

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS



Yeni Aristasari¹, Gaguk Apriyanto², Diana Zuhroh³

^{1,2,3}University of Merdeka Malang, Indonesia

ABSTRACT: This study aims of this research is to analyze the implementation of the balanced scorecard as a performance measurement at Employment BPJS. The approach used is descriptive quantitative. The data analysis techniques used in this study are data collection, data reduction, data display and conclusion. The results of the discussion of the performance of the four balanced scorecard perspectives can be summarized as follows: The performance of the financial perspective shows that the company has been able to achieve levels of revenue growth and increased efficiency seen from the ratio of ROI and NPM. The performance of the customer perspective shows that the company is able to provide customer satisfaction and the company is able to retain old customers. The performance of the internal business process perspective shows that the company is capable of innovating.

KEYWORDS: Balances scorecard, performance, financial perspective, customer perspective, internal business process perspective, learning and growth perspective.

I. INTRODUCTION

The current Employment BPJS is a transformation from PT Jamsostek (Persero). The change or transformation of PT Jamsostek (Persero) into Employment BPJS is divided into 3 phases. 2019 is the third critical phase. The third critical phase starts from 2015 to 2025. As a legal entity, there is a change in organizational legal entity from BUMN to become a Public Legal Entity. Based on the scope of treatment, BPJS is divided into 2, namely Health BPJS and Employment BPJS.

The further transformation of Employment BPJS also has an impact on the first change in the scope of mandatory membership from only Wage Recipient Workers to protection for all workers, both Wage Recipient and Non-Wage Recipient Workers. Second, the change in the transfer of authority to carry out membership compliance inspections in the law enforcement system from the Ministry of Manpower to Employment BPJS. Third, changes to the program managed from Work Accident Benefits (JKK), Old Age Benefits (JHT), Death Benefits (JKM), and Health Care Benefits (JPK) to Work Accident Benefits (JKK), Old Age Benefits (JHT), Death (JKM), and Pension Benefits (JP).

The loss of the Healthcare Insurance program managed by Employment BPJS, resulted in Employment BPJS losing 3 trillion contributions in a year dues to the JPK program nationally, because it was transferred to BPJS Health. This condition forces organizations to restructure their business by increasing benefits and also adding programs so they can get significant contribution income. Specifically for pension security, this is a management strategy that was put forward when drafting the National Social Security System Law and also Government Regulations related to the Implementation of Employment Social Security Programs due to the absence of a Health Care Insurance program. So that BPJS Employment makes it possible to get other contribution income to replace the Health Care Guarantee program.

Change efforts are certainly not enough to just add programs. Employment BPJS must not only make much better preparations but also require a transformation starting from perspectives, work patterns to the business model that is implemented as a whole through a well-planned phase over a long period of time. Government regulations regarding the implementation of the employment social security system open up a challenge for these entities to pay more and more attention to organizational performance. One of the organizational performance parameters is the achievement of managed funds.

Funds under management from time to time show an increase. In 2016 the funds under management became 297 trillion. In 2017 the funds under management amounted to 320 trillion. In four years, Employment BPJS managed to increase its managed fund by 214%. Investment Fund Projection in 2018 is IDR 356 trillion, in 2019 it is IDR 415 trillion. (BPJS Employment Road Map Report 2017–2021). In addition to managed funds, organizational performance can be measured by the number of active

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS

companies participating in Employment BPJS. In 2016 there were 359,724 active companies participating in the Employment BPJS. In 2017 it became 455,090. After undergoing the transformation into Employment BPJS managed to increase active company membership to 240%. (Annual Report 2013–2017 and <http://bi.bpjs-ketenagakerjaan.go.id>). A third performance measure is the expansion of the operating network. 2016 was the year of expansion of the operational network with 53 Pioneer Branch Offices and 500 SPO of cooperative banks and e-business was initiated. 2017 was a year of service in which Service Blue Print (SBP) and Service Excellence were implemented which consisted of 3P: People, Process, and Physical Evidence. Employment BPJS has also optimized the implementation of the Service Level Agreement (SLA) for services at Employment BPJS. SLA for JHT is three working days, JKK is 7 working days, JKM is three working days and JP is 15 working days for periodic JP,

The achievement of organizational performance and the success of transforming into a service organization certainly needs to be supported by performance achievements at the branch office level. The company uses four parameters of the Balance Score Card, namely the financial perspective, customer performance, internal business processes, growth, and learning as performance assessments at the unit level.

