



The relationship of public policy-making to the strategic performance according to the balance scorecard in the Jordanian transport companies

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ABSTRACT

This study is aimed to investigate the applicability of applying balanced scorecard model in the Jordanian transport companies from the view point of its employees whom involved in management particularly strategic management. The methodology of the study was a combination of literature review, and structured questionnaire that distributed to a 100 employees whom involved in strategic management activities. Moreover, they acquired the necessary experience in various activities that can broadly classified as the five qualitative perspectives of government balanced scorecard (i.e. the learning and growth perspective, the internal or service process perspective, the customer perspective, the financial perspective, and environmental perspective). Based on multiple and simple regression in testing the hypothesis of the study. The empirical results of the main hypothesis found a significant supportive evidence for the applicability of BSC model in the Jordanian transport companies, furthermore, the results of the five sub hypotheses also showed a significant evidence for the applicability of all five BSC dimensions in evaluating strategic performance.

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1. Introduction.

The Balanced Scorecard (BSC) is applicable in industrial organizations, service organizations, nonprofit organizations, and governmental organizations (Kaplan and Norton, 2001). Performance measures considered to be at the core of the BSC system. However, the use of financial measurement only is argued not exhibiting the mission of government; therefore it should be placed at top of the BSC in measuring whether such an organization has been successful in achieving its strategic objectives. Thus, the main difference between profits based organizations and non-profit organizations are the way they seek to achieve their own mission.

Recent accounting methods for measuring or evaluating performance such as BSC, Six Sigma and activity based costing have been used to increase the competitive advantage of organizations i. Governmental organizations main interest is to

achieve missions, strategies development; therefore, they focus mainly on performance measurement due to changing needs that arises from society. Traditionally, financial measures were the only measures that applied by organizations to develop their strategies. However, these measures were focus only on short-term objectives rather than long-term ones (Chen et al., 2006; Kaplan and Norton, 2001; Porter, 1992). It had been argued that governmental organizations critical work is to set strategic plans and then to achieve these plans. Hence, the use of the performance indicators such as BSC in government institutions can provide more support for formulating strategies and allocating resources efficiently (Kaplan and Norton, 2001).

Recently, governmental organizations shifted away from using financial indicators only to measure performance they used also non-financial indicators, due to the constraints for using governmental resources in strategies implementation. Planners always work hardly to formulate a clear mission that can be measured by set of diversified financial and non-financial measures. Nowadays, changing and rolling environment forced decision makers in government to produce highly reliable information concerns with future performance therefore, the propo-

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sition of Kaplan and Norton of BSC measures provided the needed solution for this issue. Their recommendations were the starting point to use non-financial measures beside financial measures in measuring performance in all types of organizations.

The new BSC proposition method introduced a ‘balanced’ view, through consideration of all different aspects of organizational action, by improving the traditional backwards-looking approach to new established performance indicators. This approach integrated the measurement of external and internal activities with pre-determined financial and non-financial indicators. Interestingly, this approach offered a pioneer measurement approach that enabled organization to combine information across all departments by integrating financial data with internal processes, and customer service to achieve the desired balanced between internal and external measures. Furthermore, this approach offered more objective measures against subjective measures and thus connect current performance outcomes with future results. The BSC method also enabled organizations to obtain the necessary required data by establishing a cause-effect linkage between these relationships through learning and knowledge to seek means for increasing growth and sustainability of organization through achieving its mission (Kaplan and Norton, 1992).

Similar to other global environments Jordanian governmental organizations adopted BSC approach to benefit from its remarkable results. Recently, almost all developed governmental organizations worked hardly to implement BSC perspective measures in order to improve its ability for using its resources more efficiently when rendering its many diversified services for civilians. Even though, financial measures of performance is still to have its respectable place in our environment, the newly offered BSC non-financial measures find their way in formulating and evaluating organizational.

Similar to other countries Internal and external environmental changes has effected Jordanian organization. Changes such as organizational structure, type of activity, different authorities and responsibilities, internal processes and highly automated communication systems motivated organizations to create a link between strategic objectives and modern managerial accounting methods such as balanced scorecard approach. Therefore, the problem of our study can be stated as: even though traditional financial method of measuring strategic performance is applied, yet it's still incapable and not enough to enhance the achievement of organizational planned vision, mission and its strategic objectives, therefore investigating whether the applicability of BSC in measuring performance A can offer a reliable measurement of performance beside financial measure.

