

## Enhancing Corporate Financial Performance through Sustainability Balanced Scorecards: A Systematic Literature Review

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**ABSTRACT:** This study explores the extent to which the Sustainability Balanced Scorecard (SBSC) serves as an effective tool for enhancing corporate financial performance. Through a systematic literature review (SLR) of 18 peer-reviewed articles published between 2020 and 2024, the research highlights how SBSC facilitates the integration of sustainability into organizational strategy across four key dimensions: financial, customer, operational workflows, and knowledge and development. The review reveals that the adoption of SBSC contributes to improved profitability, operational efficiency, customer satisfaction and loyalty, as well as enhanced employee innovation and capability development. Key enablers of successful SBSC implementation include strong management commitment, a culture of innovation, and strategic use of information technology. Furthermore, the findings underscore the value of SBSC for small and medium-sized enterprises (SMEs) across diverse sectors, particularly in manufacturing and services, positioning it as a strategic framework for sustainable financial growth.

**KEYWORDS:** Corporate Financial Performance, Strategic CSR Integration, Sustainability Balanced Scorecard.

### INTRODUCTION

The primary objective of every firm is often to identify the amount or type of profit. This circumstance is the primary cause of management's historical emphasis on market share, profitability, and other factors. As a result, a lot of them consider sustainability to be merely a supplement to financial reporting (Kalender & Vayvay, 2016). It is commonly acknowledged, nevertheless, that corporate strategy management is more difficult in new markets than it was in the past due to the rapid changes in decision environment. Information alone is insufficient to assess the effects of the preferred company strategy and activities; new metrics are required. Sustainability performance management, which tackles the social, environmental, and financial facets of corporate management, is a new business problem that contemporary organizations must deal with. Companies have been driven to research and enhance environmental performance by various kinds of issues. Environmental concerns may become more and more important to stakeholders and consumers. Despite the fact that sustainability is not a novel concept, many businesses are still unsure of how to apply it or quantify its results. Furthermore, the disparities among businesses and performance management system users make the deployment of these systems difficult. A continuous sustainability management philosophy, the sustainability balanced scorecard (SBSC) combines environmental and economic objectives to help direct an organization's overall strategy. The collected scorecard findings are utilized by the organization to evaluate its progress in fulfilling its goal, achieving its vision, and carrying out its strategic policies (Ali et al., 2022). Through the planning, targeting, and alignment of strategic activities, as well as the augmentation of strategic learning feedback, the sustainability balanced scorecard can also be utilized to integrate and communicate plans. Over the past few decades, research on the relationship between corporate sustainability and financial performance (CSFP) has gained traction. This increase has mostly been caused by a growing awareness of the need to protect the environment from destructive corporate practices (Rahi et al., 2024). The detrimental effects of corporations have led to significant wildfires, the melting of arctic ice, and current global warming (Pannett, 2022; Tolliver et al., 2020). The concept is popular because corporate sustainability is a multifaceted, adaptable action that might potentially ease symbolic sorrow. In the past few years, the growing global focus on sustainability has sparked a global discussion on how to create a sustainable world. Businesses are viewed in this discussion as essential contributors to the global sustainability objectives. They are not only essential to contemporary civilization because they create jobs and contribute to riches, but they are also to blame for a host of environmental and social issues. As noted by Lansituoto and Jarvenpaa (2010), environmental concerns can become strategic since they impact a company's reputation, earnings, competitiveness, markets, and goods, all of which will impact its ability to survive in the long run. Many businesses have adopted

