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**THE POSSIBILITIES TO COMBINE USE
OF „EVA“ MEASURES OF ORGANIZATIONAL PERFORMANCE
WITH „BSC“ APPROACH TO MANAGING TOP-MANAGEMENT
BEHAVIORS**

Review

Abstract:

This paper discusses the potential to combine use of EVA measures of organizational performance with the use of the Balanced Scorecard approach to managing top management behaviors. It briefly outlines how the two tools are defined, considers their strengths and weaknesses, and then considers one approach for using the two tools together. Concerning EVA, the paper notes that it has advantages over other, accounting based, measures of financial performance and is highly compatible with the Balanced Scorecard approach to performance measurement and reporting, but has limitations when used to promote strategic alignment. Concerning Balanced Scorecard, the paper notes the strength of the framework as a tool to support strategic or operational management activity, but highlights its dependence on effective measure selection. By one practical sample, this paper concludes that when EVA is used in conjunction with the Balanced Scorecard approach, the resulting hybrid tool can be a powerful basis for encouraging organizational change and performance improvement.

Keywords: *EVA, balanced scorecard, performance measures, shareholder value.*