

The Effect of Occupational Safety and Health and Organizational Culture on Organizational Performance with Communication as a Mediating Variable in PT. PEM

Mujino, Lenny Christina Nawangsari
Graduate Program in Management
Mercu Buana University, Jakarta

Abstract. The aim of this research was to test and analyze the effect of occupational safety and health (X1), organizational culture (X2), communication (Y1) as the mediating variable on the organizational performance (Y2) the research method was a quantitative approach. The research population was 150 employees at PT. PEM. Questionnaires that were distributed to the respondents used Likert Scale with 5 levels of answers. The data collection techniques employed were interview and questionnaire. The questionnaire survey sheets were sent randomly to the employees of PT. PEM. Then the data were analyzed using Smart PLS (Partial Least Square) version 3.2.8 the results of this research are as follows. The occupational safety and health variable had a positive and significant effect on the communication variable, the occupational safety and health variable had a positive and significant effect on the organizational performance variable. Besides, the organizational culture variable had a positive and significant effect on the organizational performance variable, and the organizational culture variable had a positive and significant effect on the communication variable.

Keywords:- Occupational Safety And Health, Organizational Culture, Organizational Performance And Communication.

I. INTRODUCTION

Indonesia is a developing country, which means there are a lot of job opportunities awaited by many people who seek for jobs. Therefore, every organization or company needs to improve its performance by preparing sophisticated technologies to support the production process as well as preparing funds to afford machines with tons of capacity and the materials. Moreover, it is necessary to prepare HR who will carry out all work, thus HR is one of the main driving motors in achieving the goal of an organization. Basically, humans play an active and dominant role in every organizational activity because they serve as the planners, actors and inventors who realize goal of their organization.

According to Law of Republic of Indonesia Number 1 Year 1970 concerning occupational safety, it is stated that every workforce has the right to get protection for his safety and to work for his welfare as well as to increase production

national production and productivity. Everyone else in the workplace also needs to be assured about their safety.

The Indonesian Social Administration Agency (BPJS) recorded that the number of workplace accidents in Indonesia tends to increase. As many as 123 thousand work accident cases were recorded throughout 2017. "Throughout 2017, according to our statistics there was an increase in work accidents of around 20 percent compared to 2016 nationally. The total work accidents in 2017 were 123 thousand cases with a claim value of more than 971 billion rupiahs. In 2016 the claim value was only around 792 billion rupiahs.

Based on the results of interview with an employee analysts at PT. PEM, it was uncovered that the organizational performance was unstable. This was evident that the production plans in 2016-2018 were not accomplished. The achievement was around 98%. The organizational culture also did not work well as proven by the implementation of ISO 5001 (water saving program was not achieved). Similar thing also occurred to the occupational safety and health and communication sector. This certainly mad the stakeholders and customers would be disappointed. Therefore, the researchers considered that a serious analysis must be taken.

To convince that the factors affecting organizational performance at PT. PEM were occupational safety and health, organizational culture and communication, the researchers pre-surveyed 30 employees. Based on the results of that pre-survey, it showed that the occupational safety and health variable obtained 59%, the organizational culture variable obtained 57% and the communication variable obtained 50%. These results indicated that the factors which affected organizational performance at PT. PEM were occupational safety and health, organizational culture and communication.

Based on the aforementioned points, the researchers conducted the research "The effect of occupational safety and health and organizational culture on the organizational performance with communication as a mediating variable at PT. PEM".

II. THEORETICAL REVIEW

➤ *Organizational Performance*

The term performance linguistically can be interpreted as an assessment to measure the extent to which the final goals have been achieved by individuals, groups and organizations. In this sense performance is a tool that can be used to measure achievement levels or group and individual policies.

Dr. Cashmere. SE. MM. (2016: 182) argues that performance is the results of work and work behavior. If seen based on the results, the focus is the amount of quality and quantity produced by a person. If seen based on work behavior, what is assessed is the behavior of employees in carrying out their obligations that contribute to either positive or negative attitudes towards the fulfillment of company goals.

Pasolong.(2010:176) mentions that organizational performance is the overall effectiveness of the organization for the needs that have been set by each group relating to systematic efforts and increasing the ability of the organization continuously in order to achieve their needs effectively.

According to Bastian (2011: 33, in the public management book), organizational performance indicators are as follows:

1. Inputs, refer to everything that is needed for the organization to produce products both goods or services which include human resources, information, policies and so on.
2. Outputs, refer to those that are expected to be achieved from an activity directly in the form of physical or non-physical.
3. Outcomes, are all things related to the final goals of the implementation of activities.
4. Impacts, are the effects that are generated both positively and negatively on each level of the indicator based on the prescribed assumptions.

➤ *Occupational Safety And Health*

OHSAS 18001: 2007 defines occupational safety and health as conditions and factors that or will affect worker Safety and Health (including contract employees and contractors, visitors, and other people at workplace).

Robert L. Mathis and John H. Jackson (2009: 487) point out that occupational safety is a condition where the physical well-being of employees is protected while work health is a general condition of the physical, mental, and emotional well-being of the employees where they work.

