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Designing and Organizing Measurement Components of Urban Management Function by Emphasizing on Good Urban Governance and Balanced Evaluation

Saeid Safari*
Associate Professor, Department of Industrial Management, Shahed University, Tehran, Iran
Abdolreza Beyginiya
Assistant Professor, Department of Management, (Governmental-commercial), Shahed University, Tehran, Iran
Mahdi Samizadeh
Ph.D. of Marketing Management, University of Tehran, Tehran, Iran
Seyyed Jamal Zakerifar
M.Sc. of Governmental Management, Shahed University, Tehran, Iran

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Abstract: Much attempt has been focused on changing and improving the structure and form of designing performance evaluation systems so far and less attention has been paid to content of issues. Thus, this research aims to design performance measurement indicators in urban management by integrating balanced evaluation model (for structural aspect) and components of good governance approved by the United Nations Development Programme (for content aspect) in the field of organizational performance. In order to access to research purpose, after redefining the components of good governance in four aspects of balanced evaluation via semi-structured depth interviews with executive managers of municipality and university professors, 103 indicators in the first step, and 95 indicators in the second step were extracted to measure the performance of urban management. In the following, these indicators were evaluated with Delphi method by academic and organizational experts. The results indicated that 73 indicators were confirmed by academic and organizational experts among designed ones given eight good governance components and four aspects of balanced evaluation for performance measurement. Thus, these indicators are appropriate guides for better development of performance evaluation system in urban economics for managers to be aware of impacts and consequences of organization's administrative decisions and plans.

Keywords: performance measurement, good governance, balanced evaluation, urban management
JEL Classification: M12, C52, R12, L25

* Corresponding author: safari@shahed.ac.ir

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1- Introduction

Today, given the speed and volume of information, and dilemmas facing with organizations, it is necessary to have criteria to determine position and planning based on strengths and weaknesses more than before. Measuring performance in public sector and improving performance are one of the important issues in public organizations management. Low trust to the government and increase in demand for more accountability has led the government to measure its performance (Wholery & Newcomer, 2005). In order to be aware of the results of adopted policies, policy-makers need measurement mechanism of performance. Performance measurement can improve resources targeting and allocation in organization (Holzer & Yang, 2004). When managers emphasize on the criteria of short-term financial measurement, in fact, they are willing to evaluate activities such as development of new commodities and services, process improvement, human resources development, information technology, and more attention to cultomer (client) containing long-term benefits, because of current profitability (benefits), and this restricts investment for future opportunities (Banker et al., 2004). Such measures by management are the results of poor performance evaluation systems that only concentrate on short-term functions (Haghshenas, et al, 2007). One of the raised issues in performance and efficiency is the indicators that can measure organization's strategic objectives (Mousavi Kashi, 2007). To solve this problem, Kaplan & Norton (2016) introduced Balanced Score Card (BSC) by adding scales that can help long-term evaluation. BSC is a framework for evaluation that considers organization's performance comprehensively by a set of financial and non-financial scales.

Today, organizations and their objectives with society should be linked, and social objectives should be put on the agenda in the charter of each organization. Economic growth and social improvement are two aspects of a reality and organizations should pay more attention to them in order to achieve them (Alvani, 2015). As it is necessary to meet and realize organizations' needs to achieve social objectives, organizations have to provide demands and needs of social system to achieve their purposes. Today, organizations' social responsibility is a public will and organizational necessity that good governance can meet this need. The analyses based on governance theory are one of the most important frameworks to investigate development mystery in Iran. It is evident that establishment of good governance has not been recommended only for executive body, but it includes other bodies and executive systems that have governance responsibility. The concept of governance is as old as human civilization. Depending on its level (national regional, and local), it includes a set of official and non-official actors affecting decision-making flow (Parkhideh & Mirmohammadi, 2008). Good governance is a new model in line with human sustainable development with interactive mechanism among three sectors of government, private sector and civil society thereby countries can use all their capabilities in comprehensive development. Strong civil community along with modern, strong, and developmental government can prepare the ground for good governance, and consequently, full development with the shortest time and the least damage (Razmi & Sedighi,

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2012). Performance management in municipality and city council prevents wasting resources and it is followed by optimal allocation of resources, improving quantitative and qualitative level of municipal services, and promoting citizens' quality of life leading to rational behavior is replaced instead of behavior based on trial and error (Faghihi & Salarzehi, 2004). Creating a comprehensive system that have integrity in itself in terms of key performance components and can deal with content development by entering them into performance evaluation system is a difficult and complex task. The main question of research question is: what are key performance components of city management? Thus, good governance model has been used for content development of performance evaluation system, and to design organizational performance measurement components, and BDC has been used in form aspect. Therefore, it has been tried to design components for organization's performance measurement that are more comprehensive and to consider current organization's new changes and needs, particularly public sector's organizations.

2- Literature Review

a) Foreign Researches

Maharaj et al., (2006) argued in a research to achieve a framework to use good governance in companies and projects that if managers pay attention to good governance in their sets and implement it in their organizations or projects, it will result in foreign investors' trust. In this regard, they can absorb foreign capital into their organizations.

Phusavat et al, (2009) did a research on the combination of performance measurement knowledge in two private and public sectors and determining expectations and bigger roles of performance measurement in an organization. They believed that the most important barriers of performance measurement implementation in an organization include staff empowerment, budgeting, external knowledge, and ranking based on conventional soft wares.

