

Effectiveness Of Balance Scorecard in Determining The Company's Business Strategy

Nofiyanti^{1*}, Winanti¹, Masduki Asbari¹, Andira Fajrin¹, Imam Muhammad Rizal¹,
Ahmad Nafis Ayyasy¹, Sefthian¹

¹Magister Management, Universitas Insan Pembangunan Indonesia, Tangerang, Banten, Indonesia
E-mail Correspondence nofiyantihrd@gmail.com

Received: 06 December 2024 / Revised: 24 December 2024 / Accepted: 24 December 2024

ABSTRACT:

One of the tools to measure the performance of the company's business development performance is the Balance Scorecard. The function of the Balance Scorecard is to review the company's business performance and is used as information in the form of reports that can be presented in the form of financials in a certain period. Another important role is as a tool to help develop future business strategies using work efficiency. With this approach, it is hoped that the organization can develop with an integrated and more comprehensive plan, this allows the organization to adapt when there are changes in the business environment and it is easier to achieve strategic and effective goals... An understanding of performance is a description of the level of achievement of a policy program or activity in the process of realizing the company's goals, vision and mission as outlined in the company's strategic planning. Meanwhile, company performance is a complete state of affairs regarding the company in a certain period and becomes a result or achievement that affects the company's operational activities on the utilization of its human resources. The author in this case presents information about understanding the balance scorecard both in terms of functional, how to use, examples of balance score card implementation to determine the company's effective and efficient business strategy for the sustainability of the company. The method used by the author is to take descriptive qualitative data by collecting data through literature review studies of several journals, articles from websites in the form of discussions about functions, steps that must be taken, balance scorecard perspectives and balance scorecard implementation.

Keywords: Balance Scorecard Effectiveness, Balance scorecard Function, Determining Company Business Strategy, Understanding Balance Scorecard, Balance Scorecard Calculation

I. INTRODUCTION

Global competition exposes companies to determine strategies in managing the company effectively, therefore a tool is needed to measure performance in relation to strategies and goals that have been determined in order to be effective when carrying them out (Anggi Mayasari Lubis et al., 2022; Fernando & Siagian, 2014). One of the performance measurement tools is the Balance Scorecard which was introduced by Kaplan and Norton in the 1990s, its

function is as a measuring tool to determine company performance and has been used for a long time by managers because it has a strong functional theory in supporting the most relevant business of all time. Peter Drucker is also in line with the approach in this way that the Balance Scorecard can reflect management and company performance in a causal relationship. (Ismainar et al., 2024). The understanding of Balance is balanced, which means a balance between non-financial and financial performance in the short or long term between internal and external performance. And for Scorecard or Scorecard is a card to record the performance score of employees or workers, the function of the card can also be used as a consideration for determining future planning to review work results. The understanding of the Balance Scorecard is a system mechanism in management that can explain the vision and strategy of the organization into a real implementation that occurs in the field and is also used as a management tool to realize the company's business strategy. (*Definition of BSC*, n.d.)

To determine future strategies, careful planning is needed, the point that is needed is systematic and integrated planning to achieve organizational goals. (Sari, 2018). During the third millennium era, some business owners have a positive impact on business management. This phenomenon can be utilized to plan future business performance improvements, so it is necessary to have the right calculation mechanism and indicators according to the patterns and stages of development in a company. So in this case, the Balance Scorecard is needed to develop strategies and measuring instruments for company performance by linking visions and strategies that can motivate employees to achieve goals effectively and efficiently. Performance appraisal is the basis of the overall evaluation and performance management process. (Ismainar et al., 2024). Management in the company needs planning because it is a very important process to achieve the strategic goals of the company. (Sari, 2018). The application of the Balance Scorecard system is very important because it has uses in the form of one Strategy and results focused on improvement, the second is a benchmark in improving performance and dividing needs regarding priorities, the third organizational strategy can be carried out evenly to people who do work, the fourth can focus on driving performance factors for the future, the fifth can be used as a communication tool regarding the vision and research strategy. (Pradipto, 2020).

The development of Balance Scorecard has several advantages over traditional management systems, which should be known for traditional management systems measuring company performance from the financial side only while for Balance Scorecard measuring companies based on four perspectives, namely from the financial side, customers, internal business processes and also learning and growth of the company. (*Definition of BSC*, n.d.). To improve the strategic plan needed in the future, it is necessary to assess the performance of each business unit if there is a deficiency in one of the business units immediately make corrections so that the company's goals can be achieved optimally. (Tarigan & Sinaga, 2022). With the Balance Scorecard, a company will be helped in getting a comprehensive view of the performance of the company concerned and knowing what elements are needed to review existing strategies. (Purnamasari & Fitriani, 2023). It should be noted that performance or performance is a description of the level of achievement of a program of activities or policies that have the aim of determining the vision and mission of the organization described in strategic planning. (Galib & Hidayat, 2018).

Success in future competition is by making improvements such as 1. Performing integrated quality management (MTQ), 2. Production and distribution are carried out with a just in time system, 3. Weighted time, 4. Efficient production, 5. Building a company that prioritizes customer satisfaction, 6. Adjusting cost efficiency based on activities, 7. Weighted human

resources, 8. Reviewing all components involved. (Sipayung, 2009). The purpose of the research conducted by the author is to present data regarding the understanding of the balance scorecard from the function, steps to be taken, perspectives and implementation of the balance scorecard. From this paper the author hopes that readers can better understand the meaning and function and calculation of the balance scorecard and how to implement it to achieve the company's vision and strategy that is effective and efficient and highly competitive with other companies.