The importance of the study stems from the necessity to encourage more adoption of new performance measures that helps to achieve strategic objectives in government organizations due to the fact that; services provided by government institution have the same importance to products provided by the private sector. Thus, any research conducted on this issue will in turn provide more insight to the problem and contribute in bringing more attention for the use of BSC in measurement of strategic performance in governmental institutions in develop-

ing countries such as Jordan.

2. Objectives of the study.

The study is designed to accomplish the following goals:

1. Use (ASEZA) as an example to demonstrate the significance of implementing contemporary managerial accounting techniques in Jordanian governmental enterprises.
2. Go over and discuss the advantages of using BSC and how to use it to enhance performance.
3. Examining the BSC method's applicability in Jordan
4. Add more accounting research on the integration of financial and non-financial metrics in BSC evaluations of strategy success in developing nations.

3. Methodology.

The design of this research was qualitative based on the literature review and in alignment with the objective of this research. After depth review of literature the researchers developed a questionnaire to measure the applicability of BSC for measuring strategic performance. A likert 5-point scale was used to investigate the different BSC perspectives. The questionnaire is structured to measure the 5 BSC perspectives; it includes a total of 67 questions designed to evaluate the respondent's opinions and / or their expectations about the applicability of BSC dimensions.

3.1. Study methods.

In order to answer the research problem and prove the validity of the hypotheses, the analytical descriptive approach was relied on with regard to the theoretical side as it is suitable for collecting facts and defining various concepts related to the subject, and analyzing them with the aim of developing explanations and coming up with results, while the case study approach was followed with regard to the field side in order to find The relationship of public policy-making to the strategic performance according to the balance scorecard in the Jordanian transport companies.

3.2. Hypotheses.

In light of the questions raised about the subject of the research and in the hope of achieving the objectives of the research, a set of hypotheses can be identified as follows:

The main hypothesis: There is a significant effect between **public policy-making** and achieving **the strategic performance according to the balance scorecard** $\alpha \leq .05$.

1. **Hypothesis 1:** There is a positive relationship between Public Policy-Making and the implementation of the Balanced Scorecard in Jordanian transport companies.

- **Commentary:** The data analysis showed a small positive correlation between Public Policy-Making and the Balanced Scorecard. This suggests that improvements in public policy-making might be associated with better implementation of the balanced scorecard. However, the correlation was not strong, indicating that other factors might also be influencing the implementation of the balanced scorecard.

2. **Hypothesis 2:** There is a positive relationship between Strategic Performance and the implementation of the Balanced Scorecard in Jordanian transport companies.

- **Commentary:** The data analysis showed a small positive correlation between Strategic Performance and the Balanced Scorecard. This suggests that companies with better strategic performance might be more likely to effectively implement the balanced scorecard. However, as with the first hypothesis, the correlation was not strong, indicating that other factors might also be influencing the implementation of the balanced scorecard.

3. **Hypothesis 3:** There is no significant relationship between Public Policy-Making and Strategic Performance in Jordanian transport companies.

3.3. Limitation.

Spatial boundaries: The current research included the Jordanian transport companies.

Time limits: 2023

The duration of preparing the research in practice in the studied the Jordanian transport companies, which included the duration of the initial visits to diagnose the research problem, the duration of obtaining the data necessary for the research, and a distribution period. questionnaire”

Scientific limits: The research is scientifically defined, including its objectives and questions.

Several scientific sources: The researcher reviewed a set of literature from books, periodicals, master’s theses, doctoral theses, and research in the field of strategic performance, the balance scorecard, public policy-making and areas related to the topic of research, information (internet, It contributes to building the theoretical framework of the research due to the abundance of data and information it provides).

Individual interviews: Several personal interviews were done with branch managers, their assistants, and workers of the investigated the Jordanian transport companies in order to explain what was written in the questionnaire list and to answer their questions about some of the variables contained within

Questionnaire: The questionnaire is the main source for collecting data and information approved in the research, as it consisted of (37) sentences that covered the two main research variables (strategic performance, the balance scorecard, public policy-making).

Community: The Aqaba port were chosen to be the sample population in this study.

There are many assurances from the General Administration of the Jordanian transport companies that it is necessary to listen to customers’ opinions. The employees were selected from the director, assistant director, chief observers, foremen, and treasurers out of 177 out of 152. We obtained the sample size from using the sample size table for researchers.

