

PROPOSED A DESIGN COMPANY PERFORMANCE MANAGEMENT SYSTEM BY USING BALANCED SCORECARD IN A NICKEL MINING COMPANY (CASE: PT GEMA KREASI PERDANA)

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Abstract

Indonesia is one of the countries that has the largest nickel reserves in the world. In the Asian region, Indonesia's nickel laterite reserves are in the third position. Indonesia's nickel reserves are around 800 thousand tons or about 30% of the world's total nickel production, so that Indonesia has the potential to enjoy the demand for this stainless metal. One of the companies that carry out nickel mining in Southeast Sulawesi Province is PT Gema Kreasi Perdana. Administratively, PT Gema Kreasi Perdana's mining operations are located on Wawonii Island, precisely in the Southeast Wawonii district on the Konawe Islands. As a newly established company, a variety of strategies are implemented to survive and maintain its corporate existence in the mining industry. The company's vision and mission should be reflected in its business plan in a manner that ensures the company's success amid intense competition. Companies need a method for measuring performance in order to monitor and analyze company performance. Implementing a Performance Management System is one way that can use (PMS). Balanced Scorecard is the employed PMS in this investigation (BSC). The BSC is a method for measuring the performance of a firm by bridging the gap between strategy and execution. Based on a literature review, focus group discussions (FGD), and interviews with expert practitioners in their respective fields, objective strategies are determined for each perspective. The aims and initiatives for key performance indicators (KPIs) are determined by the benchmarking with other businesses and company interviews. Data analysis and weighting from each perspective will be carried out using the Analytical Hierarchy Process (AHP) method. In addition to using goal strategies, the researchers cascaded the process from the Business Unit Level to the Individual Level. The cascading process is believed to be important to ensure that the company's vision, mission, and strategy are communicated clearly to all employees. The cascading process is regarded important to ensure that the company's vision, goal, and strategy are communicated clearly to each employee. This cascading produced multiple objective strategies and KPIs for the three divisions of PT Gema Kresi Perdana. The Individual Level cascade scorecard is solely administered by the HRGA & Strategic Affair Division. The company's implementation of the suggested new Balanced Scorecard design took approximately one year and six months from the previous year's performance review stage to the monitoring of the new design. As suggestions for future research, it would be preferable for the research to cascade to all levels within each division.

Keywords: Nickel, Mining, Performance Management System (PMS), Balanced Scorecard (BSC), strategy.
