

PERFORMANCE ASSESSMENT TO IMPROVE THE QUALITY OF PERFORMANCE AND SERVICE IN JAKARTA PPISHP FOOD SECURITY DEPARTMENT USING BALANCED SCORCARD

**Retno Indriyati K¹, Franka Hendra^{2*}, Jisman Hutasoit³, Kurniawan Agung⁴,
Yuli Haryani⁵**

^{1,3,4,5}Mpu Tantular University, Jakarta

²Pamulang University, Banten
dosen01508@unpam.ac.id^{2*}

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ABSTRACT

Center for Fisheries Production, Inspection and Certification (PPISHP) is a unit technical implementer within the Department of Food Security, Maritime Affairs and Agriculture of DKI Jakarta Province. PPISHP DKI Jakarta Province does not yet have a comprehensive performance measurement. Performance measurement only uses an assessment on the financial aspect, financial measures alone are not enough to evaluate the overall performance of the agency. Non-financial performance such as productivity and the ability of employees to produce products or services that can meet consumer desires is neglected. To measure the performance of an agency, a comprehensive performance measurement method is needed to achieve the desired goal. Therefore, the Balanced Scorecard method is deemed necessary to be applied to PPISHP DKI Jakarta Province.

Keywords: **Balanced Scorecard, Performance Measurement, Public Sector Organization**

INTRODUCTION

In measuring the level of success, the government has so far only relied on the traditional model where performance measurement only uses an assessment of the financial aspect. The financial calculations are considered to be quite good in providing an overview of the government's current performance and even forecasts about its long-term investment capability. Measurement of financial performance has resulted in financial statement analysis innovations such as Return On Investment which has an important role for the success of various companies in the early twentieth century as stated (Angelia & Suryaningsih, 2015). There only concentrates on the financial aspect, this

system is considered weak in evaluating companies or government agencies as a whole (Tsai, Bui, Tseng, & Wu, 2020). Financial measures alone are not enough to guide and evaluate the company's journey in current and future business competition (Vidhia, 2020). Relationships with customers, employees and business processes are an integral part of long-term survival that cannot be seen in financial measures (Chen & Popovich, 2003), even financial measures can be manipulated to produce good measures, resulting in errors in decision-making of an organization or company.

So far, public sector organizations (OSP) in Indonesia use government agency performance accountability reports (LAKIP) in their performance measurement system according to Government Regulation Number 8 of 2016 concerning Financial Reporting and Performance of Government Agencies and Presidential Instruction Number 7 of 1999 concerning Performance Accountability of Government Agencies. LAKIP has been quite well applied to government agencies but LAKIP is considered less able to describe the performance of agencies comprehensively, therefore, BSC is deemed necessary to be applied to OSP. The BSC has begun to be applied to Indonesian government agencies such as the Ministry of Finance and the Financial Supervisory Agency, but until now there is no Presidential Regulation that regulates the implementation of the BSC, OSP still uses the decisions of the Minister or the head of their respective organizations so that this has resulted in the absence of standards for preparation and implementation of the BSC. implementation of BSC in OSP.

According to the author, this issue is very interesting to study further because the BSC concept is a good performance appraisal concept and has been widely used by organizations around the world. One of the public sector organizations that provides services to the community, especially in testing the quality of fishery products, is the Fishery Product Production, Inspection and Certification Center (PPISHP) which is the Technical Implementation Unit of the Food, Maritime and Agriculture Security Service of DKI Jakarta

THEORETIC

An organization that operates without performance measurement systems is analogous to an aircraft flying without a compass (Hendra, Supriyono, Efendi, Rosalinda, & Indriyati, 2021; Kaydos, 2020). His said the goal of measuring performance is not only

to understand how the business is performing, but also to enable it to perform better. The ultimate goal of implementing a performance measurement system is to improve the organization's performance in order to better serve our customers, employees, owners, and stakeholders. If performance measurement is done correctly, the data generated will tell the user where the business is, how it's done, and where it's going. In a nutshell, this is the business report card that informs the user about what works well and what does not. Keeping this in mind (Jain, Triantis, & Liu, 2011; Sukarma, Hendra, Effendi, & Mohamad, 2020),

