

**ANALYSIS OF PERFORMANCE MEASUREMENT USING BALANCED  
SCORECARD IN COOPERATIVE BUSINESS ENTITIES**

**(Undergraduated Thesis)**

**By:**

**MOHAMMAD MOSTAF FAUZIL MUFTI**

**(2211011125)**



**STUDY PROGRAM OF MANAGEMENT  
FACULTY OF ECONOMY AND BUSINESS**

**UNIVERSITAS LAMPUNG**

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## ABSTRAK

### ANALYSIS OF PERFORMANCE MEASUREMENT USING BALANCED SCORECARD IN COOPERATIVE BUSINESS ENTITIES

Oleh:

Mohammad Mostaf Fauzil Mufti

Pentingnya pengukuran kinerja untuk mengetahui tingkat kinerja koperasi secara menyeluruh menuntut penggunaan alat pengukuran yang komprehensif dan sistematis. Penelitian ini bertujuan untuk menilai dan mengevaluasi kinerja koperasi dengan menggunakan pendekatan *Balanced Scorecard*. Objek penelitian ini adalah Koperasi Wanita Anggrek Bulan, Koperasi Produsen Nelayan Kalaju (Pulau Pasaran), dan Koperasi Karya Sehat. Penelitian ini menggunakan metode penelitian kualitatif dengan pendekatan studi kasus, yang berfokus pada pengkajian secara mendalam terhadap kinerja masing-masing koperasi. Data dikumpulkan dari sumber data primer dan sekunder. Data primer diperoleh melalui wawancara terstruktur dan observasi langsung yang melibatkan informan kunci dari setiap koperasi, sedangkan data sekunder dikumpulkan dari dokumen, laporan, publikasi pemerintah, serta catatan relevan lainnya. Evaluasi kinerja dilakukan berdasarkan empat perspektif *Balanced Scorecard*, yaitu perspektif keuangan, anggota (pelanggan), proses bisnis internal, serta pembelajaran dan pertumbuhan. Hasil penelitian menunjukkan bahwa kinerja keseluruhan ketiga koperasi berada dalam kategori cukup, yang mengindikasikan bahwa meskipun fungsi operasional dasar telah berjalan dengan baik, masih terdapat beberapa aspek krusial khususnya dalam efisiensi keuangan, inovasi, dan pengembangan sumber daya manusia yang memerlukan peningkatan signifikan. Temuan ini menegaskan pentingnya penerapan kerangka manajemen kinerja strategis guna meningkatkan daya saing koperasi dan keberlanjutan jangka panjang.

**Kata kunci:** *Balanced Scorecard*, Koperasi, Kinerja Koperasi, Pengukuran Kinerja

## ABSTRACT

### ANALYSIS OF PERFORMANCE MEASUREMENT USING BALANCED SCORECARD IN COOPERATIVE BUSINESS ENTITIES

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The importance of performance measurement in determining the overall performance level of cooperatives requires the use of comprehensive and systematic measurement tools. This study aims to assess and evaluate the performance of cooperatives using the Balanced Scorecard approach. The objects of this research are Angrek Bulan Women's Cooperative, Kalaju Fishermen's Producers Cooperative (Pasaran Island), and Karya Sehat Cooperative. This study employs a qualitative research method with a case study approach, focusing on an in-depth examination of each cooperative's performance. Data were collected from both primary and secondary sources. Primary data were obtained through structured interviews and direct observations involving key informants from each cooperative, while secondary data were gathered from documents, reports, government publications, and other relevant records. Performance evaluation was conducted based on four Balanced Scorecard perspectives: financial, member (customer), internal business processes, and learning and growth. The findings indicate that the overall performance of the three cooperatives falls within the fair category, suggesting that while basic operational functions are adequately implemented, several critical aspects particularly in financial efficiency, innovation, and human resource development require significant improvement. These results highlight the importance of adopting strategic performance management frameworks to enhance cooperative competitiveness and long-term sustainability.

**Keywords: Balanced Scorecard, Cooperatives, Cooperative Performance,  
Performance Measurement**

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**(Undergraduated Thesis)**

**As One of the Requirements to Obtain**

**BACHELOR OF MANAGEMENT**

**at**

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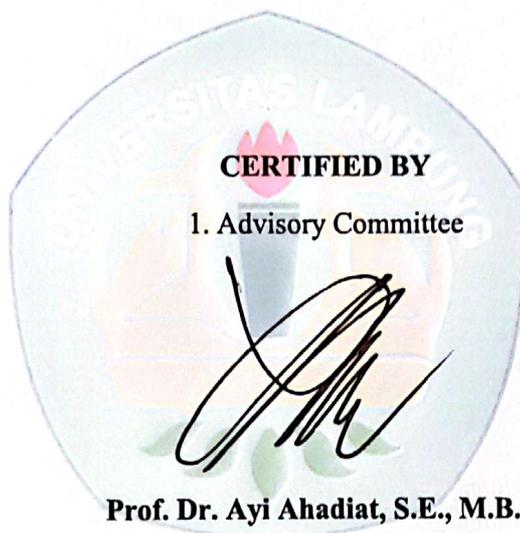
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COOPERATIVE BUSINESS ENTITIES**

**Student Name** : *Mohammad Mostaf Fauzil Mufti*

**Student Number** : 2211011125

**Major** : Management

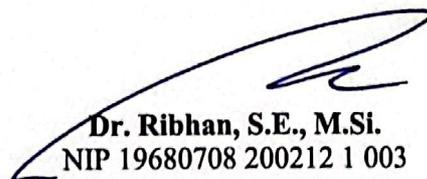
**Faculty** : Economics and Business



**Prof. Dr. Ayi Ahadiat, S.E., M.B.A.**

NIP 196503071991031001

2. Head Of Management Department

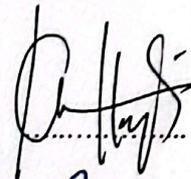


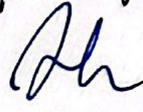
**Dr. Ribhan, S.E., M.Si.**  
NIP 19680708 200212 1 003

**APPROVED BY**

1. Examiner Committee

Advisor : Prof. Dr. Ayi Ahadiat, S.E., M.B.A. 

Principal Examiner : Dr. Keumala Hayati, S.E., M.Si. 

Secretary Examiner : Nurul Husna, S.E., M.S.M. 

2. Dean of The Faculty of Economics and Business



**Prof. Dr. Nairobi, S.E., M.Si.**

NIP 196606211990031003

Tanggal Lulus Ujian Skripsi: 29 Januari 2026

**STATEMENT OF ORIGINALITY**

**Name** : Mohammad Mostaf Fauzil Mufti  
**Student ID** : 2211011125  
**Faculty** : Economics and Business  
**Program** : Management  
**Title** : Analysis of Performance Measurement Using  
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I hereby declare that this research is entirely my own work, and that this thesis does not contain, either in whole or in part, the work of others that has been taken by copying or imitating in the form of sentences or symbols representing ideas or opinions from other research without proper acknowledgment of the original author. Should this declaration be proven untrue in the future, I am willing to accept any sanctions or penalties in accordance with the applicable regulations.

