ABSTRACT

INDUSTRY PERFORMANCE MEASUREMENT USING THE BALANCED SCORECARD (CASE STUDY: KNITTING INDUSTRIAL CENTER BINONG JATI)

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Knitting Industrial Center Binong Jati is one of the potential industrial centers in Bandung city that consisting of knitting entrepreneurs who cultivate their own business at home (home industry). However, because of the international competition into Indonesian, knit industry drastically dropped, this can be seen from the demand for customers reduced who has resulted in internal competition between employers knit Binong Jati in order to protect their business respectively.

Performance measurement industry using Balanced Scorecard (BSC) started with the TOWS analysis that aims to determine the current position of the industry. Furthermore identified targets industrial strategy based on four perspectives in Balanced Scorecard. Strategy maps designed to connect the possible strategic and then done the performance indicator as options to design industrial performance measures called Key Performance Indicators.

Data processing done by implementing questionnaires and directly interview to the knit entrepreneurs Binong Jati and each customers. Obtained data then converted into a target strategy which further strategy maps made for connecting target strategies that appropriate to cause and effect relation from each perspectives. The target strategy specifically emphasis production costs and increase revenue is the main targets of Knitting Industrial Center Binong Jati and the KPI is cost of production decreased 25 percent and profit growth increased 80 percent.

The result of the case study stated that knit industry is in a position where knit industry should change the strategy that had been applied previously to the new strategy with the initiative strategy which obtained from each KPI that can increase the potential knit industry in order to grow and develop to industrial purpose.

Keywords: TOWS, Balanced Scorecard (BSC), Key Performance Indicator (KPI).