Perum Damri Managerial Performance: The Role of Customer Focus and Continuous Improvement

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ABSTRACT: *Perum Damri Surabaya is a government-owned company operating in the transportation sector that provides public services. There are five characteristics as main principles that must be fulfilled in the criteria for good public governance as interrelated principles, namely accountability, openness and transparency, compliance with legal regulations, fairness or equality, and commitment. Based on this background, this research aims to prove that customer focus and continuous improvement influence managerial performance at Perum Damri Surabaya. The data population for this research is unit heads, section heads, and sub-section heads in Perum Damri Surabaya, totaling 14 people using a purposive sampling method. The variables used are customer focus and continuous improvement as independent variables, while managerial performance is the dependent variable. Based on multiple linear regression analysis, it is concluded that the customer focus variable has no effect on managerial performance, so the 1st hypothesis of this research, namely the assumption that customer focus affects managerial performance, has not been tested. The continuous improvement variable affects managerial performance, so the second hypothesis of this research is that it is suspected that continuous improvement affects managerial performance.*

Keywords: Continuous improvement, customer focus, managerial performance, Perum Damri Surabaya.

INTRODUCTION

Business people operating in the manufacturing and service industries must play an active role in the current competitive era. Therefore, many companies adopt Total Quality Management (TQM), where the company must know what things are considered important by its customers, and the company must try to produce the best possible performance and utilize existing capabilities as much as possible in order to be superior. in competition, namely by improving the quality of products and services or by making continuous improvements in the organization so that it can produce products that can satisfy customers and pay attention to and provide the best service for customers (Alansori et al., 2021). Customers are all people who demand that we or the company meet certain quality standards and, therefore, will influence our or the company's performance (Ibrahim & Rusidiana, 2021).

According to Muslim & Sururin (2018), customers generally are no longer willing or tolerant of mediocre quality. As a result, business survival in competition requires total quality management. Total quality management is a comprehensive business approach that continuously improves the quality of all processes, products, and services provided.

According to Ariani et al. (2022), good governance requires the involvement of all stakeholders, both in the bureaucracy and the community. Good governance is a government close to the community, and in providing services, it must be in accordance with the community's needs. The implementation of good public services characterizes the essence of good governance; this aligns with the essence of decentralization and regional autonomy policies that give regions the freedom to regulate and manage local communities and improve public services.

One of the considerations why public services have become strategic and a priority to be addressed is because, currently, the implementation of public services is very bad and significantly related to the poor implementation of good governance (Ariani et al., 2022; Ramadhan & Suryaningrum, 2020). The impact of poor public services is felt by citizens and the wider community, giving rise to dissatisfaction and distrust in the performance of government services. Poor public services indicate poor government management performance. Poor government management performance can be caused by various factors, including indifference and low commitment of top leaders, upper, middle, and lower managerial leaders, as well as other government administrators to jointly realize the goal of regional autonomy. In addition, there is a lack of commitment to establishing and implementing strategies and policies to improve the quality of performance management and public services, which results in poor company performance (Adzroo & Suryaningrum, 2023). Increasing the quality of public services is greatly influenced by the concern and commitment of leaders/top managers and government officials to implement good governance (Maryam, 2016).

Perum Damri Surabaya is a government-owned company that provides public services in the transportation sector. As one of the state companies that received an award, the Surabaya city branch of Perum Damri could not carry out public services well. Problems that arise include poor service. This causes Damri bus passengers in Surabaya to become increasingly quiet. There are losses that need to be borne by the company almost every month, and the amounts are large; for example, in 2018-2021, the losses almost reached IDR 750 million every month. This resulted in poor company performance. The main reason is that passengers are getting less and less every day. The flow of city bus passengers in Surabaya increases almost yearly, showing the high need for city buses (Amrulloh & Tukiman, 2023).

Focus on customers and continuous improvement in TQM is an effort that can be successful if accompanied by appropriate human resource efforts because human factors are the most important dimension in improving quality and productivity (Maryam, 2016). Customer focus is an approach or strategy that prioritizes customer needs, desires and satisfaction as the central point of all company activities and decisions. Continuous improvement aims to increase organizational performance in an evolutionary manner through small but continuous improvements in efficiency. By implementing customer focus and continuous improvement, companies can build strong relationships with their customers, increase customer loyalty, and create significant differentiation in the market. It also helps companies to stay relevant and competitive in an ever-changing business environment.

