

ABSTRACT

This thesis attempted to analyze efectivity implementation *Balanced Scorecard* as a performance measurement. The objective of the research was to evaluate efectivity implementation the *Balanced Scorecard* as based the performance measurement for PT. TELKOM DIVRE V Jawa Timur.

The first step in developing the *Strategy Map* was translating the company's vision, mission, basic values, goals, and strategy in to the strategic issues. Some strategic issues included a orientation, commitment and instrument necessary to mobilize the resources and business energy with the view of putting the predetermined goals into reality. The organization's goals represented principal targets in the coming years which in turn highly determined company's direction and its survival. Such goals should be formulated appropriately to provide a direction or guidance about how the organization would pursue its dreams in the future.

The strategic issues in PT. TELKOM DIVRE V Jawa Timur in the light of the research results were revealed below. First, as for the financial aspect, the strategic issues were related to the revenue growth and the increased productivity. Second, the strategic issues in associated with customer were an increased market share and the increased satisfaction customers. Third, the financial factor related strategic issues consisted of the increased in quality of processes developed in businness, the increased care quality process and increased customer service process in excelent. Finally, the growth and learning perspective had strategic issues in the HRD was competen and committed , increased target TELKOM Way Culture, and Using IT and knowledge management . The comprehensive *Balanced Scorecard* development for PT. TELKOM DIVRE V Jawa Timur not only required *Strategy Map* but also *strategic issues, strategy measures, targets, and initiatives* necessary for Performance measurement based *Balanced Scorecard*.

Key-words: Strategy Map, Balanced Scorecard, strategic issues, strategy measures, targets, initiatives, Performance measurement