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Lyndon N. A. Sackey

UNIVERSITY OF PARDUBICE

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Performance Management Techniques in Public Sector

Lyndon N.A Sackey MSc.

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I hereby declare:

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In Pardubice on April 28, 2017

Lyndon N.A Sackey MSc.

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ANNOTATION

Performance management has become top on attention of the public-sector management because many services in advanced economies, such as those of the U.K. and Scandinavia and other developing countries, have come under pressure to become more efficient and effective, to reduce their demands on taxpayers, while maintaining the volume and quality of services supplied to the public. To achieve this, they have been subjected to the introduction of various performance management techniques. Content analyses of published and unpublished articles, books, strategic plans of selected public sector, were selected randomly through different sources that contains the application of PMT in local government. It was observed from the analyses that performance management is diversely in management practice in the selected metropolitan boroughs.

KEYWORDS

Performance management, performance management techniques, public sector, metropolitan boroughs, England, and performance measurement.

NÁZEV

Techniky řízení výkonnosti ve veřejném sektoru

ANOTACE

Řízení výkonnosti se dostalo na vrchol pozornosti managementu veřejného sektoru, protože mnoho služeb se ve vyspělejších ekonomikách, jako jsou Spojené království, Skandinávie a další země, dostalo pod tlak, aby se staly efektivnějšími a účinnějšími. Tím by se snížily požadavky na daňové poplatníky při udržení stejného objemu a kvality veřejných služeb. Proto, aby toho bylo dosaženo, bylo zavedeno mnoho technik řízení výkonnosti. Pro provedení výzkumu v této práci byla použita metoda kvalitativního výzkumu. Obsahové analýzy publikovaných a nepublikovaných článků, knih, strategických plánů vybraných měst byly náhodně vybrány z různých zdrojů, které zahrnovaly aplikaci technik řízení výkonnosti v místní správě. Z analýz bylo zjištěno, že řízení výkonnosti je ve správní praxi ve vybraných metropolitních obcích různorodé.

KLÍČOVÁ SLOVA

Řízení výkonnosti, techniky řízení výkonnosti veřejný sektor, metropolitní čtvrti, Anglie a měření výkonnosti

TABLE OF CONTENTS

INTRODUCTION	6
1 THEORETICAL BACKGROUND	8
1.1 Concept of Public Sector.....	8
1.2 Performance Measurement and Management.....	8
1.3 Performance measurement techniques, tools and methods used in Public sector.....	12
1.3.1 Performance Appraisal.....	12
1.3.2 Key Performance Indicators.....	14
1.3.3 Benchmarking Approach.....	17
1.3.4 Management by Objectives.....	20
1.3.5 Balanced Scorecard Approach.....	21
2 METHODOLOGY OF SURVEY AND RESEARCH METHODS	27
3 ANALYSES OF PERFORMANCE MANAGEMENT TECHNIQUES USED IN A SELECTED PUBLIC SECTOR	30
3.1 Brief information about United Kingdom.....	31
3.2 England Local Government System.....	33
3.3 Metropolitan Borough Status.....	34
3.4 Selected Metropolitan Borough.....	36
4 EVALUTAION AND DISCUSSION OF THE RESULTS	48
5 CONCLUSION	54
6 REFERENCES	56
7 APPENDICES	68

LIST OF FIGURES AND TABLES

Figure 1: <i>shows the top ten tools used in performance measurement, (Marr, 2014)</i>	10
Figure 2: <i>A diagram of Balanced Scorecard Frame, adapted from Kaplan and Norton, 1996</i>	22
Table 1: <i>A table of summary of perspective of balanced scorecard, Kaplan & Norton, 1996</i>	23
Table 2: <i>Indicating selected metropolitan borough in England, Office for National Statistics</i>	36
Table 3: <i>Summary of final results</i>	44

LIST OF ABBREVIATIONS

PPB- Planning Programming-Budgeting System

KPI- Key Performance Indicators

OECD- Organization of Economic Cooperation and Development

PMS- Performance Management System

PA- Performance Appraisal

KPI- Key Performance Indicators

LGOs- Local Government Organizations

NPM-New Public Management

UK- United Kingdom

PMT- Performance Management Technique

SAP- System Application Product

KPQ- Key Performance Questions

TFR- Average Fertility Rate

MCCs- Metropolitan County Councils

BVPI- Best Value Performance Indicators

OBA- Outcomes Board Accountability

JHWS- Joint Health and Wellbeing Strategy

KES- Kirklees Economic Strategy

PBC- Business Planning Cycle

CIP- Corporate Improvement Priorities

WSCB- Wirral Safeguarding Children Board

OFSTED- Office for Study in Education

CCG- Clinical Commissioning Group

NHS- National Health Scheme

CS- Corporate Scorecard

CAG- Customer Action Group

PDCA- Plan Do Check and Act

GDP- Gross Domestic Product

PPP- Purchasing Power Parity

TERMINOLOGY

Public sector: The public sector is a whole of institutions, which are supported from the State and municipal budgets, and it provides public goods, which are not under any competition and which accessible to any individual

Performance management: the process of evaluating how good organizations are managed and the value they deliver for customers and other stakeholders”.

Performance measurement: is the method of collecting, analysing and/or reporting information regarding the performance of an individual, group, organization, system, or component.

Performance Management System: is a continuous method of ascertain goals of the organization and communicating of feedback and its purpose is to distinguish good performance and poor performance.

Performance Appraisal: can be conceived as unceasing process of negotiation, monitoring and renegotiation of individual and group targets concentrating in organizational results that creates subsidies to remunerate higher performance

INTRODUCTION

Performance measurement is not a new concept, but rather an old concept of renewed importance today. In 1943, the International City Management Association published an article on measuring the performance of municipal activities (Poister et al., 1999). During the Kennedy administration, systems analysis processes were introduced to the Department of defence which fuelled interest in performance measurement in the federal government (Courty et al., 2005). Other agencies began investigating in performance measurement when the Johnson administration presented what they called Planning-Programming-Budgeting System (PPB). Eventually, increasingly state, and local governments began using performance measurement to improve their management and budgeting. The use of performance measurement became a common practice in the 1970s with the introduction of new social programs that needed to be evaluated. However, enthusiasm in performance measurement reduced in the 1980s, as people did not look at the benefits of using performance measurements in making decisions. In the 1990s, the concept of performance management grows (Blalock, 1999). Performance measurement was invigorated as the demands for holding government entities accountable to public interest. Associations passed several resolutions such as the National Academy for Public Administration, urging government to set goals and measure their performance and in 1993, the Government Performance and Results Act was passed by the federal government requiring their agencies to become involved in strategic planning, goal-setting, and performance measurement (Poister, 2003).

Over the few years' performance management has become a key revolutionise trend in public administration around the world. Scholars describe this phenomenon varyingly as “performance movement” (Talbot, 2005). “the age of performance management” Bouchaert (2012), an age of governance by performance management (Moynihan, 2002). For practitioners, performance management mostly comes in the form of specific tool used to include performance information into management and policy system, such as target systems, performance contracts, performance indicators, controlling, balanced scorecards, at an individual level, as target agreements, performance appraisals and performance-related pay.

It has been realized that, organization, whether commercial or not-for-profit, have long been enchanted with managing and measuring performance and there is little sign of this being

controlled. It is therefore not astonishing that a recent global survey of over 3000 organizations found Key Performance Indicators (KPIs) to be the most widely used tool for managing performance, with a usage rate of about 75% (Keller, 2009).

Over the past years, it has been observed that there is a booming interest in research on the practical importance and use of performance management and especially its effect on management and the question how and why “management matters” (Boyne et al,2006). There is increasing evidence of the positive impact of performance management on public-sector, Van Dooren et al., (2010) and many performance management techniques are being used in various public sectors.

Hence, the main aim of this thesis is to analyse whether and how diverse performance management techniques are used in management practice of selected public sector organizations.

The thesis work consists of six parts, the first part, will be introduction on performance management and techniques used in the public sectors. The Second part will contain the theoretical statements related to Performance measurement techniques, and then thirdly we define methodology of survey and research methods. The fourth section of the thesis work will contain the analyses of Performance Management Techniques used in a selected Public Sector. The fifth section will be the evaluation of the results and discussions, comparing it to theoretical statements. The final section of the thesis will be the conclusion.

1 THEORETICAL BACKGROUND

1.1 Concept of Public Sector

The concept of public sector is wide and may be defined in many ways. The effectiveness is the main criterion for evaluation of performance of public institutions. According to Smalkys, (2012), the public sector should be appreciated as the “system of organizations managing and using State resources”, while Chan, (2002) states that “public sector is the combination of public and private elements”. The public sector is a whole of institutions, which are supported from the State and municipal budgets, and it provides public goods, which are not under any competition and which accessible to any individual. To take a broad view, it is possible to state that “public sector is the State finances (funds, shares, etc.), tangible (land, buildings, etc.) and human resources (managers and employees employed using the State and municipal budgetary funds), the processes changing these resources, and the products of such processes (public and administrative services, individual and normative legal acts, pays, investments)” (Smalkys, 2012).

Regarding the public sector, it is very important to differentiate the organizations attributed to this sector. It is designated in the amendment of the Law on Accountability of Public Sector of the Republic of Lithuania (2013, No. XII-637) that “the State, municipal, tax funds, funds of resources, budgetary institutions and public institutions controlled by these subjects are the subjects of public sector”

The public sector covers many organizations, which are used to formulate and implement the decisions regarding satisfaction of public interests. The performance of public sector is mainly related to the implementation of political decisions in the administrative mode, i.e. creating certain rules binding to the society which will lead to easy access of public goods and services (Verbeeten, 2008).

1.2 Performance Measurement and Management

Performance management has been defined (Neely, et al., 2002) as “the process of quantifying the efficiency and effectiveness of past actions”, while (Moullin, 2002) defines it as "the process of evaluating how good organizations are managed and the value they deliver for customers and other stakeholders”.

Performance measurement (Upadhaya, et. al., 2014) is the method of collecting, analysing and/or reporting information regarding the performance of an individual, group, organization, system, or component.

The performance measurement is the tool that describes the organization's development because it is not practicable for any organization to act effectively without having its performance measured. The importance of performance measurement in the public-sector organizations was improved even more by new public management that has the purpose to adjust the performance measurement methods applied in private organizations for the organizations in public sector so that the performance could be advanced to improve to serve the needs of users' more adequately (Diefenbach,2009). The theory and practice of performance measurement manifest that it is a multifaceted process and that the use of performance measurement systems in public sector is specific because all the roles of public sector organizations are concentrated to the satisfaction of public interests, i.e. it is more difficult to administer the performance measurement methods for measurement of public sector organizations, because such organizations are more process- and not result-oriented (Behn, 2003).

Storey & Sisson, (1993) defined performance management as an interlocking set of policies and practices which have enhance the achievement of organizational objective through a concentration on individual performance.

The OECD, (2005) defines performance management as “management cycle under which performance objectives and targets are determined, managers have the flexibility to achieve, actual performance is measured and reported, and this information feeds into decisions about finding, design, operations and rewards or sanctions.”

In many public sector, performance is talk of town, as with many much-debated concepts, performance accumulate several and often vague meaning, Dubnick, (2005), assets that: outside of any precise context performance can be linked with a range of actions from simple and ordinary act of opening a car door to the staging of an enlarging renovating of the Broadway musical “Chicago”. In all these forms performance stands in difference from mere “behaviour” in implying some degree of intent.