The management accounting system is an organizational control mechanism and an effective tool in providing useful information to predict the possible consequences of various activities that can be carried out (Mowen et al., 2018). A management information system is an information system that produces output using input and various processes needed to meet certain management objectives. Processes are the core of a management accounting information system and are used to convert input into output that meets the objectives of a system. Management accounting information can help (managers) identify a problem, solve problems, and evaluate performance (accounting information is needed and used in all stages of management, including planning, controlling, and decision-making) (Mowen et al., 2018).

Based on the background and problems at Perum Damri Surabaya, it is important to examine the role of TQM, especially customer focus and continuous improvement in relation to the performance of Perum Damri Surabaya. Previous research in the TQM context often highlights general aspects of quality management (Alansori et al., 2021; Muslim & Sururin, 2018; Ramadhan & Suryaningrum, 2020) without sufficient focus on specific aspects related to managerial performance in the public transportation sector, especially at Perum Damri. In addition, existing research tends to pay less attention to the integration between customer focus and continuous improvement in organizations such as Perum Damri.

This article explores how customer focus and continuous improvement can influence Perum Damri's managerial performance. Combining these two concepts, this article provides new insights into how public transportation companies can improve operational efficiency, customer satisfaction, and long-term sustainability. This research is expected to provide practical insight to managers and stakeholders at Perum Damri regarding the importance of adopting a customer-oriented TQM approach and continuous improvement. Apart from that, it is also hoped that the results of this research can become a basis for further research in deepening understanding of the factors that influence managerial performance in the public transportation sector. Thus, this article has the potential to provide a significant contribution to the development of quality management theory and practice in the context of the public transportation industry in Indonesia.

LITERATURE REVIEW

Management Accounting Information System

An accounting information system is an organization of forms, records, and reports that are coordinated in such a way as to provide the financial information needed by management to facilitate company management (Mulyadi, 2016). Management Information System is a process of planning, budgeting, organizing, directing, activating, supervising, and reporting the activities of each organizational unit so that the overall organizational goals can be achieved efficiently and effectively (Ibrahim & Rusidiana, 2021). A management accounting information system is an information system that produces output using input and various processes needed to meet certain management objectives (Mowen et al., 2018).

Management Accounting is the application of appropriate techniques and concepts in processing historical and projected economic data from a business unit to assist management in preparing plans for rational economic goals and in making rational decisions with a view toward achieving goals (Ibrahim & Rusidiana, 2021).

Total Quality Management (TQM)

According to Mowen et al. (2018), it is an approach to running a business that maximizes an organization's competitiveness through continuous improvement of products, services, people, processes, and the environment. Mowen et al. (2018),) state that TQM has four main principles. These four principles are:

1. Customer Satisfaction

    Customer needs are sought to be satisfied in all aspects, including price, safety, and timeliness. Therefore, all company activities must be coordinated to satisfy customers.

2. Respect for Everyone

    In a company with world-class quality, each employee is seen as an individual who has his or her own unique talents and creativity. Thus, employees are the organization's most valuable resource.

Therefore, everyone in the organization is treated well and given the opportunity to be involved and participate in the decision-making team.

3. Management Based on Facts

    World-class companies are fact-oriented. This means every decision is always based on data, not just feelings.

4. Continuous Improvement

    In order to be successful, every company needs to carry out a systematic process of implementing continuous improvement. The concept that applies here is the PDCA (plan-do-check-act) cycle, which consists of planning steps, implementing the plan, checking the results of implementing the plan and taking corrective action on the results obtained.

Customer Focus

According to Ibrahim & Rusidiana (2021) and Mowen et al. (2018), customers are people who receive the results of a person's or an organization's work, so only they can determine what the quality is like, and only they can convey what and what their needs are.

Customers are all people who demand that we or the company meet certain quality standards and, therefore, will influence our or the company's performance (Ibrahim & Rusidiana, 2021). There are 3 (three) types of customers in the modern quality system, as follows:

1. Internal Customers

    These people are in the company and influence job performance (company). Examples of internal customers are purchasing, production, sales, payroll, recruitment, and employee departments.

2. Intermediate Customers

    These are those who act or act as intermediaries, not as end users of the product. Distributors who distribute products and travel agents who book hotel rooms for end users are examples of intermediate customers.

