



TECHNIUM
SOCIAL SCIENCES JOURNAL

www.techniumscience.com



Vol. 73/2025
A New Decade for Social Changes

PLUS
COMMUNICATION P



International
Communication & PR

Balanced Scorecard as a Comprehensive Approach to Assessing Performance in a Valuation Consulting Company

Yumas Ressay Aprilatu^{1*}, Jacinda Nathania Pithendro², Susilo Toto Raharjo³

Management study program, Faculty of Economics and Business, Diponegoro University, Indonesia

*Corresponding Author: yumas@students.undip.ac.id

Abstract. This study focuses on a company engaged in valuation consulting services. Currently, the company's performance evaluation is limited to financial aspects, leading to a short-term profit orientation and overlooking other critical performance dimensions. To address this issue, a comprehensive performance assessment is necessary. This research applies the Balanced Scorecard (BSC) method to evaluate the company's overall performance. Data were collected through observations, interviews, and direct discussions with company personnel. Secondary data, including revenue, project count, and client data over the past five years, was also utilized. Using the Objective Matrix (OMAX) method, the company's overall performance score was calculated at 3.11. This score indicates that while the company has met the minimum performance standards, it has not yet achieved its internal targets. Further analysis using the Objective Matrix and Traffic Light System revealed that out of the evaluated indicators, 2 met the desired standards, 5 were adequate but below target, and 5 remained significantly underperforming. The findings imply that adopting a more balanced and strategic approach to performance management can support long-term growth and operational effectiveness.

Keywords. Balanced Scorecard, Performance Measurement, Valuation Consulting, OMAX, Traffic Light System

1. Introduction

A company's ability to maintain consistent performance is essential to ensuring long-term sustainability and competitiveness (Bari et al., 2022). For companies engaged in asset valuation consulting services, such as the one in this study, the ability to respond to client needs while maintaining internal efficiency is key (Rodriguez et al., 2002). However, based on preliminary findings, the company has not yet adopted a comprehensive performance measurement system. Its focus has been primarily on financial outcomes, leading to a short-term orientation in business strategy and limited insight into operational effectiveness (Lumpkin et al., 2010). This limited perspective is evident in the company's fluctuating revenue over the past five years. In 2020, the company earned approximately 5.16 billion Rupiah, which then declined to around 4.95 billion Rupiah in 2021 (Yasin, 2022). The following year, in 2022, revenue increased significantly to 6.53 billion Rupiah, but dropped again in 2023 to 5.54 billion Rupiah. Although there was a slight recovery in 2024, with revenue reaching 6.31 billion

Rupiah, the income trend remains inconsistent and indicates underlying performance issues that cannot be explained by financial data alone.

To address this issue, a more integrated and strategic approach is needed. The Balanced Scorecard (BSC), developed by Brauer, (2013), is a performance management framework that incorporates both financial and non-financial perspectives: financial, customer, internal business processes, and learning and growth. BSC enables companies to align operational activities with long-term objectives, offering a broader view of organizational performance and fostering strategic alignment at all levels of management (Bose & Thomas, 2007). By applying the BSC method, this study aims to assess the company's performance from multiple dimensions, identify areas for improvement, and provide actionable insights for future strategic planning (Gupta & Chopra, 2018). The results are expected to guide the company in transitioning from a purely financial performance orientation to a more balanced and sustainable performance management system.

To overcome the problem of the weaknesses of the company's performance measurement system that focuses only on financial aspects and ignores non-financial performance, a performance measurement model was created that not only includes finance but also measures non-financial aspects. This prompted Lucianetti et al., (2019) to design a more comprehensive performance measurement system called the Balanced Scorecard concept. Balanced Scorecard is a performance assessment method by measuring financial and non-financial aspects which in it adjusts to the strategy and goals to be achieved by the company (Parviz Ahmadi, 2012). Currently, companies assess employee performance using KPI (Key Performance Indicator), and innovate employee management by conducting e-learning training, sharing and briefings every month. In reality, this is not enough to measure company performance (Agarwal, 2020). Therefore, this study aims to measure company performance using the Balanced Scorecard method based on a growth and learning perspective.

The Balanced Scorecard is a framework for integrating various measures derived from the company's strategy, namely financial performance measures, customers, internal business processes, and learning and growth (Suprihati, 2019). Those derived from the company's strategy process are implemented explicitly and strictly into various real objectives and measures. The Balanced Scorecard is not just a measurement system. Various innovative companies use the scorecard as a framework for the company's management process (Benková et al., 2020). These previous studies demonstrate that the Balanced Scorecard is a widely accepted and effective tool for evaluating company performance in various sectors, both public and private (Northcott & Ma'amora Taulapapa, 2012; Sharma & Sharma, 2020). Its ability to capture a multi-dimensional view of organizational performance makes it especially useful in identifying areas that are often overlooked when using financial metrics alone. In this context, the Balanced Scorecard provides a structured method to align performance metrics with the organization's vision and strategic objectives, which is particularly relevant for consulting companies that rely heavily on intangible assets such as human capital, expertise, and client relationships (Meena & Thakkar, 2014; Valmohammadi & Servati, 2011).

For companies engaged in appraisal consulting services, performance is not only determined by profit margins or revenue figures but also by client satisfaction, operational efficiency, innovation, and employee competency (Grigoroudis et al., 2013). The learning and growth perspective of the Balanced Scorecard is critical in such companies, as it emphasizes the importance of continuous employee development, knowledge sharing, and the cultivation of a proactive and adaptive organizational culture (Lin, 2015). These elements form the foundation that supports improvements in internal processes, which in turn enhance customer

satisfaction and ultimately drive better financial results (Sivakumar & Kumar, 2024). This study focuses on applying the Balanced Scorecard approach, with a particular emphasis on the learning and growth perspective, to evaluate how current efforts in employee management such as e-learning, regular briefings, and performance monitoring through KPIs translate into broader company performance. By doing so, the research aims to uncover gaps between strategic initiatives and actual outcomes, offering recommendations for more effective integration between human resource development and overall corporate strategy. Furthermore, the use of the Balanced Scorecard in this context is expected to not only provide a snapshot of the current state of the company's performance but also act as a strategic tool for continuous improvement (Hoque, 2014). Through a comprehensive evaluation based on financial and non-financial indicators, companies can identify which areas need reinforcement and which strategies should be sustained or reoriented. Ultimately, this research contributes to the growing body of knowledge on performance measurement in service-based industries and highlights the importance of adopting a holistic approach in managing organizational success.