Bandar Lampung, 29 Januari 2026



Mohammad Mostaf Fauzil Mufti

2211011125

## BIOGRAPHY



The author, Mohammad Mostaf Fauzil Mufti, was born in Bandar Lampung on June 19, 2003, to Mr. Suroso and Mrs. Nurhaeni. The author is the second of three siblings and currently resides in the Gunung Sulah Subdistrict, Way Halim, Bandar Lampung. The author began his educational journey at SDIT Muhammadiyah, graduating in 2015. He continued his studies at SMP IT Fitrah Insani, completing junior high school in 2018, and later pursued his senior high school education at MAN 1 Bandar Lampung, where he graduated in 2021. In 2022, the author enrolled at the University of Lampung (Unila) to pursue a Bachelor's degree, majoring in Management within the Faculty of Economics and Business, with a specific concentration in Entrepreneurship.

During his time at university, the author has been actively engaged in both academic and professional development. He has gained valuable practical experience through internship programs at WriteYuk and Rocket Digital, which have bolstered his professional competencies. In 2025, he further demonstrated his commitment to community development by participating in the Community Service Program (KKN) in Payung Mulya Village, Central Lampung. In addition to his academic and professional pursuits, the author is actively involved in campus organizations. His membership in the Management Student Association (HMJ Manajemen) Unila reflects his dedication to organizational growth, leadership, and active contribution to his academic community.

**MOTTO**

**“Kenikmatan tidak dapat diraih dengan kenikmatan.”**

**(Ibn Qayyim)**

## **DEDICATION**

*Bismillahirrahmanirrahim.*

All praise and gratitude are due to Allah SWT, and peace and blessings be upon Prophet Muhammad SAW. By His endless love, mercy, and blessings, which granted ease and smoothness throughout every process, this thesis has been successfully completed.

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### **My Beloved Parents**

With love, pride, and gratitude for being raised by a strong and resilient father, and for the incomparable affection of my mother whose prayers always reach the heavens. They have cared for me, raised me, educated me tirelessly, and continuously provided support and prayers for my success. May I always be able to make them proud.

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Bandar Lampung, 29 Januari 2026

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# I. INTRODUCTION

## 1.1 Background

Cooperative societies have long been recognized as an effective institutional mechanism for socio-economic development, particularly in strengthening community collaboration and economic empowerment. Through collective ownership and democratic governance, cooperatives provide access to essential services, financial resources, and market opportunities that enable marginalized groups to improve their living standards and gain greater control over their economic livelihoods (Kharel, 2024). By prioritizing member welfare over profit maximization, cooperatives function not only as economic entities but also as social institutions that promote inclusivity and shared prosperity (Agarwal & Gort, 1996). Nevertheless, the realization of these ideals in practice is highly dependent on the internal capacity of cooperatives to manage resources, deliver services efficiently, and sustain active member participation.

Despite their strategic role, cooperatives face various structural and operational challenges that hinder their performance and sustainability. These challenges include low levels of member participation, inadequate dissemination of information regarding cooperative programs, weak organizational management, limited business capital, and a lack of professionalism among cooperative managers. In addition, external pressures such as changes in consumer lifestyles and insufficient information technology infrastructure further constrain cooperatives' ability to adapt and remain competitive in an increasingly dynamic economic environment (Yusnaidia, 2022).

At the operational level, various problems experienced by cooperatives indicate that institutional performance is not yet fully optimal. At Koperasi Karya Sehat, the limited capital of the Savings and Loan Unit has resulted in an average waiting list of 10 members per month because the fund distribution capacity is

only around Rp400 million per month and is unable to keep up with the increase in demand for financing from members. This condition not only causes delays in service but also has the potential to reduce the level of satisfaction and trust of members in the cooperative (Fajri, 2025).

A different problem occurred at the Kalaju Producers Cooperative. Although it had relatively large assets, its liquidity was still low, making it difficult for the institution to meet the needs of its members quickly and on time. Low liquidity had a direct impact on the cooperative's ability to provide services, especially to prospective members who were in the process of acquiring membership. As a result, there are obstacles to expanding the membership base because the cooperative is unable to respond optimally to financing or service needs (Yogi, 2025).

Meanwhile, at the Angrek Bulan Women's Cooperative, data in the RAT Book shows that the number of members has fluctuated, with a higher tendency for members to leave than for new members to join over the last four years. This phenomenon indicates weak member retention and shows that the cooperative has not been fully successful in maintaining the sustainability of its members' participation. If left unchecked, this condition has the potential to disrupt institutional stability and reduce the cooperative's competitiveness in the long term (RAT, 2025).

**Tabel 1.1 Number of Cooperatives in Lampung Province**

<b>Regency and City</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Pesisir Barat	46	50	57	60	67
Lampung Selatan	242	254	267	281	355
Pesawaran	110	112	120	128	150
Bandar Lampung	171	178	192	170	295
Pringsewu	69	79	91	97	109
Tanggamus	76	81	97	86	92
Lampung Barat	44	45	49	50	55
Metro	99	81	103	105	152
Lampung Timur	56	64	82	92	114
Lampung Utara	73	153	163	165	176
Lampung Tengah	397	403	415	254	190
Tulang Bawang Barat	183	219	266	299	0
Way Kanan	45	47	49	53	59

Regency and City	2020	2021	2022	2023	2024
Tulang Bawang	73	89	99	106	120
Mesuji	115	118	118	122	136
Total	1880	2075	2279	2187	2144

*Source: Kementerian Koperasi dan UKM RI 2020-2024*

This phenomenon does not stand alone, but reflects broader dynamics at the regional level, particularly in Lampung Province. Based on data from the Ministry of Cooperatives and SMEs (2020–2024), Lampung Province showed fluctuating developments in cooperative numbers between 2020 and 2024. Several districts experienced significant growth, such as South Lampung (242 to 355 units), Pesawaran (110 to 150), and Metro City (99 to 152). Other areas recorded steady increases, including Pringsewu (69 to 109), Tanggamus (76 to 92), Tulang Bawang (73 to 120), and Mesuji (115 to 136). Notably, North Lampung grew from 73 to 176 units, while Bandar Lampung saw one of the largest surges, rising from 171 units in 2020 to 295 units in 2024.

Meanwhile, some regions showed instability. Central Lampung peaked at 415 units in 2021 but fell sharply to 190 in 2024, while West Tulang Bawang rose to 296 units in 2023 before dropping to zero in 2024. Overall, Lampung Province recorded 2,144 cooperatives in 2024, a slight decline from 2,187 in 2023, reflecting fluctuating trends over the five-year period. However, this figure remains below the national average of 3,421 units, underscoring the gap between Lampung and broader cooperative development in Indonesia (Ministry of Cooperatives and SMEs of the Republic of Indonesia, 2024).

At the national level, cooperatives play an important role in supporting the people's economy in Indonesia. This is in line with Law No. 25 of 1992 concerning Cooperatives, which emphasises that cooperatives are the backbone of the national economy and aim to improve the welfare of their members in particular, and society in general. Data from the Ministry of Cooperatives and SMEs (2023) shows that the number of cooperatives in Indonesia has reached 130,119 units, with capitalisation levels continuing to increase from year to year. However, the number of active cooperatives fluctuates due to the verification and administrative control processes.

