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**EFFECT OF OCCUPATIONAL SAFETY AND HEALTH AND INCENTIVES ON WORK
MOTIVATION AND EMPLOYEE PERFORMANCE
(STUDY IN EMPLOYEES OF PT. YTL-PAITON PROVINCE EAST JAVA)**

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Abstract

This research in PT YTL and was conducted to determine the effect of independent variables namely Occupational safety, Occupational Health, and Incentives on the dependent variable namely Employee Performance through the intervening variable namely Work Motivation. This research is a type of explanatory research with a quantitative approach. The data used in this study are primary data obtained from questionnaires. The researcher used probability sampling techniques, namely proportionate random sampling using Slovin formula and obtained a sample of 78 respondents. Data analysis in this study used the Path Analysis method with the help of SPSS. The results of this study indicate that Occupational Safety, Occupational Health, and Incentives are positive and significantly influence the Work Motivation. Variable work motivation is a positive and significant effect on employee performance. Furthermore, Occupational Safety, Occupational Health, and Incentives are positive and significantly influence Employee Performance. Furthermore, there are indirect effects between the variables of Occupational Safety, Occupational Health, and Incentives on Employee Performance through Work Motivation variables.

Keywords: Occupational safety and health; Incentives; Work Motivation; Employee Performance

Introduction

Basically, the development of a company can be seen from how much the contribution of the workers that have been done. Awareness of each company is a motive, this motive if associated with work will affect employee performance because employee performance is very dependent on work motivation. Work motivation is also influenced by the existing incentives for the company towards its employees. With the existence of incentives will affect employee morale. In addition to incentives, the existence of occupational safety and health can also affect the performance of company employees. If occupational safety and health are guaranteed by the company, the employee will feel the level of comfort and can minimize the absenteeism of the employee. PT. YTL Paiton is a steam power service company with its main material being coal, making the occupational safety and health the main level that must be considered. This is also supported by the OHSAS 18001 concept which has some conformity with ISO 14001 and ISO 9001.

If Occupational Safety and Health is not properly considered by the leadership of its employees, then this can affect work motivation and the performance of its employees. (Dessler, 1997) explains that the factors that affect occupational safety and health are the work environment and health care facilities. Thus there is a positive influence between Occupational Safety and Health on Work Motivation. The Effect of Occupational Safety and Health on work motivation is also supported by previous researchers (Munandar, Astuti, & Hakam, 2014), (Kartikasari, 2017), (Denik, Musadieg, & Djudi, 2017), and (Sitohang, 2017).

Increased work motivation on employees is supported by the provision of incentives on a regular basis. Moekijat (1991) states that a simple form of incentives is a standard piece that connects income with productivity and can use premiums, bonuses or various standards to reward services for better work implementation. Then it can be said that there is a positive influence between incentives and work motivation. This is also supported by research conducted by (Munawir, 2015), (Dahlan, Mananeke, & Dotulong, 2014) and (Fauziah, 2012).

Work motivation is a spirit that is automatically present in the individual. This can affect employee performance so that it has a positive impact on meeting company goals. According to Wahjosumidjo (1984), motivation can be interpreted as a psychological process that reflects the interaction between attitudes, needs, perceptions, and decisions that occur in a person. If the motivation to work is good, it will have a positive impact on employee performance. This is in line with the research conducted by (Fauziah, 2012), (Denik, Musadieg, & Djudi, 2017), and (Fadhil & Mayowan, 2018).

This article also explains the indirect effects of occupational safety and health and incentives on employee performance through work motivation. Previous research has been carried out by (Munandar, Astuti, & Hakam, 2014) based on calculations in finding direct and indirect influences that directly influence higher than indirect effects. Referring to the background of the problems described earlier, the purpose of this article is to determine the effect of variables namely Occupational safety, Occupational Health, and Incentives on the variable namely Employee Performance through the intervening variable namely Work Motivation.

