

## **PROPOSED PERFORMANCE MANAGEMENT SYSTEMS TO FACE COMPETITION IN THE VESSEL CHARTER MARKET IN THE OIL AND GAS INDUSTRY (OFFSHORE): CASE STUDY ON PT. TGM**

Leonard M.T. Malau & Dermawan Wibisono  
Institut Teknologi Bandung, Bandung, Indonesia.  
Corresponding email: [leonard\\_malau@sbm-itb.ac.id](mailto:leonard_malau@sbm-itb.ac.id)

---

### **Abstract**

Rising in global oil prices has affected all activities in the Indonesian oil and gas industry, onshore and offshore. Massive attempts to enhance production in the offshore field significantly affect sectors that support all operations and production activities, such as the shipping industry. This research proposed a Performance Management System (PMS) with an original and a new approach focused on performance appraisal at PT TGM that has not established an integrated performance appraisal system. This study examined the vision, mission, and strategy of the company. SWOT was used to evaluate the business environment's condition to obtain the company's optimal strategy. Literature research employing a combination of the Balance Score Card approach and a Knowledge-Based Performance Management System (KPBMS) as a framework, along with owner interviews and brainstorming, generates performance indicators that are divided into four categories of performance perspective (financial, customer satisfaction, internal business processes, learning & growth). The Analytic Hierarchy Process (AHP) was used to support the development of an effective performance system since it could explain multiple relevant dimensions of organisational performance together with the essential aspects within a comprehensive framework. The finding of this research demonstrates a dynamic Performance Management System (PMS) to facilitate the expectations of corporate executives. In addition to measuring the company's performance, the PMS proposal is anticipated to provide an overview of its business strategy roadmap in preparation for its IPO in 2025. The annual performance evaluation will focus on each stage specified in the Performance Management System. This paper presents an original and novel approach to designing and benchmarking of PMS for the shipping industry environment.

**Keywords:** Performance Management System, the Balance Scorecard, Knowledge-Based Performance Management System (KPBMS), SWOT, Analytic Hierarchy Process (AHP).

---