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Strategic Performance Evaluation of a Single Agent for Management System Certification in Indonesia: a Case Study of PT. IQC Sertifikasi Indonesia (IQCSI) Using a Balanced Scorecard Approach

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Abstract. *This study aims to evaluate the strategic performance of PT IQC Sertifikasi Indonesia (IQCSI), the sole agent in Indonesia for a management system certification body, and to analyze the relationship between auditor competency development and training revenue. This study uses a descriptive-evaluative case study design with a convergent mixed methods approach. The evaluation covers 15 indicators across four Balanced Scorecard perspectives, combining financial and operational data for the 2023–2025 period, an auditor competency matrix, and qualitative information regarding the company's operations. A separate survey in 2026 provides additional information on customer satisfaction. Each year, two out of four auditors acquire additional competencies. During the study period, training revenue more than doubled, from Rp91.92 million to Rp210.51 million. The contribution of training revenue to total revenue also increased from 19.81% to 38.48%. However, the available data do not link each auditor's competency to the classes they teach and the revenue from those classes. Therefore, the magnitude of the direct contribution of competency development to training revenue growth cannot be determined. Operating profit margin increased from 1.95% in 2023 to 16.79% in 2025. In 2025, only 50% of services were completed on time. From 2024 to 2025, the customer retention rate decreased from 100% to 75%, while the proportion of invoices paid on time decreased from 93.74% to 69.15%. These findings suggest three priorities for management: strengthening control of service deadlines and file quality, improving billing follow-up, and retaining customers. Recording that links teacher assignments to class revenue can also help IQCSI assess the financial contribution of auditor competency development.*

Keywords: *Auditor; Balanced; Certification: Income; Management; Scorecard.*

1. Introduction

PT IQC Sertifikasi Indonesia (IQCSI) is a management system certification service agent in Indonesia, in partnership with IQC India. It provides training through a partnership with IQCS Malaysia for Lead Auditor training and local training. The performance of this service organization should be assessed in terms of financial results, customer relations, process reliability, and personnel development. Business growth should be assessed alongside the quality and integrity of services.

The initial research problem stemmed from the observation that auditor competency was developing but its impact on revenue was not as expected. This observation was treated as a suspicion to be investigated, not a conclusion that competency was useless or revenue was bound to stagnate. Additional competency developments included expanding audit scheme authorizations, technical sectors, and approvals for Lead Auditor training.

A preliminary recap of measurements shows revenue growing 123.05% in 2023, 5.12% in 2024, and 12.14% in 2025. Operating margins increased to 16.79% in 2025, while on-time billings declined to 69.15%. Retention dropped to 75%, and service accuracy was only 50% in the final year. This pattern points to broader strategic issues beyond revenue growth (D-REKAP-01).

On the resource side, the summary shows that half of the auditors gained additional competencies annually, marketing criteria compliance improved, innovation fluctuated, and all six priority processes utilized basic digital tools. The relationship between capability development and revenue cannot be separated from assignment utilization, volume, rates, service mix, customers, and time lag. The L1 value is not a percentage of capability growth and is not proportional to F1.

The Balanced Scorecard was chosen as the primary evaluation framework because it links financial and non-financial measures across four perspectives (Kaplan & Norton, 1992, 1996). The study evaluated all 15 indicators, then explained differences in performance and prioritized actions. SWOT and TOWS were used for strategy formulation after the evaluation, without adding a total score or weighting model.

The research focused on IQCSI as an organization. Agency relationships and global system support provided the context for the division of functions. Expectations, satisfaction, or targets set by the Indian headquarters were not assessed. Locally available documents and customer information were used within the scope and permissions.

2. Research Methods

The research employed a descriptive-evaluative case study with a convergent mixed methods framework. Numerical data and qualitative materials were analyzed by type and then combined into a results matrix. The case study placed the results within the organizational context, while integration was used to assess the appropriateness and

inconsistencies of the explanations (Yin, 2018; Creswell & Creswell, 2023; Creswell & Plano Clark, 2018).

Available materials include a summary of indicator results and data from the 2026 C3 survey. The survey summary contains scores from 10 organizations across eight parameters; the text presents averages per parameter and overall scores. Other data limitations are addressed based on the scope of the actual evidence available, rather than being filled with fabricated results.

3. Results and Discussion

3.1. Analysis of Differences in Performance Achievements Based on Four Balanced Scorecard Perspectives

The implementation of the Balanced Scorecard (BSC) in IQCSI provides a comprehensive overview of organizational performance achievements through four main perspectives, namely the financial perspective, customer perspective, internal business process perspective, and learning and growth perspective. These four perspectives are used to understand that organizational success is not only determined by increasing revenue and profits, but is also influenced by the company's ability to retain customers, improve the quality of service processes, and develop human resource competencies (Kaplan & Norton, 1992; 1996).

Based on data processing results from 2023–2025, IQCSI's performance shows varying developments across perspectives. From a financial perspective, the company demonstrated consistent revenue growth, with a profit margin increase of 16.79% in 2025. However, the bill payment accuracy indicator decreased to 69.15%. This indicates that the increase in revenue and profitability has not been fully accompanied by effective management of billing administration and payment receipts.

From a customer perspective, the new customer acquisition indicator experienced a recovery in 2025, while the customer retention rate declined to 75%. This indicates challenges in maintaining sustainable customer relationships. From an internal business process perspective, the service accuracy rate has only reached 50%, while document quality stands at 88.89%. From a learning and growth perspective, the development of auditor and marketing competencies shows progress, but further measurement is needed to leverage these competencies to improve business outcomes.

Thus, the analysis shows that improvements in financial performance do not fully reflect improvements in overall organizational performance. Each perspective has different indicators and issues, requiring improvement strategies tailored to the characteristics of each indicator. The use of the Balanced Scorecard (BSC) helps management identify gaps between achieved results and the factors that support those achievements, allowing for more targeted performance improvement policies.

3.2. Analysis of Auditor Competency Development and Its Impact on Company Revenue

Human resource competency development is a crucial factor in supporting sustainable organizational performance. From the learning and growth perspective of the Balanced Scorecard (BSC), employee competency is a strategic asset that can support service quality improvement, product or service development, and the achievement of the company's financial goals. At IQCSI, auditor competency development is crucial because it is linked to the company's ability to provide audit, certification, and training services to customers.

Based on the research results, the L1 indicator shows that 50% of auditors obtained additional competencies during the 2023–2025 period. Meanwhile, the company's revenue increased from IDR 464,122,072 in 2023 to IDR 487,908,108 in 2024 and IDR 547,146,849 in 2025. This development was also followed by an increase in training revenue, namely from IDR 91,920,000 in 2023 to IDR 158,150,000 in 2024 and IDR 210,514,865 in 2025. The contribution of training revenue to the company's total revenue increased from 19.81% to 32.41% and reached 38.48% in 2025.

The increase in training revenue demonstrates that training services are increasingly playing a significant role in IQCSI's revenue structure. This development coincided with improvements in auditor competency and authority, including the addition of schemes, technical sectors, and approvals as Lead Auditor instructors. This indicates that human resource capacity development is in tandem with the growth of the company's training services.

However, the relationship between increased auditor competency and growth in training revenue cannot yet be directly established as a cause-and-effect relationship. This is because detailed data linking auditors acquiring additional competencies, the number of classes held, the number of participants, training fees, and the resulting revenue transactions is not yet available. Therefore, companies need to develop a competency recording system and utilize it in an integrated manner so that the contribution of each competency to business activities can be evaluated more objectively.

In addition to auditor competency, improving marketing competency is also a priority in supporting customer performance. Marketing competency should be focused on identifying customer needs, developing service offerings, building effective communication, and following up with potential and existing customers. This strategy is necessary because increasing the number of new customers must be balanced with the ability to retain existing customers.

Therefore, competency development for auditors and marketing personnel should be directed not only at increasing the number of certifications or authority, but also at optimizing the utilization of competencies in operational activities and business development. Competency evaluation should be conducted through the linkages between training, assignments, productivity, service quality, and revenue contribution. This approach

allows companies to gain a clearer picture of the benefits of human resource development investments in achieving the organization's strategic goals.

3.3. Analysis of Company Performance Development Strategy through SWOT and TOWS

SWOT analysis is an approach used to identify strengths, weaknesses, opportunities, and threats that can affect the achievement of organizational goals. In this study, the results of performance measurements using the Balanced Scorecard (BSC) serve as the basis for identifying the company's internal factors, while external factors are structured as strategic propositions that still require validation through market data, competitor information, and customer needs. Furthermore, TOWS analysis is used to develop alternative strategies based on the relationship between the company's internal and external factors (Weihrich, 1982).

Based on the research results, IQCSI's strengths include revenue and profitability growth, auditor and marketing competency development, utilization of basic digital tools, and achievement of complaint resolution and integrity indicators, which were reported at 100%. Meanwhile, the company's weaknesses include service accuracy, which has only reached 50%, bill payment accuracy of 69.15%, customer retention rate of 75%, and the quality and consistency of document recording, which still require improvement. These factors indicate that the company has growth potential, but still faces challenges in the effectiveness of internal processes and customer relationship management.

Externally, company development opportunities can be directed at increasing the need for corporate training services, developing follow-up services for customers, and utilizing certification needs and additional service schemes. However, these opportunities still need to be proven through actual demand data and market evaluation. Threats that need to be considered include price competition between service providers, changing customer needs, and changes in terms and partnerships. Therefore, these external factors should be treated as a basis for strategic planning that still requires further testing.

Based on this identification, alternative TOWS strategies can be formulated as follows:

1. Strengths-Opportunities (SO) Strategy. Leveraging the competencies of auditors and instructors to develop training services tailored to customer needs. This strategy is aimed at optimizing human resources with specific competencies and authorities to support the company's service development. Its implementation should be based on identifying market demand and the availability of instructors.

2. Weaknesses-Opportunities (WO) Strategy. Improve service accuracy, document quality, and customer relationship maintenance before expanding marketing activities. Companies need to improve service completion time management, document checklist utilization, and customer follow-up systems to optimally utilize business development opportunities.

3. Strengths-Threats (ST) Strategy. Leveraging a company's competency, service quality, and integrity to strengthen its competitiveness in the face of competition from other service providers. Companies need to transparently convey information regarding auditor competency, certification scope, service quality, and authority limits to customers so that their decisions are not based solely on price considerations.

4. Weaknesses-Threats (WT) Strategy. Strengthen administrative control systems and internal record-keeping to reduce the risk of service delays, bill payments, and customer loss. This can be achieved by recording deadlines, establishing a responsible party for each stage, providing payment reminders, documenting the reasons for termination, and evaluating changes in customer needs.

The implementation of this strategy needs to be supported by a work program that includes measurement indicators, responsible parties, and a timeline. Based on the research results, there are three main priorities that IQCSI needs to address: controlling service accuracy and document quality, improving billing accuracy, and strengthening customer retention and relationship quality. As an initial proposal, the company can set targets to increase service accuracy from 50% to 80%, bill payment accuracy from 69.15% to 90%, and customer retention from 75% to 85%. These targets are recommendations for management discussion, not historical targets or official company regulations.

Thus, the integration of the BSC, SWOT, and TOWS can serve as the basis for developing a more comprehensive strategy for improving IQCSI's performance. The BSC serves to identify performance achievements and gaps, SWOT is used to map internal factors and external factor propositions, while TOWS helps formulate alternative strategies appropriate to the company's conditions. The success of these strategy implementations needs to be evaluated periodically through indicator achievement, program implementation quality, and documented evidence of follow-up.

4. Conclusion

Based on a summary of the 15 BSC indicators, training revenue and total IQCSI, the L1 competency matrix, the 2026 satisfaction survey, and available operational clarifications, conclusions are drawn based on three research questions. The conclusions follow the unit and period of each source, with limitations on transaction documents, population details, and publicly stated linking evidence. The financial perspective shows positive F1 of 123.05%, 5.12%, and 12.14%. 2025 revenue, by index, is approximately 17.89% higher than 2023. F2 increased from 1.95% to 2.11% and 16.79%, while F3 changed from 91.79% to 93.74% and then decreased to 69.15%. Thus, growth and operating profitability improved without the same billing accuracy as last year. The customer perspective shows C1 acquisition rates of 30.00%, 18.18%, and 22.22%, and C2 retention rates of 83.33%, 100.00%, and 75.00%. Acquisition rates recover in 2025, while retention rates weaken. The 2026 C3 survey averaged 9.025/10 across 10 organizations and eight parameters; the average score per parameter ranged from 8.60–9.40. These results should not be treated as historical for the

2023–2025 survey or as evidence that all customers had the same experience. The internal process perspective shows P1 at 42.86%, 100.00%, and 66.67%; P2 increased from 33.33% to 40.00% and 50.00%; and P3 changed from 88.89% to 80.00% and back to 88.89%. P4 and P5 were reported at 100% throughout the period, with the need to ensure the number of complaint cases and evidence of integrity per item. The process priorities are timeliness and consistency of file quality, without loosening the technical basis of the assessment. The learning and growth perspective shows that L1 auditors, at 50%, acquire additional competencies annually. L2 auditors increased from 46.67% to 53.33% and 66.67%, respectively. L3 auditors, at 50%, 25%, and 50%, use a four-category benchmark; initiative identification needs to be completed. L4 auditors, at 100%, utilize six processes using email/websites, according to the basic scope definition, not automation or full integration. Verification of local training certificates by 2026 represents a historical development. The four perspectives show varying results. The study did not establish a single overall performance category or weighted total score. Increasing revenue and margins does not negate the need to improve retention, service accuracy, and billing. A full assessment of digital adoption also does not replace measuring process effectiveness. Training revenue increased from Rp91,920,000 in 2023 to Rp158,150,000 in 2024 and Rp210,514,865 in 2025. Training growth was 72.05% in 2024 and 33.11% in 2025; its contribution to total revenue increased from 19.81% to 32.41% and 38.48%, respectively. Thus, training revenue grew and its relative role in IQCSI's revenue mix increased. L1 remained at 50% (2 of 4 auditors) each year, and the matrix included additional schemes, sectors, and teaching agreements. These two developments occurred concurrently, but the data did not yet map specific competencies to classes, tutors, participants, and transactions; therefore, the direct contribution of competencies to training growth cannot be concluded. The allegation that there was no increase in revenue is not supported by the recap. Results focus on deadline management, billing, retention, and the translation of marketing competencies into opportunities and services. Data do not yet identify a single dominant causal factor, reasons for customer churn, or competitor influence. Internal SWOT analysis is derived from performance; external factors and TOWS alternatives are conditional until market/case evidence is available. Three annual observations were not used to infer statistically significant effects.

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