DETERMINING COMPANY STRATEGY USING BALANCED SCORECARD FRAMEWORK; CASE STUDY HTS HOTEL

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Abstract
Nowadays, hotel is a primary need for travelers and tourist. As a moeslem-majority country, Indonesia at least should be supporting sharia-based hospitality industry. HTS Hotel is a sharia-based hotel which located in Lubuklinggau, South Sumatra. The region itself also have high developtment that attract many tourism. HTS hotel performances must be researched in order to balance the region improvement, and competition. The author will elaborate the factor in the perspective of Balance Scorecard Framework and then generated new strategy that appropiate with condition of HTS Hotel as the final outcomes of this research. The author will assess the performance through questionnaire and interviewing the stakeholder of HTS hotel. In previous years, HTS Hotel management has never been able to achieve the Strategy set. This happens because in the earlier time of the developtment of HTS Hotel the top management using classical method which estimates are based on the personal demand of HTS Hotel top management, while defining KPIs actually should be measured either by the method of the Balanced Scorecard (BSC), which makes the generated strategy is more realistic and can be achieved by the company during the period such as expected.

Keywords: Hotel, KPI, Performance Management, Tourism, Balance Scorecard

Introduction

Indonesia is one of the largest archipelago countries in the world, which has a huge potential in tourism. This potential continues to grow, as many investors began to notice this business and invest evenly in almost all parts of tourism business in Indonesia. It has a very close correlation with the development of the hospitality business because tourism can not be separated with hospitality business. Nowadays, hospitality industries has a very large space for growth, as an evidence, several star-hotels in Indonesia in which the level of occupancy are constantly increasing. For this year, the number of residential is increased by 7.24% over the previous year. One hospitality industry that is growing in Indonesia, or more specifically in southern Sumatra, is Hakmaz Taba Syariah Hotel. Hakmaz Taba Sharia Hotel (HTS Hotel) is a hotel with an Islamic touch that combines elegant and minimalist décor with local culture. HTS Hotel is currently headed by Mr. Alif Maruszama. Hotel hakmaztaba sharia has a vision of "good product and good service", with the mission of providing the best services by developing a more skillful human resources. With such mission, the owner hopes that all human resources involved will have a better life.

HTS Hotel is currently experiencing difficulties in gaining competitiveness between other similar industries, and such problem occurs because of its inability to implement business strategies as needed. This happens because the objective of the company is not in line with the resources that are owned by the company and also competition environment in hotel business in lubuklinggau, which

today continues to increase rapidly from day to day. The management has not been able to measure and establish an indicator that defines the various targets with the burden of high expectation so that employees feel that the targets were not met and eventually ignores it. Based on the stakeholder's analysis that have been conducted by the BOD and the Owner of the company, the company decides to change the strategy to match with the resource that are owned by the company.

The KPI itself is a matrix or a tool to measure the performance of companies based on the achievement of its targets in each period (Frankl, 2014). KPI is very important for companies to know how it goes whether the company's performance continues to improve, or even vice versa. KPI is based on the critical success factors within an organization or company and really pay attention to the condition of the company itself. So based on the explanation about the company's problem, the author assume that by arranging new strategy that match with HTS Hotel's KPI and resource, the owner can solve the problem that occured in HTS Hotel and hopefully can help the development of HTS Hotel.

So based on the background, the objective of this research is to help HTS Hotel to be able to determine the required strategy in accordance with the conditions of the company and encourage it to be achieved within one year. Author expect that by creating a strategy which is based on the exact method, in which author will use the BSC method, the company will be able to achieve the objectives in line with the vision and mission of the company and in the future the company will be able to measure the performance of the company and determine the right decisions and designing the company's strategy is right on target so it will be able to compete.

