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AUTHOR'S DECLARATION

I hereby declare:

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ANNOTATION

The increasing demand by customers for efficient and quality public services has necessitated the public sector organisations in the 21st century to go through radical transformation in order to improve services provided to customers, enhance employees' development and to become more accountable to stakeholders. Therefore, performance management and measurement systems have become the best prescription to cure the inefficiencies that exist in the public sector. Performance measurement in the public sector is an efficient and effective way of implementing government and corporate plan. The performance measurement system in the local government organisations in countries such as UK, Australia and USA are known for their success stories. Nonetheless, such countries still face some challenges in the implementation of performance measurement system in the public sector organisations.

The main aim of this thesis was to identify the current challenges associated with the measuring of performance in the public sector organizations. Mixed methods approach was used to identify the current challenges associated with the performance measurement system in the selected public sector organisations. From the analyses, it was revealed that though performance measurement system has been successfully designed and implemented in the selected local government organisations in such countries, but there are still some challenges that affect the performance measurement system in the public sector organisations and some of the challenges identified are: financial resources, manipulation of results (Gaming), training of employees, red tape system or bureaucratic process, low commitment by leadership, difficulty in evaluating intangible resources and outcomes, and resistance to change by both management and employees

KEYWORDS

Performance management, performance measurement system, public sector, Bridgend County Borough (UK), Queensland Local Government (Australia) and Portland City (USA).

NÁZEV

Výzvy měření výkonu ve veřejném sektoru

ANOTACE

Rostoucí poptávka zákazníků po účinných a kvalitních veřejných službách vyžaduje, aby organizace veřejného sektoru v 21. století prošly radikální transformací, zejména aby zlepšily služby poskytované zákazníkům, zlepšily rozvoj zaměstnanců a staly se odpovědnější vůči stakeholders. Systémy řízení a měření výkonnosti se proto staly nejlepším lékem na vyřešení neefektivností, které ve veřejném sektoru existují. Měření výkonnosti ve veřejném sektoru je účinným a efektivním způsobem implementace plánu vlád a organizací. Systémy měření výkonnosti v orgánech místní samosprávy v zemích, jako je Spojené království, Austrálie a USA, jsou známy pro své úspěchy. Nicméně tyto země stále čelí určitým výzvám při implementaci těchto systémů.

Hlavním cílem této práce je identifikovat současné problémy spojené s měřením výkonnosti v organizacích veřejného sektoru. Smíšený přístup několika metod byl použit k identifikaci současných problémů spojených se systémy měření výkonnosti ve vybraných organizacích veřejného sektoru. Z analýz bylo zjištěno, že ačkoli systém měření výkonnosti byl úspěšně navržen a implementován ve vybraných organizacích místní správy, stále existují určité výzvy týkající se jeho fungování a některé z nich jsou: finanční zdroje, manipulace s výsledky (Gaming), školení zaměstnanců, byrokratický systém nebo byrokratický proces, nedostatečné odhodlání vedení, obtíže při hodnocení nehmotných zdrojů a výsledků a odpor vůči změnám ze strany vedení i zaměstnanců.

KLÍČOVÁ SLOVA

Řízení výkonnosti, Systém měření výkonnosti, Veřejný sektor, Bridgend County Borough (UK), Queensland Local Government (Australia) and Portland City (USA).

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LIST OF ABBREVIATIONS

ASPA- American Society of Public Administration

BSC- Balanced Scorecard

GPRA- Government Performance and Results Act

KPI- Key Performance Indicators

LGOs- Local Government Organisations

NPM- New Public Management

NPR- National Performance Review

OECD- Organisation of Economic Cooperation and Development

PAOI- Plan-Allocate-Operate and Improve

PDRR- Plan-Do-Review-Revise

PMF- Performance Management Framework

PMMR- Planning-Measuring and Monitoring performance-public Reporting

PMS- Performance Management System

UK- United Kingdom

USA- United States of America

INTRODUCTION

Performance measurement is not an invention by the scholars of the 21st century, early scholars of management studies shared common concept for the development of administrative practices and procedures that promote efficiency and effective service delivery (Nyhan et al, 2016). A study by Poister & Streib (1999) contends that the International City Management Association made a publication on measuring municipal activities as far as 1943. As Halachmi (2005) reveals that before the world war II, the New York Bureau of Municipal Research used a budgetary system based on work-load. Therefore, performance measurement is as old as other management concepts, just that it has been refined by contemporary authors.

Performance measurement has modernised the public sector organisations and it has indeed established transparency and accountability. It also has exposed government entities to public scrutiny and has dragged the public sector onto the table of public debate. With the performance measurement the citizens' trust in the government institutions has been restored, and it recognises citizens as co-producers, owners, evaluators and customers who must be treated as important (Sanger, 2008). As Jarrar & Schiuma (2007) contend that performance measurement in the public sector organisations provides ways for influencing organisational behaviour, monitor organisational progress and reward, for planning and strategy implementation, for communicating with stakeholders and for adopting developing the principles of organisational learning. There is no doubt to emphatically state that performance measurement is the axis through which performance management revolves around (Anderson & Eshima, 2013). Apparently, organisational management could be uncertain without performance measurement. Performance measurement is an administrative practice that addresses the issue of performance challenges in the public sector organisations (Goh, 2012). Lord Kelvin once said, "if you cannot measure it, it does not exist" (quoted in Ericsson et al., 2007). As De Bruijn (2007) reports functions of performance measurement as enhancing transparency, learning from experiences, for appraisal and for positive sanctions.

Without exaggeration, the importance of performance measurement within the contemporary public organisations cannot be under estimated, it is the life wire of all successful organisation. Though, the importance of performance measurement cannot be easily explained quantitatively, studies on organisational improvement have clearly indicated that performance measurement is a key to organisational improvement. Both profit and non-profit organisations always strive to be successful and continue to be in an operation, therefore it requires the measuring of

performance of all the components in the organisation. Contemporary and practical researches have vividly proven how performance measurement can help both private and public entities (Breul & Kamensky, 2008).

There are scholarly literatures that show that performance measurement in the private sector indeed results to improvement in performance. In contrast, the implementation of performance measurement approach in the public sector has become problematic because of the difficulty in identifying the appropriate components for measurement (Anderson & Eshima, 2013). According to Sanger (2008) performance measurement still have some deficiencies for its successful development and implementation and further proposes that more intensive research is needed to identify the challenges that mitigate against the successful design, implementation and the usage of performance measurement in the public sector.

The main aim of this thesis is to identify the current challenges associated with the measuring of performance in the public sector organizations.

This research work has been categorized into six distinct parts, the introduction appears at the first part of the work which presents a brief historical facts of performance measurement and the importance of performance measurement in the public sector. Also, showing why this research is necessary and its contribution to the existing research. The second part will be the theoretical background that will provide relevant sources of previous related research and a justification of the research area on performance measurement and the current challenges in the public sector. The methodology of survey and research approach will be discussed in the third part. The fourth part of the thesis will be related to the analyses of the current challenges of performance measurement in the selected public sector. The fifth aspect of the thesis work will be the evaluation of the results and discussion and further make a comparison to the related literature in the theoretical background. The last part will be the conclusion drawn from the discussion of the results.

1. THEORETICAL BACKGROUND

This chapter reviews both theoretical and empirical literature on the scope and the concept of public sector. It presents in detail the performance management, key features of successful performance management. It then focuses on the principles of performance measurement, the purposes of performance measurement in the public sector, performance measurement process. Moreover, it outlines the specifics of performance management and measurement in the public sector, presented in this chapter is the current challenges of performance measurement in the public sector and specifically outlines challenges in design and implementation of performance measurement system in the public sector.

1.1 The Scope and the Concept of Public Sector

The scope and the concept of public sector have become more complex over the years. There is no worldly accepted boundary and definition for the public sector. This has generated a heated and unending debate among scholars from both political science and economics. The description of the scope of the public sector depends on the vision of the state or country and it also depends upon your weighing up the costs and benefits of two highly imperfect social institutions: the market and the public sector. The public sector covers an expanding sphere of institutions which formulate policies and implement those policies for public interests (Jackson, 1990).

The public sector consists of governments and all institutions that are publicly controlled and funded by the state whose responsibility is to deliver public goods, service and programmes to the citizens. The concept of public sector has a broader spectrum than simply that of core government and may overlap with the private sector (Dube & Danescu, 2011). The public sector is a composition of private and public elements (Ho & Chan, 2002). The public sector usually overlaps with the private sector because private sector often performs some functions which are purely public. Therefore, for better understanding of the concept of the public sector one needs to distinguish between the public sector and the private organisations. The public sector has collective ownership as it encompasses all the citizens and its establishment is for social purposes, while the private sector has individual ownership with inherent intention of profit maximisation (Bouckaert & Dooren, 2009).

Dube & Danescu (2011) have presented definitional criteria for public sector and these include:

- Are the goods, services and programmes delivered by the institution are guided by government policy or these goods, services and programmes can be considered as purely public goods?
- Is the organisation answerable to, or does it submit report directly to the state, including ministers of state, state agencies or departments?
- If the institution has board of directors or appointed members, does the government appoint the majority of these board of directors?
- Is the state the majority shareholder, if the institution has share capital?
- Is the organization's budget provided by the state or is the budget determined by the national policy?
- Is there a legal instrument for the institution to be audited by the state auditor or a recognized audit organisation?
- Does the institution's operations, policies, services and administrative procedures directly or indirectly control by the state?
- Are the workers in the organisation members of public service, guided by public service code of conduct and receiving benefits from the state budget?

The scope of the public sector has an unending boundary; thus, the public sector covers all the institutions that are funded from the state, regional and the municipal budget, and deliver public goods and services for the interest of the citizens. The public sector production is not under any healthy competition but rather provides goods, services and programmes for social purposes. All public sector institutions have legal power from the government to provide classified goods and services and these institutions' control lies in the hands of the public.

1.2 Performance Management

Performance management has become popular and vital in the public sector since the emergence of New Public Management (NPM). Performance management system has now become one of the basic practices in the public institutions stretching from policing to social services. Institutions with performance systems are performing better and are likely to be

efficient than institutions that do not have performance management systems in place (Ljungholm, 2015).

Performance management concept has been defined severally and differently by scholars from economics to management. Many authors have understood the concept as an appraisal process, performance related activity and others still believe that it is training and development programme, however, these scholars use performance related activity as the reference point (Tenakwah, 2015). Similarly, Neely et al., (2002) postulate that performance management is a process of quantifying the efficiency and effectiveness of past actions of the individuals in the organisation. According to Moynihan (2008), performance management is a system that collates information on the performance of all the components of an organization through performance measurement activities where this information influences the decisions of the management. Fryer et al., (2009) suggest that performance management is an action-oriented activity which is basically based on performance measures and reporting where the end products are improvement in employees' behaviour, motivation and promotes innovation.

Armstrong (2009), argues that performance management is a way of getting best outcomes from the entire organisation or teams or individuals within it, by understanding and managing performance within a shared objective from the individuals and a planned goals, standards and competence requirements. While Pradhan & Chaudhury (2012), report that performance management is a procedure of monitoring improvement towards achievement of predetermined objectives for the accomplishment of organisational objectives by satisfying customers' needs better than their competitors. Performance management must be considered as part of the whole system of every public organisation and should not be in isolation from other factors that constitute public management (Bouckaert & Halligan, 2008). Performance management is a management environment where performance objectives and targets are determined, it is flexible to be achieved by managers, actual performance is measured and reported, and the information gathered is used for making informed decisions, design, operations and paradoxically for rewards and sanctions (OECD, 2005). Performance management is an interconnected activities and strategies that improve the performance of individuals, teams and the entire organisation (Hawke, 2012). According to Aguinis (2009), performance management *"is a continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization"* (p. 2). Performance management is not a linear preposition but rather unending process that ensures that employees' activities and productivity are congruent with the visions, goals and

objectives of the organisation and this helps the organisation to gain a competitive advantage over their rival organisations.

Related to the above definitions from the various writers, the conclusion drawn from these definitions is that performance management is a process of quantifying and monitoring the progress of the components of organisation through performance measures with the aim of improving the system and employees' performance to achieve organisational goals. The aim of performance management is to improve the performance of employees, satisfying the needs of the stakeholder and making the organisation better than other competitors. The implication is that for organisation to be more successful the organisational camera must be focused on the management of the performance of employees and other components of the organisation.

A study by Aguinis (2009), presents the performance management process and this cyclical process involves six main stages which includes: prerequisites, performance planning, performance executions, performance assessment, performance review, and performance renewal and re-contracting.

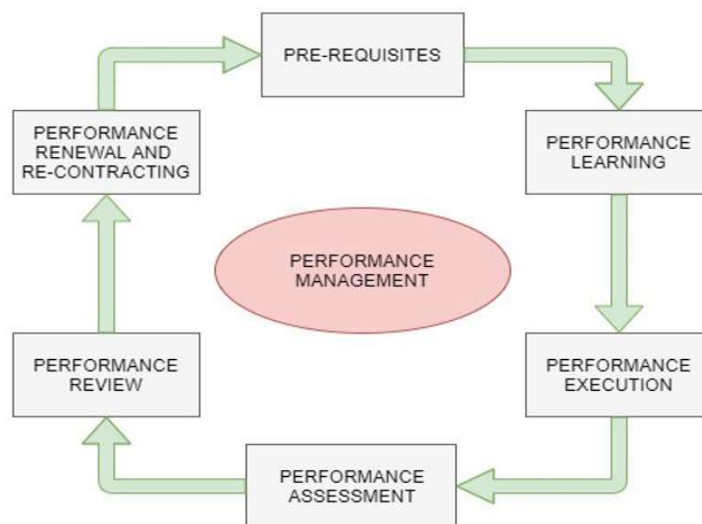


Figure 1: Performance management process

Source: Aguinis (2009).

The Prerequisites

The performance process as presented by Aguinis begins with the prerequisites, this stage forms the basis of the whole process. The prerequisites have two important aspects and these two aspects are necessity but not luxury before performance management can be successfully implemented. Firstly, the knowledge of the organization's mission, goals and objectives must be explicitly known. The goals and objectives of every organisation are the driving force that

pushes the organisation to its destination. These goals and objectives become guidelines for all other departments within the organisation and especially guide the behaviour of the employees. Secondly, the knowledge of the job analysis must be well understood (Aguinis, 2009).

Performance Planning

The planning stage is preceded by the prerequisites stage in the process cycle. The planner of the performance management system should involve the employees. Supervisors and employees should meet and have a thorough discussion and come to a consensus on what needs to be done and how it should be done. At the planning stage, the communication between the supervisors and employees incorporate results, individual expected behaviour that should be aligned with the goals and objectives of the organisation and development plan. The aim of performance management is to improve performance of individuals and the entire organisation, therefore, during this part of the planning stage, employees and supervisors should identify key areas that need improvement and mapping up goals and objectives to accomplish those areas (Aguinis, 2009).

Performance execution

The third stage of the performance management proposed by Aguinis is the performance execution. At this stage the workers begin the execution of the actual work, the workers produce the expected outcomes and exhibit conducts that were agreed upon during the formulation of goals and objectives at the planning stage. The worker participation does not commence at this stage of the process cycle.

Performance assessment: At this stage both the employees and the supervisors are to evaluate the output and to find out how far the expected results have been achieved and the degree to which the desired conducts have been shown. Even though the performance information can be collected from several sources; for the example from the co-workers and subordinates, however, the direct supervisor provides the data in many instances. Moreover, the self-appraisal increases employee's job satisfaction and it also enhances his conceptions about performance management system and thereby believing the performance management system's feedback as accurate and fair. Additionally, this phase provides relevant information from the past actions, present situation and the for the future during the performance review (Aguinis, 2009).

Performance review

This stage creates opportunity for both employee and the supervisor to meet and the supervisor assesses their evaluations. This session is important to the extent that it creates formal environment for both the employee and the supervisor in which the employee receives

constructive criticism from the supervisor with regards to his performance and this session is normally referred to as appraisal meeting. Managers must feel free to present fair picture of employee's performance, even if his performance is deficient. Importantly, when both the employee and the supervisor are actively engaged in the evaluation process; it certainly creates democratic setting for discussion about the performance of the employee, the employee feels ownership of the process and his commitment level increases, thus the chances for future utilisation of the information will be high (Aguinis, 2009; Tenakwah, 2015).

Performance renewal and re-contracting

The performance management process has the renewal and re-contracting as the final stage. The renewal and re-contracting stage are the cumulation of information and experiences from other stages of process and utilises such experiences and insights gathered from the previous stages. Some of the goals or objectives set during the planning stage may be refined at this stage because, there may be deficiencies like setting unrealistic goals, thus achievable goals must be set for the upcoming period. The main aim of performance management is to improve the performance of employees and to achieve the organisational goals, therefore, it is necessary to monitor the pre-requisites so that all the other stages in the process would be congruence with the strategic goals and objectives of the organisation (Aguinis, 2009).

1.3 Key features of successful performance management

Many researchers have identified some key features of successful performance management system. Fryer et al., (2009) suggest some key features of a successful performance management which includes the following:

- alignment of the performance management system with vision, goals and organisational strategies,
- leadership commitment: functional leaders should be committed to the goals and objectives of the organisation,
- a culture in which the performance management is a way of improving employees' performance and identifying good performance and it is not for sanctioning poor performance,
- stakeholder engagement; and

- continuous monitoring, feedback, information dissemination and learning from results.

A study by Amaratunga et al., (2001) argue that performance management is the utilisation of data collected from performance measurement systems to effect changes in organisational processes and cultures and assisting the organisation to set realistic and generally agreed goals, proper allocation of the scarce resources, creating awareness for supervisors to either maintain or change the existing policies or organisational focus to meet those strategic goals and sharing the expected results (as cited by Tenakwah, 2015).

1.4 Principles of performance measurement

The lineage of the NPM can be traced from public administration which has been in existence before the advent of NPM. Performance measurement concept gained more recognition in the 1980s and 1990s with the emergence of NPM. During this historic period in public administration where most researchers have branded it as “revolutionary period” in public administration and volumes of studies were conducted within this decade (Abubakar et al., 2016). The crusaders of the NPM combined multitude of approaches from the Scientific Management Theory existed before the 1980s. Their agenda is to concentrate more on the public sector and to expose the public sector to a more competitive environment and charge public administrators to be more responsive to the taxpayers or the citizenry. The NPM promotes accountability, transparency, flexibility of choice and offer value for money in the public sector (Kalimullah et al., 2012).

Today, the NPM has moved public administration to a different level and directions, where much emphasis is placed on the quality of service delivery to citizens and businesses without compromising on efficiency (OECD, 2010). According to Diefenbach (2009) the NPM has considerably improved the importance of performance measurement in the public sector with the introduction and application of methods borrowed from the typical private sector organisations into the public organisations thus, enhancing performance in the public sector and adequately serving the needs of the customers.

