



Analysis of performance measurement using the balanced scorecard

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ABSTRACT

The research is formulated on describing the performance measurement through balanced scorecard method at Sucofindo cooperative. branch-Palembang. This research is aimed at describing the performance measurement through balance scorecard method at Sucofindo Cooperative, branch Palembang. The research setting was within 5 five years, from 2011 until 2015. The type of this research was a descriptive research in line with determination of the performance of the Sucofindo Cooperative branch Palembang through balanced scorecard method. The data used were primary data and secondary data. This research was a qualitative analysis. The technique of analyzing the data was through balanced scorecard method The results showed that there were some variations in the achievement of result, as the financial perspective to generate earnings / profit and customer's perspective to improve members as well as learning and growth perspective in employee's productivity experience had decreased and not maximum, while for internal business perspective was good enough.

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1. INTRODUCTION

In the current era of globalization, the development of a competitive and turbulent business world causes a company to be required to make improvements in all fields in order to remain a market player in the long term with high-power products. This condition requires management to be able to improve strategies in order to be able to survive and develop in competition (Sirmon et al., 2011) (Doole & Lowe, 2012). The reran of economic actors in business activities in Indonesia is very vital for the wheels of the economy in Indonesia. Economic actors are trying to build an economy that in akhinya participates in improving the welfare of the people (Omar et al., 2012). The three pillars of the national economy, namely State-Owned Enterprises (BUMN), private sector and cooperatives are trying to do business such as in the financial services and financing sectors. These business entities provide various financial services and financing to help and facilitate the community and the Micro, Small and Medium Enterprises (MSMEs) sector. In accordance with Law No.20 of 2008, the MSME sector needs to be empowered as an integral part of the people's economy in order to be able to grow and develop into a resilient and independent business. So that each of these business entities competes in the distribution of funds to help the MSME sector and the community. The strategic reran played by economic actors,

both BUMN, private sector and cooperatives demands the formulation of policies and strategy development in order to remain market players in the long term so that they are more optimal in national development. All three are required to have competitiveness internally, regionally, nationally and locally. In connection with the existence of a cooperative as a business entity, the cooperative must be managed with a good system in order to achieve the goals of the cooperative. Management with a good system will maintain the sustainability of cooperatives and more importantly, the preservation of cooperative wealth along with the development of cooperatives into increasingly large business materials. Cooperatives as business entities must be properly managed like other forms of business. In addition, as a cooperative economic organization, it must follow rational economic laws and norms and habits that are prevalent in the business world. In this way, the interests of members can be protected and in overcoming various obstacles, it is necessary to evaluate performance through reliable performance measurement.) Kineija resize is very important, in order to evaluate and plan for the future using the balanced scorecard method. The balance scorecard is a set of kineija measures that include perspectives namely finance, customer, business processes, and learning and growth According to (Muiyadi, 2001: 344). Balanced Scorecard is a tool used by management to measure company performance both in financial and non-financial terms to realize the company's vision and mission (Fahmi, 2010: 209). So, the Balanced scorecard is able to translate the vision, mission, and strategy of an organization into operational goals and performance measures of both financial and non-financial performance. Sucofindo Palembang Branch employee cooperative is one of the cooperatives engaged in savings and loans, photocopying, rental and air conditioning services, rental of cleaning services, drivers, labor procurement, business development, and other non-routine business fields that require an appropriate management and performance measurement system in assessing performance both from financial and non-financial as contained in the balance scorecard method to find out and assess conditions the performance is good or bad.

Performance measurement is carried out thoroughly, where this performance measurement tool covers all aspects which are then grouped into four perspectives, namely from a financial perspective, a financial perspective, an internal business process perspective, and a learning and growth perspective.

2. RESEARCH METHOD

The type of research that will be used in this study is descriptive research (Tetnowski, 2015) (Nassaji, 2015) (Salaria, 2012). This research can be done by knowing the performance of the Palembang Branch of the Sucofindo Cooperative if measured using a balanced scorecard.

The data used in this study are primary data, namely the results of interviews with related parties in the Sucofindo Palembang cooperative unit and data obtained directly from the original source in the form of: a). Overview of Sucofindo Palembang Cooperative. b). Net Profit and Balance Sheet of Sucofindo Cooperative Palembang Branch. c). The number of employees and the number of members of the Palembang Branch of the Sucofindo Cooperative (Qu & Dumay, 2011) (Schultze & Avital, 2011).

This research will use documentation and interview methods (Patrick et al., 2011) (Owen, 2014). The documentation collected data in the form of documents in this study, while interviews conducted direct questions and answers with employees of the Sucofindo Palembang cooperative. customer perspective, internal business process perspective and growth and learning perspective and translated in the form of balance criteria by defining strategic goals, outcome measures, performance-boosting measures.

3. RESULTS AND DISCUSSIONS

Measuring the performance of sucofindo Palembang cooperatives with a balanced scorecard. Financial perspective.

