Analysis of Company Performance Manufacturing Injection Motorcycle Components with Balanced Scorecard Method

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Abstract:- This research is used to assess performance in the company part of two-wheeled vehicle specialist Injection for all brands with 4 perspectives using the Balanced scorecard method, the problem arises with the achievement of the target companies who experience a decline Even some are not reached. Data collection methods are taken from the company's KPI between target and achievement realization.Data processing to see how each perspective performance with the balanced Score card method, after the performance analysis of the 4 perspectives compared with the previous year had decreased but for a growth perspective and Studies have not increased or decreased.

***Keywords:-** Balanced Scorecard, Perspective, Target, Realization.*

I. INTRODUCTION

Some two-wheeled vehicle industry contributed to the increase in sales in Indonesia, one of the brands of two-wheeled vehicles capable of selling more than 50% in 2018.The year 2018 motorcycle sales had increased compared to the previous year, based on data from ("Asosiasi Industri Sepeda Motor Indonesia," 2019), In running the company business experienced several obstacles, including the performance decreases with the condition of KPI defined menagement has not been reached.The automotive component Injection Manufacturing Company performs performance measurements to find out how the company performs.Performance is the result of the activity that the company has done during a certain period (H Riyana, 2017), to analyze the performance assessment conducted using a balanced scorecard method.With the balanced scorecard method will be known how the performance of each performance with 4 perspectives, in Research (Mayasari, Arwinda, 2015) to formulate the right strategy before conducting long-term action then the company Should apply BSC consistently while some management errors can cause performance assessments to be performed less precisely (Koesomowidjojo, 2017).

II. METHOD AND DATA ANALYSIS

Research is conducted by collecting data existing in the company's Injection motorcycle components.Measure Balanced scorecard with 4 KPI based perspectives. One method of this study uses a descriptive research method.In the study (Prayudi, 2018) Sugiyono (2007), descriptive research is a study conducted to know the value of independent variables, either one or more variables (independent) without making comparisons or linking with Other variables to measure balanced scorecard from customer perspective and internal business process.

Method of measurement based on 4 perspectives of Balanced Scorecard in Injection company:

➢ *Measurement of Financial Perspective, Financial Ratios used Include*

- Return on Investment (ROI)
- Return on equity (ROE)
- Net profit margin
- Total asset turn over

➢ *Measurement of the Customer's Perspective*

- Customer satisfaction
- Claim Customer
- Delivery

➢ *Measurement of Internal Business Perspective*

- Production Ratio
- Breakdown Maintenance
- New model
- Lead time supplier
- Ratio end stock material

➢ *Growth and Learning Perspective*

- Employee attendance
- Advice from employees / kaizen
- Competence

NO	VARIABLE	DIMENSI	KPI
1	Financial perspective	Financial perspective that describes company performance measured in financial terms	▪ ROI ▪ ROE ▪ NPM ▪ Turn over
2	Customer or customer perspective	The customer perspective includes customer satisfaction with the product delivered by providing a value from the questionnaire distributed regularly, the influential variable is service, delivery and product quality	▪ Customer satisfaction ▪ Claim Customer ▪ Delivery
3	Internal business perspective	Internal business processes describe all processes related to product output and affect one another	▪ Production Ratio ▪ Breakdown Maintenance ▪ New model ▪ Lead time supplier ▪ Ratio end stock material
4	Growth and learning perspective	Growth and learning perspectives describe the integrity, input and ability of employees in the company according to the job desc	▪ Employee attendance ▪ Advice from employees / kaizen ▪ Competence

Table 1:- Definitions and Methods of Measurement Based on 4 Perspectives
Source: Company quality objective