2. Material and Method

2.1 Type of Research

This study is a descriptive research with a case study approach. The purpose of this research is to evaluate the overall performance of a consulting appraisal services company using the Balanced Scorecard (BSC) method. This approach is chosen because it provides a comprehensive view of company performance, integrating both financial and non-financial aspects while aligning them with the company's long-term strategic objectives.

2.2 Data Collection Techniques

The data used in this study are obtained from both primary and secondary sources. Primary data were collected through direct observation, structured interviews, discussions with company management, and questionnaires filled out by internal stakeholders. Secondary data were taken from existing company records such as financial reports, employee statistics, number of projects, and client data over the past five years. In addition, a literature review was conducted to support the theoretical framework and methodology used in the study.

2.3 Research Procedure

The research began with a literature review and problem identification, followed by field observations to understand the company's current condition. A SWOT analysis was then conducted, along with a review of the company's vision, mission, and strategic objectives. Strategic targets were determined based on the four perspectives of the Balanced Scorecard, and corresponding Key Performance Indicators (KPIs) were identified. Perspective weighting was performed using the Analytical Hierarchy Process (AHP) method. A Balanced Scorecard design and strategy map were developed, and further discussions with company leaders were held to validate performance targets. Performance measurement was then carried out using the Objective Matrix (OMAX) and the Traffic Light System (TLS). Finally, conclusions and recommendations were drawn based on the research findings.

3. Result

This research was conducted to measure the performance of an appraisal consulting company using the BSC method, which includes four key perspectives: financial, customer, internal business processes, and learning and growth. The performance measurement process

utilized the OMAX and TLS to evaluate the achievement level of each key performance indicator.

3.1 Performance Measurement Results Using the Balanced Scorecard

In addition to performance measurement, a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) was also carried out to gain a deeper understanding of the company's internal capabilities and external environment. The analysis revealed several strengths, such as a solid reputation in the appraisal industry, long-term client relationships, and a highly experienced workforce. However, the company also faced internal weaknesses, including the absence of standardized performance evaluation tools, limited innovation in service delivery, and insufficient integration between strategic planning and operational execution.

Table 1. SWOT analysis matrix table

Internal	S (Strength)	W (Weakness)
	S1. Have assessors who meet the qualifications and expertise S2. Experienced in various fields of assessment S3. Have conducted assessments for various purposes and interests	W1. Lack of user knowledge of assessment methods W2. Price competition between appraisal service offices W3. Limited service user budget
Eksternal		
O (Opportunity)	Strategy S-O	Strategy W-O
O1. Educate service users regarding the assessment process O2. Introducing appraisal services to various business actors O3. Regulations that encourage the importance of appraisal services	S1-O1 Providing education to the public regarding the function of appraisal services and the underlying regulations. S3-O3 maintains relations with banks and agencies to increase market demand.	W1-O1. Conducting education to service users to increase knowledge regarding assessments W2-O2. Conducting market expansion
T (Threat)	Strategy S-T	Strategy W-T
T1. Competition with similar companies T2. Regulatory changes that cause changes in the function and authority of appraisal services	S1-T1 Improve the quality of company services so that the company can compete with similar companies.	W1-T1. Provide education to service users regarding the company's services and experience in order to compete with similar companies.

Table 1 presents the SWOT analysis matrix that identifies the company's internal and external strategic factors and translates them into potential strategic responses. Internally, the company's strengths include having qualified and certified assessors (S1), extensive experience in various fields of appraisal (S2), and a proven track record in conducting assessments for diverse purposes and stakeholders (S3). These strengths can be leveraged to take advantage of external opportunities such as educating service users about the appraisal process (O1), introducing appraisal services to new business segments (O2), and aligning with regulations that emphasize the importance of valuation services (O3). For instance, the S1-O1 strategy suggests educating the public about the role and regulatory foundation of appraisal services, while S3-O3 focuses on strengthening relationships with banks and government agencies to meet increasing market demand.

However, the company also faces several internal weaknesses, including limited user understanding of appraisal methods (W1), price competition among similar firms (W2), and budget constraints on the client side (W3). To address these weaknesses while pursuing

opportunities, strategies such as W1-O1 educating clients to improve their understanding of valuation practices can be implemented. Additionally, W2-O2 suggests that the company should expand its market reach to counter price competition by targeting new customer segments. On the threat side, the company must deal with growing competition in the appraisal industry (T1) and the risk of regulatory changes that could impact the function or authority of valuation services (T2). To respond proactively, the company can apply S1-T1 by enhancing the quality of its services to maintain a competitive edge. Meanwhile, W1-T1 proposes educating clients not only to increase awareness but also to differentiate the company's services based on credibility and expertise, especially in the face of competition. This SWOT matrix illustrates how internal strengths and weaknesses, combined with external opportunities and threats, can be aligned to formulate actionable and strategic initiatives that support long-term performance improvement.

3.2 Determining Strategic Targets and Key Performance Indicators (KPIs)

The determination of strategic targets and Key Performance Indicators (KPIs) in this study was carried out based on the results of direct observation and a SWOT analysis of the company. A total of 20 strategic target options were initially identified, reflecting various aspects of the company's internal processes, customer satisfaction, financial health, and learning and growth initiatives. These strategic targets were then evaluated and selected by 16 company personnel, representing various departments and managerial levels within the organization. The selection process aimed to ensure that the strategic objectives identified were aligned with the company's real conditions and operational priorities. The list of respondents involved in this assessment is presented in Table 2.

