



BOCCI CONSULTING PAPERS & ARTICLES

A MULTI-DIMENSIONAL APPROACH TO THE COMMUNITY
PERSPECTIVE IN THE BALANCED SCORECARD
ARCHITECTURE FOR THE PUBLIC SECTOR.
EMPIRICAL EVIDENCE IN HEALTHCARE ORGANIZATIONS.

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Reforming the Public Sector – What about the Citizens?

**A multi-dimensional approach to the Community perspective
in the Balanced Scorecard architecture for the Public Sector.
Empirical evidence in Healthcare Organizations.**

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Abstract

Today Citizens have a multi-dimensional stakeholder role to play in their relationship with Public Sector's organizations. If organizations are not aware of that they will risk to fail in pursuing their mission.

This paper:

- describes the differences between performance management and performance evaluation
- reviews the most popular Balanced Scorecard "geographies" proposed for the Public Sector and identifies their limits,
- presents a new Balanced Scorecard architecture in which the Community perspective is developed in a multi-dimensional way,
- shows how this model has been successfully tested and applied in a couple of Public Healthcare Organizations in Italy ("Azienda Sanitaria Locale di Modena" and "Azienda Sanitaria Locale di Reggio Emilia").

Introduction

Balanced Scorecard (BSC) methodology can successfully be adopted by Public Sector organizations. Of course the original framework must be adapted to fit the different needs of this kind of organizations, but the only significant change to make is in the perspectives' architecture of both the Balanced Scorecard and the Strategy Map. All the other main concepts related with this methodology like alignment, strategy focus, consensus, cause and effect relationships, need just minor alterations.

The complexity of some of the Public Sector organizations in Italy (local governments, local health authorities) demands a framework that better fits the huge intersection of tasks and responsibilities they have to manage.

A new architecture (or "geography") is proposed in this paper for the Strategy Map of Public Sector organizations. It is composed of four perspectives, inspired by the mission of the organization and arranged in the sequential order as follows:

- Community Perspective
- Internal Processes Perspective
- Learning & Growth Perspective
- Financial Resources Perspective

It may seem a trivial issue but the order they are arranged is important to identify outcomes and drivers.

The key concept developed in the paper is that the Community perspective of this new architecture is organized in four dimensions: each dimension takes into account a different role of the citizen in her/his relationship with the organization:

- 1) Citizen as Customer
- 2) Citizen as Owner
- 3) Citizen as Subject to laws
- 4) Citizen as Partner

Performance management vs performance evaluation

Performance can be considered as a “*relative and culture-specific concept*” (Schiavo-Campo, Tommasi, 1999), one of those “*suitcase words in which everyone places the concepts that suit them, letting the context take care of the definition*”(Lebas, Euske, 2002). We could use the same words to describe performance measurement. Different people give different meanings to performance measurement. Adams, Kennerley and Neely defined performance measurement as “*the process of quantifying the efficiency and effectiveness of past action*” (Neely, Adams, Kennerley, 2002). The author consider this definition clear and meaningful. We can argue that quantifying only the efficiency and the effectiveness dimensions of the action could be too limiting. We can argue that performance measurement doesn't mean only quantifying but also comparing to a reference. But we should agree that the definition they gave sounds quite linear, appropriate, reasonable and useful. As it happens with other processes, the purpose of performance measurement is not univocal. Performance measurement is a sort of primary process: it can be considered as a basic element of larger and different processes like:

- internal performance evaluation
- external performance assessment
- performance management

So the aims of performance measurement could be quite different.

In the past decade performance measurement has been a topic that has received growing attention in the Public Sector.

To encourage a performance-driven culture, a lot of public organizations have adopted a performance measurement system to measure, assess, report their performance and compare it with the performance of other organizations (performance evaluation and benchmarking). Just few of them have adopted it to manage their performance (performance management). For the author the difference between the two approaches is a fundamental issue to point out.

In the former, measures are used to evaluate *ex-post*, at the end of a period of time, what has been done during the period and whether the desired outcomes have been achieved at the end. Here the purpose of measuring is to help to make a judgment about the performance of the organization at the end of a period.

In the latter, measures are used to manage the performance *within* the period, identify issues and problems before correction becomes difficult or impossible and support decision-making processes in order to really achieve the desired outcomes at the end of the period. The purpose of measuring is to help people, accountable for performance, to make right decisions within the period of time used as the reference.

