleased with the involvement of a world-renowned foreign consultant and found an enthusiastic BSC champion to handover the project. In doing so he believed that others would dutifully accept it, although the reality proved otherwise, for the implementation tools and processes did not find favour from practice-level management in the bank branches and units. Hence, a heterogeneous network of allied interests did not materialize at SLB over the long term and the collapse of the BSC followed. We turn to this next.

4.4 Collapse of the balanced scorecard

The BSC network in SLB collapsed following the exit of the MD and the entry of a new CFO, amid actor dissatisfaction with implementation tools and processes (interessement devices). This collapse gave way to the rise of an alternative network promulgating budgetary control under the patronage of the new CFO. We tease out these deliberations below.

4.4.1 Change in actors: Exit of the managing director and entry of a new chief financial officer. SLB witnessed a change in its top management following the retirement of its CEO/MD who pioneered the BSC. The new CEO was a senior banker, a retiree from another leading domestic private-sector commercial bank. Even though no CFO had existed under the earlier structure, a CFO position was created, with a veteran banker from the same competitor bank being appointed.

As our field encounters revealed, the former MD was not only instrumental in getting SLB's BSC off the ground but also imposed it on others. However, his departure from the bank also saw the departure of the BSC. The facilitator took this view:

> What I see is different management styles; different people manage organizations differently and their belief systems are different. Earlier management, basically the MD, strongly believed in this tool. There was no department called strategic planning; he formulated it believing that strategy is more than the budget. Now with the change of management, with their experience and thinking, they may have taken a conscious decision to focus on the financials.

Several others reinforced it. Expressions of interviewees such as "we used the BSC heavily those days; but, after the change of management, the focus was different and we have not got any instructions on it" were common. The BSC did not receive a favourable reception from the newly appointed CFO. When asked about it, he first posed the question, "How do you know about the BSC"? Before declaring, "in any organization, there should be a set of targets and a performance measurement system. This BSC had been implemented for that in this bank".

The CFO's attitude towards the BSC was at loggerheads with that of the strategic planner. According to the latter, who had devoted a great deal of time and effort to the BSC, the bank had a good scorecard, although he recognized areas for improvement. Having come from outside and secured the top position in finance and planning, the CFO felt that it was time to do things his way. He wished to take the BSC in a different direction, "to a simpler form". A member of corporate management added:

> We believe that the BSC is a good directional tool. Branches and departments can use it to review performance and act. What has not happened is us pushing them. Now we are redirecting attention to more important areas, which will allow us to go back and see how we can make use of the BSC, maybe take a few things out and use it.

Following the lack of pressure for compliance and the attenuated attention of corporate management, others became detached and the BSC drifted away from the vocabulary in branches and departments. On one occasion, the strategic planner remarked: "For the BSC to be successful, the most important thing is your top team should believe; if masses at the top do not believe, in your strategic debate you are not going to understand it in that strategic perspective". The shared view at SLB was that while the passionate interest of the former MD had given rise to the BSC, after his departure its fate was at stake and has lost its way in the strategic debate, as the new CFO did not share the same positive sentiments. Thus, instigated alternative problematizing from ANT perspective promulgating budgetary control in the bank.

All vital finance and planning decisions now rest with the CFO and MCSs are shaped by his vision and outlook. This was manifested in many interviewees' comments, who expressed ideas such as "the future of management control vests in the hand of the CFO and budgeting is a priority; a new CFO position has been filled who flows down the business objectives and goals". While the CFO reported:

> I came from [name] bank [3] after retirement; even the present CEO came from [name] bank. We never had this balanced scorecard, but we did so well for so many years. At [name] bank the focus was on performance rather than performance assessment; no point in having performance assessment without performing. So, we need to give priority to performance, sort out problems, clear bottlenecks and have a simple performance assessment system.

Following the management transition, as desired by the CFO the finance and planning division was restructured, one key interviewee offered the wry reflection, "now even that department is not functioning". Although this change at the top level was a significant impediment to the longevity of the BSC, it was not the sole reason, as we detail next.

