

The Effect of Compensation, Competency and Job Satisfaction toward Performance of Lecture in Wiralodra University of Indramayu

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Keywords: Compensation, Competency, Job Satisfaction, Job Performance

Abstract: To be able to survive amid intense organizational competition, Small Medium Entrepreneurs (SMEs) The performance of UNWIR lecturers has not been fully in line with the expectations. Achievement of lecturer performance at UNWIR is quite good category. This study aims to determine the effects resulting from compensation, competence and job satisfaction on the performance of UNWIR lecturers and compensation, competence on job satisfaction. The method used in this study is quantitative associative that 104 respondents of UNWIR lecturers are assigned. The data was collected by using performance appraisal instrument by chairman of UNWIR and lecturer response instrument relating to the compensation, competence and job satisfaction of UNWIR lecturer. Data processing were analyzed using path analysis by IBM SPSS 24 software. The result showed that performance appraisal of lecturers of UNWIR by chairman of UNWIR is quite less / low category, response of lecturer on compensation received is sufficient and the competency assessment of each lecturer are respectively in the good category, the perceived job satisfaction Lecturers are in the category of satisfaction and overall there is a significant relationship between compensation, competence and job satisfaction on performance and there is a relationship between compensation and competence on job satisfaction.

1 INTRODUCTION

Wiralodra University of Indramayu (UNWIR) is a university located in the district of Indramayu, which consists of eight faculties undergraduate level with thirteen study programs and one postgraduate faculty (UNWIR, 2015). UNWIR has been established since 1985 and of course there are many challenges that have been faced for 30 years. However, even so, the advancement of UNWIR still has to be improved. One of the contributing factors is the performance of the lecturer. Lecturers are professional educationist and scientists who have the main task of remodelling, establishing, and publicizing technology and art science through teaching, exploration, and community service society. Lecturers are professional workers at the college level selected in accordance with the laws and regulations. Lecturers play a role that functions to enhance decency, as well as an agent of learning, development of science technology and art, and

community service in order to improve the quality of national education. The achievements of UNWIR lecturers indicate that lecturers are still lacking in exploring research and community service, lecturers tend to be active with activities that are not associated to their main tasks and functions, and they are generally apathetic. This condition will have a negative impact on the continuity of the university. Therefore, the factors that cause these complications need to be analyzed. The phenomena mentioned above are a manifestation of the behavior of Unwir lecturers' low performance. In essence, the integrity of Unwir relies on achievement of the lecturers. Therefore, university executives and institutes have to more consider and figure out the wishes of the lecturers. Based on the problems as described above, the low performance of UNWIR lecturers is important to be examined in more detail and comprehensively.

Many factors are thought to affect the performance of UNWIR Lecturers, including; compensation, career development, work

environment, competition and job satisfaction.

This is confirmed by research conducted by Muguongo, Muguna and Murithi (2015), this study it can be argued that if teachers are compensated well, they will be encouraged, assured and will have positive feelings towards their job and this would result to job satisfaction (Muguongo, muguna, & Murithi, 2015).

Research conducted by Samson, Waiganjo and Koima (2015) : Regression results showed that the work life balance factors significantly influenced employees' performance and ($\beta = -0.203$; p value = 0.012 and t value = -2.532) and thus the null hypothesis was rejected. The implication of this is that work/family and work- extracurricular activities must be strategically integrated into the work place environments to boost performance in the employees. Ignoring these factors will lead to a broad emotional and behavioural deficiency thus affecting the general performance of the employees (Samson, Waiganjo, & Koima, 2015)

Research conducted by Agustina Rantesalu et.al. which states that: competence has a positive and significant effect on employee performance, It can be proved by the standardized regression weight estimate of 0,351 and the probability value of 0.018 < 0,05 (Rantesalu, Mus, & Mapparenta, 2016);

research by Fadalah (2015): The literature confirms that satisfied employees do perform better and contribute to the overall success of an organizations. On the other hand, employees who are not satisfied do not perform well and become a barrier to success. The research suggests that this is a global phenomenon and by focusing on improving satisfaction and performance, organizations can be more successful (Fadlallah, 2015).

