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IMPLEMENTATION OF BALANCED SCORECARD IN BUDGET PREPARATION

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ABSTRACT

The Balanced Scorecard concept developed in line with the development of the implementation of the concept. Balanced Scorecard in the early stages of its experiment, the Balanced Scorecard was a scorecard used to record the results of executive performance scores. The results of this comparison are used to evaluate executive performance. The word balanced is intended to indicate that executive performance is measured in a balanced manner from two perspectives: financial and non-financial, short-term and long-term, internal and external. In further developments, the Balanced Scorecard is not only related to the card used to measure executive performance. The Balanced Scorecard is more utilized as an executive tool for strategic planning, namely as a tool to translate the mission, vision, goals, basic beliefs, basic values and organizational strategies into a comprehensive, coherent, measurable and balanced action plan.

Keywords: Balanced Scorecard, Company Budget, Company Performance

I. INTRODUCTION

The Balanced Scorecard concept was developed in line with the development of the implementation of the concept. Balanced Scorecard (Balanced; balanced, Scorecard; Score card). In the early stages of its experiment, the Balanced Scorecard was a scorecard used to record the results of executive performance scores (Kaplan, 1992). Through the scorecard, the scores that executives want to achieve in the future are compared with the actual performance results. The results of this comparison are used to evaluate executive performance. The word balanced is intended to indicate that executive performance is measured in a balanced manner from two perspectives: financial and non-financial, short-term and long-term, internal and external (Niven, 2006). In further developments, the Balanced Scorecard is not only related to the card used to measure executive performance. A comprehensive profit planning and control program includes a number of management concepts through various approaches. A systematic approach to management prioritizes quantitative assessment of the results obtained and dynamic monitoring (Banker, 2004). In relation to the start time of compiling and revising the budget program, management must determine policies related to time issues including: The length of time that must be covered by the long-term and short-term budgets. The frequency required to conduct a re-compiling or revising the budget program. The length of the planning period turns out to vary between companies, depending on the conditions of each company. Some set five years, three years for the long term (strategic planning) and some set one year for the short term (tactical planning).

Meanwhile, regarding the frequency for this, there are two approaches that can be used: namely periodic budget and continuous budget. For the long-term and short-term budget periods, they are prepared to be reviewed and re-planned once a year (Bukh, 2005). This approach is often used when it is considered that realistic plans are difficult to make, except for relatively short periods of time (Kaplan, 1996). Based on this approach, the budget is revised every month or quarter that has just ended, and adding another month or quarter so that the number of months or quarters always remains the same for one semester or one year (Chan, 2004). The following will describe several things related to budgeting and budgeting. Budget or budgeting is the result obtained from the systematic and formal planning or design process to achieve planning, coordination and control of business activities (Hoque, 2000). Budgeting or budgeting is the process starting from preparation - preparation of plans - data collection - division of tasks - implementation - supervision - evaluation (Braam, 2004). The requirements of a budget are realistic, namely the budget must be prepared according to the company's capabilities so that it will reflect the real condition of the company; flexible, namely the budget is prepared in such a way that it can be adjusted to all existing conditions, both financial, economic, time and all management policies; Continue, namely the budget is prepared continuously as long as the company carries out its activities (Speckbacher, 2004). The budget as a system approach has the following meaning, a system is a collection of components that interact with each other, are coordinated and organized to achieve certain goals (Davis, 2004). While the budget is the result obtained from the systematic and formal planning/design process to achieve planning, coordination and control of business activities (Malina (2001). So based on the understanding of both of these things, a conclusion can be drawn that the budget as a system approach is a budget that is prepared as a whole of components that interact with each other, are coordinated and organized to achieve certain goals by combining all functional and operational aspects of business activities (Ittner, 2003). Apart from being a system approach, the budget is also an integrated planning system.

