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PROPOSED CORPORATE PERFORMANCE MANAGEMENT IMPROVEMENT: STUDY CASE PT. XYZ (MOTORCYCLE MANUFACTURER)

USULAN PERBAIKAN MANAJEMEN KINERJA PERUSAHAAN: STUDI KASUS PT. XYZ (PRODUSEN SEPEDA MOTOR)

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ABSTRACT

This paper discusses the challenges faced by PT. XYZ. Provide recommendations for improvements to the Performance Management System (PMS) using the Knowledge Based Performance Management System (KBPMS) framework. By lowering key performance indicators (KPI) from the division level to sections and departments, PT. XYZ aims to increase organizational effectiveness, operational efficiency and creativity. The study process entails collecting and analyzing extensive data in order to integrate KBPMS into the existing system. The results show a considerable impact on company outcomes and internal procedures. Implementation and monitoring procedures ensure long-term performance improvement. This program sets PT. XYZ for excellence in the competitive motorcycle market, the accomplishment of its mission for customer satisfaction, and global leadership.

Keywords: *Knowledge-Based Performance Management System, Strategic Alignment, Performance Management System, Performance Variable, Production Engineering*.

ABSTRAK

Makalah ini membahas tentang tantangan yang dihadapi oleh PT. XYZ. Memberikan rekomendasi perbaikan pada Performance Management System (PMS) dengan menggunakan kerangka kerja Knowledge Based Performance Management System (KBPMS). Dengan menurunkan key performance indicator (KPI) dari level divisi ke bagian dan departemen, PT. XYZ bertujuan untuk meningkatkan efektivitas organisasi, efisiensi operasional dan kreativitas. Proses studi ini meliputi pengumpulan dan analisis data yang ekstensif untuk mengintegrasikan KBPMS ke dalam sistem yang sudah ada. Hasilnya menunjukkan dampak yang cukup besar terhadap hasil dan prosedur internal perusahaan. Prosedur implementasi dan pemantauan memastikan peningkatan kinerja jangka panjang. Program ini membuat PT. XYZ untuk menjadi yang terbaik di pasar sepeda motor yang kompetitif, pencapaian misinya untuk kepuasan pelanggan, dan kepemimpinan global.

Kata Kunci: Sistem Manajemen Kinerja Berbasis Pengetahuan, Penyelarasan Strategis, Sistem Manajemen Kinerja, Variabel Kinerja, Rekayasa Produksi.

INTRODUCTION

PT. XYZ is one of Indonesia's largest motorcycle manufacturers, noted for its innovative, dependable, and high-quality products, which have helped it acquire a strong position in both the global and national markets. PT. XYZ aspires to be a global leader in the motorcycle market. PT. XYZ aims to be in the forefront of the motorcycle industry as a world class company. One of the vision of the company is to create customer satisfaction by manufacturing motorcycles that offer joy of ownership, delightful satisfaction and extraordinary riding experience in order to improve people's quality of life.

To reach the vision, continuous innovation, excellent product quality and sustainability are the core things that should be tackled accordingly. Engineering division has a very important role to support the innovation and technology advancement as well as efficient and effective production processes and facilities to gain a competitive edge in global competition. Process design, machine capacity and condition as well as maintenance support are handled by the engineering division.

In addition, continuous improvement activities that cover equipment maintenance, productivity enhancement and cost reduction are key drivers for the company to achieve its business goals.

Unfortunately, PT. XYZ finds a big challenge to handle performance management systems especially in the engineering division. It is because there is no particular performance yet either in the department nor in the section under engineering division. Thus, each individual has their own target that is not aligned with the business strategy of the company. As a result, monitoring and evaluating performance of each of the counterparts becomes hard to be measured which causes inefficiency and opportunities for performance improvement are totally missed.

To cope with the problem, PT. XYZ wants to improve its current PMS with Knowledge-Based Performance Management System (KBPMS) which can support the alignment between engineering division performance and company's strategy where some key performance indicators (KPIs) will be cascaded from upper level to lower level, from division (Engineering) to section and department under it. KBPMS is expected to facilitate PT. XYZ especially in the engineering division to build a better performance culture which in the end will influence business results, operational efficiency and innovations.

This completes the summary. The next steps are to map the current Performance Management System (PMS) in the engineering division, implement the Knowledge-Based Performance Management System (KBPMS), and analyze the results. PT. XYZ, Indonesia's largest motorcycle manufacturer, aims to enhance customer satisfaction while benefiting society and the environment through this endeavor.