social and environmental management systems in recent years to handle and regulate sustainability-related concerns. But in practical business operations, these management techniques frequently fall short. The fundamental cause of this circumstance is that these management systems are frequently operated at the operating level and are therefore unrelated to the company's strategic planning and management. Integrating social and environmental factors into the general management system is very possible with a balanced scorecard. The balancing scorecard is a technique for describing an existing strategy consistently to improve its successful implementation, not for creating new strategies (Leon-Soriano et al., 2010). Businesses and organizations can use it to clarify their goals and put them into practice. Kaplan and Norton (1996) claim that the model offers insight into the internal business operations and the results that are obtained from those operations. According to Johansson and Larson (2015), it can be utilized as a tool for continuous improvement in order to identify the most strategic results and performance metrics. A strong and practical technique for assessing an organization's or company's sustainable performance is the balanced scorecard approach, which is based on sustainable development objectives. This study's primary goal is to examine and evaluate how the Sustainability Balanced Scorecard (SBSC) might enhance the financial performance of a company. In order to provide a more comprehensive knowledge of how SBSC might be used as a strategic tool to enhance financial performance in a sustainable context, this study attempts to gather and combine empirical evidence from earlier research. Insight into how well SBSC integrates sustainability objectives with profitable results is intended to be given to practitioners and scholars through this analysis (Gandini et al., 2024). The primary issue this study attempts to answer is: How much of a measurement tool for improving a company's financial performance is the Sustainability Balanced Scorecard (SBSC)? In-depth understanding of how SBSC is being used to enhance business financial performance metrics like profitability, operational effectiveness, and revenue growth is the goal of this inquiry. This study aims to give research-based evidence by addressing this topic, which will help businesses create and execute sustainable strategies that will boost their bottom line.

## 2. LITERATURE REVIEW

The Sustainability Balanced Scorecard (SBSC) is a development of the Balanced Scorecard (BSC) that was created to incorporate the financial, ecological, and social components of sustainability into company operations (Kaplan & Norton, 1992). The interests of individuals, profits, and the environment must all be balanced, according to SBSC, which was influenced by the Triple Bottom Line (TBL) paradigm (Elkington, 1997). In contrast to the BSC, it allows businesses to make a more comprehensive and integrated contribution to sustainable development by openly integrating social and environmental goals into performance views (Figge et al., 2002). The economic component of SBSC is centered on effective management and financial security, making sure that businesses can continue their sustainability initiatives even in the face of economic strain (Trisyulianti, 2024). Performance is the activity taken by a company to accomplish desired outcomes in accordance with previous decisions (Wong et al., 2015). According to Lebas (1995), an organization's primary goal is to accomplish goals within the allotted time and by employing preference ordering. A business may guarantee precise and timely planning by using performance measurement. Kennerly and Neely (2003) described a performance measurement system as an individual's performance or a group of individuals, techniques, and instruments that generated, analyzed, and diagnosed data using both internal and external factors. Therefore, a system for measuring performance cannot give an organization the precise information it needs to consistently satisfy the needs of its stakeholders and customers. In order to combine financial and non-financial performance measures, Kaplan and Norton (2001) developed the Balanced Scorecard after realizing the drawbacks of previous performance evaluation methods. Utting (2007) asserts that the Balanced Scorecard is one of the most effective performance evaluation tools in the world. According to numerous studies, a company's financial performance and the adoption of a Sustainable Balanced Scorecard (SBSC) are positively correlated. For example, Figge et al. (2002) found that businesses that use sustainability indicators in their performance evaluation systems typically have better financial results than those that don't. Furthermore, research on publicly traded corporations has demonstrated a favorable relationship between raising the market value of the business and implementing sustainability practices through SBSC (López et al., 2007). Utilizing SBSC results in more innovative processes and products as well as more efficient resource allocation, both of which eventually boost profitability, according to another study (Hansen & Schaltegger, 2016). Nevertheless, other research has produced contradictory findings, highlighting the importance of industry context and successful strategy execution to optimize the financial gains from sustainable practices. Furthermore, the most recent information technology advancements are crucial in making SBSC deployment and monitoring easier. The studies emphasize how crucial sustainable practices are to attaining sustainable development and improving

