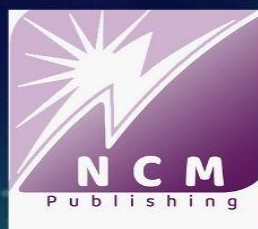

HOLISTIC WORKPLACE
DYNAMICS:
EXPLORING OCCUPATIONAL
SAFETY, EMPLOYEE
PERFORMANCE, MENTAL
HEALTH, CONSUMER
BEHAVIOR, BRAND IMAGE,
COMPETITIVE ADVANTAGE,
LEADERSHIP, AND CULTURAL
INFLUENCE

Editors

Prof. Dr. Teena Singh

Dr. Anurag Agnihotri



Holistic Workplace Dynamics: Exploring Occupational Safety, Employee Performance, Mental Health, Consumer Behavior, Brand Image, Competitive Advantage, Leadership, and Cultural Influence



Editors

Prof. Dr. Teena Singh
Dr. Anurag Agnihotri

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PREFACE

In an era defined by rapid change and intense competition, the modern workplace has become a dynamic and multifaceted environment. To thrive in such an environment, organizations must adopt a holistic approach that considers not only their immediate business goals but also the broader array of factors that influence their success. This book, "Holistic Workplace Dynamics: Exploring Occupational Safety, Employee Performance, Mental Health, Consumer Behavior, Brand Image, Competitive Advantage, Leadership, and Cultural Influence," is a comprehensive guide designed to provide readers with an in-depth understanding of these critical elements.

The importance of Occupational Safety and Health (OHS) cannot be overstated. Ensuring a safe and healthy work environment is the foundation upon which employee performance and organizational success are built. By prioritizing OHS, companies not only protect their most valuable assets—their employees—but also enhance productivity and morale.

Employee performance is another pillar of organizational success. This book delves into the myriad factors that influence performance, from individual mental health to team dynamics and leadership styles. Understanding these factors allows organizations to create conditions that foster high performance and job satisfaction.

Mental health, an often overlooked aspect of workplace dynamics, is given the attention it deserves in these pages. The well-being of employees is crucial not only for their own health but also for the overall health of the organization. By addressing mental health proactively, companies can mitigate stress, reduce absenteeism, and cultivate a supportive and resilient workforce.

In addition to internal dynamics, this book explores the external factors that impact organizational success. Consumer behavior and brand image are critical in today's marketplace, where perception can be as important as reality. By understanding and influencing consumer behavior, organizations can build strong, positive brand images that lead to competitive advantages.

Leadership and cultural influence are also examined in detail. Effective leadership is essential for guiding organizations through the complexities of the modern business world. Similarly, organizational culture plays a pivotal role in shaping behavior, driving engagement, and fostering innovation. This book provides insights into how leaders can cultivate a positive culture that aligns with the organization's goals and values.

Lastly, the concept of competitive advantage is woven throughout the book. In an interconnected and globalized economy, maintaining a competitive edge requires a nuanced understanding of both internal and external factors. By integrating insights from occupational safety, employee performance, mental health, consumer behavior, brand image, leadership, and cultural influence, organizations can develop strategies that ensure long-term success.

This book is a valuable resource for business leaders, HR professionals, and anyone interested in the intricate dynamics of the modern workplace. It offers a holistic perspective that underscores the interconnectedness of various elements that contribute to organizational success. As you delve into its pages, I encourage you to consider how these insights can be applied to your own professional context, and how a holistic approach can transform your organization into a thriving, dynamic, and competitive entity.

**Prof. Dr. Teena Singh
Dr. Anurag Agnihotri
Bursa – August 2024**

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CHAPTER 1

Implementation of Occupational Safety and Health at Pt. Bumi Gas Indonesia (Bgi) in the Cikande Region, Banten Province, Indonesia

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ABSTRACT

The level of work accidents and threats to Occupational Safety and Health (OSH/OSH/K3) in Indonesia is still high, especially in the last two years with a significant increase in the number of work accidents. In 2022, there will be 114,235 cases which will increase to 177,161 in 2023, and reach 82,000 cases from January to March 2024. PT Bumi Gas Indonesia (PT BGI), a rapidly growing LPG Gas company, recognizes the importance of implementing Occupational Safety and Health (OSH/OSH/K3) in the production process. This research aims to evaluate the implementation of OSH/OSH/K3 at PT BGI. The research method used is qualitative with a descriptive approach, relying on secondary data from relevant literature. The research results show that PT BGI has implemented OSH/OSH/K3 well, including providing personal protective equipment, OSH/OSH/K3 training, and placing fire extinguishers in strategic locations. Effective implementation of OSH/OSH/K3 at PT BGI has been proven to be able to improve work safety, reduce the risk of accidents, and increase company efficiency and productivity. However, several obstacles still exist, such as uneven employee awareness and limitations in implementing OSH/OSH/K3 standards. In conclusion, even though PT BGI has implemented OSH/OSH/K3 well, continued efforts are still needed to optimize the implementation of OSH/OSH/K3, especially through increasing socialization and training for all employees.

Keywords: Occupational Safety and Health, Gas Industry, PT Bumi Gas Indonesia.

INTRODUCTION

The number of work accidents and various OSH/OSH/K3 threats in Indonesia is still quite high, various labor accidents still often occur in the production process, especially in the manufacturing industry. In the last two years in Indonesia there has been a very significant increase in work accidents, increasing 55.2% from the previous year, namely 114,235 cases in 2022 to 177,161 in 2023 and 82,000 cases from January to March 2024. Social Security Administering Agency (BPJS) Employment records that around 12 workers in Indonesia suffer permanent disabilities every day and seven workers die as a result of work accidents, with the manufacturing and construction sectors contributing to work accidents. Human resources are the main asset that functions as a driver of company operations. The company believes that professional, trustworthy, competent and diligent human resources are the key to successful achievement of goals. Thus, companies must manage and maintain their human resources well. In this case, the occupational safety and health aspect is very important for the company because it is one of the factors preventing the risk of work accidents. Therefore, companies implement stages and rules regarding occupational safety and health, so that they can reduce work accidents. Occupational Safety and Health (OSH/OSH/K3) is an effort to create a workplace that is safe, healthy and free from environmental pollution, so that it can protect and prevent workers from work accidents which ultimately can increase work efficiency and productivity. Work accidents not only cause casualties and material losses for workers and employers, but can disrupt the production process as a whole and damage the environment, which in the end will have an impact on the wider community. If companies do not pay attention to the importance of implementing worker safety and health, then the possibility of accidents occurring will be high and company losses will increase. PT Bumi Gas Indonesia (PT BGI) is a very rapidly growing LPG gas company, which implements OSH/OSH/K3 in its production process. This OSH/OSH/K3 topic is considered important because the implementation of OSH/OSH/K3 in a company really supports the smooth running of the production process. The OSH/OSH/K3 program at PT BGI has a vital role for every worker in carrying out all their responsibilities which must guarantee and pay attention to their safety and health while in the company area. Although sometimes its implementation is still not carried out perfectly by all employees. Therefore, discussing a topic regarding the Implementation of Occupational Safety and Health at PT Bumi Gas Indonesia is important. This research aims to determine the implementation of OSH/OSH/K3 at PT. BGI.

REVIEW OF LITERATURE

Occupational Safety and Health in Industry

In order to carry out productive industrial activities, Occupational Safety and Health (OSH/OSH/K3) is the main point that must be considered so that industrial activities can run well. OSH/OSH/K3 is an effort aimed at creating a physically, chemically, biologically and socially healthy environment.

Benefits of Implementing Occupational Safety and Health

OSH/K3 itself has several benefits and objectives. It can be seen from the legal aspect, labor protection, and also from the economic aspect.

The Importance of Implementing OSH/K3

The importance of implementing OSH/K3 in the process of industrial activities reflects a basic principle that not only influences employee welfare, but is also the main basis for the company's success and sustainability. The implementation of OSH/K3 is essential to create a safe work environment.

Obstacles in Implementing OSH/K3

Obstacles in Occupational Safety and Health, although OSH/K3 is considered important in aspects of operational activities, in its implementation there are still obstacles and obstacles.

METHODOLOGY

Research design

The method used in this research is qualitative with a descriptive approach.

Population and Sample

The population in this study were all employees of PT. Bumi Gas Indonesia (PT. BGI). The sample in this research were production employees at PT. Bumi Gas Indonesia.

FINDINGS

Based on analysis of interview results and observations from aspects of employee knowledge, employee attitudes and employee work environment conditions as a whole process of implementing Occupational Safety and Health (OSH/K3) for employees at PT. Bumi Gas Indonesia (PT. BGI). OSH/K3 objectives at PT. Bumi Gas Indonesia (PT.BGI) is to protect and guarantee the safety and health of every worker and other people in the workplace, and ensure that every production source is used effectively and does not experience health problems or work-related diseases. Apart from that, the benefits of occupational safety and health at PT. Bumi Gas Indonesia (PT.BGI) is so that employees feel safe when doing their work and the company also benefits because it does not have to pay for healing costs for employees who are injured due to work. Steps for implementing OSH/K3 at PT. Bumi Gas Indonesia (PT.BGI) started by building a clear commitment in each work unit towards implementing OSH/K3 in the company's work environment to reduce the impact of the risk of accidents. The next step is to determine the personnel responsible for implementing OSH/K3 in the company's work environment. The next step is to form a working group from each work unit to implement OSH/K3. Then select members named the Emergency Response Team who are representatives from each work unit. To equalize the perception of the importance of OSH/K3 in the company's work environment, a number of posters were installed in each work unit about using safety equipment while working. There is a system review which is carried out every six months to review the programs that have been created in implementing OSH/K3. There is a preparation of an activity schedule to see the ability of each work unit to divide its time between implementing OSH/K3 and other work outside OSH/K3. In terms of documentation, there are a number of documents that are maintained and neatly arranged so that if they are needed at any time they can be easily found. Furthermore, in implementing the OSH/K3 system, there is distribution of work safety equipment which has been provided in special lockers for storing PPE. Distributing PPE is

not only for self-protection but can also provide health for the wearer. The certification process is mostly obtained from training and certification issued by the Indonesian Ministry of Manpower and Transmigration.

DISCUSSION

Based on analysis of interview results and observations from aspects of employee knowledge, employee attitudes and employee work environment conditions as a whole process of implementing Occupational Safety and Health (OSH/K3) for employees during the pandemic at PT. BGI has been running quite well. PT. BGI implements OSH/K3 with the aim of protecting and ensuring the safety and health of its employees. Implementation of OSH/K3 at PT. BGI has also carried out according to procedures. Training regarding OSH/K3 is provided to employees so that the production process can run smoothly. The implementation of OSH/K3 can run smoothly because it is supported by adequate facilities and the attitude of employees who are aware of safety and health. availability of facilities such as complete Personal Protective Equipment (PPE) which can facilitate the implementation of OSH/K3 at PT. BGI. placing a number of light fire extinguishers (APAR) in several locations where accidents often occur, providing guarantees in the form of BPJS Health, BPJS Employment, In Health, and Aviva. In the company there is also Service Talk, namely indirect accident prevention. Service Talk is carried out by visiting each line carried out by the Safety Team and answering various questions from employees regarding work accidents. Comply with Regulations and Laws. The implementation of OSH/K3 at PT BGI indicates good faith in complying with regulations and legislation. Apart from that, it can also have a positive impact on the company, such as a good image, there will be no legal demands from the government, and there will be no problems with the workforce because the company has implemented OSH/K3.

CONCLUSION

This research aims to apply OSH/K3 in the company environment to workers who do not want to comply with company regulations by using safety equipment while working. Optimizing outreach activities, especially for new employees regarding job introductions or work safety equipment as a preventive measure in the event of a work accident. Increase the frequency of Safety Talk activities which discuss any problems experienced while working. This aims to increase knowledge about the work involved and its risks and also increase knowledge about personal protective equipment (PPE) so that employees can minimize the occurrence of work accidents.

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CHAPTER 2

The Influence of Providing OHS (Occupational Health and Safety) Materials and Its Implementation on the Performance of PT. ABCD Employees

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ABSTRACT

This study aims to identify and analyze the impact of providing OHS (Occupational Health and Safety) materials and the implementation of OHS practices by the company on workers at PT. ABCD in the event of unforeseen incidents such as workplace accidents. The provision of OHS materials and their application to the performance of employees at PT. ABCD is a scientific literature review article within the scope of Human Resources. The method used is quantitative research with a case study strategy, gathering information through observations, and questionnaires distributed to staff, operators, and supervisors at PT. ABCD. The results of the study indicate that providing OHS materials significantly enhances employees' understanding of the importance of safety and health practices in the workplace. Moreover, the effective implementation of OHS schemes increases employees' awareness of potential hazards and methods to prevent them. These findings highlight the importance of providing OHS materials and implementing OHS practices as preventive measures in creating a safe and healthy work environment, as well as a means for employees to apply safety and health principles in their daily lives. The study demonstrates the further growth of OHS schemes in the workplace.

