



Article

Performance Measurement in The Government Sector: Between Reality and Aspiration

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Abstract: The current study was performed to analyze various factors having an impact on the performance measurement of the government sector. Data was collected quantitatively and qualitatively to evaluate the study. The questionnaire and the secondary data were used to analyze the factors having an influence on the performance measurement while detailed questions were asked to address the whys to minimize the gap between aspiration and reality. In the quantitative study, data interpretation was done by using SPSS software. Regression statistics were applied to identify the relation between both variables i.e., dependent and independent. While, for qualitative search strategy thematic analysis was done. The results of the study suggest a positive relation of the factors with the performance measurement. In the end, the study concluded that by implementing a performance measuring strategy in the government sector, accurate and efficient performance would be gained.

Keywords: Government Sector, Performance Measurement, Factors Influencing Performance

1. Introduction

With the emerging field of information technology, humans cannot accurately predict or analyze the outcomes associated with performance measurement resulting in unintended consequences (Mithas and Rust, 2016). Performance measurement is of vital importance in government sectors. Because many individuals and organizations are not performing what they are mandated to do. (Harbour, 2017). Although it has been recognized that the measurement of performance is essential for the efficient and effective management of organizations, it remains a critical issue to be addressed (Sabherwal et al., 2019). Previously, a survey suggested that between 1995 to 2000, about 60% of organizations modified their measurement systems. A study was performed previously to understand the various features of performance measurement (Keong Choong, 2013). Anyhow, still many companies have contact projects to ensure the implementation of better performance measures. It is to be noted that the performance measuring system must be dynamic. It should be consistent and reliable (Mensah, 2020). For this purpose and to ensure this statement, companies need a process that would be liable to evaluate the performance measurement systems (McDavid et al., 2018). Now, new organizations are appearing to have systematic processes for the management of performance measurement systems. Another study was reported to address the non profit tools in government sector by using specific performance measurement tools (Bromley and Meyer, 2017).

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It is of great importance that organization should assess their performance which has become challenging due to the development of tools for performance measurement for example, accounting measurement have been used for many years to evaluate the performance of commercial organizations. Moreover, due to the increased number of issues of companies and the market where they have to compete it is not recommended to utilize simple measures for assessing performance. A study was performed on government financial reporting system utilizing the basic strategies. (Christiaens et al., 2015). Many researchers have highlighted the failure of performance measures to reflect changes in competitive circumstances. Additionally, measures should reflect the organizational management to improve benefits.

Similarly, for the indication of factors linked with effective performance and the performance measurement system. So, to relate the organizational objectives directly, the company's external as well as internal objectives associated with performance and measures should be developed (Deng et al., 2018). To make these measures even more accurate and consistent, strategies should also be established. Previously, it was concluded that an active and effective performance measurement system contains, the external monitoring system which is liable to monitor changes continuously in the external environment, and an internal monitoring system, which is liable for monitoring changes and raising warnings in the internal environment (Eniola and Entebang, 2015). In this system, the action signals containing performance limits and thresholds should be measured. A review system uses information provided by the internal as well as external environment, and the objectives are set by the higher-level systems to decide internal and external priorities. The last one is an internal development system, which can deploy the priorities associated with critical parts of the system. Moreover, that system should be reviewed and revised. Previously performance measurement in local government in Indonesia was accessed. The results of the study indicate that financial performance measures have a vital positive effect over the transparency of local government (Adiputra et al., 2018).

Various organizational factors including top management commitment to the use of performance information, decision-making authority, and performance training, elicit positive influence on the performance measurement system (Al-Jedaia and Mehrez, 2020). However, many technical issues are present hindering the efficiency of the performance measurement system. These include selecting and interpreting appropriate performance metrics for performance measurement system implementation. These are the major impediments to measurement systems.

Performance indicators are required to evaluate a measurable proof that would be helpful to measure performance in an organization (Mensah, 2020). In other words, indicators help assess the accuracy of the performance. Although, it is not an accurate measure. Additionally, it has been concluded that the unavailability of trustworthy performance indicators is one of the potential causes of the deficiency (Zamim, 2021).

Literature review

A comprehensive study was performed to access the current scope of performance in government sectors. The study integrated the empirical research, in which 86 articles were analyzed by using score view technique. The results of the study suggests that staff quality, personal stability and planning points towards positive effects (Al-Jedaia and Mehrez, 2020).

A study was performed to evaluate the effectiveness of performance measurement. The study utilizes four organizational factors for performance measurement. The findings of the study suggest that managers who are aware of performance measurement characteristics can enhance the effectiveness of their performance by working in efficient and effective manners. Additionally, the study also provides an empirical analysis of the

five factors contributing to the ineffectiveness of the performance measures. (Tung et al., 2011).

