

ABSTRACT

Perusahaan Daerah Air Minum (PDAM) Bandung is one of the government companies in Bandung which focus on dirty and clean water services. PDAM Bandung business unit is more focused to social value at service appropriate with the objectives and functions which has been made by the government. Improving the company performance, PDAM Bandung made a measurement to the company performance. Recently, PDAM Bandung has measured it by using evaluation method which refers to Mendagri Decision No. 47 at 1999 about PDAM Performance Assessment Guide. Using this method could not measure whole the aspects of the company, so the results are not integrated to the aspect that can improve the company performance.

So that, this research makes a performance measurement to PDAM Bandung by using a method that can integrate whole the aspects which related to the company, that is Balanced Scorecard Method. This method measure the company performance based on four perspectives, those are financial, customer, internal business process, and also growth and learning, so the result will be more effective and integrated. PDAM Bandung performance measurement process is started by the explanation of the mission, vision, and strategy of the company into the strategic objective, critical success factor, also the company success point. The next process is weight accounting of each perspective using analytical hierarchy process method (AHP), the final process is PDAM Bandung performance measurement.

The results of the PDAM Bandung performance evaluation are 18 success points which affect the weight accounting of the perspectives. Success point and weight accounting of the perspectives are :

- Ø **Customer Perspective (38.74%)** : customer satisfaction index (50.54%), complain declining percentage (26.82%), new customer increment percentage (14.45%), and subsidy percentage which given to poor society (8.19%).
- Ø **Internal Business Process Perspective (28.84%)** : flowing duration rate per day (36.50%), production capacity percentage to installed capacity (28.24%), the lost water percentage (14.90%), rate of flow of clean water production (10.91%), and service scope percentage (9.75%).
- Ø **Growth and Learning Perspective (20.20%)** : training quantity per year (37.70%), employee satisfaction index (34.49%), technical and non-technical employee competency ratio (21.53%), and employee competency percentage in handling complain (9.75%).
- Ø **Financial Perspective (12.22%)** : operation cost ratio to operation earning (40.76%), earning ratio to employee number (26.11%), profit ratio to selling (12.26%), active ratio to selling (11.42%), and long debt ratio to equity (9.46%).

Whole performance measurement is done by counting the performance score of each perspective. The whole performance score of PDAM Bandung that calculated using Balanced Scorecard for 2007 is 4.0965 with assessment category **Good**.

Keywords : Company Performance Measurement, Balanced Scorecard, Analytical Hierarchy Process (AHP)