

A PROPOSED DESIGN OF A PERFORMANCE MANAGEMENT SYSTEM WITH AN APPROACH BASED ON THE INTEGRATED PERFORMANCE MANAGEMENT SYSTEM CASE STUDY: PT. MOTORCYCLE ACCESSORIES INDONESIA

Bayu Marth Athura^a & Dermawan Wibisono^b

^{ab}Institut Teknologi Bandung, Bandung, Indonesia.

Corresponding email: Bayu_Marth@sbm-itb.ac.id

Abstract

Indonesia, Southeast Asia's largest economy with over 300 ethnic groups, has grown rapidly since the 1997–98 Asian financial crisis. Indonesia is the fourth most populated nation, the 10th largest economy by purchasing power parity, and a G-20 member with over 275 million people. Additionally, Indonesia is a member of the G-20. To keep the economic growth going, the Indonesian government has introduced important reforms that make investing in Indonesia more attractive and simpler for foreign investors to take this opportunity to set up their businesses in Indonesia, not least in the motorcycle accessories industry sector. This situation leads to increased competition in this sector and the growth of motorcycle accessory companies and distributors in Indonesia. In response to this situation, a plethora of new companies have emerged. One of the new companies is PT. Motorcycle Accessory Indonesia (MAI), which was established in Jakarta, Indonesia, in 2016 as an importer and distributor of DASH products. MAI does not have any appropriate tools to measure its performance since it was established in 2016. MAI must improve their competitiveness in order to become a market leader. As a result, they decided to introduce a performance management system (PMS) in order to assess their performance and evaluate their strategy. Even so, to successfully adopt a performance management system, it is necessary to analyze the company's current internal and external environments and determine which factors will have an impact on the company's performance. After doing several analyses to figure out how the company is doing, a new performance management framework based on the Integrated Performance Management System (IPMS) Framework was made and will be proposed.

Keywords: Motorcycle Accessories Company, Performance Management System, Performance Indicators, Key Performance Indicator, KBPMS

1. Introduction and Purpose

Indonesia, Southeast Asia's largest economy with over 300 ethnic groups, has grown rapidly since the 1997–98 Asian financial crisis. Indonesia is the fourth most populated nation, the 10th largest economy by purchasing power parity, and a G-20 member with over 275 million people. To keep the economic growth going, the Indonesian government has introduced important reforms that make investing in Indonesia more attractive and simpler for foreign investors to take this opportunity to set up their businesses in Indonesia, not least in the motorcycle accessories industry sector. This situation leads to increased competition in this sector and the growth of motorcycle accessory companies and distributors in Indonesia. In response of this

situation, a plethora of new companies have emerged. One of the new companies is PT. Motorcycle Accessory Indonesia (*MAI*), which was established in Jakarta, 2016 as an importer and distributor of *DASH* products and new subsidiary of Motoacceorios Espana Sociedad Limitada (*MES*).

MAI is a company engaged in the sale and distribution of 2-wheeled motorcycle accessories in Indonesia and exports them to Southeast Asia, South Korea, Japan, India, Australia, U.S.A, South America, and Europe. *MAI*'s goal is to become a market leader in the motorcycle accessories market in Asia. In order for *MAI* to become competitive, it should build a performance management system (*PMS*) that is well-designed. It is crucial to have a *PMS* because it serves as a tool for communicating goals and achievements, ensuring that the company makes efficient use of its resources, concentrating on making continual improvements, and serving as a critical guidance tool for properly evaluating the company (Wibisono,2016).

2. Literature Review

Over the past forty years, experts have created a wide variety of frameworks for *PMS*, generating world-class organization performance by including a wide range of performance metrics in addition to financial metrics, such as efficiency, effectiveness, productivity, quality, customer satisfaction, innovation, and employee satisfaction; Six Sigma (1985), activity-based costing (*ABC*) (1988), total quality management (*TQM*), *EFQM* excellence model (1991), Malcolm Baldrige National Quality Award (*MBNQA*) (1987), balanced scorecard (*BSC*) (Kaplan and Norton, 1992, 1996), performance prism (Neely and Adams, 2002). The framework of *PMS* is always being updated for a variety of reasons; one of these reasons is the rapid expansion of contemporary industries.