Keywords: Occupational Safety and Health, Implementation, Company.

INTRODUCTION

This study aims to understand and analyze the implementation of Occupational Health and Safety (OHS) applied by the company to its employees as well as the responsibility of PT ABCD in the event of a workplace accident. This type of research is empirical legal research. The results of the study indicate that the implementation of OHS at PT ABCD has been in accordance with Minister of Manpower Regulation Number: 15/MEN/VIII/2008 concerning First Aid in Workplace Accidents. This includes Occupational Health and Safety (OHS), First Aid Rooms, First Aid Cabinets or Boxes along with their contents, and Evacuation and Transportation Equipment. However, the implementation of OHS at PT ABCD still does not fully meet the standards set by the Minister of Manpower regulations. PT ABCD's responsibility in the event of a workplace accident includes providing Occupational Health and Safety (OHS), as well as services from the Social Security Organizing Agency for Manpower which includes reimbursement of transportation costs, temporary disability benefits, disability benefits, death benefits, funeral expenses and periodic benefits, rehabilitation costs for the replacement of assistive devices (orthoses) and/or prosthetic devices (prostheses), replacement costs for dentures, hearing aids, glasses, as well as educational scholarships.

In this modern era, almost all human jobs are carried out with the assistance of tools designed to simplify and expedite the work process. These tools enhance productivity from various aspects, such as improving the quality of outcomes. However, the use of these machines can also have both positive and negative impacts. Negative consequences may occur if the machinery malfunctions during operation, potentially leading to workplace accidents. Workplace accidents are not solely caused by tools, but also by workers' negligence.

In the context of labor, the government pays close attention to labor protection. The primary goal of the government is to safeguard and ensure the safety of workers, especially those who are vulnerable. The success and development of companies heavily rely on the health, welfare, and dedication of their workforce, which must be well-maintained.

REVIEW OF LITERATURE

Increasing awareness of Occupational Health and Safety (OHS)

Higher education enables individuals to have broader knowledge compared to others. Adequate knowledge of laws and regulations related to health and safety at work can enhance employees' self-awareness. This is due to the existence of material provision programs and training on the fundamentals of OHS (Occupational Health and Safety). (Hendrawan, A., 2019)

Implementation of OHS Programs in Companies

The implementation of OHS programs within organizations aims to enhance OHS performance through efficient and effective efforts, thereby preventing or minimizing the risks of work-related accidents and illnesses. Every organization has different OHS risks depending on the nature and type of its activities. Therefore, every organization implements

OHS efforts, but what sets them apart is the quality of their implementation. (Sholihah, Q., 2018)

Impact of Occupational Health and Safety (OHS) on Employees

Occupational health and safety are crucial for companies because they impact work-related accidents and illnesses, which can directly or indirectly harm employees and companies. OHS has a positive and significant effect on employee performance. Elphiana E.G et al. (2017)

The Importance of OHS for Employees

Work safety is a state of being free from harm while performing tasks. In other words, work safety is one of the factors that must be ensured during work, as nobody desires accidents to occur while carrying out their duties. Work safety greatly depends on the type, form, and environment in which the work is performed. Sinaga, S et al. (2020)

Case Study: PT, ABCD

Regarding the implementation of OHS at PT. ABCD, positive results are evident. After the implementation of the OHS program, there has been a significant improvement in employees' knowledge and awareness of safety and health in the workplace. Employees can recognize potential hazards and be more proactive in taking preventive measures. These findings affirm that systematic and sustainable implementation of OHS can create a safer and more comfortable work environment. Busyairi, M., Tosungku, L. O. A. S., & Oktaviani, A. (2014)

METHODOLOGY AND HYPOTHESIS

Research Design

The method used in this research is a quantitative research method employing a quasi-experimental design (quasi-experiment). The selection of this design aims to determine the benchmark for the influence of providing occupational health and safety (OHS) materials on the improvement of awareness and knowledge among employees at PT. ABCD.

