

# **Acceptability of the Financial Perspective of the Balanced Scorecard as a Performance Management Dimension in the Public Sector: The View of the Ministries and Public Service Commission Government Workers**

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**Abstract:** *The study sought to establish the acceptability of the financial perspective of the balanced scorecard as an ideal dimension for performance management in the public sector. Having a long journey of searching for ways of justifying posts, productivity and salary increments in the civil service, the balanced scorecard is becoming an attractive alternative due to its widespread use in some parastatals and private sector. On its four dimensions, namely financial, customer, learning and growth, and internal business processes, the financial perspective seems to be highly in demand but the needed emphasis lacking in the public service's past and present performance management models. This study became imperative due to failure of Key Result Areas (KRAs) and the Result Based Management (RBM) performance management models to address the financial implications of best performers and poor performers in the civil service. Research results assisted to reveal the value of financial measures to employees so as to avoid undercover rejection associated with forcing down appraisal systems. A quota sample of 180 government employees made up of 90 men and 90 women were interviewed using a survey questionnaire. The mainly agreed financial measures included cost cutting, increasing revenue, paying creditors timeously, fair allocation of funds among departments and giving allowances to employees. The study concluded that though government is supposed to focus on offering services to the public the employees want their efforts to be rated on their ability to generate, save and allocate financial resources effectively. The study recommends performance management models that put the financial perspective ahead of other elements to be adopted in the civil service. It is also recommended that public service commission facilitate government work stations and departments to generate funds that are linked to rewarding its best performing employees for any performance management model to be successful.*

**Keywords:** *Financial perspective, Balanced scorecard, Public sector, performance appraisal, and Performance management.*

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## **I. Introduction**

From 1996 onwards, the wheels of performance management started to be influenced by the Balanced Score Card (BSC) perspectives developed by Kaplan and Norton in 1996. The complaints about the difficulty in measuring government performance, unreliable measuring tools and lack of resources called for a system to improve efficiency, effectiveness and accountability (Chan, 2004). This took place when the supporting revenues from Treasury have stagnated and decreased and when government was becoming more complex as citizens demand more government accountability (Greatbanks and Tapp, 2007). This study became critical due to the failure of the performance appraisal system based on Key Result Areas (KRAs) used in the Public Sector as from 1999, that lacked a stakeholder orientation, and the uncertainty of the Result Based Management (RBM) system which is still under process of implementation since 2005. These tools focused on completion and execution of tasks and meeting targets with less emphasis on financial savings, revenue generation and improvement in employee compensation and welfare. Some elements of the balanced scorecard like customers, learning and growth, and internal business processes seemed to have been addressed effectively by the previous and current government performance management systems like the KRAS and RBM. This was acceptable since the government could provide enough resources for each department and function (Kaplan and Norton, 1993). Initially the government departments and non-profit-making organization (churches, schools and clubs) did not appreciate the financial objectives of their operations as covered in the balanced scorecard model.

Currently the measurement of success and failure of social groups like families, political parties, churches, football clubs and government departments requires partly the use of financial metrics. The government of Zimbabwe also monitors financial accounts of these and other non-profit making organizations. To meet the other three dimensions of customer perspective, learning and growth, and internal business processes there is need to have excellent performance on the financial dimensions. Though the Key Result Areas

(KRAs) and Results Based Management (RBM) were negatively commented for failing to represent employees in performance management due to their problems like shortage of resources, lack of support by implementers, supervisor bias and lack of follow up of under performers and excellent performers, the worst weakness is on their poor target setting, review and rewarding on the financial dimension of operations. Greatbanks and Tapp (2007) asserted that performance measures are areas of under development in both private and public organizations. There is also a misleading belief that since most performance measurement solutions originate from profit generating commercial organizations their application in government and non-profit organizations is limited (Goorijer, 2000; Chang, 2007). With the BSC having strengths which include covering all critical areas, being objective by having quantitative analysis and currently being used in the contemporary developed world, the model will not produce expected results if applied by the government without activating the role of its financial perspective (Simmons, 2008, Chang, 2007). To avoid the BSC model from joining others in the 'done for formality' group, employee acceptability test of the financial perspective become a relevant base on the overall acceptability of the BSC perspective and other performance management models.