McNeil and Mumvuma (2006) investigated vertical and horizontal accountability and their role in good governance approach in order to explain the role and importance of accountability in achieving good governance. They concluded that social accountability can be significantly influential in evolution of services and finally, reducing poverty.

Roper & Rhea (2008) investigated the relationship between good governance and organizations' social responsibility and concluded that an executive framework in regulating organizations' social responsibilities makes governments act properly in creating environments to achieve good governance components including freedom to choose and unlimited employment. They also consider good governance as an instruction for social responsibility and a part of organizations' development program.

b) Iranian Researches

Tofighi (2002) investigated the performance of human resources departments of the University of Medical Sciences to formulate a model to specify the relationships between goals and indicators. He presented a cognitive model to change scenario into an index. He believes that it is necessary in model for planning of scenario sequence performance to formulate objectives, expectations, standards, indicators, and criteria.

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Verdinejad & Yamini (2008) investigated and determined the distance between existing and desired status of Tehran Municipality performance. They used BSC to measure municipality performance. Thus, 25 indicators were designed. They finally concluded there is a significant distance from existing and desired status.

Malekipoor (2009) investigated the relationship between good governance and urban sustainable development planning through measuring the status of good governance indicators and urban sustainable development. They concluded that there is a positive and significant relationship between urban sustainable development and five components of good governance i.e. accountability, transparency, participation, efficiency and effectiveness, and rule of law.

3- Theoretical Principles

Performance Measurement and BSC

Performance measurement and evaluation is a fundamental prerequisite of continual improvement of organizations' performance (Rahimi, 2006). It prepares a ground for obtaining feedback and making necessary corrections for growth, development, and improvement of organization's activities. This prevents the occurrence of organizational death (Adeli, 2005). Different models have been emerged in the evolution process of performance evaluation systems that their concentration of organization's financial aspects has been focused on organizations' strategy and its factors such as quality and customer's satisfaction gradually. One of the most important models and systems is BSC. BSC establishes a balanced distribution among vital fields of organization performance and accordingly, to measure each organization performance, on main fields should be concentrated (including financial affairs, customer and client, inter-organization processes, learning, and growth) (Ahn, 2001). BSC approach tries to create a balance between financial objectives, as the outcome of previous performance of organization in two aspects of customer and internal processes, and the purposes of other aspects. Thus, a balance is created between retrospective indicators (financial indicators) and prospective indicators (indicators of three other aspects). Learning and growth performance that indicates organization's capabilities in three fields of human force, information system, instructions and organizational practices, is a determinant factor of organization performance in two aspects of client and domestic processes. BSC, as a learning system and well-known strategic management, considers creating value in long-term based on organization's comprehensive objectives and its core is formed by vision and strategy (Sandström & Toivanen, 2002).

Good Governance and its Territory in Urban and Organizational Management

Good governance is one of the theoretical models that have been considered in the last two decades more than before given paradigm change in development model and emphasizing on human and social development. The most important advantages and difference of this model than last ones is the emphasis on interaction relationship of government, private sector, and community in development process and necessary flexibility than adopting developmental policies based on domestic and local model. In another definition, governance is the process of decision making and implementing them upon which the

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concept of governance will be applied in different fields including corporate, local, national, and international governance (Ghazi Tabatabaei, et al, 2012). Good governance is a complex network management including different actors from national, provincial, local, social, and political levels, pressure groups and stakeholders, social bodies, and commercial and private organizations, and the government is not dominant actor. However, merely increase in effectiveness and efficiency is not emphasized in good governance, guarantee of law and legitimacy are regarded as well (Ghazi, 2016). The approach of good governance activity is participatory having wide range of constructing concepts such as sustainable development, rural and urban development, and socio-economic progress (Sharifzadeh & Gholipoor, 2003).

Currently, the dominant discourse on reform programs of urban management has been changed from modern governmental management into ideal local governance. Ideal local governance has fully political entity more than technical essence. It deals with investigating local governance issues and problems from a broad perspective and beyond the technical trends of managerialism and professionalism. Hood believed that managerialism and new governmental management is neutral than politics, and modern governmental management emphasizes on separation of politics and administration principle. On the other hand, reform programs of local governments, city councils, municipalities, and other local organizations have been changed from managerialism and modern governmental management into ideal urban governance. Local governments should promote ideally urban and local governance values such as local community leadership, interaction of political and administrative officials and other actors in city management arena, attracting private sector participation, non-governmental foundations, and majority of citizens. Yet, they should advance managerialism reforms in the wider context of ideal local governance (Bovaird & Loffler, 2002). In local governance approach, politics, administration, cooperation and participation of all local beneficiaries, governance criterion, and management has been linked well. Ideal local governance is based on the institutionalization of local democratic values, active cooperation of elected and appointed local officials, and other partners working in the field of local arena, local community development, and improving citizens' quality of life.

One of the other aspects that also extended the concept of good governance is the territory of organizations and companies. Corporate governance including a set of rules and regulations, structures, processes, cultures, and systems that helps to access accountability, transparency, equity, and observing stakeholders' rights (Hassas Yeganeh, 2006). Corporate good governance has been focused on the principles of accountability transparency, equity (justice), and responsibility in cooperate management. Corporate governance body is an attempt in order to ensure separation of ownership and control. It mostly leads to solve major problems (Ehikioya, 2009).