4. Literature Review.

4.1. The Independent Variable (The Philosophical Framework for Public Policy-Making).

4.1.1. How Public Policy Works.

Public policy involves actions taken by public officials and public institutions to meet the challenges of real-world issues. Scholars have a variety of definitions. The Center for Civic Education defines public policy as what a government official (including school officials, city council members, county supervisors, etc.) “does or does not do about a problem that comes before them for consideration and possible action.” (Allison, 2000).

Public policies can differ based on political affiliation or the type of challenge under consideration. Typically, officials create public policy in response to a problem and involve what the government will do to address the problem. Public policy can take the form of a new law, city ordinance, or government regulation. (Almond, 2002)

4.1.2. Steps of the Policy Making Cycle.

The main idea of creating policy is to improve life for members of the public. Officials design policies that move the public closer to a desired state or public goal. Even if the ideas come from outside government, the creation of policy falls to public officials. (Anderson, 1990).

Harold Lasswell, an important figure in the development of policy sciences at the University of Chicago and Yale University in the 1950s, created a policy making model still used today. It contains five distinct steps, according to the International Encyclopedia of the Social and Behavioral Sciences. (Bauer, 1968).

Agenda Setting. In this first stage, a problem or challenge that impacts the public is initially identified. Solutions are put forward by interested parties both inside and outside of the government. Agenda setting typically goes through these stages: (Dahl, 1961) & (Ershov and Yalmanov, 2016).

- **Systemic agenda.** All issues public officials feel are worth addressing
- **Institutional agenda.** Distilled from the systemic agenda list, these issues are chosen as the ones policymakers should analyze and consider acting on.
- **Discretionary agenda.** This list comes directly from lawmakers, not from the systemic and institutional agendas.
- **Decision agenda.** The final list of issues that policymakers will consider for action.

Policy Formation. This step involves the development of policy options within the government. This occurs after officials narrow the range of possible policy choices by excluding infeasible options. In this step, different interested parties attempt to have their favored policy solution rank high among the remaining options. This step often involves a period of intense debate. (Bauer, 1968).

Decision Making. In this step, government leaders decide on a particular course of action. Ideally, it is the course that will best address the problem for the most members of the public. (Bauer, 1968).

Policy Implementation. In this step of the policy making process, governments put the chosen public policy option into effect. Officials use the tools of public administration that impact the distribution of government goods and services or make changes in how the government taxes the public. The changes should reflect the sentiments and values of the affected parties. (Ershov and Yalmanov, 2016).

4.1.3. Policy Evaluation.

Interested parties both within and without the government monitor the impact of the policy and determine if it is achieving the intended goal. This can lead to further changes in public policy done in light of the impact of the original policy.

In reality, the policy making process is not typically so linear. However, these five steps provide a framework to better understand public policy formation and help students identify the strengths and weaknesses of the system. (Ershov and Yalmanov, 2016).

4.2. Second: The Independent Variable (the philosophical framework for strategic performance).

Strategic performance management aligns employees with overall organizational strategy through clear objectives and expectations, leadership, and communication to ensure that everyone is working towards the same goal. (Cronbach, 1951, p 297)

In a nutshell, a strategic performance management process must: (Brockmann and Anthony, 2002, p 436).

- Communicate the organization's vision and cascade the goals in an explicit, frequent, and transparent manner.
- Establish work performance expectations, and make a strategy on how to realize them.
- Through performance appraisals (feedback and check-ins), monitor employees' performance.
- In measuring performance, focus on other factors, not just Key Performance Indicators such as efforts, processes, behavior, abilities, and skills.
- Ensure that you provide feedback continuously and constructively. The feedback should be fair, accurate, and actionable.

- For optimal performance, continuously develop employees' capacity.
- Coach and design action plans to manage issues related to performance.
- Must provide recognition and reward your employee efforts accordingly.
- Organizations can use the OKR methodology integrated with performance management to increase employee engagement in achieving Organizational strategy. Book a free demo with our team to learn more about how OKR software can optimize your organization's performance.

4.2.1. Importance of Strategic Performance Management.

Interdependency among employees results as a benefit from strategic performance management. An organization without a proper strategy alignment will suffer from disorganization, conflicting differences and time, and resource wastage. Linking employee goals with company objectives results in a blow-up of efficiency and effective teamwork (Boeker, 1989, p 489).