4.4.2 Actor dissatisfaction and manipulation of key performance indicators in the balanced scorecard. Our fieldwork indicated that SLB's BSC was fraught with unintended problems and ultimately raised more questions than it answered, hence, it was marred by discontent from unit-level members. Interviewees expressed their dissatisfaction with the BSC implementation tools and processes (i.e. the presentation sessions and monthly performance monitoring mechanism). They explained how the presentation sessions led to heavy work overload and deviation from the core business, while the monthly monitoring mechanism stirred up controversies as to the credibility of non-financial measures and how manipulation of indicators occurred. One senior branch official complained, "branch officers are not familiar with the BSC; they are not worried about it and they are not educated to that level. They did not like these presentations. They insisted that it was a fault-finding thing and a time-waster". A branch manager summed up his views as follows:

> The BSC is no more here. The management has stopped it. People were rejecting it. Anything – not only the BSC – if you pressurize too much it becomes a headache; we are human beings, there is a way of getting things done. We had to comment monthly, do presentations: lots of pressure. Also, some managers have an audience fear, thinking their English is not good; people also objected. Those things have overpowered the requirement of the BSC.

Branch managers also spelled out how they were torn between devoting time to the BSC or to customer concerns, which were competing priorities. One manager remarked, "we need to always think about serving customers, but when the presentation is there, we put a priority on that, but it is our customers' time, so we feel guilty". The following interview excerpt from a regional manager reinforces this view:

> Our core is banking operations, not the BSC. We have to protect our core and see how the BSC can help. With the BSC, the focus of the branches was only the BSC, when they should see that the customer who walks in through the door walks out happily.

A member of corporate management noted that "if you work only around tools some larger issues will be missed". This manager added: "The BSC is a good tool, but if one gets steamrolled by the concept, you think nothing other than the BSC, it could lead to so many issues. Whatever tool you have, our bread and butter are taking deposits and lending money". A regional manager reported that "Branch managers told me how they sacrificed their holidays, families because of the presentations". Managers from multiple functional areas shared this sentiment. One operation manager said, "We had to see that our branch network and ATMs were always up and running; with that pressure, we had BSC work also and we just could not manage everything". A regional manager stated that "a branch is a very busy place, so with all this work, even if we stay till 10 at night, it would not be enough. I know the problems; I was a manager of one of the biggest branches then". A senior employees association official reported that "people were so dissatisfied with the BSC; we got hundreds of complaints to scrap this and release the branch staff from this unnecessary work".

Seeing in this manner, although the BSC introduced new calculable spaces in the form of KPIs for non-financial elements, they were contaminated by disputes. Tensions were evident between the strategic planner on the one hand and functional heads, branch managers and regional managers on the other. While the strategic planner intended to take the BSC to great heights through gradual refinement, a majority of the latter group were critical of his role. The thoughts expressed by one branch manager are relevant here: "We had to take ownership, monitor the ratios and make presentations. Planning people just did a post office kind of job, putting together the figures to the BSC structure". A manager from operations commented:

> To be honest, a balanced scorecard was a hindrance to my productivity. I told the planning people we cannot monitor what you want us to monitor, like ROA. In my area, we have a core business. We cannot leave this and look at these petty things like the BSC.

The words of a member of top management were also seasoned with a tacit form of rivalry when he said, "certain places have become figure manufacturing factories; their main job is to work out all types of figures, very judgemental". These quotes provide vivid examples of the tensions and frictions that built up in the interactions between proponents and opponents of the BSC.

In the course of these discussions, it became apparent that the BSC encountered resistance and manipulation of indicators with an accompanying desire for discontinuation from various circles. While this was neither unusual nor irrational, it accelerated the demise scorecard.

The alleged superiority of the BSC over traditional budgeting lies in its ability to capture both financial and non-financial indicators. However, this very strength turned out to be a source of problems at SLB. Although the monthly monitoring of the BSC, which was done through a colour light system, gave a clear view of the level of achievement relative to performance targets, it was open to misuse by managers in their efforts to move their performance into the green region. One manager explained, "a lot of pressure was put on us to show '*green*', so some people tried to shine through the BSC, not by doing anything according to the BSC, just by manipulating figures". An AGM added:

> I don't know how the BSC is happening in your world; here it is red, green and yellow. Unnecessary importance was given to make the measures green. So, people looked at the titles on

> the BSC, OK customer service; they get 12 customers who are known personally and get a comment, service is excellent, that is green. Then deposits, you are supposed to bring in one million for a month, get a friend to come and put in one million; you are green, they are very happy. Beyond that, they won't think of bringing in 5 million.