organizational performance (A et al., 2023). Zheng et al. (2022) assert that capital forecasting is an essential procedure for businesses, particularly SMEs, since it enables them to make plans for upcoming financial needs such as debt financing, working capital, and investments. According to Zhu et al. (2019), cash flow forecasting is a helpful tool for SMEs to estimate their capital needs since it enables them to anticipate future financing requirements and spot possible short-term liquidity issues. Shikumo and Mirie (2020) discovered that SMEs might have trouble getting reliable financial data and might be more vulnerable to outside economic forces that impact their capital needs. Additionally, Osazevbaru (2021) discovered that SMEs' capital forecasting can be greatly impacted by external economic factors like interest rates and exchange rates. Furthermore, in order to improve their capital forecasts, SMEs should strengthen their financial management procedures, such as working capital management and cash flow management, according to Baker et al. (2019). Additionally, Szollosi & Newell (2020) discussed the significance of capital forecasting in improving decision-making and operational efficiency. By predicting their future capital requirements, SMEs can prioritize investments that will have the biggest effects on their operations, like adding new technology or expanding their product line. However, external factors like increased investor confidence and stakeholder satisfaction can have a big impact on SMEs' capital projection. Capital forecasting, according to Li et al. (2020), can boost investor confidence by showing that a SME is proactive in managing its resources and has a thorough grasp of its financial status. Furthermore, Suropto (2023) advises that if stakeholders are pleased with the SME's financial performance and decision-making, it indicates that the capital forecasting process is successful and respected. Thus, the studies emphasize the significance of capital forecasting techniques, forecasting accuracy, factors influencing capital forecasting, and best practices for capital forecasting in small and medium-sized enterprises. These studies emphasize that in order to improve their financial planning skills, SMEs must implement efficient capital forecasting procedures and, when required, seek outside counsel. Previous research on sustainability has looked at the advantages of using financial statements to evaluate and communicate a product's carbon footprint (Carballo-Penela & Doménech, 2010) and investigated the connections between financial performance and environmental, social, and governance (ESG) practices of companies through green innovation in two European nations (Chouaibi et al., 2022). Others have examined the impact and contribution of innovative business models to firms' sustainability goals (Morioka et al., 2016; Richter, 2013), the moderating effect of corporate disclosures on responses to climate change and company stock performance (Ziegler et al., 2011), and the influence of sustainable product attributes (SPA) on firm profitability (Ullah, 2021). According to sustainability researchers, businesses that want to achieve sustainability goals must create a system of performance measurements that includes sustainability performance measures (Veera et al., 2024). This system will help the company plan, manage, and control its social, environmental, and economic activities (Penz & Polska, 2018). Future studies should identify appropriate qualitative indicators for an organization that effectively reflect the company's value in addition to doing more thorough qualitative analysis (Hristov et al., 2019). According to Mio et al. (2022), a thorough approach to sustainability should consider both external and internal elements as well as those that connect them. Furthermore, as businesses increasingly use green innovation strategies, it is crucial to gather information about how these strategies affect stakeholders' trusting views (Jørgensen et al., 2022). The range of standards, ratings, and guidelines that are now in use and how they compare to one another are not well understood by study (Crous et al., 2022; Fisch, 2019; Liu et al., 2022). Research on how boards affect environmental, social, and governance (ESG) and their efforts to develop sustainable corporate strategies for long-term value maximization—which would allow shareholders to receive sustainable returns—is also lacking (Eccles et al., 2020; Nguyen et al., 2021). A company's financial performance and sustainability can be significantly improved by applying the Sustainability Balanced Scorecard (SBSC), according to prior research. After implementing SBSC, it's crucial to remember that not every business will see the same degree of financial benefit. The effectiveness of SBSC implementation is largely dependent on elements like management's commitment to sustainability, an innovative and learning-friendly organizational culture, and the capacity to incorporate sustainability into the broader business plan (Tawse & Tabesh, 2023). Thus, while SBSC is a useful instrument for increasing financial performance and incorporating sustainability into corporate strategy, its effectiveness is mostly dependent on organizational and sector-specific characteristics. To maximize the advantages of SBSC deployment, more research concentrating on these areas would be beneficial.

