Performance Management System Design for a Muslim Apparel Company in Indonesia (Case Study PT. BersamaZatta Jaya)

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Abstract

Established in 2012, PT. BersamaZattaJaya or we can call BEZAYA located in Bandung is a Company engaged in the retail trade of Muslim Apparel with its brands Elzatta, Dauky, Hasanah, and Aira. The company have some problem such as; employee turnover is relatively high, thecompany is most likely still unable to measure the performance of each section and does not know how to measure its contribution to the company as well. Based on an analysis using a Current Reality Tree (CRT), it can be deduced that BEZAYArequires performance management system. The proposed implementation of performance management system is using Integrated Performance Management System (IPMS). Performance management system is made to fit with the vision, mission and strategy of the company. Therefore, SWOT and TOWS analysis as well as strategy map are used to get variable performance in accordance with the company's strategy. Analyzing with Analytic Hierarchy Process (AHP) is used in order to obtain the variable priority. The performance variable is arranged for Key Performance Indicator (KPI) using the three perspectives of IPMS. Findings in this paper are the fact that leading and lagging factors can be useful for decision maker in the company. And limitation of this paper is no historical data from previous performance measurement. Output for performance management system is measurement of the performance of each division of the company's operations in accordance with the company's strategy as well as an improvement of the company's performance.

Keywords: Performance Management System (PMS);Key Performance Indicators (KPI); Integrated Performance Management System (IPMS);Strategy Maps;AHP;Leading and Lagging Factors.

Introduction

PT. BERSAMA ZATTA JAYA or we can call it BEZAYA was established in 2012 and has the main office in Bandung, West Java. BEZAYA hijab fashion has four brands: Elzatta, Dauky, Hasanah and Aira. BEZAYA has a variety of products, such as hijab, scarf, pashmina / shawl, and rectangular scarf. The scarf, pashmina, color pattern vary in products and models. Almost 70 % of all BEZAYA Customers are women. There are four segments of BEZAYA brands namely; Elzatta for middle class income level, Dauky for lower class income level, Hasanah for middle and lower class income levels, and Aira for upper class income level.

However, based on internal references that author gets, BEZAYAdoes not have performance management system.In the past, it was solely concerned to the financial statements. It means that it lacked of relevance and only reported past performance, so it's hard to make detail improvement because we don't know exactly where the detail problem is if the

performance degraded (Wibisono, 2006: 4). Since there is no benchmarking in financial report, it is hard for management to make improvement process. Also for performance improvement is most likely still not be able to measure the performance of each section and how to measure its contribution to the company. Therefore, in this occasion the authors propose the design of the performance management system that can be used by BEZAYA to increase the performance of the company in order to increase company profit gains and as the measurement the contribution of each part or division of the company that align with company strategy.Beside of those, this research is very urgent for the company and it is novelty. Because based of author observe, there is no such a research like this before, especially Performance management system for Hijab retail company or Muslim fashion company.

Theoritical Background

In many organizations, some of them execute performance management system, because they know what is the benefit of performance management in improving the company performance to achieve company goals. Author have been research with several paper, It has concluded that performance management system is a vital tool for strategy execution by signaling what is most important, providing ways to measure it and helping to improve performance. Implementing a performance management system that people understand and believe in will provide a powerful foundation for employees to achieve their ambitions and organizations to achieve their key financial goals. So, performance management system are a must for companies nowadays to help them execute their company strategy, struggle in competition and achieve their goals in the future. Currently there are a couple of mainstreams in performance management study (Hikmat et.al, 2016), but all of them focus on improvement of performance in some way or the other.

Gunaratne and Plessis (2007) on their paper of performance management: A powerful tool to achieve organizational goals discuses a performance management system employed by a Fortune 500 company and how its employees rated the individual satisfaction with the total system completion of the fifth year of implementation. Research proposed is how a performance management system employed by a Fortune 500 company and how its employees rated the individual satisfaction with the total system completion of the fifth year of implementation, and how it can elaborate the company business objectives to the individual's goals. The conclusion of this paper is if people can understand and believe in objective of performance management system, then it can provide powerful foundation for the employees to achieve financial goals.

Second paper is performance management design and effectiveness in quality-driven organizations by Haines, et al (2004). It discusses the investigation of the alignments of performance management system components to a strategy emphasize on quality. It has research proposed to investigate the alignments of performance management system components to a strategic emphasis on quality. The conclusion shows that a greater alignment of quality and performance management is associated with greater perceived effectiveness of the performance management system.

Other paper is performance measurement and management: A tool for strategy execution by Scheneir et.al (1991). It is discuses about driven system of performance measure and management is more powerful tool than just a human resource bureaucracies. This paper has research proposed to know about performance measurement and management can be a vital tool for strategy execution by signaling what is important, fixing accountability for behavior and results, and helping to improve performance. This research have conclusion that performance measurement and management can be useful as a device for strategy execution and it is illustrated via a pharmaceutical company case study.

Those papers are related to each other. Performance management is used to evaluate performance based on job related characteristics rather than irrelevancies of the individuals. All activities that performance management must have are: setting goals, preparing performance

plans, conducting reviews, tracking behaviors, gathering data, and making evaluations. Performance management system can support performance appraisal if it is designed appropriately.

According to Nel et.al (2004), there are three major purposes of performance management: it is a purpose for strategic implementation; it is a vehicle for culture change and it provides input to other human resource systems such as development and remuneration. Campbell &Garfinkel (1996) have argument that more than a decade ago performance management was defined as the cyclical, year-round process in which managers and employees work together on setting expectations, coaching and feedback, reviewing results and rewarding performance.

Performance management can also be seen as a collective range of activities conducted by an organization aimed at enhancing individual group performance with the overarching purpose of improving organizational performance in the long term. De Cieri, et al (2003). Conventional performance measurement system likes financial statement is considered less relevant or lack of relevance if the variable size of conventional performance based on the accounting system applied to all levels, from the corporate level, business unit level, the level of operations management, and operating floor level. (Wibisono, 2006)

Why performance management system is important? Drucker(1966) famously said that if you can't measure it, you can't manage it. From this statement, we can know what we are going to get by something measurable. Something that is measurable can make someone focuses on it, especially for those which have financial consequences. If the achievement of that target has benefits with bonus for someone, so it must have gotten the attention from that person. You cannot manage what you cannot measure that based from this framework, strategic management which is implemented by the management needs a tool to measure and implement it. Performance management is a tool for it. Kaplan and Norton (2004 : 4) said that, in the great majority of surveyed companies, employees who understood their company's strategy were fewer than 10 percent. Clearly, employees who do not understand the strategy cannot link their activities to its successful execution. Therefore these arguments are strengthenprevious idea that one of good criteria for performance management system is have to align with company strategy. If the performance management system is in conformity with the company strategy, and the employees have undergone the system, then it implies that what has been done by the employees will be in line with company strategy.

