

SUMMARY

MUHAMMAD ARIS NURCHOLIS. Strategy Implementation Based Balanced Scorecard on Ministry of Marine Affairs and Fisheries. Supervised by ARIF SATRIA dan AGUS MAULANA.

Since 2013 the Ministry of Marine Affairs and Fisheries (MMAF) has implemented performance management with a Balanced Scorecard approach in the process of developing the strategic plan 2010-2014 (revision) and strategic plan 2015-2019. BSC is a strategy management tool selected by the Ministry of Marine Affairs and Fisheries to accelerate the process of Bureaucratic Reform. Based on MMAF performance report 2015, the realization of RB value issued by the Ministry of Administrative Reform and Bureaucratic Reform (Kemenpan-RB) for 2015 is 70.51 percent. This means that it has not shown the maximum increase because it is still far below the medium term target (2014-2019) that has been set in the Renstra of 90-100 percent in 2019. So it still needs a comprehensive effort to achieve the maximum number. One of the efforts that can be done is to evaluate the implementation of balanced scorecard based strategy that has been running to ensure the implementation of the strategy is good and effective.

The objectives of this study were to analyze the factors that determine the implementation of the strategy in the Ministry of Marine Affairs and Fisheries, evaluate the implementation of a balanced scorecard strategy in terms of the principles of Strategy-Focused Organization and analyze whether the balanced scorecard has been understood and used properly by top management and employees to achieving the strategy of the organization. This study used a quantitative-qualitative approach sequential explanatory research. The data was gather from 231 respondents through self-administered questionnaires, and an in-depth interview was done with purposively selected 9 respondents. The results of the study showed that the successful implementation of the strategy in Ministry of Marine Affairs and Fisheries determined by the factors of quality stages of the strategy implementation and supporting factors of the strategy implementation

The results of the study showed that the successful implementation of the strategy in Ministry of Marine Affairs and Fisheries determined by the factors of quality stages of the strategy implementation and supporting factors of the strategy implementation. Among the quality stages of the strategy implementation, the best factor was clarity of the position-based performance and the most undervalued was the clarity of the performance measurement. Change management program was a supporting factor of the strategy implementation achieves good. The factors supporting of the strategy implementation were still low and needs to be strengthened were budget support and the role of strategy management office. The study also concluded that in terms of the five principles of Strategy-Focused Organization, the level of implementation of a balanced scorecard for the achievement of the strategy by the leaders already good. But overall employee understanding of the balanced scorecard has not been good.

The managerial implication of this thesis is that the implementation of a balanced scorecard strategy in the Ministry of Marine Affairs and Fisheries supports efforts to improve bureaucratic reform. The finding of a weak financial support factor in the MMAF is as a result of budgeting that has not been fully linked with

the strategy, so it is necessary to improve the BSC MMAF model by incorporating a financial perspective in the MMAF's strategy map. To eliminate the existence of a people barrier, the MMAF must immediately refine clear reward and punishment systems, link performance appraisals with rewards and other rewards based on differences between low performers and high performers. The MMAF should strengthen the role of SMO in particular the role of strategic architect, which establishes the organization's management strategy and organizational management framework, changes the organizational structure, and focuses on the process of developing strategy and coordination across business process functions to implement the strategy.

Keywords: balanced scorecard, ministry of marine affairs and fisheries, strategy implementation, strategy-focused organization.

