# Analyzing Service Excellent Quality Product for The Performance Business Company in Garuda Maintanance Fasility (Study at PT. GMF AeroAsia)

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#### Abstract

This study aims to explain the influence of innovation and product quality to the business performance of PT. GMF AeroAsia. Either partially or simultaneously (together). In this study, the population and the sample is a consumer of PT. GMF AeroAsia totaling 50 respondents. Using quantitative research and sampling techniques were used, namely, incidental sampling.

The results of this study indicate that partially the innovation and product quality variables have a significant positive effect on business performance. Indicated by the value of t count > t table (10,149 > 2,010) for the innovation variable and (12,224 > 2,010) for the product quality variable with a significance of 0,000. Simultaneously innovation and product quality have

### **INTRODUCTION**

Development of the business environment occurs dynamically requires each actor business to always adapt to patterns of change that exist so that they remain competitive. The organization also faces and undergoes various changes in tandem with environmental changes the economy. This requires the company to think more critically and creatively against competition that occurs. Change technology and fast product variations affect the development of all industry. Rapid technological progress and high level of competition demand's company to continuously do innovation and improve product quality which will eventually improve organizational business performance.

Business performance is the main key to survive in the global era. Many factors determine performance business of an organization, one in among them is innovation. Innovation is start or introduce something that is new. Most researchers agree a definition of innovation that includes results new production and process. High innovation both process innovation and innovation the product will improve capabilities the company created a product that quality. Innovation is

Proceedings of The 2<sup>nd</sup> International Conference on Strategic Mental Revolution (ICoSMR),

Cikarang City, Indonesia January 20th, 2020. Theme: Corporate Social and Financial Responsibility the creative way of live to survive and sustain in the era global competition. Ability to innovate is the core competency needed in business competition in the 21st century only to be able to compete and grow but what's more is to survive live in global competition, so every business needs to innovate as leading jargon "Innovation or Death" (Arman & Hermawan, 2018: 24). According to Lumpkin & Ferrel in Darmanto (2016: 58), innovation can be referred to as the tendency of companies to do and support new ideas, novelty, experimentation, and creative processes that can produce new products, services, or processes technology. Innovation is the determining factor in industrial competition and constitutes a formidable weapon to face competition. Organizational innovation can be widely interpreted and varied in many ways. And product quality high will increase excellence competing companies in the end impact on company performance.

Development of competition within MRO industry in Asia, specifically in Indonesia, making PT. GMF AeroAsia must be able to adapt quickly to the continued business environment change. To answer the challenge the company is trying to do innovation and continue to improve innovation performance. Facing the industrial era 4.0, PT. GMF AeroAsia did a lot transformation with digital technology. With information and communication technology digitally based, GMF customers are expected can be easily served in addition to fees more efficient operations. Renewal GMF's technology always goes hand in hand with renewal of aircraft technology that is carried by the airline. Since 2013 PT. GMF AeroAsia is developing its capabilities for anticipate marked aviation industry growth with the presence of new types of aircraft. In addition to developing the capabilities of PT. GMF also developing its capacity for handle aircraft with Boeing type B737-NG and Airbus A320 as two types the most widely used aircraft airline, because of its nature efficiency in fuel use. This capacity flight is also based with PT. Garuda Indonesia as the parent company double up amount His planes numbered 92 planes on in 2013, it became 200 aircraft in the year 2017.

PT. GMF AeroAsia continues develop themselves by increasing aircraft maintenance facilities, infrastructure, and competence of capable personnel Supports *on time performance* in carry out maintenance and repairs airplane with *ground time minimum* and a high level of efficiency so they can compete in gaining trust other airlines. It is just, efforts to expand the company's business reach still hampered

Proceedings of The 2<sup>nd</sup> International Conference on Strategic Mental Revolution (ICoSMR),

<u>Cikarang City, Indonesia January 20<sup>th</sup>, 2020. Theme: Corporate Social and Financial Responsibility</u> because of the quality of the work inadequate, productivity the company is still not optimal, marked there is still a delay in completion of aircraft maintenance which referred to as Turn-around Time (TAT) and the high costs incurred due to imperfections of treatment results plane, which is also referred to as Cost Of Poor Quality (COPQ).