II. LITERATURE REVIEW

In implementing the Balance Scorecard, there are several functions used to help measure business performance, namely 1. Design a business strategy for the future, 2. Measure the advantages of the business owned to face market competition, 3. Analyze the effectiveness of the strategies used by the company, 4. Overview of SWOT analysis of the company, 5. As a performance benchmark in the process of the company's business activities, 6. Provide information to shareholders, 7. Strategies prioritized by the company are implemented, 8. Actions in the company's business activities are identified, 9. Monitor the progress of all processes that have been determined. Balance scorecard can also be used as a management strategy tool, among others: 1. Can improve company performance, implemented with a clear framework for measuring and managing performance in various perspectives. 2. As the main performance indicator, implemented with employee training and development to increase innovation and employee satisfaction. 3. As a corporate culture, implemented in sustainable habits that can become a culture at work. 4. As a company success factor. Implemented with commitment from top management, budgeting available for training costs and opening communication that synergizes with the goals and functions of the balance scorecard. ("J. Inov. Glob.," 2024)

Balance Scorecard can be utilized properly, if its use is appropriate, namely to identify successes and failures in the company's internal business functions and measure the company's intellectual capital, then before implementing it, it is necessary to take steps in using the Balance Scorecard, namely as follows: 1. Collecting data related to the previous business journey or development in one reporting period, 2. Management identifies the efficiency and effectiveness of the company's operations and non-operations, 3. The company's business strategy is prepared with the aim of improving the company's business performance, 4. Establish and communicate the company's business targets to all employees and shareholders. (*Balanced Scorecard: Definition, Functions, and Examples*, n.d.) Companies that implement the balance scorecard and function it as a strategic management system for long-term strategic management will produce, namely 1. Can clarify the company's vision and strategy, 2. Strategic goals can be communicated and linked effectively, 3. Strategic initiatives can be planned, aligned and clear on the intended goals, 4. Get strategic learning and can improve feedback. (Sari, 2018). Balance Scorecard used in depth can assist companies in making more comprehensive and accurate performance measurements. (Fuada, 2020).

There are several perspectives in the Balance Scorecard, namely 1. Financial Perspective, which is a description of the economic effect after implementing performance appraisal, this is measured as a whole by calculating the average increase in sales and the average growth of sales in the market that has been targeted by the company. In measuring financial performance, the business life cycle can be seen in stages, namely with 2 types for *Growth* intended for companies that are still growing with the option to survive or maintain, this condition companies are usually still interested in investing. Meanwhile, *Harvesting* is for

companies that are already in a condition of reaping the benefits of previous investments. 2. Customer Perspective, namely a good assessment of goods or services from consumers by categorizing the benefits and value of the views of consumers who use them. (Tarigan & Sinaga, 2022). Consumers are a priority that needs to be considered regarding their wishes, as for the existence of Balance Scorecard can be used as an identification tool regarding all the wishes of consumers. (Ismainar et al., 2024). The more people who use the product or service, the better the assessment of the goods or services and the possibility of influencing the success of the company's business performance. 3. Internal Business Process Perspective, namely the assessment of the process of creating products or services in meeting consumer needs by measuring the success of product development accompanied by meeting the needs of the product or service until it is received by consumers. 4. Learning and growth perspective, namely assessment in the management of human resources, systems and procedures applied to the company. (Tarigan & Sinaga, 2022).

III. METHODS

The method used by the author uses a method in the form of descriptive qualitative, starting with a search for topics carried out on google scholar and websites with keywords *measuring the company's business performance*, several discussions of the Balance Scorecard appear. And in the end the author has an interest in the discussion of Balance Scorecard. Furthermore, the author collects data through data searches in the form of journals, digital books, papers and articles from websites that discuss balance scorecard.

