Implementation of the Balanced Scorecard as a Strategy in Improving the Quality of Education

Zainal Muhtar¹, Maria Susana Y², H Wahyudin², Iim Wasliman², Sofyan Sauri²
¹Universitas Pertahanan Republik Indonesia
²Universitas Islam Nusantara
Corresponding Author E-mail: zainal_muhtar90@yahoo.co.id

Received 20 February 2021; Revised 28 March 2021; Accepted 10 April 2021

Abstract: The basic need of someone who is classified as important is education. People can develop his intelligence, self-potential, skills and shape personality with an education. Through education, a person can also obtain information and knowledge to train and develop his character. One of the places where people can get education is school. Schools as educational institutions have the duty and responsibility to produce students with character, broad insight, acceptable to society, especially consumers or users and able to compete at a global level. To form quality students, of course, the educational institution itself must have qualified and qualified quality. To determine the performance of educational institutions, a measuring instrument is needed that can assess each process of the running of educational institutions. The Balanced Scorecard (BSC) is a measuring tool which is also one of the management systems used to measure the efficiency of the performance of the institution. In the application or implementation of BSC into educational institutions, it is necessary to pay attention to the elements and factors that are important so that the implementation is successful and able to improve the quality of educational institutions.

Keyword: Balanced Scorecard (BSC), Education, Quality, Implementation, System Management
1. Introduction

Education is a very important need for someone to develop self-potential, intelligence, skills and shape personality. Someone is expected to be able to dig up information or knowledge and train talent and develop character through education (Sofyan, 2020). Ability that is balanced with good behavior can produce good human resources as well and able to compete with big nations in the future. Irwansyah (2021) sees that the role of education in shaping the young generation or quality students is a very strategic thing. Due to this strategic position, quality education is needed to produce superior and competitive human resources, including educational institutions as a forum for producing quality human resources (Azhar, 2006).

The world of education can no longer be considered as a social institution, but must also be treated professionally. It is feared that educational institutions will be abandoned by consumers if they are not managed properly considering the increasingly fierce competition (Lyddon, & McComb, 2008). One of the important challenges faced by educational institutions is how to manage the quality and quality of institutions in global competition. Improving the quality of education services through good management is something that users of educational services really want (David, 2004). In addition to improving the quality of education services, improving the quality of education is an important development goal in the field of national education which is also an integral part of efforts to improve the quality of Indonesian people as a whole. In line with autonomy, improving the quality of education requires the participation and empowerment of all components of education, both the government, educational institutions and the community, as well as the proper application of the concept of education as a system. The government drafted and enacted Law No. 2/1989 on the National Education System to regulate various education administrations in Indonesia.

Schools as formal education organizations become places for a group of people to achieve the expected goals. According to Law No. 2 of 1989, a school is a continuous and multi-level educational unit with the aim of carrying out teaching and learning activities. The benefits of school are very important, namely to practice responsibility, develop self-potential and train mentally and self-confidence. In order to realize the goals of the school and the benefits that can be taken, schools are required to have quality and standards that are in accordance with the National Education Standards. However, most schools in Indonesia are
below average when compared to developing and other developed countries. Evidence of the low performance of schools in Indonesia can be seen from the low competition in education which also includes the performance system in schools. To improve the performance of schools that have not met the National Education Standards, a measure is needed that can determine performance in schools.

As a comprehensive performance measurement concept, the Balanced Scorecard is applied by various world-class organizations as a strategic management system which is also used as a reference to encourage the process of change in management and organizational culture, including its implementation in school-based management (Hoque, 2003).

The balanced scorecard is a management planning and performance appraisal system developed by Kaplan and Nonton. In 1992 in the Harvard Review Journal entitled Balanced Scorecard-Measures that Drive Performance, the concept of the Balanced Scorecard was first published. This concept does not only assess the performance of the entity from the financial aspect, but also translates the vision and strategy of the entity into various objectives and measures which are arranged into four perspectives, namely financial, customer, internal business processes, as well as growth and learning perspectives.

2. Methods
The research method used is the literature review method or literature study, namely research that relies on library materials as a source of information (Arikunto, 2013) and meta-analysis. The stages that are passed in the research are carried out by collecting library materials that are still relevant, both books and journals. Furthermore, the material is studied in relation to the research variables. If it is known that the results still have relevance, they will be included in the bibliography list to be further recorded and if possible, it is used for use in research. This method is suitable in this study because this study seeks to find a picture of implementation balanced scorecard in educational instituion.