Table 2. List of Respondents

No	Position	Length of Service (years)	Factor Loading
1	Branch Manager	18	0,12
2	Assessment Manager	16	0,10
3	Assessment Staff	10	0,06
4	Assessment Staff	12	0,07
5	Assessment Staff	12	0,07
6	Assessment Staff	10	0,06
7	Assessment Staff	10	0,06
8	Assessment Staff	10	0,06
9	Assessment Staff	8	0,05
10	Finance Manager	14	0,09
11	Finance Staff	8	0,05
12	Finance Staff	10	0,06
13	Marketing Manager	12	0,07
14	Marketing Staff	5	0,03
15	Marketing Staff	5	0,03
16	Marketing Staff	2	0,02

After the strategic target is selected, the KPIs will also be determined. Key Performance Indicator is a measurable performance assessment indicator to show the company's effectiveness. Key Performance Indicator helps companies measure the company's progress through comparison of results and planning (Sagala & Siagian, 2021). The following are the strategic targets selected based on the questionnaire along with the KPIs in Table 3.

Table 3. Selected Strategic Targets Based on Questionnaire Results and KPIs

Perspective	Strategic Objectives	KPIs
Finance	Income Increase Increased Net Profits Operating Cost Reduction	Percentage increase in revenue Net Profit Percentage Percentage of Operating Expenses
Customer	Increase in number of projects Increased Client Loyalty New Client Acquisition	Percentage increase in the number of projects Percentage of Repeat Order Projects Percentage increase in new projects
Internal Business	Improved Quality of Assessment Results Timeliness of Project Completion Service Quality Improvement	Percentage of Canceled Projects Project Penalty Percentage Complaint Handling Percentage
Learning and Growth	Increased Employee Satisfaction Improved Employee Discipline Provision of Appraisal Education & Training	Percentage of Employees Resigning Percentage of Late Hours Percentage Participating in Education & Training

Based on the selection of strategic objectives and the formulation of Key Performance Indicators (KPIs) outlined in Table 3, it is evident that the company aims to build a more structured and measurable approach to performance evaluation across all four Balanced Scorecard perspectives. From the financial perspective, the focus is placed on increasing revenue and net profit while simultaneously managing operational costs efficiently. In the customer perspective, the company targets both client retention and expansion through project growth and acquiring new clients, reflecting a desire to strengthen market presence and build long-term relationships. The internal business process perspective emphasizes the need to improve the quality and timeliness of project execution, as well as to reduce complaints and penalties an indication of the company's intention to refine its operational effectiveness. Meanwhile, from the learning and growth perspective, the selected KPIs reflect the company's efforts to invest in human capital by monitoring employee satisfaction, discipline, and participation in professional development. The integration of these KPIs into the company's performance management system is expected to encourage continuous improvement, align daily operations with strategic goals, and ensure the organization remains competitive and adaptive in the consulting and appraisal industry.

3.3 Strategic Map

The strategic map illustrated in Figure 1 serves as a visual representation of the cause-and-effect relationship among the company's strategic objectives across the four perspectives of the Balanced Scorecard: financial, customer, internal business processes, and learning and growth. This map links initiatives in employee development and training (learning and growth)

to improvements in internal processes, which then drive customer satisfaction and ultimately enhance financial performance. Each strategic objective is interconnected, showing how improvements in one area support outcomes in another. For example, increased employee training and discipline are expected to improve the quality and timeliness of assessments, leading to higher client satisfaction and loyalty, which in turn contribute to increased revenue and profitability. This strategic map is essential for aligning the company’s day-to-day activities with its long-term vision and strategic direction.

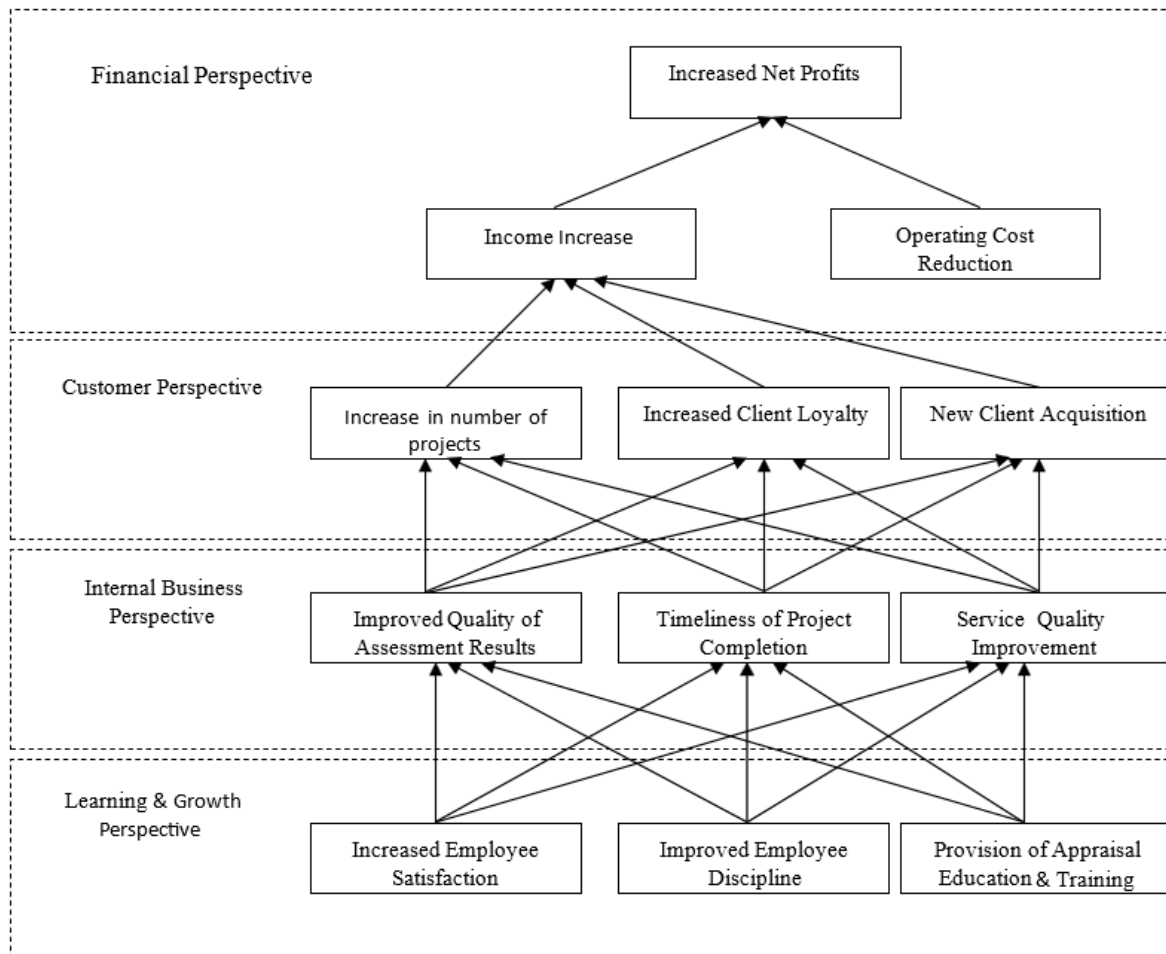


Figure 1. Strategic Map

The strategic map presented in Figure 1 offers a clear and structured depiction of how the company’s strategic objectives are interrelated and aligned to drive overall performance improvement. Starting from the Learning and Growth Perspective, the foundation of the strategy lies in enhancing human capital through three main objectives: increasing employee satisfaction, improving discipline, and providing continuous education and training in appraisal. These initiatives are crucial for equipping employees with the knowledge, motivation, and capabilities needed to perform effectively. These learning and development efforts directly influence the Internal Business Process Perspective, where improvements are expected in three key areas: the quality of assessment results, the timeliness of project completion, and the overall service quality. Enhanced internal processes ensure that the company delivers reliable, timely,

and high-quality services to clients an essential factor in a consulting appraisal business where trust and accuracy are critical.

As internal operations improve, this translates into higher performance in the Customer Perspective, where the company aims to increase the number of projects, foster client loyalty, and attract new clients. Satisfied clients are more likely to return for future engagements (repeat business) and recommend services to others, which helps expand the company's market base. Finally, these advancements contribute to the Financial Perspective, where the ultimate goals are to increase income, reduce operating costs, and achieve higher net profits. The financial improvements are not isolated outcomes but are driven by the company's ability to deliver excellent service, meet client expectations, and operate efficiently. Overall, the strategic map demonstrates a logical flow from the foundational level (employee development) to financial results, highlighting the importance of investing in human resources and internal efficiency as a basis for achieving long-term profitability and competitiveness. This model reinforces the Balanced Scorecard's strength in integrating non-financial performance indicators with financial outcomes, enabling a more holistic and sustainable management approach.

3.4 Analytical Hierarchy Process (AHP) Weighting

This weighting uses the Analytical Hierarchy Process (AHP) method with the help of the Expert Choice application. The weighting was carried out by distributing 2 questionnaires, namely a questionnaire weighting between perspectives and between strategic objectives. The following is a summary of the results of perspective weighting using expert choice in Table 4.

Table 4. Summary of the results of weighting perspectives and strategic objectives

Perspective	Perspective Weight	Inconsistency Ratio	Strategic Objectives	Strategic Goal Weight	Inconsistency Ratio	Total Weight
Finance	0.575	0.06	Income Increase	0.526	0.00874	0.303
			Increased Net Profits	0.347		0.198
			Operating Cost Reduction	0.127		0.074
Customer	0.257		Increased number of projects	0.603	0.0199	0.152
			Increased client loyalty	0.295		0.076
			New client acquisition	0.103		0.029
Internal Business	0.101		Improved quality of assessment results	0.526	0.00050	0.054
			Timeliness of project completion	0.346		0.031
			Service quality improvement	0.128		0.016
Learning & Growth	0.067		Increased employee satisfaction	0.517	0.00366	0.034
			Improved employee discipline	0.355		0.024
			Provision of appraisal education & training	0.128		0.009
Total						1.00

This weighting is done using the Analytical Hierarchy Process (AHP) method with the help of the Expert Choice application. The weighting was carried out by distributing 2 questionnaires, namely the weighting questionnaire between perspectives and between strategic objectives. The questionnaire was distributed to 16 respondents who had previously been determined. Data from each respondent will then be input to Expert Choice and data processing is done by combining. In table 5, it is known that the weight value on the financial perspective has the highest value of 0.575, followed by a customer perspective with a value of 0.257, an internal business perspective with a value of 0.101, and continued with a value of 0.067. Then the weighting of the financial perspective strategic objectives is carried out. Through calculations, it is known that the KPI with the highest value is an increase in revenue (0.526), followed by an increase in net profit (0.347), and a reduction in operating costs (0.127). Then the weighting of KPIs in the customer perspective will be carried out, it is known that the KPI with the highest value is an increase in the number of projects (0.603), followed by an increase in client loyalty (0.295), and acquisition of new clients (0.103). Then, the calculation of KPI weighting in the internal business perspective is carried out, it is known that the KPI with the highest value is improving the quality of assessment results (0.526), followed by the timeliness of project completion (0.346), and improving service quality (0.128). The calculation of KPI weighting in the learning and growth perspective with the highest KPI value is increasing employee satisfaction (0.517), followed by employee discipline (0.355), and providing appraisal education (0.128).

The hierarchical arrangement based on the four perspectives of the Balanced Scorecard, before weighting, aims to group measurement indicators, strategic goals in the performance measurement system. The hierarchical structure of the performance measurement system in the BSC model can be seen in Figure 2, with each KPI value as in Table 4.