As a business entity, cooperatives in Indonesia have experienced significant growth. Various types of cooperatives have emerged, such as student cooperatives, market cooperatives, employee cooperatives, tourism cooperatives, savings and loan cooperatives, and sharia-based cooperatives. This rapid development has inevitably intensified competition among cooperatives. With the increasing number of newly established cooperatives, the competitive landscape has become more challenging. To thrive in such a competitive environment, cooperatives must adopt effective strategies that enhance their overall performance (Permatasari and Dwiarti, 2016).

According to Pakaya (2017), performance is a condition that must be identified and communicated to relevant stakeholders to determine the level of operational achievement of an organization within a specific period. This performance is measured by comparing it against predetermined standards or benchmarks set during the planning phase.

Performance measurement is a crucial factor in ensuring the growth and sustainability of cooperatives, particularly for long-established ones. To remain competitive, cooperatives must continually adapt and assess both their internal and external environments. A forward-looking performance measurement approach should not only focus on human resources but also on financial aspects. Conducting a comprehensive performance evaluation that considers both human resources and financial conditions is essential to accurately and clearly represent the cooperative's overall state (Lestari et al., 2015).

However, conventional financial performance measurements are increasingly seen as outdated and inadequate in capturing the modern skills and competencies required by today's organizations (Gupta & Chopra, 2016). In response to these limitations, the Balanced Scorecard (BSC) has emerged as a comprehensive and flexible framework for performance assessment and strategic management. Designed to integrate both financial and non-financial indicators, the BSC provides a balanced approach that aligns organizational performance with strategic objectives and the external competitive environment.

The Balanced Scorecard was first introduced in the early 1990s in the United States by David P. Norton and Robert Kaplan. It emerged from research on "Measuring Organizational Performance for the Future," led by Norton and Kaplan, aiming to develop a new performance measurement model (Kaplan and Norton, 2000). Sharma (2009) emphasized that organizations utilizing the Balanced Scorecard tend to produce more effective and insightful performance reports compared to those without a structured performance management system. Reinforcing its widespread relevance, a 2018 survey by Bain & Company ranked the BSC among the 25 most commonly used management tools worldwide.

The Balanced Scorecard was created because of limitations in traditional performance measurement methods that emphasize financial performance measures. The limitations of traditional performance measurement (Niven, 2003) are:

1. The measure of financial performance does not match the conditions of the current business environment. Financial performance results more from intangible assets, not tangible assets.
2. Financial performance measures more closely reflect what has happened in the past, so that in the course of the organization it does not have predictive power to the future.
3. Consolidation of financial information tends to divide between functions,
4. Financial performance measures often hinder value creation activities on an ongoing basis because these activities can only result in financial performance for the next few years, even though financial performance measures use the accounting period as the basis for measurement (generally covering a period of one calendar year),
5. Almost all high-level financial performance measures (such as return on investment, sales volume growth) provide little guidance for lower-level employees in their daily activities.

The Balanced Scorecard, with its four key perspectives as measurement benchmarks, has greater advantages compared to performance measurement that

relies solely on financial ratios. Financial ratios only assess a cooperative's performance from a financial standpoint, but strong financial results do not necessarily indicate overall operational efficiency. In contrast, the Balanced Scorecard evaluates four interconnected aspects, all of which impact financial outcomes while also providing a comprehensive overview of the cooperative's overall performance (Permatasari & Dwiarti, 2016).

Despite its proven utility across various sectors, the application of the Balanced Scorecard in cooperative organizations remains underexplored. Zachow et al. (2019), through a literature review, found that studies applying the BSC in the cooperative sector are still limited. Similarly, research by Subarkah (2021), and Muda et al. (2018) reveals a significant gap in the academic exploration of this approach within cooperatives indicating a clear need and opportunity for further investigation.

This issue is particularly pressing in the Indonesian context. Since 1965, there has been no standardized benchmark to evaluate the success of cooperative development in Indonesia (Surjaatmadja & Kusniawati, 2020). Consequently, the progress of cooperatives in the country has remained stagnant or even declined. This is reflected in the lack of Indonesian cooperatives that have emerged as strong, competitive entities within Southeast Asia or the broader Asian region particularly in the face of growing regional integration, such as the ASEAN Economic Community (AEC) (Kuncoro, Sirait, & Sari, 2013).

In light of these challenges, this research aims to contribute by applying the Balanced Scorecard (BSC) framework as a tool for performance measurement in cooperative business entities. The implementation of BSC is expected to provide a more strategic, structured, and balanced approach to evaluating and improving cooperative performance in accordance with current business demands. Given the background and significance of this issue, the researcher is interested in conducting a study titled: *"Analysis of Performance Measurement Using the Balanced Scorecard in Cooperative Business Entities."*

## **1.2 Research Questions**

Based on the background of the problem above, the researcher formulates the main research question as follows:

1. How is the performance of cooperative business entities when measured using the Balanced Scorecard framework?
2. What are the areas that need to be strengthened based on the performance of the cooperative business entities using the Balanced Scorecard framework?
3. Based on the study's findings, what strategies can be proposed to address weak areas of cooperative performance?

## **1.3 Research Objectives**

Based on the research question above, the objective of this study is:

1. To assess the performance of cooperative business entities using the Balanced Scorecard method.
2. To identify and analyze the areas that need improvement based on the Balanced Scorecard assessment results.
3. To propose strategic recommendations to enhance the performance of the cooperative in areas found to be lacking.

## **1.4 Research Contributions**

This research has the following benefits:

### **1. Theoretical Contributions**

This study contributes to the body of knowledge by providing deeper insights into cooperatives, particularly in the area of performance measurement and evaluation. Furthermore, it is expected to serve as a valuable reference and theoretical foundation for future researchers and practitioners in developing, refining, and applying performance measurement frameworks for cooperative organizations.

## **2. Practical Contributions**

### **A. For Cooperative Business Entities**

This research is expected to provide valuable information on performance measurement using the Balanced Scorecard method and offer recommendations to improve the cooperative's operational effectiveness and efficiency.

### **B. For the Researcher**

This research enhances the researcher's knowledge, experience, and deeper understanding of cooperative performance measurement using the Balanced Scorecard. Furthermore, it serves as an opportunity to analyze and apply this method directly in a cooperative context.

## II. LITERATURE REVIEW

### 2.1 Performance

Performance, according to the Oxford English Dictionary, refers to how well or poorly something is done or operates, as well as the act or process of carrying out a task or action. The verb perform means to function effectively or ineffectively. In academic literature, scholars agree that there is no single standardized definition, as performance is widely recognized as a multidimensional concept. Tatjana Samsonowa (2012) notes that despite varied definitions in performance measurement research, they consistently emphasize two elements: effectiveness, the extent to which goals are achieved, and efficiency, the resources used to achieve them. She defines performance as the degree of goal attainment at the organizational or departmental level, rather than the individual level.

Performance means effectively using and managing the factors that lead to achieving the organization's goals on time, while working within the limits of the company and its situation. Because these factors can vary, performance depends on the specific case and the decision-makers involved. One of management's key roles is to agree on what performance means and identify the factors that drive it (lebas, 1995). Performance is a work achievement, which is a comparison between work results and established standards (Achmad, 2017). According to Pakaya (2017) In general, performance is a formal effort carried out by cooperative companies to evaluate the effectiveness and efficiency of cooperative company activities within a certain period. To find out the extent of the achievement of a company, performance measurement can be done through financial and non-financial performance measurements. According to Mulyadi (2009) in Permatasari and Dwiarti (2016), performance is a general term used to indicate some or all of the actions or activities of an organisation in a period.