Population and Sample

The population of this study comprises all employees of PT. ABCD. The sampling technique used is purposive sampling, which involves selecting several employees from PT. ABCD.

Research Instruments

In this study, the instruments used are:

- a. Knowledge Test: This test is designed to measure the knowledge of PT. ABCD employees about occupational health and safety. The test consists of 30 multiple-choice questions. These test questions have been validated by occupational health and safety experts.
- b. Awareness Questionnaire: To measure the level of awareness among PT. ABCD employees about the importance of occupational health and safety in the workplace, this questionnaire contains 20 statements with a Likert scale of 1-5.

Research Procedure

The research procedures conducted in this study are as follows:

Preparation Stage:

- a. Development of OHS training modules.
- b. Validation of research instruments by experts.
- c. Logistic preparation and coordination with the company.

Implementation Stage:

- a. Pretest: A pretest is conducted with employees to measure their initial knowledge and awareness of OHS.
- b. Intervention: Employees undergo OHS education for 8 sessions, each lasting 45 minutes, covering topics such as hazard identification, use of personal protective equipment, and emergency procedures. The control group participates in regular learning activities without additional OHS education.
- c. Posttest: After the intervention is completed, a posttest is conducted

FINDINGS

Effects of providing OHS materials on knowledge

After the intervention, the posttest results showed a significant increase in employees' knowledge in the company. The average posttest knowledge score of employees increased to 77.6. The paired sample t-test indicated a significant improvement in employees' knowledge.

Effect of OHS Training on Awareness

An improvement was also observed in employees' awareness of the importance of safety and health in the workplace. The average posttest awareness score of employees increased to 4.5.

Observations by educators

Employees who participated in the OHS training program observed beneficial changes in employee behavior. They demonstrated increased vigilance and commitment to enforcing safety standards in the workplace, showing greater caution in their tasks and promptly notifying authorities of potential risks.

Long-Term Impact and Sustainability

Although this study only measured the short-term impact of OHS training, initial observations indicate the potential for positive long-term effects. The company's management and staff have expressed their commitment to continuing the OHS training program and further integrating it into the workplace environment.

CONCLUSION

This research illustrates that supplying occupational health and safety (OHS) materials greatly improves the knowledge and awareness of PT. ABCD employees. Successful OHS training, backed by supervisors and management, can foster a safer and more comfortable working environment. These results underscore the importance of providing OHS materials within organizations and the need for continuous efforts to support safety and health training in the workplace.

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CHAPTER 3

The Role of Occupational Safety and Health Education in Improving Knowledge and Awareness of Students at Sumur Batu 4 State Elementary School

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ABSTRACT

This study aims to explore the role of Occupational Health and Safety (OHS) education in improving students' knowledge and awareness at SD Negeri Sumur Batu 4. Through a qualitative research method with a case study approach, data were collected through observations, interviews, and questionnaires with students, teachers, and school staff. The research findings indicate that OHS education has a significant impact on enhancing students' understanding of the importance of safety and health practices in the school environment. Additionally, the implementation of the OHS program successfully increased students' awareness of potential risks and prevention methods. These findings underline the importance of OHS education from an early age as a preventive effort in creating a safe and healthy learning environment, as well as equipping students with the principles of safety and health for their daily lives. This study recommends further development of OHS programs in elementary schools and ongoing training for educators to ensure long-term effectiveness.

Keywords: Occupational Health and Safety Education.

INTRODUCTION

Everyone naturally wants to avoid accidents, stay healthy, and be safe in their daily activities. If accidents do occur, it means that someone has neglected the outreach efforts made by companies or the government. Employees usually receive outreach from their respective companies, but there are also companies that do not provide outreach about OHS. The lack of knowledge among business actors and the insufficient OHS outreach make workers unaware of the importance of implementing OHS, whether at work, while driving on the road, and so on. (Mindhayani, I., & Asih, P., 2022).

OHS stands for Occupational Health and Safety, which is a policy product used by the government and business actors to prevent workplace accidents and reduce risks that can lead to such accidents. The government issued Law No. 1 of 1970, which became the first legal basis for OHS. This law aims to create a healthy work environment, free from accidents, thereby supporting worker productivity. The Ministry of Manpower has developed the National OHS Program for 2021 to 2025. This program is expected to serve as a guideline for the government and labor stakeholders in improving the quality of prevention, handling, and control of workplace accidents in all sectors (Natalia, 2021).