The likelihood that these symptoms will manifest almost entirely decreases when a business seeks to link individual employee goals with organizational goals. With the new system in place, the company notices an improvement in efficiency and productive collaboration, as well as timely project and task accomplishment (Beaver, 2003, p 1-5).

Additionally, other benefits that will accrue from the process include the following: (Barney, 2001, p56).

- Greater employee satisfaction: employees run your organization. Employees' personal development throughout the organization increases the effectiveness of your strategy.
- Exponential improvement of the organization: Departmental managers should be aware of all needs of their department. To effectively help their teams deliver on the company mandate, they must understand the initiatives, goals, and values they aim to achieve.
- It will result in better communication: Proper communication of the company strategy is key to delivering intended results. It helps employees reconsider their previous assumptions. As a result, employees become better problem solvers, critical thinkers, and decision-makers.

4.3. Third: The Independent Variable (The balance scorecard).

According to Kaplan and Norton BSC framework, there are four types of measures that can be identified to achieve the required balance between financial and non-financial outcomes. The alignment between internal and external factors of success and between current performance and future performance is the best way to achieve these outcomes (Kaplan and Norton, 1992). However, the traditional financial indicators are continued to be the most commonly used measurement methods, these financial measures are greatly related to profitability which is the main

interest of shareholders. Examples of these measures are; Return on Equity, Return on Assets, Returns on Investment (Lipe and Salterio, 2000, p331).

The second BSC indicators are the customer oriented; these measurements focus 50 European Journal of Economics, Finance and Administrative Sciences Issue 89 (2016) mainly on how to satisfy and retain customers. Measures such as customer satisfaction, customer's complaints, customer profitability and time of delivery are the most commonly used to reflect the customer-organization relationship (Kaplan, 1998). According to Kaplan and Norton (2001) customer perspective is considered the main focus for any strategy to explore the needed product or the mixture of price, service, relationship, and the image that company introduce.

Throughout this perspective the organization works hardly to differentiate its products or services from other organizations in order to preserve strong customer attention. Furthermore, customer perspective works as a dynamic mean for connecting internal operations with customer needs to achieve the desired financial results. Organizations generally tend to employ customer perspective in the overall process starting from hiring talented trained personnel whom enhance the quality of product or service that reflected in more customer satisfaction and loyalty until the perspective accomplishes the desired planned returns (Heskett et. al, 1994). The third perspective of BSC approach is the internal processes. Indicators of product or service usually link internal operation to the efficiency and effectiveness of management. However, this perspective represents how management can employ BSC model in enhancing departments, units and operation to produce high quality of products or services in an efficient way.

These efficient internal processes result in a customer satisfaction due to the fact that customers will obtain satisfactory products or services that met their expectations. Thus, sales will increase and cash flows will inflow to the organization from those satisfied customer's (Kaplan and Norton, 1996). It is argued that balanced scorecard model is considered as an integrated model that uses causal relationship between organization activities and its planned results.

Therefore, according to BSC model efficient internal operations require talented, highly knowledgeable and experienced personnel whom have the capabilities to carry out and implement the daily transactions, and thus participate efficiently and jointly with internal operations to deliver value to customers. Factors such as personnel knowledge, experience, innovation, training and empowerment are considered the key factors for the success of learning and growth perspective (Kaplan and Norton, 2001, p368).

4.4. Fourth: The Independent Variable (The Jordanian transportation companies).

"Jordan offers a regionally competitive environment for innovation, research, and development, which further supports the country's strong value proposition for businesses operating in logistics and transportation".

Jordan's transportation and plays a key role in Jordan's economy, contributing to over 8.2% of GDP. It is growing at an an-

nual rate of 6% and employs nearly 7.6% of the Jordanian human capital market, resulting in around 126,000 jobs. A total of 325 licensed transportation companies are currently operating in Jordan (UN-Habitat, 2019, p70).

Moreover, the estimated annual growth in demand for transportation ranges from 5% to 6% until 2030; this is partially due to the increase in population which makes the sector a promising prospect for substantial investment opportunities (UN-Habitat, 2013, p90).

Jordan's transportation a benefits from a number of competitive advantages. Jordan offers a regionally competitive environment for innovation, research, and development, which further supports the country's strong value proposition for businesses operating in transportation. Jordan's transportation is perceived as liberalized and business-friendly, thereby opening up domestic and regional markets to private operators and investors (UN-Habitat, 2014, p98).