Literature Review

a. Occupational safety

Occupational Safety and Health is one way to protect employees from the dangers of workplace accidents and work-related illnesses while working. Sometimes the implementation of occupational safety and health is not considered in the performance of employees so that it will disrupt the work productivity of employees. According to (Jackson, 2014) safety refers to the protection of one's physical well-being. Occupational safety is a safe condition or safe from suffering, damage or loss at work.

b. Occupational health

According to Hasibuan (2010), the notion of health is always described as a physical, mental and social condition of a person who is not only free from illness or health problems but also shows the ability to be with the environment and work. By not occurring illnesses and accidents due to work, it means that there is no absenteeism of the workers. The absence of absenteeism (or low rates of absenteeism) and the increasing health status of these workers clearly increase efficiency, which leads to increased corporate profits.

c. Incentive

Incentives are remuneration outside of salary. Providing incentives is intended to meet the needs of employees and their families. Mangkunegara (2009) states that "Incentives are an award in the form of money given by the organization leaders to employees so that they work with high motivation and achievement in achieving company goals".

d. Work motivation

Work motivation is often used to mention motivation in the work environment. In management, it is often used to explain the motivation that has something to do with work. (Robbins, 2001) suggests that motivation is a process that plays an intensity, direction, and duration of individual efforts towards achieving target three, a key element in the definition above is intensity, direction and lasts long.

e. Employee performance

Employee performance according to (Purnama, Suddin, & Triastity, 2017) is a result of work achieved by someone in carrying out the tasks assigned to him based on skills, experience, and sincerity as well as time. While according to (Jackson, 2014) expressed their opinions on the notion of performance, namely, "employee performance is basically what is done or not done by employees.

f. Hypothesis

Based on the research objectives and framework, the hypothesis proposed in this study is as follows:

H1: Occupational safety has a significant effect on Work Motivation.

H2: Occupational health has a significant effect on Work Motivation.

H3: Incentives have a significant effect on Work Motivation.

H4: Work Motivation has a significant effect on Employee Performance.

H5: Occupational safety has a significant effect on Employee Performance.

H6: Incentives have a significant effect on Employee Performance.

H7: Occupational health has a significant effect on Employee Performance.

H8: Occupational safety indirectly affects Employee Performance through Work Motivation.

H9: Occupational health indirectly influences Employee Performance through Work Motivation.

H10: Incentives indirectly influence Employee Performance through Work Motivation.

Research Methods

Based on the research objectives, this type of research was explanatory research. This research includes quantitative research. This research uses primary data types. The population in this study were the employees of PT. YTL - Paiton East Java totaling 344 people. To determine the sample in this study, researchers used probability sampling techniques, namely proportionate random sampling using the Slovin formula. Then it can be determined the number of samples in this study was 78 employees. Based on the hypothesis and research design, the data collected in this study were analyzed using path analysis. In this study analyzed with the SPSS version 23.0 program.

Results and Discussion

Results

Table 1 Distribution of Respondents

No	Based on	Kriteria	Number of Respondents	Percentage (%)
1	Age	18-25	1	1,3
		26-33	2	15,4
		34-41	20	25,6
		42-49	32	41,1
		50-57	13	16,6
		Total		78
2	Gender	Male	76	97
		Female	2	3
		Total	78	100
3	Department	<i>Engineering</i>	55	70,5
		<i>Financial Services</i>	2	2,5
		<i>Commercial</i>	5	6,5
		<i>Operation</i>	16	20,5
		Total	78	100
4	Length Of Work	<5 years	5	6,4
		5-10 years	30	38,4
		11-15 years	18	23,1
		16-20 years	25	32,1
		Total	78	100
5	Education	Senior High Shcool	35	44,8
		Diploma	12	15,4
		Bachelor Degree	31	39,8
		Master Degree	-	-
		Total	78	100

Source: Primary Data processed, 2019

From the column, the percentage distribution of respondents based on age shows that the age of 42-49 years is the age with the highest percentage of 41.1%. For the percentage column by gender is the male gender with the highest percentage of 97%. Then in the percentage column of respondents distribution based on the Department, the Engineering Manager occupies the highest percentage of 70.5%. In the Long Working column, it is also known that the distribution of respondents for 5-10 years of work is the highest percentage, which is 38.4%. Furthermore, the distribution of respondents based on high school education is the highest percentage of 44.8%.