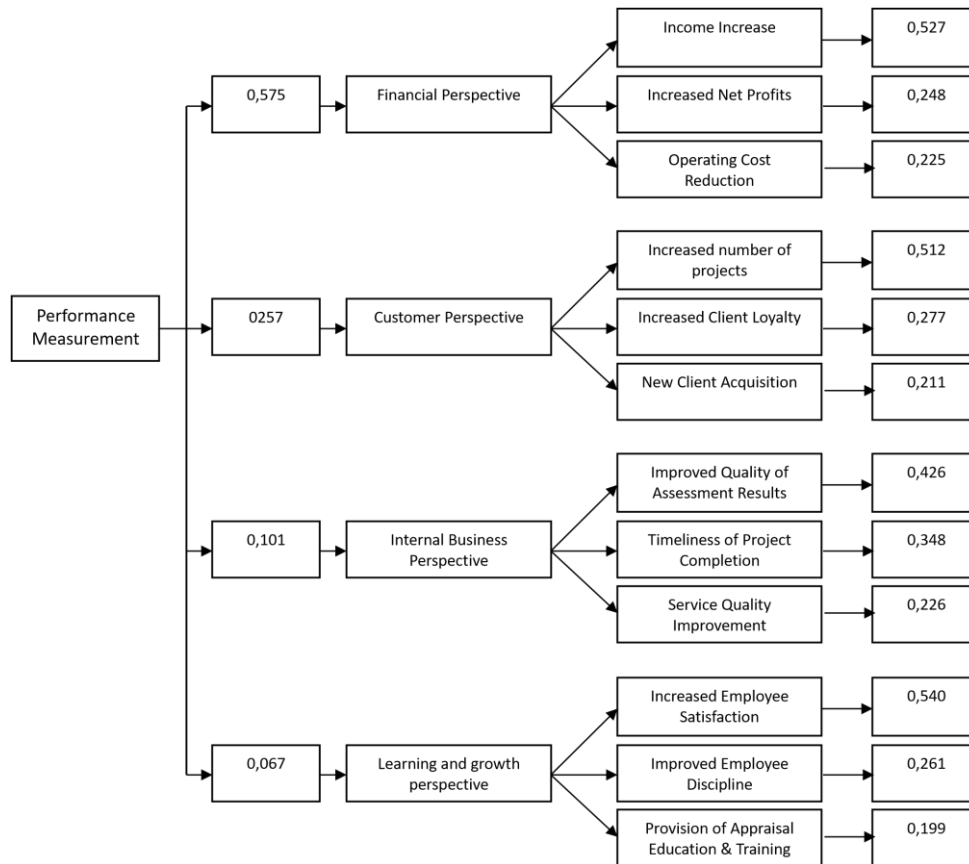


Figure 2. Hierarchical structure of the Balanced Scorecard Model

Company Performance Measurement

3.5.1 Financial Perspective

The financial perspective serves as a critical indicator of how well the company’s strategies have translated into measurable financial outcomes. It reflects whether the efforts in improving internal processes, customer satisfaction, and employee development have positively impacted the company’s revenue, profitability, and cost-efficiency. In this study, three Key Performance Indicators (KPIs) were used to measure the financial perspective:

1. Percentage increase in income

The following is a table of revenue growth in Table 6.

Table 5. Percentage increase in income

Year	Revenue (IDR)	Percentage Increase
2020	5.160.512.830	
2021	4.950.444.967	-4,07%
2022	6.536.124.370	32,03%
2023	5.541.205.661	-15,22%
2024	6.315.045.764	13,97%

Average	6,68%
---------	-------

The percentage increase in income from 2020 to 2024 shows an average growth of 6.68%, with fluctuations indicating instability in financial performance. Revenue decreased in 2021 by 4.07%, rose significantly in 2022 by 32.03%, dropped again in 2023 by 15.22%, and increased in 2024 by 13.97%. These inconsistencies suggest the need for improved strategic planning to ensure more stable and sustainable revenue growth.

2. Net profit percentage

The following table shows the percentage of net profit in Table 6. The net profit percentage from 2020 to 2024 shows a positive trend with an average of 9.56%. The company experienced steady improvement, starting at 7.62% in 2020 and reaching 13.65% in 2024. This indicates that despite revenue fluctuations, the company has managed to increase profitability, reflecting more efficient cost management and potentially improved operational effectiveness over time.

Table 6. Percentage of net profit

Year	Net Profit (IDR)	Percentage
2020	393.231.078	7,62%
2021	459.401.293	9,28%
2022	517.007.438	7,91%
2023	516.440.368	9,32%
2024	862.003.747	13,65%
Average		9,56%

3. Percentage of Operating Expenses

The following is a table of operating cost growth in Table 7. The percentage of operating expenses from 2020 to 2024 averaged 89.96%, indicating that a significant portion of the company's revenue is consistently spent on operational activities. Although there was a gradual decrease from 92.38% in 2020 to 86.35% in 2024, suggesting improved cost efficiency, the overall percentage remains high. This highlights the need for continued efforts in cost control and operational optimization to further enhance profitability.

Table 7. Percentage of Operating Costs

Year	Operational Costs	Percentage
2020	4.767.281.752	92,38%
2021	4.491.043.674	90,72%
2022	6.019.116.932	92,09%
2023	5.024.765.293	90,68%
2024	5.453.042.017	86,35%

Average 89,96%

3.5.2 Performance Target

After the calculation, the numbers obtained are compared with the minimum target, maximum target, and company target. This target was obtained through interviews with the company. The following is the company's performance and performance targets in Table 8.