Performance measurement is a method to make sagacity of difficult policy problems. It tries to make policy making of public administration process easy, Moynihan (2002). Performance metrics can provide backing for more informed choices of apportioning and using taxpayers' resources Bouchaert, (2012) and sometimes serve as a technology of distance in handling the problems concerning choices of public services among citizens, customers, and stakeholders (Porter, 2008).

Employers measure employee job performance through a variety of performance measurement techniques and processes. Some use more than one, but smaller businesses often choose one technique that works best for them and use it consistently. These systems of measurement, called performance appraisals, must come across as fair and just for employees to consider them reliable (Bevan & Hood, 2006).

The figure 1 below shows the top ten tools. With some respondents preferring to name dashboards, benchmarking, or Balanced Scorecards (which require a substantial metrics components) we can safely assume that the actual number of KPI users is even higher and almost universal (Marr, 2014).

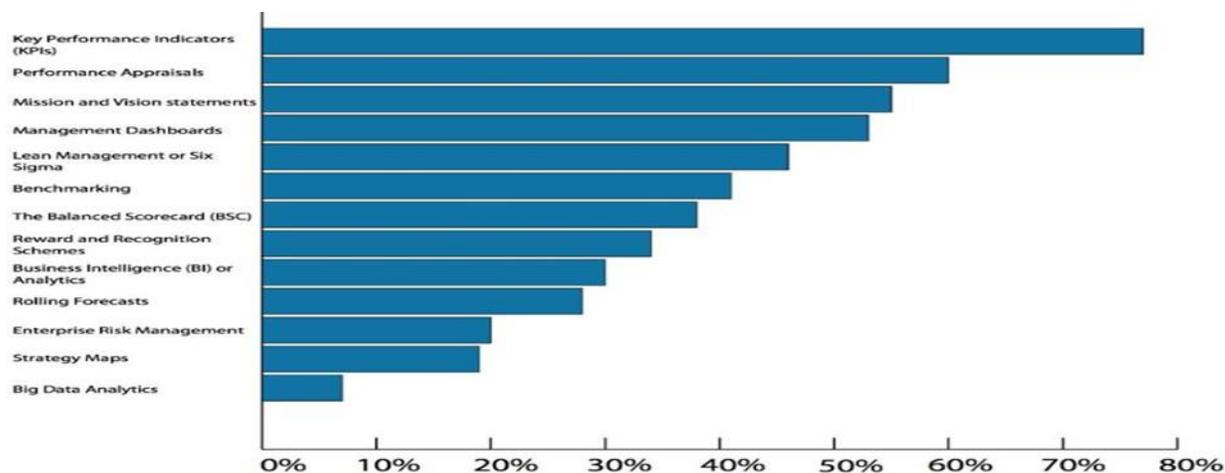


Figure 1: shows the top ten tools used in performance measurement, (Mar, 2014)

The challenges of measuring performance—in both the public and private sectors— is not anything new, but deliberations had been going on for years (Pollitt & Bouckaeret, 2004). Governments are indicating increasing interest in the measurement of performance in the public sector, as are the press and media, and officials are using performance targets and league tables to

push through transformation programs and shows that value for taxpayers' money is being executed.

Recent practical studies have found that the application of performance measurement is rising in both state and local governments in the United States, Breul, & Kamensky, (2008). Indeed, state governments "have interestingly embraced the conception of managing for results" (Moynihan, 2002), adapting policy ideas transferred from the United Kingdom, New Zealand, and Australia. However, important developments in performance and results-based accountability have not been fully achieved, and research is still needed to identify the key factors of successful design, implementation, and use of performance measurement systems (Sanger, 2008).

The performance measurement of private sector organizations is focused to the increase of profit, fulfilment of owners' needs, while the main objective of public sector organizations is to provide public services, so the performance management in public organizations should be directed to the execution of such objectives (Balaboniene, et al., 2014).

In public sector organizations, main indicators are equal of collected experience (which is usually replaced by seniority) and amassed skills and knowledge. Civil servants are anticipated to develop continually their skills and knowledge to better match to real line job requirements. Professionalism (in this case - knowledge of the gratified of the job), creativity, organizational and management skills are valued as most important among performance measurement indicators. Private companies tend to measure both tangible and intangible fields of action. The main gauges usually are: level of customer satisfaction, level of efficiency, quality, and quantity (such as completion) features, endurance, and costs. In other words, the goal of the performance measurement system in private organizations is to cover an organization's total length of events and expenditure (Tatiana,2003).

More mainly, targeting and performance-based satisfying are probable to be more progressive in the private than the public sector, because of tougher and more positive exterior pressures and of financial enticements (Reichard & Helden, 2015).

In relations to goal, in the public-sector performance indicators emphasis is on societal relevant actions or services; poor measurability of performance and that of private sector focus

Performance indicators motivation on total profit or profit margins per product; good measurability of performance (Reichard & Helden 2015).

Government as owner shed ownership rights and consequently departing interests, lack of goal clearness, but in the private sector limited or multiple owners with mainly financial interests, goal precision.

The public sector is control by numerous stakeholders at different layers, feeble incentives whiles the private sector is control by the market and by shareholders, sturdy incentives.

Performance Management System (PMS) Jan et al., (2004) is a continuous method of ascertaining goals of the organization and communicating of feedback and its purpose is to distinguish good performance and poor performance. PMS is the root cause which establishes the general performance of an organization. According to (Boipono et al., 2014) the main aim of PMS is to promote accountability, performance, communication, efficiency and effectiveness among civil servants or employees. Furthermore, it has been said PMS has no area for unplanned or accidental results but it can fail due to lack of response, poor leadership, and problems in implementing the system.

1.3 Performance measurement techniques, tools and methods used in

Public sector

The following performance management techniques have been selected to be reviewed and used for the research work because from figure 1, they are the most widely used performance management tools and want to review how they are diversely used in a selected public sector.

1.3.1 Performance Appraisal

Performance Appraisal (PA) is the technique by which an employee's performance is measured and evaluated, occurs in some form in most business organizations. As a management tool, the accomplished appraisals may then be used for purposes of promotion, demotion, transfer, salary increment, administration, and employee growth. For quite a few organizations, this involves not only a profound feedback meeting with the employee whose performance has been revised, but also, the development of a strategy of action to enhance that employee's capabilities (Schmuckler, 1993).

Lopes, (2009), Performance Appraisal can be conceived as unceasing process of negotiation, monitoring and renegotiation of individual and group targets concentrating in organizational results that creates subsidies to remunerate higher performance.

The American Federal Government started to evaluate its employees in 1842, when the Congress accepted a law obliging the departments to make an annual review on employees' performance. But until the decade of the 1950s, PA in the U.S. was made by judgment based on the leader's insight and values about the employee. In that decade, Douglas McGregor, from Harvard University, contested this technique and proposed ways to measure performance.

Measuring performance in the public sector has added to the success of multiple objectives, including the transparency of costs and results, improved quality of service, employee motivation, one of the key pillars of the new governance. To its critics, however, it is an improper discussion of an instrument developed for business management, which forms serious distortions when applied to the public sector (Pacheco, 2009).

There are two points of arguments about the measurement of results: the discussion around what to measure - products (outputs) and impact (outcomes), and the linkage of part of individual remuneration to the performance. To Trosa, both forms of contracting are important and respond to two distinct questions. The measurement of outputs allows knowing what is produced with public funds; concern about outcomes or impacts can inquire about the effectiveness and usefulness of what is produced.

Countries that engaged widely in measuring results through products (outputs), such as New Zealand, tried to correct excesses introduced by the measurement of impacts; countries that concentrated on the measurement of outcomes, such as Australia, have left ample space to organizations without charging them to commit to actions directly measurable (Pacheco, 2009).

Condrey, (2012) compares the difficulties of performance appraisal systems in the public sector to some fundamentals: low organizational confidence levels, perceived ineffectiveness of performance appraisal instruments, small monetary rewards, a large and diverse bureaucracy, and a lack of union support. But on the other hand, he believes that, despite the series of failures in performance evaluation systems, they remain to be surrounded for being popular among

politicians and the public “due to perceived possible effectiveness in influencing recalcitrant bureaucrats”.

Brazil has been using performance appraisal since their independence from Portugal in 1824 by the Emperor Pedro I. The usage of performance appraisal has been changing through different stages " In 1936, already in the Republican period, the Law n° 284 created the Federal Council of Civil Service, responsible for executing an Efficiency Commission in each government ministry, and established two criteria for career promotion: merit and seniority (Carneiro, 1985).

Presently, the main relevant regulations on performance appraisal in Brazil’s public organizations are the Federal Constitution, the Law 8,112 of 1990, Law 11,784 of 2008, Law 11,907 of 2009 and the Decree 7,133 of 2010. Thus, the Performance Appraisal is bounded within the federal public service performance management in annual cycles, which starts with the approved institutional and individual targets, entailing periodic monitoring of the individual, and ending with the assessment of the fulfilment of these targets, beyond performance of the minimum behaviour factors during the cycle.

1.3.2 Key Performance Indicators

Key Performance Indicators (KPIs) are quantitative and qualitative procedures used to review an organisation's improvement against its goals. These are broken down and set as targets for achievement by departments and individuals. The success of these targets is revised at regular intervals (FinPa New Media, 2009).

Characteristics of KPI

The characteristics of a KPI of an organization is applicable to and steady with the agency’s vision, strategy, and objectives, but here is a general one that is common to most organizations:

- Focused on agency wide strategic value rather than non-critical local business outcomes – selection of the wrong KPI can result in counterproductive behaviour and sub optimised outcomes;
- Representative – appropriate to the agency together with its operational performance;
- Realistic – fits into the agency’s constraints and cost effective;
- Specific – clear and focused to avoid misinterpretation or ambiguity;

- Attainable – requires targets to be set that are observable, achievable, reasonable, and credible under expected conditions as well as independently validated;
- Measurable – can be quantified/measured and may be either quantitative or qualitative;
- Used to identify trends – changes are infrequent, may be compared to other data over a reasonably long time and trends can be identified;
- Timely – achievable within the given timeframe;
- Understood – individuals and groups know how their behaviours and activities contribute to overall agency goals;
- Agreed – all contributors agree and share responsibility within the agency;
- Reported – regular reports are made available to all stakeholders and contributors;
- Governed – accountability and responsibility is defined and understood;
- Resourced – the program is cost effective and adequately resourced throughout its lifetime; and
- Assessed – regular assessment to ensure that they remain relevant.

Applicable Key Performance Indicators (KPIs) form the basis of effective public sector performance and are very important to public accountability. KPI's can serve the purpose of choice, but also activate organisation action, assign responsibility, and offer legitimacy (Brunsson, 1995).

On the other hand, success criteria are the measures by which the success or failure of a project will be judged. Factors implementing the success criteria are commonly stated as the key performance indicators. It has been observed that the KPIs are helpful to relate the actual and assessed performance in terms of effectiveness, efficiency and quality of both workmanship and product (Cox et al., 2003).

Toor & Ogunlana,(2009) note that performance measurement can be done by implementing the KPIs which offer objective values to measure the success of an organization.