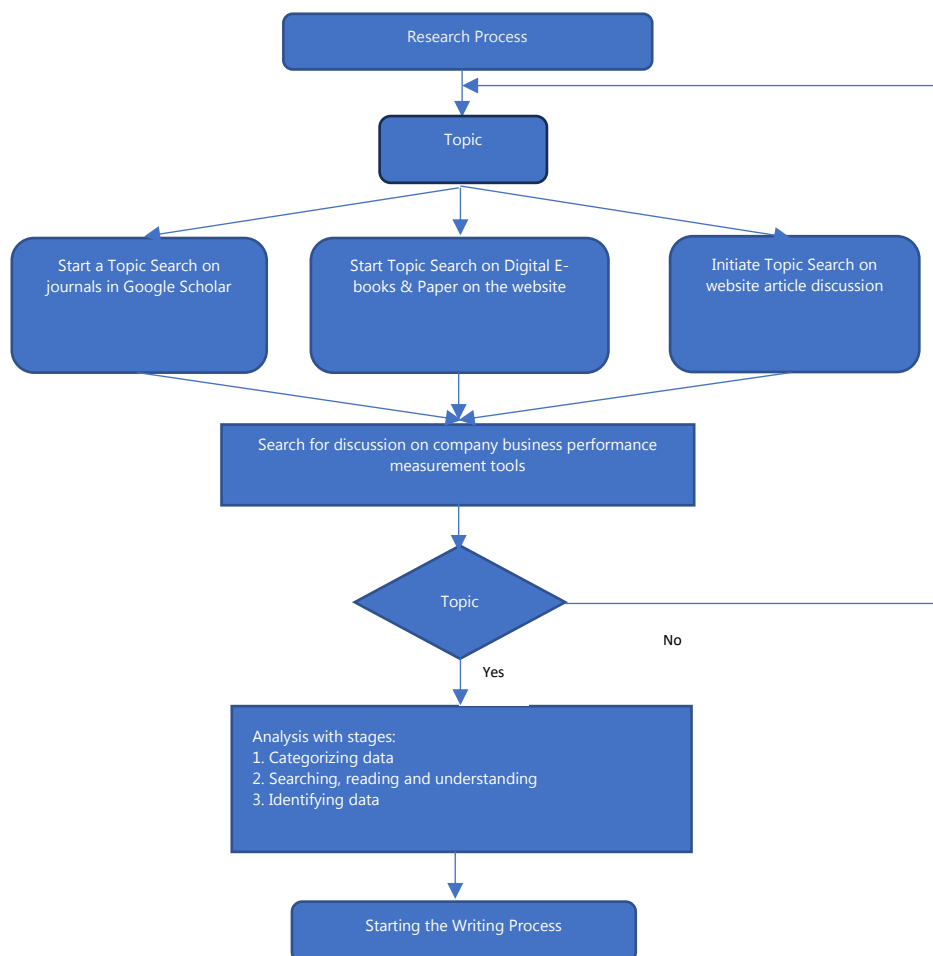


Figure 1: Flowchart of the research

The stages carried out by the author are first classifying the data, secondly looking for discussions, reading and understanding journals, articles and books that are relevant to the discussion that the author wants to examine, thirdly identifying in depth and making a Balance Scorecard framework until the literature review of the results obtained. The material discussed about being analyzed concerns the functions, steps that must be prepared, and perspectives that are measured in implementing the balance scorecard. The discussion is analyzed from the start of the function, steps, perspectives, framework of thought to the implementation of the balance scorecard. Balance Scorecard is a strategic system that contains the company's vision and strategy to achieve company goals and benchmarks. (Hamdalah et al., 2021).

The figure 1 above shows the research flow process carried out by the author from the beginning of the research, looking for problems, determining methods until the author finds the results of the writing. You can see the research flow diagram in Figure 1 which is attached below.

IV.RESULTS

Based on the discussion in the previous chapter, the author describes the process of finding material in this writing in the form of a table of analysis of research results based on reviews of journals, papers and books in the form of discussion content and analysis and conclusions from the data that the author has obtained. In Figure 2. Research Result Analysis Table below.

Table 1. Research result analysis table

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
1	JOURNAL	Implementation of Balanced Scorecard as a Strategic Management Tool in Improving Company Performance	Habib Subhan	Discussion of basic concepts, implementation steps, implementation challenges, benefits and key success factors of Balance Scorecard.	The results of the analysis are about deep insight into the implementation of Balance Scorecard done effectively, what challenges will be encountered and factors that affect success to improve company performance.
2	JOURNAL	Analysis of Company Performance With Using The Balanced Scorecard Approach At Pt. Bosowa Propertindo	Mukhtar Galib	Discussion of measuring organizational performance using the Balance Scorecard by covering 4 perspectives and each perspective is assessed with	Comprehensive and integrated performance measured in accordance with organizational objectives will contribute to future business planning. Any costs incurred when proportional to

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
				key performance indicators.	the benefits, will be relevant to the strategic objectives set.
3	JOURNAL	Analysis of Performance Measurement to Evaluate Strategic Planning Using Balance Scorecard	Wico Jontarudi Tarigan	The discussion of internal business includes company innovation and after-sales service, along with the relationship with the 4 perspectives of the Balance Scorecard that have an influence on company productivity and customer service quality. And also as a measurement of employee productivity and employee satisfaction.	Evaluate the perspectives of customers and learning and growth, this is necessary to improve profitability and customer retention. Future strategic planning focuses on a comprehensive evaluation of all perspectives so that goals can be better achieved.
4	JOURNAL	Performance Measurement with Balanced Scorecard Approach	M. Pradipto	Company performance measurement, employee retention and service quality	Analysis of PT Jamsostek from 2016 to 2018 experienced a decrease in profit margin, although there was an increase in employee retention and productivity. From these results it is necessary to evaluate improvements in strategic planning, especially from a

JOURNAL OF E-BUSINESS AND MANAGEMENT SCIENCE

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
					financial perspective and customer perspective and there needs to be an ongoing review for improvements that have been carried out in the future.
5	JOURNAL	BALANCE SCORECARD ANALYSIS AS A PERFORMANCE MEASUREMENT TOOL COMPANY PERFORMANCE MEASUREMENT X	Ivan Albertus Andika	The results of performance measurement with 4 perspectives for finance are complemented by the percentage of debt ratio, liquidation ratio and income that illustrates the efficiency and financial health of the company, customers have good performance in terms of delivery and settlement of claims, internal business processes are improvements in errors and acceleration in the payment process, learning and growth maintain and improve employee skills.	The SWOT analysis shows that the company has strengths in financial performance and customer satisfaction, but has threats related to market changes and intense competition for growth opportunities with innovation and increased operational efficiency.
6	JOURNAL	Use of the Balanced	Indah Purnamasari	Discussion of the performance	The overall performance results

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
		Scorecard Method to Analyze Company Performance		analysis of PT Telkom using the Balance Scorecard, to evaluate company performance from 4 perspectives. With the Balance Scorecard the company can connect with specific strategies in achieving targets.	are very good but the financial perspective is lower than the other 3 perspectives, so a better strategy is needed for finance. while for the other three perspectives in terms of services and internal processes have shown good performance.
7	JOURNAL	THE INFLUENCE OF LEARNING AND GROWTH PERSPECTIVES ON COMPANY PERFORMANCE WITH A BALANCED SCORECARD APPROACH (CASE STUDY PT GEM GREEN PALM OLEO KIM II)	Rury Erna Soeseny	The discussion focuses on the influence of learning and growth perspectives on company performance that occurs at PT Permata Hijau Palm Oleo KIM II. measurements are made with employee satisfaction, turnover and productivity, it can be seen that if employees are trained and have high motivation, the results will show a positive contribution to improving company performance.	The results show a significant influence on the learning and growth perspective to improve company performance, which has an important role, namely the information system capability factor, employee capabilities and also motivation towards empowerment and equality.