Both in the Private and Public Sector, using performance measurement just for evaluation is “*one of the main barriers that people need to overcome if the organization wants to move from measurement set to judge to measurement consciously adopted to support decision making process*”(Bocci 2004).

If we talk about performance measurement just in terms of reviewing and assessing, we can not inspire people and align them with the strategy and the overall goals of the organization. People will not understand the needs of measuring their performance and will consider measures used to find fault and punish someone (Kaydos, 1998): any performance measurement system we try to implement will be boycotted in some way.

Performance evaluation is important but it does not tell us the true and complete story. That is why organizations should focus on adopting performance management systems. If organizations continue to use measurement just for assessing their performance, they can not achieve the consensus that allows them to effectively manage their performance.

Strategy

In a performance management system, indicators (measures) are linked to the objectives (priorities) organizations want to pursue.

Organizations should first identify outcomes and develop a strategy to achieve them in pursuit of their mission and in recognition of their operating environment. Then they should define a set of objectives in order to *“translate organization strategic priorities into directional and action-oriented statements of what must be done to execute the strategy”* (Niven 2003).

Every Public Sector organization should not overlook the importance of clearly defining its objectives and priorities (Baird 1998).

Strategy becomes the core of the performance management system.

Strategy is a military concept applicable to more than just military endeavors. Unfortunately as Robert Kaplan observed: *“strategy can be a foreign concept to public sector organizations... They may attempt to do everything for everyone, and can end up doing not much at all”* (Kaplan 2000)

In the author’s opinion strategy is a fundamental concept not only for profit-driven organizations but also for mission-oriented ones.

Strategy is not about being all things for all people. Strategy is about choices. Working within a budget means making choices and selecting priorities. The money spent for a program or a project cannot be spent on any other program or project. Deciding how to use the financial resources available means making choices about what we value more. (1)

For Public Sector, organizations strategy is the way they choose to achieve their broad inspirations, or, in other words, the choices they make to create public value for the community they serve.

The Balanced Scorecard

The aim of this paper is not to investigate how strategies are formulated in the Public Sector but to show how to design an effective Balanced Scorecard to execute strategy in the Public Sector.

The Balanced Scorecard is not just a reporting system based on a set of balanced indicators organized in four different perspectives. It is a methodology to built strategic management systems based on consensus (Kaplan, Norton, 2000), that translates strategy into action throughout every level of an organization.

Balanced Scorecard is about strategy execution, one of the most daunting challenges facing organizations today. The author believes that strategy execution should become a core competence of every organization, either profit-driven or mission-oriented.

Adopting the BSC, the performance of an organization is managed through measures. Measures are owned by managers and employees who act to get the desired level of performance. This encourages the staff perception of being “in-control” of the overall performance of the organization. That is significantly different from the perception of “being controlled” by others (Robson, 2004).

The Balanced Scorecard was developed by Robert Kaplan and David Norton with profit-driven companies in mind. They summarized the concept in their first article (Kaplan, Norton 1992). The BSC architecture is organized in four broad key perspectives that can help company as they translate strategy into actionable terms: financial, customer, internal processes, learning & growth. Each of these perspectives is articulated in:

- objectives (concise statements describing the priorities an organization must focus on in order to execute its strategy)
- indicators (measures used to monitor performance progress toward accomplishing the objectives)
- targets (desired levels of performance organization would like to achieve for a specific objective)
- initiatives (the actions, outside the normal activities, an organization will undertake to support the achievement of its objectives)

Exhibit 1 show a classical Balanced Scorecard architecture for profit-driven organizations.

Financial perspective	Objectives	Measures	Targets	
Customer perspective	Objectives	Measures	Targets	Initiatives
Processes perspective	Objectives	Measures	Targets	Initiatives
L&G perspective	Objectives	Measures	Targets	Initiatives

Exhibit 1 – The perspectives for a profit-driven driven organization

One of the key concepts Balanced Scorecard methodology stresses more is the cause and effects relationships among objectives, that is the concept used to describe organization’s strategy through a series of interconnected objectives.

In a Balanced Scorecard, objectives should be linked in cause and effect chains that cross all the perspectives. These chains are graphically depicted in a full canvas known as a Strategy Map. The Strategy Map is a visual representation of the cause and effect relationships among the key components (objectives) of an organization’s strategy (Kaplan, Norton 2004) To design it we should answer a series of key questions in cascading as shown in exhibit 2.

