Performance Analysis based on Balanced Scorecard at the Srinadi Klungkung Market Cooperative

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Abstract: **Performance measurement is important to determine the extent to which the effectiveness of implementing a strategy within a certain period of time so that it can be used as a basis for the company to make improvements and determine the steps to be taken at the next stage. Traditional performance measurement that focuses on financial performance is unable to describe the overall performance. Company management requires an integrated performance measurement system capable of measuring performance in a balanced manner both from a financial and non-financial perspective, namely the balanced scorecard. This study aims to determine and analyze the performance of the Pasar Srinadi Cooperative as measured by using the four balanced scorecard perspectives. The research was conducted at the Srinadi Market Cooperative, located in Klungkung Regency. The research sample consisted of 99 customers and 74 employees with the simple random sampling method. Data collection is done by documenting and distributing questionnaires. The analysis technique uses four balanced scorecard perspectives. The results of the analysis show that the performance of the Pasar Srinadi Cooperative after being measured using the four balanced scorecard perspectives is in the moderate category with an average score of 0.3.**

Keywords: **Performance, balanced scorecard.**

I. INTRODUCTION

Global competition that occurs between economic actors exposes companies to situations that require companies to be able to compete in terms of creating, managing, and continually improving strategies so that they can last a long time. Performance measurement or appraisal is one of the important factors in the company because by doing the performance appraisal the company can find out the extent to which the effectiveness of determining a strategy and how it is implemented within a certain period of time so that it can be used as a basis for the company to make improvements and determine the steps to be taken. at a later stage (Ayoup et al., 2016).

Performance measurement has various types of measurement that are integrated and as a whole will combine the goals, objectives, level of company value and broader stakeholder elements (Dess and Lumpkin, 1996). Company management requires an integrated performance measurement system capable of measuring performance both from a financial and non-financial perspective. Kaplan and Norton (1996) introduced the concept of the Balanced Scorecard as a concept that can complement the shortcomings of performance appraisals that only use financial aspects. The balanced scorecard is a company performance measurement system that describes the company's performance in a balanced manner from a financial and non-financial perspective which is divided into four perspectives, namely financial perspective, customer perspective, internal business process perspective and learning and growth perspective (Szyszka and Matuszak-Flejszman, 2016).

In reality, cooperatives must be supported by a management system that is reliable, rational, effective and efficient so that their presence can be felt by the community and the surrounding environment (Lizwaril, 2015). The existence of cooperatives in improving the welfare of their members is influenced by the amount of contribution of cooperative members where the more members contribute, the better the results will be obtained. Cooperatives are important for

conducting a review of the effectiveness and efficiency of running a business, even though indicators of effectiveness and efficiency are not financial criteria.

Balanced Scorecard was created to overcome the problem of weaknesses in the executive performance measurement system which only focuses on a financial perspective and tends to ignore non-financial perspectives. Balanced Scorecard translates the vision and strategy into goals and measures organized into four perspectives including financial, customer, internal business processes and learning and growth perspectives that emphasize having the same goal, namely achieving strategic goals that have been planned by the company. The four perspectives are interrelated which will try to improve company performance.