1. *MBNQA* (ASQ,2022) is an award that was founded in 1987 by the Congress of the United States of America in order to raise awareness of quality management and celebrate American businesses that have successfully adopted quality management systems. As the *MBNQA* research clearly demonstrates, it is not necessary to sacrifice financial success in order to keep employees and customers happy (Brown, 2008).
2. Balanced scorecard (Norton&Kaplan,1996) is commonly used in the world and the standard for all performance management developed afterward.
3. Performance Prism (Neely, Adams&Kennerly,2002) is a *PMS* which update the Balanced Scorecard framework. Performance Prism methodology projecting satisfaction to all interlinked stakeholders such as customers, investors, employees, suppliers, alliances, regulators, and communities.
4. Integrated Performance Management System or *IPMS* (Wibisono,2006) can be considered as a refinement of the Balanced Scorecard and Performance Prism concepts. Integrated Performance Management System combines the ease of use of the Balanced Scorecard and the focus on stakeholders of the Performance Prism. Framework of *IPMS* is comprehensive and easy to understand. It is explained in detail how to design something, beginning with the foundations of *PMS*, the ways to analyze information about the business environment, the ways to connect to the strategy, performance measurement frameworks, measures for putting *PMS* into action, and the updating process for *PMS*. All of these aspects are covered in the designing process. Methodology of *IPMS* also talks about benchmarking in a way that is easy to understand and use.

Table 1. Performance Management System Comparison (Wibisono, 2016)

Aspect	MBNQA (1987)	BSC (1992)	Prism (2001)	IPMS (2006)
Procedure to design PMS	Stated explicitly	Stated explicitly	General overview	Stated explicitly
Design of PMS (e.g. Framework, example, suggestion)	Framework and examples	Explicit examples from empirical companies' data	Framework and distinct model	Framework, distinct model, example and detail indicator
Level/Perspective	7 perspectives	4 perspectives	5 perspectives	3 perspectives and 9 sub-perspectives which are intercorrelated
Reason on choosing variable	Stated clearly on each perspective	Stated clearly on each perspective	Stated clearly on each perspective	Stated clearly on each perspective
Knowledge-based approach	No	No	No	Yes
Benchmarking Process	Portrait in perspective 7	Discussed conceptually	Not discussed explicitly	Discussed clearly
Variable linkage	No	Described in the Framework perspectives	Clearly distinguished	Specifically described (using Correlation Analysis/AHP/Gap Analysis)

2.1 Integrated Performance Management System

IPMS was selected as the framework for the proposed PMS since it is comprehensive, straightforward, and simple to comprehend, given that it consists of only three perspectives. A good PMS ought to have a closed connection with accountability, in which the performance indicator serves as a target and measuring reference. Seven criteria should be outlined by an effective PMS (Wibisono, 2011): (1). Directly related to corporate strategy, (2). Variables should be measured by non-financial measurement, (3). Flexible and varies depending in the location of company, (4). Dynamic, constantly updated in line with changing times, (5). Simple feedback for the operator and manager in charge, (6). Quick feedback for the operator and manager in charge, and (7). Directed to the improvement not only monitoring.

PMS for MAI will be designed in reference to the IPMS framework. There are five stages in designing IPMS starting with stage 0-foundation, stage 1-basic information, stage 2-design, stage 3-implementation and improvement and stage 4-refreshment (Wibisono, 2016). As this PMS is new to MAI, furthermore this study only discusses it to implementation plan.

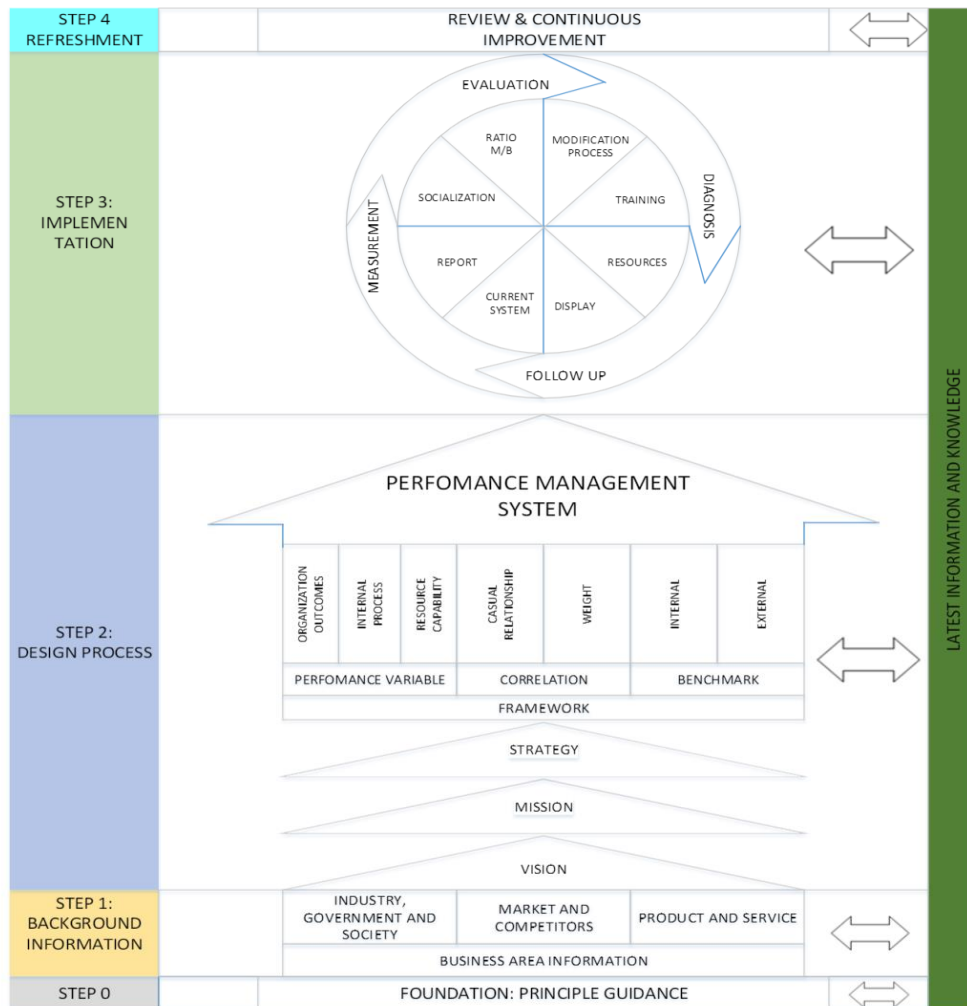


Figure 1. IPMS Framework (Wibisono,2016)

2.2 PESTEL Analysis

The PESTEL model, as described by Rothaermel is a framework for categorizing and analyzing a significant set of external factors (*Political, Economic, Sociocultural, Technological, Environmental, and Legal forces*) (Rothaermel,2017). These factors can create both opportunities and threat for a company. The purpose of a PESTEL analysis is to identify external factors that are already having an impact on the business, to predict which of these elements might shift in the future, and to capitalize on and adapt to any shifts in the market.

2.3 SWOT Analysis

The abbreviation SWOT refers to a certain company's strengths, weaknesses, opportunities, and threats, all of which are considered to be strategic elements. SWOT analysis is framework that allow leaders to synthesize insight obtained from an internal analysis of the company's strength and weakness (S and W) with those from an analysis of external opportunities and threat (O and T) to derive strategic implications. In this research SWOT Analysis is used to identify business situation (Rothaermel,2017).

2.4 TOWS Matrix

TOWS matrix is the important completing tool. The TOWS matrix helps to identify systematically relationships between threats, opportunities, weaknesses and strengths, and offers a structure for generating strategies on the basis of these relationships (Wehrich,1982).

3. Research Methodology

This research is demanding to analyze current issues or problems faced by *MAI*. The problem-solving processes are started with problem identification, business issue exploration, research objectives, data collecting, and processing then IPMS framework design, Implementation plan, and business solution. This is the workflow methodology for conducting this research.

