



## The Balanced Scorecard in the Public Sector

*Measuring and communicating performance*

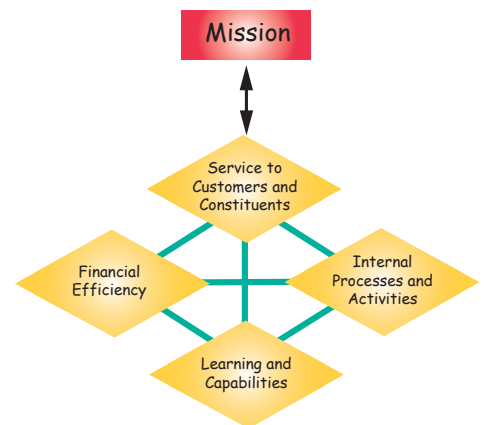
The government has made it clear that it intends to put performance measures at the heart of managing its strategy for the provision of services to the country.

The Balanced Scorecard is a strategic management concept devised by Robert Kaplan and David Norton, and uses performance measures to articulate and to track strategy implementation. It has been shown to be successful in commercial organisations and has a clear application in the public sector.

Fundamental to the concept of the Balanced Scorecard is that financial measures alone do not always capture the important information, and it is therefore particularly suited to operations where profit is not the primary objective.

The basic Balanced Scorecard can be adapted for non-profit making organisations to implement strategic change. This can typically be achieved by putting the delivery of the service as the prime area of focus. Supporting perspectives showing how the organisation seeks to provide the service, both now and in the future, can be based on this.

A suitable generic model is as follows:-



Often, many of the implementation challenges will be the same in a public sector organisation as in a commercial company. A move towards managing by measures may have profound effects on the culture and working practices of the organisation.

SAS® can enable the development of this management tool to provide a balanced view of your organisation's success. However, before success can be measured, it is essential to measure where you are now.



## The SAS® Solution

SAS software can help you implement a Balanced Scorecard system that aligns individuals' actions behind the strategy and vision of the organisation, by allowing:

- access to all relevant data
- aiding communication of information
- providing a framework to start delivering management information that is tuned to the operation's goals.

SAS® software captures your performance management strategy and integrates, distributes and analyses information to help you make the right decisions. You get simple, clear indicators of performance that help you see the causes and effects of your strategy.

SAS Strategic Performance Management has the following components:

**Map** — to create the balanced scorecard model, the strategic map and measures

**Compass** — to communicate results and aid collaboration

**Knowledge base** — to share understanding and automate the information processes.

Beyond the performance measures themselves, there also needs to be a communication and collaboration

“... the new SAS performance management software will give companies the capability to communicate strategy, align the entire organisation to their strategy and gain continual feedback on how well it is being executed”

Dr Robert Kaplan at the 25th Annual SAS User Group International Conference

system between all the stakeholders involved with the management process. SAS provides a broad range of integrated software to help service these needs and can introduce business partners to assist with the non-technical aspects of implementation if required.

SAS software can feed information to other solutions, including applications for correlating the relationships of your strategy and providing advanced forecasting. It integrates seamlessly with other SAS solutions for:

- human capital management
- financial budgeting, consolidation, reporting and analysis
- IT performance management
- and other externally focused solutions for supplier and customer relationship management.

SAS helps turn a successful management concept into a working business tool.

## From SAS, a standard in industry

SAS drives the intelligent enterprise, bringing greater effectiveness and efficiency to critical areas such as strategic performance, human capital, and customer and supplier relationships. SAS' leadership in business intelligence, advanced analytics and data warehousing has made us the world's foremost provider of enterprise intelligence solutions.

SAS is used at more than 38,000 business and government sites in over 111 countries. Customers include 98 of the top 100 companies in the Fortune 500 and 90 percent of Fortune companies overall. For 25 years, SAS has been giving our customers *The Power to Know*®.

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