

## OPTIMIZATION OF COMPANY PERFORMANCE AGAINST IMPROVEMENT *CORPORATE KEY PERFORMANCE INDICATORS (KPI)* BASED ON THE BALANCED SCORECARD AT THE HEAD OFFICE OF PT PELINDO JASA MARITIM

Ina Novitawati<sup>1</sup>, H. Muhammad Ali<sup>2</sup>, Fauzi R. Rahim<sup>3</sup>

Faculty of Economics and Business, Hasanuddin University: inanovitawati49@gmail.com

Faculty of Economics and Business, Hasanuddin University:

Faculty of Economics and Business, Hasanuddin University:

### Abstract

With the recovery of economic growth and the Covid-19 vaccination, it is predicted that growth will continue. This optimism is influenced by the Government's continued fiscal stimulus support for the PEN Program and economic stability that is strong enough to support current economic growth. PT Pelindo Jasa Maritim continues to strive for effective and efficient business management with an improvement orientation. The Board of Directors' Performance Assessment is a formal system used to evaluate the performance of the Board of Directors in accordance with predetermined work standards. Performance appraisal can provide an opportunity for the Board of Directors to take corrective actions with the aim of increasing the electability of the company, Directors must be able to overcome challenges and meet customer needs with a series of strategic steps that can help the company fully take advantage of the changes that occur while balancing risks to accelerate growth, so as to produce good performance in accordance with the strategies and targets that have been set. PT Pelindo Jasa Maritim as a professional company, carries out sustainable human resource management and development through increasing international standard human resource qualifications, increasing employee welfare that supports company performance and organizational development that is tailored to the needs and challenges faced by the company as well as implementing a Corporate performance appraisal system (Key Performance Indicator). consists of the following 5 (five) perspectives: Perspective of Economic and Social Value for Indonesia, Perspective of Business Model Innovation, Perspective of Technology Leadership, Perspective of Increasing Investment, Perspective of Talent. Based on the background described above, the researcher can formulate the problems that will be discussed in this study, namely: Optimization of Company Performance on the Improvement of Corporate Key Performance Indicators (KPI) Based on Balanced Scorecard. Based on the SWOT analysis for calculating the SWOT analysis the internal factor of the Marine, Equipment and Port Service cluster is 19, which means that the overall strength of the SPJM is greater than its weaknesses. While the external analysis consists of opportunities (opportunities) and threats (threats) is 8 which means the overall strength is greater than the weaknesses. From the results of the mapping of external and internal conditions, they are in the Growth quadrant, where companies must be able to optimize their strengths to be able to capture all the opportunities that exist in the industry. The position in the TOWS analysis is in the growth quadrant which is very close to the axis lines due to weaknesses that can impact on not being optimal in capturing future opportunities. Based on the TOWS Mapping Matrix, it is in the Growth quadrant, SO Strategy is the main choice while the WO Strategy is taken as a step in consolidating the internal SPJM post-merger. WO Strategy is taken as a step to improve internal weaknesses so that opportunities can be utilized optimally.

Keywords: *Performance, KPI, Balanced Scorecard*

### A. INTRODUCTION

History of the birth of PT Pelindo Jasa Maritim The Merger of Pelindo was officially carried out on October 1, 2021 with the signing of the Deed of Merger of four Port Services State-Owned Enterprises (BUMN), namely PT Pelabuhan Indonesia I (Persero), PT Pelabuhan Indonesia III (Persero), and PT Pelabuhan Indonesia IV (Persero), merging into PT Pelabuhan Indonesia II (Persero) which became the surviving entity. President Joko Widodo signed Government

Regulation Number 101 of 2021 concerning the Merger of PT Pelindo I, III, and IV (Persero) into PT Pelabuhan Indonesia II (Persero).

PTPT Pelindo Jasa Maritim (SPJM), part of the Pelindo Group, is a maritime company that provides port services in the marine sector, port equipments and port utilities. Was born as one of the subholdings of PT Pelabuhan Indonesia (Persero) which was formed after the merger of 4 State-Owned Enterprises (BUMN), namely PT Pelabuhan Indonesia I (Persero), PT Pelabuhan Indonesia II (Persero), PT Pelabuhan Indonesia III (Persero), PT Pelabuhan Indonesia IV (Persero) on October 1 2021. With more focused strategic coordination and control, SPJM carries out business operations as part of the Pelindo business entity in a more focused, coordinated, standardized and efficient manner so that it will benefit the community, especially service users. SPJM manages 6 subsidiaries namely PT Jasa Armada Indonesia Tbk., PT Pelindo Marine Service, PT Equiport Inti Indonesia, PT Indonesia Port Equipment Services, PT Energi Pelabuhan Indonesia, and PT Pengerukan Indonesia. In addition, it also operates 1 region, namely Region 4 and 1 branch, namely the Batam Branch, as well as 3 subsidiary companies, namely PT Alur Pelayaran Barat Surabaya, PT Berkah Multi Cargo, and PT Pelindo Energi Logistik.