3. External Customers

    Buyers or end users of products are often referred to as real customers. External customers are people who pay to use the products produced.

Continuous Improvement

Continuous improvement is fundamental to developing perfect manufacturing processes, and manufacturing perfection is the key to survival in today's globally competitive environment. Producing products and reducing waste in accordance with standards are two goals of world-class companies (Mowen et al., 2018). This approach can only be successful if accompanied by appropriate human resource efforts because human factors are the most important dimension in improving quality and productivity (Ibrahim & Rusidiana, 2021). There are five main activities in continuous improvement, namely:

1. Communication

    Communication is a very important aspect of continuous improvement. Without communication, continuous improvement cannot be carried out properly. Communication does not only occur between team members but communication between teams within a company is also needed. Communication is useful for providing information before, during, and after improvement efforts.

2. Fix real/obvious problems

    The problems are often unclear, so research is needed to identify and overcome them.

3. Look upstream

    Looking upstream means looking for the cause of a problem, not the symptoms. A tool that can be used to separate causes and symptoms is a cause-and-effect diagram.

4. Document progress and problems

    Documentation of problems and progress is carried out so that if we encounter the same problem in the future, solutions can be carried out quickly.

5. Monitor changes

Objective monitoring of the performance of a process after changes are made is necessary because sometimes the solution proposed for a problem does not necessarily solve the problem completely.

Managerial Performance

Managerial performance is one factor that can increase organizational effectiveness. According to Mahoney et al. in Sulijaya & Bangun (2017) what is meant by managerial performance is the performance of individual members of the organization in managerial activities, including:

- ✓ Planning.
- ✓ Investigation.
- ✓ Coordination.
- ✓ Evaluation.
- ✓ Supervision.
- ✓ Staffing and
- ✓ Presentation representative.

A person who holds a managerial position is expected to be able to produce good managerial performance. Managers provide performance by directing the talents, abilities and efforts of several other different people within their authority.

The Effect of Customer Focus on Managerial Performance

In essence, the goal of business is to create and retain customers. In the TQM approach, quality is determined by the customer. Therefore, it is only by understanding processes and customers that organizations can realize and appreciate the meaning of quality. All management efforts in TQM are directed at one main goal: creating customer satisfaction (Mowen et al., 2018). Customer focus is the main element of TQM. TQM is a method that involves and empowers all employees in continuous improvements in the quality of goods and services, which can provide satisfaction to customers (Ibrahim & Rusidiana, 2021; Sulijaya & Bangun, 2017).

The Effect of Continuous Improvement on Managerial Performance

Ibrahim & Rusidiana (2021) stated that effective implementation of TQM will lead to improve organizational work, such as increased productivity and profitability, along with increased customer satisfaction. A study by Ciptaningtias et al. (2023) provides evidence that TQM helps small and medium-sized companies improve competitiveness and growth. Meanwhile, Sulijaya & Bangun (2017) found that the implementation of TQM is truly a series of quality improvement activities that improve business performance and help achieve high product quality in an effort to meet customer demands.

RESEARCH METHOD

Research Model

Figure 1 shows a research model based on the description of the explanation and premises in the introduction section.

Based on Figure 1 and the theory underlying the relationship between variables, the research hypothesis is:

H1: Customer focus influences managerial performance.

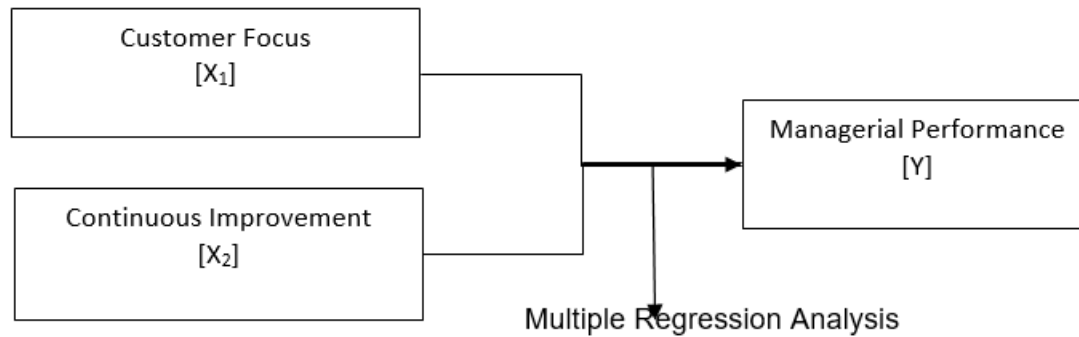**H2: Continuous improvement influences managerial performance.**