JOURNAL OF E-BUSINESS AND MANAGEMENT SCIENCE

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
				information systems also have an important role in providing timely and accurate information and supporting employees to carry out tasks effectively.	
8	JOURNAL	Analysis of Company Performance as an Effort to Improve Company Performance Using the Balanced Scorecard Method (Case Study: PT. XYZ)	Muhammad Rizki Hamdalah	<p>The discussion is the application of the Balance Scorecard method as a more comprehensive performance benchmarking system, the results of the customer perspective show quite good but for other perspectives improvements need to be made.</p> <p>Measuring company performance using the Balance Scorecard is expected to produce a comprehensive evaluation and know what needs to be improved for the benefit of</p>	<p>Performance is quite good in terms of customer perspective with results exceeding the set target, but in terms of the other 3 perspectives the results are inadequate and need improvement. so the conclusion is that it is necessary to implement a more comprehensive measurement system by considering all 4 perspectives for a comprehensive evaluation and it is necessary to formulate corrective measures so that company goals can be achieved.</p>

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
				improving business performance with better competitiveness.	
9	JOURNAL	BALANCED SCORECARD: A CORPORATE PERFORMANCE MEASUREMENT AND STRATEGIC MANAGEMENT SYSTEM	Friska Sipayung	The company has challenges in adapting to rapid changes related to the integration of functions with suppliers and customers regarding the improvement of integrated quality management and production systems to improve company performance. relationships with customers and suppliers. The Balance Scorecard helps companies plan, set goals and balance strategic initiatives. By recording financial results and monitoring progress in building intangible asset capabilities that can be used for future purposes.	Balance Scorecard is a system that can be used as a performance measurement and long-term strategic management of a company. what is obtained from this measurement is that the company can plan, goals are set, strategic initiatives are aligned with long-term goals and can also be used to improve feedback and strategic learning for continuous innovation and development. This is because the Balance Scorecard is a framework that applies effectively to the integration of various performance measures that are related to the company's strategy for continuous innovation and development. With this implementation, the company will have the ability to manage performance and adapt to changes in the market.

JOURNAL OF E-BUSINESS AND MANAGEMENT SCIENCE

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
10	JOURNAL	BALANCED SCORECARD ANALYSIS AS CORPORATE PERFORMANCE MEASUREMENT TOOL (Case Study on PT Toyota Astra Motor)	Anggi Mayasari Lubis	It discusses the Balance Scorecard which is used to measure financial and non-financial performance using 4 perspectives and also discusses performance evaluation using ROI, customer satisfaction and profit margins that focus on strategy implementation to improve the global and competitive business environment.	The performance results of PT Toyota Astra Motor are quite good, this is indicated by the measurement of ROI, Operating ratio and profit margin even though there is a decrease from the previous year. in terms of customer perspective, the performance results are considered good in terms of satisfactory customer satisfaction, while from the internal business perspective it has the result that the company has innovated well. And seen from the side of learning and growth also has a satisfactory value. When described as a whole, it is necessary to make improvements from a financial perspective because it has decreased compared to the previous year.
11	JOURNAL	Company Performance Analysis with Balanced Scorecard Approach	Abdul Suhada	Balance Scorecard is used to measure performance in terms of financial and non-financial using 4 perspectives, this is to	The use of Balance Scorecard has effectively provided an overview of the company's overall performance in a structured manner. as for this case the company needs to focus on the financial

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
				evaluate performance using indicators such as ROI, customer satisfaction and profit margins, strategy implementation is focused on improving the company's ability to face a global and competitive business environment.	perspective because there has been a decrease in value compared to last year.
12	PAPER	BALANCED SCORECARD	Pita Puspita Sari	The discussion covers the use of a comprehensive management system based on the Balanced Scorecard (BSC) by implementing the four perspectives of finance, customers, internal business processes, and innovation. with BSC the company is able to improve performance in the long term and provide broad insights with respect to business performance.	The Balance Scorecard used to analyze SWOT shows that PT KOJO is faced with threats from inflation and the emergence of new competitors, while opportunities exist in economic development and new customers. while the company's strengths are in healthy finances and reputation in the field of support base, for weaknesses there is a lack of cash flow management and in terms of services that are not optimal.

JOURNAL OF E-BUSINESS AND MANAGEMENT SCIENCE

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
13	DIGITAL BOOKS	Balance Scorecard-Based Performance Management	Tuti Hardianti, S.Pd.I., M.Pd	Explains about balance scorecard management including an explanation of the basic concepts of Balance Scorecard and its importance, Definition and principles of Balance Scorecard includes a detailed explanation of the definition, objectives, basic principles of BSC as a strategic tool, Performance Measurement discusses the four perspectives of BSC, Balance Scorecard Implementation discusses the steps in BSC implementation including the determination of work indicators, Individual and team performance management discusses the factors that affect individual	The result of the analysis is that it has been proven to be effective regarding a comprehensive depiction of organizational performance that is integrated with four perspectives and can be used as material for evaluation and continuous strategic improvement. The conclusion in this book is that BSC can be used to improve organizational performance by focusing on strategic goals that have been set with a systematic approach to achieve maximum results and can maintain a competitive advantage in the market.

No.	Data Type	Journal Title	Author	Discussion and Content	Analysis and Conclusion
				and team performance.	

Table 2: Depicting the Research Analysis Table

The explanation of *Table 2* is a list of tables from the data that has been researched by the author which is further described in the writing here.