The customer perspective is focused on meeting the level of customer satisfaction, while the financial perspective is focused on fulfilling the satisfaction level of the owners of capital or shareholders in a company. The customer perspective is oriented to meet the level of customer satisfaction, so that they remain loyal, spread the good image of the company and invite other people or parties to become company customers (Aspriyati et al., 2017). The internal business process perspective is basically a renewal or change to increase the quantity, quality and service of goods or services that must be done to achieve financial goals and company customer satisfaction (Sahiti et al., 2016). The learning and growth perspective comes from human resource factors, organizational systems and procedures. This perspective measures the organization's ability to develop and utilize its human resources so that the organization's strategic objectives can be achieved for the present and the future.
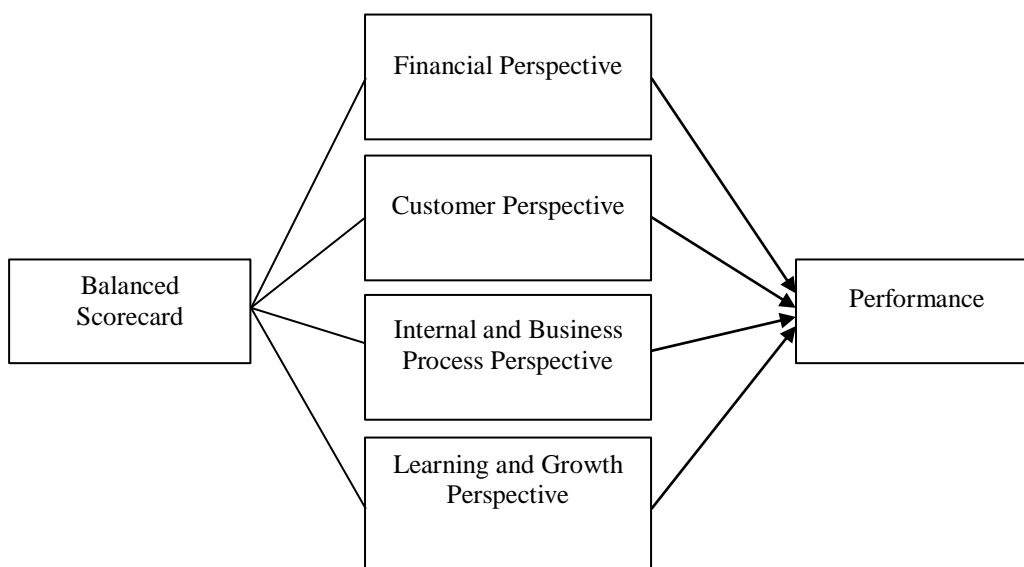

Figure 1: Conceptual Framework

II.   RESEARCH METHODS

This research was conducted at the Srinadi Market Cooperative, located in Klungkung Regency. The object of this research is the performance of the Pasar Srinadi Cooperative which includes 4 perspectives, namely financial perspective, customer perspective, internal business process perspective and learning and growth perspective. The research sample consisted of 99 customers and 74 employees with the simple random sampling method. Data collection is done by documenting and distributing questionnaires. The analysis technique uses four balanced scorecard perspectives.

III.   RESULT AND DISCUSSION

Data reliability test is conducted to determine the extent to which a measuring instrument can be trusted or reliable. The results can be seen in table 1 & 2 as follows:

Table 1: Respondents Data Reliability Test Results on Customer Perspective

Cronbach's Alpha	N of Items
0.763	11

Source: Research Data, 2020

Table 2: Respondents Data Reliability Test Results on Learning and Growth Perspective

Cronbach's Alpha	N of Items
0.764	11

Source: Research Data, 2020

Based on the results of the reliability tests that have been carried out on both perspectives, it can be concluded that the instrument used in this study is reliable, where the results of the reliability test carried out on both perspectives show that Cronbach's alpha value is more than 0.70.

After performing the reliability test, the next step is to analyze the Koppas Srinadi performance measurement based on the balanced scorecard. Analysis of Koppas Srinadi's performance measurement from a financial perspective uses three measurement indicators, namely the liquidity ratio, the capital adequacy ratio and the profitability ratio.

Table 3: Koppas Srinadi's Cash Ratio Calculation Results for 2016-2018

Year	Cash + Bank (Rp)	Current Liabilities (Rp)	Ratio (%)
2016	26,152,460,167	124,940,852,212	20.93
2017	38,819,052,527	150,776,968,513	25.75
2018	52,598,098,232	165,260,634,342	31.83

Source: Research Data, 2020

The results of the liquidity ratio show that Koppas Srinadi's cash ratio is still bad. This high ratio does not guarantee that the cooperative can fulfill its short-term obligations by using cash and banks owned. A high cash ratio also indicates that there is excessive cash and banks compared to the level of need. In other words, there are many unemployed funds because they are not used effectively in developing their business. Based on the description above, Koppas Srinadi's financial performance in terms of liquidity is poor.

