ABSTRACT

In the globalization era nowadays, every company included state companies will observe tougher competition. To survive, companies need a good performance measurement system that could help it to make continuous improvement. On the other hand, the traditional measurement system that has been used in these past decades which measured a company from its financial perspective only can not longer be implemented because as executives and scientists said that the traditional measurement system could not answer the real problem any more. In addition, now and increasingly in the future, the best way for organizations to survive and prosper in the long term will be to think about the wants and needs of all of their stakeholders (investors, customers, employees, suppliers, regulators, communities) and endeavor to deliver value to all of them. The author chooses Performance Prism - that was firstly proposed in 2001 by Chris Adams & Andy Neely - as research object.

The first step of designing the performance measurement system using Performance Prism is transforming stakeholder satisfaction and stakeholder contribution into quantitative measures. After transforming, the author use Analytical Hierarchy Process in weightening and scoring each measure within each perspective. So, the company could understand the right priority of improvement that must be done.

As the result, there are 36 valid key performance indicators, 8 indicators from investor, 7 indicators from customer, 8 indicators from employee, 4 indicators from supplier, 4 indicators from regulator and 5 indicators from communities. In weightening use Analytical Hierarchy Process (AHP), indicator which has the big influence in overall performance is the number of order between periods measured related with the group of KPI from customer. Great effect also caused by KPI which related with customer perspective. Try out, in period 2002, there are 12 KPI which have a good performance so the management should be consistent to do that activities on that KPI, 8 KPI showed the achievement of KPI not yet achieved and 16 KPI in critical condition and need an improvement.

Keywords: Performance Prism, performance, stakeholder satisfaction, stakeholder contribution, Key Performance Indicators