

DESIGNING INTEGRATED PERFORMANCE MANAGEMENT SYSTEM (PMS) OF PT PELITA AIR SERVICE

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Abstract

PT Pelita Air Service (PAS) is airline group that has some business units. As a group, PAS should have performance management system (PMS) that align the business unit and function strategy to the company strategy to achieve the company goals. However, the existing PMS cannot represent that alignment since there is no cascading to the lower level of organization and cannot represent the weight and correlation of each indicator contribution in achieving company strategy for each business unit. Therefore, this paper aims to design PMS for PT PAS using Balance (BSC) framework combine with Knowledge-based Performance Management System (KBPMS) framework in defining the variable, including their indicator, weight, and correlation of each variable. It also used American Productivity & Quality Center (APQC) in defining the category of variable based on business process. Historical information regarding PMS, especially regarding to the indicators, collected through secondary data and face-to-face interview with management team. Then, the analysis of the linkage among indicator were done by using correlation analysis. While, in defining the weigh between indicators, it used Analytical Hierarchy Process with the input data from questionnaires filled by the Board of Directors. The finding of this case study research is integrated PMS framework with BSC and KBPMS approach. The PMS divided to 4 perspectives (financial, costumer, internal business process, and learn & grow) with 22 indicators including its weight that essential to improve the quality of the performance to achieve the company goals.

Keywords: BSC, KBPMS, Airline Group Performance Indicator, Integrated Performance Management System.
