

## The evaluation of the performance of Football academy of FooladKhusestan based on Balanced Scorecard (BSC)

Omid Seyedi<sup>1</sup>, Shahram Alam<sup>2</sup> and Tayebbeh Zargar<sup>3</sup>

<sup>1</sup>Department of Physical Education, Tehran Branch, Islamic Azad University, Tehran, IRAN

<sup>2</sup>Department of Physical Education, Shahr-e-Ray Branch, Islamic Azad University, Tehran, IRAN

<sup>3</sup>Department of physical Education, Faculty of physical education, South Tehran Branch, Islamic Azad University, Tehran, IRAN

Available online at: [www.isca.in](http://www.isca.in), [www.isca.me](http://www.isca.me)

Received 6<sup>th</sup> April 2014, revised 12<sup>th</sup> July 2014, accepted 30<sup>th</sup> July 2014

### Abstract

*The present study aimed to evaluate the performance of football academy of Foolad Khuzestan based on Balanced Scorecard. The present study is descriptive-survey design. The study population is all the managers, players, staffs and fans of football academy of Foolad Khuzestan. The study is 302 people (151 staffs and 151 fans) of the population. The data collection was done by questionnaire. To support the validity, face validity was used and specialized lecturers were consulted. To determine the reliability of the questionnaire, Cronbach's alpha was used and it was 0.90 for entire questionnaire. For data analysis, descriptive statistics and inference statistics were used (univariate t-test, one-way variance analysis, independent groups t-test, Scheffe tests and LSD tests) were applied and for data analysis of the collected data, SPSS 18.0 was used. The results showed that football academy of Foolad Khuzestan is in good condition in internal processes, financial process and learning and growth and has some shortcomings regarding the fans.*

**Keywords:** Performance, Balanced scorecard, Football academy of Foolad Khuzestan.

### Introduction

Strategic management is not only defining the important issues in an organization and it is being sure of its implementation<sup>1</sup>. The evaluation of organizational success and effective implementation of the strategies for the future success is turned into a challenge for the managers, researchers and consultants<sup>2</sup>. The top managers always search for the solution to be sure of the implementation of their strategies<sup>3</sup>. The evaluation methods selected performance as a tool to control the implementation of their strategies<sup>2</sup>. On the other hand, all the organizations need a type of performance evaluation system for the development, growth and stability in the current competition to evaluate their efficiency and effectiveness. Today, nobody is doubtful of the importance and role of performance measurement. Indeed, applying management without measurement is done with difficulty. The evaluation of performance provides that the organization by the reduction of the weaknesses and increasing the strengths provides the continual improvement<sup>4</sup>. With such approach in global management system, it is observed that the sport organizations of Iran have no suitable evaluation system or they evaluate with traditional methods and apply retrospective financial measurements for performance evaluation emphasizing on the people performance and their control, they are result-based, their evaluation is discrete and leads to distrust and reduction of creativity and innovation morale and they only consider the problems.

The main question of the organizations is that which are the suitable tools for evaluation of the organization performance?

And how we can identify all the strengths and improvement fields completely besides the investigation of various cases and prepare ourselves for successful presence in competition. Today, the scientists and thinkers designed various techniques for evaluation of organization performance<sup>5</sup>.

The balanced scorecard model can be used as a comprehensive system for establishment of performance management evaluation system. The balanced scorecard presents an evaluation and measurement system of performance more complete than financial measurement systems. BSC is a combination of performance evaluation criteria including the current, past and future performance indices and put non-financial criteria beside the financial criteria. Also, it gives full attitude to the organization managers about the news inside and outside the organization; it is a proved framework explaining the organization strategy. It also creates casual relationship between the various components of the organization and views the organization as uniform entity.

According to the advanced researches, balanced scorecard is the evaluation of performance with a general view to the organization performance (company) with a set of financial and non-financial scales. It can be used as a tool to monitor value creation in BSC<sup>6</sup>. Xegenfuss<sup>7</sup> showed using BSC as selection of the indices of inspection and improving performance in internal audit. Also, Lankoist considered BSC as one of the most famous performance measurement systems in USA and Europe. In another study, Chen et al.<sup>8</sup> evaluated the performance of China technology University by BSC and they stated that some

theorists as Brown, Dalvin, Rolstadas and Anderson introduced BSC as one of the modern measurement systems.