Figure 1. Research Model

Method of collecting data

According to the explanation of how data is collected before being processed and analyzed, the data collection method used is field research, namely by conducting research or reviewing the object again to obtain data and other materials (Ghozali, 2018). Apart from collecting data by field studies, also by conducting questionnaires. A questionnaire is a data collection technique that is carried out by giving respondents a set of questions or written statements to answer (Sugiyono, 2018). Interview. Interviews are used as a data collection technique if the researcher wants to conduct a preliminary study to find problems that must be researched and also if the researcher wants to know things from respondents in more depth. The number of respondents is (Sugiyono, 2018). Observation. Observation as a data collection technique has specific characteristics compared to other techniques, namely interviews and questionnaires. If interviews and questionnaires always communicate with people (respondents), then observation is not limited to people (respondents) but also other natural objects (Sugiyono, 2018).

Population and Sample

The population in this study were all managers, both upper, middle, and lower-level managers. In this case, there are 18 unit heads, section heads, and sub-section heads in Perum Damri Surabaya. Of the total number of questionnaires distributed, 14 managers sent answers, 4 (four) of which could not be processed because the data contained did not meet the criteria (answers were incomplete). This research is census research, so all population members are the sample. Census or saturated sampling is a sampling technique in which all population members are used as samples. This is done if the population is relatively small, less than 30 people (Sugiyono, 2018).

Operational Definition and Variables Measurement

Customer Focus (X1)

The customer focus variable is measured using an instrument developed by Goetsch and Davis (Ibrahim & Rusidiana, 2021) and developed by the researchers themselves with 7 (seven) question items in the form of an interval scale, which is measured using a semantic differential scale, which has a 5 point scale. This instrument is used to measure the influence of customer focus on managerial performance, which consists of 7 (seven) indicators, namely: commitment and atmosphere, alignment with customers, willingness to identify and resolve customer problems, utilize information from customers, approach customers, ability and ability, and continuous improvement of service processes.

Continuous Improvement (X2)

The continuous improvement variable is measured using an instrument developed by Shcotler (Ibrahim & Rusidiana, 2021) and developed by the researcher himself with 5 (five) question items in the form of an interval scale, which is measured using a semantic differential scale, which has a 5 point scale. This instrument measures the effect of continuous improvement, which consists of 5 (five) indicators:

communication, fixing real/obvious problems, looking upstream, documenting progress and problems, and monitoring changes.

Managerial performance (Y)
Managerial performance variables are measured using an instrument developed by Mahoney et al. (Sulijaya & Bangun, 2017) and developed by researchers with 9 (nine) question items in the form of an interval scale, which is measured using a semantic differential scale, which has a 5 point scale. Performance instrument The managerial approach consists of 9 (nine) indicators: planning, investigation, coordination, evaluation, negotiation, supervision, staffing, presentation representation, and managerial togetherness.

Multiple Linear Regression
The analysis technique used in this research is the multiple linear regression analysis technique. To determine the magnitude of the influence of the independent variable on a dependent variable.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + e \dots\dots\dots\dots\dots\dots (1)$$

Legend:
Y	=	Managerial performance
a	=	Constanta
β_1	=	Regression coefficient X_1
β_2	=	Regression coefficient X_2
X_1	=	Customer focus
X_2	=	Continuous improvement
e	=	Errors

Classic assumption test. To support the accuracy of the regression model results, it is necessary to investigate classical assumptions, which include multicollinearity and heteroscedasticity assumptions. The classic autocorrelation assumption test was not carried out because this research data is cross-section data based on a questionnaire, not time series data. In most cases, autocorrelation is found in regressions with time series data (Sugiyono, 2018). Multicollinearity. One way to determine whether multicollinearity exists is to look at the Variance Inflation Factor (VIF) value. Tolerance measures the variability of the selected independent variable that other independent variables cannot explain. The commonly used tolerance value is <0.10 or the same as a VIF value > 10, so multicollinearity does not occur (Ghozali, 2018). Heteroskedasticity is identified by calculating the Spearman Rank correlation between the residuals and all independent variables where the probability value obtained must be greater than 0.05.

RESULTS AND DISCUSSION

Results
Frequency Distribution of Customer Focus (X1)
Participation in budget preparation is related to the extent to which the leadership is involved in determining or compiling the existing budget in the department or section. Table 1 shows the frequency distribution table for the participatory budget variable (X1).

Based on Table 1, the highest average percentage value is 56.1%, at a score of 5, which means that respondents strongly agree that the company has a high focus on customers. This can be seen from the company paying attention to the quality of its products, regarding customer needs taking priority over internal needs of the company, equalizing positions with customers, and information regarding customer complaints is handled by special staff who act directly in resolving these complaints.

Table 1. Frequency Distribution of Customer Focus (X1)

No	Indicator	Score					Total
		1	2	3	4	5	
1	Customer needs take priority ($X_{1.1}$)	0	1	0	5	8	14
		0%	7,1%	0%	35,7%	57,1%	100%
2	Equalize positions with customers ($X_{1.2}$)	0	1	2	2	9	14
		0%	7,1%	14,3%	14,3%	64,3%	100%
3	Information regarding customer complaints ($X_{1.3}$)	0	0	0	5	9	14
		0%	0%	0%	35,7%	64,3%	100%
4	Report customer complaints about the service system ($X_{1.4}$)	0	0	0	5	9	14
		0%	0%	0%	35,7%	64,3%	100%
5	Special staff to handle customer complaints ($X_{1.5}$)	0	0	0	10	4	14
		0%	0%	0%	71,4%	28,6%	100%
6	Resolve and satisfy customer complaints ($X_{1.6}$)	0	0	0	4	10	14
		0%	0%	0%	28,6%	71,4%	100%
7	Act to resolve customer complaints ($X_{1.7}$)	0	0	0	8	6	14
		0%	0%	0%	57,1%	42,9%	100%
	Percentage average	0%	2%	2%	39,8%	56,1%	100%

Source: Data processed (2022)

Frequency Distribution of Continuous Improvement (X2)
Continuous improvement means that every product and service is produced by utilizing certain processes in a system or environment, therefore the system needs to be continuously improved so that the quality produced can be further improved. Table 2 is the frequency distribution results for the continuous improvement variable.

Table 2. Frequency Distribution of Continuous Improvement (X2)

No	Indicator	Score					Total
		1	2	3	4	5	
1	Communication between teams ($X_{2.1}$)	0	0	0	8	6	10
		0%	0%	0%	57,1%	42,9%	100%
2	Problem identification ($X_{2.2}$)	0	3	2	4	5	10
		0%	21,4%	14,3%	28,6%	35,7%	100%
3	Look for the cause of the problem ($X_{2.3}$)	0	0	0	5	9	10
		0%	0%	0%	35,7%	64,3%	100%
4	Problem documentation ($X_{2.4}$)	0	0	0	5	9	10
		0%	0%	0%	35,7%	64,3%	100%
5	Objective reviews ($X_{2.5}$)	0	0	1	10	3	10
		0%	0%	7,1%	71,4%	21,4%	100%
	Percentage average	0%	4,3%	4,3%	45,7%	45,7%	100%

Source: Data processed (2022)

Based on table 2, the highest average percentage value is 45.7% which is at a score of "4" and "5" which means that respondents agree that the company has high levels of continuous improvement, this can be seen from good communication between teams, identifying problems , finding the causes of problems and documenting these problems as well as objective monitoring needs to be continuously improved so that the quality produced in the company can be further improved.

Frequency Distribution of Managerial Performance (Y)
Managerial performance is the performance of individual (manager) members of the organization in managerial activities which include: planning, investigating, coordinating, evaluating, supervising, staffing and representing. Table 3 is the result of the frequency distribution of managerial performance variables.
Based on Table 3, the highest average percentage value is 42.8% which is at score 4, which means that respondents agree that the company has high managerial performance, this can be seen from the company carrying out planning, investigation, coordination, evaluation, supervision, staffing, organization, representation and overall assessment of employee performance in the company.

Table 3. Frequency Distribution of Managerial Performance (Y)

No	Indicator	Score					Total
		1	2	3	4	5	
1	Planning (Y_1)	0	0	4	7	5	10
		0%	0%	28,6%	50,0%	35,7%	100%
2	Investigation (Y_2)	0	0	3	8	3	10
		0%	0%	21,4%	57,1%	21,4%	100%
3	Coordination ($Y_{.3}$)	0	0	3	8	3	10
		0%	0%	21,4%	57,1%	21,4%	100%
4	Evaluation (Y_4)	0	0	6	4	4	10
		0%	0%	42,9%	28,6%	28,6%	100%
5	Controlling (Y_5)	0	0	4	5	5	10
		0%	0%	28,6%	35,7%	35,7%	100%
6	Staffing (Y_6)	0	1	1	12	0	10
		0%	7,1%	7,1%	85,7%	0%	100%
7	Organizing (Y_7)	0	2	8	2	2	10
		0%	14,3%	57,1%	14,3%	14,3%	100%
8	Representation (Y_8)	0	0	2	3	9	10
		0%	0%	14,3%	21,4%	64,3%	100%
9	Assessment (Y_9)	0	0	0	5	9	10
		0%	0%	0%	35,7%	64,3%	100%
	Percentage average	0%	2,4%	24,6%	42,8%	30,2%	100%

Source: Data processed (2022)

Analysis Techniques
Validity test
A validity test is a degree of accuracy between a tool for measuring research regarding the actual content being measured. Item validity analysis aims to test whether the question items are truly valid; at least, we can determine a high degree of closeness of the data obtained to what is believed in the measurement. As a criterion for selecting total items based on total item correlation, the limit rix > 0.30 is usually used. All items that achieve a correlation coefficient of at least 0.30 are considered satisfactory (Ghozali, 2018).

Table 4. Customer Focus Validity Test Results (X1)

No.	Item	Corrected Item Total Correlation (r_{hitung})				
		Round-1	Round-2	Round-3	Round-4	Round-5
1	$X_{1.1}$	0,820	0,856	0,793	0,856	0,830
2	$X_{1.2}$	0,725	0,872	0,938	0,872	0,926
3	$X_{1.3}$	0,530	0,621	0,651	0,621	0,679
4	$X_{1.4}$	0,346	0,295	0,184	**0,295**	-
5	$X_{1.5}$	-0,214	**-0,213**	-	-	-
6	$X_{1.6}$	-0,214	-0,175	**0,020**	-	-
7	$X_{1.7}$	**-0,533**	-	-	-	-

Source: Data processed (2022)

Table 5. Continuous Improvement Validity Test Results (X2)

No.	Item	Corrected Item Total Correlation (r_{hitung})			
		Round-1	Round-2	Round-3	Round-4
1	$X_{2.1}$	0,229	0,059	**-0,055**	-
2	$X_{2.2}$	-0,279	0,009	0,374	0,642
3	$X_{2.3}$	0,447	0,700	0,627	0,642
4	$X_{2.4}$	-0,328	**-0,261**	-	-
5	$X_{2.5}$	**-0,555**	-	-	-

Source: Data processed (2022)

Table 4 shows in the fifth test, it turned out that there were 3 (three) statement items remaining, each of which had a Corrected Item Total Correlation value above 0.30 so that the statement items were declared valid.

Table 5 shows in the results of the fourth test, it turned out that there were 2 (two) statement items remaining, each of which had a Corrected Item Total Correlation value above 0.30 so that the statement items were declared valid.

Table 6. Managerial Performance Validity Test Results (X2)

No.	Item	*Corrected Item Total Correlation* (r_{hitung})			
		Round-1	Round-2	Round-3	Round-4
1	Y1	0,722	0,763	0,767	0,796
2	Y2	0,850	0,905	0,933	0,961
3	Y3	0,850	0,905	0,933	0,961
4	Y4	0,593	0,703	0,746	0,783
5	Y5	0,636	0,672	0,684	0,697
6	Y6	0,215	0,145	**0,079**	-
7	Y7	0,671	0,738	0,746	0,684
8	Y8	**-0,515**	-	-	-
9	Y9	0,006	**-0,125**	-	-

Source: Data processed (2022)

Table 6 shows in the results of the fourth test, it turned out that there were 6 (six) statement items remaining, each of which had a Corrected Item Total Correlation value above 0.30 so that the statement items were declared valid.

Reliability Test
A questionnaire is said to be reliable or reliable if a person's answers to questions are consistent or stable over time (Ghozali, 2018). Test criteria are as follows:
a. If the alpha value is > 0.60, the question is reliable
b. If the alpha value is ≤ 0.60, the question is not reliable

Table 7. Reliability Test

No	Variables	r alpha	r tabel
1.	Customer Focus (X_1)	0,869	0,60
2.	Continuous Improvement (X_2)	0,627	0,60
3.	Managerial Performance (Y)	0,931	0,60

Source: Data processed (2022)

The results of the reliability test in Table 7 state that the variables customer focus (X1), continuous improvement (X2), and managerial performance (Y) have an r alpha value greater than 0.60, so these variables are declared reliable.
The significant level of the resulting Kolmogorov Smirnov test is greater than 5%, then H0 is accepted, and H1 is rejected, which means that the variables customer focus (X1), continuous improvement (X2), and managerial performance (Y) are normally distributed. The VIF value for the customer focus (X1) and continuous improvement (X2) variables is less than 10, so it can be concluded that there is no multicollinearity between the independent variables or that the resulting multiple linear regression model is free from multicollinearity. The Spearman Rank correlation coefficient on the customer focus (X1) and continuous improvement (X2) variables has a significant level greater than 0.05 (sig > 5%), so it can be concluded that between the independent variables and the residuals, there is no heteroscedasticity or multiple linear regression model. The results are free from heteroscedasticity.

Multiple Linear Regression Analysis

Data analysis to describe the influence between one dependent variable (Y) and several independent variables (X) can be done using the multiple linear regression method. The resulting multiple linear regression equation is as follows:

Table 8. Results of Multiple Linear Regression Analysis.

Model	Regression Coefficient
Konstanta	6,729
Fokus pelanggan (X_1)	-0,017
Perbaikan berkesinambungan (X_2)	-0,663

Source: Data processed (2022)

Based on the table 8, the following regression equation is as follows:

$$Y = 6.729 - 0.017 X_1 - 0.663 X_2 \dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots\dots \quad (2)$$

The resulting constant of 6.729 shows the value of managerial performance (Y) if customer focus (X1) and continuous improvement (X2) are constant, then the value of managerial performance (Y) is 6.729. The regression coefficient for the customer focus variable (X1) is -0.017, meaning that if the customer focus variable (X1) decreases by one unit, then the managerial performance (Y) will increase by -0.017, assuming the continuous improvement variable (X2) is constant. The regression coefficient for the continuous improvement variable (X2) is -0.663, meaning that if the continuous improvement variable (X2) decreases by one unit, then the managerial performance (Y) will increase by -0.663, assuming the customer focus variable (X1) is constant.

The model resulting from the multiple linear regression method used needs to be tested for the overall significance of the regression equation, namely through the F test. Based on Table 9, the Fcount is 7.693 with a significance level of 0.008, less than 5% (sig < 5%), so H0 is rejected, and H1 is accepted, which means the multiple linear regression model used is significant or suitable for determining the influence of customer focus (X1). and continuous improvement (X2) on managerial performance (Y).

Table 9. The Goodness of Fit Test and R-square Test Results

Model	F-count	Sig-F	R^2
Constanta	7,693	0,008	0,583
Customer Focus (X_1)			
Continuous Improvement (X_2)			

Source: Data processed (2022)

The coefficient of determination (R2) in Table 9 is 0.583, meaning that the customer focus variable (X1) and continuous improvement (X2) influence the managerial performance variable (Y) by 58.3% while the remaining 41.7% is explained by other variables that are not discussed in this research.

Hypothesis testing

The t-test can be used to determine whether the partial influence of customer focus (X1) and continuous improvement (X2) on managerial performance (Y) is significant or not. The following are the results of the t-test.

Table 10. Hypothesis testing t-test results

Model	t_{count}	Sig
Customer Focus (X_1)	-0,091	0,929
Continuous Improvement (X_2)	-3,810	0,003

Source: Data processed (2022)

The t-calculated value in Table 10 for the customer focus variable (X1) is -0.091 with a significance level of 0.929, which is greater than 5% (sig < 5%), so H0 is accepted, and H1 is rejected, which means that the customer focus variable (X1) partially does not affect managerial performance. (Y), so the 1st hypothesis

of this research, namely that focusing on customers influences managerial performance, has not been tested.