The performance of the financial perspective in this study uses the ratio of Return On Equity (ROE) and average Remaining Operating Results (SHU).

$$ROE = \frac{\text{Remaining Business Proceeds After Tax}}{\text{Net Worth}} \times 100\% \dots\dots\dots(1)$$

Table 1. Return On Equity (ROE) Koperasi Sucofindo Palembang

Year	Remaining Business Results (SHU) after Tax	Net Worth	ROE
2011	211.835.055	1.097.649.663	0,16
2012	210.945.250	1.162.274.967	0,18
2013	209.315.644	1.756.007.677	0,11
2014	211.835.013	1.216.504.417	0,17
2015	268.975.449	1.381.342.502	0,19
	Rata-rata		0,16

Source: Koperasi Sucofindo Palembang, 2016

Table 1 shows that the Return On Equity of Sucofindo Palembang Employee Cooperative in 2011 was 0,16%, 2012 was 0,18%, and in 2013 it was 0,11%. Meanwhile, in 2014 and 2015 it was 0,17% and 0,19%. This shows that the Return On Equity of Sucofindo Palembang Employee Cooperative has increased from 2013 to 2015. So the average ROE (Return On Equity) is 0,16. This makes the cooperative's ability to increase the remaining business results quite successful, so that it is in the value of "Enough".

$$\text{Average SHU} = \frac{\text{Shared SHU}}{\text{Number of members}} \times 100\% \dots\dots\dots(2)$$

Table 2. Remaining Business Results (SHU) of Sucofindo Palembang Cooperative

Year	Remaining Business Proceeds (SHU) after Tax	Number of members	Average SHU
2011	211.835.055	112	1.891.384
2012	210.945.250	147	1.435.001
2013	209.315.644	141	1.484.508
2014	211.835.013	124	1.708.347
2015	268.975.449	117	2.298.935
	Rata-rata		1.763.635

Source: Koperasi Sucofindo Palembang, 2016

The table above shows that the average SHU per member of the Sucofindo Palembang Employee Cooperative in 2011 was Rp. 1,891,384, in 2012 it was Rp. 1,435,001 and in 2013 it was Rp. 1,484,508. While in 2014 and 2015 it was Rp. 1,708,347 and Rp. 2,298,935. This shows that the average SHU of Sucofindo Palembang Employee Cooperative increases the average remaining business results is Rp.1.763,635. This means that the employees of the Sucofindo Palembang Employee Cooperative have been able to improve the welfare of their members, namely Sucofindo Palembang employees, so that they are valued "good".

Customer perspective.

The performance of the customer perspective in this study was measured using the growth rate of members as customers.

Table 3. Number of Members of Sucofindo Palembang Cooperative

Year	Number of members
2011	112
2012	147
2013	141
2014	124
2015	117

Source: Koperasi Sucofindo Palembang, 2016

Based on table 3, it is known that the number of Members of the Sucofindo Palembang Employee Cooperative every year has decreased. The decline occurred in 2012 to 2013 by 6 and there was another decrease to 2014 by 17 people and from 2014 to 2015 it decreased by 7 people. The decrease in the number of members is caused by the cessation and the presence of employees who and the employment contract period have expired, so that the value is "less".

Using the Customer Satisfaction Index proxy, the population used from the customer perspective is by a simple random method, namely that the sample is taken in such a way that each member of the population has an equal opportunity to be selected as a sample. The determination of the number of samples in this study was based on members or customers who were in place at the time of distribution of the questionnaire.

Based on the results of the IKP formulation obtained the results of the average Customer Satisfaction Index (IKP) is 18.3737 with very satisfied assessment criteria. This means that customers feel very satisfied with the quality and service provided by the Sucofindo Palembang cooperative, so that the value of "Good

Internal business perspective.

Performance measurement from the perspective of internal business processes in the Sucofindo Palembang employee cooperative is carried out on the level of development of the types of business and human resources that are managed by the cooperative, both the development of product and service business types. Sucofindo Palembang employee cooperative whose development from year to year continues to increase both from the quality of service, the number of loans. nor the borrower. This is intended to serve and meet the needs of Sucofindo employees who work in the office and who work in the Iain section which is carried out internally, so that the value of "good".

Growth and learning perspectives.

The performance of learning perspectives and growth in this study was measured using employee productivity levels. The results found that the productivity level of employees of the Sucofindo Palembang cooperative in 2011 was Rp. 417,781,064 in 2012 amounted to Rp. 755,835,772 and in 2013 it was Rp. 666,582,872. While in 2014 and 2015 it was Rp. 261,638,693 and Rp. 241,176,630. So the average employee productivity is Rp.468,609,006. This shows that the productivity of employees of the Palembang sucofindo cooperative has decreased every year, meaning that employees have not been able to maintain their productivity from year to year, so it is in the "less" value.

Using an Employee Satisfaction Index (CCI) proxy, the sampling method used is an axidental sampling method, where anyone who coincidentally meets a researcher can be used as a sample. Based on the results of the formulation, the average Employee Satisfaction Index (IKK) result is -12,102 with the criteria for a satisfied assessment. Ini means that employees are satisfied with the quality provided by the Sucofindo Palembang cooperative, so that it is rated "Good".

