EVALUATION CASCADING KEY PERFORMANCE INDICATOR PT. GMF AERO ASIA

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Abstract

PT. GMF AA is the largest MRO (Maintenance, Repair, and Overhaul) company in Indonesia. This company used Balanced Scorecard as their management system. In the implementation, this company has done cascading for their BSC until the lower level unit. Since their cascading scorecard had never been evaluated, the purpose of this research is to evaluate this cascading by evaluating the Key Performance Indicator (KPI) of all unit.

The evaluation based on two questions. The first is whether the right KPI which based on deployment from higher level unit and stakeholders requirement should be used by the units. The second is whether the wrong KPI which is not appropriate with the unit’s job didn’t use by the units. As the result, this research shows that almost all units have used wrong KPI for their performance indicators. For the future design of Balanced Scorecard, the misaligned KPI shouldn't be used by the units.

Keyword: Strategy, Balanced Scorecard, Key Performance Indicator, Cascading