

REVITALIZING PERFORMANCE MANAGEMENT SYSTEM USING PROCESS,
PURPOSE, EFFECTIVENESS THEORY AND COMPETING VALUES FRAMEWORK
AT PT KERETA API INDONESIA (PERSERO)

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Abstract – PT. Kereta Api Indonesia is one of Indonesia's state owned company which operate in transportation industry. With a series of past failures, such a financial loss in 2007 and 2008, PT. KAI starts to conduct transformation. "Anda adalah prioritas kami" is emerged as a new main slogan followed by "5 nilai utama" as a new organizational culture. This transformation should be followed by several changes, including performance management system as a support system. Management of PT. KAI may play a role in creating, maintaining, and providing compensation for the efforts and programs to support the implementation of core values. This research used two models study to assess the performance system in the company. First is the theory of process, purpose, and effectiveness to assess the system itself based on those three theories. Second is the competing values framework which is used to assess culture and define proper appraisal system based on three aspects of leadership, effective organization, and TQM. In this final project, the research was carried out through questionnaire. For system assessment, questionnaires were randomly distributed to PT KAI employees in Bandung headquarter, while for cultural assessment was conducted in two divisions, which are marketing and strategic business development division using Organization Culture Assessment Instrument.

Keywords: PT Indonesia Railway, performance management systems, competing values framework, organization culture assessment instrument

1. Introduction

PT KAI is the only company who engaged in the railway transportation industry in Indonesia. In 1991, the company former name was Perusahaan Jawatan Kereta Api (PJKA) which eventually changed to Perusahaan Umum Kereta Api (Perumka) and finally in 1999, changed to PT Kereta Api Indonesia (Persero) which aim to make profit. In running their business, the company has three parts of product and service namely: core, non-core, and subsidiaries. The core product of PT KAI service is transportation service for goods and passenger, non-core product is property business, while subsidiaries contain of six companies which provide different service.

Ignatius Djonan who selected as a new director for PT KAI in 2009, bring new culture to be more customer oriented. Service, safety, punctuality, and convenience are four pillars which are constructed as an effort for transformation. New culture also introduced, namely "5 nilai utama" as a foundation to nurture daily actions and behavior.

2. Business Issue Exploration

A. Problem Formulation

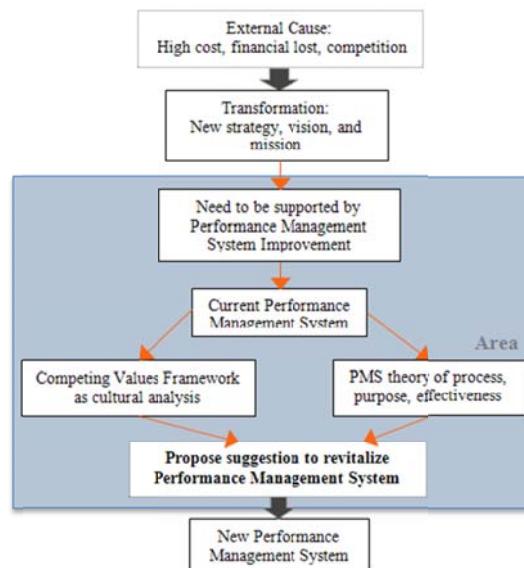
PT KAI has several problems that need to be solved. Those problems that lie within PT KAI all along, most of it had an issue with the operating cost of the company.

First, PT KAI right now holds the status of limited company in accordance to legal law, which means they can make as much profit as they able in doing their business. But on the other hands, the company as the provider of train facility has the responsibility of PSO (public service obligation) that was charged by the government. On the agreement, PT KAI and government will share this cost proportionally and the percentage of the cost will be different each year. This agreement tells no exact amount of percentage which stressed PT KAI balance sheet. Often, the budget or proportion from the agreement is not enough to cover the cost.

Second, for two consecutive years in 2007 and 2008, the company has financial loss of Rp 40.5 billion and Rp 83.4 billion respectively. In 2006, PT KAI received rate A in Indonesian's organization health index. This mark apparently fall down to BBB in 2007 and 2008 due to the financial result in those years. This loss was claimed due to bad investment because of company's limited budget. (2012 Work Plan & Budgeting of PT. Kereta Api Indonesia (Persero) Third, there are fierce competitions from another transportation services due to high substitute in transportation industry. Each transportation mode has its own advantages replacement products, which may be the reason why the service users to switch from one product to another. Based on Porter's five forces, PT KAI has low threat of new entrants, low level of suppliers' power, high bargaining power of buyers, high availability of substitutes, and high competitive rivalry.

These problems push PT KAI to act immediately into transformation under the leadership of President Director, Ignatius Jonan. Jonan introduce the four pillars of safety, punctuality, service, and convenience as the KAI foundation with the following "5 nilai utama" as a new culture to the company. On September 28th 2011, the company announces the new logo change. This was the alarm for the entire level of the employees of PT KAI to move into a new direction under Ignatius Jonan. (2011 Annual Report of PT. Kereta Api Indonesia (Persero). The transformation brings out new vision, mission, and also new strategy for PT KAI to be achieved. PT KAI grand strategy for 2011-2015 stated that there are continuous improvements in 2 elements that need to be done, which are performance and capability improvement under the transformation with the slogan "Anda adalah prioritas kami". The new slogan of PT KAI "Anda adalah prioritas kami" actually comes after several thought which based on PT KAI problem all this time. As a core value, PT KAI needs to nurture the employees so that their behavior can reflect the core slogan. Management of PT KAI should has part in creating, maintaining, and compensating the effort and programs to encourage the implementation of core value which can be achieved in the support of improving the Performance Management System.

B. Conceptual Framework



The research is constructed through following processes:

- a. The conceptual framework is made based on necessities to solve problems.
- b. Study literature as a tool to analyze data.
- c. Define methods and tools to collect data.
- d. Analyze data based on study literature.
- e. Theory of process, purpose, and effectiveness to assess performance system.
- f. Competing Values Framework to analyze cultural tendency in 2 subject division.
- g. Focus group discussion was held to enhance data analysis regarding the result
- h. Recommendation of new performance management system for PT KAI

Limitation for research is needed to keep the consistency of its contents, which are:

- o The object of this research is PT KAI headquarters in Bandung.
- o Interview and data collection are being held during August 2012 - January 2013.

