



Measuring Company Performance: Using The Balanced Scorecard Approach Method

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ABSTRACT

This research aims to look at the company's performance using the balanced scorecard method, which will be measured using a financial perspective, customer perspective, internal business perspective and performance learning and growth perspective, the research method uses a descriptive analysis research method with quantitative descriptive approach, the research results show that the company's performance uses a perspective approach. The higher the financial percentage of the current ratio, the more liquid the financial condition of the research object is, while the company's performance using a customer perspective means that the revenue generating index increases, the service gets better, while the financial performance measured using the customer business method shows that Minimize Error Rate and Rework (MERR) The smaller it is, the smaller the error in the service system. Results of Prime Plaza Hotel Purwakarta in 2021 using a balanced scorecard for the Learning and Growth perspective, Prime Plaza Hotel Purwakarta got a meaning Fair/Average.

Keywords: company performance, balanced scorecard, current ratio, revenue generating index, minimize error rate and rework.

INTRODUCTION

This research was conducted due to the increasing need for organizations to evaluate their performance holistically. Traditionally, performance measurement focuses primarily on financial metrics, which provide a limited view of a company's overall health and its future growth potential. The Balanced Scorecard method offers a more comprehensive approach by integrating financial and non-financial indicators. This method allows companies to measure performance not only through financial results but also through customer satisfaction, internal business processes, and learning and growth. It encourages companies to balance short-term financial goals with long-term sustainability by focusing on customer service, operational efficiency, and employee development. It also helps align company strategy with measurable goals, ensures progress tracking, identifies areas for improvement, and drives sustainable growth. This research is critical to understanding how companies can achieve balanced success by integrating financial performance with other critical business dimensions.

The business world in 2020 has been a gloomy year for almost all businesses in Indonesia, due to the COVID-19 pandemic which has rocked the world, including offices, manufacturing, including the tourism and hotel industries. Prime Plaza Hotel Purwakarta, like other hotels throughout Indonesia and even the world, was also affected. There are social restrictions, lockdowns, work from home, this has a direct impact on room occupancy at Prime Plaza Hotel Purwakarta. One of the impacts experienced was a significant decrease in guest visits. From the annual data produced by the company, there is a decrease in the number of residences, where in 2019 occupancy was 28,011 rooms, while in 2020 there were 24,524 rooms. From this data, room occupancy decreased by 3,487 rooms or 12%.

Covid pandemic-19 has not only had an impact on decreasing the number of domestic and foreign tourists coming to West Java, the Covid-19 pandemic has also resulted in the number of hotel room sales decreasing. Below is presented room sales data from 2018 to 2021 for the Purwakarta - Karawang area and the number of tourist visits to West Java. (Market Share 2018-2021)

Table 1.1 Available Rooms and Rooms Sold Hotel Purwakarta-Karawang

Year	Available Rooms	Rooms Sold	% Occ
2018	634,005	294,345	46.43 %
2019	679,583	328,369	48.32 %
2020	699,426	190,822	27.28 %
2021	691,813	193,839	28.02 %

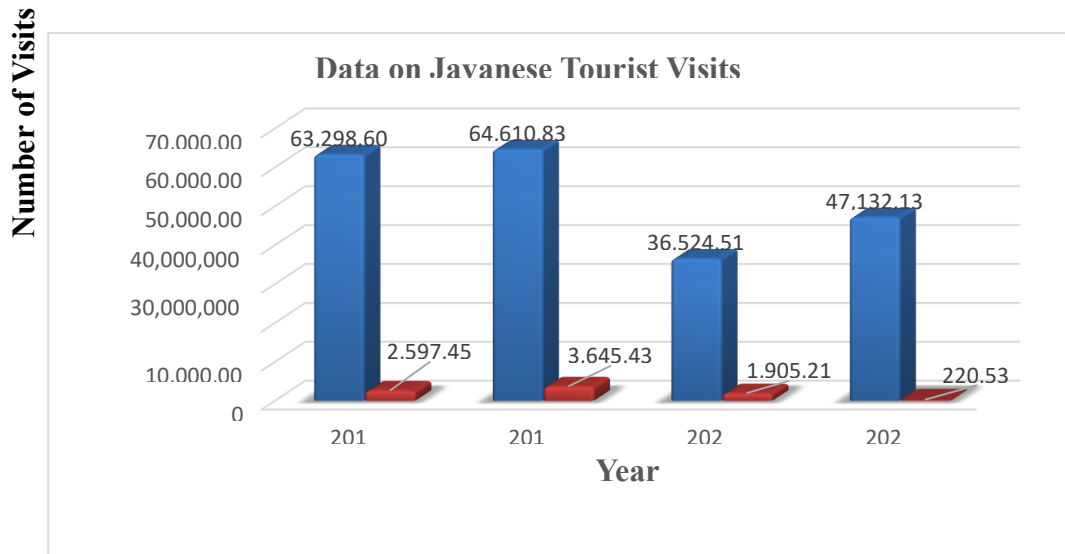
Source: Market share 2018-2021

Table 1.2 West Java Tourist Visit Data

Type Traveler	2018	2019	2020	2021
Domestic	63,298,608	64,610,832	36,524,515	47,132,138
Abroad	2,597,455	3,645,433	1,905,213	220,531
Total Visit	65,896,063	68,256,265	38,429,728	47,352,669