Conceptual Framework; The variable that affect company performance
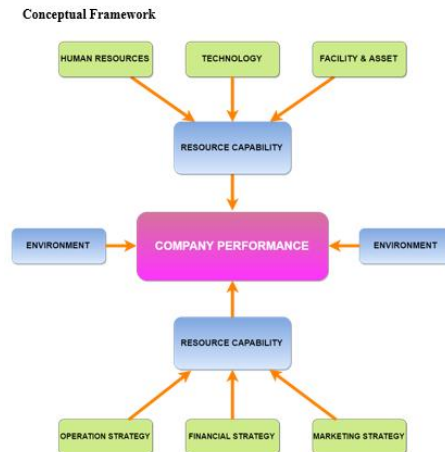
This research has scope in performance management subject. We try to maximize the company performance (in this case is HTS Hotel) by adjustment of the hotel strategy with the internal resource capabillity of the company. The strategy comprises of operation strategy, financial strategy, marketing strategy, human resource, technology, and facility & asset. Besides the resource capability of the company, researcher also consider the externals and other internal factors. By considering all of those factors, researcher tries to generate the appropiate strategy for HTS Hotel.
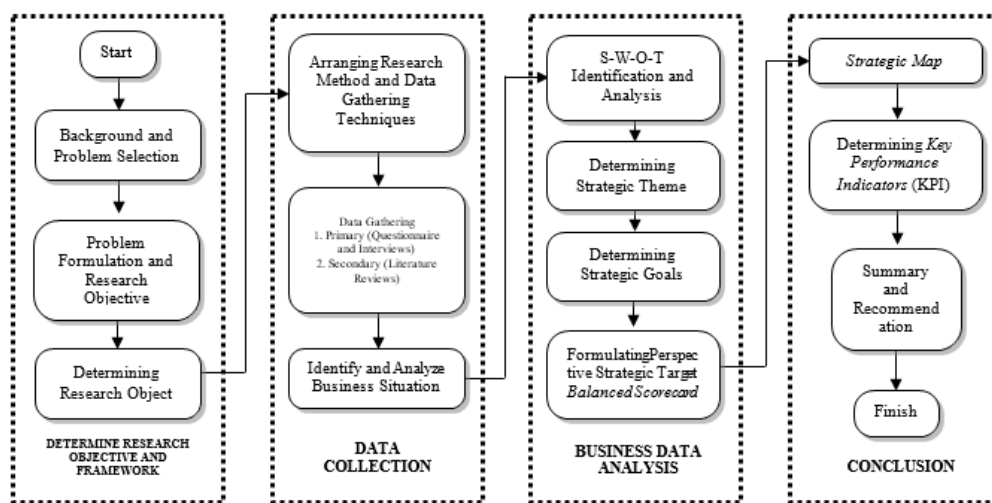
Methods

This research basically using qualitative method. Based on the theoretical framework above there are several framework that becomes the roots of the methodology in this research. The framework will be explained below:

1. Environmental Scanning
2. Internal Factor Evaluation Matrix (IFE) and External Factor Evaluation Matrix (EFE)
3. Internal-External Matrix
4. TOWS Matrix Analysis
5. Balance Scorecard
6. Key Performance Indicator (KPI)

These framework then spread into the research methodology structure in *figure no.2.* The earlier stage of research methodology will explained below, then the analysis process in research methodology will served simultaneously with data analysis for the compactness of this paper purpose.

Research Methodology

3.2   Research methodology

Here is the earlier stage of research methodology:
  I.   Determine Research Design
       The initial phase conducted by researchers is to conduct research directly to HTS hotel with attention to business situations that occur there for 3 days in a row. Then the researchers conducted interviews directly to the managing director of the hotel and provides some questions through a questionnaire and be shared with 3 BOD to get more valid data. After appearing on the data analysis of questionnaires the researchers devised a research design to resolve the existing problems in the HTS hotel.
  II.   Data Collection
       There are 2 method that researcher use in this research which is using primary (discussions, interviews and direct observation) that were conducted with management ranks HTS Hotel considered understands and is responsible for business processes, in particular the necessary data objects. The second is using secondary data trough documentation and literature studies that undertake in studying some literature in the form of books, journals, newspapers and other literature sources in order to obtain information that support and connect with strategic planning methods to overview the business environment of the studied company.
  III. Environmental Scanning
       To create a model of problem solving, require analyzes of the factors that affect the company. Before performing strategy formulation, researcher should first undertake environmental scanning, which is is the identification of the factors of internal and external company that will have an impact for the company that will run the business

The further methodology will explained while serving the result of the research below. Using this methodology this research expected to be implicate to assist the CEO as an organizational decision makers and the BOD of the company to determine the appropriate steps in accordance with the objectives and the resources owned by the company. The limitation of this research is HTS Hotel, which is a provider of Sharia-compliant hotel accommodation services. The research location is in the city of Lubuklinggau, West Java and the hotel's location in Lubuklinggau, South Sumatra where the time period studied business at intervals of five years. This study was limited to analyzing the company's performance which is based on the creation and implementation of company strategy based on KPI in HTS Hotel. This study will not discuss much about what should be done by the company and appropriate decision will be taken after the formation of new strategy

Results and Discussion

A. IFAS-EFAS; Factor Evaluation Matrix & TOWS Analysis
Based on the business identification process has been done, the next phase is mapping strengths and weaknesses that are owned and what are the opportunities and threats faced by HTS Hotel.