Source: Author (Nofiyanti, 2024)

Balance Scorecard is a tool to measure business performance with respect to 4 perspectives, namely finance, customer service, internal business processes, learning and growth which has a function to measure performance related to the company's vision and strategy in accordance with its objectives. (Balanced Scorecard: Definition, Types, Functions and Formats | DailySocial.Id, n.d.). The basic concept of the Balance Scorecard is divided into four perspectives. ("J. Inov. Glob.," 2024), among others: 1. A financial perspective that serves to see the level of the company's financial arrangements that can be managed together with the company's performance with maximum effort together with company management. (Andika et al., 2021) There are 4 calculation formulas, namely 1. Current Ratio, is one of the measuring tools used to determine the ability of a company to meet its short-term obligations. (Current Ratio: Pengertian, Rumus, Dan Contoh Hitung Rasio Lancar, n.d.). Current Ratio is calculated by comparing total current assets with short-term liabilities, if the percentage increases from year to year, it is said to be in a good position, if the situation is reversed, it is said to be bad. (Tarigan & Sinaga, 2022). Profit Margin a tool to assess and measure the financial health of a company or business. (Net Profit Margin Adalah: Pengertian, Rumus, Dan Strateginya - GreatNusa, n.d.), calculated by comparing net income with sales, if the percentage decreases from year to year, it is said to be good and can be said to be bad if the opposite. (Tarigan & Sinaga, 2022). 3. Operating Ratio, which is to make a comparison between operating expenses and sales. Calculated by comparing operating expenses with sales, if the percentage decreases from year to year, it is said to be good and can be said to be bad if the opposite occurs. (Tarigan & Sinaga, 2022). 4. Return On Investment (ROI), which is to make a comparison between net income and total assets. If the percentage from year to year has increased and it can be said to be bad if the opposite happens. Shown in Figure 3. is the calculation formula from a financial perspective.

Calculation Formula from a Financial Perspective

Financial Perspective

Current Ratio

The calculation : $\text{Current Assets} / \text{Current Debt} \times 100\%$

Profit Margin

The calculation : $\text{Net Profit} / \text{Sales} \times 100\%$

Operating Ratio

The calculation : $\text{Operating Expenses} / \text{Sales} \times 100\%$

Return On Investment

The calculation : $\text{Net Income} / \text{Total Assets} \times 100\%$

Figure 3. Illustrates the calculation of the Balance Scorecard from a financial perspective

The explanation of Figure 3 is that the calculation can be said to be good if the percentage from year to year increases and can be said to be bad if the opposite happens.

Source: Author (Tarigan & Sinaga, 2022)

2. *The Customer Perspective* illustrates that a product or service will have value from consumers if the benefits have a relative value higher than the sacrifice that has been incurred by the consumer concerned when obtaining the goods or services. This can be calculated based on the grouping in terms of measurement, namely by using 1. The first group with core measurements consists of 5 benchmarks used, including: market share, customer retention, customer acquisition, customer satisfaction and customer profitability, while the second 2. The second group with core value measurements consists of 4 benchmarks, namely product or service attributes, relationships with consumers, product image and reputation. (Tarigan & Sinaga, 2022). The calculation method is to compare the number of new customers with the number of existing customers, (Andika et al., 2021) If the percentage increases, the result is said to be good, the result will be bad otherwise. Shown in Figure 4. is the calculation formula from a customer perspective.

Calculation Formula from Customer Perspective

Customer Perspective

Number of Customers

The calculation : $\text{Number of New Consumers} / \text{Total Consumers} \times 100\%$

Figure 4. Illustrates the calculation of the Balance Scorecard from a Customer perspective

The explanation of Figure 4 is that the value is said to be good if the percentage number increases when compared to the previous period, but the results will be bad if the opposite is true.

Source: Author (Andika et al., 2021)

3. *The Internal Business Process Perspective* has a function to display the level of expertise of employees to solve problems within the company and part of a good view based on consumer glasses has an impact on increasing consumer confidence in the company. (Andika et al., 2021). The score value can be calculated from the ratio of damaged goods to incoming goods. Shown in Figure 5. is the calculation formula from the perspective of internal business processes.

Calculation Formula from the Internal Business Process Perspective

Internal Business Process Perspective

Number of Damaged Items

The calculation : $\text{Number of Damaged Goods} / \text{Number of Goods Entered} \times 100\%$

Figure 5. Illustrating the calculation of the Balance Scorecard from the perspective of Internal Business Processes

The explanation in Figure 4 is that the value is considered good if there are few damaged goods, but the value is bad if it is the opposite.

Source: Author (Andika et al., 2021)

4. *The Learning and Growth perspective* shows the level of input with the aim of making the company have improved performance. (Andika et al., 2021). In this perspective, there are three factors that must be considered, namely 1. Information System Capability, 2. Employee Ability and Motivation, 3. Empowerment and equalization. (Erna Soeseny et al., 2021). Score can be calculated by the employee turnover rate in the company. Which ideally is no more than 10%. (*Turnover Karyawan Yang Ideal*, n.d.). Shown in Figure 6. is the calculation formula from a learning and growth perspective.

Figure 6. Calculation Formula from Learning and Growth Perspective

Learning and Growth Perspective

Maximum Employee Turn Over 10%

The calculation : $\text{Number of Employees Out} / \text{Total Employees} \times 100\%$

Figure 6. Illustrates the calculation of the Balance Scorecard from the perspective of Learning and growth

The explanation of Figure 6 is that the value is said to be good if the number of employee turnovers does not exceed 10% of the total employees owned by the company, ideally calculated once a year.

Source: Author (Andika et al., 2021) & (Turnover Karyawan Yang Ideal, n.d.)