2 THEORETICAL FRAMEWORKS

2.1 The Employees Performance

The performance is basically what the employees do and did not do. The performance of employees is affecting the amount of contribution they contribute to the organization, among others, including: : the output quantity, the quality of the output, the output time period, presence at work and their cooperation (Pace & Faules, 2006). The opinion emphasizes that there are five aspects that require to be done by employees in carrying out their main job and function which consist of: 1) Employees commit to the organization in the form of output quantities. 2) Employees commit to the organization in the form of output quality. 3) Employees commit to the

organization in the form of time spent. 4) Attendance at work. 5) The attitude of cooperation between fellow employees and obeying the leadership. According to Pace and Faule (Pace & Faules, 2006) says that: Performance a functional task related to the ability of somebody to finish their work, especially in the completion of the technical aspects of the work, handling interpersonal tasks with other members, including addressing conflict, time management, empowering others, work in a group and work independently. They stated that performance of employees has seven aspects to comprise: 1) the completion of tasks in the technical aspects. 2) Completing the work with fellow employees. 3) Resolving conflicts that occur between fellow employees. 4) Get the job done effectively. 5) Able to finish the job by empowering others. 6) Able to finish the work in a group. 7) Able to finish the work independently.

According to Colquitt, et al., stating Formal performance is described as the value of the set of employee behaviors that support, both positively and negatively in order to achieve organizational goals (Colquitt, Lepine, & Wesson, 2015). According to George and Jones, argued that Performance is the result of an assessment of a person's behavior, which is related to the determination of how well a person has done his job or done his job (George & Jones, 2008).

Based on these definitions, employee performance is the level of achievement or the execution of the duties of an employee in performing their duties and responsibilities as functional workers (George & Jones, 2008). This means that Performance is the result of a specific job function or activity for a period of time. From that understanding, there are three aspects that need to be understood by any leader of an organization, namely: 1) the clarity of tasks that are the responsibility of employees .2) the clarity of the expected results by the organization and 3) time required to finish the job.

Based on the opinions of experts above, it can be synthesized that employee performance is the achievement of functional duties of employees during a certain period of time both in qualitative as well as quantitative, in accordance of their authority and responsibility, as motives and opportunities in order to realize the goals, objectives, vision and mission of the organization legally, does not violate the law and in accordance with the moral or ethical values. The indicators are: objectives, standards, feedback, means, motive, opportunity. As for performance indicators according to Wibowo

(Wibowo, 2016) is : Goals; Standard; Feedback; The Tools or Means; Competence; Motives and Opportunities.

2.2 Compensation

Someone who working is contributing time, mind, and energy to the organization and as his achievements, the organization must provide a proper compensation or rewards for meeting the needs of self and family life of their employees. Compensation played an important role because in general the employees want the magnitude of the compensation given by the company in proportion to the workload, as it also expects to guarantees welfare for himself and his family while they were still active work and after they reach retirement. With a balanced compensation, employees' welfare will be fulfilled and expected employee will get job satisfaction so that the employee's performance will be high. With regard to that Ivancevich stated that: "Compensation is the Human Resources Management function that deals with every type of reward individuals receive in exchange for performing organization tasks" (Ivancevich, Konopaske, & Matteso, 2011). It means compensation in return from work that has been done by employees given by the company as form of recognition of the work done by employees.

It is also said by Milkovich that "Compensation is any income in the form of money, goods directly or indirectly received by employees in return for services rendered to the company" (Milkovich, Newman, & Milkovich, 2011). This statement have meaning that income in the form of money that employee received in return for services rendered on the company and all the income in the form of direct and indirect goods as rewards that employees received the services given to the employee.

Based on the opinions of experts above, it can be synthesized that compensation is the cons achievement from all forms of reward in the form of money, goods directly and indirectly promised will be received by an employee as retribution over perceived task in order to achieve goals, with indicators; salary, wages, incentives, direct goods and allowances. The indicators of compensation (Mathis & Jackson, 2006):

Direct income consists of: base salary (wages and salaries) and the income is not fixed (bonus, incentives, perks and daham option).