According to Bangun (2014: 377), occupational safety and health is a protection for work security experienced by workers, both physically and mentally.

As explained by Mangkunegara in the Human Resource Management book quoted by Indah Puji (2014), the indicators of the causes of occupational safety are:

1. The workplace environment, which includes:
 - a. Preparation and storage of hazardous items that sometimes are not counted for safety.
 - b. Work space that is too dense and tight.
 - c. Improper disposal and waste.
2. Use of work equipment, which includes:
 - a. Safety for damaged work equipment.
 - b. Use of machines and electronic devices without proper safety
3. Air setting:
 - a. Poor air circulation in the workplace.
 - b. improper setting of air temperature.
4. Physical conditions of employees:
 - a. Damage to sensory devices, unhealthy employees.
 - b. Unstable employee emotions.
 - c. Health insurance program.
5. Light setting:
 - a. Sufficient lighting in workspace.
 - b. Light setting.

➤ *Organizational Culture*

Organization is a collection of a number of people as members of the organization including leader (manager), which means that every day they interact with each other, both in carrying out work and other activities outside of work.

According to Robbins in Rohman (2016: 3), cultural change can be done by:

1. Making management behavior a model,
2. Creating new history, symbols and habits and beliefs in accordance with the desired culture,
3. Selecting, promoting and supporting employees,
4. Redefining the socialization process for new values,
5. Changing the reward system with new values,
6. Replacing unwritten norms with formal or written rules.
7. Randomizing sub-culture through position rotation.
8. Improving group collaboration

Based on Schein (2010: 450), organizational culture refers to a shared meaning system adopted by its members to distinguish the organization from other organizations. Furthermore, Schein mentions the cultural elements, namely: science, belief, art, morality, law, customs, community behavior / norms, basic assumptions, value systems, learning / events, external adaptation problem and internal integration.

The dimensions of organizational culture according to Humairoh (2017: 115) are as follows:

1. *Clan Culture*

In this clan culture organization, every member in the organization has a sense of togetherness and family. The

organization leader is considered as a mentor and even as a father who acts as the head of the family. This type of cultural clan is similar to family-type organization that seeks to reach consensus and commitment through involvement and communication between members and respect for cooperation, participation and consensus.

2. *Adhocracy Culture*

This type of organizational culture is based on energy and creativity. Members of the organization or employees are encouraged to take risks, experiment and think outside the box to get things done. The organization leader is considered as an innovator and entrepreneur. This adhocracy culture encourages organizations or companies to develop by creating innovative products and services that respond quickly to market changes.

3. *Market Culture*

This culture is built on the basis of the dynamics of competition and the achievement of tangible results since the focus is on goals or results. This type of organization is centered on the external environment, namely the customer. They prioritize customer interests or market share and company profits compared to employee satisfaction and human resource development.

4. *Hierarchy culture.*

This organizational culture is based on structure and control. The work environment is formal and has strict control. Leadership is based on organized coordination and monitor with a culture that emphasizes efficiency and predictability. The value of this hierarchy culture is consistency and uniformity. Success in the context of organizations that adopt this hierarchy culture is reliable planning, high quality of products and services, timely delivery and low operational costs. Management must ensure job certainty and predictability.

Meanwhile, factors that influence organizational are:

1. Policies in the organization, is the dominant factor that affects career development of an employee and determines whether there is an opportunity for development in the organization, whether career development opportunities are applied to all employees fairly and whether there is a career pattern that can be justified.
2. Educational background, is a reference to improve one's career.
3. Training, is a training that can be obtained throughout an employee's career and can help increase his career in the future and increase the ability of employees.
4. Work experience, is an important part of management development that contributes to various conditions in various developments.
5. Loyalty to the organization, is dedication of employees to a large career in the organization.

6. Flexibility in getting along and inter-relationships, is a feeling someone would need to be respected and to respect each other that reflect a safe, comfortable, and secure work environment.

➤ *Communication*

Romli (2011:2) explains that "organizational communication is sending and receiving messages within the organization of formal and informal groups of an organization". Communication can also occur within the organization. Although the tools and methods of communication and information technology have progressed rapidly, communication between people in an organization is still needed and has an important role in the efforts of the organization to achieve its goals.

Pace, Wayne R. and Don F. (2013: 502) point out six dimensions of communication:

1. Trust: Perception of how far an organization leader trusts his subordinates, and vice versa, so that he can support the implementation of daily work;
2. Decision: Perception on how far a member of the organization is given a place to communicate and to be involved in any organizational decision making to create a sense of belonging within each member of the organization;
3. Motivation: Perception on how far a member of the organization is able to express his opinion in the organization, and on openness among fellow members of other organizations that can create an atmosphere of cooperation and mutual support in carrying out daily work;
4. Downward Communication: Perception on how far a subordinate in the organization receives information from his leader and has access to information to support the implementation of daily work;
5. Upward communication: Perception on how far a leader in the organization considers suggestions from his subordinates for the continuity of the daily work;

Sajidi Hadipoetro(2014) in his book "Comprehensive Occupational safety Management" states that the factors affecting communication are:

- a. Credibility: this has a role in the source. Higher credibility can facilitate trust from the target to which the message delivered.
- b. Content: this plays a role in the message. If the message conveyed has benefits for the interests of the target, the results of communication will be better.
- c. Context: this also has a role in the message. The more closely the message conveyed with daily interests, the more successful is the communication that can be expected.
- d. Clarity: The clearer the message is conveyed, the easier the message to be received.
- e. Continuity and consistency: the clearer the message delivered, the delivery must be repeated more often, and it

is permanent. With a clear goal, communication will be more easily achieved.

