Abstract

Governmental Performance Measurement Methodologies

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This paper presents an analysis of the initiatives toward greater performance measurement and accountability at the state and federal governmental level. It gives an overview of the importance of performance to the management of any organization and highlights major developments in the process of performance evaluation for governmental entities.

The management cycle consists of some variant of planning, organizing, directing and controlling. It is widely recognized that this process must be cyclical with feedback from previous activities providing the essential basis for planning in the next cycle. Performance evaluation is the basis of the feedback element of this process. Without adequate performance evaluation it is impossible to control operations and plan for enhanced future performance.

The paper highlights a number of performance evaluation initiatives in government dating from before the middle of the last century. It discusses some of the issues currently faced by developers and users of performance evaluation systems for governmental entities, pointing out several systemic problems and suggesting possible solutions.

It also highlights a number of performance evaluation techniques currently used in industry including Activity Based Costing/Activity Based Management and Balanced Scorecard. It discusses the strengths and weaknesses of these methodologies and their applicability to governmental entities.