METHOD

KBPMS Conceptual Framework

The Knowledge-Based Performance Management System (KBPMS) framework comprises three core elements: Resource Availability, Internal Processes, and Organizational Results. The framework's structure illustrates the transition from basic data collection to advanced performance management stages. Initially, essential data, categorized into financial, market, environmental, and product/service information, forms the foundation for the system, aligning with the company's vision, mission, objectives, and strategies (Becker *et al.*, 2011)

Performance management is an ongoing cycle involving diagnosis, action planning, measurement, and assessment to adapt to changes effectively. The evaluation of performance data identifies strategy effectiveness, leading to problem diagnosis, targeted action, and continuous improvement. The KBPMS emphasizes ongoing learning, integrating insights from performance data for system evolution (Asiaei & Bontis, 2020).

To improve the existing Performance Management System using the KBPMS framework at PT. XYZ, comprehensive data collection and analysis are essential. This involves defining parameters, conducting interviews and observations, and using various documents and visuals. A qualitative approach, with active researcher involvement in daily observations will gather primary data, while secondary data will supplement this (Cepiku, 2021). This thorough methodology ensures the effective integration of KBPMS into PT. XYZ's current performance management, aiding informed decision-making and strategic alignment. The framework of

KBPMS can be shown in the figure 1 below:

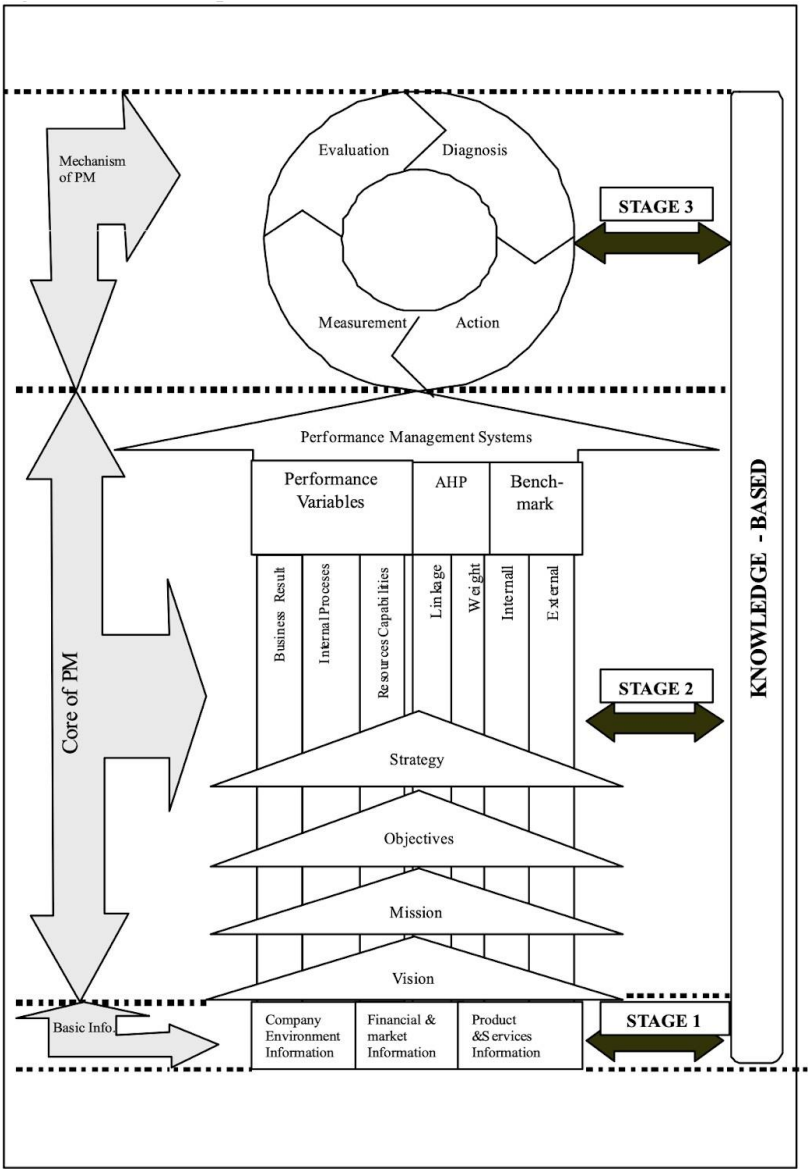

Figure 1. KBPMS Framework

RESULTS AND DISCUSSION

Stage 1: Corporate Basic Information

In starting the analysis process related to the Performance Management System, it is necessary to first analyze the condition of the company (Elayan *et al.*, 2023). Company conditions analyzed based on Wibisono, 2020 include company background, environmental conditions in the related sector, as well as competition conditions between similar companies. Therefore, it is necessary to collect more in-depth information regarding PT. XYZ and its industrial sector.

