

The Effect of Performance Management System on Lecturer Excellence and Satisfaction in Private Universities in Bogor City

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ABSTRACT

This research investigates the impact of performance management systems on the excellence and satisfaction of lecturers at private higher education institutions in Bogor. The background of the study highlights the critical role that higher education institutions play in developing human resources and contributing to societal progress, especially amidst global competition and rapid technological advancement. Lecturers, as the core element of education, significantly influence the achievement of the institution's goals, which makes performance management essential. The purpose of this research is to analyze how the implementation of performance management systems influences the professional excellence and satisfaction of lecturers. The research utilizes a quantitative approach with a descriptive analytical design, collecting data from 192 lecturers across four private universities in Bogor using surveys and documentation methods. The study shows that performance management systems, particularly through goal setting, performance evaluation, and professional development, have a significant positive effect on both lecturer excellence and job satisfaction. Results indicate that clear performance targets, transparent evaluations, and constructive feedback are crucial factors influencing lecturer performance and satisfaction. The study contributes to the field by providing empirical evidence on the importance of effective performance management systems for improving institutional competitiveness, enhancing lecturer motivation, and supporting continuous professional development. The research also suggests practical recommendations for higher education administrators to optimize performance management systems, contributing to the institution's long-term success.

Keywords : *Job Satisfaction, Lecturer Excellence, Performance Management System, Private Higher Education Institutions, Professional Development, SMART Goals*

INTRODUCTION

In the midst of global competition and rapid technological developments, universities are required to not only provide quality educational facilities but also ensure optimal performance of lecturers (Mugiraneza, 2020). As the main pillar in the educational process, lecturers play an important role in carrying out the Tridharma of Higher Education, namely teaching, research, and community service (Tchouassi et al., 2021). Therefore, lecturer performance management is a very crucial issue, especially in private universities which often face their own challenges in maintaining competitiveness (Yalew et al., 2020).

The performance management system is one of the important tools in ensuring that the strategic goals of higher education can be achieved through the optimization of lecturer performance (Chahar & Hatwal, 2018). By setting specific, measurable, relevant, and time-based (SMART) performance targets, the system can help institutions integrate individual goals with organizational strategic priorities (Sánchez et al., 2020) (Jones & Peterson,

2019). In addition, continuous performance evaluation can provide constructive feedback to lecturers, so that they can continue to develop professionally (Yohamintin et al., 2021).

However, the implementation of performance management systems in private universities faces a number of challenges. Several studies have shown that the lack of consistent evaluation standards, limited resources, and low management commitment are the main obstacles in achieving the effectiveness of this system (Ibrahim et al., 2022). In addition, lecturers' dissatisfaction with the transparency of performance appraisals and the lack of appreciation for their achievements often lead to low levels of job satisfaction. This can have an impact on low lecturer motivation (Budiman, 2023), high turnover rates, and declining quality of education in private universities. (Yusuf et al., 2023) (D.Resi, 2023).

On the other hand, the successful implementation of an effective performance management system can have a significant impact on private universities (D.Resi, 2023). This system can not only improve the performance of individual lecturers, but also create a more professional, innovative, and collaborative work culture (Lisdiyanto, 2023). Thus, universities can improve their academic reputation and competitiveness at the national and international levels (Coleman et al., 2023).

Departing from this background, this study aims to analyze the implementation of the performance management system in private universities, focusing on its contribution in improving excellence and lecturer satisfaction. This research is also expected to provide practical recommendations for university managers in optimizing the performance management system to support institutional goals in a sustainable manner.

RESEARCH METHODS

This study uses a quantitative approach with an analytical descriptive design to measure and analyze the implementation of the performance management system and its influence on the excellence and satisfaction of lecturers at private universities (PTS) located in Bogor City. The research location involved four private universities (PTS) in the region. The subject of the study is permanent lecturers who work in the four private universities. The inclusion criteria in this study are permanent lecturers with a minimum working period of one year and are willing to be research respondents. This research focuses on lecturers who meet these criteria to ensure the validity of the data obtained.