Government entities have now realized that the concept of performance measurement is a panacea for accountability and transparency. The literatures of NPM has performance measurement as the key component in the public sector (Ayee, 2008). The NPM has necessitated for a major public sector reforms in both developed and developing countries and one of the key public sector reforms is the introduction of performance measurement in the public sector institutions, with the primary aim of improving public sector performance to the satisfaction of the citizen who are: stakeholders, co-producers and customers (Diefenbach,

2009). Developed countries like Netherland is one of the pioneers in the usage of the new public management concept of performance measurement. Successive governments in the Netherlands have initiated major public sector reform initiatives, where greater fraction of government institutions at all levels from central government, regional and to the local government organizations such as the hospitals, education, police service, courts, public transportation and research institutions have an intensive introduction of performance measurement systems which dates back in the 80s and 90s (Verbeeten & Speklé, 2009).

United State is no exception, the government integrated the performance measurement systems. The American Society of Public Administration (ASPA) in 1992 joined this crusade and ensured that all levels of government's institutions to develop, experiment and integrate performance measures. Legislation such as the Government Performance and Results Act of 1993 and the GPRA Modernisation Act of 2010 which require agencies at the federal, state and the recipient of federal funds at the local level to submit a report and make effective use of performance data. Again, policies such as the No Child Left Behind Act of 2002 and the Race to the Top Initiative of 2009, both entreat stakeholders who implement state policies to use performance measures (Moynihan, 2015).

The federal government in Canada also initiated major reforms such as Increased Ministerial Authority and Accountability in way back 1985, Public Service 2000, Shared Management Agendas and numerous legislative agencies were created. The Financial Management Initiative of 1982 and Citizen's Charter of 1991 was also launched in the United Kingdom (Eden & Hyndman, 1999). Absolutely, all these public sector reforms were meant to enhance and improve the quality of service delivery in the public sector with performance measurement as the driving force.

The concept of performance measurement has been defined by several authors. Another study by Neely et al. (1995) postulates that performance measurement is a metric used to quantify the efficiency and effectiveness of action in an organisation. The performance measurement is a method that can be used to entice and improve performance in the public sector organisations through setting of clear targets and performance indicators (Goh, 2012). According to Balabonienė & Večerskienė (2015), performance measurement is the instrument that describes enhancement of the activities of an organisation and without performance measurement organisation cannot act effectively and efficiently. Performance measurement is the tool that supports decision making process of organisation, incorporate strategic goals and operational objectives, provide measures in diverse dimensions congruence with the targets and action

plans and include causal link between targets and measures (Bisbe & Malagueño, 2012), while Upadhavya, et. al., (2014) posit that performance measurement is a method of collecting, analysing and reporting the necessary information of organisation, group, system, an individual and component with the aim of improving the entire practices of the organisation. Related to the above definitions, performance measurement is an organisational instrument that is used to gather information from both internal and external components with the purpose of improving the activities of the organisation.

Although, there are several scholarly articles about performance measurement, but many authors use the concept of performance measurement and performance management synonymously. According to Lebas (1995), performance measurement deals with the past activities of a process, while the performance management extrapolates the information to make informed decision about the future. Van Dooren et al, (2015) point out that performance measurement quantifies the organisational functions whereas performance management tries to respond to the output measure with the aim of handling the organisational function.

1.5 Purposes of performance measurement in the public sector

A study by Balabonienė & Večerskienė (2015) argues that, the purpose of performance measurement system is for quantitative assessment and measurement of the extent of accomplishment of predetermined goal and tasks. Performance measurement helps the organisation to account for its finances and provides data that can be used to improve the performance in the public sector organisations. Rantanen et al., (2007) point out that the main purpose of performance measurement is to gather data to ascertain how well organisational objectives have been achieved and how accurate organisational projections have been, with the aim of supporting decision-making process.

Greiling (2005) has presented number of purposes of performance measurement in the public sector and they include the following:

- ***Internal diagnosis system.*** Performance measurement provides information about all the components of public sector organisations and it gives a clearer picture to the management as to how various departments are efficiently and effectively functioning. It also shows how the various departments accomplish and fulfil their contractual agreement and further provides data for management to make informed decisions.
- ***Obligatory or voluntary reporting.*** The public sector reform initiatives aim at improving accountability and value-for-money in public sector institutions.

Performance measurement helps in reporting the data about the quality of public services and how the public sector aspirations are fulfilled. Public sector accountability gives birth to citizens' trust in government.

- ***Contract management.*** There has been an emerging contract culture in the public sector, performance indicators have now become an integral part of contractual agreement between all the administrative chains as well as between managers and the state, therefore, performance measurement is vital in a service contract because it outlines in detail the expected outcome and quality of service delivery and service contract also helps in assessing public agencies.
- ***Inter-administrative comparison/benchmarking.*** The introduction of inter-administrative comparison ensures healthy competition in the public sector. However, public officers often misconstrue the concept of benchmarking and inter-administrative comparison, though inter-administrative comparison projects are often referred to as benchmarking, while real benchmarking is learning the good practices from the best units within organisation or across sectors from the best in business (Greiling, 2005).
- ***Modernising public budgeting.*** Currently, there has been a paradigm shift from an input-oriented to an output-oriented budgeting system in the public sector. During the budget and planning process outcome or output indicators are included as default, instead of deliberating on how much funds or human resources needed by public institutions. Public budgeting now includes qualitative and quantitative output measures as well as expected outcome indicators (Greiling, 2005). In the public sector organisations, the purpose of performance measurement is to provide the necessary information for the top hierarchy for decisions making.

1.6 Performance measurement process

The adoption of performance measurement system in the public sector has completely changed the complexion of the activities of the public sector, and due to that the public sector has witnessed tremendous improvements, transparency and accountability. It also provides road maps for organisations to identify opportunities for improvement which enables them to make present and future decision making. It is an instrument that is used to determine the effectiveness and efficiency of the components of an organisation. Performance measurement data is purposely for performance improvement, learning from present mistakes, and planning

for the future (Wolk et al., 2009; Goh, 2012). The performance measurement process as presented by Wolk et al., (2009) is indicated below.

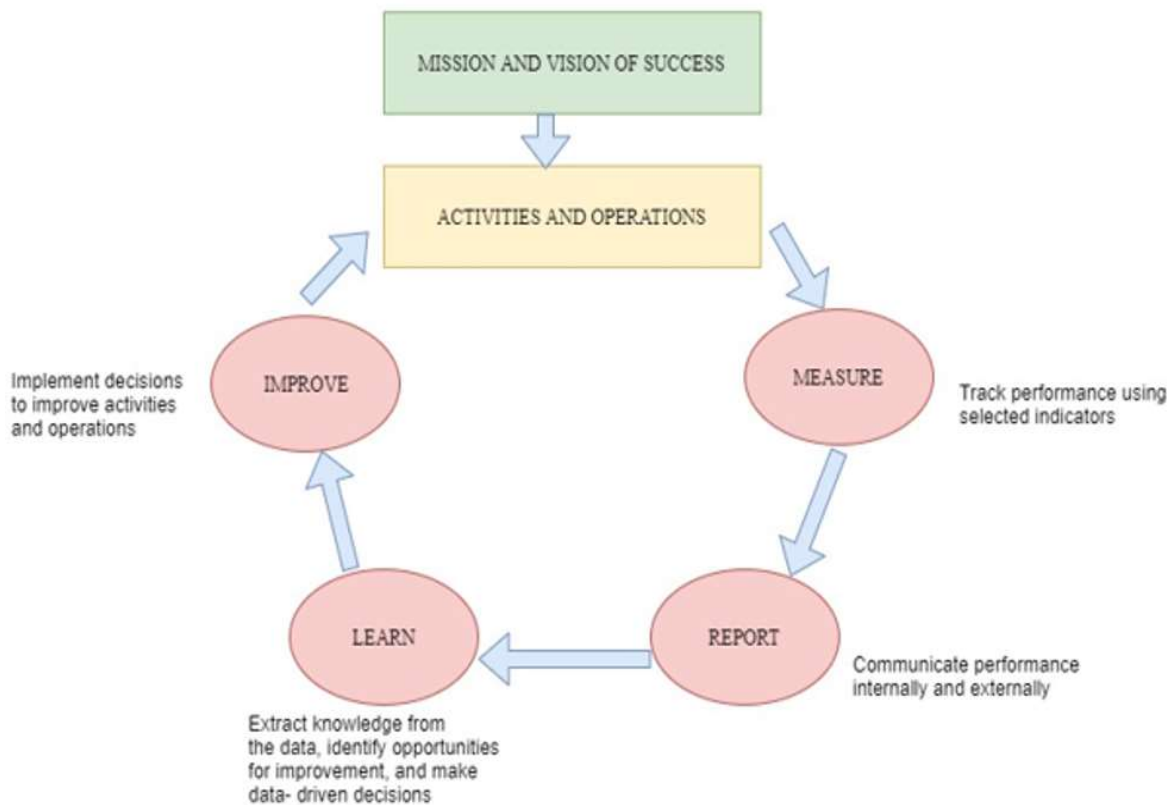


Figure 2: The performance measurement process

Source: Wolk et al., (2009)

The mission and vision of success: The mission explains an organisation’s purpose of existence, and a vision outlines how the organisation would be in the future. Both the mission and vision of success are linked to guide the activities and operations of the organisation.

The process of performance measurement by these authors begins and ends with activities and operations of the organisation, and it continues to travel through the process because it is not linear.

Activities and operations: The activities of any organisation are the services, programmes, and initiatives that are undertaken by organisations, while the operations are the infrastructure that complements the activities of the organisation which includes human resources, technology, and financial management. Therefore, activities and operations contain what the organisation performs to fulfil its mission and actualize its vision of success.

Measure: For effective performance measurement systems organisations use indicators and metrics that are continually tracked, which enable them to assess their activities and operations.

Report: The information gathered on the components of the organisation are formatted for easy analysis. There are two main reporting tools that organizations can use, these include:

1. A dashboard tool of reporting is making a focused selection of indicators which provide data on regular basis with regards to the overall improvement of the organisation in relation to past results and future goals. It is necessary to include management dashboard in all performance measurement systems, it helps organisation's leadership to track the entire performance of the organisation. Also, programme level dashboard can be used to track individual programmes or internal areas including human resource.
2. A report card consists of data contained in the internal dashboard of organisations and it enables organisations to share information externally, and to other stakeholders. The external nature of this reporting tool helps organisations to be accountable to the citizens, media and stakeholders.

Learn: At this level the organisation's top leadership, and supervisors review and interpret performance information to make informed decisions and further identify opportunities for organisational improvement and to make corrections where necessary.

Improve: This is the last phase of the performance measurement cycle where organisations implement the decisions taken at the other levels of the process to improve its activities and operation. The performance measurement process begins again.

1.7 Specifics of Performance measurement and management in the public sector

Business organisations aim at maximizing profit, while public sector organisations are non-profit organisations. The main aim of public sector organisations is to provide quality services to the citizens and these services must be accessible to the citizens. The public sector organisations utilize the state resources in efficient and effective way to satisfy the needs of the society (Balabonienė & Večerskienė, 2015). The studies of the behaviour of public sector organisations have confirmed that the private sector is entirely different from the public sector organisations, therefore, what improves performance in the private sector will not necessary improve performance in the public sector (propper & Wilson, 2003). Performance measurement

and management are used in both private and public sector. The following are the specifics of the public sector organisations that differentiate activities of the public sector from the private sector organisations:

According to Dixit (2002) the public sector has two key features. Firstly, the bureaucrats who work within the public sector often report to several top managements and these may include political masters at various offices, customers of the services, professional institutions and the taxpayers. Secondly, these bureaucratic workers have several outputs and outcomes to accomplish. For instance, workers are expected to enhance equity and efficiency in the execution of public services. These key features of the public sector are described as multiple principals and multiple goals; therefore, such characteristics of the public sector indicate that motivations provided in the public sector organisations should be greater than the private sector.

The complex nature of the concept of performance in the public sector affects the successful construction of some performance indicators with a reason that not all goals and objectives are measurable, thus, benchmarking analysis is often used. Three major difficulties arise when constructing performance measurement indicators in the public sector organisations. First and foremost, there is still a debate with the meaning of the concept of performance. Secondly, the difficulty is the method of obtaining the performance and third is how to evaluate performance in the public sector (Diana, 2014).

Another specific is that the public sector organisations have numerous stakeholders who have diverse and conflicting ideas and these stakeholders may entail: the government, citizens, management, customers, the media, elected executives and clients. This eventually result to two main problems for successful performance measurement implementation in the public sector. Firstly, setting a clear target and making decisions based on performance result may be debatable. Secondly, these stakeholders may produce different performance measures that satisfy no one (Rantanen, 2007)

Also, to clearly define what the public sector organisations produce distinguishes the public sector from the private organisations. What puzzles the mind of many authors is output vs outcome or efficiency vs effectiveness. Measuring the outcomes in the public sector is more difficult than measuring the output. Municipal government measure more output results (efficiency) than outcome (effectiveness). Outcome results may take a long time for its manifestation than output. For example, a school outputs include students' results and prepare students socially, so that they can live with and be lived with the members in the society, so is the outcome the number of students passed in the exams or students with good moral behaviour?

Should the school's goals be an examination oriented (i.e. efficiency) or should prepare students with good behaviour which could be measured in the long term (i.e. effectiveness)? (Chan, 2004; Rantanen, 2007).

Moreover, defining targets for performance in the public sector is one of the specifics of public sector. The private sector organisations are noted for making profit and this facilitates setting clear target in the private sector. Contrary, this has become more difficult for the public to set clear targets due to multiplicity of goals of the public sector organisations (Arnaboldi & Azzone, 2010).

According to Bromberg (2009) the public sector organisations use the performance measurement system as both managerial tool and a tool with the aim of measuring accountability. He reveals that giving managers more discretionary power is the reintroduction of political red tape in the performance measurement system. He further argues that performance measurement has obviously injected political control into the administrative system, because specific task measures and outcome measures are another way of political red tape. A study by Chan & Gao (2009) contends that if performance measurement is designed to promote powers of management discretion, political compliance, which necessitate performance enhancement, will be drastically reduced. Related to the above, these specifics affect the successful design and implementation of performance measurement in the public sector. Therefore, applying performance measurement systems in the public sector will face some challenges.

1.8 The current challenges of performance measurement in the public sector

The public sector reforms have performance measurement as a key component and the adoption of performance measurement from the private sector has indeed transformed the public sector organisations. Better still there are some challenges that impede the successful design and implementation of performance measurement system in the public sector because performance measurement is never perfect (Gao, 2015). The current challenges identified from various literatures are related below:

A study by Sanger (2008) points out that it is expensive to develop an exemplary performance measurement system. Management should invest substantially for designing and training of employees for data collection, utilization and reporting. For performance measurement to become relevant, measures and reports must be consistently reformulated and changed,

resources should be reallocated, therefore, many organisations find it uneconomical to use performance measurement system.

Again, the existence of traditional culture norms in the public bureaucracies affect successful application of performance measurement system. Both management and employees naturally resist change. For efficient and effective performance measurement in the public sector organisations, the deep-seated cultures must be changed and that changed requires a committed leader with considerable skill, willing to provide significant managerial investment and motivations (Sanger, 2008).

A study by Gao (2015) presents gaming (manipulation of performance results) as a challenge to effective implementation of performance measurement system in China, however, this can be linked to other countries across the globe. Gaming is an intentional manipulation of performance results to gain strategic advantage in evaluation. He argues that in gaming key performance data is doctored in order to suit the expected outcome. The inherent gaming in the public sector organisations could be described as an endless battle because management consistently wants to score political points.

Also, a study by Gao (2015) reveals that the simultaneous usage of performance measurement system in the public sector to enhance both managerial performance and political accountability is yet another challenge. Gao argues that, though result-oriented and customer-oriented performance measurement will improve government's performance and accountability to the citizens, therefore, performance measurement can serve several purposes but not all at the same time.

Another challenge for measuring performance in the public sector is that the recent performance measurement systems are much concentrated only on economy, effectiveness and efficiency indicators ("3 Es") which are mainly limited to financial. This system fails to measure the social and environmental goals and objectives of the public institutions. Therefore, to achieve a holistic purpose of performance measurement system in the public sector there should be a shift from the system of "3 Es" (efficiency, economy and effectiveness) to a system of "5 Es": environmental, equity, effectiveness, efficiency and economy (Chai, 2009; Diana, 2014).

Jarrar & Schiuma (2007) point out that the evaluation and management of the knowledge and intangible resources is yet another challenge for the application and implementation of performance measurement system in the public sector. In this contemporary world both private and public sector acknowledge knowledge as strategic resource. Competences and capabilities

are vital for the operational processes in the public sector, however, the competences and capabilities are deep-seated in the intellectual capital of public stakeholders. Therefore, public sector organisations should adopt modern approaches that could expose the intellectual capital that leads to qualitative and quantitative performance.

Moreover, a study by Ștefănescu et al., (2010) have identified a number of challenges for measuring performance in the public sector which include: complexity of the socio-economic environment, asymmetrical nature of information of the citizens about performance, differences among the number of customers, low interest by managers for identifying new sources of finance, intensity of the political system, the nature of public services and programmes, real non-existence of the correlation between financial performance and non-financial performance and the typology that exist in the public sector entities.

Related to the above challenges, despite the importance of performance measurement in the public sector, it is obvious that the adoption and implementation of performance measurement in the public sector organisations come with some challenges due to the specifics of public sector organisations which make the public sector entirely different from the private sector organisations.

1.9 Challenges in design and implementation of Performance Measurement System in the public sector

Performance measurement systems have become the driving force and have assumed the central stage in performance management systems in the public sector. The public sector organisations in the 21st century is going through intense and justified pressure from the tax payers to improve quality, efficient and cost-effective services. To satisfy and meet the increasing demand from the citizens; most public sector organisations in both developed and developing countries have quickly responded to the call with the introduction of performance measurement system with the aim of improving public service performance and ensuring that public sector organisations become more accountable to stakeholders (Metawie & Gilman, 2005).

Many scholars have argued strongly and consistently speaking in favour of the debate that performance measurement system has been successfully designed and implemented in the private sector. In contrast, the nature of the public sector organisations possesses a great challenge to the successful design and implementation of performance measurement system in the public sector. One major distinct feature of the public sector is the existence of multiple principles which affects the optimal performance measurement system. In addition, the public

sector organisations are purely service provider, so it is more difficult to quantify their main performance measures or outcomes (Jackson, 1990; Dixit, 2002; Metawie & Gilman, 2005).

Kaplan & Norton (1992) contend that performance measurement literatures have focused on the design and implementation phase and promoting systems and platforms. The designing phase and the implementation phase of a performance measurement system are two completely different stages. Leinonen (2001) clearly distinguishes between designing and implementation phase of a performance measurement system, he believes that the designing phase of performance measurement system is a careful selection of the success factors and defining the measures, while the phase of executing or taking the measures chosen at the designing phase into use is called implementation phase. According to Bourne et al. (2000) in choosing the factors to be measured at the designing stage, it must be based on the vision and strategy of the organisation. The implementation phase indicates instituting system and procedures in place to collect data and process the data that facilitates the measurements in order to be frequently utilised.