II. RESEARCH METHOD

Descriptive research method is one of the approaches in research that aims to describe or explain systematically, factually, and accurately the facts, characteristics, and relationships between the phenomena being studied. This method does not seek cause and effect as in experimental research, but rather focuses on the actual depiction of a symptom or event. Narratively, the descriptive method can be explained as follows: In the world of research, understanding a phenomenon is often not enough just by knowing that it happened. Researchers also want to know what it looks like, how it happened, who was involved, and under what conditions the phenomenon appeared. This is where the descriptive research method plays its role. Descriptive research is like a mirror that reflects reality. It does not manipulate variables, does not intervene in conditions, but only observes and records. Its main goal is to comprehensively describe the situation or object that is the focus of the research. Descriptive research is often used in social, educational, and behavioral studies, especially when researchers want to explain ongoing conditions or symptoms. For example, in the field of education, this method is often used to describe how the curriculum is implemented in a school, how students perceive online learning, or how digital culture affects the ethics of the teaching profession. Although this method does not pursue causal relationships, the results of descriptive research are very useful as a basis for further research, especially those who want to explore "why" and "how" a phenomenon occurs. In many cases, descriptive research is the first step before other, more analytical approaches are taken.

III. RESULTS AND DISCUSSION

Balanced Scorecard Based Strategic Management System

In 1992, Robert Kaplan and David Norton introduced a system of tools they called *"The Balance Scorecard".* They said that the shortcomings of management to the organization are solely due to the use of traditional financial tools, such as *return on investment* and *earnings per share.* Kaplan and Norton realized that financial measures have differed well in an industrial area. But the output of the steps with the capabilities and competencies of the company that are trying to master at this time, the high level of environmental competition faced by the company (Kaplan and Norton, 1992 in Latshaw and Choi, 2002). *The Balance Scorecard* consists of a series of traditional financial tools that indicate the results of the actions taken, and targets for operational tools indicate future financial performance, more importantly, the BSC begins with the organization's strategy of operational goals and objectives, and performance tools have been developed in line with the organization's strategy. Finally, financial tools are determined to ensure that the relationship between strategy and performance tool improvements translate into improved financial success. There are several key issues that need to be addressed in highlighting the relationships in *the Balanced Scorecard* . First, organizational strategy is the starting point of the process that allows top management to establish in their minds what the company's strategy is and what goals need to be accomplished based on the strategy. Objectively, operational activities are needed to accomplish goals, and financial operational tools are needed to monitor operational success, or all are done based on the strategy.

Balanced Scorecard translates mission and strategy into various objectives and measures, which are arranged into four perspectives, including *financial* , customer, internal business process, and learning and growth (Kaplan and Norton, 1992 in Lubis and Sutapa, 2003). The four perspectives *of the Scorecard* provide a balance between short-term and long-term objectives, between desired results and the factors driving the achievement of those results, and between hard objective measures and softer subjective measures. BSC still uses the *financial perspective* because *financial measures* are very important for the company. *Financial measures* provide an indication of whether the company's strategy, implementation and execution contribute or not to increasing the company's profits. When a company makes financial measurements, the first thing to do is to detect the truth of the industry it owns, whether it is in *the growth, sustain, or harvest development stage* (Norton and Kaplan; 1996, Monika; 2000). These three stages have different consequences for research measures. From a *financial perspective* , *the scorecard* enables senior executives of each business unit to establish not only the measures that evaluate the company's long-term success, but also the variables that are considered most important for creating and driving the achievement of long-term goals.

The company identifies the customers and market segments it will enter. Market segments are the sources that will be the components of the company's Para*financial goal income. The customer perspective allows the company to align important customer measures—satisfaction, loyalty, retention, acquisition, and probability—with target customers and market segments.* Managers must also identify what the target segments value most and choose what value propositions to deliver. They can then select objectives and measures from three sets of attributes that, if satisfied, enable the company to retain and expand business with target customers. The three attributes are: product and service attributes, customer relationships, and image and reputation. In the internal business process perspective, executives identify important internal processes that the company must master well. These processes enable business units to: a. Deliver value propositions that attract and retain customers in target market segments, and

b. Fulfilling the high *financial profit expectations* of shareholders.

This process perspective reveals two differences in performance measures, namely the traditional approach and the BSC approach. The traditional approach seeks to monitor and improve existing business processes. While the BSC approach combines various innovation processes in the perspective of internal business processes. The figure below will illustrate an internal business process value chain perspective. The traditional performance measurement system focuses on the process of delivering the company's current products and services to customers. The traditional system is used in an effort to control and improve the current process that can be fed as a short wave of value creation. This short wave begins with the receipt of an order for the company's products (services) and customers and ends with delivery to the customer. The company creates value by producing, delivering, and delivering products and services to customers at a cost below the price paid by the customer. This perspective identifies the infrastructure that the company must build in creating growth and long-term performance improvement. The three main sources of learning and growth in the company are generated from: *people,* systems and company procedures. While the main worker groups are divided again into 3 (three), namely: satisfaction, products and retention which provide a measure of the results of the investment offered to workers, systems and company alignment. These objectives are articulated in the learning and growth perspective *of the Balanced Scorecard.* Overall, the BSC translates vision and strategy into objectives and measures in a balanced set of perspectives. *The scorecard* consists of measures of the company's desired outcomes and also the processes that will drive the achievement of the desired future results.