With the balanced scorecard method, organizations can set the framework for organizational management processes. The balanced scorecard functions as a translator of the vision, mission, goals, basic beliefs, basic values, and organizational strategy which then communicates the strategy to all members of the organization so that they have clear performance directions. The true power of the balanced scorecard occurs when converting a measurement system into a management system. The impact of the successful implementation of the balanced scorecard triggers managers to use the balanced scorecard at the strategic planning stage. The balanced scorecard is no longer used as a performance measurement tool but has developed into a strategic management system. So far, the implementation of the Balanced Scorecard has been mostly carried out by profit-oriented organizations.

Many studies related to the balanced scorecard have been carried out, including Sari and Arwinda (2015), where the balanced scorecard includes a financial perspective as measured by ROI, ROE, NPM, DAR, customer perspective is measured by customer acquisition rate, internal business process perspective is measured by employee speed. in serving customers, and the learning and growth perspective is measured by the length of time in education and time in training. The results of the research show that the performance of PT. The Belawan Branch of Jamsostek is still said to be not good in the BBB category (not good). Riyana (2017) measures financial performance from a financial perspective consisting of ROE, ROA, operating income, efficiency cost and total asset turnover, the customer perspective uses customer cash receipts, Internal business perspective is measured by operating profit, and learning and growth perspective is measured by net income per employee. The results of the analysis show that PT Indofood's performance in the 2015-2016 period is better than the 2015-2014 period based on a review of four perspectives: finance, customer, internal business processes, learning and growth. The novelty of this research is the financial perspective measured by the current ratio and the ratio of own capital to total assets, the customer perspective from customer acquisition, customer retention, and customer satisfaction, the internal business process perspective by product innovation, and the learning and growth perspective is measured by the level of employee productivity. employee retention rates and absenteeism. The results of the analysis show that PT Indofood's performance in the 2015-2016 period is better than the 2015-2014 period based on a review of four perspectives: finance, customer, internal business processes, learning and growth. The novelty of this research is the financial perspective measured by the current ratio and the ratio of own capital to total assets, the customer perspective from customer acquisition, customer retention, and customer satisfaction, the internal business process perspective by product innovation, and the learning and growth perspective is measured by the level of employee productivity. employee retention rates and absenteeism. The results of the analysis show that PT Indofood's performance in the 2015-2016 period is better than the 2015-2014 period based on a review of four perspectives: finance, customer, internal business processes, learning and growth. The novelty of this research is the financial perspective measured by the current ratio and the ratio of own capital to total assets, the customer perspective from customer acquisition, customer retention, and customer satisfaction, the internal business process perspective by product innovation, and the learning and growth perspective is measured by the level of employee productivity, employee retention rates and absenteeism.

II. LITERATURE REVIEW

2.1. Grand Theory

Stewardship theory from Donaldson and David (1991), is the grand theory of this study, which describes a situation where management is not motivated by individual ambition but rather focuses on the ultimate goal for the benefit of the organization. Accounting research in public sector companies, including governments and other non-profit organizations, can be influenced by stewardship theory. Increasing accounting expertise, the emergence of public sector organizations, and accounting as a transactional machine are all heading in complex directions. Stewardship theory is the right paradigm for public sector

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS

organizations because the contractual relationship between stewards and principals, which is based on trust (amanah = trust), acts collectively in accordance with organizational goals.

Stewardship theory, assumes there is a direct relationship between organizational success and owner satisfaction. With the help of organizational performance, servants will maintain and maximize organizational wealth, maximizing utility functions. The idea that managers must align organizational goals with those of owners. However, this does not mean that servants do not have access to basic needs (Raharjo, 2007). Accounting research in public sector companies, including government organizations, is based on a stewardship philosophy. Employment BPJS in this study is seen as a servant who can act as effectively as possible for the public interest (stakeholders) by carrying out their duties and functions responsibly, thus enabling good governance to be realized.

