During the latter half of the last century, businesses have seen "change" as the only constant in the volatile economic environment. The pace of change has become greater now than ever. Managing change has become a necessity in order for organizations to survive and benefit from changing scenarios.

Organizational changes are a direct consequence of changes in the global economic environment. It becomes a need to accommodate to new and different economic situations a company faces such as in face of the current economic downfall. The only means available to organizations in such a situation is to adapt, emphasize and incorporate change in order to survive and strive in the future. Organizations need to implement vigilant and flexible strategies to adjust to the changing global business scenario and to allow accommodation to further anticipated or unforeseen changes. Planning activities for future changes would turn organizations into more effective entities.

In more recent decades, organizational change has become the most researched topics of management theory and practice, highlighting the importance of organizational change. Even though, the concept of change was recognized soon after World War I, it was limited to human relations. Building on the concepts of personnel administration that had been applied to manage masses of workers in the war production effort, human relations provided great insight into how employees might be ‘managed’ to increase productivity. As time changed, the discussion on change management has become even more popular and academic anecdotes identify organizational change as an integral part of organizational management leading to success. Organizational change enhances the productivity of employees and turns an organization into more responsive and effective entity. Change management streamlines vision, mission, strategy and culture at a systemic level, resulting in organizational effectiveness.

With the realization of importance of ‘change management’ arose the need for ‘change measurement’ to quantify the effects of change. Such a change
measurement tool emerged in the form of the Balanced Scorecard system, which is a comprehensive framework that translates a company's vision and strategy into a set of consistent objectives and measures. Effectiveness and efficiency of this framework has led organizations to embrace the Balanced Scorecard and embed it into very core of organizational strategy to manage change. It also supplies extensive support to the realization of performance goals, planning and budgeting of strategy-oriented action plans, company process control along with contributing to strategy communication. The objectives and measures of Balanced Scorecard are arranged into four perspectives: financial, customer, internal business process and learning and growth, which can take account of all the areas of the organization.

This research aims at examining the relationship between organizational change and Balanced Scorecard and organizational effectiveness. It makes an effort to investigate the impact of organizational change on organizational effectiveness. It also investigates the impact of Balanced Scorecard on organizational change and organizational effectiveness.

This thesis has been divided into six chapters. The first chapter introduces the concept of change management and Balanced Scorecard. The chapter discusses the rationale for the present study, along with an indication of the research objectives. The chapter culminates with a brief research framework.

The second chapter embarks with a review of current literature on change management. It attempts to define change as indicated by researchers and practitioners. It also includes an introduction to different change and transition models. Studies on the types of change and resistance to change are discussed. Role of change management in different sectors and corporate realities are also indicated. Lastly, the change management practices in India and abroad are discussed in brief.

The third chapter reviews Balanced Scorecard, specifically. With an introduction to Balanced Scorecard, the history of Balanced Scorecard and the challenges to Balanced Scorecard are discussed in detail. The chapter illustrates several studies on Balanced Scorecard in different sectors and on corporate realities. A discourse on the practice of Balanced Scorecard in India and foreign countries is discussed.
Further, this chapter attempts to identify the research gaps in the existing literature on change management and Balanced Scorecard.

The fourth chapter describes the research methodology for the present study. It highlights the need for research, research objectives, research design and research constructs along with a conceptual model of research. The chapter discusses research constructs and items, steps taken to the development of research instrument, the validity and reliability of the measurement tool using Exploratory Factor Analysis and the procedure for data collection. The latter part of the chapter presents the research hypotheses and limitations of the study.

The fifth chapter provides analysis of the data. The data has been analyzed using appropriate statistical techniques. The measurement model for the scale using Confirmatory Factor Analysis is presented. The chapter interprets and discusses the results obtained from statistical tests employed. Moreover, Structural Equation Modeling provided structural model fit and path coefficients for testing the hypotheses.

The sixth chapter draws conclusions from the study. It brings attention to the managerial implications, contributions of the study and directions for future research.