The balanced scorecard (BSC) is currently the most widely used performance management system. I do not like the performance measurement system to another, the BSC to measure performance in a variety of different perspectives—a financial perspective, a customer perspective, an internal business process perspective, and an innovation and learning perspective (Van Looy & Shafagatova, 2016). The BSC captures measures the performance of the leading and lagging behind through the use of a variety of perspectives, providing you with a more "balanced " view of the company's performance. Customer satisfaction, new product development, on-time delivery, employee competence development, and other metrics are among the primary indicators. Traditional financial measures, such as revenue growth and profitability, are lagging indicators. The BSC performance management system has been widely adopted around the world, in part because it allows organizations to align all levels of staff around a single strategy that can be executed more successfully. The BSC has been tailored to the organization's specific external and internal circumstances. A good organization, whether commercial or non-profit, has used the BSC framework successfully (Amado, Santos, & Marques, 2012; Vidhia & Hendra, 2021).

Figure 1 depicts Kaplan and Norton (2001) study of the success of various BSC applications in various types of organizations. When designing a performance BSC measurement system, the company has used at least four sizes and as many as a few hundred steps. Based on this research, it was discovered that the BSC framework, which consists of approximately 20-25 steps, is widely recommended best practice. Smaller organizations may require more steps, but it is generally not recommended to exceed a total of 25 steps for each organization, holding company, or group of conglomerate holding companies.

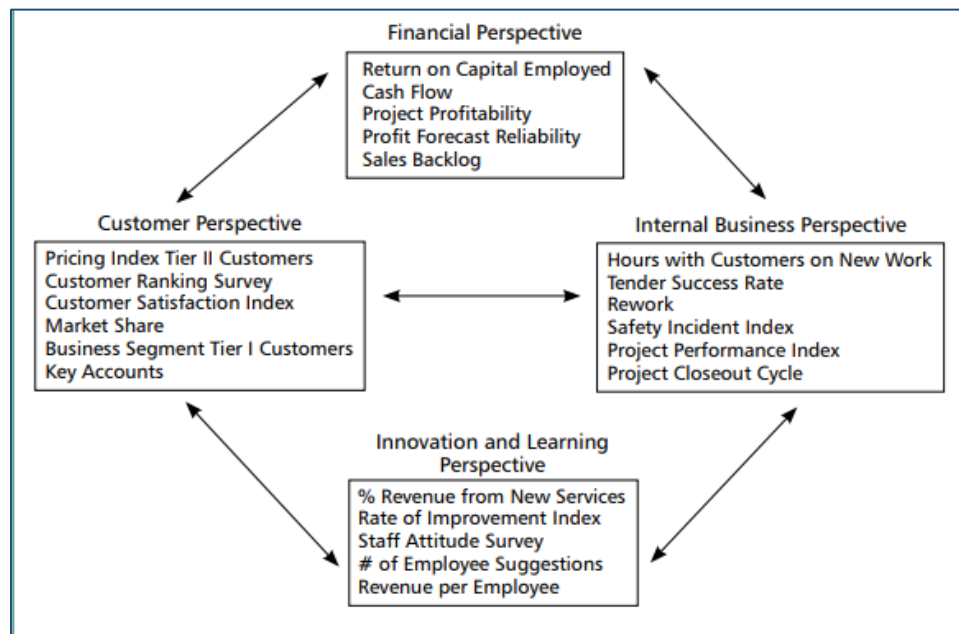


Figure 1. Putting BSC to Work (Kaplan & Norton, 2001)

As a result of advances in research and innovation over the last 15 years, the BSC has evolved from performance measurement (1990-1996) to performance management (1996-2000) to become globally recognized best practices in strategic management (2001-till now). In fact, the benefits that can be obtained by the company through the use of the proper BSC covers * Convert strategy into operational metrics and goals that are more easily understood (Quesado, Aibar Guzmán, & Lima Rodrigues, 2018) :.

1. Align the organization around a coherent strategy;
2. Create a strategy everyday work of every person, from the CEO to the
3. employees beginner level;
4. Make strategic improvements ongoing process; and
5. Mobilize change through strong leadership and effective.