In the next development, BSC is not only used to measure organizational performance, but also develops into the core of the strategic management system. (Lubis and Sutapa, 2003). More than just a measurement, BSC is a management system that motivates *breakthrough improvements* in all critical areas, such as products, processes and customers as well as market development. There are four strategic management processes that combine long-term and short-term goals optimally, namely: *Translating the Vision* Process . This process helps managers build consensus on the organization's vision and strategy. *Communicating and Linking Process* . This process invites management to confirm individual and departmental goals, set goals, and connect *rewards* with performance. *Business Planning Process* . This process allows companies to integrate business and financial planning which includes setting targets, allocating resources, aligning strategic initiatives and determining important events. *Feedback and Learning Process* . Articulating the vision section, preparing strategy feedback, facilitating strategy *review* and *learning* .

Budgeting/Company Budget

The definition of budget as an integrated planning system is a budget to achieve efficiency levels and determine profitable ways of operational programs and activities through an integrated planning and control system. Every business entity must have various goals, both political, economic, social and cultural goals. In addition, every business entity also has a Vision and Mission such as going concern, take over market and others. A business entity is a legal and economic entity or organizational unit consisting of capital and manpower that aims to seek profit. While the company is a tool for a business entity to obtain that profit or benefit. Business entities based on their capital ownership can be distinguished as State Enterprises, namely companies that are controlled and owned by the state with the aim of organizing the interests of the community so that they are not solely seeking profit. Private Business Entities, namely Business Entities whose capital is owned by individuals or certain groups of people or the community. The goal is to obtain maximum profit. Private Business Entities can be distinguished into foreign private and national private. There are also Mixed Business Entities, namely Business Entities whose capital partly comes from private loans and partly owned by the government.

The characteristics of a business entity can be distinguished as follows: An agricultural business entity is a business entity that aims to produce goods with the help of natural factors. An extractive business entity is a business entity that aims to produce goods by separating materials from their original binding place. These materials have been provided by nature, humans only need to take them. An industrial business entity is a business entity that aims to process basic materials or semi-finished goods further to be changed into other forms. A trading business entity is a business entity that aims to buy goods to be stored for a while and then reissued through exchange. A service business entity is a business entity that aims not to produce concrete goods but to provide services. The classification of business entities according to their form includes a sole proprietorship, which is a company owned and established by an individual with their own capital or loans. This company is usually not large due to a lack of capital and its development is highly dependent on the personal characteristics of its owner. A firm is a business entity established by several people who combine their capital and energy with the intention of working together under one name and sharing profits based on the ratio of capital invested in the company. Each member is the owner and leader of the company where each partner is responsible for all debts of the company. If the firm's assets are insufficient to repay all debts, then creditors can sue them up to the personal assets of each partner. The firm can end if one of the partners resigns or dies, the end of its business period as determined in the deed of establishment or goes bankrupt. A Limited Partnership is a body established by several partners, where several of the partners, in addition to contributing capital, also lead and are responsible for unlimited risks of the company, these partners are called active partners or administrators and several other partners only contribute capital and are responsible limited to the amount of capital they contribute, these partners are called silent partners. A Limited Liability Company is a company that is considered a legal entity, meaning an entity that is considered to be able to carry out legal acts like individuals, has rights, assets and obligations. The capital of this company consists of share capital. Shares are divided into several forms, including common shares, common shares are shares that do not have more rights than other shares. These shares receive dividends only if the company makes a profit, the amount of which depends on the size of the company's profit. Preferred shares are shares that are given the primary right to receive dividends or other rights, such as the right to manage or the right to participate in dissolution. These shares generally have a fixed Go Tare Dividend and receive the right to dividend payments made rather than ordinary shares. This means that if the profit share is only enough to pay the preferred stock dividend, then the owner of the ordinary shares will not receive dividends. Preferred shares are usually given to founding partners. Cumulative preferred shares are preferred shares that have the right to fixed dividends, for years that are not paid because the company makes a loss. The unpaid dividends will be combined with the following year's dividends when the company makes a profit. A cooperative is an economic organization with a social character whose members are individuals or cooperative legal entities which are an economic structure as a joint venture based on the principle of family.

