

# The Influence of Work Culture on Performance of Employees with Compensation as Variable Mediation in Department Of Industry and Trade, City Of Baubau, Province Of Southeast Sulawesi, Indonesia

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## ABSTRACT

*Performance in the field of infrastructure, especially construction has a high risk as a result many work accidents are found so there needs to be a competency application (manager and worker) in the project to avoid work accidents and achieve the quality of construction performance. The purpose of this study was to analyze the influence between the potential of construction managers and the potential of construction workers on the success of construction work performance by implementing the Occupational Safety and Health Management System (SMK3) as a mediating variable. The object of this research is the construction work of the Bahteramas-Kendari Bay bridge construction in Kendari City, Southeast Sulawesi Province, Indonesia. This study uses a quantitative approach. Respondents were 100 people, 85 construction workers and 15 manager-level people. The sample is determined by random sampling stratification technique. Data were analyzed using smart PLS. The analysis shows that the competence of construction managers (X1) has a positive and significant effect on the occupational safety and health management system (Z) where the t-statistic value of 27.723 is greater than 5.4129 (t-table). Construction manager competency (X1) has a positive and significant effect on the success of construction worker performance (Y) where the t-statistic value of 5.8998 is greater than 1.965 (t-table). Construction worker competency (X2) has a positive and significant effect on occupational safety and health management systems (Z) where the t-statistic value of 10.4948 is greater than 1.965 (t-table). Construction workers competency (X2) has a positive and significant effect on the success of construction workers performance (Y) with a t-statistic value of 4.0056 greater than 1.965 (t-table). Occupational health and safety management system (Z) has a positive and significant effect on the success of construction worker performance (Y) where the t-statistic value of 2.0909 is greater than 1.965 (t-table). Occupational safety and health management system (Z) as a mediator between construction manager competencies (X1) to the success of construction workers performance (Y) is significantly positive where the t-statistic value of 2.52 is greater than t-table 1.965, and mediates the competence of construction workers (X2) on the success of construction workers performance (Y) is significantly positive with a t-statistic value of 4.858.*

**Keywords:** Work Culture, Compensation and Employee Performance

## I. INTRODUCTION

Performance is the main object in increasing the productivity of an organization, especially in public organizations. Anitha (2014) states that employee performance is what an organization needs to achieve its growth. Many factors affect performance, including work culture and compensation systems.

Gibson, 1996 in Nurwati (2013) states that culture can help a person or group of people to interact and communicate with other people. Every organization, including in government organizations, has its own culture according to the state of its environment. However, this culture is very dependent on individual behavior.

Culture can be a strong influence on the attitudes and behavior of organizational members which is likely to form an attitude to improve organizational performance, because culture is a set of assumptions of beliefs, values and perceptions of group members (Hofstede, 1980; Schein, 1996; Sachman, 1992; Meschi and Roger, 1995).

Organizational culture is also seen as an external factor that affects employee performance, because there are elements of values that develop in the organization that direct the behavior (culture) of organizational members. This is certainly supported by the results of research by Yousef (2002); McKinnon et.al., (2003); Koesmono (2005); Samad (2005); Manetje and Martins (2009); Ojo (2009); Rose et al. (2009); Gunlu et al. (2010); Sunarsih (2011); Kristianto et al., (2011) found that organizational culture (work) has a positive and significant effect on employee performance.

Work culture does not always affect performance, so mediation is needed to be able to have a positive influence on performance. Daniel and Purwanti (2015) in their researchers show that the direct influence of organizational culture and work culture on performance is negative and does not show significant importance. This means that although organizational culture is weak, it does not really affect job performance anyway. Other studies such as Crossman and Zaki (2003); Chang and lee (2007); and Yiing and Ahmad (2009) that work culture variables do not significantly affect performance.

The City of Baubau Industry and Trade Office is currently working to improve the work culture with various approaches including giving rewards, additional income or compensation. This was done as an effort to achieve good government performance. A scientific study is needed to be able to see the relationship between work culture and performance.