- f. Channel: in delivering the message, people must be able to choose the media that will be used to be able to convey the message quickly and precisely.
- g. Capability of the audience: in conveying the message, people must be able to calculate the strength / ability of the target who will receive it. The intended ability can be interpreted as a background such as education, level of social economic, social and culture.

➤ *Theoretical Framework*

Mochamad S., Lisa B.(2017) from the Management Program, FEB - Mercu Buana University investigated the effect of occupational safety and health and employee development on employee performance and found that that occupational safety and health had a positive and significant effect on the organizational performance.

Sayekti S (2017) Influence of organizational culture with an approach of integrity, ethos and work environment towards organizational performance. The results of organizational culture and work ethic have a positive influence on organizational performance. It has the similarity of organizational culture variables and organizational performance. **Lies P. (2015)** from the study on Japan motorcycle companies in Indonesia. The Impact of organizational culture on job satisfaction, organizational commitment and job performance, results that Organizational culture has a significant positive influence. It has similarities to organizational culture variables, and organizational performance. **His K. Chi (2017)** the effects of transformation leadership, organizational culture, job statification on the organizational performance in the non-profit organization, the results organizational culture impacts the organizational performance of the organization commitment does not affect non-profit organization performance. It has similarities to organizational culture variables, and organizational performance.

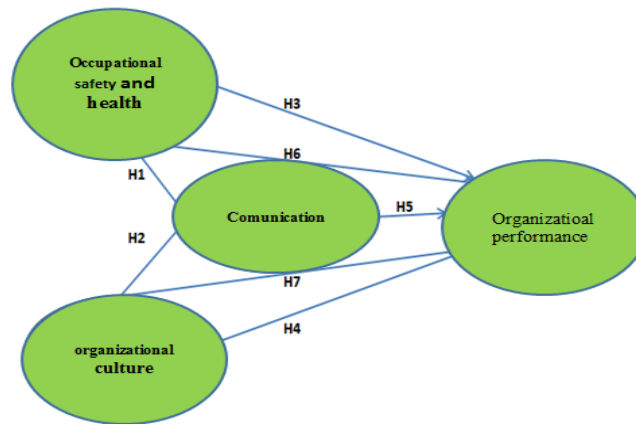


Fig 1:- Inter-Variable Relationship Model

➤ *Hypoteses*

Based on the problems found above, the relevant theoretical review and the results of relevant previous research and the framework that had been proposed, the researchers formulate the hypotheses as follows:

- H1: Occupational safety and health has an effect on communication.
- H2: Organizational culture has an effect on communication.
- H3: Occupational safety and health has an effect on organizational performance.
- H4: Organizational culture has an effect on organizational performance.
- H5: Communication has an effect on organizational performance.
- H6: Occupational safety and health has an effect on organizational performance, mediated by communication
- H7: Organizational culture has an effect on organizational performance, mediated by communication.

III. RESEARCH METHODOLOGY

This research employed a quantitative approach because it was more concerned with measurement methods and samples using a deductive approach that emphasized detailed priorities in data collection and analysis. This means that a quantitative research as a study based on the philosophy of positivity, is used to examine the population or particular samples and data collection using research instruments; the data analysis is quantitative / statistical, with the aim to test hypotheses that have been set.

Detailed information about variables was measured through dimensions and indicators. The number of items can be seen in Table 1 below. The independent (exogenous) variables measured using the Likert scale were occupational safety and health (X1) and organizational culture (X2), while the dependent (endogenous) variables were communication (Y1) and organizational performance (Y2).

No.	Variable	Dimension	Indicator	No. Quiz
1	Occupational safety and Health (X1), Robert I. Mathis (2013)	1. Occupational safety and Health responsibility	a. Socialization of Occupational safety and Health regulations for employees. b. The government and Occupational safety and Health prevention guidance from the leaders c. Provided compensation to employees who got accidents	1 2 3
		2. Occupational safety and Health committee	a. The role of the committee for the prevention of workplace accidents b. Review of the program and implementation of Occupational safety and Health for the company	4 5
		3. Motivation and training	a. Motivation and training provided b. Coaching and giving good motivation for employees.	6 7
		4. Inspection, Investigation and evaluation	a. Occupational safety and Health supervision and evaluation in the work environment b. Inspection of equipment and readiness of workers	8 9
		5. Employee Condition	a. Attention to employees during pre-work, work and after work	10
2	Organizational Culture (X2), Cooper 2009	1. Commitment	a. The process of making decisions relating to work b. HR allocation (time, human and cost) c. Preparation of Procedure (working instruction)	11 12 13
		2. Communication	a. Interaction between leaders and partners b. There is delegation of tasks and effective cooperation and communication	14 15
		3. Organizational management	a. Operation of a business plan b. Settlement of Occupational safety and Health conflicts with other parts c. Implementation of Occupational safety and Health meeting	16 17 18
3	Communication (Y1), Hutapea and Nuriana (2010)	1. Knowledge	a. Knowing and understanding their respective fields. b. Knowing the rules relating to existing procedures and techniques in the company c. Appropriate information for the operations of equipment	19 20 21
		2. Skill	a. Ability in oral and written communication b. Having ability in activities c. Having high enthusiasm, proper planning and operation	22 23 24
		3. Attitude	a. HR capabilities b. Information and policies	25 26
4	Organizational Performance (Y2), Bastian (2013)	1. Input	a. Achievement of performance	27
		2. Output	b. Things relating to organizational activities	28
		3. Outcomes	c. Achievement or results of implementation of activities.	29
		4. Impacts	d. Positive and negative effects	30

Table 1:- Research Variables

➤ *Population and Sample*

The population in this research was 150 employees of PT. PEM, while the sampling technique used was random sampling. In terms of the samples of this research, the researchers refer to Ghozali and Solimun that the sampling number is five times the indicators.

IV. METHOD ANALYSIS

This research used a regression analysis (Partial Least Square) / PLS to test the five hypotheses proposed. Each hypothesis was analyzed using Smart PLS software version 3.2. 8 to test the relationship between variables. Partial Least Square (PLS) approach is distribution free (does not assume certain distributed data, can be nominal, category, ordinal, interval and ratio). When compared to other approaches and especially the maximum likelihood, Partial Least Square (PLS) method is more commonly used because it works with a small assumption of zero inter correlation between residuals and variables. Ghozali (2016) explains that PLS is a soft modeling analytical technique because it does not assume data must be of a certain scale, which means the number of samples can be small (below 100 samples).

V. RESULTS AND DISCUSSIONS

The results of data analysis are arranged descriptively from each variable obtained. This research gained 150 employees at PT. PEM.

No	Gender	Number (people)	Percentage
1	Male	40	27%
2	Female	110	73%
Total		150	100%

Table 2:- Number of Respondents Based on Gender
Source: primary data processed by the researchers

Based on the research results, there were 40 male employees with a percentage of 27% and 110 female employees with a percentage of 73%. High number of female employees was because female employees were very suitable to work in the assembly division. Accuracy is needed in this section to achieve satisfactory results.

No	Education Level	Number (people)	Percentage
1	High School	112	75%
2	Diploma	13	9%
3	Bachelor-Master	25	17%
	Total	150	100%

Table 3:- Number of Respondents based on Education Level
Source: primary data processed by the researchers

Based on educational background, 112 employees or 75% were high school graduates, 13 employees or 9% were Diploma graduates, the rest 25 employees or 17% were Bachelor and Master graduates. The majority of high school graduates worked for this company since it did not require special expertise to work in the assembly division.

No	Career Length	Number (people)	Percentage
1	3-5 year	86	57%
2	6 - 10 year	29	19%
3	11 year	35	23%
Total		150	100%

Table 4:- Number of Employees based on Length of Career
Source: primary data processed by the researchers

As seen in Table 4, based on length of career the highest number was the employees with a more than 3-5 years of career as much as 57% because this company did not require special experience.

No	Age	Number (people)	Percentage
1	17 - 20 years	78	52%
2	30 years	56	37%
3	40 years	16	11%
	Total	150	100%

Table 5:- The Respondents' Age
Source: primary data processed by the researchers

Data in Table 5 shows that the majority, 78 employees or 52%, were at the age of 17-20 years as this age range is considered representing young and hard-working people. The second number was employees at the age of 30. The least number was employees at the age of 40 because it was considered as a less productive age.

Descriptive statistical analysis was used to understand the tendency to answer the questionnaire or how far the response of respondents based on the choices provided using a Likert scale, from scale 1 (strongly disagree) to scale 5 (strongly agree) to any variable statements. After the data had been collected, they were tabulated to find out the distribution of answers from each indicator of each research variable. The results are as follows:

- The occupational safety and health variable had an average value of 3.51. This showed that occupational safety and health in general was sufficient in accordance with the duties and functions but could still be improved.
- The organizational culture variable had an average value of 3.38. This indicated that in general this variable was sufficient but still needed to be improved so that employees could more realize the good organizational performance.

- The communication variable had an average value of 3.59, indicating that this variable was quite good but needed to be improved in order to achieve the company's goals.
- The organizational performance variable had an average value of 3.52, which indicated that the organizational performance was good but not significant. Therefore, to achieve good organizational performance, the above three variables must be improved.