Source: Central Statistics Agency 2018-2021

Graph 1.1 West Java Tourist Visit Data



Source: Central Statistics Agency 2018-2021

This data shows that there was an increase in domestic and foreign tourist visits to West Java from 2018-2019, and in 2020 domestic and foreign tourist visits experienced a significant decline due to the Covid-19 pandemic. but it has gradually improved in 2021. In 2021 the government has recommended regular vaccination in Indonesia. This is one of the factors driving the revival of tourism in West Java in particular. The following is Market Share data in 2021:

Table 1.3
Market Share Year 2021

Hotel	Available	Rooms Sold	% Occ	Position % Occ
Prime Plaza Hotel Purwakarta	68,255	26,337	38.59 %	1
Harper	48,180	17,089	35.47 %	2
Resinda	91,250	31,852	34.91 %	3
Mercure	88,330	28,556	32.33 %	4
Swiss Bell In	59,268	18,729	31.60 %	5
Novotel	62,780	19,012	30.28%	6
Batiqa	50,005	15,078	30.15%	7
Brits	54,750	15,132	27.64 %	8
Delonix	74,825	10,487	14.02 %	9
Asialink Premier	94,170	11,567	12.28 %	10
Total	691,813	193,839	28.02	

Source: Night audit report 2021

From this data, hotel competition in the city of Purwakarta - Karawang is quite tight, as can be seen from the achievement of occupancy in 2021 rankings

one to five, only a difference of around seven percent. The data shows that the hotel business in Purwakarta City is starting to revive during this pandemic.

Setiawan, Arif., Rachman, Andry argue that measuring performance if only relying on financial measures alone is not enough to conclude whether a company's performance is good or not, non-financial conditions related to the company's internal management have a significant influence on company profits, one of which is related to customer satisfaction and employee loyalty in a company.¹

Prime Plaza Hotel Purwakarta still uses traditional performance assessment, which only refers to the financial sector, revenue achievement and profit achievement are the main determinants of a performance assessment. The Balanced Scorecard describes a balance between short-term and long-term goals, between financial and non-financial measures, between lagging indicators and leading indicators. The Balanced Scorecard is comprehensive enough to motivate executives to realize performance in these four perspectives, so that the resulting financial success is sustainable. With increasingly complex business developments, performance assessment should be more widespread, not only assessed from the financial sector alone. So far there is no method that is considered appropriate by management in assessing their performance which is expected to be an appropriate tool that helps the company in the decision making process.

Stated that the current BSC can be a trigger for a general manager (GM) to change business strategy, previously the GM would react when the business had entered the red zone. If the zone has entered the yellow zone, GM will change the strategy before the red zone, for example considering a situation where Revpar decreases because the holiday period ends earlier than predicted, then GM will make changes to the marketing system from initially advertising in business newspapers to travel magazines. When the GM cannot change the budget then he can make adjustments that can cause significant changes in the future.²

With increasing global competition in the hotel industry, hotels have to think return performance measurements that support the vision and mission, resources, company culture and environment, which are customer oriented. Hotels can achieve organizational goals efficiently and prioritize actions by incorporating effective performance management.³ Over the last few decades several approaches have emerged in terms of selecting optimal financial and non-financial performance measures to achieve superior quality and better results.

¹ Arif Setiawan and Andry Arifian Rachman, "Analysis of Company Performance Measurement Using the Balanced Scorecard Method," *Journal of Accounting Auditing and Business* 3, no. 1 (January 26, 2020): 82–90.

² Satish Kumar et al., "Balanced Scorecard: Trends, Developments, and Future Directions," *Review of Managerial Science* (Springer Science and Business Media Deutschland GmbH, August 1, 2024).

³ Olena Martynova, "Marketing and Management of Innovations," no. 3 (2018), <http://mmi.fem.sumdu.edu.ua/en>.

The BSC has attracted great interest both in practical use in measuring performance in the hospitality sector and in theory.⁴

One important aspect in maintaining the company's survival is improving the mechanism and formulation of the performance measurement system. Performance measurement is not only viewed from a financial perspective but also non-financial ones such as internal business processes, employee capabilities and commitment. Performance measurement based only on financial performance has weaknesses, namely being unable to adequately present the performance of intangible assets in financial reports, even though the company's property/asset structure is actually dominated by intangible assets which are intellectual assets such as systems, technology, skills, employee entrepreneurship, consumer loyalty, organizational culture, and customer satisfaction. To measure organizational performance in the future, more comprehensive measures are needed, namely the Balanced Scorecard (BSC).⁵