PT. XYZ is an Automotive Industry that produces Motorcycles from components level into completely built up units. Internal combustion engines (ICEs) is the company's primary focus,

efforts are also being made to produce electric cars (EVs). The future Net Zero Emission rule, which has an impact on all car firms' current product lines, is the issue pertaining to the automotive sector. Because Indonesia is committed to achieving Net Zero Emissions by 2060, PT. XYZ must increase the proportion of EVs in their fleet compared to ICEs. Regarding the switch from ICE to EVs, the Indonesian government has also made changes.

The COVID-19 epidemic reduced PT. XYZ's sales in 2020. The recovery process began in 2022, but the semiconductor shortage made it less than perfect. In 2023, PT. XYZ improved on the previous year, selling 4.9 million units in the local market. In addition, PT. XYZ boosted its export sector, with a 33% increase over 2022 in the Completely Knock Down (CKD) sector. Related to the competition, there is one big competitor to PT. XYZ. Based on the market share, PT. XYZ will take control around 78% in 2023 (increasing around 2% from 2022). Although the growth was only 2%, the total quantity sold in 2022 to 2023 was increased by around 22%. (Source: 2023 Annual Report of Astra International)

The line of products consist of Automatic Motorcycle, Cub (Semi-Automotive) Motorcycle, Sport (150cc) Motorcycle, and Super-sport Motorcycle (250cc). Other than that, PT. XYZ also produces some Electric Motorcycles due to the government commitment related to Net Zero Emission. But, the quantity of Electric Motorcycles is still small (around 0.012% compared to ICE).

PT. XYZ is running as a Business to Business company, which means that the company only produces the motorcycles and sells them to another business. The direct sale to the customer is done by the dealers in each region. The maintenance support and service support related to the motorcycle's product is also done by dealers. For maintaining the quality of mechanics in each dealer, PT. XYZ makes a standard and training before the mechanics work in dealers. Related to the Electric Motorcycle, PT. XYZ also has a collaboration with another company in providing the battery swap station. This collaboration became crucial because the Electric Motorcycles highly rely on the supply of battery swap or charging station.

Stage 2: Core Performance Management Analysis

Vision

As an automotive manufacturing company, PT. XYZ not only wants to lead the motorcycle

market in Indonesia but also become a top player recognized globally. The company's vision focuses on making customers' dreams come true by designing and delivering motorcycles that can provide joy, satisfaction and an extraordinary riding experience. PT. XYZ believes that a good motorcycle can improve the standard of life. Apart from that, PT. XYZ is also committed to continuing to innovate to meet and exceed customer expectations. However, PT. XYZ's ambitions are more than just producing good motorcycles. PT. XYZ is very committed to contributing to Indonesian society and participating in its growth and development. The company strives to make positive contributions through various social initiatives, environmental efforts, and community programs that have a meaningful impact on people's lives.

The essence of the company's vision is to focus on what customers like and appreciate. PT. XYZ captures all the needs and aspirations of customers. PT. XYZ also wants to ensure that every motorcycle it makes reflects the combined desires of both the company

and the customer. This is done by combining an approach that has a primary focus on responding to customer needs and is followed by strong social responsibility. PT. XYZ aims to create a new standard of excellence in the motorcycle industry. PT. XYZ's goal is to become a company that not only leads in market share but also leads in creating positive change. Through dedication to innovation, quality and community involvement, the company aspires to be a benchmark for success in the world of motorcycling, both in Indonesia and on the global stage.

Mission

The company's mission is to create comprehensive mobility solutions for the Indonesian people, ensuring that its products and services meet the best standards of excellence. The company is committed to responding to the various community needs as a provider of innovative, reliable and efficient transportation options. Through continuous improvement and customer-focused strategies, the company aims to improve the quality of life by giving a facilitation of smooth transportation for everyone. The dedication given by the company to provide the best in product quality and service excellence is a manifestation of its vision to become a trusted partner in mobility.

Corporate Objectives

As a motorcycle company, PT. XYZ has a business process that starts with raw material processing. Not all raw materials or parts are produced by the company; some motorcycle parts are produced by other companies both domestically (local) and internationally (imported). Although several companies participate in supplying spare parts, PT. XYZ still meets Indonesia's TKDN standards, with most product lines having a TKDN figure above 45%. The motorcycles produced by PT. XYZ are not directly sold to customers but are sold to other companies (B2B), namely main dealers. It is the main dealer who markets and sells motorcycles directly to customers. To realize one of PT. XYZ's visions of becoming the market leader in motorcycles both nationally and internationally, PT. XYZ must be able to create a motorcycle product that has good quality at a price affordable to customers. Additionally, PT. XYZ has a vision to address all the needs and complaints that customers have about their products. Therefore, PT. XYZ's goal is not only to be a motorcycle manufacturer but to be a motorcycle manufacturer that meets customer needs with good quality and affordability.