The budget will also be adjusted to the objectives and vision and mission of each Business Entity, because each objective or vision and mission must of course be funded to realize it and to spend funds must of course be budgeted first. The budget seen from its nature can be grouped into a comprehensive and partial budget. A comprehensive or overall budget is a budget that is prepared for all types of business activities of a company which include: technical/production, commercial purchasing-selling, capital, security, accounting and management (Planning, Organizing, Actuating, Controlling).

While a partial budget is a budget that is prepared for only one part.

Budget related to Management Functions

In grouping management functions must be clearly distinguished from operational functions such as sales, production, accounting, machine assembly and purchasing. These functions differ from one company to another, but the manager's functions are common to all companies. Grouping management functions is a useful and realistic tool for the purposes of analysis and understanding. Grouping management functions emphasizes the planning and control functions. Management planning and control functions are based on several basic views about the real role of management in a business activity. In accordance with this philosophical view, profit planning and control are based on the belief that management can plan and control the long-term life of the company by taking a continuous flow of decisions. This concept states that planned prosperity is the right thing compared to unplanned events. Thus the concept of profit planning and control becomes the mainstay of management, namely the decision-making process. For long-term success, the flow of management decisions must produce plans in actions to provide the necessary inflows to support the company's outflows, so that realistic profits and returns on investment can be obtained. The management's management of inflows and outflows to generate continuous profits is the core of profit planning and control. Management decisions must be purposeful and forward-looking. Forward-looking means that important management decisions must be closely related to the distant future as opposed to decisions taken without calculation. While what is meant by purposeful is that the flow of important management decisions must be closely related to the development of goals, namely the company's goals and with the thinking of realistic strategies to achieve those goals. The flow of management decisions must demonstrate management's belief that the company's survival can be planned and controlled effectively. Decision making requires imagination and courage, each important management decision involves an effort to create or seize a positive opportunity or to meet the possibility of a decline. The decision-making process must be rational, systematic but responsive to the uniqueness of the environment surrounding each important decision.

Management decision making basically contains the following tasks: (1) seeking relevant controlled variables. (2) utilizing relevant uncontrolled variables, which can affect the success of long-term operations. The main relevance is the grouping of each variable as controlled and uncontrolled in the short-term, medium-term or long-term time frame. This grouping provides management with an explanation or description that can indicate the desired strategies for the future. Controlled variables are variables that can be planned and managed effectively by management. On the other hand, uncontrolled variables cannot be influenced by management, but this does not mean that these variables cannot be planned effectively. Uncontrolled variables must be planned and determined so that their beneficial effects can be fully utilized and their detrimental effects can be minimized. Management planning is needed for all relevant variables. Budget in time dimension is a budget that reflects the past, present and future. So the budget can be grouped into long-term and short-term budgets. In addition, there are factors that influence management policy in planning. Planning is designing a desired future state with effective ways to achieve it or can also be said as a decision-making process.

Budget Mechanism

The working mechanism of these management functions begins with the existence of desires, needs and information. The existence of desires and needs encourages someone to carry out an activity. This intention will be more motivated to be carried out if there is a certain amount of information available. Every activity carried out by a person or an institution certainly has a purpose and to achieve this purpose, planning must be made first. In general, this planning describes: what, how, why and when it will be done. After the planning is prepared, it is determined who will do it, how the division of work is, what the authority, responsibility and accountability of each activity are. The implementers consist of people who have various desires, needs and different ways of thinking, even though they have been organized within an organizational framework, it is not certain that one person's activities are in line with the others. Therefore, it is necessary to provide direction so that each is willing to contribute their energy as much as possible to achieve the goals that have been set.

So to achieve the goal there must be activities, in the same activities are united in a container called a function. Of course the functions that must be carried out are many and different. Therefore, these different functions need to be coordinated in such a way, so that there is no contradiction between one function and another to reach the same target. A plan that has been set now is intended to be implemented in the future. Future conditions that are full of uncertainty often cause various consequences and deviations, so that the work results that have been achieved are not in accordance with what has been planned. To eliminate or maintain the deviations that occur are not too far from the plan, it is necessary to carry out control. However, this does not mean that the task of supervision is only to ensure that deviations do not go too far beyond the established standards, but also includes activities to find the possibility of deviations and prevent these deviations from occurring.

