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USE OF BALANCED SCORE CARD (BSC) IN THE EVALUATION OF LOGISTICS COMPANIES

The article addresses the issue of the need to optimize logistics operations and demonstrate the value of the company to stakeholders in response to growing market pressure. The author analyzes a balanced scorecard, application of this system in the evaluation of logistics companies. The article describes key aspects, advantages and practical problems of the system. The importance of BSC in improving strategic coordination, operational efficiency and customer satisfaction of logistics companies is also emphasized.

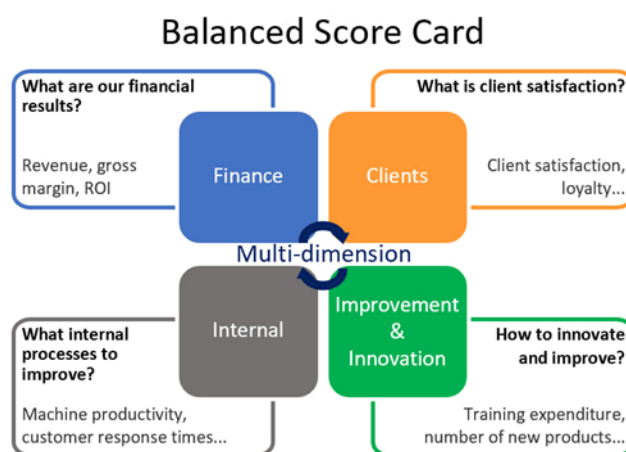
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In today's dynamic environment, to achieve success companies need to adapt quickly to changes in the market and to be ahead of competitors in quality, service speed, variety of assortment and pricing.

The need to analyse logistics activities is an important aspect because logistics, as an area encompassing multiple processes – from inventory management to transportation and distribution, requires a comprehensive approach to assessing its results.

The balanced scorecard approach emphasizes the importance of providing management with information that covers all key aspects of the company's activities. This information can be both financial and non-financial, and includes areas such as profitability, customer satisfaction, internal efficiency and innovation. Identifying weaknesses in logistics processes, as well as the inclusion of indicators related to training and staff development, helps to assess the level of skills of employees and their readiness to carry out tasks given by the company. The introduction of a balanced scorecard system contributes to improving the competitiveness, efficiency and sustainability of logistics companies in modern conditions [1].

The balanced scorecard approach to performance measurement focuses on four different perspectives and uses financial and non-financial indicators [2].



Balanced Score Card

Although segments of a business may be measured by a single performance indicator such as ROI («return on investment»), profit, or cost variances, it might be more suitable to use multiple measures of performance where each measure reflects a different aspect of achievement. Where

multiple measures are used, several may be non-financial. The balanced scorecard focuses on four different perspectives, indicated on Table.

Four different perspectives for balanced scorecard

Perspective	Question	Explanation
Customer	What do existing and new customers value from us?	Gives rise to targets that matter to customers: cost, quality, delivery, inspection, handling and so on.
Internal	What processes must we excel at to achieve our financial and customer objectives?	Aims to improve internal processes and decision making.
Innovation and learning	Can we continue to improve and create future value?	Considers the business's capacity to maintain its competitive position through the acquisition of new skills and the development of new products.
Financial	How do we create value for our shareholders?	Covers traditional measures such as growth, profitability and shareholder value but set through talking to the shareholder or shareholders direct.

There are currently not many examples of successful implementation of the balanced scorecard in practice, cause there are various problems with the implementation of the Balanced ScoreCard. The most serious problems are often related to misinterpretation of methodology or organizational elements. The labour-intensive development of a balanced scorecard and the lack of low-cost and effective software products are also challenges faced in the practical implementation of BSC.

- The complexity of the selection of indicators is one of the problems that can be encountered in the implementation of this system. Logistics has many aspects to consider, from inventory management to transportation and customer service. Determining which indicators will reflect all the key processes can be time-consuming and very complicated.

- Lack of data integration. Logistics operations often require integration of data from different sources (warehouses, transport companies, inventory management systems). The lack of a common database may make it difficult to collect and analyse the data required for the BSC.

- Resistance to change. The implementation of this system may cause resistance from employees who do not want any global changes in the company. This requires work that will inform and train staff in the case of new systems.

- Supply chain management challenges. Logistics involves interaction with a large number of third party organizations such as suppliers, carriers and the same customers. This may make coordination and monitoring of indicators difficult, which will significantly reduce the effectiveness of the system.

- Indicators need to be kept up-to-date. Indicators such as changes in the market environment, technology and company strategy require regular revision and updating of the indicator system, which can require significant time and financial costs.

In conclusion, balanced scorecard is a powerful tool for assessing and improving the performance of logistics companies. By integrating financial and non-financial metrics, BSC supports comprehensive performance analysis and promotes strategic flexibility. Future research should ex-

plore the possibility of integrating BSCs with new technologies, such as big data analytics and artificial intelligence, to further improve efficiency in the logistics sector.

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