Strengths
1. Has considerable experience in sharia-based hotel management
2. Having Recognize good brand in the eyes of consumers
3. The focus of management attention to the aesthetic aspects of HTS Awards and service
4. The hotel facilities are quite complete
5. The strategic location and proximity to public facilities
6. The room rate is quite competitive and supporting facilities
7. Have a fixed and secure source of supply continuity
8. All elements of the organization involved in the process of quality control
9. Have legality of a complete

Weaknesses
1. Do not have a marketing strategy and a good sales
2. Management does not have a strong motivation to do the improvisation service improvement
3. The bargaining power of suppliers is quite high
4. Not engages in the research and implementation of technology in making business decisions
5. Qualifications low human
6. Do not have a program of training and competency development of employees
7. The element of familiarity and closeness with the owner of factors affect employee recruitment process
8. Support the business infrastructure is not significant for the improvement of business competitiveness

Opportunity
1. The potential development of the hotel market Sharia is still very large
2. Entities sharia-based tourism businesses still have not been well
3. The potential for tourist visits to the region continue to rise Lubuklinggau
4. The development of internet technology, particularly for industrial tourism
5. Support government policies that is very good for business development
6. regional and national economic conditions fairly stable
7. The political situation is conducive regional and national

Threats
1. The issue of decline in economic growth in China, Europe, and Brazil have an impact on the purchasing power of tourists, especially foreign tourists
2. The events of terrorism which is now affiliated with a global network of potentially damaging development of tourism industry
3. Anticipation of forest fires in Sumatra has not been resolved completely
4. Condition increasingly fierce competition triggered a price war / tariff
5. The presence of substitute products for businesses

6. The level of hotel business competition increasingly fierce with the entry of new investors
7. Attendance Airbnb (rental house system) is marketed online is quite detrimental to conventional hospitality industries

Results of mapping business situation is further used to prepare the analysis of the level of influence of internal factors (strengths and weaknesses) and external factors (opportunities and threats) based on the weight and the assigned rating.

Internal Factors Analysis Summary (IFAS)

No.	Statement	Weight	Rate	W x R	Summary
Strengths					
1	Has considerable experience in managing Shariah-based hotel	0.073	4.00	0.293	Factors to be formed because the hotel management since 1995
2	Recognize has a good brand in the eyes of consumers	0.073	4.00	0.293	Factors to be formed because the hotel management since 1995
3	The focus of management attention to aspects of aesthetics and service	0.073	3.00	0.220	Support potential asset that allows for the development
4	Hotel facilities are adequate	0.073	3.00	0.220	The main supporting factor in product differentiation and improving quality of care
5	The strategic location and proximity to public facilities	0.098	4.00	0.390	Competitive advantage (uniqueness) owned is difficult to imitated by competitors
6	The room rate and supporting facilities are quite competitive	0.049	2.00	0.098	Support from potential asset that allows for the development
7	Having a steady supply source and maintained continuity	0.073	3.00	0.220	Supporting capital for business expansion (increase service capacity and product differentiation)
8	All elements of the organization involved in the process of quality control	0.073	3.00	0.220	The involvement of the decision-making process, coordination and evaluation
9	Having complete legality	0.049	4.00	0.195	Prerequisites formal development support
Weaknesses					
10	Not having a marketing strategy and a good sales	0.049	1.00	0.049	Obstacle for the utilization of the market potential for an increase in income
11	Motivation for management in improvisation for capacity building business is weak	0.024	1.00	0.024	Weak business vision
12	The bargaining power of suppliers is quite high	0.049	2.00	0.098	Hinder the process of anticipatory of future supply constraints
13	Have yet engage in the research and implementation of technology in business	0.049	3.00	0.146	Weak business vision

| No		Weight	Rating	W x R	Summary
14	Low human resource qualification	0.024	1.00	0.024	Hinder the implementation of technology to support business performance improvement
15	Not having a program of training and competency development for employees	0.049	2.00	0.098	Hinder the process of innovation and improvement of services to achieve customer satisfaction
16	Elements of kinship and closeness to the factors affecting the owner of the recruitment process of employees	0.073	3.00	0.220	Hinder the process of innovation and improvement of services to achieve customer satisfaction
17	Support of business infrastructure has not been a significant	0.049	2.00	0.098	Weak business vision
Total :		**1.000**		**2.902**	