Grüning's framework categorizes performance into three levels. Level (-1) represents under-performance, where the company is still working toward its predefined goals but has not yet achieved them. Level (0) is the performance stage, indicating that the company has successfully met its objectives. Level (1), or the excellence stage, occurs when the company exceeds its targets, achieving results beyond expectations (Grüning, 2002). This classification highlights that performance is not only about meeting goals but also about the potential to surpass them, reflecting higher levels of organizational achievement.

## **2.2 Performance Measurement**

Performance measurement is the process of assessing various activities within a company's value chain. The results of this measurement serve as feedback, providing information on the achievement of a plan's implementation and identifying points where the company needs to adjust its planning and control activities (Dally, 2010).

According to Simons (2000) the performance measurement system includes systematic methods of setting business goals along with periodic feedback reports that show progress towards these goals. According to Mahsun (2006), performance measurement is an activity measuring performance using performance indicators and performance measures that are still formulated. The formulation of performance indicators and performance measures must consider operational characteristics and identify key success factors (Critical Success Factors / CSF and key performance indicators (KPI). Performance indicators according to Bastian (2006) are quantitative and qualitative which describes the level of achievement of a predetermined goal or objective, taking into account indicators of input (input), output (output), outcome (outcome), benefit (benefit), and impact (impact).

1. Input indicators are everything needed so that the implementation of activities can run to produce outputs. These indicators can be in the form of funds, human resources, information, policies or legislation, and so on.
2. Output indicator is something that is expected to be achieved directly from an activity which can be physical and / or non-physical.

3. Indicators of outcome (outcome) are everything that reflects the functioning of the output of activities in the medium term (direct effect).
4. Indicator of benefits (benefit) is something related to the ultimate goal of implementing activities.
5. Impact indicators are impacts that may be positive or negative on each level of indicators based on predetermined assumptions.

The outcomes of performance measurement can be used as an evaluation tool to provide feedback on achievements and assist in future strategic planning. It is a formal effort undertaken by management to assess the results of activities carried out by each responsibility center, comparing them to predetermined benchmarks. Performance metrics are designed to evaluate the effectiveness of activities and determine whether continuous improvements have been made. These measurements provide feedback for making corrective actions (Permatasari & Dwiarti, 2016).

According to Achmad (2017), performance measurement helps management in planning and controlling work management to ensure tasks align with organizational objectives. It assesses progress towards achieving goals and targets, including the efficiency of resource utilization, comparisons between actual performance and set targets, and the effectiveness of actions taken. To compete in a highly competitive environment, companies need strategies that can drive optimal performance. Performance measurement plays a crucial role, not only in measuring a company's success but also as a basis for evaluating past performance. Therefore, performance measurement should be comprehensive, ensuring that decision-making related to strategy is well-rounded. (Permatasari & Dwiarti, 2016).

### **2.3 Balanced Scorecard**

According to Kaplan and Norton (2004) Balanced Scorecard is "A measurement and management system that views business unit performance from four perspectives: (1) financial, (2) customer, (3) internal business process, (4) learning and growth. The Balanced Scorecard concept, according to Mulyadi (2001), consists of two key terms: scorecard and balanced. A scorecard is a tool

used to record an individual's performance scores or to plan the expected future performance. Meanwhile, balanced refers to the idea that performance should be measured in a balanced manner, considering both financial and non-financial aspects, short-term and long-term goals, as well as internal and external factors. The Balanced Scorecard serves as a modern management tool to enhance a company's ability to improve its performance. This is because its implementation provides significant improvements in an organization's capacity to generate wealth by understanding its strategic position and making well-informed decisions for future performance improvements.

The Balanced Scorecard provides structured procedures for breaking down organizational goals into specific objectives across different perspectives, along with clear performance measures. It is a mechanism that helps organizations, including government institutions, focus on strategy, as its implementation ensures that all organizational units contribute measurably to strategic execution (Dally, 2010). The Balanced Scorecard framework is divided into four key perspectives:

### **2.3.1 Financial Perspective**

Financial metrics are a vital part of the Balanced Scorecard, particularly for profit-driven organizations. This perspective reveals whether the execution of strategy reflected in the measures from the other perspectives is translating into better bottom-line results. An organization might devote significant effort to enhancing customer satisfaction, quality, timely delivery, and other areas, but without evidence of their impact on financial performance, these improvements hold limited value. The Financial perspective typically includes classic lagging indicators that show the results of past actions (Niven, 2003). The financial perspective is measured using liquidity ratio, solvency ratio, activity ratio, and profitability ratio (Harisudin et al, 2020).

### **2.3.2 Customer (or Member) Perspective**

The customer perspective evaluates and measures customer-oriented performance, particularly focusing on customer satisfaction levels. This is

essential for achieving targeted financial outcomes. A product or service gains more value as its performance meets or exceeds customer expectations (Darmawan, 2019). Customer perspective is measured using customer acquisition, customer satisfaction, and customer retention (Harisudin et al, 2020).

### **2.3.3 Internal Business Process Perspective**

In the Internal Process perspective of the Balanced Scorecard, the focus is on identifying the critical processes the organization must master to keep delivering value to customers and, ultimately, to shareholders. Each customer discipline discussed earlier requires the effective execution of specific internal processes to meet customer needs and uphold the company's value proposition. The goal in this perspective is to determine these processes and create the most effective measures for monitoring progress. Meeting the expectations of both customers and shareholders may require designing entirely new internal processes, rather than simply making incremental improvements to existing ones (Niven, 2003). Internal business process perspective is measured using innovation process, accuracy of cost estimate, process of compliance with regulations (Harisudin et al, 2020).

### **2.3.4 Learning and Growth Perspective**

The learning and growth perspective identifies the infrastructure necessary for long-term growth and performance improvement. The three main drivers of learning and growth include human resources, systems, and procedures. Companies must invest in employee training, technological advancements, and information systems, while ensuring that operational procedures are aligned with strategic goals. These elements form the foundation for achieving sustainable learning and growth (Rangkuti, 2020). Learning and growth perspective is not measured as recommended by Kaplan and Norton (1996a), as the unit of analysis in this study is specific village unit cooperative; thus, this element is measured using employee capability, employee retention, absenteeism, and the availability of training.

## **2.4 Cooperative**

### **2.4.1 Definition**

A cooperative is a group of people with a common goal or shared interest. It is formed by individuals who come together with a shared purpose, and these individuals' become members of the cooperative they establish. The formation of a cooperative is based on the principles of mutual cooperation and solidarity, specifically to assist its members in need, whether in the form of goods or financial loans (Kasmir, 2014).

A cooperative is a business entity consisting of individuals or cooperative legal entities that conduct their activities based on cooperative principles while also serving as a people's economic movement rooted in the principle of solidarity. This means that although cooperatives operate as business units with the opportunity to generate profit, they must still uphold cooperative characteristics and principles (Permatasari and Dwiarti, 2016).

According to Law No. 25 of 1992, the definition of a cooperative includes the following:

1. A cooperative is a business entity consisting of individuals or cooperative legal entities that operate based on cooperative principles while also serving as a people's economic movement founded on the principle of solidarity.
2. Cooperative affairs refer to all matters related to cooperative activities.
3. A primary cooperative is a cooperative established and composed of individual members.
4. A secondary cooperative is a cooperative formed by and composed of legally recognized primary cooperatives (with a minimum of three primary cooperatives).
5. The cooperative movement refers to the entirety of cooperative organizations whose activities are integrated to achieve common goals.