Measurement of the evaluation model (outer model) was done to understand the validity and reliability that connected the indicators with the latent variables. Convergent validity test was carried out by investigating the reliability of individual items, internal consistency, or construct reliability, and the average variance extracted. Evaluation of the convergent validity from the investigation of individual items could be measured by the value of the standard loading factor. The standard loading factor assessed the correlation between each indicator item with its construct. The value of loading factor used in this research was > 0.5. Hence, if the loading factor value < 0.5 in the calculation result the measurement model (outer model) would be removed from the model.

Evaluation of the convergent validity of the *Average Variance Extracted (AVE)* examination explained the amount of variable manifest variance that could be owned by the latent constructs. The more variable manifest variance contained by the latent construct, the greater was the variable manifest representation on the latent construct. Evaluation of the convergent validity with the examination of AVE could be seen from the AVE values based on the results of data processing with Smart PLS version 3.2. 8

Variable	AVE Value
Occupational Safety and Health (X1)	0.699
Organizational Culture (X2)	0.662
Communication (Y1)	0.799
Organizational Performance (Y2)	0.657

Table 6:- Average Variance Extracted (AVE) for Each Variable, Source: Results of analysis using Smart PLS 3.2.8

Table 6 above shows that the AVE values for all variables were > 0.5. Evaluation of the convergent validity from internal consistency reliability examination could be seen from the values of Cronbach's Coefficient Alpha and Composite Reliability (CR) which are displayed in Table 7 below. The table shows the result of calculation from Smart PLS version 3.2.8.

Variable	Cronbach's Alpha	Composite Reliability
Occupational Safety and Health (X1)	0.951	0.958
Organizational Culture (X2)	0.926	0.940
Communication (Y1)	0.964	0.969
Organizational Performance (Y2)	0.824	0.884

Table 7:- Cronbach's Coefficient Alpha and Composite Reliability (CR) Values

Source: Results of analysis using Smart PLS 3.2.8

As seen Table 7, the Cronbach's Coefficient Alpha value for occupational safety and health, organizational culture, communication and organizational performance variables were greater than 0.7 even close to 1. The similar thing happened to the CR values, with the values of more than 0.80 or close to 1. All values in the table exceeded the standard, namely > 0. 7, thus all variables in the research were declared reliable. Furthermore, evaluation of the structural model (inner model) or hypothesis testing in this research was carried out in several steps, such as evaluating the path coefficient value, evaluating the value of R2, the effect size of f2, validating all structural models using the Goodness of Fit Index (GOF), and conducting a predictive relevance (Q2) test. Meanwhile, based on the calculation of Smart PLS version 3.2. 8 using bootstrap, it revealed the path coefficient result that explained the relationship between constructs / variables as shown in Table 8 below.

Correlation between Constructs	Original Sample (O)	T Statistics (O/STDEV)	P Values
Occupational Safety and Health (X1) -> Communication (Y1)	0.576	8.546	0
Occupational Safety and Health (X1) -> Organizational Performance (Y2)	0.338	4.419	0
Organizational Culture (X2) -> Communication (Y1)	0.298	4.547	0
Organizational Culture (X2) -> Organizational Performance (Y2)	0.166	2.256	0.025
Communication (Y1) -> Organizational Performance (Y2)	0.434	6.609	0

Table 8:- Results of Path Coefficient Test
Source: Results of analysis using Smart PLS 3.2.8

Evaluation of the R² values based on the calculation results using calculate Smart PLS version 3.2.8 algorithm obtained the R² values as follows: 0.682 for the communication variable, and 0.757 for the organizational performance variable. These R² values showed that the determination level of exogenous variables (variables of occupational safety and health (X₁), and cultural organization (X₂) on the endogens were quite high.

The simultaneous effects of occupational safety and health and organizational culture on the communication could be identified by calculating f calculate / f statistics using the following formula.

a. $R^2 = 0.682$ (Communication)

$$F \text{ cal.} = \frac{\frac{R^2}{(k-1)}}{1-R^2/(n-k)}$$

$$F \text{ cal.} = \frac{\frac{0.682}{(4-1)}}{1-0.682/(150-4)}$$

$$F \text{ cal.} = 0.226 / 0.002205$$

$$F \text{ cal.} = 102.472$$

Meanwhile, the simultaneous effects of occupational safety and health, organizational culture and communication variables on the organizational performance could be identified by calculating f calculate / f statistics using the following formula.

b. $R^2 = 0.757$ (Organizational Performance)

$$F \text{ cal.} = \frac{\frac{R^2}{(k-1)}}{1-R^2/(n-k)}$$

$$F \text{ cal.} = \frac{\frac{0.757}{(4-1)}}{1-0.757/(150-4)}$$

$$F \text{ cal.} = 0.252 / 0.001664$$

$$F \text{ cal.} = 151.607$$

The simultaneously significant test results are used to test the hypotheses:

- a. The simultaneous effect of the occupational safety and health and organizational culture variables on the communication
- b. The simultaneous effect of the occupational safety and health, organizational culture, and communication variables on the organizational performance.

