



The creation and use of scorecards in tourism planning: A Spanish example

Mar Vila ^{a,*}, Gerard Costa ^b, Xari Rovira ^c

^a ESADE, Department of Financial Management and Control, and Centre for Tourism Management, Av. Pedralbes, 60-62, E-08034 Barcelona, Spain.

^b ESADE, Department of Marketing Management, Av. Pedralbes, 60-62, E-08034 Barcelona, Spain

^c ESADE, Department of Quantitative Methods, Av. Pedralbes, 60-62, E-08034 Barcelona, Spain

ARTICLE INFO

Article history:

Received 1 October 2008

Accepted 25 February 2009

Keywords:

Strategic management

Management control

Tourism destinations

Balanced scorecard

Critical performance variables

Strategic planning

Management indicators

ABSTRACT

This paper proposes a preliminary model of a balanced scorecard for tourism destinations, with a specific emphasis on sustainable development. We begin with a review of the perspectives and critical performance variables for the traditional balanced scorecard. We then present empirical work based upon quantitative analysis techniques. A survey was completed by 1531 Spanish municipalities that are oriented towards tourism and have demonstrated interest in management issues. Based on the constructs emerging from this analysis, we then show how the balanced scorecard can be modified to support the strategic planning of tourism destinations. We conclude by discussing the advantages for long-term strategic planning and sustainable tourism management.

© 2009 Elsevier Ltd. All rights reserved.

1. Introduction

Strategic planning has been progressively incorporated into the different approaches to tourism planning (Getz, 1986; Hall, 2000), encouraging a holistic analysis of the competitive environment, as well as the co-ordination and co-operation among stakeholders. Fortunately, it has also been proved easy to integrate into the management processes (Ansoff, 1988; Hall, 2000; Ivars, 2004; Porter, 1982).

Tourism planning has evolved notably in Spain since the 1960s. Numerous studies have confirmed the contribution that planning has made in terms of bringing qualitative improvements to management (Bote, 1994; Ivars, 2004). These benefits are especially evident in areas such as strategic marketing (Bigné, Font, & Andreu, 2000), but have also noted the ever-increasing focus on sustainability. Nevertheless, evidence suggests that much works remain to improve sustainable tourist destination planning in Spain (IET, 2007), as is happening elsewhere (Pearce, 1989). This

justifies the need for new family of integrated and holistic tourism planning models.

In spite of the improvement in tourism planning described above, several studies have highlighted that little progress has been made in terms of monitoring and measuring sustainable tourism development as a core component of the strategic planning processes (Inskip, 1991; Sirakaya, Jamal, & Choi, 2001). Over the last few years, a large number of indicators have been created for tourist destinations, albeit with different objectives, perspectives, dimensions and foci (Choi & Sirakaya, 2006; Manning, 1999; Miller, 2001; Sancho, García, & Rozo, 2007; Valls, Vila, Bustamante, & Guzmán, 2004; WTO, 2004, etc.). In Spain, for example, several proposed indicator systems stand out due to their support for sustainable tourism development planning processes. These include indicators applicable to municipalities within the Integral Quality Plan for Spanish Tourism, those included in the *Observatorio de Calvià, Agenda Local 21*¹ (Ajuntament de Calvià, 1999), or the indicators set by the Government of Lanzarote within its Insular Management Plan and the Strategy Plan for Lanzarote.

* Corresponding author. ESADE Department of Financial Management, Av. Pedralbes, 60-62, E-08034 Barcelona, Spain. Tel.: +34 934 952 096; fax: +34 932 048 105.

E-mail addresses: mar.vila@esade.edu (M. Vila), gerard.costa@esade.edu (G. Costa), xari.rovira@esade.edu (X. Rovira).

¹ The Local Agenda 21 concept was formulated and launched by the International Council for Local Environmental Initiatives (ICLEI) as a framework for local governments worldwide to engage in implementing the outcomes of the United Nations Conference on Environment and Development.

After reviewing these indicators from a strategic planning perspective, we detected three common limitations:

- Firstly, their objective is to measure a tourist destination's sustainability or competitiveness. However, they were neither designed specifically to help monitor or measure performance, nor to help with strategic planning or strategy implementation. In the vast majority of cases, they only use result-based indicators, which do not provide any information on specific causes or on what should be done in the future.
- Secondly, no direct relationship between indicators or with the destination's strategy is established.
- And, thirdly, for most of these indicators, the number of proposed indicators is very high, making them complex and difficult to use.

