

A Balance Scorecard Adaptation for Public Investments in Sport: A Proposal from Regional Experiences in Spain.

Number of Abstract: 162

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Keywords: Balance Scorecard, public investment, sport

Abstract

Introduction

The Balanced Scorecard (Kaplan & Norton, 1996) is a strategic planning and management system to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals. This is not only extensively used in business and industry but also in government and non-profit organizations.

The Regional Sport Authority in Galicia (Spain) is concerned about how it would be possible to analyse and measure the performance of its investments during several periods. For this reason, it had been promoted a research focused to this.

Methods

As a part of the research, the Sport Authority promoted a descriptive project realised in collaboration with the University of Vigo.

This consisted basically in a survey throughout different decision-makers in the scope of sport in the region.

The methodology and main results are included in Barajas et al. (2006).

One conclusion of this study was the lack of indicators to evaluate public investment. Therefore, we started a deeper work with several managers of public sport installations in order to know exactly what their necessities and aims were.

We carried out deep interviews with the responsible person of 11 public installations (all of them included within the public Galician Directory).

We have done a theoretical approach to the topic in order to adapt the model of Kaplan & Norton to public investments on sports.

Results

The main result of our research is a proposal of an adaptation of the Balanced Scorecard for the public investment in sport. This is not something new, as it has been

being used to other public services such as health or educations, as it has been pointed out in Aidemark (2001).

However, this adaptation would require an important effort in order to orient itself towards the sport management.

In special, according to Wisniewski and Olafsson (2004), it is important to think about the difficulty to measure within the public sector and the external stakeholders that play a different role. Moreover, it has to be decided if the Balanced Scorecard will be adapted to the whole public organisation or for its different parts.

Our proposal for adaptation would adequate the Balanced Scorecard for this purpose. Thus, the main difference would be within the finance perspective because the stakeholder revenue has to be substituted by some kind of the public profit obtained through the investments.

(In this case, the citizen satisfaction is the key factor).

Related to the customer perspective, this might be very similar to a private business, although it has to be taken into account the attendance to the citizenship (even if they do not use the installations).

This fact means that it is important to think with an idea of user instead of customer. The perspective of internal processes of business would be replaced by a perspective of internal management similar to that it must have a company. Namely it would be worried about aiming the identification of the key processes for efficient services. Logically, it is not enough with the only identification, then after this it would be necessary to check the progress of those processes

Finally, the perspective of the continuous improvement would be the most similar to the normal in a company.

Discussion

One of the main advantages of this proposal is that it considers all the different areas of the company.

It gathers a causality effect that can contribute to determine if the different processes of the company/institution obtain their objectives according with the vision and the strategy that the public institutions have when making their investments.

Therefore, the main opportunities can be summarised as follows: it engages the dialog, encourages the discussions on visions and aims and stimulates the comparison of strategies.

On the other hand the main disadvantages are: the high requirement of education and management which is needs and the consumption of time and human resources.

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