Methodology

Methodology of this research began with problem identification. The author found a lot of problems that the company faces. Based on focus group discussion (FGD) with management of the firm, the core problem is PT. BERSAMA ZATTA JAYA does not implement a performance management system in the company governance. So, the research proposed is designing performance management system using integrated performance management system (IPMS) framework with appropriate performance measurement variables for the company governance. The primary data that the author uses are interviews with several parties' management of the firm, internal reference from the firm and mapping and formulating the needs of the company. The secondary data for this research are obtained from literature and also come from external part of the firm but it is still in the same industry. After getting primary and secondary data, it began with analysis for those data. The data analysis that the author uses is formulation of the company's needs and suitability analysis of conceptual framework for the actual conditions of the current company management. After analyzing the data, we can start designing performance management system based on the framework of integrated performance management system (IPMS) and elaborating strategies with strategy map form Kaplan & Norton (2004). After all these things are done, we can propose recommendation for the firm such as proposed smart table based on integrated performance management system (IPMS) framework and dashboard achievement of performance management variables. Methodology that author use for this research can be shown in exhibit 1.

Finding and Discussions

There are several issues that company faced. BEZAYA is still trying to find the best organizational structure that fits with the organization strategy. Therefore they need to improve human resource management system. For marketing point of view, market research still does not use an academic method, that's why forecasting accuracy and achievement of the potential target market not to valid. Some factor for human resource development such as career assessment, lack of employee quantity and high employee turnover are another factor that BEZAYA problems. For Performance measurement, company is not familiar with KPI calculation and by the meeting with head of human resource division; performance appraisal and rewards for employees are still unclear. Place of work and information system which not integrated are another problems that company has. Also from that interview, author found another problem such as product standardization system still needs an improvement and so standard operational procedure (SOP) & key performance indicator (KPI) are not yet integrated. External factor is from competition. Competition from another competitor is so tight. Therefore company needs to leverage their intangible asset like human resource, innovation and brands. Since company strategy is grows horizontally by an increase in volume, geographical expansion, the expansion of niche markets and product variants. Company needs performance management system to translate the strategy into activity and program.

Problem solving that is used for tracking business issue for the company is the use of a current reality tree (CRT). The entire symptom is arranged from up to down and then finds the interconnection. Focus group discussion with management of the firm is used for tracking the root cause of the problem. Some of the issues have been categorized as the undesired effects (UDE) and core problem (CP) has been categorized as conclusion. It was concluded that the ultimate core problem of all undesired effects is the absence of an integrated system of performance management (See Exhibit 2).

Main problem for the corporate is lack of performance management system for the company. So, it will explain about business solution using performance management system. And it will use IPMS (Integrated Performance Management System) by Wibisono (2006). Why IPMS? Actually, IPMS have several benefits such as: Provide a simple and structured approach that focuses on the process and results of performance is first of its benefit. Another advantage is IPMS support stakeholders define strategies, targets and evaluate the results together. Provide the potential for a fair measure performance in terms of determining the roles, responsibilities and rewards is another advantage of IPMS. After that, determining accountability and divide the responsibility of all parties to improve performance are the other benefit of IPMS.

Performance management system design methodology used in this business solution is to apply the method described by Wibisono (2006: 25) in his book entitled Performance Management Concepts, designs and techniques enhance the competitiveness of companies. And this method was the one that will be implemented into PT. BEZAYA. The following figure is overview of the performance management system design stage.
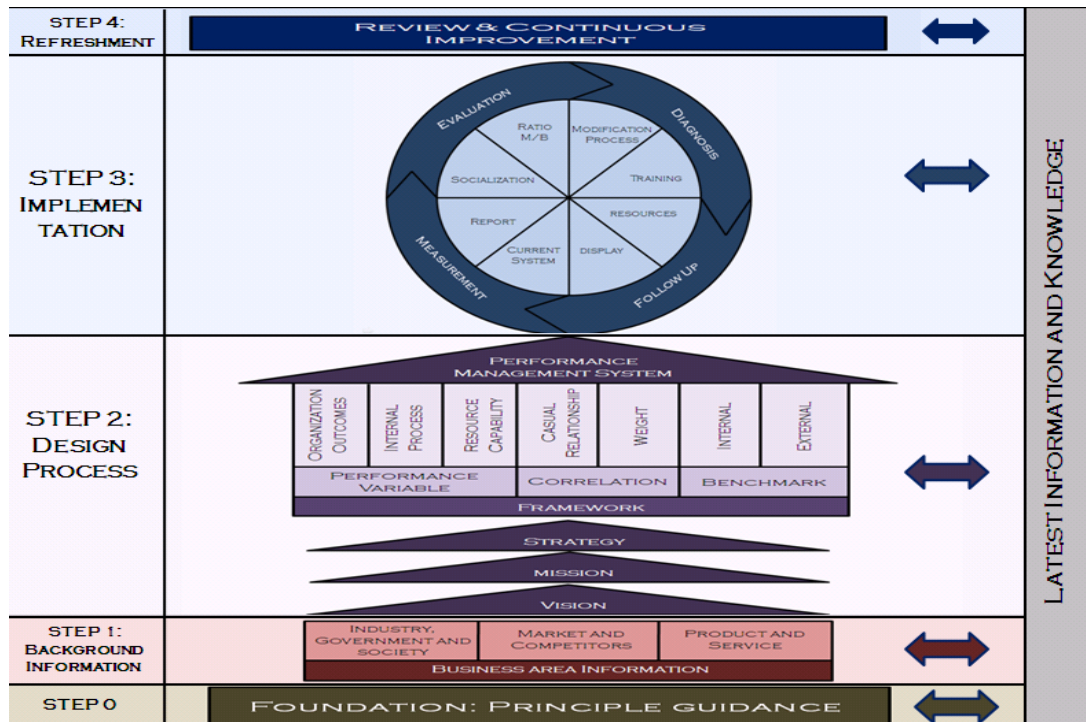
Figure 1. Stage of performance management system design
Source: Wibisono(2006)

Here is detail explanation for all those stages :

Step 0 Foundation: Principle Guidance

According to guidance from Wibisono (2006: 26) there are four foundations and five rules for performance management system design namely: Partnership, Empowerment, Integrated performance improvement, Independent, Easy to Understand, Long term orientation, Time based basis, Focus on continuous improvement and Using a quantitative approach. Those are all about principle to performance management system design. It is described in exhibit 3.

