Abstract

The changes occurring in the industrial field nowadays are increasingly rapid. The increasingly open-competition culture and the opening up of the free market have drive industries to improve themselves so that they can’t be attacked by the negative impact of the existing changes. PT. Cahaya Angkasa Abadi (PT. CAA) is a division company of PT Sinar Angkasa Terang (PT. SAT) that is active in the field of the electric cable manufacturing and electric lamp components. To face globalization, PT. CAA necessarily does the management improvement, especially in the performance measurement system. So far, PT. CAA measures and reports just the financial aspects. Besides, The development of the performance measurement system is relatively rapid; This can be seen from the models of the existing performance measurement system, such as balanced score card (BSc), integrated performance measurement systems (IPMS), Cambridge system, Pyramid prism. The models pay attention not only to the financial aspects, but also the non-financial ones.

One strategic management tool that can help a company increase their strategic ability continuously is balanced score card (BSc). Using BSc, the company is expectedly able to see the existence of the business they do with the extensive and comprehensive spectacles, and able to allocate the use of its resources well, in order to attain the company objectives. BSc is more than a tactical or operational measurement system. But by using BSC, PT. CAA can translate the company vision into a set of comprehensive-performance measurements, that provide the framework of the strategic measurement and management system.

Designing the performance measurement system with BSC in PT. CAA relies on four comprehensive, coherent, balanced and measurable perspectives: (1) financial perspectives, (2) consumers perspectives, (3) internal business process perspectives, and (4) the growth and learning perspectives. The Four result in the proposed target and strategic initiative on every strategy target and the performance indicator observed for all components or levels in the company. Hence, We do the weighting by the AHP method (Analytical Hierarchy Process) and scoring for each indicator of performance, so that the company can know exactly the priority of improvement that should be taken. By the translation of the Score card or the Objectives and strategic measurement of the company into the objectives and the operational measure of the team and individuals, it is expected to be able to drive the attainment of the company target that leads to the attainment of the company vision and objectives.

Keywords: performance measurement, strategy, balanced scorecard.