The Strategy of Performance Improvement and The Design of Performance Appraisal of LPPOM MUI Using Balanced Scorecard Framework

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In Indonesia, the number of halal certified products are still less than distributed products as well as BPOM registered products. Therefore, LPPOM MUI needs to increase its performance so the number of halal certified products get bigger. The performance of LPPOM MUI is highly influenced by the performance of its human resources. The aim of this research were: 1) Formulating strategies to increase performance of LPPOM MUI; 2) Analyzing the perception of employees toward performance appraisal by LPPOM MUI; and 3) Determining Key Performance Indicator (KPI) through Balanced Scorecard to measure performance at organization and sector level at LPPOM MUI. This research used descriptive method and case study approach. There were five respondents to formulate the strategies and 36 respondents to analyze the perception of employee towards performance appraisal system currently implemented at LPPOM MUI. The research showed that 1) To increase its performance LPPOM MUI can implement WT strategy that have been formulated in this research. WT strategy is strategy that can be implemented by organization to minimize weakness (W) and to avoid threat (T); 2) The perception of employee towards current performance appraisal system at LPPOM MUI was “quite agree” for input, process, and output of performance appraisal system; and 3) At the organization level, there are 16 KPI namely seven KPI at employee and organization capacity perspective, five KPI at internal business process perspective, and respectively two KPI at financial perspective and stakeholders. Meanwhile, at sector level, KPI at each level is different.

Keywords: Strategy, Performance Appraisal, LPPOM MUI, Balanced Scorecard, Key Performance Indicator (KPI), Key Success Factor (KSF)