

SUMMARY SHEET

MEASURING PERFORMANCE IN A KNOWLEDGE ECONOMY: LINKING THE SUBJECTIVE AND OBJECTIVE DIMENSION INTO ONE SYSTEM OF “VECTOR-BASED” PERFORMANCE MEASUREMENT

Authors:

Juergen H. Daum (lead author),

SAP AG, BSAG/ERP, Neurottstrasse 16, D-69190 Walldorf

E-Mail: juergen.daum@sap.com, Website: <http://www.juergendaum.com/>

Juergen H. Daum is an internationally recognized expert, author, speaker and consultant in enterprise management. He currently acts as the Chief Solution Architect of the Business Solutions Architect Group at SAP AG and advises senior executives, CFOs and finance professionals in finance transformation and enterprise performance management best practice. He is a frequent speaker on enterprise and performance management topics and a frequent contributor of articles for leading journals. He is the author of the book “Intangible Assets and Value Creation” (John Wiley & Sons, 2002).

Peter Bretscher (corresponding author)

Ing. Büro für Wirtschaftsentwicklung, Alpsteinstrasse 4, CH-9034 Eggersriet,

E-Mail: peter.bretscher@bengin.com, Website: <http://www.bengin.com/>

Peter Bretscher founded the Ing. Büro für Wirtschaftsentwicklung in 1988. Its mission is to advise organization in the design of economic steering and management systems that integrate the intangible perspective. He also is engaged in supporting companies, consultants and other organizations in innovation and project management, in intellectual property and patent management and in setting up business plans and defining enterprise strategy. Since 1994 he is teaching business engineering und business planning at the Hochschule für Wirtschaft, Technik und soziale Arbeit in St. Gallen, Switzerland.

Abstract:

Customers or other stakeholders require from business or non-profit organizations today to act according to their subjective, qualitative values. Therefore organizations have to take increasingly qualitative, subjective ratings and values into account in managerial decision-making. Thus, they need performance measurement systems that are able to handle subjective, qualitative measures and to combine them with objective, financial information. The vector-based concept of performance measurement & visualization that is introduced in this paper and that the authors discuss in the context of public service management (to support the Swiss “New Public Management”) is offering a practical solution for this.

Keywords: Subjective, Qualitative Performance Measurement; Intangibles; Vector-Based Performance Measurement & Visualization; Public Services;