

CHAPTER V

CONCLUSION AND RECOMMENDATION

This chapter contains a conclusion and recommendation for future research based on the previous chapter's result. This conclusion will be written based on the final project's objectives, which later can be taken into consideration for AA Catering to measure the company's performance.

5.1 Conclusion

Based on the calculations and analysis that were done in the previous chapter, the conclusion in this final project are:

1. There are 23 Key Performance Indicators (KPI) in AA Catering grouped into each balanced scorecard perspective based on validated data. The financial perspective has 8 KPI, namely income growth (highest priority with a weight of 0.223), net profit increase (growth) rate, operating ratio, current ratio, total assets turn over (TATO), return on investment (ROI), net profit margin, and return on assets (ROA). The customer perspective has 6 KPI, namely customer satisfaction level (highest priority with the weight of 0.354), customer complaint handling ratio, customer acquisition, customer retention, improved brand image, and customer loyalty. The internal business perspective has 5 KPI, namely delivery percentage on time (highest priority with a weight of 0.287), service level, increasing business process standardization, increased innovation, and product quality improvement. The growth and learning perspective has 4 KPI, namely employee satisfaction level, employee productivity level (highest priority with a weight of 0.365), employee attendance level, and employee turnover rate. Overall, the KPI with the highest priority is customer satisfaction getting a weight of 0.122, followed by income growth getting a weight of 0.103, net profit increase getting a weight of 0.084, and the operating ratio

getting a weight of 0.064 and customer complaint ratio gets a weight 0.062. According to AA Catering, KPI financial perspectives in AA Catering are annual financial reports for 2018 until 2019 have a good performance, but in 2020 has a decreased because of pandemic Covid-19. Customer perspective in AA Catering has a good performance. The result can know from the customer questionnaire. AA Catering is a service company, of course paying attention to customers to compete with competitors. Internal business process perspective KPI is formulated to resolve the obstacle that the company experienced during implementation. According to an interview with the Expert, In AA Catering internal business process has a good performance. KPI in the growth and learning perspective in AA Catering has good performance because it has quality employees and high productivity to achieve its goals.

2. The Relationship Between KPI In AA Catering is useful for knowing the interrelationship between KPIs, making it easier for companies to achieve their strategy. From the perspective of growth and learning, it can be known that AA Catering must increase employee productivity by increasing employee satisfaction for business sustainability. The level of employee absences and turnover can see the increased employee satisfaction. Meanwhile, the delivery percentage on time can see the internal business process perspective to know the effectiveness and efficiency of the business process in AA Catering. To increase the percentage of delivery on time, the company must increase its service level. Service levels can be improved by increasing the standardization of business processes in AA Catering that employees can work properly according to procedures and minimize work failure. To increase the competitive advantage against competitors, AA Catering must improve product quality to increase customer satisfaction. Increasing innovation will increase the company's ability to create quality products. From a customer perspective, AA Catering can increase product sales by increasing customer satisfaction. It will affect the level of consumer loyalty, increase brand image and customer defense. Customer satisfaction

can be seen by knowing the customer complaint handling ratio. Meanwhile, from a financial perspective to increase company revenue, AA Catering must increase customer acquisition, ROI, NPM, and ROA to determine AA Catering's financial growth rate. The effectiveness of business processes at AA Catering can be seen from the operating ratio which is influenced by the value of delivery percentage on time, customer ratio, and TATO. Meanwhile, to know the company's profit, the operating ratio's value and the increase in income growth can be seen.

5.2 Recommendation

Recommendations that can be given for further research are:

1. For the company, it can be continued by measuring the performance at AA Catering. It can evaluate the company's performance and can improve the company's performance in the future.
2. Research on the formulation and prioritization of KPIs can then be carried out in other service industries such as the food industry, hotels, and banks.