Martha S stated that the Balanced Scorecard (BSC) can be an effective tool for translating an organization's mission and strategy into goals, action plans, and performance measures. Measuring financial performance alone is appropriate to use during the industrial era, but it is not appropriate when organizations face the era of the information technology revolution and the knowledge-based economy era. If you only rely on financial measures alone, it will cause the organization to lag behind and lose direction. This is because financial measures are not sufficient to guide and evaluate an organization's journey through a competitive environment and are measures of past performance based on historical data.⁶

Balanced Scorecard is an alternative contemporary performance measurement coined by David Norton and Robert Kaplan. The Balanced Scorecard is unique in its more comprehensive measurement coverage by considering performance which is measured from not only the financial aspect. More than that, the Balanced Scorecard is not just a combination of financial and non-financial performance elements, but is more of an effort to improve the company's vision, mission and strategy in implementing a performance measurement system.⁷

⁴ Erik G. Hansen and Stefan Schaltegger, "The Sustainability Balanced Scorecard: A Systematic Review of Architectures," *Journal of Business Ethics* 133, no. 2 (January 1, 2016): 193–221.

⁵ Erik G. Hansen and Stefan Schaltegger, "Sustainability Balanced Scorecards and Their Architectures: Irrelevant or Misunderstood?," *Journal of Business Ethics* 150, no. 4 (July 1, 2018): 937–952.

⁶ Katia Corsi and Brunella Arru, "Role and Implementation of Sustainability Management Control Tools: Critical Aspects in the Italian Context," *Accounting, Auditing and Accountability Journal* 34, no. 9 (September 22, 2020): 29–56.

⁷ Suaad Jassem, Zarina Zakaria, and Anna Che Azmi, "Sustainability Balanced Scorecard Architecture and Environmental Performance Outcomes: A Systematic Review," *International Journal of Productivity and Performance Management* 71, no. 5 (May 6, 2022): 1728–1760.

The Balanced Scorecard model which consists of four perspectives (financial, customer, internal process, learning and growth) directs hotels to improve employee performance ⁸.

Hotel organizations with greater levels of transformational leadership show increased learning capacity. In hotel organizations with high levels of empowerment, learning capacity increases. Hotel organizations with a greater orientation towards learning show higher levels of efficiency in the adaptation of the Balanced Scorecard.⁹

For each strategic target, there are indicators in each strategic target which are used as key performance indicators (KPI), namely to increase profits with the Net Profit Margin (NPM) indicator, to increase the ability to repay debt with the Current Ratio and Quick Ratio indicators, and to optimize asset use with Asset Turn Over (ATO) and Return of Asset (ROA) indicators. For the customer perspective, the strategic target of increasing customer satisfaction is the customer satisfaction index, and increasing market share is market share and customer growth. From an internal business perspective, the strategic target of improving service quality is service cycle efficiency (SCE), and improving company quality is company certification. For the growth and learning perspective, the company's strategic target is to increase employee motivation with indicators, namely the employee satisfaction index and the percentage of new employee training.

The research on "*Measuring Company Performance: Using The Balanced Scorecard Approach Method*" addresses a critical gap in traditional performance evaluation methods, which have predominantly focused on financial metrics. These conventional methods often overlook essential non-financial factors such as customer satisfaction, internal processes, and employee development, which are key drivers of long-term success. This gap highlights the need for a more comprehensive approach that captures both financial and non-financial performance indicators. The Balanced Scorecard (BSC) approach fills this gap by providing a multidimensional framework that integrates financial performance with customer perspectives, internal business processes, and learning and growth.

The novelty of this research lies in its application of the BSC method to assess company performance more holistically, ensuring that organizations do not merely focus on short-term profits but also on long-term sustainability and strategic alignment. The BSC's ability to translate a company's vision and strategy into actionable goals across multiple dimensions makes it a modern and innovative tool in performance management. This research also explores how the BSC can be adapted to various industries, contributing fresh insights into its flexibility and effectiveness in different organizational contexts. Through this approach, the study advances the understanding of performance measurement,

⁸ Suaad Jassem. Sustainability Balanced Scorecard...

⁹ Patrícia Quesado et al., "The Balanced Scorecard as a Strategic Management Tool in the Textile Sector," *Administrative Sciences* 12, no. 1 (March 1, 2022).

providing a balanced and forward-looking method that traditional financial metrics cannot offer alone.

METHODS

This research is descriptive analysis research with a qualitative and quantitative approach. Qualitative analysis is carried out to describe the research results in detail which will provide a factual and accurate picture of the research results, while quantitative analysis in this research is carried out through calculating the numbers in each balanced scorecard perspective to analyze the targets that have been set and their achievements.

Analytical descriptive according to Sugiyono namely a method that functions to describe or provide an overview of an object being studied through data or samples that have been collected as they are without carrying out analysis to make conclusions that apply to the general public ¹⁰.

Quantitative data This research includes financial reports such as sales reports and monthly reports. Qualitative data, namely data consisting of a collection of non-numerical data which is descriptive in nature including company history, organizational structure, description of market share, service processes and innovation processes.