3. Results and Discussion
The balanced scorecard (BSC) according to (Kaplan, 2009) is a strategic management system that translates higher education institutions' missions and strategies into a comprehensive performance measurement that provides a framework for measuring strategy and management systems. Meanwhile,
according to Lyddon, & McComb, (2008), BSC is a tool that can help higher education organizations to become more efficient and accountable.

Although many studies refer to the application of the BSC to higher education institutions, the BSC has been proposed to assist schools (not higher education institutions) in focusing on what is most strategic and relevant to school activities (Jay, 1986).

The practice of implementing the BSC in developed countries has been widely reported, but not so in developing countries. Karathanos, & Karathanos, (2005) seek to see the factors that influence the implementation of BSC in organizations, the quality of its implementation and the contribution of BSC to organizational performance, especially in the public (non-commercial) sector in Indonesia.

The implementation of the balanced scorecard in education in Indonesia is dominated by the use of the balanced scorecard as an approach to measuring performance and implementing School-Based Management (SBM). Discussions about the implementation of the balanced scorecard as a strategic management system for educational institutions in the sense that schools have not been widely carried out, this is due to the lack of schools implementing the balanced scorecard as a strategic management system.

Schools are public sector organizations that provide educational services. School performance can also be measured with a balanced scorecard. Neely, et al, (2002) suggest four balanced scorecard perspectives to measure school performance. 1) Stakeholders Perspective Stakeholder perspective is a derivation from the customer perspective. In the school context, customers refer to stakeholders. The school stakeholders include students, teachers, employees, parents, school committees, foundations, and the government. This perspective assesses whether the educational services provided by the school have met the expectations of stakeholders. 2) Instructional and Administrative Processes Perspective The instructional and administrative process perspective is a derivation from the internal business processes perspective. This perspective provides an assessment of the effectiveness of the instructional process, administrative process, and management of school infrastructure. 3) Financial Perspective The financial perspective in the balanced scorecard for schools provides an assessment of the accountability of school financial management and the availability of school funding sources. 4) Organizational Capacity Perspective The growth and learning perspective is reduced to the organizational capacity.
perspective. This perspective provides an assessment of the competence of the school's human resources, the atmosphere of the school work environment needed to realize the targets from the stakeholder perspective, the instructional and administrative process perspective, and the financial perspective.

Kaplan (2009) published the Balanced Scorecards (BSC) as a management and measurement system used to measure the work efficiency of commercial institutions in 1992. Due to not using binding indicators, the application of BSC in the field experienced various interpretations from understanding of each executor.

There are four stages that must be carried out in implementing the balanced scorecard as a strategic management system, namely: 1) Formulate and transform the company's vision and strategy, including. (a) Strategy is the starting point for the overall management process and (b) Shared vision is the foundation for strategic learning; 2) Communicating company goals and linking strategic
objectives and benchmarks, i.e. (a) all company goals are aligned from top management to bottom individuals, (b) Education and open communication about strategy are the basis for employee empowerment and (c) System compensation should be linked to strategy; 3) Plan, set targets, and align strategic initiatives, namely (a) Stretch targets are created and approved, (b) Strategic initiatives are clearly identified, (c) Investments are determined by strategy and (d) Annual budget is linked to long-term planning Long; 4) Enhancing feedback and strategic learning, namely (a) a feedback system is used to test hypotheses on which the strategy is based (b) a problem solving team is formed, and (c) strategy development is carried out on an ongoing basis.

There are three principles that enable an organization's balanced scorecard to be linked to strategy, namely (1) Cause and Effect Relationships Strategy which is a set of hypotheses in the cause and effect relationship model, the development of a good balanced scorecard must be able to explain the series of stories from all strategic business units. (2) Performance Drivers, a good balanced scorecard must have an adequate mix of results (lagging indicators) and performance drivers used by the business unit strategy. The performance drivers themselves describe the uniqueness of the business unit's strategy. Identification of performance drivers helps to overcome the weaknesses of the outcome measures. Understanding the needs of market segments will be more beneficial if the factors that cause movements are known in advance. (3) Linkage to Financials, all measurements related to financial goals as the ultimate goal. Therefore, financial benchmarks can be used to test the results of performance drivers.