Another study was performed to assess the strategic factors hindering the performance measurement in the textile industry. The finding of the study suggests that 50% of the respondents represent a lack of competency, while 69.3% of respondents face a lack of technology and expertise. However, 42.2% of respondents represent fuel and power breakups. Moreover, research also states that majority of the organizations need financial support and appropriate technology for performance measurement (Garengo et al., 2005). A study was conducted which was supported by the council in the UK, to analyze the way of measurement and management of performance. In this study, minor evidence of a performance measurement system was seen. The study also states the importance and impact of implementing performance measures in an organization. It is of great importance for an organization to develop such strategies that would ultimately help them maintain the accuracy and efficiency of the system (Jordão and Almeida, 2017).

Moreover, to identify the extent of maturity in performance measurement in a university, a study was published. For this purpose, the study develops models with seven constructs. The Likert scale was used from the maturity model. The results of the study show high performance measurement which is relevant to community service. Moreover, the study also highlights the significance of performance measurement within the organization (Alach, 2017).

Similarly, a study was performed on the implementation and designing of performance measurement systems in many companies. For this purpose, a framework was analyzed for the implementation of a performance measurement strategy. After that, the framework was utilized to interpret three-dimensional longitudinal studies (Hock et al., 2010). Then, these measures were combined with the performance measurement system. In the end, a well-defined model was developed to face more changelings an organization was facing. The results of the study dictate a reasonable or notable change in the performance measurement. Previously a literature review was also performance on performance measurement (Nudurupati et al., 2011). The importance of performance measurement has emerged with the identification of the gap between reality and aspiration. Aspiration and reality are of great value in measuring performance. Many studies have been published to account for this issue. But still, there is a gap. More studies are required to address this issue.

Research Objective:

The current study aims to identify the major factors hindering the performance measurement in terms of accuracy and aspiration within the government sector and strategies to be adopted by these sectors to diminish the gap between the two variables that is accuracy and the performance measurement. The objective of the study is to evaluate mismanagements in implementing performance measurement tools.

Research Questions:

The current study addresses the following questions.

- Factors contributing to limiting the effectiveness of performance measurement in government?
- What kind of strategies should be implemented to diminish the gap between aspiration goals and current performance in the government sector?

2. Materials and Methods

A mixed-method approach was utilized to measure performance quantitatively and qualitatively in the government sector. For quantitative analysis a validated questionnaire was used to measure performance while to evaluate various factors affecting performance measurement in the government sector., the secondary data set was utilized and then

evaluated. The questionnaire consists of four parts. The first part contains questions related to job satisfaction, the next part contains information related to salary, the third part contains questions about working experience and the last part consists of job performance.

While for qualitative analysis was done to evaluate the gap between accuracy and aspiration. It means how many employees have attained goals set by them within the period assigned to them. Moreover, face-to-face interviews were conducted to remove the gap between aspiration and accuracy.

Data Analysis

Data was collected qualitatively and then quantitatively. For quantitative data assessment data was analyzed by using SPSS. Descriptive analysis and frequencies for accuracy were analyzed. Regression analysis was done to determine the relation between factors and the impact of those factors on staff performance and personal performance. While, for qualitative data analysis goal achievement was accessed by conducting face-to-face interviews.

3. Results

Quantitative Analysis:

After collecting the responses obtained from various organizations. Statistical analysis was imposed the frequencies were evaluated. A 5-point Likert scale was used to analyze the data. The secondary data was analyzed for five factors that are thought to have an impact on personal or staff performance. Regression analysis was done for personal-related factors and staff-related factors respectively. A $P < 0.000$ suggests a positive relation between these two parameters. The results of the descriptive statistics of performance measures are given below in Table 1. While results of the factors affecting performance measures are given in Table 2-6.

Descriptive Analysis:

Descriptive statistics evaluate the comparison or means of the added responses. The results shows a standard deviation of approximately 0.6998 representing work satisfaction. While, majority of the participants shows job satisfaction with a standard deviation of about 0.812. Moreover, about 85% of the workers were satisfy with their jobs as repressed by the standard deviation of 0.53. the results of the descriptive statistics reveals that majority of the employees were satisfied with their jobs, salary and work.

Table:1 Results of the data obtained by measuring performance using a questionnaire.

