



DESIGNING THE SUPPLY CHAIN SCORECARD AS A PERFORMANCE MEASUREMENT OF SUPPLY CHAIN DEPARTMENT (CASE STUDY: PT RST INDONESIA)

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Abstract

Globalization and digitalization are forcing industries to adapt new and efficient manufacturing practices because it raises challenges to all manufacture company. Competing strictly with competitors in the global market requires company to focus on improving operational function with effective supply chain management by reducing costs, sustaining customer-supplier relationship and increase profit and market share. Assessing the success of the company can be done with measuring one important management practice which is supply chain management, because it is an important management practice to determine company's success. This paper focus on designing the supply chain scorecard as a performance measurement for department level of Supply Chain Department at RST Company that measure and evaluate business operation from four following perspective: financial, operation, customer and strategic. This scorecard provides guidance for supply chain department in evaluation and measuring SCM in a balanced way and propose framework of performance management to map and analyze supply chain process. By translating the company's vision, mission, and strategy through the Supply Chain Scorecard approach, this study produces three strategic objectives on the strategic perspective, eight strategic objectives on operational perspective, three strategic objectives on the customer perspective and two strategic objectives on the financial perspective. In total, there are 48 KPI produced that consists of 28 leading indicators and 20 lagging indicators which are identified for the four perspectives of Supply Chain Scorecard. Operation perspective is the perspective with the highest priority level (0,485), the strategic perspective (0,284), the financial perspective (0,165) and the last is the customer perspective (0,066).

Keywords: Performance Measurement, Supply Chain Scorecard, Strategy Map, Key Performance Indicator, Analytical Network Process.