## **II. Statement Of The Problem**

The thrust of this study is to measure the extent to which government employees accept the financial dimensions of the balanced scorecard and their potential for inclusion and dominance in other performance management systems used in the government work place.

## **III. Statement Of Hypotheses**

**H<sub>1</sub>:** There is a general acceptance of the BSC financial measures by government employees.

**H<sub>2</sub>:** There is a strong positive relationship between the views of males and females on financial measures of the BSC.

**H<sub>3</sub>:** There are differences in male and female respondents' perceptions on financial measures of the BSC.

**H<sub>4</sub>:** There is a strong positive relationship among the three types of employees on rating financial measures.

**H<sub>5</sub>:** There is a large difference among the three groups of government employees on rating the financial measures.

## **IV. Literature Review**

The literature discussion brings out the proposed position of the financial perspective in an organisation's balanced scorecard. The next phase argues on why the financial measures are relevant and necessary for inclusion in the balanced scorecard and other government performance management systems.

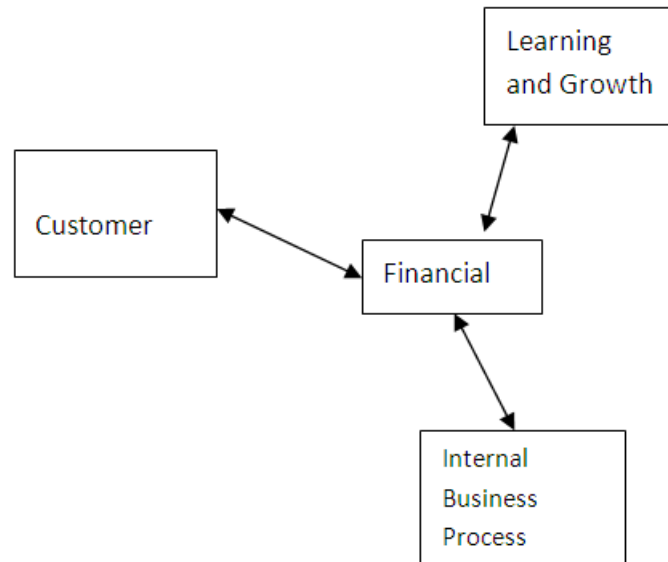
### **4.1 The Central Position Of The Financial Perspective In The Balanced Scorecard.**

The Balanced Scorecard was originated by Robert Kaplan and David Norton (1996) after their 1992 research as a performance measurement framework that added strategic non-financial performance measures to traditional financial metrics to give managers and executives a more balanced view of organizational performance. Cobbold and Lawrie (2002), Speckbacher et al (2003) and, Di Vanna and Austin (2004) and Kaplan and Norton (1993) defined the balanced scorecard as mainly useful for strategic management and overall corporate performance measurement.

This make us view the balanced score card as a performance measurement system which includes financial measures and the other three namely; customer, internal process and learning and growth as drivers for future financial outcomes (Chang, 2007).

It gives us a proposed model for interconnecting the four perspectives with the financials at the centre of customer, internal process, and learning and growth as shown by the diagram below.

Fig I: The Central Position of the Financial Perspective in The Balanced Score Card



Source: Adapted From Kaplan and Norton (1996) **Using the balanced scorecard as a strategic management system**. Harvard Business Review. January-February, 75-85