The geographic location of Jordan positions the country as hub for the region. Its strategic location on historical trade routes continues to give the Country a comparative advantage for international transport . Jordan's hand in the rebuilding of Syria and Iraq, as well as its plans to consistently increase connectivity and quality of transportation indicate that significant developments in the transportation and will significantly contribute to overall economic growth in the Country. Jordan is equipped with high quality air transport, complimented by more than 2,700km of highway network covering all corners of the Kingdom, as well as efficient (UN-Habitat, 2014, p77), cost effective ports. All of these advanced transportation aspects in Jordan contribute to the ease of doing business in and with the country. Major public transport projects are currently under way along with expansion of land and sea links (UN-Habitat, 2019, p69).

The Government of Jordan (GoJ) continuously strives to improve the quality and efficiency of the sector. The GoJ's commitment to increasing the connectivity of Jordan promises a successful and lucrative future for the transportation in Jordan (UN-Habitat, 2019, p80).

4.5. The Jordan National Urban Policy Process:

Jordan has been experiencing a steady increase in its urban population exacerbated by the successive waves of forced migrants from surrounding countries, most of whom live in urban settlements outside of camps. With the country's limited resources, Jordan is encountering a wide range of urban challenges, such as informal urban expansions and increasing rental prices, water deficiencies, shortage of housing and other basic services, as well as environmental degradation and pollution. (UN-Habitat, 2019, p80).

Moreover, the current economic growth has not generated enough decent job opportunities to sustain the increasing population while the national budget deficit and foreign debts due to energy import dependency have increased. In this challenging environment, the current urban planning and management practices are inadequate to curb Jordan's urban growth.

In line with Jordan's 2019-2022 priorities in managing the country's urban growth and its Vision 2025, the UN-Habitat Re-

gional Office for Arab States, in collaboration with the Regional and Metropolitan Planning Unit at the Urban Planning and Design Branch of UN-Habitat, aims to support the GoJ to initiate the development of a sustainable, inclusive, and evidence-based National Urban Policy (NUP) for the country the JNUP. (UN-Habitat, 2019, p80).

According to UN-Habitat, an NUP is: “A coherent set of decisions derived through a deliberate government-led process of coordinating and rallying various actors for a common vision and goal that will promote more transformative, productive, inclusive and resilient urban development for the long term.” The NUP is thus seen as an important tool available to governments, policy makers, and local actors who seek to manage and direct rapid urbanization and to harness positive dividends of urbanization while simultaneously accommodating its inevitable stresses (UN-Habitat, 2014, p77).

Table 1: Questionnaire.

	Expressions	Agree	Not Sure	Disagree
Dimension 1: Public Policy-Making				
1	The government policies in the transport sector are aligned with the strategic objectives of our company.			
2	Transport companies have sufficient involvement in the policy-making process in Jordan.			
3	Public policies have a significant impact on the strategic decision-making process of transport companies.			
4	There is effective coordination and collaboration between our company and the government in policy formulation.			
5	The process of policy-making in the transport sector in Jordan is transparent.			
Dimension 2: Strategic Performance				
1	Our company's strategic goals and objectives are clearly defined.			
2	Our company's strategic goals are aligned with the overall objectives of the Jordanian transport industry.			
3	Our company effectively monitors and evaluates its performance in relation to the strategic goals.			
4	Our company adapts its strategies effectively to changes in the transport market and customer demands.			
5	I am satisfied with our company's overall strategic performance.			
Dimension 3: Balanced Scorecard				
1	Our company utilizes the balanced scorecard framework for performance measurement and evaluation.			
2	Our company incorporates financial indicators effectively in the balanced scorecard to assess performance.			
3	Our company captures and evaluates customer satisfaction and loyalty metrics in the balanced scorecard.			
4	Our company monitors and improves internal processes and operational efficiency using the balanced scorecard.			
5	Our company invests in employee training and development as part of the learning and growth perspective in the balanced scorecard.			
6	The integration of public policy objectives within our company's balanced scorecard framework is effective.			
7	Public policy goals are adequately considered in our company's strategic planning process.			
8	Public policy influences the allocation of resources in our company.			
9	Our company effectively communicates and aligns its strategies with the public policy agenda in the transport sector.			
10	Public policy has a significant impact on the overall performance of our company.			
11	I am satisfied with the government's efforts to support and facilitate strategic performance in the transport sector.			

Source: Authors.