Exsternal Factors Analysis Summary (EFAS)

No.	Statement	Weight	Rating	W x R	SUmmary
Opportunities					
1	The potential development of the Sharia hotel market is still very large	0.118	4.00	0.471	The tourism industry of sharia still in its early stages of introduction
2	Sharia-based tourism business entity has not been well developed	0.088	2.00	0.176	The tourism industry of sharia still in its early stages of introduction
3	Potential tourist visits to the region of Lubuklinggau is continue to rising	0.118	4.00	0.471	Prospects of regional tourism in the stage of growth
4	The development of industrial technology, particularly the internet for tourism	0.088	4.00	0.353	Means of increasing turnover and business competitiveness
5	Government policy support is very good for business development	0.088	3.00	0.265	Support in promotions, ease of licensing and involvement as the target market
6	Regional and national economic conditions which is fairly stable	0.088	3.00	0.265	Price stability and purchasing power of community affects the stability of costs and facilitate the achievement of business targets
7	Regional and national political situation is conducive	0.088	3.00	0.265	Minimum volatility which could have an impact on other sectors
Threats					
8	The weakening global economy have an impact on the purchasing power of tourists	0.059	2.00	0.118	Barriers for the purchasing power of foreign tourists
9	The threat of global terrorism for the national tourism industry	0.029	1.00	0.029	Barriers for the number of tourist arrivals

10	Anticipation of forest fires in Sumatra has not been resolved completely	0.029	1.00	0.029	Barriers for the number of tourist arrivals
11	Increasingly fierce competition conditions triggered a price war / tariff	0.059	1.00	0.059	Reducing the potential for increased income and business development
12	The presence of substitute products for businesses	0.059	2.00	0.118	Reducing the potential for increased income and business development
13	Level hotel business competition getting tougher with the entry of new investors	0.059	2.00	0.118	Reducing the potential for increased income and business development
14	Presence of Airbnb (rental house system) is marketed online	0.029	1.00	0.029	Reducing the potential for increased income and business development
Total :		**1.000**		**2.765**	

B. Internal-External Matrix

Internal-External Matrix
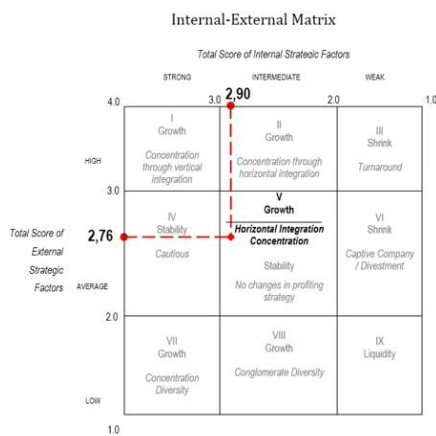
After analysing EFAS & IFAS it has been obtained the total score for IFAS = 2,902 and EFAS = 2,765. The result of EFAS and IFAS summarized into **Internal-External Matrix Analysis** that shows the overall condition of HTS Hotel. The Result shown below:

Based on its position in the IE matrix, HTS Hotel is located in the cell V (growth) in which the internal strength of HTS hotel is almost equal to the attractiveness of the industry (external factors). The appropriate strategy for PT. X is currently the "strategy of growth through horizontal integration", which is focused on strengthening the core business through a strategy that is oriented to the interests of market control to prevent loss of profit due to a market segment that is tilled and can be eroded by new entrants and substitute products more innovative in the face of competition. HTS Hotel should design the strategy in order to achieve stability in the growth agenda of sales, assets, profits, or a combination of all three. Focus revamping HTS Hotel is improving internal sector on aspects of marketing strategy, hotel operations, human resources and financial management, and to improve a part of hotel facilities and service excellence. After acknowledge the overall condition of the company, researcher generated **basic strategy goal** that furthermore will be formulated using TOWS Analysis.

C. TOWS Analysis

The basic strategy is that aiming in TOWS analysis is: a) Implement a cheap product pricing strategy (cost leadership) b) Focus on innovation to shape the development of new product variants (differentiated service products and services) in order to reach a market segment that has not been optimally explored c) Improving the quality of products / services and customer service d) Increase sales by accelerating the wider market e) Cost efficiency of production and distribution in order to improve profit margins.