The Components and Indicators of Good Governance

Scientists and experts have presented various models for good governance that each of which has its specific and particular look at good governance. The

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basic difference of these models is their application i.e. wide or limited. In the presented model by United Nations Development Programme, good governance has features that have been explained in the form of eight indicators including participation, rule of law, justice, accountability, responsibility, transparency, consensus-orientation, efficiency and effectiveness as follow (Sharifzadeh & Gholipoor, 2003):

Participation: is the process of transforming one-way links to multilateral ones. Participation means to consider all individuals' opinions in decision-making. In other words, all people should be involved in decision making directly or indirectly (Toosi, 2016).

Transparency: is free access to valid information of managers' performance and decisions. (Rahimi, 2016). Transparency is against vagueness aiming to clarify different elements of organization's activities (Saeid & Rahmanizadeh Dehkordi, 2002).

Efficiency and effectiveness: efficiency is related to doing tasks right in organization i.e. decisions that are adopted to reduce costs, increase production value, and improve product quality (Taheri, 2016).

Responsibility: each individual's commitment about playing roles that society imposes on him (Nazeri, 2009). The considerable point in responsibility is the concept of compensation. Firstly, a responsible person considers him effective, and then commits. All types of responsibilities can be divided into four categories including economic (should be carried out), legal (must be carried out), moral (is better to do), and dedicate (free to do) (Rahmanseresht, et al, 2009).

Justice: all individuals should benefit of opportunities, particularly, vulnerable groups should enjoy growth and development opportunity (Sharifzadeh & Gholipoor, 2003). Justice in organization is divided into three categories of distributive, procedural, and interactional justice. Distributive justice represents perceived fairness of outcomes (Cohen-Charash & Spector, 2001), Distributive justice indicates individual's perception of the amount of equity in the distribution and allocation of resources and rewards (Rezayian, 2006). Procedural justice means fair practices for decision-making (Poole, 2007), and impartiality, right to comment or chance to be heard and participation in decisions (Nabatchi et al., 2007). Interactional justice is quality of inter-personal behaviors before and after making a decision.

Rule of law: Rule of law and legitimacy means all social and governmental affairs are based on law; obeying the law, not personal relations and despotism i.e. all governmental forces to obey the law i.e. general and public rules, in all their affairs that previously regulated by legislative officials including constitutions and ordinary laws (Tabatabaei, 2001).

Accountability: there are various approaches including political, legal, informative, and managerial ones in accountability definition. In this research, the definition based on managerial approach has been used. The main objective of managerial approach is to accomplish purposes, increase accountability to client, and particular attention to costs, use of limited resources effectively more than observing rules and regulations (Sadeghi, 2005).

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Consensus-orientation: Generally, all organizations have belief system. Development of a consensus or agreement is a certain status that is conditions of belief systems in particular. Consensus is to apply a system that people in an organization ensure about rationality of decisions methods and implementation. The difference between consensus and participation is that all people are involved in making decision in participation whereas it is not the same in consensus.

Conceptual Model

This research does not only present a combined model of good governance and BSC, rather it has only used existing capacities in these models to design an index. Currently, good governance is not proposed as pattern or model at macro level. The scope of use of its components has been drawn to management level of project and good governance. Today, indicators such as justice, rule of law, efficiency and effectiveness, transparency, participation, accountability, and consensus-orientation are raised issues at management level of organizations, particularly public ones. Much attempt has been done to achieve them. From one hand, designing components of performance measurement is an attempt to achieve these components by considering these indicators; on the other hand, it is an attempt to content development of organization's performance evaluation system. For this purpose, failure model has been used, the indicators of good governance were inserted in different aspects of balances evaluation, and a component was designed for each index (Figure1). For instance, to participate in financial aspect, customer aspect, internal processes aspect, and human resources aspect, a component has been designed. It is noteworthy that in this research, learning and growth aspect of BSC has been renamed into human resources aspect because of particular use of this model in research that is division of basic fields of an organization's performance. The objectives of human resources management in an organization, including successful absorption, education, optimal placement, and retention of human force, have been considered as desirable issues of this aspect in an organization.