There are several legal foundations governing cooperatives in Indonesia, including: 1) Law No. 25 of 1992 and Law No. 17 of 2012 on Cooperatives, 2) Government Regulation No. 4 of 1994 concerning the Requirements and Procedures for Ratification of Deeds of Establishment and Amendments to Articles of Association, 3) Government Regulation No. 17 of 1994 on the Dissolution of Cooperatives by the Government, 4) Government Regulation No. 9 of 1995 regarding the Implementation of Savings and Loan Activities by Cooperatives, and 5) Government Regulation No. 33 of 1998 concerning Capital Participation in Cooperatives.

The purpose of cooperatives in Indonesia, as stated in Article 3 of Law No. 25 of 1992, is to improve the welfare of its members in particular and society in general, as well as to contribute to the national economic structure in order to create a progressive, just, and prosperous society based on Pancasila and the 1945 Constitution. Broadly, the objectives include 1) improving the welfare of its members, 2) enhancing the welfare of the community, and 3) contributing to the development of the national economic system. According to Firdaus and Agus (2002), cooperatives should first focus on improving the welfare of their members, and if they have additional capacity, they can expand their efforts to benefit the surrounding community. Since cooperative members are also part of society, this process allows cooperatives to gradually contribute to improving the overall standard of living.

#### **2.4.2 Cooperative Fundamental**

Cooperatives adhere to principles that further elaborate on the family-based values they uphold. These principles regulate the relationship between cooperatives and their members, interactions among members, organizational management, business operations, and the objectives of cooperatives. The principles of cooperatives are an inseparable part of cooperative life. According to Article 5 of Law No. 25 of 1992, Indonesian cooperatives implement the following principles: 1) voluntary and open membership, 2) democratic management, 3) fair distribution of surplus revenue (SHU) based on each member's business contribution, 4) limited compensation for capital, and 5)

independence. In developing cooperatives, they also apply the principles of cooperative education and inter-cooperative collaboration.

The functions and roles of cooperatives, as stated in Article 4 of Law No. 25 of 1992, are 1) to build and develop the economic potential and capabilities of members and society to improve their economic and social welfare, 2) to actively participate in improving the quality of life of individuals and communities, 3) to strengthen the people's economy as the foundation of national economic strength and resilience with cooperatives as the backbone, and 4) to strive for and develop a national economy that is based on the principles of family and economic democracy.

### **2.4.3 Form and Type of Cooperative**

According to Articles 15 and 16 of Law No. 25 of 1992, cooperatives can be classified as primary cooperatives or secondary cooperatives, depending on the similarity of activities and the economic interests of their members. According to Baswir (2000), cooperatives can also be categorized based on their business sectors into several groups. 1) Consumer cooperatives, which focus on providing consumer goods needed by their members. 2) Production cooperatives, which are engaged in processing raw materials into finished or semi-finished goods. 3) Marketing cooperatives, which are established primarily to assist members in marketing the goods they produce. 4) Savings and loan cooperatives, which focus on accumulating savings from members and then lending those funds back to members who need capital assistance.

### **2.4.4 Capital Aspects of Cooperatives**

According to Law No. 25 of 1992 on Cooperatives, cooperative capital consists of equity capital and loan capital. Equity capital comes from principal savings, mandatory savings, reserve funds, and grants from members or the community. Meanwhile, loan capital can come from cooperative members, other cooperatives and their members, banks and other financial institutions, the issuance of bonds and other debt securities, as well as other legitimate sources.

## **2.5 Concept and Definition of Strategy**

Strategy is a fundamental concept in management that serves as a primary guideline for organizations in achieving long-term objectives. Chandler (1962) defines strategy as the determination of a firm's long-term goals, the adoption of courses of action, and the allocation of resources necessary to achieve those goals. This definition emphasizes the close relationship between organizational objectives and the effective use of resources.

From a competitive perspective, Porter (1980) views strategy as an organization's effort to create a unique competitive position through the selection and configuration of activities that differ from those of competitors. Strategy, therefore, is not merely concerned with operational effectiveness, but rather with how an organization distinguishes itself in the marketplace. In this sense, strategy functions as a key instrument for coping with competitive pressures and achieving sustainable competitive advantage.

Furthermore, Porter (1985) argues that competitive advantage can only be achieved through clear and consistent strategic choices. Based on the source of competitive advantage and the scope of competition, Porter identifies three generic strategies that organizations may adopt: cost leadership, differentiation, and focus strategy.

### **2.5.1. Cost Leadership Strategy**

The cost leadership strategy aims to position a firm as the lowest-cost producer within its industry. By maintaining an efficient cost structure, the firm can offer lower prices than competitors or achieve higher profit margins at the prevailing market price. According to Porter (1985), achieving cost leadership requires strict cost control across all organizational activities while maintaining an acceptable level of quality that meets customer expectations.

### **2.5.2. Differentiation Strategy**

The differentiation strategy focuses on creating products or services that are perceived as unique and valuable by customers. This uniqueness enables the firm to command a premium price, as customers are willing to pay more for

attributes that distinguish the offering from those of competitors. Porter (1985) emphasizes that effective differentiation must be based on attributes that are difficult for competitors to imitate and that are aligned with customer needs.

### 2.5.3. Focus Strategy

The focus strategy targets a narrow market segment and serves that segment more effectively than competitors that operate across a broader market. Porter (1985) divides the focus strategy into two forms: cost focus, which emphasizes cost efficiency within a specific segment, and differentiation focus, which emphasizes uniqueness within a particular niche. This strategy enables firms to achieve competitive advantage through a deep understanding of the specific needs of the targeted segment.

## 2.6 Previous Result

This thesis proposal is based on research materials and the findings of prior studies used for comparison purposes. In developing this thesis, the author gathered information from various previous research journals to serve as references and comparative sources. Additionally, several other resources, including books and international journals, were consulted to obtain relevant information and supporting theories related to the chosen topic. A summary of the related previous studies is presented in the table below in the form of journal references.