V. DISCUSSION

The relationship of the 4 perspectives previously described each plays an important role in the calculation of the balance scorecard. Seen in Figure 7. is a picture of the balance scorecard perspective as a whole. In terms of (learning and growth perspective) the start of a strategy to increase productivity and also employee commitment, if this perspective increases, then the quality of customer service will increase (internal business process perspective) due to the effect of productivity and commitment from employees, then consumers will feel satisfied with the services provided by employees (customer perspective) and this will affect the increase in sales which has an effect on the company's finances (financial perspective). (Tarigan & Sinaga, 2022). Companies that implement their activities based on the Balance Scorecard have a great influence on the development of the company's business. It can be seen in Figure 8, the implementation of the Balance Scorecard can categorize the concept of perspective in accordance with the company's strategic objectives. from the results of this implementation, a framework based on the Balance Scorecard can then be made, which can be seen in Figure 9. The framework of the balance scorecard that can affect the company's performance assessment. So it can be explained that the balance scorecard is very necessary in accordance with the function of the Balance Scorecard, namely to assess the company's performance and have interrelationships with each other in the company's business continuity regarding the company's performance assessment.

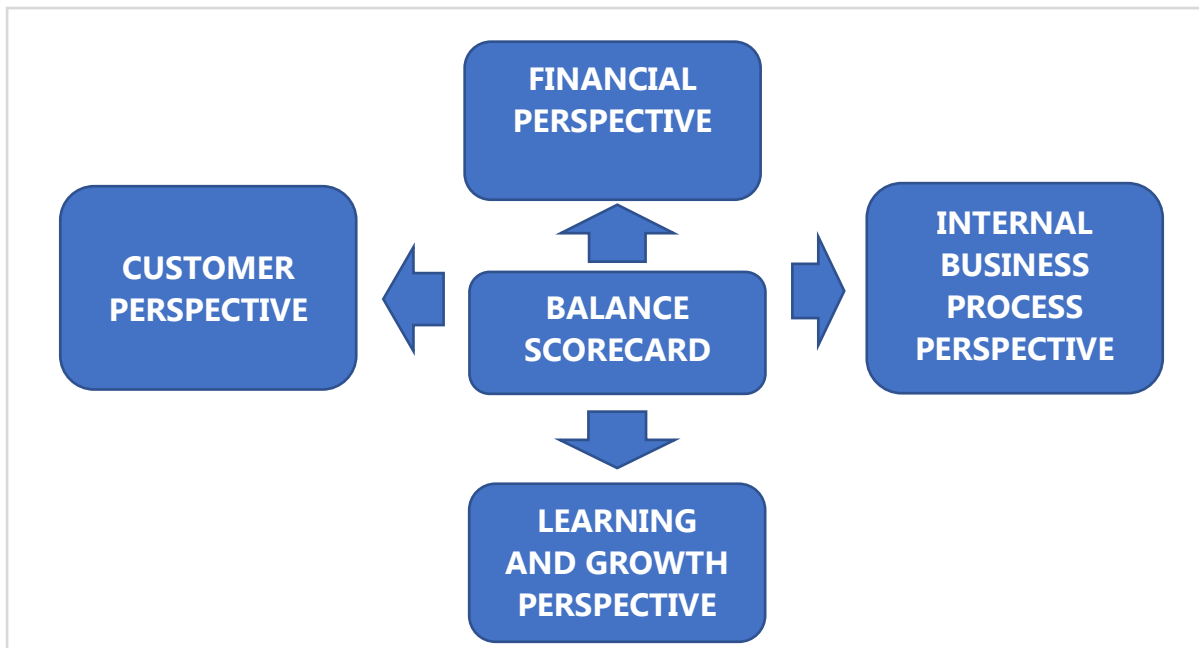
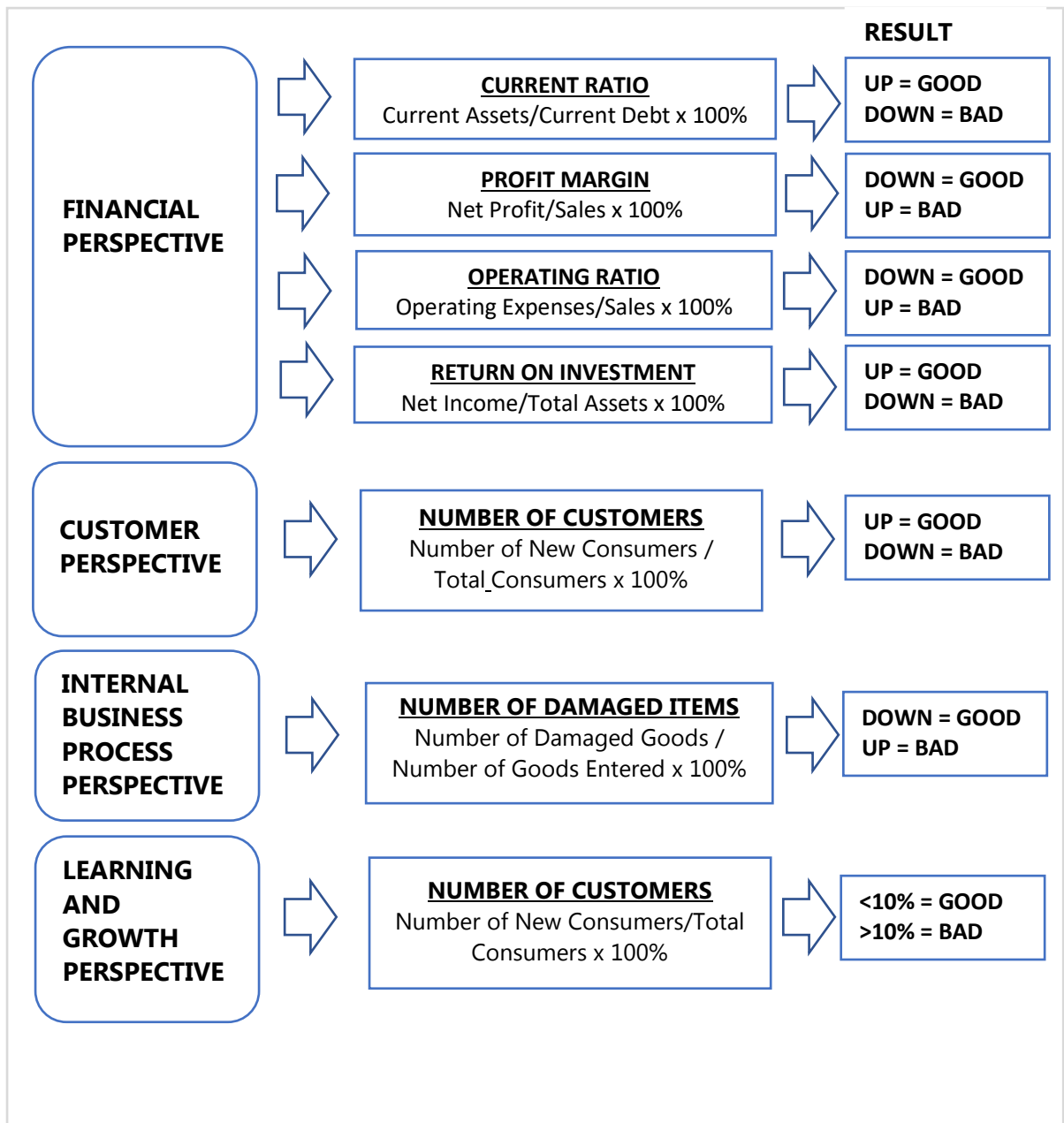