Although the BSC has been found to be the sixth mostly widely used performance management tool across the globe with highest overall satisfaction ratings, and voted one of the most influential business ideas of the past 75 years, it has its weaknesses of failing to put the financials at its proper position. This model should, however, be used for accounting for the efforts and rewards of all individuals in the firm. Such an appraisal role will make it an integrating tool for driving effort that result in achievements of individual and corporate results. Fig I above is explained by how the other elements of the balanced scorecard operate to support the achievements of financial measures. What is important is also the way financials influence the other three perspectives. The customer perspective is important in meeting the financial performance as it assists to raise revenue and cut costs in the public service (Yee, 2004). The major effort of the government departments has to be directed at determining how to ensure and increase customer loyalty for them to generate more revenue (Rasila, Alho and Nenonen, 2010). It should be noted that the measured improvement in financial performance as a result of the government's stakeholder satisfaction covered by customer perspective may take years to become noticeable (Greiling, 2010). Eptein and Manzoni (1998: 194) indicates that an "organization can delight customers all the way into bankruptcy, so it needs to make sure that it performs well on key financial dimensions". The objectives of the internal business perspective are formulated after determining the objectives and measures for the financial and customer perspectives (Kaplan and Norton, 1996b: 92, DiVanna and Austin, 2004). Internal processes in government Ministries and public service commission is as important as in commercial business as they need to justify the financial targets of each unit. Internal Business processes measures that impact positively on the government's financials include the value adding output, reduction in wastage, innovative ideas are generated and implemented, productive efficiency, increase in quality of service/product, proper use of time and speed in processing (Hepworth, 1998; Franceschini, Galetto and Turina, 2013). The learning and growth perspective looks at the ability of employees, the quality of information system, and the effects of organizational alignment in supporting accomplishment of organizational goals (Amaratunga, Baldry and Sarshar, 2000: 7). The financial perspective seems to be dominating and aligned to learning and growth dimensions since employee training, improved working conditions, employee advancement and promotion, employee retention, employee productivity, and employee benefit and welfare, growth of customer base, ability to launch new products, and the ability to penetrate new markets can be achieved if the financial side is sound (Greiling 2010; Sharif, 2002). It is also important to note that the financial perspective represents the long term goal of the organization to provide superior returns from the capital invested in the business. The themes of increasing revenues, improving costs and productivity, enhancing asset utilization and reducing risk provides the necessary linkages across all four score perspectives. No government ministry can offer high quality services without proper funding and proper fund allocation (Greling, 2010). Though the balanced scorecard system promotes the idea of cause and effect and interdependence relationships among the four perspectives, the financial perspective need to be managed in a more efficient way for the benefit of other dimensions (Greatbanks and Tapp, 2007). This might justify the centre role of the financial scores and ratings in government performance management (Valiris, Chytas and Glykas, 2005).

#### **4.2 The Case for Including Financial Measures in Performance Management Models**

While some writers feel that the 'financial perspective' should not be given some attention in the public sector performance management research (Atkinson, 2006), this study treats financials as an equal or even more superior dimension than the customer, internal business processes and, learning and growth (Chen, Yang and Shiau, 2006). The balanced scorecard differs from other forms of performance appraisal systems in that it carries the financial consciousness from the start of work to the rewarding stages but can still be misused to overload workers by emphasizing the non-financial scores and targets without rewarding the employees (Chan, 2004). A noted complain was that employees used to rate themselves basing on non-financial metrics, while senior managers mainly used the financials to rate and reward themselves. This is the same as the KRAs and RBM which made people sweat and expect bonuses, allowances and performance based pay rise, but later fail to reward such work and associated expectations. Even though others feel financial success is not the primary objective of a public sector operations, the employees, processes and resources need finance to sustain excellent civil service (Chan, 2004). What surprises the researchers is that government departments are expected to deliver services to its key stakeholders but then advocate for the removal of the financial perspective from top spot on the strategy map template! If the whole government present and operate from a national budget, then what makes a department and Ministry to look down upon financial measures.

Kaplan and Norton (1996), however, observed that financial measures alone are not capable of providing useful reports in environments with large intangible asset base. This increases the need for measures that report such assets as loyal customers, proprietary processes and highly satisfied staff (Lawrie et al, 2001). This might justify those who criticised government departments, which used to have management control systems that rely on financial measures and targets, for having a weakness of failing to track the achievement of long term strategic objectives (Lawrie and Cobbold, 2004).