Key Performance Indicator is not only practice by the private sectors, but also the public sector. On January 1 2004, the Prime Minister Tun Abdullah Ahmad Badawi of Malaysia issued a compulsory order to all ministries and departments dealing with the public such as Immigration

Department, Land Office, Inland Revenue Department, Road Transport Department, and National Registration Department to come up with their own Key Performance Indicators (KPIs). In addition, not only Malaysia, other countries also started to use the KPI in measuring their performance for a long time ago. For instance, various levels of government in the USA have required the reporting of KPIs, PIs or PMs since the 1960s (Zaherawati et. al., 2011). The “Government Performance and Results Act (GPRA)” is a recent example of mandating the use of strategically-focused “outcome performance measures”, rather than operationally-focused “process and output measures” (Radin, 2000).

KPIs continue to play a bigger and more substantial role in public sector organisations and in public sector reforms. As such, lessons from the 2008 period are still applicable in providing the background to modern performance management development in public sector organisations in Malaysia (Zaherawati et. al., 2011).

The implementation of program of KPIs requires an amalgamation of resources, systems, organisational culture, and executive management support to be successful. While not a trivial exercise, by following some key steps the chances of a successful implementation can be enhanced.

Strategy planning is established by analysing the government agency’s mission and defining its goals. KPI provide means to measure progress toward agency goals and objectives. There are three types of indicators: the key result indicator, the performance indicator, and KPI (Parmenter, 2007). KPI is needed as a link between strategy planning and results because strategy planning and implementation might breakdown. (Al-Khour, 2014) considered strategy planning and implementation in the public sector to explain some fundamental factors that contributed to the overall success of the strategy. KPI is becoming the best measurement practiced by government sectors because the failure of the delivery system will be addressed accordingly (Zakaria et al., 2011). The use of KPI has been successful in measuring the government agency and contributed to several improvements in its administration and services.

KPIs in government agencies have been successful in determining organizational as well as individual performance. In addition, the use of KPIs had also contributed to numerous developments in government agencies administration and service delivery towards public as large organization (Zaherawati et. al., 2011).

Benefits of using KPIs

- Providing quality feedback
- Supporting decision-making
- Focusing management attention on what matters most
- Helping managers understand and gauge performance
- Assigning responsibility and encouraging accountability
- Providing a common language for communication
- Providing a way to see if the strategic plan is working
- Serving as risk triggers and early warning signs
- Functioning as tools to drive desired behaviour

1.3.3 Benchmarking Approach

Benchmarking is a continuous, systematic process of measuring products, services and practices against organizations regarded to be superior with the aim of rectifying any performance ``gaps". (Kouzman et. al., 1999).

Types of Benchmarking

There are several procedures of benchmarking that organizations often engage in depending on their desired outcome. Authors, that have described many of these types, often name them in a different way despite their similarity. The four-step typology below was proposed by Dr. R. Camp's and it's one of the simplest and evolutionary approaches (Camp, 1989).

1. **Internal Benchmarking** - This type of benchmarking is defined by its restrictions to scope of bid, which is within the boundaries of a single company. This method is usually used to relate to performance between dissimilar units and departments within the same organization.

2. **Competitive Benchmarking** – In this type of benchmarking, the emphasis changes from within the company to external environments. This process usually involves one detecting, comparing, and examining the behaviour, products and services of their direct competitors and tries to adjust so that they stay competitive. It is always performed in the same industry where company operates and because of the competitive environment, data is highly secured by organizations which tends to hinder such exercise.

3. **Functional Benchmarking** - Functional benchmarking can be defined as the development of the competitive benchmarking process, as this exercise is based on operational performance. Companies start to seek best practices in similar industries. Information distribution is more positive and the exercise is not hindered, due to the absence of direct competitors.

4. **Generic Benchmarking** - Finally, the generic type of benchmarking is the purest form of benchmarking that occurs today. In a sense, it is a mixture of all the other types of benchmarking as it doesn't only encompass a bigger and weightier scope but it makes its comparison against the best processes around regardless of the industry. It is often mentioned to as an exercise in originality.

Triantafyllou (2007) points out that as a practice within the public-sector benchmarking indicates a systematic measurement and comparison of the events of individuals and organisations with an opinion to improving their efficiency and quality. Benchmarking maybe notable from other traditional forms of assessment by its effort to envisage best practice through regularising comparison and by urging public units to ask themselves what they can do to promote "best practices" (Triantafyllou, 2007).

Benchmarking allows and stimulates one to determine how well one's current practices compare to others practices, experience best practices in action, locate performance gaps order opportunities and areas for improvement, and develop current levels to world class standards (Palaneeswaran & Kumaraswamy, 2000).

Process benchmarking and internal benchmarking would be both important when an assessment of systems is undertaken (Yasin, 2002). Process benchmarking is when approaches and processes are related to improve the procedures in one's own organisation (Yasin, 2002). Internal benchmarking is when comparisons are made between departments or divisions of the same organization (Bhutta & Huq, 1999). Per a study conducted by Jeanette (2008), internal evaluation adds up to the attainment of benefits of benchmarking by concentrating on the culture, training, and internal communication within the organisation.

Benchmarking in the context of the UK public sector has been well established as a performance management techniques dating back at least to the 1970s when local authorities conducted comparative studies among themselves (Bowerman et. al., 2002).

Subsequent developments in the UK sometimes made benchmarking compulsory and resulted in an unprecedented build-up in the scale, scope and significance of external assessment and performance management frameworks across the public sector (Ferry et. al., 2015). Through these developments benchmarking was established in the UK as an externally mandated, audit-driven performance management tool deployed by national government to pursue local and national policy objectives (Ferry et. al., 2015).

To some, benchmarking held the promise of combining elements of bureaucratic control and competition, Van Helden et. al., (2005), and thereby became a key tool of performance management to pursue broad programmes of government modernisation and NPM (Pollitt & Bouckaert, 2000).

Benchmarking is a valuable tool for measuring progress over time. Measurement occurs against one or more business units, the agency, or various agencies. Benchmarking provides an understanding of how well an area is doing regarding an action or service in relation to others undertaking the same action or service.

The basic idea behind benchmarking is not to find out "by how much others are doing better but, rather, how they make it to do better in certain areas" (Horvath et. al.,1992).

Benchmarking can be effective at all levels of operation, from the conduct of individual processes, such as invoice handling, to the operational performance of organisations with tens of thousands of staff, such as a welfare benefits delivery agency (Kouzman et. al., 1999).

The extension from the comparison of products to the analysis of methods and processes implies that comparisons can be made with companies of other sectors that "excel" in their methods or processes. With the focus on methods and processes being compared, new targets such as time, quality and customer satisfaction emerge. The practical advantage of comparing with noncompetitors is that information can be obtained much easier since competing organizations naturally have a common reluctance in sharing commercially sensitive information. Benchmarking against competitors may also uncover practices that are unworthy of emulation. While competitive benchmarking may help a company to unravel the competitor's performance, it is unlikely to reveal the required practices needed to surpass that competitor's performance (Camp, 1989).

1.3.4 Management by Objectives

Management by objectives (MBO) is a management tool that aims to improve performance of an organization by clearly defining objectives that are agreed to by both management and employees. Conferring to the theory, having a say in goal setting and action plans should ensure better participation and obligation among employees, as well as orientation of objectives across the organization (Drucker, 1986)

MBO has a long history in governmental institution than most of it present day practitioners realize. The basic concept has been around since the 1930's in the studies of the organization and administration of the federal government. The MBO idea originated from the private sector and Dupont Company was the first company to practice it after World War I. Currently, MBO has become very popular in the public service institutions than it is in the private sector (Drucker, 1976).

MBO is a more efficient management system in the public services. However, it is not a “whole” system for management, but rather a tool with basic elements of planning, coordination, and appraisal of performance. In both private and public sectors is fundamentally used for short-range planning of operations (Sherwood & Page, 1976).

MBO is not built on a consistent theory; it reflects the fact that performance management systems are double edged sword or hybrids that assume both autonomy and control. On one hand, they are consequent from economic organization theories like public choice or principal-agent models which are bases on hypothesis on distrust (Boston et al., 1996). Public sector agencies and companies are assumed to be self-interested bodies that need to be controlled through specific performance contracts, performance control and assessments. Thus, there is an element if distrust and centralization and the slogan is “make the managers manage.”

Component of MBO

MBO is a management system that assimilates the structures of three process that forms the good management practice in government;

- i. Goal setting
- ii. Participation in decision making
- iii. Objective feedback

Goal setting itself is positively related to performance. Setting goals advances performance and the more difficult it is to achieve the goals the better the performance (Rodgers & Hunter, 1992).

Involvement has mixed effects on performance. This is used to push for understanding throughout the organization, by bring out the basic opinions, the basic disagreements, the basic methods to the same duty and the same problems in the organization. When employees have knowledge of results, it tends to increase performance levels, but the results are more apparent when it is tied to goal setting and the individual values.

Objective feedback is given by managers to their juniors on progress towards accomplishing their objective (Rodgers & Hunter, 1992).

Ingham, (1994) studied a successful application of MBO in a Swedish company, which identified ways to engender the necessary staff support. This was done by implementing “contract for improvement”, signed by the workers after the opportunity to question stakeholder objectives. This approach used by Swedish is closer to the original model intended by (Drucker,1954), which promotes worker involvement for the model to be successful.

Moore et. al., (1981) conducted a quantitative study of mayors and city managers in the United States who served cities with populations exceeding 100,000. Their purpose was to determine the extent of use of MBO in cities and the related usefulness. Their findings suggest that, in general, municipal use of MBO is effective. Response items rating high on the usefulness scale included increased goal clarity, improved employee understanding of job roles, increased motivation for achievement, and better enabling of management to set priorities.

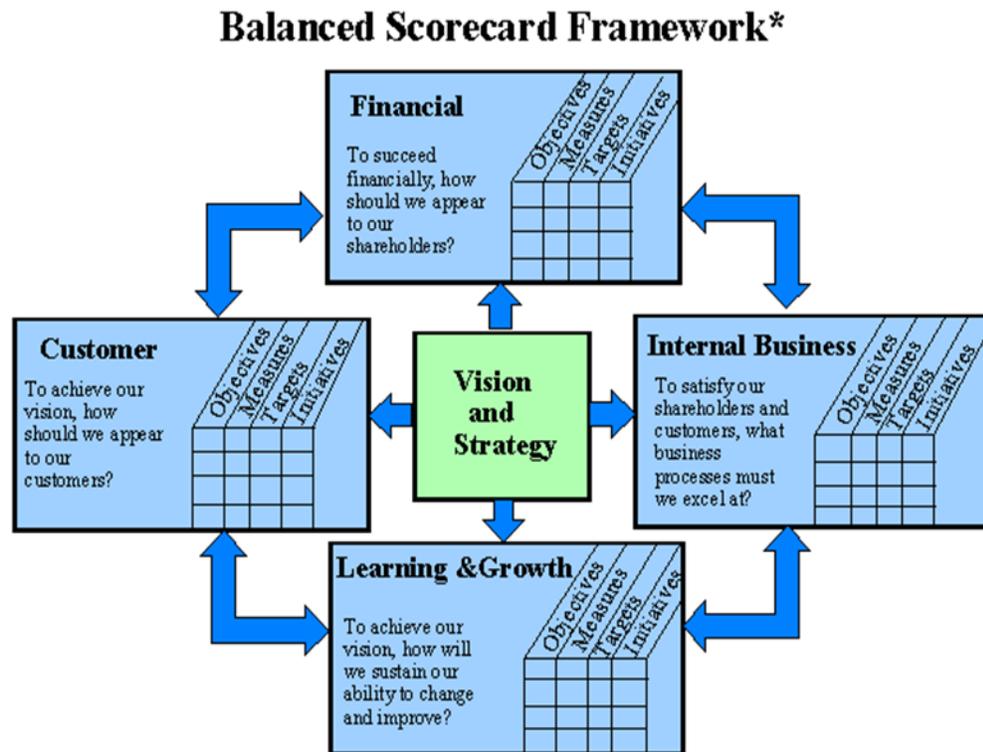
Findings through a survey of 70 MBO studies in both the public and private sectors, (Rogers et. al,1992) showed that the three basic processes of MBO (participative decision making, goal setting, and objective feedback) were found to improve public service performance throughout their surveys which supported (Moore et. al ,1981). Furthermore, MBO is equally successful in government when compared to the business sector, and public sector productivity gains were greater when top management was highly committed to the MBO approach.

1.3.5 Balanced Scorecard Approach

The balanced scorecard (BSC) has gained extensive acceptance as a useful performance management tool for business organisations (Hallman, 2005)

The BSC is a strategic planning and management system that is used widely in business and industry, government, and non-profit organizations worldwide to bring into line business activities to the vision and strategy of the organization, advance internal and external communications, and monitor organization performance against strategic goals. It was developed by Drs. Robert Kaplan (Harvard Business School) and David Norton as a performance measurement.

The BSC retains traditional financial measures. But financial measures tell the story of past events, an adequate story for industrial age companies for which investments in long-term competences and customer relationships were not critical for success. These financial measures are insufficient, however, for guiding and evaluating the journey that information age companies must make to generate future value through investment in customers, suppliers, employees, processes, technology, and innovation (Litan & Wallison, 2000).



* Adapted from Kaplan & Norton, 1996. *The Balanced Scorecard*. Harvard Business School Press: 9. Original from HBR, Jan/Feb 1996, p. 76.

Figure 2: A diagram of Balanced Scorecard Frame, adapted from Kaplan and Norton, 1996

The BSC perception involves making a set of measurements for four strategic perspectives. These perspectives include: 1) financial, 2) customer, 3) internal business process and 4) learning and growth. The idea is to develop between four and seven measurements for each perspective. For the public Sector the mission of the organization must be linked with the strategy of the organization and then the customers.

Table 1: A table of summary of perspective of Balanced Scorecard, Kaplan & Norton,1996.

Perspective	Generic Measurements
Financial	Return of Capital Employed, Economic value added, Sales growth, Cash flow
Customer	Customer satisfaction, retention, acquisition, profitability, market share
Internal business process	Includes measurements along the internal value chain for: Innovation - measures of how well the company identifies the customers' future needs. Operations - measures of quality, cycle time, and costs. Post sales service - measures for warranty, repair and treatment of defects and returns.
Learning and growth	Includes measurements for: People - employee retention, training, skills, morale. Systems - measure of availability of critical real time information needed for front line employees.

The BSC has been used successfully by organizations such like public, private, and not-for-profit to comprehend and assimilate the strategic contribution of all relevant organisational value drivers for two key reasons. First, it helps to ensure stability and position between the non-financial and the financial measures, which helps in the positioning of measures and strategy within an organization. Second, it helps to identify and measure the exact value drivers that support performance. This allows managers to test their suggestions on what is driving organisational outcomes (Murby,& Gould 2005).

The BSC can be an exclusive technique for governmental administrators in changing their organizations and organizations that have executed BSC have a strong belief that its benefits surpass the costs (Chan, 2004).

The BSC has been used in many public services including hospital and healthcare services, for example, the UK, Canada, the USA, Australia, Sweden, the Netherlands, Singapore, Afghanistan, and New Zealand (Aidemark, 2001) and higher education (Stewart & Carpenter-Hubin, 2001). However, it has also been recognised that local government BSC implementations face challenges, such as poor information systems, poor measures, and problems with defining the customers and their needs (Wisniewski & Olafsson, 2004). Looking at the significant size of many nations' local government sectors, these findings appear scant and further research into BSC implementations and outcomes in LGOs seems warranted.

Wilson, et al., (2003) studied the use of BSC in public organizations in various countries and concluded that the BSC approach has proven to be a well-accepted management practice within public sector corporate real estate organizations.

In any case, the use of BSC in the public sector presents strengths and weaknesses, possibilities, and threats. (Aidemark, 2001), based on the experience of professionals working with BSC in public health care organizations, points out that the use of BSC promotes discourse, makes discussions about visions and goals essential and excites policy discussion and assessment. However, using BSC demands management and education, has a high cost in terms of human and time resources and may involve top-down control rather than discussion.

However, (Johnsen, 2001) indicates, BSC can work in public management. Here, the writer in his view presented what are, the three main managerial plus points for its application in the public sector: 1) It is a adaptable tool for developing, discussing and choosing the most applicable decision-taking and performance indicators in composite organizations such as political bodies; 2) BSC offers a practical method to judge the basic presumption about information in economics: the benefit of information should exceed its cost; 3) It teaches busy investors, managers and employees in management control in multipart organizations.

In the municipal setting, performance evaluation is usually an important constituent in management control of the organization and the importance is shifting from inputs and noticing

rules to outputs and quantitative measures of output (Pollitt & Bouckaert,2000). In these public entities, politicians are involved in the implementation of strategic planning and in long-term strategies to manage the municipality (Ter Bogt, 2001). BSC creates a significant management tool to enable this management style in governmental organizations, as was established in the research studies conducted by (Chan, 2004).

However, as local authorities are complex organizations and consistency is not always applied in nature, the municipalities should accept BSC as a measurement tool to enable it strategies it operations in totality. In this respect, Wisniewski & Olafsson, (2004) highlight six significant aspects for the development of BSC in local authorities: 1) The process is as important as the product; 2) Strategy mapping is an essential element for successful implementation of BSC; 3) Whilst the four traditional perspectives may be adequate, they frequently need re-labelling to maintain their relevance; 4) The BSC process is a difficult one for councils that are pressed for time and resources, which are common in current circumstances where elected representatives prefer to see resources allocated to frontline service delivery rather than back-office activities; 5) There needs to be a determined commitment to the process from senior management and, at the same time, a visible and direct benefit to those staff who will develop and use the scorecards; 6) There are considerable difficulties in joining up scorecards across different parts of a council, given the complexity of different council services, but the use of strategy maps can make this easier.

The experience of municipal administrators displays that among the factors necessary for BSC application to succeed are a high degree of obligation by all the members of the organization, the resources to implement the system, and lucidity of vision, strategy, and outcome (Chan, 2004).

In the public sector, per the paradigm of "new public management", benchmarking is supposed to present competition into a state device context that is categorised by the cooperation of public sector agencies for the "collective" public good. Evocative competition is only possible between producers of the same products and services. If benchmarking is supposed to introduce competition into the public sector it must be done, it is argued, between public agencies with very similar goals and other organizational features so that actors perceive differences or qualitative improvements in bringing similar services to constituencies. A health agency, therefore, finds it difficult to be compared with a local municipality so that "across-the-border" benchmarking in

the public sector is not as useful an exercise from the point of view of competition and its supposed benefits on actor performance (Dixon & Kouzmin, 1994; Dixon et al., 1996).

There are also procedural considerations against "across-the-border" benchmarking in the public sector. Whereas a state health agency may study innovative practices from a local municipality, it may not have the steps of freedom to implement significant structural or procedural improvements within its own scope of territory. Functional benchmarking leads to disappointment because information obtained from non-related public sector organizations cannot be used. This may be the explanation for the empirical finding of a survey of the Western Australian public sector that public organizations tend to compare related government agencies more than any other sources (Frost & Pringle, 1993).

2 METHODOLOGY OF SURVEY AND RESEARCH METHODS

PMT in the public sector is indeed a necessity. PMT has been introduced in many public organizations to ensure transparency of public decisions and the use of public funds and to boost performance. But in practice, this concept strikes many obstacles: defining performance in the public sector, identifying suitable performance indicators, implementation of a performance management system. A challenge, still present, is to identify the most suitable methods for monitoring and measuring performance, so do not give rise to speculative behaviour among employees and managers (Mihaiu, 2014).

There are several performance management techniques used in the public sector. However, from the literature review and the purpose of this research, the main analysis will be centred on the Performance Management Techniques review in the theoretical part; Key Performance Indicators, Performance Appraisal, Balanced scorecard, Management by Objective, and Benchmarking. The following six techniques has been selected because they are among the first six PMT mostly used in the public sector (Marr, B. 2014).

The main aim of this thesis is to analyse whether and how diverse performance management techniques are used in management practice of selected public sector organizations.

Based on the main aim and the theoretical review, the following research objectives will be addressed with this study:

- i. To find out the kinds of PMT being used in selected public sector
- ii. How are these PMT being implemented and used in management practice of selected public sector
- iii. The benefits of the PMT in the selected public sector.

Qualitative research method will be applied in this research work because the aim is looking for the usage of performance techniques in a sector. Qualitative research is a broad methodological approach that encompasses many research methods. Qualitative research was developed in the social sciences to enable researchers to study social and cultural phenomena. Examples of qualitative methods are action research, case study research and ethnography. Qualitative data

sources include observation and participant observation (fieldwork), interviews and questionnaires, documents and texts, and the researcher's impressions and reactions (Myers, 2009). Qualitative research is aimed at gaining a deep understanding of a specific organization or event, rather than a surface description of a large sample of a population. It aims to provide an explicit rendering of the structure, order, and broad patterns found among a group of participants. Qualitative researchers face many choices for techniques to generate data ranging from grounded theory, Glaser et al., (1967) (development and practice, narratology, storytelling, transcript poetry, classical ethnography, state or governmental studies, research, and service demonstrations, focus groups, case studies, participant observation, qualitative review of statistics to predict future happenings, or shadowing, among many others. However, out of the myriad research methods mentioned above for this thesis work the appropriate method for this research is the case study method, because the main aim of the research work is to find out how diverse PMT are used in management practice in public sector. Furthermore, through case study research, reports of past studies, allows the exploration, and understanding of complex issues. It is being considered for this research because it is a robust research method particularly when a holistic, in-depth investigation is required. Case study helps explain both the process and outcome of circumstances through complete observation, reform, and analysis of the cases under investigation (Tellis, 1997).

The research will focus on PMT used in local governments of the public sectors, because research PMT has been widely used in this sector of the public sector. Studies have pointed to positive outcomes from BSC and other PMT used in Local Government Organizations (LGOs): clarifying strategic goals; integrating goals across departments; setting performance measures within a more strategic context; reduction measures to those most meaningful and manageable; supplementing financial measures of past performance with operational measures that drive future performance; and providing a link between the organisation's mission and strategy (Niven, 2006). The country will be from European Union and it will be identified based on analysis, where the performance measurement and management is most applied. For this research, case study would be used through document and content analyses of published and unpublished articles, books, strategic plans of selected public sectors, and other performance management documents which will be selected randomly through different sources that contain the application

of PMT in local government. The following will be assessed when these articles are being studied:

- a. The **focus** of the PMT, this will assess whether the PMT was implemented in conjunction with the strategy of the selected sectors.
- b. The **objective** of the PMT in the organization: to established whether the PMT is for leadership strategic or operational.
- c. The **processes** applied in the implementation of the PMT: assess if it's the PMT is for process management or internal and financial perspective.
- d. The benefit of the PMT to **Human resource**: staff management, staff training and development or learning and improvement perspective.