Company Performance Financial Perspective

States that there are four perspective sub-goals that can trigger the company's overall financial performance, namely increasing revenue and margins for existing customers; expanding sales with new customers, products and markets; reducing costs per unit of production of products and services; and increasing asset utilization ¹¹.

Examples of financial performance measures commonly used in the hotel industry include: operating income, return on investment (ROI), operating margin, revenue and costs compared against budget, revenue per available room and revenue growth.¹²

In this research, the financial perspective performance used is the current ratio, department profit (loss), operating income ratio, operating ratio.

H1: Company performance shows that the current ratio is increasing, the more liquid it is

Customer Perspective Company Performance

According to ¹³ customer perspective in measurement with BSC can be measured by customer satisfaction, customer retention, customer acquisition, customer profitability, market share, and account share. Meanwhile, according

¹⁰ Sugiyono, *Metode Penelitian Kuantitatif* (Bandung: Alfabeta, 2022).

¹¹ Atkinson, *Akuntansi Manajemen Jilid II* (Jakarta: PT. Indeks, 2012).

¹² Adel Samir Elmetwaly, Neveen Mohamed Mansour, and Mohamed Essawy, "Evaluation of Balanced Scorecard Practices and Their Impacts on Employees' Performance in Hotels," *African Journal of Hospitality, Tourism and Leisure* 11, no. 3 (2022): 1008-1019.

¹³ Atkinson, *Akuntansi Manajemen Jilid II*.

to¹⁴,¹⁵in¹⁶ customer perspective measures include customer satisfaction, customer acquisition, guest retention, and market share.

The performance perspective in this research assesses performance from the customer perspective. In this research the author uses MPI (Market Penetration Index), RGI (Revenue Generating Index), ARI (Average Rate Index) benchmarks.

H2: Company performance shows that as the Revenue Generating Index increases, the service gets better

Company Performance Internal Business Process Perspective

According to ¹⁷ process perspective identifies success-determining operations, customer management processes, innovation, as well as social rules and processes that must be implemented by the organization well in order to achieve customer goals, revenue growth and profitability. Meanwhile, according to¹⁸ in¹⁹ examples of internal process perspective measures are new product/service development, identified markets, productivity levels, increased innovation, service error rates, culture of trust, shared value theory, physical asset maintenance, knowledge sharing and customer complaint responses.

Considering the internal business process aspects, it is assumed that the innovation process is a process of identifying community needs and creating products or services to meet community needs, so that companies are able to survive and even develop if they carry out the innovation function, but this is the most important thing and must be implemented in every organization. is a process that works to process input into good output.

Stated that the way to measure the internal business process perspective is to use indicators: Minimize Error Rate and Rework (MERR), agreements with Third Parties (Partners with Third Party Providers), Service processes, and innovation. The total measures used in this research are Minimize Error Rate and Rework (MERR), agreements with Third Parties (Partners with Third Party Providers), post-sales service processes, and innovation.²⁰

¹⁴ Funda Gazi, Tarık Atan, and Mahmut Kılıç, "The Assessment of Internal Indicators on The Balanced Scorecard Measures of Sustainability," *Sustainability (Switzerland)* 14, no. 14 (July 1, 2022).

¹⁵ Susanna Falle et al., "Sustainability Management with the Sustainability Balanced Scorecard in SMEs: Findings from an Austrian Case Study," *Sustainability (Switzerland)* 8, no. 6 (June 10, 2016).

¹⁶ Elmetwaly, Mansour, and Essawy, "Evaluation of Balanced Scorecard Practices and Their Impacts on Employees' Performance in Hotels."

¹⁷ Atkinson, *Akuntansi Manajemen Jilid II*.

¹⁸ Corsi and Arru, "Role and Implementation of Sustainability Management Control Tools: Critical Aspects in the Italian Context."

¹⁹ Elmetwaly, Mansour, and Essawy, "Evaluation of Balanced Scorecard Practices and Their Impacts on Employees' Performance in Hotels."

²⁰ Chiara Mio, Antonio Costantini, and Silvia Panfilo, "Performance Measurement Tools for Sustainable Business: A Systematic Literature Review on the Sustainability Balanced Scorecard Use," *Corporate Social Responsibility and Environmental Management* 29, no. 2 (March 1, 2022): 367–384.

H3: Company performance shows that Minimize Error Rate and Rework (MERR) The smaller it is, the smaller the error in the service system.

Performance Learning and Growth Perspective

Atkinson ²¹argue that learning and growth emphasizes employee skills and abilities, technology, and organizational integration which will trigger improvements in a number of processes that determine success in learning and growth. Meanwhile, according to Atefa and Baladi ²² argue that, the learning and growth perspective is classified into two categories: employee capabilities (skills, training, and knowledge) and information system quality (systems, databases, and networks). ²³ Learning and growth perspective indicators of employee capability, technical information system capability and data analysis, employee retention.