To achieve this, many aspects need to be considered in the operation of this company. To achieve good quality, PT. XYZ must implement good quality control, but overly stringent quality control will also increase production costs. Therefore, a balance is needed between the desired quality and the cost required to maintain it. To achieve affordable motorcycle prices, PT. XYZ also needs to pay attention to expenditure factors. One of them is the production sector, which is the core business sector of this company (Susa *et al.,* 2019). The production process must be designed as well as possible to achieve the best efficiency and effectiveness. The best efficiency and effectiveness will result in low production costs with the desired outcome (Garcia *et al.,* 2020). Regarding meeting customer needs and wants, PT. XYZ must also be agile in updating and renewing product lines to match customer needs. The high target objectives the company wants to achieve make it necessary to have a Performance Management System as a tool that can be used to plan company targets, monitor

the performance of all parts of the company, and evaluate the work of all parts of the company.

Corporate Strategy

Based on the KBPMS framework, there needs to be an analysis regarding the company's strategy based on the grouping of Business Results, Internal Process and Resource Capabilities. Further analysis of the PT. XYZ company according to these groupings needs to be carried out in more depth. The analysis is carried out by looking at and comparing existing conditions with the KBPMS framework. Strategy grouping needs to be done to facilitate further analysis.

Various activities within PT. XYZ are interconnected and have a continuous influence on each other. Based on the diagram below, it can be seen how each activity at every level relates to the level above it, forming PT. XYZ's strategy to gain profit and sustain the company. To achieve its vision, the company needs to regularly monitor influential aspects. This monitoring process must be conducted from the lowest level to the highest level because everything starts from the lowest level and requires oversight from higher levels. The business strategy map of PT. XYZ can be shown in figure 2 below:

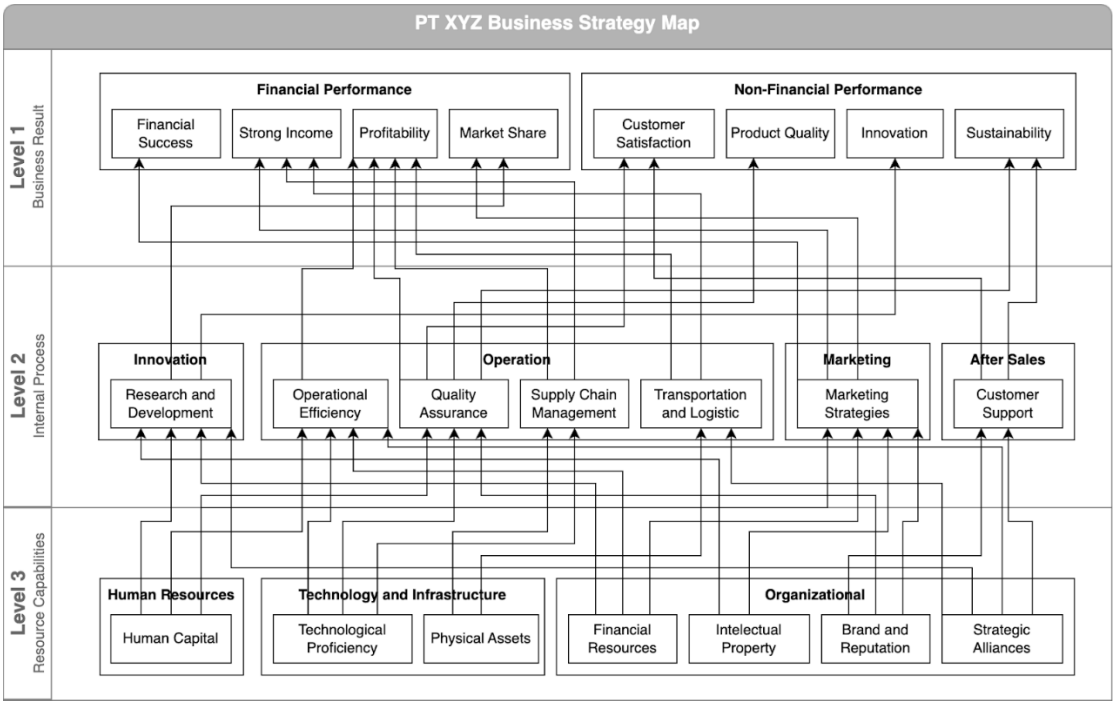

Figure 2. PT. XYZ Business Strategy Map

Current Condition Performance Management System in PT. XYZ

To support the continuity of a production process in PT. XYZ, there is a division called Engineering. This engineering division has three main functions: Process, Maintenance, and Improvement. In the process field, this division designs process plans, monitors the process continuity, and makes improvements if there are any discrepancies or potential quality and efficiency enhancements. The maintenance function is closely related to the equipment used in the production process. In this area, engineering designs

the machines needed for production, calculates the investment value and payback period, and provides maintenance support for daily activities. The improvement function focuses on identifying opportunities for enhancement in quality, cost, delivery, safety, or ergonomics (Ensslin *et al.*, 2022). Currently, several KPIs have been assigned to the division to fulfill these three functions. However, these KPIs are only applied at the division level and are not specifically assigned to the sub-sections below it administratively, it can be shown in figure 3 below.