In other to get first-hand information from the local government to be selected, a questionnaire will be sent to them to ascertain how diverse performance management techniques are wildly used in their management practice. This questionnaire while be drafted in a way to finding out the kind of performance techniques these local government are using, the level of implementation and the benefits of the implementation of performance management to both the local government and the residents.

3 ANALYSES OF PERFORMANCE MANAGEMENT TECHNIQUES USED IN A SELECTED PUBLIC SECTOR

Over the past two decades, the inception of performance measurement has been one of the widespread international movements in public management (Pollitt, 2004). Conversion in the core of New Public Management(NPM) have given rise to key changes in the management of public organizations originated on the idea of competitive markets and the receipt of private sector management techniques.

Recent real-world studies have instituted that the application of performance management techniques is increasing in both state and local governments in the United States and other European countries (Breul & Kamensky, 2008). Really, state governments “have interestingly incorporated the start of managing for results” (Moynihan, 2002), adjusting policy ideas transferred from the United Kingdom, New Zealand, and Australia. However, important developments in performance and results-based responsibility have not been fully accomplished, and research is still needed to find the key factors of successful strategy, implementation, and use of performance measurement systems (Sanger, 2008).

Experience in several European countries also highlights the benefits that the use of performance management techniques in government has enhanced upon the effective and efficient distribution of services. The country with the strongest practice in performance measurement in continental Europe is the Netherlands. The first originalities were taken in the 1970s and by the 1980s, several local governments performed NPM like measurement-based modifications. The first large-scale submissions of performance oriented reforms at a central level took place in the 1990s (Van Doreen, et al., 2010). Tilburg, in the Netherlands, is extensively regarded as a pioneer of performance measurement for municipalities (Haselbekke, 1995). Furthermore, the Netherlands can claim a top – or at least a high – position in public sector reforms. Dutch government seems to have accepted business like management instruments and styles, but changes are far less radical than in, for instance the UK and Australia (Pollitt & Bouckaert, 2000). Performance management techniques can help local governments to advance municipal services, increase their accountability and responsiveness to citizens, and involve their constituents in the process of governance.

The research is being focused on Europe because of how widely performance management techniques have been used in public sectors to improve upon its services to citizens. Breul & Kamensky, (2008) application of performance management techniques is rising in both state and local governments in the United States and other European countries.

Also, the local government sector of the public sector has been chosen because literature proves that it is one of the public sectors at which performance management techniques application is rising and this thesis seeks to find out how diverse it has been used in management practice.

Even though literature indicates that Netherlands is the pioneer in the institution or application of performance management, United Kingdom (UK) has been selected as the country for the analyses to be conducted, because it is one of the countries that Performance management has been radically applied (Pollitt & Bouckaert, 2000). Furthermore, UK is credited as the first country that the term NPM was introduced to describe approaches that were developed during the 1980s as part of an effort to make the public service more "business like" and to improve its efficiency by using private sector management models (Hood & Jackson, 1991). In view, of the status of UK in terms of political structure that is being made up of four countries namely: England, North Ireland, Wales and Scotland, for the purpose of this research work; England will be used as the country for the assessment of the performance management techniques used in Public sector.

3.1 Brief information about United Kingdom

The United Kingdom of Great Britain and Northern Ireland, commonly known as the United Kingdom (UK) or Britain, is an independent country in Western Europe. Lying off the north-western coast of the European mainland, it includes the island of Great Britain, the north-eastern part of the island of Ireland, and many lesser islands (Definition of Great Britain in English,2014) Northern Ireland is the only part of the UK that shares a land border with another autonomous state—the Republic of Ireland. Apart from this land border, the Atlantic Ocean borders the UK, with the North Sea to its east, the English Channel to its south and the Celtic Sea to its south-south-west, giving it the 12th-longest coastline in the world. The Irish Sea lies between Great Britain and Ireland. With an area of 242,500 square kilometers (93,600 sq m), the UK is the 78th-largest independent state in the world and the 11th-largest in Europe. It is also the 21st-most populous country, with an estimated 65.1 million inhabitants (UK, IMF, 2016). Together, this

makes it the fourth-most densely inhabited country in the European Union (Office for National Statistics, 2016).

The United Kingdom is a statutory monarchy with a parliamentary system of governance. The monarch is Queen Elizabeth II, who has reigned since 6 February 1952. The capital city of the UK and its largest city is London, an international city and financial centre with an urban area population of 10.3 million, the fourth-largest in Europe and second-largest in the European Union (The British Monarchy, 2013).

UK has a total area of 242,495 km² (93,628 sq mi) and has its land covered by 1.34% by water. The population of UK is 65,110,000 Million estimated in 2016 and a population density of 255.6/km² (662.0/sq mi). It is one of the most densely populated countries in the world, with 420 people residents per square kilometre in mid-2015 with a concentration in London and the south-east. The 2011 census put Scotland's population at 5.3 million, Wales at 3.06 million and Northern Ireland at 1.81 million. In percentage terms England has had the fastest growing population of any country of the UK in the period from 2001 to 2011, with an increase of 7.9% (Office for National Statistics 2016).

In 2012 the Average Total Fertility Rate (TFR) across the UK was 1.92 children per woman. While a rising birth rate is contributing to current population growth, it remains considerably below the 'baby boom' peak of 2.95 children per woman in 1964, below the replacement rate of 2.1, but higher than the 2001 record low of 1.63. In 2012, Scotland had the lowest TFR at only 1.67, followed by Wales at 1.88, England at 1.94, and Northern Ireland at 2.03. In 2011, 47.3% of births in the UK were to unmarried women. The Office for National Statistics published an "Experimental Official Statistics" bulletin in 2015 showing that, out of the UK population aged 16 and over, 1.7% identify as lesbian, gay, or bisexual (2.0% of males and 1.5% of females). 4.5% of respondents responded with "other", "I don't know", or did not respond. (Office for National Statistics 2016).

The UK has a partly regulated market economy. Based on market exchange rates, the UK is today the fifth-largest economy in the world and the second-largest in Europe after Germany. HM Treasury, led by the Chancellor of the Exchequer, is accountable for evolving and performing the government's public finance policy and economic policy. The Bank of England is the UK's central bank and is responsible for issuing notes and coins in the nations. The GDP

(PPP) estimated for 2016 was \$2.79 trillion and a per capita of \$42,514. The GDP (nominal) estimate in 2016 has a total of \$2.65 trillion and Per capita \$43,902 (Principles for Economic Regulation, 2011).

3.2 England Local Government System

England is one of the countries that make up the United Kingdom. England constitutes a hierarchy of administrative divisions and non-administrative ceremonial areas.

Overall, England is separated into nine regions and 48 ceremonial counties, although these have only a partial role in public policy. For the purposes of local government, the country is divided into counties, districts, and parishes. In some areas, counties and districts form a two-tier administrative structure, while in others they are joined under a unitary authority. Parishes cover only part of England (Hampton, 1991).

Below the region level, England has two dissimilar designs of local government in use. In some areas, there is a county council in charge for services such as education, waste management and strategic planning within a county, with several non-metropolitan district councils in control for services such as housing, waste collection and local planning. These councils are elected in separate elections (Town and Parish Councils, 2010).

After the regions are district level, a district may be divided into numerous civil parishes. Typical events take on by a parish council include allotments, parks, public clocks, and have a consultative role in planning. Councils such as districts, counties and unitaries are known as principal local authorities to distinguish them in their legal status from parish and town councils, which are not uniform in their entity (Town and Parish Councils, 2010).

Boroughs in many cases are emanated from municipal boroughs set up hundreds of years ago, and so have quite a lot of traditions and ceremonial functions. Where borough councils have not accepted directly elected mayor, the chairman (Millward, 1998) of the council is the mayor. In certain cities, the mayor is known as the Lord Mayor. The chairman of a town council is adapted the town mayor.

Councils may make people honorary freemen or honorary aldermen. A mayor's term of office lasts for the municipal year. Local councils are funded by amalgamation of central government

grants, Council Tax, Business Rates, and fees and charges from certain services including legalized parking enforcement.

Many of these funding sources are ring-fenced - meaning that they can only be disbursed in a very specific manner - in crux, they only pass through a council's accounts on their way from the funding source to their planned terminus (Chan, 2002)

Local authorities sometimes deliver services on a dual basis with other authorities, through bodies known as joint-boards. Joint-boards are not directly elected but are made up of councillors selected from the authorities which are covered by the service. Typically, joint-boards are created to avoid splitting up certain services when unitary authorities are created, or a county or regional council is abolished. In other cases, if several authorities are considered too small (in terms of either geographic size or population) to run a service effectively by themselves, joint-boards are established. Typical services run by joint-boards include policing, fire services, public transport and sometimes waste disposal authorities (Joseph Rowntree Foundation 1995).

3.3 Metropolitan Borough Status

A metropolitan borough is a type of local government district in England, and is a subdivision of a metropolitan county. Created in 1974 by the Local Government Act 1972, metropolitan borough is defined in English law as metropolitan districts. However, all of them have been granted or regranted royal charters to give them borough status (as well as, in some cases, city status). Metropolitan boroughs have been effectively unitary authority areas since the abolition of the metropolitan county councils by the Local Government Act 1985. However, metropolitan boroughs pool much of their authority in joint boards and other arrangements that cover whole metropolitan counties, such as combined authorities (Local Government Act 1972).

The term "metropolitan borough" was first used for administrative subdivisions of the County of London between 1900 and 1965. However, the present boroughs of Greater London, which have different boundaries and functions, and are much larger in area, are known as London Boroughs rather than metropolitan boroughs.

The current metropolitan boroughs were created in 1974 as subdivisions of the new metropolitan counties, created to cover the six largest urban areas in England outside Greater London. The new districts replaced the previous system of county boroughs, municipal boroughs, urban and

rural districts. The districts typically have populations of 174,000 to 1.1 million (Local Government in England, 1974).

Metropolitan districts were originally parts of a two-tier structure of local government, and shared power with the Metropolitan County Councils (MCCs). They differed from non-metropolitan districts in the division of powers between district and county councils. Metropolitan districts were local education authorities, and were also responsible for social services and libraries, but in non-metropolitan counties these services were the responsibility of county councils (Local Government in England and Wales, 1974).

In 1986, the metropolitan county councils were abolished under the Local Government Act 1985 and most of their functions were devolved to the metropolitan boroughs, making them, to a large extent, unitary authorities in all but name. At the same time, however, some of the functions of the abolished metropolitan county councils were taken over by joint bodies such as passenger transport authorities, and joint fire, police, and waste disposal authorities (Local Government Act 1972). Metropolitan district councils administer the metropolitan districts. They are the principal local authorities in the six metropolitan counties and are responsible for running most local services, such as schools, social services, waste collection and roads.