H4: Performance Learning and Growth Perspective that Performance Measurement of Prime Plaza Hotel Purwakarta in 2021 using a balanced scorecard for the performance learning and growth perspective. Prime Plaza Hotel Purwakarta got a meaning Fair/Average.

RESULTS AND DISCUSSION

1. Company Performance Financial Perspective

Based on the results of the research calculations above, the following are the results of the Formulation, Weights, Standards and Standard Values of the Current Ratio Indicator.

Table 1.4. Formulation, Weights, Standards and Standard Values of the Current Ratio Indicator

Current Ratio Indicator Formulation	Weight	Standard	Standard Value
$\text{Current Ratio} = \frac{\text{Current asset}}{\text{(Current liabilities)}} \times 100\%$	0.075	≥ 100 (%)	5
		>70 ≤ 100 (%)	4
		>30 ≤ 70 (%)	3
		>10 ≤ 30 (%)	2
		> 10 (%)	1

Source: Data processed in 2023

Table 1.5. Current Ratio (%) on Prime Plaza Hotel Purwakarta

Year	2021
Current Ratio (%)	39%

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that in 2021 the Current Ratio is 0.39, meaning that for every 1 rupiah of short-term liabilities,

²¹ Atkinson, *Akuntansi Manajemen Jilid II*.

²² Elmetwaly, Mansour, and Essawy, "Evaluation of Balanced Scorecard Practices and Their Impacts on Employees' Performance in Hotels."

²³ Ibid.

Prime Plaza Hotel Purwakarta has the ability to pay 0.39 times the current assets. as a general rule, the higher *current ratio*, the more liquid the company's assets are, and the more capable the company is of paying its current liabilities.

The results of this research have similar results to research conducted by ²⁴. The research results confirm the importance of using non-financial indicators and determining the obstacles that hinder the use of non-financial indicators. Meanwhile research ²⁵

Other research that discusses the balanced score card has fundamental differences, such as research conducted ²⁶. By using the Balanced Scorecard model, a company can identify its advantages,

As well as its shortcomings, and thereby improve its business. ²⁷

Table 1.6. Formulation, Weights, Standards and Standard Values of Department Profit/Loss Indicators

Formulation of Departmental Profit & Loss Indicators	Weight	Standard	Standard Value
<i>Department Profit /Loss</i>	0.075	≥ 65%	5
		> 50% ≤ 65%	4
		> 40% ≤ 50%	3
		> 30% ≤ 40%	2
		> 30%	1

Source: Data processed in 2023

Table 1.7. *Department Profit/Loss* at Prime Plaza Hotel Purwakarta in 2021

Year	2021
<i>Department Profit/Loss</i>	60.4%

Source: Data processed in 2023

Department Profit/Loss is the difference between all departmental sales (Room Department, Food & Beverage Department, & Other income) with the

²⁴ Eva Benková et al., "Factors Affecting the Use of Balanced Scorecard in Measuring Company Performance," *Sustainability (Switzerland)* 12, no. 3 (February 1, 2020).

²⁵ Quesado et al., "The Balanced Scorecard as a Strategic Management Tool in the Textile Sector."

²⁶ H.I.B. Saraiva and M.C.G. Alves, "The Use of the Balanced Scorecard in Portugal: Evolution and Effects on Management Changes in Portuguese Large Companies," *Tékhné* 13, no. 2 (July 2015): 82-94.

²⁷ Vanya Banabakova and Marin Georgiev, *THE ROLE OF THE BALANCED SCORECARD AS A TOOL OF STRATEGIC MANAGEMENT AND CONTROL*, *IJASOS-International E-Journal of Advances in Social Sciences*, vol. IV, 2018, <http://ijasos.ocerintjournals.org>.

basic price and costs incurred, in that department, operational costs that are not distributed or by business units are called Undistributed Operating Expenses or Overhead Expenses, namely costs that are not distributed to the departments that produce sales, but are absorbed by the departments concerned. For example, costs incurred in the Administration & General Department (Marketing Costs, Property Operation and Maintenance Costs and Energy or abbreviated as POMEK (Property Operation and Maintenance, Energy Cost).Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Department Profit/Loss* amounting to 60.4%.²⁸

Table 1.8. Formulation, Weights, Standards and Standard Values of the Operating Income Ratio Indicator

Formulation of the Operating Income Ratio Indicator	Weight	Standard	Standard Value
$\text{Operating Income Ratio} = \frac{\text{Gross Operation Profit (GOP)}}{\text{Nett Revenue}} \times 100\%$	0.075	≥ 40 (%)	5
		30 ≤ 40 (%)	4
		20 ≤ 30 (%)	3
		10 ≤ 20 (%)	2
		< 10 (%)	1

Source: Data processed in 2023

Table 1.9. *Operating Income Ratio* Prime Plaza Hotel Purwakarta in 2021

Year	2021
<i>Operating Income Ratio</i> (%)	9.8%

Source: Data processed in 2023

Operating Income Ratio(%) is calculations obtained from *Department Profit/Loss* accompanied by deductions from groups of costs that are not distributed to departments, but will appear in the consolidated financial statements, which include: general and administration costs, marketing costs, property operations, maintenance, and Energy Cost or known as POMEK, this cost in hotel reporting is referred to as Department Overhead. Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Operating Income Ratio*(%) amounted to 9.8% ²⁹.