The performance monitoring of the sub-sections uses an Activity Plan created by each individual based on their desires and the responsibilities they want to undertake in the coming year. This results in different targets being set by each individual. Consequently, the KPIs assigned to the division are not reflected at the individual level. The drawback also observed in this situation is that the culture formed below the division level becomes less effective, as the detailed cascading of the division's KPIs is not reflected in daily activities. Therefore, improvements to the Performance Management System can be made by addressing these current shortcomings. By ensuring that KPIs are cascaded down to the individual level and aligning them with the division's overall goals, the company can achieve a more accurate and comprehensive performance assessment, leading to better coordination and effectiveness in achieving production goals (Helmold & Samara, 2019).

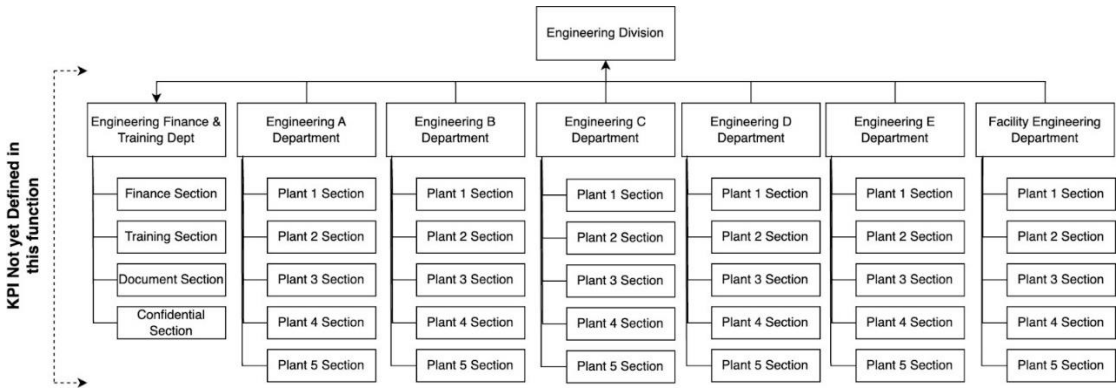

Figure 3. Engineering Division Organization Structure

Proposed Improvement in Performance Management System in PT. XYZ

The absence of performance indicators observed at the section and department level results in a disconnection to the business strategy that was explained in the previous section. Therefore, it is necessary to improve the performance management system in this division (Almohtaseb *et al.*, 2020). This time, the author uses the Knowledge-Based Performance Management System (KBPMS) framework in the process of improving the performance management system in the engineering division.

Based on the PT. XYZ business strategy map, the engineering division contributes to several aspects, as shown in figure 4 below. The green boxes in the following image show aspects that have a direct and indirect influence on the performance of the engineering division

