

ANALYSIS OF THE INFLUENCE OF THE IMPLEMENTATION OF INNOVATION CAPABILITIES ON PRODUCT QUALITY IN THE MEDIATION OF OPERATIONAL PERFORMANCE (Study On Leather Smes in Keparakan Kidul Yogyakarta)

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Abstract: This study aims to find out and analyze the influence of innovation ability on product quality in operational performance mediation. The variables in this study include: innovation ability, product quality, and operational performance. This research was conducted on 65 SMEs. The data collection method uses a questionnaire. The data analysis techniques used in this study are multiple regression, simple regression, and path analysis. The results of multiple regression analysis show that innovation ability and operational performance have a positive effect on product quality. The results of a simple regression analysis show that operational performance has a positive effect on product quality. The results of the path analysis show that operational performance is not able to mediate the influence of innovation ability on product quality..

Keywords: Innovation Capability, Operational Performance, Quality Product