TOWS Analysis Matrix

	STRENGTHS		WEAKNESSES	
	S1 Has considerable experience in managing Shariah-based hotel	0,293	W1 Not having a marketing strategy and a good sales	0,049
	S2 Recognize has a good brand in the eyes of consumers	0,293	W2 Motivation for management in improvisation for capacity building business is weak	0,024
	S3 The focus of management attention to aspects of aesthetics and service	0,220	W3 The bargaining power of suppliers is quite high	0,098
	S4 Hotel facilities are adequate	0,220	W4 Have yet engage in the research and implementation of technology in business	0,146
	S5 The strategic location and proximity to public facilities	0,390	W5 Low human resource qualification	0,024
	S6 The room rate and supporting facilities are quite competitive	0,098	W6 Not having a program of training and competency development for employees	0,098
	S7 Having a steady supply source and maintained continuity	0,220	W7 Elements of kinship and closeness to the factors affecting the owner of the recruitment process of employ 0,220	
	S8 All elements of the organization involved in the process of quality control	0,220	W8 Support of business infrastructure has not been a significant	0,098
	S9 Having complete legality	0,195		
OPPORTUNITY	**S-O**		**W-O**	
O1 The potential development of the Sharia hotel market is still very large 0,471	1 Improve service quality through the development of facilities and SOP development work (S1 + S3 + S4 + S8 + O1 + O2 + O3)	2,069	1 Develop marketing strategies and measurable promotion running in order to increase sales to the right target market (W1 + W4 + W8 + O1 + O3 + O4 + O6 + O7)	2,116
O2 Sharia-based tourism business entity has not been well developed 0,176				
O3 Potential tourist visits to the region of Lubuklinggau is continue to rising 0,471	2 Initiate market research and technology team internally as a source of information and new ideas in the innovation of product development services offered (S3 + S4 + S5 + S6 + S7 + S9 + O1 + O2 + O3 + O4 + O6 + O7)	3,341	2 Develop capacity building programs and quality of human resources through vocational training programs and work ethic (W5 + W6 + W7 + O1 + O2 + O5 + O4 + O5 + O6 + O7)	2,606
O4 The development of industrial technology, particularly the internet for touri 0,353				
O5 Government policy support is very good for business development 0,265	3 Increase cooperation with local governments in promotional activities, the human resources capacity as well as increased business turnover (S2 + S4 + S5 + S6 + S7 + S9 + O1 + O2 + O3 + O4 + O5 + O6 + O7)	3,679	3 Develop a work culture within the organization to support the realization of the vision and mission of the business (W5 + W2 + W7 + W8 + O1 + O2 + O3)	2,454
O6 Regional and national economic conditions which is fairly stable 0,265				
O7 Regional and national political situation is conducive 0,265	4 Evaluating the quality standards of supply as well as exploring new sources of supply (reserves) competitive (S1 + S3 + S7 + S8 + O1 + O2 + O3 + O6 + O7)	2,598	4 Applying information technology underpinning the performance of the business and operational support guest services technology (W1 + W3 + W4 + W8 + O1 + O3 + O4 + O5 + O6 + O7)	2,478
THREATS	**S-T**		**W-T**	
T1 The weakening global economy have an impact on the purchasing power of 0,118	1 Optimize resources and financing strategies in order to achieve financial efficiency (S1 + S2 + S3 + S4 + S5 + S6 + S7 + T1 + T4 + T5 + T6 + T7)	2,173	1 Evaluate market trends, changes in the composition of the market segments as well as consumer preferences using hotel facilities (W1 + W4 + W5 + T1 + T4 + T5 + T6 + T7)	0,758
T2 The threat of global terrorism for the national tourism industry 0,029				
T3 Anticipation of forest fires in Sumatra has not been resolved completely 0,029	2 Developing a product package of services offered which has a competitive advantage based on the capacity of the business and the position of competitors (S1 + S3 + S4 + S5 + S6 + S7 + S9 + T1 + T4 + T5 + T6 + T7)	2,075	2 Implement a system of reward and punishment and the principles of professional performance consistently within the organization (W2 + W3 + W5 + W7 + W8 + T4 + T5 + T6 + T7)	0,885
T4 Increasingly fierce competition conditions triggered a price war / tariff 0,029				
T5 The presence of substitute products for business 0,118	3 Improve the qualifications and competence of the sharia-based tourism businesses (S1 + S3 + S8 + S9 + T4 + T5 + T6 + T7)	1,250	3 Optimizing disctintive competencies (distinctiveness) business and package them as added value to the services that are not owned by a competitor (W2 + W4 + W5 + W8 + T4 + T5 + T6 + T7)	0,616
T6 Level hotel business competition getting tougher with the entry of new inve 0,118				
T7 Presence of Airbnb (rental house system) is marketed online 0,029	4 Supports programs of social development and the environment for the achievement of security coordination and increased capacity of the environment (S2 + S5 + T2 + T3)	0,742	4 Evaluate targets, strategies and achievements of various businesses and create solutions through the involvement of all elements of the organization (W1 + W2 + W4 + W7 + W8 + T1 + T2 + T3 + T4 + T5 + T6 + T7)	1,037