Large companies usually have at least three levels of management. These are: top management, middle management and operational management. The highest level is top management, often called senior management. This level includes the board of directors, the Chief Executive Officer (CEO) and other leaders. Top management is responsible for developing the company's general plan and making important decisions about things like mergers, new products and stock issuances. Middle management or also called administrative management includes plant managers and/or division managers. ParaThese managers are responsible for developing operational plans that implement the general plans of top managers. Operational management is the lowest level of the existing management classification. Its duties involve implementing plans made by middle managers. Operational managers are often called first line supervisors, because they are responsible for supervising employees who carry out daily activities.

Implementation of Balanced Scorecard in Budget Preparation

The budget preparation process includes the process of making budget allocation, budget creation, budget use, and budget changes. Budget strength is made based on the university's estimated revenue and divided based on the direction of the university management and the use of the budget in the previous budget year. Based on the specified allocation, a proposal is made which is then approved as a budget. After the budget year begins, the use or realization of the specified budget can be carried out. Budget changes can be proposed according to existing conditions. In the current system, there are problems related to processing time, document delivery, and ease of tracking. In addition, there is a desire from the management to get easy processing and information needs for the previous year's budget. In this thesis, an information system is designed to be used to manage the budget. The creation of this system is based on the need to make arrangements in the creation, approval, and delivery of documents. The development of a new system is carried out using the system development life cycle method, especially the system analysis and system design stages. From the analysis stage, the needs of the system users are known, namely the University Leadership, Vice Chancellor II, Director of Finance, Directorate of Finance, Sub-system Leaders, and Sub-systems. System users need information and facilities from the new system. System design includes data design, process design, and interface design. After the analysis and design process, a cost-benefit analysis is carried out that compares the costs required to create and operate a new system with the benefits that can be obtained from its use. From the results of the analysis and system design, it was found that the use of the new system is expected to increase the speed of the process. This increase in speed will provide benefits in the form of efficiency of working time from related parties in managing the budget. In addition, the system provides tracking facilities that can be used to find out the processing status of a document and facilities to find out the use of the budget in the previous budget year. Meanwhile, from the cost-benefit analysis, it can be concluded that from an economic aspect the new system is feasible to implement.

Balanced Scorecard concept developed in line with the development of the implementation of the concept. *Balanced Scorecard* (*Balanced* ; balanced, *Scorecard* ; Score card). In the early stages of its experiment, *the Balanced Scorecard* was a scorecard used to record the results of executive performance scores. Through the scorecard, the score that the executive wants to achieve in the future is compared with the actual performance results. The results of this comparison are used to evaluate executive performance. The word balanced is intended to indicate that executive performance is measured in a balanced manner from two perspectives: financial and non-financial, short-term and long-term, internal and external. In further developments, *the Balanced Scorecard* is not only related to the card used to measure executive performance. *The Balanced Scorecard* is more utilized as an executive tool for strategic planning, namely as a tool to translate the mission, vision, goals, basic beliefs, basic values and organizational strategies into a comprehensive, coherent, measurable and balanced action plan. The real strength of *the Balanced Scorecard* lies not only in its ability as a measure of executive performance, but also in its ability as a strategic planning tool.

The Development *of Balanced Scorecard* in Strategic Management System

Balanced Scorecard not only functions as a performance measurement tool, but has developed into the core of a strategic management system. The comprehensiveness and coherence of the strategic plan produced through the *Balanced Scorecard approach* have a major impact on the subsequent planning process: programming *and* budgeting . The programs and budgets used to further describe the selected strategic initiatives contain comprehensive and coherent long-term and short-term plans. In essence, the main objective of organizational management is to make the organization an institution that multiplies wealth. Therefore, the management process is directed to produce continuous financial performance improvements (financial perspective). To achieve these financial targets, management is directed to produce products and services that are able to win the choice of consumers (consumer perspective). To be able to win the choice of customers in the target market of the organization, management is directed to build core competencies that are able to outperform competitors. Therefore, the management process is directed to build process excellence (*excellent processes*) used to produce products and services (*process perspective*) and build human resource empowerment through the development of human capital, information capital and organizational capital (learning and growth perspective). The development of the company's future is carried out through several processes starting from the planning stage through *mental creation* , then implementing the planning through *physical creation* . In the first stage, personnel carry out *mental creation* through four stages: (1) Strategy formulation, (2) Strategic planning, (3) Program preparation, and (4) Budget preparation.