Descriptives					
	N	Min	Max	Mean	Std. Deviation
Physical Activity	40	3.00	5.00	3.8500	.69982
Work Satisfaction	40	2.00	4.00	3.5500	.59700
enthusiasticity about job	40	2.00	4.00	3.1750	.63599
Problem-solving participation	40	2.00	4.00	3.3000	.68687
Interest in working	40	2.00	4.00	3.2000	.68687
Assistance in job performance	40	2.00	5.00	3.5750	.81296
Work abilities	40	3.00	5.00	3.7250	.64001
Supervisor relaxation	40	2.00	4.00	3.2750	.71567
Value in organization	40	3.00	5.00	3.6500	.53349
Availability of resources	40	3.00	5.00	3.5000	.64051
Promotion criteria	40	3.00	4.00	3.2500	.43853
Training	40	2.00	5.00	3.6000	.81019
Associated work	40	2.00	5.00	3.6500	.66216

Salary for work	40	2.00	5.00	3.5750	.93060
Effect of salary on economics	40	3.00	5.00	3.4250	.63599
Employment	40	2.00	5.00	3.5000	.84732
Advancement	40	2.00	5.00	3.2000	.56387
Pay comparison to others	40	2.00	4.00	3.3750	.62788
medical insurance	40	2.00	4.00	3.5500	.63851
Valid N (listwise)	0				

Descriptive Statistics:

The results compare various strategies employed by the companies to measure performance. The data states that standard deviation of 0.6359 was employed by the companies utilizing multidimensional performance followed by 0.64 for those utilizing training. The performance related effectiveness was the major strategy adopted by the majority of the companies to measure standard deviation.

Table:02 Results of the descriptive statistics obtain through secondary data

Factors	Use of multidimensional performance	Top manager support	Training	Employ participation	link of performance to financial reward	Performance related effectiveness	staff related effectiveness
Total	40	40	40	40	40	40	40
Missing	0	0	0	0	0	0	0
Mean	3.8250	3.6500	3.7250	3.8500	3.5000	3.5750	3.4250
Median	4.0000	4.0000	4.0000	4.0000	3.0000	4.0000	3.0000
Mode	4.00	4.00	4.00	4.00	3.00	4.00	3.00
St. Dev	.63599	.66216	.64001	.69982	.84732	.93060	.63599

Regression Analysis:

Regression analysis was employed where the performance related factors and the staff related factors were the dependent factors. Here, results indicate F value of 4.589, revealing a positive relation among variables. The table (3) below represents that performance-related effectiveness has mean square value of 2.722 with a significance rate of 0.003 revealing a positive relation with the strategies employed to measure performance.

Table 3: ANOVA for performance-related factors

		Sum of Squares	df	Mean Square value	F	Sig.
1	Regression	13.609	5	2.722	4.589	.003 ^b
	Residual	20.166	34	.593		
	Total	33.775	39			
a. Dependent Variable: Performance-related effectiveness						
b. Predictors: (Constant), link of performance to financial reward, Use of multidimensional performance, Training, Top manager support, Employ participation						

The table below shows least significance associated with performance related reward, of approximately 0.002 followed by training and top manager support of 0.138 and 0.919 respectively. A B value of 1.941 and t value of 1.52 indicates a relation of great significance. All the factors involved in the table below are inter-related to each other.

Table 04: Results of coefficient of variance

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.941	1.277		1.520	.138
	Use of multidimensional performance	-.010	.205	-.007	-.050	.961
	Top manager support	-.030	.290	-.021	-.102	.919
	Training	-.431	.284	-.296	-1.519	.138
	Employ participation	.130	.305	.097	.424	.674
	link of performance to financial reward	.825	.243	.751	3.388	.002
a. Dependent Variable: Performance-related effectiveness						

Regression analysis was done to determine the relation between dependent and independent variables. Here, in this table below staff-related effectiveness was the dependent variable. A significance value of 0.001 and F value of 5.272. The independent variables in this section are link of performance to financial reward, use of multidimensional performance, training, top manager support and employ participation. The Model table represent a positive inter-relation of all the strategies involved. In table-6, a B value of 2.392 and a significance of 0.008 reveals a positive relation between the dependent and the independent variable.

Table 05: ANOVA for staff-related factors.

ANOVA ^a						
		Sum of Squares	df	Mean Square value	F	Sig.
1	Regression	6.889	5	1.378	5.272	.001 ^b
	Residual	8.886	34	.261		
	Total	15.775	39			
a. Dependent Variable: staff-related effectiveness						
b. Predictors: (Constant), link of performance to financial reward, Use of multidimensional performance, Training, Top manager support, Employ participation						

The table below states the coefficient of variance between dependent and independent variable. In this table unstandardized coefficient error is 0.848 while for standardized coefficient the beta variance is unpredictable showing a positive coefficient of variance

Co-efficient						
Model		Un-standardized Coefficient		Standardized Coefficient	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.392	.848		2.822	.008
	Use of multidimensional performance	-.138	.136	-.138	-1.016	.317

	Top manager support	.023	.193	.024	.119	.906
	Training	.456	.188	.459	2.422	.021
	Employ participation	-.404	.203	-.444	-1.991	.055
	link of performance to financial reward	.381	.162	.507	2.355	.024
a. Dependent Variable: staff-related effectiveness						

Table 06: The results show a positive correlation with staff-related factors.