Problems with TAT and COPQ is a big challenge faced by various units at PT. GMF AeroAsia especially in related units directly with aircraft such as Line Units Maintenance, Base Maintenance, Component Services, and engine maintenance. Some challenges are faced by PT. GMF AeroAsia in general relating to the fulfillment of material which not in accordance with the planning already was made. This often results mismatch specifications of goods that are needed or delay in material fulfillment, COPQ problems this is increasingly visible. That plane has been declared airworthy often encountered an incoming complaint again back to the maintenance workshop with responsibility is borne by PT. GMF AeroAsia. COPQ numbers in the Line unit Maintenance for example, from the COPO target which is set at 5%, however in fact in 2011, the COPQ figure which is still owned by 9%.

### **Research purposes**

Based on the explanation above, this research aim to know about the influence of innovation and product quality on the business performance of PT. GMF AeroAsia

#### LITERATURE REVIEW

#### Innovation

Innovation can be defined as a the process of human activity or thought to find something new relating to inputs, processes, and outputs, and can provide benefits in human life. Related innovations with input interpreted as patterns human thoughts or ideas that are donated to new findings. As for innovation related to the process many are oriented to methods, techniques, or how to work in order produce something new. Next, innovation related to output based on these definitions is more aimed at the results that have been achieved especially the use of thought patterns and work methods or techniques performed. The three elements in the innovation actually form a unity the whole. (Makmur & Rohana 2012: 9). And according to Boer & Duringa in (Darmanto & Sri Wardaya, 2016: 55), innovation is a new product, new process or new business system. Meanwhile according to Hansen, Korhonen, Rametsteiner &

Proceedings of The 2<sup>nd</sup> International Conference on Strategic Mental Revolution (ICoSMR),

<u>Cikarang City, Indonesia January 20<sup>th</sup>, 2020. Theme: Corporate Social and Financial Responsibility</u> Shook in (Darmanto & Sri Wardaya, 2016: 56), innovation as creativity and / or adoption new ideas, new processes, new products or new services aimed at improving value to customers and contribute on the performance or effectiveness of the company.

Manurung explain that changes in the aviation industry environment need to be adapted through strategy orientation to perform sustainably. And innovation is able to provide turbulence environment and to improve performance. Manurung also expressed many factors external that plays a big role in changes and aviation business activities. Especially in terms of regulation and deregulation both nationally and internationally. Also equally important are: 1) Trends economic growth, 2) Trends social-political, 3) market conditions, and 4) Competition.

According to Hanlon in Manurung (2010: 8), the aviation industry is global *industry* which is one the largest industry among industries in world. The aviation industry has characteristics, namely: 1) rate of change external very fast (*rapid change*), with dynamic industrial growth, changes in this industry emphasize innovation, as well as the use of high technology, but obtains low marginal profitability or even negative (Doganis in Manurung, 2010: 9).

#### **Product quality**

According to Kotler and Armstrong (2008: 272) product quality is Product characteristics that depend on his abilities for satisfying expressed customer requirements or implied. According to Rauf and Yuliyzar (2016: 1) that is, product quality is understanding that the product offered by the seller has more selling points not owned by competing products. According to Kotler and Keller (2018: 145) explain that the quality of a product good on a product can make consumers willing to pay some money to buy that product quality and get satisfaction. Kotler (2013: 99) formulates that quality is a dynamic condition related to products, services, humans, processes and environments meet or exceed expectations.

#### **Product Quality Characteristics**

- 1) Performance (*performance*), that is characteristics main that customers consider when they want buy a product.
- 2) Features (features), relating to the choices and their development.

- 3) Reliability (*reliability*), related with the possibility of a product function successfully in the period certain under certain conditions.
- Conformity (conformance), namely the level of conformity of the product to preset specifications previously based on desire customer.
- 5) Durability (*durability*), is a measure of the lifetime of a product, this characteristic is related to power hold of a product.
- 6) 6) *Service ability*, is a related characteristic with speed, competence, ease, and accuracy in improvement.
- 7) Aesthetics (*aesthetics*), is aesthetics of a product is more related with personal and encompassing feelings certain characteristics.
- 8) Perceived quality (perceived quality), is subjective.

#### **Business Performance**

According to Moeheriono (2012: 95), performance or *performance* is a portrayal of the level of achievement implementation of a program of activities or policy in achieving goals, the goals, vision, and mission of the organization set forth in a plan strategic of an organization.

According to Rivai (2013: 604), performance is a general term that used part or all of the actions or activities of an organization in a period with a reference to a number standards such as past costs which are 30 projected on the basis of efficiency, accountability or accountability management and such.

According to Arini T. Soemohadiwidjojo (2017: 14), performance is the result achieved an insider or group of people organization in a certain period, in accordance with the scope of authority and each other's responsibility in the effort achieve organizational goals.

Performance measurement is very dependent with the performance indicators used. Performance indicators according to Mc. Donald and Lawton in Yeremias in thesis the Selembulan Moon (2018: 35) was put forward as follows: "that performance can be measured of the *output* orientation *measure* throughput (outcome-oriented process), efficiency (efficiency), effectiveness measures not are (effectiveness)". Meanwhile according to Salim and Woodward, performance can be "workload measured from some indicators, including: or *demand* (demand), *economy efficiency* (economic efficiency), effectiveness (effectiveness), and equity (justice). Indicator performance must be something that Proceedings of **The 2<sup>nd</sup> International Conference on Strategic Mental Revolution (ICoSMR)**, <u>Cikarang City, Indonesia January 20<sup>th</sup>, 2020. Theme: Corporate Social and Financial Responsibility</u> will counted and measured and used as a basis for assessing or seeing levels

performance, both in the planning stage, stages implementation as well as after the activity stage done.

### Hypothesis

- 1) There is an effect of innovation on company performance.
- 2) There is an influence on product quality on company performance.
- There is an influence of innovation and quality Products on company performance.

### **RESEARCH METHODS**

Research will only yield valid and accurate empirical data if the methodology used can be support the process of achieving results on finally pay close attention to the goals to be achieved from research on influence innovation and product quality on performance business at PT. GMF AeroAsia. According to Sugiyono (2017: 2) research methods on basically a scientific way to get data, analyze data with specific purposes and uses.

In this research method used quantitative method approach. Where Quantitative Research is According to Sugiyono (2018: 8) quantitative research can be interpreted as a research methodology which is based on the philosophy of positivism, used for researching populations or particular sample, data collection using research instruments, analysis quantitative / statistical data, with the goal is to test a hypothesis that has been set.

### Place and time of research

The study was conducted at PT. GMF AeroAsia coincides in Material Building 1<sup>st</sup> Soekarno Hatta Floor International Airport PO BOX 1303, BUSH 19100, Cengkareng -Indonesia. Research this was done in April 2019 by June 2019.

### **Population and Sample**

According to Sugiyono (2017: 80) population is a region of generalization consisting of object or subject that has certain qualities and characteristics that are determined

by researchers to be studied and then conclusions are drawn. So the population in this study is PT employees. GMF AeroAsia in the TC unit *marketing*.

According to Sugiyono (2017: 81) sample is part of the number and characteristics owned by that population. When large population, and research is not possible learn everything in the population. The sampling method uses *Nonprobability Sampling* method with using *incidental sampling* technique.

So how to determine the amount the sample uses the slovin formula. According to EM Sangaji and Sopiah (2014: 186) sample is part of the number and characteristics which is owned by the population.

$$\mathbf{n} = \frac{\mathbf{N}}{1 + \mathbf{N} \mathbf{e}^2}$$

Explanation :

n = Number of SamplesN = Total Populatione = 10% error rate



### Method of collecting data

In the preparation of this study the authors using data collection methods with the aim that more data obtained complete and accurate. There are several techniques data collection used as follows:

- a. The interview is used as a technique data collection if desired conduct a preliminary study for find problems that must be researched, and also if the researcher wants know things from respondents who are more depth and amount the respondent is few / small according to (Sugiyono, 2017: 137).
- b. Questionnaire (Questionnaire), Questionnaire is a data collection technique which is done by giving a set of questions or queries written to the respondent for answered according to Sugiyono (2017: 142). In this questionnaire there alternative answers arranged in 5 (five) alternatives and respondents can choose one of the answers considered correct using scale Likert with the score determination as following:
  - 1) A score of 5 is given for the answer strongly agree
  - 2) A score of 4 is given for the answer agree
  - 3) A score of 3 is given for the answer doubtful
  - 4) A score of 2 is given for the answer disagree
  - 5) A score of 1 is given for the answer strongly disagree
- c. Library studies (*Library research*), namely by collecting data theoretical through books, writings scientific, literature related to researcher variable
- d. Observations, according to Sutrisno Hadi in Sugiyono (2017: 145) argues that, observation is a complex process, a process which composed of various biological processes and psychological, two of which are most important is processes observation and memory.
- e. *Library research (Library research)*, namely by collecting data theoretical through books, writings scientific, literature related to researcher variable.
- f. Journal, which is data supporting relations with research that addresses various kinds of educational sciences as well research that is considered relevant to research topic.
- g. Internet, that is by searching related information with research topics that are published on the internet in good shape journals, or scientific papers.

### DATA ANALYSIS METHOD

1. Validation Test

Validity is done by technique item analysis namely correcting scores item (X) of total scores instrument (Y) in this study determine the validity of the questionnaire used help device comparison with using SPSS program. This discussion significant coefficient test was performed correlation with criteria using r critical at a significant level of 0.05 (significant 5% or 0.05).

- a. If r arithmetic> r table then instrument or item items he questions are significantly correlated to total score (stated valid).
- b. If r arithmetic <r table then instrument or items question is not correlated significant to the total score (declared invalid).
- 2. Reliability Test

Reliability has that understanding an instrument can measure something that is measured questionnaire from time to time. So the keywords for the qualification requirements of an instrument measurement is consistency or not change according to Sugiyono (2017: 131). Measurement of reliability will produce data as follows:

- a. If the Cronbach  $\alpha$ lpha result is 60 0.60 then the data is stated reliable.
- b. b. If Cronbach's  $\alpha$ lpha results <0.60 then the data is stated no reliable.
- 3. Normality Test

More complex normality tests and complete is often also called test fitness model (*Goodness of Fit*) intended to test whether the proposed model has fit (*fit*) with the data or not. Statistically, it can be measured by value statistics f, the coefficient of determination and statistical value t. statistical calculation is called statistically significant if the value of the statistical test is in the area critical (the area where H0 is rejected). Conversely it is called insignificant when the value of the statistical test is in the area where H0 is received.

4. Multicollinearity Test

Multicollinearity is one assumptions in the use of regression analysis. In this analysis using values correlation between regressors or variables free above or exceeding 0.80. Multicollinearity is a situation which indicates a correlation or strong relationship between two independent variables or more in a regression multiple.

5. Heterokedatisitas Test

According to Sugiyono and Agus Susanto (2015: 336) heteroscedasticity test is test to find out the variables confounding in the regression equation have the same variance or not If you have the same variance, means there is no heteroscedasticity, whereas if it has a variance no same then there is heteroscedasticity.

6. Autocorrelation Test

According to Edi Riadi in his book which is titled statistical method parametric and non-parametric (2014: 106), the autocorrelation test is the occurrence correlation between one error variable with another error variable. For detect the presence of deep autocorrelation multiple linear models can be done by the Durbin Waston method using the SPSS Statistics program 22.

7. Simple Regression Test Regression analysis simple linear writer uses with a view to knowing the magnitude of each effect research variable. According to Riduwan (2018: 188) this analysis can be used to predict how high value of the dependent variable when the value variable independent variable.

8. Multiple Analysis Tests of this Analysis used to find out how determination of the independent variable, i.e. innovation (X1) and product quality (X2) on the dependent variable, namely performance business (Y).

9. Simple Correlation Test According to Riduwan (2018: 75) this analysis will used in testing the magnitude influence and contribution of variables X and Y variable. Simple correlation analysis used to determine closeness a combination of two variables. To know the direction of the relationship. Coefficient correlation simple shows how big the relationship is which occurs between two variables.

10. According to the Multiple Correlation Test Sugiyono (2018: 193) stated that double correlation is intended for looking for the magnitude describe the relationship between variables X1, X2 and Y.

11. Determination Coefficient Test According to Riduwan (2018: 76) Coefficient determination is the square of PPM correlation coefficients are multiplied with 100%. Done for find out how big the X variable is have a donation or join determine the Y variable. Coefficient determination (2) in essence how much infinitely deep model capabilities explain the variation of the dependent variable. The coefficient of determination is between zero and one.

12. Hypothesis Testing

Hypothesis according to Sugiyono (2018: 63) is a temporary answer to research problem formulation, where the formulation of the research problem has been stated in sentence form question. Said while, because the answers given are new based on relevant theories, not based on facts empirically obtained through data collection. So the hypothesis too can be stated as an answer theoretical problem statement research, not yet an empirical answer.

a. T test (partial)

T test is the test used to declare significant the influence of independent variables partial to related variables. Test criteria, if:

1) If t arithmetic > T table or value probability (p) <0.05, then Ho rejected and Ha accepted the meaning there are 10 influences significant independent variable on the dependent variable.

2) If t arithmetic <t table or value probability (p)> 0.05, then Ho Ha accepted and rejected means there is no influence significant independent variable on the dependent variable.

b. Test f (Simultaneous)

Use to know influence between two independent variables with respect to related variables simultaneous or together, so you can know whether with existing can accepted or rejected. Criteria testing, if:

1) If f arithmetic > f table then or value *probability* (p) <0.05, then Ho rejected and Ha accepted the meaning there is influence that significant independent variable simultaneously with variables dependent.

2) If f arithmetic <f table then or value *probability* (p)> 0.05, then Ho Ha accepted and rejected means there is no influence significant independent variable simultaneously with variables dependent.

### **RESULTS AND DISCUSSION**

1. Validity Test Results

			r	
		r	Tabl	Descriptio
Variable	Statement	Count	e	n
	Statement 1	0,548	0,278	Valid
	Statement 2	0,594	0,278	Valid
	Statement 3	0,617	0,278	Valid
	Statement 4	0,815	0,278	Valid
Innovation	Statement 5	0,743	0,278	Valid
	Statement 6	0,652	0,278	Valid
	Statement 7	0,607	0,278	Valid
	Statement 8	0,735	0,278	Valid
	Statement 9	0,634	0,278	Valid

Validity Test Results

Table 1

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Statement 10	0,488	0,278	Valid
Statement 1	0,548	0,278	Valid
Statement 2	0,594	0,278	Valid
Statement 3	0,617	0,278	Valid
Statement 4	0,815	0,278	Valid
Statement 5	0,743	0,278	Valid
Statement 6	0,652	0,278	Valid
Statement 7	0,607	0,278	Valid
Statement 8	0,735	0,278	Valid
Statement 9	0,634	0,278	Valid
Statement 10	0,488	0,278	Valid
Statement 1	0,776	0,278	Valid
Statement 2	0,724	0,278	Valid
Statement 3	0,562	0,278	Valid
Statement 4	0,616	0,278	Valid
Statement 5	0,760	0,278	Valid
Statement 6	0,682	0,278	Valid
Statement 7	0,655	0,278	Valid
Statement 8	0,703	0,278	Valid
Statement 9	0,708	0,278	Valid
Statement 10	0,804	0,278	Valid
	Statement 10Statement 1Statement 2Statement 3Statement 4Statement 4Statement 5Statement 7Statement 8Statement 9Statement 10Statement 10Statement 2Statement 3Statement 4Statement 4Statement 5Statement 5Statement 5Statement 6Statement 7Statement 7Statement 9Statement 10Statement 10Statement 10Statement 10	Statement 10    0,488      Statement 1    0,548      Statement 2    0,594      Statement 3    0,617      Statement 4    0,815      Statement 5    0,743      Statement 6    0,652      Statement 7    0,607      Statement 8    0,735      Statement 9    0,634      Statement 10    0,488      Statement 1    0,776      Statement 1    0,776      Statement 3    0,562      Statement 4    0,616      Statement 5    0,760      Statement 6    0,682      Statement 7    0,655      Statement 7    0,655      Statement 8    0,703      Statement 9    0,708      Statement 9    0,708	Statement 10      0,488      0,278        Statement 1      0,548      0,278        Statement 2      0,594      0,278        Statement 3      0,617      0,278        Statement 4      0,815      0,278        Statement 5      0,743      0,278        Statement 6      0,652      0,278        Statement 7      0,607      0,278        Statement 8      0,735      0,278        Statement 9      0,634      0,278        Statement 10      0,488      0,278        Statement 1      0,776      0,278        Statement 3      0,562      0,278        Statement 4      0,616      0,278        Statement 3      0,562      0,278        Statement 4      0,616      0,278        Statement 5      0,760      0,278        Statement 5      0,760      0,278        Statement 6      0,682      0,278        Statement 7      0,655      0,278        Statement 8      0,703      0,278        Statement 9      0,708