According to Anitha (2014), compensation will be very beneficial for the organization, so that this becomes one of the concerns (variables used) in improving performance. Compensation can also motivate and retain talented employees (Siramiati et. al., 2015). This is evidenced by Khan et al. (2011) in their research concluded that incentives (compensation) play an important role in improving employee performance. Meanwhile, Siddiqi and Tangem's research (2018) states that compensation management has a positive effect on employee performance.

Intensive giving can be in the form of money (financial) but also non money intensive (non-financial). Fey and Bjorkman, 2001; Tampu and Cochina, 2015 and Nyaribo, 2016) in their study revealed that the provision of compensation (financial and non-financial incentives) has a positive effect on performance. This means that the provision of financial and non-financial or monetary incentives results in better performance.

From a series of phenomena and empirical research results, to answer the results of other studies that work culture does not affect employee performance, this study will analyze the relationship between these two variables and the compensation mediation variable at the Baubau City Industry and Trade Office.

## II. LITERATURE REVIEW

### 2.1. Work Culture

Culture comes from the Sanskrit language "budhayah" as the plural form of the root word "budhi" which means reason or anything related to intellect, values and mental attitudes. Ismail (2003: 16) argues that in work culture, each related agency / unit continues to carry out its authority and functions as a work culture, and can place its officers in that place. Actually, work culture has been known by humans for a long time, but it has not been realized that a work success is rooted in the values that are owned and the behavior that has become a habit. A work culture is formed when the work unit or organization is established "being developed as they lean to cope with problems of external adaption and internal integration" means that the formation of a work culture occurs when the work environment or learning organization faces problems, both those related to external and internal changes. which concerns the unity and integrity of the organization.

Work culture is a philosophy that is based on a view of life as values which become characteristics, habits and driving force, entrenched in the life of a community group or organization, then reflected in attitudes into manifested behavior, beliefs, ideals, opinions and actions. as "work" or "work" (Triguno, 2000: 3).

Schraeder, et al (2005) emphasized that the influence of the work culture of employees can bring about organizational change for quality and quality improvement. Work culture includes a variety of attitudes and behaviors that have message, to efforts to improve the quality and quality of work done to improve organizational performance. Work culture according to Rastogi's opinion (Aril 2009) is a work culture values that are able to direct them to work quality and productively.

A productive work culture has values, namely:

- a) A person's ability to always have high ranking job performance, feel proud of excellence, and willingness to learn and surpass work performance.
- b) Believing that an increase in the quality of productivity can also increase self-welfare and organizational progress.
- c) A high orientation with a cooperative attitude in the relationship between personal, willing and sincere in work performance based on mutual trust, respect and sharing happiness with the organization.

Work culture indicators are as follows: (1) the condition of the physical environment of work, including: awarding, providing welfare, fulfilling infrastructure and facilities; and (2) conditions of the work environment, including: support in carrying out duties, being able to design and design work, supervision and work discipline, communication and interaction with colleagues, organizational and community leaders, leadership functions, personnel policy setting, organizational programs with nature and objectives, establishes compensation policies and organizational management (Widiastuti and Rahim, 2014).

Factors that influence employee work culture that can be demonstrated behavior at work, work facilities, work environment and work ethic. However, the improvement of work culture needs to be given motivation so that it can show the ability and commitment behavior of employees in accordance with what is expected, such as understanding the commitment to the vision and mission of the organization, upholding the mandate and commitment in carrying out daily tasks and work, and avoiding absenteeism, arriving late, go home early, procrastinate work and so on.

## 2.2. Compensation

Compensation is also very important for employee performance because this is a form of incentive for every employee to work even more actively for the sake of improving employee performance in an organization. Because compensation is something that employees receive in return for their work, or compensation is all awards or rewards given to employees fairly and appropriately in both financial and non-financial forms or their contribution to the achievement of organizational goals.

According to Hasibuan (2009) compensation is all income in the form of money, direct or indirect goods received by employees as compensation for services provided to the company. William, et.al (2000) defines compensation as what a worker receives in return for the work he provides, either in the form of hourly wages or periodic wages. Meanwhile, according to Andrew F. Sikula, compensation is anything that is constituted or considered as a remuneration or equivalent (Hasibuan, 2009).