Apart from this, staff suspicion arose over the objectivity of the measurement mechanism of non-financial elements and on the resulting BSC scores in the monthly reports. Members at various levels expressed views along the following lines:

> Common standards like queuing times affected rural branches badly. It depends on the people and the area. If people are knowledgeable like in the city, then the service is quick. In a remote area, employees have to explain a lot so it will take more time.
>
> (A member of corporate management)

> Customer service standards; we cannot apply the same thing to all the products. Case by case, it is different, difficult to exactly measure. How can you assess these things by colour? So, we were not sure about the figures sent by the planning division.
>
> (A regional manager)

> If you take the time to service a customer, your needs will be different than mine. And people will try to stick to the 10 min and will be in a rush to finish or pass the person to another.
>
> (A branch manager)

Following on from such comments, one official pointed out, "you know how manipulation can be done with non-financial measures; people put whatever values they wanted". Similar concerns and criticisms were shared by many others across the bank. Enmeshed in such controversy and displeasure with its interessement devices the fate of the BSC was short-lived and counter enrollment towards budgeting became more appealing to practice level managers

4.5 Emergence of a competing network and the fate of the balanced scorecard

Several years after the BSC was developed, contested and discarded, members across different functional areas and layers of management espoused diverse views in terms of how they saw, interpreted and reacted to it. Most interviewees were pleased that it no longer existed. For them, budgeting was more practical and enabled the bank to focus on the more critical areas. A classic response from a senior manager was, "I am glad that we have gotten away from the BSC; now our focus is much greater on business activities". The CFO insisted that "the most important thing is to provide customer service, deposit mobilization, recoveries, so now more resources are channelled into those areas than on back-office functions like the BSC". A member of the corporate management contributed:

> Budgeting is straightforward and avoids complications. The biggest complication I saw in the BSC was the heavy jargon used: ROA, ROE. These don't mean a thing to the people unless you tell them your ROA is so much; you do these things to improve it. A simplified way of looking at the profit and loss like budgets is more welcome than the BSC. It may be old school thought, but it works for me.

Notably, though not disputing the theoretical merits of the BSC *per se*, interviewees raised concerns about how it was put into practice. One functional head claimed, "I don't know how it is in other places. It was a miserable failure here". A regional manager pointed out, "with the BSC, implementation is the key, you have to do it with utmost care; the best example is our bank. The BSC is not a liked word in here, actually, people hated it". While another interviewee espoused, "my honest opinion is that the BSC is a very good tool. The issue is not about its design; it is about implementing and managing it [. . .] in trying to change things it pays to first sell it to the staff, without trying to stuff it down their throat". Similar sentiments were expressed by many others. Therefore, overtime budgeting became the language spoken and a competing network favouring budgetary control became powerful, amid the shift in key actors at the top, dissatisfaction of members across the bank regarding the implementation tools and processes of the BSC (such as the presentations sessions and monthly monitoring mechanism) who rationalized its discontinuation. Amid parallel translations, the BSC disappeared and budgetary control regained prominence in the arena of control.

5. Discussion

The primary research questions driving our study were, "why and how did the BSC innovation emerge in an organization and why was it subsequently discontinued"? Our analysis of the documentary and interview data collected during the investigation yielded some significant findings.

The ANT literature as outlined in this paper highlights how actors play an important role not only in initiating an innovation but also in spreading it across the organization. The first major research finding of our study was to discover how the fate of the BSC has been embedded both in the hands of the senior management, who initiated and implemented the systems through which they wished to structure organizational practices and in the reception of other organizational members. The second research finding relates to our discovery that the BSC did not find favour among most practice-level actors such as regional and branch managers and the functional (divisional) heads; these practice-level actors were dubious about the value of the BSC, although they passively complied with it during the era of the former CEO because they had no choice, they expressed their resentment of the system when the opportunity arose, once the change in management took place.

The third research finding of our study indicates that despite the enthusiastic beginning, the attraction towards the BSC innovation in the bank was temporary; across time, while the CEO retired from the bank, the knowledge claims advanced by its promoters and the interessement devices such as PowerPoint presentations and the monthly monitoring mechanism used in the implementation, in essence, the non-human actors used to enrol human actors were not widely accepted by end-users of the BSC at the branch levels. Hence, amid its failure to coordinate the heterogeneous interests of various actors, the BSC supporting network struggled to survive. Of further importance, the supporting network did not match the interests of the new CFO (and his allies), who instigated a competing network through alternative problematization of a new budgeting system. We discovered that not only was this counter-enrollment more powerful but it was also better aligned to the interests of managers at the branch, regional and functional levels who were already dissatisfied with the BSC. Hence, they readily disengaged from the BSC and embraced the emerging competing network surrounding budgetary control, which increased in size and strength over time. Thus, the findings of this study contribute to the literature by stimulating a comprehensive understanding of the fate of organizational innovations, namely, the BSC by analyzing how certain actors attempted to build a network to gain support for their underlying rationales for replacing the BSC with a budgeting system.

