

**MEASURING PERFORMANCE IN A KNOWLEDGE ECONOMY:  
LINKING THE SUBJECTIVE AND OBJECTIVE DIMENSION  
INTO ONE SYSTEM OF “VECTOR-BASED”  
PERFORMANCE MEASUREMENT**

Authors:

Juergen H. Daum (lead author)

*SAP AG, Walldorf, Germany*

*E-Mail: [juergen.daum@sap.com](mailto:juergen.daum@sap.com), Website: <http://www.juergendaum.com/>*

Peter Bretscher (corresponding author)

*Ing. Büro für Wirtschaftsentwicklung, Eggersriet, Switzerland*

*E-Mail: [peter.bretscher@bengin.com](mailto:peter.bretscher@bengin.com), Website: <http://www.bengin.com/>*

**Abstract**

Customers or other stakeholders require from business or non-profit organizations today to act according to their subjective, qualitative values. Therefore organizations have to take increasingly qualitative, subjective ratings and values into account in managerial decision-making. Thus, they need performance measurement systems that are able to handle subjective, qualitative measures and to combine them with objective, financial information. The vector-based concept of performance measurement & visualization that is introduced in this paper and that the authors discuss in the context of public service management (to support the Swiss “New Public Management”) is offering a practical solution for this.

**Content (short version):**

1. Problem description and introduction.....	page	1
2. Introduction to the concept of subjective measurement.....	page	2
3. The concept of vector-based performance measurement & visualization ...	page	3
4. Benefits of the vector based concept of performance measurement & visualization: .....	page	4
5. Practical application of the concept in a public service organization.....	page	5
6. Implementation of the concept in an organization .....	page	6
7. Conclusion and outlook.....	page	7
8. Diagrams .....	page	8