

**BUSINESS PERFORMANCE ANALYSIS OF PT MAS MURNI INDONESIA,
TBK :
CASE STUDY USING *FUNCTIONAL BUSINESS ANALYSIS***

Muhammad Refki Novesar¹, Ekky Hasbi Zulkarnain², Popy Rufaidah³

^{1,2} Full Time Students, Master of Management Science Program, ³ Lecturer at
Faculty of Economics, and Business, Universitas Padjadjaran

Refki.novesar@yahoo.com; ekkyhasbi@gmail.com; popy.rufaidah@fe.unpad.ac.id

Abstract

The purpose of this paper is to present the results analyzing the business performance of PT MAS MURNI INDONESIA, tbk (MAMI) which engage in Property Company that focuses on the construction of shopping centers, apartments and hotels in Surabaya City. Mami is known as a company that introduces unique theater, which combine cinemas, shopping centers and apartments in Surabaya. The paper provides the results of business performance analysis of the company by investigating the strategic strengths and weaknesses of the company in term of its practices in marketing, finance, human resources management and operation.

The research used case study method, which aimed to present information in structured, factual, and accurate information on the object studied. Case study method was used to examine the performance of the company's business based on the strengths and the weaknesses of the company; and to identify the opportunities and the threats that would be likely faced by the company.

The finding of this study was to show the company's business performance based on financial ratios and other business performance in the sector of marketing, human resource management and operations of the company. This paper also showed the analysis result of the strengths and the weaknesses of companies based on business functions and displayed the results in table ifas, sfas efas and as a basis for designing programs run by the company.

This study provided managerial impact to the company studied, namely: (1) the financial ratio analysis showed the drop in financial ratios over the previous year. The company is not optimal in the sale and in the use of funding. (2) Marketing performance showed the focus on building customer loyalty; (3) the performance of the company's human resources showed the company is recruiting and developing human resources. (4) Operation management performance showed that the company produces attractive products, which are offered in the market.

This paper presented a case study of PT MAS MURNI INDONESIA, Tbk, which contained the analysis results of the companies' business performance based on financial ratios, value chain analysis and analysis of business functions.

Keywords: *business performance, swot analysis, and functional business analysis.*

JEL Classification: L25



Research Background

Nowadays, the level of industrial competition is getting crucial. The industry development is caused by technology's and competitors advancement on economic sector in Indonesia. The development affects the competition of industry and demands the company to provide the best service to the customers. The fiercer competition opens up opportunity for customers to have many choices in selecting providers and certainly, those who benefit them will be the primary choice. That is why the property company competes in providing the best service to satisfy the customers. Fandy Tjiptono, 2009

It challenges the company to perform something new so that they can take the lead in the competition, furthermore to answer the government's challenges in ASEAN Economic Community (AEC). The global economic system is the system without borders where the business environment has been growing and changing rapidly. Therefore, the company is demanded to fulfill and to satisfy the customers' desire so that marketed products can have *brand image* which later sticks in the customer's mind. Azhar Susanto (2004)

The management of business performance (MBP) according to (Eckerson, 2006) is a top-down approach that helps the executive to comprehend the process required to accomplish the strategic purpose and then measures the effectiveness of the process in achieving the result. The *management business performance* is a holistic management approach to increase the business effectiveness and efficiency along with an attempt to gain innovation, flexibility, and integration by utilizing technology. *MBP* has a feature in achieving the company strategy by measuring the company process. It can be summed up that *MBP* collects the processes that help the company optimizing the business performance to ensure the company goal is accomplished.

PT MAS MURNI INDONESIA Tbk is one of the companies which engage in property industry which was established on July 27, 1970, in Surabaya. It is also one of the oldest companies that should increase the marketing system in order to be more effective in escalating the company performance.



