

EVALUATING THE APPLICATION OF THE BALANCED SCORECARD AT THE UNIVERSITY OF LABOUR AND SOCIAL AFFAIRS UNDER FINANCIAL AUTONOMY

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Abstract

Financial autonomy in universities enhances the effectiveness of capital mobilization and utilization, specifically: the effectiveness of mobilizing non-budgetary sources/total financial resources of public universities and the effectiveness of allocating and utilizing mobilized financial resources for expenditures aimed at ensuring training quality and improving the quality of output products, namely, graduates. The financial autonomy mechanism has created opportunities for public universities to enhance proactiveness and creativity in financial and asset management, utilize state budgets more economically and efficiently, develop career revenue sources by diversifying career activities and improving service quality, mobilize various capital sources for investment, strengthen facilities, innovate equipment through collaborative activities, and effectively exploit revenue sources. The mechanism has also gradually reduced state subsidies while increasing income for officials and civil servants within the unit.

Keywords: Assessing the Implementation of the Balanced Scorecard, Financial Autonomy, University of Labour and Social Affairs.

1. INTRODUCTION

The balanced scorecard is currently one of the effective management tools and is applied in many fields, including education and training. By specifying financial, customer, internal process, and learning and growth metrics, the balanced scorecard helps organizations implement their strategies and objectives. Disseminating information among departments and creating connections between individuals within the organization is also a prominent issue achieved when applying the balanced scorecard.

The University of Labour and Social Affairs is a public service unit with partial recurrent expenditure autonomy, according to the Autonomy Assignment Decision No. 913/QĐ-LĐTBXH dated July 5, 2016, of the Minister of Labour, Invalids, and Social Affairs. Being granted autonomy has opened up development opportunities for the university, but besides that, facing pressures and difficulties in enrollment, social recognition, and limited financial resources, the university needs a proper development strategy in the current challenging context. Applying the balanced scorecard model in the university management process is considered an effective and scientific measure, a tool to transform the university's vision and strategy into specific goals and action programs based on four perspectives: finance, students, internal processes, and learning and growth. Thereby, it helps achieve goals and accurately assess the effectiveness of the university's operations. Applying the balanced scorecard in university management is essential for the university to achieve its goals and fulfill its mission

with balanced metrics. By applying the balanced scorecard, the university can achieve its financial goals, fueled by the success of its training service delivery, student satisfaction, synchronous management process transformation, and the continuous efforts of its lecturers. Successfully building and applying the balanced scorecard will contribute to harmonizing the interests of individuals and the university, helping the university achieve its development goals while improving the lives of lecturers. Therefore, assessing the applicability of the balanced scorecard to the University of Labour and Social Affairs is vital and meaningful. We collected primary data by sending questionnaires to specialists in faculties, departments, and lecturers at the University of Labour and Social Affairs, with the aim of assessing the applicability of the Balanced Scorecard model at the university. This data will be aggregated through SPSS 22 tools to assess the current state of the possibility of applying the balanced scorecard at the university. From there, apply the balanced scorecard model to build appropriate processes and metrics for each aspect of the balanced scorecard, suitable for the university's specific characteristics.

2. FACTORS INFLUENCING THE APPLICATION OF THE BALANCED SCORECARD IN UNIVERSITIES

Characteristics of leadership in schools:

Senior leaders' acceptance of the BSC model in school management. The level of leadership participation and support has the strongest impact on the application of the BSC model in university management. Applying the BSC will yield advantages due to the level of centralized management and the support of senior managers.

Internal characteristics of the school:

- Influence of the finance department due to the important role of financial metrics, which have a strong impact on measuring management effectiveness. If the school's finance department is strong enough, it will have a positive impact on the acceptance of the BSC model. The reliability of accounting reports is also a factor affecting the implementation of BSC in schools.
- Standardization of work: The higher the level of work standardization, the more difficult it is to access new technologies.
- Internal communication: reflects the level of connection and information exchange between departments in the school. A high level of connection will facilitate information transmission, discussion, grasping ideas, and the operational status of the unit easily and conveniently, thereby creating conditions to promote innovation.