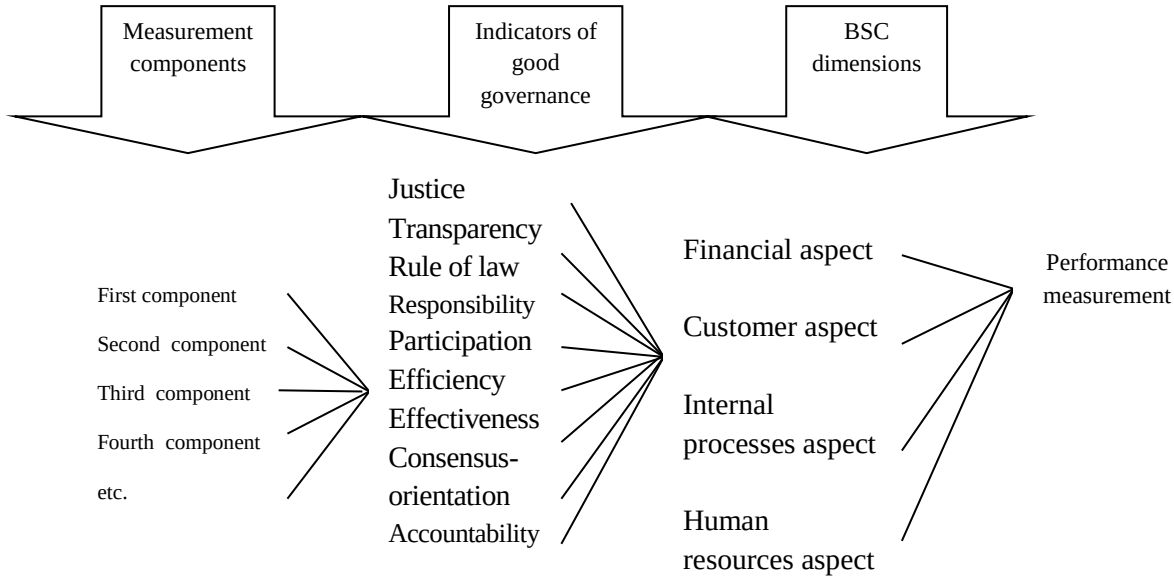

Fig1. Conceptual model
Reference: (Researchers' findings)

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4- Research Methodology

In terms of purpose, this research is applied and methodology is survey. To collect data, field study and Delphi technique were used. Data collection tools are taking notes from library, depth semi-structured interview with organizational and academic experts, and questionnaire. Statistical populations are experts in municipality organization including 16 executive managers and experts in performance and control management and academic scholars including 16 management professors of universities in Tehran. They were selected by purposeful sampling method. The validity of questionnaire was confirmed by experts based on Delphi technique findings. In order to confirm reliability, Cronbach's alpha coefficient was used. The value was more than 0.8 for all questionnaire components indicating acceptable level. In the final questionnaire, the indicators were evaluated and scored by two criteria of correctness and availability by experts.

5- Research Findings

The findings of Delphi step: To design components, according to the literature, 103 components were extracted at first. In the following, initial extracted components were given to academic city managers and organizational experts along with logical justifications related to each component in order to refine and modify. According to their opinions, 95 components were selected based on the criterion of majority of opinions in this step, and 8 other ones were put aside. Then, experts' views were investigated to categorize components given good governance indicators and BSC dimensions. According to the agreement of results, designed components were categorized in four dimensions of BSC and eight indicators of good governance, (The details of components have been represented in table1), and they were coded as table2. The coding is so that each good governance indicators was coded by English alphabets of (A: participation, B: transparency, C: efficiency and effectiveness, D: responsibility, E: justice, F: rule of law, G: accountability, H: consensus-orientation). Since the designed components in one dimension are not more than 9 for each index, one number is regarded for the number of each component. Thus, the code of each component consists of one alphabet and two numerical indexes. For instance, A11 is the first component for the index of participation in financial aspect.

Table1. Introducing and coding the components

Code	Component	Code	Component
A11	Number of projects that were financed by private sector on construction and operation / Number of total projects	A12	Number of projects funded by the bank resources (loans, deposits at financial institutions affiliated) / Total number of projects
A13	Number of financed projects by bonds / Number of total projects	A14	Financial participation of municipalities in the projects and activities of other organizations / Organization's total cost
A15	Aid credits to private sector (Construction, cultural affairs, etc.) / Total organization's costs	A21	Number of implemented proposals / Number of proposals submitted by employees

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Code	Component	Code	Component
A22	Number of employees who bought the stocks of companies and organizations related to municipality / Total staff	A23	Number of employees who buy the shares of companies and municipal organizations / Total number of employees
A24	Number of present staff in group decision-making meetings in a specific period / Number of absent staff in in group decision-making meetings in a specific period	A31	Number of processes that can be done in close collaboration with various organizations (cross-sectoral processes) / Total number of processes
A32	Number of processes that organization carries out jointly with other organizations (private and public) / Number of total processes	A41	Number of NGOs working with the organization / Total number of active and official groups
A42	Number of client's implemented suggestions / Number of total presented suggestions by client	B11	Number of financial reports based on financial standards / Total number of financial reports
B12	Number of apt financial reports given rules and regulations in an organization / Number of total financially withholding and legal reports	B13	Number of middle managers who have access to financial information / Total number of middle managers
B21	Number of organizational positions that their description have been documented / Number of total organizational posts	B22	Number of positions that their career development has been documented / Total number of organizational positions
B23	Number of jobs that their qualifying conditions have been documented in the UN / Number of total organization's jobs	B31	Number of documented processes / Number of total obtained processes
B32	Number of practices that are in accordance with organizational processes / Number of total working practices	B41	Number of customers that organizational processes are clear and evident / Total number of customers
B42	Number of clients who are familiar with organization's laws / Number of total clients	B43	Number of decisions that are publicly notified to customers / The total number of decisions influencing customer
C11	Total revenues / Cost to obtain revenue	C12	Construction costs and investment / Total cost
C13	Number of projects that were financed aptly and adequately / Number of total projects	C14	Cost of total projects / Standard on that type of project
C21	Number of staff who abandoned organization in a certain period / Number of total staff in that period	C22	Cost of manpower competencies development / Total cost of salary
C23	Total revenues / Total staff	C24	Total amount of administrative costs / Total number of employees
C31	Number of integrated processes (analyzed and improved based on work measurement and assessment methods) / Total processes	C32	Number of processes that can be supported by IT / Total number of processes
C33	Number of control processes non-value adding / Number of total processes	C34	Number of projects and activities that have been carried out in due time / Total number of projects and activities
C35	Number of projects and activities that were carried out by predicted cost / Number of total projects and activities	C36	Achievement of targets in projects (or activities) / Anticipated rate
C41	Number of satisfied clients / Number of total clients	C42	Time to deal with customer requests= customer request time- time received customer requests