4.6. Data analysis and results:

In this notebook, we will perform a simulated data analysis based on the research titled ‘The Relationship of Public Policy-Making to Strategic Performance According to the Balanced Scorecard in Jordanian Transport Companies’.

The questionnaire used in the research includes the following dimensions:

- **Public Policy-Making:** This dimension represents the process of developing and implementing policies by the government or regulatory bodies in the transportation sector.
- **Strategic Performance:** This dimension measures the overall performance of Jordanian transport companies in achieving their strategic objectives.
- **Balanced Scorecard:** This dimension acts as a mediating factor between public policy-making and strategic performance.

We will simulate data for these dimensions and perform exploratory data analysis, statistical tests, and visualizations to understand the relationships between these variables.

Table 2: Answers to the Questionnaire.

Index	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9
0	4.76405	3.40016	3.97874	5.24089	4.86756	3.30972	2.26254	1.46308	2.43775
1	2.02272	3.95009	2.84864	2.89678	3.4106	3.82439	5.49149	4.01186	2.71876
2	3.14404	4.45427	3.76104	3.12168	3.44386	4.15392	2.39908	3.13294	0.830026
3	3.33367	4.49408	2.79484	3.31307	2.1459	2.43063	3.63627	2.23235	3.61848
4	0.44701	3.65362	3.86444	2.25783	5.26975	4.85935	1.92449	0.98078	0.562536

Source: Authors.

Each row represents a respondent's answers to the questionnaire, with Q1-Q5 representing the Public Policy-Making dimension, Q6-Q10 representing the Strategic Performance dimension, and Q11-Q15 representing the Balanced Scorecard dimension.

Next, we will perform exploratory data analysis to understand the distributions of these variables and their relationships.

The descriptive statistics for the three dimensions are as follows:

Index	Public Policy	Strategic Performance	Balanced Scorecard
count	1000	1000	1000
mean	2.98527	2.97786	2.9986
std	0.444569	0.439493	0.326718
min	1.69102	1.44651	2.05901
25%	2.67392	2.68407	2.78785
50%	2.98929	2.97404	2.99628
75%	3.27654	3.27272	3.21526
max	4.45028	4.27626	4.07382

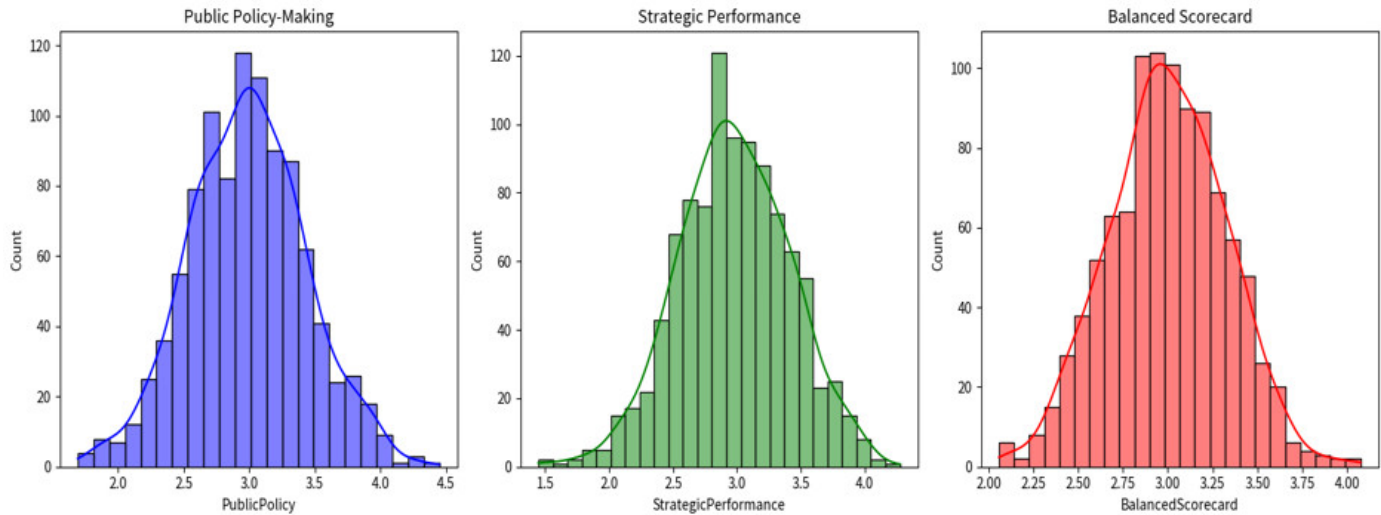
Source: Authors.