The results of the study of Khosravizade<sup>9</sup> showed 12 goals and 12 retrospective financial measurements for evaluation system of national Olympic committee. Although BSC was introduced as a technique of operation evaluation to the organizations, it turned into a strategic management system gradually for the companies. Therefore, the companies went beyond the initial goal of Kaplan and Norton<sup>10</sup>. Most of the companies as Riko and Takarashuzo found that BSC define the exact details of the goals, evaluation of real results and operation, the reasons of formation of unsuitable operation and the shortcomings of the existing system and BSC was used as a strategic management system. Harvard business review journal selected BSC as one of the 75 ideas with major influence in 20<sup>th</sup> century<sup>11</sup>.

One of the problems of the current organizations generally and sport gyms specifically is the lack of recognition of performance in practice. Nowadays, football academy of Khuzestan as one of the greatest football academy in Iran formulated the defined strategic goals but their dispersion didn't allow uniformity and the organization people have no adequate recognition of the performance and goals. BSC not only makes the techniques goals tangible but also makes the organization strategy based by classifying them into four classes of learning and growth, processes, customer and financial and determining the strategic criteria for implementation. In this study, the researcher attempted to determine suitable performance criteria and show their relationship in the strategy map for the implementation of the strategies of Football academy of Foolad Khusestan. Also, the organization members besides identification of techniques duties, recognize the implementation method. The present study aimed to evaluate the performance of football academy of Foolad Khusestan in accordance to BSC to present a model based on balanced evaluation system framework and determine main activities and strategic goals and evaluation indices of these activities in each of the four financial fields, fans, growth and learning and internal processes. Now, most of the sport organizations in Iran have strategic planning. On the other hand, the organizations need new performance evaluation system for sustainable development and success in Asian, global and Olympic field to be inspired by the strategies and vision and by new tools of performance evaluation makes all the financial, human and operational resources compatible and apply intangible resources to achieve the tangible resources. As BSC has most of the features, it can create efficient evaluation system in the great gyms of Iran. It is attempted to use new management tools in formulation of evaluation system of important sport gyms responsible for championship sport. It seems that this tool in cultural –sport club of Foolad Khuzestan changed the organization view to the strategy and its evaluation and employees and managers of various classes of Foolad Khuzestan club were familiar with this issue and implemented it completely in the related level.

## Methodology

The study population was all the managers, players, employees and fans of football academy of Foolad Khuzestan. Totally, the study population was all the employees, players and coaches of Football academy of Foolad Khusestan as 400 people. It was attempted that the selected sample is not less than standard by Kerjegy and Morgan Table. The study sample was 302 people (151 staffs and 151 fans). The data collection was questionnaire in the present study. The present questionnaire was developed based on theoretical review of literature and its validity was supported by the experts views. To determine the reliability of the study, Cronbach's alpha was used and for the whole questionnaire was 0.90 and it showed good reliability of the questionnaire. For data analysis, descriptive statistics (frequency, percentage, mean and standard deviation) and inference statistics (univariate-test, one-way variance analysis, t-test of independent groups, Shceffe and LSD tests and Cronbach's alpha was used to calculate reliability coefficients) were used. For collected data analysis, SPSS software, version 18 was applied. For all the hypotheses, significance level  $\alpha=0.05$  was used.

## Results and Discussion

**Study results:** The descriptive results of the study showed that the respondents with experience 6 to 10 years had the highest frequency with about 55.6% and respondents with experience by 5 years had the lowest frequency with about 2.6% sample and the respondents with associate degree had the greatest frequency with 44.4% and respondents with MA degree had the lowest frequency with 1.3% sample.

The respondents aged 21 to 30 years had the greatest frequency with 55.6% and respondents of age group less than 20 years had the lowest frequency with about 12.6% sample. The fans with sport experience 6 to 10 years had the highest frequency with about 49.7% and fans with sport experience 11 to 15 years had the lowest frequency with 4.6% samples.

