

TOTAL QUALITY MANAGEMENT IN AFFECTING COMPANY OPERATIONAL PERFORMANCE IN CONVECTION SMEs WITH ORGANIZATIONAL COMMITMENT AS A MEDIATOR

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Abstract: This study aims to prove the role of Total Quality Management (TQM) and organizational commitment in supporting the achievement of company operational performance. The population was all Convection SMEs in the city of Banda Aceh, consisted of 294 Convection SMEs. The sample was selected using a proportional sampling technique where sampling considers elements or categories in the study population. The sample taken was 15% of the population. One respondent represented one unit of SMEs, so the sample has amounted to 169 respondents. Data was collected using questionnaires. The model was analyzed with the Structural Equation Model Analysis. The result showed an influence between TQM on Organizational Commitment, TQM on Company Operational Performance, and Organizational Commitment on Company Operational Performance. This study also found that organizational commitment can act as a partial mediator to strengthen the effect of TQM on Company operational performance. The interesting issue in this study lies in the discussion of the organizational commitment to solving the inconsistency problems in the quality of convection production in SMEs. Furthermore, the other researchers can provide more concepts and variables to enrich this research model, like other mediators for TQM to achieve performance or even the commitment that can strengthen the TQM and performance. The model also can be a reference for practitioners to set their strategy in further, to go more productive.

Keywords: Total Quality Management, Organizational Commitment, Operational Performance

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Convection business is increasingly prevalent today. Convection is a garment production business that is made in bulk. If interpreted more specifically, convection is a small-scale household indus-

try that makes apparel, such as T-shirts, shirts, polo shirts, jackets, pants, and so forth. In Indonesia itself, this business is in high demand due to high market demand, so that it can be an opportunity for the community to start a convection business. The need for clothing never breaks as these goods can enter the primary, secondary or tertiary level of need.

Moreover, this business is supported by the high sales of the clothing industry in the current era of online technology. Not only can it provide income, convection businesses, especially at the level of Small, Medium Enterprises (SMEs), can strengthen the economic foundation.

Convection companies need to implement a quality management system in conducting their business as a commitment of the company to maintain the quality of its products. The quality management system is applied to start from the initial process, namely selecting suppliers, raw materials, production processes, to the distribution of products to consumers. Following its mission, the company strives to provide high-quality products and have good reliability. In addition, the company has implemented a risk assessment and risk management to guarantee the quality and safety of the products produced.

Banda Aceh is a city in the western tip of Indonesia. Although in the end, Banda Aceh has a strategic location for trade between countries if it has the support of various parties. But, in Banda Aceh city, one of the most prominent constraints section of Convection SMEs is the inconsistencies in the production and the supply management of raw materials that disrupt the company's performance. This condition can certainly be detrimental to the company due to shifts in production and marketing schedules which will ultimately affect the company's performance.

The company's overall operational performance can be said to run well in terms of output produced and sales of products produced by this convection company. Thus the company can be said to run well. As for achieving this, the importance of supporting other factors, including organizational commitment and the application of total quality management owned by the company. Carolina (2012) and Mulyadi (2007) revealed through their findings that the influence of TQM on organizational commitment in Indonesia. Mulyani et al. (2017) also stated that TQM influences managerial performance through interaction by Organizational Commitment, environmental uncertainty, and local culture.

Organizational commitment, in general, has the nature of stating employees support the success of an organization because it requires a commitment

of each employee for the survival of the organization (Rivai, 2008). Organizational commitment plays a partially mediating effect between calling and work engagement (Cao et al., 2019). TQM often involves the employee commitment to address the problems of every field in a company. Therefore TQM will significantly affect the company's operational performance.

Seeing the problems in Convection SMEs above, it becomes essential for companies to focus more on production activities. The lack of cooperation that occurs in each part of the Convection SMEs in the city of Banda Aceh reflects the low commitment of the organization felt by employees, which may be caused by several factors, such as teamwork that is not yet running optimally, lack of planning and evaluation. For each activity carried out, conflicts often occur between employees, work performance is less than optimal because the pattern of work distribution is not evenly distributed, and the lack of appreciation is felt fairly so that in the end it will have an impact on declining employee performance.

Companies need to make various efforts to identify the needs of operating units to stabilize the flow of product distribution from the supply of raw materials, production to marketing so that these efforts are expected to improve company performance, which means also reduce problems in the operating unit. The benefits obtained in the academic field are by testing the model so that it can be developed in further research and practical benefits, especially for research objects, namely Convection SMEs, so that they can be a reference for their future business development.

HYPOTHESIS DEVELOPMENT

TQM in Affecting Organizational Commitment and Company Operational Performance

Total Quality Management (TQM) is a customer-oriented approach by introducing systemic management changes and continually updating an organization's processes, products, and services (Chang et al., 2010; Mardiyati, 2015; Prayhoego and Devie, 2013; Lorente, 2000). The TQM process starts with the customer and ends with the customer (Gaspersz, 2011; Milovanovic, 2011). The TQM also

can be measured with several instruments associated with Operation Management (Flynn et al., 1994). Powell (1995) and Zairi (1997) stated that TQM is the key to excellence in competition. A positive and strong relationship was determined between total quality management and quality performance. The relationship between technology transfer performance and quality performance has become significant with the mediating role of total quality management (Bolatana et al., 2016).