The financial perspective aims at finding performance indicators and initiatives, and challenging goals that have a positive impact on the overall satisfaction of all stakeholders (Koumpourous, 2013). Financial targets answer the question of how we succeed financially by meeting the needs of our stakeholders. It shows that the other three perspectives need to be intergrated towards the financial results (Sharif, 2002; Dorweiler and Yakhur, 2005). In the study the financial measures rated include cost cutting, increasing revenue, and investing funds properly, sourcing cheaper funds, ensuring working capital availability, ensuring creditors are paid, fair allocation of funds to departments and giving additional allowances to employees. When the government departments used to enjoy unlimited support from the fiscus, their efforts were mainly on cutting costs and controlling the financial resources. These days more efforts are needed on generating revenue (Chang, 2007).

### **V. Research Methodology**

The study used a cross sectional survey research strategy that had a 5 point Likert scale survey questionnaire. The government employees resident in Harare were the key population targets for this performance management research. A quota sample of 90 male and 90 female government employees was used with defined proportions of 60 public service commission employees, 60 ministry departments and station employees and 60 ministry headquarters employees. This enabled a fair representation of views on both gender and type of working environments. An SPSS analysis was used and produced mean values, reliability statistics, sampling adequacy values, correlation analysis values, T-tests and ANOVA tests values. The KMO sampling adequacy value of 0.73 was produced and reflected that the 180 respondents' size was enough to carry out a data reduction analysis. The reliability scale of Cronbach's Alpha of 0.58 was acceptable since it was above 0.50. The overall response rate was 92% and respondents showed high enthusiasm in giving their views. The mean benchmarks were  $m=3.00$ . Any value at and above 3.00 were rated as good and any values below 3.00 were rated as lower of poor acceptance. Five research hypotheses were tested using the one sample mean test, correlation analysis and ANOVA tests. This tested whether there were relationships and differences between and among means. The discussion of results was linked to the hypotheses and research problem at hand.

#### **1.4 Findings And Discussion Of Results**

This section provides the descriptive statistical analysis of results, one sample T test for means, the correlation analysis and the ANOVA analysis. Statistical inferences were done basing on the means from the employee perceptions on financial measures of the balanced scorecard. Discussions are done below each table of results.

#### **4.1 The General Mean Performance on Financial Dimensions of the BSC**

The focus was on this section was to analyse the overall acceptability of the selected financial measures by all the 180 government employees interviewed.

**Table I: The General Mean Performance on Financial Dimensions of the BSC**

| Financial Measures                          | Mean Values |
|---|-------------|
| 1. Cost cutting                             | 3.75        |
| 2. Increasing revenue                       | 3.00        |
| 3. Investing Funds properly                 | 2.75        |
| 4. Sourcing cheaper funds (e.g. from donor) | 2.80        |
| 5. Ensuring working capital availability    | 2.84        |
| 6. Ensuring creditors are paid              | 4.01        |
| 7. Fair allocation of funds to departments  | 3.05        |
| 8. Giving allowances to employees           | 4.05        |
| <b>Overall Mean</b>                         | <b>3.28</b> |

The priority ranking of the financial measures started with the need for giving allowance to employees (m=4.05), ensuring that creditors are paid (m=4.01), cost cutting (m=3.75), fair allocation of funds to departments (m=3.05), increasing revenue (m=3.00), ensuring working capital availability (m=2.84), sourcing cheaper funds (m=2.80) and investing funds properly (m=2.75). Those with mean value at 3.00 and above showed a positive rating. The public service workers felt that a department or station can be rated as financially excellent if it offers additional allowances to its employees. Ability of individuals, stations and departments to pay their creditors also got a higher rating. This could be popular since it improves relationships with suppliers and other stakeholders. The respondents agreed because Ministries in some cases are put on embargo by service providers and suppliers because of failure to settle their credits in time. Cost cutting enables the government departments to create a surplus budget through managing existing resources effectively. The rating had to focus on reduction of direct and indirect costs and sharing of resources between departments. Careful use of office inputs and other operational resources was accepted for inclusion in any meaningful performance management system. The respondents also agreed that sections and departments in the government be rated on their ability to generate revenue. Revenue generation enables mobilization of resources that will enable rewarding those who meet the targets. The majority of respondents agreed on this rating on condition that those resources were going to be used for funding teas, lunches and breakfast and some allowances. They were in agreement on the rating mainly on condition that the resources will be channeled to acquire office equipment, furniture, transport, stationery and provisions that will improve their working conditions.

