

Toward Improving Performance Measurement in Public Sector Organizations

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ABSTRACT

The objective of this research is to investigate various means of improving the performance measurement methods for public sector organizations. A case study is conducted using data from the Missouri Department of Transportation (MoDOT). As a government organization, MoDOT must publish measurements of its performance for the general public and for the legislators who provide funding. Currently, MoDOT produces a quarterly publication, called the Tracker, for performance measurement reporting. This research hypothesizes that the Tracker is not an effective performance measurement system and stakeholders of MoDOT would benefit from a more concise and pointed report of MoDOT performance. A software prototype utilizing the Balanced Scorecard approach is developed to test proposed hypotheses. A survey comparing the Balanced Scorecard with MoDOT's current practices indicates a strong preference for the Balanced Scorecard among the general public. Areas of particularly high agreement in favor of the Balanced Scorecard were finding and interpreting the data, as well as monitoring performance of the organization.