²⁸ Zeynep Tuğçe Kalender and Özalp Vayvay, "The Fifth Pillar of the Balanced Scorecard: Sustainability," *Procedia - Social and Behavioral Sciences* 235 (November 2016): 76–83.

²⁹ Mio, Costantini, and Panfilo, "Performance Measurement Tools for Sustainable Business: A Systematic Literature Review on the Sustainability Balanced Scorecard Use."

Table 1.10. *Formulation, Weights, Standards and Standard Values of Operating Ratio Indicators*

Formulation of Operating Ratio Indicators	Weight	Standard	Standard Value
$\text{Operating Ratio} = \frac{\text{Cost Of sales} + \text{Other Expenses} + \text{Overhead Expenses}}{\text{Nett Revenue}} \times 100\%$	0.075	≤ 50 (%)	5
		70 ≤ 60 (%)	4
		80 ≤ 70 (%)	3
		90 ≤ 80 (%)	2
		≤ 90 (%)	1

Source: Data processed in 2023

Table 1.11. *Operating Ratio on Prime Plaza Hotel Purwakarta in 2021*

Year	2021
<i>Operating Ratio</i> (%)	90.2%

Source: Data processed in 2023

Operating Expenses are costs that are not distributed to the departments that produce sales, but are absorbed by the departments concerned. For example, costs incurred in the Administration & General Department (Marketing Costs, Property Operation and Maintenance Costs and Energy or abbreviated as POMEK (Property Operation and Maintenance, Energy Cost).³⁰Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Operating Ratio*(%) of 90.2%.

2. Company Performance Customer Perspective

From the results of the calculations above, the following are calculations based on standard weights from the customer's perspective:

Table 1.12. *Formulation, Weights, Standards and Standard Values of the Market Penetration Index (MPI) Indicator*

Market Penetration Index (MPI) Indicator Formulation	Weight	Standard	Standard Value
$\text{MPI} = \frac{\% \text{ Actual Market Share}}{\% \text{ Fair Market Share}}$	0.05	≥ 100 (%)	5
		80 ≥ 100 (%)	4
		60 ≥ 80 (%)	3
		40 ≥ 60 (%)	2
		< 30 (%)	1

Source: Data processed in 2023

Table 1.13. *Market Penetration Index (MPI) at Prime Plaza Hotel Purwakarta in 2021*

Year	2021
<i>Market Penetration Index</i> (MPI)	138%

³⁰ Gazi, Atan, and Kılıç, "The Assessment of Internal Indicators on The Balanced Scorecard Measures of Sustainability."

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Market Penetration Index* (MPI) amounting to 138%, meaning that guests already trust the hotel and it is the main choice in determining hotel accommodation in the city of Purwakarta.

Table 1.14. Formulation, Weights, Standards and Standard Values of Revenue Generating Index (RGI) Indicators

Formulation of Revenue Generating Index (RGI) Indicators	Weight	Standard	Standard Value
$RGI = \frac{\text{Hotel RevPAR}}{\text{Market RevPAR}} \times 100\%$	0.05	≥ 100 (%)	5
		80 ≥ 100 (%)	4
		60 ≥ 80 (%)	3
		40 ≥ 60 (%)	2
		< 40 (%)	1

Source: Data processed in 2023

Table 1.15. *Revenue Generating Index*(RGI) at Prime Plaza Hotel Purwakarta in 2021

Year	2021
<i>Revenue Generating Index</i> (RGI) (%)	124%

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Revenue Generating Index* (RGI) amounting to 124%, meaning that the revenue absorption in the city of Purwakarta, the Prime Plaza Hotel Purwakarta is very good, guests already believe in the hotel's good service so that guests feel it is worth the money spent.³¹

Table 1.16. Formulation, Weights, Standards and Standard Values of the Average Rate Index (ARI) Indicator

Formulation of the Average Rate Index (ARI) Indicator	Weight	Standard	Standard Value
$ARI = \frac{\text{Average Room Rate}}{\text{Average Room Rate City}} \times 100\%$	0.05	≥ 100 (%)	5
		80 ≥ 100 (%)	4
		60 ≥ 80 (%)	3
		40 ≥ 60 (%)	2
		< 40 (%)	1

³¹ Zdenka Dudic et al., "The Innovativeness and Usage of the Balanced Scorecard Model in SMEs," *Sustainability (Switzerland)* 12, no. 8 (April 1, 2020).