Table 4: Koppas Srinadi's Capital Adequacy Ratio Calculation Results 2016-2018

Year	Own Capital Weighted (Rp)	ATMR (Rp)	Ratio (%)
2016	109,902,308,086	136,593,762,976	80.46
2017	122,326,742,888	153,813,626,303	79.53
2018	131,197,149,281	145,168,038,142	90.38

Source: Research Data, 2020

Based on these results, it can be seen that Koppas Srinadi's own weighted capital falls into the ideal standard category according to the KUKM Deputy Regulation No. 06 / Per / Dep.6 / IV / 2016, which is greater than 8% with a maximum score of 3.00. In addition, Koppas Srinadi's weighted own capital has good quality in absorbing losses due to the decline in its assets because the greater the value of the KMS ratio indicates that the cooperative has a large reserve of capital to bear the losses incurred by its assets. Based on the description above, Koppas Srinadi's financial performance in 2016-2018 in terms of capital is good.

Table 5: Koppas Srinadi's Own Capital Ratio Calculation Results 2016-2018

Year	SHU for the Members (Rp)	Total Own Capital (Rp)	Ratio (%)
2016	2,923,149,612	18,487,973,455	15.81
2017	2,901,694,834	20,136,352,766	14.41
2018	2,943,222,945	21,868,084,158	13.46

Source: Research Data, 2020

Based on these results, it can be seen that Koppas Srinadi in providing remuneration to members who have contributed in investing their capital is included in the ideal standard category according to KUKM Deputy Regulation No. 06 / Per / Dep.6 / IV / 2016 which is greater than or equal to 5%. Based on the description above, Koppas Srinadi's financial performance in 2016-2018 in terms of profitability is good.

Next is the analysis of Koppas Srinadi's performance measurement from a customer perspective using two indicators, namely the level of customer satisfaction and the level of customer growth.

Based on the customer perspective analysis shows that the average answer leads to a positive statement which indicates that Koppas Srinadi has been serving customers satisfactorily. The average obtained is 94.01% positive statement which means that the performance of Koppas Srinadi in the customer perspective, especially on customer satisfaction is classified as good because the value is greater than 60%.

Then based on the customer growth rate, it shows that each year there is an increase in the number of customers at Koppas Srinadi from 2016 to 2018. The increase from 2016-2017 was 2.9%, which was 319 customers, then in 2017-2018 there was an increase again by 1 , 9% as many as 241 customers. This increase shows that Koppas Srinadi's performance based on the customer perspective, especially in customer growth, is classified as good.

Next is to analyze the performance of Koppas Srinadi from the perspective of internal business processes which uses two measurement indicators, namely infrastructure capacity and innovation growth.

Table 6: Fixed Assets Koppas Srinadi 2016-2018

Year	Total Fixed Assets (Rupiah)	Increase / Decrease (Rupiah)	Increase / Decrease (%)
2016	22,445,791,809	-	-
2017	21,067,773,908	(1,378,017,901)	-6.13
2018	19,221,651,708	(1,846,122,200)	-8.76

Source: Research Data, 2020

Table 6 shows that there has been a decrease in the number of fixed assets owned by Koppas Srinadi each year. 2016-2017 experienced a decrease in the number of fixed assets by 6.13%, then in 2017-2018 there was a decrease in the number of fixed assets by 8.76%. This decline shows that performance from the perspective of internal business processes has decreased from Koppas Srinadi and is in the bad category.

Table 7: Koppas Srinadi's Innovation Growth Rate in 2016-2018

Year	Number of New Products	Total Products
2016	-	16
2017	-	16
2018	-	16

Source: Research Data, 2020

Table 7 shows that Koppas Srinadi is lacking in product innovation, it can be seen that during the last three years there has been no addition of new product innovations for the last 3 years by Koppas Srinadi, but also has not experienced a reduction in products that have been previously owned which means the performance of Koppas Srinadi in making innovations the product you have is sufficient.