The population in this study is permanent lecturers at four private universities (PTS) located in Bogor Regency and Bogor City, with a total of 368 people. The number of samples was determined using the Slovin formula to calculate a representative sample with a margin of error of 5% or 0.05. Based on calculations with the Slovin's formula, the number of samples needed is 192 people. This sample is considered sufficient to represent the population in this study.

The sampling technique in this study uses stratified random sampling to ensure that each private university (PTS) that is the location of the research has proportional representation. This method is used so that the selected sample reflects the distribution of the population evenly, so that the results of the study can be more accurate and relevant. With stratification based on institutions, this study can describe the differences and

similarities in the implementation of performance management systems in each private university more comprehensively.

The variables in this study consist of independent variables and dependent variables. The independent variable in this study is the performance management system, which includes several main aspects, namely setting performance targets using the principles of SMART goals, evaluating lecturer performance, and providing feedback and professional development. Meanwhile, the dependent variables in this study consist of two aspects, namely lecturer excellence and lecturer satisfaction. The excellence of lecturers is measured based on their performance in teaching, research, and community service. Meanwhile, lecturer satisfaction is assessed from the extent to which they are satisfied with the performance evaluation, awards and compensation given, as well as professional development opportunities provided by universities.

The data collection technique in this study was carried out through two main methods, namely questionnaires and documentation. The questionnaire was used to collect data on lecturers' perception of the implementation of the performance management system, their level of excellence, and the level of job satisfaction. This questionnaire uses a 5-point Likert Scale, where a value of 1 indicates "strongly disagree" and a value of 5 indicates "strongly agree". With this scale, the data obtained can reflect the variation in the perception of respondents quantitatively. In addition to questionnaires, this study also uses documentation methods to complement and strengthen the results of the analysis. Documentation includes performance management policies implemented in each private university (PTS), as well as lecturer performance reports, such as Lecturer Workload (BKD) and the Tridharma of Higher Education report. Through these two techniques, the research can obtain more comprehensive and valid data in evaluating the performance management system in the private universities that are the object of the research.

The data analysis techniques in this study consist of descriptive analysis and inferential analysis. Descriptive analysis is used to describe lecturers' perceptions related to the implementation of performance management systems in private universities. The data obtained from the questionnaire will be presented in the form of averages, percentages, and frequency distributions to provide an overview of how lecturers assess the performance management system implemented in their institutions. Meanwhile, inferential analysis was carried out using multiple linear regression to measure the influence of the performance management system on the excellence and satisfaction of lecturers. The regression model used in this study is expressed by the equation: $Y = a + b_1X_1 + b_2X_2 + \dots + b_nX_n + e$ where Y is the advantage or satisfaction of the lecturer, while X is the indicator of the performance management system analyzed.

In addition, this study also conducts validity and reliability tests to ensure that the research instruments used can provide accurate and consistent results. The validity test was carried out using Pearson Product Moment to assess the extent to which the items in the questionnaire measured the variables in question. Meanwhile, the reliability test used Cronbach's Alpha, where the $\alpha \geq$ value of 0.7 showed that the research instrument had a good level of internal consistency.

Sebagai bagian dari analisis statistik, penelitian ini juga melakukan uji asumsi klasik untuk memastikan bahwa model regresi memenuhi syarat statistik yang diperlukan. Uji normalitas dilakukan untuk memastikan distribusi data normal, uji multikolinearitas digunakan untuk mengevaluasi apakah terdapat hubungan linear yang tinggi antar variabel independen, serta uji heteroskedastisitas untuk memastikan bahwa varians dari residual model regresi tetap konstan. Dengan menerapkan teknik analisis data ini, penelitian dapat menghasilkan temuan yang valid dan dapat dijadikan dasar dalam memberikan rekomendasi bagi perguruan tinggi swasta dalam meningkatkan sistem manajemen kinerja dosen.