Table 8. Performance Targets

Target Strategy	Key Performance Indicator (KPI)	Minimum Target	Maximum Target	Company Target	Current Performance
Increased income	Percentage increase in revenue	5%	10%	7%	6,68%
Increased net profit	Net Profit Percentage	5%	10%	10%	9,56%
Operating cost reduction	Percentage of Operating Expenses	95%	85%	90%	89,96%
Increased number of projects	Percentage increase in number of projects	5%	15%	10%	0,07%
Increased client loyalty	Percentage Increase in Repeat Order	70%	90%	80%	80,44%
New client acquisition	Percentage increase in new projects	10%	20%	20%	19,41%
Improved quality of Assessment Results	Percentage of Canceled Projects	7%	0%	0%	6,86%
Timeliness of project completion	Project Pinalty Percentage	7%	0%	0%	5,54%
Improved service quality	Complaint Handling Percentage	50%	100%	75%	60,04%
Increased employee satisfaction	Percentage of Employees Resigning	10%	0%	0%	5,27%
Improved employee discipline	Percentage of Late Hours	10%	0%	0%	11,50%
Provision of education & training of assessors	Percentage Participating in Education & Training	20%	30%	25%	24,40%

The performance target analysis compares actual company performance with predefined minimum, maximum, and company-specific targets across various strategic objectives. Financially, the company's revenue growth (6.68%) is slightly below the company target of 7%, while net profit (9.56%) nearly meets the 10% target. Operational cost efficiency is close to the desired 90% level, standing at 89.96%. On the customer side, client loyalty (80.44%) and new client acquisition (19.41%) meet or nearly meet company expectations, but the growth in project numbers is significantly below target at just 0.07%. Internally, the quality of assessment results and project timeliness meet expectations, with canceled project and penalty percentages below the minimum threshold. However, complaint handling at 60.04% remains below the desired 75%. In terms of learning and growth, employee resignation is within target, education and training participation is near the goal at 24.40%, but employee discipline is lacking, with late arrivals at 11.5%, exceeding the acceptable limit. These insights indicate areas where the company is performing well and highlight others that need strategic improvement to reach overall performance goals.

3.5 Objective Matrix (OMAX)

The Objective Matrix method is a partial productivity measurement system to monitor productivity in each part of the company with criteria tailored to the existence of the part. Some of the advantages of the objective matrix method are easy to understand, simple, easy to process, and can be used to encourage the use of resources more efficiently. The following are the results of performance assessment based on calculations using OMAX and TLS in Table 9.

Table 9. Objective Matrix and Traffic Light System Performance Assessment Results

Key Performance Indicator (KPI)	Financial Perspective			Customer Perspective			Internal Business			Learning & Growth		
	Percentage increase in revenue	Net Profit Percentage	Percentage of Operating Expenses	Percentage increase in number of projects	Percentage of Repeat Order Projects	Percentage of New Projects	Percentage of Canceled Projects	Project Pinalty Percentage	Complaint Handling Percentage	Percentage of Employees Resigning	Percentage of Late Hours	Percentage Participating in Education & Training
Performance	6,68	9,56	89,96	0,07	80,44	19,41	6,86	5,54	60,04	5,27	11,50	24,40
10	10,00	10,00	85,00	15,00	90,00	20,00	0,00	0,00	100,00	0,00	0,00	30,00
9	9,50	9,50	86,00	14,00	88,00	19,00	0,70	0,70	95,00	1,00	1,00	29,00
8	9,00	9,00	87,00	13,00	86,00	18,00	1,40	1,40	90,00	2,00	2,00	28,00
7	8,50	8,50	88,00	12,00	84,00	17,00	2,10	2,10	85,00	3,00	3,00	27,00
6	8,00	8,00	89,00	11,00	82,00	16,00	2,80	2,80	80,00	4,00	4,00	26,00
5	7,50	7,50	90,00	10,00	80,00	15,00	3,50	3,50	75,00	5,00	5,00	25,00
4	7,00	7,00	91,00	9,00	78,00	14,00	4,20	4,20	70,00	6,00	6,00	24,00
3	6,50	6,50	92,00	8,00	76,00	13,00	4,90	4,90	65,00	7,00	7,00	23,00
2	6,00	6,00	93,00	7,00	74,00	12,00	5,60	5,60	60,00	8,00	8,00	22,00
1	5,50	5,50	94,00	6,00	72,00	11,00	6,30	6,30	55,00	9,00	9,00	21,00
0	5,00	5,00	95,00	5,00	70,00	10,00	7,00	7,00	50,00	10,00	10,00	20,00
Score	3,35	9,11	4,96	-4,93	5,22	9,41	-0,20	2,08	2,01	-4,73	1,50	4,40
Weight	0,303	0,198	0,074	0,152	0,076	0,029	0,054	0,031	0,016	0,034	0,024	0,009
Value	1,02	1,80	0,37	-0,75	0,40	0,27	-0,01	0,06	0,03	-0,16	0,04	0,04
Performance Index		3,19			-0,08			0,09			-0,09	

Traffic Light System is a method used in measuring and understanding the achievement of a company's performance. With the traffic light system, it can be seen whether improvement is needed or not. Green indicators indicate that performance is good and above the company's average target. The yellow indicator indicates that the company's performance is close to the target but not yet achieved, and the red indicator indicates that the performance assessment is still far from the target and is a priority for improvement. The following are the results of the performance assessment using the Traffic Light System in Table 10.

Table 10. Results of Performance Assessment using Traffic Light System

Indicator KPI Code	Target Strategy	KPIs	Proposed Improvements
C1	Increase in Number of Projects	Percentage Increase in Number of Projects	Conduct price evaluations, offer cashback or fees, expand networking by introducing the company to institutions in smaller regions.
B1	Improvement of Evaluation Results Quality	Percentage of Cancelled Projects	Build stronger working relationships with clients, be responsive and fast in service, and conduct deeper investigation into new projects.
B2	Timeliness of Project Completion	Percentage of Penalized Projects	Plan work schedules properly, assign staff according to their capacity and skills, and monitor project progress.
B3	Improvement of Service Quality	Percentage of Complaints Handled	Divide responsibilities for complaint handling, and promote discussion and collaboration in resolving complaints.
E2	Improvement of Employee Discipline	Percentage of Late Working Hours	Impose stricter sanctions for tardiness.
K1	Increase in Net Profit	Percentage Increase in Revenue	Conduct deeper market analysis regarding ongoing trending issues.
K3	Reduction of Operational Costs	Percentage of Operational Costs	Monitor operational costs for potential savings.
C2	Improvement of Client Loyalty	Percentage of Repeat Order	Evaluate prices and compare with other companies, give marketing partners a fee, and provide special services to major partners.
E1	Improvement of Employee Satisfaction	Percentage of Employee Resignation	Implement career path programs and salary increase potential based on performance achievements.
E3	Provision of Assessor Education & Training	Percentage of Participation in Training	Continue to provide free education and training, and give appreciation to employees who achieve satisfactory results.
K2	Increase in Net Profit	Percentage of Net Profit	Monitor and continuously evaluate projects and costs to obtain maximum profit.
C3	New Client Acquisition	Percentage of New Projects	Expand networking and maintain relationships and client trust.