No	Measurement	Target	Realization
1	ROI	3.5%	4%
2	ROE	5.8%	6%
3	NPM	56%	54%
4	Total aset turnover	74.86%	80%
5	Customer Satisfaction	80%	80%
6	Customer Claim	0 ppm	14 ppm
7	Delivery	98.8%	98.5%
8	Production Ratio	97%	95.9%
9	Breakdown Maintenance	12 menit	170 menit
10	New Model	95.7%	99%
11	Lead time supplier	1 hari	1 hari
12	Ratio end stock material	1.5 hari	1.7 hari
13	Employee attendance	96%	95%
14	Employee / Kaizen advice	60 saran	60 saran
15	Competence	95%	85%

Table 2:- Measurement between Target and Realization
Source: 2017 Secondary Data

No	Benchmark	Target	Realisasi
1	ROI	4%	4%
2	ROE	6%	5.8%
3	NPM	55%	55%
4	Total aset turnover	75%	76%
5	Customer Satisfaction	80%	78%
6	Customer Claim	0 ppm	138 ppm
7	Delivery	99%	98.5%
8	Production ratio	97%	95.7%
9	Breakdown Maintenance	12 Menit	60 Menit
10	New Model	96.3%	76.8%
11	Supplier lead time	1 hari	1 hari
12	End stock material ratio	1.4 hari	1.7 hari
13	Employee attendance	96%	96.3%
14	Employee / Kaizen advice	`60 saran	54 saran
15	Competence	95%	82.7%

Table 3:- Measurement between Target and Realization
Source: Secondary data in 2018

In conducting performance measurements, there will be a comparison of achievements in a period with the previous period, and to facilitate measurement of performance then created a score table based on the range of performance improvement achievement over the previous year

Performance range	Rate	Score
<0%	D	1
0-50%	C	2
51-100%	B	3
> 100%	A	4

Table 4:- Determination of Score Based on Performance Ratio

III. RESULTS AND DISCUSSIONS

To measure the performance of the company with a balanced scorecard approach through 4 perspectives aligned with the industry-defined vision and mission, the following 4 are spectively and the language

➢ *Financial Perspectives*

In the perspective of financial performance measurement the company needs to do, based on financial perspectives relating to financial statements.This analysis is obtained through the calculation of the company's financial performance, namely ROI, Operating Income, NPM, Total Asset Turnover.Cashmere (2013:202) says that return on investment (ROI) is the ratio that shows the result of the amount of assets used in the company.From the results of the information, the following table:

No	Benchmark	Target	Realization	Performance ratio	Score
1	ROI	3.5%	4%	14.28%	C
2	ROE	5.8%	6%	3.44%	C
3	NPM	56%	54%	3.70%	C
4	Total aset turnover	74.86%	80%	6.86%	C
Total Scorecard					8

Table 5:- Financial Perspectives for 2017
Source: Data Processing

No	Benchmark	Target	Realization	Performance ratio	Score
1	ROI	4%	4%	0%	C
2	ROE	6%	5.8%	-3.33%	D
3	NPM	55%	55%	0%	C
4	Total aset turnover	75%	76%	1.33%	C
Total Scorecard					7

Table 6:- Financial Perspective for 2018
Source: Data Processing

➢ *Customer perspective for measuring performance in customer perspective perspective by Balanced Scorecard method through customer satisfaction with the dissemination of a questionnaire with the criteria of using a likert scale.The scale of Likert according to Sugiyono (2004) is as follows:*

1 = bad
2 = very need improvement
3 = need improvement

From the results of the survey to the customer realization of achievement & F Eed back from customer for delivery achievement along with the claim customer as the following table

No	Benchmark	Target	Realization	Performance ratio	Score
1	Customer Satisfaction	80%	80%	0%	C
2	Customer Claim	0 ppm	14 ppm	-100%	D
3	Delivery	98.8%	98.5%	-0.30%	D
Total Scorecard					4

Table 7:- 2017 Customer Perspective
Source: Data Processing

No	Benchmark	Target	Realization	Performance ratio	Score
1	Customer Satisfaction	80%	78%	-2.50%	D
2	Customer Claim	0 ppm	138 ppm	-100%	D
3	Delivery	99%	98.5%	-0.30%	D
Total Scorecard					3

Table 8:- Customer Perspective for 2018
Source: Data Processing

➢ *Internal Business Process Perspective*
In the perspective of this internal business process, the performance will be assessed, namely the process of innovation and operational processes.