D. New Strategic Target

Bases on TOWS analysis, researcher formulating the appropriate strategy target for the company

1. Learning and Growth Perspective
   I. Increase cooperation with local governments in promotional activities, increase the human resources capability as well as increased business turnover.
   II. Applying the information technology underpinning the performance of the company and technology operational support guest services.
   III. Develop a program to increase capacity and capability of human resources through vocational training programs.
   IV. Develop a sharia working culture within the organization such as every employee say *Assalamualaikum* whenever they meet the hotel guest.
   V. Optimising disctintive competencies (distinctiveness) business such as setting *hijab* as daily uniform for the female employee and package them as added value to the services that are not owned by a competitor.
2. Internal Business Process Perspective
   I. Initiate market research and technology team internally as a source of information and new ideas in the innovation of product development services offered
   II. Improving the quality of services through the development of facilities and SOP development.
   III. Evaluate targets, strategies and achievements of various businesses and create solutions through the involvement of all elements of the organization.
   IV. Evaluate the quality standards of supply as well as exploring new competitive sources of supply (reserves).
   V. Implement a system of reward and punishment and the principles of professional performance consistently in the organization's environment

      VI.   Supporting programs for social development and the environment for the achievement of security coordination and increased carrying capacity.

3. Customer Perspective
   I. Develop and execute measurable marketing strategies and promotions such as joining hotel e-commerse platform in order to increase sales to the exact target market.
   II. Evaluate market trends, changes in the composition of the market segments as well as consumer preferences using hotel facilities with doing routin market survey to the hotel guest.
   III. Develop a package of services offered products such as event for example routin moslem gathering or holiday promo package based on the capacity of the company and the position of competitors.

4. Financial Perspective
   I. Receive the deposit from related / government departments that have interest to held their event in HTS Hotel.
   II. Optimizing resources and financing strategies in order to achieve financial efficiency by using several financial management principe.

E. Balance Scorecard (Data Presentation)

Each perspective of Balanced Scorecard should have relevance. The linkage of each perspective is shown on the strategic map. Strategic map illustrates the relationship between the perspective of the other perspectives that are interrelated and have a causal relationship that communicate meaning to the strategy throughout the company as shown in Figure below.
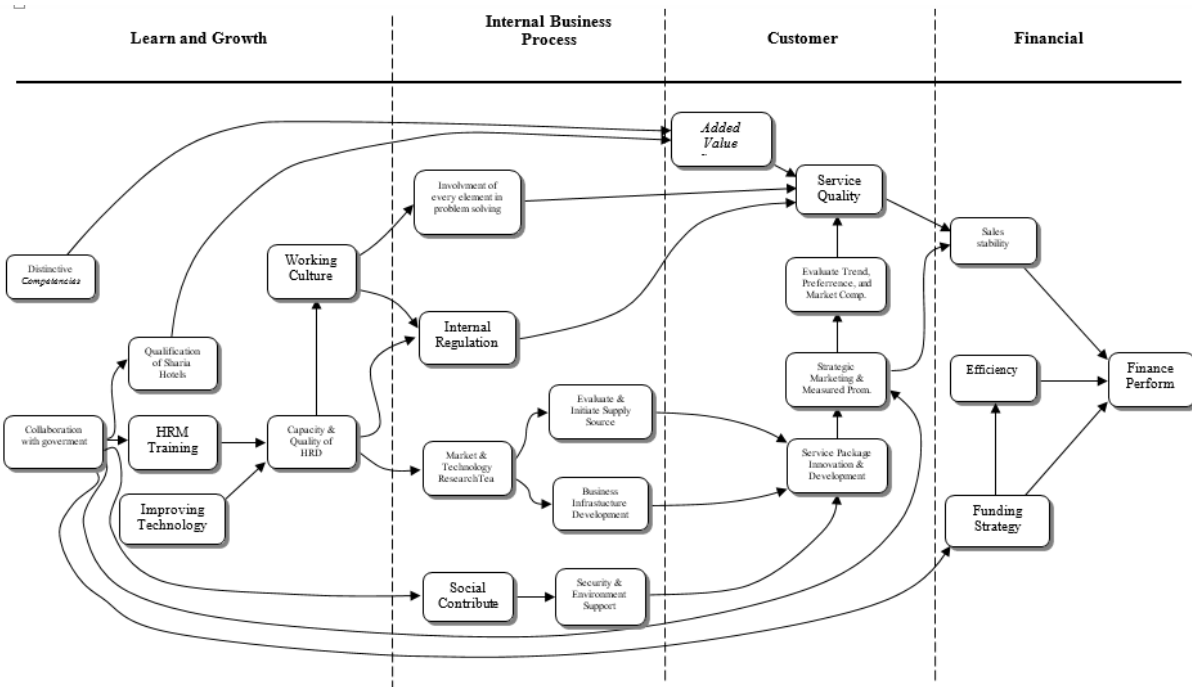
Conclusion