External characteristics of the school:

A dynamic training service operating environment with many changes will affect the school's response. Therefore, the school needs to have appropriate adjustments to adapt to these changes promptly. The product and market dynamics represent the external characteristics of the organization that impact the acceptance of the BSC.

3. ASSESSING THE FEASIBILITY OF APPLYING THE BALANCED SCORECARD MODEL AT THE UNIVERSITY OF LABOR AND SOCIAL AFFAIRS UNDER FINANCIAL AUTONOMY

Overview of the University of Labor and Social Affairs.

The University of Labour and Social Affairs (ULSA) is a university under the Ministry of Labor, Invalids, and Social Affairs, under the state management of education and training of the Ministry of Education and Training. ULSA has three campuses. In addition to the main campus at 43 Tran Duy Hung, Cau Giay District, Hanoi City, the university also has Campus 2 at 1018 To Ky, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City, and the Son Tay Campus under ULSA.

The Son Tay campus is located in Xuan Khanh ward, Son Tay town, Hanoi city. From this point, ULSA has truly become a large higher education institution under the Ministry of Labor, Invalids, and Social Affairs, located in the two largest cities of the country, tasked with training high-quality human resources for the industry and for the country. Over 60 years of training and development, the University has always been a reliable address in training officials for the labor, invalids, and social affairs sector in particular, and other socio-economic sectors nationwide in general. From a college and intermediate-level training institution, it is now a multidisciplinary university.

Currently, the university is offering undergraduate training in 15 majors: social work, human resource management, accounting, insurance, business administration, psychology, economic law, economics, management information systems, psychology, information technology, English language, auditing, finance-banking, insurance-finance, tourism and travel services management, and orthotics technician; master's level training in 5 majors: human resource management, accounting, social work, business administration, and insurance; and doctoral level training in 1 major: human resource management.

Over the course of 60 years of development and growth, the University of Labor and Social Affairs has achieved numerous encouraging results in various areas such as training, scientific research, international cooperation, staff development, and student support activities, including facilities, libraries, scholarships, tuition support, and financial activities.

The Party and State have honored ULSA with numerous noble awards for these achievements, including the Third-class Labor Order in 1981, the Second-class Labor Order in 1991, the Third-class Independence Order in 2001, the Second-class Independence Order in 2006, the First-class Labor Order in 2011, and the Second-class Labor Order in 2021.

Financial autonomy mechanism at the University of Labor and Social Affairs.

The University of Labour and Social Affairs is a public service unit with partial autonomy in recurrent expenditures, according to Decision No. 913/QĐ-LĐTĐ, dated July 5, 2016, by the Minister of Labor, Invalids, and Social Affairs.

ULSA's self-determined revenue sources primarily come from the provision of public services using the state budget, which accounts for about 90% of the university's total revenue.

These sources include tuition fees that comply with government regulations and state budget funding to offset tuition fee reductions, revenue from science and technology tasks, revenue from the provision of public services that do not use the state budget, production and business activities, and joint ventures.

The university's recurrent expenditures under autonomous management include salaries, wages, and salary-based contributions; expert and scientist hiring; professional activity expenses for providing public services; expenses for performing fee-based tasks and services; management expenses; regular asset procurement, repair, and maintenance; and other recurrent expenditures.

We assessed the university's autonomy level over the three years 2021, 2022, and 2023 at 84.6%, 88.6%, and 86.2%, respectively. Thus, the university is currently exercising autonomy in Group 3—partial autonomy in recurrent expenditure funding.

At ULSA, the Accounting and Finance Department is responsible for reporting annual financial results on revenues and expenditures, such as state budget allocations, foreign aid and loan receipts, revenue from production, business, and services, and other revenues. Expenditures include recurrent and non-recurrent operating expenses, expenses from foreign aid and loans, the cost of goods sold, and other expenses.