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Code	Component	Code	Component
D11	Number of paid debts / Total debts	D12	Cost of services / Cost of services in the base year
D21	Number of people who carry out their duties correctly / Number of total staff	D22	Number of employees who feel they are effective in working set / Total number of employees
D23	Number of missed days in a working period / Number of total working days of that period	D31	Number of processes for compensation to victims / Total number of processes
D32	Paid costs for organizational events / Organization's total costs	D41	Number of handled complaints from customers / Total number of complaints from customers
D42	Losses to the environment by organization	D43	Satisfaction percentage of urban management system
D44	Satisfaction percentage of complaints center	E11	Amount of subsidy / Total costs
E12	Amount of presented services / Amount of toll	E13	Amount of investments dedicated to urban deprived areas / Amount of organization's total investment
E14	Total costs of services / Number of urban service areas	E15	Total number of infrastructure projects / Number of urban areas
E21	Number of jobs (or posts) possible for creativity / Number of organizational jobs	E22	Extent to which wages are linked to performance / Total amount paid to employees
E23	Amount of which rewards are related with function / Total paid rewards	E31	Number of contradictory processes / Total number of processes
E32	Number of subordinates assessment of their superiors / Total organizational assessment	E33	Number of processes exists for employee communications with their superiors in the organization / Total number of organizational processes
E41	Number of services presented to the poor in particular / Number of total services	E42	Total number of services that will be provided equally to all customers / Total number of services
F11	Number of transactions with observing rules and regulations / Total conducted transactions	F12	Amount of diversion of budget / Total budget
F21	Number of people with administrative violations in complaints bodies or competent courts of law / Number of total staff	F22	Number of employees who are aware of the rules and regulations governing them / Total number of employees
F31	Number of circulars and organizational regulations / Number of legally organizational duties and missions	F32	Number of carried out inspections / Number of control processes
F41	Municipal violations by customers / Total administrative transactions	F42	Requests without a license problem / Total requests
F43	Administrative health from customers' perspective	G11	Sustainable earnings / Amount of total income
G12	Organization's productive investments / Total amount of investment	G13	Amount of saved cost / Amount of total expenditures
G21	Number of posts that can be taken inside the organization by succession / Total number of organizational positions	G22	Number of preserved employees at end of period / Total number of people specified in the beginning of the period
G31	Number of parallel processes / Number of total processes	G32	Number of (disruptive) malfunctioning processes / Total processes
G33	Number of fast processes in organization / Number of total processes	G41	Number of new and innovative goods and of services / Total goods and provided services

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Code	Component	Code	Component
G42	Number of obsolete goods and services / Total number of provided goods and services	G43	Number of goods and services that customer can acquire selectively / Total goods and provided services
H11	Number of transactions leaving tender procedures / Total number of tenders	H12	Number of transactions leaving auction formalities / Total number of auctions
H13	Number of limited tender transactions / Total number of tenders	H14	Number of limited auction transactions / Total number of auctions
H21	Number of employees informed of organizational decisions / Number of total employees	H22	Number of days taken to solve dispute / Total number of disputes
H23	Staff's hope for the future / Organization's hope for future	H24	Hope for the future and feel safe living in households of employees / The amount of hope for the future
H31	Number of decision-making processes and the implementation of the decision that employees are aware of it / Total processes	H41	Number of decision-making processes and the implementation of the decision that customers are aware of it / Total processes
H42	Number of decisions based on customer satisfaction surveys / Number of total decisions	-	-

Reference: (Researchers' findings)

Table2. Coding and number of research components based on good governance indicators and BSC dimensions

Indicators \ Dimension		1	2	3	4
		Financial	**Humanistic**	**Internal processes**	**Customer**
A	Participation	5 components (A11, …, A15)	4 components (A21, …, A24)	2 components (A31, A32)	2 components (A41, A42)
B	Transparency	3 components (B11, …, B13)	3 components (B21, …, B23)	2 components (B31, B3)(	3 components (B41, …, B43)
C	Efficiency and effectiveness	4 components (C11, …, C14)	4 components (C21, …, C24)	6 components (C31, …, C36)	2 components (C41, C4)
D	Responsibility	2 components (D11, D12)	3 components (D21, …, D23)	2 components (D31, D32)	4 components (D41, …, D44)
E	Justice	5 components (E11, …, E15)	3 components (E21, …, E23)	3 components (E31, …, E33)	2 components (E41, E42)
F	Rule of law	2 components (F11, F1)	2 components (F21, F22)	2 components (F31, F32)	3 components (F41, …, F43)
G	Accountability	3 components (11, …, G1)	2 components (G21, G22)	3 components (G31, …, G33)	3 components (G41, …, G43)
H	Consensus-orientation	4 components (H11, …, H14)	4 components (H21, …, H24)	1 component (H31)	2 components (H41, H42)

Reference: (Researchers' findings)

The findings of survey stage: In order to analyze collected data and investigate appropriateness of components, data obtained by final questionnaire based on Delphi technique output and one-sample T test (test t) in SPSS software was used. For this purpose, the two following sub-hypotheses were used for each component:

- H_0:$\mu \leq 3$: The average of obtained scores is less than or equal to 3 for intended

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component. (According to research experts, the intended component is not appropriate for performance measurement).