Based on the results of the analysis above, overall the KPIs have not yet reached the company's target, however, there are 7 KPIs that have met the minimum target, so there are 5 KPIs that are prioritized for improvement. The 5 KPIs are Percentage of Increase in Number of Projects, Percentage of Canceled Projects, Percentage of Penalty Projects, Percentage of Complaint Handling, and Percentage of Late Hours. There are several suggestions for improvement given to the company, namely conducting price evaluations, providing cashback or fees, expanding the network by introducing the company to agencies in small areas, evaluating prices and comparing with other companies, providing fees to marketing partners, providing special services to large partners, more intense in establishing working relationships with clients, being fast and responsive in serving, deeper investigation of new projects, planning work time well, assigning staff according to their capacity and expertise, monitoring the course of work, dividing tasks for handling complaints, discussion and cooperation in handling complaints, providing stricter sanctions for delays. In addition, there are 5 Key Performance Indicators (KPIs) with yellow color indicating that the company's performance is close to the target but has not been achieved, including the percentage of revenue increase, percentage of operating costs, percentage of Repeat Order Projects, percentage of employee resignation, percentage of participating in education & training. Some improvement suggestions given for KPIs with yellow color are conducting deeper market analysis of viral problems, monitoring operational costs for potential savings, implementing career path programs and potential salary increases for achievements, continuing to provide free education & training and providing appreciation to employees who have achieved satisfactory results. There are also 2 Key Performance Indicators (KPIs) with green color, which means that the performance has met the company's average target. The 2 KPIs are the percentage of net profit and the percentage increase in new projects. The company can maintain or even improve its performance by maintaining strong relationships with customers, giving appreciation to employees with good performance, and maintaining open communication between management and employees.

4. Discussion

Based on the results of the performance measurement using the Balanced Scorecard (BSC) approach, it is evident that the company has strengths in several key areas, particularly in its financial and customer perspectives. The percentage of net profit and the increase in new client acquisition have shown green indicators, suggesting that the company is effectively generating profit and successfully expanding its customer base. This aligns with the perspective of Brauer, (2013), who emphasize that financial outcomes are the result of well-aligned non-financial performance indicators. These findings show that customer satisfaction and proper internal execution contribute positively to the financial results.

However, the study also highlights several performance gaps, particularly in the internal business processes and learning and growth perspectives. Indicators such as the percentage of canceled projects, project penalty rates, complaint handling efficiency, and employee lateness fall into the red category, indicating underperformance. This supports the argument made by Rauch and Rijdsdijk, (2013), who stated that a company's inability to manage internal processes and human capital effectively can hinder long-term success. The high penalty and cancellation rates reflect weaknesses in project planning, execution, or coordination, which may also correlate with inadequate employee discipline and training.

Furthermore, although certain KPIs such as revenue growth, operating cost efficiency, and participation in training are close to the target, they remain in the yellow zone, reflecting the company's struggle to consistently meet its strategic benchmarks (Abeywardana &

Jayasinghe-Mudalige, 2022). This inconsistency may stem from the lack of a structured performance monitoring system that integrates both strategic and operational levels. As echoed by Pardede and Pramesworo, (2023), many appraisal service companies still rely on financial metrics alone, leading to a limited understanding of performance progress. The Balanced Scorecard thus becomes not only a measurement tool but also a strategic management framework to align goals, monitor progress, and drive continuous improvement.

The results also show that employee-related KPIs such as discipline and participation in training are still below expectations, which is a concern considering that human resources play a crucial role in service-based industries. According to Permana et al., (2015), employee engagement and capability development are key drivers in achieving sustainable performance in professional service firms. Therefore, the company needs to strengthen its human capital strategies, particularly in enhancing training programs, enforcing work discipline, and creating a more accountable performance culture. In conclusion, the application of the Balanced Scorecard in this study provides valuable insights into the strengths and weaknesses of the company's current performance. While financial indicators show promising results, the internal and human capital dimensions require strategic attention. To improve overall performance, the company must not only maintain its financial gains but also invest in improving operational processes and human resource development in a structured and consistent manner.

5. Conclusion

Based on the analysis using the OMAX and TLS, it can be concluded that the company's performance across its 12 strategic goals shows a varied level of achievement. Six Key Performance Indicators (KPIs) fall within the red category, indicating critical areas requiring immediate improvement, such as the percentage increase in the number of projects, canceled projects, penalty projects, complaint handling, and employee lateness. On the other hand, the green indicators, including net profit percentage and new project growth, demonstrate strong performance. The remaining yellow indicators such as revenue growth, operating costs, repeat order rates, employee resignation, and participation in education and training suggest that the company is nearing its targets but still needs further optimization. Overall, while many strategic goals have met at least the minimum target, there are specific areas, particularly in internal processes and employee discipline, that must be addressed to fully align performance with the company's strategic objectives.