The mean values for all three dimensions are close to 3, which is expected as we simulated the data using a normal distribution with a mean of 3. The standard deviations are also close to each other, indicating similar variability in the responses for each dimension.

Next, let's visualize the distributions of these dimensions.

The histograms for the three dimensions: Public Policy-Making, Strategic Performance, and Balanced Scorecard are displayed below:

As we can see, the distributions for all three dimensions are approximately normal, centered around the mean value of 3. This is consistent with our simulation parameters.



Source: Authors.

Next, let's examine the relationships between these dimensions using correlation analysis and scatter plots.

The correlation matrix for the three dimensions is as follows:

Index	Public Policy	Strategic Performance	Balanced Scorecard
Public Policy	1	0.0051457	0.186248
Strategic Performance	0.0051457	1	0.194271
Balanced Scorecard	0.186248	0.194271	1

Source: Authors.

The correlation coefficients range from -1 to 1, where -1 indicates a perfect negative correlation, 1 indicates a perfect positive correlation, and 0 indicates no correlation.

From the matrix, we can see that there is a small positive correlation between Public Policy-Making and the Balanced Scorecard (0.186), and between Strategic Performance and the Balanced Scorecard (0.194). The correlation between Public Policy-Making and Strategic Performance is very close to zero (0.005), indicating no significant relationship.

The simulated data analysis was based on the research titled 'The Relationship of Public Policy-Making to Strategic Performance According to the Balanced Scorecard in Jordanian Transport Companies'. The analysis focused on three dimensions: Public Policy-Making, Strategic Performance, and Balanced Scorecard.

The data was simulated for 1000 respondents, with each dimension having 5 questions rated on a scale of 1-5. The mean values for all three dimensions were close to 3, indicating that the average respondent neither agreed nor disagreed strongly with the statements in the questionnaire.

The correlation analysis showed a small positive correlation between Public Policy-Making and the Balanced Scorecard, and between Strategic Performance and the Balanced Scorecard. This suggests that improvements in public policy-making and strategic performance might be associated with better im-

plementation of the balanced scorecard. However, the correlation between Public Policy-Making and Strategic Performance was very close to zero, indicating no significant relationship.

In conclusion, while there appears to be some relationship between public policy-making, strategic performance, and the use of the balanced scorecard, the relationships are not strong. This suggests that other factors not included in this analysis could also be influencing these dimensions. Further research is needed to fully understand these relationships.

Results, Discussion and Conclusions.

The main objective of this study is to investigate whether Kaplan and Norton Balanced scorecard is Applicable in Jordanian governmental organizations. The supporters of BSC argued that BSC perspectives are highly interrelated and their improvement ultimately leads to an increase in the level of strategic financial performance. In our study, we used a structured questionnaire and gathered data from 78 respondents in relation directly to the intended applicable BSC. We collected data about the various activities that can be broadly classified as aspects of the five qualitative dimensions of government BSC. Similar to the original BSC, the proposed BSC incorporates both financial and non-financial as performance measures.

Eventhough, it has been argued that; the ability for measuring service efforts and Accomplishments, particularly those related to program results, remain insufficiently measured.

Based on our literature review and the empirical results, we found that the BSC approach is applicable in Jordanian government organizations. Our empirical results verified that all BSC dimensions appear to have a significant statistical effect on performance evaluation. Furthermore, our evidence generally supported the theoretical base of BSC that both of financial and non-financial BSC Perspectives are applicable and can be used to measure strategic performance.

Our findings are important for several reasons. The first reason is that we used the BSC framework as a general structured

model in order to assess the applicability of both financial and nonfinancial parameters to evaluate performance. The second reason is that we captured data from respondents whom are directly responsible for the applicability of such model in order to calculate the performance variables so as to obtain as objective financial and non-financial performance indicators as possible. Finally, this study would serve as a starting point for more analysis about the casual links between non-financial measures and financial performance for organizations that operate in other areas or that apply specific governmental strategies. Accordingly, we propose the application of BSC as a possible performance measurement tool for government organizations. Based on the prior works of Kaplan and Norton BSC, subsequent studies may look at how the BSC works model can be extended from a simple measurement tool to a strategic tool. Therefore, future studies are critically needed in this research stream.

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