Step 1: Background Information

To make Performance Management System design, background information is used as input. It is include business environment that consist of consists of the information industry, government and society, markets and competitors, as well as the services produced. Background information in this stage will be described from internal Analysis and External Analysis. Porter 5 force model and competitor analysis are used to define External Analysis. Value chain analysis and Business Model Canvass are used to define internal analysis including product and service definition.

External Analysis – Porter 5 Force Model

Threats of new entrant are moderate. There are lots of newcomers with varied designs and design is easy to imitate by newcomers. There is support from the government's policy to make Indonesia as the Muslim fashion center in the World but without tax incentive. Bargaining power of suppliers is Moderate Suppliers also receive orders from competitors; Most of the raw materials are still imported goods. Threat of substitute products or services moderate because fashion corporation from abroad (ex: Zara) has also been making such Muslim clothes. Bargaining power of buyers is moderate because if there are models that are more attractive and

cheaper in price then the buyers will quickly switch. Buyers are not fanatic in only one brand, but more than 3 brands. Rivalry among Existing competitors is high. There are three major competitors for the company, namely: PT. Shafira Corporation, CV. RabbaniAsysa and CV. Hazna Indonesia. Competition tends to be tight and exit barriers are low for competitors to leave the industry.
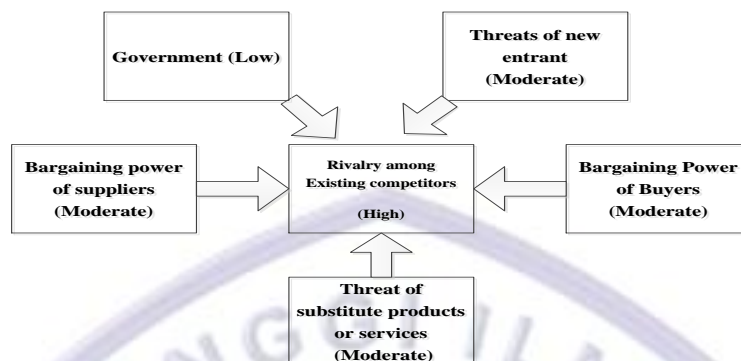

Figure 2. Porter 5 Force Model
(Source: Porter,1980)

Based on Porter 5 Force model analysis, and also meetingwith internal source of the firm, we can conclude that the industry is still attractive High profit potential. For Competitor also offers same segmented product with competitive price and almost the same for customer segmented. Even though competition so tight, they are also have same assumption of this industry. This industry is attractive with high potential market.

External Analysis – Competitor Analysis

There are three major competitors for the company, namely: PT. Shafira Corporation, CV. RabbaniAsysa and CV. Hazna Indonesia. For competitor analysis based on interview with internal team of the firm it can be described in exhibit 4.

Internal Analysis - Business Model Canvas

The business model canvas is a strategic management and lean startup template for developing new or documenting existing business models. It is a visual chart with elements describing a firm or product's value proposition, infrastructure, customers, and finances. It assists firms in aligning their activities by illustrating potential trade-offs. A business model describes the rationale of how an organization creates, delivers, and captures values (See Exhibit 5)

Step 2: Design & Process

Design and Process for IPMS include vision and mission analysis, company strategy analysis, and framework of performance management system that including performance variable, correlation and benchmark.

PT. BEZAYA has its vision: "Being a Muslim company with core competencies of the largest Muslim fashion business in Indonesia in 2020". PT. BEZAYA has stated its missions:

1. Providing high-quality products in the field of fashion, food, wants, and needs of consumers in accordance with Islamic ethics

2. Conducting business development and growth consistently in the Muslim fashion and food retail well with the concept of direct sales in shops and department stores as well as through e-commerce.
3. Innovating continuously in business processes and in building integrity, competence and performance of employees
4. Giving the best service to stakeholders and shareholders and increase targeted profitable growth and above-average rewards for employees and shareholders
5. Providing benefits to the environment including issuing zakat, donations and sodaqah as well as implementing CSR Programs.

Company Strategy

From internal and external analysis that author has done, it's in line with SWOT Analysis that company has done before from RKAP (*RencanaKerjaAnggaran Perusahaan*) 2015 (See Exhibit 6). Based on RKAP 2015 the company have strategy statement Grows horizontally by an increase in volume, geographical expansion, the expansion of niche markets and product variants.

Performance Variable

In order to translate the strategy into performance variable and action plan, author use TOWS Matrix approach to get strategy objectiveand strategy map to translate the strategy into action plan (See Exhibit 7).

Strategy Map and Scorecard Budget

The strategy map provides architecture for integrating the strategic and operations of different units spread throughout the enterprise. The process to plan the strategy converts statement of strategic direction into specific objectives, measures; targets, initiatives, and budget guide actions and align the firm for effective strategy execution. All those data for Strategic map are come from TOWS analysis and get alternative strategy from TOWS. A strategy map describes the process of value creation through a series of cause-and-effect linkages among objective (Kaplan & Norton, 2008: 98). In this case author use strategy map into the three perspectives of IPMS :resource capability, internal process, organization output. The strategy maps visualize the causal relationships among strategy objective. Strategic map of PT. BEZAYA is described in Exhibit 8. After we create strategy map, another step is to cascade performance variable based on strategy objective (See Exhibit 9).

Implementation of AHP (Analytic Hierarchy Process) for Selecting Variables Priority

The Analytic Hierarchy Process (AHP) Founded by Saaty in 1980. And as implemented for decision making in variety industry such as iron and steel in Indonesia (Hikmat and Primiana, 2015). It allows the use of qualitative, as well as quantitative criteria in evaluationAHP algorithm is basically composed of two steps:
1. Determine the relative weights of the decision criteria
2. Determine the relative rankings (priority) of alternatives
Both qualitative and quantitative information can be compared using informed judgments to derive weights and priorities. The result of weighted criteria and selected variable is from internal meeting with management of the company. Detail summaries of AHP result from all perspective can be found in exhibit 10.