As the conclusion, researcher describe the measurment of company objective that refer to the company KPI and specify to become strategic initiative using Objective, Measure, Target, Initiative (OMTI) table. And breakdown the strategic initiative to each department level in the company.

New Key Performance Indicator

		Strategic Target	Lag Indicators	Lead Indicators	KPI Target	Strategic Initiative	Specific Department
1		**Growth and Learn Perspective**					
	A	Enhancing cooperation with regional government in terms of promotion, HR capacity, and increasing gross earnings of business	⍰ Amount of membership in regional government exhibition	⍰ Hearings of exploratory cooperation with regional government	⍰ Max. 2 times the coverage of the exhibition by the local government	⍰⍰Optimizing the task of public relations in order to establish communication with the local government / local government agencies	Manager Operational
			⍰ Amount of trainings in regional government		⍰ Max. 2 times the coverage of the training organized by the local government	⍰ Develop and selecting the priority scale of membership of an annual schedule of promotional activities and employee training along with local government	Manager Operational & Assistance Manager

			▫️Legislation and recommendation of bank funding	▫️ MOU cooperation with regional government	▫️Publishing activity permit and a letter of recommendation max. 1 month	▫️Allocate budgets promotion and training organized by the Government	SPV. Accounting
B	Applying information technology underpinning the performance of the business and technology operational support guest services	▫️Accuracy analysis and financial reporting time	▫️New equipment and software investment	▫️The decision making process max. 3 days	▫️Selecting the optimal type of product technology and in accordance with the conditions of the company	Marketing Manager & SPV. Engineering
		▫️Reports complaint privacy and security rooms		▫️The level of privacy and security to increase to 95%	▫️Selecting suppliers supplying device and software	SPV. Engineering
C	Develop capacity building programs and quality of human resources through vocational training programs and work ethic	▫️Revenue per employee	▫️Implementation of job training and certification of employees	▫️ Revenue per employee increased min. 10%	▫️ Evaluate the priority needs of employee training stages	Manager Operational
		▫️The total increase in compensation per employee		▫️ Total compensation per employee increased min. 10%	▫️Develop a training agenda and regular meetings in order to develop the work ethic in the neighborhood of employees	Manager Operational & All SPV.
		▫️ Report an employee's performance		▫️The report improved performance of employees		

		Strategic Target	Lag Indicators	Lead Indicators	KPI Target	Strategic Initiative	Specific Department
	D	Develop a work culture within the organization to support the realization of the vision and mission of the business	⬜ Discipline	⬜ Implementation of the outing and regular briefing for employees	⬜ Reports of violations of discipline of employees decreased by 25% / quarter	⬜ Established the allocation of time for activities with the management and employees	All. BOD
			⬜ Knowledge transfers			⬜ Provide a means of supporting and situations conducive to knowledge transfer between senior employees with new employees	Assistance Manager
	E	Improve the qualifications and competence of the sharia-based tourism businesses	⬜⬜⬜Certificate MUI / Association of Islamic banking / authorized agency	⬜⬜Participation in the training and certification of tourism businesses sharia		⬜ Plan the schedule of membership certification activities sharia tourism business	All. Manager
	F	Optimizing distinctive competencies business and package them as added value to the services that are not owned by a competitor	⬜ Updating media promo text content (brochures, banners etc.)			⬜⬜Intensify coordination with the Dept. Marketing and Sales in order to strengthen the added value of	Sales & Marketing Manager