Brooks and Zeitz (1999) proved that total quality management and perceived fairness influence organizational commitment. Tjiptono and Diana (2007) stated that Total Quality Management (TQM) is an approach in running a business that tries to maximize organizational competitiveness through continuous improvement of its products, services, people, processes, and environment. From the basis of that disclosure, this research produces a hypothesis 1.

H1: total quality management affects organizational commitment.

Sahoo and Yadav (2020), There exists a strong and positive relationship between simultaneous Total Productive Maintenance (TPM) x Total Quality Management (TQM) implementation and operational performance parameters. In their research, Singh et al. (2018) showed the positive impact of TQM on organizational performance (OP). Iqbal and Asrar-Ui-Haq (2018) revealed that Total Quality Management (TQM) practices and Individual Change Readiness (ICR) provide significant support to measure employee performance. Total Quality Management (TQM) is also one of the topics of concern in management accounting. Ittner and Larcker (1995) were among the first management accounting researchers to examine the impact of Total Quality Management on organizational performance. His study showed that there was no effect of the application of TQM practices on company performance. Sim and Killough (1998) examined TQM and JIT (just in time) in the design of management accounting systems and used performance measurement systems and reward systems in influencing company performance. The study by

Sim and Killough (1998) showed that TQM and JIT manufacturing practices could improve organizational performance with a management accounting system. Ozduru (2015) and Pamungkas (2011), in their findings, also revealed that TQM could influence managerial performance. Tariq et al. (2016) also said that practically the continuous improvement of TQM would affect organizational performance.

The effect of the application of TQM on organizational performance, according to Hessel (2003), includes product design processes, process flow management, statistical quality control, long-term relationships with customers, work attitudes of workers, and organizational performance on competitive advantage. From the basis of this discussion, this research produces a hypothesis 2.

H2: total quality management affects company operational performance.

Organizational Commitment in Affecting Company Operational Performance

According to Kaswan (2012), the definition of organizational commitment is the availability of employees trying to survive with a company in the future. Robbins and Judge (2015) stated that Organizational commitment is when an employee sides with a particular organization and its goals and intends to maintain membership in the organization. Araújo and Lopes (2014) found that the employees' perceptions, around three dimensions of leadership virtuosity (values-based leadership, perseverance, and maturity), contribute to organizational commitment, especially in its affective and normative dimensions turn, can influence individual performance positively. Organizational commitment influences knowledge sharing and firm performance (Imamoglu et al., 2019). By using gender as a dichotomous moderator, female employees have a higher level of organizational commitment than male employees (Messner, 2017). The affective commitment was the most positive component of organizational commitment for the organization, whereas continuance commitment has mostly had negative aspects for the organization (Janonienė and Endriulaitienė, 2014).

Commitment is often associated with a situation where an employee side with a particular organization and his goals and desires to maintain membership in that organization. Nohe et al. (2013) found that team leaders are more charismatic when they engage in change-promoting behaviors. These behaviors facilitate team performance through individual followers' perceived charisma and commitment to change. According to Allen and Meyer (1996), organizational commitment is a concept that has three dimensions, namely affective, continuance, and normative commitment. Robbin and Judge (2015) said that organizational commitment is defined as the relative strength of the individual in identifying his involvement in the part of the organization characterized by acceptance of values and organizational goals, willingness to work for the organization, and the desire to maintain membership in the organization. From the basis of this discussion, this research produces a hypothesis 3.

H3: organizational commitment affects company operational performance.

The Effect of TQM on Company Operational Performance through Organizational Commitment

Performance in an organization is one element that can not be separated in an organizational institution, both government and private institutions. In measuring performance, the internal perspective of business processes is an essential part that must be measured (Kaplan and Norton, 2001). A successful organization is certainly an organization that can grow and continues improving its performance (Sopiah, 2008).

The Study by Priyanka and Setiawan (2017) showed that TQM has a significant positive effect on the performance of SME organizations. Thus it can be interpreted that the more TQM increasingly improves the performance of SME organizations. The strongest influence is shown by the correlation between customer satisfaction indicators and quality and indicators of continuous improvement and quantity. Descriptive analysis results of the highest average value of the TQM indicator can be shown by customer satisfaction with a very good interpre-

tation. That reflects that Sanan Tempe Chips produced by SMEs in Malang, East Java Province, are preferred and preferred by customers, and employees are also friendly in serving customers. The findings of this study are also supported Prajogo and Sohal (2006), who stated that TQM has a significant direct positive relationship on organizational performance, which consists of product quality, product innovation, and process innovation, which shows that there is an effect of TQM on organizational performance.