SPJM's head office is in Makassar, while its subsidiaries, subsidiaries and branches are spread across Jakarta, Surabaya, Makassar and Batam. The service locations are in ports managed by Pelindo throughout Indonesia as well as terminals and ports that entrust their management to SPJM. Pelindo Jasa Maritim's subsidiaries are as follows: PT Indonesia Port Equipment Services, PT Energi Pelabuhan Indonesia, and PT Pengerukan Indonesia. In addition, it also operates 1 region, namely Region 4 and 1 branch, namely the Batam Branch, as well as 3 subsidiary companies, namely PT Alur Pelayaran Barat Surabaya, PT Berkah Multi Cargo, and PT Pelindo Energi Logistik. SPJM's head office is in Makassar, while its subsidiaries, subsidiaries and branches are spread across Jakarta, Surabaya, Makassar and Batam. The service locations are in ports managed by Pelindo throughout Indonesia as well as terminals and ports that entrust their management to SPJM. Pelindo Jasa Maritim's subsidiaries are as follows: PT Indonesia Port Equipment Services, PT Energi Pelabuhan Indonesia, and PT Pengerukan Indonesia. In addition, it also operates 1 region, namely Region 4 and 1 branch, namely the Batam Branch, as well as 3 subsidiary companies, namely PT Alur Pelayaran Barat Surabaya, PT Berkah Multi Cargo, and PT Pelindo Energi Logistik. SPJM's head office is in Makassar, while its subsidiaries, subsidiaries and branches are spread across Jakarta, Surabaya, Makassar and Batam. The service locations are in ports managed by Pelindo throughout Indonesia as well as terminals and ports that entrust their management to SPJM.

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- a. PTIndonesian Fleet Services Tbk (JAI)
- b. PTPelindo Marine Service (PMS)
- c. PTIndonesian Core Equiport (EII)
- d. PTIndonesian Port Equipment Services (JPPI)
- e. PTIndonesian Dredging (RUKINDO)
- f. PTIndonesian Port Energy (EPI)

PT Pelindo Jasa Maritim continues to strive for effective and efficient business management with an improvement orientation. The Board of Directors' Performance Assessment

is a formal system used to evaluate the performance of the Board of Directors in accordance with predetermined work standards. The Board of Directors Performance Assessment is conducted at the beginning of each year. Where the assessment process is carried out by evaluating in terms of competency and expertise/experience of the performance of the Board of Directors with effectiveness. To encourage the achievement of company performance in accordance with predetermined targets. To encourage the achievement of company performance in accordance with predetermined targets. By assessing the work of the Directors, it has an impact on the sustainability of the company going forward.

The performance of the Board of Directors of PT Pelindo Jasa Maritim in carrying out their functions, duties and responsibilities. Performance appraisal is carried out based on the realization and completion of the work program. Good and comprehensive performance of the Board of Directors can provide maximum contribution to the company so that the company is able to handle the business challenges it faces. In an effort to improve better performance, the Board of Directors rearranges the aspects that are related and are the most important in the company. Assessment of the performance of the Board of Directors to avoid short term oriented tendencies in the Company.

PT Pelindo Jasa Maritim as a professional company, carries out sustainable human resource management and development through increasing international standard human resource qualifications, increasing employee welfare that supports company performance and organizational development that is tailored to the needs and challenges faced by the company as well as implementing a Corporate performance appraisal system (Key Performance Indicator). Performance indicators or what are known as Key Performance Indicators (KPI) which are used to measure the performance of the Board of Directors of the Company, consist of the following 5 (five) perspectives: Perspective of Economic and Social Value for Indonesia, Perspective of Business Model Innovation, Perspective of Technology Leadership, Perspective of Increased Investment, Talent Perspective.

Assessment Report on the Level of Achievement of the Company's Key Performance Indicators (KPI) with the Realization of Key Performance Indicators (KPI) implementation that has been agreed upon and signed and set forth in a management contract between the Board of Directors and Commissioners of PT Pelindo Jasa Maritim and the Minister of State-Owned Enterprises of the Republic of Indonesia as the proxy of the Shareholders of the Government of the Republic of Indonesia.

The performance evaluation of Directors by measuring the Company's Key Performance Indicators (KPI) is very important because it forms the basis and guidelines for the Ministry of BUMN for evaluating company performance as well as appointing and dismissing Directors. Strategic planning for measuring the performance of Directors of BUMN companies with Corporate KPIs, which are measurements or indicators that focus on aspects of company performance that provide the main strength to determine the company's success at this time and in the future.

## **B. METHODS**

### **Research sites**

Location or place of research at the Head Office of PT Pelindo Jasa Maritim. The choice of location is based on the convenience of the author in obtaining data and observations from the Board of Directors and all staff.

### **Population and Sample**

The population in this study includes leaders who play a strategic role at PT Pelindo Jasa Maritim including the directors and officials under the directors

The sample from this study is described in the table as follows:

No.	Description	Quantity (person)
1	Senior Vice President (Senior Manager)	2
2.	Vice President / Assistant Senior Manager	2
3.	Division (staff pic KPI)	2
	<b>Total</b>	<b>8</b>

Source: PT Pelindo Jasa Maritim

### Method of collecting data

#### PRIMARY AND SECONDARY DATA COLLECTION METHODS.

##### 1. Primary data

The primary data in this study are as follows:

##### a. Observation

Observation is an observation made directly by researchers to see the state of the research object (Sugiyono, 2016: 209). Observations were made directly at the location that became the object of research in order to obtain initial data, which in this study was observing and seeking data information at PT Pelindo IV (Persero) Makassar, South Sulawesi

##### b. Questionnaire

A questionnaire is a collection of data by providing or distributing a list of statements/questions to respondents in the hope of providing a response or a list of these questions (Sugiyono, 2016: 210). In this study the questionnaire will be distributed to employees of PT Pelindo IV (Persero) Makassar, South Sulawesi.

##### 2. Secondary Data

In the following, the authors describe the secondary data that the authors use in the research. The techniques used by researchers are:

a. Literature Study Collection of data obtained from books, scientific papers and opinions of experts who are competent and have relevance to the problem to be studied.

b. Documentation Study Collecting data by using existing records or documents at research locations that are relevant to the problem to be studied.

### Data analysis method

#### THE ANALYTICAL METHOD USED IN THIS STUDY WILL BE ANALYZED BASED ON SWOT ANALYSIS, BCG (BOSTON CONSULTING GROUP) AND GE (GENERAL ELECTRIC).

using primary data, but by describing and interpreting the available information. Second, the authors do not use primary data because the management of the companies in the sample no longer work for the company, even the company itself has been liquidated or dissolved.

#### C. OPERATIONAL DEFINITION

##### Definition of KPI (Key Performance Indicator)

KPI (Key Performance Indicator) is a useful decision-making tool because KPI can make it easier for an organization or company to measure the performance of the Board of Directors and help evaluate the performance of the organization itself to achieve the company's vision and mission goals. KPI is often used as a measuring tool that is widely used by companies to measure the extent to which the Board of Directors' performance has met the company's strategic goals. KPI is a benchmark for a company. Key Performance Indicators (KPI) that have been agreed upon by the Directors and passed down to all levels to create and implement work plans that are aligned with the strategy and support each other to achieve the set targets. Performance work is carried out on a monitoring basis and monitored regularly.

From Banerjee and Buoti (2012), is a scale and quantitative measure used to evaluate organizational performance in achieving organizational goals. KPIs are also used to determine measurable objectives, see trends and support decision making.

From Iveta (2012) KPI is a quantitative and gradual measure for a company. Having various perspectives based on concrete data is also a starting point for determining goals and preparing organizational strategies. From Warren (2011) KPI is measuring and assessing an organization in executing its strategic vision, which refers to how the organization's strategy is interactively integrated as a whole.

### **Seaport System**

The seaport system consists of two main elements, namely elements of facilities or ships and elements of infrastructure (port facilities). There is a close relationship between port facilities and infrastructure, developments in sea transportation technology as far as possible are balanced with developments in port infrastructure technology. This is a consequence of the emergence of dimensions of speed and safety in sea transportation.

## **D. RESEARCH RESULT**

We conclude the results of this study as follows:

- A. Based on the SWOT analysis for calculating the SWOT analysis the internal factor of the Marine, Equipment and Port Service cluster is 19, which means that the overall strength of the SPJM is greater than its weaknesses. While the external analysis consists of opportunities (opportunities) and threats (threats) is 8 which means the overall strength is greater than the weaknesses.
- B. From the results of the mapping of external and internal conditions, they are in the Growth quadrant, where companies must be able to optimize their strengths to be able to capture all the opportunities that exist in the industry. The position in the TOWS analysis is in the growth quadrant which is very close to the axis lines due to weaknesses that can impact on not being optimal in capturing future opportunities.
- C. Based on the TOWS Mapping Matrix, it is in the Growth quadrant, SO Strategy is the main choice while the WO Strategy is taken as a step in consolidating the internal SPJM post-merger. WO Strategy is taken as a step to improve internal weaknesses so that opportunities can be utilized optimally.
- D. Company KPI based on BSC (Balance Scorecard) with weighting namely learning and growth perspective is 15, business process internal perspective is 39, customer perspective is 18, financial perspective is 26.

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