

ABSTRACT

As the time go on, the frequent of change contin ues to accelerate in the global economy. It is important for firms to move beyond lagging financial performance indicators to consider variables that contribute to long term value creation. Based on many research, nowadays, performance measurement (financial and non financial) is a way to control the work of management. A company need a good financial reports and a good quality nside too. Now, in many very complex business, a company is not enough to have only financial reports. Many thing are not described in financial reports, such as loyaly, quality of coworkers, discipline, and the others moral value. Interest in non performance measurement has rocketed during the last few years because the need of shareholder value added. A company that wants to boost its earning must have a concern to shareholder too, like employee and customer satisfaction. This all can not seen by financial report.

In recent years, firms have shifted away from one dimensional financial models to integrated frameworks to measure performance. Many questions remain about how these broader measures of performance can be translated into action plans at the operational level. This paper explores the implications of applying financial and non financial performance measurement in an financial institutions. This institutions traditionally use financial targets to give a bonus for their employee marketing. But, the management don't really have concern at customer, discipline moral value, and training. To reach the goals, employee must have a loyalty and sense of belonging, but these aspect are often ignored. Beside if that, there are some mistake in measure performance because all of revenues just count from marketing division. That's why this company have high turnover of employee. So, this research also helps a company to design a financial and non financial performance that can be applied easily to improve the performance.