### 3. RESEARCH METHOD

This study, titled Enhancing Corporate Financial Performance through Sustainability Balanced Scorecards, employed a systematic literature review (SLR) to identify, evaluate, and analyze relevant research on the impact of the Sustainability Balanced Scorecard



(SBSC) on corporate financial outcomes. In order to be eligible for inclusion, research had to specifically examine SBSC and financial performance and be published in peer-reviewed publications that were indexed by either Copernicus, Scopus, or Sinta 2. Books, opinion pieces or editorials, and research that was not in English were among the exclusion criteria. Using Publish or Perish software and Google Scholar; a literature search strategy was put into place to locate pertinent publications. Keywords including "Sustainability Balanced Scorecard" or "SBSC" and "financial performance" or "company performance" or "corporate financial outcomes" were used in the search. To make sure the literature was current and relevant, the search was narrowed to only include articles released between 2020 and 2024.

The first step in the literature selection process was gathering the titles and abstracts found using the search method. Reading abstracts was part of the initial screening process to weed out papers that weren't applicable to the research issue. After passing this phase, the articles moved on to the full-text evaluation, where the inclusion and exclusion criteria were rigorously followed. To minimize bias, two reviewers evaluated the publications independently. If there were disagreements, they were discussed or, if required, a third reviewer was consulted. The last phase was to extract information about the impact of SBSC on financial performance from the chosen papers, including the research design, sample, analysis techniques, key findings, and author conclusions. In-depth analysis and debate in subsequent studies will be based on the thorough and methodical evidence collecting made possible by this approach.

**4. RESULTS AND DISCUSSION**

The study intends to use a comprehensive literature review of studies published between 2020 and 2024 to examine how the application of Sustainability Balanced Scorecards (SBSC) enhances company financial performance. Using a Systematic Literature Review (SLR) methodology, this study found, picked, and examined academic papers that were relevant to the application of SBSC in influencing financial results. A preliminary search using particular keywords produced 150 articles. 75 articles were eliminated after screening for titles and abstracts because they did not fit the requirements for inclusion. In a follow-up full-text review, 57 more publications were eliminated for reasons such inadequate relevance to the research focus, non-peer-reviewed status, or a lack of empirical data. After a careful analysis, 18 peer-reviewed publications were found to meet all inclusion requirements. These selected studies are presented in Table 1.

**Table 1. 18 Articles Inclusive**

No	Author's Name	Year	Research Title	Research Design	Sample	Method	Main Finding SBSC	Conclusion SBSC
1	(Maheswari et al., 2020)	2020	Sustainable reverse logistics scorecards for the performance measurement of informal e-waste businesses.	Empirical Study	In-Depth Interviews with Eleven Experts	Statistical Descriptive Analysis	SBSC perspectives (financial, stakeholders' value, internal business processes, innovation and growth, environment, and social).	Sustainable reverse logistics scorecard (SRLS) to evaluate the performance of informal e-waste businesses.
2	(Oncioiu et al., 2020)	2020	Corporate sustainability reporting and financial performance	Retrospective study	Global Company	Empirical analysis	Sustainability reporting benefits larger companies more due to regulatory frameworks, industry-specific factors, and company size.	Sustainability reporting offers environmental and social benefits and financial benefits, with higher scores resulting in better financial outcomes