Table 2 Variable Answer Frequency Distribution

No		Mean Indicator	Mean Variable
1	Work	3,77	3,83
	Safety	3,89	
2	Work	3,69	3,73
	Health	3,78	
3	Incentive	3,73	3,73
4	Work Motivation	3,81	3,83

No		Mean Indicator	Mean Variable
		3,88	
		3,81	
5	Employee performance	3,77	3,73
		3,64	
		3,79	

Source: Primary Data processed, 2019

Based on Table 2, it can be seen that the Occupational safety variable has the highest Mean Indicator among other variables which are equal to 3.89. This means that occupational safety is one of the keys for employees to continue to pay attention to the safety of each individual employee while working.

Path Analysis Test Results First Path Coefficient

Table 3 First Path Coefficient Test Results

Dependent Variable	Independent Variables	Beta	t	Sig	Note
Y1	Occupational Safety (X1)	0,223	2,153	0,035	Significant
Work motivation	Occupational Health (X2)	0,259	2,108	0,038	Significant
	Incentive (X3)	0,383	3,717	0.000	Significant
R	= 0,732			Adjusted R ²	= 0,516
R ²	= 0,535			F _{count}	= 28,394
Constant	= 9,127				

$$Y1 = 9,127 + 0,223X1 + 0,259X2 + 0,383X3 + 0,484 e$$

The constant number (a) is interpreted as the value that appears on the dependent variable if there is no independent variable. So, if there are no variables X1, X2, and X3, Work Motivation itself has a value of 9,127.

In Table 3, the Adjusted R Square value is 0.516. This means that 51.6% of work motivation variables will be influenced by the independent variables, namely Occupational Safety, Occupational Health, and Incentives.

Second Line Coefficient

Table 4 Second Line Coefficient Test Results

Variabel Dependen	Variabel Independen	Beta	t	Sig	Note
Y2	Occupational safety(X1)	0,194	2,869	0,005	Significant
Employee Performance	Occupational Health (X2)	0,377	4,716	0,000	Significant
	Insentif (X3)	0,234	3,302	0.001	Significant
	Work Motivation (Y1)	0,266	3,621	0.001	Significant
R	= 0,904			Adjusted R ²	= 0,807
R ²	= 0,817			F _{count}	= 81,282
Constant	= 1,952				

$$Y2 = 1,952 + 0,194X1 + 0,377X2 + 0,234X3 + 0,266Y1 + 0,193 e$$

The constant number (a) is interpreted as the value that appears on the dependent variable if there is no independent variable. So, if there is no variable Safety, X2, X3, and Y1, the Employee Performance itself has a value of 1,952.

In Table 4, it can be seen that the significant influence between the variables of Occupational Safety, Occupational Health, Incentives, and Work Motivation on Employee Performance. From the results of the path analysis coefficient in Table 4, the Adjusted R Square value is 0.807. This means that 80.7% of employee performance variables will be influenced by the independent variables, namely Occupational Safety, Occupational Health, and Incentives. Based on the results of the path analysis test from the first and second path coefficients, the completeness of the path analysis model can be seen in Fig. 1.

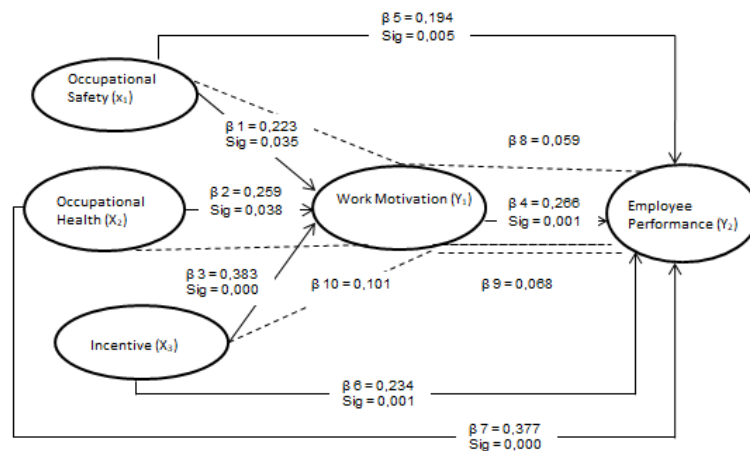


Fig. 1 Path Analysis Result Model

Source: Primary data processed, 2019

—————> = Direct influence
 - - - - -> = Indirect Effects

Table 5 Hypothesis Testing Results

	Hypothesis	Coefficient	Significant	Note
H ₁	Occupational safety has a significant effect on Work Motivation.	0.223	0.035	H ₁ Accepted
H ₂	Occupational health has a significant effect on Work Motivation.	0.259	0.038	H ₂ Accepted
H ₃	Incentives have a significant effect on Work Motivation.	0.338	0.000	H ₃ Accepted
H ₄	Work Motivation has a significant effect on Employee Performance.	0.194	0.005	H ₄ Accepted
H ₅	Occupational safety has a significant effect on Employee Performance.	0.377	0.000	H ₅ Accepted