Chua and Mahama (2007) suggest that the dynamics of an actor-network relationship alter whenever a key actor engages or disengages and this has significant consequences for a network's solidity. Briers and Chua (2001) also suggest that new organizational systems, when aligned to the desires of powerful groups, will spread through an organization, meaning that change becomes cyclical. Our field data revealed how control systems such as the BSC were transformed as desired by the pioneering key actors (the former CEO) and the budgetary control system under the patronage of the current CFO.

The ANT literature further suggests that the continuation of a techno-science depends on the ability of the pioneering actors in enrolling other actors by harmonizing their heterogeneous interests (Emsley, 2008; Sandhu *et al.*, 2008) and binding them into a network of support (Sarker *et al.*, 2006; Latour, 1987). However, scholars also argue that accounting technologies can be pulled and pushed by different actors (Alcouffe *et al.*, 2008) and the individuals in a network may regard the matters considered relevant to the network in their ways, given their idiosyncrasies and personal interests (Latour, 1987). Competing definitions as to what is relevant might lead to some actors refusing to cooperate with a given practice (Chua and Mahama, 2007). As seen in this line of arguments, the diverse interests of heterogeneous actors need to be accommodated to build a coherent and stable network. However, as evident in our study, SLB failed in engaging practice-level actors to build an organization-wide consensus on the BSC and its interessement devices. Instead, interessement devices used such as PowerPoint presentations and monthly monitoring mechanism were widely disliked by different managers based on their preferences and differing personalities, not only through their creative activities and self-interest but also through their experiences, beliefs and interactions with others in the network, including non-humans (Czarniawska, 2004; Reed, 2007). In this manner, particularly, the BSC implementation tools and processes which were used to enrol different actors were beset by criticisms and the inability to unite such varied interpretations and interests eventually led to its collapse in the organization.

Network ordering is uncertain, contingent and temporary (Andon *et al.*, 2007; Briers and Chua, 2001; Chua, 1995; Latour, 1987) and the stability of a network lasts only as long as its constituent actors do not resist the role or definition they have been designated to fulfil (Doolin, 1999). However, as actors are self-interested within any organization, one could expect different actors to engage in alternative problematization (Hansen and Mouritsen, 1999), encounter competitive tensions (Callon, 1986a, 1986b), undertake counter-enrollments (Callon and Law, 1982) and experience parallel translation (Sarker *et al.*, 2006). As presented in the findings section, amid changes in key powerful actors across time and discontentment about the BSC and its interessement devices by practice-level managers, alternative problematization, counter-enrollment and parallel translations regarding budgeting became evident.

6. Conclusions

We conclude that parallel networks advocating different systems may exist in an organization and that the sustainability of a specific system or a practice may depend upon the efforts and the relative power of the advocators of that system. That is, a system may collapse due to the presence of a powerful competing network, rather than merely due to any perceived technical flaws or deficiencies of the system *per se*. Thus, the presence of powerful competing actors' networks plays a significant role in deciding the fate of innovation. Through this paper, we also postulate that despite the claimed technical superiority of the BSC (promulgating a balanced view of performance) the budgetary control system does not necessarily give way to the BSC and the BSC is not always successfully ingrained in organizations, while budgeting may later get restored in the sphere of control in organizations.

To conclude, this study provides a useful understanding of how competing networks may decide the fate of an organizational system and contributes to ANT-inspired accounting research by positing how competing management control networks may exist in organizations, which, despite their importance, has not been sufficiently examined previously. Entangled with multiple issues, the BSC episode reported in this paper reinforces the importance of the mode of implementation and effective change management in sustaining management tools in organizations. In that sense, this paper sheds useful insights for the management of an organization on the effective implementation of organizational processes including accounting amid tensions associated with competing networks.

This research from a Sri Lankan bank may be extended along several dimensions and we end this paper with calls for such future endeavours. Future researchers are encouraged to look at the fate of an accounting innovation in other (non-bank) settings and other countries from different perspectives. This would further our understanding of the functioning of accounting innovations in different contexts.

Notes

1. Pseudonym to preserve confidentiality.
2. Strategic planner and BSC champion refer to the same person and these terms are used interchangeably.
3. The former employer of the CFO.