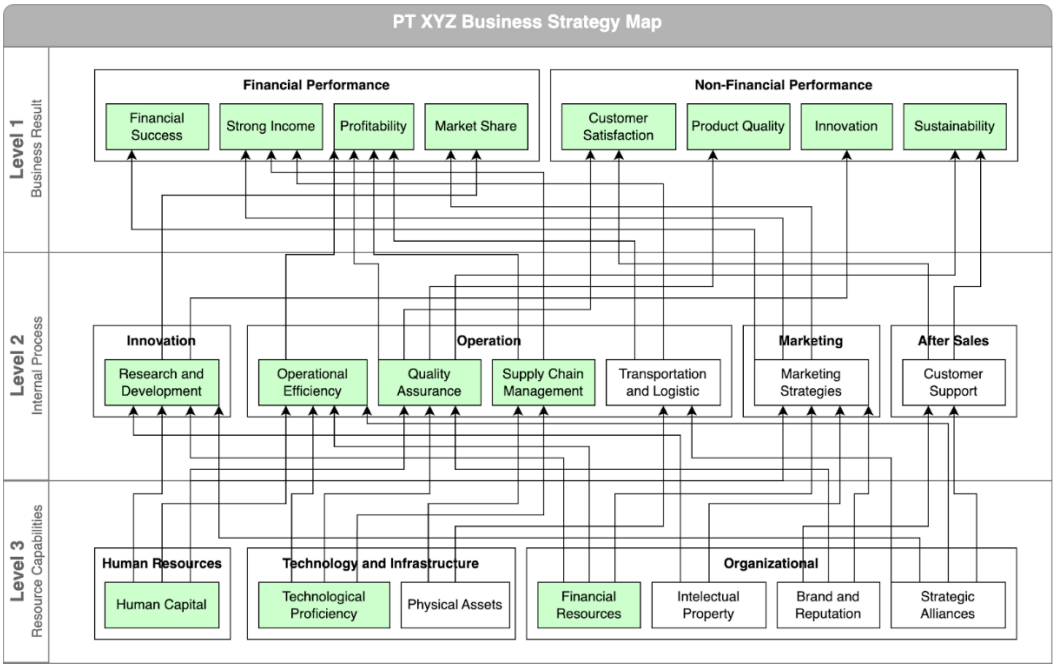

Figure 4. PT. XYZ Business Strategy Map related to Engineering Division

The engineering division plays a pivotal role in driving innovation, supporting sustainability, and assuring product quality in terms of Business Results. From the outset, the engineering team determines the impact on product quality. Finding the crucial moments in the motorcycle manufacturing process is one of the steps in this process, which calls for careful planning and exact implementation. The manufacturing flow is designed by the engineering team with the goal of optimizing each stage for effectiveness and efficiency. Additionally, they choose and develop the proper machine parts that are employed in the production process. The engineering staff keeps a close eye on things during production to make sure everything goes as planned and that any possible problems are dealt with right away.

The engineering division's innovation component is another essential component. This group works closely with the motorcycle manufacturing process to incorporate new technologies. By using the most recent technology developments, the company's never-ending quest of innovation guarantees that it stays one step ahead of the competition. This improves the production process overall, increasing its effectiveness and lowering costs, in addition to improving the product itself.

The engineering division makes a substantial contribution to the internal process optimisation of operational activities. Achieving the maximum degree of efficacy and efficiency is their main objective. By carefully controlling the use of machines and the production flow, they make sure that the quality of the product is maintained. Research and development (R&D) is another area in which the engineering division is significantly involved. Their R&D efforts are directly associated with innovation because they are always looking for novel concepts and cutting-edge technologies to enhance the production process.

Profitability of the business is directly impacted by production operations' efficiency and effectiveness.

The corporation can attain a higher profit margin the more efficiently it operates its production process (Ensslin *et al.,* 2022) . It's crucial to remember, nevertheless, that an excessively effective method might occasionally have a detrimental effect on the items' quality (Singh *et al,* 2021). To guarantee the finest results, the engineering division must therefore strike a balance between efficiency and quality.

The engineering division's R&D activities are a major factor in increasing the productivity of the business. They can reduce the requirement for superfluous labor by streamlining the manufacturing process through the development of new concepts and the application of new technologies. This reduces expenses while simultaneously raising the industrial process's general effectiveness. Furthermore, by guaranteeing process stability and enhancing traceability, the application of new technology can improve product quality (Fawehinmi *et al.,* 2020).

The engineering division's ability to support depends largely on the resources available to it. Resources with particular technical abilities and competencies that are distinct from those required in other divisions are needed by the engineering division, and they must be retained. The engineering division requires a more technical skill set, whilst other divisions might prioritize management skills. Nonetheless, the engineering division's ability to run successfully depends on sound management techniques. It is ensured that the engineering division can successfully contribute to the growth of the organization by striking a balance between technical expertise and good management practices.

Improved Performance Variable

Based on the KBPMS framework, determining performance variables needs to be done after analyzing the duties and responsibilities of the engineering division which are related to the impact provided by the engineering division to PT. XYZ in the aspects of Business Results, Internal Process and Resource Capabilities. This performance variable will later be used as a variable that will continue to be monitored in the running of the company. Determining variable performance is not only at the division level, but must be reduced to the section level. This is intended to make the monitoring process easier because company performance is maintained from the lowest management level (Abane & Brenya, 2021). The performance variables for the Engineering Division can be shown on table 1 below.

Table 1. The performance variables for the Engineering Division

Division Performance Variables			
Category	Key Performance Indicator	Weight	Unit
Business Result	Financial success	7.5%	Revenue growth rate (%)
		7.5%	Revenue growth rate (%)
	Financial success	5.0%	ROI (%)
	Market share	5.0%	Market share (%)
	Customer satisfaction	5.0%	Customer satisfaction index (1-10)
	Product quality	5.0%	Overall defect rate (%)
	Innovation	7.5%	Number of patents (#)
		7.5%	R&D expenditure (%)
	Sustainability	7.5%	CO2 emissions reduction (%)
		7.5%	Overall production cycle time (hours)
Internal Process	Operational efficiency	5.0%	Machine utilization rate (%)
	Quality control	5.0%	Overall first pass yield (%)

	Human capital	5.0%	Overall training hours (hours/year)
		5.0%	Retention rate (%)
Resource Capabilities	Technological resources	5.0%	Investment in new technology (currency)
		5.0%	Automated processes (%)
	Financial resources	5.0%	Budget adherence (%)

Performance variables at the division level will then be cascaded again at the department level. In the process of cascading, the performance variables owned by each department are not exactly the same. It can be seen in the table 2 below, that several performance variables which are derived from the division level are specifically intended for certain departments. This is because the departments under the division do not all have the same function.

