

## **ABSTRACT**

*BPR XYZ is a financial services company established since 1988, located in South Denpasar, Bali. The company acknowledges the importance of human resource management in achieving its vision and mission. However, currently, employees at BPR XYZ are facing difficulties in meeting the company's service sales targets. Based on interviews with the Head of Human Resources Division, it was revealed that there has been a decline in employee performance. This decline is attributed to some employees who tend to procrastinate and fail to complete their assigned tasks, often burdening their colleagues. Additionally, a lack of attention to detail among employees contributes to errors in transaction processing, resulting in a decrease in the company's target achievements. Operational division employees at BPR XYZ are dissatisfied with the existing performance appraisal system because the criteria used are not aligned with their job roles. This has the potential to lead to a decrease in the company's target achievements due to errors and negligence by employees that go unnoticed. This has resulted in a lack of motivation to improve job quality. Employees also feel that the evaluation process lacks objectivity and produces end results that do not reflect their actual performance. The existing performance appraisal criteria encompass basic skills, work quality and quantity, attitude and ethics, loyalty to the company, and discipline with specific weights. However, these criteria are considered too generic and unsuitable for the operational division, necessitating the establishment of more suitable criteria. Based on the data collected and discussions with the operational division head and human resources division, seven new performance appraisal criteria with clear details and descriptions have been established using the rating scale and weighted product method. These criteria include discipline and consistency (16%), cooperation (13%), knowledge of regulations (14%), prioritizing customer satisfaction (13%), attitude and ethics (16%), initiative, proactivity, and responsiveness (11%), and competence and responsibility (18%). The results of the performance appraisal based on the proposed criteria reveal the ranking of the best employees in the operational division of BPR XYZ. Therefore, the proposed improvement in the performance appraisal system for the operational division of BPR XYZ using the rating scale and weighted product method is expected to*

*address the perceived unfairness among employees due to the existing performance appraisal system. The proposed criteria are also aligned with the job roles of the operational division.*

**Keywords** – *Performance Appraisal, Performance Appraisal Criteria, Rating Scale, Weighted Product (WP).*