Qualitative Analysis:

Qualitative analysis was done by asking managers for a face-to-face interview. Thematic analysis was done by understanding the transcript of the interviews conducted. Open-ended questions were used to analyze the results. The managers voluntarily involve in the study and discuss each perspective about the research question that was asked to them. They feel free to answer the specific questions. Most of the managers were utilizing same methods but with different strategy to measure performance in the government sector. Various managers were resistant but majority were satisfied with the perspective of the study and feel free. After carefully listening to the interview, the data obtained was coded according to the interest rate. Themes were developed and the data was recorded based on the rating. Themes were arranged with respect to the same code. Managers were allowed to share their perspectives regarding questions asked to them. Most of the questions were asked about the effectiveness of the performance measure and the name of factors that would have an impact. Majority of them states employees performance. They said that, if an employee is not performing well after providing all the accessories required to them, the government sector would not progress. That's why, for the government sector the involvement and satisfaction of the employees is of vital importance. In this strategy the managers were asked how they measure performance with in the government sector they are working, and what would be the effectiveness of these strategies on the performance. Majority of the managers were the chief qualified persons of their department reveals a positive relation of the performance and the strategies employed for the performance. The graph represents the effectiveness of various strategies employed to measure performance in the government sector. Here, the face-to-face interviews reveals higher effective rate of employees participation followed by multi-dimensional performance, training, performance related reward and the top manager support. Majority of the managers were working through employees participation strategy to achieve goals they had set before. At the end, the results of overall qualitative analysis reveals that factors employing performance measurement have great impact on the effectiveness of the government sector.

Figure (1) shows the overall graphical representation of the face-to-face interview that was conducted for qualitative analysis is given below showing the effectiveness of each factor in measuring performance.



4. Discussion

The purpose of performance measurement in governmental units has changed for many decades. Previously, the traditional performance measures were focused on productivity rather than accuracy. Those types of measures are no longer representative and appropriate in today's market due to greater competition (Cumming et al., 2017). Now, alternative performance systems have been proposed. That change in the performance measures reveals that the basis of these measures is changing day by day. Moreover, it also suggests that certain characteristics are necessary to produce relevant information for improving performance (Nudurupati et al., 2011).

It has always been seen that organizational performance has a great influence on the actions of the governmental units. That's why, the consequence of measuring the performance in terms of accuracy and quality is of great importance (Yang et al., 2010). And it is mostly related to the organizational level. The result of our study reflects a positive relation between all the five factors on the performance of the company. The current study states that with the emerging understanding of artificial intelligence the importance of performance measurement is increasing day by day (Hogan et al., 2016). The current study states the same thing in quantitative and qualitative manners (Velimirović et al., 2011). About all of the participants were satisfied with their jobs and were performing well. Previously, a study was performed to analyze how decision-makers affect organizational policy by comparing it with historical or social aspiration levels (Greiling, 2006). The study also reflects the changes done in governmental units can have an impact on the performance level. The study highlights the same aspects as in this current study. However, the limitation is that many organizations do not bother the performance measurement tools. Program evaluation and performance measurement was also discussed by many studies using measurement strategies (McDavid et al., 2018). The results of the study correlate with the previous research in terms of the importance of performance measurement in government sectors (Charron et al., 2019). Here are some limitations of the study. Firstly, despite vast research and practical experience, performance measurement is still under study. Only a few studies have addressed the limitations and the benefits of performance measurement in governmental units.

5. Conclusion

The study concluded that there are many factors affecting the performance measurement, which is of great importance in government units. For government units to work properly should develop new strategies for performance measurement. These factors not only affect the quality but also the efficacy of the government units. Moreover, government units should keep sight of the performance to remove the gap between accuracy and aspiration.

Recommendations:

The study recommends that government sector units should adopt strategies to identify factors that may have a negative or positive impact on the performance of government units when providing services. Moreover, companies should also develop strategies to achieve the goal between ambition and accuracy. However, there are still limitations, as previous studies did not address all factors that have a negative impact on performance without taking into account the strategy implemented in the government services sector, which is a non-profit sector.

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