Hery (2016: 13) states that financial performance is a formal effort to assess business effectiveness and efficiency in generating profits and certain cash positions. The prospect of a company's financial growth and development from relying on its resources can be seen by measuring financial performance. If a company achieves certain predetermined performance, it is said to be successful. Analysis of the performance of a company according to Fahmi (2017: 2) is carried out to determine the extent to which the company has implemented the established rules regarding the proper and correct use of financial resources. For example, by making reports that comply with the requirements and specifications in SAK (Financial Accounting Standards). Financial performance, according to Hayat (2018:13),

2.2. Balanced Scorecard

Balanced scorecard according to Norton (1997: 7), which is an alternative method used by companies in measuring organizational performance more thoroughly, not only limited to financial performance, but extends to non-financial performance, for example customer perspective, internal business processes, and learning and growth.

Furthermore, Mulyadi (2007:3), suggests that the Balanced Scorecard is classified into two words, namely Balanced and Scorecard. The scorecard is interpreted as a scorecard, which is a scorecard that is used in planning scores that will be manifested in the future. While Balanced means balanced, in order to measure executive performance in a balanced way from various dimensions, namely financial and non-financial, short term and long term, internal and external.

III. RESEARCH METHODS

3.1. Variable Operational Definitions

The operational definition of the variable is described as follows:

1) Financial Perspective

The financial perspective is an attempt to reduce costs aimed at increasing fiscal independence which can be used to improve services.

a. ROI (Return On Investment)

$$ROI = \frac{\text{Net Profit}}{\text{Total Asset}} \times 100\%$$

b. NPM (Net Profit Margin)

$$NPM = \frac{\text{Net profit}}{\text{Net sales}} \times 100\%$$

2) Customer Perspective

a. Customer Acquisition

Used to determine the company's level of success in attracting new customers / increasing the number of sales to new customers in existing segments.

$$\text{Customer Acquisitions} = \frac{\text{Number of new customer}}{\text{Total customers}} \times 100\%$$

b. Customer Retention

Used to determine the company's ability to retain old customers and measure the percentage of business growth with existing customers.

$$\text{Customer Retention} = \frac{\text{Number of old customer}}{\text{Total customers}} \times 100\%$$

c. Customer satisfaction

The measurement was carried out by giving questionnaires to 60 customers, where each customer was asked to answer ten questions about customer satisfaction, in which each question was given the choice of very satisfied, satisfied, quite satisfied, not satisfied and very dissatisfied.

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS

3) Internal Business Process Perspective

The internal business process perspective is measured by the Innovation Process. Used to find out how creative the company is in creating new products to meet the changing needs of consumers.

$$\text{Product Innovation} = \frac{\text{Total of new product types}}{\text{Total product type}} \times 100\%$$

4) Learning and Growth Perspective

a. Employee Productivity Level

Used to determine employee productivity in a certain period. The formula is:

$$\text{Employee Productivity} = \frac{\text{Absenteeism Average}}{\text{Working days(Year)}} \times 100\%$$

b. Employee Retention Rate

Used to determine the organization's ability to maintain as long as possible employees who are of interest to the organization. The formula is:

$$\text{Employee Retention} = \frac{\text{Number of employees leaving}}{\text{Total employees}} \times 100\%$$

c. Absenteeism

What is meant by absenteeism is the frequency of working time as a result of employees not working. This factor occupies the first place against violations of the rules among several other factors. As for calculating the level of absenteeism according to Husnan (1995:34) are:

$$\text{Absentee level} = \frac{A}{B + C}$$

Information:

A : Lost work days

B : The day the employee works

C : The day the employee is not working.

Then for more details the absence can be specified, for example what percentage of employees are absent from work due to alpha and illness. The following is about these two things:

- (1) Alpha.
- (2) Sick.

3.2. Data Analysis Techniques

The data analysis technique used in this study is as follows:

1) data collection

Analysis at the time of data collection was carried out in a documentary manner by always paying attention to the formulation of the problem and objectives, as well as analysis with existing theory.

2) Data reduction

Data reduction activities are carried out at the time of data collection. Based on the existing documentation, at this stage the data is reduced (reduction) for irrelevant data, the main points are summarized, the same themes, patterns and categories are sought. Data resulting from reduction will provide a sharper picture and make it easier for researchers to find the data they need. In this study the results of data reduction are in the form of quantitative figures.

3) Display data

The data display process is carried out by compiling data for each idea that is in the same pattern or theme. The preparation of research results by displaying data in tabular form is intended to provide an overview of the actual conditions originating from documentation. The preparation of research results in this way is also intended to show the process of credibility testing, especially cross checks and member checks as part of the validity of the data.