The respondents' answers to the customer focus variable are items 1 and 2, showing that 7.1% of respondents (managers) stated that customer needs were not fully prioritized over the company's internal needs. The company also did not equate its position with customers. These results do not support the opinion of Alansori et al. (2021) and Latuconsina & Tupamahu (2020) that one of the characteristics of companies that are successful in establishing a focus on customers is alignment with customers. Customers who are customer-driven align themselves with customers; this is reflected in several things, including customers acting as advisors in sales, employees understanding the product attributes that customers most value/expect, and inclusion in customers are used as a customer satisfaction development program.

This description shows that the company has not fully implemented customer focus. The results of the t-test show that customer focus has no effect on managerial performance, possibly because the company has not fully prioritized customer needs, the company has not equalized its position with customers, the company has not placed employees to interact directly with customers, and has not given employees the freedom to take appropriate actions. necessary to satisfy customers can cause companies to fail to form a customer focus (Ciptaningtias et al., 2023).

Although customer focus is generally considered an important factor in improving managerial performance, there are some situations where its influence may not be so significant. Sometimes, focusing too much on customer satisfaction can result in sacrificing other aspects of managerial performance, such as operational efficiency or financial profitability. If a company places too much emphasis on non-financial aspects, such as customer satisfaction, without considering its impact on financial and operational goals, this can reduce overall managerial effectiveness. Companies may have limited resources, whether in terms of time, money, or manpower. An excessive focus on customer satisfaction may require a company to allocate valuable resources from other areas that are also important for overall managerial performance.

The calculated value of the continuous improvement variable (X2) is −3.810 with a significance level of 0.003, which is smaller than 5% (sig > 5%), so H0 is rejected, and H1 is accepted, which means that the continuous improvement variable (X2) partially influences managerial performance (Y), so the second hypothesis of this research, namely that continuous improvement affects managerial performance, has been proven to be true.

The results of this research support research conducted by Alansori et al. (2021) and Raman et al. (2023). Through continuous improvement, companies can achieve significant progress in various aspects of managerial performance, including efficiency, quality, innovation, employee satisfaction, and sustainability. The continuous improvement process allows employees to be actively involved in improving their processes and work environment. This can increase employee motivation, satisfaction, engagement, productivity, retention, and overall team and organizational performance (Hastuti & Wijayanti, 2012; Latuconsina & Tupamahu, 2020). Apart from that, by identifying and correcting the root causes of defects or nonconformities, companies can reduce the level of customer complaints, increase customer satisfaction, and build a strong reputation in the market (Amiri M. & Mandala, 2019). Therefore, continuous improvement is an important component of a successful management strategy and can help companies achieve a competitive advantage in the long term.

CONCLUSION

Based on the results of research and discussion entitled The Effect of Customer Focus and Continuous Improvement on Managerial Performance at Perum Damri Surabaya, it can be concluded that the multiple linear regression model used is significant or suitable for determining the influence of customer focus (X1) and continuous improvement (X2). on managerial performance (Y), and the magnitude of the influence of the customer focus variable (X1) and continuous improvement (X2) on the managerial performance variable (Y) is 58.3%. In comparison, the remaining 41.7% is explained by other variables not discussed in this research so that the validity of this research hypothesis is tested.

The results of this research provide implications for companies in order to improve their managerial performance by implementing several components of Total Quality Management (TQM), apart from focusing on customers and continuous improvement, including obsession with quality, long-term

commitment, teamwork, and educational training. In organizations implementing TQM, the final quality determination is internal and external customers. With these qualities, the organization must be obsessed with meeting or exceeding those specified. TQM is a new paradigm in conducting business. For this reason, a new company culture is needed. Therefore, long-term commitment is very important to bring about cultural change so that the implementation of TQM can run successfully. In organizations that implement TQM, teamwork, partnerships and relationships are established and fostered, both between company employees and with suppliers, government institutions and the surrounding community. Education and training are fundamental factors. Everyone is expected and encouraged to continue learning. In this case, the principle applies that learning is a process that has no end and knows no age limit. By learning, everyone in the company can improve their technical skills and professional expertise. It is hoped that the results of this research will be useful for future research to add TQM components, apart from focusing on customers and continuous improvement, as well as expanding the research object, not just focusing on Perum Damri Surabaya.

List of abbreviations
Total Quality Management (TQM).

Availability of Data
Questionnaires and research data can be obtained by requesting and providing information on the reasons for needing the data to the author via email.

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