C. Research Methodology

There are two methods to collect data, which are focus group discussion, interview, and questionnaire. Those methods are conducted in PT KAI headquarters in Jl. Perintis Kemerdekaan, Bandung. FGD and interview was held mostly in department of Human Resource and Business Development to extract the existing condition of performance management system. The respondents were chosen from those two departments because they are the one who are in charge with performance system. From FGD and interview are resulted that the existing performance system at PT KAI is still traditional and un-codified. At that time, PT KAI in the process of developing the KPI unit, but they have incomplete performance appraisal system, due to the un-codified system. It means that the performance system is still traditionally separated and do not act as a whole and thorough system. Performance appraisal system is not about administrative purpose as it happened in PT KAI right now, but it also has developmental and strategic purpose.

Meanwhile, the questionnaire that was conducted in PT KAI consists of two elements, which are:

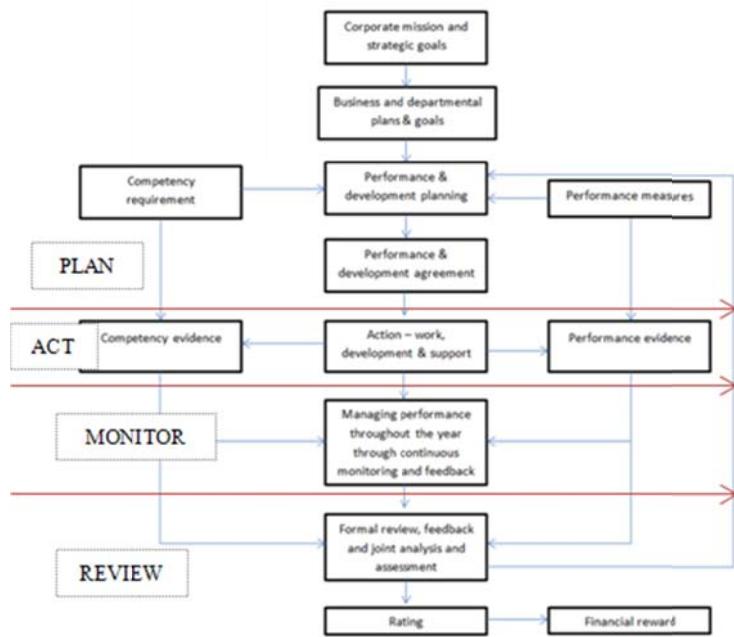
1. Theory of process, purpose and effectiveness of performance management system. This theory will assess three elements of performance management system itself.
2. Competing Values Framework. This theory will assess the cultural side of division in PT KAI. The subject samples for this questionnaire are marketing and strategic business development division.

The questionnaire was held in October until December 2012, at that time PT KAI had just started to enter planning phase of performance management system.

D. Theory of Process, Purpose, and Effectiveness of Performance Management system

To make improvement and revitalize the current performance system in PT KAI, assessments need to be made and solution will be provided based on the findings. Assessments to these elements expected to provide completeness to performance system.

1. Assessment of Performance Management System's Process.



Performance management is the process through which managers ensure that employees' activities and outputs are congruent with the organizational goals (Noe, et. Al, 2010: 351). Performance management process needs to contain four sequences shown at above figure (Armstrong, 2006:23). Each will be described in the following explanation:

- o *Plan*

Planning process is important, because it contains of whole system plan and agreement of employees' indicator of performance and behaviour which should strategically linked to vision, mission, and goals. The current traditional system in PT KAI indicates that planning phase is not well-thought before implementation.

o *Act*

Performance act sets out the actions people should take to develop their knowledge and skills and increase their levels of competence.

- o *Monitor*

Performance should be continuously monitored throughout the year in order to set the performance plans and agreed objectives, performance standards and behavioural requirements and competencies on its track. Performance monitor ensure that there is feedback at the time based upon evidence and record any critical incidents as they occur to assist in an overall assessment of performance.

- o *Review*

Performance review is the action of giving feed back to the employees of what they have done in a specific time. At Pfizer Inc., the guidance given on performance management is “have a dialogue and document it”. Pfizer suggested that performance feedback and coaching should on-going in all performance management sequences.

2. Assessment of Performance Management System's Purpose.

Three purposes of existing performance system will be assessed, which are:

o *Strategic purpose*

Performance system should strategically linked employees' activities with organizational goals. This purpose closely related to planning phase of process. In traditional system, no strategic aspect consider in the planning phase.

o *Administrative purpose*

Performance result have to be used in daily administrative decision such as training needs, salary, retention-termination, layoff, and rewards. While traditional system doesn't link the indicator strategically, it gives no further meaning in doing administrative decision.

o *Developmental purpose*

Development is essential for employee progress, moreover for company success. Company should be able to identify what employee needs to be developed, what kind of development, and knowing the effect of those developments for employees and company.

2. Assessment of Performance Management System's Effectiveness.

To be effective, performance management system should accommodate these five following aspects:

o *Strategic Congruence*

Strategic congruence emphasizes the need for performance management system to guide employees in contributing to organizational success. This aspect also closely related to planning phase of process and strategic purpose.

o *Validity*

To be valid, performance measure should not be deficient or contaminated. Contamination can happen related to measurement indicator, while deficiency is related to actual job performance.

o *Reliability*

Reliability is the consistency of a performance measurement. Evidence indicates that most subjective supervisory measures of job performance exhibit low reliability. Not only the rater reliability, should the measure also be reliable over time

o *Acceptability*

Performance management system should be fair and accepted by all users in company.