As Bourne et al. (2003) have identified two challenges managers face when designing performance measurement system. The first difficulty is evaluating and quantifying the results in areas that are more outcome oriented or intangible results which seem to be more qualitative in nature. The second challenge in the designing of performance measurement system is identifying the true drivers, the time and financial resources required for successful design phase. Another study by Hacker & Brotherton (1998) present that lack of leadership commitment and resistance to performance measurement by top hierarchy due to fear of performance measurement as the greatest problem in measurement and possibly it affects the successful designing of performance measurement. Furthermore, Rantanen et al. (2007) have identified three challenges managers or departments heads face when designing performance measurement system. Firstly, many stakeholders with conflicting interest. Secondly, poor managerial skills and lastly, unclear objectives and goals of the public sector organisations.

The implementation challenges of performance measurement system as presented by the following scholars. A study by Van Doreen (2006) in Flemish organisations suggests that, the use of performance measurement leads to measurement errors. Management deliberately manipulates the input and output results to conform to the performance indicators. Doreen further posits that such organisations stop focusing on outcomes results and have shifted concentration on outputs measures which are short term in nature. The argument is that such alteration in performance measurement results invalidates and does not represent reality.

Leinonen (2001) points out that lack of financial resource is one major challenge that causes problem in the implementation stage of performance measurement. Moreover, there is a problem of availability of performance data at the implementation phase for further process. If access to performance data for certain measures is delayed, eventually it affects the successful implementation of performance measurement system (Hacker & Brotherton, 1998). Not all, training of staff or employees for collection, use and reporting of performance data is a challenge to the successful implementation of performance measurement system (Sanger, 2008).

Furthermore, Hatry (2014) has identified several challenges of performance measurement at the implementation phase. The challenges include: limited information on outcome is collected from customers, that is information on the sustainability of improvement; data provided is often out-of-date, thus rendering the data less useful to managers; data of performance results is often reported in an unclear or uninteresting manner, thus encouraging misuse of the data or discouraging its usage and lack of training and technical assistance for managers on how to access and utilise the performance information.

Table 1: Summary of the challenges in design and implementation of PMS in the public sector

S/N	Design phase	Implementation phase
1	Difficulty in evaluating and quantifying the results areas that are more outcome oriented or intangible results	Limited information on outcome is collected from customers, that is information on the sustainability of improvement
2	Financial resources required for successful design	Manipulation of output or outcome results by managers to conform to the performance indicators
3	Lack of leadership commitment	Data of performance results is often out-of-date, thus rendering the data less useful to managers

4	Resistance to performance measurement system by both management and employees	Unavailability or delay of performance data for onward process
5	Many stakeholders with conflicting interest affect the successful design	Lack of financial resources for training of personnel or employees
6	Unclear objectives or goals of the public sector organisations	Data of performance results is often reported in an unclear or interesting manner, thus encouraging misuse of the data or discouraging its usage
7	Lack of managerial skills	Lack of training and technical assistance for managers on how to access and utilise the performance information

2. METHODOLOGY OF SURVEY AND RESEARCH METHODS

This chapter discusses the methodology adopted for the research. It outlines the aim and objectives of the research, presents in detail how the research was conducted. It presents the research approach and design, data collection and method, it further discusses the population and sample size, sampling technique. In addition, it focuses on case selection and case binding, the research limitation and then the tabulation of the research disposition.

2.1 The aim and objectives of the research

The emergence of NPM in the last decades has made performance measurement more important in the public sector organisations (Ter Bogt et al., 2010). Several studies have been conducted on performance management and measurement with a focus on different aspects about the concept, some researchers focus their studies on performance appraisal, performance measurement indicators and performance measurement in the private sector (Karuhanga & Werner, 2013).

The main aim of this thesis is to identify the current challenges associated with the measuring of performance in the public sector organisations.

With the general aim of the research and based on the theoretical review, this research seeks to achieve the following objectives:

1. To characterise the performance measurement and performance management system currently used in the selected public sectors.
2. To identify the current challenges encountered by the selected public sectors in the designing and implementing the performance measurement system.
3. To propose recommendations for overcoming the challenges being faced by the selected public sectors.

2.2 Research Approach and Design

To achieve the aim, purpose and the objectives of this research work, a mixed methods approach will be adopted. Mixed methods research is a mixture of both qualitative and quantitative research approach, this research method becomes useful when the research work seeks to identify and explore deeply and widely in the research area where there are limited data. Mixed methods are end results of pragmatist paradigm that amalgamates both qualitative and

quantitative approaches within different stages of the research process (Tashakkori & Teddlie, 2008). Mixed methods research is a philosophical model of inquiry that combines qualitative and quantitative approach of research so that substantial evidence may be gathered and conceptually knowledge is evidently increased in a way which is more meaningful than either approach could achieve alone (Creswell et al., 2011).

Qualitative research is about the researcher diving deep into a situation and striving to make reasonable thinking about it, this could be during an interview or at organisational meetings. Qualitative researchers carefully examine and take note of any small happenings that will help them to behave and make careful decision about the context and generate inductive idea (Tracy, 2012). Tracy further presents a number of strengths of qualitative research and these includes: qualitative research is the best option for studying contexts that the researcher is more inquisitive about but does not have a valid reason for stepping into that field, qualitative research unfolds inherent issues that can be further studied by using more structured method and it is also suitable for accessing tacit because it creates opportunity for the researcher to hear and witness what people actually do. As Taylor et al., (2015) argue that qualitative research by extension produces a descriptive data from the subjects' own written or verbal words and observable behaviour.

As study by Creswell (2010) postulates that, in qualitative approach the researcher builds larger knowledge claims predominantly based on diverse meanings from the experiences of the individual, historically and socially with the aim of generating a theory or pattern. According to Myers (2012) qualitative research has a broad spectrum of methodological approach which entails other research methods. Social scientists developed the qualitative research method to enable researchers to have critical study in cultural and social scenes. Sources of data for qualitative research are interviews, documents and texts, observation, fieldwork, archives and the researcher's self-reflexivity. Examples of qualitative research include: ethnography, case study and action research.

2.3 Data collection and Method

The data for this research work will be acquired principally from two major sources, specifically primary and secondary sources of data for both the qualitative and quantitative. Multiple methods of data collection will provide better understanding of the thematic area of this work. As Wilson (2010) posits that primary information are acquired by the researcher himself or herself resulting to a wide range of collection instruments, such as interviews, questionnaires and observations without relying on existing data which have experienced some form of

analysis. The primary sources of data for this study will be gathered from both open-ended and closed questions. Forty (40) structured questionnaires will be sent to all the purposively selected respondents in all the cases.

Conducting research qualitatively, researchers rely mostly on these four methods for data collection: direct observation, setting participation, text or documents and material culture analysis and in-depth interview. These four methods of information gathering form the basis of qualitative researchers' inquiry. However, there are other supplementary and specialized methods of collecting data in qualitative research. Some open-ended questions can be administered but these questions should be carefully examined to solicit credible and accurate information, for sequence, for clarity, for bias and face validity (Patton, 1990).

Secondary data is a kind of data which by some reasons has experienced some form of analysis and has indeed gathered by other investigators which could be in any form such as: journals articles, publications, newspaper reports periodicals available case reports and government printed sources (Wilson, 2010). The secondary data for this research work will be collected from journal articles, performance management framework documents from government website, textbooks, policy documents and other relevant published and unpublished research work and another organizational strategic plan.

Content analysis will also be employed by analysing all the publication which are relevant for this research. Quoting Krippendorff (2012) content analysis is "*a research technique for making replicable and valid inferences from data to their context*" (p. 403). According to Patton (1990) the sources for content analysis perhaps may be any form of communication channel, for example: textbook, newspapers, e-mail messages, novels, political speech, music and pictures. As further supported by Bengtsson (2016) content analysis can be considered for all kinds of written text no matter the source of the information and which include: observations of scenes, pictures, focus group interview and interview.

2.4 Population and Sample size

Wilson (2010) explains population as the entirety of cases from which a sample is drawn. Public sector reforms in most countries mandates local government organisation to institute public sector departments from which its existence is backed by the legal framework of the country. Public sector departments / offices across the world may include: finance and budget, transport, administration and planning, waste management, agriculture, urban development etc. In view

of that, the population will be the entire department heads / middle managers that will be selected from the cases that will be chosen for the study.

The sample size is a critical component of any research study and the researcher should choose a sample size based on the information needed in order to substantially and confidently answer questions that help to achieve the purpose and objectives of the study (Krippendorff, 2012). The sample size determines the extent or the degree to which the researcher can confidently make factual inferences. The sample size provides the researcher with a well-defined theoretical population; therefore, the decision of the sample size is equally critical as the decision of sampling techniques because it sets the stage for the sampling techniques (Miller & Yang, 2007). Therefore, the sample size for this study will be forty (40) heads of departments / middle managers from each of the three countries. In all, one hundred and twenty (120) respondents will be selected.

2.5 Sampling technique

This study will adopt the purposive sampling technique in sampling the head of departments / middle managers, because they are with first-hand information, the required knowledge and rich experience about the concept of the study. Purposive sampling technique is an intentional selection of a subject with first-hand information and rich experience that suit the case under study (Etikan et al., 2016). The purposive sampling technique is a non-probability sampling technique which most researchers referred to as selective or subjective sampling. The main aim of this technique is to focus on familiarity of the population under study which will best assist to achieve the aims of the research work.

2.6 Case Selection and case binding

According to Thomas & Magilvy (2011) this section does not refer to a sample of population, but particularly refers to cases drawn from one. It rather focuses on selecting and concentrating on one, two or few cases, without any expectation that it represents a larger population. This research will be a multiple-case study. Researchers often use a multiple-case study in order to explore the differences between the chosen cases, Comparisons will be made, and the goal is the replication of findings across cases. In a multiple-case study each case should be carefully chosen so that similar results can be predicted across cases, or contrasting results can be predicted (Yin, 2017). According to Baxter & Jack (2008) case study is a research method that helps in investigating social, cultural and historical phenomena in a normal setting using various sources of information. As Yin (2009) argues that a case study method is more appropriate

when the research is concentrated on finding answers to “How” and “Why” questions. A case study method further guides the researcher to have better explanations for the process and outcome of the situation under study by observing and analysing the case (Tellis, 1997).

The issue of performance measurement has become an important topic in the public sector because nowadays governments across the globe allocate large portion of the state’s budget for public sector management. In view of this, public sector organisation such as the local government organisations (LGOs) which has vital role to play in the lives of citizens, it provides services that affect all citizens by providing the basic needs of the people. The local government as a public sector is known for enhancing development and delivery of quality service to the citizens (Buccus et al., 2007). For the past decades the performance of local government has been receiving much attention by researchers and performance measurement system has become necessity but not luxury for the local government modernisation.

Authorities of local government have identified performance measurement as important management tool because it ensures accountability, efficiency, effectiveness and responsiveness in the organisation (Thuy & Dalrymple, 1999). Governments, citizens and other civil society organisations demand accountability from the local government organisations with more emphasis on value for money, and this has compelled the local government authorities to provide performance information to citizenry (Brusca & Montesinos, 2016). Moreover, studies show that public sector organisations have really embraced the use of performance measurement system to enhance effectiveness and efficiency in service delivery and the local government organisation is where performance measurement is mostly applied.

Therefore, LGOs will be selected for the case study from the countries that will be chosen based on the analysis of this research work and to identify the current challenges being faced by these organisations. The analyses will be carried out by sending carefully examined open-ended questions to the selected local government organisations. In addition to this, the analysis will be conducted by analysing strategic management plans, books, publications for journals, corporate plans and websites; to characterize the kind of performance measurement and performance management system being used by such local governments, identify the current challenges encountered by these local governments in the designing phase and implementation phase of the performance measurement system and propose recommendation for overcoming the identified challenges. Based on the analysis, the countries that will be chosen for the study will be countries with a long history in terms of performance measurement and where performance management and measurement system are predominantly used.

2.7 Research Limitations

Qualitative research is heavily criticized because it focuses on relatively small population or case numbers, therefore, the key findings emanating from the study will provide insufficient evidence that are not testable for generalisation to larger populations (Yin, 2009). Most researchers agreed that case studies are obviously generalizable to theoretical prepositions and its generalisation is carefully used in a narrow manner in qualitative studies, since the inherent motive behind this kind of research is not to generalise the key findings, populations, or settings outside the scope of the study (Green et al, 2007).

Also, this thesis deployed survey questionnaires to obtain responses from the respondents, this rendered the researcher passive participant and remained absent. Conducting such kind of research work using interviews could help the researcher to further probe participant to obtain richer and first-hand information. The other limitation of this thesis was the combination of methods.

Notwithstanding with this, and having noted the shortfalls of this methodology, the data validity and credibility were enhanced by collecting data from multiple and credible sources in which the views of the respondents were solicited, peer-reviewed research articles and journals were used to access data and the official websites of the cases under study. Research reliability on the other side, answers the question if the data collection methods will produce reliable or constant results, or if there is transparency in the way the primary data was analysed, and similar observations or results can be conducted by other researchers. To address this, the data collected was coded by using Statistical Package for the Social Sciences (SPSS).

2.8 Disposition of the study

The figure below shows the overview of the study, how this research has been structured and it indicates how the different parts are connected and their functions.

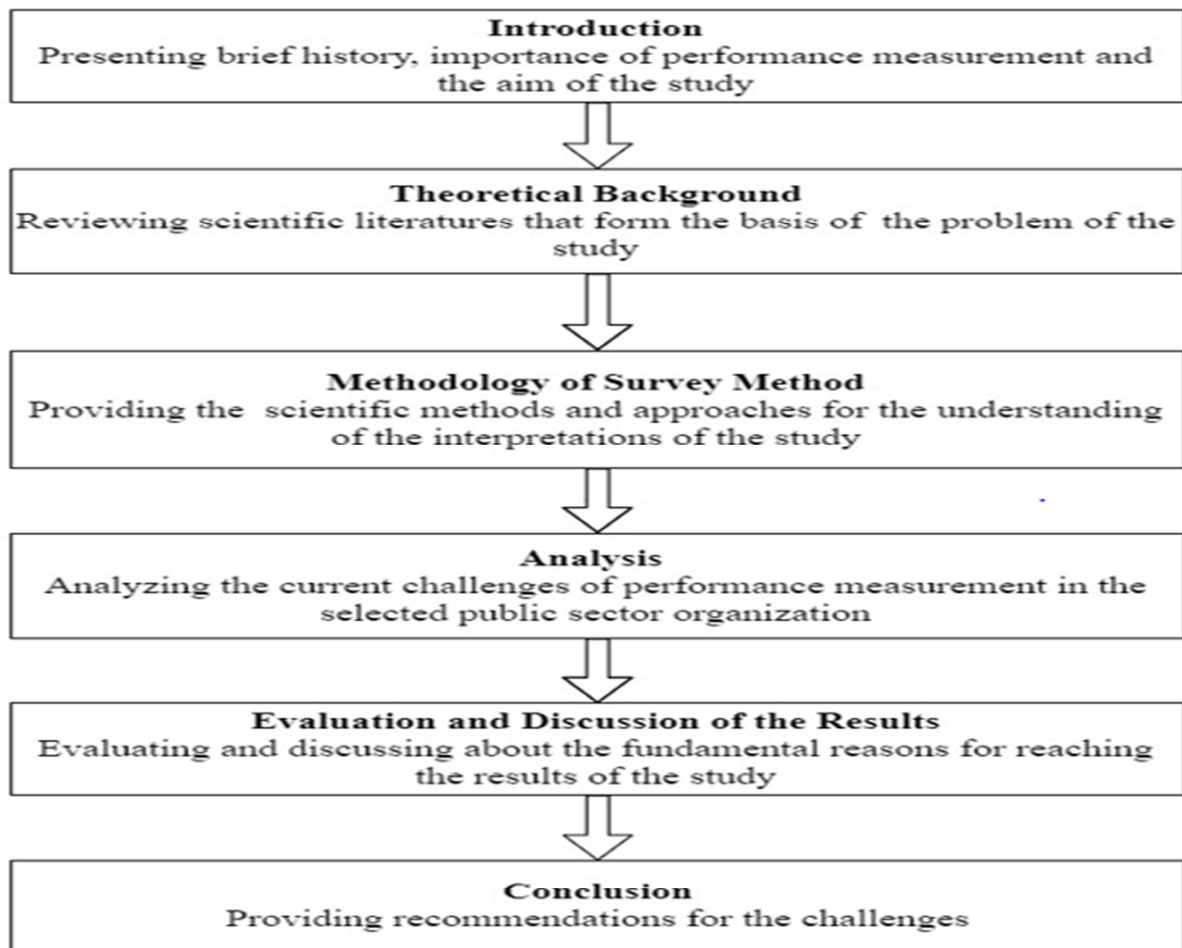


Figure 3: Overview disposition

Source: Own compilation

3. CHARACTERISATION OF THE CHALLENGES OF PERFORMANCE MEASUREMENT IN THE LOCAL GOVERNMENT ORGANISATIONS

The NPM has exposed the deficiencies in the public sector performance and this has led to major reforms in governments in both developed and developing countries around the world. A study by Walker et al. (2010) the NPM has inherent agenda for transforming the public sector organisations into more business-like and market with more focused on management practices and organizational strategies that result to improving the performance of the public sector organisations. Therefore, performance measurement is the effective and efficient means to make governments perform better and spend less.

Holzer et al., (2009) posit that local government organisations around the world currently increasing the frequency of the use of performance measurement system to improve efficiency, effectiveness and outcome. The National Performance Management Advisory Commission (2010) argues that performance measurement practices and principles provide local government municipalities the space to provide credible and unambiguous performance information to the public, so that the people can assess the performance of their municipality which essentially provides critical and basic services. A study by Bracegirdle (2003) presents three main objectives of performance measurement in the local government which include: to help determine municipal expenditures, improves performance of municipal services and programmes and to provide accountability to the citizens.

The local government organisations have been chosen from the three selected countries because evidence from scholarly literatures establish that, though public sector organisations such as the health sectors have adopted performance measurement system. Nevertheless, significant number of researches prove that the local government sector is one of the first public sectors to adopt and implement performance measurement in the 1970s (Hatry, et al., 1977). The local government is where the performance measurement system is frequently used, and this research tends to identify the current challenges being faced by these local government organisations in their quest in measuring their performance.

Continental, in Europe; Netherlands has a track record of being a pioneer in terms of performance measurement for municipalities (Haselbekke, 1995). The Dutch government is worldly known to be endowed with the strongest performance measurement practices. With the inception of NPM in the 1970s and by 1980 local government such as Tilburg and several others in the Netherlands had extensively engaged in measurement-based modifications and within a

limited space of time in the 1990s major reforms at the national level of governance had taken place (Van Doreen et al., 2010).