In the second stage, personnel carry out *physical creation* through (1) implementation, and (2) monitoring. Planning and implementation of the plan are carried out systematically which as a whole is called a strategic management system. The image below illustrates the various systems that form a strategic management system along with their respective outputs and the function of each system in managing the organization.

The strategic management process begins with strategy formulation. Strategy is formulated through a strategy formulation system consisting of four main stages: (1) *trendwatching* —observing the environment that the company will enter in the future, (2) SWOT analysis (*strengths* , *weaknesses* , *opportunities* , and *threats*), (3) *envisioning* — determining the mission, vision, goals , core beliefs, and core values, (4) strategy selection—determining the strategy used to realize the organization's vision. Strategic Planning System After the organization has formulated a chosen strategy to realize the vision through the organization's mission, the strategy then needs to be implemented. The first step in implementing the chosen strategy is to carry out strategic planning through a strategic planning system. In this step, the mission, vision, goals, core beliefs, core values, and strategy are translated into strategic goals and initiatives. Strategic goals are future goals that the organization wants to achieve as a translation of the strategy to realize the vision and *goals* . Since the realization of strategic goals takes a long time in the future, organizations need to set milestones *to* mark achievements *along* the journey to realize strategic goals. These milestones are called targets. To realize strategic goals, strategic initiatives are needed in the form of major initiatives that will be implemented by the organization. These strategic initiatives are then translated into programs in the programming process and in turn, the resulting programs and the compilation of these programs are then translated into budgets in the budgeting process . Programming *System* Programming is the process of translating strategic initiatives into programs. Implementing strategic initiatives requires systematic planning of major steps that will be taken by the organization in the long term into the future along with estimates of the resources needed to and obtained and efforts to carry out these steps. Programming is carried out through a programming system that produces output in the form of programs along with estimates of the resources needed. Budgeting System *Budgeting* is the process of preparing a short-term profit plan (usually for a period of one year or less) that contains the steps that will be taken by the organization in implementing part and programs. Budgeting is carried out through a budgeting system.

Each stage of strategic management is implemented systematically: strategy formulation system, strategic planning system, program preparation system, budget preparation system, implementation system, and monitoring system. The *Balanced Scorecard -based strategic management system* is a strategic management implemented systematically that uses *the Balanced Scorecard* in the strategic planning system as a tool for translating the organization's mission, vision, goals, basic beliefs, basic values, and strategies.

With the use of *Balanced Scorecard* in strategic planning, strategic management systems can be grouped into three types of systems: (1) *trendwatching* , SWOT analysis, envisioning, and strategy selection systems (2) mission, vision, goals, core beliefs, core values, and strategies translation systems into comprehensive, coherent, measurable, and balanced strategic goals and initiatives, and (3) resource management systems *to* realize the organization's vision. The figure below illustrates the three systems that form a *Balanced Scorecard- based strategic management system* .

IV. CONCLUSION

Knowledge of the advantages of *the Balanced Scorecard* will open up opportunities for companies to make optimal use of this management tool in multiplying the organization's ability to produce financial performance. *The Balanced Scorecard* has advantages that make this strategic management system significantly different from the strategic management system in traditional management. These differences are presented in the table below. *The Balanced Scorecard* can make the contemporary strategic management system have different characteristics from the characteristics of the traditional strategic management system. Traditional strategic management only focuses on financial targets, while the contemporary strategic management system includes a broad perspective: finance, consumers, internal business processes, and learning and growth. The various strategic targets formulated in the traditional strategic management system are not coherent with each other, while the various strategic targets in contemporary strategic management are formulated coherently. In addition, *the Balanced Scorecard* even makes the contemporary strategic management system have characteristics that are not possessed by the traditional strategic management system, namely in the characteristics of measurability and balance. The complex and competitive business environment demands the ability of personnel to multiply the financial performance of the organization. This effort to multiply the financial performance of the organization requires a management system that is able to motivate personnel to be responsible for the progress of their organization.

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