Source: Data processed in 2023

Table 1.17. *Average Rate Index(ARI)at Prime Plaza Hotel Purwakarta in 2021*

Year	2021
<i>Average Rate Index(ARI) (%)</i>	84%

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Average Rate Index(ARI) (%)* amounting to 84%, meaning that price competition in the city of Purwakarta is good, Prime Plaza Hotel Purwakarta maintains room prices and is not tempted by hotel competition by reducing prices to extremes.³²

3. Company Performance Internal Business Process Perspective

From the calculation above, the following is a calculation based on the weight, standard and value of each indicator in the Internal Business Process Perspective:

Table 1.18. *Formulation, Weights, Standards and Standard Values of the Minimize Error Rate and Rework (MERR) Indicator*

Minimize Error Rate Indicator Formulation and Rework (MERR)	Weight	Standard	Standard Value
<i>Minimize Error Rate and Rework (MERR) =</i>		5 ≤ 0 (%)	5
$\frac{\text{Number of Employees Making Mistakes}}{\text{Number of employees}} \times 100\%$	0.05	10 ≤ 5 (%)	4
		15 ≤ 10 (%)	3
		20 ≤ 15 (%)	2
		≤ 20 (%)	1

Source: Data processed in 2023

Table 1.19. *Minimize Error Rate and Rework (MERR)at Prime Plaza Hotel Purwakarta in 2021*

Year	2021
<i>Minimize Error Rate and Rework (MERR)(%)</i>	4.9%

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta gets *Minimize Error Rate and Rework (MERR)(%)* amounting to 4.9%, meaning that Prime Plaza Hotel Purwakarta employees have minimized errors that could affect the hotel's services.³³

³² Falle et al., "Sustainability Management with the Sustainability Balanced Scorecard in SMEs: Findings from an Austrian Case Study."

³³ Benková et al., "Factors Affecting the Use of Balanced Scorecard in Measuring Company Performance."

Tabel 1.20 Formulation, Weights, Standards and Standard Values of Indicators Agreement With Third Parties

Formulation of Agreement Indicators With A Third Party	Weight	Standard	Standard Value
<i>Partner with Third Party Providers</i>	0,05	≥ 10 (Agreement)	5
		$9 \leq 10$ (Agreement)	4
		$7 \leq 8$ (Agreement)	3
		$5 \leq 6$ (Agreement)	2
		≤ 4 (Agreement)	1

Source: Data processed in 2023

Tabel 1.21 Agreement with Third Parties at Prime Plaza Hotel Purwakarta in 2021

Year	2021
<i>Partner with Third Party Providers</i>	11 Agreement

Source: Data processed in 2023

Based on the results of the calculations above for 2021, it shows that Prime Plaza Hotel Purwakarta has obtained agreements with third parties (Partners with Third Party Providers) amounting to 11 agreements/MOUs, meaning that in this case Prime Plaza Hotel Purwakarta is already good in terms of cooperation with third parties, where In general, hotels have more than 10 agreements with third parties.

Tabel 1.22 Formulation, Weights, Standards and Standard Values of Agreement Indicators with the Post-Sales Service Process

Formulation of Post-Sales Service Process Indicators	Weight	Standard	Standard Value
Post-Sales Service Process	0,05	≥ 10 (Service)	5
		$9 \leq 10$ (Service)	4
		$6 \leq 8$ (Service)	3
		$3 \leq 5$ (Service)	2
		≤ 3 (Service)	1

Source: Data processed in 2023

Tabel 1.23 Post-Sales Service Process at Prime Plaza Hotel Purwakarta in 2021

Year	2021
Post-Sales Service Process	6 Service

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta received a Post-Sales Service Process of 6 Services.

Tabel 1.24 Formulation, Weights, Standards and Standard Values of Innovation Indicators

Formulation of Innovation Indicators	Weight	Standard	Standard Value
Innovation	0,05	≥ 12 (Innovation)	5
		9 ≤ 11 (Innovation)	4
		6 ≤ 8 (Innovation)	3
		3 ≤ 5 (Innovation)	2
		≤ 2 (Innovation)	1

Source: Data processed in 2023

Tabel 1.25 Innovations at Prime Plaza Hotel Purwakarta in 2021

Year	2021
Innovation	13 Inovasi

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta has carried out 13 innovations, this is very good considering that in 2021 we are still in a pandemic situation so we really need to be creative in order to survive..

4. Performance Learning and Growth Perspective

From the results of the calculations above, the following are calculations based on standard weights from the Learning and Growth perspective:

Tabel 1.26 Formulation, Weights, Standards and Standard Values of Employee Capability Indicators

Formulation of Employee Capabilities Capability Ratio Indicators	Weight	Standard	Standard Value
Employee Capabilities = $\frac{\text{Total training hours for all employees}}{\text{(Total departments x training targets)}}$	0,05	> 4 (Hours)	5
		>3-4 (Hours)	4
		>2-3 (Hours)	3
		>1-2 (Hours)	2
		> 0 Hours	1

Source: Data processed in 2023

Tabel 1.27 Employee Capabilities at Prime Plaza Hotel Purwakarta in 2021

Year	2021
Employee Capabilities	2.5 Hours

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta, in terms of employee capability, has an average of 2.5 hours of training, both in-house training and external training, this is considered quite good in the range/weight of 3.