- H_0:μ>3: The average of obtained scores is more than 3 for intended component. (According to research experts, the intended component is appropriate for performance measurement).

The results of one-sample t-test analysis than fitness status of all designed components have been represented in table3.

Table3. The results of one-sample t-test for designed components

Indicators	Component	Mean	T value	sig	Confidence interval		Component	Mean	T value	sig	Confidence interval	
					Lower limit	Higher limit					Lower limit	Higher limit
Indicators measuring participation	A11	3.438	3.326	0.001	0.17	0.70	A23	3.141	0.903	0.370	-0.17	0.45
	A12	3.516	4.159	0.000	0.27	0.76	A24	3.078	0.505	0.616	-0.23	0.39
	A13	3.397	2.901	0.005	0.12	0.67	A31	3.406	2.824	0.006	0.12	0.69
	A14	3.238	1.786	0.079	-0.03	0.50	A32	3.328	2.563	0.013	0.07	0.58
	A15	3.688	5.648	0.000	0.44	0.93	A41	3.422	2.769	0.007	0.12	0.73
	A21	3.641	5.498	0.000	0.41	0.87	A42	3.391	2.656	0.010	0.10	0.68
	A22	3.375	2.714	0.009	0.10	0.65						
Indicators measuring transparency	B11	3.672	5.095	0.000	0.41	0.94	B31	3.625	4.523	0.000	0.35	0.90
	B12	3.438	3.862	0.000	0.21	0.66	B32	3.453	3.394	0.001	0.19	0.72
	B13	3.422	3.166	0.002	0.16	0.69	B41	3.297	1.951	0.056	-0.01	0.60
	B21	3.828	6.840	0.000	0.59	1.07	B42	3.313	2.195	0.032	0.03	0.60
	B22	3.500	4.243	0.000	0.26	0.74	B43	3.484	3.730	0.000	0.22	0.74
	B23	3.813	6.674	0.000	0.57	1.06						
Indicators measuring efficiency and effectiveness	C11	3.656	5.451	0.000	0.42	0.90	C31	3.359	2.422	0.018	0.06	0.66
	C12	4.016	10.329	0.000	0.82	1.12	C32	3.656	5.451	0.000	0.42	0.90
	C13	3.672	5.659	0.000	0.44	0.91	C33	3.333	2.329	0.023	0.05	0.62
	C14	3.688	5.083	0.000	0.42	0.96	C34	3.922	7.172	0.000	0.67	1.18
	C21	3.476	3.253	0.002	0.18	0.77	C35	3.797	6.120	0.000	0.54	1.09
	C22	3.484	3.139	0.003	0.18	0.79	C36	3.438	2.782	0.007	0.12	0.75
	C23	3.828	7.216	0.000	0.60	1.06	C41	3.531	3.821	0.000	0.25	0.81
	C24	3.953	8.026	0.000	0.72	1.19	C42	3.516	3.573	0.001	0.23	0.80
Indicators measuring responsibility	D11	3.516	3.531	0.001	0.22	0.81	D32	3.484	3.786	0.000	0.23	0.74
	D12	3.406	2.759	0.008	0.11	0.70	D41	3.578	4.603	0.000	0.33	0.83
	D21	3.848	3.139	0.003	0.18	0.79	D42	3.127	0.747	0.458	-0.21	0.47
	D22	3.266	1.814	0.074	-0.03	0.56	D43	3.641	4.644	0.000	0.36	0.92
	D23	3.453	3.142	0.003	0.16	0.74	D44	3.703	5.700	0.000	0.46	0.95
	D31	3.125	1.033	0.305	-0.12	0.37						
Indicators measuring justice	E11	3.210	1.538	0.129	-0.06	0.48	E23	3.281	1.696	0.095	-0.05	0.61
	E12	3.500	3.691	0.000	0.23	0.77	E31	2.875	-0.832	0.409	-0.43	0.18
	E13	3.656	4.830	0.000	0.38	0.93	E32	3.141	0.903	0.370	-0.17	0.45
	E14	3.531	4.034	0.000	0.27	0.79	E33	3.047	0.309	0.758	-0.26	0.35
	E15	3.656	4.896	0.000	0.39	0.92	E41	3.359	2.793	0.007	0.10	0.62
	E21	3.156	1.055	0.295	-0.14	0.45	E42	3.328	2.420	0.018	0.06	0.60
	E22	3.234	1.556	0.125	-0.07	0.54						
Indicators measuring rule of law	F11	3.766	5.386	0.000	0.48	1.05	F32	3.469	3.980	0.000	0.23	0.70
	F12	3.641	4.224	0.000	0.34	0.94	F41	3.333	2.455	0.017	0.06	0.60
	F21	3.406	2.759	0.008	0.11	0.70	F42	3.641	5.711	0.000	0.42	0.86
	F22	3.422	3.122	0.003	0.15	0.69	F43	3.419	2.937	0.005	0.13	0.70
	F31	3.328	2.357	0.022	0.05	0.61						
Indicators measuring accountability	G11	3.391	3.025	0.004	0.13	0.65	G32	3.131	0.806	0.424	-0.19	0.46
	G12	3.328	3.100	0.003	0.13	0.62	G33	3.306	2.042	0.045	0.01	0.61
	G13	3.303	2.333	0.023	0.04	0.56	G41	3.210	1.275	0.207	-0.12	0.54
	G21	3.188	1.317	0.193	-0.10	0.47	G42	2.983	-0.095	0.925	-0.37	0.33
	G22	3.350	2.460	0.017	0.07	0.63	G43	3.609	4.143	0.000	0.32	0.90
	G31	2.917	-0.521	0.604	-0.40	0.24						
Indicators measuring consensus-orientation	H11	3.500	3.969	0.000	0.25	0.75	H23	3.234	1.329	0.189	-0.12	0.59
	H12	3.532	4.222	0.000	0.30	0.85	H24	3.222	1.397	0.168	-0.10	0.54
	H13	3.547	4.415	0.000	0.30	0.79	H31	3.375	2.553	0.013	0.08	0.67
	H14	3.484	3.786	0.000	0.23	0.74	H41	3.328	2.328	0.023	0.05	0.61
	H21	3.375	2.496	0.015	0.07	0.68	H42	3.375	2.646	0.010	0.09	0.66
	H22	3.188	1.271	0.208	-0.11	0.48						