Category	Importance	Implications
procedural	Development	<ul style="list-style-type: none">• Give managers and employees to participate in development of system• Ensure consistent standard when evaluating different employees• Minimize rating errors and biases
Interpersonal	use	<ul style="list-style-type: none">• Give timely and complete feedback• Allow employees to challenge the evaluation• Provide feedback in an atmosphere of respect and courtesy
outcomes	outcomes	<ul style="list-style-type: none">• Communicate expectation regarding performance evaluation and standard• Communicate expectation regarding rewards

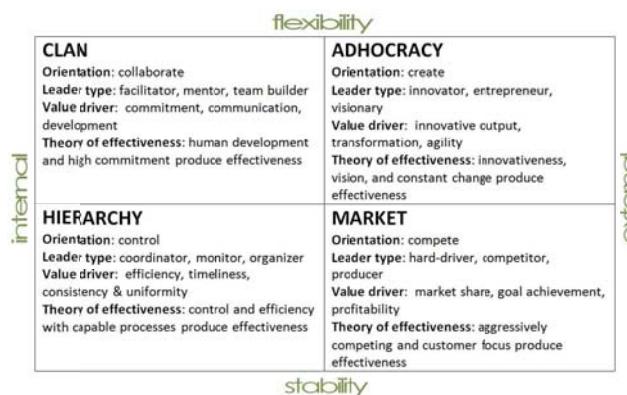
o *Specificity*

The extent to which the performance measurement gives detail guidance to employees about what is expected of them and how they can meet this expectation. Specificity is relevant to both strategic and developmental purpose of performance management system

E. Cultural Analysis by Competing Values Framework

Competing Values Framework in this thesis is used to identify the gap between the existing and the wants organization culture with Organization Culture Assessment Instrument. In this research, author assessed two divisions in PT KAI which are strategic business development division and marketing division as an object study to identify the CVF from each division. From the findings of the gap between existing and wants, it can be deducted that each division has different competing values which should be considered in determine the performance measurement. Each CVF will have three aspects that will help to determine the improvement, which are: leadership, effective organization, and total quality management (TQM) in context of division scale.

There are two intentions in the OCAI's contents, firstly identify the organization's existing culture, secondly identify the culture that organizations member think should be developed to match the future demands of the environment and the opportunity to be faced by the company. OCAI consist of six items, which are dominant characteristic, organizational leadership, management of employees, organization glue, strategic emphasis, and criteria of success. The result of OCAI assessment will determine the type of appropriate performance management system in the marketing and strategic business development division. The four quadrants are showed in the below figure:



Result from OCAI questionnaire will be displayed in kite diagram to show how much score of each value. As a common state owned company, PT KAI should have high score in hierarchy. This mindset need to be changed in order to compromise specific set of values that requisite to be implemented in each division.

1. Assessment of CVF in Marketing Division

Marketing division in PT KAI is the part of commerce division and has responsibility to conduct strategic planning of passenger transport marketing, management of marketing research, product and service development as well as packaging of offered services, management of marketing database, market predictions, sales and evaluation program, planning of fare strategy and its implementation, specification and regulation of passenger services, design and implementation of promotion strategies and marketing communication, and management of customer care, customer retention and call center (*PT KAI annual report 2010*).

Marketing division as its name stands should have market competing values in them. It is oriented toward the external environment instead of internal affairs, thus the core values that dominate market-type organizations are competitiveness and productivity. Based on this, three aspects of leadership, effective organization, and TQM will determine the behavior, performance indicator, and evaluation form.

2. Assessment of CVF in Strategic Business Development Division

Strategic business development division is directly under the command of vice president director, and directly handled by executive vice president (EVP). The primary functions under Business

Development includes creating distinctive benefits for prospective business partners based on their individual business needs, identifying gaps and translating these gaps into opportunities, and creatively identify new business opportunity.

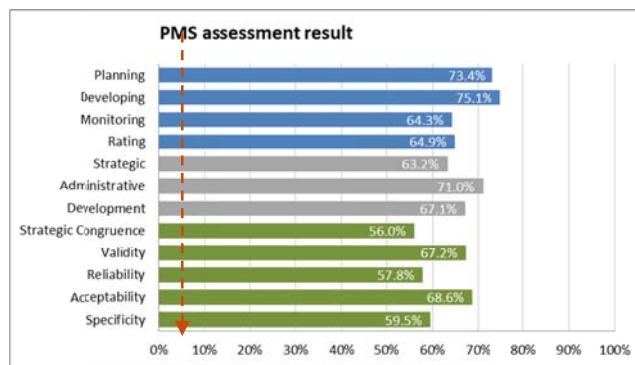
Looking at the function of strategic business development division, the dominant core values should be adhocracy values, because the organization's long-term emphasis is on growth and acquiring new resources. Success means gaining unique and new products or services.

3. Business Solution

Based on business issue exploration, the solution consists of two parts, which are: solution for system assessment and cultural assessment for marketing and strategic business development division.

F. Solution for System Assessment

System assessment was done by questionnaire showing result as can be seen in the figure below:



The author uses values 66.68% of tend to be strong remarks *using distribution of respondent assessment on Line Continuum (Adapted from: Sugiyono, 2011)* to differentiate the result from the indicators. As can be seen above, there are several Indicator that pass the minimum remarks, which are: planning process, developing process, administrative purpose, development purpose, validity, and acceptability. While the opposite remarks falls to monitoring process, rating process, strategic purpose, strategic congruence, reliability, and specificity which can be proposed for further improvements.

Variables	Indicators & Result		Overall result	Remarks
Process	Planning	73.4%	69.4%	tend to be strong
	Developing	75.1%		
	Monitoring	64.3%		
	Rating	64.9%		
Purpose	Strategic	63.2%	67.2%	tend to be weak
	Administrative	71.3%		
	Development	67.1%		
Effectiveness	Strategic Congruence	56.0%	61.8%	tend to be weak
	Validity	67.2%		
	Reliability	57.8%		
	Acceptability	68.6%		
	Specificity	59.5%		

1. Solution of Performance Management System's Process.

In *planning* process of the company, it is found that PT KAI has shortcoming in the term of employee involvement that figured in the data questionnaire. (See appendix 1)

From the discussion, challenge in PT KAI right now is the reluctance from the employees to speak with the manager or supervisor due to the Asian's culture about power gap. To overcome this, there are several ways of recommendation:

- o Employee correspond with supervisor indirectly with paper media or email, this manner will not hamper the Asian worker to speak what they really wants, and minimizing the error message which to be delivered.
- o Make a group meeting between employee and supervisor, so that the employee will not feel oppressed.