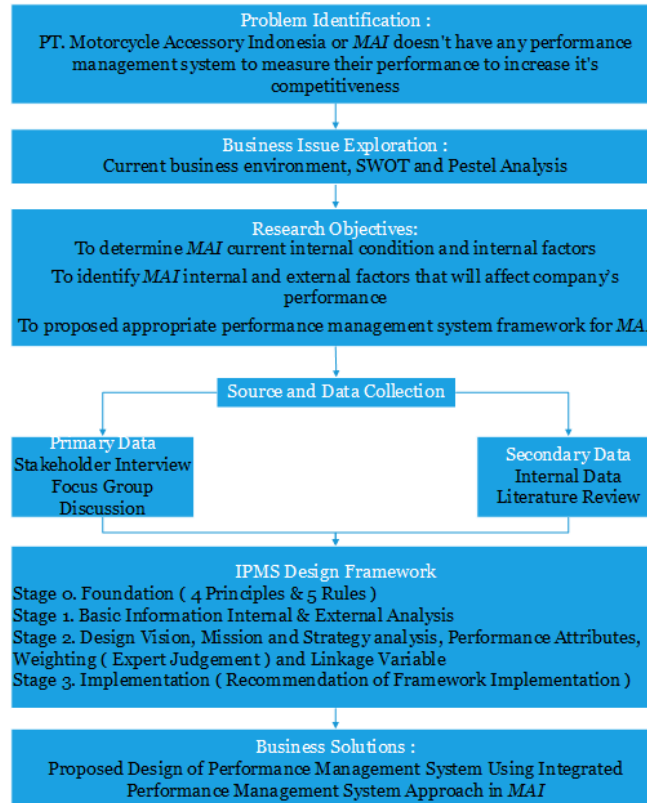


Figure 2. Research Framework

3.1 Research Problem and Scope

The identified problem is the absence of PMS in *MAI* to measure their performance in order to increase their competitiveness. The framework used to design PMS is an Integrated or Knowledge-Based Performance Management System (IPMS or KBPMS). The primary effect that the newly proposed design for IPMS will have, is going to have on certain performance indicators that have a significant impact on whether or not an *MAI* business process is successfully completed.

3.2 Research Approach

This research was conducted using focus group discussions (FGD) or brainstorming to capture pain points that would be transformed as innovative tools. In addition to the FGD, an interview is done with a key performance person. FGD with 3 person of sales & marketing department (SMD), 1 person of finance & accounting department (FAD) and 1 person of technical & operations department (TOD) then continue with the interview with the *MES* global director

(GD) and *MAI* branch director (BD) who decide how effectively and efficiently the branch office operates.

Table 2. Respondent Profiling

Job Position	Experienced
MES Global Director who controls general aspect for MAI	MES = 13 Years
MAI Branch Director who controls sales, marketing, finance & operational aspect	MES = 17 Years, MAI = 7 Years
MAI Sales & Marketing #1 who manages and control for local & OEM Clients	MAI = 4 years
MAI Sales & Marketing #2 who manages and control for local & Export Clients	MAI = 2 years
MAI Sales Admin & Support who handle administration and export doc.	MAI = 5 years
MAI FA Supervisor who manages and control FA & inventory management	MAI = 4 years
MAI TO Manager who manage and control for technical & operational aspects	MAI = 7 years

3.3 Data Collection

The author divided this research into two data types: primary and secondary data. Primary data obtained objectively from FGD, interviews, and literature. Secondary data was obtained from branch office operational data and reports. Within the company, sources of data vary depending on the type of information contained. In order to concentrate more fully on the research objectives that were laid out in the research framework, this study only performs the first three stages of the research process.

4. Result and Analysis

4.1 Stage 0: Foundation

At this stage, the focus is on gaining a grasp of the guidelines and concepts that ought to serve as the basis for the development of the design of the PMS. When it comes to the creation of a PMS, there are four foundations that serve as guiding concepts and five regulations. These are the four guiding principles:

1. Partnership Between Stakeholders: This principle must be properly adhered to in order for all parties to be able to select variables relevant to their authorities. Investors, consumers, employees, business partners, and suppliers are *MAI*'s stakeholders.
2. Employee Empowerment: It is essential to ensure that *MAI* employees are actively involved in supporting the company's performance improvement and discuss their issues on the existing workflow of the *MAI* team as well as potential future developments.
3. Integrated Performance Improvement: Performance management design must include all variables and relate each variable in one department to another. Integrated performance improvement is the result of a comprehensive development to implementation strategy that fosters a strong sense of belonging among all employee involved.
4. Independent Team: In order for the development team to successfully design the PMS, trust and opportunity need to be given to them. The system should involve decision-making, the organization of people across departments, and the determination of which variable should be adopted. From the stage of research all the way through to the stage of implementation, an internal team consisting of two individuals from both the Operations department and the

Sales & Marketing department will work as an external consultant and an independent outside team to assure performance improvement.

With a better understanding of above principles, when it comes to the design of PMS, there are five fundamental rules that need to be understood. Here are the ground regulations:

1. Keep it simple, stupid / KISS – All MAI employees must understand the assigned factors in order for the PMS to be effective.
2. Long term oriented – PMS should be capable of ensuring a company's vision and mission's long-term viability.
3. Time based – To analyze the success of a company, PMS should provide immediate feedback.
4. Focus on continuous improvement – After the performance management target has been reached, the frameworks for designing and implementing PMS will enable continual improvement to the desired level.
5. Using a quantitative approach - This technique will make it easier for MAI to make decisions to increase performance. The absolute character of numbers and ratios in comparison to the standard will make it easier for decision makers to make any necessary decisions.

4.2 Stage 1: Basic Information

PMS needs some basic information to be able to be made. Internal and external input analyses make up the most important information. The SWOT and PESTEL approaches can be used to look at how a business is doing so that PMS can be made. Then it goes on to the TOWS matrix.