At the annual Staff and Employee Conference, the Accounting and Finance Department publicly reports on finances. Annually, state budget funding maintains approximately 10% of the university's total revenue. Revenue from production and business activities is the university's primary revenue source, accounting for nearly 90% of the total revenue, including tuition fees from full-time undergraduate programs, postgraduate and doctoral programs, part-time study programs, admission fees, supplementary knowledge fees, transfer fees, revenue from the student service center, library center, retake and improvement courses, and dormitory fees. Among the revenue sources from production and business activities, tuition fees from full-time undergraduate students account for the highest proportion of the university's total revenue. At the main campus, tuition fees account for over 90% of the university's total production and business revenue.

The university's training activities at all levels continue to show an upward trend, specifically a 30% increase in 2021 compared to 2020 and a 27% increase in 2022 compared to 2021. This demonstrates the university's continued success in attracting students to its programs. Specifically, in the formal training system, there was a 29% increase in 2021 compared to 2020, and a 27% increase in 2022 compared to 2021.

This system constitutes the primary and largest source of revenue for the university. Master's and doctoral training programs saw a significant 35% increase in 2021 compared to 2020, followed by a slight 7% decrease in 2022 compared to 2021. Part-time study programs also experienced a strong upward trend, with a 107% increase in 2021 compared to 2020 and a 27% increase in 2022 compared to 2021. These results demonstrate the University's development, not only in formal education but also in expanding training systems to meet learner demands.

Evaluating the Applicability of the Balanced Scorecard at the University of Labor and Social Affairs under Autonomous Conditions

To assess the feasibility of implementing the Balanced Scorecard at the university, we conducted a survey of 85 staff, lecturers, and managers focusing on:

(i) Awareness of the mission, vision, core values, and strategic objectives; (ii) understanding of the university's key success factors; (iii) perception of the importance of Balanced Scorecard measures. The assessment utilized a 5-point Likert scale, ranging from Strongly Disagree to Strongly Agree.

Awareness of the mission, vision, core values, and strategic objectives:

We assessed the understanding of accounting faculty members regarding the university's mission, vision, and objectives. 100% of respondents answered "Yes." Staff, faculty, and employees have effectively communicated and disseminated awareness of the university's mission and vision. This shared understanding will facilitate unified development, from perception to action, among all university members.

Perception of the importance of balanced scorecard measures:

Under financial autonomy, the university operates independently in financial matters, as assessed by stakeholders. Therefore, the measures considered include learner satisfaction, internal process improvement, synchronized implementation of sustainable development measures, and the establishment of direction, strategy, and vision. We evaluated the accounting faculty's perception of the importance of Balanced Scorecard measures. Table 1 presents the results of this assessment.

Table 1: Perceived Importance of Balanced Scorecard Measures

No.	Importance	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Average Value
1	Establishing clear direction, strategy, and vision	0.00%	0.00%	6.40%	45.20%	48.40%	4.45
2	Increasing student loyalty and satisfaction	0.00%	0.00%	10.60%	47.10%	42.30%	4.39
3	Improving internal processes	0.00%	0.00%	7.30%	40.90%	51.80%	4.48
4	Implementing synchronized measures to maintain sustainable growth and development	0.00%	0.00%	9.80%	43.80%	46.40%	4.32

The data in Table 1 reveals high ratings for the importance of all measures in university development, with average values ranging from 4.32 to 4.48. The importance of improving internal processes to meet student expectations received the highest rating (51.8% strongly agree, with an average value of 4.48).

The establishment of a clear direction, strategy, and vision also received a high importance rating, with 48.4% strongly agreeing and an average value of 4.45.

The synchronized implementation of sustainable development measures and the enhancement of learner satisfaction closely follow, with average values of 4.39 and 4.32, respectively.

The university's advantageous factors:

To assess the advantageous factors impacting the university's success, we conducted measurements using a 5-point Likert scale, with the survey results presented in Table 2.

