

THE NEED AND ABILITIES OF IMPLEMENTATION THE INTEGRATED METHOD OF COMMON ASSESSMENT FRAMEWORK AND BALANCED SCORECARD IN THE PUBLIC SECTOR

Simona ASTRAUSKAITĖ

Paper for the Master's degree

Quality Management Master's program

Vilnius University, Faculty of Economics, Management Department

Supervisor – prof. J. Ruževičius

Vilnius, 2016

SUMMARY

55 pages, 7 charts, 17 pictures, 45 references.

The main purpose of this master thesis is to assess the need and possibilities of public sector organizations to implement the integrated method of Common Assessment Framework (CAF) and Balances Scorecard (BSC).

The work consists of literary analysis, the research methodology, the interpretation of the research results and conclusions with recommendations. The questionnaire survey of the public sector employees and employers was done for the research. Mathematical analysis and statistical correlation analysis were applied in order to evaluate the results. *Microsoft Office Excel 2007* was used to encode the results, apply mathematical analysis and make pictures. *SPSS Statistics 17* was used for statistical correlation analysis: Cronbach's Alpha, Kolmogorov and Smirnov, Kruskal-Wallis tests were calculated as well as Pearson, Spearman and Fisher coefficients.

Literary analysis reviews the potential of implementing the integrated Common Assessment Framework and Balanced Scorecard method to the public sector organizations. The benefit and main challenges of implementing the quality management techniques are mentioned as well as the

linkage between Common Assessment Framework and Balanced scorecard. Moreover, the given model shows how to integrate the criteria of CAF to Balanced scorecard's four perspectives.

The survey revealed that there is indeed a real need for Integrated method (more than 81 % of respondents evaluated their organization averagely or higher demanding for Integrated method. Moreover, 91 % of respondents rated their organization having an average or higher potential to implement the Integrated method. Four hypotheses concerning the need and abilities to implement integrated method were formulated and verified via the research. The need is explored by evaluating activity's quality improvement in the institution according to Deming PDCA cycle. The abilities are explored by analyzing organization's: practical realization of the strategy, the mission, the vision, values, and the efficacy in employees' feedback system and top management participation in the teamwork, also the coherence between potentiality and strategic targets. The survey revealed: the higher need of implementing the integrated model for the public sector institution is identified, the less abilities it has to implement mentioned method. But there is no statistically approved connection between organization need and abilities and personal respondent's evaluation of integrated method. Moreover, already activated methods of the quality management in organization have influence on its need and abilities to implement integrated method. However, there is no dominant connection between respondent's evaluation of need and abilities to implement integrated method and his position in the organization. According to survey's results author concludes, that organizations with an average need and top skills have the highest potential to implement the integrated method. On the other hand, the preference is given for institutions indicative to the highest necessitate and average capabilities, however, the implementation will take time in this type of organizations. Considering the adjustment of the management, an organizational and quality culture , exigent employees training, it is presumed that public sector organizations will seek for a consistent activity's improvement and the fulfillment of society's expectations.

Based on this master's thesis, the scientific article was written, reviewed and published in the magazine *Issues of Business and Law*, 2015, Vol. 10, p. 157–180. doi:10.5200/1822-9530.2015.09; ISSN 2029-1094. Also the other scientific article, based on this master's thesis, was written, reviewed and accepted to publish in the magazine „Acta AVADA“. Moreover, the presentation on this topic was made for the conference of Academic Association of Management and Administration.

KEYWORDS: quality, total quality management, Common Assessment Framework, Balanced Scorecard, integrated method, public sector, efficiency.