



Description of BSC

Author:

Regionalentwicklung Vorarlberg

T: +43 5579 7171 43

leader@leader-vlbg.at

Hof 19, 6861 Alberschwende

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Elaborated by:

Franz Rűf

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Description of BSC (Balanced Score Card)

1.1. General

The BalancedScoreCard (BSC) is a method for a comprehensive overview of the performance and effectiveness of an organization or structure. Current operational activities will be set in relation to to visions and strategies. In the course of this evaluation will be evident to what extent the organization at an operational level will match visions and goals. In assessing the achievements, a qualitative assessment will be made based on describing indicators. The Summary is the evaluation in form of a graphic. On the one hand the chart illustrates goals, visions, and on the other hand shows the current status of evaluation in the sense of achievements. The method is a proven tool for an integrated management and to ensure the quality of an organization or structure.

Based on this concept Leo Baumfeld and Robert Lukesch developed a set of indicators for assessing the regional structures in Austria. This concept of the ministry of life in Austria allows the qualitative self-assessment of the regional management bodies and the management bodies of local action groups. The implementation of this instrument at the level of local action groups was an essential step in the direction of local structure quality development.

The method of the BalancedScoreCard is also an ideal tool for the analysis and the analytical comparison of structures, initiatives and organizations. This method should be considered in the EU Alpine Space project comunis for the analysis and ongoing quality assurance. There is a significant development work in creating a suitable set of indicators.

1.2. Method Description of the BSC (Balanced Score Card)

The trans-national work group "COMUNIS" decided to use the BSC method. This is a management method that allows for the perusal of quantitative and qualitative targets in a complex development and management process as well as deriving measures and strategies for development and to monitor running further developments. The work group has chosen the BSC method as the central tool for local work and for trans-national comparisons. Within the framework of the method, the first step will be the defining of fields of activity and indicators.

The structure is divided into 3 levels.

- Level 1: Core Fields
- Level 2: Field of Activity, strategies, shown as axels in the graph;
- Level 3: Indicators

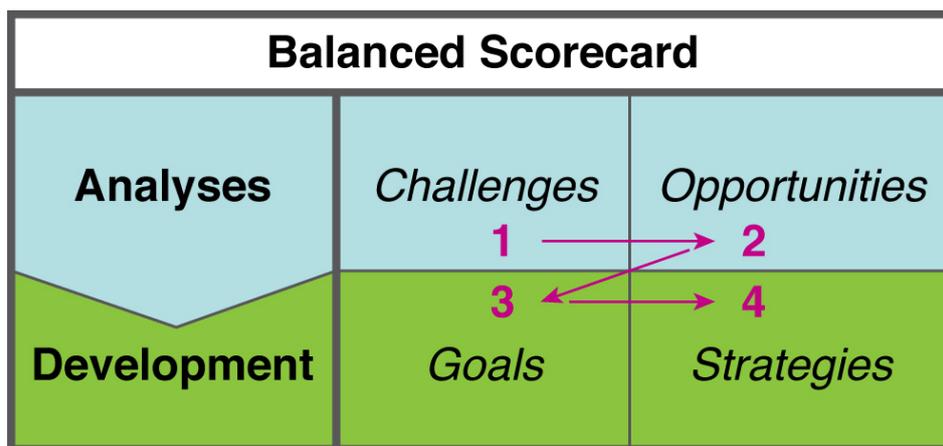
On the grounds of the quantitative and qualitative description, the indicators form the basis for the evaluation of the actual state for the formulation of aims and provide decisive input for the formulation of strategies.

The BSC structure and the indicators are both the guiding principle for the evaluation, depiction of the chances, and the configuration possibilities. The BSC method is therefore an effective tool for analysis and for the evaluation of complex coherences, which is the case in the development of an economic location.

Explanation of BSC (Balance Score Card) for CLD:

The Balanced Scorecard is a performance management tool for measuring whether the smaller-scale operational activities of locations (inter-municipal) are aligned with its larger-scale objectives in terms of visions and strategies.

This tool was chosen by the COMUNIS project consortium as a common instrument to analyze the pilot regions and to form location oriented strategies for the implementation of CLD solutions.



The characteristic of the BSC tool is that the indicators can be adapted for each use case. In the case of COMUNIS the focus lays on business location development. The project consortium developed a common structure. This tool offers the essential advantage that the different approaches and regions can be analyzed in a common manner.

1.3. BSC-Core Fields:

The tool is divided into core fields:

- a. Location profile;
- b. Inter-municipal cooperation;
- c. Commercial land-use management

1.4. BSC-Fields of activity (Axis)

Each core field is divided into fields (Axis in the graphic).

In the core field "Location profile" e.g. there are the fields:

1. Situation/Location; 2. Economy; 3. Job market/human resources; 4. Image

These fields refer to important aspects analysing a location (area). Each field is divided into Indicators.

1.5. BSC-Indicators

Indicators are subjects in a field, which indicates (quantifies) the quality of strategies. e.g.: in the field of 2nd economy:

- Dynamism of entrepreneurship
- Diversification & specialization under innovation
- Leadership position
- Accessibility to market

The characteristic of indicators: they can be quantified and evaluated; they are describ-

able are and measured qualitatively or quantitatively

1.6. BSC-Result

The BSC tool is a helpful method for analysing and measuring a complex subject in a common and structured manner. The BSC structure helps to analyze situations and to develop strategies efficiently and transparently.

Analysis Situation:

- Challenges
- Opportunities
- Develop Strategies:
- Goals
- Strategies

The result is the basis to find decisions for solutions, to choose approaches

1.7. Overview of all Indicators

1.7.1. Location profile

1. Situation/Location: Accessibility; Demographics trends; Leading institutions; Public services
2. Economy: Dynamism of entrepreneurship; Diversification & specialization under innovation; Leadership position; Accessibility to market
3. Job market/human resources: Situation of job market and its flexibility; Qualification of workforce
4. Image: Soft location factors; Civil society; Discrepancy of the perception of location and Image

1.7.2. Inter-municipal Cooperation

5. Intensity of cooperation: Between municipalities; Between businesses (inter-municipally e.g. cluster); Public-private partnerships
6. Attitudes & Expectations: Public stakeholders; Businesses and Business associations; Local Population and associations
7. Political & legal framework: Upper level of administration; Strategic, planning of business/commercial association

1.7.3. Commercial land-use management

8. Availability and use of land for commercial use: Short-term availability; Medium-, long-term availability; Transparency and flexibility of procedures and land management; Quality of land and premises
9. Spatial planning framework conditions: Specifications of higher level planning document; Competences and influences municipalities and municipal associations; Land use conflicts & restriction of land use; Availability of land management tools and organisational economic structure
10. Land prices: Price level; Ownership

1.8. Assessment Scale

The assessment will be in the range from 0 to 100 points. A crucial clue for the evaluation is the description of the rating levels. The structuring of the indicators and the description of the rating levels are a fundamental part of the adaptation work for the scope. In the case of comunis this part will be jointly developed by the PP's and thus enables the different methods to be comparable. This is a central task in which WP4