2.3 Competences

Competences derive from the word meaning skills, capabilities and authorities. Etymologically,

competence is defined as the dimension of behavior skill or excellence leader or someone on staff that has the skill (Sutrisno, 2014). Opinion above means that an employee must have a proficiency of employees in carrying out the task, the ability of employees to complete tasks, and skills of employees in completing his responsibilities.

Spencer and Spencer (Jr. & Spencer, 1993) competency is defined as "an underlying characteristic's of an individual which is causally related to criterion-referenced or superior and effective performance in a job or situation ". Underlying competencies means a part of of a person personality who is quite deep and relatively settled can predict behavior in a variety of situations and tasks. Casually related means that competence can cause or predict a person's behavior or performance.

Competence is the ability to execute or do a job or task that is based upon skills and knowledge as well as supported by the attitude of work required by the job. Thus the competency demonstrated skill or knowledge is characterized by pefosionalisme in a particular field as something that is paramount, as the pre-eminent that field (Wibowo, 2016).Opinion above means (1) the ability to carry out work that is grounded with a skill that is supported by the attitude of work to suit the job and (2) the ability to carry out work which is based on with the knowledge that is supported by the attitude of work to suit the job.

Competence is a fundamental characteristic of someone who lets them provide superior performance in a job, role or a particular situation. Skills are the things that people can do well; knowledge is a person knowledge about a topic. Social role is the demonstrated image of a person in advance of the public. Social role representing what people deem is important. Social roles reflect that person's values (Sutrisno, 2014).

The aspects contained in the concept of competency as follows (Sutrisno, 2014):

1. Knowledge. Namely, in the field of cognitive awareness.
2. Comprehension, i.e. the depth of the cognitive and affective, owned by individuals.
3. Skill is something that is owned by the individual to perform the task or the job that charged him.
4. Values which is a standard of behavior that had been believed to be psychologically and have fused in a person.

5. Attitude, feeling (happy, likes dislikes) or a reaction to a stimulus which is dating from the outside.
6. Interest, i.e. the tendency of a person to perform an act.

Based on the experts' opinions, it can be synthesized that the employee competency are characteristic of the knowledge, skills, competences and skills. Employee in performing the duties and responsibilities effectively characterized by quality improvement professional in an occupation, with indicators: characteristics of knowledge belonging to employees, employee skill characteristics, carry out tasks effectively, responsibility responsibility, quality improvement professional. Competence indicator (Wibowo, 2016):

1. The characteristics of individual knowledge
2. Characteristics of individual skills
3. Carry out tasks effectively
4. Individuals are responsible for effectively
5. Improvement of the quality of professional work

2.4 Job Satisfaction

Every individual who works surely expect satisfaction from their workplace. Satisfaction is a relative and subjective, meaning that each individual has a measure of satisfaction. Complacency is a condition that is not fixed, but always evolves according to the needs a boost from within and from outside of the respective individuals. According to Robibins in Wibowo said that job satisfaction as a general is an attitude towards the work of someone, that shows the difference between the numbers of awards received workers and the amount they believe should they receive (Wibowo, 2016). Opinion above has a meaning that job satisfaction is the attitude of a person towards his distinction in the real results.

The same views were expressed by Gibson, et.al, describe that job satisfaction is the attitude which belonged to workers about their jobs (16). It is as a result of their perception of the work.

Whereas Newstrom defines that: "Job satisfaction is a collection of pleasant or unpleasant feelings and emotions with which employees view their work. Job satisfaction is the affective attitude of a feeling about joy or dislike relative to something" (Newstrom, 2014). Job satisfaction is an affective attitude feelings about joy or dislike relative to something. Job satisfaction is an indicator of individual behavior in the freedom of Association, in addition to other indicators such as stress,

motivation, decision making processes, and capabilities.

According to Colquitt, Lepin, and Wesson expressed Job satisfaction is a pleasant emotional state of the job appraisal (Colquitt, Lepine, & Wesson, 2015). That means, job satisfaction is a pleasant emotional state to the assessment of their work. In this case, one person's assessment toward one job or work experience, or in other words how our feelings about the job and what he thought about the job, employees who have high work have the feeling that positive when thinking about their job or being part of a group in doing its job, while employees who work low satisfaction have negative feelings when thinking about the job.

Based on the experts opinions above, it can be synthesized that job satisfaction is a set of feelings (emotions) that owned the worker as a result of the evaluation and the context it works against job characteristics work surroundings shows the difference of the number of awards received by the number they are supposed to receive, with indicators: feeling the delightful employees, quality supervision, relationship with colleagues, opportunities of promotion.

Indicators of job satisfaction are (Colquitt, Lepine, & Wesson, 2015):

1. The work itself, the work itself which includes responsibility, interest and growth
2. Quality of supervision, which includes technical help and social support.
3. Relationship with co-worker, which includes social harmony and respect.
4. Promotion opportunities, chances for futher advancement.

Pay, in the form adequacy of pay and a feeling of Justice toward those other (perceived equity vis-à-vis other).

3 RESEARCH METHOD

The research method used was assosiatif quantitative methods. Because the free variables with variable between bound there are variable between (intervening), then the data analysis techniques using path analysis. This research is using statistical calculation by MS-EXCEL and IBM SPSS 24 Software.

This research on population is 141 lecture. Any sample using Slovin formulation.

$$n = \frac{N}{1 + N \cdot e^2} = \frac{141}{1 + 141(0.05)^2} = \frac{141}{1.3525} = 104.25 \approx 104 \text{ lecture}$$

This research involves five variables, four variables can act as a free variable, and one variable as variable. The variable compensation (X1), competence of the lecturers (X2) is an exogenous variable; while a lecturer job satisfaction variables (X3) can act as exogenous variable or endogenous depends on the structure of the path or anything to do. Variable performance lecturer (Y) Act as endogenous variable. The proposed relationship structure model included into the recursive model completely, because endogenous variables influenced by variables earlier in the causal sequence. Exogenous variables are the variables that can only act as free variables; While the variable is a variable that can be endogenous as variables bound at least, relies on a free variable. Constellation research path analysis (path) is described as the following Figure 1.

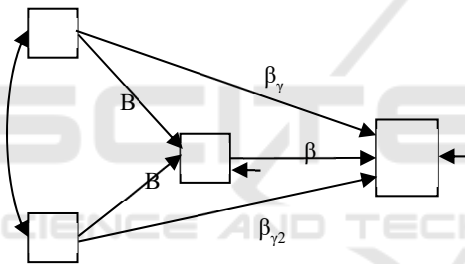


Figure1: The Constellation Research

This research was carried out in University Wiralodra. The research subject as a lecturers lecturers with the number of 141 people scattered in 8 faculties and one Post Graduate.

This research has two types of variables, namely: Bound variable (performance of UNWIR lecturers); Intervening variables (job satisfaction of UNWIR Lecturers) and variables (Compensation, Lecturers empowerment and competence of UNWIR lecturers).

Table 1: Variable of Research

Variable	Indicator	Scale	reference
Compensation (X ₁)	1. base salary, 2. wages, 3. incentives, 4. the goods directly, and 5. allowances.	Likert	Robert L. mathis dan John H. Jacson(2006)
Lecturers Competence (X ₂)	1. characteristics of Lecturer of UNWIR	Test and micro	Wibowo (2013)

Variable	Indicator	Scale	reference
	2. knowledge, characteristics of lecturer skills UNWIR, 3. carry out tasks effectively, 4. Lecturer responsible UNWIR, 5. quality improvement professional.	teaching	
Lecturers job satisfaction (X ₃)	1. feeling the delightful UNWIR lecturer, 2. the quality of supervision, 3. relationship with colleagues, 4. promotional opportunities	Likert	Colquitt, Jason A., Jeffery A. LePine and Michael J. Wesson (2011)
Performance Lecture (Y)	1. purpose, 2. standard, 3. feedback, 4. means, 5. motive, 6. opportunities.	Score 1-5	Wibowo (2015)

4 ANALYSIS

4.1 Description of Respondents and Variables

The respondents in this study consists of 3 graduates (2.89%) lecturers, 92 people (88.46%) master's degree graduates and 9 people (8.65%) are Doctoral graduates.

4.2 Quality Test Data

Table 2: Validity variable

Variable	R _{critical}	R _{count}		Score		Exp.
		R _{below}	R _{upper}	Min	Max	
Lecturer performance	0.349	0.392	0.782	60	119	Valid
Compensation	0.381	0.350	0.465	50	99	Valid
Lecturer competencies	0.355	0.562	0.777	50	104	Valid
Lecturer competencies	0.349	0.368	0.616	25	78	Valid

4.3 Classic Assumption Test

1) Test Normality Results

This normality test aims to study whether the distribution of selected samples that derived from a population that distribute normally or not. Test study on normality using IBM SPSS software 24

assistance. Data distribution is said to be normal when the significance value (komogorof- Smirnova) > 0.05

Table 3: Test Normality Results
Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
X1	.068	104	.200*	.988	104	.493
X2	.069	104	.200*	.988	104	.452
X3	.071	104	.200*	.962	104	.005
Y	.067	104	.200*	.987	104	.406

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Based on the results of test of normality as stated in Table 3 above, it can be concluded that all variables distribute normally because the value significance of > 0.05. So the terms of (assuming) path analysis of error normality equation regression estimates are met.

2) Test results of homogeneity

Homogeneity data means that data has a variation or diversity of equal value or statistically the same. So the emphasis of homogeneity data is contained on the diversity of the variance or the standard deviation of the data. Homogeneity data is a requirement which is recommended to be tested statistically.

This research uses the formulation of its homogeneity of variance test with Fmaks Hartley

Table 4 : Calculation of variance homogeneity tests

Group	N	Db	S ²
X1	104	103	135.6698
X2	104	103	122.1792
X3	104	103	126.5586
Y	104	103	153.5906

$$F_{maks} = \frac{153.5906}{122.1792} = 1.2570$$

Because the Fmaks is less than Ftable, then the fifth distribution of samples have the same variance or homogeneous.

3) Test result Linierity

This test aims to find out whether two variables have a linear relationship or not significantly. The following table 5 presents the results of a test of linieritas by using IBM SPSS software 24 assistance.

Table 5 : Summary Of Linieritas Test Result

NO	Group	F _{table}	F _{count}	Summary
1	X ₁ to Y	0.99	1.39	Linier
3	X ₂ to Y	1.22	1.39	Linier
4	X ₃ ke Y	1.32	1.39	Linier
5	X ₁ ke X ₃	1.09	1.39	Linier
6	X ₂ ke X ₃	1.20	1.39	Linier

Based on the results of linieritas tests like in table 5, then it appears that the linieritas test for the entire F_o < F_{critical}. That means, the entire regression line equation in the model are linear.

4.4 Discussion Hypothesis

To test the hypothesis the researcher used Packages Program (Software) IBM SPSS 24, while also testing the hypothesis of the study.

1) Calculation of the coefficient on line on Structural Sub 1

Causal relationships between variables in sub structural 1 consists of one endogenous variable, namely the performance of (Y) and the four variables exogenous namely compensation (X₁), competence (X₂) and job satisfaction (X₃).

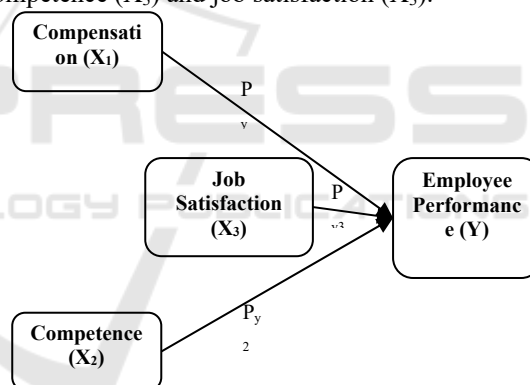


Figure 2: Causal relationships on Structural Sub 1

The results of the data processing by using the assistance software IBM SPSS 24.