Although thousands of businesses have adopted and benefited from the BSC, this is a collaboration of the Balanced Scorecard, Inc. (BSCol), which has taken a leadership role in the evolution of the BSC Methodology as it is adopted by an increasing number of organizations worldwide. BSCol is a consulting, education, training, and research and development firm that promotes global awareness, the use, improvement, and integrity of the BSC as a value-added management process. Dr. Robert, the creator of the BSC concept, founded and leads BSCol (Kaplan & Norton, 2001).

METHOD

There are six stages in a step-by-step methods research is the initial step is the introduction stage, phase identification, phase determination of strategic objectives, the stage of the measurement and evaluation of performance, the stage of analysis and the proposed improvements and the stage of conclusion and suggestions. At the stage of introduction contains about observation, interviews with related parties. According to Umar (2002), the interview is one of the techniques of data collection, its implementation can be done directly face to face with the people interviewed. And is said to be indirect if the given questions can be answered on another occasion, and the spread of kuesione on to measure the level of consumer satisfaction.

Analysis of the data obtained do dnngan testing the validity and reliability of which then carried out the analysis of the results of the measurement of the performance of each aspect by using the method of Balanced Scorecard. In the analysis can be known targets of the strategy has been produced each perspective and also the yardstick used.

The main focus in the organization of the public is the mission of the organization, in general the mission of a public organization is to serve and improve the welfare of society. From the mission formulated strategies to be done for the achievement of the mission. The strategy is then translated into 4 perspectives, namely: the financial perspective, the perspective of customers & stakeholders, internal business process perspective, and the learningand growth perspective. The perspective of our customers & stakehoders portrait of a quality service to the community. The financial perspective identifies the provision of services efisien. The internal business process perspective describes the processes that are important for the organization to improve the quality of life of the community. The perspective of the employees & the organization capacity portrait of the competence and ability of all members of the organization.

RESULTS

To measure the efficiency level of budget use, the benchmark used is the absorption value of the Regional Revenue and Expenditure Budget (APBD) for the Production Center, Inspection and Certification of Fishery Products of DKI Jakarta Province. In 2016 the Fishery Product Inspection and Certification Production Center has a budget (APBD) of **Rp. 27,333,560,372, -** with a total of 36 activities. The PPISHP budget absorption in

2016 was quite good, reaching **84.05%**. In 2017 the Center for Production, Inspection and Certification of Fishery Products has a Regional Revenue and Expenditure Budget (APBD) of **Rp. 31,186,758,243,-** with a total of 31 activities. The absorption of the Fishery Product Production, Inspection and Certification Center budget in 2017 was quite good, reaching **Rp. 27,334,524,347,-** or **87.65%**. In 2018 the Fishery Product Production, Inspection and Certification Center has a Regional Revenue and Expenditure Budget (APBD) of **Rp. 31,186,758,243,-** with a total of 31 activities. The budget absorption of the Fishery Product Production, Inspection and Certification Center in 2018 was very good, reaching **Rp. 33,701,076,371,-** or **94.38%**.

From the customer perspective, the benchmarks used are the customer satisfaction index and the number of customer complaints. Public service providers must be ready to accept suggestions, input and complaints from the public. One way to improve the quality of public services and to measure the performance of the DKI Jakarta PPISHP in providing services to the community, while listening and absorbing the aspirations of the community (stakeholders) regarding needs and expectations, in 2018 a Community Satisfaction Index Survey was conducted with a value of **94.46 %**. This survey was conducted in 2018. In 2016 – 2017 PPISHP has not conducted the survey. The survey activity for the preparation of the Community Satisfaction Index was carried out for fishery entrepreneurs (large and small and the general public, as many as 63 respondents who were expected to be able to provide an overview of the quality of services provided by PPISHP DKI Jakarta Province to their customers. The questions asked for opinions to the public consisted of 13 elements that are relevant, valid and reliable. Meanwhile, the benchmark is the number of complaints that cannot be tolerated by customers so that customers submit complaints. The smaller the number of complaints from customers, the better the quality of services provided. During 2016-2018 customer complaints were not documented The

From the perspective of the Internal Business Process, to improve the effectiveness and efficiency of services, the benchmark used is the test results that are completed on time. Based on the results of data processing from the perspective of internal business processes, the condition of the agency in 2016 was quite good. This can be seen from the level of testing the quality of the samples on time. The existence of a letter of agreement

regarding the length of time for testing has a good influence on services, especially the issuance of test results certificates.