The values of F calculate in this research were 102.472 and 151.607, while the value of F table at alpha 0.05 was 2.67. This means that F calculate > F table (2.67). Therefore, H_a and H_b were accepted.

➤ *GOF Testing*

The purpose of GOF testing was to perform a composite performance validation between the measurement model (outer model) and the structural model (inner model) that was obtained through manual calculation as follows:

$$GoF = \sqrt{AVE \times R^2} = \sqrt{0.703 \times 0.715}$$

$$GoF = \sqrt{0.502} = 0.708$$

Information:

$$AVE = (0.699+0.661+0.799+0.655)/4 = 0.703$$

$$R \text{ square} = (0.678 \times 0.752) / 2 = 0.715$$

The result of Goodness of Fit Index (GOF) calculation showed the value of 0.708. According to Tenenhau (2004), small GOF value = 0.1, medium GOF value = 0.25 and large GOF value = 0.36. Based on the calculation result above, it can be concluded that the composite value of the measurement model (outer model) and the structural model (inner model) overall was quite good because the value of GOF was more than 0.36 (large GOF scale).

➤ *Predictive Relevance Testing (Q²)*

The aim of this testing (Q²) was to validate the model. The result of Q² calculation is as follows:

$$Q^2 = 1 - (1 - R_1^2)(1 - R_2^2) = 1 - (1 - 0.682)(1 - 0.757) = 1 - (0.318)(0.243), Q^2 = 1 - 0.077 = 0.923$$

Based on the Q² calculation result above, it can be seen that the predictive relevance value is 0.923. In conclusion, the endogenous latent variable had a value of Q² greater than 0 (zero), thus the exogenous latent variables as the explanatory variables were able to predict the endogenous variable, namely employee performance. In other words, this model was considered to have very high predictive relevance because the value of Q² was almost 1.

➤ *Hypothesis Testing*

The hypothesis testing in this research was regarding the effect of exogenous variables, namely occupational safety and health (X1) and organizational culture (X2) on the endogenous variable of communication (Y1) in partial. Besides, it was to see the effect of occupational safety and health (X1), organizational culture (X2) and communication (Y1) on the endogenous variable of organizational performance (Y2). It was also related to the effect of mediation, in this case career development.

Correlation between Constructs	Original Sample (O)	T Statistics (O/STDEV)	T Table	P Values
Occupational Safety and Health (X1) -> Communication (Y1)	0.576	8.546	1.976	0
Occupational Safety and Health (X1) -> Organizational Performance (Y2)	0.338	4.419	1.976	0
Organizational Culture (X2) -> Communication (Y1)	0.298	4.547	1.976	0
Organizational Culture (X2) -> Organizational Performance (Y2)	0.166	2.256	1.976	0.025
Communication (Y1) -> Organizational Performance (Y2)	0.434	6.609	1.976	0

Table 9:- The Impact of Independent Variables
Source: Results of analysis using Smart PLS 3.2.8

Correlation between Constructs	Original Sample (O)	T Statistics (O/STDEV)	T table	Conclusion
Occupational Safety and Health (X1) -> Communication (Y1) -> Organizational Performance (Y2)	0.25	5.424	1.976	T stat>T table (H6 accepted)
Organizational Culture (X2) -> Communication (Y1) -> organizational Performance (Y2)	0.129	3.569	1.976	T stat>T table (H7 accepted)

Table 10:- The Simultaneous Effect of Independent Variables
Source: Results of analysis using Smart PLS 3.2.8

The statistical results provided on the above table were for structural models with the hypotheses as follows:

➤ *Hypothesis 1 - occupational safety and health had an effect on communication*

The path coefficient was 0.576 and t_{calculate} (8.546) > t_{table} (1.976) with p value of 0.000. Therefore, H1 was accepted (p < 0.05) and H0 was rejected. This indicated that occupational safety and health had a significant effect on communication.

➤ *Hypothesis 2 – organizational culture had an effect on communication*

The path coefficient was 0.298 and t_{calculate} (4.547) > t_{table} (1.976) with p value of 0.000. Therefore, H2 was accepted (p < 0.05) and H0 was rejected. This means that

organizational culture had a significant and positive effect on communication.

➤ *Hypothesis 3 – occupational safety and health had an effect on organizational performance*

The path coefficient was 0.338 and t_{calculate} (4.419) > t_{table} (1.976) with p value of 0.000. Thus H3 was accepted (p < 0.05) and H0 was rejected. This indicated that occupational safety and health had a significant and positive effect on organizational performance.

➤ *Hypothesis 4 – organizational culture had an effect on organizational performance*

The path coefficient was 0.835 and C_{calculate} (2.256) > t_{table} (1.976) with p value 0.025. Thus H4 was accepted (p < 0.05) and H0 was rejected. In other words, organizational

culture had a significant and positive effect on organizational performance.

➤ *Hypothesis 5 – communication had an effect on organizational performance*

The path coefficient was 0.434 and $t_{\text{calculate}} (6.609) > t_{\text{table}} (1.976)$ with p value of 0.000. Therefore, H5 was accepted ($p < 0.05$) and H0 was rejected. Thus, communication had a significant and positive effect on organizational performance.

