



EFFICACY OF BALANCED SCORECARD WITH REFERENCE TO HIGHER EDUCATION

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ABSTRACT Historically, there has been a horde of indicators to measure the quality facet of higher education but all accentuating around few parameters only. Those academic measures neither provide an inclusive picture of current status nor reflect key success factors which are capable of capturing many dimensions of education. Since, many years, accountability in education has been a challenging issue especially for colleges in higher education. Balanced Scorecard in the business sector is well documented but very little has been done for its application in academics. With this implication, paper tries to explore the efficacy of Balanced Scorecard for those who are in this higher education from past few years only and tries to provide an effective performance measurement tool for them.

KEYWORDS : Balanced Scorecard, Higher education, Performance measurement tool

1. INTRODUCTION

With the emergence of rapid increase in number of colleges imparting higher education, it has become imperative to be responsive to external environment. To sustain survival, it is pivotal to assess the performances of these academic structures. Historically, there has been a horde of indicators to measure the quality facet of higher education but neither of them provides an inclusive picture of current status covering all aspects. Since, many years, accountability in education has been a challenging issue especially for those who are in this field since last few years only. It is crucial at this point to devise techniques or tools to measure not only the performance but also recommend viable performance standards for improving the prevailing academic system. Though efforts have been made by many researchers previously but its real application is still lacking.

2. Balanced Scorecard (BSC)

The notion of BSC was first familiarized in 1992 by Robert Kaplan and David Norton in their *Harvard Business Review* article named The Balanced Scorecard—Measures that Drive Performance. BSC was commonly used by the business sector (Rigby and Bilodeau, 2007). Although BSC is associated with business sector but this methodology has also been used by non-profit/public sector (Chan, 2004). BSC has been proposed to assist schools in focusing on what is strategically most relevant to their activity (Beard, 2009). Strategic management enables the convergence of actions in educational organizations with a view to achieve common goals (Davies, 2004). Universities should execute BSC in order to evaluate the overall performance (Al-Zwyalif, 2012). The strategic goals proposed should include critical success factors, performance indicators and metrics in each of the BSC perspective (Naqi Sayed, 2013).

The BSC is a framework for implementation of strategy where four perspectives must be aligned with company's vision and strategic objectives. Four perspectives are:

- Financial Perspective:** This perspective views financial performance of an organization and use of financial resources. It targets- "How should we appear to our shareholders.?"
- Customer Perspective:** This perspective views performance from point of view of customer whom he wants to serve. It targets- "How should we appear to our customers".
- Internal Business Processes Perspective:** This perspective views performance from point of view of quality and efficiency of product and services and other internal processes. It targets – "What processes must we excel at"?
- Learning & Growth Perspective:** This perspective views performance from point of view of human capital, technology,

6) Scorecard Development

	Indicators	Objective	Measures	Action plan
Financial Perspective	Student enrolment	To sustain and grow in highly dynamic environment	Maintenance of student enrolment	<ul style="list-style-type: none"> Maintaining existing students' enrolment Increase student enrolment by 10% every year
	Stakeholders	To gain support and goodwill of stakeholders	Stakeholders' support, Financial Assistance	<ul style="list-style-type: none"> Sponsorships for events to be entertained. Annual Grants to be gained Donations from various sources

culture. It targets – "How can we sustain our ability to change and improve"?"

3. Higher Education

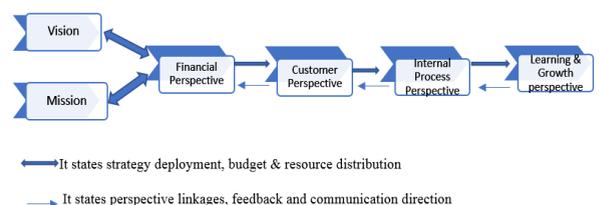
Higher education provides people with an opportunity to reflect on the critical, social, economic, cultural, moral and spiritual issues facing humanity. It contributes to national development through dissemination of specialized knowledge and skill (National Policy on Education, 1986). Quality in higher education is complex with lack of single definition (Harvey and Green, 1993). Higher Education is under pressure to change and to become more responsive to the external environment. To survive, they are enforced to examine their operations from a business-like perspective, and are required to provide performance evidence (Stewart & Carpenter-Hubin, 2001).

4. BSC and Higher Education

Performance indicators in higher education have always accentuated academic measures (Ruben 1999). Mostly colleges cover few internal aspects of performance and for external performance they are just depended on one dimension that is rankings and accreditation. Thus, it does not reflect true value of higher education. Also, implementation of the BSC cannot guarantee a formula for accurate decision making, it does provide higher education with an integrated perspective on goals, targets, and measures of progress (Stewart and Carpenter-Hubin 2000–2001). Despite the reluctance of higher education to adopt standard innovations (Pineno 2008), there are some documented case studies in which the BSC approach has been successfully implemented in higher education. In order to create a cause-and-effect, all staffs need to work together (Farid & Mirfakhredini, 2008).

5) Implementation of BSC

The logic behind building BSC for higher education is to impel an organization to respond to services offered in the market. With response to environmental needs, vision, mission and values of an organization are formed which outline the culture of an organization. Then the strategic goals are developed and from there strategies for different departments are laid down keeping in mind customer requirements. Strategies should be such which can measured against standards of performance indicators.

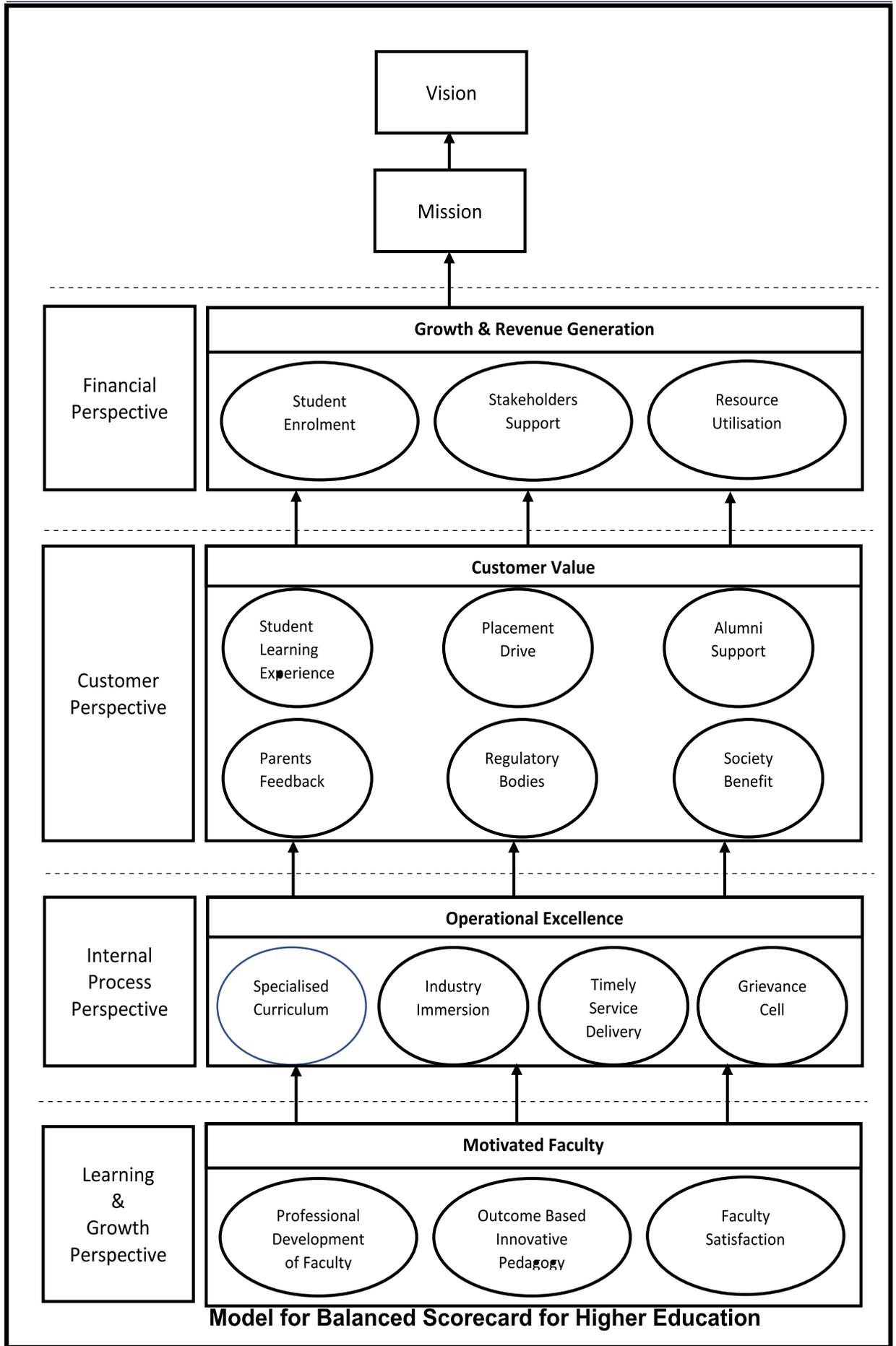


	Resources	To maximize resource utilization	Efficient use of resources	<ul style="list-style-type: none"> • Batch wise and program wise utilization of classrooms • Optimum load of teachers with shift to different programs offering same courses • Planned sharing of infrastructure including common spaces among different programs • Student faculty ratio and Student- book ratio to be followed • Cost per student to be tracked
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	Indicators	Objective	Measures	Action plan
Customer Perspective	Student Learning Experience	To increase retention rate	Student profile enrichment	<ul style="list-style-type: none"> • Scheduling of fixed contextual education hours offered per student per week • 4-6 hours/week allocated to students for skill development like analytical skills, communications skills etc. • Personal development of students through project- based learning, online courses and certifications
	Placement Drive	To increase number of placements	Student placement	<ul style="list-style-type: none"> • Quarterly assessment of skill development by mock interviews and test • Increase in average package offered • Increase in number of campus drive with increase in package offerings with every new batch
	Alumni	To get Alumni support in development of structure	Alumni feedback, Alumni support to society and education	<ul style="list-style-type: none"> • Exit interviews in proper formats should be taken compulsory of all pass- outs for improvements • Alumni should also be involved in curriculum development to make it skill based and industry oriented. • Support of alumni in placements
	Parents	To get positive word of mouth by parents	Parent satisfaction	<ul style="list-style-type: none"> • Feedback should be taken from parents yearly for improvement • Development of transparent system for parents • Number of recommendation and admissions done by parent referral
	Regulatory bodies and accrediting agencies	To maintain quality standards in delivery	Accreditations, External rankings, media support	<ul style="list-style-type: none"> • Number of awards won by college annually • Accreditations and ranking gained • Frequency of press coverage of events
	Society	To gain social acceptability and respect	Programme for society benefits	<ul style="list-style-type: none"> • Frequency of programmes for society by students every semester • Number of projects undertaken for society • Compulsory involvement of every student in social programme linked to certain credits

	Indicators	Objective	Measures	Action plan
Internal Process Perspective	Curriculum	To have Specialized skill-based curriculum	Availability of faculties	<ul style="list-style-type: none"> • Availability of specialised faculties for each programme • Analysis of faculty requirement yearly • Revision of syllabus every 3 years • Flexibility in credit baskets of programs
	Industry support	To have regular Industry Immersion	Sessions by industry expert	<ul style="list-style-type: none"> • Two immersions by industry expert for every course per semester.
	Service Delivery	To reduce service time	Response to parents, students, society	<ul style="list-style-type: none"> • Reduction in response time to customers and their queries by responding in 24 working hours.
	Grievance	Proper Grievance Handling	Grievance cell	<ul style="list-style-type: none"> • Compulsory formation of grievance cell with proper representative members

	Indicators	Objective	Measures	Action plan
Learning & growth Perspective	Faculty development	To have professional development of faculties	Seminars, conferences, workshop, research paper, expert lecture	<ul style="list-style-type: none"> • Yearly one quality research paper per faculty • Few seminars, conferences, workshop attendance • One expert lecture at another programme yearly
	Pedagogy	To have Innovative teaching	Innovative pedagogies, flipped classroom, ICT	<ul style="list-style-type: none"> • To have innovative outcome-based pedagogy for each program. • Use of flipped classroom with emphasis on activity-based learning • Use of technology in teaching and evaluation with emphasis on Rubrics
	Faculty satisfaction	To have highly satisfied faculties	Pay, motivation, load, environment	<ul style="list-style-type: none"> • Opportunities to faculties for growth and development • Performance-based pay should be incorporated with salary growth over a period of time • Optimum work load to each faculty • Healthy work environment to be provided with proper machinery for handling grievances



7. CONCLUSION

Educational institutions are very important to any nation. In this age of competition, only those organizations that achieve excellence can survive. Translating Balanced Scorecard to education is really complex but its application can help to adhere to the vision and mission of an organization. It is more important to move towards a bold and aspirational vision. BSC can provide a platform for integration of external driven image and internal effectiveness resulting in holistic representation. Implementation of a strategy requires active contributions by everyone in the organization. Each member of the organization needs to understand the strategy to conduct day-to-day business in ways that contribute to the success of the strategy. Ultimately, the scorecard should become part of the organisation's culture and employees' work experience.

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