Internal Analysis:

Table 1. SWOT Analysis

Strength	Weakness
<ol style="list-style-type: none"> 1. Product Warranty & Quality. 2. MES as mother company. 3. Strong brand-name image since 1992 4. Product Innovations 5. Strong global supply chain: Spain, China, and Indonesia. 6. The most designed awarded motorcycle cases. 7. Worldwide presence in more than 80 countries. 8. Experienced partners in the operations field 9. Competitive price than its main competitor, especially for more premium products. 10. Good relationship with well-known motorcycle brands 11. Higher number of Exclusive wholesaler/dealer than their competitor Indonesia. 	<ol style="list-style-type: none"> 1. No clear strategic vision, mission, and objective from top to bottom line 2. No clear organizational culture and reward system 3. No well-developed of the employee training plan 4. No well-developed career plan for the employee. 5. Lack of Availability product stock in warehouse 6. Lack of rewards to wholesaler/dealer 7. No well-integrated information system between headquarter and subsidiary. 8. Low penetration in the country which DASH don't have the fitting kits for local motorbike.
Opportunities	Threats
<ol style="list-style-type: none"> 1. Expanding into new distribution points 2. Expanding the company's product line 3. Motorcycle is still the most chosen transport mode 4. Utilizing existing technological know-how 5. Motorcycle brands that keep launching its new product 6. Electric motorcycle era that starts to grow also 7. New product for expensive look but affordable price. 8. Digital transformation. 9. Building a community platform 10. Improving marketing channel by partnering with well-known third party (i.e., Social media influencers) 	<ol style="list-style-type: none"> 1. Rising price in the plastic raw material, metal components and logistic cost after pandemic. 2. Restrictive international foreign trade policies 3. Reverse engineering by China company 4. Growing bargaining power of China suppliers 5. Changes in particularly disruptive technology 6. DASH product is not really an "online-friendly product" considering not all user are handy with tools and DIY. 7. Main Competitor new structure organization in 2023.

External Analysis:

Political

Issue for Economic crisis and politic situation 2023 will bring bad impact to purchased power for our wholesaler/ dealer and end user ; **Economical:** International motorcycle brands can face significant challenges because of economic volatility. The economic situation around the world has changed since the pandemic recovery, and most economies are doing well. This causes people to spend more on two-wheeled vehicles and motorcycle accessories. The fast-growing Asian and European markets have presented great opportunities;

Sociological

It's important for brands to have a good social image. It helps build trust and customer loyalty. Sociocultural factors are also important in marketing, which is why international brands like *DASH* use different marketing strategies to appeal to different markets; **Technological:** Focusing on research and new ideas helps it make better products that better meet the needs of its customers. Through technology, *DASH* will successfully create an innovative product that is not only popular with the riders but winning some awards from the red dot etc;

Environmental

DASH is a brand committed to eco-friendly production and business practices. It has incorporated environmentally friendly production, supply chain, and other business practices ;

Legal

legal oversight of huge and international corporations has increased significantly. No company desires an altercation with the law. Because noncompliance can result in billions of dollars in fines. From product quality to rider safety and labor as well as the environment, there is a complicated web of rules in each area that must be dealt with.

TOWS Matrix Result

The next step, which comes after conducting a SWOT analysis, is to generate a strategy by using a TOWS matrix. This refers to a formula for developing a strategy that makes use of the findings of the SWOT analysis by capitalizing on existing opportunities and also being able to defend against the vulnerabilities of existing threats.

i. Strength and Opportunities (SO)

SO1. Strengthen brand image by endorsed local social media influencers in each distribution region in Asia also cultivating closer collaboration with OEM motorcycle brand and EV Brand (S1, S2, S3, S4, S5, S7, S9, O1, O5, O6, O10)

SO2. Developing more innovative aftermarket product, expanding new product line and choosing the right market segmentation for increasing the business growth and profitability (S2, S3, S5, S6, S8, S10, O2, O3, O4, O5, O6, O7)

SO3. Building partnership with start-up and others business entities that sharing same vision (S2, S3, O8, O9)

SO4. Integrated operations system between headquarter to Subsidiary in order to achieve on time delivery, keep inventory level to client and customer satisfaction (S2, S4, O1, O5, O8)

ii. Weakness and Opportunities (WO)

WO1. Creating clear strategic vision, mission, objective and values then then informed and socialized to all employees in headquarter and subsidiary (W1, w2, O4)

