



## ***ABSTRACT***

This research was aimed to evaluate the strategic performance system by implementing balanced scorecard approach at Bank Mandiri Micro and Retail Banking Directorate. Descriptive qualitative method was used as research method, whereas data were obtained from secondary data such as annual reports released by Bank Mandiri Micro and Retail Banking Directorate. Results showed that: (1) Bank Mandiri Micro and Retail Banking Directorate had implemented strategic performance measurement by using BSC approach. The measurement of strategic performance at fourth BSC perspectives were: (a) financial perspective (i) focused on profitability and ROE; (ii) developing solid (large, cheap, and stable) funds structure; and (iii) increasing high margin loans and low NPL; (b) customers perspectives: (i) increasing loan distribution and fund collection (ii) increasing customer satisfaction and trust level; (c) Internal business process perspective:(i) increasing operational quality and (ii) maintaining good corporate governance; (d) Growth and learning perspective: (i) enhancing productivity of employees continuously; and (ii) building strong human resources to improve productivity. (2) the implementation of BSC at Bank Mandiri Micro and Retail Banking Directorate had yet to fully match with BSC concept developed by Kaplan and Norton (1996). It was seen through Strategy Map which showed that indicators in fourth factor, growth and learning perspective toward internal perspective business process was not integrated.

Keyword: Balanced Scorecard, Banking Performance, Bank Mandiri Micro and Retail Banking Directorate