Notwithstanding with this, extensively UK and Australia have witnessed a rapid change in performance measurement (Pollitt & Boukaert, 2004). A study by Breul & Kamensky report that performance measurement currently is not in its early stage in both national governments and local government organisations in United States (U.S) and some other European countries like United Kingdom and the Netherlands. In the United Kingdom the Financial Management Initiative of 1982 and the Citizen's Charters of 1991 have been launched with the sole aim of improving public sector management and invariably such improvements ought to be measured (Eden & Hyndman, 1999). According to Hood & Jackson (1991) the United Kingdom (UK) is recognized as the first country that used the slogan NPM as a description of the approaches that were developed in the 1980 as a prescription to change the complexion of the public service to improve public sector services to the people by adopting private sector management models and to further make public sector services to become more "business like". Therefore, in Europe; the United Kingdom is in the limelight when we are referring to performance measurement system.

In the United States and Australia, the trend of performance measurement is rising, and it is compulsory in some regions and states to publicly publish performance information. In these countries, performance reporting is compulsory item on the agenda of local government reforms. For example, in Australia; local government has credibly done substantial work in the development of its performance indicator framework (Brusca & Montesinos, 2016). Again, in the United States local governments effectively commenced the utilization of performance measurement system as far back in 1970s, and municipalities with exemplary performance measurement initiatives includes: Portland City, New York City, Phoenix, Palo and Charlotte. The New York City perhaps will be the first to adopt and implement performance reporting process that incorporated outcome information. Many municipalities in the United States are highly committed with the use of performance measurement (Poister & Streib, 1999; Hatry, 2014). The approach of comparing performance indicators seems to be prevalent in U.S, Australia and U.K (Isoraite, 2005).

Though, it is obvious that Netherlands is one of the countries that cannot be easily lost in the minds of scholars in the arena of performance measurement. But literature also proves that the United States, Australia and the United Kingdom are among the giants in the field of performance measurement system. Therefore, the analysis will be conducted in the United

States, Australia and United Kingdom. These countries have been selected because geographically, they have different performance measurement setting and different kinds of public sector organisations, which will allow cross-country case analysis. Eisenhardt (1989) suggests that in choosing a case, it is important to select cases that perhaps will produce new trend of study phenomenon, so often successful and unsuccessful or extreme cases are chosen.

3.1 Major Cities selected in United Kingdom (Wales), Australia and United States

Performance measurement and management systems provide both larger and small cities the appropriate tools to ensure that cities make informed programmes and process improvements, to expend the scarce budget resources more judiciously and to provide the citizens with quality services (Robbins & McFarland, 2015). Larger cities use performance management system to prioritise the needs of the community. A study by Poister & Streib (1999) reports that larger cities are more likely to adopt and use performance management and measurement systems.

For the purpose of this research work, the major cities were selected randomly and based on the size of populations from all the three cases (United Kingdom, Australia and United States). In the United Kingdom (Wales); out of twenty-two county or cities, ten (10) major cities were selected, eleven (11) larger cities were chosen from United States and all the eight (8) cities were selected from Australia. These larger cities with high population were selected because of the availability of data on performance measurement and their level of adoption and usage of performance management and measurement systems (Streib & Poister, 2002). Therefore, responses from these selected cities will provide the true picture of the current challenges of performance measurement in the public sector.

Table 2: Major Cities/Urban areas in UK (Wales)

S/N	Cities/Urban Areas	Populations	Population Density	Total Area
1	Cardiff	464,201	4,536/km ²	102 km ²
2	Newport	312,067	3,705/km ²	84.2 km ²
3	Swansea	306,449	3,500/km ²	87.5 km ²
4	Wexham	66,704	3,842/km ²	17.4 km ²
5	Buckley	64,890	3,044/km ²	21.3 km ²
6	Tonypandy	62,593	4,909/km ²	12.8 km ²
7	Bridgend	60,497	3,101/km ²	19.5 km ²
8	Barry	55,988	3,935/km ²	14.2 km ²
9	Llanelli	50,188	3,328/km ²	15.1 km ²
10	Rhyl	46,904	3,636/km ²	12.9 km ²

Source: <http://www.citypopulation.de/UK-WalesUA.html>

Table 3: Local cities in Australia

S/N	Cities	Population	Population Density	Total Area
1	New South Wales	7,780,000	10/km ²	800,642 km ²
2	Victoria	6,150,000	28/km ²	227,416 km ²
3	Queensland	4,900,000	2.50/km ²	1,730,648 km ²
4	West Australia	2,640,000	0.89/ km ²	2,529,875 km ²
5	South Australia	1,710,000	1.62/km ²	983,482 km ²
6	Tasmania	511,166	7.7/km ²	68,401 km ²
7	Australia Capital Territory	406,692	174.49/km ²	2,358 km ²
8	North Territory	244,500	0.16/km ²	1,349,129 km ²

Source: www.abs.gov.au

Table 4: Selected major cities in USA

S/N	Cities	Population	Population Density	Total Area
1	New York	8,580,015	11,029/km ²	1,213/km ²
2	Los Angeles	4,030,668	3,321/km	1,302/km ²
3	Chicago	2,687,682	4,565/km ²	606/km ²
4	Houston	2,340,814	1,420/km ²	1,625 km ²
5	Phoenix	1,679,243	1,252/km ²	1,341/km ²
6	Philadelphia	1,573,688	4,528/km ²	370/km ²
7	San Antonio	1,541,456	1,291/km ²	1,209/km ²
8	San Diego	1,438,060	1,710/km ²	965/km ²
9	Dallas	1,359,133	1,544/km ²	999/km ²
10	San Jose	1,030,796	2,242/km ²	466/km ²
11	Portland	658,347	1,905/km ²	376/km ²

Source: <https://www.census.gov/data/tables/2016/demo/pepest/total-cities-and-towns.html>

4. CASE STUDY ANALYSIS OF PERFORMANCE MEASUREMENT SYSTEM

4.1 Bridgend County Borough Council (UK)

Politically, United Kingdom is made up of four administrative countries which comprise: England, Wales, Scotland and North Ireland. However, for the purpose of this research work Wales will be chosen as the country where the research will be conducted.

Bridgend county is not an exception from all other local authorities in the United Kingdom. The Bridgend county Borough Council is also facing unprecedented challenges in improving the lives of citizen. This challenge has called for the need to “*work together with partners and citizen to improve lives in the county borough*”. In realizing the vision and mission of the county, the authorities have outlined and focusing on six clear corporate priorities with a vision “*Working together to improve lives*”. The Bridgend county has chosen the following as the guiding principles that every elected member as a frontline employee must observe.

- ✓ *Fair-taking into account everyone’s needs and situation*
- ✓ *Ambitious-always trying to improve what we do and aiming for excellence*
- ✓ *Citizen-focused remembering that we are here to serve our local communities*
- ✓ *Efficient-delivering services that are value for money*

For the vision and goals to be achieved, the Bridgend county borough council launched a new Performance Management Framework in December 2013. This performance management framework has been designed to involve every personnel in charge of delivering services to the citizens. This performance management framework clearly identifies responsibilities and accountability for each stage. The framework has been introduced to ensure value for money, increase public satisfaction, accountability and improve services and outcomes for the citizens.

The Bridgend county borough council uses the industry-recognised performance management principle cycle of “plan-do-review-revise”. At every stage of the performance management cycle, the council tries to continually achieve its vision and goals to meet the ever-changing needs of the citizens within the available resources and the financial strength of the county. Every year this framework is reviewed to reflect upon the priorities of the county.

Moreover, to achieve the vision and goals of the Bridgend county borough council, the county has adopted best practice in performance management which include:

- ✓ *Performance improvement culture inspired by strong leadership*
- ✓ *Transparent set of standards and values*
- ✓ *Agreed lines of individual accountability*
- ✓ *Real time regular and robust performance data*
- ✓ *Clear performance review, combining challenges and support*

The Bridgend county borough council has developed a corporate plan which is reviewed every year to set out their improvement priorities of the citizens, identifies proactive measures to realise those priorities and outlines indicators to measure their achievement. From the corporate plan, the council uses Key Performance Indicators (KPIs), Benchmarking and council dashboard as the techniques for performance measurement. The Bridgend county borough council's performance management framework of industry-recognised performance management principle cycle of "plan-do-review-revise" is successfully implemented (Nayak & Waterson, 2016).

4.2 Queensland (Australia)

The local government is a level of governance system that is closer to the people and it is one of the organisations that spends the taxpayers' money to deliver services, therefore, the public expects the local government to deliver services that are of value to them. Queensland is the second largest state in Australia with an area of 1,727,000 square Kilometres. Performance management and measurement system is not a new concept in the history of Queensland Local Government. Queensland local government published the first comprehensive comparative report in 1997-98. The Performance Management Framework (PMF) that was published in April 2017 has been designed to improve the analysis and application of performance data to "*support accountability, inform policy development and implementation and create value for customers, stakeholders and the community*". This performance management framework enables agencies/departments to gain a better understanding of whole-of-Government direction and enables these agencies to identify which services need to be delivered to satisfy the needs of the people as important customers, stakeholders and the community.

The performance management framework has an executive legal voice in "*accordance with Section 11 of the Financial and performance Management Standard 2009 (FPMS) which states that: Each accountable officer and statutory body must, in managing the performance of the officer's department or the statutory body, comply with the document called 'Queensland*

Government Performance Management Framework Policy' prepared by the Department of the Premier and Cabinet".

The main purpose of the Queensland's performance management framework is to *provide mechanism to help strengthen public sector accountability, adopting a holistic approach to performance management directed at a whole-of-government, departments and individual level.*

Queensland local government uses performance management framework cycle which focuses on *three key aspects of public sector performance management: planning, measuring and monitoring performance, and public reporting.* Below are the key elements of the performance management framework cycle.

Key elements

- ✓ **Planning** – *at the whole-of-government, ministerial portfolio, agency and individual levels is integral to determining what outcomes are to be achieved for customers, stakeholders and the community.*
- ✓ **Measuring and Monitoring Performance** –*achieved across the whole-of-Government, ministerial portfolio, agency or department and individual levels.*
- ✓ **Public Reporting** – *of the performance of the Queensland Government, in a fair and balanced way, to facilitate accountability.*

Performance information is key to effective performance management and the information needs to be collected and used at all levels in a department to enable stakeholders to understand how well the department, parts of the department and individuals are performing. The performance information should assist to inform decision-making as well as providing a description as to whether the required level of performance has been achieved. It is admissible that, it is almost impossible to have a perfect performance measure by having a perfect: defining measures, setting targets and collecting performance information. Therefore, the draftsmen of the Queensland's performance management framework provide what performance information should depict:

Performance information should be:

- ✓ **focused** on the agency's objectives and services

- ✓ *appropriate* to, and useful for, the stakeholders who are likely to use it
- ✓ *balanced*, giving a picture of what the agency is doing, covering all significant areas of work
- ✓ *robust* in order to withstand organisational changes or individuals leaving
- ✓ *integrated* into the organisation, being part of the agency planning and management processes
- ✓ *cost-effective*, balancing the benefits of the information against the costs.

The Queensland local government uses Key Performance Indicators (KPIs) to show the extent to which the performance outcomes achieved by departments are indeed meeting the goals and objectives in the department's strategic plan. Each department or an agency has one or more relevant and appropriate performance indicators in its strategic plan. From the performance management framework,

The key performance indicator used by the Queensland local government is the benchmarking as a technique for performance measurement which helps to collect performance information to undertake comparison of performance. The three forms of benchmarking as indicated in the performance management framework are:

- ✓ *results benchmarking* – comparing performance within and between organisations using measures of effectiveness and efficiency
- ✓ *process benchmarking* – analysing systems, activities and tasks that turn inputs and outputs into outcomes
- ✓ *setting better practice standards* – establishing goals and standards to which organisations can aspire.

4.3 The City of Portland (USA)

United States practices the federal system of government. The local governments are legally established in accordance with the state's constitutions and statutes. All the states dictate for the establishment of local government and determine the realm of powers of each type of governments. However, the creation of most local government is authorized by states enabling statutes to allow people within an area to establish their own unit of local government when such group of people or citizens deserve to be provided with local services (U.S Advisory Commission on intergovernmental Relations, 1993).

Historically, the City of Portland is known of focusing on performance and results. The City of Portland made tremendous efforts to improve performance as far back as in 1970s. The Management Analysis and Review (MAR) organisation was instituted in 1973 to provide in-depth management reviews of City agencies. Performance measures was first introduced into the city's budget document in 1977 and since then, the City of Portland has explored several performance management systems.

The City of Portland utilizes Performance Management System cycle which focuses on plan, allocate, operate and improve (PAOI) and it was updated in December 2017. The brain behind the creation of this performance management system is to improve customer satisfaction, cost savings, and organisational efficiency and create better results for the public.

The key aspects of the Performance management system are:

- ✓ *plan- define strategy and desired outcomes*
- ✓ *allocate- identify and allocate resource*
- ✓ *operate- define metrics and define target measures, gather and report on data*
- ✓ *improve- analyse results and define improvements and implement improvement.*

This performance management system cycle (PAOI) will enable the City of Portland to objectively answer the following questions posed by the draftsmen of this management framework:

- ✓ *What did we accomplish?*
- ✓ *How effectively did we accomplish it?*
- ✓ *What impact did our accomplishment have on the community?*

Principles of Performance Management

The National Performance Measurement Advisory Committee has seven principles of Performance Management:

- ✓ *A focus on results permeates strategies, processes, organizational culture and decisions.*
- ✓ *Measures, data, and goals are relevant to the priorities and the well-being of the government and community.*
- ✓ *Information relating to performance, decision-making, and processes are transparent.*

- ✓ *Goals, programs, activities, and resources are aligned with priorities and intended results.*
- ✓ *Decision-making is driven by timely, reliable, and meaningful data.*
- ✓ *Performance measurement practices are sustainable over time and through organizational changes.*
- ✓ *Performance measurement can transform an organization, its management, and the policy-making process.*

The Key Performance Indicators (KPIs) used by the City of Portland are outcome indicators of core service delivery that will provide council and bureau managers with the information to guide decision-making. The key performance Indicators (KPIs) of the city should be selective, clearly understandable, results-oriented, useful, reliable and comparable. The performance management system provides the City authorities with data and evidence on which policy makers can base their decisions when preparing policy documents for the City. Therefore, the performance measurement technique used by the City of Portland is the benchmarking, which enable the City to benchmark its performance in terms of service delivery against peer cities and encourage innovation. Again, for the City to be transparent about the outcomes of its programme and services, the City's dashboard is used to inform the community or the people its activities in an ethical manner (portlandoregon.gov).

4.4 Summary of the Key Observations of Performance Management Framework of the three Selected Cases

Performance measurement system has become an effective way of implementing government and corporate or strategic plan. The UK government introduced performance measurement in the 1990s and early 2000s to ensure consistency between national policy, departments and local service delivery (Chenhall, 2005). According to Nyhan & Martin (1999), in USA the public sector performance measurement is greatly linked to several federal and states Acts and regulations. For example, the Government Performance and Results Act (GPRA) of 1993, the National Performance Review (NPR) programme and the introduction of several states and local government benchmarking programmes. The performance measurement in the local government in Australia has been fuelled by several regulations by different states and cities as a quick response to the Competition Principles Agreement of 1994. The rapid pace of performance measurement in Australia can be credited to performance measurement initiatives where local governments are required to publish corporate plans (Worthington & Dollery, 2002).

From the analysis of the documents of Performance Management Framework (PMF) from all the three selected local government organisations, it can be observed that performance measurement and management systems are predominantly used in all these local government organisations. It is obvious that all the local government organisations selected have performance management framework. The Bridgend County Borough has Plan-Do-Review-Revise (PDRR), Queensland local government uses Planning-Measuring and Monitoring performance-public Reporting (PMMR), while Portland city uses Plan-Allocate-Operate and Improve (PAOI).

The name and the process cycle of these PMF from these local governments differ from one another because every Local government organisation uniquely defines its own priorities and objectives, therefore, the kind of PMF is designed and selected according to the objectives and strategies of the organisation. The PMF of these various local governments was published and launched in different years but from the documents all of them have been successfully implemented.

Moreover, observation from the performance management framework of all these local government organisations, the kind of performance measurement systems used are: Key Performance Indicators (KPIs) and Benchmarking. The KPI shows the extent to which the performance outcomes achieved by the various departments are indeed meeting the goals and objectives of the entire local organisation. Also, the KPI of these local government organisations provides managers with the necessary information to guide their decision making, while the benchmarking enables the city to benchmark its performance in terms of service delivery against peer cities and to encourage innovation. Again, for these local governments to be more transparent about the outcomes of its programme and services, the city's dashboard is used to inform the community the city's activities.

In order to clearly understand the Performance Management Framework of the selected cases, the summary is tabulated in Table 5 below.

Table 5: Summary of the Performance Management Framework of the selected countries

S/N		Bridgend County	Queensland LGO	Portland City
1	Vision Aim and Goals of performance Management Framework	Working together to improve lives. Increase public satisfaction, accountability and improve services and outcomes for the citizens	provide mechanism to help strengthen public sector accountability	Improve customer satisfaction, cost savings, and organisational efficiency and create better results for the public.
2	Kind of Performance Management Framework	Plan-Do-Review-Revise (PDRR)	Planning-Measuring and Monitoring performance -public Reporting (PMMR)	Plan-Allocate-Operate and Improve (PAOI)
3	Techniques	Key Performance Indicators (KPIs) and Benchmarking	Key Performance Indicators (KPIs) and Benchmarking	Key Performance Indicators (KPIs) and Benchmarking
4	Best practices	Clear performance review, combining challenges and support, Transparent set of standards and values, Real time regular and robust performance data	Balancing the benefits of the information against the cost focused on the agency's objectives and services	Decision-making is driven by timely, reliable, and meaningful data.

5	Benefits	Ensure value for money to customers	create value for customers, stakeholders and the community	Cost savings, and organisational efficiency
	Year launched	December, 2013	Updated, April 2017	Updated December, 2017
6	Implementation phase	Successfully implemented	Successfully implemented	Successfully implemented

Source: Performance management framework of Bridgend County, Queensland and Portland

5. RESULTS OF PERFORMANCE MEASUREMENT FROM SURVEY QUESTIONS IN THE LOCAL GOVERNMENT ORGANISATION

The study begun with a thorough review of secondary data from credible and multiple sources which were relevant for this work. The primary data was collected for this research work through open-ended and closed survey questionnaire which were carefully prepared to cover and realise the key objectives of the study. The survey questionnaires were sent via email to the respondents. The same questions were sent to all the respondents in the three selected cases namely: Bridgend County (UK), Queensland (Australia) and Portland (USA).

Forty (40) questionnaires were sent to the respective respondents, in all One Hundred and Twenty (120) questionnaires were sent. The following responses were first received: Bridgend County (9), Queensland (7) and Portland (15); therefore, the response rate was low for the first time. In all, this represents Thirty-one (31) out of One Hundred and Twenty (120) or 26% response rate. In view of this, the questionnaires were sent again to them as a reminder but this time the period was extended to two weeks, so the respondents had enough time to respond. There was increased in the response rate than before because this time: Bridgend Count, Twenty-Six (26), Queensland, Twenty-Five (25) and Portland Twenty-Eight (28). In all, this represents Seventy-Nine (79) out of One Hundred and Twenty (120) or 67% response rate. The questionnaires were sent to the respondents between April -June 2018.