Table 2. Department Performance Variable

Department Performance Variables				
Category	Key Performance Indicator	Weight	Unit	Dept. Related
Business Results	Financial performance	7.5%	Department budget adherence (%)	All EG Dept
		7.5%	Department cost savings (currency)	All EG Dept
	Market performance	2.5%	Contribution to division's new products (%)	EG A, B, C, D, E Dept
	Customer satisfaction	5.0%	Internal satisfaction index (1-10)	All EG Dept
	Product quality	5.0%	Department defect rate (%)	All EG Dept
		5.0%	Resolved quality issues (#)	EG A, B, C, D, E Dept
	Innovation	5.0%	Department innovation projects (#)	All EG Dept
		7.5%	Department R&D expenditure (%)	EG A, B, C, D, E Dept
	Sustainability	5.0%	Department CO2 emissions reduction (%)	EG A, B, C, D, E Dept
		5.0%	Department sustainability initiatives (#)	All EG Dept
Internal Process	Operational efficiency	5.0%	Department machine utilization rate (%)	EG A, B, C, D, E Dept
	Quality control	5.0%	Department first pass yield (%)	EG A, B, C, D, E Dept
		5.0%	Department scrap rate (%)	EG A, B, C, D, E Dept
	Process optimization	5.0%	Department improvements (#)	All EG Dept
		5.0%	Improvement implementation time (days)	All EG Dept
Resource Capabilities	Human capital	2.5%	Department training hours (hours/year)	Finance and Training Dept
		2.5%	Department retention rate (%)	Finance and Training Dept
	Technological resources	5.0%	Department tech investment (currency)	All EG Dept
		5.0%	Automated processes (%)	EG A, B, C, D, E Dept
	Financial resources	5.0%	Department budget adherence (%)	Finance and Training Dept

In contrast to the cascade from division to department, the decrease from department to section tends to have similar performance variable categories as shown in table 3 below. This is because the function of the section under the department is similar to the function of the department itself. The section is only an extension of the department in the field. However, there are differences in the unit aspect because sections hold more specific matters than departments.

Table 3. Section Performance Variable

Section Performance Variables				
Category	KPI	Weight	Unit	Section under Dept
Business Results	Financial performance	7.5%	Section budget adherence (%)	All EG Dept
		7.5%	Section cost savings (currency)	All EG Dept
	Market performance	2.5%	Contribution to department's new products (%)	EG A, B, C, D, E Dept
	Customer satisfaction	5.0%	Internal satisfaction index (1-10)	All EG Dept
	Product quality	5.0%	Section Defect Rate (%)	EG A, B, C, D, E Dept
		5.0%	Resolved quality issues (#)	EG A, B, C, D, E Dept
	Innovation	5.0%	Section innovation projects (#)	All EG Dept
		7.5%	Section R&D expenditure (%)	EG A, B, C, D, E Dept
	Sustainability	5.0%	Section CO2 emissions reduction (%)	EG A, B, C, D, E Dept
		5.0%	Section sustainability initiatives (#)	All EG Dept
Internal Process	Operational efficiency	5.0%	Section machine utilization rate (%)	EG A, B, C, D, E Dept
	Quality Control	5.0%	Section first pass yield (%)	EG A, B, C, D, E Dept
		5.0%	Section scrap rate (%)	EG A, B, C, D, E Dept
	Process optimization	5.0%	Section improvements (#)	All EG Dept
		5.0%	Improvement implementation time (days)	All EG Dept
Resource Capabilities	Human capital	2.5%	Section training hours (hours/year)	Finance and Training Dept
		2.5%	Section retention rate (%)	Finance and Training Dept
	Technological resources	5.0%	Section tech investment (currency)	All EG Dept
		5.0%	Automated processes (%)	EG A, B, C, D, E Dept
	Financial resources	5.0%	Section budget adherence (%)	Finance and Training Dept

Linkage Variable

The performance variables created are related to resource capabilities, internal processes, to the impact on business results. This relationship is shown in figure 5 below. This shows that maintaining and monitoring the performance variables contained in resource capabilities can have an impact on business continuity at PT. XYZ.