These financial measures are critical for encouraging focused effort and rewarding high achievers.

The financial variables which got a lower rating of acceptance were ensuring working capital availability (m=2.84), sourcing cheaper funds (m=2.80) and investing funds properly (m=2.75). The working capital management seemed to be an area for specialized individuals and could be the reason for getting a lower rate. The issue of sourcing cheaper funds and investing properly could have got lower mean values from the average respondent since they seemed to be abstract and a bit divorced to day to day operations of government employees. Those who rejected the measure could also be the employees who understand the strictness on Treasury standing orders on donor funds. Those who agree on the measure might be employees in the management positions. This calls for designers and implementers of the performance measures and the BSC in particular, to redefine financial measures in ways related to each workstation.

The overall acceptability test was carried using the One Sample T test as presented below.

**H<sub>1</sub>: There is a general acceptance of the BSC financial measures by government employees.**

In this study a one sample mean test was taken for the overall acceptability of the financial measures. The benchmark mean value was 3.00 and the level of test was 0.05. Technically the null hypothesis of H<sub>0</sub>:  $\mu \geq 3.00$  was tested. The study set to accept the null hypothesis if the T calculated value is greater than the T critical of -0.1856. The test results are shown in the table below.

**Table II: One Sample Mean Analysis For The Study**

| Test Value = 3.0 |       |    |                 |                 |   |       |
|------------------|-------|----|-----------------|-----------------|---|-------|
|                  | t     | Df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference |       |
|                  |       |    |                 |                 | Lower                                     | Upper |
| OverMean         | 1.425 | 7  | .197            | .28125          | -.1856                                    | .7481 |

The use of the one sample mean T tests indicated that the T calculated value of +1.425 is greater than the T critical of -0.1856. The results show that the respondents were willing to accept the financial measures as critical components of any performance management system. More detailed tests are also shown for the gender analysis and type of government employees in section 4.2 and 4.3.

4.2 Gender Analysis and BSC Financial Measures

Table III: Gender Analysis and BSC Financial Measures

| Financial Measures                          | Males | Females | Overall Mean |
|---|-------|---------|--------------|
| 1. Cost cutting                             | 3.60  | 3.90    | 3.75         |
| 2. Increasing revenue                       | 2.80  | 3.20    | 3.00         |
| 3. Investing Funds properly                 | 3.30  | 2.20    | 2.75         |
| 4. Sourcing cheaper funds (e.g. from donor) | 2.19  | 3.40    | 2.80         |
| 5. Ensuring working capital availability    | 2.91  | 2.76    | 2.84         |
| 6. Ensuring creditors are paid              | 4.20  | 3.81    | 4.01         |
| 7. Fair allocation of funds to departments  | 2.60  | 3.50    | 3.05         |
| 8. Giving allowances to employees           | 4.30  | 3.80    | 4.05         |
| Overall Mean                                | 3.24  | 3.32    | 3.28         |

H<sub>2</sub>: There is a strong positive relationship between the views of men and women on financial measures of the BSC.

A Pearson correlation analysis test was carried out for the male and female respondents on their preference of financial measures in the performance management systems of the government operations. The r-value of +0.50 and above was the benchmark for accepting the null hypothesis. The test results are shown on the table below.

