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Designing Key Performance Indicators (KPIs) for Evaluating Sales Performance and Distribution Systems in the Fast-Moving Consumer Goods (FMCG) Sector Using the Balanced Scorecard and Analytical Hierarchy Process (AHP) Methods at PT X

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Abstract: The Fast-Moving Consumer Goods (FMCG) industry requires companies to maintain high operational efficiency, effective sales performance, and reliable distribution systems to sustain competitiveness in an increasingly dynamic market. PT X currently evaluates sales performance primarily based on sales achievement, while other strategic aspects, including customer satisfaction, distribution effectiveness, internal business processes, and employee capability development, have not been comprehensively measured. This condition limits management's ability to evaluate organizational performance holistically and identify strategic improvement priorities. Therefore, this study aims to design Key Performance Indicators (KPIs) for evaluating sales and distribution performance using the Balanced Scorecard (BSC) method and determine KPI priorities through the Analytical Hierarchy Process (AHP). This research employed a quantitative descriptive approach involving interviews, observations, company document analysis, and expert judgment from sales managers, distribution managers, and logistics supervisors. The Balanced Scorecard was utilized to formulate strategic objectives and performance indicators based on four perspectives: financial, customer, internal business processes, and learning and growth. Furthermore, AHP was applied to determine the priority weights of each perspective and KPI through pairwise comparison matrices. The study identified twenty-four KPIs distributed across the four Balanced Scorecard perspectives. The AHP results indicated that the Financial Perspective received the highest priority weight (0.39), followed by Customer (0.28), Internal Business Process (0.20), and Learning and Growth (0.13). The highest-priority KPIs include Sales Achievement, On-Time Delivery, Fill Rate, Customer Retention Rate, and Distribution Cost Ratio. The proposed KPI system provides a comprehensive framework for evaluating organizational performance and supporting strategic decision-making to improve sales effectiveness and distribution efficiency in PT X.

Keyword: Balanced Scorecard, Analytical Hierarchy Process, Key Performance Indicator, Sales Performance, FMCG Distribution.

INTRODUCTION

The Fast-Moving Consumer Goods (FMCG) industry is one of the most competitive industrial sectors due to its unique characteristics, including short product life cycles, high sales volumes, and frequent consumer purchases. FMCG products comprise food, beverages, household necessities, cleaning products, and personal care items that must be consistently available in the market to meet consumer demand. The success of FMCG companies is determined not only by product quality but also by the effectiveness of the sales force and the efficiency of the distribution system, which ensure that products are available in the right quantity, at the right time, and in the right location. Therefore, companies require a comprehensive performance measurement system capable of evaluating all business activities to enhance organizational competitiveness.

Increasingly intense business competition requires FMCG companies to continuously improve productivity while maintaining high levels of customer satisfaction. The sales force serves as the frontline in achieving sales targets and expanding market coverage, whereas the distribution system plays a crucial role in ensuring product availability across distributors, retailers, and end consumers. If either of these functions performs inadequately, the company may experience declining customer service levels, lost sales opportunities, increased distribution costs, and reduced profitability. Consequently, evaluating sales and distribution performance has become a strategic managerial activity that should be conducted regularly to ensure sustainable business growth.

In practice, many FMCG companies continue to evaluate organizational performance primarily through financial indicators, such as sales achievement, revenue, or profit. Although these indicators provide valuable information regarding financial outcomes, they fail to capture the overall organizational performance because they overlook non-financial aspects, including customer satisfaction, distribution effectiveness, service quality, sales force competency, and organizational innovation. As a result, management often encounters difficulties in identifying the root causes of performance decline, even when sales targets have been achieved. Therefore, organizations require a performance measurement system capable of integrating both financial and non-financial indicators into a comprehensive evaluation framework.

One of the most widely adopted strategic performance measurement approaches is the Balanced Scorecard (BSC) developed by Kaplan and Norton. The Balanced Scorecard translates an organization's vision and strategy into measurable strategic objectives and performance indicators. This framework evaluates organizational performance from four interrelated perspectives: Financial**,** Customer**,** Internal Business Process**,** and Learning and Growth. Through these perspectives, organizations can evaluate the cause-and-effect relationships between employee competency development, operational excellence, customer satisfaction, and financial performance, thereby facilitating continuous organizational improvement.