Awareness of the OHS culture is an effective way to prevent workplace accidents. The implementation of OHS is the shared responsibility of all relevant parties. In September 2015, the SDGs (Sustainable Development Goals) were ratified as an agreement in global development starting from 2016 to 2030 (Syamsiah et al., 2021).

One of the goals of SDGs is to ensure healthy lives and promote well-being for all ages. Therefore, it is necessary to conduct outreach and education on OHS from an early age. This is because learning in character formation and the introduction of personality values in children, such as honesty, discipline, health, safety, mutual respect, and others, is very well begun at the elementary school level (Mindhayani, I., & Asih, P., 2022).

Elementary school students are an age group that still has a great sense of curiosity, which is channeled through movement, a desire to learn new things in their environment, and they are also in a phase of growth and development (Mindhayani, I., & Asih, P., 2022).

Data from BPS shows that 95% of the workforce is dominated by elementary and middle school graduates. Therefore, it is very appropriate to conduct outreach and education on OHS from an early age so that they will later have the correct work mindset, always being careful and aware of the dangers present in the workplace. In educational institutions, OHS simulations and outreach are very important. This can prevent hazards and the risk of accidents during the teaching and learning program at school (Dewi, 2020). Based on the issues described above, the researcher wants to conduct a study on the Role of Occupational Health and Safety Education in Improving Knowledge and Awareness of Students at SD Negeri Sumur Batu 4.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENTS

Occupational Health and Safety Education in Elementary Schools

Occupational Health and Safety (OHS) education in elementary schools is an important effort in shaping a culture of safety and health from an early age. Effective OHS education at the elementary school level can provide students with basic knowledge of safety and health, which impacts their awareness of potential hazards in the school environment. Fauziah et al. emphasize the importance of a comprehensive and sustainable approach in implementing OHS education in elementary schools. Fauziah et al. (2021).

Impact of OHS Education on Student Knowledge

Structured OHS education can significantly improve students' knowledge of occupational health and safety. In this study, students who received OHS education showed a better understanding of physical, chemical, and biological hazards in the school environment. The research also noted that students became more aware of the importance of following safety procedures and using personal protective equipment. Rahmawati and Sudaryanto (2020).

Increasing Awareness through OHS Education

Student awareness of the importance of safety and health in school can be increased through interactive learning methods. Finding that the use of active learning methods involving students, such as simulations and group discussions, is effective in increasing their awareness of hazards around them. Lestari et al. show that students engaged in practical activities are more likely to remember and apply OHS knowledge in their daily lives. Lestari et al. (2022).

Implementation of OHS Programs in Schools

The implementation of OHS programs in elementary schools requires collaboration among various stakeholders. The success of OHS programs in elementary schools depends heavily on the active support and participation of teachers, school staff, and parents. Sari and Kurniawan also emphasize the importance of ongoing training for teachers to ensure they have the knowledge and skills needed to effectively deliver OHS materials. Sari and Kurniawan (2021).

Case Study: SD Negeri Sumur Batu 4

Regarding the implementation of OHS education at SD Negeri Sumur Batu 4, the results show positive outcomes. After the implementation of the OHS program, there was a significant increase in students' knowledge and awareness of safety and health in the school environment. Students were better able to recognize potential hazards and were more proactive in taking preventive actions. These findings affirm that systematic and sustainable OHS education can create a safer school environment and support the learning process. Prasetyo (2023).

Recommendations for Developing OHS Programs

Based on existing literature, some recommendations for further developing OHS programs in elementary schools include:

Curriculum Integration: OHS materials should be integrated into the elementary school curriculum to ensure that every student receives basic knowledge of safety and health. Rahmawati and Sudaryanto (2020).

Teacher Training: Emphasizing the importance of ongoing training for teachers to enhance their ability to effectively deliver OHS materials. Sari and Kurniawan (2021).

Practical Activities: Recommending an increase in the number of practical and extracurricular activities focusing on safety and health to reinforce students' understanding. Lestari et al. (2022).

Parental Involvement: Indicating that involving parents in OHS programs can ensure that safety practices are also implemented at home. Sari and Kurniawan (2021). Considering these various aspects, OHS education can significantly contribute to creating a safe and healthy learning environment for elementary school students.