**Table 2.1 Main References of The Research**

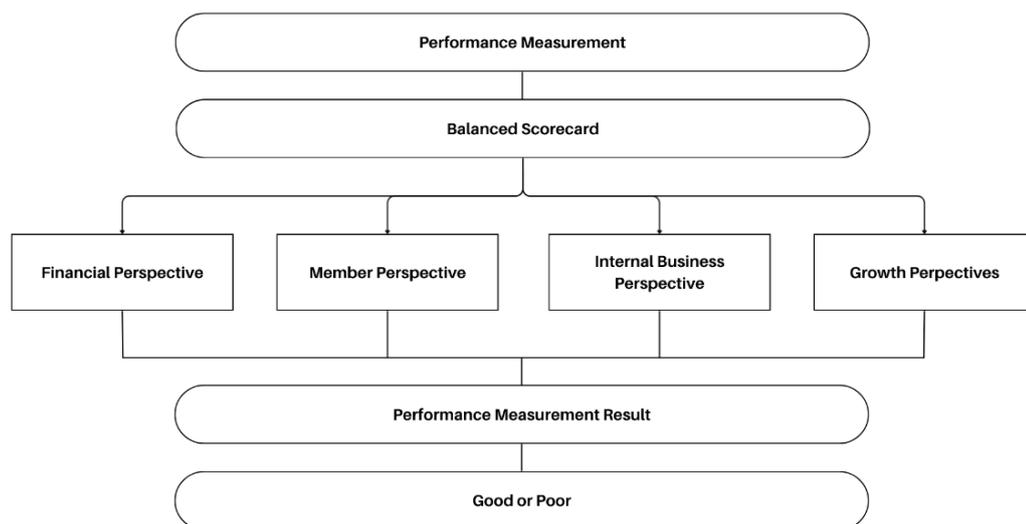
No	Authors	Title	Methods	Research Finding
1	Amelia Amelia, Anggi Yulianti, Melan Nur Meilani, Fitriana Kurniati, Yana Setiawan (2024)	The Analysis of Performance Measurement of Village Unit Cooperatives (KUD) Using the Balanced Scorecard	Case study, qualitative analysis, interviews, financial ratio calculations	The financial aspect is weak, with low liquidity (Current Ratio) and profitability (ROA), though the Debt to Asset Ratio (DAR) is acceptable. Customer acquisition is poor, but retention is strong. Internal business processes run efficiently, especially in delivery timeliness and product quality control. However, employee productivity remains stagnant at 2%, indicating weak learning and growth.

No	Authors	Title	Methods	Research Finding
2	Ainun Nikmah, Retno Mustika Dewi (2021)	Analyzing Cooperative Performance Using Balanced Scorecard: A Case of Koppas Wanita Kartini	Quantitative descriptive study with Balanced Scorecard analysis	Financial, business process, and learning perspectives show decline, while customer perspective improves. Need better management to enhance performance.
3	Mohamad Harisudin, R. Kunto Adi, Noor Anita Kusuma Pratama (2020)	Performance Improvement Strategies Based on Balanced Scorecard for Rural Cooperative: The Case of Indonesia	Descriptive survey, case study, questionnaires, interviews	Strong finances, but weak customer performance due to poor discipline, competition, and low participation. Solutions: better attendance, innovation, and higher productivity.
4	Gede Widiadnyana Pasek, Komang Dyas Upayana Arta, Ni Luh Sri Kasih (2020)	Performance Analysis of KSU Tri Dwi Eka Using Balanced Scorecard	Descriptive quantitative using Balanced Scorecard	Financial, customer, business process, and learning perspectives indicate overall healthy performance. Financial growth is slow, requiring efficiency improvement.
5	Surachman Surjaatmadja, Aini Kusniawati (2020)	The Pharmaceutical Cooperatives Performance Indicators, Based on Balance Scorecard	Descriptive survey using questionnaires, interviews, and observations from 62 pharmaceutical cooperatives in Jakarta	Financial performance was good, while marketing management, internal business processes, and growth & learning showed lower scores.
6	Suraiya Ishak, Ahmad Rafliis Che Omar, Sarmila Md Suma, Abdullah Sanusi Othman, Juliza Jaafar (2020)	Smallholder Agriculture Cooperatives' Performance: What is in the Minds of Management?	Qualitative study with structured interviews of cooperative board members	Cooperative performance is defined by efficiency and effectiveness, influenced by social and economic motives.
7	I. Muda, F. Roosmawati, H. S. Siregar, Ramli, H. Manurung, T. Banuas (2018)	Performance Measurement Analysis of Palm Cooperative Cooperation with Using Balanced Scorecard	Quantitative analysis using Structural Equation Modeling (SEM) with Balanced Scorecard	Financial perspective significantly affects palm oil pricing. Non-financial perspectives have minimal impact. Regulatory improvements needed.

No	Authors	Title	Methods	Research Finding
8	I Wayan Suwendra, I Nyoman Sujana, Iyus A. Haris (2018)	An Analysis of Cooperative Performance Using Balanced Scorecard Method	Descriptive research using documentation, interviews, and questionnaires (July-September 2018)	Financial performance was stable, membership growth was positive, internal business processes were well-managed, and employee satisfaction was high.
9	Ernita, Firmansyah (2015)	Performance Measurement Using Balanced Scorecard Concept on Co-Operatives: Implication in Indonesia	Performance Measurement Using Balanced Scorecard Concept on Co-Operatives: Implication in Indonesia	Findings reveal that financial, membership, and learning & growth perspectives are at a moderate level, while the internal process perspective performs relatively high. This indicates that cooperatives are strong in operations but face challenges in financial sustainability, member participation, and capacity building.

## 2.7 Conceptual Framework

The conceptual framework explains the main issues studied and shows the researcher's thought process. It aims to explore how entrepreneurial orientation and product innovation affect MSME performance in Bandar Lampung. Based on theory and past research, the framework is shown below.



**Figure 2.1 Conceptual Framework**

*Source: (Harisudin et al, 2020)*

To determine whether the performance of Anggrek Bulan Women's Cooperative is good or poor overall, a performance measurement study was conducted using the Balanced Scorecard method. Thus, the assessment of cooperative performance is:

1. Cooperative performance is considered as 'very poor' if the total score of the performance is 0–20
2. Cooperative performance is considered as 'poor' if the total score of the performance is 21–40
3. Cooperative performance is considered as 'decent' if the total score of the performance is 41–60
4. Cooperative performance is considered as 'good' if the total score of the performance obtained is 61–80
5. Cooperative performance is considered as 'very good' if the total score of the performance is 81–100. Less than good performance = if two perspectives are rated as good

### **III. RESEARCH METHOD**

#### **3.1 Research Design**

The type of research used by the author in conducting this research is a qualitative research method with a case study approach. According to Sekaran & Roger (2016), case studies focus on collecting information about a specific object, event, or activity, such as a particular business unit or organization. In case studies, the case is the individual, the group, the organization, the event, or the situation the researcher is interested in. The idea behind a case study is that in order to obtain a clear picture of a problem, one must examine the real-life situation from various angles and perspectives using multiple methods of data collection.

The qualitative approach is considered appropriate for this study because performance measurement using the Balanced Scorecard (BSC) requires an exploration of managerial perspectives, organizational practices, and strategic alignment that cannot be adequately captured through numerical indicators alone (Creswell, 2014). Qualitative inquiry enables the researcher to understand how performance is interpreted and operationalized by cooperative administrators in their real-life context (Moleong, 2018). In contrast to quantitative evaluations that focus primarily on financial outcomes, a qualitative multiple-case design enables deeper insight into the underlying processes that shape institutional performance (Sugiyono, 2019).

This research employs the Balanced Scorecard framework developed by Kaplan and Norton (1996), consisting of four perspectives: financial, customer, internal business processes, and learning and growth. The framework is used as an analytical lens to measure cooperative performance holistically by integrating both financial and non-financial indicators (Kaplan & Norton, 2001). The use of BSC in cooperative institutions is relevant because cooperatives prioritize not only profitability but also member satisfaction, organizational development, and sustainability of services over time (Niven, 2006). By applying the BSC across

three different cooperative entities, this study aims to assess how performance is formulated, evaluated, and managed through multidimensional strategic criteria rather than through financial metrics alone (Kaplan & Norton, 2001).

