

ABSTRACT

PT XYZ is a company engaged in courier, logistics, and finance, is actively working on improving corporate governance and its HR management system to maintain its competitiveness. The company began implementing performance assessments based on Objective Key Results (OKR) in early 2023 to align the contributions of each division with the company's targets. Amid rapidly changing business competition, PT XYZ recorded negative revenue growth. However, the rapidly growing market also presents opportunities for the company to increase its revenue. The use of OKR is expected to help the company adapt to market changes and ensure a focused contribution from each division toward the company's goals.

This study focuses on the Cimahi Branch Office of PT XYZ and reveals that the implementation of OKR is still in the adaptation phase. OKR evaluations are conducted twice a year to accommodate dynamic changes in both internal and external conditions. The results indicate that many key results did not achieve their targets, especially within the business unit. Challenges faced include limited resources, ambitious targets, and the diversion of resources for government social assistance projects. The company also needs to prioritize critical aspects to achieve OKR targets.

This research provides insights into OKR implementation and evaluation in the context of a service company, highlighting challenges faced by PT XYZ's Cimahi Branch. Evaluation recommendations for OKR include defining performance criteria for the financial services sales division, eliminating two performance criteria for the corporate courier and logistics sales division, adjusting performance criteria targets for the corporate courier and logistics sales division and the Retail and Partnership Sales division, as well as increasing and decreasing the weight of performance criteria in all three divisions. OKR evaluation results are verified based on design specifications and validated by stakeholders. Thus, the evaluation results are expected to address issues at PT XYZ's Cimahi Branch related to adjusting performance criteria to environmental conditions, targets for company capabilities, and the importance level of performance criteria, allowing for better OKR implementation.

Keyword — *Performance Appraisal, Objective Key Result, Performance Criteria*