Performance measurement in sucofindo Palembang cooperative with balanced scorecard.

The measurement method in the balanced scorecard is to measure in a balanced manner between one perspective and another perspective with the benchmark of each perspective. According to Muiyadi (2001: 56). Equilibrium criteria are used to measure the extent to which our strategic goals are balanced across all perspectives. The score in the balance criteria table is the standard score, if the performance of all aspects in the company is "good". Scores are given based on the following rating scale: (-1=less, 0=enough, 1=good). The assumption used for this study is the performance of each benchmark. Performance can be said to be "good" if it experiences a significant increase from year to year. Meanwhile, performance is said to be "sufficient" if performance increases, but is not significant and performance is considered "less" if it decreases from year to year. After measuring each perspective by comparing data from year to year and analysis against existing data, the next step is to assess performance with a balanced scorecard.

The results of performance measurement in a financial perspective show that ROE (Return On Equity) has a sufficient average, so it is given a score of 0 (enough). While the average SHU is given a score of 1 (Good). For the customer's perspective shows that the employee growth rate from year to year decreases then skomya - 1 (less). While the customer satisfaction index scores 1 (good). On an internal business perspective, innovation is scored 1 (well). And for the growth and learning perspective, it shows employee productivity -1 (less), while the employee satisfaction score shows a score of 1 (good). The total weight of the score can be known, which is 2 scores of the total standard weights. So that the average score is $2/7^{,28}$ (0.3) The next step is to create a scale to assess the total score, so that the company's performance can be said to be "less", "enough", and "good". By using a

scale, it can be known the performance of a company After creating a scale, the next step is to determine the boundaries of the "less", "sufficient", and "good" areas are less than 50% (score 0). Performance is said to be "good" when it is more than 80% and it is assumed that 80% is equal to 0.6. The rest is the "sufficient" area, which is between 0- 0.6. Thus, it can be interpreted that the performance of the Sucofindo Palembang cooperative if using the Balance Scorecard is found in the "sufficient" area. Because the average score obtained is 0.3 which is located between 0-0.6.

4. CONCLUSION

Based on the discussion conducted by the author in this study, it can be concluded that cooperatives as a business that is based on family and aims to improve the welfare of members are expected to also have performance benchmarks as evaluation material. The balanced scorecard is able to bring usefulness to become a benchmark for the kineija of cooperative organizations. The balanced scorecard has a review of financial and non-financial perspectives can be used as a comprehensive benchmark for cooperative performance. The application of a balanced scorecard as a benchmark for cooperative performance is not an easy thing because there are obstacles that must be resolved. These obstacles are in the form of differences in the characteristics of cooperatives with other organizations that first use a balanced scorecard as a benchmark for performance and the existence of government rules on cooperatives. As a result of this discussion, the Sucofindo Palembang employee cooperative has not implemented performance measurement with a balance scorecard approach. The results of the concept of measuring the performance of Sucofindo Palembang employee cooperatives with a balanced scorecard approach can be seen from four perspectives, namely: Financial Perspective, Income achievement as seen from the ROE (Return On Equity) ratio of Sucofindo Palembang Cooperatives from 2011 to 2015 has not been said to be good because it is unstable from year to year, this means that the Return On Equity of the Sucofindo Palembang cooperative has not succeeded in increasing the remaining business results every year. In the distribution of SHU (Remaining Business Results) the Sucofindo Palembang cooperative also experienced an increase from 2012 to 2015 increasing. This means that the Sucofindo Palembang cooperative has been able to maintain or improve the welfare of its members, namely sucofindo Palembang employees. Customer perspective, this perspective shows that the number of members of the Sucofindo Palembang cooperative has decreased every year. The decrease in the number of members was caused by the mutation of employees to be placed in new work areas carried out by Sucofindo, and the presence of employees who entered the retirement period, the employment contract period has expired and some are no longer making loans. Based on the results of the IKP formulation, the results of the Customer Satisfaction Index (IKP) through a questionnaire on Sucofindo cooperative members averaged 18.37 with very satisfied assessment criteria. This means that customers feel very satisfied with the quality and service provided by the Sucofindo Palembang cooperative. Perspective of internal business processes, seen from the development of the business field, HR and others. The Sucofindo Palembang cooperative is good enough. Where the Sucofindo Palembang cooperative annually adds business fields in meeting the needs needed by cooperative members. But also, there are some work programs that have not been able to be fulfilled or realized. Learning and Growth Perspective, judging from the employee productivity of the ability of Sucofindo cooperative employees has not been maximized, because employee productivity decreases every year. Meanwhile, the results of the Employee Satisfaction Index (IKK) through questionnaires on Sucofindo cooperative employees, namely the average is - 12,102 with satisfied assessment criteria. This means that employees are satisfied with the quality provided by the Sucofindo Palembang cooperative.

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