Basically the compensation is divided into 2 (two), namely; a) Financial compensation in the form of direct and indirect compensation; and b) Non-financial compensation. This division is to distinguish the various types of compensation that the company provides to employees. The following is an explanation of each compensation and its distribution.

Financial compensation is a form of compensation paid to employees in the form of money for the services they contribute to their work (Bangun, 2012). Financial compensation consists of direct and indirect compensation. Direct compensation is compensation paid directly either in the form of a basic salary or based on performance (bonuses and incentives) (Bangun, 2012).

Direct compensation consists of:

- a) Salary, is remuneration in the form of money received by employees as a consequence of their position because they have contributed energy and thoughts in achieving company goals (Kadarisman, 2012: 121). Or it can also be said to be a fixed fee that a person receives because of his position in the company. Referring to this goodness, humans must also give the rights of people who have worked for them and give appreciation for a work by giving a reward in kind. Giving employees a salary that exceeds the minimum standard is a virtue (Rivai and Sagala, 2009).
- b) Wages, are remuneration provided by companies / organizations to workers / daily employees, the amount of which has been agreed by both parties (Kadarisman, 2012: 121). Wages are direct financial rewards that are paid to employees based on working hours, the amount of goods produced or the number of services provided. Unlike salaries, which are relatively fixed, the amount of wages can vary depending on the work done (Rivai and Sagala, 2009). In giving wages, it must be right at the due date or when the work is finished, the sooner the better.
- c) Incentives, are a form of direct payment for improving employee performance (Kadarisma, 2012: 121). Incentives are direct rewards paid to employees because their performance exceeds the specified standards. He defines incentives as a form of payment that is linked to performance and benefits, as a share of benefits for employees due to increased productivity or cost savings. This compensation is called a performance-based compensation system (Rivai and Sagala, 2019).
- d) Allowances, are compensation for services or income that are not directly related to the severity of job duties and work performance or are indirect compensation (Kadarisman, 2012: 121).
- e) Pension, is a fund that is paid regularly at certain intervals to a worker after leaving the company / organization (Kadarisman, 2012: 121).

The compensation received by employees / employees is of course used to meet family and personal needs. If employees feel that the compensation provided by the company or organization is appropriate, the employee will be satisfied with the job.

According to Kadarisma (2012: 98) several purposes for providing compensation, namely:

- 1) Meeting economic needs. Employees receive compensation in the form of wages, salaries or other forms to meet their daily needs or in other words to meet their economic needs. With the certainty of receiving such wages or salaries periodically, it means that there is guaranteed income for the family as well as for himself.
- 2) Increase work productivity, providing good compensation will encourage employees to work productively. In this case compensation acts as a tool to motivate employees. If employees have high productivity so that employee income increases. But if employee productivity is low, the compensation provided by the organization is also low.
- 3) Advancing the organization or company, the more courage the organization has to provide high compensation, the more it shows how successful the organization is. Because giving high compensation is only possible if the income of the organization is high.
- 4) Creating balance and expertise, this means that the provision of compensation is related to the requirements that must be met by employees in the position so that justice is created in the provision of compensation. Employees who have a higher position certainly have high responsibilities so that compensation is also high. On the other hand, employees who are lower in number will receive lower compensation.

## 2.3. Employee Performance

The meaning of performance actually comes from the words job performance and is also called actual performance or work performance or actual achievement that has been achieved by an employee (Moeheriono, 2012). The concept of performance is an abbreviation of work energy kinetics, whose equivalent in English is performance.

Performance is the output produced by functions or indicators of a job or a profession within a certain time (Wirawan, 2009). The definition of performance (performance) is the work achieved by a person or group of people in an organization in accordance with their respective authorities and responsibilities in order to achieve the goals of the organization concerned legally, does not violate the law and is in accordance with morals and ethics (Nawawi, 2013).

According to Bangun (2012) performance indicators can be measured through the following: (a). Number of jobs, this dimension shows the number of jobs produced by individuals or groups as a requirement to become a standard job; (b). Quality of work, every job in the company must meet certain requirements to be able to produce work according to the quality demanded by a particular job; (c). Timeliness, each job has different characteristics, for certain types of work must be completed on time because it is dependent on other jobs. So, if the work is not completed on time it will hamper work in other parts, thus affecting the number and quality of work results; (d). Attendance, a certain type of work requires the presence of employees in doing it according to the specified time. Because employee performance is determined by the level of employee attendance in a company; and (e). The ability to work together, not all work can be completed by just one employee, so cooperation is needed. Employee performance can be judged by their ability to work with other colleagues.

Mathis (2006: 378) performance is basically what employees do or don't do. Typical employee performance for most jobs includes: 1). Work quantity, is a measure of employees' perceptions of the number of activities they have done and the results they have done; 2). Work quality, which is the result of work as measured by employees' perceptions of the quality of the work produced, the perfection of the tasks performed, and the employees' ability to do the job; 3). Punctuality, is the extent to which employees do work within the time given by the company. whether he was able to be on time in completing the work himself or not; and 4). Attendance, an employee is measured by the level of employee absenteeism and adheres to working hours and hours of work well. Ability to work together in this case the employee is assessed as a team or organization, whether the employee can work well with colleagues or not.

#### 2.4. The Relationship between Compensation and Performance

Compensation is an important factor to improve employee work, so that in determining the amount of compensation, the company must be careful, it requires good management to determine it, because if the compensation is not in accordance with the wishes and needs of employees, it will result in employees being lazy to work and employee turnover in the company will experience increase (Khusna, 2015). If the specified compensation is greater than the ability or performance of the employee, it will result in losses in the company. So the amount of compensation must be determined based on a job analysis, job description, job specifications, position, and subject to justice and labor laws. With this policy, it is hoped that a harmonious cooperation will be fostered and provide satisfaction to all parties.

As previously described, compensation is divided into 2 (two), namely; financial and non-financial compensation. If 2 (two) compensation is well established within the company, employees will be motivated to always improve their performance, and employee welfare will also increase, so that it will have a positive impact on each party. So that conclusion, compensation is very influential on employee performance.

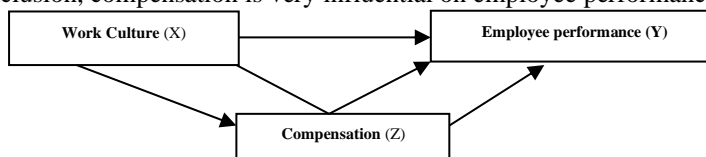


Figure 1. Research Conceptual Framework

The hypothesis in this study is as follows:

- 1) Work culture has a positive and significant effect on employee compensation at the Bau-Bau City Industry and Trade Office (H1)
- 2) Work culture has a positive and significant effect on employee performance at the Bau-Bau City Industry and Trade Office (H2)
- 3) Compensation has a positive and significant effect on employee performance at the Bau-Bau City Industry and Trade Office (H3)
- 4) Work culture mediated by compensation has a positive and significant effect on employee performance at the Bau-Bau City Industry and Trade Office (H4).

### III. METHODOLOGY

This research was conducted at the Department of Industry and Trade in Baubau City, Southeast Sulawesi Province, Indonesia. This study uses a quantitative approach. There were 100 respondents who were determined by stratification random sampling technique.

The dependent variable (dependent variable) or Y is performance, with the analysis indicators are; a). Quantity b) Quality, c).Punctuality and d).Or cross service. The independent variable or X is the work culture, with the analysis indicators are; a).Discipline, b).Openness, c).Mutual respect and d).Cooperation. Meanwhile, the mediation variable or Z is the compensation with the analysis indicator; a).Direct financial compensation; b).Indirect financial compensation, and c).Non-financial compensation.

Data were analyzed using statistical tests with SmartPLS version 3.2 software.



## IV. DISCUSSION

### 4.1. Structural Model Testing and Research Hypotheses

The structural model (inner model) is evaluated by looking at the coefficient value of the relationship path parameter between latent variables. The purpose of testing the structural relationship model is to determine the relationship between the latent variables designed in this study. From the PLS model output, structural model testing and hypotheses were carried out by looking at the estimated value of the path coefficient and critical point value (t-statistic) which were significant at  $\alpha = 0.05$ . The results of the complete data analysis can be seen in the PLS model output.