References

- [1] Abeyesiriwardana, P. C., & Jayasinghe-Mudalige, U. K. (2022). Role of key performance indicators on agile transformation of performance management in research institutes towards innovative commercial agriculture. *Journal of Science and Technology Policy Management*, 13(2), 207–237. <https://doi.org/10.1108/JSTPM-10-2020-0151>
- [2] Agarwal, A. (2020). Investigating design targets for effective performance management system: an application of balance scorecard using QFD. *Journal of Advances in Management Research*, 18(3), 353–367. <https://doi.org/10.1108/JAMR-05-2020-0075>
- [3] Bari, N., Chimhundu, R., & Chan, K. C. (2022). Dynamic Capabilities to Achieve Corporate Sustainability: A Roadmap to Sustained Competitive Advantage. *Sustainability (Switzerland)*, 14(3). <https://doi.org/10.3390/su14031531>
- [4] Benková, E., Gallo, P., Balogová, B., & Nemeč, J. (2020). Factors affecting the use of

- balanced scorecard in measuring company performance. *Sustainability (Switzerland)*, 12(3). <https://doi.org/10.3390/su12031178>
- [5] Bose, S., & Thomas, K. (2007). Applying the balanced scorecard for better performance of intellectual capital. *Journal of Intellectual Capital*, 8(4), 653–665. <https://doi.org/10.1108/14691930710830819>
- [6] Brauer, M. F. (2013). The effects of short-term and long-term oriented managerial behavior on medium-term financial performance: Longitudinal evidence from Europe. *Journal of Business Economics and Management*, 14(2), 386–402. <https://doi.org/10.3846/16111699.2012.703965>
- [7] Grigoroudis, E., Tsitsiridi, E., & Zopounidis, C. (2013). Linking customer satisfaction, employee appraisal, and business performance: An evaluation methodology in the banking sector. *Annals of Operations Research*, 205(1), 5–27. <https://doi.org/10.1007/s10479-012-1206-2>
- [8] Gupta, V., & Chopra, M. (2018). Gauging the impact of knowledge management practices on organizational performance – a balanced scorecard perspective. *VINE Journal of Information and Knowledge Management Systems*, 48(1), 21–46. <https://doi.org/10.1108/VJIKMS-07-2016-0038>
- [9] Hoque, Z. (2014). 20 years of studies on the balanced scorecard: Trends, accomplishments, gaps and opportunities for future research. *British Accounting Review*, 46(1), 33–59. <https://doi.org/10.1016/j.bar.2013.10.003>
- [10] Lin, H. F. (2015). Linking knowledge management orientation to balanced scorecard outcomes. *Journal of Knowledge Management*, 19(6), 1224–1249. <https://doi.org/10.1108/JKM-04-2015-0132>
- [11] Lucianetti, L., Battista, V., & Koufteros, X. (2019). Comprehensive performance measurement systems design and organizational effectiveness. *International Journal of Operations and Production Management*, 39(2), 326–356. <https://doi.org/10.1108/IJOPM-07-2017-0412>
- [12] Lumpkin, G. T., Brigham, K. H., & Moss, T. W. (2010). Long-term orientation: Implications for the entrepreneurial orientation and performance of family businesses. *Entrepreneurship and Regional Development*, 22(3–4), 241–264. <https://doi.org/10.1080/08985621003726218>
- [13] Meena, K., & Thakkar, J. (2014). Development of Balanced Scorecard for healthcare using Interpretive Structural Modeling and Analytic Network Process. *Journal of Advances in Management Research*, 11(3), 232–256. <https://doi.org/10.1108/JAMR-12-2012-0051>
- [14] Northcott, D., & Ma'amora Taulapapa, T. (2012). Using the balanced scorecard to manage performance in public sector organizations: Issues and challenges. *International Journal of Public Sector Management*, 25(3), 166–191. <https://doi.org/10.1108/09513551211224234>
- [15] Pardede, T., & Pramesworo, I. S. (2023). Analysis of The Balanced Scorecard Approach For Assessing The Financial and Non-Financial Performance Measurement. *Indonesian Journal of Business and Entrepreneurship*, 9(3), 394–408. <https://doi.org/10.17358/ijbe.9.3.394>
- [16] Parviz Ahmadi. (2012). Using the balanced score card to design organizational comprehensive performance evaluation model. *African Journal of Business Management*, 6(6), 2267–2277. <https://doi.org/10.5897/ajbm11.1989>
- [17] Permana, I., Tjakraatmadja, J. H., Larso, D., & Wicaksono, A. (2015). Exploring

- potential drivers of employee engagement, enablement, and empowerment: A quest toward developing a framework for building sustainable employee excellence for manufacturing environment in Indonesia. *Mediterranean Journal of Social Sciences*, 6(2S1), 577–587. <https://doi.org/10.5901/mjss.2015.v6n2s1p577>
- [18] Rauch, A., & Rijdsdijk, S. A. (2013). The Effects of General and Specific Human Capital on Long-Term Growth and Failure of Newly Founded Businesses. *Entrepreneurship: Theory and Practice*, 37(4), 923–941. <https://doi.org/10.1111/j.1540-6520.2011.00487.x>
- [19] Rodriguez, M. A., Ricart, J. E., & Sanchez, P. (2002). Sustainable development and the sustainability of competitive advantage: A dynamic and sustainable view of the firm. *Creativity and Innovation Management*, 11(3), 135–146. <https://doi.org/10.1111/1467-8691.00246>
- [20] Sharma, D., & Sharma, U. (2020). Analysis of balanced scorecard usage by private companies. *Pacific Accounting Review*, 33(1), 36–63. <https://doi.org/10.1108/PAR-06-2019-0076>
- [21] Sivakumar, R., & Kumar, L. (2024). Unlocking Organizational Potential: The Synergy of Performance Management and Knowledge Management. *Journal of Business and Economic Options*, 2(4), 159–165.
- [22] Suprihati, S. (2019). The Effect of Balanced Scorecard Measurement of Financial Perspective, Customers, Internal Business Processes, Learning and Growth on Company Performance. *Ijtimā Iyya Journal of Muslim Society Research*, 4(2), 197–209. <https://doi.org/10.24090/ijtimaiyya.v4i2.3087>
- [23] Valmohammadi, C., & Servati, A. (2011). Performance measurement system implementation using Balanced Scorecard and statistical methods. *International Journal of Productivity and Performance Management*, 60(5), 493–511. <https://doi.org/10.1108/17410401111140400>
- [24] Yasin, M. Z. (2022). Technical Efficiency and Total Factor Productivity Growth of Indonesian Manufacturing Industry: Does Openness Matter? *Studies in Microeconomics*, 10(2), 195–224. <https://doi.org/10.1177/23210222211024438>