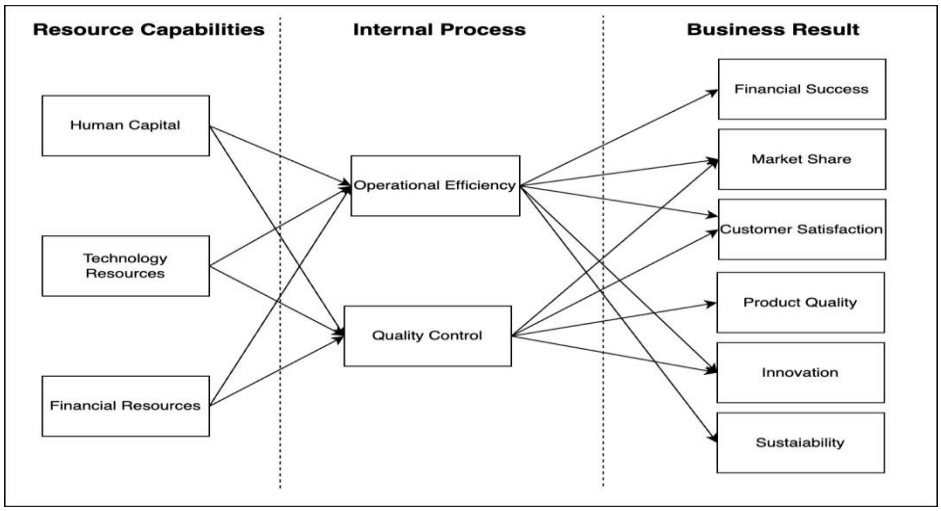

Figure 5. Linkage Variable

Stage 3: Implementation

After the variables in the performance management system have been determined, the next stage **is the implementation process. In this implementation process, the author suggests dividing it into several stages, namely an introduction regarding the framework used (in this case KBPMS), an explanation of the analysis results starting from explaining the general condition of the company to details in the engineering division including the reasons for needing to make amends to top management, collecting feedback from top management, socialization to division to section levels, collecting feedback again from division and department levels, and ending with the implementation of a new performance management system in the company's system. The detail implementation schedule can be seen in** the table 4 below:

Table 4. Implementation Schedule

No	Action Plan	Stakeholder	Plan / Act	2024					
				July	August	September	October	November	December
1	Introduction about KBPMS framework	Strategic Planner Division	Plan						
			Actual						
2	Explanation about the Analysis of Current Performance Management System	Top Management	Plan						
			Actual						
3	Present proposed improvement to Top Management	Top Management, Strategic Planner Directorate	Plan						
			Actual						
4	Gathering feedback from top management	Top Management	Plan						
			Actual						
5	Socialization for the new Performance Management to Section, Department, and Division level	Section Head, Department Head, and Division Head	Plan						
			Actual						
6	Gathering feedback from Department and Division level	Section Head, Department Head, and Division Head	Plan						
			Actual						
7	Final adjustment and Implement the New Performance Management system in Engineering Division	Section Head, Department Head, and Division Head	Plan						
			Actual						

Stage 4: Monitoring and Evaluation

After the new performance management system has been implemented, monitoring and evaluation of its progress is required. In its implementation, the author suggests

evaluating performance variables once a month at the section and department level. Meanwhile, at the division level, this is done every 3 - 6 months. The schedule illustration can be seen in table 5 below. The implementation of a performance management system using KBPMS is something new at PT. XYZ. Therefore, the results of this application need to be evaluated after one year of use. If this implementation is considered better than before, the author suggests continuing the analysis process for other divisions outside engineering.

Table 5. Monitoring and Evaluation Schedule

No	PMS Evaluation	Stakeholder	Plan / Act	2025											
				January	February	March	April	May	June	July	August	September	October	November	December
1	Section Evaluation	Section Head & Staff	Plan												
			Actual												
2	Department Evaluation	Department Head & Section Head	Plan												
			Actual												
3	Division Evaluation	Division Head & Department Head	Plan												
			Actual												
4	Top Management Evaluation	Division Head and Top Management	Plan												
			Actual												

CONCLUSION

The proposed plan to improve PT. XYZ's Performance Management System (PMS) addresses current inefficiencies by aligning performance indicators with strategic goals. By using the Knowledge-Based Performance Management System (KBPMS) framework, PT. XYZ hopes to improve organizational effectiveness and accomplish its ambition of worldwide leadership in the motorcycle industry. The plan calls for cascading important performance factors from division to section and department levels, ensuring alignment with strategic goals and supporting accurate performance assessments. A phased implementation method focuses on stakeholder engagement and continual feedback loops to foster organizational buy-in. Regular performance assessments will be carried out to assess the system's influence on operational efficiency, innovation, and business outcomes. By investing in strategic performance management approaches, PT. XYZ may promote innovation, optimize internal processes, and maintain a competitive advantage in the global motorcycle market.

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