3	(Benková et al., 2020)	2020	Factors affecting the use of balanced scorecard in measuring company performance	Prospective study	643 companies, 182 responses	Descriptive statistics, and Pearson's Chi-square Test of Independence	Balanced Scorecard implementation financial indicators despite the significant resource constraints.	Balanced Scorecard is significantly influenced by non-financial indicators, but challenges.
4	(Sri Werastuti, 2021)	2021	Sustainability Balanced Scorecard and Management Communication in Evaluating a Company's Performance	Experimental Study	94 Students of Accounting	Experimental Approach	SBSC influences performance evaluation and managers' decisions on bonus allocation	SBSC improve performance evaluation, environmental perspective and high-level management communication
5	(Mio et al., 2022)	2021	Performance measurement tools for sustainable business: A systematic literature review on the sustainability balanced scorecard use	Study of Literature	69 scientific publications were selected and subsequently analyzed	Literature Analysis	SBSC help the managerial implications for existing research streams related to SBSC use.	SBSC indicated potential future avenues, and highlighting managerial implications.
6	(Biswas, 2021)	2021	Designing of Sustainability Balanced Scorecard in Health Care Sector – Contextual Reference to the Emergence of Pandemic	Study of Literature	Health literature articles	Literature Analysis	The SBSC is intended to gauge the health sector's continuous performance during the pandemic.	Healthcare can overcome the pandemic's obstacles with the support of SBSC.
7	(Ali et al., 2022)	2022	A Study on Corporate Sustainability Performance Evaluation and Management: The Sustainability Balanced Scorecard	Empirical Study	Global company (Generali Group)	Case Study	SBSC is effective improving sustainability performance and implementing sustainability strategies	SBSC as an effective sustainability performance management tool
8	(Gazi et al., 2022)	2022	The Assessment of Internal Indicators on The Balanced Scorecard Measures of Sustainability	Empirical Study	350 employees and managers banks in North Cyprus	SEM, or structural equation modeling	The effectiveness of accounting Innovation performance and intrapreneurship influence SBSC	SBSC Improves Organizational Effectiveness and Efficiency



9	(Veera et al., 2024)	2024	Systematic Literature Review of Corporate Sustainability and Financial Performance Linkages	Study of Literature	4 geographical regions continent Americas, Asia, Africa, and the Middle East.	PRISMA approach Utilized software tools like RefWorks and Covidence	Corporate financial performance implements management practitioners in planning sustainability	Sustainability and ESG initiatives help in contributes to internal and external factors affecting sustainability.
10	(Chalmeta & Ferrer Estevez, 2023)	2023	Developing a business intelligence tool for sustainability management	Case Study	Three Company Case Study	Qualitative multiple-case study	Methodology for developing and implementing SBSC that integrates in the organization	SBSC enhances management and information systems theory by addressing shortcomings in current practices
11	(Swamy et al., 2023)	2023	Sustainable organization performance evaluation using balance scorecard and analytical hierarchical process	Empirical Study	Aerospace organizations in India	AHP & Fuzzy Comprehensive Method SBSC	SBSC supports continuous performance assessments in industrial companies.	SBSC leverages sustainability to enhance company efficiency.
12	(Trisyulianti, 2024)	2024	Sustainability Balance Scorecard: Literature Review and Clustering of Performance Indicator	Study of Literature	Literature articles	Literature Analysis	SBSC help in conducting Sustainability performance, taxonomy and meta-analysis	SBSC transform taxonomic picture and mapping and development the perspective an organization
13	Aulia Gandini, Dwi Suhartini, Endah Susilowati (2024)	2024	Sustainability Balanced Scorecard: Enhancing Financial Performance	Study of Literature	20 scientific publications were selected and subsequently analyzed	Literature Analysis	SBSC assists SMEs in incorporating sustainability into their management plans in order to lower operating expenses and boost productivity.	SBSC fosters better financial performance and sustainable practices that increase consumer satisfaction and loyalty.
14	(Santos et al., 2024)	2024	Environmental sustainability balanced scorecard: a strategic map for joint action by municipalities	Empirical Study	5 companies in northern region of Portugal	Qualitative methodology, Document analysis - Municipal-level surveys - Interview with CCDR-N	ESBSC help to enhances cooperation and improved environmental performance	SBSC improves environmental performance by incorporating strategies for fostering a sustainable culture
15	(Apriyanti et al., 2024)	2024	Analysis of company performance measurement using the balanced scorecard method	Study of Literature	18 scientific publications were selected and subsequently analyzed	Literature Analysis	BSC is used to gain a complete understanding of company performance across financial, customer, internal	Balanced Scorecard enhanced company performance by identifying gaps and areas for further investigation



