

check

by Soffia Estiasih

Submission date: 01-Jul-2021 11:30AM (UTC+0530)

Submission ID: 1614465372

File name: IJEBAR-Vol.5_2_1.pdf (371.45K)

Word count: 6951

Character count: 40810

MEASUREMENT OF COOPERATIVE PERFORMANCE WITH THE BALANCE SCORECARD ANALYSIS APPROACH

Soffia Pudji Estiasih
W. R. Supratman University
Email: sestiasih@gmail.com

Abstract : This research aims to determine and analyze the Balance Scorecard approach as a measurement the performance of the Republic of Indonesia Employee Cooperative at “Kopertis” Region VII in Surabaya. The Balance Scorecard approach takes into account financial and non-financial aspects that are neglected by traditional performance measurements. Data collection was carried out by interview method with related sections and documentation. The data analysis technique used a qualitative descriptive method with a Balance Scorecard approach through 4 perspectives, namely a financial perspective, a customer perspective, an internal business process perspective and a learning and growth perspective. The results indicate that the measurement of cooperative performance in terms of 4 perspectives as a whole is good; this is indicated by a total score of 9 for financial, customer and learning & growth perspectives, obtaining good scores and a total score of 3 for internal business process perspectives obtaining sufficient scores. The conclusion that can be drawn is that the measurement of performance in cooperatives is more comprehensive. The suggestion proposed is the “Kopertis” Region VII Civil Servant Cooperative in measuring performance using the Balance Scorecard in order to find out the potential that the cooperative has for the welfare of all members.

Keywords: *Performance measurement, Balance Scorecard, Cooperative*

1. Introduction

In entering a complex and competitive business environment, the success of a cooperative in achieving its goals does not only depend on the predetermined strategy, but also depends on its implementation. The implementation of this strategy requires performance measurement where performance measurement is one of the most important factors for cooperatives. So far, traditional performance measurement has only focused on the financial side, for example financial ratios for a certain period. Performance measurement based on these financial ratios is highly dependent on the accounting method or treatment used in preparing financial reports, so that often the cooperative's performance, although it looks good and shows an increase even though the actual performance has decreased.

If in assessing the performance of a cooperative solely from the financial side, this can provide incomplete information for interested parties related to both short and long term decision making. Management in making these decisions may sacrifice short-term interests by paying more attention to long-term interests or vice versa.

Based on the results of experiment conducted by the Nolan Norton Institute, a research firm of KPMG Public Accountants in the USA that took place between 1990 and 1995. At that time they conducted a comparative study on Measuring Performance in the Organization of the Future, led by David P. Norton, CEO of Nolan Norton with Robert Kaplan as his academic consultant. This study is deemed necessary, in line with the emergence of awareness by some companies that the measure of financial performance as the only measure of executive performance is no longer adequate. From the results of a study published in an article entitled Balanced Scorecard-Measures That Drive Performance, the results show that the executive work measure must include a comprehensive measure that includes 4 perspectives, namely financial, customer, internal business process and growth learning process perspectives. The four perspectives describe and attempt to translate the company's vision and strategy into operational terms (Kaplan and Norton, 2008).

To be able to carry out the strategic planning process, it must go through several stages, namely: one determining the company's vision, mission and objectives, two, analyzing the external and internal environment in order to identify opportunities and threats facing the company, three, conducting a SWOT analysis. The next stage is the selection of a strategy which is then followed by the implementation stage of the chosen strategy. In this regard, it is very important to choose a performance measurement system that can compare results against predetermined goals and objectives (Melinda, 2003).

With the Balance Scorecard, managers are able to measure company performance by balancing the measurement of financial aspects and non-financial aspects in creating current value while considering future interests. However, performance measurement using the Balanced Scorecard is more often applied in profit-oriented companies and is rarely applied to non-profit-oriented companies or organizations with special characteristics, such as cooperatives. In the mandate of Law No. 25 of 1992 states that the characteristics of cooperatives appear in their functions and roles, namely building and developing the potential and economic capacity of members in particular and society in general to improve their economic and social welfare (Mutasowifin, 2002). However, it should be noted that as a business entity, cooperatives must also comply with the values and business principles that are generally accepted in every business entity.

Koperasi Pegawai Republik Indonesia "Kopertis" Region VII Surabaya is one of the cooperatives that strives to provide services to its members in a professional manner by continuously improving the quality of service. In a cooperative organization there are many activities carried out by management (administrators, supervisors, managers and employees) to improve cooperative performance. To be able to carry out these activities, a comprehensive management system is needed, starting from strategic planning, organizing, operating and controlling. With the availability of this management system, it is hoped that the cooperative will be truly ready to carry out the demands of its members regarding services to members. Thus the

placement of the interests of members and the welfare of members is the main objective of the cooperative, so that the cooperative will have a more focused perspective on a perspective that is able to reflect and accommodate the important position of members and the welfare of its members. In the Balanced Scorecard approach³ to cooperatives, this perspective is called the membership perspective. So the measures used to assess the performance of the cooperative with the Balanced Scorecard approach must accommodate the unique position of members, namely members as owners and customers as well.

This study is more focused on discussing the application of the Balanced Scorecard to measure the performance of the Republic of Indonesia Employee Cooperative at “Kopertis” Region VII in Surabaya using four perspectives, namely a financial perspective, a customer perspective, an internal business process perspective and learning and growth perspective. Based on the background of the problem above, the formulation of the problem proposed is How to measure the Balanced Scorecard to assess³ the performance of KPRI-“Kopertis” Region VII Surabaya using 4 perspectives, namely financial perspective, customer perspective, internal business process perspective and learning and growth perspective. While the purpose of this study is to provide an overview of the Balanced Scorecard measurement to assess KPRI performance at “Kopertis” Region VII Surabaya using 4 perspectives, namely financial perspective, customer perspective, internal business process perspective and learning and growth perspective.

Literature Theory

2 Performance Measurement

Performance measurement is one of the most important factors for the company; this measurement can be used to assess the success of the company and can be used as a basis for preparing rewards within the company. According to Simons (2000) the performance measurement system includes systematic methods of setting business goals along with periodic feedback reports that show progress towards these goals. According to Mahsun (2006), performance measurement is an activity measuring performance using performance indicators and performance measures that are still formulated. The formulation of performance indicators and performance measures must consider operational characteristics and identify key success factors (Critical Success Factors / CSF and key performance indicators (KPI). Performance indicators according to Bastian (2006) are quantitative and or qualitative which describes the level of achievement of a predetermined goal or objective, taking into account indicators of input (input), output (output), outcome (outcome), benefit (benefit), and impact (impact).

1. Input indicators are everything needed so that the implementation of activities can run to produce outputs. These indicators can be in the form of funds, human resources, information, policies or legislation, and so on.
2. Output indicator is something that is expected to be achieved directly from an activity which can be physical and / or non-physical.
3. Indicators of outcome (outcome) are everything that reflects the functioning of the output of activities in the medium term (direct effect).

4. Indicator of benefits (benefit) is something related to the ultimate goal of implementing activities.
5. Impact indicators are impacts that may be positive or negative on each level of indicators based on predetermined assumptions.

Performance indicators are often equated with measures of performance. However, there is actually a difference in meaning between the two, even though both are performance measurement criteria. Performance indicators refer to performance appraisals indirectly, namely things that are only indications of performance, so their form tends to be qualitative. Meanwhile, performance measures are performance criteria that refer to direct performance appraisals, so that their form is more quantitative in nature.

According to Mahsun (2006), the comprehensive performance measurement cycle of public sector organizations can be detailed in 13 stages, namely formulating a vision and mission, formulating a philosophy, establishing policies, setting goals, setting goals, developing strategies, developing programs, formulating budgets, formulating indicators and measures performance, establishing a performance measurement system, implementing a performance measurement system, reporting the results of performance measurement, monitoring, evaluation, and feedback.

Terms and Benefits of Performance Indicators

Before compiling and establishing performance indicators, it is necessary to know the conditions that must be met by a performance indicator. According to Bastian (2006), there are six conditions that apply to all performance groups, namely:

- a. Be specific, clear, and there is no possibility of misinterpretation,
- b. Can be measured objectively both quantitatively and qualitatively, that is, two or more measures of performance indicators have the same conclusion,
- c. Relevant: performance indicators must address the relevant aspects of the object,
- d. Can be achieved, important, and must be useful to demonstrate the success of input, process output, results, benefits, and impacts,
- e. Must be flexible enough and sensitive to changes or adjustments in the implementation of activities,
- f. Effective: data or information relating to the relevant performance indicators can be collected, processed and analyzed at the available cost.

While the benefits of performance indicators (Bastian, 2006) are:

1. To determine clarity of organizational goals,
2. Develop activity measurement agreements,
3. The advantages of the production process should be understood more clearly,
4. Availability of performance comparisons from different organizations,
5. The availability of setting of target facilities for the assessment of the organization and individual managers as part of the organization's accountability to shareholders.

Balanced Scorecard Concept.

According to Kaplan and Norton (2004) Balanced Scorecard is "A measurement and management system that views business unit performance from four perspectives: (1) financial, (2) customer, (3) internal business process, (4) learning and growth." according to Mulyadi (2001) "Balanced Scorecard" comes from two words, namely Scorecard and Balanced. Scorecard is a card used to record a person's performance score. Scorecard can also be used to plan the score that is to be realized by personnel in the future. The word balanced is intended to show that personnel performance is measured in a balanced manner from two aspects, namely financial and non-financial, long-term and short-term, internal and external. Based on these definitions, the Balanced Scorecard is a management system and company performance measurement which describes the company's vision, mission, and strategy into a well-balanced framework self-regarding four perspectives, namely a financial perspective, a customer perspective, an internal business process perspective, and a learning and growth infrastructure perspective.

The Balanced Scorecard was created because of limitations in traditional performance measurement methods that emphasize financial performance measures. The limitations of traditional performance measurement (Niven, 2003) are:

1. The measure of financial performance does not match the conditions of the current business environment. Financial performance results more from intangible assets, not tangible assets.
2. Financial performance measures more closely reflect what has happened in the past, so that in the course of the organization it does not have predictive power to the future.
3. Consolidation of financial information tends to divide between functions,
4. Financial performance measures often hinder value creation activities on an ongoing basis because these activities can only result in financial performance for the next few years, even though financial performance measures use the accounting period as the basis for measurement (generally covering a period of one calendar year),
5. Almost all high-level financial performance measures (such as return on investment, sales volume growth) provide little guidance for lower-level employees in their daily activities.

Organizations use the Balanced Scorecard to produce various important management processes, including: (a). Clarify and translate vision and strategy. Clarify the common vision that the entire organization is trying to achieve. The use of measure as a language translates complex and often complex concepts into a more precise form that can gain consensus from senior executives. (b) Communicating and linking various strategic objectives and measures. Mobilizing all the individuals to act towards achieving organizational goals. Emphasis on causal relationships in the form of a Balanced Scorecard introduces dynamic systems thinking. This system allows each employee in various parts of the company to understand how the pieces are interrelated to fit together, how their participation affects others and ultimately the entire organization. (C). Plan, set goals and align various strategic initiatives. Define specific and quantitative performance goals for the organization on a balanced set of results and performance drivers. Comparison of the expected performance objectives with current levels creates performance gaps that strategic initiatives can design to close. (d). Increase feedback and

strategic learning. The Balanced Scorecard allows managers to control and adjust the implementation of the strategy, get feedback on whether the planned strategy can be maintained and bring success and if necessary make fundamental changes to the strategy itself.

The Balanced Scorecard is not a controller in an organization but puts the vision and strategy of the organization in the middle as a counter measure perspective of the organization. With regard to vision and strategy, the Balanced Scorecard provides a fairly good framework for measuring the performance of an organization in the long term. In a strategic management system, the Balanced Scorecard is initially implemented to solve problems at the implementation and monitoring stages. At the implementation stage, the implementation of the plan is monitored through the use of the Balanced Scorecard approach in measuring executive performance with four perspectives: finance, customers, internal operations, and learning and growth. Meanwhile, at the monitoring stage, the results of performance measurement based on the Balanced Scorecard approach are communicated to executives to provide feedback about their performance, so that they can make decisions on the work for which they are responsible.

So the Balanced Scorecard can be defined as a performance management tool that can help organizations translate their vision and strategy into action by utilizing a set of financial and non-financial indicators that are all interwoven in a cause and effect relationship (Luis and Prima, 2007: 16). From this definition, it is clear that the Balanced Scorecard plays a very important role as a translator or converter of the organization's vision and strategy into action or what is called the first generation Balanced Scorecard. Therefore the Balanced Scorecard does not stop when the strategy is completed, but continues to monitor its execution process. In this condition, the second generation of the term strategy map or Balanced Scorecard appears. The strategy map according to Kaplan and Norton (2004) is a revision of the first generation Balanced Scorecard, so there are differences between the first and second generations. The most significant difference lies in the layout between the four perspectives and the second generation Balanced Scorecard has a causal relationship. So due to the evolution of the Balanced Scorecard there are 3 reforms, namely: one, focus, two, objectives and three, the field of application. Regarding the focus appears on the first generation Balanced Scorecard which focuses on performance measurement, while the second generation focuses more on management. For the purposes and areas of implementation, the first generation put more emphasis on controlling the implementation of strategies applied to the private sector. Meanwhile, the second generation places more emphasis on strategic communication, which has a wider application to include the public sector. Thus, through the Balanced Scorecard, companies can examine in more detail the measurement of management performance by describing four perspectives (financial, customer, internal business processes, learning and growth) in order to develop an analytical framework to provide solutions towards continuous improvement to achieve goals and objectives. in the future.

Four Perspectives on the Balanced Scorecard

Balanced Scorecard has a feature that involves all aspects comprehensively, because in its measurement it considers financial and non-financial aspects or with four perspectives. With regard to the measurement of cooperative performance, this perspective appears as follows:

- a. From a financial perspective, it cannot be denied that finance is an important thing for any organization, both profit-oriented and non-profit organizations as well as specialized organizations such as cooperatives, in this perspective the measures used are more directed at increasing cooperative income, increasing member income and calculating added value obtained by the cooperative.
- b. Customer Perspective, this perspective is more appropriately called the membership perspective, while the measures used are the increase in the welfare of members, member satisfaction in meeting the needs of members, increase in residual business results and residual income distributed to members.
- c. Internal Business Process Perspective, what is meant by internal business processes is a series of activities that exist in the business or what is called the value chain, in this perspective the measurement used is the members served the availability of members' needs and the active participation of cooperative members.
- d. Learning and Growth Perspective, organizations in developed countries are generally aware of the importance of the role of employees for organizational performance. Employees are the main asset of the organization, in this perspective it focuses on human resources whose potential needs to be developed, so that employees have competence in their fields, which will ultimately result in excellent performance for the organization. In this perspective, the measures used are employee productivity, frequency of participating in cooperative education, and employee development.

The application of Balanced Scorecard is associated with performance measurement

Before the Balance Scorecard is applied to a company, of course, there must be clarity about information regarding the company's vision, mission, goals and objectives. After knowing this information, the company must determine the strategy that must be taken and translate the strategy into its implementation so that the company's goals and targets can be achieved. In measuring performance with the application of BSC, Mutasowifin (2002) adds that good financial performance today is likely to be achieved by taking into account the long-term interests of the company to achieve short-term company performance; while Chavan (2009) states that the true value of an institution comes from assets. Intangibles those are not visible in financial reports, such as service quality, intellectual capital, trademarks, skilled and innovative employees, fast and reliable service, and responsiveness, efficient and adaptable business processes, which are very useful in the learning process and growing in the future which will come.

Therefore, it is necessary to measure company performance using BSC. The next step is to design a Balanced Scorecard based on the strategy map in Figure 1 which can describe the interactions and interdependencies between perspectives related to performance measurement (Mutasowifin 2002).

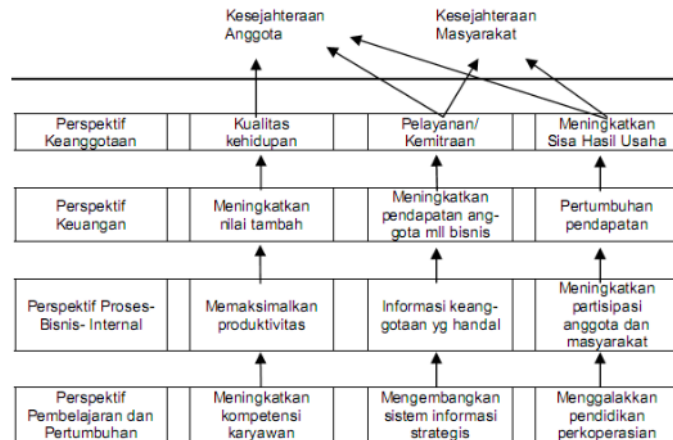


Figure 1.Map of interaction and interdependence strategies between perspectives
 Source: Mutasowifin, 2002

2. Research Method

This research is a qualitative research with a case study approach. According to Umar (2003: 56), a case study is a detailed study of a certain object during a certain period of time in a sufficiently deep and comprehensive manner, including the environment and its past conditions. The purpose of a case study is to take in-depth measurements of a particular subject to provide a complete picture of a particular subject. In this study, a particular subject is the Civil Service Cooperative of the Republic of Indonesia “Kopertis” Region VII in Surabaya.

The type of data used in this study is qualitative data and quantitative data, while the data sources are primary data and secondary data. The data analysis technique uses the Balanced Scorecard approach which is used as a tool to measure and evaluate cooperative performance as a whole using four perspectives, namely financial perspective, customer perspective, internal business process perspective and learning and growth perspective (Kaplan and Norton, 2004). The data collection method in this study was carried out, among others, by conducting (unstructured) interviews with sections related to the documentation method for collecting financial data (2017-2018 financial reports). To assess the measurement results of the four perspectives mentioned above, a rating scale is used, namely the stapling scale (Sugiono, 2005). With a score of 1 (Good), 0 (Enough) and - 1 (Poor), with the assumption that the performance is categorized as good if there is an increase, if the performance does not increase it is categorized as Sufficient, while the performance has decreased it is categorized as Less.

Chart of the elements of the balanced scorecard at the Republic of Indonesia Employee Cooperative at “Kopertis” Region VII in Surabaya, shown in table 1

Table 1
Elements of the Balance Scorecard at KPRI “Kopertis” Wil.VII Surabaya

Vision and mission			
Financial Perspective	Income Growth	Income Ratio	SHU margin
Customer Perspective	Customer Profitability	Percentage of customer growth	Customer complain
Internal Business Perspective	Service cycle efficiency	Complaints level	Complaint time
Learning and Growth Perspective	Percentage of staff trained	Number of exercise programs	Employee retention

Source: Kaplan and Norton, 2004

Table 2
Vision, Mission, Performance Measures of BSC and KPRI Kopertis Region VII Surabaya Targets

VISION			
Being a healthy, competitiveness, resilient and independent cooperative			
MISION			
<ul style="list-style-type: none"> • Be fair and democratic, and work in a transparent and accountable manner • Improve the quality of service and try to meet the needs of members • Able to face challenges 			
Perspective	Performance Measure		Target
	Result Measure (<i>Lag Indicator</i>)	Performance Boosters (<i>Leading Indicator</i>)	
FINANCE -Ability to increase income -The cooperative's ability to obtain SHU	-Income Growth -Income ratio -SHU margin	-Income Level -Income - Asset Tax -SHU Gross Income	-There is an increase -Increase 5% -Increase 5%
CUSTOMER -Increase sales of marketed products -Customer Growth -Customer satisfaction	-Customer Profitability -Percentage of growth -Customer complain	-Gross SHU-operating expenses -Increase in subscribers -Number of customer complaints	-There is an increase -There is an increase -Maximum of 12 complaints
INTERNAL BUSINESS PROCESS -Effective service processes -Improve the quality of customer service	-Service cycle efficiency -Compliance with complaints -Complaint time	-Service processing time -Complaints handled -Response time	-5 Minutes served -100% complaints are served -1 day
LEARNING AND GROWTH -Improve employee work	-Number of Exercise	-Increase in the given	-There is a new

abilities	programs	training program	exercise program
-Creating employee commitment	-Percentage of staff trained -Number of employee retention	-Increase in trained employees -Number of employees who left	-There is an increase -Nothing

Source: cooperative / processed data

3. Result And Discussion

3.1. Result

The balanced scored card measurement is one of the performance measurement methods to see the achievement of organizational performance from a financial perspective and a non-financial perspective. Cooperatives are expected to grow into strong economic institutions and become the main forum for fostering business capacity. To see the performance achievements that have been achieved, and the balanced scorecard is one of the performance measurement methods to see the financial and non-financial aspects that have so far received less attention by cooperative management. The balanced scorecard performance measurement method at KPRI Kopertis Wil. VII is as follows:

Financial Perspective

The activities of KPRI Kopertis Wil VII Surabaya include financing and services for members. Therefore, strategic goals from a financial perspective are determined based on the vision, mission and objectives of the cooperative which are aligned with health assessment standards for microfinance institutions and cooperatives, including increasing income, increasing the remaining income of the business.

Table 3
Income Growth Ratio of Income and SHU Margin

	2017	2018
Income growth	Score	Rp. 10.83.062
Income Ratio	5,39%	5,67%
SHU margin	46,11%	48,42%

Source: internal cooperative processed

Customer Perspective

Customers in a cooperative are none other than members of the cooperative and the community around the cooperative. Customers, in these case members, are important for the cooperative. In line with the vision of KPRI “Kopertis” Wil VII, the needs of members must be the concern of the cooperative. Therefore, the customer perspective includes Customer Profitability (Karomah, 2009), customer growth and the number of customer complaints. The number of cooperative customers for 2017 is 8012 customers and in 2018 are 8090 customers.

Table 4

Customer Perspective

Customer Perspective	Performance measure	
	2017	2018
1. Customer Profitability	Rp. 1.187.240.361	Rp. 1.212.65.864
2. Customer growth	nil	0,1%
3. Number of customer complaints	12	10

Source: internal cooperative processed

Internal Business Process Perspective

In the perspective of internal business processes, KPRI Kopertis Wil VII Surabaya in its business includes financing and services for members The strategic objectives of cooperatives for internal business processes consist of efficiency in the service cycle, level of complaint fulfillment and time for meeting complaints retain members and reduce member complaints.

9 Table 5
 Internal Business Process Perspective

Internal Business Process Perspective	Performance measure	
	2017	2018
1. Efficiency of the service cycle	4 minutes	4 minutes
2. Compliance with complaints	100%	100%
3. Time to fulfill complaints	1 Day	1 Day

Source: internal cooperative processed

Learning and Growth Perspective

In the learning and growth of cooperatives, which is an important factor in the success of cooperatives, namely human resources. Employees as human resources for cooperatives have an important role, either individually or in groups, and are also one of the main drivers for the smooth running of business activities. Strategic targets from the learning and growth perspective are the percentage of trained employees, the number of training programs and the percentage of employee retention. Number of KPRI Kopertis employees Wil. VII in 2017 there were 11 people and the number of employees who left was nil and for 2018 the number of employees was 11 people and the number of employees who left was 1 person. With the employee training force, it is expected that more customers can be served well.

Table 6
 Learning and Growth Perspective

Learning and Growth Perspective	Performance measure	
	2017	2018
1. Number of exercise programs	4	6
2. Percentage of staff trained	36,4%	60%
3. Total employee retention	nil	1

Source: internal cooperative processed

3.2. Discussion

To assess the measurement results of the four perspectives mentioned above, use a rating scale, namely the staple scale (Sugiono, 2005), with a score of 1 (Good), 0 (Enough) and -1 (Less assuming that the performance is categorized as good if there is an increase, if the performance is not If there is an increase in the category of Enough, while the performance has decreased in the category of Less. The results of the recapitulation of the KPRI Kopertis Wil.VII performance measurement based on the Balance Scorecard are shown in table 7.

Table 7
 Performance Measurement of KPRI “Kopertis” Region VIII. based on the Balance Scorecard

No	Performance indicators	2017	2018	Score	Score
1	Financial Perspective				
	-Income Growth	Nil	Rp. 10.83.062	Good	1
	- Revenue ratio	5,39%	5,67%	Good	1
	- SHU margin	46,11%	48,42%	Good	1
2	Perspective				
	-Customer Profitability	Rp.1.187.240.361	Rp 1.212.675.864	Good	1
	-Customer growth percentage	Nil	0,1%	Good	1
	-Number of complaints	12	10	Good	1
3	Internal Business Process Perspective				
	- Service cycle efficiency	4 minutes	4 minutes	Enough	0
	-Fulfillment of complaints	100%	100%	Enough	0
	-Time to fulfill complaints	1 day	1 day	Enough	0
4	Learning and Growth Perspective				
	-Number of exercise programs	4	6	Good	1
	-Percentage of employees selected	36,4%	60%	Good	1
	-The number of employee retention	Nil	1	Good	1
	Total				9

Financial Perspective

The financial perspective of KPRI-Kopertis Region VII Surabaya is measured based on strategic objectives from a financial perspective that defines the expected results from the strategy implemented by the company. The financial perspective is the final estuary of all activities that exist in the other three perspectives (customer internal business processes, learning and growth). Performance measures from the financial perspective are determined based on strategic objectives which include:

- a. Revenue growth and income ratio It is a measure of the result of achieving strategic goals, the ability to earn income increases and a measure of the performance driver, namely the total assets and revenue earned by the company. Revenue growth is a performance measure

1

that measures the extent to which the company's ability to generate revenue, this measure is interpreted as the company's ability to obtain an increase in revenue in 2017 and Rp. 10,837,062 in 2018, while the income ratio exceeds the set 5% target, namely 5.30% for 2017 and 5.67% for 2018.

- b. Remaining Margin of Operating Results (SHU) Is a measure of the results of achieving the strategic objectives of the company's ability to obtain increased SHU and the measure of performance driving is the gross residual income compared to income, with this measure, the cooperative can determine the ability to obtain residual operating results. In accordance with the target set by Mangin SHU of 5%, the company's ability to generate SHU margins increases above 5%, 46.11% for 2017 and 48.42% for 2018. Based on the results of measuring the performance of a financial perspective using the staple scale total score 3 in good category.

9

Customer Perspective

In the customer perspective the cooperative balanced scorecard must identify the customer and this represents the source of income from the cooperative's financial objectives. Based on the strategic objectives from the customer's perspective, the performance measures are determined which include:

- a. Customer Profitability and the percentage of customer growth Is a measure of the results of the achievement of strategic goals, the ability to obtain customer profitability as measured by the remaining gross operating results minus operating expenses, the results in 2017 amounted to Rp. 1,187.240,361 and in 2018 Rp. 1,212,675,864. While the percentage of customer growth is a measure of the result of achieving customer growth, the measure that drives the performance is the increase in customers by 78 customers (0.1%), this measure explains that the large number of customers will have an effect on the increase in cooperative income.
- b. Customer Complaints It is a measure of the results of the achievement of the strategy, customer satisfaction, the measure of performance driving is the number of customer complaints. Handling the number of customer complaints quickly will assist the cooperative in resolving the number of incoming complaints. The faster the number of incoming complaints is followed up, showing customer satisfaction with the product being marketed. Based on the target set, the number of complaints handled is a maximum of 12 complaints / year. The results of performance measurement in 2017 there were 12 complaints equal to the target, while for 2018 there were 10 complaints, meaning there was a decrease in 2 complaints which from the specified target meant that there was an increase in the handling of customer complaints. Based on the results of measuring the performance of the customer perspective using the staple scale, it gets a total score of 3 in the good category

Internal Business Process Perspective

1

International Journal of Economics, Business and Accounting Research (IJEBAR)

Peer Reviewed – International Journal

Vol-5, Issue-2, June 2021 (IJEBAR)

I-ISSN: 2614-1280 P-ISSN 2622-4771

<https://jurnal.stie-aas.ac.id/index.php/IJEBAR>

The perspective of internal business processes is measured based on strategic objectives from the perspective of internal business processes. Based on strategic objectives from the perspective of internal business processes, performance measures include:

- a. Service cycle efficiency and level of complaint compliance. In this case, the internal business process perspective measures the efficiency target of the served cycle and the complaint fulfillment rate is 100% of complaints served. The results measure determined and the level of compliance with Complaints in 2017 and 2018 did not change, namely 4 minutes of service processing time and 100% of complaints served by the perspective of being successfully handled by the cooperative, the faster the service process time and the many complaints that were successfully handled by the cooperative, indicating an increase in service quality
- b. Complaint fulfillment time Is a measure of the results of the achievement of strategic objectives to improve the quality of product service to customers. The driving measure is the response time from the cooperative with a short response time that will affect the fulfillment time of incoming complaints, so customers don't have to wait long. This will increase customer satisfaction and show the quality of service to customers is getting better. The target set and the measurement results achieved are the same, which is 1 day, meaning that once a complaint comes, it will be immediately served so that customers don't wait too long. Based on the results of measuring the performance of the customer perspective using the staple scale, it gets a total score of 3 in the enough categories.

Learning and Growth Perspective

The learning and growth perspective is measured based on strategic objectives which are the driving factors for the achievement of objectives from the perspective of finance, customers and internal business processes. Determination of targets from this perspective is based on the results of interviews with managers for 2017 and 2018 in relation to the number of new training programs there are 2 training programs increased, namely e-SPT and Strategic Plan Formulation. For the percentage of the total number of trained employees of 36.4% for 2017 and 60% for 2018 employee retention. Meanwhile, the number of employee retention occurred in 2018 which was one person, in 2017 the number of employees was 11 people and in 2018 there were 10 people). Based on the results of measuring the performance of the customer perspective using the staple scale, it gets a total score of 3 in the good category.

Based on table 7, the total performance assessment score of KPRI Kopertis in Region VII based on the Balance Scorecard is 9 out of 12 performance indicators. Thus the assessment score is $9/12 = 0.75$, meaning that the performance of KPRI Kopertis Region VII based on the overall Balance Scorecard is considered Good.

2

4. Conclusion And Suggestion

4.1 Conclusion

Based on the results of the discussion in this study, the conclusions that can be drawn are as follows:

1. Measurement of the Balance Scorecard to assess the management performance of KPRI-Kopertis Region VII Surabaya using four perspectives, namely financial perspective, customer perspective, internal business process perspective, learning and growth perspective.
2. The performance indicators that are determined based on strategic objectives from the four perspectives are as follows:
 - a. The financial perspective includes income growth, income ratio, remaining margin of operating results (SHU), the results from this perspective are categorized as good.
 - b. The customer perspective includes customer profitability, the percentage of growth; the results from this perspective are categorized as good.
 - c. Internal business process perspective includes service cycle efficiency, complaint fulfillment, complaint time; the results from this perspective are categorized as adequate.
 - d. The learning and growth perspective includes the number of training programs, the percentage of trained employees and the number of employee retention, the results from this perspective are categorized as good.
3. Based on performance measurement with the Balance Scorecard approach, the total assessment score is 9 out of 12 performance indicators. Thus the assessment score is $9/12 = 0.75$, meaning that the performance of KPRI Kopertis Region VII based on the overall Balance Scorecard is considered Good.

8 **4.2 Suggestion.**

Based on the research results, the suggestions given are as follows:

1. KPRI-Kopertis Region VII Surabaya can apply the Balance scorecard, in measuring the performance of cooperatives in order to evaluate and monitor the development of cooperatives in terms of financial and non-financial aspects, so that the cooperative is able to face the challenges faced, for that it needs good coordination support and hard efforts of all administrators, supervisors, managers and employees of KPRI Kopertis Region VII, East Java, because without it all the implementation of the Balanced Scorecard will not run well.
2. For the Manager of KPRI Kopertis Region VII, East Java to more often provide motivation to employees to generate work ethic, responsibility and work discipline, so as to support the quality of cooperative performance in the perspective of internal business processes to serve the needs of members and the surrounding community

References

- Bastian, Indra. 2006. *Akuntansi Sektor Publik : Suatu Pengantar*, Penerbit Erlangga, Jakarta.
- Chavan, M. 2009. The Balanced Scorecard : a new challenge. *Journal of Management Development*. 28(5):393-406.
- Kaplan, Robert, dan David P. Norton, 2008, *The Execution Premium Linking Strategy to Operations for Competitive Advantage*: Havard Business School Press. USA

- Kaplan, Robert, dan David P. Norton, 2004, *Strategy Maps, Converting Intangible Assets into Tangible Outcomes*, Massachusetts. Havard Business School Press. USA
- Karimah, F.N, 2009, Pengukuran Kinerja Perusahaan Menggunakan Metode Balanced Scorecard, *Skripsi*, IST.AKPRIND, Yogyakarta
- Luis, Suwardi, Prima A.Biromo, 2007, *Step by Step in Cascading Balanced Scorecard to Functional Scorecards*, Gramedia, Jakarta.
- Mahsun, Mohamad. 2006. *Pengukuran Kinerja Sektor Publik*. Yogyakarta : BPFE Yogyakarta
- Melinda, Tina, 2003, Penerapan Balanced Scorecard sebagai Sistem Pengukuran Kinerja, *Media Mahardhika*, Surabaya, Vol. 1 No.2, Januari 2003, hal.29-33.
- Mulyadi, 2001, *Balanced Scorecard (Alat Manajemen Kontemporer untuk Pelipat ganda Kinerja Keuangan Perusahaan*, Salemba Empat, Jakarta.
- Mutasowifin, Ali, 2002, Penerapan Balanced Scorecard Sebagai Tolok Ukur Penilaian Badan Usaha Berbentuk koperasi, *Jurnal Universitas Paramadina*, Jakarta, Vol.1 No 3. Mei 2002, hal. 245-264
- Niven PR, 2003, *Hall Scorecard Step--step for Government and Non Profit Agencies*, John Wiley & Sons, New York
- Simon, Robert, 2000, *Performance Measurement and Control Systems for implementing Strategy*, Prentice Hall International, Ine New Jersey
- Sugiyono, 2005, *Metodologi Penelitian Administrasi*, Alfabeta, Bandung
- Umar, Husein, 2003, *Riset Akuntansi*, PT Gramedia Pustaka Utama, Jakarta
- Undang-Undang Republik Indonesia, 1992, No.25 Tahun 1992 tentang *Perkoperasian beserta Peraturan Pemerintah*, Departemen Koperasi dan PPK, Jakarta

check

ORIGINALITY REPORT

12%

SIMILARITY INDEX

11%

INTERNET SOURCES

6%

PUBLICATIONS

7%

STUDENT PAPERS

PRIMARY SOURCES

1	jurnal.stie-aas.ac.id Internet Source	6%
2	Submitted to School of Business and Management ITB Student Paper	1%
3	worldwidescience.org Internet Source	1%
4	Submitted to Universitas Negeri Jakarta Student Paper	1%
5	T Harihayati, R Lubis, S Atin, U D Widiанти. "The company's performance assessment using balanced scorecard", IOP Conference Series: Materials Science and Engineering, 2018 Publication	1%
6	apfjournal.or.id Internet Source	1%
7	eprints.umm.ac.id Internet Source	1%



eprints.uad.ac.id

Internet Source

1 %



etheses.saurashtrauniversity.edu

Internet Source

1 %

Exclude quotes On

Exclude matches < 1%

Exclude bibliography On