In *developing* process, all supervisor and manager should remember that developing employees is more than just training employees. Developing employees covers all efforts to foster learning, which happens on the job every day. When organizations focus on developing their employees' capacity to perform rather than just training them, employees will be able to adapt to a variety of situations, which is vital for the survival, well-being, and goal achievement of individuals as well as organizations.

In *monitoring* process, the problem arise in the less of feedback that given to employee. Review in PT KAI happens every six months from the supervisor, while feedback is given only by the supervisor which is very few. Less feedback means less communication and sometimes might jeopardize the performance appraisal. Feedback can come from many different sources: observation by managers and rating officials, measurement systems, feedback from peers, and input from customers. Each feedback given, will act as performance control. More feedback given, more manageable the performance is, considering limited time and budget.

In *rating* process lies the rating objectivity problem. Rating means evaluating employee performance against the elements and standards in an employee's performance appraisal plan, so it should not have double standard, or any subjective assessment. To overcome this, there are three suggestions:

- o The assessment is done by two supervisor or manager to hamper the opportunity of subjectivity, thus maximizing the fairness. It is important to compile performance data from various sources as a part of the rating process to ensure a complete picture of the employee's performance.
- o Providing supplemental comment and reconsideration process for the employee regarding the complaint or any specific information that the official did not include.
- o 360 degree feedback

2. Solution of Performance Management System's Purpose.

In *strategic purpose*, the problems lie in the employee involvement in the planning process, and the execution from talent management. Once again, the questionnaire spots the drawback in employee participation in planning process (see appendix 2). To overcome this problem, firstly all supervisor and employees should understand the need for employee participation. Employee involvement can improve the reliability, validity, fairness, and usefulness of those performance expectations and standards because employees have direct, first-hand experience with all of the forces that impact their jobs. This makes their participation essential for developing realistic expectations and standards to ensure that the employee's performance is supporting the company's strategic aims (Gary Dressler, et. Al, 2009: 290).

In *development* purpose, the problem arises in the system feedback. From the interview to employee, it seems that manager and supervisor only identify the deficiency aspect, but not the root cause of deficiency, thus they give same training to all of the employees. As an effort to increase the employee skill, this method is considered lacking. For additional solution, supervisor and manager can ask the employees to record their problem in doing their job time by time in order to completely monitor the track of performance, deficiency, and the source of the deficiency. A work plan that specifies what needs to be done to improve performance should be constructed as a thorough performance plan (Dessler, 2005)

3. Solution of Performance Management System's Effectiveness.

In *strategic congruence*, the problem lies in the same as other strategic elements explained above (see appendix 3). It is said that the guidance in the system is irrelevant to help employee achieve success. It means that existing system do not help employee to understand the link between job and strategy; this imply that existing system is still conducted in traditional manner. Most companies' appraisal systems remain constant over a long time and through a variety of strategic emphases. However when a company's strategy changes, its employee' behavior need to be changed too. There are several steps to ensure the system's strategic congruence based on Noe:

- o Develop a model.
- o Identify data that exist on key performance measures.
- o Use statistical and qualitative method for testing the relationship between the performance measures and financial outcomes.
- o Revisit the model to ensure the performance measure is appropriate and determine whether new measure should be added.
- o Act on conclusions according to the model's conduct. This will determine who and what kind of training will be given.
- o Audit whether the actions taken and the investments made produced the desire result.

In *reliability*, the problem lies in the interrater reliability –person who evaluates employee's performance. To overcome this problem, the company should conduct training for the evaluator in order to minimize the error in interrater reliability. After the training, evaluator is expected to rate the employee performance objectively and minimizing subjectivity. In case of 360 degree measurement, the feedback should be weighted based on the evaluator position.

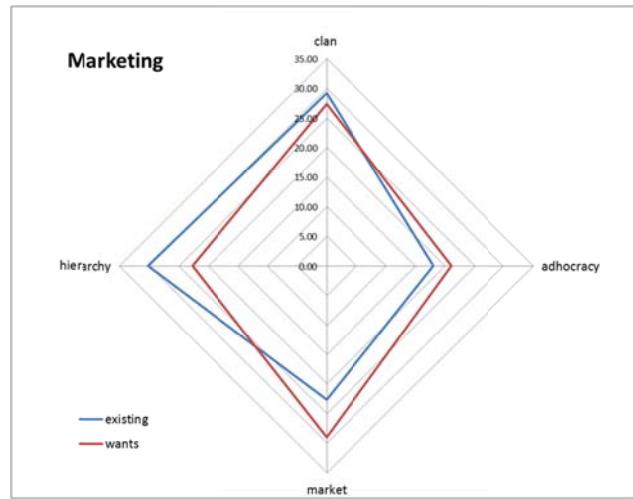
Specificity is relevant with strategic congruence and developmental purpose of performance management. The problem lies in performance measure extent to give detail guidance to employees about what is expected of them and how they can meet this expectation success. To improve specificity, company should also improve the strategic congruence and developmental purpose in parallel manner.

G. Solution for Cultural Assessment

The solution will showing an example that each division of PT KAI will have different performance management system based on the competing values of each division. The proposed improvement will be based on the finding data of the questionnaire and three elements of leadership, effective organization, and total quality management (TQM).

1. Solution of CVF in Marketing Division

At the beginning of performance management cycle, it is important to conduct focus group discussion between employee and manager to discuss about the result and behavior that need to be done in the final year of work. The function division measurement should goes in line with the corporate performance indicator. Based on the finding in competing values framework, author will suggest performance indicator that need to be emerge in measurement based on three elements stated above.