➤ *Hypothesis 6 – occupational safety and health on organizational performance mediated by communication*

The path coefficient was 0.25 and $t_{\text{calculate}} (5.424) > t_{\text{table}} (1.976)$ with p value of 0.000. To conclude, the indirect effect of occupational safety and health on organizational performance mediated by communication variable was significant with partial mediation.

➤ *Hypothesis 7 – organizational culture on organizational performance mediated by communication*

The path coefficient was 0.129 and $t_{\text{calculate}} (3.569) > t_{\text{table}} (1.976)$ with p value of 0.000. It was concluded that the indirect effect of organizational culture on organizational performance mediated by communication variable was significant with partial mediation.

The current research results showed that occupational safety and health as well as organizational culture had significant and positive effect on communication and organizational performance. When occupational safety and health and organizational culture were mediated by the communication variable, the effect became very significant on organizational performance.

➤ *Occupational safety and health had an effect on communication (Hypothesis 1)*

The hypothesis testing result regarding occupational safety and health on communication showed occupational safety and health had a significantly positive effect on career development, that the employer supported the employees to seize higher positions in the company.

➤ *Organizational culture had a significant effect on communication (Hypothesis 2)*

The hypothesis testing result showed that the above hypothesis was accepted, and thus it was concluded that organizational culture had an effect on communication

➤ *Occupational safety and health had a significant effect on organizational performance (Hypothesis 3)*

The hypothesis testing result showed that occupational safety and health had a significant effect on organizational performance.

➤ *Organizational Culture had a significant effect on organizational performance (Hypothesis 4)*

The hypothesis testing result revealed that H4 was accepted. This means organizational performance had an effect on organizational performance.

➤ *Organizational Culture had a significant effect on organizational performance (Hypothesis 5)*

The hypothesis testing result recorded that H5 was accepted, indicating that organizational culture affected organizational performance. In addition, the more continuous the organizational culture is done, the higher is the organizational performance understood by employees.

➤ *Occupational safety and health had a significant effect on organizational performance and was mediated by communication (Hypothesis 6) –*

The hypothesis testing result showed that H6 was accepted, meaning that occupational safety and health had a significant effect on organizational performance and was mediated by communication

➤ *Organizational culture had a significant effect on organizational performance and was mediated by communication (Hypothesis 7) –*

The hypothesis testing result showed that H7 was accepted, meaning that “organizational culture (X_2) had an effect on organizational performance (Y_2) mediated by communication (Y_1) variable”. This is in line with Messner’s (2013) research which reported that organizational culture was a key determinant in understanding and improving organizational performance through appropriate communication.

VI. CONCLUSIONS AND RECOMMENDATIONS

Several questions are drawn on the basis of results and discussion of this current research.

- Occupational safety and health variable had a significant and positive effect on communication, with its inspection, investigation, and evaluation dimension as the strongest effect.
- Organizational culture variable had a significant and positive effect on organizational performance, with its financial compensation indicator as the strongest effect.
- Organizational culture variable had a significant and positive effect on communication, with its commitment indicator as the strongest effect.
- Organizational culture variable had a significant and positive effect on organizational performance, with its commitment indicator as the strongest effect.
- Communication variable had a significant and positive effect on organizational performance, with its skill indicator as the strongest effect.

- Communication variable as a mediator in this research had a significant and positive effect on organizational performance with its skill indicator as the strongest effect.
- Communication variable as a mediator in this research had a positive effect on the organizational culture indicator on organizational performance, having a significant and positive effect.

Based on results of the aforementioned analysis, discussion and conclusions, the researchers propose a number of suggestions for completing the results of this current research, namely:

1. To the company:

a. Occupational safety and Health

- In general the employees have understood the meaning of occupational safety and health. However, they still require motivation and regular training with the materials adjusted to new curriculum or the government regulations.
- Inspection, investigation and evaluation towards their work as the culture that the employees have has run smoothly. However, the control has not been conducted significantly. Therefore, the company must do a regeneration of Occupational safety and Health staff, if possible the company can recruit new employees who are expert in the field

b. Organizational Culture

- One of the organizational culture in the company was when there was conflict between departments, the problem solving given had been good. However, the actions need to be optimized by forming a division that is responsible for handling the conflicts, both regular and trouble shorting.
- Employee mutation needs to be done very selectively in order to position the employees based on their own skill. The employees who have conflicts needs to be separated. Besides, it is necessary to review the company regulation and employee performance in order to see whether the regulations are no longer relevant or it is the employees who need to get special treatment.

c. Communication

- In relation to communicative skill, the employees have a good skill in communication, specifically in discussion regarding their work. Further, the company should train additional skill, such as learning new language and so on. As an example, the employees work with a Japanese company that requires them to be able to master Japanese. If not, this might cause problems in production.
- Regarding the procedure, it is recommended to make simpler and clearer ones. They should be made into several languages, for example, in Bahasa version and English version, or even Japanese version (if work in a Japanese company).

d. Organizational Performance

- In this company, the organizational performance was not achieved optimally, primarily in the production as defect and rework could occur often, and so on. This company needs new supporting technology and make a clear WI. The company also needs to give full responsibility to the employees so that they can work maximally, such as by making some standardization of rules.
- Daily Work (Output) The company needs to make clear rules for the employees. Besides, the company should make the policies that are real and transparent for management and employees in terms of production plan, marketing, and profits.

