



Benefits of Balance Score Card in Healthcare Facilities in the Philippines

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DOI : <https://doi.org/10.55248/gengpi.5.0724.1820>

ABSTRACT

Purpose: The purpose of this article review is to examine the benefits of implementing a Balanced Scorecard (BSC) in healthcare facilities. By systematically evaluating recent studies from 2019 to 2023, this review aims to highlight the improvements in organizational performance, patient care quality, and strategic management facilitated by the BSC framework.

Method: A comprehensive search was conducted on PubMed to identify relevant studies published between 2019 and 2023. The selected studies were analyzed for their methodologies, findings, and implications on the use of BSC in healthcare settings. The review focused on identifying common themes and quantifiable benefits reported across the studies.

Results: The analysis revealed that the adoption of BSC in healthcare facilities significantly enhances performance management by providing a structured approach to align operational activities with the organization's strategic objectives. The BSC framework was found to improve communication and coordination among departments, leading to better patient outcomes and increased operational efficiency. Key benefits identified include enhanced decision-making processes, improved accountability, and a clearer understanding of organizational goals.

Conclusion: The implementation of BSC in healthcare settings offers substantial benefits, including improved patient care quality, strategic alignment, and operational efficiency. The studies reviewed consistently highlight the BSC's role in fostering a culture of continuous improvement and accountability. These findings suggest that healthcare facilities can achieve significant advancements in both clinical and administrative functions through the effective use of the Balanced Scorecard.

Introduction

The Balanced Scorecard (BSC), introduced by Kaplan and Norton in the early 1990s, has become a widely adopted strategic management tool across various industries, including healthcare. In recent years, healthcare organizations have increasingly recognized the value of the BSC in enhancing organizational performance and improving patient care quality. The BSC provides a comprehensive framework that translates an organization's mission and strategy into a coherent set of performance measures, encompassing financial, customer, internal business processes, and learning and growth perspectives [6].

Healthcare facilities, characterized by their complex and multifaceted operations, benefit significantly from the structured and balanced approach offered by the BSC. Studies from 2019 to 2023 highlight that the implementation of BSC in healthcare settings leads to improved strategic alignment, better decision-making processes, and enhanced communication across departments. These improvements are crucial in addressing the ongoing challenges faced by healthcare organizations, such as resource constraints, the need for high-quality patient care, and the demands for accountability and transparency [1].

Research indicates that the BSC facilitates a culture of continuous improvement by providing healthcare managers with a clear view of organizational performance metrics. This clarity helps in identifying areas for improvement and fosters a proactive approach to problem-solving and innovation [3]. Moreover, the BSC's emphasis on non-financial metrics, such as patient satisfaction and internal process efficiencies, aligns well with the primary goals of healthcare organizations, which are to provide high-quality patient care and achieve optimal health outcomes [4].

Overall, the BSC's holistic approach supports healthcare organizations in navigating the complexities of the healthcare environment. By aligning day-to-day operations with long-term strategic goals, the BSC ensures that all aspects of the organization work synergistically towards common objectives. This review aims to explore the specific benefits of the BSC in healthcare settings, drawing on recent studies to provide a comprehensive understanding of its impact on organizational performance and patient care quality.

Method

This article review employs a systematic approach to identify and analyze the benefits of the Balanced Scorecard (BSC) in healthcare facilities. The review focuses on peer-reviewed studies published between 2019 and 2023, sourced exclusively from PubMed. The selection process involved several key steps to ensure the inclusion of high-quality and relevant research.

Firstly, a comprehensive search was conducted on PubMed using specific keywords and phrases related to the BSC and healthcare. The search terms included "Balanced Scorecard," "healthcare," "hospital performance," "patient care quality," and "strategic management." Boolean operators were used to refine the search and retrieve studies that specifically address the implementation and outcomes of the BSC in healthcare settings.

The initial search yielded a significant number of articles. These articles were then screened based on their titles and abstracts to assess their relevance to the topic. Inclusion criteria were set to focus on studies that: (1) were published between 2019 and 2023, (2) involved the application of the BSC in healthcare facilities, and (3) provided empirical data or comprehensive analyses of the outcomes associated with BSC implementation. Studies that did not meet these criteria were excluded from the review.

After the first screening, pertinent data was extracted from the complete texts of the chosen publications. The analysis concentrated on determining the approaches employed in every study, the particular advantages of the BSC that were mentioned, and any difficulties that arose during implementation. Studies that offered quantitative information on patient outcomes, performance enhancements, and strategic alignment received special consideration.

The assessment combined data from many healthcare contexts, such as clinics, hospitals, and other healthcare organizations, to guarantee a thorough grasp of the advantages of the BSC. Using this method made it possible to find recurring patterns and differences in the BSC's influence in various situations.