Financial perspective	What are the outcomes desired by the organization’s stakeholders?
Customer perspective	To achieve the desired financial outcomes what value proposition we must make to our customers?
Processes perspective	To satisfy customer and achieve the desired financial results what business processes we must excel at?
L&G perspective	To excel at the business processes that will allow us to satisfy our customers and achieve ... how will we sustain our ability to change and improve?

Exhibit 2 – The key questions to build a Strategy Map

While in the Private Sector the Balanced Scorecard is widely adopted, Public Sector organizations have been slower in accepting this methodology.

“Public Sector Organizations cannot be run like a business”. This is the main objection people working in the Public Sector make when a Balanced Scorecard approach to performance management is proposed. They are right. Profit-driven organizations and mission oriented organizations are different, so they are reluctant *“to experiment with tools conceived with a for-profit audience in mind”* (Niven, 2003). On the other hand, though it was originally conceived for them, the Balanced Scorecard is not a tool just for profit-driven organizations: it can be adapted to Public Sector needs and Public Sector organizations can get great benefits of its adoption.

Therefore, moving from profit-driven organizations to mission-oriented ones the original architecture of the Balanced Scorecard has been modified to be adapted to different needs.

A review of BSC architectures for the Public Sector

Often in the Balanced Scorecard literature about the Public Sector there is not a clear distinction between organizations that only produce services, like hospitals, and organizations that, in addition, manage something on behalf of citizens like “Local Health Authorities” in Italy, local governments, central government agencies and other.

The architecture proposed for the Balanced Scorecard and the Strategy Map are the same for both the kind of organizations.

The main characteristics of the architectures proposed can be summarized as follow:

- *A mission perspective is added* (Kaplan, Norton, 2000)

That’s fine. Public sector organizations are “mission-focused” organizations. They are not “profit driven”. They act to pursue their mission to improve the society and don’t look to financial rewards as their ultimate results. This is a key issue. More often than we think, people try to apply, in the Public Sector organizations, management models used in the Private Sector, tout court, without making the necessary adjustments to make them valuable for organizations so different. Doing so, they risk applying models bound to fail even if they could be more effective if conveniently adapted

- *Citizen, or Community, is considered as Customer* (Kaplan, Norton, 2000)

Looking at citizens as customers is an approach inspired by New Public Management ideas (Osborne, Glaeber, 1993).

There is nothing wrong in considering citizens like customers, seeing them as consumers of high-level services. Sometimes when we deal with a public organization we would like to be “fondled” like customers. But the customer’s metaphor is not suitable to represent the complexity of the relationships between Public Sector and Citizenship.

Besides one of the peculiarities of being customer is the freedom to choose whether to buy a service or not and which service provider to buy from. Sometimes citizens are forced to buy services provided by public administrations that operate in a monopolistic environment. *“Nobody would like to request a birth certificate just for the pleasure to have it. And when it is required we are forced to get it from one source, our local agency, apart of any consideration about price and quality of the service”* (Pozzoli 2001)

- *Sometimes Financial and the Customer perspectives are placed on the same level* (Kaplan, Norton, 2000)

That is done to elevate the role of the customer perspective and reduce the influence of financial indicators. One question rises spontaneously: is the financial perspective an output or an input perspective?. In the opinion of the author, the financial perspective is an input for most Public Sector organizations: the amount of funds is often politically assigned to organizations. One could object that some organizations have the power to impose taxes

and they can measure how well they exercise it. But the ultimate goal of the “fund raising” action is accomplishing the organization’s mission or the political program or the strategy implemented to achieve desired outcomes, not creating profit.

- Sometimes an authority or a stakeholder perspective is added (Kaplan, Norton 2004).

Sometimes a further perspective is added to keep the complexity in account: a perspective that represent a superior authority or, in other cases, the stakeholders . This perspective would like to represent the Citizen in its ownership dimension.

This is a good step forward, but still not enough. Or better it should be enough for Public Sector organizations that provide only services, but not for the others. For this kind of Public Sector organizations, like Local Government, we need something more to represent the complexity of relationship between citizen and organization.

Otherwise the consequence is that objectives in the internal processes and the other perspectives are aligned just with a partial set of outcomes and this can affect the performance of the organization, especially in the long term. We should not forget that the Balanced Scorecard has a sequential structure that highlights cause and effect relationship between desired outcomes and what we consider the drivers of the future performance across all the perspectives used in the strategy map.