RESEARCH RESULTS

Based on data obtained from 192 lecturers at four private universities (PTS) in Bogor City, the results of the descriptive analysis show that the average lecturer's perception of the performance management system is in the high category. The indicators of Setting Performance Targets (SMART Goals), Performance Evaluation, and Feedback and Professional Development each have an average score above 3.5 on a 5-point Likert scale. This shows that lecturers generally feel that the performance management system has been well implemented in their institution. In addition, the level of excellence of lecturers, which is measured based on the performance of teaching, research, and community service, also shows a positive trend with a fairly high average score. Likewise, lecturer satisfaction, which includes satisfaction with performance evaluations, awards and compensation, as well as professional development, which also shows positive results.

This result is supported by research by (Vice-chancellor, 2019) which found that performance management systems play an important role in improving lecturer job satisfaction in private educational institutions. The use of clear performance targets (such as SMART Goals), transparent evaluation, and constructive feedback increases lecturer motivation and job satisfaction, which in turn contributes to the success of the institution, (Ramada, 2020) that good management practices can increase lecturer motivation as well as job satisfaction in strategic interventions to improve lecturer performance (Lubis, 2024).

The results of the multiple linear regression test show that the performance management system has a significant influence on the excellence and satisfaction of lecturers in private universities (PTS). Based on the regression model produced, the influence of the performance management system on the excellence of lecturers is shown by several main factors. The setting of Performance Targets (SMART Goals) has a positive influence with a coefficient of 0.49 ($p < 0.001$), followed by Performance Evaluation with a coefficient of 0.31 ($p < 0.001$), and Feedback and Professional Development with a coefficient of 0.21 ($p < 0.001$). The Coefficient of Determination (R^2) value of 0.782 shows that 78.2% of the variation in lecturer excellence can be explained by the performance management system, while the rest is influenced by other factors outside the model of this study.

In addition, the performance management system also has a positive effect on lecturer satisfaction. The setting of Performance Targets (SMART Goals) contributed with a coefficient of 0.40 ($p < 0.001$), Performance Evaluation had an influence of 0.42 ($p < 0.001$),

and Feedback and Professional Development had an influence of 0.34 ($p < 0.001$). With a Coefficient of Determination (R^2) of 0.819, this result shows that 81.9% of the variation in lecturer satisfaction can be explained by the performance management system, while the rest is influenced by other factors that are not included in this study.

Classical assumption tests were performed to ensure that the regression model used in this study met the necessary statistical requirements. The normality test showed that the data was normally distributed, which means that the regression estimation results could be interpreted well without any data distribution bias. Furthermore, the multicollinearity test shows that there is no problem of excessive correlation between independent variables, so that each variable in the model can be analyzed independently without any excessive influence on each other. In addition, heteroscedasticity tests showed that there was no specific pattern on the residuals, indicating that the variance of the residual remained constant or that the regression model met the assumption of homoscedasticity. Thus, the regression results can be trusted and valid to describe the relationship between the performance management system and the excellence and satisfaction of lecturers in private universities.

DISCUSSION

The results of this study show that the performance management system implemented in private universities plays an important role in increasing academic excellence and lecturer job satisfaction. Lecturers who have clear performance targets (SMART Goals) tend to have better performance in teaching, research, and community service. In addition, transparent performance evaluations and constructive feedback also contribute to increasing lecturer motivation and satisfaction. (Sary & Saud, 2018) found that leadership, organizational culture, and work motivation contribute greatly to the performance of lecturers in private universities, particularly through a systematic and goal-based management approach. This result is relevant to the findings of the current research, where the setting of performance targets based on SMART Goals has a significant influence on the excellence and satisfaction of lecturers. This research is also in line with the Goal Setting Theory of Locke and Latham, which states that setting specific, measurable, achievable, relevant, and time-limited goals (SMART) can increase individual motivation to achieve better performance. In this study, the application of SMART goals-based performance targets is the most dominant factor that affects the excellence of lecturers, showing that this theory applies in the context of performance management in private universities.

Furthermore, this study reinforces the findings (Hidayah, 2018) which states that good performance management increases employee morale and productivity in educational institutions. These findings are relevant to the current research results, where transparent performance evaluations and constructive feedback significantly affect lecturer satisfaction. Transparent performance evaluations allow lecturers to feel valued for their contributions, which in turn increases their satisfaction and commitment to the institution.

The results of this study answer the research gap that has not been studied in depth the influence of the performance management system on the excellence and satisfaction of

lecturers in private universities (PTS). Previously, research focused more on individual aspects such as motivation or job satisfaction, but has not integrated how the implementation of a performance management system can significantly affect both aspects simultaneously. With the finding that 78.2% of the variation in lecturer excellence and 81.9% of the variation in lecturer satisfaction are explained by the performance management system, this study confirms the strategic role of the performance management system as a driver of the success of academic institutions. The study by Putra (2017) focuses more on measuring institutional performance, while this study provides a deeper understanding of how elements of a performance management system, such as feedback and professional development, can support the sustainability of the Tridharma of Higher Education.

In practical terms, this study supports the importance of Herzberg's Two-Factor Theory, which explains that rewards, recognition, and professional development opportunities are motivators that increase job satisfaction. In this study, the findings show that professional development opportunities through feedback and training not only increase satisfaction but also encourage faculty excellence in teaching, research, and community service.

In addition, this study shows that the setting of performance targets based on SMART goals is the most powerful factor affecting lecturer performance and satisfaction. This fills a gap in previous understanding of how specific elements in a performance management system, such as performance evaluation and professional development, contribute to each other in building a superior academic culture. This research also answers the need for more integrated and data-based performance management in private universities, which often face challenges in maintaining competitiveness amid limited resources.

Furthermore, this study enriches the literature by confirming that a transparent approach in performance evaluation, providing constructive feedback, and professional development opportunities significantly increase lecturer motivation and commitment. This provides a stronger basis for educational institutions to develop more sustainable policies in performance management systems. This research also emphasizes the importance of a data-based approach and systematic performance evaluation in supporting the success of the Tridharma of Higher Education.

Thus, this research not only fills in the gaps in the previous literature, but also makes a relevant practical contribution for private universities to improve their competitiveness and reputation. In the future, academic institutions can use these findings to build a more effective performance management system, especially in supporting the professional development of lecturers and creating a work environment conducive to long-term success.

CONCLUSION

This study aims to analyze the implementation of the performance management system and its influence on the excellence and satisfaction of lecturers in private universities (PTS) in Bogor City. The results show that the performance management system, which includes the setting of performance targets based on SMART goals,

performance evaluation, and feedback and professional development, has a significant influence on lecturer excellence and satisfaction. This is shown by the coefficient of determination (R^2) of 78.2% for lecturer excellence and 81.9% for lecturer satisfaction, which indicates that the performance management system plays a major role in determining the success and welfare of teaching staff.

The **Performance Target Setting Factor (SMART Goals)** has the strongest influence on lecturer excellence, followed by **Performance Evaluation**, as well as **Feedback and Professional Development**. These results confirm that the implementation of a structured performance management system can create a productive work culture, increase motivation, and encourage lecturers to be more accomplished in teaching, research, and community service. In addition, higher lecturer satisfaction can also be achieved through transparent performance management, fair rewards, and continuous professional development opportunities.

The main contribution of this research is to provide empirical evidence that performance management systems can be used as a strategic tool to improve the competitiveness of academic institutions, especially in private universities. By implementing an effective system, institutions can support the overall development of lecturers, create a collaborative work environment, and strengthen academic reputation at the national and international levels.

However, this study has several limitations that need to be considered. First, this study only includes four private universities in Bogor City, so the generalization of results to other regions may be limited. Second, the research data relies on perceptual questionnaires, so that there can be a bias in response from participants. Third, this study only uses a quantitative approach, so it does not delve deeper into the subjective experience of lecturers related to the performance management system applied.

In the future, the results of this research can be the basis for university managers to continue to improve the quality of the performance management system implemented, including by paying attention to lecturer professional development and performance-based awards. In addition, further research with a broader scope or qualitative approach can be conducted to deeply understand how this system affects other aspects within educational institutions, such as collaboration between faculties and academic innovation. Thus, the implementation of a more effective performance management system can help private universities achieve their strategic goals in producing superior human resources and contributing to society.

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