Although the Balanced Scorecard provides a comprehensive framework for developing performance indicators, each indicator contributes differently to the achievement of organizational objectives. Consequently, determining the relative importance of each Key Performance Indicator (KPI) is essential to ensure that organizational resources are allocated efficiently toward strategic priorities. One of the most widely recognized multi-criteria decision-making methods for determining indicator priorities is the Analytical Hierarchy Process (AHP) developed by Saaty. AHP determines the priority weight of each criterion

through pairwise comparisons and evaluates the consistency of expert judgments using the Consistency Ratio (CR). This method enables organizations to establish objective and reliable KPI priorities that support strategic decision-making.

Previous studies have demonstrated that integrating the Balanced Scorecard with the Analytical Hierarchy Process significantly improves organizational performance measurement across various sectors. The Balanced Scorecard provides a strategic framework for identifying performance indicators, while AHP objectively determines the priority of each indicator. However, most previous studies have focused on manufacturing companies, healthcare organizations, educational institutions, and service industries. Research specifically addressing the development of Key Performance Indicators for evaluating sales performance and distribution systems within the FMCG industry remains relatively limited. Furthermore, many previous studies merely identify KPIs without systematically determining their relative importance using structured multi-criteria decision-making methods. This limitation highlights a research gap that requires further investigation.

PT X is a company operating in the Fast-Moving Consumer Goods industry with an extensive distribution network serving multiple market regions. Its operational activities involve integrated collaboration among sales representatives, distributors, warehouses, and transportation fleets to ensure that customer demand is fulfilled efficiently. Although PT X has implemented sales targets as the primary basis for performance evaluation, its current measurement system does not adequately incorporate non-financial indicators such as on-time delivery, product availability, customer loyalty, sales productivity, and employee competency development. Consequently, the company lacks a comprehensive performance evaluation system capable of supporting strategic managerial decision-making and continuous organizational improvement.

Based on these conditions, this study aims to develop Key Performance Indicators (KPIs) for evaluating sales performance and the distribution system at PT X using the Balanced Scorecard framework and to determine the priority of each KPI using the Analytical Hierarchy Process (AHP). The proposed performance measurement system is expected to provide a comprehensive, objective, and strategy-oriented framework that supports organizational performance evaluation, enhances sales effectiveness, improves distribution efficiency, increases customer satisfaction, and strengthens the company's long-term competitiveness in the FMCG industry.