In England county councils were introduced in 1889, and reformed in 1974. Since the mid-1990s a series of local government reorganizations has reduced the number of county councils as unitary authorities have been established in a number of areas. County councils are very large employers with a great variety of functions including education (schools and youth services), social services, highways, fire and rescue services, libraries, waste disposal, consumer services and town and country planning. Until the 1990s they also ran colleges of further education and the careers services. That decade also saw the privatization of some traditional services, such as highway maintenance, cleaning and school meals

Each municipal borough possessed a corporation uniformly designated as the Mayor, Aldermen, and Burgesses of the town. The only exception was where the borough enjoyed city status; in this case "burgesses" became "citizens". In a handful of cities, the chief magistrate was granted the further dignity of lord mayor.

The corporation was a body corporate with perpetual succession, and included all registered electors or "burgesses" of the borough. However, the actual administration was carried out by a town council, which was in effect a committee representative of the community at large. All those eligible to vote were entered in the "burgess roll", which was compiled by the town clerk annually (Albert Shaw, 1889)

3.4 Selected Metropolitan Borough

The under listed metropolitan borough were selected randomly using the size and population of the metropolitan. The metropolitan with large population size were chosen regarding a recent surveyed carried out in Netherlands which proves that about seventy percent (70%) of the Municipalities in Netherlands applied Performance Management Instrument. This surveyed further indicated that the larger the municipality the higher the average the usage of these Instruments (Moret, et. al., 1997). However, only twenty municipalities were selected out of the thirty-six (36) metropolitan borough, because of the statement from the above survey and time constraint. However, from the selected municipality which is more than fifty percent of the entire number of municipalities will give true reflection of how diverse Performance management techniques are being used in management practices.

Table 2: Indicating selected Metropolitan Borough in England, Office for National Statistics

S/N	Metropolitan Borough	Population	Population Density	Total Area
1	Birmingham	3,701,107	10,620/sq mi (4,102/km ²)	334.59 sq mi (866.67km ²)
2	Liverpool	2,241,000	4,279/km ² (11,080/sq mi)	120.3 sq mi (311.4 km ²)
3	Sheffield	1,569,000	4,010/sq mi (1,548/km ²)	142.06 sq mi (367.94 km ²)
4	Newcastle	1,650,000	37,500/sq mi (14474/km ²)	44 sq mi (114 km ²)
5	Leeds	774,100	3,574/sq mi (1,380/km ²)	213 sq mi (551.72 km ²)

6	Coventry	651,600	8,050/sq mi (3,108/km ²)	38.09 sq mi (98.64 km ²)
7	Bradford	531,200	3,341/sq mi (1,290/km ²)	143 sq mi (370 km ²)
8	Manchester	530,300	11,880/sq mi (4,585/km ²)	288.1 sq mi (746 km ²)
9	Kirklees	434,300	2,750/sq mi (1,063/km ²)	157.8 sq mi (408.6 km ²)
10	Wakefield	333,800	2,600/sq mi (990/km ²)	130.7 sq mi (338.6 km ²)
11	Wigan	322,000	4431/sq mi(1,711/km ²)	72.66 sq mi (188.19 km ²)
12	Wirral	320,900	5,290/sq mi (2,043/km ²)	60.7 sq mi (157.1 km ²)
13	Sandwell	319,500	9,681/sq mi(3,715/km ²)	33 sq mi (86 km ²)
14	Dudley	316,500	8,400/sq mi (3,200/km ²)	37.82 sq mi (97.96 km ²)
15	Doncaster	304,800	1,400/sq mi (540/km ²)	219.3 sq mi (568.0 km ²)
16	Stockport	288,700	5,900/sq mi (2,290/km ²)	48.6 sq mi (126.0 km ²)
17	Walsall	276,100	6,878/sq mi(2656/km ²)	40.14 sq mi (103.95 km ²)
18	Sunderland	275,300	5,190/sq mi (2,003/km ²)	53 sq mi (137 km ²)
19	Sefton	273,790	4,600/sq mi (1,800/km ²)	59.8 sq mi (155.0 km ²)
20	Rotherham	260,800	2,400/sq mi (910/km ²)	110.6 sq mi (286.5 km ²)

Birmingham- use System Application Product (SAP) Business Objects Strategy Management. It was adapted in 2010 and implementation still in progress. The SAP is being used to help better serve residents and meet key performance indicators (KPIs) set by the government. Performance dashboards are used for monitoring of the KPIs. The technique helped the council to keep good data of residents which enable effective planning of social amenities available to the council, thereby improving service delivery (uk.gov.2016)

Liverpool – use Best Value Performance Indicators (BVPIs) tool for performance measurement. It started in 2000 and implemented between 2004 and 2007. The BVPIs is to provide practical tools for managers to measure and monitor performance of both service areas and individual, and ensuring that the activities are aligned to corporate aims. The Executive Management Team monitors and measure progress and this are done by submission of monthly report. There was significant improvement of service provision to the residents (uk.gov, 2016).

Sheffield – the council uses Key Performance Questions (KPQs) as Corporate Performance Framework to management performance. It has been instituted since 2004, but implementation is still in progress and there has been occasional revision of the framework. The five Council priorities related to being an in-touch organization, having a strong economy, having thrived neighborhoods and communities, promoting better health and wellbeing, and tackling inequalities. The Executive Management Team in conjunction with the Cabinet Member for Finance and Resources monitor and measure performance. The review of the performance is done quarterly and yearly. There has been financial reduction of the council in relations to provision of service to residents (uk.gov, 2016).

Newcastle- the councils uses Key Performance indicator, Benchmarking and Organization strategic scorecard. The Newcastle performance management framework has been instituted 2001, but implementation is still in progress. The file of portfolio of evidence which contains performance of the various departments is for performance measurement, performance review and audit. Report about KPIs is presented quarterly, bi-annually or annually. The application of the Performance management system improved upon the transparency and accountability within the operations of the council (uk.gov, 2016).

Leeds- in the council's performance management framework PDCA cycle is used as a performance management system. The framework has been there since 2011 and implementation

is in progress. Focused on outcomes with an emphasis on whole community/population level performance within the partnership context to enable shared commitment and joint ownership of the key issues. The monitoring and measurement is done through Outcomes Based Accountability (OBA) methodology. The reporting is done 1-2-1(quarterly). Through the implementation of this program, residents became more interested in issues happening in the borough and thereby collaborating with the borough by providing necessary information as to how services can be provided to meet the exact needs of the residents (uk.gov, 2016).

Coventry- the techniques used by this council is Performance management cycle (PDCA cycle). The use of PDCA is to set out how the council can plan and establish resources to achieve the things they want to do. The performance management framework has been implemented since 2011 and has ten-year plan which is reviewed yearly. This sets out the Council's overall strategic direction. Headline indicators and composite livability measure are used for the monitoring and measurement of performance. Cabinet scrutiny the performance of the council every six months, which indicates the indicators and targets to be revised and approved if necessary. The performance of workers was improved as individual targets were set and thereby improving service provision to the populace. The response received from the corporate policy at Coventry indicates that they are using Key Performance Indicators (KPI), Benchmarking, Management by Objective (MBO) and Balanced Scorecard and the implementation of the performance management framework is fully implemented (uk.gov, 2016).

Bradford- The district dashboard is use as the techniques for performance measurement. This help to monitor performance of partners of the council. This has been implemented since 2011 and reviewed every year. The performance management is monitored and measure by the council overview and scrutiny committee. Report concerning the improvement of the techniques is issued every three to six month. There has been increase in efficiency and service delivery within the Borough (uk.gov, 2016).

Manchester – the performance management framework used Plan, Do, Check, Act cycle. The PDCA has been used since 2012 and they intend to extend it into the future. The principle of the PDCA in the Manchester Borough is to support economic growth and converting that growth into better lives for Manchester residents. To create ways of giving Manchester people best value for money with the resources that is available. Provision of improved services to the individuals and

families who need the services most to reduce dependency on public services. The council gets feedback to the impact of the techniques through a quarterly report. The performance measurement is usually done through: Delivery Plan Performance Dashboard, Real time Economy Dashboard.

There has been improvement in Residents' health and wellbeing; thereby the cost for the public purse has been reducing with the fall in the demand for health care. The use of PDCA as improved the delivery of service to residents (uk.gov, 2016).

Kirklees- the Joint Health and Wellbeing Strategy (JHWS) and Kirklees Economic Strategy (KES) are used for performance management of the council. The strategies are being used being done to ensure that the council can provide robust evidence of achievement against their significant strategic intentions and measure the progress of transformational change This method was used in their corporate plan from 2015-2016. But the framework has been implemented since 2010. Progress or output reports are presented quarterly to the directorate management team which does the monitoring and review. The program has developed the behaviors which shaped the approach staff take to work, thereby improving productivity, and increase in value of monetary gains to residents (uk.gov, 2016).

Wakefield- there are two techniques used for performance measurement: Corporate Improvement Priorities (CIPs) contains high level targets, but there are no milestones to measure progress on the journey and Business Planning cycle (BPC) which provides effective links between the Council's key strategies, other strategic plans. This was implemented in 2003 and the council currently has strategic plan till 2016. Their vision is to build a strong community through strategic and sustainable service delivery. Report on performance is issued annually by the board and Customer Relation Management (CRM) is used to monitor performance. Through this program there were improved skills of local people, quality of living, reduction in crimes, educational attainment (uk.gov, 2016).

Wigan- measures performance through Corporate Dashboard. The implementation of program started in 2003 and currently they have a strategic plan from 2013-2016. The vision is that Wigan becomes a confident place and has confident people. The performance program is monitored through individual Performance assessment. There has been improvement in the public service delivery (uk.gov.2016).

Wirral- the performance management framework is based on the classic 'Plan-Do-Review-Revise' PDRR cycle in conjunction with Wirral Council Plan: A 2020 Vision - Performance Management Framework. The children and youth department of the council applied this performance system to support and as tools with which to make systematic, continuous improvements to the service delivered to children, young people, and their families in Wirral. The outcomes of the program are measured and monitored through Wirral Safeguarding Children Board (WSCB), Policy and Performance Committee and Office for Standards in Education (OFSTED). The implementation still in progress. Routine monitoring and evaluation of Action Plans, Targets/Measures, budgets, and Performance Monitoring methods were conducted monthly. The focus of this activity is to ensure that action plans and performance managements measures remain current and valid considering developing knowledge; to evaluate the extent to which the intended outcomes are being achieved and to ensure suggested actions are followed up to remedy the identified inadequacies. Through this program vulnerable children reach their full potential and Reduce child and family poverty (uk.gov, 2016).

Dudley- the performance management system used in customer service center in the Council was Key Performance Indicators (KPI). The vision was to make the Council a reality by offering every customer at every access point across the Borough a single means of contact on all Council services. Customer satisfaction survey measures the outcome of the performance management of the council. There is annual survey with six-month tracker of the system to ensure the write procedure is being applied and in addition to this there is Council Quarterly performance meeting by the management group. Some of the benefit obtained from the implementation of this system; Created higher customer satisfaction, dealt effectively with competition, and Contributed to profitable growth in the council (uk.gov, 2016).