Data for this research will be collected primarily through semi-structured interviews with cooperative administrators, as they are the key decision-makers responsible for performance planning and reporting (Yin, 2018). Interviews allow for the elicitation of managerial perceptions, evaluative reasoning, and internal policy alignment related to BSC implementation (Sugiyono, 2019). The interview data will be supported by documentation such as annual reports, financial statements, governance documents, and performance records, which are necessary to triangulate findings and validate interpretations (Creswell & Creswell, 2018). Triangulation enhances research credibility by comparing stakeholder narratives with written institutional evidence (Moleong, 2018).

### **3.2 Object of Research**

The object of study in this research is the performance measurement of Anggrek Bulan Women's Cooperative, Kalaju Fishermen's Producers Cooperative, Pasaran Island and Karya Sehat Cooperative using the Balanced Scorecard method.

### **3.3 Research Location**

This research will be conducted at three cooperative institutions: Anggrek Bulan Women's Cooperative, Kalaju Fishermen's Producers Cooperative, and Karya Sehat Cooperative. The respective addresses of these cooperatives are as follows:

1. Anggrek Bulan Women's Cooperative – Gang Sungai 4, Jl. Urip Sumoharjo No.39, Gunung Sulah, Sukarame District, Bandar Lampung City, Lampung 35132.
2. Kalaju Fishermen's Producers Cooperative, Pasaran Island – Jl. Pulaupasaran LK II, Kota Karang Village/Subdistrict, Telukbetung Timur District, Bandar Lampung, Lampung
3. Karya Sehat Cooperative – Jl. Dr. Rivai No.6, Penengahan, Tanjung Karang Pusat District, Bandar Lampung City, Lampung 35112.

### 3.4 Data Source

According to Arikunto (2006), a data source refers to the subject from which data can be obtained. Research data can be collected from various sources, making data sources one of the most crucial elements in research. No research activity can be separated from data sources, as researchers cannot obtain the required data or information without them (Werang, 2015).

This study utilizes two types of data sources: primary data and secondary data, which are explained as follows:

1. Primary Data

Data collected first-hand for subsequent analysis to find solutions to the problem researched. Four principal methods of primary data collection (interviews, observation, administering questionnaires, and experiments) (Sekaran & Roger, 2016). In this study, primary data includes direct information gathered in the field related to the research issues. This type of research can produce direct data, which can be collected from well-structured interviews with relevant parties or informants from Anggrek Bulan Women's Cooperative, Kalaju Fishermen's Producers Cooperative, Pasaran Island, and Karya Sehat Cooperative.

2. Secondary Data

Data that already exist and do not have to be collected by the researcher. Some secondary sources of data are statistical bulletins, government publications, published or unpublished information available from either within or outside the organization, company websites, and the Internet. (Sekaran & Roger, 2016).

### 3.5 Data Collection Methods

Several data collection techniques were used in this study to obtain information that supports the final project research, as follows:

1. Interviews

An interview is a guided, purposeful conversation between two or more people. There are many different types of interviews. Individual or

group interviews may be unstructured or structured, and conducted face to face, by telephone, or online (Sekaran & Roger, 2016).

Interviews are conducted with cooperative administrators, the treasurer, and several cooperative members to obtain information regarding cooperative management strategies, financial conditions, member satisfaction, and challenges faced in cooperative operations.

## 2. Literature Review

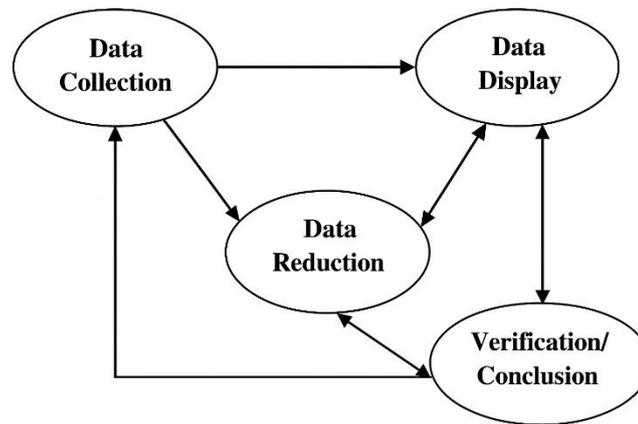
A literature review is a step-by-step process that involves identifying both published and unpublished works from secondary data sources related to the topic of interest, evaluating these works in relation to the research problem, and documenting the findings (Sekaran & Roger, 2016). In this study, the literature review serves as a data collection technique by examining various sources such as books, academic journals, reports, and cooperative documents including financial reports, annual reports, and operational policies that support the analysis of cooperative performance measurement.

## 3. Observation

Observation concerns the planned watching, recording, analysis, and interpretation of behavior, actions, or events. Various approaches of observation have been used in business research (Sekaran & Roger, 2016).

### **3.6 Data Analysis Techniques**

In this study, the researcher utilizes narrative qualitative data analysis techniques as described by Miles and Huberman (1994). According to Miles and Huberman (1994), qualitative data analysis focuses on developing a deep understanding of qualitative data through the organization, simplification, and presentation of data in the form of tables, graphs, and diagrams. This method allows for a structured approach to analyzing and interpreting qualitative data, providing insights into the nuances of the research subject.



**Figure 3.1 Data Analysis Flow**

*Source: (Miles and Huberman, 1994)*

Data analysis is conducted interactively and consists of three steps: data reduction, data presentation, and conclusion drawing. In the data reduction step, the researcher simplifies or summarizes the data obtained from observations, interviews, and documentation. The next step is data presentation, where the reduced data is presented in a narrative format or brief description using text. The final step, conclusion drawing, involves making conclusions based on data collected through observations, interviews, and documentation.

### **3.6.1 Data Collection**

In the initial phase, relevant data is gathered through various instruments, including cooperative documents (such as financial reports and operational records), structured questionnaires distributed to cooperative members, and in-depth interviews with cooperative administrators. These instruments provide both quantitative and qualitative data to measure the performance across the four Balanced Scorecard perspectives: financial, member, internal business process, and growth and learning.

#### **A. Financial Perspective**

##### **I. Liquidity Ratio**

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}} \times 100\%$$

## II. Solvency Ratio

$$\text{Debt to Asset Ratio} = \frac{\text{Total Assets}}{\text{Total Liabilities}} \times 100\%$$

## III. Activity Ratio

$$\text{Asset Turnover} = \frac{\text{Net Profit}}{\text{Total Assets}}$$

## IV. Profitability Ratio

$$\text{Return on Investment} = \frac{\text{Net Income of Cooperative}}{\text{Total Assets}} \times 100\%$$

## B. Member Perspective

### I. Customer Acquisition

$$\text{Customer Acquisition} = \frac{\text{Number of New Members}}{\text{Number of Members}} \times 100\%$$

### II. Customer Retention

$$\text{Customer Retention} = \frac{\text{Number of Retained Members}}{\text{Number of Members Beginning of Period}} \times 100\%$$

### III. Customer Satisfaction

Member satisfaction measures the level of satisfaction experienced by members. The assessment is conducted using a questionnaire consisting of twelve questions, each provided with five answer options (very satisfied, satisfied, fairly satisfied, dissatisfied, and very dissatisfied) with a scoring weight ranging from one to five. The sampling technique used in this measurement is accidental sampling, meaning respondents are selected based on availability and willingness at the time of data collection. The results obtained will then be compared with a category table to determine the final satisfaction classification.

$$SC = \frac{m-n}{k}$$

Description:

SC: Scale Range

m: Maximum Score

n: Minimum Score

k: Number of assessment categories to be created

$$SC = \frac{5-1}{5} = 0.80$$

1.00 – 1.80 = Very low or very poor

1.81 – 2.60 = Low or poor

2.61 – 3.40 = Moderate or fair

3.41 – 4.20 = High or good

4.21 – 5.00 = Very high or excellent

### **C. Internal Business Process**

#### **I. Innovation Process**

Innovation in the internal business process perspective represents the phase in which cooperatives recognize member needs and introduce new products or services, or enhance the ones already available, to address those needs more effectively. In this research, the level of innovation is assessed based on the cooperative's ability to initiate new business activities.