A new BSC architecture for the Public Sector

The conceptual framework

The new architecture proposed in this paper for the strategy map of Public Sector organizations is composed of four perspectives, inspired by the mission:

- Community perspective
- Internal Processes perspective
- Learning & Growth perspective
- Financial Resources perspective

Some organizations already use a perspective framework organized in this sequence. They consider financial resources as an input and “managing financial resources” as a part of the internal processes perspective. One significant case is City of Charlotte (2).

The innovation is to depict the Community perspective in four dimensions. Each dimension takes into account a different role of the citizen in her/his relationship with the organization:

- Citizen as Customer
- Citizen as Owner
- Citizen as Subject to laws
- Citizen as Partner

Why so many dimensions? Because the Public Sector’s different relationships with the citizens and the variants of citizenship behaviour in and around public organizations can be used to enhance public management goals.

Public Sector organizations “*should avoid the mistake of defining citizen roles too narrowly*” (Marshall, Epstein, Wray, Grifel, 2004)

These dimensions are mutually reinforcing and reinforce the employees’ motivations for engaging in the organization’s work.

This attitude has been tested in the Healthcare organizations in which the framework has been applied. Exhibit 3 shows the Strategic Map for a Public Healthcare Organization.

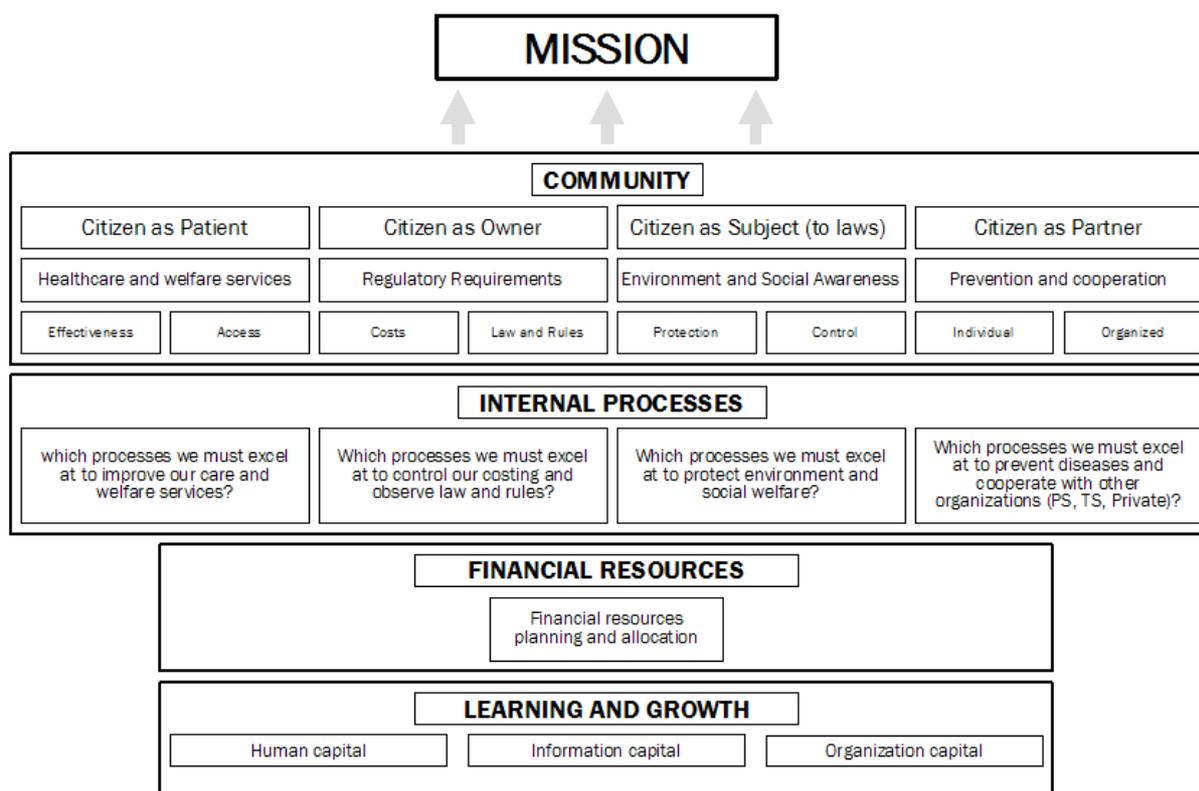


Exhibit 3 – The strategic map for a Local Health Care Authority

The complexity of the relationship between the citizenship and the organization is a key element to consider in building performance management systems in the public sector. Epstein, Wray, Marshall and Grifel distinguish six roles citizens can take: customers, owners, issue framers, co-producers, service quality evaluators and independent outcome trackers (Epstein and others, 2000). Of course more roles are taken into account, more accurate the description of the relationship is, but more complex the framework becomes. The author considers the four roles as a good balance between the need to represent the complexity of that relationship and the need to preserve the simplicity of the framework.

The four dimensions of the citizenship

These four dimensions represent the different stakeholder roles of the Citizenship. For a generic Public Sector Organization, the key concepts tied to these four dimensions are:

- Responsiveness (citizen as customer)
- Accountability (citizen as owner)
- Protection (citizen as subject to law)
- Engagement (citizen as partner)

1) *Citizen as customer*

It is the dimension of responsiveness where most of the efforts of NPM advocates are focus on. It is important to consider citizens as customers in complex environments. Sometimes customer could not be the more appropriate word to depict the role that citizen has in her/his individual and direct relationship with the organization (in some cases patient, user or just citizen are perhaps better words), nevertheless it well represents the new breath against the bureaucratic approach omnipresent till a few years ago in the public administration.

Democratic rules, transparency criteria and accountability demands force the public officials and authorities to serve public better than in the past. Organizations need to