After that, a critical analysis of the chosen research was conducted in order to make judgments regarding the BSC's overall efficacy in improving healthcare performance. The results were divided into important benefit areas, including better decision-making procedures, more operational efficiency, and better patient care quality. The impact of the BSC on healthcare facilities was thoroughly and fairly evaluated thanks to this systematic review approach.

Results and Discussion Results

Several studies from 2016 to 2023 have underscored the advantages of using the Balanced Scorecard in healthcare settings. For instance, [12] demonstrated that implementing the BSC in hospitals led to improved financial performance and operational efficiency. The study found that hospitals using the BSC reported better resource allocation and cost management strategies compared to those without a structured performance management system. Similarly, Jones and Brown (2019) highlighted the BSC's role in enhancing patient satisfaction through better quality of care and more efficient healthcare delivery processes.

Moreover, study [9] indicated that healthcare facilities using the BSC framework showed significant improvements in clinical outcomes and patient safety measures. The BSC facilitated the monitoring of key performance indicators (KPIs) related to patient care, resulting in reduced medical errors and improved adherence to clinical protocols. These findings suggest that the BSC not only enhances financial and operational aspects but also supports better clinical outcomes and patient experiences.

Discussion

The implementation of the Balanced Scorecard in healthcare facilities offers several strategic advantages. Firstly, it provides a balanced view of performance by integrating financial, operational, and patient-centered metrics [7]. This balanced perspective enables healthcare managers to make informed decisions that consider both financial sustainability and quality of care. Secondly, the BSC promotes transparency and accountability by clearly defining goals and aligning them with the organization's mission and vision [13].

Furthermore, the BSC encourages continuous improvement through regular performance reviews and feedback mechanisms [11]. Healthcare facilities can use the BSC framework to identify areas for improvement and implement evidence-based practices to enhance patient outcomes and operational efficiency. Lastly, the BSC facilitates strategic alignment across departments and stakeholders, fostering a collaborative culture focused on achieving common goals [8].

CONCLUSION

The Balanced Scorecard (BSC) has emerged as a valuable management tool in healthcare facilities, offering a structured approach to strategic planning and performance management. This framework enables healthcare organizations to align their strategic objectives with key performance indicators (KPIs) across various perspectives, including financial, customer, internal processes, and learning and growth. [6] the BSC helps organizations translate their mission and strategy into actionable goals and measures, which is particularly crucial in the dynamic and complex environment of healthcare.

One significant benefit of implementing the Balanced Scorecard in healthcare is its ability to improve organizational performance and operational efficiency. [15] highlighted that healthcare facilities using the BSC reported enhanced financial performance, better patient outcomes, and improved operational processes. By focusing on both financial and non-financial metrics, healthcare organizations can better monitor and manage their performance, leading to more informed decision-making and resource allocation.

Moreover, the BSC promotes a culture of continuous improvement and accountability within healthcare organizations. [16] demonstrated that the BSC framework encourages collaboration across departments and enhances communication between healthcare providers and administrators. This collaborative approach fosters a culture of transparency and accountability, where all stakeholders are aligned towards achieving common organizational goals and improving patient care quality.

Furthermore, the Balanced Scorecard supports strategic alignment and facilitates the integration of quality improvement initiatives into daily operations. [17] healthcare organizations that adopt the BSC framework are better equipped to integrate quality improvement efforts into their strategic plans. This integration ensures that quality improvement initiatives are not isolated events but are instead integrated into the overarching strategic goals of the organization, thereby enhancing the overall quality of care delivered to patients.

In summary, healthcare institutions can benefit from the Balanced Scorecard in a number of ways, including better patient outcomes, operational efficiency, and performance management. The Business and Strategy Cycle (BSC) facilitates healthcare companies' ability to successfully monitor and manage their performance across several dimensions by offering a comprehensive framework that integrates strategic objectives with measurable KPIs. Additionally, it fosters a culture of strategy alignment and ongoing improvement, which eventually improves patient satisfaction and care quality. The Balanced Scorecard is still a useful tool for companies looking to attain patient care excellence as the healthcare industry changes.

ACKNOWLEDGEMENT

Sincere thanks is extended by the author to Dr. Erwin Martinez Faller, a professor in the Organization and Administration of Clinical/Ancillary Services/Departments course, for his helpful advice and insightful criticism throughout the writing of this article review. His knowledge and perceptions have greatly influenced the finished work. Furthermore, the writer would like to thank Juan Paolo N. de Luna for his encouragement and insightful conversations that helped to improve the content. Their support and encouragement are much appreciated.

CONFLICT OF INTERESTS

The author declare that they have no conflicts of interest regarding this review article.

FUNDING

None.

ETHICAL APPROVAL

This article does not involve any utilization of test animals or human subjects.

PUBLISHER'S NOTE

This study remains neutral with regard to jurisdictional claims in published institutional affiliation.

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