Table 6 : The value of the path coefficient and the value of structural Sub 1

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.130	1.485		-.088	.930
T X1	.422	.085	.407	4.973	.000
T X2	.269	.080	.272	3.357	.001
T X3	.315	.060	.317	5.234	.000

a. Dependent Variable: T_Y

Based on the results of sub structural 1 path analysis as seen in Table 6, obtained value:

$$P_{y1} = \beta_{y1} = 0.407; [t = 4.973]$$

$$P_{y2} = \beta_{y2} = 0.272; [t = 3.357]$$

$$P_{y3} = \beta_{y3} = 0.317; [t = 5.234]$$

Table 7: R² value of structural sub 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.961 ^a	.923	.920	2.82303

a. Predictors: (Constant), T_X3, T_X2, T_X1

Table 7 roves that compensation, competence and job satisfaction of UNWIR lecturers together contribute to the performance of UNWIR lecturers by 0.923 or 92.3%. It means that the variants of compensation competence and job satisfaction of UNWIR lecturers together can explain 92.3% of the variants of UNWIR Lecturer performance.

2) Calculation of the coefficient on line on Structural Sub 2

Causal relationships between variables in sub structural 2 consists of one endogenous variable which is job satisfaction (X₃) and three variables exogenous namely compensation (X₁) and competence (X₂).

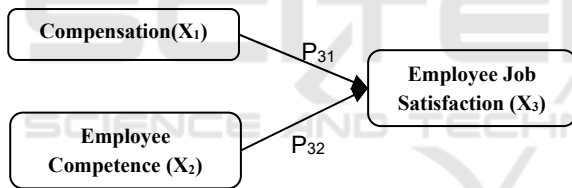


Figure 3: Causal relationships on Structural Sub 2

The results of the data processing by using the assistance software IBM SPSS 24.

Table 8 : The value of the path coefficient and the value of structural Sub 1

Model		Coefficients ^a		Beta	t	Sig.
		Unstandardized Coefficients	Standardized Coefficients			
	B	Std. Error				
1	(Constant)	3.857	2.427		1.589	.115
	T_X1	.497	.132	.475	3.778	.000
	T_X2	.428	.126	.429	3.407	.001

a. Dependent Variable: T_X3

Based on the results of path analysis structural sub 2 as shown in the equation above, each of the retrieved value:

$$P_{31} = \beta_{31} = 0.475 [t = 3.778]$$

$$P_{32} = \beta_{32} = 0.429 [t = 3.407]$$

Table 9 : R² value of structural sub 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.888 ^a	.789	.785	4.67189

a. Predictors: (Constant), T_X2, T_X1

Table 9 roves that compensation and competence together contribute to the performance of UNWIR lecturers by 0.789 or 78.9%. It means that the variants of compensation and competence and together can explain 78.9% of the variants of job satisfaction of UNWIR lecturers.

- 3) calculation of indirect effects
- a) The indirect effect of compensation on the performance of UNWIR lecturers is the direct effect of compensation on job satisfaction (compensation ⇒ UNWIR lecturers' job satisfaction) of 0.475 plus the direct effect of UNWIR lecturers' job satisfaction on the performance of UNWIR lecturers (UNWIR lecturers' job satisfaction ⇒ performance of UNWIR lecturers) of 0.317. So, the indirect effect of compensation on the performance of UNWIR lecturers = 0.475 X 0.317 = 0.150.
- b) The indirect influence of competence on the performance of UNWIR lecturers is the direct influence of competence on job satisfaction (competency ⇒ UNWIR lecturer job satisfaction) of 0.429 plus direct influence of UNWIR lecturers' job satisfaction on the performance of UNWIR lecturers (UNWIR lecturers' job satisfaction ⇒ performance of UNWIR lecturers) of 0.317. So, the indirect influence of empowerment on the performance of UNWIR lecturers = 0.429 X 0.317 = 0.136.

