

## **Design of Hotel Performance Level Measurement System Based on Halal Value with BSC Method**

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### **Abstract**

In running the hotel business, it is always required to be able to compete and maintain the loyalty of the stakeholders in order to continue to exist. One of the efforts to be able to compete and maintain the loyalty of stakeholders is to find out how far the performance of the hospitality business is and what efforts are being made to improve its performance. In measuring company performance, it does not only focus on general aspects, but also considers other aspects, namely measuring company performance based on its halal value. In this study, the Balanced Scorecard method was used based on halal values to be able to measure the company's performance. The results obtained after measuring using the Balanced Scorecard, namely the final score of the company's overall performance was obtained at 82.08% which was included in the very good category. From a financial perspective, the results of achievement, level of achievement, and scores from 2013 to 2015 were 32.95%, 71.04%, and 71.04%, respectively. Then from the customer's perspective, the results of achievement, level of achievement, and scores from 2013 to 2015 were 83.98%, 92.48%, and 92.48%, respectively. From the perspective of internal business processes, the results of achievement, level of achievement, and scores from 2013 to 2015 were 83.34%, 83.34%, and 83.34%, respectively. From the growth and learning perspective, the results of achievement, level of achievement, and scores from 2013 to 2015 were 60.78%, 86.26%, and 86.26%, respectively. However, the measurement using the Balanced Scorecard only focuses on the company's financial results and the unfavorable correlation between non-financial measures and the results. This situation will be a weakness of the Balanced Scorecard method because it cannot continue to take more specific steps forward so it cannot perform more accurate performance measurements.

**Keywords :** hotel business; performance measure; halal value; bsc method

### **INTRODUCTION**

The growth of the hospitality business in Yogyakarta is currently very fast. According to the calculations of the Indonesian Hotel and Restaurant Association in Yogyakarta in 2019, there were approximately 163 star hotels and 1.817 non-star hotels (Badan Pusat Statistika, 2019). This number can continue to grow along with the economic development of the people of Yogyakarta. The rapid growth of hotels in Yogyakarta is triggered by several factors, including the strengthening of the community's economy, declining interest rates, and increasing tourism development in Yogyakarta (Prakoso, 2016; Solot, 2018). In order to improve performance, it is necessary to improve its performance management. Performance management improvements can be made by measuring the company's performance that has been running so far (Ore, 2015). The importance of measuring performance is because it brings benefits to the company by taking a structured approach and focusing on strategic plans, goals, and performance, besides that there is also reporting to top level management (Neves & Lourenço, 2009). By measuring performance, it can help make decisions to improve the performance of the company, one of which is improvements made to the company's business processes. That way, the increasing performance of a company's performance, the output produced by the company will increase, so that the loyalty of stakeholders who play an important role in the running of the company's business processes is increasing.

In practice, developments regarding the measurement of the company's performance level have not been in a good condition. Currently, the measurement of the company's performance level only focuses on general aspects. It should be noted that other important aspects are highlighted in improving the company's performance, one of which is the halal values in each of its business processes (Baharuddin & Ismail, 2018; Jayakrishnan et al., 2018; Tieman, 2020). In this case, what is meant by halal business processes in the hotel business is to embed halal values in every aspect of the company's business processes. The aspect of measuring the level of performance based on halal values is embedded in all of its activities starting from before the processes are carried out until the resulting output reaches the hands of the customer.

Measurement of performance level can be done using various methods such as SCOR, Balanced Scorecard (BSC), and PIRSM (Sainaghi et al., 2013). This research will be conducted using the Balanced Scorecard (BSC) method. The Balanced Scorecard method is a method used in measuring company performance from both financial and non-financial aspects (Gambelli et al., 2021). In its application, the Balanced Scorecard is used to increase the company's competitiveness in the business sector, while in the public sector the emphasis is on the values of the company's mission, vision, and achievements (Abdurachman et al., 2022). Understanding the Balanced Scorecard itself is a collection of integrated performance measures, implemented from the company's strategy to support the company's overall strategy (Mio et al., 2022). So it is necessary to measure using the Balanced Scorecard, where the measuring instrument used covers all aspects. Aspects covered in the Balanced Scorecard are grouped into four main perspectives, namely financial perspective, customer perspective, internal business process perspective, and growth and learning perspective.

## METHOD

Conceptual model is a description of the concept that underlies the design of the system in the research conducted. The system design of this study was built based on the variables contained in the Balanced Scorecard (BSC) model that was built. These variables can be indicated by the type of data needed in system design. The design of the system in this study aims to measure the level of performance of a hotel business in Yogyakarta based on halal values. The final result of the development of the model is that a system for the level of performance is obtained that can assist stakeholders in assessing the performance of the hotel, not only in general aspects, but in terms of halal value as well.