The questionnaire (see appendix) had closed questions with pre-coded responses using 5-point Likert Scale and spaces were provided for additional and different responses to obtain respondent's opinion that could not be fully expressed in the closed-ended questions. The data gathered was coded to categorise them into themes and patterns in order to clearly describe and comprehend these themes and patterns. In analysing the responses, the data was organised and reassembled to draw meaningful and relevant conclusions using Statistical Package for the Social Sciences (SPSS). During the data analysis, the data was chronologically and categorically structured so that the results can be compared to the existing facts in the contemporary literatures to understand the key findings and render the results more reliable (Baxter & Jack, 2008).

5.1 The Kind of Performance Measurement and Management System

Performance measurement system is an effective and efficient means of achieving organisational goals. History tells us that the early performance measurement system

introduced in the 90s in UK was to ensure consistency between central government policy and local service delivery. Organisations choose the suitable and convenient model of PMS that best measures and links the objectives and vision of the organisations. Some performance measurement systems were looked at in order to identify the most PMS used. In this case respondents were asked to find out the kind of performance measurement systems they use in their organisation.

Table 6: Performance measurement and performance management systems in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Balanced Scorecard	3	11.5	11.5	11.5
Performance Appraisal	4	15.4	15.4	26.9
Benchmarking	6	23.1	23.1	50.0
Key Performance Indicators	13	50.0	50.0	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As indicated in Table 6 above, the most used performance measurement system is the KPI, half of the respondents 50% responded that KPI is mostly used by the organisation. As 23.1% of the organisation uses benchmark as performance measurement system. Also, 15.4% use performance appraisal as performance measurement system, while three (3) of the respondents representing 11.5% of the respondents indicated that balanced scorecard is used.

Table 7: Performance measurement and performance management systems in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Balanced Scorecard	3	12.0	12.0	12.0
Performance Appraisal	4	16.0	16.0	28.0
Benchmarking	13	52.0	52.0	80.0
Key Performance Indicators	5	20.0	20.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

The results from Table 7 indicates that, the most used PMS is the Benchmarking, as a total of 52% indicated that their organisation uses Benchmark to measure performance. Another five (5) of the respondents responded that Key Performance Indicators is used which represents 20% from the total percentage. As four (4) of the respondents which represents 16% believed that Performance Appraisal is used to measure performance in the organisation, while 12% representing three (3) of the respondents responded that the Balanced Scorecard is used.

Table 8: Performance measurement and performance management systems USA

Response	Frequency	Percent	Valid Percent	Cumulative Percent
Balanced Scorecard	5	17.9	17.9	17.9
Performance Appraisal	5	17.9	17.9	35.7
Benchmarking	6	21.4	21.4	57.1
Key Performance Indicators	12	42.9	42.9	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018

From Table 8, Majority of the respondents which represents 42% of the respondents indicated that Key Performance Indicator (KPI) is used by the organisation. Another six (6) of the respondents, representing 21.4% indicated that Benchmarking is also used. As five (5) of the respondents indicated that the Balanced Scorecard is used which represents 17.9% while another five (5) of the respondents, representing 17.9% indicated that Performance Appraisal is used by the organisation.

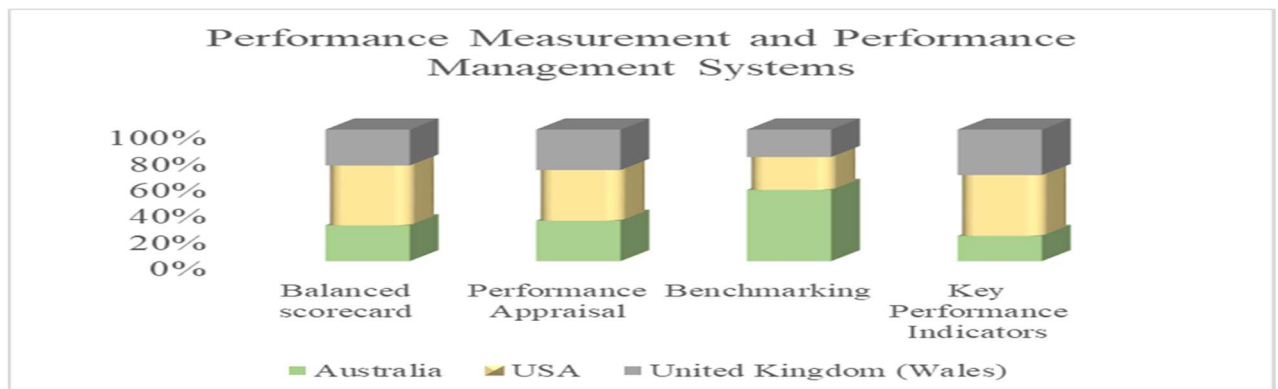


Figure 4: Comparative analysis of performance measurement and management system in the three countries

Source: Based on questionnaire survey, 2018.

As shown in Figure 4, it is indicated that 45% of the respondents in USA reported that the Key Performance Indicators (KPI) is used, while 35% of the respondents in UK also reported that the KPI is used and 20% of the departments in Australia use KPI. This indicates that the KPI is more used in UK and USA. Benchmarking is mostly used in Australia as 55% of the departments use it as PMS. Meanwhile 35% of the respondents in USA reported that the Balanced Scorecard is also used, as 30% for UK and 35% of respondents in Australia reported that the Balanced Scorecard is also used. Again, 35% of the respondents in USA indicated that Performance Appraisal is also used, as 35% for UK and 30% of the respondents in Australia confirmed that the Performance Appraisal is used.

5.2 Challenges associated with the designing of performance measurement system

Table 9: Resistance to change by employees in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	3	11.5	11.5	11.5
Disagree	5	19.2	19.2	30.8
Neutral	9	34.6	34.6	65.4
Agree	6	23.1	23.1	88.5
Strongly Agree	3	11.8	11.5	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the Table 9, it is shown that 23.1% agreed and 11.8% strongly agreed in all a total of 34.9% supported the fact that some employees resist and fail to meaningfully contribute at this stage of the PMS process. A total of 30.7% disagreed that both management and employees do not resist change when adopting and designing the PMS. As indicated in the Table 9 above, 34.6% of the respondents was neutral to the question.

Table 10: Resistance to change by employees in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	1	4.0	4.0	4.0
Disagree	4	16.0	16.0	20.0
Neutral	8	32.0	32.0	52.0
Agree	10	40.0	40.0	92.0
Strongly Agree	2	8.0	8.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As shown in Table 10, respondents that agreed to this opinion were ten (10) as they represent 40% and two (2) other respondents which also represents 8% strongly agreed. A total of 48% supported the question. As eight (8) of the respondents stood on the neutral grounds, they represent 32%. Another total of five (5) respondents disagreed or were not in support of the question which represents 20% of the respondents.

Table 11: Resistance to change by employees in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	1	3.6	3.6	3.6
Neutral	13	46.4	46.4	50.0
Agree	13	46.4	46.4	96.4
Strongly Agree	1	3.6	3.6	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the Table 11, it is indicated that 46.4% agreed while 3.6% of the respondents strongly agreed. In total 50% of the total respondents supported the view that resistance to change by employees poses a challenge in the designing of PMS, while thirteen (13) of the respondents representing 46.4% were neutral. As one (1) respondents representing 3.6% of the total sample size disagreed that resistance of change is not a challenge to the designing of performance measurement system.

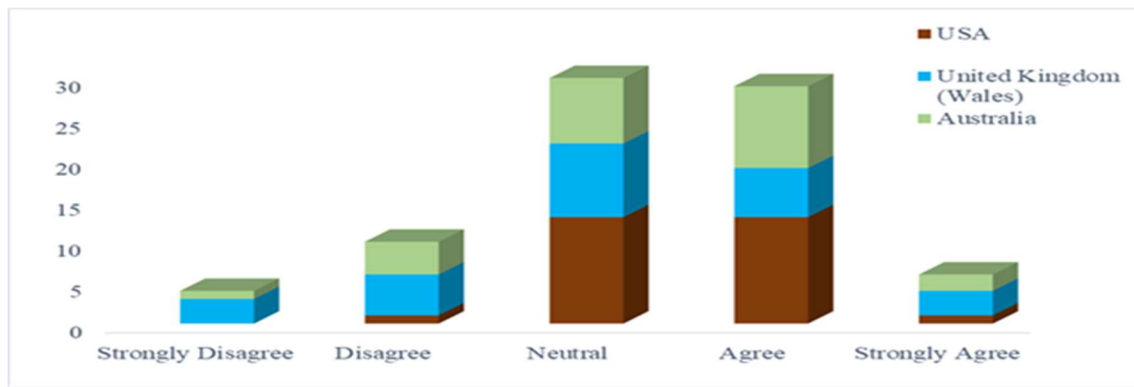


Figure 5: Comparative analysis for resistance to change by employees

Source: Based on questionnaire survey, 2018.

One of the challenges associated with the designing of performance measurement system is resistance to change. As shown in Figure 5, it is indicated that a total of 61.5 % of the respondents from USA supported the question that employees resist change as 44.8% of the respondents agreed and 16.7% strongly agreed. A total of 70.7% of the respondents in UK reported that employees resist change as 20.7% agreed and 50% of the respondents strongly agreed, a total of 67.8% of the respondents in Australia reported that employees resist change as 34.5% agreed and 33.3% strongly agreed. Meanwhile on neutrality 43.3% of respondents in USA were neutral, 26% for UK and 30.7 of the respondents in Australia remained in the neutral position. In USA 10% of the respondents disagreed, as 25% disagreed in UK and 20% were in support of the question.

Table 12: Expensive nature of performance measurement system in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	3	11.5	11.5	11.5
Neutral	2	7.7	7.7	19.2
Agree	9	34.6	34.6	53.8
Strongly Agree	12	46.2	46.2	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

The respondents were asked if designing of PMS is expensive and as indicated in the Table 12, 34.6% agreed that the designing of performance measurement system is expensive and other 46.2% strongly agreed that it is very expensive. This gives a total of 80.8% of the respondents agreed that the designing of performance measurement system is expensive. 11.5% disagreed while 7.7% percent stood neutral to the question.

Table 13: Expensive nature of performance measurement in Australia

Response	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	16.0	16.0	16.0
Agree	5	20.0	20.0	36.0
Strongly Agree	16	64.0	64.0	100.0
Total	25	100.0	100.0	
Total	25	100.0		

Source: Based on questionnaire survey, 2018.

From the survey results as shown in the Table 13 above, 20% of the respondents agreed that it is expensive designing PMS and 64% of the respondents strongly agreed to the question. In all twenty-one (21) from the total sample of the respondents did agree that it is expensive designing PMS which represents 84%. Only four (4) of the respondents representing 16% were neutral, meanwhile none of these respondents disagreed to the question.

Table 14: Expensive nature of performance measurement system in USA

Response	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	3	10.7	10.7	10.7
Agree	11	39.3	39.3	50.0
Strongly Agree	14	50.0	50.0	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

The respondents were asked if the expensive nature of performance measurement system affects the successful design of performance measurement. From the Table 14, eleven (11) of the respondents representing 39.3% agreed and fourteen (14) of the respondents constituting 50% strongly agreed to the question. In total 89.3% of the sample size supported the question that indeed PMS is expensive therefore, it affects the successful design of PMS programme. As three (3) of the respondents which represents 10.7% were neutral. None of the respondent disagreed to the question and accepted the fact that the expensive nature of performance measurement system affects the successful design of the PMS programme.

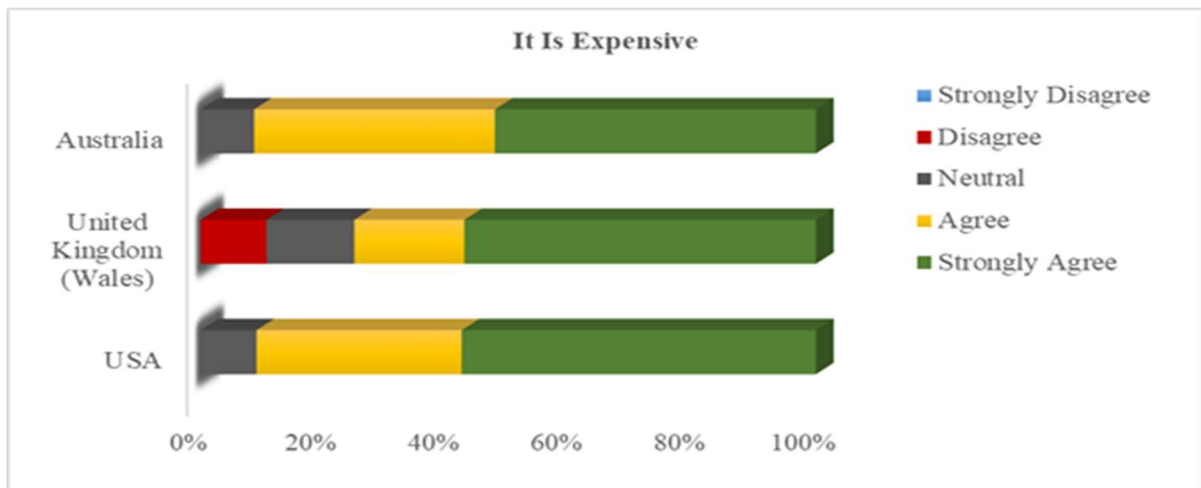


Figure 6: Comparative analysis for expensive nature of designing performance measurement system

Source: Based on questionnaire survey, 2018.

Figure 6 above shows that a total of 78.1% of the respondents in USA supported that PMS is expensive as 44% agreed and 34.1% strongly agreed. In UK a total of 65.3% of the respondents confirmed that PMS is expensive as 36% agreed and 29.3 strongly agreed while, a total of 56.6% of the respondents in Australia supported the question as 20% agreed and 36.6% strongly agreed. Again, in USA 33.3% of the respondents were neutral, as 22.2% in UK and 44.4% of the respondents in Australia were neutral. As it is indicated in the (Figure 6) above none of the respondents from all the three countries strongly disagreed but 7.3% of respondents from UK disagreed.

Table 15: Difficult evaluating intangible resources and outcomes in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	2	7.7	7.7	7.7
Neutral	9	34.6	34.6	42.3
Agree	11	42.3	42.3	84.6
Strongly Agree	4	15.4	15.4	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Respondents were also asked if they find it challenging when planning how to measure and evaluating intangible resources and outcomes in the organisation. From Table 15, it is indicated that 42.3% of the respondents agreed while, 15.4% of these respondents strongly agreed. This means that most of the respondents which represents 57.7% in total agreed that it is difficult in evaluating intangible resources and outcomes. Meanwhile, 34.6% of the respondent were

neutral and 7.7% disagreed, evaluating intangible resources and outcomes is not difficult when designing of performance measurement system.

Table 16: Difficult evaluating intangible resources and outcomes in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	1	4.0	4.0	4.0
Neutral	9	36.0	36.0	40.0
Agree	10	40.0	40.0	80.0
Strongly Agree	5	20.0	20.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As show in Table 16, it is provided that 40% of the respondents agreed and 20% of them strongly agreed to the question. In total, exactly 60% of the respondents agreed and strongly agreed to the fact that indeed evaluating these intangible resources and outcomes is a challenge as it becomes difficult to quantify them. 36% of the respondents remained neutral while, 4% of these respondents disagreed to the question.

Table 17: Difficult evaluating intangible resources and outcomes in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	3	10.7	10.7	10.7
Agree	16	57.1	57.1	67.9
Strongly Agree	9	32.1	32.1	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As indicated in the Table 17, sixteen (16) of the respondents representing 57.1% agreed to the fact that determining how to evaluate intangible resources and outcomes is difficult. As 32.1% of the respondents strongly agreed to the question. This shows that majority of the respondents which 89.2% supported the survey question that evaluating intangible resources and outcome is difficult for managers. Again 10.7% of these respondents were neutral.

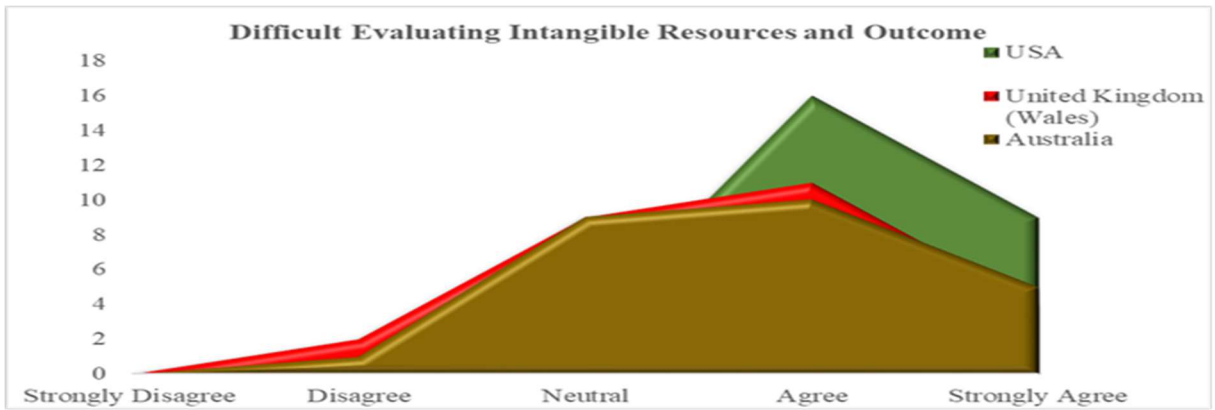


Figure 7: Comparative analysis for difficulty in evaluating intangible resources and outcomes of PMS

Source: Based on questionnaire survey, 2018

As shown in Figure 7, it is indicated that 66.7% of the respondents in UK agreed that it is difficult in evaluating intangible resources and outcomes, as 29.7% agreed and 37% strongly agreed. In USA a total of 93.3% of the respondents supported the question as 43.3% agreed and 50% disagreed, while a total of 54.8% of the respondents in Australia either agreed or strongly agreed as 27.8% agreed and strongly agreed. None of the respondents in USA disagreed while 33.3% in Australia disagreed and 22.2% in UK disagreed. Some of the respondent were neutral as 14.2% in USA and 42.9% for UK and Australia.

Table 18: Low commitment by managers in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	1	3.8	3.8	3.8
Disagree	6	23.1	23.1	26.9
Neutral	5	19.2	19.2	46.2
Agree	9	34.6	34.6	80.8
Strongly Agree	5	19.2	19.2	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the Table 18 above, as indicated 34.6% of the respondents agreed and 19.2% of them strongly agreed, so in all 53.8% from the sample size supported the fact that indeed low commitment by departmental managers poses a challenge to successful designing of performance measurement systems. Contrary, 26.9% were not in support of the fact that low commitment by managers affects the designing of performance measurement system. 19.2% of the respondents were neutral.