From the above description of the problem formulation of the study, there should be a study to analyze the Business Performance of PT Mas Murni Indonesia, Tbk through Case Study using Functional Business Analysis, and PT Mas Murni Indonesia is one of the oldest companies in Surabaya. Having so many experiences about business which would be benefited for the industry analyzed. This paper is organized as follows: Section 1 contains the profile of the company based on financial performance. Section 2 presents the reason for using case study method and the research design, the criteria used to interpret the findings of the results. Section 3 discusses the findings of the study. The paper concludes the results of the study in Section 4.

Literature Review

Business Performance

The business performance according to (Eckerson, 2006) is a top-down approach that helps the executive to comprehend the process required to accomplish the strategic purpose and then measures the effectiveness of the process in achieving the result. It can be summed up that MBP collects the processes that help the company optimizing the business performance to ensure the company goal is accomplished. The theory of business performance (Eckerson, 2006) is selected on purpose by the researcher on this paper due to the steps that are used in this theory supporting the researcher in analyzing the business performance of PT Mas Murni Indonesia Tbk.

The business performance analysis based on financial is performed to shorten the measuring financial as the effect of the selected activities (Rufaidah, 2014). The business performance analysis in second internal is the function of financial management which consists of the decision for financing, investing, and dividend (Gitman & Zutter, 2012). The particular aim of financing relates to the benefit achievement such as operation income, working capital, economic value performance, velocity of financial growth or the increase of cash flow. In addition, the analysis of marketing-based business performance is to measure the practice that is performed by



the company in marketing (Rufaidah, 2014). Internal environment analysis is aimed to discover the strength and weakness on the functions of the company business. *American Marketing Association* defines the marketing as the institution's activity and process to build, to communicate, to deliver, and trade the offers that value to the customer, client, partner, and people (Kotler & Keller: 2012:27). The business performance analysis based on operation is to analyze the performance of operation management function (Rufaidah, 2014). The third business performance analysis is performed in the function of operation management. The operation management is an activity to create the value in the form of service and product by transforming input into output (Heizer & Render; 2011:36, 39).

The business performance analysis from the human resource management performance is to pay attention to the activity of human resources management (Rufaidah, 2014). The fourth of business performance analysis is performed in the function of human resources management which consist of procuring, developing, and maintaining the workers (Dessler, 2008), this analysis functions to find the strength and the weakness in the human resources management such as procurement that is, position analyzing, staff planning, recruiting, inspecting, selecting, and interviewing. The development is to training and developing the staff, management performance, and assessment and career management. Maintenance is to arrange the payment plan, finance and performance intensive, benefit, service, security, and employee's health and management of gobal issue of human resources.

Research Methods

One of descriptive qualitative study types is case study method or approach. The case study includes the descriptive analysis, which is research that focuses on a particular case to be observed and carefully analyzed. According to Arikunto (1986) argued "the case study method as one of a descriptive approach, is that the research conducted intensively, detail, and depth to an individual, institution or certain symptom with the narrow area or the subject ". Ary, Jacobs, and Razavieh (1985) explain that in the case study, the researcher tries to find all the important variables. Based on the



limitation, it can be concluded that the limitation of case study includes (1) research target can be either human, event, setting, or document; (2) these objects are explored deeply as a totality in accordance with background or respective context with intent to comprehend the linkages between the variables.

The following steps in the case study include: (1) the selection of cases: the case should be selected by purpose and not randomly. The case can be chosen by the researcher by taking the object of human, environment, program, process, and community or social unit. The measurement and complexity of the object have to make sense, so it can be completed by the deadline and the resources available. (2) Data collection: There are several techniques in collecting data, but the technique that is frequently used in case study is observation, interview, and documentation analysis. The researcher as a research instrument can adjust the data with the issue and research environment and can also collect different data simultaneously. (3) Data analysis: Data is gathered after the researcher begins to aggregate, organize, and classify the data into units that can be managed. Aggregation is the process of abstracting the specific things to become common things in order to find a common pattern data. Data can be organized chronologically, or put in a category typology. The researcher in the field performs data analysis, during the data collection or after all the data is collected and completed in the field. (4) Refinement: although all the data has been collected, in the case study approach, there should be refinement or reinforcement of new data on the categories that have been found. New data collection requires the researcher to return to the field and might have to create a new category; the new data cannot be grouped into categories that already exist. (5) The report should be written communicatively, easily to read, and it should describe a phenomenon or social unit clearly, and also allow the reader to comprehend the important information. The report is expected to bring the reader into the situation of a person or group life case.