Reference: (Researchers' findings)

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According to the output of one-sample t-test in SPSS (table3), as sig is less than standard error of (0.05), it can be stated that the obtained average has significant difference with tested value. If lower and higher limits (table3) are negative, it can be said that the average will be smaller than tested value i.e. null hypothesis is verified and alternative hypothesis is rejected. Otherwise, (if lower limit and higher limit are positive), the average will be more than tested value; therefore, null hypothesis is rejected and main hypothesis is confirmed. Thus, the intended component is confirmed. As data in table 3 represent, the value of observed significant number for components of A14, A23, A24, B41, D22, D31, D42, E11, E21, E22, E23, E31, E32, E33, G21, G31, G32, G41, G42, H22, H23, is more than standard error i.e. more than 0.05; therefore, null hypothesis of these components are confirmed and alternative hypothecs is rejected. In other words, according to the experts, the mentioned components are not appropriate and acceptable. The analysis related to other components (positive both lower and higher limits of components), indicates that null hypothesis is rejected and alternative hypothesis is accepted. This means that their significance level (sig) is less than 0.05, and their average is significantly higher than theoretical average i.e. number 3. In other words, according to experts, the mentioned components are suitable and acceptable to measure performance. Thus, it can be seen in table3, all components, excluding 22 ones, i.e. A14, A23 ,A24, B41, D22, D31, D42, E11, E21, E2, E23, E31, E32, E33, G21, G31, G32, G41, G42, H22, H23, H24 were accepted by experts.

To compare both academic and organizational experts group's views about appropriate components of performance measurement, U Mann-Whitney test in SPSS software and following two sub-hypotheses were used because of small sample size (n = 16 for each group of experts) and uncertainty of the sampling distribution.

- H_0:$\mu_1=\mu_2$: The view of both experts' group is identical about appropriateness of designed components.
- H_1:$\mu_1\neq\mu_2$: The view of both experts' group is different about appropriateness of designed components.

Table4. The results of Mann-Whitney test

Mann-Whitney test	Wilcoxon test statistic	Z test statistic	Sig
81.500	217.500	-1.753	0.080

Reference: (Researchers' findings)

According to the output of U Mann-Whitney, test (table4), the obtained sig value is more than standard error of (0.05); therefore, null hypothesis is accepted and alternative hypothesis is rejected. Thus, the view of experts' group is identical about appropriateness of designed components.

To investigate about the importance and ranking of each group of designed and confirmed components (given indicators of good governance) from perspective of experts, Friedman test in SPSS software and following two sub-hypotheses were used:

- H_0: The importance of all components is identical.
- H_1: At least, one of the components is more important.

[DOR: 20.1001.1.23452870.1395.4.16.7.4]

Friedman test results to assess the importance of performance measurement components were collected in Table 5.

Table5. Friedman test for ranking performance measurement components

Participation		Transparency		Efficiency and effectiveness				Responsibility	
Sig = 0.000		Sig = 0.000		Sig = 0.000				Sig = 0.000	
Component	Average Rating	Component	Average Rating	Component	Average Rating	Component	Average Rating	Component	Average Rating
A15	6.64	B21	6.87	C12	11.36	C32	8.56	D44	5.18
A21	6.40	B23	6.79	C24	10.9	C41	7.55	D43	4.93
A12	5.77	B11	6.09	C34	10.72	C42	7.43	D41	4.68
A11	5.37	B31	5.85	C23	9.89	C21	7.39	D11	4.43
A41	5.29	B22	5.23	C35	9.71	C22	7.22	D21	4.3
A13	5.29	B43	5.15	C14	8.82	C36	6.6	D32	4.3
A31	5.21	B32	4.99	C13	8.68	C31	6.21	D23	4.18
A42	5.13	B12	4.91	C11	8.56	C33	6.19	D12	3.99
A22	5.06	B13	4.84						
A32	4.82	B42	4.29						

Justice		Rule of law				Accountability		Consensus-orientation	
Sig = 0.000		Sig = 0.000				Sig = 0.000		Sig = 0.000	
Component	Average Rating	Component	Average Rating	Component	Average Rating	Component	Average Rating	Component	Average Rating
E13	3.95	F11	6.23	F21	4.56	G43	4.11	H12	5.03
E15	3.95	F12	5.65	F41	4.35	G22	3.61	H13	4.91
E14	3.58	F42	5.65	F31	4.2	G11	3.41	H11	4.72
E12	3.48	F32	4.85			G12	3.36	H14	4.66
E41	3.06	F43	4.85			G33	3.31	H21	4.22
E42	2.97	F22	4.64			G13	3.21	H31	4.22
								H41	4.03
								H42	4.22

Reference: (Researchers' findings)

Given the results of Friedman test (table5), according to all indicators of good governance, the observed significant value for the importance of performance measurement is less than standard sig level i.e. 0.05. Thus, null hypothesis is rejected and alternative hypothesis is accepted. In other words, it can be stated the importance of performance measurement components is different with respect to each indicator of good governance. The average rank of each component has been represented in order of preference in table5.