						products based on the uniqueness of the business owned	
2	**Internal Business Process Perspective**						
	A	Initiate market research and technology team internally as a source of information and new ideas in the innovation of product development services offered	▢▢▢Total PIC and Product Protocol produced per year			▢ Min. 1 PIC and Product Protocol document produced	▢▢Establish a market and technology research team consisting of management board / senior employees and if required to do recruitment of competent human resources in the field	Manager Operational
			▢ Total market test conducted					
	B	Improve service quality through the development of facilities and SOP development work	▢ The report evaluating the development of the hotel facilities			▢ Details Budget renovation and provision of facilities	▢ To collaborate with consultants / experts in evaluating and preparing SOP companies	Manager Operational
			▢ SOP for Divisions			▢ Updating SOP min. 1 time per semester		
	C	Evaluate targets, strategies and achievements of various businesses and create solutions through the	▢▢Attitudinal opportunities and systematic problem solving	▢ Implementation of the agenda and coordinating weekly		▢ Notes of meetings / monthly coordination across divisions	▢ Develop structural agenda at the level of directors, management and intra	Assistance Manager

			/ monthly / yearly		departmen t	
			⏹ FGD intra/cross division	⏹ Develop communic ation procedure s for receiving inputs, criticism and suggestion s from directors, managem ent and all employees of the hotel	Assista nce Manag er

		Strategic Target	Lag Indicators	Lead Indicators	KPI Target	Strategic Initiative	Specifi c Depart ment
	D	Evaluating the quality standards of supply as well as exploring new sources of supply (reserves) competitive	⏹⏹List of suppliers ⏹ Revision of the supplier contract	⏹ *Review list of suppliers performa nce*	⏹ List of maintained suppliers ⏹ List of reserved suppliers	⏹ Evaluate the supplier's capacity remains (partners) and suppliers are not fixed, especially in supporting product developm ent services as well as the creation of new service products	Genera l SPV
	E	Implement a system of reward and	⏹ Update labor contract	⏹ *Review office*		⏹ Develop a plan to improve	Assista nce

		punishment and the principles of professional performance consistently in the organization's environment	☐☐Job desk office ☐ List of targets and performance achievements office	documents		the socialization agenda of corporate performance	Manager
	F	Supports programs of social development and the environment for the achievement of security coordination and increased capacity of the environment	☐ Number of counseling and coordination of joint forces and citizens			☐ Coordinated in the framework of the division of tasks / roles with the community around the location and relevant authorities to find solutions and to agree on the procedure / anticipation of threat events plaguing the society, a threat to security as well as the sewage system	Manager Operational
3	**Customer Perspective**						
	A	Develop marketing strategies and measurable promotion running in order to increase	☐ Marketing Plan Document	☐ Strategic marketing and sales plans of Dept. Marketing	☐ Submission of Marketing Plan and Sales Plan max. 2 months before the year ends	☐ Implementation of file system, the preparation of the	SPV. Front Office & SPV. Engineering

		sales to the exact target market		& Dept. Sales		form and the customer database	
			⬚⬚Sales Plan Document		⬚⬚Total marketing and sales budgets max. 20% of Sales Revenue	⬚ Allocate regular budget for marketing and sales	SPV. Accounting
	B	Evaluate market trends, changes in the composition of the market segments as well as consumer preferences using hotel facilities	⬚⬚Brand Positioning Document	⬚ Survey the market segment		⬚ To collaborate with consultants / experts in the survey plan customer, competitor analysis and market potential	Manager Operational & Sales Manager
				⬚ Survey of consumer preferences			
				⬚ Analysis of the brand positioning			

In previous years, HTS Hotel management has never been able to achieve the KPI set. This happens because, the manufacture of IBC in HTS Hotel using the classical method with the estimation that based on the personal perception of top management, while defining KPIs should be measured by concrete performance management framework such as the Balanced Scorecard (BSC), which makes KPI more realistic and can be achieved by the company during the period such as expected.

There are 23 Key Performance Indicators (KPI) for HTS Hotel Lubuklinggau, South Sumatra. Based on four perspectives of the Balanced Scorecard, which is 9 indicators for the Learning and Growth perspective, 7 indicators to Internal Business Processes Perspective, 4 indicators for the Customer perspective, and 3 indicators for Financial perspective. The use of four models perspectives in the Balanced Scorecard concept is expected to facilitate the achievement of KPI for HTS Hotel. The elaboration of the four perspectives deemed to represent the actual situation of the company, so the various targets set becomes a priority that is considered as the most realistic target. This research have implication for general knowledge in performance management as a part of management subject. The outcomes of this reserach gives additional insight for the effectiveness of balance scorecard method applied in 3 star hotel of developing region in Indonesia.

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