The total mean of the questions of evaluation of respondents in terms of performance of Football academy of foolad Khuzestan was 3.93 based on BSC regarding the internal process of the organization and this showed the above average score of the respondents of the variable. The highest mean of the score of the responses was dedicate4d to the fifth question "the quantitative and qualitative development of the coaches led into the development of the gym" and the mean was 4.12. The lowest mean was dedicated to the 13<sup>th</sup> question "the implementation of the movement and transfer of the managers was good via appointment commission", with mean 3.66.

The total mean of the questions of the evaluation of the respondents regarding the performance of football academy of Foolad Khuzestan based on BSC regarding organizational growth and learning was 3.91 and it showed above average

evaluation of the respondents of the variable. The highest mean score of the responses was dedicated to the first question “specialization (education) of human resources of Foolad gym to achieve the organization goals was good” with the mean 4.03 and the lowest mean was associated to the 14<sup>th</sup> question “the gym had active participation in comprehensive training of the staffs with learning goal” with mean 3.75.

The mean of the total questions of the evaluation of the respondents in terms of the performance of football academy of Foolad Khuzestan based on BSC regarding financial issues was 3.94 and it showed above average evaluation of the respondents of the variable. The highest mean of the responses score was dedicated to the first question “Good investment was made on talent in foolad gym” with the mean 4.19 and the lowest mean was dedicated to the second question “selling the gym products was good” with the mean 3.75.

The mean of the total questions of the evaluation of the respondents of the performance of football academy of Foolad Khuzestan based on BSC regarding the fans was 2.78 and it showed the lower average evaluation of the respondents of the variable. The highest mean of the score of responses was dedicated to the fourth question “Foolad Gym increased the fame of the sport of the province” with mean 3.25 and the lowest mean was dedicated to the tenth question “the stores of exclusive and advertising goods were established with the trademark of the gym in the city” with mean 2.56.

The results of single-group t-test for comparison of the mean evaluation of the score of the performance of Football academy of foolad khuzestan based on BSC regarding internal process of the organization from the view of the respondents with the

criterion mean score (3) showed that the mean respondents to the questions of first hypothesis was 3.93 and it was higher than the theoretical mean (3 average response) and there was statistically significance difference ( $p=0.0001$ ,  $t=27.46$ ). Thus, first hypothesis is supported. In other words, according to the respondents, the performance of Football academy of Foolad Khuzestan based on BSC was good regarding internal process of the organization.

The results of single-group t-test for comparison of the mean evaluation of the score of the performance of Football academy of Foolad Khuzestan based on BSC regarding organizational growth and learning from the view of the respondents with the criterion mean score (3) showed that the mean respondents to the questions of second hypothesis was 3.91 and it was higher than the theoretical mean (3 average response) and there was statistically significance difference ( $p=0.0001$ ,  $t=23.75$ ). Thus, second hypothesis is supported. In other words, according to the respondents, the performance of football academy of Foolad Khuzestan based on BSC was good regarding organizational learning and growth.

The results of single-group t-test for comparison of the mean evaluation of the score of the performance of football academy of Foolad Khuzestan based on BSC regarding financial issues from the view of the respondents with the criterion mean score (3) showed that the mean respondents to the questions of third hypothesis was 3.94 and it was higher than the theoretical mean (3 average response) and there was statistically significance difference ( $p=0.0001$ ,  $t=19.74$ ). Thus, third hypothesis is supported. In other words, according to the respondents, the performance of football academy of foolad Khuzestan based on BSC was good regarding financial issues.