Table IV: Correlation Analysis For Males and Females Respondents

|         |                     | Males | Females |
|---------|---------------------|-------|---------|
| Males   | Pearson Correlation | 1     | .372    |
|         | Sig. (1-tailed)     |       | .182    |
|         | N                   | 8     | 8       |
| Females | Pearson Correlation | .372  | 1       |
|         | Sig. (1-tailed)     | .182  |         |
|         | N                   | 8     | 8       |

The study indicates that the calculated r-value is 0.372 at p-value of 0.182, and is less than 0.50. We rejected H<sub>0</sub> and concluded that males' and females' ratings of financial measures have a weak relationship. The major causes of differences were found to be on men's lower rating on increasing revenue, sourcing cheaper funds and fair allocation of funds to departments than that of women. Women also rated 'investing funds properly' and 'ensuring creditors are paid' at lower values than that of men.

H<sub>3</sub>: There are differences in male and female respondents' perceptions on financial measures of the BSC.

The study carried out an ANOVA test between the male respondents and the female respondents to establish the significance of statistical differences in the distribution of financial measures of the balanced scorecard. The critical F value was 5.59 at 5% level of test. The study rejects H<sub>0</sub> if F calculated is less than F critical. The test results are shown by the table below.

Table V: ANOVA For Male and Female Respondents

|                |               | Sum of Squares | Df | Mean Square | F    | Sig  |
|----------------|---------------|----------------|----|-------------|------|------|
| Between People |               | 4.370          | 7  | .624        |      |      |
| Within People  | Between Items | .028           | 1  | .028        | .096 | .766 |
|                | Residual      | 2.051          | 7  | .293        |      |      |
|                | Total         | 2.079          | 8  | .260        |      |      |
| Total          |               | 6.449          | 15 | .430        |      |      |

Grand Mean = 3.2794

The results show that the calculated F value was 0.096 with a p-value of 0.766. Since the F value of 0.096 is less than 5.59 and a p-value of 0.776 is far greater than 0.05, we therefore conclude that the differences between male respondents and female respondents are not statistically significant. This confirms that the overall acceptance of the financial measures by both gender groups were generally similar. This means such variations in the model are explained by other factors outside this model. This means that application of financial measures of the balanced scorecard can be implemented with less resistance between both men and women in the civil service. The minor differences could be easily managed without many conflicts.

4.3 Types of Government Employees Analysis and the BSC Financial Measures

Table VI: Types of Government Employees Analysis and the BSC Financial Measures

| BSC Financial Measure                       | PSC Employees | Min HQ Employees | Min Depts and Stations | Overall Mean |
|---|---------------|------------------|------------------------|--------------|
| 1. Cost cutting                             | 4.60          | 3.90             | 2.75                   | 3.75         |
| 2. Increasing revenue                       | 2.20          | 2.90             | 3.90                   | 3.00         |
| 3. Investing Funds properly                 | 3.30          | 2.80             | 2.15                   | 2.75         |
| 4. Sourcing cheaper funds (e.g. from donor) | 2.70          | 3.30             | 2.40                   | 2.80         |
| 5. Ensuring working capital availability    | 2.30          | 2.52             | 3.70                   | 2.84         |
| 6. Ensuring creditors are paid              | 4.07          | 4.14             | 3.82                   | 4.01         |
| 7. Fair allocation of funds to departments  | 3.12          | 3.08             | 2.95                   | 3.05         |
| 8. Giving allowances to employees           | 3.35          | 4.20             | 4.60                   | 4.05         |
| <b>Overall Mean</b>                         | <b>3.21</b>   | <b>3.36</b>      | <b>3.284</b>           | <b>3.28</b>  |

H<sub>4</sub>: There is a strong positive relationship among the three types of employees on rating financial measures.

The study tested whether the various types of government employees had differences or similarities in the rating of financial measures of the balanced scorecard. Those respondents pairs with correlation values above +0.50 were accepted as having a strong positive relationship.