WO2.Creating structured career plans, rewards system, developing structured training and education programs in collaboration with Bonafede consulting group in order to increase the loyalty and competency of employee (W2, W4, O4)

WO3.Enhancing and expanding the capabilities of IT systems to meet the demands of today's digital information (W5, W7, O1, O3, O4, O8, O9)

WO4.Creating promotions and marketing program that can attract customer and potential buyers (W6, O8, O9, O10)

iii. Strength and Threat (ST)

ST1. MAI give bigger quantity and long-term contract to manufacturing & 3PL partner in order to get better discount / price (S4, S6, S7, S8, T1, T3)

ST2.Moving ownership of activities upstream in resin and plastic material vendor to *DASH* Group by merger process and friendly procedure approach in Indonesia and/or China for being more competitive. (S2, S4, S7, T1, T2, T3, T4)

ST3. Encourage leader to be more aggressive and collaborative with team to work together (S2, S3, S5, S6, S8, S10, T3, T4, T5, T6)

iv. Weakness and Threat (WT)

WT1. Improve employee performance in order to compete with competitor (W1, W2, W3, W4, T6)

WT2.Joining forces or making collaboration with OEM motorcycle brand by making bundling product (W8, T2, T4)

WT3. Developing innovative product and put Asian signature as the baseline to reach newer customer in Asia (W6, T3, T4)

4.3 Stage 2: Design

Defining the vision and mission that are appropriate with the company's competitive advantages and competitive strategies is the first step in developing the PMS stage. By implementing the strategies that are appropriate with its competitive advantages and competitive strategies, *MAI* must pursue its goals in order to fulfill its vision and mission. The performance factors are developed from three perspectives: organizational output, internal process, and resource capabilities to regulate the implementation of the strategies. This is done after understanding and determining the company's vision, mission, and strategy. These parameters ought to be SMART (specific, measurable, actionable, realistic and time-specific). Author provided a vision and mission for *MAI* that met the criteria for a good vision and mission based on the results of interviews with the *MES* Global Director and *MAI* Branch Director.

Proposed Vision for PT. Motorcycle Accessory Indonesia / MAI

A vision is a collection of words or phrases that depict the aspirations and objectives of a specific business or organization for the future. The ideal situation would be for every employee of the company to be aware of and understand the organization's long-term objectives and vision. Since it is crucial for the organization's survival and long-term performance, a vision must specify the organization's goals over the next three to 10 years (Wibisono,2016).

Table 4. Breakdown of the proposed new vision for MAI

New Defined Vision	Interpretation	Implication
To Be the Technological Leader in Asia for Motorcycle Accessories on The Product Line that We Developed for Middle and High-End Users	Being the best compared to other similar product offered by other motorcycle accessories company in Asia. <i>DASH</i> will develop the product line that has really taken into account what the customer needs where the objective is to satisfy the middle and high-end customers.	<ul style="list-style-type: none"> • <i>MAI</i> must constantly evaluate itself in relation to similar competitors, make improvements, and provide customers with the latest technology available to be in competitive condition. • <i>MAI</i> wgo the extra mile to provide tailored, innovative & high-quality product, expand product line and problem solving of customer needs. • <i>MAI</i> must increase the revenue, improve the productivity, and still keep the service level in order to meet the company growth and profits goals

Proposed Mission for PT. Motorcycle Accessory Indonesia / *MAI*

A company's goals and the very reason it exists are outlined in its mission statement, which is a set of words. It is the purpose of the mission to communicate with both internal and external stakeholders the reason for the existence of the firm as well as the direction in which the organization will be heading (Wibisono,2016).

Table 5. Breakdown of the proposed new mission for *MAI*

New Defined Mission	Interpretation	Implication
Developed Solutions in Our Technical Office Solutions with a Defensible Added Value in the long term With a Commercial Offer Designed Through Our Asia distribution Channel in the Motorcycle Sector.	<ul style="list-style-type: none"> • Giving the best service to meet customer expectations and overcome the problem by developing innovative product in the technical office in Barcelona-Spain where we are having the best qualification of New Product Development team (excellence working in each department) • Providing Complete product line with competitive price and great sales package through omni channel for motorcycle industry. 	<ul style="list-style-type: none"> • Giving excellent service for excellence quality product • Establish people development and sharing event to generate ideas and transform it to become innovation • Expanding product line to OEM & Aftermarket client with competitive price and on time delivery. • Providing integrated system between headquarter to subsidiary. • Helping our wholesaler/dealer for having better company growth and profitability.