			and analytical hierarchy process (AHP) at PT XYZ				business processes, and learning and growth perspectives.	
16	(Alajeli & Wahhab, 2022)	2022	The Role of Internal Audit in Evaluating Sustainable Performance and its Impact on the Quality of Financial Reports	Empirical Study	Automotive companies in Iraq	Case study	SBSC improves the quality of financial reports through continuous performance evaluation	SBSC is important for internal audits of ongoing performance
17	(Stavropoulou et al., 2023)	2023	Green Balanced Scorecard: A Tool of Sustainable Information Systems for an Energy Efficient Business	Bibliometric analysis	Literature articles	Bibliometric analysis	SBSC supports companies in achieving environmental and energy efficiency objectives.	SBSC improves environmental, social, and economic performance.
18	(Martín-Gómez et al., 2024)	2024	Balanced Scorecard for Circular Economy: A Methodology for Sustainable Organizational Transformation	Empirical Study	Case study	Preliminary analysis	BSC help to integrated circular economy principles and provide a structured approach for companies to adopt CE practices	BSC demonstrated the convenience of establishing circular economy in a real industrial company for the development and monitoring

This research highlights a number of essential stages in the implementation of SBSC. In the early 1990s, Kaplan and Norton developed the Balanced Scorecard (BSC), a framework for evaluating business performance from four key perspectives: growth and development, internal company operations, customer relationships, and financial performance. As an improvement on the BSC, the SBSC incorporates social and environmental sustainability elements into performance evaluation, offering a more comprehensive framework for achieving long-term sustainable objectives (Arora, 2020). The advantages of SBSC include higher ratings from clients, lower expenses, and improved organizational efficiency—all of which boost a company's financial performance. Through the use of SBSC, businesses may better monitor and manage their sustainability performance and offer value to stakeholders (Guix & Font, 2020). Because SBSC unifies all operational facets into a single, complete framework, performance evaluation is strengthened. This enables businesses to not only concentrate on financial performance but also take into account how their operations effect the environment and society.

According to this study, SBSC assists businesses in finding ways to optimize operations and cut expenses, both of which have a direct effect on profitability (Berg et al., 2021). SBSC can address industry issues that are not simply profit-driven but also considerate of the welfare needs of people, society, and the environment (Elkington, 1998). The Balance Scorecard is a popular strategic management tool that may be used to create operational strategies and monitor performance (Rabbani et al., 2014). According to Elkington (1998), the TBL concept's aspects are as follows: Economics (a) displays profits and profits per share in a company's accounting; environment (b) demonstrates that executives' environmental agenda has been set to satisfy market expectations; and social (c) includes social, political, and ethical issues. In order to build a sustainable corporate economy that ensures financial returns and stakeholder liquidity, environmentally conscious businesses that are dedicated to protecting the ecosystem, and socially sustainable businesses that provide social management capital to the community, Govindan et al. (2016) add value to the TBL concept.

Sustainability is incorporated into the four BSC viewpoints by SBSC. First, from a financial standpoint, SBSC assists businesses in controlling sustainability expenses and enhancing operational effectiveness, both of which boost profitability (Alajeli & Wahhab,



2022). Second, by emphasizing sustainability practices that might boost customer loyalty and reputation, SBSC adoption improves customer satisfaction from the standpoint of the customer (Guix & Font, 2020). Third, from the standpoint of internal operations, SBSC makes it possible to identify and apply sustainability efforts in internal business processes, like energy efficiency and waste reduction (Reinaldy et al., 2023). Fourth, by incorporating sustainable objectives into organizational and staff development plans, SBSC fosters innovation and ongoing learning from the standpoint of learning and growth (A S Ali et al., 2022).