Figure 7. Depicting the Balance Scorecard Perspectives

Figure 7 explains that the balance scorecard system can be measured using 4 perspectives, namely finance, customers, internal business processes, learning and growth.

Source: Author (Tarigan & Sinaga, 2022)

The conclusion of this journal is that the function of the balance scorecard is as a tool to measure company performance using 4 perspectives, namely finance, customers, internal business processes, learning and growth by taking the first steps of collecting the necessary data, secondly identifying data, thirdly compiling data, fourthly setting goals to be achieved. Before implementing the Balance Scorecard, it is necessary to divide the categories of the four perspectives, namely finance, customers, internal business processes, learning and growth. After mapping the next perspective, implement the Balance Score card. Can be seen in Figure 8. The implementation of the balance scorecard with its calculation mechanism based on the four Balance Scorecard perspectives below. From all that has been explained previously, a Balance Scorecard framework can be obtained which is generated by the implementation of the Balance Scorecard, which can be seen in Figure 9.



value based on the results obtained from four perspectives, namely finance, customers, internal business processes, learning and growth.

Source: Author (Nofiyanti, 2024)

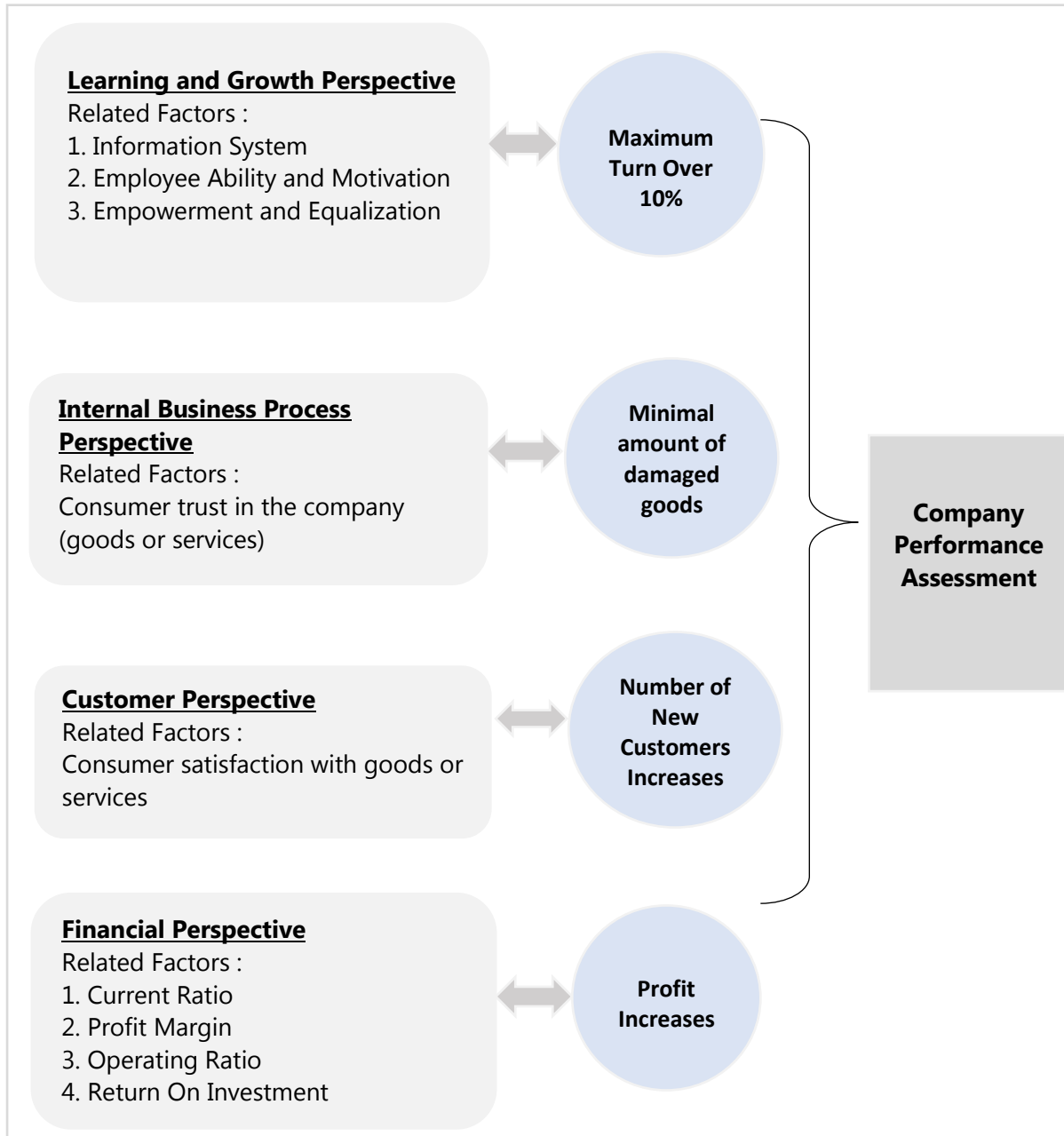


Figure 9. Describes the Balance Scorecard Framework that affects the company's performance assessment.

The explanation of Figure 9 is that by implementing a balance scorecard, the company will be able to assess the company's business performance effectively and efficiently.

Source: Author (Nofiyanti, 2024)

REFERENCE

- Andika, I. A., Chandra, I. C., & Mario, S. (2021). Analisis Balance Scorecard Sebagai Alat Pengukuran Kinerja Perusahaan X. *Inaque : Journal of Industrial and Quality Engineering*, 9(2), 109–117. <https://doi.org/10.34010/iqe.v9i2.4319>
- Anggi Mayasari Lubis, Dini Azlina Pane, & Putria Nurjanah. (2022). ANALISIS BALANCED SCORECARD SEBAGAI ALAT PENGUKUR KINERJA PERUSAHAAN (Studi Kasus pada PT Toyota Astra Motor). *Trending: Jurnal Manajemen Dan Ekonomi*, 1(1), 209–228.

- <https://doi.org/10.30640/trending.v1i1.516>
- Balanced Scorecard: Pengertian, Fungsi, dan Contohnya.* (n.d.).
- Balanced Scorecard: Pengertian, Jenis, Fungsi dan Formatnya / DailySocial.id.* (n.d.).