Tabel 1.28 Formulation, Weights, Standards and Standard Values of Information System Capability Indicators

Formulation of Information System Capability Ratio Indicators	Weight	Standard	Standard Value
Information System Capabilities	0,05	> 6 (System)	5
		5 ≤ 6 (System)	4
		3 ≤ 4 (System)	3
		1 ≤ 2 (System)	2
		> 1 (System)	1

Source: Data processed in 2023

Tabel 1.29 Information System at Prime Plaza Hotel Purwakarta in 2021

Year	2021
Information System Capabilities	5 System

Source: Data processed in 2023

Based on the calculation results above for 2021, it shows that Prime Plaza Hotel Purwakarta in terms of information system capability has used 5 systems with a standard value of 4, this is good, Prime Plaza Hotel Purwakarta has used a computerized system in hotel operations and avoided manual work.

Tabel 1.30 Formulation, Weights, Standards and Standard Values of Employee Retention Indicators

Retention Ratio Indicator Formulation	Weight	Standard	Standard Value
Employee Retention= $\frac{\text{The number of remaining employees during a certain period}}{\text{(The total number of employees available at the start)}} \times 100 \%$	0,05	> 90 (%)	5
		81 ≤ 90 (%)	4
		71 ≤ 80 (%)	3
		61 ≤ 70 (%)	2
		> 60 (%)	1

Source: Data processed in 2023

Tabel 1.31 Retention at Prime Plaza Hotel Purwakarta in 2021

Year	2021
Retention	88.7%

Source: Data processed in 2023

Based on the calculation results above for 2021, the retention rate of Prime Plaza Hotel Purwakarta is at point 4, which means good, the hotel management is good at retaining its employees.

CONCLUSION

Based on the discussion outlined in the previous chapter, it can be concluded that the performance of Prime Plaza Hotel Purwakarta, using four perspectives which include the financial perspective, customer perspective, internal business process perspective, and Learning and Growth Perspective is as follows:

The performance of Prime Plaza Hotel Purwakarta can be seen from the calculation of formulations, weights, standards and standard values of financial perspective indicators. Current Ratio, Department Profit/Loss, Operating Income Ratio, Operating Ratio, Prime Plaza Hotel Purwakarta in 2021 received an average value of 2.5 when compared with Work Value Qualification, this value is categorized as a Poor qualification, especially for the Operating Income Ratio value which only gets a value of 1 out of the standard value of 5.

The performance of Prime Plaza Hotel Purwakarta can be seen from the calculation of formulations, weights, standards and standard values of customer perspective indicators using several indicators including the Market Penetration Index (MPI), Revenue Generating Index (RGI), Average Rate Index (ARI), showing the average value 4.6 when compared with the Work Value Qualification, this value is categorized as a Perfect/Excellence qualification, this value indicates that Prime Plaza Hotel Purwakarta Purwakarta has become the main choice in terms of hotel accommodation in Purwakarta Regency.

The performance of Prime Plaza Hotel Purwakarta can be seen from the calculation of formulations, weights, standards and standard values of indicators from an internal business process perspective using indicators *Minimize Error Rate and Rework (MERR)*, Third Party (Partner with Third Party Providers), Post Sales Service Process, Innovation shows an average score of 3.5 when compared with the work value qualification, this value is categorized as a Good/Good qualification, Prime Plaza Hotel Purwakarta in 2021 will continue to exist during the pandemic through the innovations made to survive.

Prime Hotel Purwakarta's performance can be seen from the calculation of formulations, weights, standards and standard values of learning and growth perspective using indicators of Employee Capability, Information System Capability, Employee Retention. Prime Hotel Purwakarta in 2021 received an average score of 4 when compared with the Work Value Qualification, this value is categorized as a qualification Perfect/Excellence, Prime Hotel Purwakarta is able to retain employees to continue their career at Prime Hotel Purwakarta, if employee retention is low it can result in reduced service provided to guests, new employees must first adapt to the hotel culture and guest habits, especially repeat guests and loyal guests

Based on the overall performance measurement results of Prime Plaza Hotel Purwakarta in 2021 using a balanced scorecard for the four perspectives studied, Prime Plaza Hotel Purwakarta got a score of 2.90, meaning Fair/Average. This means that the performance of Prime Plaza Hotel Purwakarta is quite good if assessed from an overall average perspective.

Author's Contribution

Nurjanah: Contribute to formulating research ideas, collecting data, processing data, and interpreting data.

Evi Sukaesih: Contributing to writing systematics, research methods.

Andry Arifian Rachman: Contributing to analyzing interpretation results, the language proofread.

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Declaration of Competing Interest

The author declares that there is no conflict of interest.

Ethical Approval

Ethical approval No patient-identifying parts in this paper were used or known to the authors. Therefore, no ethical approval was requested.

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