ABSTRACT

The research is driven by discovering that Mercure Grand Mirama Hotel Surabaya has F&B Division contribute most of the profit instead of Room Division. since this means F&B Division has the busiest performance, hence the importance for establishing scorecard for divisional level that should be linked into their current strategy. Therefore, the analysis of implementation of Divisional Scorecard within F&B Division is conducted to explore these matters: to discover the cascading process of Corporate Scorecard into F&B Division, to investigate the prioritized Balanced Scorecard perspectives, to discover the issues occurred during the implementation, and to evaluate the implementation process, as well as to provide several recommendation for enhancement.

This research uses qualitative method through exploratory case study approach. This research documented the strategic goals, divisional budget, and Tier 2 Scorecard for F&B Division, as well as noted observation and remarks from interviews during research period on F&B Director, F&B Manager, and Chief Accountant. Therefore, the analysis is conducted through content analysis, gap analysis and data triangulation.

The documented Tier 2 Scorecard consist of four financial indicators and one customer-related indicator, cascaded from Tier 1 Scorecard without use of Strategy Maps. However, F&B Director claimed that all four perspectives from Balanced Scorecard share the same portion of priority, despite this finding. An issue found on the implementation of their scorecard is inaccurate data processed in form of incorrect translation on guest comments from Bahasa into English to be accumulated in Guest Comment Ratio as indicator for guest satisfaction, though Chief Accountant argued that replying and clarifying bad comments is also important. However, the gap analysis results that most of scorecard implementation traits did not match the Nine Steps to Success^{TM}, notably starts from incomplete objective setting, the budgeting process that took place in absence of Strategy Maps, and development of performance measures that did not cover entire objectives. Therefore, the main recommendations provided for F&B Division are to express objectives based on strategic themes, logically connect them to establish formal Strategy Maps, and attach all objectives with relevant measures before bringing the initiative and budgets. It is also recommended for Fanpage administrator to activate auto-translation system on Facebook, as well as recommending cascading Tier 2 Scorecard for F&B Division into Tier 3 (business unit) Scorecard for each restaurant and outlets.

Keywords: *Hotel, Competitive Strategy, Strategy Maps, Balanced Scorecard*