Based on the conceptual framework of this study, testing the relationship model and hypothesis between variables can be carried out in two stages, namely: (1) testing the direct effect path coefficient, and (2) testing the mediation effect path coefficient. The description of the results of testing the relationship between the variables of this study can be explained as follows:

#### a) Hypothesis Testing and Partial or Direct Effect Path Coefficients

Hypothesis testing and path coefficient of direct influence between the variables of construction manager competency, construction worker competency and occupational safety and health management systems on the success of construction worker performance. The results of testing the influence between variables can be seen from the value of the path coefficient and critical point (t-statistic) which are presented in Table 6.

Table 6. Path Coefficient and Hypothesis Testing

Direct influence between variables				Path Coefficient		t- statistics	t-table	Result
H <sub>1</sub> .	CMC	→	SMK3	0,3323		5,4129	1,965	accepted
H <sub>2</sub> .	CMC	→	CWPS	0,5763		5,8998	1,965	accepted
H <sub>3</sub> .	CCW	→	SMK3	0,6379		10,4948	1,965	accepted
H <sub>4</sub>	CCW	→	CWPS	0,505		4,0056	1,965	accepted
H <sub>5</sub>	SMK3	→	CWPS	0,2827		2,0909	1,965	accepted
Testing the Effect of Mediation								
Exogenous		Mediation		Endogenous		Path Coefficient	Nature of Mediation	Result
H <sub>6</sub> .	CMC	→	OHS-MS	→	CWPS	0.0939	Partial Mediation	accepted
H <sub>7</sub>	CCW	→	OHS-MS	→	CWPS	0,1803	Partial Mediation	accepted

The test results are in Table 6, the direct effect path coefficient testing and the research hypothesis aims to answer whether the proposed hypothesis can be accepted or rejected. The results of data analysis in Table 6, then hypothesis testing can be explained as follows:

- Hypothesis 1 (H<sub>1</sub>), Construction Manager's Competency (X<sub>1</sub>) has a positive and significant effect on OHS-MS**  
 Direct Effect of Construction Manager Competency (X<sub>1</sub>) on Occupational Health and Safety Management System/OHS-MS with a value of 0.860 and t-statistic 27.723. t-statistic is greater than 5.4129 (t table), then hypothesis 1 which states that the Construction Manager's Competency (X<sub>1</sub>) has a positive and significant effect on the Occupational Health and Safety Management System/SMK3 is accepted.
- Hypothesis 2 (H<sub>2</sub>) Construction Manager Competency (X<sub>1</sub>) has a positive and significant effect on the Success of Construction Worker Performance (Y)**  
 Direct Effect of Construction Manager Competency on the Success of Construction Worker Performance (Y) with a value of 0.5763 and t-statistic 5.8998. t-statistic is greater than 1,965 (t table), then hypothesis 2 which states that the Construction Manager's Competency (X<sub>1</sub>) has a positive and significant effect on the Success of Construction Worker Performance (Y) is accepted.
- Hypothesis 3 (H<sub>3</sub>) Construction Worker Potential (X<sub>2</sub>) has a positive and significant effect on the Occupational Health and Safety Management System /OHS-MS**  
 Direct effect of construction worker potential (X<sub>2</sub>) on the Occupational Health and Safety Management System / SMK3 with a value of 0.6379 and t-statistic of 10.4948. The t-statistic is greater than 1,965 (t table), so hypothesis 3 which states that the Construction Worker Competency (X<sub>2</sub>) has a positive and significant effect on the Occupational Safety and Health Management System/OHS is accepted.
- Hypothesis 4 (H<sub>4</sub>) Construction Worker Potential (X<sub>2</sub>) has a positive and significant effect on the Success of Construction Worker Performance (Y)**  
 Direct effect of construction worker potential (X<sub>2</sub>) on the success of construction worker performance (Y) with a value of 0.505 and t-statistic of 4.0056. T-statistic is greater than 1,965 (t table), so hypothesis 3 which states that Construction Worker Competency (X<sub>2</sub>) has a positive and significant effect on the Success of Construction Worker Performance (Y) is accepted.
- Hypothesis 5 (H<sub>5</sub>) Occupational Health and Safety Management System/OHS-MS (X<sub>3</sub>) has a positive and significant effect on the Success of Construction Worker Performance (Y)**  
 Direct effect of Occupational Health and Safety Management System/OHS-MS (X<sub>3</sub>) on Occupational Health with a value of 0.2827 and t-statistic 2.0909. The t-statistic is greater than 1,965 (t table), so hypothesis 3 which states that the Occupational Safety and Health Management System/OHS-MS has a positive and significant effect on the Success of Construction Worker Performance (Y) is accepted.