The discussion about the implementation of the balanced scorecard as a strategic management system in the world of education raises a thought on modifying the implementation of the balanced scorecard in the industrial world and in government organizations. To face the challenges of industry, the world of education cannot be managed as a social institution but also cannot abandon the social values of the essence of an education. Thus, the world of education in the sense of schools must have economic value as well as social value for the sake of service continuity.

Basically, the implementation of the balanced scorecard as a strategic management system for educational institutions is the same as the implementation of the balanced scorecard in other fields, which differ only in its substance, which follows the following stages: (1) vision and mission, (2) objectives, (3) strategy map, (4) weights, (5) strategic objectives, (6) Key Performance Indicators (KPI),
work programs/annual work plans, (8) targets, (9) realization, (10) scores and (11) organizational policy recommendations.

BSC is a management tool to maintain a balance between financial and non-financial indicators, past, present and future performance indicators, internal and external indicators. There are many strategic planning tools and methods, each of which has different effectiveness and efficiency. The application of the BSC in educational institutions has also caused pros and cons because the origin of the BSC is a measurement tool for commercial companies. However, according to Yuksel (2013), the main mission of educational institutions is to provide benefits and create social value in society whose success must be measured (Nelly et al., 2002). Determination of views and measures of the triggering factors that determine the success of management objectives in BSC is very subjective. The main objective of performance measurement is to increase accountability within the institution so that it is able to deal with a changing environment. So that the use of the BSC has a positive correlation with the strategic roadmap of educational institutions (Alani, 2018).

In the process of implementing the BSC into institutions, there are factors that are met to support the success of the BSC implementation. The factors that play a role are as follows a) Support from employees. Support from employees is one of the factors that contribute to the successful implementation of BSC in schools. Support from employees is a form of their loyalty; b) Support from the school principal. The principal as a leader has a role, in the form of support such as providing guidance and motivating teachers and employees which is an important factor in the successful implementation of BSC in schools; c) Support from the foundation. Support from foundations is a contributing factor to the successful implementation of BSC in schools. Monitoring and Evaluation carried out by the foundation is very important to ensure that this BSC does not deviate; d) Easy way of charging. Easy filling is certainly very supportive of the successful implementation of the BSC in schools; e) Cooperation. The success of implementing the BSC in schools cannot be separated from the cooperation of all school members (principals, teachers, and employees); f) Communication. Good communication can be a contributing factor to the successful implementation of BSC in schools. Good communication makes information can be conveyed to all parties; g) Target. The existence of BSC makes each individual has a target. Each individual can know the targets that must be achieved and will try to achieve these targets. Thus it will support the successful implementation of BSC in schools; h)
Facilities, facilities, and infrastructure. School facilities, facilities, and infrastructure are one of the factors that contribute to the successful implementation of the BSC. The existence of adequate school facilities, facilities and infrastructure will support the program so that the target can be achieved; and i) Priority. Each individual must be able to set the priority scale in each job so that they can know which work must be completed immediately. Thus, every job can be completed on time (Arzamastseva, & Khayrullina, 2017; Indrajit, 2011).

4. Conclusion

Comprehensive performance measurement is carried out by taking into account the concept of strategic management. Education Planning with the process of creating a strategy map ensures that success in an education can be achieved through a series of interrelated strategic objectives, one of which is the balanced scorecard. The Balanced Scorecard (BSC) can be used as a quality measurement tool, strategic management both at the level of higher education institutions and schools and has been used in developing the world of education in various developed countries. The quality of this education can be divided into two types, namely first, the quality of education as a whole system including schools, government regulations, teaching and learning environment, curriculum, and second, the quality of education seen from the school management system that can be provided to customers, in this case students. educate. The implementation of the BSC by taking into account the supporting factors can certainly help educational institutions become more effective and accountable which can also improve the quality and quality so that educational institutions can be better prepared to face various challenges in the world of education in Indonesia.

5. Acknowledgement

Acknowledgments were extended to all who contributed to this research. Thank you to Rector Universitas Pertahanan Republik Indonesia, Universitas Islam Nusantara Bandung. Thank for the team JMKSP (Jurnal Manajemen, Kepemimpinan, and Supervisi Pendidikan) that given suggestion in peer review process.

6. References