As can be seen in the table above as a result of CVF questionnaire, assessment of existing value for marketing division in PT KAI which drawn in blue line, has strong aspect in both clan and hierarchy while has low point in adhocracy and market. While the wants condition for marketing division which drawn in red line, should have stronger aspect in market and more adhocracy which tilt the dominant core values to market.

OCAI	6 elements											
	dominant character				organizational leadership				employee management			
	a	b	c	d	a	b	c	d	a	b	c	d
Marketing	ext	43	12	19	26	27	19	19	35	35	13	20
	want	27	15	37	21	30	24	20	26	28	15	30
	organizational glue				strategic emphases				criteria of success			
	a	b	c	d	a	b	c	d	a	b	c	d
	ext	23	22	21	34	21	21	29	29	26	21	28
	want	26	29	22	23	22	19	33	26	31	24	32

*remark: a=clan, b=adhocracy, c=market, d=hierarchy

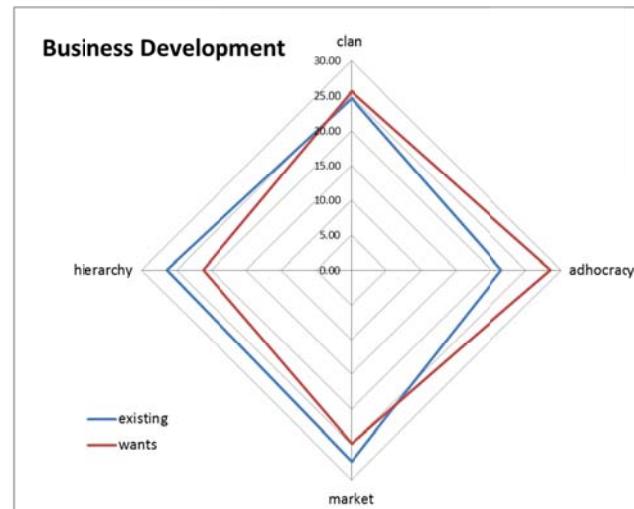
There are seven performance indicators generated, which are consumer growth, customer satisfaction, marketing efficiency cost, employee productivity, customer preference, partnership, and customer involvement (See appendix 4). While from behavior, there are four critical competencies that need to be achieved, which are hard-driving, motivating others, negotiating, result oriented, and persuasiveness and influencing. For performance evaluation table can be seen in appendix 5.

Hard-driving	Initiate competitive actions that can foster competitiveness in organization thus spark productivity to higher levels and therefore higher levels of effectiveness
Motivating others	Ability that initiates guides and maintains goal-oriented behaviors through activation, persistence and intensity.
Negotiating	Being well prepared, showing patience, maintaining integrity, avoiding the presumption of evil, controlling our emotions, understanding the role of time pressures, breaking down bigger issues into smaller ones, avoiding

	threats and manipulative tactics, focusing first on the problem rather than on the solution, seeking for interest-based decisions, and rejecting weak solutions
Result oriented	Demonstrates concern on meeting objectives, delivering to the required time, cost and quality, and holds performance to be most important
Persuasiveness & influencing	Ability to submit ideas or proposals by asking the right method so that it can influence others to agree to his proposal with appropriate interpersonal styles and use those methods to inspire and direct the individual in achieving the goals, modifying behavior to accommodate tasks, situations, and others involved

2. Solution of CVF in Strategic Business Development Division

Based on the findings in CVF questionnaire result, suggestion of performance indicator, behavior and evaluation form design will be given at below explanation



As can be seen in the table above, assessment of existing CVF for strategic business development division in PT KAI which drawn in blue line, has strong aspect in both hierarchy and market while has low point in adhocracy and clan. While the wants condition which drawn in red line, should have stronger aspect in adhocracy and more clan which tilt the dominant core values to adhocracy. This finding is the same as author's prediction that business development core values tend to be dominant in adhocracy.

OCAI	6 elements												
	dominant character				organizational leadership				employee management				
	a	b	c	d	a	b	c	d	a	b	c	d	
Business Development	ext	27	17	24	32	27	20	23	30	28	24	29	19
	want	23	19	32	26	30	25	25	20	21	31	24	24
	organizational glue				strategic emphases				criteria of success				
	a	b	c	d	a	b	c	d	a	b	c	d	
	ext	18	26	31	25	25.2	17.4	29.4	28	23	25	28	24
	want	29	34	22	16	27	30	24	19	24	32	22	22

*remark; a=dan, b=adherence, c=market, d=hierarchy

Different with marketing division, this division use behavior and performance indicator that represent adherence values. Performance indicator is generated to four aspects, which are product and service development, innovation process, new market growth, and report (see appendix 6). While behavior comprises of creative, innovative, risk oriented, and visionary. For strategic business development performance evaluation table can be seen in appendix 7.

Creative	Tendency to be able to view things in new ways or from a different perspective, generate or recognize ideas, alternatives, or possibilities that may be useful in solving problems, and communicating with others.
Innovative	Generating fresh solutions to problems, and the ability to create new products, processes or services for a changing market that give a company its competitive edge
Risk Oriented	Realistically assess the risk in the program plan to be better prepared and courage in taking risks
Visionary	Ability to focus on future and see the long road ahead and is able to effectively plan for the business to get to the end of that road in the most efficient way possible while bringing people along who are motivated and productive.

The performance evaluation form comprises of three parts. The first part contains key work responsibilities and objective set for employees. The second part evaluates the competencies and behavior requirement. While the third part comprises of summary performance from part one and two that conduct in descriptive analysis, and contain proposed development for employee. The evaluation will be conduct in 360 degree respectively from manager or supervisor, peers, customers, and report.

4. Conclusion & Implementation

The implementation plan is based on constructing performance management system in the company thoroughly into different division. Measurement will be based on performance indicator as result aspect, and behavior as competency aspect, with each of item weighted 75% and 25% respectively. Implementation plan will undergo seven stage of completion:

1. Tee-off meeting. First stage of implementation is to get all the top management and director are actively involved, sound the change from the top, and provide a thorough and consistent message.
2. Establish the criteria for an ideal system. Second stage is all about considering all the stakeholders in company who use the system. The expectation of future success from those stakeholders should be submit and combine to establish the criteria.
3. Construct implementation team for each division. This third stage activity is done by HR management team, because they have the best knowledge about the company's structure. Effective implementation teams usually divide themselves into two working task forces:
 - o Policies, Practices, Procedures (3P).