## DISCUSSION

Namira Hotel Syariah is one of the sharia-themed hotels in Yogyakarta. Namira Hotel Syariah has been established since 2010. In running the hotel business, Namira Hotel Syariah is committed to being the best hotel service provider in Yogyakarta. Not only that, Namira Hotel Syariah is also committed to running a hotel business in accordance with Islamic laws. This is the basis for measuring the level of performance at Namira Hotel Syariah. Currently, Namira Hotel Syariah is still in the strategy of surviving in the hospitality business. This is because in Yogyakarta, hotels are currently being rapidly established, whether they carry a sharia theme or not.

Balanced scorecard is a performance measurement tool of a company that is used to measure the company's overall performance, both financial and non-financial. The balance scorecard measurement is carried out by considering four aspects related to the company, namely financial aspects, customers, internal business processes, and learn and growth. In the design of the performance measurement system based on the halal value at the Namira Hotel Syahriah, the results can be seen in Table 1.

**Table 1. Results of the Balanced Scorecard Method Assessment Design**

Perspective	Strategic target	Yield Size	Weight	Target	Achievement	Achievement Level	Score
<b>Finance</b>	<i>Growth Profit Margin</i>	GPM	1	35%	26.09%	74.54%	74.54%
	<i>Sales Growth</i>	SG	1	5%	4.93%	98.60%	98.60%
	<i>Return on Assets</i>	ROA	1	7%	0.77%	11 %	11 %
	The percentage of Islamic banks used	PBS	1	100%	100 %	100 %	100 %
<b>Average</b>					<b>32.95%</b>	<b>71.04%</b>	<b>71.04%</b>
<b>Customer</b>	Customer satisfaction index	CSI	1	80%	67.96%	84.95%	84.95%

Perspective	Strategic target	Yield Size	Weight	Target	Achievement	Achievement Level	Score
	Presentation of transactions / payments	PT/PP	1	100%	100 %	100 %	100 %
	<b>Average</b>				<b>83.98%</b>	<b>92.48%</b>	<b>92.48%</b>
<b>Internal Business Process</b>	Guest complaints handled successfully	KCD	1	100%	100 %	100 %	100 %
	Availability of sharia rooms	KKS	1	100%	66.67%	66.67%	66.67%
	<b>Average</b>				<b>83.34%</b>	<b>83.34%</b>	<b>83.34%</b>
<b>Learning and Growth</b>	Employee training	TK	1	100%	100 %	100 %	100 %
	Work accident	KK	1	0%	0%	100 %	100 %
	Employee Retention	RK	1	0%	5.56%	94.33%	94.33%
	Employee satisfaction level	TKK	1	80%	69.56%	86.95%	86.95%
	Employee payroll time	WPK	1	80%	40 %	50 %	50 %
	<b>Average</b>				<b>60.78%</b>	<b>86.26%</b>	<b>86.26%</b>
<b>Total</b>							<b>1067.04%</b>
<b>Average</b>							<b>82.08%</b>

The Balanced Scorecard method is a method used in measuring company performance from both financial and non-financial aspects. In its application, the Balanced Scorecard is used to increase the company's competitiveness in the business sector, while in the public sector the emphasis is on the values of the company's mission, vision, and achievements. Understanding the Balanced Scorecard itself is a collection of integrated performance measures, implemented from the company's strategy to support the company's overall strategy. So it is necessary to measure using the Balanced Scorecard, where the measuring instrument used covers all aspects. Aspects covered in the Balanced Scorecard are grouped into four main perspectives, namely financial perspective, customer perspective, internal business process perspective, and growth and learning perspective. In the measurement using the Balanced Scorecard, in carrying out its business processes, Namira Hotel Syariah obtained an achievement rate of 82.08% which is included in the 80% interval  $< x 100\%$  of the target setting to be achieved, including in the very good category.

From the comprehensive analysis that has been done, it can be concluded that the performance level of Namira Hotel Syariah is included in the very good category. However, there are still several indicators that need to be considered because the achievement is far from the target to be achieved. First, on the indicator of the time of pay, the achievement of 40% with a target of 80% is obtained, so that the achievement rate of 50% is obtained. This is because, according to Namira Hotel Syariah employees, the payroll system implemented by Namira Hotel Syariah is still often late in giving their salaries, so employees are not satisfied with the payroll system. The low level of employee satisfaction with the Namira Hotel Syariah payroll system which is still considered often late by employees, this then has an impact on the lack of employee motivation at work. With a lack of employee motivation at work can lead to low employee productivity.