Performance Variables

After that, such strategies are interpreted into performance variables, which will later be built upon within the PMS framework. IPMS divides its performance variable into three perspectives and nine aspects: organizational output (financial and non-financial), internal process (innovations, operations process, marketing, and after sales service) and resources capabilities (human resources, technology resources, and organization resources).

Proposed Important Performance Variables and Weighting by Expert Judgement

Table 62. Proposed Performance Variables for IPMS Perspective

Perspective	Aspect	Performance Variables	Weight
Organizational Output	Financial	Asset Management Ratio	10.0%
		Liquidity Ratio	7.0%
		Profitability Ratio	10.0%
		Business Growth	10.0%
	Non-Financial	Customer Response Time	3.0%
		Partner Satisfaction	3.0%
		Customer Complain Rate	5.0%
		Customer Satisfaction Rate	5.0%
		Customer Retention	3.0%
Internal Process	Innovation	Expand Product Innovation	5.0%
	Operational Process	Reliable Manufacturing Partner	3.0%
		Inventory Level Performance	3.0%
		Delivery on Time	3.0%
	Marketing	Expand Business Network	3.0%
		Advertisement compared to sales	3.0%
	After Sales Service	Service Level	3.0%
Resource Capabilities	Technology Resource	Availability of Technology	5.0%
	Organizational Resource	Leadership	5.0%
	Human Resources	Attendance level	2.0%
		Employee Satisfaction	3.0%
		Employee Awareness	3.0%
		Employee competency	3.0%

These variables were selected based on their suitability with *MAI* competitive advantage. As explained in the research methodology, primary data and secondary data are processed to produce proposed performance variables that highly affect *MAI* performance. We asked expert judgement (*MES Global Director*) for weighting the performance variables. Regarding on table.6, Organizational output perspective places the most important in the perspective level.

Variable Linkage

The linkage between performance variables is important in performance management. Several methods that can be used to explore the linkage of these performance variables include factor analysis, correlation analysis, the use of fishbone diagram and Analytic Hierarchy Process (Wibisono, 2016). Figure.3 shows that when variables are linked together, it becomes easier to focus on improving the ones that haven't reached the objective goal just yet. The fundamental concept underlying the linkage is that resource capabilities will be a direct input to an internal process, which will subsequently be a direct input to an organizational result.

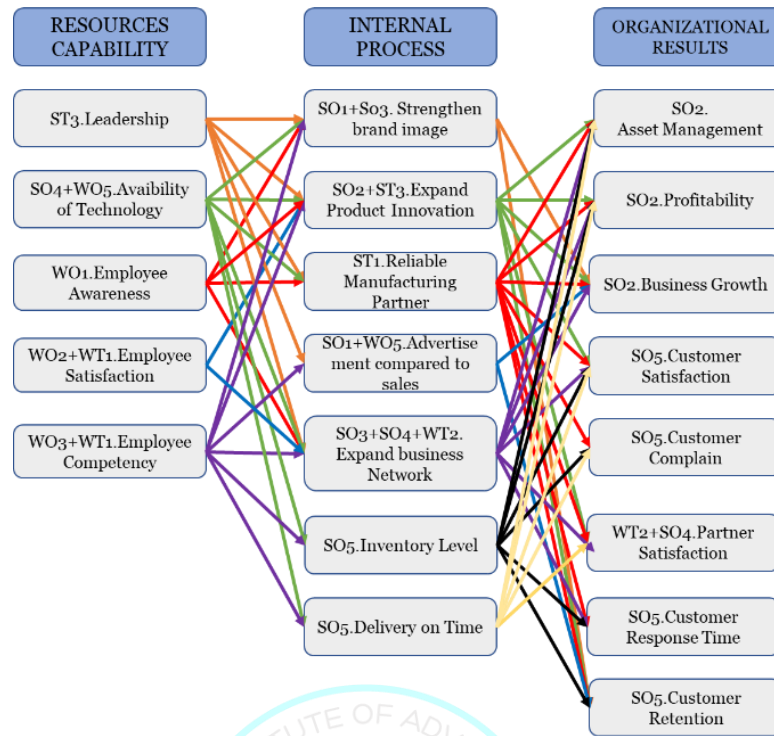


Figure 3. Linkage between Performance Variables

4.4 Stage 3: Implementation Plan

According to the implementation stage of the proposed IPMS (Wibisono, 2016), the process is carried out by utilizing the workflow or phases: diagnosis (modification process and training), follow up (resources and display), measurement (current system and report) and evaluation (socialization and ration M/B) Performance measurement, evaluation, diagnosis, and follow-up are the four primary pillars that support the overall structure of a PMS when it is put into action. The most important steps in the process of adopting this recommended design of the PMS are the finalization of the plan by senior management or the steering committee, the adjustment of resources, the socialization of the plan to all employee levels, and the actual implementation.