- Understanding, Support, Acceptance (USA).
(U.S. Department of the Interior, 2010)
- 4. System design. In the fourth stage, implementation team starts to design the system in each division.
- 5. Train & orient all appraisers and employee. The purposes of this training have to be explained in advance to everyone who takes part in the program.
- 6. Start & monitor implementation. This is the actualization stage of the performance implementation program. All elements in the company undergo and monitor the implementation process.
- 7. Revise and develop the program. Final step is to audit the quality of appraisals, the extent to which the system is being used, and the extent to which the original objectives have been met.

The conclusions that can be drawn from this research are:

- First, from the finding in research, strategic congruence of performance system shows low score. To construct good performance management system, PT KAI needs to put some time and effort in planning phase in order to successfully manifest the system.
- Second, each division should have different performance measurement to ensure proper specificity of each division's culture values. This can be achieved through implementation of competing values framework into each division.
- Third, performance management system implementation can support transformation phase in PT KAI were it done well. System will reshape behavior and improving employees' performance thus company will achieve vision, mission, and goals.

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Appendix 1
Process performance questionnaire data of PT KAI

No	Elements	Index	Statement	SD	D	TD	TA	A	SA	respondent	score	average score per index
1	planning		Kami paham mengenai standard dan kualitas kerja kami	0	6	10	24	53	5	98	433	431.5
				0.0%	6.1%	10.2%	24.5%	54.1%	5.1%	100.0%	73.6%	
			Kami terlibat dalam proses penyusunan rancangan kinerja kami	5	17	31	21	17	7	98	343	
				5.1%	17.3%	31.6%	21.4%	17.3%	7.1%	100.0%	58.3%	
			Semua tugas kami di sini terkait erat dengan visi, misi, dan tujuan perusahaan	1	3	8	10	56	20	98	471	
				1.0%	3.1%	8.2%	10.2%	57.1%	20.4%	100.0%	80.1%	
2	Developing		Kami paham dengan budaya dan kebiasaan perusahaan	0	6	15	18	49	10	98	434	73.4%
				0.0%	6.1%	15.3%	18.4%	50.0%	10.2%	100.0%	73.8%	
			Kami tahu apa yang perlu kami lakukan untuk memperbaiki kinerja	1	3	8	18	51	17	98	460	
				1.0%	3.1%	8.2%	18.4%	52.0%	17.3%	100.0%	78.2%	
			Di sini kami dapat mengetahui segala informasi terkait dengan kualitas kerja kami	0	3	8	26	52	9	98	448	
				0.0%	3.1%	8.2%	26.5%	53.1%	9.2%	100.0%	76.2%	
3	Monitoring		Di sini kami secara teratur mendapat kesempatan pengembangan diri	0	2	11	18	57	10	98	454	441.8
				0.0%	2.0%	11.2%	18.4%	58.2%	10.2%	100.0%	77.2%	
			Di sini, training yang diberikan membantu kami agar mudah beradaptasi	0	2	12	21	52	11	98	450	
				0.0%	2.0%	12.2%	21.4%	53.1%	11.2%	100.0%	76.5%	
4	Rating		Pendidikan di sini mantap, baik formal (kelas, seminar,dll) dan informal (belajar sendiri, internet, CD-ROM,dll)	1	7	17	40	28	5	98	396	75.1%
				1.0%	7.1%	17.3%	40.8%	28.6%	5.1%	100.0%	67.3%	
			Di sini kami saling menolong dalam meningkatkan kinerja	0	0	5	24	58	11	98	467	
				0.0%	0.0%	5.1%	24.5%	59.2%	11.2%	100.0%	79.4%	
5	PROCESS		Disini secara periodik, kami selalu mendapatkan masukan terkait dengan kualitas kerja	8	12	21	26	28	3	98	357	381.2
				8.2%	12.2%	21.4%	26.5%	28.6%	3.1%	100.0%	60.7%	
			Saya mengetahui apakah saya mencapai target kinerja atau tidak	3	5	18	19	49	4	98	412	
				3.1%	5.1%	18.4%	19.4%	50.0%	4.1%	100.0%	70.1%	
			Ketika menerima masukan, saya juga dilengkapi dengan usulan pengembangan diri	1	8	14	29	38	8	98	413	
6			Perusahaan mendukung usulan pengembangan diri saya	1	9	11	44	29	4	98	397	64.8%
				1.0%	9.2%	11.2%	44.9%	29.6%	4.1%	100.0%	67.5%	
			Di sini kami mengetahui kondisi kompetensi kami secara online	6	16	29	34	12	1	98	327	
7			Di sini, feedback diberikan secara 360', tidak hanya oleh atasan, tapi juga rekan kerja, bawahan, bahkan pelanggan	2	5	19	23	43	6	98	412	381.3
				2.0%	5.1%	19.4%	23.5%	43.9%	6.1%	100.0%	70.1%	
			Di sini, penilaian terhadap kinerja kami pasti bersifat objektif	2	21	35	23	12	5	98	331	
				2.0%	21.4%	35.7%	23.5%	12.2%	5.1%	100.0%	56.3%	
8			Di sini, penilaian kinerja kami sangat menentukan bonus yang akan kami terima	1	7	13	45	25	7	98	401	64.9%
				1.0%	7.1%	13.3%	45.9%	25.5%	7.1%	100.0%	68.2%	