Variable Linkage

The ideal linkage between variable is using factor analysis if there are historical data of previously performance measurement. But, since the company didn't have performance management system before so there is no historical data that author have form the company for variable linkage. the author has formulated linkage with focus group discussion with internal management of the company by fishbone analysis. Analysis made is based on the relationship of the formula in the variable calculation. The result of variable linkage id describe in exhibit 11.

Benchmark

Since BEZAYA does not have previous performance management, an internal benchmark cannot be done. So, the author used external benchmark. The external benchmark uses the data from other competitors or business leaders. According to guideline from internal management, the author uses Inditex Company which has ZARA brand. It is because the data from direct competitors in fashion Muslim industry do not exist. The methodology of benchmark that the author uses is performance benchmarking using financial performance. Kaplan & Norton said from their books "Execution Premium" page 93, private-sector companies use external benchmarking with the financial perspective. It is because most competitors are public companies which mean they have detailed financial performance. Private-sector companies must improve their performance by improving return on capital, revenue growth, operating margins and productivity so it will make them among the best in the industry.

From external benchmark, there is a gap between the company and the benchmarked company (IndiTex – Zara Brand). If we see from financial statement, this firm has net profit less than 10%, it is still low if we compare to the benchmark data that have net profit of 13%. And also from profitability data, this firm has low gross margin and low operating margin if we compare from the benchmark data. Even though ROA and ROE are higher than the benchmarked company but it has trend decrease from last year (See Exhibit 12).

Leading Lagging Factor

Another output of this performance management system is the existence of Leading Factors and lagging factors which can be used by decision maker for the decision making process on the sustainability of the company. Leading and lagging factor is based on variable linkage data. Description of leading lagging factor for BEZAYA can be found in exhibit 13.

Plan Schedule

There are five main steps of this plan schedule, namely: develop the strategy, plan the strategy, align the organization, implementation, and monitor & learn. Time plan implementation of performance management system can be shown in exhibit 14.

Display

Display of performance measurement system should be made as attractive as possible. In order that performance information can always be updated and informed each other immediately, it needs support from supporting software which can present a communicative display that can be viewed by the entire division or section concerned. examples of the proposed performance measurement system can be seen in exhibit 15.

Conclusion

Based on the study above, the following are the conclusions :

1. This performance management system is novelty in fashion Muslim company.
2. Performance management is a system and it is a vital tool for strategy execution by signaling what is most important, providing ways to measure it and helping to improve performance. Implementing a performance management system that people understand and believe in will provide a powerful foundation for employees to achieve their ambitions as well as for the organization to achieve its key financial goals.
3. Performance measurement and management can be a vital tool for strategy execution by signaling what is important, fixing accountability for behavior and results, and helping to improve performance.
4. Performance management is to evaluate performance based on job related characteristics rather than irrelevancies of the individuals. All activities that performance management must have are: setting goals, preparing performance plans, conducting reviews, tracking behaviors, gathering data, and making evaluations. Also, performance management systems could support performance appraisal if it is designed appropriately.
5. The core problem of the company is the absence of implementing a performance management system in the company governance. So the research proposed is designing performance management system using IPMS framework with appropriate performance measurement variables for the company governance.
6. Integrated performance management system (IPMS) have several benefits such as: provide a simple and structured approach that focuses on the process and the results of performance is first of its benefit. Another advantage is IPMS support stakeholders define strategies, targets and evaluate the results together. Providing the potential for a fair measurement of performance in terms of determining the roles, responsibilities and rewards is another advantage of IPMS. After that, determining accountability and dividing the responsibility of all parties to improve performance are the other benefits of IPMS.
7. The strategy map provides architecture for integrating the strategies and operations of different units spread throughout the enterprise. The process to plan the strategy converts statement of strategic direction into specific objectives, measures targets, initiatives, and budget guide actions and alignments of the firm for effective strategy execution.
8. Performance management system designed for this company is made to fit with the vision, mission and strategy of the company. Therefore, SWOT and TOWS analysis as well as strategy map are used to get variable performance in accordance with the company's strategy. Analyzing with analytic hierarchy process (AHP) is used in order to obtain the variable priority. The variable performance is arranged for key performance indicator (KPI) using the three perspectives of integrated performance management system (IPMS).
9. Leading factor is some factors that lead company to achieve their goal. Lagging factor is some factors that not relevant to the company's goal.