Doncaster – the National Health Service Doncaster council Clinical Commissioning Group (CCG) used Key Performance Indicators (KPI) and Quality Indicators as a management tool to assess the performance of health care delivery in the council. This was done for a five period in other to assess the suitable way of better providing health services to the residents. the ambitions in our five-year commissioning strategy Moving Forward, Getting Better, and in late 2015 our Governing Body refreshed and reaffirmed this strategic direction with our focus remaining on care out of hospital, care of the elderly, and coordinated care delivered through a range of transformational commissioning programs and outcome based delivery plans. As a clinically-led

statutory NHS body, NHS Doncaster CCG is responsible for planning and commissioning health care services for our local area to achieve the best possible health outcomes for our local population, and in doing so acting effectively, efficiently, and economically. The vision is to work with others to invest in quality healthcare for Doncaster patients, and our values are very important to us and are: The needs of patients are paramount, drive forward continuous improvement and relationships based on integrity and trust (uk.gov, 2016).

For the purposes of monitoring and measurement of performance data is provided on a regular basis by the providers in line with the contracted schedules which shows performance against the required standards. The quality and completeness of the data received is continually assessed by the CCG's Performance and Intelligence Team. However, through this program there has been transformation in local health and social care services.

Stockport- the council aim is to provide an inclusive service, which values its diverse communities, empowers its staff, and makes effective use of its resources. In 2009/2010, as part of improving the aim of the council used Corporate Scorecard (CS) and Service Improvement Plan (SIP) as a performance management system. The management performance framework in general was instituted in 2000, but there has been series of review of the frame to meet the vision of the council. The Strategic SIP is monitored monthly by Stockport Homes' Management Team and quarterly by the Performance Sub-Group and the Performance Customer Action Group (CAG). The Performance Sub-Group and Management Team regularly review performance using a robust traffic light and tolerance level system. This framework allows those performance indicators which are not performing in line with expectations to be identified and corrective action put in place. The performance management system used enables the council to deliver high-quality housing services and contribute to wider Council and housing strategy (uk.gov, 2016).

Walsall- the council uses Benchmarking, Plan Do Check and Act (PDCA) Cycle and Performance Appraisal (PA) in their performance management. The performance management framework was introduced in 2002 which is updated as required to reflect the evolution of the council and changes to the national regulatory environment. The Corporate Services Scrutiny and Performance Panel do monitoring and measure of performance. The program helped in efficient service delivery and effective allocation of resources (uk.gov, 2016).

Sunderland- Key Performance Indicators (KPI) was used in the Sunderland council Tyne and Wear fire and rescue authority to measure performance. This system has been implemented since 2011, but internal audit system was conducted in 2015/2016 to assess the impact of performance management on the authority. At the conclusion of each individual audit a draft report and, if necessary, a proposed action plan will be forwarded to the appropriate manager. Once agreement has been reached, a final report (including any agreed action plan) will be forwarded to the Chief Fire Officer and the Assistant Chief Fire Officer (Strategy and Performance). Where audits highlight issues, which need to be brought to the attention of the Finance Officer they will be raised as and when necessary. The Chief Fire Officer and Governance Committee will be updated on progress against the audit plan approximately half way through the year. An Annual Report will be prepared for the Governance Committee, to give assurance, or otherwise, to members regarding the Authority's internal control environment. Also, benchmarking is used to monitor the performance of the system. The application of the system has improved the nature of work of the authority and response to fire outbreak has also improved (uk.gov, 2016).

Sefton- the council used benchmarking as performance management system as a tool to improve their social housing in the Council. The heart of the system is to enhance the use of their assets and resources, Improve the health and economic well-being of customers through our social, economic, and environmental activities, reinvest any additional capacity that we create to improve services, mitigate, risk and invest in the development of our housing stock and maintain the very highest levels of customer service.

Value for money is used to monitor and measure the performance of the social housing and since 2006, the council has made £54m of efficiency savings in addition to delivering a range of broader social outcomes achieved through programs of financial inclusion, employment, apprenticeships, and community development. Report about performance is provided quarterly and annually to the board for assessment (uk.gov, 2016).

Rotherham- the framework is therefore structured around a continuous improvement and performance management cycle. The aim is to provide an overview of the Council's performance management arrangements at every level of the organization. The framework is a key tool in ensuring that all staff and councilors understand how their individual contributions are critical in enabling the entire organization to deliver effective services, continuous improvement, and value for money for the people of Rotherham. The Council's Performance Management Framework

outlines the following performance management principles: Honesty and Transparency, Timeliness, Working together and Council-wide responsibility. To ensure that the Corporate Plan is performance managed effectively, quarterly performance reports is provided to the public Cabinet/ Commissioners’ Decision Making meeting, pre-Scrutiny, and the Strategic Leadership Team. There was improvement in service provision to residents (uk.gov, 2016).

The table below indicates the summary of how performance management techniques have been used in the selected Metropolitan Borough District in England.

Table 3: Summary of final results

S/N	Metropolitan	Technique	Phase of Implementation	Benefit
1	Birmingham	System Application Product(SAP) Business Objects Strategy Management	Implementation in process	Improve service provision to residents
2	Liverpool	Best Value Performance Indicators(BVPIs)	Fully implemented	Improvement of service provision
3	Sheffield	Key Performance Questions (K PQs)	Implementation in progress	Financial reduction
4	Newcastle	KPI, Benchmarking and organizational strategic scorecard	Implementation in progress	Improvement in transparency and accountability in the operations of the council.
5	Leeds	Plan, Do, Check and Revise(PDCA) cycle	Implementation in progress	Improved service provision
6	Coventry	Performance management cycle (PDCA cycle)	Fully implemented	Improvement in worker’s delivery and

				service provision.
7	Bradford	Dashboard	Fully implemented	Increase efficiency in service provision
8	Manchester	Plan, Do, Check and Revise(PDCA)	Implementation in progress	Reduction of costs, improvement of service delivery.
9	Kirklees	Joint Health and Wellbeing Strategy (JHWS) and Kirklees Economic Strategy(KES)	Fully Implemented	Improving productivity because staff behaviour towards work changes and also Increase in value of monetary gains to residents.
10	Wakefield	Corporate Improvement Priorities (CIPs) and Business Planning cycle (BPC)	Fully implemented	Improved skills of local people, quality of living, reduction in crimes, educational attainment
11	Wigan	Corporate Dashboard	Implementation in progress	improvement in the public service delivery.
12	Wirral	Plan-Do-Review-	Implementation	Vulnerable

		Revise' PDRR cycle	in progress	children reach their full potential and Reduce child and family poverty.
13	Sandwell	Best Value Performance Indicators(BVPI)	Implementation in progress	Service delivery to residents has improved and performance by staff within the council has also gone up.
14	Dudley	Key Performance Indicators(KPI)	Implementation in progress	Created higher customer satisfaction.
15	Doncaster	Key Performance Indicators(KPI) and Quality Indicators	Implementation in progress	Transformation in local health and social care services.
16	Stockport	Corporate Scorecard(CS) and Service Improvement Plan(SIP)	Implementation in Progress	Deliver high-quality housing services and contribute to wider Council and housing strategy.
17	Walsall	Benchmarking, Plan Do Check and Act (PDCA) Cycle and Performance Appraisal(PA)	Implementation in progress	Efficient service delivery and effective allocation of

				resources.
18	Sunderland	Key Performance Indicators(KPI)	Fully implemented	Improved the nature of work of the authority and response to fire outbreak has also improved.
19	Sefton	Benchmarking	Implementation in progress	The resident has improved housing system and the council saved a lot of money
20	Rotherham	The framework is therefore structured around a continuous improvement and performance management cycle.	Implementation in progress	Improvement in service provision to residents

Questionnaires were sent to the twenty selected metropolitan boroughs to find out the kind of PMT being used, the level of implementation and Benefits of the application of PMT, but only one Coventry Metropolitan Borough responded. In view of that, analyses were carried out using publications from journals, strategic management plans, corporate plans, books, to ascertain the kind of PMT being used in the selected boroughs in England, their levels of implementation and the benefits. During the analyses over forty (40) documents were review to ascertain the necessary information on the usage of performance management techniques in England metropolitan boroughs.

4 EVALUTAION AND DISCUSSION OF THE RESULTS

Performance Management has become an important topic for efficient management of the public sector as citizens are now demanding for efficient and effective service provision. Hence, the public sector whose main activity is the provision of services to the citizenry has now been challenged to put in measures to ensure that they provide the best of service to clients.

Over the decades, scholars have considered the use of performance measurement system as an effective means of implementing organization strategy. The performance measurement introduced by the UK government in the late 1990 and early 2000 aimed at ensuring consistency between national policy and local delivery (Chenhall, 2005).

The analyses indicate that performance management techniques are widely used in the metropolitan borough of the council of England, because all the twenty metropolitan boroughs selected have performance management framework. The boroughs analysed all have twelve different performance being used as performance management techniques to improve performance management, namely: System Application Product(SAP) Business Objects Strategy Management, Best Value Performance Indicators(BVPs), Key Performance Indicators(KPIs), Benchmarking, Plan, Do, Check and Act (PDCA), Dashboard, Join Health and Wellbeing Strategy(JHWS), Kirkless Economic Strategy(KES), Corporate Improvement Priorities(CPI) and Business Planning Cycles(BPC), Quality Indicators(QIs), Corporate Scorecard(CS) and Service Improvement Plan(SIP), Performance Appraisal(PA) and Continuous Improvement (CI). Most of the names of the techniques vary from the traditional names that are usually used in performance management techniques, but have the same principles. However, this occurs in most boroughs because they want to tailor the performance management techniques to suit their boroughs and wants to own the techniques as their strength and embrace the application of the techniques. A specific example is the Kirkless Metropolitan Borough using a technique named Kirkless Economic Strategy (KES) and Join Health and Wellbeing Strategy (JHWS). Also, it can be observed that most of the techniques are selected according to the objective and strategy of the council.

The most used performance management technique by the selected metropolitan boroughs is the Plan, Do, Check and Act(PDCA), from the analyses more than half of the boroughs used it as a

technique in performance management. The Key Performance Indicators (KPIs) is the next most used technique, followed by dashboard and scorecard. Performance Appraisal was only use by Walsall Metropolitan borough as its performance techniques and it was combined with another technique. The analyses indicate that more than sixty percent (60%) of the techniques used by the selected boroughs fall with the top ten most used performance management techniques as reported by (Marr, 2014). But the most used techniques from the analyses of the selected boroughs as stated above was Plan, Do, Check and Act(PDCA), contrary to Marr (2014) KPI been the most used. Despite these differences, the rest of the assumptions really correlates to the analyses carried out, that is dashboard, benchmarking or balanced scorecard are less used because of the substantial metric component.

A recent global survey of over 3000 organizations found Key Performance Indicators (KPIs) to be the most widely used tool for managing performance, with a usage rate of about 75% (Keller ,2009). But from the analyses carried out on the metropolitan borough in England indicates that the widely-used performance technique is Plan, Do, Check and Act (PDCA) and Performance Indicators (KPI) is the second most used techniques. This indicates also that PDCA is a preferred performance technique by the public sector specifically the local government in measuring their performance.

Even though the UK Government accepted the idea of performance management framework to be used by the local government in 2000, (Sharman,2001), from the analyses, only 30% of the metropolitan Boroughs have been able to fully implement the framework and the rest of the 70% are in the process of implementing the framework. Even those who have been able to fully implement the framework are still reviewing and updating some of their performance indicators as the needs and demands of the residents are dynamic. Furthermore, all the boroughs assessed have their corporate plan, strategic plan, and objectives link to the performance management framework, which keeps the completion always extended.