The results of Friedman test regarding the importance of designed components to measure performance of good governance indicators in experts' view indicate that observed significant value is less than standard significant level of 0.05. Thus, it can be stated that according to the experts, the importance of designed components has significant difference with each other to measure the performance of good governance indicators.

Table1. The results of Friedman test for good governance indicators ranking

Sig = 0.000		Chi-Square = 212.671	
Index	**Average ranking**	**Index**	**Average ranking**
Efficiency and effectiveness	7.16	Consensus-orientation	4.11
Transparency	5.8	Participation	3.86

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Rule of law	5.44	Accountability	2.88
Responsibility	4.12	Equity	2.64

Reference: (Researchers' findings)

According to the results of Friedman test in table6, efficiency and effectiveness, transparency, rule of law, responsibility, consensus-orientation, accountability, and equity are the most important indicators respectively.

6- Conclusion

Good governance represents paradigm change of public management and it prepares the ground for equal participation for all citizens in decision-making process. In fact, it indicates that governance belongs to the public and it is formed by people (Moghimi & Alayi, 2011). Today, good governance theory and its components have been changed into an intellectual paradigm and much attempt has been done for combination of its components with other models in different management fields. Such measure has developed this concept and investigated how to implement it as an idealistic model. Gradually, the entity of good governance theory has been changed from a political-economic theory into a practical-functional one. This research aimed to use the aspects of good governance in designing performance evaluation components in city management that is completely practical-functional field. It is evident that the optimal state in designing performance measurement components is to cover all fundamental fields of organization's performance appropriately and extend them to the entire organization's performance. For this purpose, BSC was used in integrating good governance to design performance measurement components. By this integration, implementation of good governance model and its components in city management can be regarded as a strategy that BSC can translate it into action plans. The results indicated that 73 components of 95 designed components were accepted by academic and organizational experts (city management experts) regarding eight indicators of good governance and four dimensions of BSC for city management's performance evaluation. However, the results indicated that given participation index, 10 components (four components in financial dimension, two ones in human aspect, two ones in internal processes aspect, and two ones in customer aspect), given transparency index, 10 components (three components in financial aspect, three ones in human aspect, two ones in internal processes aspect, and two ones in customer aspect), considering the index of efficiency and effectiveness, 16 components (four components in financial aspect, four ones in human aspect, six ones in internal process, and two in customer), regarding responsibility, 8 components (two in financial, two in human, one in internal processes, and three in customer aspect), given justice, 6 components (4 ones in financial aspect and two in customer), regarding the index of rule of law, 9 components (two components in financial dimension, two in human dimension, two ones in internal processes, and three in customer dimension), with regard to accountability, 6 components (three ones in financial dimension, one in human dimension, one in internal processes, and one in customer dimension), based on participation index, 8 components (four ones in financial aspect, one component in human aspect, one in internal processes,

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and two in customer aspect) were confirmed by academic and city management experts to measure performance in city management.

According to the consensus of experts on selected components, by entering effective concepts and factors on city management performance, that the concepts of good governance in designing the components of organizational performance measurement with an approach to BSC has been applied in this research, content development in performance evaluation system of city management can be achieved. The used concepts in UNDP model are extremely in accordance and in line with common value system of organizations, particularly public ones. For instance, justice is a concept that is one of the values desired by organizations' policy-makers and manager in administrative system at different levels including macro, medium and micro ones, particularly public sector organizations such as city management. It is obvious that other concepts enjoy such coordination. The alignment of components used in good governance with value system of organizations results that designed indicators based on these components enjoy more stability and sustainability during the time and in the path of organizational changes. On the other hand, by using BSC, one-dimensional view of the traditional approach has been avoided in performance evaluation system that only deals with financial performance evaluation, and it has holistic view. Therefore, it is suggested that organizational managers take action to implement indicators by weighting and ranking them to use in organization's performance evaluation system. By applying these indicators, it is expected that it would be a good guide to attempt in line with further development of performance evaluation system in order that managers become aware of impacts and outcomes of organization's decisions and administrative plans.

Given the results, it is recommended that Iranian city managers consider the designed components in organizational performance evaluation of municipalities and city management. Thereby, obtained components are tested practically and their operational shortcomings will be resolved. To complete thematic areas of this research, it is also recommended to researchers in line with more appropriate use of these findings in future studies to follow these issues and subjects:

Ranking and weighting components of measuring organizational performance based on good governance indicators with balanced scorecard approach, designing organizational strategic performance evaluation model based on good governance indicators and BSC, investigating effective factors on organizational good governance success in city management, designing organizational strategic performance evaluation components based on good governance indicators and strategic management in municipalities, investigating good governance position in the process of organization's strategic management in city management, investigating the impact of good governance on improving the performance of organization's strategic human resource management in municipalities, and investigating the impact of good governance on citizens' satisfaction of city management performance in country.

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