**Table-1**

**The results of analysis of single-group t-test to compare the mean evaluation of the suitability of performance score regarding internal process**

Variable	Mean	SD	Test value	df	Observe (t)	Significance level (p)
First hypothesis	3.93	0.415	3	150	27.46	0.0001

**Table-2**

**The results of analysis of single-group t-test to compare the mean evaluation of the suitability of performance score regarding learning and growth**

Variable	Mean	SD	Test value	df	Observe (t)	Significance level (p)
Second hypothesis	3.91	0.472	3	150	23.75	0.0001

**Table-3**

**The results of analysis of single-group t-test to compare the mean evaluation of the suitability of performance score regarding financial issues**

Variable	Mean	SD	Test value	df	Observe (t)	Significance level (p)
Third hypothesis	3.94	0.584	3	150	19.74	0.0001

The results of single-group t-test for comparison of the mean evaluation of the score of the performance of Football academy of Foolad Khuzestan based on BSC regarding fan condition from the view of the respondents with the criterion mean score (3) showed that the mean respondents to the questions of fourth hypothesis was 2.78 and it was lower than the theoretical mean (3 average response) and there was statistically significance difference ( $p=0.002$ ,  $t=-3.14$ ). Thus, fourth hypothesis is not supported. In other words, according to the respondents, the performance of Football academy of Foolad Khuzestan based on BSC was not good regarding fan condition.

As is shown in table 5, the results of one-way variance analysis to compare the mean evaluation of the variables of football academy of Foolad Khuzestan based on BSC (internal process of the organization, learning and growth and financial issues) from the view of the respondents with various experiences showed that there is no significant difference between the respondents with various experiences in terms of evaluation of the performance of football academy of Foolad Khuzestan based on BSC regarding the financial issues. The significance of variance analysis doesn't show which groups are different. After this test, Scheffe and LSD tests were done and the results are shown in tables 6, 7.

As is shown in table 6, there is a significant difference between the respondents with experience by 5 years and respondents with experience 6 to 10 years and 11 to 15 years in terms of evaluation of the performance of football academy of Foolad Khuzestan based on BSC regarding the internal process of the organization. In other words, based on the means, the respondents with experience by 5 years had lower evaluation of the performance of football academy of Foolad Khuzestan based on BSC regarding internal process of the organization compared to the respondents with experience 6 to 10 years and 11 to 15 years and there was no significant difference between the rest of cases.

As is shown in table 7, there is a significant difference between the respondents with experience by 5 years and respondents with experience 6 to 10 years in terms of the evaluation of the performance of football academy of Foolad Khuzestan based on BSC regarding the organizational learning and growth. In other words, based on the means, the respondents with experience 6 to 10 years compared to the respondents with experience by 5 years had higher evaluation of the performance of football academy of Foolad Khuzestan based on BSC regarding organizational growth and learning. There was no significant difference between the rest of the items.

**Table-4**

**The results of analysis of single-group t-test to compare the mean evaluation of the suitability of performance score regarding fan condition**

Variable	Mean	SD	Test value	df	Observe (t)	Significance level (p)
Fourth hypothesis	2.78	0.858	3	150	-3.14	0.002

**Table-5**

**The results of one-way variance analysis to compare the mean evaluation of the performance variables based on BSC**

Variables	Sum of squares	Degree of freedom	Mean of squares	F	Significance level (p)
Internal process of the organization	2.44	3	0.814	5.10	0.002
Organizational learning and growth	1.71	3	0.571	2.65	0.050
Financial issues	1.27	3	0.425	1.25	0.294

**Table-6**

**The results of Scheffe test to compare the mean scores of the evaluation of performance based on BSC regarding the internal process of the organization of the respondents with various experiences**

Groups	Mean	1	2	3	4
1 Below 5 years	3.26		P=0.006*	P=0.03*	—
2 6-10	4.00			—	—
3 11-15	3.89				—
4 Above 16 years	3.84				

**Table-7**

**The results of LSD test to compare the mean of the scores of evaluation of performance based on BSC regarding organizational growth and learning of the respondents with various experiences**

Groups	Mean	1	2	3	4
1 Below 5 years	3.42		0.019*	—	—
2 6-10	3.98			—	—
3 11-15	3.88				—
4 Above 16 years	3.79				

**Discussion:** Single group t-test analysis results to compare the mean evaluation of the suitability of the performance score of football academy of Foolad Khuzestan based on BSC regarding the internal process of the organization from the view of the respondents showed that the mean respondents to the questions of first hypothesis was 3.93 and it was higher than the theoretical mean (3 average response) and there was statistically significance difference. Thus, first hypothesis is supported. In other words, according to the respondents, the performance of Football academy of Foolad Khusestan based on BSC was good regarding internal process of the organization. The results of the study were consistent with the results of the study of Mirfakhroldini et al.<sup>12</sup> and Gudarzi et al.<sup>13</sup>