4) Conclusion

Conclusion and verification stages are the final stages of data analysis. At this stage the researcher draws conclusions, initially very tentatively vague, doubtful. However, with more data, the conclusions will be more complete. So, the conclusions at this data analysis stage are carried out by providing an overall picture of the results of the research which are connected logically both theoretically, empirically, and non-empirically so that they can answer the problem formulation and research objectives (Hermawan and Amirullah 2016).

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS

IV. RESEARCH RESULTS AND DISCUSSION

4.1. Research Result

Performance measures in the balanced scorecard are grouped into four groups: finance, customers, internal business processes, learning and growth. Business processes are something that companies must do in an effort to satisfy customers, the basic idea is that learning is needed to improve internal business processes and business process improvements are needed to increase customer satisfaction, and increasing customer satisfaction is needed to increase company profits. The increase in income is only the result of improvement efforts made. In the balanced scorecard concept, continuous improvement is highly emphasized, because survival is greatly influenced by improvement efforts so that the company is not left behind by competitors.

1) Financial Perspective

Performance benchmarks for the two strategic objectives from a financial perspective can be formulated using ROI and NPM. The results of ROI and NPM calculations from 2018 to 2021 are presented in the following table.

Table 1. Financial Perspective Calculation Results

Year	ROI					NPM				
	JKK	JKM	JHT	JP	BPJS of Employment	JKK	JKM	JHT	JP	BPJS of Employment
2018	17.86	20.19	9.53	35.95	3.15	76.19	69.84	50.51	93.44	10.18
2019	16.99	17.88	11.89	31.97	2.01	71.80	62.90	55.34	94.04	6.77
2020	13.62	0.26	8.40	25.48	0.40	87.47	1.37	44.47	94.97	1.56
2021	10.60	-12.98	8.46	21.95	0.21	62.74	-56.95	50.51	92.85	0.71
Mean	14.77	6.34	9.57	28.84	1.44	74.55	19.29	48.68	93.83	4.81

Source: Processed data.

2) Customer Perspective

The customer perspective is measured by customer acquisition, customer retention and customer satisfaction.

Table 2. Customer Perspective Calculation Results

Year	Customer Aqutation	Customer Retention
2018	4.160%	95.840%
2019	11.499%	88.501%
2020	0.004%	99.996%
2021	0.003%	99.997%
Mean	3.835%	96.165%

Source: Processed data.

Table 3. Employment BPJS Customer Satisfaction Index

Indicator	Means
Reliability	4,36
Responsiveness	4,48
Assurance	4,35
Empathy	4,08
Tangibles	4,00

Source: Processed data.

3) Internal Business Process Perspective

Table 4. Product Innovation

Year	Total Types of New Products	Total Type Product	Innovation Product
2018	0	4	0.0%
2019	0	4	0.0%
2020	0	4	0.0%
2021	1	5	20.0%

Source: Processed data.

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS

4) Learning and Growth Perspective

Table 5. Learning and Growth Perspective Calculation Results

Tahun	Tingkat produktivitas karyawan	Retensi Karyawan	Absenteeism
2018	1.7%	0.0%	3.1%
2019	2.6%	0.0%	5.1%
2020	2.0%	0.4%	3.3%
2021	2.9%	0.0%	4.1%

Source: Processed data.

4.2. Discussion

1) Financial Perspective

Based on the performance calculation results from the financial perspective of Employment BPJS as a whole, it shows quite good performance, from the measurement of ROI income growth. This shows that the company's performance is said to be quite good, because the higher the value of the ROI ratio, the greater the company's ability to manage all of its assets to generate income. The net margin from 2018 to 2021 is in a pretty good category. The higher the value of the company's net profit margin ratio, the greater the company's ability to generate high profits at a certain income level. This shows that the performance of the BPJS Employment financial perspective has succeeded in increasing revenue growth and efficiency.

2) Customer Perspective

Customer acquisition measures the degree to which a business unit is able to attract new customers and customer retention measures the degree to which a company can maintain relationships with consumers and the preferred way to maintain and increase market share in the target customer segment is to start with retaining existing customers in that segment (retention customer). In addition to retaining customers, many companies want to be able to measure customer loyalty through the percentage of business growth with existing customers. In general, companies want to increase business by setting goals for increasing the customer base in all targets. The customer acquisition measure measures in absolute and relative terms the strength of a business unit. attract and win new customers.