Then on the Return of Assets (ROA) indicator of Namira Hotel Syariah, the achievement rate is only 0.11%, the value is very far from the target to be achieved. This is because in the calculation of the Return of Assets (ROA) of Namira Hotel Syariah the land from the hotel building is not included in the company's assets, the land from the hotel building is inherited land so that Namira Hotel Syariah did not buy the land. In the calculation of the Return of Assets (ROA) above, the building land is included in the assets, so that the level of achievement is so low. In fact, the level of achievement of the Return of Assets (ROA) of Namira Hotel Syariah is still close to the target to be achieved, even though it has not met the target.

Furthermore, on the Gross Profit Margin (GPM) indicator of Namira Hotel Syariah, the achievement was 26.09% with a target of 35%, so that an achievement rate of 74.54% was obtained. The achievement of the Gross

Profit Margin (GPM) of Namira Hotel Syariah has not yet met the target due to several things, including the increase in the company's operational costs and the increase in labor costs. In 2015 there was one employee who decided to leave Namira Hotel Syariah, so there were expenditures for labor costs. These expenses are in the form of costs for removing these employees and costs in finding new employees.

Then from a review of the Koran and Hadith delaying employee salaries is an act that is not in accordance with Islamic values. As the Prophet sallallahu 'alaihi wa sallam said, "Delaying the fulfillment of obligations (for those who are able) includes tyranny" (Narrated by Bukhari no. 2400 and Muslim no. 1564). So that by delaying employee salaries, Namira Hotel Syariah does not fulfill its obligations as stated in its vision, namely "to be the best hospitality service provider who always puts forward sharia principles to seek the pleasure of Allah SWT".

To realize the vision of Namira Hotel Syariah, namely "to be the best hotel service provider who always prioritizes sharia principles to seek the pleasure of Allah SWT", it is necessary to improve employee welfare to increase employee motivation at work. One way that can be done is to change the employee payroll system so that it can be given on time. It is hoped that by increasing employee satisfaction quantitatively it will increase the level of company profits which has an impact on increasing financial performance.

## CONCLUSION

The financial perspective performance of Namira Hotel Syariah as a whole is included in the fairly good category, this is because in general the financial ratios of Namira Hotel Syariah have increased. The company's gross profit margin increased in 2015 which previously experienced a decline in 2014. Similarly, the company's sales growth decreased in 2014, then increased in 2015. The return of assets also experienced ups and downs in 2014 and 2015 Then the percentage of Islamic banks used by Namira Hotel Syariah has met 100% of the target to be achieved. Although Namira Hotel Syariah's financial perspective is in the good category, in reality Namira Hotel Syariah has not been able to meet its sales targets for the last three years, as a result, the company's profit rate is low and the company's asset return is still far from the target.

The customer perspective performance of Namira Hotel Syariah can be said to be included in the very good category, so it can be said that the services provided by Namira Hotel Syariah are maximal. The Namira Hotel Syariah customer satisfaction index was found in the satisfied category, which means that customers are satisfied with the services provided by Namira Hotel Syariah as a whole. Then the percentage of transactions applied is in accordance with Islamic values, so that Namira Hotel Syariah is able to build customer confidence in using its services in accordance with Islamic sharia guidelines.

The performance perspective of Namira Hotel Syariah's internal business processes can be said to be included in the very good category, because Namira Hotel Syariah is able to handle all complaints complained of by customers and is able to meet the availability of rooms with sharia elements.

The performance perspective of Namira Hotel Syariah's internal business processes can be said to be in the very good category. This can be seen in the employee training indicators, Namira Hotel Syariah has fully carried out regular employee training. Then for employee retention for the last three years there was only one employee who left Namira Hotel Syariah. The level of work behavior at Namira Hotel Syariah for three years did not exist or can be said to be zero accident. For the level of employee satisfaction, Namira Hotel Syariah is included in the quite satisfied category. However, on the indicators of employee payroll at Namira Hotel Syariah, employees are not satisfied with the applied payroll system.

Overall, the performance level of Namira Hotel Syariah was obtained at 82.08% with a very good category. This can be seen from the perspective of each level of achievement and the scores obtained are included in the good category. However, there are still several indicators that need to be highlighted by Namira Hotel Syariah in improving its performance, such as indicators of salary time, Return of Assets, and the company's Gross Profit Margin.

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