No	Benchmark	Target	Realization	Performance ratio	Score
1	Production ratio	97%	95.9%	-1.13%	D
2	Breakdown Maintenance	12 minutes	170 minutes	-92.94%	D
3	Lead time supplier	1 day	1 day	0%	C
4	Ratio end stock material	1.5 days	1.7 day	-11.80%	C
5	Lead time supplier	1 day	1 day	0%	D
Total Scorecard					7

Table 9:- Perspective of 2017 Internal Business Processes
Source: Data Processing

No	Benchmark	Target	Realization	Performance ratio	Score
1	Production ratio	97%	95.7%	-1.34%	D
2	Breakdown Maintenance	12Menit	60Menit	-80%	D
3	New Model	96.3%	76.8%	-20.25%	D
4	Lead time supplier	1 hari	1 hari	0%	C
5	Ratio end stock material	1.4 hari	1.7 hari	-17.7%	D
Total Scorecard					6

Table 10:- Perspective of Internal Business Processes in 2018
Source: Data Processing

Based on the perspective of growth and learning:

No	Benchmark	Target	Realization	Performance ratio	Score
1	Employee attendance	96%	95%	-1.04%	D
2	Employee / Kaizen advice	60 saran	60 saran	0%	C
3	Competence	95%	85%	-10.52%	D
	Total Scorecard				4

Table 11:- 2017 Growth and Learning Perspective
Source: Data Processing

No	Benchmark	Target	Realization	Performance ratio	Score
1	Employee attendance	96%	96.3%	0.31%	C
2	Employee / Kaizen advice	`60 Saran	54 Saran	-10%	D
3	Competence	95%	82.7%	-12.94%	D
	Total Scorecard				4

Table 12:- Growth and Learning Perspective of 2018
Source: Data Processing

From the results of the performance calculation using a balanced scorecard approach with 4 perspectives obtained a total score as in the table below:

PERSPEKTIF BALANCED SCORECARD	TOTAL SCORECARD(TAHUN)	
	2017	2018
Financial perspective	8	7
Customer perspective	5	4
Internal business perspective	7	6
Growth and learning perspective	4	4
TOTAL BALANCED SCORECARD	24	21

Tabel 13:- Total Balanced Scorecard Periode Tahun 2017 Dan 2018
Source:Data Processing

The balanced scorecard approach to measuring performance will provide more accurate assessment results because from several perspectives an analysis is carried out so that overall the performance of the organization will be seen.

IV. CONCLUSIONS AND SUGGESTIONS

Performance assessment by Balanced Scorecard in company Injection component two-wheeled vehicle with 4 perspectives can be concluded as follows:

➢ The financial perspective, seen on the table Total scorecard year 2017 is greater than the year 2018.In general, each benchmark between target and reality experienced a slight decline.

➢ Customer perspective, the customer satisfaction of the product is to give the score of increase by 0% decrease to-2.50%.The emergence of recurrent defect become one of the causes of consumer satisfaction level of declining products and the claim customers in 2018 also experienced an increase.

➢ Internal business perspective, high decline ratio for new model. Problems arise arising defect during the trial process so as to produce the product does not conform to standard.

➢ A growth and learning perspective, as a whole does not increase or decrease from the previous year but needs to be considered for competence.Effective training, development and orientation programs required. Set the coaching and feedback period on employees when the first 3 months or 6 months, for employee attendance increased from the previous year.

The explanation above maintenance on all lines are indispensable to continuously keep the industry to exist and develop, the development & the existence of the Organization must also be coupled with the commitment of the management.

SUGGESTIONS

some perspectives experienced a decrease in the score compared to the previous year, customer perspective to claim customer realization higher than target, internal defect prevention and claim customer with product inspection to do Stricter check frequencies at critical points.

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