Table 73. Implementation Plan

No	Activities	Person Involved	Days
1	Introduction about IPMS	TOD, SMD, FA, GD, BD	1
2	Presentation of the findings from the research regarding current situation and the benefits of IPMS	TOD, SMD, FA, GD, BD	1
3	Executive introduction and brainstorming about Stage 0- Foundation and Stage1-Basic Information	TOD, SMD, GD, BD	1
4	Analysis from external and internal based on the data that is available	TOD, SMD, GD, BD	1
5	Cost benefit analysis for IPMS implementation	TOD, SMD, FA, GD, BD	2
6	Executive introduction and brainstorming about Stage 2- Designing IPMS	TOD, SMD, GD, BD	3
7	Executive introduction and brainstorming about Stage 3 - IPMS Implementation	TOD, SMD, GD, BD	4
8	Allocating Resources for Implementation IPMS and create standard operation procedure	All Employee, GD, BD	2
9	IPMS Design Approval by Top Management	TOD & Management	2
10	IPMS Socialization to stakeholders	TOD, All Employee, GD, BD	3
11	Performance Measurement	TOD, All Employee, GD, BD	continuity
12	Evaluation of performance measurement	TOD, All Employee, GD, BD	continuity
13	Follow up with feedback	TOD, All Employee, GD, BD	continuity

5. Conclusion and Recommendation

The purpose of the research is to design Performance Management System at PT. Motorcycle Accessories Indonesia. The primary data is extracted by interviewing and FGD with business function. The framework used to design PMS is an Integrated or Knowledge-Based Performance Management System (IPMS or KBPMS). With the implementation of IPMS, MAI should improve its performance, allowing it to reach its strategic goals by 2023.

MAI employees at all levels will need to demonstrate a strong commitment and operate cohesively as a team in order to successfully implement the new PMS. In order to ensure that the process of performance measurement, assessment, diagnosis, and follow up runs smoothly at all levels, IPMS must be cascaded down from the management level to the operational level.

Due to the fact that this study might not cover all factors, and the business climate of motorcycle accessories might shift at any time, a regular review and a process of continuous improvement has to be carried out in order to develop and perfect the IPMS design.

This Performance Management System is designed for motorcycle accessories company and is general. Therefore, it can be applied to other motorcycle accessories company as well.

Reference

- i. ASQ. (2022). Malcolm Baldrige National Quality Award. Retrieved from ASQ: <https://asq.org/quality-resources/malcolm-baldrige-national-quality-award>. [Accessed on 30 December 2022]
- ii. Brown, M. G. (2017). Baldrige award winning quality - 18th edition: How to Interpret the Baldrige Criteria for Performance Excellence. New York: Productivity Press.
- iii. Fahmi, M. (2021). Design of Performance Management System For Production Business Process In Kaltim 5 Plant of PT. Pupuk Kalimantan Timur Using Integrated Performance Management System. SBM ITB Final Project.
- iv. Fatima, I., & Wibisono, D. (2017). Main Performance Indicators For Construction Company in Indonesia. Asia Pacific Journal of Advanced Business and Social Studies, 3(2), Pp .77-89.
- v. Khan, M., & Wibisono, D. (2008). A Knowledge Based Performance Measurement System. Business Process Management Journal, Vol.14 No.2, ISSN: 1463-7154, 2008.
- vi. Neely.A.D, Adam, C., & Kennerley, M. (2002). The performance prism: the scorecard for measuring and managing business success. London: Financial Times/Prentice Hall.
- vii. Norton, D. P., & Kaplan, R. S. (1996). The Balanced Scorecard: Translating Strategy Into Action. Boston: Harvard Business Review Press.
- viii. Rothaermel, F. T. (2017). Strategic Management. Third Edition. New York: McGraw-Hill Education.
- ix. Wibisono, D. (2006). Manajemen Kinerja: Konsep, Desain dan Teknik Meningkatkan Daya Saing Perusahaan. Jakarta: Erlangga.
- x. Wibisono, D. (2011). Manajemen Kinerja Korporasi & Organisasi : Panduan Penyusunan Indikator. Jakarta: Erlangga.
- xi. Wibisono, D. (2016). How to Create a World Class Company: Panduan Bagi Manajer dan Direktur. Jakarta: Erlangga.