Data Collection Technique

(1) Literature Study: This method is performed by searching, reading and collecting data through documents - documents such as annual reports of PT MAS



MURNI INDONESIA, Tbk, books related to strategic management, and literature - literature related to the issues discussed. **(2) Browsing:** The aim of data collection or information by searching the data - the data or information - information that is related to the materials needed to support the research. **(3) Data analysis:** Data analysis technique is to use swot analysis. SWOT stands for *strength* (the strength of the company), *weakness* (the weakness of the company), *opportunity* (business opportunity), and *threat* (barriers to achieving the goal).

Research Results and Discussion

Strategic Posture of the Company

PT MAS MURNI INDONESIA, Tbk engage in the property industry, currently there are two business properties held by the Company HOTEL business, business apartments and shopping centers. There are two enterprises ruled by the company. They are located in Surabaya. The hotel business is the primary business of the company. In the hotel sector, the company runs the Garden Palace Hotel, a four stars hotel, an international class which is: *Standard Room, Superior Room, Deluxe Theme, Club Royale, Club Royale Suite, Ministry Suite and Sultan Suite*. As an international hotel, the garden palace hotel is facilitated by *food & beverages* which are: Ming court Chinese Restaurant, Nishiki Shabu House, Green House Kitchen & Bistro, Cat's Pajamas Club & Resto, dan Curabhaya Lounge. **(Annual Report 2015, PT MAS MURNI INDONESIA, Tbk)**

In the restaurant business, the company through its subsidiary company which is PT Graha Mediatama Megacom (GMM) manages some *dim sum* outlets with a brand "Orchid Hong Kong Dim Sum" in some areas in Surabaya. GMM also run Resto and Lounge Cat's Pajamas in Garden Palace Hotel area. GMM develops its enterprise through Clark Hatch Fitness Centre & Spa which completes the facility of Garden Palace Hotel. **(annual report 2015, PT MAS MURNI INDONESIA, Tbk)**

The company through its enterprise PT Sahadja Niaga has built a new venture that laundry industry which is specialized to serve the hotel industry, restaurant, retail



and other companies to expand its market from the growth of the new hotel industry and restaurant in Surabaya. With modern laundry equipment in large scale, it is expected to support the income significantly in the near future. **(Annual Report 2015, PT MAS MURNI INDONESIA, Tbk)**

PT Mas Murni Indonesia Tbk is the company that has a large market in the middle of globalization and regional autonomy. The businessman or even the public employee will be frequent traveling during working and they require the safety accommodation. With a cheap price to be offered, the smart market demands a quality on the cost that is spent. Otherwise, it should have high loyalty if the need is satisfied. The company attempts to get closer to the customers in the level of local market, corporation, public employee, and tourist. **(Annual Report 2015, PT MAS MURNI INDONESIA, Tbk)**

PT Mas Murni Indonesia Tbk is the expectancy of the company management so that the government invents the hotel industry as the source of foreign exchange. The remaining of the beauty of East Indonesia, it will contribute in the hotel sector indirectly. Traveling in a venture context or touring has become the necessity nowadays. These things are the indicator for the company to view this enterprise potency based on the confidence on a bright prospect in the future. **(Annual Report 2015, PT MAS MURNI INDONESIA, Tbk)**

Per 31 December 2015 it is divided into three stakeholders which are, mostly stock of series A is owned by the people with the total stocks of 170.637.500, the stock of series B is owned by some companies and people such as Tumaco Pte.Ltd, PT.Sentratama Kencana, Jade Bond Limited, and PT. Asabri, and the stock of series C is owned by the people about 6.000.000 stocks. The total stock of PT Mas Murni Indonesia that spreads is about 3.313.240.330. stocks. **(Annual Report 2015 PT MAS MURNI INDONESIA, Tbk)**

For the competitor of this company which focuses on the four stars hotel such as Garden Palace Hotel. The hotel's target sales are focused on the family, foreign tourist, or businessman. The hotel is located in Yos Sudarso street No. 11, Embong Kaliasin, Surabaya surely has a class competitor such as Paragon Java Hotel.



Analysis of Vision and Mission

Vision

The Company has long-term vision as one of the medium scales up in managing the hotel industry and services sector in a company.

Vision Analysis. According to the vision of the company. Which the company became a middle up-scale company in managing the property. In this case, the vision of the company is less focused and less efficient in managing its vision. In 2014 there was a ratio increase of the companies that could escalate the scale of the company. But, in 2015 the company began to be less effective than earlier investments in which a decline in investor's trust can be viewed in NPM. It became an assessment which explained that the company began less effective and efficient.

Mission

The mission is to improve both operationally and managerially every year. The Company also continues to be utilizing any growth momentum by establishing strategic alliances that have complementary synergizing and benefiting. The company always strives to constantly innovate and look for new ways to improve its performance.

Mission Analysis. The number of subsidiary company owned by this company is to achieve its vision and mission synergizing with each other. By synergizing and benefiting each other. However in 2015, the enterprise less effectively achieved profitability. It could be caused by a lack of cooperation or synergy of between companies which led to a decrease in stock prices. It could be also caused by the utilizing asset ineffectively.

Business Environmental Analysis

The results of the analysis of opportunities and threats of the company based on external environment analysis in terms of political and regulatory, economic environment, sociocultural environment and ecological. In terms of politics and



regulation which consist of laws, regulations, and government or local regulations. The company already obeyed the regulation about government licenses that became opportunities for the company and escalating the level of consumer trust. The political situation would affect the existence of the company if the economic and political situation in an area is conducive, it will be a very good influence on the survival and growth rates of the company, and vice versa. The economic environment is the factor that has the direct impact on companies such as banking interest rates, unemployment rates, wages regions/cities, and devaluation/revelation and energy availability. These points are related to each other so that the company would rather need to pay attention to the opportunities and threats than the economic environment.

Then, the social and cultural environment like a lifestyle changing if the higher needs of a community or a family on lifestyle then the Garden Palace Hotel could be a choice of places to stay and spend time with the family, because the Garden Palace Hotel provides the facilities to support modern lifestyles, but over time the change in one's lifestyle could be altered and this is a threat for the company or even the opportunity to develop and deliver what facilities are needed by the community. Then, there is level of family formation in which each member of the family, the more burdened by one to rent a room and hotel facility. Then there is the population growth and the level of morality that all these points related to the social and cultural environment. The technology also plays an important role in the development of a company. In the digital era, the company is required to make changes where all the activities of buying or ordering goods or services can be shopped via online. And the last thing is the ecology, such as climate change, the changes in natural resources, potential natural disasters and the damage to the environment which could impact the decrease of selling price of both services and stock as a result of a sudden change that cannot be predicted when it would happen nevertheless, the company could anticipate or prepare at any time when the change is coming.

PT Mas Murni Indonesia Tbk in the sales system uses a second agent service as a media for booking, both *online* and *offline* which is using agents such as tour and travel or social media website. The marketing area of the PT MAS MURNI



INDONESIA, Tbk product only focuses in Surabaya. The company has three types of product that are marketed in services field. In average customers are from community and event organizing. Meanwhile most customers are from middle and upper social state. Therefore, this place is built for exclusive people. However, to reach out other markets, the company also does not ignore the middle-class market. Therefore, the company enhances some aspects of the certain class.

Competition Analysis

There are six strengths in industry required to be paid attention by the management of company such as a threat of new entrants where the HOTEL industry will be developing in Indonesia. Due to AEC (ASEAN Economic Community) momentum, Surabaya as the second big city after Jakarta, therefore, the four stars hotels will prepare everything that relates to business changes so that the investor feels comfortable and satisfied during the meeting in Surabaya. Rivalry among existing firms of the four stars hotels industry is quite a lot in Surabaya, such as Java Paragon Hotel. The threat of substitute product, the company that moves in service area especially hotel can be substituted or even threatened with the guest house which provides affordable price and its facility is as the same as the four stars hotel. Bargaining power of buyers, the more appearance of the guest house which is made alike as our own house invents the company which moves in the hotel industry will be overwhelmed and make the customer think twice to use guest house or hotel. Bargaining power of suppliers, the kind of the company, which is established, will increase suppliers' choices to cooperate with the certain company. And the last is a relative power of other stakeholders, there is a constitution, which regulates business hotel, and tourism permission and monitoring by the holding company and local government then the conclusion that can be taken from six threats in the industry is that the HOTEL industry will be developing in Indonesia, it is due to social media. Why? Because through social media, the beauty of Indonesia can be freely exposed without visiting the certain place. Tourism cannot be separated from the hotel. Therefore, the industry is demanded to



keep innovating so that the tourists who wish for vacation or doing business interest can be served well.

Key Success Factors Analysis

There are key success factors of Garden Palace Hotel, the first is Garden Palace Hotel offers competitive price, second are the location of Garden Palace Hotel is in strategic place which embraces Surabaya, access to entertainment place, mall, airport, harbor, and train station and the last Garden Palace Hotel offers international facility with affordable price. Java Paragon Hotel which are the competitors for Golden Palace Hotel uses the same service from the second side such as tour travel agent online and offline to ease the access to booking hotel. These three hotels are using the same tour and travel agents. Strategic factor analysis, the company has some points which is, Garden Palace Hotel is a four stars hotel which has 24 floors with 370 rooms capacity with international standards such as standard room, superior room, deluxe theme, club royal, club royal suite, ministry suite and sultan suite, on java paragon hotel room number that only has 290 rooms. With prices tend to be slightly more expensive than gardenplace hotel.

Those are the hotel primacy in the long-term but, they will change anytime. The room price is offered with the low price compared to other competitors but, it is situational and can change anytime which is the hotel primacy in short-term. The hotel location is strategic, at the heart of Surabaya, business central and it only takes a couple minutes from Plaza Surabaya, Tunjungan Plaza, World Trade Center, surrounded by banks and easy access to the airport, harbor, and train station which makes them have the hotel primacy in long term. With the strategy which has been applied by Garden Palace Hotel is to create the new website, strengthening e-commerce and online travel agent. The existence of Garden Palace Hotel in online is considered as important because of the development of digital era in Indonesia.

Human resources that have been had by the company comes from various ethnic background which reflects diversity of Indonesia culture, with various ability and equality skill, it can be the hotel primacy in short-term, because people will be getting



older and it will demand the company to find new man who is more productive based on age. As the international hotel, Garden Palace Hotel is completed by food and beverages facility such as mini-court a Chinese restaurant Nishiki shabu house, greenhouse kitchen & bistro, cat's pajamas club & resto, and Surabaya lounge which have made them have the hotel primacy in medium-term. Through their subsidiary company PT. Graha Mediatama Megacom (GMM) which manages some outlet dim sum with the brand "orchid Hong Kong dim sum" in some places in Surabaya can be the hotel primacy and profit for the hotel in medium-term.

The firm through their business group PT Sahadja Niaga has developed unit business in laundry service which is reserved for the hotel industry, restaurant, retail and other companies to wide market opportunity from the growth of the new hotel and restaurant in Surabaya and it can be the hotel primacy and a profit in long-term. In implementing this target to escalate the market, the company plans to take strategic steps in short-term such as (1) to continue renovation program of Garden Palace Hotel, meeting rooms, restaurant, lobby and exterior hotel building and enhance other facilities. (2) to rebranding and public relation campaign in promoting the image of the new Garden Palace Hotel, convention, and restaurant. (3) to marketing more intensive through reservation online. (4) to increase efficiency and productivity in every field on and on; and (5) to develop human resources to be more competent, have higher motivation and priority in increasing quality.

The company in medium-term performs the strategic factor. The marketing strategy has been enacted by Garden Palace Hotel is the dynamic strategy of the product and service. Team hotel learns specifically market segment that makes the customer loyal to the hotel, the new trend of sale in Indonesia, launch product innovation and interesting service to enhance competitive value on the market in Surabaya. The product innovation relates to new lobby entrance which is more modern and new menu for foods and beverages. Garden Palace Hotel applies the service innovation such as check in express for the business guest.

Business Performance Analysis



Corporate Social Responsibility Performance

As a company that moves among the society, this company gives the positive impact on people such as organizing blood donors, cooperating with the related institution. Taking responsibility for people's education around the area of a company. Recycling waste and running energy saving program. Also, planting palm for O2 absorption.

Market Performance

To carry the function of a business, the company must have the strong marketing strategy. The company has the various products of hotel rooms and restaurant also laundry service for the company to develop. However, a lot of hotel rooms are not strong enough because the competitors have various hotel rooms too.

Financial Performance

In this study about financial performance uses the annual report in 2014 and 2015. Here is the ratio analysis.

Ratio/years	2015	2014
Liquidity Ratio		
Current ratio	0.964803449	0.93737585
Quick ratio (acid test ratio)	0.902603581	0.875253246
Cash turnover	45.83758791	39.12199908
Inventory to net working capital	-1.606791271	-0.991991189
Leverage ratio		
Debt to asset ratio	0.248861073	0.221241064
Debt to equity ratio	0.331311644	0.284094414
Long-term debt to equity ratio	0.029966712	0.028175807
Times interest earned	1.506419811	2.036757682



Activity Ratio		
Receivable turnover	32.88592348	15.34716121
Inventory turnover	26.08966864	29.13104531
Working capital turnover	-41.92065184	-28.89774026
Fixed assets turnover	0.169929688	0.188851776
Total assets turnover	0.098397331	0.108347119
Profitability Ratio		
Gross profit margin	0.505345139	0.516090595
Return on investment	0.002699696	0.004736714
Return on equity	0.003594137	0.006082388
Earning per share	0.894892804	1.561378915
Net profit margin	0.027436679	0.043717948
Market Ratio		
Gross profit margin	268.1885461	153.7102863
Growth ratio		
Sales	78168225713	82616967861
Net income	2144676525	3611844676

It can be viewed from this analysis and the increasing of the ratio as an indicator of the company, the sales have decreased a year before. The company performance can be detected from net income which decreases from a year before and it indicates the decreasing of company performance and it worsen the condition of the company viewed from asset proportion which does not seem better due to the company uses debts for paying the asset. It means that if the company is going to be this way, it will worsen the company condition due to the debt will be escalating when the new asset is enhanced. Debt-to-equity, the ratio of the company will make the debt bigger than the capital. The composition of capital is smaller than the debt will lead the company to collapse.

In using the asset, compared to a year before, the company was not good at selling. The company is not efficient in using the asset. It worsens the company



because of the ineffective and inefficient of using the asset. The company invests and expects a profit from their investment. The result of return on investment, the company has been decreasing which means that the company is not effective in managing their investment. The decreasing of investment can be detected from net profit margin in last year. The worst condition of the company in the eye of the investor can be viewed from earn per share decreased last year. It lessens the investor trust to invest in this company because the holding income has decreased in 2015.

The decreasing of the financial company in a year before, the firm has the long-term vision as one of the best company in managing the HOTEL industry. Based on their vision, the company will manage a business property. In this case, their vision is not focused and efficient in managing their vision. It can be detected in 2014 where the company ratio increased but, in 2015 the company was ineffective in investing which influence the investor trust and it could be detected from net profit margin. Their mission is to take an improvement step in operational and managerial. The company will harness every development momentum by establishing strategic alliance which completes and benefits each other. The company always attempts to innovate and find a new way to increase the performance. After analyzing the mission, it can be concluded that a lot of subsidiary companies which are had by this company to accomplish their vision and mission. In 2015, the company was ineffective in receiving the profit, it because of the lack of cooperation and synergy among the subsidiary company.

Operation Performance

The value chain of this company can be detected from the infrastructure management. The company always gives the best quality. Running SOP to assure the service and product are equal to everyone. Logistic distribution is beyond the customer expectation. The company controls every area, which will persuade the customer. With the professional human resources, the company ensures their operational system. The technology development nowadays, the company ensures the centralization quality. The use of vendor based on the internet for sales becoming value-added for the company in using technology. From the criteria mentioned above, the company



provides the strategic location for the customer and easy to access all units. The competitors do not have this aspect. Viewed from the technology aspect, this attempt is usual and the same as the competitors do but, the company has value-added from the place, service and interesting layout, which is not had by the competitors.

Human Resources Management Performance

The company manages human resources beginning with experience and capability, trusted, teamwork and managerial skill can be the advantage and resources but, in some aspects could be imitated by other companies. Garden Palace Hotel belongs to PT MAS MURNI INDONESIA Tbk that has the reputation in Surabaya and this can be the advantage for the company in promoting their brand worldwide. In the process of recruitment, the company motivates and maintains human resources capital so that it could be the advantage to compete with the competitors.

Conclusion

Marketing Performance is the business aspect

PT MAS MURNI INDONESIA, Tbk performs a task or business function, the company has an extremely strong market. The company owns a kind of hotel rooms and restaurants and the laundry industry is the power for the company to expand. But, the number of hotel rooms and room types are not the company strengths because the competitors also have many types of rooms. With the existence of IBT is around in the same place near to the hotel would become a good selling especially for the hotel. The company has additional targets mainly businesses in east areas which becomes its own selling points for the company. In addition, the company is also heavily promoting differently in every service provider sites such as rebates up to 100,000 for the family room, and free *cashback* 5% free transaction when booking online.

Business Performance of Financial Aspect



From this analysis can be viewed from a leverage ratio as an indicator of a company, the sales decreased from the previous year, and this decreasing was caused by many things which have been described above. To view the company's performance can also be detected on the net income that shows a decrease from the previous year, and it indicates that the company's performance declined. And it worsens the condition of the company. It is detected from the proportion of the assets owned by the company seems unwell due to the increasing which indicates that the company is using debt to assets owned payment. Which means that if the company is going this way, it will worsen the condition of the company due to the company utilizes the debt to pay off the asset. And also the debt-to-equity ratio of this company is higher than the capital. The composition of capital is smaller compared to the debt indicates that the company will have to bear the higher debt than the capital as a result of this condition it would lead the company to the possibility of bankruptcy. In the utilizing assets compared with the previous year, the company was not as good at the sale. The company is inefficient in the use of assets. The company invested and expected the benefit from the investment made by the company. From the results of the return on investment of this company shows the decline. Which means that this company showed a decline, which means the company is not effective in managing the investments made by the company itself. And it cannot be denied that the decline in investment of the company is detected from a net profit margin, which shows deterioration compared to the previous year. The decreasing of the investor trust to invest in this company is caused by the shareholder's earnings per share have decreased which of the financial explanation can be viewed that the company was not better than the previous year. In 2015 the company has decreased and begun to worsen the image of the company. Because the ineffectiveness and inefficiency in management of finance, or other things that may aggravate the image of this company in the eye of stakeholders. Viewing from the company strength in financing which decreased from the previous year, the company possessed a long-term vision as one of the medium scales up in managing a property. Based on the vision of the company, which the company is a medium-sized company in managing the property. In this case, the vision of the company is less focused and inefficient in



managing its vision. This was detected in 2014 where the increasing in the ratio of the company, which could escalate the scale of the company, but, in 2015 the company began to be ineffective than investments where the decreasing in investor trust could be viewed on the net profit margin (NPM). Of course, this could be one of the assessments, which explain that the company was ineffective and inefficient.

Business Performance of HRM Aspect

For the human resources management, the company begins with the experience and capability, the ability to trust, teamwork effectively and managerial skills can be an advantage and a source for the company but, in some cases, these strengths could be emulated by other companies however, every company has its own characteristic of human resource. By training the candidates in several stages and the employees make this company have an identity on its employees. Garden palace hotel which is a hotel owned by PT MAS MURNI INDONESIA, Tbk has a reputation and a brand in Surabaya, this could be the strength of the company to intensify promotion or marketing so that the reputation of the recruitment process itself can spread out the company to motivate and retain the human resources capital so that it can be an advantage in order to contend the competitors.

Business Performance of Operation Aspect

For the value chain of the company is detected in managing the infrastructure of the company. The company always provides the best quality. By running SOP that guarantees the service and the product going the same way for every person. With the logistic distribution is performed beyond the customer expectation. For the service, the company performs controlling activities in each area that will affect the consumers. With the qualified human resources, the company ensures the operational and responsibility on every operation. In addition, with the development of technology, the company performs centralization quality control so that it creates a good product and unchanging service. The increasing of the Internet-based vendor for the sales become added value for the company in the utilizing of technology.



Recommendation

The three strategic factors of a company for long-term period such as (1) the company through its subsidiary has developed a business in 2013 by opening Clark hatch garden palace fitness and spa. (2) Extending market opportunity, the company builds laundry service due to the growth of hotel and restaurant is getting developed. (3) Improving the management to escalate the standard of product, restaurant service, lounge, fitness center and laundry service to give the product and service beyond the customer expectation. (4) Increasing the marketing strategy for restaurant service, lounge, fitness center and laundry service. (5) Escalating the program for ability and motivation of human resources to be more competent and commitment to the company. (6) The company built IBT building (East Indonesia) center and has been operating since 2016, the building function is for office, information center, promotion, investment, trading and tourism for East Indonesia. (7) The company through its subsidiary in 2015 developed property project in Gresik and started to market in 2016.

As a customer-oriented company, the increase of quality and service is something important in running the business. Almost all process and element systems are designed and implemented to satisfy the customer. In assessment meeting, the management discussed the cause of success or failure in accomplishing the customer satisfaction and gave the input to set a new target for the next year.



References

- Arikunto, Suharsimi. 1986. *Prosedur Penelitian Suatu Pendekatan Praktek*. Jakarta Bina Aksara.
- Ary, D. Jacobs, & L.C.Razavieh. A. 1982. *Pengantar Pene/itian dalam Pendidikon*. (Penerjemah Furchan,A). Surabaya: Usaha Nasional
- Azhar Susanto, 2004. *Sistem informasi manajemen*. Bandung: Linggar Jaya
- Dessler, Gary, (2008). *Human Resources Management*. New jersey: Prentice Hall, Inc
- Eckerson, W. 2006. *Performance Dashboards: Measuring, Monitoring, and Managing Your business*. Canada: John Wiley & Sons, Inc.
- Fandy Tjiptono, 2009. *Strategi Pemasaran Jasa*. Cv. Andi:Yogyakarta
- Gitman J. Lawrence and Chad J. Zutter. (2012). *Principle of Managerial Finance*, 13th edition. England: Pearson.
- Heizer, J. & Render, B. 2011. *Operations Management. Tenth Edition*. Pearson, New Jersey, Usa.
- Kotler, Philip, dan Kevin Lane Keller. 2009. **Manajemen Pemasaran Jilid 1**, edisi ketiga belas, terjemahan Bob Sabran, MM. Jakarta: Penerbit Erlangga.
- Rufaidah, Popy, 2014., *Manajemen Strategik*, Penerbit Humaniora, Edisi Pertama, Cetakan Ketiga (Edisi Revisi).