Next is to analyze Koppas Srinadi's performance from the perspective of learning and growth using three measurement indicators, namely the level of employee satisfaction, employee retention rate and employee productivity level.

Based on the learning and growth perspective, the respondents' statements show that on average the answers lead to positive statements which indicate that employees are satisfied working at Koppas Srinadi. The average obtained is 96.03%, a positive statement which means that the performance of Koppas Srinadi employees in the perspective of learning and growth, especially on employee satisfaction, is classified as good because the value is greater than 60%.

Then at the employee retention rate in 2016 and 2017 there were no employees who left, but there was an increase in the number of employees by 4 people. In 2018 there were 14 employees who left, this was due to the expiration of the employee's working period or retirement. Koppas Srinadi's performance in retaining his employees over the last three years shows sufficient performance qualifications because in general there has been fluctuation in the total number of employees, although in 2018 there was an increase in employees leaving, but in 2017 there was an increase in the number of employees.

At the level of employee productivity, Koppas Srinadi shows fluctuations in the last 3 years. In 2017, it decreased by Rp. 247,693 compared to 2016 due to an increase in the number of employees which affected the increase in labor costs, then accompanied by a decrease in net income for the year, which resulted in a decrease in employee productivity. The year 2018 shows an increase of Rp. 993. 925 due to an increase in the cooperative's profit. Performance at the level of employee productivity is classified as sufficiently qualified even though it fluctuates each year, the employees still provide output, which means that Koppas Srinadi employees are still productive making profits.

After measuring each of the balanced scorecard perspectives, a score was carried out on the indicators for each perspective to assess the total performance score of Koppas Srinadi in 2016-2018.

Table 8: Koppas Srinadi's Performance Measurement in 2016-2018

The Balanced Scorecard Perspective	Indicator	Criteria	Score
Financial Perspective	Cash Ratio	Bad	-1
	Capital Adequacy Ratio	Good	1
	Capital Rentability Ratio	Good	1
Customer Perspective	Customer Satisfaction Level	Good	1
	Customer Growth Rate	Good	1
Internal Business Process Perspective	Infrastructure Capacity	Bad	-1
	Innovation Growth Rate	Enough	0
Learning and Growth Perspective	Employee Satisfaction Level	Good	1
	Employee Retention Rate	Enough	0
	Employee Productivity Level	Enough	0
Total Score			3

Source: Research Data, 2020

IV. CONCLUSION

Based on the analysis and discussion, it can be concluded that Koppas Srinadi's performance from a financial perspective seen from the cash ratio is bad because the results of the calculation of the ratio have not reached the maximum score based on the Regulation of the Deputy of KUKM No. 06 / Per / Dep.6 / IV / 2016. Financial performance seen from the ratio of own capital adequacy and the ratio of own capital profitability is good because in the calculation of these two ratios both show a maximum score in accordance with the standard of the Regulation of the Deputy of KUKM No. 06/Per/Dep.6/IV/2016.

Koppas Srinadi's performance from the customer perspective seen from the level of customer satisfaction is good because based on the distribution of questionnaires that have been done, it shows the results of positive answers that have exceeded the specified standards. Koppas Srinadi's performance, seen from the customer growth rate, also shows good results because there is an increase in the number of customers each year.

Koppas Srinadi's performance from the perspective of internal business processes, seen from the infrastructure capacity indicator, shows poor performance due to the absence of additional fixed assets. Koppas Srinadi's performance, seen from the growth rate of product innovation, showed sufficient results because there were no new product innovations that had been carried out in the last three years.

Koppas Srinadi's performance from the perspective of learning and growth seen from the level of customer satisfaction shows good results because based on the distribution of questionnaires that have been carried out, it shows positive answers that have exceeded the specified standards. Performance seen from the employee retention rate shows poor results because there are 14 employees leaving in 2018. Performance seen from the level of employee productivity shows sufficient results because during the last three years it has experienced fluctuations. Overall, it can be concluded that Koppas Srinadi's performance as measured using the four balanced scorecard perspectives is in the moderate category with an average score of 0.3.

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