



## **Measuring Business Excellence**

### **Emerald Article: An experiment in the usefulness of a strategy map**

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# Article Title Page

## An experiment in the usefulness of a strategy map

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**Structured Abstract: Purpose:** The objective of this study is to investigate the effect of a strategy map on the quality of decision-making.

**Design/methodology/approach:** The experimental design is used in this study. Twenty four participants were randomly assigned into two groups – a control group and a treatment group. Each participant completed two rounds of the experiment covering twenty four decisions using a simulation game. The multiple regression technique is used as the analysis tool in this study.

**Findings:** The results show that strategy maps do not affect the performance of participants' decision-making.

**Research limitations/implications:** This research employs the laboratory experimental design. Thus the external validity (the generalizability) is limited.

**Practical implications:** Results obtained from this research suggest that a strategy map alone is not an effective tool to help managers make better decisions. More details, such as a correlation between strategic measures in the strategy map or guidelines for the use of the map could help make a strategy map more useful.

**Originality/value:** This study tests the cause and effect relationship between using a strategy map and the results of decisions made. Unlike many studies that employ the survey method in which confounding variables cannot be controlled, results from this experiment suggest that a simple strategy map alone does not improve the quality of decision making. This finding can thus be valuable to managers who are considering using a strategy map as a management tool.

**Keywords:** Strategy map, balanced scorecard, performance measurement systems, experiment

**Article Classification:** Research paper



# An experiment in the usefulness of a strategy map

## Abstract

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## 1. Introduction

It is widely accepted that a performance measurement and management framework plays a very important role in managing an organization and can improve business performance (Sharma *et al.*, 2005). The interest in this topic has increased significantly in the last twenty years (Taticchi, 2008) and it is attracting increasing attention in business and management literature (Neely, 1999; Avella *et al.*, 2001; Unahabhokha *et al.*, 2006). Both for-profit and nonprofit organizations have invested substantially in the attempt to set up a framework that will over the course of time lead to successful management of the organization. Over the last two decades, substantial effort has been put into the design and implementation of performance measurement systems (Eccles and Pyburn, 1992; Kaplan and Norton, 1993, 1996, 2000; Neely *et al.*, 1996, 2000; Olve *et al.*, 1999) and the assessment of its uses (Dixon *et al.*, 1990; Bititci, 1998). Despite the effort spent to set up these frameworks, many organizations fail to realize the benefit gained by employing