Based on the calculation results from the perspective of Employment BPJS customers, it shows that this condition shows that Employment BPJS has succeeded in retaining only old customers but has been less successful in getting new customers for its flagship product, this is due to competition from its products. Nonetheless, customers are satisfied with Employment BPJS.

3) Internal Business Process Perspective

Based on the results of performance calculations from the perspective of internal business processes, it shows that Employment BPJS only has one type of new product from 2018 to 2021.

4) Learning and Growth Perspective

The fourth and final perspective on the balanced scorecard develops goals and measures that drive company learning and growth. Goals set from a financial, customer and internal business process perspective identify what must be mastered to produce outstanding performance. Meanwhile, the goal in the learning and growth perspective is to provide infrastructure that enables the ambitious goals of the other three perspectives to be achieved. The learning and growth perspective is a driving factor for excellent performance for the other three perspectives.

Based on the results of performance calculations from the perspective of learning and growth, BPJS Employment as a whole shows good performance. The level of employee productivity shows growth, so as to increase efficiency and increase the quality of productivity. Employee retention rate indicators show good results, so as to increase employee productivity.

V. CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusion

The results of the discussion of the performance of the four balanced scorecard perspectives can be summarized as follows: The performance of the financial perspective shows that the company has been able to achieve levels of revenue growth and increased efficiency seen from the ratio of ROI and NPM. The performance of the customer perspective shows that the company is able to provide customer satisfaction and the company is able to retain old customers. The performance of the internal business process perspective shows that the company is capable of innovating. The performance of the learning and growth perspective shows that the company is able to increase the productivity of Employment BPJS employees.

Implementation of the Balanced Scorecard as a Performance Measurement at Employment BPJS

5.2. Suggestions

To complement strategic planning, it is better to apply the concept of the balanced scorecard as a follow-up to the vision and mission that has been formulated at this time and continue with determining the performance of the four perspectives. In the process of determining the company's main strategy, it is better to use the strategic planning stage, namely conducting business environment analysis to detect opportunities and threats and conducting company profile analysis to detect company strengths and weaknesses. In determining the position of a business in an industry to gain a competitive advantage, it is better to use a general electric model (GE) analysis. This analysis is known as matrix analysis of industry attractiveness.

REFERENCES

- 1) Donaldson, L., & Davis, J. H. 1991. Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management*, 16: 49-64.
- 2) Fahmi, Irham. 2017. *Analisis Laporan Keuangan*. Bandung: Alfabeta.
- 3) Hayat, Atma. 2018. *Manajemen Keuangan*. Edisi Pertama. Medan : Indomedia Pustaka.
- 4) Hermawan, Sigit dan Amirullah. 2016. *Metode Penelitian Bisnis Pendekatan Kuantitatif & Kualitatif*. Media Nusa Creative. Malang.
- 5) Hery. 2016. *Analisis Laporan Keuangan Integrated and Comprehensive Edition*. Jakarta: Grasindo.
- 6) Husnan, Suad, 1995. *Pembelajaran Perusahaan*. Yogyakarta: Liberty.
- 7) Mulyadi, 2007. *Balanced Scorecard: Alat Manajemen Kontemporer Untuk Pelipat Gandam Kinerja Keuangan Perusahaan*. Edisi Kelima, Salemba Empat, Jakarta.
- 8) Norton, David P. 1997. *Balanced Scorecard : Translating Strategy Into Action*, Harvard Business School Press.
- 9) Rahardjo, Budi. 2007. *Keuangan Akuntansi*, Yogyakarta: Graha Ilmu.
- 10) Riyana, Diana H. 2017. Pengukuran Kinerja Perusahaan PT Indofood Dengan Menggunakan Balanced Scorecard. *Jurnal SEKURITAS (Saham, Ekonomi, Keuangan Dan Investasi)*. 1.2: 42-53.
- 11) Sari, Maya dan Tika Arwinda. 2015. Analisis Balanced Scorecard Sebagai Alat Pengukuran Kinerja Perusahaan PT. Jam-sostek Cabang Belawan. *Jurnal Riset Akuntansi dan Bisnis*. 15.1: 28-42.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (<https://creativecommons.org/licenses/by-nc/4.0/>), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.