#### b) Hypothesis Testing and Indirect Path Coefficient (Variable Compensation/Z)

This method is applied by Hair, et al. (2010) to examine the mediation effect between variables. Methods of Hair et al. is carried out through four steps, including: (1) Checking the effect of the independent variable on the dependent variable in the model by involving the mediating variable (effect A), (2) Checking the effect of the independent variable on the dependent variable in the model without involving the mediating variable (effect B), (3) Examining the effect of the independent variable on the mediating variable in the model (effect C), (4) Examining the effect of the mediating variable on the dependent variable in the model (effect D). Based on the results of examining the four effects (effects A, B, C, and D), then it can be proven that the intervention of the mediating variable is based on the following criteria: (1) if effects C and D are significant, but effect A is not significant, then the mediation is fully proven. Or it can be said that there is full mediation in the model (fully mediated), (2) If the effects of C, D, and A are significant, then the mediation is partially proven or there is partial mediation in the model (partially mediated), (3) If the effects C, D, and A is significant, but the path coefficient (standardized) effect A is almost the same as the path coefficient on effect B, then mediation is not proven in the model (unmediated), (4) If either effect C or D is not significant, then mediation is not proven in the model (unmediated). Ghazali, (2015) said that a variable is called an intervening variable if the variable affects the relationship between endogenous and exogenous variables. The test was carried out with a procedure developed by Sobel. To test the significance of the indirect effect, calculate the t value of the coefficient ab with the formula:  $t = ab / Sab$ .

The t value is compared with the t table and if the t value is greater than the t table value ( $> 1.985$ ) it can be concluded that there is a significant effect of mediation.

- *Hypothesis 6 (H6) Occupational Health and Safety Management System/OHS-MS (X3) as a mediation of the influence between Construction Manager Competency (X1) on the Success of Construction Worker Performance (Y)*

$$P_1 = 0,3323, Se_1 = 0,0614, P_2 = 0,5763$$

$$Se_2 = 0,0977$$

$$P_{12} = P_1 \cdot P_2$$

$$= (0,3323)(0,3323)$$

$$= 0,1915$$

$$Se = \sqrt{P_1^2 \cdot Se_2^2 + P_2^2 \cdot Se_1^2 + Se_1^2 \cdot Se_2^2}$$

$$= \sqrt{0,0040 + 0,00125 + 0,000489}$$

$$= 0,07588$$

Thus the t test value is obtained as follows:

$$t = \frac{P_{12}}{Se_{12}} = \frac{0,1915}{0,07588} = 2,52$$

The t value of 2.52, the value is greater than 1.965, which means that the mediation parameter is significant. So the model of the influence of the Occupational Safety and Health Management System/OHS-MS (X3) as a mediating influence between the Construction Manager's Competency (X1) on the Success of Construction Worker Performance (Y) as a mediating variable is acceptable.