The implementation of the performance management techniques within the boroughs from the analyses vary from one borough to the other, depending on their organizational structure and the strategy of the borough. But generally, they all have performance management committees which monitor and measure the performance of the techniques against the indicators set to be measured and mostly these committees are usually members from management and staff from various

departments. For example, Liverpool, Metropolitan Borough has the Executive Management Team which monitors and measure progress. This is done by submission of monthly report from the departments. The Walsall Metropolitan Borough uses the Corporate Services Scrutiny and Performance Panel in the monitoring and measure of performance.

It can be observed from the documents analysed that performance management techniques are being used in management practice because almost all the borough analysed have system in place either management team or committee which ensures the application of the techniques in the discharge of Their duties in the borough through review of reports sent to them daily, weekly, monthly, quarterly, half yearly and annually. This helps the borough to be able to assess the level of usage of the techniques within the council.

It was observed from the analyses that, all the boroughs' performance management techniques were geared towards leadership strategy; to manage, motivation and persuading of the staff to share the same vision, and to help implement change or create organizational structure within a business. It can be observed from the boroughs that most of the monitoring and measurement was done by executive management team and heads of departments, which is an effective way of establishing a vision and mission of an organization. Also, it can be observed that, the various applications of the techniques were operational because the various units of the boroughs are linked to each other through the regular reports and reviews of performance against the performance indicators. This however, helped the various units to know whether they are working towards a common goal or there is lapses emanating from any department. A typical example can be sited from the Sunderland Metropolitan Borough; after everyone has audited a draft report and, if necessary, a proposed action plan will is forwarded to the appropriate manager. Once agreement has been reached, a final report (including any agreed action plan) will be forwarded to the Chief Fire Officer and the Assistant Chief Fire Officer (Strategy and Performance). Where audits highlight issues, which need to be brought to the attention of the Finance Officer they will be raised as and when necessary. The Chief Fire Officer and Governance Committee will be updated on progress against the audit plan approximately half way through the year.

It was realised from the analyses that the boroughs intention of application of the performance management technique is to improve their internal structures and also how they can effectively

and efficiently management their borough to meet the needs of their residents through their strategic management plan. A few examples; Birmingham, focusing on visibility into whether a department or project is on track with given objectives and how it can help ensure employees are aware of potential issues and can make timely corrective actions. Walsall council ensures the delivery of the council's vision, priorities, and objectives, and secures effective and sustainable improvements for the benefit of our residents. It sets out the broad principles on approach towards work and underlines the responsibilities of everyone working for the council. The Audit Committee has a key role in the council's governance arrangements by ensuring that an effective internal control environment is maintained and for considering arrangements for, and the merits of, operating quality assurance and performance management processes.

According to Boipono et al., (2014) the main aim of PMS is to promote accountability, performance, communication, efficiency and effectiveness among civil servants or employees. It was observed from the various metropolitan boroughs that there was system put in place to promote accountability and communication. All the boroughs had committees or teams that monitor and measure performance through regular reports from various departments or agencies, to enable them to review the performance indicators against actual performance. It was identified that the application of the Performance management system improved the effectiveness and efficiency in discharge of duties of the public servants, because targets were set through the performance indicators to departments and this is intend monitored through regular reports and reviews. The resulted effect was improvement in the provision of services to the residents.

It can be observed from the analyses that only a few of the boroughs' performance management techniques were tailored to financial gains, but rather to improvement on their services to the residents. However, Boroughs like Sefton, which value for money was used to monitor and measure the performance of the social housing, the council has made £54m of efficiency savings in addition to delivering a range of broader social outcomes achieved through programs of financial inclusion, employment, apprenticeships, and community development. Report about performance is provided quarterly and annually to the board for assessment. Also, Kirklees, mention of cutting down of funds by 40%. In response to this, we need to build a new relationship between our Council and their communities.

Breul & Kamensky (2008) reported that recent practical studies have found that the application of performance measurement is rising in both state and local governments in the United States. Similar thing is happening in the local government of England, because the application of performance measurement has increased, because the twenty metropolitan boroughs that were analysed, all of them are using performance techniques to measure their performance.

According to Pacheco, (2009), measuring performance in the public sector has added to the success of multiple objectives, including the transparency of costs and results, improved quality of service, employee motivation, one of the key pillars of the new governance. The application of performance measurement in the boroughs from the analyses indicate that budget and results has become transparent because of the daily, monthly, quarterly, half yearly and yearly reports submitted to the various review committees or management teams. The performance management techniques also improved the participation of residents in the decision-making process, because they were involved in the stakeholder's meetings through which their views on how the boroughs can improve their services to meet their needs are discussed.

Even though FinPa New Media (2009) have stated that, KPIs are broken down and set as targets for achievement by departments and individuals. The success of these targets is revised at regular intervals. It can be observed from the analyses that all the various boroughs have committees and management teams which monitor and measure performance against the set performance indicators, but not only those using KPIs as performance management technique.

It was realised that 30% of the boroughs combined two or more performance management technique in the measurement of performance. These Boroughs had special needs and hence tailored the techniques in a way to easily capture and make it obvious to anyone who gets involved in their performance management. This can be identified with Kirklees Borough, which has Joint Health and Wellbeing Strategy (JHWS) and Kirklees Economic Strategy (KES), Stockport Borough, Corporate Scorecard (CS) and Service Improvement Plan(SIP) and Wakefield, Corporate Improvement Priorities (CIPs) and Business Planning cycle (BPC).

Even though benchmarking has been established in the UK as an externally mandated, audit-driven performance management tool deployed by national government to pursue local and national policy objectives (Ferry & Scarparo, 2015). From the analyses carried out 15% of the boroughs used Benchmarking as a performance management technique for measurement of

performance. This might be due to other better performance technique identified by the boroughs as compared to benchmarking despite the directive for it to be used to pursue national and local policy objectives, because performance management is about results.

According to Chan, (2004) Balance Scorecard (BSC) can be an exclusive technique for governmental administrators in changing their organizations and organizations that have executed BSC have a strong belief that its benefits surpass the costs. But in the analyses, 10% of the selected boroughs use BSC as a performance management technique and even with those boroughs they were applied in conjunction with other measurement techniques. Also, the conventional term BSC was not used but rather other related names such as Organizational Strategic scorecard and Corporate Scorecard, but the principles were the same. The low percentage in application of BSC in the boroughs in England might be due to poor information systems, poor measures, and problems with defining the customers and their needs as reported by (Wisniewski, & Olafsson, 2004).

The introduction of the use of diverse performance management techniques in the Metropolitan boroughs of England through performance management framework lead to a lot of benefits to both the boroughs and the residents. The most stressed ones are improvement in service provision to residents, created higher customer satisfaction, Improvement in worker's delivery and service provision and Improving productivity because staff behaviour towards work changes.

5 CONCLUSION

Performance management has become top on attention of the public-sector management because many services in advanced economies, such as those of the U.K. and Scandinavia and other developing countries, have come under pressure to become more efficient and effective, so as to reduce their demands on taxpayers, while maintaining the volume and quality of services supplied to the public. To achieve this, they have been subjected to the introduction of various performance management techniques.

Hence the aim of this thesis is to analyse whether and how diverse performance management techniques are used in management practice of selected public sector organizations.

To achieve the aim, firstly, the theoretical background of performance management and performance management techniques was found out through various kinds of research studies. Secondly, the characteristics of basic terms of management techniques, theoretical statements and concept of public sector were also researched on.

Upon the basis of that, the analyses of performance management techniques used in United Kingdom, to be specific metropolitan boroughs of England. The qualitative research method was used to ascertain the aim of the research.

From the analyses the main results were:

It was ascertained that all the 20 metropolitan boroughs selected are using performance management techniques with the help of the performance management framework in their management practice. This there indicates that performance management is widely used in management practice in the metropolitan Boroughs. The most used Performance management technique is Plan, Do, Check and Act (PDCA). It was also observed that most of the performance management techniques were in conjunction with the strategy, leadership, and operational and financial perspective of the boroughs.

It was observed that thirty percent (30%) of the 20 selected metropolitan boroughs have been able to fully implement their performance management framework through which performance management techniques are used. The rest of the seventy percent (70%) are still in different stages of implementation.

The introduction of performance management techniques through the performance management framework in the various boroughs in England has resulted in a lot of benefits to both the boroughs and the residents. Notable among the lot are: Improvement in service provision to residents, the resident has improved housing system and the council saved a lot of money and Improvement in transparency and accountability in the operations of the council.

Based on this summary, it could be concluded that the aim of the research has been attained.

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7 APPENDICES

Appendix A <i>Quick questionnaire on the topic</i>	69
Appendix B <i>The answered questionnaire from the Coventry borough</i>	70

APPENDIX A *Quick questionnaire on the topic*



University
of Pardubice

University of Pardubice

Faculty of Economics and Administration

Quick Questionnaire

Thesis Topic: PERFORMANCE MANAGEMENT TECHNIQUES IN PUBLIC SECTOR

The main aim of this thesis is to analyze whether and how diverse performance management techniques are used in management practice of selected public sector organizations.

The questionnaire is only for the purposes of thesis work and will not be used for any other assignments.

I will be very grateful if you provide me with the following answers to enable me to meet the objectives of my thesis work.

- i. What kinds of Performance Management Techniques (PMT) are being used in Metropolitan Borough?
 - a. Management by Objective
 - b. Balanced scorecard
 - c. Benchmarking
 - d. Performance Appraisal
 - e. Key performance indicators
 - f. Other
- ii. How are these PMT being implemented and used in management practice in Metropolitan Borough?
 1. Not started 2. Initial stages 3. Half Way 4. Final Stage
- iii. The benefits of the PMT in Metropolitan Borough

Thank you

APPENDIX B *The answered questionnaire from the Coventry borough*

The screenshot shows a web browser window displaying a Yahoo! Mail inbox. The browser's address bar shows the URL <https://mg.mail.yahoo.com/neo/launch?.rand=6e4u6d8m3449#4208406872>. The page header includes navigation links for Home, Mail, Search, News, Sports, Finance, Celebrity, Weather, Answers, Flickr, Mobile, and More. The Yahoo! Mail logo is visible, along with a search bar containing the text "lyndon sackey, search your mailbox".

The email being viewed is titled "RE: quick questionnaire" and is from "Corporate Policy <CorporatePolicy@coventry.gov.uk>". The email content is as follows:

To: 'lyndon sackey'

i) b, c, d, e
ii) 4

From: lyndon sackey [mailto:niadjiri2004@yahoo.com]
Sent: 07 April 2017 23:11
To: Corporate Policy
Subject: quick questionnaire

Dear Sir/Madam,
I am Lyndon Sackey and a student of University of Pardubice in Czech Republic.
My Master's thesis is on Performance Management Technique used in Public Sector.
I need this short answers to enable me complete my work.
Hope this meet your kind gesture.

Best Regards
Lyndon

On the right side of the inbox, there is a sidebar with a "Corporate Policy" header and a search bar. Below this, there is an advertisement for IKEA with the text "NÁKUP V IKEA Z POHODLÍ DOMOVA" and "Nakupujte on-line s možností vrácení zboží do 365 dnů!". At the bottom of the page, the Windows taskbar is visible, showing the search bar and system tray with the date 4/21/2017 and time 8:07 PM.