#### **II. Process Operation**

Operational processes within the balanced scorecard focus on delivering information regarding cooperative activities as well as providing products and services to members efficiently and on time. In this research, the measurement of process operation is also assessed by examining whether there are member complaints regarding cooperative products or services, as the presence or absence of complaints reflects the performance and service quality perceived by members.

#### **III. Compliance with Regulations**

Compliance in the internal business process perspective reflects the cooperative's commitment to following relevant regulations and environmental

standards in its operational activities. In this study, compliance is evaluated based on the cooperative's capacity to uphold legal procedures and prevent regulatory or environmental breaches, demonstrating responsible operations and effective governance.

#### **D. Learning and Growth**

##### I. Employee Capability

$$\text{Employee Productivity} = \frac{\text{Net Income per Employee This Year} - \text{Last Year}}{\text{Net Income per Employee Last Year}} \times 100\%$$

##### II. Employee Retention

$$\text{Employee Retention} = \frac{\text{Number of Employees Retained}}{\text{Total Employees at The Beginning of Period}}$$

##### III. Absenteeism

Absenteeism is used to measure the level of employee absence within a certain period. This indicator is assessed through the effectiveness of the employee attendance management system, which records and monitors the number of working days, leave, and unexcused absences. The better the system operates with accurate, real-time, and integrated attendance tracking, the easier it is for the organization to reduce absenteeism and improve employee discipline.

##### IV. Availability of Training

Availability of training assesses the extent to which training programs are available and provided to employees. Regular and need-based training indicates that the organization supports the development of employee competencies, enhances work capabilities, and contributes to improved productivity and overall organizational performance.

#### **3.6.2 Data Reduction**

Once the data is collected, it is processed and reduced to focus on essential elements related to each performance perspective. Financial data is analyzed using key financial ratios, including liquidity, solvency, activity, and profitability. Member-related data is condensed into indicators such as customer acquisition, satisfaction, and retention. Qualitative responses are grouped into thematic

categories for the internal business process perspective covering innovation processes, process operation, and regulatory compliance. Meanwhile, the growth and learning perspective is summarized through metrics like employee capability, retention, absenteeism, and training availability.

### **3.6.3 Data Display**

In this phase, the condensed data is organized into visual formats such as tables, charts, and matrices. These displays facilitate comparative analysis and enable clearer interpretation of how each perspective contributes to the overall performance. The structured presentation enhances the comprehensibility of results and supports subsequent decision-making processes.

### **3.6.4 Verification/Conclusion**

The final phase involves drawing conclusions by integrating insights from all four perspectives. The overall performance of the cooperative business entities is then evaluated based on the synthesized data, enabling researchers to determine whether their performance can be categorized as strong or needs improvement within the Balanced Scorecard framework.

## V. CONCLUSION

### 5.1 Conclusion

Based on the Balanced Scorecard analysis of Karya Sehat Cooperative, Kalaju Fishermen's Producers Cooperative, and Anggrek Bulan Women's Cooperative, the overall performance of the cooperatives can be considered relatively positive, particularly in member-oriented dimensions. The customer perspective is the strongest across all cooperatives, with performance scores exceeding 90 percent, indicating high levels of member satisfaction, loyalty, and trust. To sustain this strength, cooperatives should strategically focus on maintaining service quality, strengthening member engagement, and actively involving members in decision-making processes to preserve long-term social legitimacy.

Despite strong customer performance, the financial perspective remains the weakest dimension. Although liquidity and solvency ratios are generally within acceptable standards, low asset turnover and profitability indicate inefficient asset utilization and weak income generation. Therefore, strategic development should prioritize optimizing the use of existing assets, improving cost efficiency, and expanding value-added business activities to enhance profitability and strengthen financial sustainability.

In the internal business process perspective, operational activities and compliance are generally well maintained; however, innovation performance remains limited. The absence of new business units and minimal diversification reflect low adaptability to changing market conditions and member needs. As a strategic response, cooperatives should encourage innovation through member and employee involvement, conduct basic market analysis, and develop business units aligned with member potential. In particular, improving operational infrastructure, such as increasing cold storage capacity at Kalaju Fishermen's

Producers Cooperative, is essential to enhance service quality and operational efficiency.

From the learning and growth perspective, the cooperatives show moderate performance in employee capability and productivity, but human resource management systems remain underdeveloped. The lack of structured training programs, formal attendance systems, and performance evaluations constrains skill development and work discipline. Consequently, strategic development should focus on implementing regular training, establishing clear performance measurement systems, and adopting performance-based incentives to improve employee productivity and adaptability.

Overall, Karya Sehat Cooperative and Anggrek Bulan Women's Cooperative achieve performance levels classified as good, while Kalaju Fishermen's Producers Cooperative is categorized as decent. These findings suggest that while cooperatives excel in customer-related aspects, sustainable performance improvement requires integrated strategic development across financial management, innovation processes, and human resource development. The Balanced Scorecard thus serves not only as a performance measurement tool but also as a strategic framework to guide cooperative development toward long-term sustainability.

## **5.2 Suggestions**

Based on the findings and conclusions derived from this study, several recommendations are proposed for future researchers and for the three cooperatives Anggrek Bulan Women's Cooperative, Kalaju Fishermen's Producers Cooperative, and Karya Sehat Cooperative. These recommendations are expected to serve as a reference for improving future research as well as enhancing the cooperatives' organizational performance.

### **1. For Future Researchers**

Future researchers employing the balanced scorecard approach are advised to incorporate a broader range of performance indicators in order to obtain a more comprehensive and accurate evaluation. The inclusion of additional indicators—

such as after-sales service quality within the internal business process perspective and employee or management satisfaction within the learning and growth perspective would allow for a more nuanced understanding of organizational dynamics. Expanding the indicator set is expected to yield more robust and detailed analytical outcomes, thereby enriching the overall quality of future studies.

## 2. For Anggrek Bulan Cooperatives, Kalaju Fishermen's Producers Cooperatives, and Karya Sehat Cooperatives

The three cooperatives are recommended to utilize the results of this study as a basis for conducting strategic improvements. Enhancements should primarily target the financial perspective and internal business processes, as these areas exhibited the weakest performance across all cooperatives. Strengthening financial management, improving asset utilization, and fostering innovation in business units are necessary to increase operational efficiency and competitiveness. Furthermore, the cooperatives should develop structured and continuous training programs aimed at improving the competencies of employees and management, thereby supporting long-term organizational learning and growth. It is also essential for the cooperatives to reinforce member acquisition and retention strategies to maintain a stable and sustainable membership base, which is critical for long-term cooperative resilience.

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