- *Hypothesis 7 (H7) Occupational Health and Safety Management System/OHS-MS (X3) as a mediating influence between Construction Worker Competency (X2) (X1) on the Success of Construction Worker Performance (Y)*

$$P_1 = 0,6379, Se_1 = 0,0608$$

$$P_2 = 0,5763, Se_2 = 0,0977$$

$$P_{12} = P_1 \cdot P_2$$

$$= (0,6379)(0,3323)$$

$$= 0,3676$$

$$Se = \sqrt{P_1^2 \cdot Se_2^2 + P_2^2 \cdot Se_1^2 + Se_1^2 \cdot Se_2^2} = \sqrt{0,00402 + 0,00123 + 0,000479}$$

$$= 0,07566$$

Thus the t test value is obtained as follows:

$$t = \frac{P_{12}}{Se_{12}} = \frac{0,3676}{0,07566} = 4,858$$

The t value of 4.858, the value is greater than 1.965, which means that the mediation parameter is significant. So the model of the influence of the Occupational Health and Safety Management System/OHS-MS (X3) as a mediating influence between the Construction Manager's Competency (X1) on the Success of Construction Worker Performance (Y) as a mediating variable is acceptable.

Based on the research findings, the competence of construction managers, the competence of construction workers, and the implementation of the Occupational Health and Safety Management System (OHS-MS/SMK3) directly shows a positive and significant relationship to the performance of construction work. Furthermore, the indirect relationship of construction manager competence, construction worker competence mediated (Z) by the Occupational Health and Safety Management System (OHS-MS/SMK3) shows a positive and significant relationship with construction work performance.

The research findings support previous research by Khusnul, et.al (2012) that the variables of knowledge, expertise, work commitment and top management have a significant effect on project success. Furthermore, research by Elphiana, et.al, (2017) states that the implementation of occupational safety and health has a positive and significant impact on performance and supports the research of Fagnoli et.al (2011) that industrial and construction performance must be able to implement occupational health and safety (OHS) aspects in addition to from other

important factors such as experience, knowledge and competence. The findings of this study also do not support the results of the research of Setiawan, et.al (2019) that there is no significant influence between occupational safety and health (OHS) variables related to management systems, personal protection of equipment, facilities and infrastructure, risks to the behavior of construction workers at ultimately can reduce the quality of construction work.

Thus, in an effort to improve the performance of workers on construction projects or other industrial sectors that have the risk of work accidents, pay attention to aspects of manager competence, employee competence and can apply Occupational Health and Safety Management Systems (OHS-MS/SMK3).

## VI. CONCLUSION

1. Construction manager competence (X1) has a positive and significant effect on the Occupational Health and Safety Management Systems (Z) where the t-statistic value is 27.723 greater than 5.4129 (t-table).
2. Construction manager competence (X1) has a positive and significant effect on the success of construction worker performance (Y) where the t-statistic value of 5.8998 is greater than 1.965 (t-table).
3. The competence of construction workers (X2) has a positive and significant effect on the Occupational Health and Safety Management Systems (Z) where the t-statistic value of 10.4948 is greater than 1.965 (t-table).
4. Construction worker competence (X2) has a positive and significant effect on the success of construction worker performance (Y) with a t-statistic value of 4.0056 greater than 1.965 (t-table).
5. The Occupational Health and Safety Management Systems (Z) has a positive and significant effect on the successful performance of construction workers (Y) where the t-statistic value of 2.0909 is greater than 1.965 (t-table).
6. The Occupational Health and Safety Management Systems (Z) as a mediation between the competence of construction managers (X1) on the successful performance of construction workers (Y) is significantly positive where the t-statistic value of 2.52 is greater than the t-table 1.965, and
7. The Occupational Health and Safety Management Systems mediates (Z) the competence of construction workers (X2) on the successful performance of construction workers (Y) is positive and significant with a t-statistic value of 4.858.

## Strengths, Limitations and Future Research

There is no similar research that analyzes the effect of construction manager competence and construction worker competence on the success of construction work performance by implementing the Occupational Health and Safety Management Systems (OHS-MS/SMK3) as a mediating variable, both in Kendari City and in other areas in Indonesia, and few of these studies have been conducted in other countries.

The limitation of the research is that in the research process other factors that influence the quality of work are found, namely work discipline and accuracy, where these two aspects are not the variables analyzed. Thus, it is suggested that future research needs to include disciplinary variables and work accuracy in construction work in an effort to improve the quality of work.

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