	Hypothesis	Coefficient	Significant	Note
H ₆	Incentives have a significant effect on Employee Performance.	0.234	0.001	H ₆ Accepted
H ₇	Occupational health has a significant effect on Employee Performance.	0.266	0.001	H ₇ Accepted
H ₈	Occupational safety indirectly affects Employee Performance through Work Motivation.	0.059	-	H ₈ Accepted
H ₉	Occupational health indirectly influences Employee Performance through Work Motivation.	0.068	-	H ₉ Accepted
H ₁₀	Incentives indirectly influence Employee Performance through Work Motivation.	0.101	-	H ₁₀ Accepted

Source: Primary data processed, 2019

Discussion

a. Effect of Occupational Safety on Work Motivation

The inferential analysis results that examine the effect of occupational safety on work motivation state that occupational safety has a positive and significant effect on work motivation with a determinant coefficient of 0.223 where it means that occupational safety can affect work motivation by 22.3% and the rest is influenced by variables other free. This supports previous research proposed by (Denik, Musadieg, & Djudi, 2017), It's only possible to show that the program and its health (K3). Where a unidirectional and positive relationship was found between the Occupational Safety Program and Work Motivation.

b. Effect of Occupational Health on Work Motivation

The inferential analysis results that examine the effect of occupational health on work motivation state that occupational health is positively and significantly influences work motivation with a determinant coefficient of 0.259 where it means that occupational health is able to influence work motivation by 25.9% and the remainder is influenced by variables other free. The results of the study that examined the relationship of the influence of occupational health on work motivation were in line with the research conducted by (Kartikasari, 2017) which found a significant relationship between Occupational Health and Work Motivation.

c. Effect of Work Incentives on Work Motivation

The results of the inferential analysis that examines the effect of incentives on work motivation states that incentives are positively and significantly influence work motivation

with a determinant coefficient of 0.383 where this means that incentives can affect work motivation by 38.3% and the rest are influenced by other independent variables. This result is in line with the research conducted by (Fauziah, 2012) which states that both variables have a significant effect on Employee Performance, Incentives, and Motivation.

d. Effect of Work Motivation on Employee Performance

Inferential analysis results that examine the effect of work motivation on employee performance mention that work motivation is positively and significantly influences employee performance with a determinant coefficient of 0.194 where it means that work motivation is able to influence employee performance by 19.4% and the rest is influenced by variables other free. This opinion is in line with the research conducted by (Sitohang, 2017) suggesting that found work motivation variables have a significant and positive effect on employee performance variables. This shows that high motivation can affect the increase in employee performance.

e. Effect of Occupational safety on Employee Performance

The inferential analysis results that examine the effect of occupational safety on employee performance mention that occupational safety positively and significantly influences employee performance with determinant coefficient value of 0.377 where this means that occupational safety can affect employee performance by 37.7% and the rest is influenced by variables other free. The results of this study support previous research proposed by (Dahlan, Mananeke, & Dotulong, 2014) where a direct and positive relationship was found between Occupational safety and Employee Performance.

f. Effect of Incentives on Employee Performance

Inferential analysis results that examine the effect of incentives on employee performance state that incentives are positively and significantly affect employee performance with determinant coefficient value of 0.234, which means that incentives can affect employee performance by 23.4% and the rest is influenced by other independent variables. Based on the research that has been done, the results of this study support the previous research put forward by (Munandar, Astuti, & Hakam, 2014), which found a direct and positive relationship between work incentives for employee performance.

g. Effect of Occupational Health on Employee Performance

The inferential analysis results that examine the effect of occupational health on employee performance state that occupational health is positively and significantly influences employee performance with a determinant coefficient of 0.266, which means that occupational health is able to influence employee performance by 26.6% and the rest is influenced by variables other free. Based on the research that has been done, the results of this study support previous research proposed by (Munandar, Astuti, & Hakam, 2014) where it found a significant relationship between occupational health and employee performance.

h. Indirect Effects of Safety on Employee Performance through Work Motivation

1. The occupational safety variable path coefficient value for work motivation is 0.223.
2. The path coefficient of occupational safety variables on employee performance is 0.194.
3. The path coefficient of occupational safety variables on employee performance through work motivation is 0.059. And the total influence is 0.253.