overcome a solely bureaucratic culture for many reasons. First, because the financial resources available are scarce and they all must be addressed in accomplishing the organization's mission more than used to perpetrate self feeding mechanisms like the bureaucratic ones. Second, because citizens do not exist to serve organizations, as many people working in the public sector continue to think, but organizations exist to support citizens in pursuing an improvement of the quality of life. It is a matter of educating public operators to a different approach to citizen.

2) Citizen as owner

This represent the accountability dimension of Public Sector organizations. In this dimension we recognise the "*accountability of public organizations as service providers to the community at large*" (Deakin 1994).

If in the previous dimension citizen's demand is about providing the best quality of service to her/him personally, in this dimension the demand is about being committed to the public's interest and making the best use of public money.

Citizens are taxpayers, voters and members of society with rights enshrined in the constitution. They act through intermediaries to control organizations. Citizens do not exercise a direct control on public organizations. The control is made through "mediation": in the time domain (when elections are held) in the space domain (through regulatory authorities, consumers' associations, industry associations, etc.). Nevertheless they are the actual owners of the organization. Either people working in public sector organizations or people running these organizations are accountable for what they do to the Public, according to the rules and law in force. Organizations should not focus only on the customer dimension of the citizenship. On one hand, some organizations could think that the cost of responsiveness is not something they must take in account. On the other hand they could favour customers that in some ways are "more profitable, more friendly, more more something else", without pursuing the fundamental principle of social equity.

3) Citizen as subject to laws

It is the dimension of protection. Protecting citizenship (Matheson, 2003) with laws means not only to improve the social well-being but also minimize risks and uncertainty effects that could affect the organization's performance. Is it a mean or an end? In the author's opinion it should be considered an end.

Citizen has duties to the citizenship, duties regulated by rules and law that public organizations must enforce with all the actions of information, prevention, control, inspection, surveillance under their jurisdiction.

4) Citizen as partner

It is the dimension of citizen engagement. Often citizen engagement is considered more as a process than an outcome. The author's opinion is that the citizen engagement should be a goal, a condition of long term social well-being.

Citizens should be involved as individuals (outcomes derived from promotion of healthy lifestyles, prevention and engagement) and as a part of organized groups (outcomes derived from collaboration).

Recent studies show that "*spontaneous actions and voluntarism (both based on the intrinsic motivation) are useful tools for public sector organizations in their effort to overcome budgetary difficulties and promote effectiveness in the public arenas*" as Vigoda pointed out (Vigoda, Golembiewski 2001).

To improve waste recycling a local administration can increase the number of trash cans for recycling (glass, paper, plastic, organic waste), but if households do not separate the different kind of trash, it will be very difficult to achieve that objective. More citizens are actively involved and give their real contribution more recycling will be effective, less

financial resources will be required, more financial resources will be available for other projects. The same in Healthcare: think about the cause and effect relationship between smoking and diagnosis of lung cancer.