METHODS

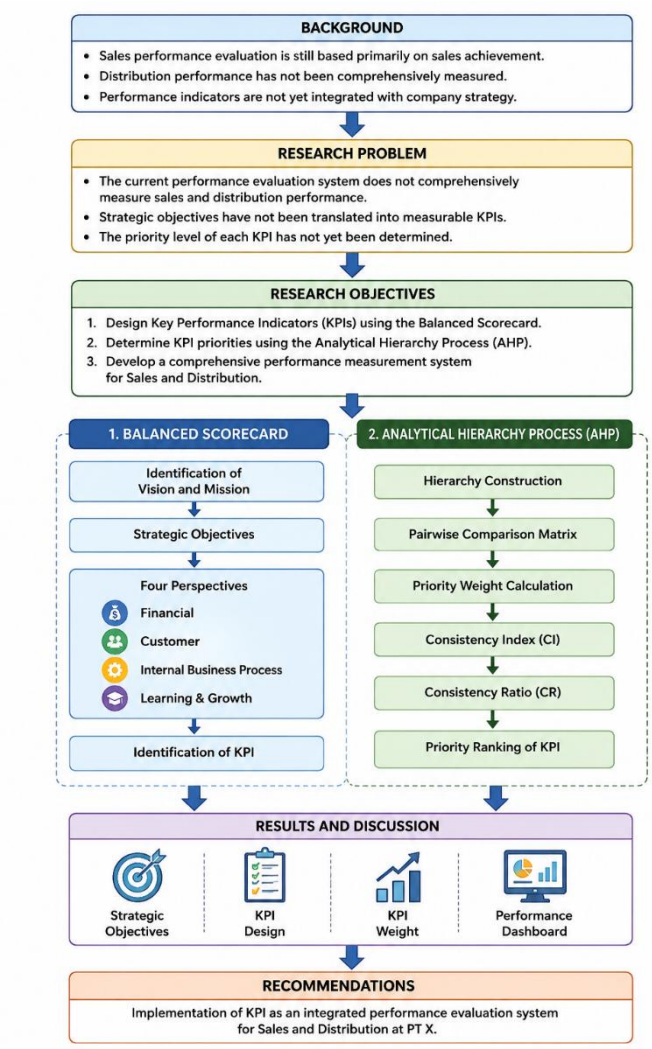
Research Design

This study employed a quantitative descriptive approach to design Key Performance Indicators (KPIs) for evaluating sales performance and the distribution system at PT X. The research integrates two decision-support methods, namely the Balanced Scorecard (BSC) and the Analytical Hierarchy Process (AHP). Balanced Scorecard was used to translate the company's vision and strategic objectives into measurable performance indicators based on four perspectives: Financial, Customer, Internal Business Process, and Learning & Growth. Meanwhile, AHP was applied to determine the priority weight of each perspective and KPI through pairwise comparisons conducted by experts.

The study was conducted in the Sales and Distribution Division of PT X, a company operating in the Fast-Moving Consumer Goods (FMCG) industry. The research focused on evaluating existing performance measurement practices and designing an integrated KPI system aligned with the company's strategic objectives.

Primary data were collected through interviews with Sales Managers, Distribution Managers, Logistics Managers, Area Sales Supervisors, and Human Resource Managers. Secondary data included sales reports, distribution performance reports, company strategic plans, standard operating procedures (SOPs), and internal performance evaluation documents. The collected data were analyzed systematically to formulate strategic objectives, determine relevant KPIs, calculate KPI priorities, and develop a comprehensive performance measurement framework.

Figure 1 Research Design



Research Object

The object of this research is the performance measurement system used to evaluate sales and distribution activities at PT X. Specifically, the study focuses on designing a comprehensive KPI system that aligns organizational strategic objectives with measurable operational performance indicators. The units of analysis include sales performance, distribution performance, customer service performance, logistics performance, and employee performance.

The respondents involved in this study were selected using a purposive sampling technique. Eight experts participated in the research, consisting of one Sales Manager, one

Distribution Manager, one Logistics Manager, one Human Resource Manager, two Area Sales Supervisors, and two Senior Sales Representatives. These respondents were selected because they possess extensive experience and strategic decision-making authority regarding sales operations, distribution management, and organizational performance evaluation.

Table 1. Research Respondents

Position	Number of Respondents
Sales Manager	1
Distribution Manager	1
Logistics Manager	1
Human Resource Manager	1
Area Sales Supervisor	2
Senior Sales Representative	2
Total	8

Table 1 presents the respondents involved in this research. The respondents represent managerial and supervisory levels responsible for planning, monitoring, and evaluating sales and distribution activities. Their expertise is essential in validating the proposed KPIs and providing pairwise comparison judgments during the AHP weighting process. The involvement of experts from multiple functional areas ensures that the designed performance measurement system accurately reflects the strategic priorities and operational conditions of PT X.

Research Variables

This study adopted the four perspectives of the Balanced Scorecard as the main research variables, namely the Financial Perspective, Customer Perspective, Internal Business Process Perspective, and Learning and Growth Perspective.