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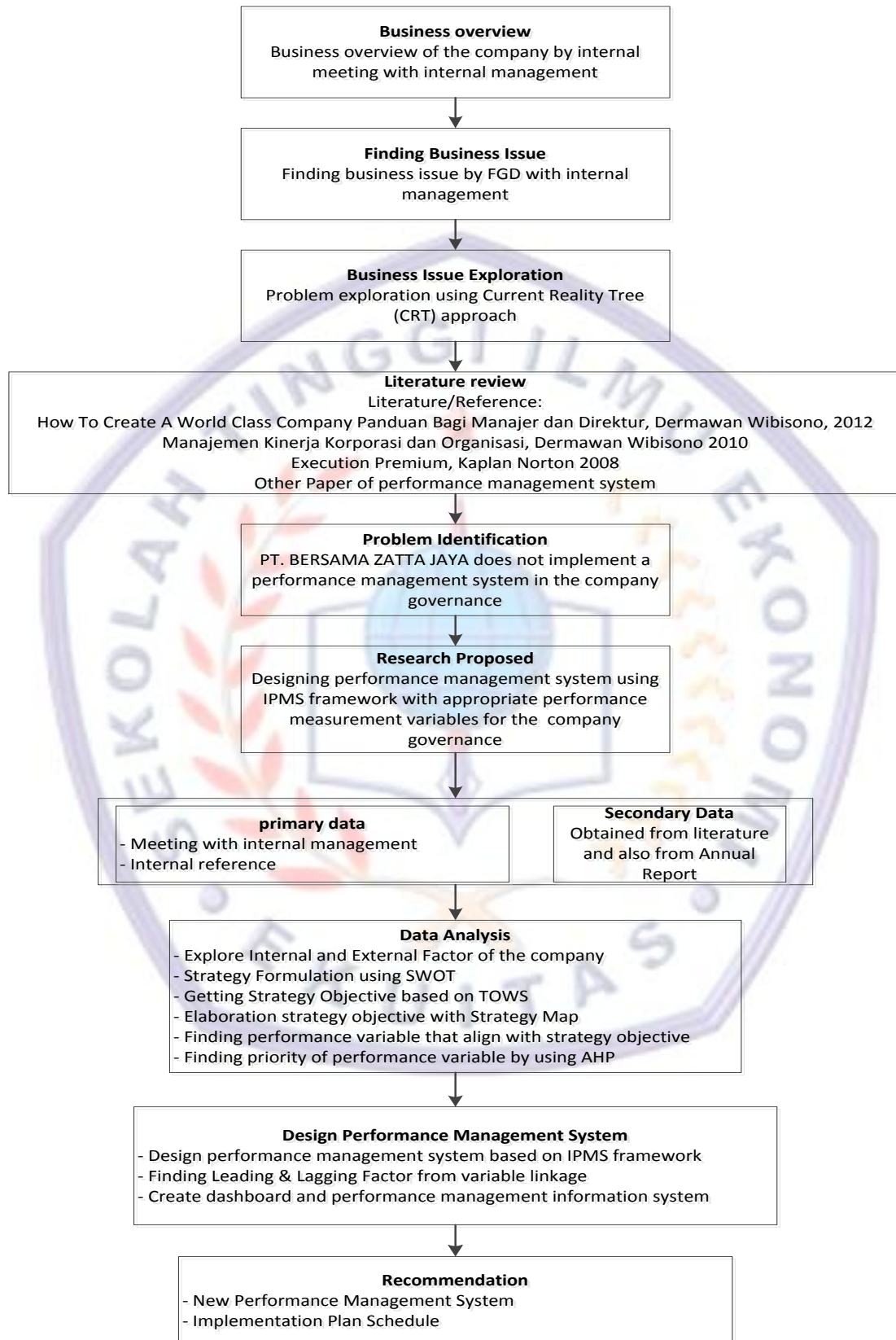
Exhibit 1. Methodology

Business overview
Business overview of the company by internal meeting with internal management

Finding Business Issue
Finding business issue by FGD with internal management

Business Issue Exploration
Problem exploration using Current Reality Tree (CRT) approach

Literature review
Literature/Reference:
How To Create A World Class Company Panduan Bagi Manajer dan Direktur, Dermawan Wibisono, 2012
Manajemen Kinerja Korporasi dan Organisasi, Dermawan Wibisono 2010
Execution Premium, Kaplan Norton 2008
Other Paper of performance management system

Problem Identification
PT. BERSAMA ZATTA JAYA does not implement a performance management system in the company governance

Research Proposed
Designing performance management system using IPMS framework with appropriate performance measurement variables for the company governance

primary data
- Meeting with internal management
- Internal reference

Secondary Data
Obtained from literature and also from Annual Report

Data Analysis
- Explore Internal and External Factor of the company
- Strategy Formulation using SWOT
- Getting Strategy Objective based on TOWS
- Elaboration strategy objective with Strategy Map
- Finding performance variable that align with strategy objective
- Finding priority of performance variable by using AHP

Design Performance Management System
- Design performance management system based on IPMS framework
- Finding Leading & Lagging Factor from variable linkage
- Create dashboard and performance management information system

Recommendation
- New Performance Management System
- Implementation Plan Schedule

Exhibit 2.Finding Root Couse using Current Reality Tree (CRT)
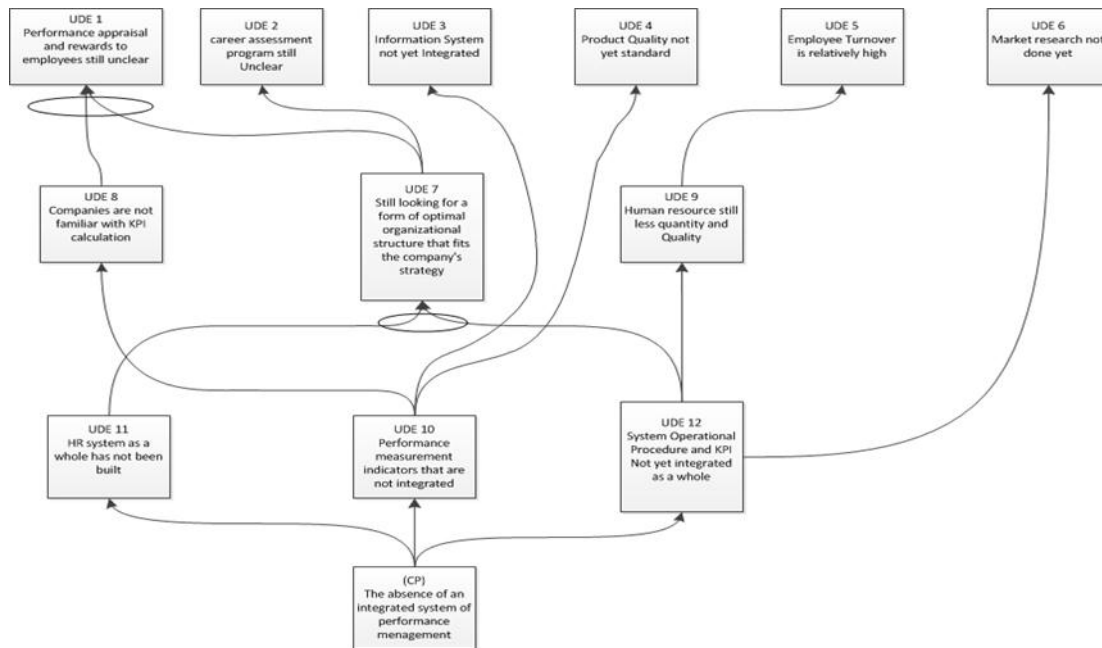
Exhibit 3.Step 0 Foundation: Principle Guidance