Table VII: Paired Samples Correlations of the Type of Government Employees

|        |                          | N | Correlation | Sig. |
|--------|--------------------------|---|-------------|------|
| Pair 1 | PSCEmploy & MinHQEmploy  | 8 | .740        | .036 |
| Pair 2 | MinHQEmploy & MinDptStat | 8 | .361        | .380 |
| Pair 3 | PSCEmploy & MinDptStat   | 8 | -.146       | .730 |

The relationship between Public Service Commission employees and Ministries Headquarters employees had a strong correlation value of  $r=0.740$  at  $p$ -value of 0.036. We accept the hypothesis that they have a strong relationship. These could have similar ways of viewing issues since they operate at top position of civil service way. The Ministry Headquarters employees and Ministry departments and stations had a lower correlation value of  $r=0.361$  at  $p$ -value of 0.380. We reject the hypothesis for this pair and conclude that there is a weak positive correlation between the top ministries workers and bottom ministry workers. This could be caused by differences in authority levels and expectations. Such variations might be a problem if some employees think differently about money issues in the performance management processes. The 'Public Service commission employees and ministries departments employees' pair had a negative correlation value of  $r= -0.146$  at  $p$ -value of 0.73. The PSC employees seemed to underplaying the need for giving additional allowances to best performers than the government employees in the line ministries. Such differences could also be caused by 'department and station' employees who rated cost cutting and investing funds properly as not much critical in their performance appraisals while the PSC people preferred those dimensions. These areas of variation reflect the need to align and design the financial measures in ways acceptable to all levels of employees.

H<sub>5</sub>: There is a large difference among the three groups of government employees on rating the financial measures.

The study carried out an ANOVA test among the public service, ministry headquarters and 'ministry departments and stations' employees on their perceptions of including the financial metrics in the centre of performance management systems. This tested the significance of statistical differences in the distribution of financial measures of the balanced scorecard. The critical  $F$  value was 4.86 at 5% level of test. The study was to reject  $H_0$  if  $F$  calculated was less than  $F$  critical and if the  $p$ -value is greater than 0.05. The test results are shown by the table below.

Table VIII: ANOVA Of Type Of Government Employees

|                |               | Sum of Squares | Df | Mean Square | F    | Sig  |
|----------------|---------------|----------------|----|-------------|------|------|
| Between People |               | 6.549          | 7  | .936        |      |      |
| Within People  | Between Items | .090           | 2  | .045        | .101 | .904 |
|                | Residual      | 6.221          | 14 | .444        |      |      |
|                | Total         | 6.311          | 16 | .394        |      |      |
| Total          |               | 12.860         | 23 | .559        |      |      |

Grand Mean = 3.2813

The results showed that the calculated F value of 0.101 and a p-value of 0.904. The F value of 0.0101 is far less than the critical value of 4.86 and also the p-value of 0.904 is far greater than the test value of 0.05. We therefore conclude that the differences among public service employees, ministry headquarters employees and 'ministry departments and station' employees are not statistically significant. This confirms that the overall acceptance of the financial measures by all groups of employees were generally similar. This means such variations in the model are explained by other factors outside this model. The application of financial measures needs therefore to be pursued since more respondents agree on their significance in government performance management systems.

## VI. Conclusions

The study concludes that any government performance management systems can include giving allowances to employees, ensuring creditors are paid, cost cutting and fair allocation of funds to departments as key financial measures. It is also concluded that men favoured investing funds properly and giving allowances to employees, while women preferred fair allocation of funds to departments and sourcing cheaper funds. This was supported by a weak relationship of their perceptions. Public service employees preferred cost cutting and investing funds properly, while departments and stations employees preferred revenue generation and giving additional allowances to employees. Ministries Headquarters employees showed a stronger relationship with public service commission, while ministries departments and stations had a negative relationship to the views of public service commission on financial measures.

## VII. Recommendations

The study recommends that the government adopt the balanced scorecard in full but paying attention to the financial issues in relation to employee perceptions. It is also recommended that the financial measures of the balanced scorecard be adopted for improving the existing performance management models. Care should also be made on ensuring that additional rewards to employees be linked to their performance. Such promised financial rewards should be paid accordingly rather than be on paper only. For ensuring equity, the specific targets for each group of government employees need to be created and agreed upon.

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