The importance of sophisticated instrumentation supports the quality of the PPISHP laboratory, because every year laboratory equipment will always develop over time. The speed of test completion time can attract customers to use PPISHP laboratory services, such as a tool that can read the results at the same time, for example, rapid microbiological testing using a PCR tool only takes 2 days compared to using the conventional SNI method, cutting the testing stages such as samples that should be weighed but using sophisticated instruments such as ICP-MS/DMA devices will shorten the testing time.

From the perspective of learning and growth, to improve employee professionalism, the benchmark used is the number of personnel training in accordance with the field of work (microbiology, chemistry, organoleptic, document control, internal audit and quality control). The greater the average number of hours of training per employee, the better the process of improving employee professionalism will be. The implementation of training activities for PPISHP personnel is expected to improve self-ability that can be applied in daily activities. Improve supervision and a culture of complying with the established rules.

To improve the supervision and culture of complying with the established rules, the benchmark used is the level of employee attendance. Based on Employee Attendance Rate data in the 2016-2018 range, the number of employees who are sick/licensed or late is still within reasonable limits. One of the obligations of employees, both civil servants and non-civil servants, is to go to work and obey the provisions of working hours. If you violate the provisions of working hours and even skip work, you will receive a disciplinary punishment according to your level. The smaller the delay and permission/sickness, the better the employee discipline which will improve employee performance.

Furthermore, strategic initiatives are formulated by making a qualitative statement in the form of major steps that will be carried out in the future to realize the agency's strategic goals.

1. Financial Perspective

Production center, Inspection and Certification of the Results of the Fisheries of the Province of DKI Jakarta is an institution that provides services to the wider

community through testing the quality of fishery products with the most popular testing with competitive rates in accordance with the parameters of the test performed. However, in each year the agency also has a target of retribution that must be achieved each year along with increasing the number of customers and the volume of exports of fishery products. To measure Results and Performance Boosters on the Perspective of the Keuangan can be seen in table 1.

Table 1. Design Balanced Scorecard Financial Perspective

Num	Target Strategy	Results	Measures		Initiatives Strategy
			Performance Drivers	Measures	
1	Increase user fees	Target Charges change every year (tends to increase)	– Increase customers – Increase in the number of test samples	in	– Increase the scope of testing according to the needs of service users and comply with regulations of export destination countries – Adjusting the levy rates for quality testing services competitive
2	Increase the effectiveness and efficiency of budget use. Budget	Absorption Value The	implementation of all program activities that have been prepared accompanied by good budget absorption	–	appropriate budget planning – Carry out Carry out activities in accordance with the predetermined time – Conduct component prices proposals according to market prices so that budget absorption is in line with planning

Source: Research data, 2021

2. Customer perspective

The customer Production Center, Inspection and Certification of the Results of the Fisheries of the Province of DKI Jakarta is a unit of processing of fish, fishermen, or of the general public who want to conduct quality testing of the quality of fishery products. Target strategy on the customer's perspective are ; Increase customer satisfaction and Increase the number of customers. For design *Balanced Scorecard* Customer Perspective can be seen in table 2.

Table 2. Design Balanced Scorecard Customer Perspective

Num	Target Strategy	Outcome	Measures	Strategy Initiatives
			Performance Driver	
1.	Increase customer satisfaction Customer satisfaction	– index – Number of customer complaints Excellent	Service	– Improve service quality according to customer needs and expectations, such as: adding service facilities, speed and response of officers and upholding integrity routine – Perform maintenance of laboratory equipment periodically so as not to hinder the quality testing activities of the example
2.	Increase the number of customers number of	Increase in the customers Excellent	Service	– Provide services without distinguishing the class/status of service users – Perform service innovations related to the ease of service stages such as: e-forms and e-retribution

Source: Research data, 2021

3. Internal Business Process Perspective

The formulation of the purpose on the internal business process perspective is done after the formulation of objectives in the financial perspective and the customer. In order to allow agencies to focus on the process that will encourage the achievement of the goals set for the customer, namely : Improve the effectiveness and efficiency of service, Improve the quality of service, and

Improve the quality of technology. Design *Balanced Scorecard* Internal Business Process Perspective can be seen in table 3.