Table 2: Assessment of the University's Advantageous Factors

No.	Favorable Assessment	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Average Value
1	Multi-form, multi-level, and multi-disciplinary training	1.89%	2.00%	2.36%	60.14%	33.61%	4.29
2	Up-to-date and flexible training programs	1.89%	6.46%	22.00%	44.96%	24.68%	3.91
3	Enthusiastic lecturers	1.00%	3.79%	27.36%	53.89%	13.96%	3.83
4	The location is in a densely populated area and offers convenient transportation.	1.00%	2.89%	16.64%	60.14%	20.18%	4.18
5	Abundant learning materials and textbooks	3.68%	5.57%	23.79%	54.79%	12.18%	3.73
6	Lecturers with scientific research capacity	1.00%	5.57%	37.18%	44.07%	12.18%	3.68
7	Streamlined leadership apparatus	3.68%	11.82%	24.68%	42.29%	17.54%	3.65
8	Students easily find part-time jobs.	1.89%	3.79%	4.14%	61.04%	29.14%	4.19
9	Faculty and staff with high academic degrees and titles	2.79%	12.71%	40.75%	36.04%	7.71%	3.40
10	Complete and modern infrastructure	1.89%	5.57%	12.18%	59.25%	21.11%	3.99

We present 10 assessment criteria regarding advantageous factors influencing the university's success across organizational structure, economic and geographical location, faculty quality, training programs, and training facilities. Percentage-wise, most respondents indicated agreement. The most supported aspect was the university's "multi-form, multi-level, and multi-disciplinary training" (33.61% strongly agree, 60.14% agree).

The next most supported aspect was "students easily find part-time jobs", with 29.14% strongly agreeing and 61.04% agreeing. We observed high agreement rates for aspects such as "densely populated location" (60.14%) and "enthusiastic teaching staff" (53.89%). However, regarding the number of lecturers with high academic degrees, 40.75% provided no assessment, and 12.71% disagreed.

Considering the average values on the 5-point Likert scale, the results ranged from 3.4 to 4.29, indicating agreement and strong agreement. The highest-rated advantages were "multi-level, multi-disciplinary, and diverse training," "densely populated location, convenient transportation," and "students easily find jobs," with average values from 4.18 to 4.29. The

aspects related to training programs and lecturer enthusiasm received the highest ratings, with average values ranging from 3.83 to 3.99. Therefore, the university's success also recognizes geographical and economic advantages as contributing factors. In addition to the multiple-choice questions, many respondents agreed that the most fundamental factor leading to the university's success is its flexible training environment, keeping up with integration trends and meeting the learning needs of diverse student groups. Numerous other perspectives commended the unity of the university's faculty and leadership team for their vision, dedication, and enthusiasm.

4. CONCLUSION

Through the survey results, we observed that all surveyed staff and lecturers are aware of the university's mission, vision, core values, and strategic objectives. Coupled with the leadership's determination to change management styles, this will be the first advantage in developing a balanced scorecard model through communication, helping the university community form a unified bloc to achieve common development goals. The university has many strengths to exploit and promote, such as multi-disciplinary, multi-level training and a wide network of connections. Other advantages include the university's geographical location in a densely populated area, which is convenient for students' commutes and part-time job searches, in addition to flexible training programs and highly qualified lecturers. Recognizing these strengths allows the university to develop and implement appropriate strategies to achieve its objectives.

To implement the BSC at the university, you must fulfill the following requirements:

- Leadership commitment and understanding of the BSC: The university's board of directors must be the most supportive, closely monitoring and decisively implementing this modern management model.
- Establishing specific operational strategic goals and systems: The starting point of the BSC is the organization's objectives. To achieve these objectives, the university must have specific and feasible strategies. The BSC will provide tools and indicators to support these strategies.
- The availability of human resources and financial capacity for implementation is crucial for the school to successfully implement the new model. The assigned departments must possess the necessary knowledge and evaluation skills to effectively implement the new model. Building a new governance model also involves financial resources. The school needs a budget to implement the BSC model.
- With the support of a modern and effective accounting information system, the school can use supporting software to monitor and evaluate BSC measures.

A performance-based salary and bonus system: The school needs a specific mechanism for individuals and departments with good performance in implementing the BSC to help the school achieve its overall goals.

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