- Current Ratio: Pengertian, Rumus, dan Contoh Hitung Rasio Lancar.* (n.d.).
- Erna Soeseny, R., Rizal Yahya, M., Haridhi, M., Studi Akuntansi, P., & Ekonomi dan Bisnis, F. (2021). Pengaruh Perspektif Pembelajaran Dan Pertumbuhan Terhadap Kinerja Perusahaan Dengan Pendekatan Balanced Scorecard (Studi Kasus Pt Permata Hijau Palm Oleo Kim Ii). *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi (JIMEKA)*, 6(2), 1.
- Fernando, E., & Siagian, P. (2014). Analysis of Security Service Oriented Architecture (SOA) With Access Control Models Dynamic Level. *The 1st International Conference on Computer Science and Engineering 2014*, 9–12.
- Fuada, N. (2020). Menilai Kinerja Perusahaan Dengan Pendekatan Balanced Scorecard. *PARADOKS: Jurnal Ilmu Ekonomi*, 3(2), 191–199. <https://doi.org/10.33096/paradoks.v3i2.515>
- Galib, M., & Hidayat, M. (2018). Analysis of Company Performance Using the Balanced Scorecard Approach in Bosowa Propertindo. *Seiko Journal of Management Business*, 2(1), 92–112.
- Hamdalah, M. R., Muhammad, K., & Safitri, T. anis. (2021). Analisis Kinerja Perusahaan Sebagai Upaya Meningkatkan Kinerja Perusahaan Menggunakan Metode Balanced Scorecard (Studi Kasus: PT. XYZ). *Jurnal Pendidikan Dan Teknologi Indonesia*, 1(1), 27–33. <https://doi.org/10.52436/1.jpti.6>
- Ismainar, H., Fitriawati, R., Sinaga, D. S., Hardianti, T., & ... (2024). *Manajemen Kinerja Berbasis Balanced Scorecard.*
- Jurnal Inovasi Global. (2024). *Jurnal Inovasi Global*, 2(3), 543–551.
- Net Profit Margin Adalah: Pengertian, Rumus, dan Strateginya - GreatNusa.* (n.d.).
- Pengertian BSC.* (n.d.).
- Pradipto, M. (2020). Pengukuran Kinerja Dengan Pendekatan Balanced Scorecard Pada Perusahaan Ekspedisi PT. CY. *Jurnal Optimasi Teknik Industri (JOTI)*, 2(1), 43. <https://doi.org/10.30998/joti.v2i1.3758>
- Purnamasari, I., & Fitriani, R. (2023). Penggunaan Metode Balanced Scorecard untuk Analisis Kinerja Perusahaan. *Jurnal Serambi Engineering*, 8(3), 6316–6322. <https://doi.org/10.32672/jse.v8i3.6159>
- Sari, P. P. (2018). *Balanced Scorecard Paper.* 1–2.
- Sipayung, F. (2009). Balanced Scorecard: Pengukuran Kinerja Perusahaan dan Sistem Manajemen Strategis. *Jurnal Manajemen Bisnis*, 2(1), 7–14.
- Tarigan, W. J., & Sinaga, M. H. (2022). Analisis Pengukuran Kinerja Untuk Mengevaluasi Perencanaan Strategis Dengan Menggunakan Balance Scorecard. *Owner*, 6(2), 1194–1207. <https://doi.org/10.33395/owner.v6i2.688>
- Turnover Karyawan yang Ideal.* (n.d.).