Foundations	The Weakness of the Previous System	The proposed System
1. The partnership between management, employees, customers and suppliers	- There is no quality measurement for supplier - Employees don't understand their roles for the company's strategy - Customers loyalty not yet measure - There is no shareholder expectation measurement	- Need quality measurement f or supplier - Need socialization for strategy, vision and mission of the company to all employees - The needs of customers have to handle and monitor by specialization staff or division - The needs of shareholder have to handle and monitor by specialization staff or division
2. Empowerment of all employees.	- Employees haven't got training program flow to improve their skill from the company	- The need for training to improve the capacity of the employee in accordance with the company needs

	- Career assessment program is still unclear	- Need employee productivity ratio measurement to determine productivity of employee against the company revenue
	- Reward policy for employee's contribution to company performance still based on subjective criteria	- Should be make the policy for rewards management to motivate the employees to improve their performance
3. Integrated improvement performance	- Employees don't understand their roles for the company's strategy	- Need of tools to show each employee's performance contribution to the company's performance
	-Information system is not yet integrated - System operational procedure (SOP)&key performance indicator (KPI) are not yet integrated	- Need computerized process to accommodate the input from each divisions, to prevent the possibility of unrecorded data - Need of tools to integrate performance improvement with all division
4.Independent team	- There is no independent team to accommodates the needs of performance management system	- Need independent team that have responsible to create and socialize the vision, mission and strategy for all employees
5. Easy to understand : KISS (Keep it Stupid Simple)	- The absence of the integrated performance management system that easy to understand for all employee	- It needs a performance management system that integrated with all division
	- The company is not familiar with KPI calculation	- Need variables of performance management system that easily to understand
6. Long term oriented	- financial statements is the only current performance measurement -BEZAYA is still trying to find the best organizational structure that fits with the organization strategy	- Needs a performance measurement system that is also based on customer satisfaction and quality service, so future profit expectations can be impact by them
7. Based on the basis of time	- financial statements is the only current performance measurement	- performance management system must have current performance report which also affects the financial

8. Focus on continuous improvement	- The current performance measurement is lack on continuous improvement	- Performance management system also must focus on continuous improvement
9. Using a quantitative approach	- financial statements is the only current performance measurement	- Create a performance management system that performs quantitative measurements.

Exhibit 4.Competitor analysis

| Parameter | Competitor | | | PT. BEZAYA |
	PT. Shafira Corporation	CV. Rabbani Asysa	CV. Hazna Indonesia	
Product	Zoya, Shafira	Rabbani Hijab	Sasmira Hijab	Elzatta, Dauky, Hasanah, Aira
Current (business) strategy	Focused Differentiation	Market expansion	Differentiation	Market expansion
Assumptions about the industry	Attractive	Attractive	Attractive	Attractive
objectives (financial vs. market goals)	Financial	market goals	market goals	market goals
strengths	Strong Brand, Wide retail network, Promotion using movie star or artist	Local strong brand expesially in West Java, Promotion using movie star or artist	Promotion using movie star or artist	Strong Brand, Wide retail network, Promotion using movie star or artist
weaknesses	Focus on nice market high end class, eventhough there ara a lot of potensial market in middle class	Retail network out off java island is few	Retail network out off java island is few, expensive price with Middle class customer	Still relies on imported products
Market goals	Exclusive hijab, Nice market	Low price to get market share	Exclusive hijab, Nice market	Sell Product in all segment

Exhibit 5. Business Model Canvas

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customers segments
* Vendor for Production * Bank	* Sales Marketing Offline and Online * supply chain for production		* Retention * Loyalty Program * CSO (customer Service Officer)	
	Key Resources * Designer * Brand * Customer * Employee	* Well Known Branding * comfortable quality * Affordable prices * Goodness to the People	**Channels** * Own Store offline * Lisence Store * Own Online Store	* Muslim dan Muslimah * All Age * All segment income

Cost Structure	Revenue Streams
* Marketing expense * Personnel expense * Operation expense * Occupancy (ex: Rent, Service charge, electricity) * Miscellaneous other expense (ex: Lisence Fee, gift)	* Muslim Ready to Wear clothes * Muslim Houte Couture (exclusive Custom Fitted Clothing)

Exhibit 6. SWOT Analysis

S	Great team work	W	Limited in Capital
	Having experience in Muslim Fashion		Information system still not integrated
	Good relation with other stakeholder		HR is still lacking in quantity and quality
	Inovation continously		Human resources system has not been built
	Ambitious and spirit		Quality product doesn't have standard
	Leadership from the heart		SOP & KPI Not comprehensive yet
	Islamic value		Doesn't have market research
	Brand strength		Office not yet integrated
	Synergy with partners		
	Promotion continously		
O	Good economic growth and middle segment in Indonesia	T	Asean Economic Society (MEA) 2015
	A large number of Indonesian population, the majority of Moslem and female		International and local fashion brands began to seriously get into the Moslim fashion business
	The government's policy to make Indonesia as the world Muslim fashion center		Unfair competition
	The rapid development of digital marketing		Head hunter aggressive towards core human resource
			Indonesian politics unstable
			Still relies on imported products

(Source: RKAP 2015)

Exhibit 7.TOWS Matrix to Get Performance Variable

TOWS Matrix

			Strength			Weakness	
		1	Great team work		1	Limited in Capital	
		2	Having experience in Muslim Fashion		2	Information system still not integrated	
		3	Good relation with other stakeholder		3	HR is still lacking in quantity and quality	
		4	Inovation continously		4	Human resources system has not been built	
		5	Ambitious and spirit		5	Quality product doesn't have standard	
		6	Leadership from the heart		6	SOP & KPI Not comprehensive yet	
		7	Islamic value		7	Doesn't have market research	
		8	Brand strength		8	Office not yet integrated	
		9	Synergy with partners				
		10	Promotion continously				
Opportunity	1	Good economic growth and middle segment in Indonesia	S2-O1, S8-O2	Store expansion	W1-O2	Cost Efectiveness
	2	A large number of Indonesian population, the majority of Moslem and female	S8-O2	Strengthen BEZAYA positioning statement	W2-O4	Enhance the role of integrated marketing
	3	The government's policy to make Indonesia as the world Muslim fashion center	S6-O1	service culture development	W3-O1	Optimize Human Resources
	4	The rapid development of digital marketing	S6-O2, S7-O2	Create wining team with Exelent Organization resource	W2-O1	Leverage Equipment and IT System
					W6-O1, W5-O2	Operational excellence
Threat	1	Asean Economic Society (MEA) 2015	S4-T2	Improve product quality	W2-T3, W3-T1	Synergy with all stakeholder
	2	International and local fashion brands began to seriously get into the Moslim fashion business				
	3	Unfair competition				
	4	Head hunter aggressive towards core human resource				
	5	Indonesian politics unstable				
	6	Still relies on imported products				

Exhibit 8. Strategy Map
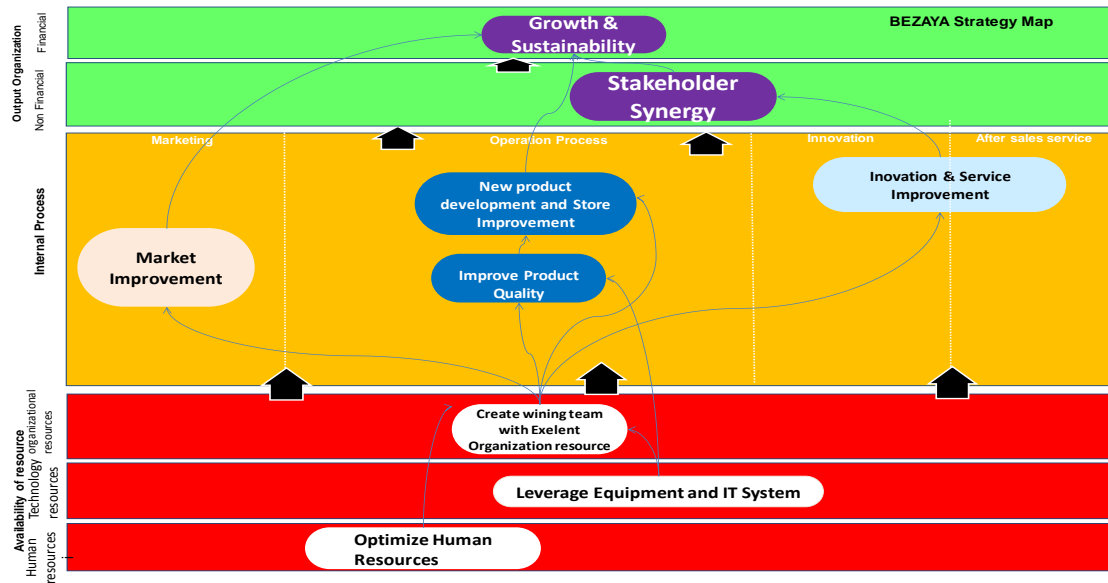
(Source: Kaplan & Norton 2004)

Exhibit 9. Performance Variable

Strategy Objective	Performance Variable
Sustainability	Revenue growth
	Increase productivity
Stakeholder Synergy	Achieving customer satisfaction
	Meet shareholder expectation
	Synergi with Partner & Agent
	Improve company CSR & Islamic image
New product development and Store Improvement	Increase Store offline and improve online store
	Enhance product development
Improve Product Quality	Quality Control & Merchandise Control Improvement
	Maximize utilization of assets
	Improvement supllier capability
Inovation & Service Improvement	Innovation Continuously
	Service Improvement
Market Improvement	Conventional Marketing performance improvement
	Digital Marketing performance improvement
	Improve Brand development
Create wining team with Exelent Organization	Excellent HR Management System
	Improve Organization Structure
	Maintain / Enhance Organization Climate (retention, turn over)
Leverage Equipment and IT	Excellent information system (IT)
	Deploy Equipment, tools and technology to make our workforce more effective and efficient
Optimize Human Resources	Optimized Man Power Productivity
	Train and develop skills and abilities of employee

Exhibit 10. AHP

A. AHP for Resource Capability

Criteria / Alternative	Vector for Each Criteria			Vector of All Criteria			Vector	Matrix Multiplication	Priority
	Specific	Measurable	Achievable	Realitic	Time Based				
Optimized Man Power Productivity	0.102	0.171	0.160	0.249	0.379		0.221	0.1680	3
Train and develop skills and abilities of employee	0.043	0.054	0.065	0.102	0.102		0.132	0.0640	5
Excellent information system (IT) and Deploy Equipment, tools and technology	0.265	0.221	0.249	0.379	0.249		0.512	0.2591	2
Improve OrganizationStructure	0.152	0.090	0.102	0.160	0.160		0.080	0.1195	4
Excellent HR Management System	0.374	0.425	0.379	0.065	0.043		0.055	0.3406	1
Maintain / Enhance Organization Climate	0.065	0.039	0.043	0.043	0.065			0.0488	6

B. AHP for Internal Process

Criteria / Alternative	Vector for Each Criteria			Vector of All Criteria		Vector	Matrix Multiplication	Priority
	Specific	Measurable	Achievable	Realitic	Time Based			
Increase Store offline and Online	0.021	0.029	0.035	0.105	0.028	0.221	0.0361	9
Maximize utilization of assets	0.029	0.042	0.024	0.067	0.041	0.132	0.0319	10
Improvement supllier capability	0.097	0.111	0.053	0.022	0.103	0.512	0.0707	7
Enhance Product development	0.243	0.270	0.144	0.044	0.254	0.080	0.1805	1
Quality Control & Merchandise Control Improvement	0.041	0.080	0.086	0.030	0.076	0.055	0.0706	8
Improve Brand development	0.061	0.022	0.230	0.171	0.021		0.1492	2
Innovation Continuously	0.158	0.111	0.144	0.153	0.169		0.1447	3
Service Improvement	0.097	0.111	0.053	0.067	0.103		0.0743	6
Conventional Marketing performance improvement	0.158	0.111	0.144	0.171	0.103		0.1425	4
Digital Marketing performance improvement	0.097	0.111	0.086	0.171	0.103		0.0996	5

C. AHP for Output Organization

| Criteria / Alternative	Vector for Each Criteria			Vector of All Criteria			Vector	Matrix Multiplication	Priority
	Specific	Measurable	Achievable	Realitic	Time Based				
Revenue growth	0.378	0.441	0.398	0.277	0.379		0.221	0.3886	1
Increase productivity	0.161	0.145	0.090	0.088	0.249		0.132	0.1213	3
Achieving customer satisfaction	0.104	0.220	0.096	0.057	0.102		0.512	0.1112	4
Improve company CSR & Islamic image	0.248	0.094	0.273	0.404	0.160		0.080	0.2482	2
Meet stakeholder expectation	0.075	0.060	0.038	0.134	0.065		0.055	0.0584	6
Synergi with All stakeholder	0.034	0.040	0.105	0.038	0.043			0.0722	5

Exhibit 11. Variable Linkage
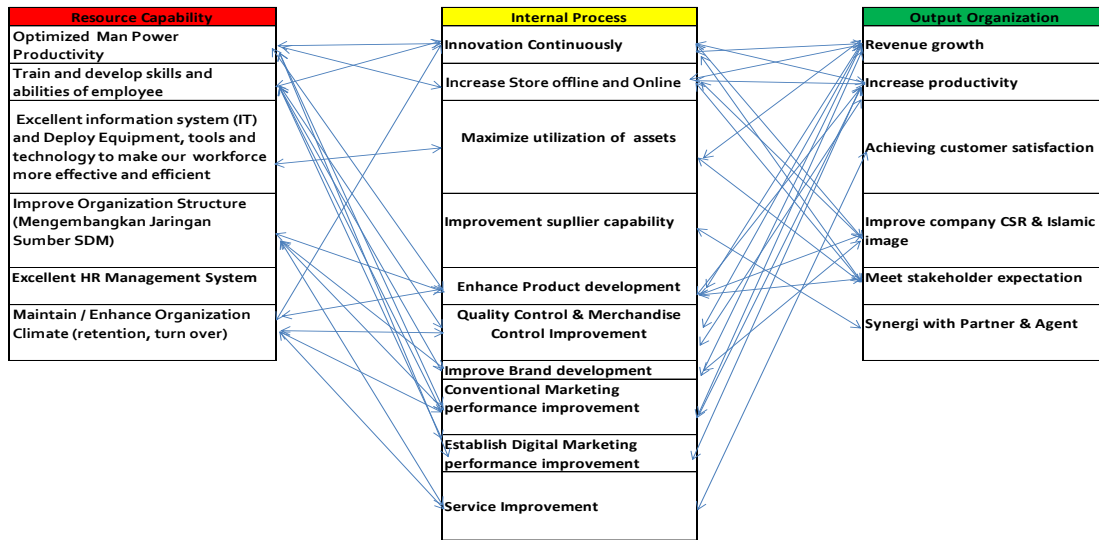
Exhibit 12. Financial Benchmark
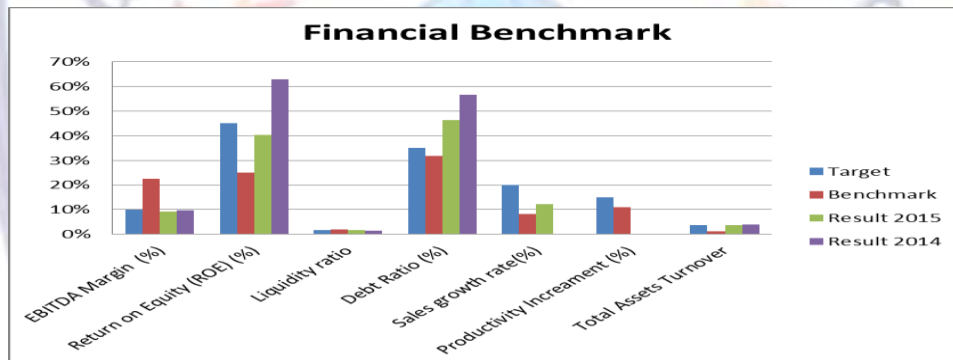
(Source: BEZAYA and Inditex Financial Statement)

Exhibit 13. Leading & Lagging Factors

Leading Factors	Lagging Factors
New Product Launching	Maintenance Hardware, Software, System & Training
Increase the number of offline store	Existing Server Management
Quality Product development	Complain Handling
Cost of poor Quality	placement ads on premium website
The cost of advertising / promotion of against sales turnover	Remapping Installation of all HO & DC network

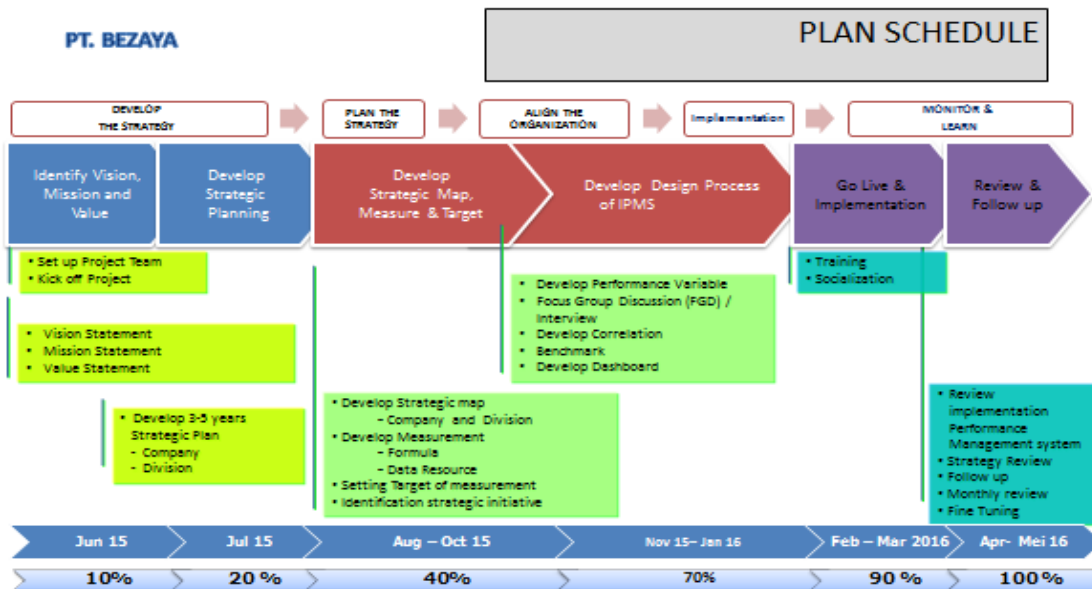| Develop brand positioning	Upgrade License OS & Application (corporate)
Supplier Quality	
Effective marketing, distribution and sales	
Employee Productivity Ratio	
Design training program flow	
Human Resources Development Flow and System	
Remuneration System	

Exhibit 14. Plan Schedule

Exhibit 15.Example Organization Output Display