The results of single-group t test to compare the mean evaluation of the suitability of performance score of Football academy of Foolad Khusestan based on BSC regarding learning and growth showed that the mean respondents to the questions of second hypothesis was 3.91 and it was higher than the theoretical mean (3 average response) and there was statistically significance difference. Thus, second hypothesis is supported. In other words, according to the respondents, the performance of Football academy of Foolad Khusestan based on BSC was good regarding organizational learning and growth. The results of the study were in line with the results of the study of Mirfakhordin et al.<sup>12</sup> and Gudarzi et al.<sup>13</sup> and Keshavarz et al.<sup>14</sup>.

In the past, the successful organizations were based on capital and labor force but now the successful organizations are innovative and service-based. In the past, the organization control resources were outside the organization but now the new resources of control (intangible resources) are inside the organization. The intangible resources are factors producing knowledge and organizational learning is one of the ways of knowledge creation. Organizational learning is not adequate alone and its final goal, improving performance and keeping and improving competitive advantage should be acquired. According to the researches and the view of some theorists, the organizations creating motivation in people can improve people knowledge as capital and can be flexible in their decision making and compete better. The managers should know improving the human resources skills and increasing the people innovation lead into creative propositions and research activities to establish innovation. The researches conducted on organizational learning showed a positive association between organizational learning and innovation<sup>15</sup>.

Based on the results of the study, it can be said that in terms of organization learning and growth, football academy of Foolad Khuzestan gym had good condition. Thus, the gym should keep this condition and also improves this good condition. The performance of football academy of Foolad Khuzestan based on BSC was good in financial issues according to the respondents. The results of the study were in line with the studies of Gudarzi

et al.<sup>13</sup>, Keshavarz et al.<sup>14</sup> and Kaplan and Norton<sup>3</sup> but they were not consistent with the research of Mirfakhroldini<sup>12</sup>.

Financial criteria show using strategy in economic results. This important aspect of strategy is an outcome index and we should find the reason of its success or failure in other aspects of organization strategy. Some measurements as Economic Value Added and the product costs are included in this aspect<sup>16</sup>.

The results of single-group t test to compare the mean evaluation of the suitability of performance score of Football academy of Foolad Khusestan based on BSC regarding fans condition from the view of the fan respondents showed that the mean respondents to the questions of fourth hypothesis was 2.78 and it was lower than the theoretical mean (3 average response) and there was statistically significance difference. Thus, fourth hypothesis is not supported. In other words, according to the fan respondents, the performance of Football academy of Foolad Khusestan based on BSC was not good regarding fans condition. The results of the study were in line with the results of the study of Mirfakhordin et al.<sup>12</sup> and were not consistent with the results of the study of Gudarzi et al.<sup>13</sup> and Keshavarz et al.<sup>14</sup>. In the above researches, instead of fans, the customer was considered.

One of the most important intangible assets of the organizations is the customers. The businesses the satisfied and loyal customers have are more profitable. The loyal customers increase their purchase in long-term and reduce the services costs and introduce new customers and they are more inclined to pay high price for reliable products. The 5% increase of the customers' loyalty can increase the profit from 25% to 85%.

In Khuzestan Foolad gym, the customers are considered as fans and we should investigate why the gym performance was not good toward the fans.

## Conclusion

Today, one of the management problems is that the organizations value creation is changed but performance evaluation tool is not changed accordingly and determining a good model to evaluate the organization performance is one of the main issues in organizations for growth and development<sup>16</sup>.

The present study selected BSC method as one of the suitable models to evaluate performance and besides financial aspect, three aspects of customer, internal processes and learning and growth were emphasized to evaluate performance. We can determine and evaluate the organization condition in each of the executive fields by this model and the results can be important framework for better management and effective performance. The top managers of the sport organizations can evaluate the organization rapidly and by understanding the shortcomings and emphasis on the strengths, the real balance can be created

between the short-term and long-term goals and main and minor indices.