While the analysis shows that TQM has a significant negative effect on the organizational commitment of SMEs, it concludes that if TQM increases, it can reduce organizational commitment. If organizational commitment increases, it can reduce TQM. In addition, the analysis shows that organizational commitment has a significant influence on the performance of SME organizations. From the basis of this discussion, this research produces a hypothesis 4.

H4: organizational commitment mediates the effect of total quality management on company operational performance

Research Framework

Based on the theories and previous research, the framework of this research are arranged below:

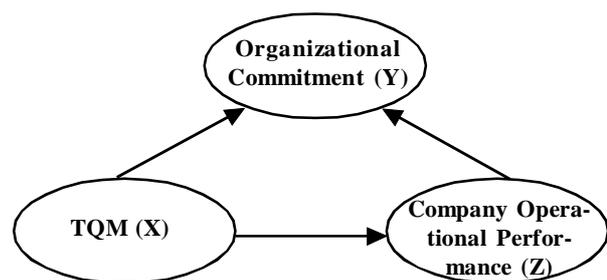


Figure 1. Framework

METHOD

The research location was in all Convection SMEs in Banda Aceh City. Series of direct research was conducted on Convection SMEs in Banda Aceh

city to obtain accurate and relevant data and information needed in this study. The variables used in this study are Company Operational Performance (Z), and Organizational Commitment (Y), and TQM (X).

The population in this study was all Convection SMEs in Banda Aceh, consisting of 294 Convection SMEs. This research was conducted in 2020 by distributing questionnaires for two months, namely January to February. The sample was selected using a proportional sampling technique. The sample taken was 15% of the population. One respondent represented one unit of SMEs, so the sample has amounted to 169 respondents.

The distributing questionnaires were carried out online and offline, using a Likert scale as the measurement scale. Likert scale is a scale designed to enable respondents to answer various levels of questions on each item. Questionnaires were asked to state the level of the agreement following the measurement scale. The model was tested using the Structural Equation Modeling (SEM) analysis technique.

RESULTS

Respondent Characteristics

From the research results on 169 workers who work in the convection business in the city of Banda

Aceh. The description of respondents from the sex where as many as 139 people (82.25%) are male and female 30 people (17.75%), the average age of 38 years. For marital status, the study results showed that as many as 79.88 percent of respondents were married. When viewed from the level of education, the most workers in the convention business are high school graduates with 102 people (60.36%), while those who graduate are only five people (2.96%). Total income is smaller than 2.0 million by 45 people (26.63%), 2.1 - 2.5 million by 106 people (62.72%), and 2.6-3.5 million by 18 people (10.65%). From the total income received by respondents, it can be said that it is still low compared to the UMP, reaching Rp. 2,700,000 per month. that can affect the performance of employees at work because it is felt that they are still unable to meet the needs of life.

Validity test

A comparison between the r-count value and r-table value is made to test the validity of the questionnaire. The r-count value is calculated using the correlation between the alternative scores on the answer choices for a particular statement item and a whole item score on that variable. Furthermore, r-count is compared to r-table, with provisions $r\text{-count} > r\text{-table}$. Thus the item can be declared valid.

Table 1. Validity Test Result

Variable	Indicator	Standarized Loading	Result
TQM	Employee Engagement	0.811	Valid.
	Employee Input	0.664	Valid.
	Operational Guidelines	0.980	Valid.
Organizational Commitment	Affective Commitment	0.919	Valid.
	Continuance Commitment	0.882	Valid.
	Normative Commitment	0.710	Valid.
Operational Performance	Cost Efficiency	0.663	Valid.
	Increase in Profit	0.697	Valid.
	Work Standards	0.754	Valid.
	Increased Production	0.852	Valid.
	Innovation	0.924	Valid.
	Minimize Errors	0.864	Valid.
	Achievement of objectives	0.766	Valid.

Source: SPSS output processed, 2020

Based on Table 1, all the variables used in this study are declared valid because they have an estimate value above the critical correlation value of 0.05. All indicators contained in each of these research variables are declared valid for continued research more in-depth. Thus all indicator items of each variable in this study have met the requirements for further testing.

Reliability Test

A reliability test shows the extent to which a measuring instrument can provide relatively the same results if it is measured again on the same object. The minimum reliability value of latent variable forming dimensions that can be accepted is 0.70 (Hair et al., 2006). while Variance extract shows the amount of variance of the indicator extracted

by the latent variable developed. The acceptable variance extract value is a minimum of 0.50. Reliability testing intended in this study determines the extent to which measurement results are consistently carried out statistically.

Based on Table 2 above, it can be seen that the data reliability test uses indicators based on the variance Extracted (AVE) and Construct Reliability (CR) formulas. The table shows the value of CR > 0.070 and AVE value > 0.05. Based on the results, it appears that there is no reliability value smaller than 0.70. Similarly, the variance extract test also found no value below 0.50. The results of this test show that all the indicators (observed) in the construct used as the observed variable for the construct or its latent variable can explain the construct or latent variable that it forms.

Table 2. Reliability Test Results

Variable	Indicator	Standardized Loading	Measurement Error	CR	AVE
Total Quality manajemen	Employee Engagement	0.811	0.189	0.917	0.791
	Employee Input	0.664	0.336		
	Operational Guidelines	0.980	0.020		
Organizational Commitment	Affective Commitment	0.919	0.081	0.928	0.813
	Continuance Commitment	0.882	0.118		
	Normative Commitment	0.710	0.290		
Operational Performance	Cost Efficiency	0.663	0.337	0.954	0.749
	Increase in Profit	0.697	0.303		
	Work Standards	0.754	0.246		
	Increased Production	0.852	0.148		
	Innovation	0.924	0.076		
	Minimize Errors	0.864	0.136		
	Achievement of objectives	0.766	0.234		

Measurement Model

The estimation needs to be conducted in stages for testing using structural equation modeling (SEM) analysis, namely by conducting confirmatory factor analysis (CFA). CFA can assess the construct validity of measurement theory, where construct validity gives confidence that size indicators taken from the sample describe the true scores in the popula-

tion and the full structural equation model analysis technique (Augusty, 2006). The results of the CFA and also the regression from SEM analysis are provided and explained as follows.

Confirmatory Factor Analysis

The confirmatory analysis, also called confirmatory factor analysis (CFA), is designed to test

the multidimensionality of a theoretical construct. This analysis is often called testing the validity of theoretical constructs. In other words, confirmatory

analysis tests whether the indicators used are valid as gauges of latent constructs. The CFA result is figured in figure 2 below.

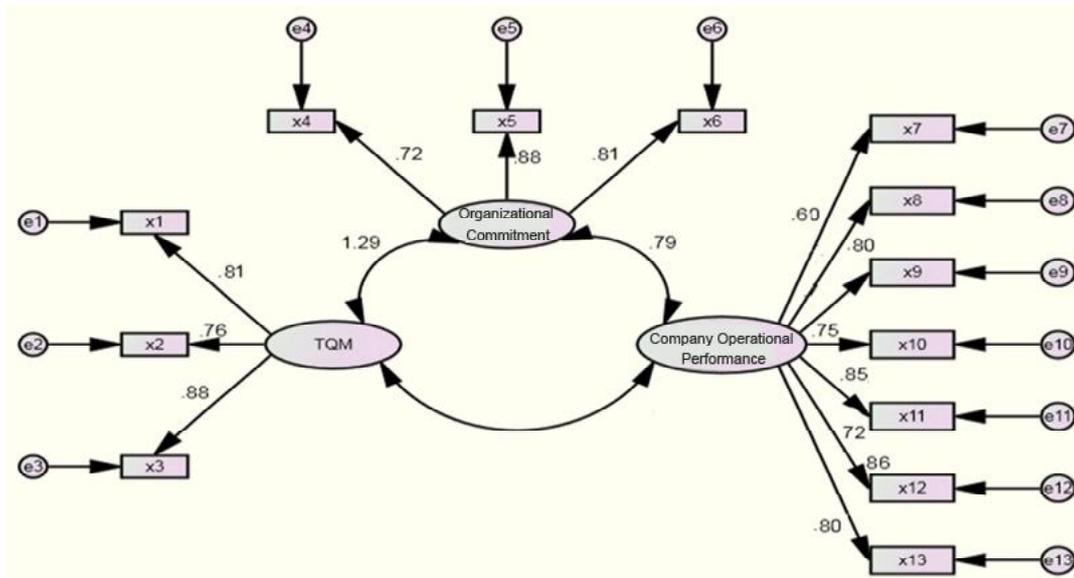


Figure 2. Confirmatory Factor Analysis (CFA) of Constructs

From the test of CFA, it can be seen that the loading factors resulted in a correlation above 0.5. So it concludes that all indicators in the research are valid, and this condition means that all indicators can be included for the next step of the analysis.

The goodness of Fit Test

The results of testing the conformity to the whole model (Full Structural Model) can be seen in Table 3 below.

The structural equation model in Table 3 above meets the model fit criteria indicated by probability (p) 0.306. Likewise with the value of other criteria such as GFI = 0.943, AGFI = 0.916, TLI = 0.954 and CFI = 0.963 whose values are above 0.950 and also the RMSEA value of 0.022 is far above the required criteria of less than 0.080. Then it describes that structural equations are a good fit so that this model can be accepted.

Table 3. Goodness of Fit

Index	Value Criteria	Results	Model Evaluation
Probabilitas (p)	≥ 0.05	0.306	Good Fit.
RMSEA	≤ 0.08	0.022	Good Fit.
GFI	≥ 0.90	0.943	Good Fit.
AGFI	≥ 0.90	0.916	Good Fit.
CMIN/DF	≤ 2.00	1.082	Good Fit.
TLI	≥ 0.95	0.954	Good Fit.
CFI	≥ 0.95	0.963	Good Fit.

Source: Primary Data, 2020.

Based on Table 3 above, also can be seen that in general by using the goodness of fit test, it reveals that the existing measurement model has met the criteria, so that the output that comes out of this model can be used as a finding or research findings related to the relationship between indicators and their constructs.

Analysis of Structural Equation Modeling (SEM)

In the previous section, we have explained the process of testing the measurement model, which tests whether the model as a whole can be said to be fit with the existing sample data. That can also

be testing whether the construct can indeed explain each indicator in each construct.

The measurement testing process results in the conclusion that existing indicators can already explain overall the fit model with data and each of the latent variables. The structural model testing process can already be carried out. Because the fit test carried out at the measurement model stage also applies to the structural stage of this model, the test does not need to be repeated.

Based on the results of the structural equation modeling (SEM) analysis in the full model, after an analysis of the dimensionality unit level of each indicator forming the latent variable tested, you can see the picture below.

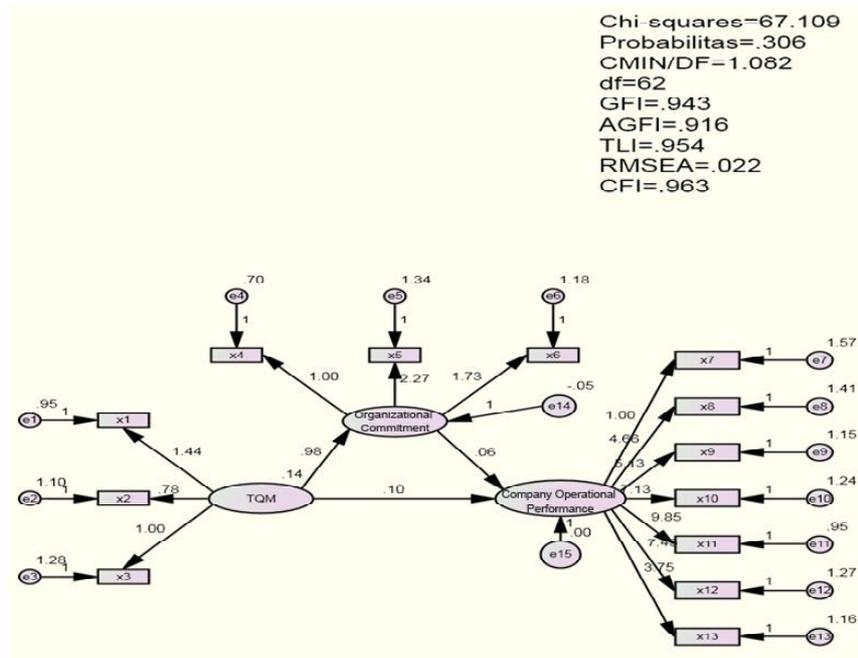


Figure 3. Full Structural Model Result

Through AMOS statistics can be analyzed and calculated the results of regression weights between latent variables exogenous constructs (TQM and organizational commitment) to endogenous constructs (operational performance) as an estimate of loading factor or lamda value (δ). Besides the de-

gree of freedom or degree of freedom (df), the value of C.R or t-count can also be known. Based on significant t-counts with a probability value (p) = 0.05. The results of the causality test regression weights are shown in Table 4 below.

Table 4. Regression Weight of the Model

	Estimate	S.E.	C.R.	P	Label
TQM to Organizational Commitment	.983	.472	2.083	.037	Sig.
TQM to Operational Performance	.906	.164	5,524	.016	Sig.
Organizational Commitment to Operational Performance	.508	.139	3.655	.006	Sig.

Source: Primary Data, 2020.

The role of TQM and organizational commitment in supporting the achievement of operational performance

Based on the value of the variable conditions, it can be illustrated that the TQM variable of Convection Business employees in Banda Aceh City has shown good TQM implementation, this is because the entrepreneurs have been in accordance with what is expected from the customer focus, quality obsession, scientific approach, long term commitment length, Cooperation (Team work), Continuous improvement of the system, Education and training, Controlled freedom, Unity of purpose and Existence of Employee involvement and empowerment, but there are less positive responses on but there is less positive response to the focus on customers caused by the company has not fully meet the expectations of its customers, on the component of continuous system improvement due to inadequate technology systems owned by the company and the failure of the company's management strategy to improve the quality of the company through the performance of its employees, on the compound and controlled freedom which is caused due to the lack of participation of employees in the company on decision making and on the unity component of goals due to unfair competition between teams, resulting in cooperation that has not been able to produce optimal performance.

Evidence of Total Quality Management Affecting Organizational Commitment in Convection SMEs in Banda Aceh

Based on the results of the study indicate that the total quality management affects the organizational commitment of the Convection SMEs in the

city of Banda Aceh, where the SEM analysis results seen from the CR value indicate that the value of CR = 2.181 or CR > 2.00, while the probability value indicates a number smaller than a probability value of 0.05 can be interpreted as Total quality management influences the organizational commitment of the Convection SMEs in Banda Aceh City. Meanwhile, based on the processed data, a coefficient of 0.983 was obtained. This coefficient means that in Convection SMEs in Banda Aceh City if the total quality management is increased by 1 unit, it will increase organizational commitment by 0.983 units. That can be a reference for a strategy to increase total quality management in influencing organizational commitment of the Convection SMEs in Banda Aceh City. Increasing and strengthening the total quality management constructs used in this research, namely employee engagement, employee input, and operational guidelines can certainly strengthen Convection SMEs' organizational commitment in Banda Aceh City. Thus, hypothesis 1 has been proven and accepted. That is following several previous studies discussed previously, and what distinguishes it is the determination and use of constructs in the Convection SMEs in Banda Aceh City, the results of the coefficient, and the analysis of its application to total quality management in influencing organizational commitment.

Evidence of Total Quality Management Affecting Company Operational Performance in Convection SMEs in Banda Aceh

Based on the study results, the total quality management affects the company's operational performance in Convection SMEs in the city of Banda Aceh, where the SEM analysis results seen

from the CR value indicate that the value of CR = 2.583 or CR > 2.00. In contrast, the probability value indicates a smaller number of the probability value of 0.05. It can be interpreted that Total quality management affects the operational performance of companies in the Convection SMEs in Banda Aceh City. Meanwhile, based on the processed data, a coefficient of 0.906 was obtained. This coefficient means that in Convection SMEs in Banda Aceh City if the total quality management increases by 1 unit, it will increase the company operational performance by 0.906 units. That also can be a reference for strategies to increase total quality management in influencing company operational performance of Convection SMEs in Banda Aceh City. Increasing and strengthening the total quality management constructs used in this research, namely employee engagement, employee input, and operational guidelines can certainly strengthen the company operational performance of the Convection SMEs in Banda Aceh City. Thus, hypothesis 2 has been proven and accepted. That is following several previous studies discussed previously, and what distinguishes it is the determination and use of constructs in the Convection SMEs in Banda Aceh City, the results of the coefficient, and the analysis of its application to total quality management in influencing company operational performance.

Evidence of Organizational Commitment Affecting Company Operational Performance in Convection SMEs in Banda Aceh

The study results indicate that organizational commitment affects operational performance in Convection SMEs in Banda Aceh City, where the SEM analysis results seen from the CR value indicate that the value of CR = 3.417 or CR > 2.00. In contrast, the probability value indicates a number smaller than the value probability 0.05, which can be interpreted as organizational commitment affects the company's operational performance in the Convection SMEs in the City of Banda Aceh. Meanwhile, based on the processed data, a coefficient of 0.508 was obtained. This coefficient means that in Convection SMEs in Banda Aceh City if organiza-

tional commitment is increased by 1 unit, it will increase company operational performance by 0.508 units. That can be a reference for a strategy to increase organizational commitment in influencing company operational performance at Convection SMEs in Banda Aceh City. Increasing and strengthening the organizational commitment constructs used in this research, namely affective commitment, continuance commitment, and normative commitment, can increase the company operational performance of the Convection SMEs in Banda Aceh City. Thus, **hypothesis 3 has been proven and accepted.** That is following several previous studies discussed previously, and what distinguishes it is the determination and use of constructs in the Convection SMEs in Banda Aceh City, the results of the coefficient, and the analysis of its application to organizational commitment in influencing company operational performance.

Evidence of Total Quality Management Affecting the Company's operational performance with the mediation of Organizational Commitment

The fourth hypothesis testing aims to see the Total Quality Management of the company's operational performance mediated by the Organizational Commitment. As explained earlier, the direct influence on each relationship path (testing hypotheses 2, 3, and 4) showed significant results. To find out the indirect effect through Organizational Commitment, researchers used the Sobel Test method. For easy comparison, the magnitude of the effect of each latent variable directly (Standardized direct effect), indirectly (Standardized indirect effect), and the total effect (Standardized total effect) are summarized in Table 5 below.

The direct effect of total quality management on organizational commitment is 96.62 percent (0.983) 2, the direct effect of organizational commitment on company operational performance is 0.3364 percent (0.058) 2, For the indirect effect of total quality management on company operational performance through Organizational Commitment by 5.70 percent (0.983x 0.058).

Table 5. Direct Effects, Indirect Effects, and Total Effects

No	Description	Direct Effect (Standardized)	Indirect Effect (Standardized)	Information	Total effect (Standardized)
1	The Effect of Total Quality Management on Organizational Commitment	0.983 (1.295)	0.000	Direct > Indirect	0,983 (1.295)
2	The Effect of Total Quality Management on Operational Performance	0.096 (0.449)	(0.983 x 0.058) = 0,057 (0.266)	Direct > Indirect	0,153 (0.715)
3	The Effect of Organizational Commitment on Company Operational Performance	0.058 (0.205)	0.000	Direct > Indirect	0,058 (0.205)
4	Sobel Test Statistic	0.26511027			
5	Sobel Std Error	0.21505768			
6	Sobel P-Value	0.79092452			

Source: Primary Data, 2020.

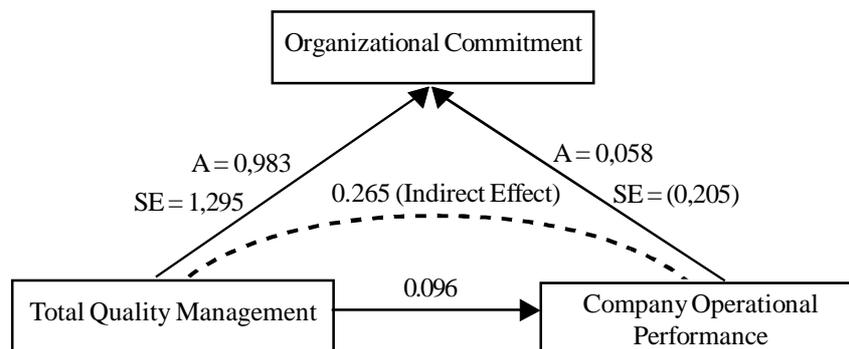


Figure 4. Direct Effects, Indirect Effect

Where:

- A = Regression coefficient X1 against Y = 0.983
- B = Regression coefficient Y against Z = 0.058
- ASE = Standard error variable X1 = 1,295
- BSE = Standard variable error Y = 0.205

From the Sobel online test results, we get: Sobel Test Statistic = 0.26511027 Standard Error = 0.21505768 probability Value = 0.79092452.

In addition to using path analysis to determine the significance of intervening variables, the Sobel Test application also uses the Sobel Test Calculator

for the Significance of Mediation. With this test, we can determine whether the intervening variable can be a mediating effect of the independent variable on the dependent variable or the independent variable's indirect effect on the dependent variable. With this test, we can also determine the significance value of both one-tailed and Two-tailed probability. This test is done online at <http://quantpsy.org/sobel/sobel.htm>.

From the results in Figure 4, the probability values of both one-tailed and Two-tailed probability have significance above 0.05. That means that the

organizational commitment variable does not affect the relationship between operational performance and total quality management (TQM). Thus, **hypothesis 4 is proven cannot be accepted**. That explains the total quality management can directly affect company operational performance (Hypothesis 2 has been accepted) without having to go through organizational commitment, so that organizational commitment does not function as a mediator but as an independent variable (Hypothesis 3 has been accepted).

DISCUSSION

From the above findings, it turns out that in the convection SME industry, following the evidence for hypothesis 1, it produces evidence that TQM has a great influence on strengthening organizational commitment and company operational performance. Strengthening TQM can have a major impact on strengthening the commitment of the Convection SMEs organization in the city of Banda Aceh. Following the understanding, TQM is needed to improve products, processes, and services to consumers. This finding is consistent with research conducted by Sun and Yang (2021), where they examined how to match workers and firms as well as possible and set free as many committed agents as possible without violating any commitment. They showed stable and (strict) core matchings through their designed market mechanism and obtained a lattice result for such outcomes and incentive compatibility results for the mechanism. Convection SMEs, in this case, need to continue to improve the quality of their management and enhance the competitiveness of their products, processes, and services to make them more effective and efficient. The strength of TQM in the convection industry is born from a sense of employee engagement to the business where they work to perform better, maximum work input from their employees to produce good quality and efficiency, and clear and continuously improved operational guidelines based on the operational process of creating goods and quality of service that can be provided to consumers. The strengthening of the elements that make up the TQM can certainly result in the operational performance

of the Convection SMEs that are highly competitive. Following the proof of hypothesis 2, which proves that TQM can significantly affect company operational performance, meaning that TQM, according to this research, can create cost efficiency in Convection SMEs, can increase profits, can create work standards that should be, can increase production, can minimize errors, and achieve other business goals. This finding is in line with Tariq et al. (2016), who also said that continuous improvement of TQM affects organizational performance.

The creation of company operational performance is, of course, not necessarily perfect only from reliable TQM. Still, in this research model, following hypothesis 3, company operational performance is also influenced by organizational commitment as the determining factor. That answers why company operational performance has one determining factor, namely TQM, and has other determining factors, namely (in this research) organizational commitment. More deeply, increasing company operational performance is highly dependent on the elements that make up the organizational commitment, namely the balance between affective commitment, which is the desire of employees to become part of the organization because of emotional ties, continuance commitment where there is a willingness of employees to remain in the organization in the absence other jobs or the existence of certain rewards, and normative commitment which is the inculcation of organizational values in employees where employees feel that being committed to the organization is what they should be doing. Thus, the elements of organizational commitment that Convection SMEs must possess can have a strong effect on increasing cost efficiency, increasing profit, creating work standards, increasing production, minimizing errors and achieving the goals of the convection business. Following the research disclosed by Imamoglu et al. (2019), they stated that organizational commitment affects knowledge sharing and company performance.

For the results of testing the indirect effect, that is, hypothesis 4 regarding the allegation that TQM can affect company operational performance through organizational commitment, it is proven that

hypothesis 4 is not accepted, so that in this research model, organizational commitment is proven not to function as a mediator. That explains that organizational commitment only functions as an independent variable in the research model. TQM and organizational commitment are proven only directly to affect company operational performance in the Convection SMEs. These results make this research model different from previous research conducted by Macedo et al. (2016), where they demonstrated that the relationship between mission statements (as a large framework of operational guidelines, which is one of the indicators of TQM) and organizational performance is better understood if the influence of organizational commitment, as a mediating variable of the relationship mentioned above, is taken into account.

These results also explain that increasing TQM will certainly be effective in directly affecting company operations without utilizing organizational commitment as a mediator to increase company operational performance. Organizational commitment will directly affect company operational performance. Thus, the TQM and organizational commitment in this current research model are independent variables in influencing the increase of company operational performance in Convection SMEs in Banda Aceh City. The use of constructs for cross-section data retrieval in this study differs from previous studies. This study combines previous causality theories into a model involving TQM, organizational commitment, and company operational performance as variables tested in Convection SMEs in Banda Aceh.

CONCLUSION

This study described the role of TQM and organizational commitment in supporting the achievement of a viable company operational performance in Convection SMEs in Banda Aceh City. Based on the results, several conclusions can be figured. The result showed an influence between TQM on Organizational Commitment, TQM on Company Operational Performance, and Organizational Commitment on Company Operational Performance. And also in this study found that organizational commitment can act as a partial mediator to strengthen the

effect of TQM on Company operational performance. The interesting issue in this study lies in the discussion of the organizational commitment to solving the inconsistency problems in the quality of convection production in SMEs. Furthermore, the other researchers can provide more concepts and variables to enrich this research model, like other mediators for TQM to achieve performance or even the commitment that can strengthen the TQM and performance. The model also can be a reference for practitioners to set their strategy in further, to go more productive.

IMPLICATIONS

The results prove that the model has been tested, and each variable has a role in the company operational performance in Convection SMEs. These findings strengthen the theory of causality and prove that the SMEs class of convection industries also really need TQM and organizational commitment to achieve the high operational performance of companies. Based on the influence coefficient, TQM has a very strong influence on Organizational commitment and strongly impacts the company's operational performance. That finding can be developed to be studied by future researchers on the theory of causality for the object of Convection SMEs. In an effort to improve total quality management in Convection SMEs in the city of Banda Aceh, there is a need to increase the operational knowledge of each business owner so that in an effort to improve TQM, it will be easier faster. The average TQM score is 3.61, or when rounded, it is included in agreeing with the coefficient value of 0.983. The indicator value on the highest TQM variable is "The company is always trying to develop employee involvement in all sections to manage all aspects of quality" with a value of 1.440, while organizational commitment with an average score of 3.58 or when rounded it is included in the category of agreeing with the coefficient amounted to 0.906. The indicator value on the highest Organizational Commitment variable is "I find it hard to leave this company for fear of not getting job opportunities elsewhere" with a value of 2,270, as well as the operational performance with an average score of

3.36 or if rounded up, it can be declared disagreeing with the coefficient amounted to 0.508. The indicator value on the variable Operational Performance of the Company is highest, "The company always develops product innovations." Total Quality Management, in general, has a good value in terms of perception. A good TQM will provide opportunities for business respondents to work totally in the organization, where TQM will form a committed attitude in the organization. The business that can be done so that organizational commitment can grow high with the existence of TQM is there is an effort to apply management in favor of employees such as performance benefits or something that is motivating work. Total Quality management also generally has a good influence on improving the company's operational performance, which is expected that TQM that has been running so far can be improved so that operational performance will be good going forward. In line with efforts to improve TQM capabilities, it is expected that employees will be able to apply and implement the rules that apply to the company following management's faith so that in the end the application of TQM will increasingly be seen in the future so that it will improve the company's operational performance. Organizational commitment owned by the respondents shows that it has developed well. Therefore, it needs a good openness so that communication within the organization is more open to maintaining the commitment formed in the organization to ultimately improve operational performance. To increase business understanding of the importance of organizational commitment at work, it is expected that employees will be able to love a job so that there is a sense of belonging to each other. That ultimately provides the view that the work that has been working is the last choice to improve the company's operational performance. It is expected that with this organizational commitment, there will be an increase in the ability to understand TQM by respondents. In the end, there will be an increase in the company's operational performance in Convection SMEs in Banda Aceh City.

LIMITATIONS

The limitation of this research lies only in the three variables studied, namely TQM, Organizational Commitment, and Company Operational Performance, and the boundaries of the object, namely Convection SMEs in Banda Aceh City. Thus, the emphasis of the discussion only focuses on the thing, the three variables, and the model of their relationship. There is still much that can be developed from this research model that has been tested, either by adding other variables related to the company's operational performance or by expanding the object of research, replacing, or comparing with other industries.

RECOMMENDATIONS

Furthermore, the other researchers can provide more concepts and variables to enrich this research model, like other mediators for TQM to achieve performance or even the commitment that can strengthen the TQM and performance. The model also can be a reference for practitioners to set their strategy in further, to go more productive.

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