Based on the path coefficient above, the indirect effect of occupational safety on employee performance through work motivation is 0.059. This supports the research by (Munandar, Astuti, & Hakam, 2014) prove that based on calculations in finding direct and indirect effects that direct influence is higher than the indirect effect.

i. Indirect Effects of Health on Employee Performance through Work Motivation

1. The value of the path coefficient of occupational health variables on work motivation is 0.259.
2. The value of the path coefficient of occupational health variables on employee performance is 0.377.
3. The path coefficient of occupational health variables on employee performance through work motivation is 0.068. And the total influence is 0.445.

Based on the path coefficient above, the indirect effect of occupational health on employee performance through work motivation is 0.068. This supports research by (Kartikasari, 2017) prove that Occupational Health variables have a dominant influence on employee performance. The occupational health program variable has a significant effect because it has a direct impact on each individual or employee while the occupational safety program is more to run the goals of the company.

j. The Effect of Indirect Incentives on Employee Performance through Work Motivation

1. Incentive variable path coefficient value for work motivation is 0.383.
2. Incentive variable path coefficient value on employee performance is 0.234.
3. Work incentive variable path coefficient value on employee performance through work motivation of 0.101. And the total influence is 0.335.

Based on the path coefficients above, the indirect effect of incentives on employee performance through work motivation is 0.101. This supports research by (Kartikasari, 2017). This study explains that the incentive variable affects employee performance.

Conclusion and Suggestions

Based on the discussion described above, conclusions can be drawn as follows:

1. Hypothesis 1 indicate that occupational safety variables have a significant influence on work motivation variables. The results of inferential statistical analysis were 0.223.
2. Hypothesis 2 indicate that occupational health variables have a significant influence on work motivation variables. The results of inferential statistical analysis were 0.259.
3. Hypothesis 3 indicates that the work incentive variable has a significant influence on work motivation variables. The results of inferential statistical analysis were 0.383.
4. Hypothesis 4 indicates that the work motivation variable has a significant influence on the Employee Performance variable. The results of inferential statistical analysis were 0.266.
5. Hypothesis 5 indicate that occupational safety variables have a significant effect on employee performance variables. The results of inferential statistical analysis were 0.194.
6. Hypothesis 6 show that the incentive variable has a significant influence on employee performance variables. The results of inferential statistical analysis were 0.234.
7. Hypothesis 7 indicate that occupational health variables have a significant influence on employee performance variables. The results of inferential statistical were 0.377.
8. Based on the results of data analysis that has been done there is an indirect relationship between occupational safety on employee performance through work motivation. Obtained path coefficients indirect effect of 0.059.

9. Based on the results of data analysis that has been done there is an indirect relationship between Incentives on employee performance through work motivation. Obtained indirect effect path coefficient of 0.101.
10. Based on the results of data analysis that has been done there is an indirect relationship between occupational health on employee performance through work motivation. Obtained path coefficients indirect effect of 0.068.

Suggestions

These suggestions include:

1. For the reader, it is expected that the results of this study can be used as reference material.
2. In improving occupational safety and security, PT. YTL should use the STOP program. STOP stands for Safety Training Observation Program, an occupational safety training program. The aim is to help workers and employees in the prevention of workplace accidents.
3. Based on research, it is known that PT. YTL East Java in 2014 received an award for the application of Occupational Safety and Health (SMK) (Occupational Safety and Health Management System) which has an achievement level of 95% or categorized as satisfactory. Thus, it is expected that the company can maintain.
4. The credibility of PT. YTL in the development of the energy conversion field. With the existing system and company regulations. So that the security of the surrounding environment is also maintained without any pollution from the company's waste.
5. Keep maintaining to always use Personal Protective Equipment (PPE) and/or completeness of safety at work. Always pay attention to warnings such as fires, work accidents, and other warnings for the sake of creating safety while working.

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