Table 19: Low commitment by managers in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	3	12.0	12.0	12.0
Disagree	2	8.0	8.0	20.0
Neutral	7	28.0	28.0	48.0
Agree	10	40.0	40.0	88.0
Strongly Agree	3	12.0	12.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As indicated in Table 19, the responses regarding low commitment by managers as a challenge to successful design of PMS, it is shown that 40% of the respondents agreed while 12% of them strongly agreed. In this case a total of 52% from the total sample believed that low commitment by managers affects the success of PMS design. 28% of the respondents were neutral with regards to this question. Again, 20% were not in support and either disagreed or strongly disagreed to the question.

Table 20: Low commitment by managers in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	2	7.1	7.1	7.1
Disagree	6	21.4	21.4	28.6
Neutral	7	25.0	25.0	53.6
Agree	9	32.1	32.1	85.7
Strongly Agree	4	14.3	14.3	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the data gathered during the field survey as shown in Table 20, obviously 32.1% of the respondents agreed and 14.3% of these respondents strongly agreed. it is realized that a total of thirteen (13) of the respondents which represents 46.7% supported the notion, therefore either agreed or strongly agreed to the question. It is clear indication that 28.5% of these respondents did not support that low commitment of managers affect the successful design of PMS. 7% of the respondents representing 25% were neutral to the question.

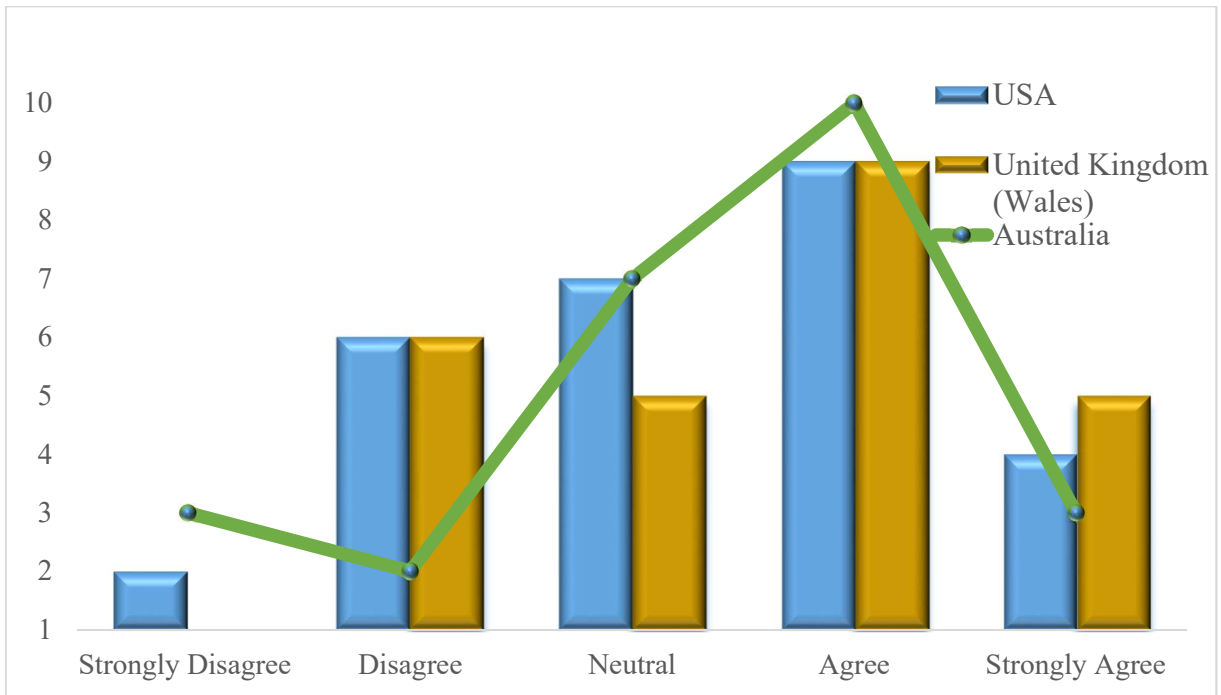


Figure 8: Comparative analysis for low commitment by managers

Source: Based on questionnaire survey, 2018.

As indicated in Figure 8, a total of 70% of the respondents in USA supported that low commitment by managers affects implementation of PMS as 37% agreed and 33% strongly disagreed. In UK a total of 74% of the respondents agreed and strongly agreed as 37% agreed and 42% strongly agreed while, a total of 62% of the respondents in Australia supported that low commitment by managers adversely affect PMS as 37% agreed and 25% strongly agreed. However, some of the respondents disagreed to the question as 16% in UK, 43% in Australia and 33.3% in USA. Again, in USA and Australia 37% of the respondents from these countries were neutral, as 27% of the respondents from UK were neutral.

5.3 Challenges associated with the implementation of performance measurement system

Public sector organisations are non-profit organisations and these organisations are controlled and funded from the state budget. Public sector organisations are in the business world just to deliver public goods but not to maximize profit like their counterpart in the private sector where their main aim is profit maximisation. In view of this, public sector organisations suffer from financial illness.

Table 21: Financial resources in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	3	11.5	11.5	11.5
Neutral	1	3.8	3.8	15.4
Agree	12	46.2	46.2	61.5
Strongly Agree	10	38.5	38.5	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Respondents were asked if financial resource is a challenge to the organisation when implementing PMS. From Table 21, it is shown that 46.2% agreed while 38.5% strongly agreed so it means that in total 84.7% supported that finance resource becomes a challenge to the organisation when implementing PMS. From the results of the survey, 11.5% of these respondents disagreed. while only 3.8% were in a middle position as they were neutral to questions.

Table 22: Financial resources in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	5	20.0	20.0	20.0
Agree	5	20.0	20.0	40.0
Strongly Agree	15	60.0	60.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As shown in Table 22 above, 20% of the respondents agreed and 60% of them strongly agreed that financial resource is one of the challenges when implementing PMS. A total of 80% indicated that financial resource is a challenge to the organisation during the implementation stage of PMS. Other 20% of the respondents were neutral. Meanwhile, none of the respondent disagreed to the fact that financial resource is not a challenge to the implementation of the performance measurement system within the organisation.

Table 23: Financial resource in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	2	7.1	7.1	7.1
Agree	15	53.6	53.6	60.7
Strongly Agree	11	39.3	39.3	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the Table 23, it is indicated that 53.6% of the respondents agreed while 39.3% strongly agreed that financial resource is one of the challenges during the implementation stage of PMS. A total of 26 of the respondents which represents 92.9% total sample size supported it. Only two (2) of the respondents which represents 7.1% was neutral to the question. None of the respondents disagreed or strongly disagreed that financial resources are not a challenge in implementing performance measurement system.

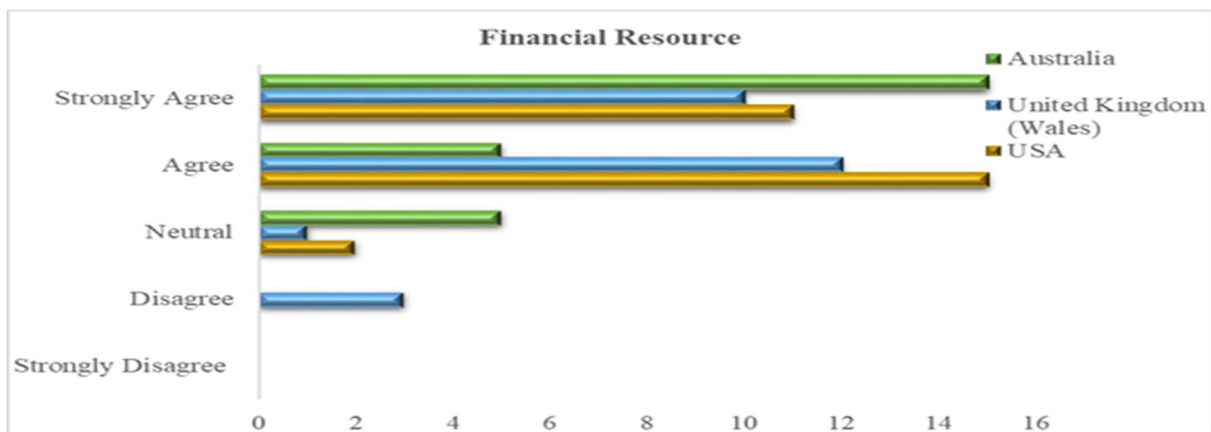


Figure 9: Comparative analysis for financial resources

Source: Based on questionnaire survey, 2018.

One of the challenges associated with the designing of performance measurement system is financial resource, as shown in Figure 9 above a total of 77.5% of the respondents in USA supported that financial resources is a challenge in designing PMS, as 46.9% agreed and 30.6% strongly agreed. In UK a total of 65.3% of the respondents supported as 37.4% agreed and 27.8% strongly agreed while in Australia a total of 57.3% of the respondents also supported the question as 41.7% agreed and 15.6% strongly agreed. Some of the respondents were neutral as 25% for USA, 12.5% for UK and most of them from Australia. Meanwhile, none of the respondents strongly disagreed but only 5.6% of respondents from UK disagreed.

Table 24: Manipulation of performance results by managers in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	3	11.5	11.5	11.5
Disagree	4	15.4	15.4	26.9
Neutral	10	38.5	38.5	65.4
Agree	6	23.1	23.1	88.5
Strongly Agree	3	11.5	11.5	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the Table 24, it is shown 23.1% of the respondents agreed and 11.5% strongly agreed, therefore in total 34.6% of the respondents either agreed and strongly agreed that manipulation of PM results affects the implementation of the performance measurement system where the results will not be a true reflection of the whole process. A total of 26.9% did not support the motion and disagreed that manipulation of results of PMS by managers is a challenge to the organisation. Some of the respondents representing 38.5% were in the middle position and stood neutral to the question.

Table 25: Manipulation of performance results in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	1	4.0	4.0	4.0
Disagree	4	16.0	16.0	20.0
Neutral	4	16.0	16.0	36.0
Agree	13	52.0	52.0	88.0
Strongly Agree	3	12.0	12.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

The respondents were also asked if manipulation of results is a challenge during the implementation stage of the PMS process. As shown in Table 25 as 52% of the respondents did agree and 12% strongly agreed that manipulation of performance results affect PMS. A total of 64% of the respondents confirmed that truly manipulation of PM results affects the successful implementation of the PMS. As 20% of the respondents did disagree or strongly disagree and

only 16% of the respondents indicated that they neither disagree or agreed therefore they were neutral about the survey question.

Table 26: Manipulation of performance results by managers in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	2	7.1	7.1	7.1
Disagree	2	7.1	7.1	14.3
Neutral	6	21.4	21.4	35.7
Agree	17	60.7	60.7	96.4
Strongly Agree	1	3.6	3.6	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Table 26 provided that seventeen (17) of the respondents representing 60.7% agreed and one (1) of the respondent which represents 3.6% strongly agreed so the respondents who agreed and strongly agreed constituted a total of 64.3%. Also, six (6) of the respondents representing 21.4% were neutral to the question. A total of 14.2% of the respondents were not in support of the question, therefore, they either disagreed or strongly disagreed

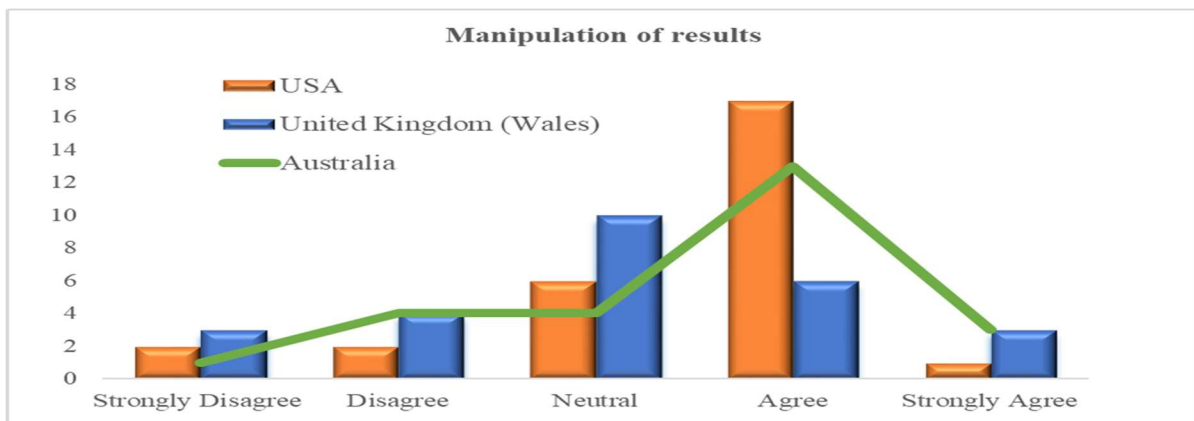


Figure 10: Comparative analysis of manipulation of performance results by managers

Source: Based on questionnaire survey, 2018.

As indicated in Figure 10 above, a total of 81% of the respondents in USA reported that manipulation of performance results is a challenge as 50% agreed and 31% strongly agreed. A total of 63.3% of respondents in UK supported the question as 35.3% agreed and 28% strongly agreed, while a total 56.7% of the respondents in Australia agreed as 14.7% agreed and 42% strongly agreed. 20% and 30% of the respondents were neutral in Australia and USA

respectively and 33% and 17% disagreed in USA and Australia respectively as 40% of respondents disagreed in UK.

Table 27: Cost of training of employees in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	3	11.5	11.5	11.5
Agree	10	38.5	38.5	50.0
Strongly Agree	13	50.0	50.0	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From the Table 27 above, it is indicated that 38.5% of the total sample size of the respondents agreed and 50% strongly agreed which means that a total of 88.5% of the respondents supported the fact that training of employees is a great challenge at implementation stage of the PMS process while, 11.5% of the respondents as indicated in the table were neutral. None of the respondents disagreed that, training of employees was not a challenge in the implementation of performance measurement system which means all the respondents either agreed or strongly agreed that training of employee poses a challenge in the implementation of performance measurement.

Table 28: Cost of training of employees in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	3	12.0	12.0	12.0
Agree	15	60.0	60.0	72.0
Strongly Agree	7	28.0	28.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Training of employees has become one of the challenges related to the implementation of performance measurement system therefore, the respondents were asked to find out if it is indeed a challenge to PMS. As shown in Table 28 above, fifteen (15) of the respondents which represents 60% agreed while seven (7) of these respondents representing 28% strongly agreed. A total of 88% of the respondents agreed or strongly agreed. While only 12% of the respondents remained neutral. There is no doubt that none of the respondents did not disagree or strongly disagreed to this question.

Table 29: Cost of training of employees in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	14.3	14.3	14.3
Agree	15	53.6	53.6	67.9
Strongly Agree	9	32.1	32.1	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Training of employee to understand the nature and use of performance measurement system is costly and time consuming. Therefore, the respondents were asked if training of employees to understand the nature and use of PMS is a challenge to them. From Table 29, it is indicated that 53.6% of the respondents agreed and 32.1% strongly agreed, therefore, a total of 24 of the respondents which represents 85.7% confirmed that training of employees is a challenge. Meanwhile, four (4) of these respondents were neutral to this same question which represents 14.3% of the total sample size and none of the respondents did not disagree or strongly disagreed

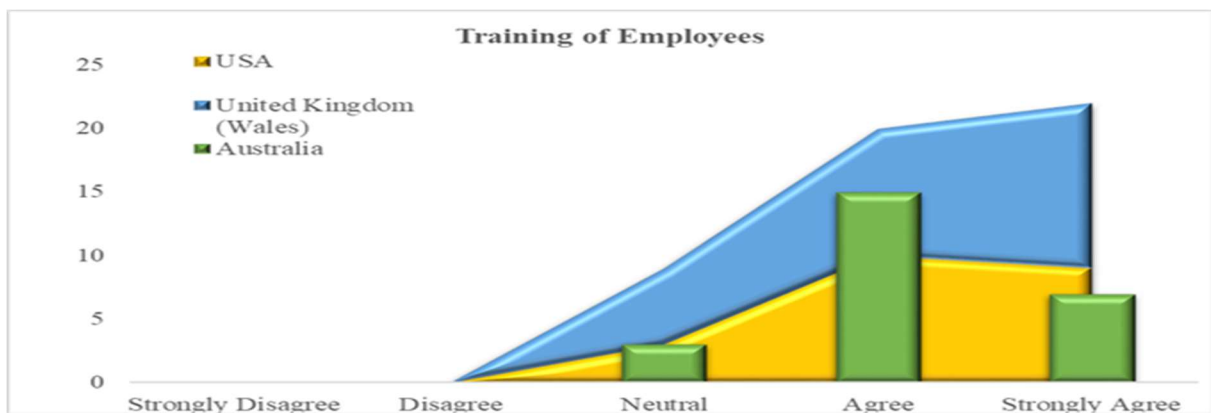


Figure 11: Comparative analysis of the cost of training employees

Source: Based on questionnaire survey, 2018.

From Figure 11 above, a total 56% of the respondents in USA supported the question that training of employee is a challenge implementing PMS as 25% agreed and 31% strongly disagreed. In UK a total of 80% of the respondents supported as 35% agreed and 45% strongly disagreed while, a total of 84.8% of the respondents in Australia as 42.8% agreed and 42% strongly agreed. None of the respondents from all USA, UK and Australia disagreed or strongly disagreed. Meanwhile, some of the respondents were neutral with respect to this question.

Table 30: Bureaucratic process in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	1	3.8	3.8	3.8
Neutral	4	15.4	15.4	19.2
Agree	16	61.5	61.5	80.8
Strongly Agree	5	19.2	19.2	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As shown in Table 30, it is provided that sixteen (16) of the respondents representing 61.5% agreed and five (5) of the respondent representing 19.2% strongly agreed so the respondents who agreed and strongly agreed which means that a total of 80.7% of the respondents supported the fact that bureaucratic process becomes a challenge when implementing PMS. As 15.4% of these respondents were in neutral to the question. Only 3.8% disagreed that bureaucratic process is a challenge in the implementation of performance measurement system.

Table 31: Bureaucratic process in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	1	4.0	4.0	4.0
Neutral	5	20.0	20.0	24.0
Agree	14	56.0	56.0	80.0
Strongly Agree	5	20.0	20.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As it is shown in Table 31, it is indicated that 56% of the respondents agreed and 20% of them strongly agreed. In all 76% of the respondents supported the question and they were of the view that bureaucratic process within the organisation is a challenge to smooth implementation of PMS. Some of the respondents representing 20% were neutral, they neither agreed or disagreed to the question. But 4% were of opinion that bureaucratic process within the organisation does not really affect the implementation of PMS.

Table 32: Bureaucratic process in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	14.3	14.3	14.3
Agree	22	78.6	78.6	92.9
Strongly Agree	2	7.1	7.1	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As shown in the Table 32 above, most of the respondents which represents 85.7% supported that the bureaucratic process is a challenge during the implementation stage of the process. The break down is twenty-two (22) of the respondents agreed representing 78.6% while two (2) of these respondents which represents 7.1% strongly agreed. But four (4) of these respondents were neutral to the question while none of the respondents neither disagreed nor strongly disagreed.