Appendix 2
Purpose performance questionnaire data of PT KAI

No	Elements	Index	Statement	SD	D	TD	TA	A	SA	respondent	score	average score per index
19	PURPOSE	Strategic	Di sini, manajemen talenta sudah berjalan dengan baik	2 2.0%	13 13.3%	21 21.4%	42 42.9%	18 18.4%	2 2.0%	98 100.0%	361 61.4%	371.7
20			Kami pernah bertatap muka dengan manajerial dalam proses perencanaan manajemen kinerja	7 7.1%	21 21.4%	33 33.7%	21 21.4%	14 14.3%	2 2.0%	98 100.0%	314 53.4%	
21			Aktivitas kami sangat berkaitan erat dengan tujuan organisasi	2 2.0%	3 3.1%	7 7.1%	24 24.5%	57 58.2%	5 5.1%	98 100.0%	440 74.8%	
22		Administrative	Di sini, segala kenaikan gaji, promosi, kebutuhan training, hingga pemecatan, berdasarkan penilaian dari kinerja kami	2 2.0%	5 5.1%	10 10.2%	26 26.5%	47 48.0%	8 8.2%	98 100.0%	429 73.0%	419.5
23			Di sini, kami memiliki jenjang karir yang menarik	3 3.1%	5 5.1%	9 9.2%	43 43.9%	30 30.6%	8 8.2%	98 100.0%	410 69.7%	
24		Development	Di sini, sistem kinerja tak hanya mengidentifikasi kekurangan kami, namun juga cara mengatasinya	3 3.1%	9 9.2%	24 24.5%	31 31.6%	27 27.6%	4 4.1%	98 100.0%	376 63.9%	394.5
25			Kami mendapatkan ekspektasi yang jelas dari tujuan pengembangan diri yang diberikan oleh perusahaan	2 2.0%	7 7.1%	14 14.3%	28 28.6%	39 39.8%	8 8.2%	98 100.0%	413 70.2%	

Appendix 3
Effectiveness performance questionnaire data of PT KAI

No	Elements	Index	Statement	SD	D	TD	TA	A	SA	respondent	score	average score per index
26	EFFECTIVENESS	Strategic congruence	Sistem kinerja di sini sangat membantu saya dalam berkontribusi terhadap kesuksesan organisasi	7 7.1%	21 21.4%	30 30.6%	25 25.5%	12 12.2%	3 3.1%	98 100.0%	317 53.9%	329.5
27			Sistem manajemen kinerja di sini dapat beradaptasi secara fleksibel terhadap perubahan yang terjadi baik dari luar maupun dalam perusahaan	4 4.1%	17 17.3%	28 28.6%	30 30.6%	14 14.3%	5 5.1%	98 100.0%	342 58.2%	
28		Validity	Sistem manajemen kinerja di sini secara tepat mengukur kinerja aktual kami	2 2.0%	7 7.1%	16 16.3%	38 38.8%	31 31.6%	4 4.1%	98 100.0%	395 67.2%	395
29			Reliability	Kami mendapatkan penilaian yang subjektif dari supervisor, sehingga menurut kami hasil penilaianya tidak fair	2 2.0%	16 16.3%	27 27.6%	25 25.5%	25 25.5%	3 3.1%	98 100.0%	328 55.8%
30			Indikator pengukuran kinerja yang digunakan relevan dengan pekerjaan yang kami lakukan	4 4.1%	15 15.3%	24 24.5%	31 31.6%	22 22.4%	2 2.0%	98 100.0%	352 59.9%	340
31		Acceptability	Kami tidak menemukan adanya standar ganda dalam pengukuran kinerja kami	3 3.1%	7 7.1%	15 15.3%	41 41.8%	27 27.6%	5 5.1%	98 100.0%	391 66.5%	
32			Kami diberikan kesempatan untuk memberikan pendapat terhadap masukan kinerja	1 1.0%	5 5.1%	29 29.6%	28 28.6%	33 33.7%	2 2.0%	98 100.0%	387 65.8%	403.3
33			Di sini, kami diinformasikan mengenai ekspektasi standar kinerja hingga sistem bonus	2 2.0%	5 5.1%	9 9.2%	24 24.5%	51 52.0%	7 7.1%	98 100.0%	432 73.5%	
34		Specificity	Kami mendapatkan panduan mengenai ekspektasi perusahaan dan bagaimana cara untuk mencapai ekspektasi tersebut melalui manajemen kinerja	0 0.0%	18 18.4%	27 27.6%	34 34.7%	17 17.3%	2 2.0%	98 100.0%	350 59.5%	59.5%

Appendix 4
Marketing Performance Indicator

	Indicator	Measurement	Formula	frequency	Weight	target	Actual year-end	score
1.	Consumer growth	Growth rate this year	(Growth this year-growth last year)/ growth last year	Half yearly	0.3			
2.	Customer satisfaction	Customer satisfaction index	Survey index	Yearly	0.2			
3	Marketing efficiency cost	Revenue change per marketing activity	(Revenue B-revenue A)/ revenue A	Each activity	0.1			
		Return On Marketing Investment	Revenue generated/cost	Each activity	0.1			
4	Employee productivity	Per revenue	Revenue/number of employees	Quarterly	0.1			
		Per kilometer	KM/number of employees	Quarterly	0.1			
5	Customer preference	Measuring customer preference before and after delivery	Number of activity in each project	Half yearly	0.04			
6	Partnership	Create partnership with supplier and customer	Number of agreement	Yearly	0.03			
7	Customer involvement	Customer involvement in planning and design	Number of customer involvement activity	Yearly	0.03			

Appendix 5
Strategic Business Development Performance Indicator

No	Indicator	Measurement	Formula	frequency	Weight	target	Actual year-end	score
1.	Product & Service Development	Number of development	Number of product & service that being developed	Yearly	0.3			
2.	Innovation Process	Idea generation rate	Number suggestion of improvement received per period	Quarterly	0.1			
		Idea	Total implemented	Quarterly	0.1			

		conversion rate	suggestion per period					
3	New market growth	Growth in new market	Growth in new market	Half yearly	0.2			
4	Report	Reports of market trend and opportunity for company	Total reports of market trend and opportunity for company	Half yearly	0.1			
		Proposal of new business plan	Total Proposal of new business plan	Half yearly	0.2			