Source: Data Processed by SPSS.22

Based on the results of the validity test above note that all items are statements the questionnaire was declared valid.

# 2. Reliability Test Results

Table 2 Reliability Test Results

Variable	Cronbac	α	Descriptio
	h Alpha		n
X <sub>1</sub>	0,845	0,60	Reliability
X <sub>2</sub>	0,814	0,60	Reliability
Y	0,884	0,60	Reliability

Source: Data Processed by SPSS.22

### 3. Normality Test



Picture 1 Graphical Normality Test Results

Based on the picture above obtained that data located or spread around a line diagonal, so that is stated that the data is distributed normal.

4. Multicollinearity Test

Multicollinearity Test Results

### Coefficients <sup>a</sup>

	Collinearity Statistics	
Model	Tolerance	VIF
1 (Constant)		
Inovasi	.347	2.879
Kualitas Produk	.347	2.879

a. Dependent Variable: Business Performance

Source: Data Processed by SPSS.22

From the test results above the tolerance value obtained by 0.347 > 0.10 and value VIF of 2,879 <10 then you can it was concluded that the data did not Multicollinearity occurs.

### 5. Heteroscedasticity Test



Figure 2 Scatterplot Heteroscedasticity Test Results

Based on the results of scatterplot can be seen in the picture from the graph scatterplot visible points spread randomly do not form a certain clear and scattered patterns both above and below the zero on the Y axis. This means no heteroscedasticity occurs.

6. Autocorrelation Test

Table 4

Autocorrelation Test Results

# Summary Model <sup>b</sup>

	Durbin-
Model	Watson
1	2.305

a. Predictors: (Constant), Product Quality Innovationb. Dependent Variable: Business PerformanceSource: Data Processed by SPSS.22

DW value of 1.754 DW table values for a sample number of 50 (n) with the number of independent variables 2 (K = 2) and sig 5% will get the value of dU = 1.6283. DW value (2.305)> dU (1.6283) and DW value (2,305) <4-dU (2.3717) can be obtained concluded that none autocorrelation.

7. Simple Regression Test

Table 5

Variable Simple Regression Test Results X 1

Towards Y

Coefficients <sup>a</sup>

	Unstandardized	
	Coefficients	
Model	В	Std. Error
1 (Constant)	7.740	3.699
Innovation	.833	.082

a. Dependent Variable: Business Performance

Based on the results of linear regression analysis simple in the table above, the regression equation is obtained Y = 7,740 + 0,833X 1.

Table 6

Variable Simple Regression Test Results X 2

Towards Y

### Coefficients <sup>a</sup>

	Unstandardized	
	Coefficients	
Model	В	Std. Error
1 (Constant)	.436	3.663
Quality Product	.989	.081

a. Dependent Variable: Business Performance

Source: Data Processed by SPSS.22

Based on the results of linear regression analysis simple in the table above, the regression equation is obtained Y = 0.436 + 0.989X 2.

# 8. Multiple Regression Test

Table 7

Variable Simple Regression Test Results X 2

Towards Y

# Coefficients <sup>a</sup>

	Unstandardized	
	Coef	ficients
Model	В	Std. Error
1 (Constant)	904	3.380
Innovation	.357	.111
Product quality	.664	.125

a . Dependent Variable: Business Performance

Source: Data Processed by SPSS.22

Based on the table above obtained multiple linear regression equation Y = -0.904 + -0.904

0,357X 1 + 0,664X 2.

9. Simple Correlation Test

Table 8

Variable Simple Regression Test Results X 2

Towards Y

Coefficients <sup>a</sup>

Model	R	R Square
1	.826 <sup>a</sup>	.682

a. Predictors: (Constant), Innovation

b. Dependent Variable: Business Performance Source: Data Processed by SPSS.22

Based on the table above, that value the correlation coefficient (R) of 0.826, this value is between 0.80-1,000 then it can be concluded that the variable X 1 against Y is very strong.

Table 9

Variable Simple Regression Test Results X 2

Towards Y

Coefficients <sup>a</sup>

Model	R	R Square
1	.870ª	.757

a. Predictors: (Constant), Product Quality

b. Dependent Variable: Business Performance Source: Data Processed by SPSS.22

Based on the table above, that value correlation coefficient (R) of 0.870, this value is between 0.80-1,000 then it can be concluded that the variable X 2 against Y is very strong.

10. Multiple Correlation Test

Table 9

Variable Simple Regression Test Results X 2

Towards Y

#### Summary Model<sup>b</sup>

Model	R	R Square
1	.895ª	.801

a. Predictors: (Constant), Product Quality, Innovation

b. Dependent Variable: Business Performance

Source: Data Processed by SPSS.22

Based on the table above, that value the correlation coefficient (R) of 0.895, this value is between 0.80-1,000 then it can be concluded that the variable X 1 and X 2 with respect to Y are very strong.

11. Determination Coefficient Test

Table 10

Variable Determination Coefficient Test Results

X 1 and X 2 Against Y

### Summary Model<sup>b</sup>

Model	R	R Square
1	.895ª	.801

a. Predictors: (Constant), Product Quality, Innovation

b. Dependent Variable: Business Performance Source: Data Processed by SPSS.22

Based on the table above, the coefficient determination (R square) of 0.801. Thus, the magnitude of influence the variables X 1 and X 2 with respect to Y are The remaining 80.1% is 19.9% influenced by other variables that are not examined in this study.

12. T test (partial)

Table 11 T Test Results for Variable X 1 against Y Coefficients <sup>a</sup>

Model	Т	Sig.
1 (Constant)	2.092	.042
Inovasi	10.149	.000

a. Dependent Variable: Business Performance

Source: Data Processed by SPSS.22

From the table above, it can be concluded that 10,149>2,010 and the value of sig. 0,000 < 0.05 so there is influence a significant variable X 1 with respect to Y.

13. Test f (Simultaneous)

Table 12

Test Results f Variables X 1 and X 2 Against Y

ANOVA a

Model	F	Sig.
1 Regressio	n 94.502	.000 <sup>b</sup>
Residual		
Total		

a. Dependent Variable: Business Performance

b. Predictors: (Constant), Product Quality, Innovation

Source: Data Processed by SPSS.22

Based on the table above, it can it was concluded that 94,502> 3.20 and sig value 0,000 < 0.05 so there is significant effect together variable X 1 and X 2 towards Y.

# CONCLUSION

 There is an influence between innovation towards business performance against business performance. Based on test hypothesis is carried out, obtained the t count for innovation variables (X 1) amounted to 10.149 then compared to t table 2,010. Because t arithmetic > t table (10,149> 2,010) with a significance level of 0,000 <0.05. Then Ha<sub>1</sub> accepted and Ho<sub>1</sub> rejected. That means there is a Proceedings of **The 2<sup>nd</sup> International Conference on Strategic Mental Revolution (ICoSMR)**, <u>Cikarang City, Indonesia January 20<sup>th</sup>, 2020. Theme: Corporate Social and Financial Responsibility</u> significant influence between innovation and performance business at PT. GMF AeroAsia.

- There is an influence between quality product on business performance. Based on hypothesis testing done, the results obtained t arithmetic for product quality variable (X 2) amounted to 12,242 later compared to t table 2,010. Because t arithmetic > t table (12,424> 2,010) with a significance level of 0,000
  <0.05. Then Ha<sub>1</sub> accepted and Ho<sub>1</sub> rejected. That means there is a significant influence between product quality towards business performance at PT. GMF AeroAsia.
- When viewed from the problems that happened in this study, then innovation variables and product quality significant effect on business performance at PT. GMF AeroAsia.

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