As far as the partnership with other organizations is concerned it has become a further priority for public sector organizations.

In a complex world like ours cross-organizational responsibility and events governance is a matter of fact. Today Public Sector organizations are involved in working together with other Public Sector, private and non-for-profit organizations in a (more or less) coordinated manner not only to deliver services but, more in general, to improve the quality of life of citizenship. The objective is to move from a generic partnership to a structured network with clear governance and accountability in order to realize more benefits for users, service deliverers and also people working within organizations.

As a matter of fact, this dimension of partnership could be split into two dimensions: one for the partnership with individuals and one for the partnership with organizations, as they are so different in purpose.

Defining objectives in the four perspectives

The architecture that organizations use inspires the chains of cause and effect relationships or, in other words, how to built the Strategy Map.

Why is it so important to distinguish different roles of citizen in the community perspective? Because it gives a clarity of purpose. Organizations need to be clear about their priorities and about the multidimensional role of stakeholder that citizens have since people working in the organization must cope with the needs of a varied community that can not simply be reduced at the role of customer.

Community perspective

For each of the four dimensions of the Community perspective organizations define the objectives inspired by their mission: the ultimate goals that they want to achieve for the common weal. Having the four dimensions in mind, efforts to define objectives can be addressed not only in one direction (citizen as customer) but they can be spread and balanced to take care of all the relevant aspects that characterize the relationship with the community in its wholeness. Speaking in business terms, the objectives defined by organizations in this perspective represent the value proposition to the community they serve. They are the desired outcomes.

Internal processes perspective

Once objectives are defined in the community perspective, organizations can move to the internal processes perspective and identify what are the processes they must excel at in order to get the desired outcomes for the community they serve.

Value for the community is created through internal processes (Kaplan Norton 2004) that ensure organizations will deliver what they promise. Objectives in this perspective describe the way the organization's strategy will be accomplished.

Objectives in the internal processes perspectives can be organized in four clusters: one for each dimension of the citizenship. The cluster structure can be a good starting point to focus on the processes that drive results in each citizenship's dimension and simplify the first selection of objectives in this perspective.

Financial resources perspective

In the Public Sector the classical financial perspective used for profit-driven organizations, in which defining outcomes like profitability objectives or other business financial objectives, is meaningless.

Financial resources can be seen as either enablers of organization's success or constraints within which the organization must operate.

So for the public sector it is better to define a financial resources perspective to point out, once again, its nature of "input" perspective.

Depending on the kind of public organization, this perspective includes objectives related with funding and resources planning, allocation and distribution.

It does not include all the financial and economic objectives and indicators that an organization could use.

Some other objectives related with cost reduction and process optimization can be included in the internal processes perspective. Objectives like "staying on budget" and related indicators can be placed in the community perspective (citizen as owner). In the author's opinion, in the Public Sector, financial and economic theme has a vertical development across different perspectives.

Learning and Growth perspective

This is the last but not less important perspective. As the financial one also this is an "input" perspective and represents the intangible foundation of the organization. As Kaplan and Norton assert, in this perspective we take into account objectives and indicators for three components of intangible assets (Kaplan and Norton 2004):

- Human capital
- Information capital
- Organizational capital

This perspective is often overlooked when organizations build their Strategy Map. This is not the right attitude to adopt since improvements in intangible assets affect community outcomes through chains of cause and effect relationships.

Intangible assets, making the most of available financial resources, through the perfect execution of the few key strategic processes, create value for the citizen.

The case studies

The four dimensions architecture has been applied in two Health Care organizations in Italy, known as ASL or AUSL (Azienda Sanitaria Locale, or Local Health Authority)

A few words about the National Health Care System in Italy

In Italy the NHS is organized in three levels. At the top, the Ministry of Health is responsible for national health planning, budgeting, general administration and health standards. The Ministry allocates funds to 20 Regional Health Agencies (RHA) that fund about 200 Local Health Authorities (LHA).

The Local Health Authority of Modena serves a population of 632.000 inhabitants with a workforce of about 5.200. It is organized in 8 Hospitals and 7 Health Districts.

The Local Health Authority of Reggio Emilia serves a population of 456.000 inhabitants with a workforce of about 3.700. It is organized in 5 Hospitals and 6 Health Districts.