Given the advances made by tourist destinations in terms of strategic planning, and the limitations of the indicators proposed thus far, we feel that additional work on the performance measurement systems is justified. We selected the balanced scorecard designed by Kaplan and Norton (1992) from the various tools proposed and reviewed in the abundant literature on strategic management control (Atkinson & Epstein, 2000; Balkcom, 1997; Fisher, 1995; Gupta & Govindarajan, 1984; Ittner & Larker, 1998; Kaplan & Norton, 1992, 1996; Lingle & Schiemann, 1996; Neely, Adams, & Crowe, 2001; Simons, 2000). Our aim is to advance in the use of this performance measurement tool to help tourist destinations implement their strategy using sustainability criteria. Towards this end, we have gathered new data in collaboration with the Spanish Federation of Municipalities and Provinces (FEMP). Our analysis of these data has two objectives. The first is to confirm whether management practices among Spanish municipalities have indeed matured with respect to earlier measurement tools, and thereby require more sophisticated measurement tools. Our second objective is to further the study of a balanced scorecard designed specifically for tourist destinations as a strategic management tool. The goal here is to identify the critical performance variables for Spanish tourism municipalities, thereby making it easier to search for indicators adapted to each municipality.

This paper continues as follows. In Section 2, we propose that tourist destinations adopt the balanced scorecard, weighing up its advantages and disadvantages. We then propose a new structure of perspectives and variables adapted to these destinations, all based on the value creation chain. In Section 3, we describe the methodology used in this study, with our primary results described in Section 4. We offer several conclusions in the last section and provide topics for further debate, which can be addressed in future research.

2. A balanced scorecard for tourist destinations

2.1. Kaplan and Norton's balanced scorecard

As previously argued, a system of indicators is needed for a destination's strategic management. We propose a tool that has proven to be highly useful for the organisations that have implemented it, the balanced scorecard developed by Kaplan and Norton (1992). The balanced scorecard has become one of the most popular tools in business practice over the last few years (Ittner & Larker, 2001; Silk, 1998). This can partly be explained to the authors' dissemination skills but also to its versatility (De Carlo, Cugini, & Zerbin, 2008).

It is designed to be used as a strategic management system. Its purpose is to translate business strategy into goals and

performance measurements as seen through four perspectives: finance, the customer, internal processes and innovation and learning. Its implementation (Kaplan & Norton, 1992, 1996, 2001, 2004) starts with a systematic analysis of the relevant factors required to meet the intended strategy based on the analysis of the value chain or the profit chain in service companies (Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994; Porter, 1985). It follows with the identification of the critical performance variables; that is, those which are absolutely necessary to fulfil the defined strategy. The relationships between the critical performance variables are then determined by means of a strategic map. The most appropriate indicators to measure these variables are defined bearing in mind the availability of information and the degree of exactitude which is assumed at a given cost. These indicators include short- and long-term objectives, financial and non-financial measures, historic and forecast indicators, as well as external and internal performance measures. Lastly, the indicators are oriented towards the four perspectives mentioned above in accordance with the value creation process.

Some of the balanced scorecard critiques found in our review of the literature address to the causal relationships between indicators or variables (Anthony & Govindarajan, 1998; Olve, Roy, & Wetter, 1999). Moreover, its usefulness as a tool to improve performance has also been questioned, because the correlation between non-financial measures and future benefits has not been demonstrated. These relations are complex, and can be influenced by the organization's strategies and numerous factors related to the company's structure or its setting (Anthony & Govindarajan, 1998; Ittner & Larker, 2001; Olve et al., 1999; Sim & Koh, 2002). Finally, the scorecard has also been criticised for its four-perspective structure designed for private companies in specific industries, thus not reflecting some relationships with stakeholders, suppliers, partners, intermediaries, regulators, local communities or lobbies (Atkinson et al., 1997; Kenny, 2003; Neely et al., 2001) and for not being applicable to certain types of organisations or industries (Atkinson & Epstein, 2000; Dalton, 2002; Fitzgerald & Moon, 1991; Olve et al., 1999). Olve indicates that the choice of perspectives should be based on strategic priorities and, as such, not on a pre-set structure, something which the scorecard's creators recognise. Olve goes on to propose a model with four different perspectives: resources, activities, relationships and results.

Despite these critiques, however, the balanced scorecard offers several advantages as a measurement system when compared to a traditional, short term emphasis on financial indicators. There does seem to be an agreement that the tool's main source of value can be found in the links established between the different measures and the organization's strategy. These links allow the effectiveness of management actions to be evaluated at different levels. We can also examine the impact of managerial decision on performance as well as the co-ordination and allocation of resources. The balanced scorecard, in summary, is helpful as a strategic management system because of the structuring of variables based on the value creation process. Other benefits stem from the strategic map of causal relationships between the different variables, even if these relationships have not been thoroughly demonstrated, because they provide a hypothesised relationship behind business strategy and the organization's strategic objectives. In terms of the adequacy of its four-perspective structure, it must be said that links with the organisational structure are weak, so little integration or adaptation is required for its implementation. In practice, however, the companies that have implemented the balanced scorecard have used either the four categories proposed, or adapted them to fit their specific situations.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات