

ABSTRACT

XYZ SME is an organization that makes garment products. XYZ's product are bag and clothes. XYZ have a problem in improve the performance. Performance management that is focused on finance become the bad effect of bad performance, it's all because performance management that did by owner not comprehensive and not concern with stakeholder that has a contribution with the SME.

The writer make a topic of Performance Management System for XYZ SME using IPMS method. IPMS divided organization in 4 level, the business, business unit, business process, and activities. After that, the stakeholder for all level will determined. The next procedure is arrange the stakeholder requirement, the stakeholder objectives, and the last one is KPI that has a function to control the performance of organization. According to the result by doing the questionaries for the stakeholder, there are 10 requirements for customer, 15 requirements for employees, and 6 requirements for the owner. Each of requirements generate 2 customer objectives, 4 employee objectives, and 4 owner objectives. The process before lead to generate KPI, so we get 4 KPIs for customer, 10 KPIs for employee, and 8 KPIs for owner. KPI that generated before will be implementated. The implementation has a goal, that is to compare the result of existing performance management with performance management that use IPMS method. Acoording to the result, an existing performance management that focus only to financial perspectives has a good result at achiving a turnover. But, compared with achievement result that come from the IPMS method that has few scoring perspectives has a better result. It because IPMS method can solve some of SME problems, like production target that not achived, rate of late, and also rate of absence.

Keywords: UKM, IPMS, KPI