The Balanced Scorecard in the Local Health Authority of Modena

The design of a new performance management system in this organization started in the middle of 2004 after a few training sessions about how to create and implement a

Balanced Scorecard. A team of individuals spanning the organization hierarchy was created to manage this project. The purpose was not to build a new strategy but describe the current strategy in a series of shared objectives.

The first step was translating organization's mission in a series of objectives "community oriented". Using the architecture proposed in this paper the team articulated four main objectives in the Community perspective (Rubbiani, Miozzo, Mazzi, 2005):

1) Citizen as Patient (responsiveness to the expectations of the population)
"Provide care services to patients regardless any distinction, delivering effective care, ensuring continuity of care and establishing a trusting relationship with patients"

2) Citizen as Owner (public interest and financial sustainability)
"Ensure equitable and appropriate care compatible with the financial resources available"

3) Citizen as Subject to law (protect people through law against the financial cost of illness)
"Protect citizens through information, prevention, control and surveillance actions under the organization's jurisdiction"

4) Citizen as Partner (everyone is involved in improving health and well-being)
"Cooperate with citizens, local government, non-for-profit organizations to deliver integrated services and improve health and well-being promoting healthy lifestyles"

These objectives are the outcomes the organization wants to achieve in pursuing its mission and improve citizens' quality of life. They are stable in time and do not change. The same happens for the related measures.

Then the team identified processes in which the organization should excel to accomplish objectives defined in the Community perspective and selected fourteen objectives in the internal processes perspectives. Successively two objectives were defined in the financial resources perspective and six in the learning and growth one.

Once the Strategy map was complete the team successfully tested the logic and the coherence of the cause and effects relationships.

The next step was to select the appropriate indicators for each objective. To assess whether or not an indicator was a good one, a series of tests were applied to each of them (Neely, Adams, Kennerley 2002)

At the end of the selection, the set of valid indicators were arranged in a sort of dictionary using a customized template. For each indicator a detailed description was made to avoid any ambiguity.

Defining targets and initiatives were the two following processes as in any other Balanced Scorecard project.

This first "Corporate" Balanced Scorecard, in its draft release, was used to develop "aligned Balanced Scorecards" throughout the organization starting from its territorial structures (department that operate outside the hospitals network): the Mental Health Department, the Public Health Department and the seven Districts of the Authority.

What has been found out using the architecture proposed by the author is: aligning objectives, measures and initiatives of the other Balanced Scorecard perspectives with a balanced set of outcomes in the four dimensions of the Community perspective helped managers and professionals to focus on different aspects and views of their work and represented a step forward in designing an effective strategic performance management system for their organizations.

It allowed to balance:

- passive approach with active relationship
- short term with long term
- responsiveness with collaboration (Vigoda 2003)
- satisfaction and trust (Bouckaert, Van de Valle, 2001) with contribution (Neely 2002)

and to improve the partnership and the integration with other organizations (public sector and third sector)

The Balanced Scorecard at the Department of Pathological Dependencies of the Local Health Authority of Reggio Emilia

A new project started a few months ago to design a Balanced Scorecard for the Alcohol Dependency Service at the Department of Pathological Dependencies of Reggio Emilia. The architecture proposed by the author was modified in the community perspective to fit the needs of that specific service:

1) as the dimension related with the citizen's role of subject to law was not significant for that service, the project team preferred not to take into account that view

2) The partner dimension was split in two dimensions: individual partnership and partnership with other organizations

Project is still in development. The multiple view of citizen's role helped professionals, too focused on "processes" when the project started, to identify outcomes in the Community perspective they could contribute to achieve.

Conclusions

Taking into account multiple stakeholder roles of citizens in their relationship with the organization can help to identify and focus on a balanced set of outcomes.

Four dimensions (at maximum) are a good balance between the complexity of that relationship and the simplicity of the framework to use.

Organizations can choose dimensions that better represent their relationship with citizens and better fit their needs.

This architecture empowers the Balanced Scorecard effectiveness in the Public Sector applications.

Notes:

(1) *The New Zealand Health Strategy* – 2000 Chapter 1. Retrieved February 2004 from <http://www.moh.govt.nz/moh.nsf/238fd5fb4fd051844c256669006aed57/edd7c6ce4e428f69cc256b6700758b5a?OpenDocument#Chapter%201>

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