Table 3. Design Balanced Scorecard Internal Business Process Perspective

Num	Target Strategy	Result	Measures of Performance Drivers	Measures of Performance	Initiatives Strategy
1.	Improve service effectiveness and efficiency	Timely test results	Increase analyst productivity		Provide certainty of target time and speed of service to customers through a letter of agreement on testing methods
2.	Improve service quality	Test results Proficiency	– Training analysts – Validation non-standard testing methods – Verification of standard methods – Equipment calibration	of –	– Implementing ISO 17025:2017 as a guarantee of the validity of test results – Performing quality system maintenance through: internal coordination meetings, internal audits, review of documents and management as well as <i>assessment</i> by the National Accreditation Committee (KAN)
3.	Improving quality technology	of new testing equipment	the additionRecent testing	Scope	continuous Improvement(<i>continuousImprovement</i>)through training, seminars and technical meeting invitation testing of the relevant institutions both within and outside the country

Source: Research data, 2021

4. Learning and Growth perspective

The ability of the institution in teaching and learning in the development and growth of strong affect in achieving the goals of financial, customer, internal business. Strategic objectives in learning and growth are ; Enhance the professionalism of employees and Improve oversight and culture obedient to the rules that applied. Draft *Balanced Scorecard* Learning and Growth Perspective can be seen in table 4.

Table 4. Draft Balanced Scorecard Learning and Growth Perspective

Num	Strategy Target	Outcome	Measures Performance Driver Measures	Strategic Initiatives
1.	Increasing employee professional ism	Competence and HR capacity increase (employee training certificates)	Increasing the number of competency training both hard skills and soft	skills Scheduling HR competency training according to the budget ceiling
2.	Increasing supervision and a culture of complying with the established rules	Employee attendance rate	Disciplinary punishmentDiscipline	Socialization of DKI Jakarta Provincial Governor Regulation and Government Regulation on Employee

Source: Research data, 2021

CONCLUSIONS

Based on the data obtained as well as the analysis and discussion that the author has done in the previous chapter, it can be concluded that the results of performance measurement using the Balanced Scorecard : Financial condition, the agency's overall performance improved in the previous year. This can be seen from the management of Regional Budget Revenue (PAD) through the realization of service fees. In addition, the increase in agency performance can also be seen from the amount of budget absorbed each year. It is hoped that the formulation of strategic initiatives, namely increasing user fees and increasing the effectiveness and efficiency of budget use in the future can improve the financial performance of the agency.

The condition of the agency from the customer perspective experienced an increase in the number of customers in 2017, while in 2018 there was a decrease in the number of customers due to problems with damage to laboratory equipment so that customers did not test in the PPISHP laboratory. In 2018 a customer satisfaction index survey was measured with results **very good**. Meanwhile, the number of intolerable complaints during 2016-2018 was not documented. With the formulation of the initiative, namely increasing customer satisfaction and increasing the number of customers, it is hoped that from the perspective of the agency's customers, it can further improve its performance.

In the internal business perspective the state of the agency is quite good. This can be seen from the level of issuance of the Test Result Certificate on time and then it can

be seen from the level of accuracy and timeliness of the test results. The increase in the number of new technologies that support the activity of testing the quality of fishery products is expected to increase the number of customers so that the retribution for testing services will also increase. With the formulation of strategic initiatives, namely increasing the effectiveness and efficiency of services, improving service quality and improving technology quality, it is hoped that in the perspective of the agency's internal business processes, it can further improve performance.

The condition of the institution in general on the perspective of growth and learning has improved quite well. This can be seen from the increase in the number of hours of employee training and also discipline to the rules that have been set. With the formulation of strategic initiatives, namely increasing the professionalism of employees and increasing supervision and a culture of complying with the established rules, it is hoped that from the perspective of learning and growth the agency can further improve its performance.

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