5 RESULTS

The results of the research are:

- a. Based on the results of calculations in Table 6, the P_{y1} path coefficient value is 0.407 with tvalue=4.973 at α = 0.05 while ttable = 1.66. Thus tvalue=4.973 > ttable=1.66, means that H₀ is rejected, then the path coefficient is significant. Based on these findings it can be interpreted that compensation has a positive direct effect on the performance of UNWIR lecturers.
- b. Based on the results of calculations in Table 6, the P_{y2} path coefficient value is 0.272 with tvalue=3.357 at α = 0.05 while ttable = 1.66.

Thus $t_{\text{value}}=3.357 > t_{\text{table}}=1.66$, means that H_0 is rejected, then the path coefficient is significant. Based on these findings it can be interpreted that competences has a positive direct effect on the performance of UNWIR lecturers.

- c. Based on the results of calculations in Table 6, the β_3 path coefficient value is 0.317 with $t_{\text{value}}=5.234$ at $\alpha = 0.05$ while $t_{\text{table}} = 1.66$. Thus $t_{\text{value}}=5.234 > t_{\text{table}}=1.66$, means that H_0 is rejected, then the path coefficient is significant. Based on these findings it can be interpreted that job satisfaction has a positive direct effect on the performance of UNWIR lecturers.
- d. Based on the results of calculations in Table 8, the β_4 path coefficient value is 0.475 with $t_{\text{value}}=3.778$ at $\alpha = 0.05$ while $t_{\text{table}} = 1.66$. Thus $t_{\text{value}}=3.778 > t_{\text{table}}=1.66$, means that H_0 is rejected, then the path coefficient is significant. Based on these findings it can be interpreted that compensation has a positive direct effect on the UNWIR lecturers' job satisfaction.
- e. Based on the results of calculations in Table 8, the β_5 path coefficient value is 0.429 with $t_{\text{value}}=3.407$ at $\alpha = 0.05$ while $t_{\text{table}} = 1.66$. Thus $t_{\text{value}}=3.407 > t_{\text{table}}=1.66$, means that H_0 is rejected, then the path coefficient is significant. Based on these findings it can be interpreted that competences has a positive direct effect on the UNWIR lecturers' job satisfaction.
- f. The indirect effect of compensation on the performance of UNWIR lecturers is the direct effect of compensation on job satisfaction (compensation \Rightarrow UNWIR lecturers' job satisfaction) of 0.475 plus the direct effect of UNWIR lecturers' job satisfaction on the performance of UNWIR lecturers (UNWIR lecturers' job satisfaction) of 0.317. So, the indirect effect of compensation on the performance of UNWIR lecturers = $0.475 \times 0.317 = 0.150$.
- g. The indirect influence of competence on the performance of UNWIR lecturers is the direct influence of competence on job satisfaction (competency \Rightarrow UNWIR lecturer job satisfaction) of 0.429 plus direct influence of UNWIR lecturers' job satisfaction on the performance of UNWIR lecturers (UNWIR lecturers' job satisfaction) UNWIR lecturers' performance of 0.317 So, the indirect influence

of empowerment on the performance of UNWIR lecturers = $0.429 \times 0.317 = 0.136$.

6 CONCLUSIONS

This study contributes to critical factors in implementing ISO 9001 in SMEs. The results of the validity and reliability test show that there are 19 critical factors that meet the minimum criteria or requirements. Other contributions are the use of Delphi techniques and Aiken's approach in testing the validity and reliability that had not previously been used especially in critical factors studies on the application of ISO 9001 in SMEs. Further research is in the form of elaborating operational definitions and measurement indicators because critical factors are generally still latent so that instruments can be used to evaluate the success rate of SMEs in implementing ISO 9001.

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