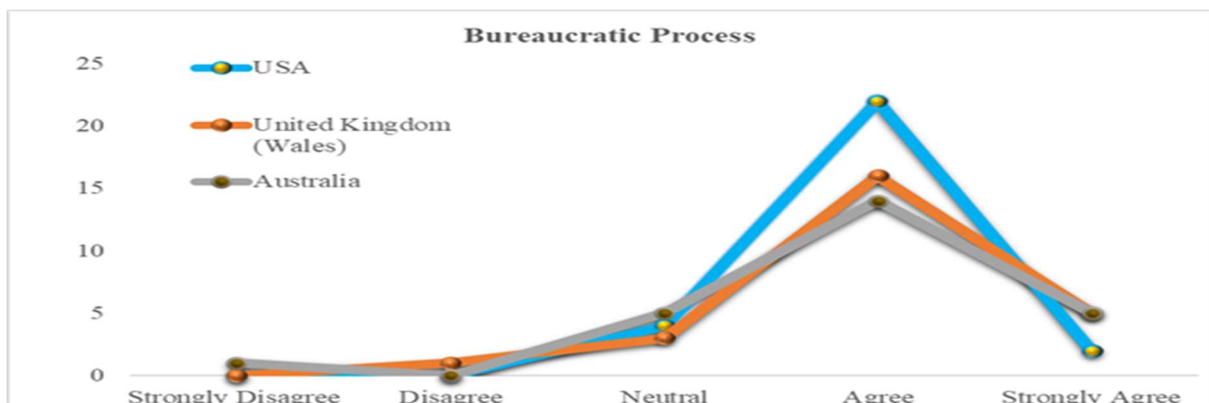


Figure 12: Comparative analysis for bureaucratic process

Source: Based on questionnaire survey, 2018.

As indicated in Figure 12 above, a total of 54.1% of the respondents in USA supported that traditional bureaucratic process affect the implementation of PMS, as 37.5% agreed and 16.6% disagreed. As 75% of the respondents in UK either agreed or strongly agreed as 33.3% agreed and 41.7% strongly agreed, while a total 70.9% of the respondents in Australia supported as 29.2% agreed and 41.7% strongly agreed. 33.3% and 25% of the respondents were neutral in USA and UK respectively and 41.7% were neutral in Australia. None of the respondents in USA disagreed but both UK and Australia had 1.9% of the respondents disagreed to the question.

5.4 Successful Design and Implementation of Performance Measurement System

Performance measurement is systematic method of collecting, analysing, interpreting and reporting the necessary information of organisation, group, system, an individual and other component of the organisation with the aim of improving the entire practices of the organisation (Upadhavya et. al., 2014). Performance measurement system in the private sector organisations has been acknowledged to be more successful than adopting and implementing it in the public sector organisation. This is as a result of some specifics of the public sector which clearly make the public sector different from the private sector organisation. The design and the implementation of PMS in the public sector organisation have been confronted with several challenges and in the mist of all these challenges, the survey question sought to find out if the design and implementation of PMS have been successful.

Table 33: Successful design and implementation of performance measurement system in UK

Response	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	15.4	15.4	15.4
Agree	12	46.2	46.2	61.5
Strongly Agree	10	38.5	38.5	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As shown in the Table 33, it is indicated that most 46.2% of the respondents agreed and 38.5% of them strongly agreed to the question so a total of 84.7% of the respondents reported that the design and the implementation of PMS have been successful. As 15.4% of the respondents were not certain whether PMS has been successfully designed and implemented as result of that they were neutral to the question.

Table 34: Successful design and implementation of performance measurement system in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	16.0	16.0	16.0
Agree	8	32.0	32.0	48.0
Strongly Agree	13	52.0	52.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From Table 34 above, the responses indicated that the performance measurement and management system have been designed and implemented successfully as eight (8) of the respondents which represents 32% agreed and thirteen (13) of them representing 52% strongly agreed which makes a total of 84% of the respondents believed that performance management and measurement systems have been successfully designed and implemented. Only four (4) of the respondents representing 16% of the respondents were neutral to the question.

Table 35: Successful design and implementation of performance measurement system in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	14	50.0	50.0	50.0
Strongly Agree	14	50.0	50.0	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

The survey question included if performance measurement system has been successfully designed and implemented. As indicated in Table 35 all the respondents which represents 100% of the sample size reported that PMS has been successfully designed and implemented. As fourteen (14) of the respondents which represent 50% agreed and fourteen (14) representing 50% of the respondents strongly agreed.

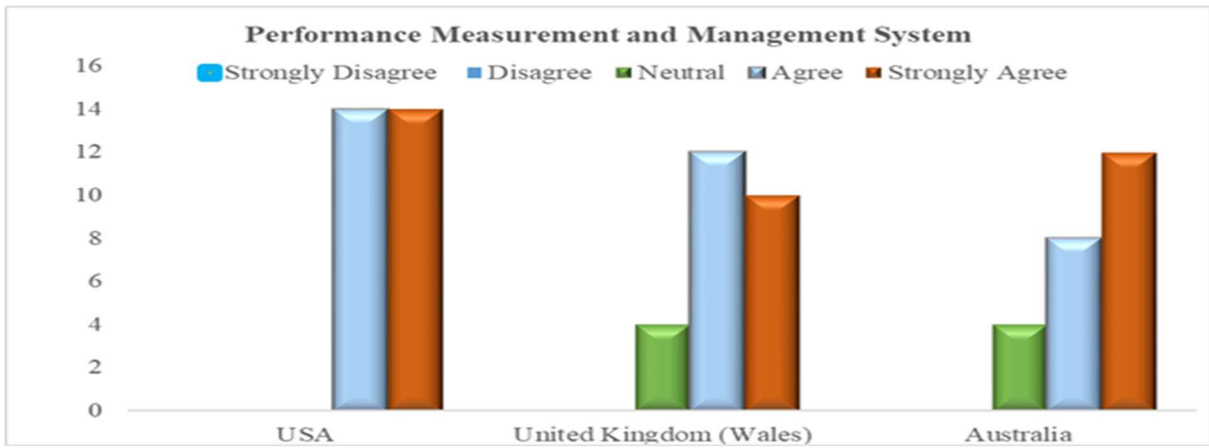


Figure 13: Comparative analysis of successful design and implementation of PMS

Source: Based on questionnaire survey, 2018.

As indicated in Figure 13, The respondents were asked if performance measurement system has been successfully designed and implemented in these countries. As a total of 80.1% of the respondents in USA admitted that PMS has been successfully designed and implemented as 41.2% agreed and 38.9% strongly agreed. Again, a total of 63.1% of the respondents in UK reported that PMS has been successful as 35.3% agreed and 27.8% strongly agreed while, a total of 56.8% of the respondents in Australia supported that PMS has been successful as 23.5% agreed and 33.3% strongly agreed. None of the respondents either disagreed or strongly disagreed. But 25% of the respondents were neutral in both in UK and Australia.

5.5 Recommendations Proposed to Overcome the Challenges of the Performance Management and Measurement System

The aim of every organisation whether private entity or public sector institution is to satisfy the needs of their customers in effective and efficient manner. This has compelled institutions to search for best solutions to overcome the challenges that impede progress and success of activities of these organisations. In view of this the survey questions included proposed recommendations that could overcome these challenges of performance measurement in the public sector organisation.

Table 36: Training of personnel on the nature and use of performance measurement system in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	15.4	15.4	15.4
Agree	17	65.4	65.4	80.8
Strongly Agree	5	19.2	19.2	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From Table 36 above, it is indicated that a total of 84.6% of the respondents supported this recommendation. The breakdown is as 65.5% of the respondents agreed and 19.2% strongly agreed to the recommendation proposed. Meanwhile, 15.4% were neutral on this recommendation. None of the respondents disagreed to this recommendation.

Table 37: Training of personnel on the nature and use of performance measurement system in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	2	8.0	8.0	8.0
Agree	15	60.0	60.0	68.0
Strongly Agree	8	32.0	32.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As provided in Table 37 above, fifteen (15) of the respondents which represents 60% agreed and eight (8) of these respondents representing 32% strongly agreed to the proposed recommendation. In total, 92% of the respondents totally supported the fact that employees must be provided the necessary training on the nature and use of PMS. While, 8% of these respondents were neutral about the question and none of the respondents disagreed to the question.

Table 38: Training of personnel on the nature and performance measurement system in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	19	67.9	67.9	67.9
Strongly Agree	9	32.1	32.1	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As shown in the Table 38 the data gathered from the survey has indicated that all the respondents which represents 100% supported this recommendation. As 67.9% of the respondents agreed and 32.1% of these respondents strongly agreed. None of the respondents disagreed or strongly disagreed on this proposed recommendation.

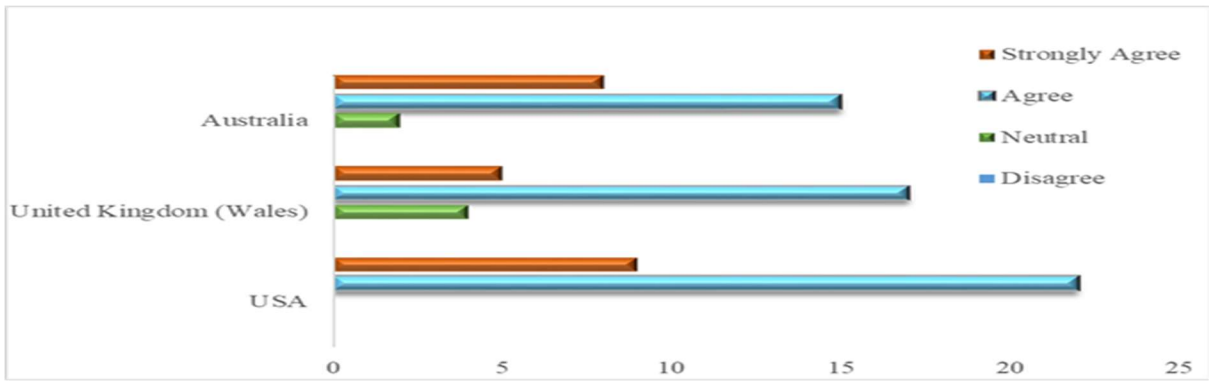


Figure 14: Comparative analysis of successful design and implementation of PMS

Source: Based on questionnaire survey, 2018.

As shown in Figure 14 above, a total of 81.6% of the respondents in USA supported that there should be training of personnel on the nature and use of PMS, as 40.7% agreed and 40.9% strongly agreed. In UK a total of 54.2% of the respondents admitted to the question as 31.5% agreed and 22.7% strongly agreed, while 64.2% of the respondents in Australia responded positively to the question as 27.8 agreed and 36.4% strongly agreed. Meanwhile, 20% and 15% of the respondents were neutral in UK and Australia respectively and none of the respondents disagreed to the question.

Table 39: Allocation of funds for performance measurement programmes in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	3	11.5	11.5	11.5
Agree	8	30.8	30.8	42.3
Strongly Agree	15	57.7	57.7	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Performance measurement system comes with additional cost to the organisation, for effective and successful PMS, funds must be promptly released to support and sustain the programme. As shown in Table 39, it is indicated that 30.8% of the respondents agreed while 57.7% of them strongly agreed to the recommendation proposed. A total of 88.5% of the respondents supported the recommendation. As only three (3) respondents which represents 11.5% were neutral and none of the respondents disagreed to this recommendation.

Table 40: Allocation of funds for performance measurement programmes in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	3	12.0	12.0	12.0
Agree	11	44.0	44.0	56.0
Strongly Agree	11	44.0	44.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018

As it is indicated in Table 40, it is shown that 44% of the respondents agreed and the same number of respondents representing 44% strongly agreed therefore, 88% of the total respondents supported the recommendation that authorities must be committed to allocate enough funds to support and sustain the process of PMS. Three (3) of the respondents representing 12% were neutral. None of the respondents disagreed or strongly disagreed to this recommendation.

Table 41: Allocation of funds for performance measurement programmes in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	2	7.1	7.1	7.1
Agree	13	46.4	46.4	53.6
Strongly Agree	13	46.4	46.4	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

The results from Table 41 has indicated that out of the total respondents who supported this recommendation, 46.4% agreed and the same 46.4% strongly agreed so a total of twenty-six (26) of the respondents which represents 92.8% confirmed or supported this recommendation that management should allocate funds for PMS programmes. As two (2) of these respondents representing 7.1% were neutral on this issue.

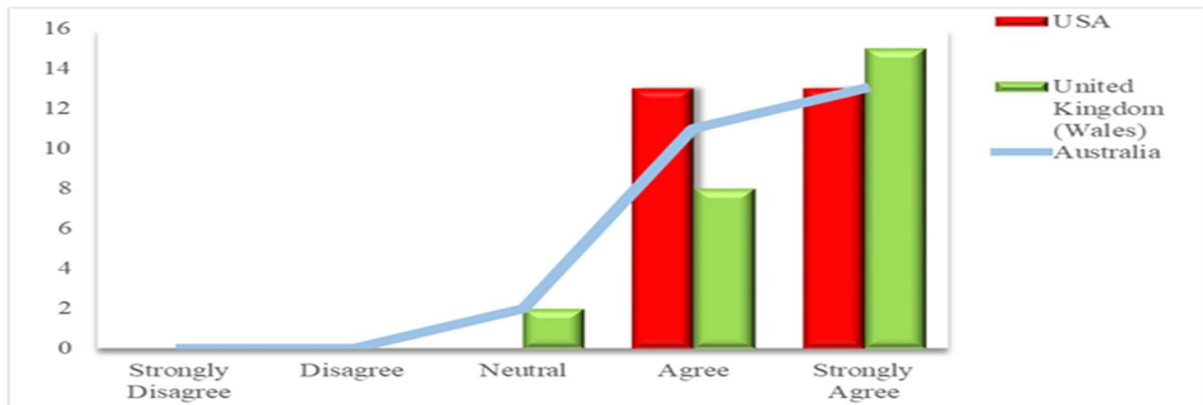


Figure 15: Comparative analysis for allocation of funds for performance measurement programme

Source: Based on questionnaire survey, 2018.

Figure 15 above shows that a total of 72.3% of the respondents in USA reported that funds must be allocated for PMS programmes as 40.6% agreed and 31.7% strongly agreed and also in UK a total of 61.6% of the respondents supported as 25% agreed and 36.6% strongly agreed, while a total of 66.1% of the respondents in Australia responded positively to the question as 34.4% agreed and 31.7% strongly agreed. Meanwhile, 28.8% and 28.6% of the respondents were neutral in Australia and UK respectively and none of the respondents either disagreed or strongly disagreed.

Table 42: Regular collection of performance measurement results data in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	2	7.7	7.7	7.7
Agree	16	61.5	61.5	69.2
Strongly Agree	8	30.8	30.8	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

As it is indicated in Table 42 above, the breakdown shows that 61.5% of the respondents agreed and additional 30.8% strongly agreed to the recommendation proposed. In view of this a total of 92.3% of the respondents either agreed or strongly agreed on the recommendation, which is a clear indication that performance results data is essential for management to make informed decision. Only 7.7% of the respondents remained neutral and none of the respondents disagreed to the recommendation.

Table 43: Regular collection of performance measurement results data in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Neutral	4	16.0	16.0	16.0
Agree	13	52.0	52.0	68.0
Strongly Agree	8	32.0	32.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

From Table 43 above, it is indicated that 52% of the respondents agreed and 32% strongly agreed and this makes a total of 84% of the respondents supported the recommendation that performance results data must be regularly collected. Meanwhile, four (4) of the respondents representing 16% were neutral position to the question and none of the respondents disagreed to the recommendation proposed.

Table 44: Regular collection of performance measurement results data in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	16	57.1	57.1	57.1
Strongly Agree	12	42.9	42.9	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Regular collection and interpretation of performance results provides regular feedback for improving the PMS. As shown in the Table 44 above, as it is clearly indicated, 57.1% of the respondents agreed while 42.9% strongly agreed. All the respondents representing 100% supported the recommendation proposed. None of the respondents disagreed or was neutral on this recommendation.

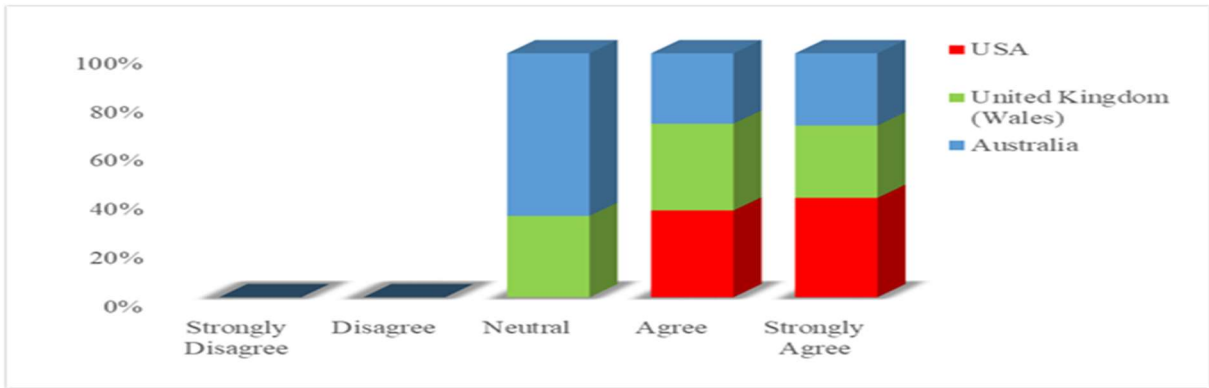


Figure 16: Comparative analysis for regular collection of performance measurement results data

Source: Based on questionnaire survey, 2018.

As indicated in Figure 16 above, a total of 76.4% of the respondents in USA admitted that performance results data must be regularly collected as 35.6% agreed and 40.8% strongly agreed, while a total of 65.2% of the respondents in UK responded to the question positively as 35.6% agreed and 29.6% strongly agreed. In Australia a total of 58.5% of the respondents also positively responded to the question as 28.9% agreed and 29.6% strongly agreed. But 33.3% and 66.7% of the respondents were neutral in Australia and UK respectively, while none of the respondents disagreed or strongly disagreed.

Table 45: Change in organisational culture in UK

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Disagree	3	11.5	11.5	11.5
Neutral	10	38.5	38.5	50.0
Agree	11	42.3	42.3	92.3
Strongly Agree	2	7.7	7.7	100.0
Total	26	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Organisational culture is a major determinant of how things are done within the organisation and from Table 45 above, eleven (11) of the respondents which represents 42.3% agreed and another two (2) of them representing 7.7% strongly agreed to the recommendation proposed which means that a total of 50% of the respondents supported the recommendation proposed. while 38.5% were neutral on the recommendation. Again, three (3) of these respondents which represents 11.5% of the total sample size disagreed to the recommendation proposed that there should be change in organisational culture.

Table 46: Change in organisational culture in Australia

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	1	4.0	4.0	4.0
Disagree	2	8.0	8.0	12.0
Neutral	8	32.0	32.0	44.0
Agree	11	44.0	44.0	88.0
Strongly Agree	3	12.0	12.0	100.0
Total	25	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Most public sector organisations have their traditional way of doing things in the organisation, in this respect the respondents were asked if there should be a change in organisational culture that affects the successful design and implementation of PMS. As indicated in the Table 46 above, 44% of the respondents agreed while 12% of these respondents strongly agreed to the recommendation proposed. Therefore, a total of 56% of the respondents supported the proposed recommendation that organisational culture which adversely affect PMS process must be changed while, 32% of these respondents were neutral on the recommendation. However, a total of three (3) respondents which represents 12% were not in support of this recommendation, therefore, disagreed to this proposed recommendation.

Table 47: Change in organisational culture in USA

Responses	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	2	7.1	7.1	7.1
Disagree	1	3.6	3.6	10.7
Neutral	7	25.0	25.0	35.7
Agree	16	57.1	57.1	92.9
Strongly Agree	2	7.1	7.1	100.0
Total	28	100.0	100.0	

Source: Based on questionnaire survey, 2018.

Table 47 above shows that 57.1% of the respondents agreed and 7.1% of these respondents strongly agreed to the recommendation proposed, this means that a total of 64.2% of the respondents supported the recommendation proposed. Again, seven (7) of the respondents representing 25% of the respondents were neutral on the recommendation. However, as a total of 10.7% of these respondents opposed or either disagreed or strongly disagreed to this recommendation.

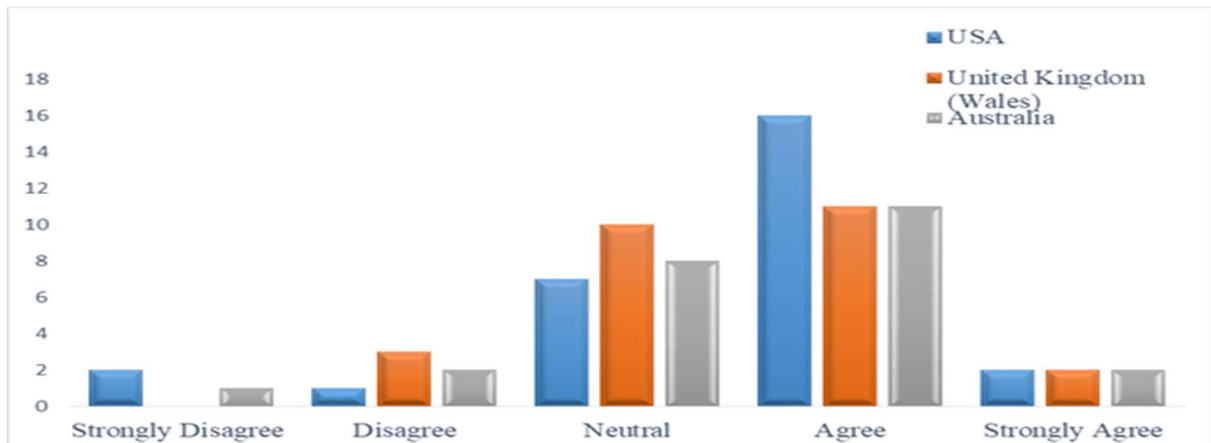


Figure 17: Comparative analysis for change in organisational culture

Source: Based on questionnaire survey, 2018.

As shown in Figure 17 above, the respondents were asked if there should be a change in organisational culture that adversely affects PMS and a total of 86.7% of the respondents in USA reported that there should be change in organisational culture as 66.7% agreed and 20% strongly agreed, while a total of 70% of the respondents in UK responded positively as 50% agreed and 20% strongly agreed. As a total of 70% of the respondents in Australia supported that there should be a change in organisational culture as 50% agreed and 20% strongly agreed. But a total of 31.6% of the respondents were neutral and 10.1% of the respondents from the sample size either disagreed or strongly disagreed to the proposed recommendation.

5.6 Evaluation and Discussion of the Results from the Survey

With the emergence of NPM, performance management and measurement systems have tremendously transformed the efficiency, effectiveness and accountability in the public sector organisations. The public sector is noted as the major service provider; therefore, the sector is now receiving pressure from the citizens to provide quality services. As the response to the increasing demands of the citizens, the public sector organisations have currently adopted performance measurement as the prescription to ensure that they provide quality services to their customers. In the early 1970s the NPM has shifted the perception of performance measurement and focusing more on measuring outcomes, that is outcome results of public services. Performance measurement system enables public organisations to continuously monitor the progress of public services for citizens (Hatry, 2014).

The discussion of this work has been categorized according to the themes which focused on the objectives of the study namely: characterise the performance measurement and performance

management system currently used in the selected public sectors, identify the current challenges encountered by the selected public sectors in the designing and implementing the performance measurement system and propose recommendations for overcoming the challenges being faced by the selected public sectors.

5.6.1 Kinds of performance measurement and management systems currently used

Under this, the main objective was to characterize or identify the kind of performance measurement and management systems that are currently used in the selected local government organisations. Scholarly literatures have proven that the use of performance measurement and management systems are effective and efficient means of implementing and improving organisational strategy.

The Balanced Scorecard (BSC) concept is known for decades and it has been widely adopted by public sector organisations across the world including UK, USA and Australia. The BSC is one of the most commonly used Performance measurement system and it has been successfully implemented in many public sector organisations and has proven to be a well-accepted performance measurement and management system (Atkinson et al, 2012; Wilson, et al. 2003). Surprisingly, from the analyses the Balanced scorecard and Performance Appraisal are less used in these local government organisations. This could be that the BSC adoption and implementation in the local government organisations has some challenges such as; not properly defining the needs of the customers, inadequate or poor information systems and the BSC itself has substantial metric component (Wisniewski & Ólafsson, 2004).

It is quite interesting to find out from the results that both Bridgend County Borough in UK and Portland City in USA widely used Key Performance Indicators (KPIs), while Queensland in Australia the analyses indicate that Benchmarking is mostly used together with Key Performance Indicators (KPIs). The possible reasons why the Key Performance Indicators (KPIs) are mostly used and across these selected local government organisations maybe that, the Key Performance Indicator (KPI) has been proven to be successful in measuring the public sector organisations by serving as link between strategic planning and results and has contributed in determining both organisational and individual performance (Zaherawati et. al., 2011; Al-Khoury, 2014).

5.6.2 Challenges associated with the designing of performance measurement system

Designing appropriate performance measurement systems for the public sector in the 21st century is a topic of increasing concern for both practitioners and those in the academics (Neely & Hii, 1998). The design stage of the performance measurement and management system is the foundation of the whole process.

As it was indicated in the survey results, in all the selected cases most of the respondents supported and confirmed the following challenges in designing PMS: resistance to change by employees, it is expensive, it is difficult evaluating intangible resources and outcomes, low commitment by managers, However, the prevalent challenges among the various cases will be thoroughly discussed.

From the analyses it was revealed that, most of the respondents reported that it is difficult evaluating intangible resources and outcomes. During the designing stage of the PMS, that is where management determine “What to measure” and “How to evaluate”. Measurement of outcomes is quite different from measurement of output; therefore, it becomes difficult for management to evaluate intangible resources and outcomes. The views of the respondents as indicated in the survey results confirm previous studies that the evaluation and measuring of intangible resources is a challenge and recently performance measurement in the public sector is much concentrated only on effectiveness, efficiency and economy (“3 Es”) which are mainly limited to financial. There are intangible aspects of the organisation such as social and environmental goals and objectives of the organisation which are difficult to measure and evaluate. In this respect, to achieve a wholistic purpose of PMS in the public sector there should be a shift from the system of “3 Es” (efficiency, effectiveness and economy) to a system of “5 Es” (environmental, equity, effectiveness, efficiency and economy) which will be a better assessment of the public sector organisations (Jarrar & Schiuma, 2007; Chai, 2009; Diana, 2014).

Again, it can be observed from the survey results that, most of the respondents indicated that it is expensive designing effective and suitable PMS. During the designing stage institutional management expends huge funds in training of staff, providing technical assistance for effectively designing PMS. This confirms previous studies which argue that it is expensive to develop an exemplary PMS. In the quest of designing effective PMS, organisations invest substantial amount of funds in training personnel, consistent data collection and reporting, therefore, many organisations find it uneconomical to use performance measurement system (Leinonen, 2001; Sanger, 2008).

5.6.3 Challenges associated with the implementation of performance measurement system

The development of performance measurement system is divided into stages and the implementation is the second stage of the PMS process. The implementation phase is the execution or taking into action the measures considered during the designing stage of the process. The implementation stage also involves crafting systems and procedures in data collection and data processing that will eventually generate the measurement (Leinonen 2000; Bourne et al, 2000).

It can be observed from the survey results that in all the selected cases most of the respondents confirmed the following challenges: financial resources, manipulation of results by managers (Gaming), training of employees and bureaucratic process. Nonetheless, the prevalent challenges among the various cases will be thoroughly discussed.

As the results has indicated, most respondents reported that training of employees to understand the nature and use of PMS becomes a challenge to successful implementation of PMS. This is because during the implementation stage, employees must be trained and given the necessary skills and competences in order to understand the whole process of the PMS. Performance measurement is an ongoing process and cyclical, this process needs to be reviewed and updated continuously, therefore, organisational managers consistently needs to provide the necessary training to staff or employees. This supports the view of Sanger (2008) that training of staff or employees for collection, use and reporting of performance data is a challenge to successful implementation of performance measurement system.

Again, the revelation from the survey results indicated that, more than half of the respondents reported that manipulation of performance results to conform to the performance indicators affects PMS. In most cases, managers deliberately manipulate PMS results to satisfy the expectations of their superior office in order to score political points. This practice of manipulation of results provides a different perception as if all is well with the implementation process. This confirms previous studies that performance results data is doctored or manipulated to suit the expected outcome, management deliberately manipulates the input and output results to conform to the performance indicators and this alteration in performance measurement results invalidates and does not present the reality of the process (Doreen, 2006; Gao, 2015).

Moreover, observation from the analyses indicated that red tape or bureaucratic process within the public sector organisations affects the success of performance measurement

implementation. The deep-seated bureaucratic processes that exist in the public sector organisations delay and affect the successful implementation of PMS process. This is supported by Sanger (2008) that the traditional bureaucratic culture in the public sector organisations which prevents management discretion, therefore, affecting successful adoption and implementation of performance management and measurement systems.

5.6.4 Successful design and implementation of performance measurement systems

Several scholars have argued that performance measurement implementation in the private sector organisations have witnessed a lot of success, however, performance measurement in the public sector organisations has become problematic and still face some challenges which affect the successful implementation of PMS (Sanger, 2008; Anderson & Eshima, 2013).

Though, from the survey results, some respondents reported that the design and implementation of PMS still face some challenges, but it was revealed from the results of all the three selected cases that performance management and measurement systems have been successfully designed and implemented in their local government organisations. As Bridgend County Borough 84.7% of the respondents indicated that PMS has been successfully designed and implemented, while most of the respondents in Queensland local government organisation also revealed that PMS design and implementation has been successful and most respondents from Portland City reported that the PMS design and implementation has been successful. This revelation from the survey results confirms a study by Brusca & Montesinos (2016) that local government organisations in Australia have monumentally achieved a great success in the development and implementation of performance management and measurement system. Studies have also proven that UK is among the countries that have successfully adopted and implemented performance management and measurement systems in municipalities and Boroughs (Pollitt & Boukaert, 2004). It is also in line with previous studies that local government in USA including: New York City, Portland City, Phoenix, Palo and Charlotte; have effectively and successfully developed and implemented performance management and measurement systems since 1970 (Poister & Streib, 1999; Hatry, 2014).

5.6.5 Recommendations proposed to overcome the challenges of performance measurement system

The aim of every organisation whether private entity or public sector institution is to satisfy the needs of their customers in effective and efficient manner and to improve employee's development. This has compelled institutions to search for best solutions to the overcome the

challenges that impede progress and success of the activities of the organisations. From the survey results, it was observed that in all the three countries most of the respondents supported the recommendation proposed to overcome the challenges of PMS. These recommendations included: training of personnel on the nature and use of performance measurement system, management must show commitment to allocate funds for performance measurement projects, performance results data must be regularly collected and there should be change in organisational culture that adversely affects PMS. These proposed recommendations are in line with recommendations proposed in previous studies such as: training and technical assistance for managers on how to access and utilise the performance information, performance results data must be clear, funds must be available, performance data must be current but not out-of-data (Sanger, 2008; Van Doreen, 2010; Hatry, 2014).

6. RECOMMENDATIONS BASED ON THE FINDINGS AND FUTURE RESEARCH DIRECTIONS

This research work has discussed the current challenges of PMS in public sector organisations namely: Bridgend County Borough (UK), Queensland local government (Australia) and Portland (USA). Based on the recommendations from the findings and discussion made in the earlier chapter, the following are recommended to overcome the challenges identified.

- In relation to financial constraint, management should be committed and proactive by having a specific budget allocation for PMS programmes so that funds will be ever ready to support PMS programmes. Performance management and measurement systems are ongoing process, therefore, in every point in time funds may be needed to support the programme.
- Related to personnel training, education is a prerequisite to improve management competencies and capabilities for using PMS. When training is consistently provided for management and those in charge of PMS, they will deliver up to the standard by understanding ways to accurately capture the performance data and objectively handle PMS data to achieve the objectives of the organisation. Through education and training, employees would also understand the need and reasons for PMS.
- Moreover, PMS should not be simultaneously used as both organisational performance and government accountability in the public sector organisations. It must rather focus on improving services to the citizen, providing higher consumer satisfaction and enhancing employee's development but not as political judgement or annual ritual performed to appease the political masters, so that performance results will not be deliberately manipulated to suit political agenda or objectives, therefore, management should treat performance results objectively to attain the purpose of PMS.
- Performance measurement process should be realistic and simple for users so that performance data can be quickly and accurately interpreted. The simplicity of performance measurement process will always entice users to have appetite for regular collection and interpretation of performance results data, therefore, in choosing PMS model, management should choose friendly PMS model that can be easily understood.

This thesis represents the views of the head of departments / middle managers in the Local government organisations in Bridgend County (UK), Queensland (Australia), and Portland (USA) at the time when this research was conducted. In view of this, in different time across

space, probably in future their views might likely change, and different results might be presented. Therefore, this obviously provides room for future research that could be conducted with different approach such as longitudinal case study and by extension to cover more Local government organisations to increase the numbers of respondents or cover larger sample size.

CONCLUSION

The increasing demand by customers for efficient and quality public services has necessitated the public sector organisations in the 21st to go through radical transformation in order to improve services provided to customers, enhance employees' development and to become more accountable to stakeholders. Therefore, performance management and measurement systems have become the best prescription to cure the inefficiencies that exist in the public sector. Performance measurement is an efficient and effective way of implementing government and corporate plan. The performance measurement in the local government organisations in countries such as UK, Australia and USA are noted for their success story. Better still such countries still face some challenges in the implementation of PMS.

Hence, the main aim of this thesis was to identify the current challenges associated with the measuring of performance in the public sector organisations. Based on the general aim of this thesis the following objectives were formulated:

1. To characterise the performance measurement and performance management system currently used in the selected public sectors.
2. To identify the current challenges encountered by the selected public sectors in the designing and implementing the performance measurement system.
3. To propose recommendations for overcoming the challenges being faced by the selected public sectors.

In order to achieve the aim, first and foremost a thorough review of related literatures was done to establish the theoretical background. Intensive research was done about the various concepts on public sector, performance management and measurement systems. Mixed methods approach was used to achieve the research aim and objectives. Based on critical observations from the analyses of both the case study and the survey, the following results were reported:

From the case study analyses it was indicated that in all the three selected cases have Performance Management Framework (PMF). The Bridgend County Borough (UK) uses Plan-Do-Review-Revise (PDRR), Queensland (Australia) local government uses Planning-Measuring and Monitoring performance-public Reporting (PMMR), while Portland city (USA) is using Plan-Allocate-Operate and Improve (PAOI). From the analyses, it was also observed that the kind of performance management framework is designed and selected according to the objectives and strategies of the organisation. Also, it was indicated that performance

measurement and management systems are predominantly used in all the three selected local government organisations.

Moreover, from both the case study and the survey analyses, it was revealed that both Bridgend County Borough in UK and Portland City in USA widely used Key Performance Indicators (KPIs), while Queensland in Australia the analyses indicated that Benchmarking is mostly used together with Key Performance Indicators (KPIs). This is clear indication that Key Performance Indicator (KPI) is popular and the most widely used among these three selected cases. Again, it was observed from both analyses that in all the three selected cases, performance measurement and management systems have been successfully designed and implemented in their local government organisation.

Finally, though PMS design and implementation have been successful in these three selected LGOs, but from the survey results, it can be observed that there are some challenges that affect successful design and implementation of performance management and measurement systems which include: financial resources, manipulation of results (Gaming), training of employees, red-tape system or bureaucratic process, low commitment by leadership, difficulty in evaluating intangible resources and outcomes and resistance to change the traditional norms by both management and employees. Related to this synopsis of the thesis, the main aim of this research work has been achieved.

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APPENDIX

APPENDIX A

QUESTIONNAIRE ON THE TOPIC



University of Pardubice

Faculty of Economics and Administration

Questionnaire

THESIS TOPIC: CHALLENGES OF PERFORMANCE MEASUREMENT IN PUBLIC SECTOR

This thesis questionnaire is administered only for the purpose of this work and will not in any way used for other purposes or assignments.

I would be very much appreciated if you kindly provide answers to the questions related below to enable me to achieve the purpose and objectives of my thesis work.

1. What kinds of performance measurement and performance management systems are currently used in your department? Please you can indicate more than **one**.

2. Balanced Scorecard	
3. Performance Appraisal	
4. Benchmarking	
5. Key Performance Indicators	

Specify others.....

2. What are the challenges associated with the designing of performance measurement system in your department? Please you can mark (×) more than **one** option.

3.

Options	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	1	2	3	4	5
1) Resistance to change by employees					
2) It is expensive					
3) It is difficult evaluating intangible resources and outcomes					
4) Low commitment by departmental heads					

Specify other.....

4. What are the challenges associated with the implementation of performance measurement system in your department? Please you can tick (×) more than **one** option.

Options	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	1	2	3	4	5
1) Financial resources					
2) Manipulation of results (Gaming)					
3) Training of employees					
4) Bureaucratic process					

Specify other.....

5. Has performance measurement and management system been designed and implemented successfully in your department?

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

6. What recommendations will you propose to overcome the challenges of the performance management and measurement system in your department? Please you can tick (×) more than **one** options.

Options	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	1	2	3	4	5
1. Training of personnel on the nature and use of performance measurement system					
2. Management must show commitment to allocate funds for performance measurement projects					
3. Performance results data must be regularly collected					
4. There should be change in organisational culture					

Specify other.....

Thank for your co-operation.