Table 2. Research Variables

Perspective	Strategic Objective	Performance Indicator
Financial	Increase sales profitability	Sales Achievement, Gross Profit Margin, Distribution Cost Ratio
Customer	Improve customer satisfaction	Customer Satisfaction Index, Customer Retention, Complaint Resolution
Internal Business Process	Improve distribution effectiveness	On-Time Delivery, Fill Rate, Stock Accuracy, Outlet Coverage
Learning & Growth	Improve employee competency	Training Hours, Employee Productivity, Employee Satisfaction

Table 2 presents the research variables developed based on the four perspectives of the Balanced Scorecard. Each perspective consists of strategic objectives that are translated into measurable Key Performance Indicators (KPIs). The Financial Perspective focuses on improving the company's financial performance through increased sales, profitability, and cost efficiency. The Customer Perspective emphasizes customer satisfaction, loyalty, market expansion, and service quality. The Internal Business Process Perspective measures the effectiveness and efficiency of sales and distribution operations, including delivery performance, inventory management, and product availability. Meanwhile, the Learning and Growth Perspective evaluates organizational capability through employee competency development, productivity improvement, and employee engagement. These variables serve as the foundation for designing the KPI system and are subsequently weighted using the

Analytical Hierarchy Process (AHP) to determine their relative importance in supporting the strategic objectives of PT X.

Data Collection Methods

This study utilized both primary and secondary data. Primary data were collected through direct observation, semi-structured interviews, and expert judgment. Direct observation was conducted to understand the workflow of sales activities, warehouse operations, inventory management, and product distribution processes. Semi-structured interviews were carried out with managers and supervisors to identify organizational strategic objectives, operational challenges, and existing performance evaluation practices. Furthermore, expert judgment was employed to determine the relative importance of each KPI using pairwise comparison questionnaires based on Saaty's fundamental scale.

Secondary data were obtained from internal company documents, including annual sales reports, distribution performance reports, company strategic plans, standard operating procedures (SOPs), customer complaint reports, inventory reports, organizational structure documents, and human resource reports. These documents were analyzed to ensure that the proposed KPI system aligned with the company's strategic objectives and operational conditions.

Balanced Scorecard Development

The development of the Balanced Scorecard followed five sequential stages. The first stage involved identifying the company's vision and mission to ensure that the performance measurement system supports the organization's long-term strategic direction. The second stage translated the vision and mission into strategic objectives that represent the company's expected performance outcomes. The third stage developed a strategy map illustrating the causal relationships among strategic objectives across the four Balanced Scorecard perspectives. Subsequently, measurable Key Performance Indicators (KPIs) were identified for each strategic objective. Finally, the proposed KPIs were integrated into a comprehensive performance measurement system.

The strategy map illustrates that improvements in employee competency and organizational learning enhance internal business processes, which subsequently improve customer satisfaction and ultimately contribute to superior financial performance. This causal relationship ensures that operational improvements are directly linked to the company's strategic goals.

Analytical Hierarchy Process (AHP)

The Analytical Hierarchy Process (AHP), developed by Saaty (1980), was employed to determine the relative importance of each KPI. The hierarchy consisted of three levels. The first level represented the research goal, namely determining the priority of KPIs for evaluating sales and distribution performance. The second level consisted of the four Balanced Scorecard perspectives: Financial, Customer, Internal Business Process, and Learning and Growth. The third level contained the identified KPIs under each perspective.

The pairwise comparison process utilized Saaty's nine-point fundamental scale to assess the relative importance between criteria. The comparison results were arranged into pairwise comparison matrices and normalized to calculate the priority weights of each criterion and KPI.

Research Procedure

The research procedure consisted of eight sequential stages: (1) problem identification, (2) literature review, (3) data collection, (4) identification of organizational strategic objectives,

(5) development of KPIs using the Balanced Scorecard, (6) KPI validation through expert judgment, (7) KPI weighting using the Analytical Hierarchy Process, and (8) development of a performance dashboard. This systematic procedure ensured that the proposed KPI system accurately reflected the strategic objectives and operational conditions of PT X.

Data Analysis Procedure

The collected data were analyzed systematically. Initially, the company's vision, mission, and strategic objectives were identified through interviews and document analysis. Subsequently, strategic objectives were translated into measurable KPIs using the Balanced Scorecard framework. The proposed KPIs were validated through expert judgment and Focus Group Discussions (FGDs). Thereafter, the AHP hierarchy was established, followed by pairwise comparisons, normalization, calculation of priority weights, and consistency testing. Finally, the KPIs were ranked based on their global priority weights and integrated into a performance dashboard designed to support managerial decision-making and continuous performance improvement within PT X.

RESULTS AND DISCUSSION

Results

Strategic Objectives Identification

The first stage of this research involved identifying the strategic objectives of PT X through interviews with management, observations of operational activities, and analysis of company strategic documents. The strategic objectives were subsequently classified into the four perspectives of the Balanced Scorecard to ensure that the proposed Key Performance Indicators (KPIs) were aligned with the company's vision and business strategy. The identified strategic objectives are presented in Table 3.

Table 3. Strategic Objectives Based on Balanced Scorecard

Perspective	Strategic Objectives
Financial	Increase sales revenue; Improve profitability; Reduce distribution costs; Improve cash flow
Customer	Improve customer satisfaction; Increase customer loyalty; Expand market coverage; Reduce customer complaints
Internal Business Process	Improve delivery performance; Increase product availability; Improve inventory accuracy; Improve warehouse productivity
Learning and Growth	Improve employee competency; Increase employee productivity; Enhance employee engagement; Strengthen organizational innovation

Table 3 shows that PT X has strategic objectives distributed across the four Balanced Scorecard perspectives. The Financial Perspective emphasizes sustainable revenue growth and operational cost efficiency. The Customer Perspective focuses on strengthening customer relationships through improved service quality and customer retention. The Internal Business Process Perspective highlights operational excellence in sales and distribution activities, while the Learning and Growth Perspective aims to improve employee competencies and organizational capabilities. These strategic objectives become the foundation for designing measurable KPIs that support the company's long-term strategic direction..

Key Performance Indicator (KPI) Design

Based on the identified strategic objectives, twenty-four Key Performance Indicators (KPIs) were developed to evaluate the performance of sales and distribution activities comprehensively. Each KPI was formulated to satisfy the SMART criteria (Specific, Measurable, Achievable, Relevant, and Time-Bound) and validated through expert discussions involving managerial personnel.

Analytical Hierarchy Process (AHP) Analysis

Following KPI identification, the Analytical Hierarchy Process (AHP) was employed to determine the relative importance of each Balanced Scorecard perspective and KPI. Expert judgments obtained through pairwise comparison questionnaires were analyzed to calculate priority weights and evaluate judgment consistency.

Discussion

The results of this study demonstrate that the integration of the Balanced Scorecard (BSC) and the Analytical Hierarchy Process (AHP) provides a comprehensive and systematic framework for evaluating sales performance and distribution activities at PT X. Unlike conventional performance evaluation systems that primarily focus on financial outcomes, the proposed framework enables the company to measure organizational performance from multiple strategic perspectives, including financial performance, customer satisfaction, internal business processes, and organizational learning. This comprehensive approach ensures that organizational performance is evaluated not only based on the achievement of sales targets but also on the factors that influence long-term business sustainability.

The identification of twenty-four Key Performance Indicators (KPIs) indicates that the sales and distribution functions require performance indicators that cover all aspects of organizational activities. The Financial Perspective consists of indicators associated with revenue growth, profitability, and cost efficiency, reflecting the company's objective of maximizing business performance. Meanwhile, the Customer Perspective emphasizes customer satisfaction, customer retention, and service quality, recognizing that customer loyalty is one of the most important determinants of sustainable sales growth in the FMCG industry. The Internal Business Process Perspective focuses on operational efficiency, particularly distribution effectiveness, inventory management, warehouse productivity, and product availability. Finally, the Learning and Growth Perspective highlights employee competency, productivity, and organizational capability, acknowledging that human resources are fundamental assets supporting operational excellence.

The weighting results obtained through the Analytical Hierarchy Process show that the Financial Perspective received the highest priority weight (0.39). This finding indicates that financial performance remains the primary concern for PT X, considering that companies operating in the Fast-Moving Consumer Goods industry rely heavily on sales growth and cost efficiency to maintain competitiveness. High sales volume combined with effective distribution directly contributes to increased profitability and market expansion. However, although financial performance received the highest priority, the Customer Perspective also achieved a relatively high weight (0.28), suggesting that customer satisfaction and loyalty significantly influence long-term organizational success.

The importance of the Customer Perspective reflects current market conditions, in which customers increasingly expect timely delivery, product availability, and high-quality service. Delays in product delivery, stock shortages, or ineffective complaint handling may reduce customer satisfaction and encourage customers to switch to competing brands. Consequently, the indicators Customer Satisfaction Index, Customer Retention Rate, and Complaint Resolution Time become essential tools for monitoring customer relationships. These findings

are consistent with the Balanced Scorecard concept proposed by Kaplan and Norton, which states that superior financial performance can only be achieved when organizations successfully create value for customers through effective operational processes.

The Internal Business Process Perspective received a weight of 0.20, indicating that operational excellence plays an essential role in supporting customer satisfaction and financial performance. The KPIs On-Time Delivery, Fill Rate, Stock Accuracy, Delivery Lead Time, and Warehouse Productivity represent the critical operational processes that determine distribution effectiveness. In the FMCG industry, products are expected to be available continuously in retail outlets because shortages may immediately reduce sales opportunities. Therefore, improving warehouse operations, transportation planning, inventory management, and delivery scheduling becomes crucial for maintaining product availability throughout the distribution network.

Among the proposed KPIs, On-Time Delivery obtained the second-highest priority weight after Sales Achievement. This finding indicates that timely distribution has become one of the most critical factors influencing organizational performance. Delays in product delivery not only increase logistics costs but also reduce customer satisfaction and negatively affect sales performance. Similarly, Fill Rate, which measures the percentage of customer demand fulfilled without shortages, ranked among the highest-priority indicators. A high Fill Rate reflects effective inventory planning and warehouse management, ensuring that customer orders can be fulfilled completely and on time.

The Learning and Growth Perspective obtained the lowest priority weight (0.13). Although this perspective received the smallest weight, it remains strategically important because organizational capability serves as the foundation for long-term performance improvement. Employee competency, training, productivity, and digital technology utilization contribute indirectly to financial performance by improving operational efficiency and customer service quality. This finding supports the cause-and-effect relationship proposed by Kaplan and Norton, in which organizational learning drives improvements in internal business processes, leading to enhanced customer satisfaction and ultimately improved financial performance.

The results also indicate that Sales Achievement represents the most influential KPI with the highest global priority weight (0.180). This finding is reasonable because sales achievement directly reflects the company's ability to accomplish its revenue targets and sustain business growth. Nevertheless, relying solely on Sales Achievement as a performance indicator would provide an incomplete evaluation of organizational performance. For example, sales targets may be achieved despite declining customer satisfaction or increasing distribution costs. Therefore, integrating financial and non-financial KPIs enables management to identify performance gaps more accurately and implement corrective actions before operational problems affect financial outcomes.

The consistency analysis using the Analytical Hierarchy Process produced a Consistency Ratio (CR) of 0.067, which is below the acceptable threshold of 0.10. This result indicates that the expert judgments used during pairwise comparisons were logically consistent and statistically acceptable. Consequently, the calculated priority weights can be considered reliable for supporting managerial decision-making. Consistency testing is particularly important because subjective judgments frequently influence multi-criteria decision-making processes. The acceptable CR value confirms that the weighting process accurately represents the priorities perceived by organizational decision-makers.

The proposed KPI dashboard further enhances the usefulness of the performance measurement system by providing management with real-time information regarding KPI achievement. The dashboard compares target values with actual performance and classifies each KPI into performance categories such as Excellent, Good, and Need Improvement. Such

visualization enables managers to identify underperforming areas rapidly and prioritize improvement initiatives. For example, if the Distribution Cost Ratio exceeds the established target while On-Time Delivery remains satisfactory, management may investigate transportation efficiency or warehouse operations to reduce unnecessary logistics expenses without compromising customer service.

From a managerial perspective, the proposed KPI system facilitates strategic alignment throughout the organization. Each department can understand how its operational activities contribute to organizational objectives because every KPI is linked directly to the company's strategy through the Balanced Scorecard framework. Sales personnel become responsible not only for achieving sales targets but also for maintaining customer satisfaction and service quality. Similarly, logistics personnel are encouraged to improve delivery performance and inventory accuracy because these operational indicators directly influence customer loyalty and financial performance. This alignment supports organizational collaboration and promotes continuous improvement across functional departments.

The findings of this study are consistent with previous research demonstrating that the Balanced Scorecard provides a comprehensive strategic performance measurement framework by integrating financial and non-financial indicators. Likewise, the application of the Analytical Hierarchy Process effectively addresses the limitation of the Balanced Scorecard by objectively determining the relative importance of each KPI. The integration of these two methods therefore produces a more robust performance evaluation system than using either method independently. The proposed framework not only supports periodic performance evaluation but also assists management in strategic planning, resource allocation, performance appraisal, and continuous organizational improvement.

Overall, this study confirms that the combination of Balanced Scorecard and Analytical Hierarchy Process is highly suitable for evaluating sales performance and distribution systems in the FMCG industry. The proposed KPI framework provides PT X with a structured and objective performance measurement system capable of supporting strategic decision-making, improving operational effectiveness, enhancing customer satisfaction, and increasing organizational competitiveness in an increasingly dynamic business environment. Furthermore, the framework can be adapted and implemented in other manufacturing, retail, logistics, and distribution companies that seek to develop comprehensive performance evaluation systems aligned with their strategic objectives.

CONCLUSION

This study successfully developed a comprehensive Key Performance Indicator (KPI) system for evaluating sales performance and the distribution system at PT X by integrating the Balanced Scorecard (BSC) and the Analytical Hierarchy Process (AHP). The Balanced Scorecard approach effectively translated the company's vision, mission, and strategic objectives into measurable performance indicators across four strategic perspectives: Financial, Customer, Internal Business Process, and Learning and Growth. A total of twenty-four KPIs were identified and validated as representative indicators for measuring organizational performance in the sales and distribution functions.

The results of the Analytical Hierarchy Process demonstrated that the Financial Perspective received the highest priority weight (0.39), followed by the Customer Perspective (0.28), Internal Business Process Perspective (0.20), and Learning and Growth Perspective (0.13). Furthermore, the pairwise comparison analysis produced a Consistency Ratio (CR) value below 0.10, indicating that the expert judgments were logically consistent and that the resulting priority weights were reliable for decision-making purposes. Among the identified KPIs, Sales Achievement, On-Time Delivery, Fill Rate, Customer Retention Rate, and Gross

Profit Margin were identified as the most critical performance indicators that should receive priority attention from management.

The findings indicate that evaluating organizational performance solely through financial indicators is insufficient for companies operating in the Fast-Moving Consumer Goods (FMCG) industry. Sustainable organizational performance depends not only on achieving sales targets but also on maintaining customer satisfaction, ensuring effective distribution processes, improving inventory management, and continuously developing employee competencies. Therefore, integrating financial and non-financial indicators provides a more comprehensive understanding of organizational performance and enables management to identify operational weaknesses before they significantly affect financial outcomes.

From a managerial perspective, the proposed KPI framework provides PT X with an objective and systematic performance measurement system that supports strategic planning, performance monitoring, resource allocation, and continuous improvement initiatives. The KPI dashboard developed in this study enables management to monitor organizational performance in real time, identify performance gaps, and implement corrective actions more effectively. Consequently, the integration of the Balanced Scorecard and Analytical Hierarchy Process contributes not only to improving sales and distribution performance but also to strengthening organizational competitiveness in the increasingly dynamic FMCG industry.

Overall, this study confirms that the integration of Balanced Scorecard and Analytical Hierarchy Process is an effective approach for designing a strategic performance measurement system that aligns organizational objectives with operational activities. The proposed framework can serve as a practical reference for PT X and may also be adapted by other FMCG companies or organizations with similar business characteristics seeking to establish an integrated and strategy-oriented performance evaluation system.

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