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Appendix 1

Interview questions

(1) In general, a management control system may range from conventional budgetary control systems to novel tools such as the BSC. Can you please describe the management control system currently in place in your bank?

(2) Have there been any changes to your organization's management control systems during the past 5 years? If so, when did the changes happen? What are the main features of these changes?

(3) Can you describe the factors (internal and external) which influenced your bank the most to change the management control system (from a BSC system to a budgeting system)?

(4) Who initiated the change (to budgetary control)? Can you tell me about any particular person(s) who were behind this change? What are their positions in the bank and what are their backgrounds? Please describe.

(5) Can you please describe the aspects members in your bank liked about the change (budgeting system) and what didn't they like? Were there any resistances from employees to the change? If any, how did the senior management manage these resistances?

(6) In your opinion, are business units continuously improving due to changes in the management control system?

(7) What are your views on the BSC in terms of its strengths and weaknesses? What are your views on the strengths and weaknesses of the system of budgeting? How did these two control systems affect your day-to-day work in the bank?

(8) How did members in various areas react to these two systems?

(9) Can you please tell me who favoured the BSC? Who favoured the budgeting system? How did the change from the BSC to the budgeting actually happen?

(10) I understand that your bank got the services of a consultant when you implemented the BSC. Did you seek any consultancy services for the accounting area thereafter? Can you tell me more about it?

(11) Do you have any further comments concerning the BSC, budgeting or management control in general in the bank which you feel is important for this study?

Other topics include

Information on the bank's vision, mission, strategic priorities, corporate goals, critical success factors, competition, products and services, corporate performance and the performance of branches and units.

Appendix 2

Key archival records reviewed

(1) Corporate plans, mission, vision, goals and objectives.
(2) Action (operational) plans.
(3) Annual budgets.
(4) Corporate BSCs.
(5) Branch BSCs.
(6) Branch performance reports.
(7) Monthly regional performance reports.
(8) Memorandum to the board: Monthly budget and actual performance.
(9) Memorandum to the board: Quarterly expenditure budget.
(10) Board paper: Monthly variance reports.
(11) Quarterly review of corporate performance.
(12) Quarterly variance analysis reports.
(13) Peer bank performance review.

Appendix 3

Interviewee	Theme / code				
	Interest of the former CEO/MD's	strategic planner's role	Foreign consultant's role	BSC presentation	BSC report

Table A1.
An example of the data analysis grid

Appendix 4

	Plan	Month: Actual	Variance	Red, amber and green (RAG)
Monthly corporate BSC report				
Financial				
Return on assets	XXX	XXX	XXX	
Cost to income	XXX	XXX	XXX	
Fee-based income	XXX	XXX	XXX	
Asset growth	XXX	XXX	XXX	
Profit growth	XXX	XXX	XXX	
Return on equity	XXX	XXX	XXX	
Non-performing advances	XXX	XXX	XXX	
Customer services standard				
Cross-sales ratio	XXX	XXX	XXX	
Customer profitability	XXX	XXX	XXX	
Customer retention	XXX	XXX	XXX	
Customer waiting time	XXX	XXX	XXX	
Product profitability	XXX	XXX	XXX	
Internal processes				
Credit risk rating	XXX	XXX	XXX	
Audit rating	XXX	XXX	XXX	
ATM downtime	XXX	XXX	XXX	
People and learning				
Training courses provided	XXX	XXX	XXX	
Employee satisfaction	XXX	XXX	XXX	
New ideas	XXX	XXX	XXX	
Employee retention	XXX	XXX	XXX	
Monthly branch BSC report				
Financial				
Return on assets	XXX	XXX	XXX	
Cost to income	XXX	XXX	XXX	
Fee-based income	XXX	XXX	XXX	
Asset growth	XXX	XXX	XXX	
Profit growth	XXX	XXX	XXX	
Non-performing advances	XXX	XXX	XXX	
Customer services standard				
Cross-sales ratio	XXX	XXX	XXX	
Customer profitability	XXX	XXX	XXX	
Customer retention	XXX	XXX	XXX	
Customer waiting time	XXX	XXX	XXX	
Internal processes				
Credit risk rating	XXX	XXX	XXX	
Audit rating	XXX	XXX	XXX	
ATM downtime	XXX	XXX	XXX	
People and learning				
Training courses provided	XXX	XXX	XXX	
New ideas	XXX	XXX	XXX	

Table A2. BSC reports

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