This study shows that implementing Sustainability Balanced Scorecard (SBSC) practices improves a business's bottom line. According to studies, businesses that use SBSC typically have greater market value and profitability (Arora, 2020). SBSC also promotes innovation in products and processes and more effective use of resources, which enhances financial performance (Werastuti, 2021). Several elements are necessary for the successful implementation of SBSC, such as management commitment, an innovative and learning-friendly organizational culture, and the use of information technology to facilitate the gathering and analysis of sustainability performance data (Ricardo Chalmeta & Estevez, 2023). Geographical location and industry also have an impact on SBSC. SBSC helps the industrial industry find ways to cut costs by implementing environmental sustainability strategies (Gazi et al., 2022). Additionally, SBSC offers SMEs a number of advantages. Research indicates that SBSC aids SMEs in cost reduction, operational efficiency, and sustainability integration into management plans (Achenbach, 2021). SMEs can become more sustainable and competitive over time by using SBSC. The sectors that gain the most from SBSC are manufacturing and services. According to Rafiq et al. (2020), SBSC enhances customer satisfaction and service quality in the service industry while lowering operating costs and increasing efficiency in the manufacturing sector. The SBSC is well known for being a useful tool for making decisions on sustainability management (Trisyulianti, 2024). Relatively speaking, SBSC is crucial in determining organizational sustainability (Hansen & Schaltegger, 2014; Schaltegger & Wagner, 2006). According to Fulop et al. (2014), SBSC is the cornerstone of organizational operations when it comes to putting strategies into action that are suited to the company's internal resources and capabilities as well as its external context. According to Baumgartner and Rauter (2017) and Schaltegger and Wagner (2006), sustainable development seeks to advance the economy, the environment, and society while addressing present demands and avoiding impediments for future generations. A comprehensive, multifaceted, and strategic evaluation of performance is necessary for this (Amrina et al., 2016; Dócekalová & Kocmanová, 2016; Edgeman & Eskildsen, 2014; Baumgartner & Rauter, 2017; Agrawala et al., 2016; Schaltegger & Wagner, 2006). The challenges of assessing business performance in light of sustainable development are anticipated to be resolved by the incorporation of SBSC.

Using SBSC has the following benefits:

1. Meeting the demands of stakeholders (Dyllick and Hockerts, 2002)
2. Proposing the concept of a "benefit company" and turning the emphasis to the bottom line, specifically profit and social benefits (Wilburn & Wilburn, 2014).
3. Prioritize sustainable long-term growth over immediate gains (Choi et al., 2019).
4. Transformation of management through cultural, structural, and practice changes that shift the socio-technical system toward a more sustainable mode of production (Lahtinen and Yrjola, 2019).

This article also explains how SBSC may help manufacturing organizations find ways to cut costs associated with environmental sustainability projects by employing the following strategies.

1. Efficiency of Energy Use: By using energy-related key performance indicators, SBSC helps businesses keep an eye on their energy usage. Businesses can identify areas where energy can be saved by evaluating this data, such as by enhancing production procedures or implementing more energy-efficient technologies. According to a study by Stavropoulou et al. (2023), using SBSC helps businesses become more energy efficient, which lowers operating expenses.
2. Minimizing Waste: SBSC can be used to monitor and control the creation of trash. Companies can find possibilities to reduce waste through recycling or material reuse by setting performance KPIs for waste generation and recycling procedures. Reducing packing or production waste, for instance, can save a lot of money. Research by Chen et al. (2020) and Reinaldy et al. (2023) backs up the claim that using SBSC for waste monitoring increases productivity and lowers expenses.
3. Managing Resources: SBSC facilitates more effective natural resource management. Companies can save money by monitoring the use of water and raw materials and establishing goals to cut back on these resources. For example, maximizing raw material utilization through more effective manufacturing procedures or conserving water with water-saving technologies. Arora (2020) shows that better resource management can save expenses and lessen its effects on the environment.