2. To Future Researchers:

The researchers expect that further research can dig up more in-depth the variables that affect organizational performance. The high effect from communication as a mediator on the organizational performance as found in this research can be a starting point of the existence of other affecting variables.

REFERENCES

- [1]. Gomez-Mejia, Luis R and David B. and Robert L. Cardi. 2012. *Managing Human Resources*. Prentice Hall: Pearson Education.
- [2]. A.A Anwar Prabu Mangkunegara. 2010. *Manajemen Sumber Daya Manusia, Perusahaan Remaja Rosdakarya*, Bandung.
- [3]. Hadipoetro,(2014). *Occupational safety and health*. Jakarta
- [4]. Sugiyono. (2013). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Bandung: Alfabeta.CV.
- [5]. Dessler, Gary. (2015). *Manajemen Sumber Daya Manusia*. Jakarta: Salemba Empat.
- [6]. Edi Sutrisno (2016). *Manajemen Sumber Daya Manusia*. Jakarta: Prenadamedia Group.
- [7]. EkoW,Suparno. (2015).” *Manajemen Pengembangan Sumber Daya Manusia*”.Yogyakarta: Pustaka Pelajar.
- [8]. Ghozali, Imam. (2013). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 21 Update PLS Regresi*. Semarang: Badan Penerbit Universitas Diponegoro.
- [9]. Hasibuan, M.S.P. (2016). *Manajemen Dasar, Pengertian dan Masalah*. Ed. Revisi, Cetakan ke-9. Jakarta: Bumi Aksara.
- [10]. Herman, Sofyandi. (2009). *Manajemen Sumber Daya Manusia*.Yogyakarta. Graha Ilmu
- [11]. Malayu Hasibuan. (2010). *Manajemen Sumber Daya Manusia*, Pt. Bumi Aksara, Jakarta.
- [12]. Mondy, R. Wayne, (2010), *Human Resource Management Eleventh Edition*. New Jersey: Prentice Hall
- [13]. Rivai, Veithzal dan Deddy Mulyadi. (2012). *Kepemimpinan dan Perilaku Organisasi Edisi Ketiga*. Jakarta : PT. Rajagrafindo Persada
- [14]. Rivai Veithzal dan Sagala Ella Jauvani, 2011. *Manajemen Sumber Daya Manusia untuk Peusahaan dari Teori ke Praktik*. PT Raja Grafindo, Jakarta

- [15]. Rivai Veithzal . 2011. Performance Appraisal, PT. Raja Grafindo Persada. Jakarta.
- [16]. Salinding, Rony. (2011). Analisis Pengaruh Pelatihan Terhadap Produktivitas Kerja Karyawan Pada PT. Erajaya Swamsebada Cabang Makasar.
- [17]. Sedarmayanti,(2010). Sumber Daya Manusia dan Produktivitas Kerja, cetakan kedua, penerbit: Mandar Maju. Bandung
- [18]. Sedarmayanti. 2013. Metode Penelitian, Edisi Pertama, Cetakan Ketujuh, CV. Alfabeta, Bandung.
- [19]. Sugiyono. 2012. Metode Penelitian, Edisi Pertama, Cetakan Ketujuh, CV. Alfabeta, Bandung.
- [20]. Tohardi Ahmad. 2010. Pemahaman Praktis Manajemen Sumber Daya Manusia, Penerbit Mandar Maju, Bandung.
- [21]. Uma Sekaran. 2006. Metodologi Penelitian untuk Bisnis, Edisi Keempat. Jakarta: Penerbit Salemba Empat
- [22]. Dean A. Koutroumanis et al. (2015). The Influence Organizational Culture Has On Commitment in the Restaurant Industry
- [23]. Carlo Ammendolia, Pierre Cote. 2016. Health and Productive Worker: using intervention mapping to design a workplace health promotion and wellness program to improve presenteeism. Ammendolia et al. BMC Public Health
- [24]. Mohammed J. 2016. The effect of health and safety standart on productivity in Malaysia construction industries International conference on disruptive innovation
- [25]. Mihiravi, D.P. and Perera, G.D.N. 2016. Impact of Occupational Safety and Health Practices on Job Satisfaction: A Study in Selected Large Scale Apparel Firm in Colombo District. 3rd International HRM
- [26]. John Tarore 2016. Culture, Learning Organization, Empowerment, and organizational commitment on the performance of SMEs a case study of SMEs in the Regency of South Minahasa.
- [27]. Getrude, Kivunga. 2017. Role of Organizational Culture on Organizational Performance of Commercial banks in VOI Sub Country