Based on the theoretical relationships described above, several research hypotheses can be formulated, including the following:

H1 : Effect of OHS Education on Knowledge

After the intervention, the posttest results show a significant improvement in students' knowledge in the experimental group. The average posttest knowledge scores of the experimental group increased, while the control group only showed a slight increase.

H1 : Effect of OHS Education on Awareness

Improvement is also observed in students' awareness of the importance of safety and health in the school environment. The average posttest awareness scores of the experimental group increased while the control group only showed a slight increase.

H2 : Comparative Analysis Between Experimental and Control Groups

The comparative analysis between the experimental and control groups indicates a significant difference in the posttest results. Similarly, the average posttest awareness scores of the experimental group are also significantly higher than those of the control group.

H2 : Student Feedback on OHS Education Program

Students' response to the OHS education program is very positive. The majority of students stated that the presented material was easy to understand and relevant to everyday situations at school. Additionally, students expressed those practical activities, such as simulations and role-playing games, were very helpful in understanding the concepts of occupational health and safety.

H3 : Teacher Observations

The teachers involved in the OHS education program reported positive changes in student behavior. Students have become more aware and proactive in maintaining safety in the school

environment, such as being more careful while playing and promptly reporting potential hazards to teachers or school staff.

H3 : Long-Term Impact and Sustainability

Although this study only measured the short-term impact of the OHS education, preliminary observations indicate potential long-term positive effects. Teachers and school staff expressed their commitment to continuing the OHS education program and further integrating it into extracurricular activities.

H3 : Descriptive Statistics

The initial data from the pretest shows that the average knowledge of students about Occupational Health and Safety (OHS) in both the experimental and control groups is almost the same. The average scores of knowledges and awareness in the pretest for both the experimental and control groups are nearly identical.

METHODS

Research Design

This study employs a qualitative research method with a case study approach. Data are collected through observations, interviews, and questionnaires with students, teachers, and school staff to measure the role of Occupational Health and Safety Education in improving students' knowledge and awareness at SD Negeri Sumur Batu 4.

Population and Sample

The population in this study comprises all students in grades 5 and 6 at SD Negeri Sumur Batu 4. The sample is selected using purposive sampling technique, involving the selection of two classes to be designated as the experimental and control groups. Each group consists of 30 students, resulting in a total sample size of 60 students.

Research Instruments

The instruments used in this study are:

- a. Knowledge Test:** This test consists of 20 multiple-choice questions designed to measure students' knowledge of occupational health and safety. The test questions have been validated by occupational health and safety education experts.
- b. Awareness Questionnaire:** This questionnaire contains 15 statements rated on a Likert scale ranging from 1 to 5 to measure students' awareness of the importance of occupational health and safety in the school environment.

RESULTS

Awareness Improvement: This program successfully raised students' awareness about the importance of Occupational Safety and Health (OSH) in the workplace. Through counseling, seminars, and practical training, students gained a better understanding of work-related risks and the preventive measures that need to be taken. Fragastia, V. A., & Fahri, M. (2023).

Behavioral Change: There has been a positive change in students' behavior related to OSH. They have started applying the safety practices they learned in their daily lives, both at school and outside of school. Fragastia, V. A., & Fahri, M. (2023).

Knowledge Enhancement: Students also experienced an increase in their knowledge about various OSH aspects, such as the use of safety equipment, risk identification, and emergency actions. This can improve their preparedness in facing potentially hazardous work situations. Fragastia, V. A., & Fahri, M. (2023).

Active Participation: This program encourages active student participation in OSH-related activities, such as group discussions and counseling. They become more involved in advocating for safety in the school environment and the community. Fragastia, V. A., & Fahri, M. (2023).

Impact on School Environment: Besides influencing students directly, this program also has an impact on the overall school environment. Increased awareness and understanding of OSH can also influence school policies related to safety and health. Fragastia, V. A., & Fahri, M. (2023).

Knowledge Diffusion: The outcomes of this program can be disseminated more widely to the community, providing a greater impact in raising OSH awareness in the surrounding community. Fragastia, V. A., & Fahri, M. (2023).

Sustainability: Through continuous evaluation and monitoring, this program can serve as a foundation for developing further OSH programs in schools and communities, ensuring long-term impact. