



The Managerial Performance of Megou Pak Tulang Bawang University

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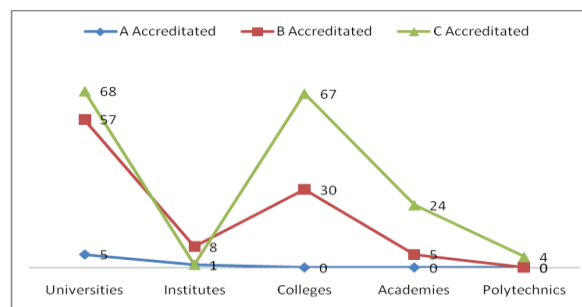
Abstract

The changes in the regulation of accreditation criteria from 7 standards to 9 standards and the inconsistency of the results of previous research regarding the effect of incentives, non-financial performance, and leadership style on managerial performance have become an interest in conducting this research again. This study aims to provide empirical evidence about the effect of incentives, non-financial performance, and leadership style on managerial megou pak tulang bawang university performance. This research was conducted at megou pak tulang bawang university in menggala Lampung with its unit of analysis Good-accredited study program which has 12 study programs, consisting of samples obtained from as many as 121 Lecturer. The sampling technique used was purposive sampling. The data analysis method used is a quantitative method that the multiple regression analysis tested with Statistical Package for the Social Sciences (SPSS) V24. This study's results indicate that incentives consisting of bonuses, rewards, and professional and honor allowances have a significant positive effect on managerial performance. The non-financial performance, which consists of the work and environmental dimensions, has a significant positive effect on managerial performance. Leadership styles which consist of participative style, authoritarian style, and task-oriented style significantly negatively affect managerial performance. The implication of this research is to provide additional indicators such as the professional allowances & honor in incentive variable indicators not only limited to bonuses and rewards.

Keywords: Managerial Performance, Incentives, Non-financial Performance, Leadership Style

1. Introduction

The era of globalization and industrial revolution 5.0 has a big impact on private universities, which are required to operate not only effectively and efficiently but also to be more innovative and creative. A private university must be able to keep up with the development of an increasingly dynamic world. Universities must constantly monitor changes that occur in their environment and be responsive to any changes that occur. This research was motivated by the issue of the many closures of private universities in Indonesia recently. There are changes in the regulation of accreditation criteria that 7 standards at formly, now become 9 standards. From the results of the assessment of the accreditation of private universities under the auspices of Kopertis region II, especially in Lampung Province, the majority are still accredited "C" (7 Standards) OR Good-Accredited (9 standards) which means that the performance of a private university in Lampung is still not good.



Source: PDDIKTI, 2017

Figure 1: Accreditation Chart of Private Study Program/University in Lampung

The changes in the regulation of accreditation criteria from 7 standards to 9 standards and the inconsistency of the results of previous research regarding the effect of incentives, non-financial performance and leadership style on managerial performance has become an interest in conducting this research again. This research was conducted at Megou Pak Tulang Bawang University in Menggala Lampung with its unit of analysis Good-accredited study program which has 12 study programs, consisting of samples obtained as many as 121 Lecturer

2. Literature Review

2.1. Expectancy Theory

According to Burney & Widener (2013) in Expectancy Theory, individual motivation is determined by expectations and valences. Expectancies are beliefs about the possibility that the behaviors (such as working harder) will result certain outcomes (such as salary increases). Valence means the value given by an individual or outcome or rewards to be received. This theory can describe individual expectations, with certain efforts will encourage performance and on a certain levels of performance will encourage the achievement of a desired output or reward such as obtaining incentives.

2.2. Contingency Theory

The theory or contingency model is often called situational theory because this theory suggests leadership depends on the situation (Bryan et al., 1967). Contingency theory can be used to analyze management accounting systems and design to provide information that can be used by organizations for various purposes (Meng et al., 2013). This theory is based on the premise that there is no accounting system that is universally right to be applied to an organization in every situation, because there must be factors that influence the organization. In private universities there are also many factors that are relevant in achieving their goals.

2.3. Attribution Theory

Attribution theory is a theory that explains a person's behavior. Attribution theory explains the process of how we determine the causes and motives of a person's behavior. This theory refers to how a person explains the causes of the behavior of others or himself which will be determined whether from internal such as traits, characters, attitudes and others or external such as as pressure from certain situations or circumstances that will have an influence on individual behavior (Chng et al., 2012).

2.4. Incentives

Incentives are used to describe wage payment plans that are linked directly or indirectly to various employee performance standards or organizational profitability (Ittner et al., 1998). In a general definition, incentives are special compensation designed to motivate the extraordinary performance "Superior Performance", which in more simple language incentives can be interpreted as bonuses beyond salary.

2.5. Non-Financial Performance

Non-financial measurement is a measurement of intangible assets and organizational capabilities that can help an organization to achieve success. Intangible assets cannot be measured in financial measurements because they are not included in the financial statements of an organization. This happens because it is difficult to calculate the financial value of the intangible assets. Though these intangible assets affect the financial statements of an organization in its use. Nonfinancial measures cannot replace financial measures, they are complementary. Non-financial performance measurement will be directly related to business strategy and can change according to changes in business environment conditions. According to Chin, (1998) The measure of non-financial performance allows companies to carry out continuous improvement and actionable so that companies can create 'value' in the perspective of consumers and can improve the competitiveness of the company.

2.6. Leadership Style

Leadership is the ability to influence a group towards the achievement of a goal. Leadership is a person who is carried out in certain situations, and is directed through the communication process towards the achievement of one or several specific goals. Leadership concerns the process of social influence that is intentionally exercised by one person to others for the structure activity and influence within a group or organization (Robbins et al., 2013). Leadership style is a way of how a leader carries out his duties. States that leadership style is a behavioral norm used by a person when the person tries the behavior used by someone when the person tries to influence others as he wants. Leadership style is a characteristic of core managers in achieving company goals or in other words more refers to the behavior patterns of top executives and senior management teams.

2.7. Managerial Performance

Managerial performance is one of the factors that can increase organizational effectiveness. Sekaran & Bougie, (2003) Managerial performance is defined as the ability of managers to carry out managerial activities such as planning, investigation, coordination, supervision, staffing, negotiation and representation. Managerial performance is achieved if the company has achieved the targeted goals by using information with the needs that the decision makers will improve the quality of decisions that will be taken and ultimately can improve company performance.

2.8. Hypothesis Development

2.8.1. The Effect of Incentives to Managerial Performance

In Expectancy Theory individual motivation is determined by expectations and valences. Expectancies are beliefs about the possibility that the behaviors (such as working harder) will result in certain outcomes (such as salary increases). Valences means the value given by an individual or outcome (outcome) or rewards to be received. Incentives are direct rewards paid to employees because achievement exceeds the standards given. Assuming that money can encourage employees to work harder, those who are productive prefer their salaries to be paid based on their work. According to Sekaran & Bougie, (2003) conducted research on service companies. The results of his research are a system of performance measurement and reward systems have a positive and significant effect on managerial performance. Find that incentives reflect the influence & contribute to the financial industry. Based on this explanation, the following hypothesis is proposed:

H_1 : Incentives have a positive effect on managerial performance in megou pak tulang bawang university

2.8.2. The Effect of Non-Financial Performance to Managerial Performance

The contingency approach to accounting is based on the premise that no accounting system is universally always appropriate to be applied to all organizations in every situation because there must be situational factors that affect the organization. Contingency theory can be used to analyze management accounting systems and design to provide information that can be used by organizations for various purposes. Managerial performance is achieved if the company has achieved the targeted goals by using information with the needs that the decision makers will improve the quality of decisions that will be taken and ultimately can improve company performance. Ittner et al., (1998) found that non-financial performance affects the performance of employees to work motivation & job satisfaction non-financial performance on employee performance with motivation & job satisfaction as a mediating variable. Conducted research with the results of his research that non-financial performance measurement related to internal processes and customers have the highest level of use. There is a significant relationship between company size, involvement of owner/manager and modern technology and the use of non-financial performance measures. Based on this explanation, the following hypothesis is proposed:

H_2 : Non-Financial Performance has a positive effect on managerial performance in megou pak tulang bawang university

2.8.3. The Effect of Leadership Style to Managerial Performance

Attribution theory is a theory that explains the causes of the behavior of others or himself which will be determined whether internal such as traits, characters, attitudes and others or external such as pressure from certain situations or circumstances that will influence individual behavior. Leadership concerns the process of social influence that is intentionally exercised by one person to others for the structured activity and influence within a group or organization (Robbins et al., 2013). Based on this explanation, the following hypothesis is proposed:

H_3 : Leadership style has a positive effect on managerial performance in megou pak tulang bawang university

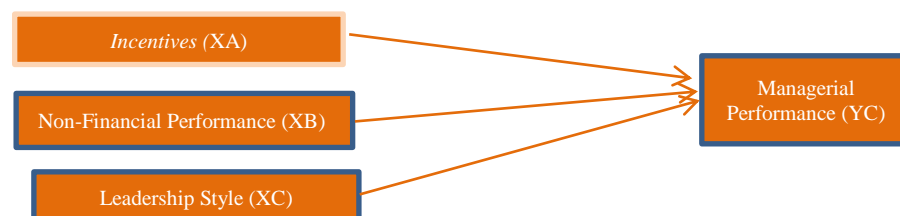


Figure 2: Thinking Framework

3. Materials and Methods

3.1. Materials

This research was conducted at megou pak tulang bawang university in menggala lampung with its unit of analysis “C” or Good-accredited study program which has 12 study programs, consisting of samples obtained as many as 121 Lecturer. The sampling technique used was purposive sampling.

3.2. Methods

The method used in this research is a multiple linear regression model, correlation and determination, T-Ratio statistic, F statistic. Data collecting methods in this study are questionnaires, interviews & documentation. The data analysis method used in this study is using a quantitative method with Statistical Package for the Sosial Sciences (SPSS) V24. The dimensions and indicators of each variable in this study can be seen in the following Table 1.

Table 1: Research Variables and Variable Indicators

Variables	Dimensions	Indicators
1. Incentives (Mahmudi (2015), PERMENRISTEKDIKTI, 2017)	1.1 Bonus	1.1.1 The bonuses given is in accordance with the people concerned and fulfill the university's performance goals.
	1.2 Rewards	1.1.2 Attendance of meetings, preparation of manuals, welfare, career development etc.
	1.3 Benefits	1.1.3 Professional Allowances & Honorary Allowances
2. Non-financial performance (Sholihin & Pike, 2010)	2.1 Work	2.1.1 Initiative Level
	2.2 Environment	2.1.2 Operational Performance
		2.1.3 Social Performance
		2.1.4 Community Performance
		2.1.5 Quality of Service Performance
		2.2.1 Relations with juniors / subordinates
		2.2.2 Relations with the Community
		2.2.3 Relations between institutions
		2.2.4 Relationship with service demands of students
3. Leadership Style (Masúd, 2004)	3.1 Leadership Style	3.1.1 Participative Style
		3.1.2 Nurturant Style
		3.1.3 Authoritarian Style
		3.1.4 Bureaucratic Style
		3.1.5 Task Oriented Style
4. Managerial Performance (Mahoney, 1963)	4.1 Planning	4.1.1 Determine goals, policies & activity planning
	4.2 Investigation	4.2.1 Collect & prepare information in the form of notes, reports and accounts.
	4.3 Coordination	4.3.1 Exchange information with other deans / caproid/ lecture
	4.4 Evaluation	4.4.1 Evaluate & measure proposals, observed or reported performance
	4.5 Supervision	4.5.1 Direct, lead & develop subordinates
	4.6 Staff Selection	4.6.1 Maintain the workforce in the study program
	4.7 Negotiation	4.7.1 Conducting cooperative relationships with other parties
	4.8 Representative	4.8.1 Promote the general purpose of higher education
	4.9 Evaluation	4.9.1 Overall performance evaluation

4. Results and Discussion

4.1 Data Validation and Reliability Test

Data validation and reliability test can be presented in table 2.

Table 2: Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
XA1	123.75	73.088	.411	.860
XA2	123.86	73.088	.383	.862
XA3	123.73	74.417	.314	.864

XA4	123.36	75.767	.269	.864
XA5	123.40	75.943	.234	.866
XA6	123.39	75.390	.308	.863
XA7	123.69	73.584	.445	.859
XA8	123.69	74.997	.356	.862
XA9	123.40	74.310	.442	.859
XB1	123.43	74.980	.452	.859
XB2	123.46	74.484	.398	.861
XB3	123.40	75.443	.409	.860
XB4	123.50	74.702	.387	.861
XB5	123.49	73.735	.460	.859
XB6	123.36	74.114	.471	.859
XB7	123.43	74.180	.482	.858
XB8	123.43	74.464	.444	.859
XB9	123.38	73.171	.642	.855
XC1	123.10	76.473	.213	.866
XC2	123.39	76.256	.359	.862
XC3	123.14	77.472	.204	.865
XC4	122.94	78.005	.130	.867
XC5	123.41	77.861	.210	.864
YC1	123.25	75.138	.539	.858
YC2	123.34	75.609	.434	.860
YC3	123.26	74.859	.559	.858
YC4	123.31	75.614	.455	.860
YC5	123.26	75.759	.431	.860
YC6	123.38	76.088	.400	.861
YC7	123.48	76.335	.326	.862
YC8	123.32	74.737	.537	.858
YC9	123.31	75.564	.461	.860

Sources: Primary data processed, 2020

Alpha value > 0.80 means that all items are reliable and all test consistently have strong reliability.

4.2 Classic Assumption Test Results

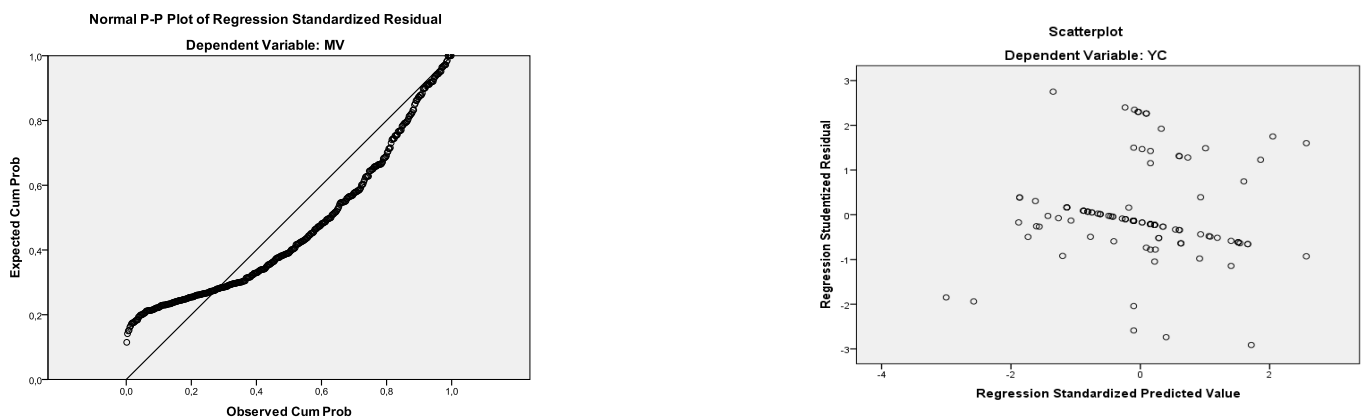


Figure 2: Classic Assumption Test

From the figure.2, it can be seen that the data is normally distributed, there is no heteroscedasticity and multicollinearity so that it can continued for hypothesis testing.

4.3 Hypothesis Testing

4.3.1 Coefficient of Determination Test

The coefficient of determination test can be presented in Table 3.

Table 3: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.579 ^a	.335	.178	.427

a. Predictors: (Constant), XC, XA, XB

b. Dependent Variable: YC

Sources : Primary data processed, 2020

From the results of the coefficient of determination (R²) above, it can be concluded that the Managerial Performance Variable can be explained by the Incentives, Non-Financial Performance and Leadership Style variables by 33.5% while the remaining 66.5% is explained by other variables that is not explained in this study.

4.3.2 F statistic Test

The following is a table of f statistical tests contained in Table 4.

Table 4: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.923	23	.388	2.128	.006 ^b
	Residual	17.688	97	.182		
	Total	26.612	120			

a. Dependent Variable: YC

b. Predictors: (Constant), XC, XA, XB

Sources : Primary data processed, 2020

The F statistical test is used to show whether the independent variables included in the model have a joint effect on the dependent variable. In table 4 of the ANOVA test or the F statistical test, a significance value of < 0.05 was obtained, so the hypothesis was accepted. Then it means that XA, XB, XC simultaneously affects YC.

4.3.3 T-Ratio statistic Test

The t-ratio results can be explained in table 5.

Table 5: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Toleranc e	VIF
1	(Constant)	26.938	4.422		6.091	.000		
	XA	.136	.067	.183	2.023	.045	.964	1.038
	XB	.109	.108	.089	1.006	.025	.922	1.056
	XC	-.068	.153	-.041	-.444	.658	.942	1.062

a. Dependent Variable: YC

Sources: Primary data processed, 2020

Based on the results of the processed statistical data in table 5, it can be seen that the effect of the independent variable on the dependent variable partially is as follows:

- the effect of incentives on managerial performance has coefficient t-statistics of 2.023 and significant $0.045 < 0.05$. it means that the incentive variable has significant positive effect on managerial performance variable so that the H_1 research is supported.
- Then from the effect of non-financials performances on managerial performance has coefficient t-statistics of 1.006 and significant $0.025 < 0.05$. it means that the non-financial performance variable has significant positive effect on managerial performance variable so that the H_2 research is supported.

the effect of Leadership Style on managerial performance has coefficient t-statistics of -0.444 and significant $0.658 > 0.05$. it means that the Leadership variable has significantly negative effect on managerial performance variable so that the H_2 research is not supported.

5. Conclusion

Based on the analysis of the results and discussion of the research, the following conclusions can be drawn:

1. Incentives have a positive and significant effect on managerial performance. The greater the incentive received, the better the managerial performance of a Head of Study Program. From the results of interviews with several heads of study program, information was obtained that some of the Head of study program joined tertiary institutions driven by their sincere desire and interest to keep on learning then realize that the rewards is not too big. However, if there is more incentives, most of the heads of study programs are motivated to improve their performance even better.
2. Non Financial Performance has a significant positive effect on managerial performance. The better the Non-Financial Performance, the better the managerial performance. From the results of interviews with several heads of study program it was found that the component of higher education performance evaluation based on the National Accreditation Board of Higher Education (BAN-PT) was the ability of universities to produce Tridarma Perguruan Tinggi, i.e: Education and teaching, research and community service. The three components are included in the dimensions with several indicators that the researcher extends and describes, i.e: the dimensions of work and environment. With the sufficient Non-Financial Performance, it can be expected that the deans / heads of study programs are motivated to improve the performance of the faculties and study programs they lead. There are some in study program that are not open to Non-Financial Performance and some new heads of study program or have recently held their positions so that they do not really understand about Non-Financial Performance in the universities where they work.

Leadership style which consist of participative style, authoritarian style, and task orientation style significantly negatively affect managerial performance. It was found that there were several changes in leadership with different styles there was no effect in Megou Pak Tulang Bawang University.

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