4. Preventive Maintenance and Care: By using SBSC to monitor the state of machinery and equipment, businesses may put proactive maintenance plans into place. This avoids unplanned malfunctions and costly repairs, which are usually more costly than regular upkeep. A proactive maintenance strategy lowers repair expenses and downtime, claim Gazi et al. (2022).

5. Utilizing Eco-Friendly Technologies: SBSC can help businesses use eco-friendly technology that will ultimately be more economical and efficient. For instance, cleaner and more effective industrial techniques or technology that reduces emissions. Using this technology improves the company's reputation as a socially and environmentally conscious enterprise while also lowering operating expenses. According to research by Jassem et al. (2022), integrating eco-friendly technologies into SBSC can result in significant cost reductions.

Thus, by taking a holistic approach, SBSC guarantees that every action results in lower operating costs and more overall efficiency in addition to assisting manufacturing organizations in identifying and implementing sustainability projects (Jelavic & Vulić, 2021). According to this study, a company's financial performance is significantly improved by applying the Sustainability Balanced Scorecard (SBSC). Profitability and operational efficiency are raised when businesses use SBSC to better manage and assess their sustainability performance (Sarker et al., 2021). Information technology use, company culture, and management commitment are all critical to the success of SBSC adoption (R Chalmeta & Estevez, 2023). Additionally, SMEs and specific economic sectors like manufacturing and services gain greatly from SBSC. Lastly, to support these findings and obtain a better understanding of how businesses can maximize the advantages of SBSC deployment, more research focusing on different industry sectors and longer time frames is required (Eklund, 2020).

## 5. CONCLUSIONS

The results of this preliminary research highlight the significance of businesses implementing sustainable strategies and goals, considering stakeholder groups' opinions when reevaluating sustainability reporting, employee training, and the identification of responsible groups in their drafting, as well as the advantages of the reporting process. As a result, the sustainability report serves as both a tool for business promotion and a source of easily accessible information about the actual effects of the company's operations on the environment and society for customers, actual and potential investors, and other interested parties. Through four primary perspectives financial, customer, internal processes, and learning and growth the Sustainability Balanced Scorecard (SBSC) assists businesses in incorporating sustainability into their management strategy. From a financial standpoint, SBSC enhances operational effectiveness and helps control sustainability expenses, which eventually boosts profitability. From the standpoint of the consumer, SBSC fosters positive sustainable behaviors, which raises customer happiness and loyalty. According to the internal process perspective, SBSC helps businesses identify and carry out sustainability projects like energy efficiency and waste reduction. From the standpoint of learning and growth, SBSC encourages innovation and staff development by incorporating sustainability objectives into the business's learning and growth plan. According to the analysis's findings, businesses that use SBSC typically have more market value and greater profitability. In addition, SBSC promotes innovation in products and processes and more effective use of resources, both of which enhance financial success. Management commitment, an innovative and learning-oriented organizational culture, and the use of information technology to streamline the gathering and analysis of sustainability performance data are all necessary for the successful implementation of SBSC. Furthermore, this study demonstrates that SBSC offers small and medium-sized businesses (SMEs) substantial advantages through cost reduction, operational efficiency, and the integration of sustainability into management strategies. Additionally, by assisting in the reduction of operating expenses, the enhancement of efficiency, and the improvement of customer satisfaction and service quality, SBSC is beneficial in a variety of industrial sectors, including manufacturing and services. Notwithstanding the numerous advantages noted, this study has certain drawbacks, such as the fact that it only examined papers released between 2020 and 2024, the use of case study and survey techniques that could introduce respondent bias, and the unequal representation of industry sectors in the examined publications.

In conclusion, by incorporating sustainability elements into management strategies, SBSC has been shown to be successful in enhancing businesses' financial performance; nevertheless, the implementation of this approach is heavily reliant on organizational and sector-specific characteristics. To support these findings and offer further insight into how businesses might optimize the advantages of SBSC deployment, more research with a wider range of industry sectors and longer time periods is required.



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