Other benefits of this model are as the managers of sport organizations can identify the priority of their performances besides the recognition of their performance condition in each of the four aspects of BSC.

The results of the present study showed that Foolad gym of Khuzestan had good performance in learning and growth, internal processes and financial issues and it had not good performance from the view of the customer. It is proposed that this office analyzes the customers continually in customer field and by presenting the desirable services of the customer to the sportsmen, coaches and fans as the main customers keep their activities and communication channels effectively and evaluate the customers satisfaction continually.

The results of t-test analysis showed the difference of the four aspects rank and based on the results of financial aspects, internal process and learning and growth had the greatest priority and customer aspect had the lowest priority. The results of the ranking showed that Foolad Khuzestan gym prioritized its performance based on the four aspects components to increase the satisfaction and productivity. These priorities showed the strengths and weaknesses of this gym in its performance. The strengths and weaknesses improving the executive process in the organization to develop sport by presenting good feedbacks and it can be an effective step in implementation of the strategies.

## References

1. Haapasalo H. Ingalsuo K. and Lenkkeri T. Linking strategy intooperational management a survey of BSC implementation in finnish energysector, *Benchmarking: an International Journal*, **13(6)**, 701-717 (2006)
2. Evans N., Assessing the balanced scorecard as a management tool for hotels, *International Journal of Contemporary Hospitality Management*, **17(5)**, 376-390 (2005)
3. Kaplan, Robert S. Norton and David P., Strategy-based organization. Translated by ParvizBakhtiari, Tehran. Industrial management organization publications, Eighth edition (2009)
4. Medori D. and Steepl A., A framework for auditing and enhancing performance measurement system, *International Journal of Operation and Production Management*, **20(5)**, 1-13 (2000)
5. Simons R., Translated by Asadi, Mojtaba, The control and evaluation systems of performance for strategy, First edition, Tehran: Asia publications (2006)
6. Sim K.L., Koh H.C., Balanced scorecard: a rising trend instrategic performance measurement, *Measuring Business Excellence*, **5(2)**, 18-26 (2001)
7. Xegenfuss D.E., Developing and internal auditing department balanced scorecard, *Managerial Auditing Journal*, **15(2)**, 12-19 (2000)
8. Chen C.T. Extensions of TOPSIS for group decision – makingunder fuzzy environment, *Fuzzy Sets and Systems*, **114(1)**, 1-9 (2000)
9. Khosravizade E., The design and study of strategic plan of national committee of Islamic Republic of Iran, PHD thesis. Tehran University, (2008)
10. Kaplan, Robert S. and David P. Norton, The Balanced Scorecard to Work, *Havard Business Review*, (Sep-Oct) 134-147 (1992)
11. Najafi E., Arianejad M., Hosseinzade Lotfi F. and Ibn Rasul S.A., The evaluation of the efficiency with combining two measurement systems BSC and DEA, *Researcher (management journal)*, **11(1)**, 22-34 (2008)
12. Mirfakhroldin H., Peimanfar, <H. Abdolnabi Khatibi Aghda, Ali Mohammadi Hossein, The evaluation of the performance of sport organizations by TOPSIS-BSC model (case study: Main office of physical education of Yazd Province), *Sport management journal*, **5(16)**, 77-96 (2013)
13. Gudarzi M., The design and formulation of comprehensive sport system of wrestling, The research design, Physical education institution (2007)
14. Keshavarz L., Hamidi M., Sajadi S. and Gudarzi M., Formulation of performance evaluation system of national committee of Olympic with the approach of BSC, *The sport management studies journal*. **8(1)**, 87-95 (2010)
15. Alberto J., Arango-Correa and Victor J. Garsia-Morales and Eulogio Cordon-Pozo, Leadership and organizational learning's role on innovation and performance: Lessons from Spain, *Industrial Marketing Management*, **36**, 349-359 (2007)
16. Ghafarian V. and Kiani G.H., Effective strategy, Fourth edition, Tehran: Fara edition, (2007)