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### **The Balanced Scorecard Approach to Integrating Sustainability Policies**

Indicators of sustainable development abound. There is, however, a pressing need for frameworks consistently organizing and applying such indicators in order to make them an instrument of policy integration. In recent years the Balanced Scorecard (BSC) has been developed and implemented as an instrument of strategic management in many companies. The BSC goes beyond a system of indicators as it supports the development of a strategy as well as the consistent integration a variety of measures with respect to that strategy. Meanwhile, the BSC has been adapted for sustainability objectives of firms and for non-profit organizations.

The proposed paper will evaluate the potentials of the BSC to serve as an instrument for managing societal sustainability strategies such as the Sustainability Strategy of the German Federal Government. Firstly, the BSC approach is briefly outlined. Subsequently the challenges in bridging the gap between sustainability objectives and the implementation of policy measures are discussed: the management task basically amounts to minimizing the conflicts between different objectives. This requires a process-oriented notion of sustainability to which the BSC approach fits particularly well. In conclusion, it is shown that despite a number of weaknesses and limitations, the BSC approach – if correctly understood as a more universal framework - is applicable to the German sustainability strategy as an instrument of strategic management. Two features, in particular, make the BSC a valuable instrument of supporting a society's sustainable development: its capacity to integrate the strategic objective – sustainability – into all policies, and its suitability to initiate and support strategic learning.