Appendix 6
Marketing Evaluation Form

Performance Evaluation Form						
Employee's Name :				Level:		
Supervisor's Name :						
Key Work Responsibilities						
Elements	Note	Mark				
1.		1	2	3	4	5
2.		1	2	3	4	5
3.		1	2	3	4	5
4.		1	2	3	4	5
Result/Goals						
Elements	Note	Mark				
1.		1	2	3	4	5
2.		1	2	3	4	5
3.		1	2	3	4	5
4.		1	2	3	4	5
Behavioral Assessment of Competencies						
Elements	Note	Mark				
<u>Hard-driving</u> Initiate competitive actions that can foster competitiveness in organization thus spark productivity to higher levels and therefore higher levels of effectiveness		1	2	3	4	5
<u>Motivating others</u> Ability that initiates guides and maintains goal-oriented behaviors through activation, persistence and intensity.		1	2	3	4	5
<u>Negotiating</u> Being well prepared, showing patience, maintaining integrity, avoiding the presumption of evil, controlling our emotions, understanding the role of time pressures, breaking down bigger issues into smaller ones, avoiding threats and manipulative tactics, focusing first on the problem rather than on the solution, seeking for interest-based decisions, and rejecting		1	2	3	4	5

weak solutions						
<u>Result oriented</u> Demonstrates concern on meeting objectives, delivering to the required time, cost and quality, and holds performance to be most important		1	2	3	4	5
<u>Persuasiveness & influencing</u> Ability to submit ideas or proposals by asking the right method so that it can influence others to agree to his proposal with appropriate interpersonal styles and use those methods to inspire and direct the individual in achieving the goals, modifying behavior to accommodate tasks, situations, and others involved		1	2	3	4	5
Summary Performance						
Narrative:						
<ul style="list-style-type: none"> <input type="checkbox"/> Exceptional (Level 5): Employee demonstrates particularly excellent performance that is of such high quality that organizational goals have been achieved that would not have been otherwise. The employee demonstrates mastery of technical skills and a thorough understanding of the mission of the organization and has a fundamental impact on the completion of program objectives. <input type="checkbox"/> Superior (Level 4): Employee demonstrates unusually good performance that exceeds expectations in critical areas and exhibits a sustained support of organizational goals. The employee shows a comprehensive understanding of the objectives of the job and the procedures for meeting them. <input type="checkbox"/> Fully Successful (Level 3): The employee demonstrates good, sound performance that meets organizational goals. All critical activities are generally completed in a timely manner and supervisor is kept informed of work issues, alterations and status. <input type="checkbox"/> Minimally Successful (Level 2): The employee's performance shows serious deficiencies that require correction. The employee's work frequently needs revision or adjustments to meet a minimally successful level. All assignments are completed, but often require assistance from supervisor and/or peers. Organizational goals and objectives are met only as a result of close supervision. On one or more occasions, important work requires unusually close supervision to meet organizational goals or needs so much revision that deadlines were missed or imperilled. <input type="checkbox"/> Unsatisfactory (Level 1): The employee's performance is unsatisfactory. The quality and quantity of the employee's work are not adequate for the position. Work products do not meet the minimum requirements expected. 						
Areas to be develop:	Actions:	Completion date:				

Employee's signature		Date:
Supervisor's signature		Date:

Appendix 7
Strategic Business Development Evaluation Form

Performance Evaluation Form						
Employee's Name :		Level:				
Supervisor's Name :						
Key Work Responsibilities						
Key Indicators	Note	Mark				
1.		1	2	3	4	5
2.		1	2	3	4	5
3.		1	2	3	4	5
4.		1	2	3	4	5
Result/Goals						
Objectives	Note	Mark				
1.		1	2	3	4	5
2.		1	2	3	4	5
3.		1	2	3	4	5
4.		1	2	3	4	5
Behavioral Assessment of Competencies						
Elements	Note	Mark				
<u>Creative</u> Tendency to be able to view things in new ways or from a different perspective, generate or recognize ideas, alternatives, or possibilities that may be useful in solving problems, and communicating with others.		1	2	3	4	5
<u>Innovative</u> Generating fresh solutions to problems and the ability to create new products, processes or services for a changing market that give a company its competitive edge.		1	2	3	4	5
<u>Risk Oriented</u> Realistically assess the risk in the program plan to be better prepared and courage in taking risks		1	2	3	4	5
<u>Visionary</u> Ability to focus on future and see the long road ahead and is able to effectively plan for the business to get to the end of that road in the most efficient way possible while bringing people along who are motivated and productive.		1	2	3	4	5
Summary Performance						
Narrative:						

<ul style="list-style-type: none"><input type="checkbox"/> Exceptional (Level 5): Employee demonstrates particularly excellent performance that is of such high quality that organizational goals have been achieved that would not have been otherwise. The employee demonstrates mastery of technical skills and a thorough understanding of the mission of the organization and has a fundamental impact on the completion of program objectives.<input type="checkbox"/> Superior (Level 4): Employee demonstrates unusually good performance that exceeds expectations in critical areas and exhibits a sustained support of organizational goals. The employee shows a comprehensive understanding of the objectives of the job and the procedures for meeting them.<input type="checkbox"/> Fully Successful (Level 3): The employee demonstrates good, sound performance that meets organizational goals. All critical activities are generally completed in a timely manner and supervisor is kept informed of work issues, alterations and status.<input type="checkbox"/> Minimally Successful (Level 2): The employee's performance shows serious deficiencies that require correction. The employee's work frequently needs revision or adjustments to meet a minimally successful level. All assignments are completed, but often require assistance from supervisor and/or peers. Organizational goals and objectives are met only as a result of close supervision. On one or more occasions, important work requires unusually close supervision to meet organizational goals or needs so much revision that deadlines were missed or imperilled.<input type="checkbox"/> Unsatisfactory (Level 1): The employee's performance is unsatisfactory. The quality and quantity of the employee's work are not adequate for the position. Work products do not meet the minimum requirements expected.		
Areas to be develop:	Actions:	Completion date:
Employee's signature	Date:	
Supervisor's signature	Date:	