

ABSTRACT

PT. Lima Jaya Ampuh Inti Pratama is a company engaged in the tobacco industry that produces the clove cigarettes. Cigarette industry is one business that is quite tight, especially in Jember, because there are about a many similar businesses who entered the competition. Phenomenon that occurs when the government is trying to discipline its cigarette factory mushroomed so by increasing the cigarette excise tax rates. Of the policy impact on the fate of a small cigarette companies can not compete with each other so much falling. For that we need a performance appraisal in an effort to assess, evaluate and formulate performance improvement for the sake of consistency the company. In this study, the author's financial performance measurement in assessing the extent achieved by the management. The method used in this research is to use financial ratios and economic value added concept.

From the results of measurements using financial ratios such as profitability ratios, liquidity ratios, activity ratios, solvency ratios shown include the company's performance was less than satisfactory. This is indicated by a decreasing trend in value each year and also under the company's acquisition of a similar comparison. While the results of using the concept of EVA, the results obtained in 2005 the value of a negative EVA means that the company has not been able to give added value to the owner of the company, but in the next year the company could register a positive value of EVA, although a decline in the value of EVA in year 2008.

Companies can improve their performance referring to the results of calculation of financial ratios and the concept of EVA that is by increasing sales and efficiency. Some suggestions to improve the sales increase marketing area, adding agents recruit distributors and marketing professionals. While the efficiency of raw material supply needs to be done, and thus are not too many things piled up in warehouses. Besides the efficiency of labor is needed if the management is less able to increase product sales.

Key words: performance, financial ratio, economic value added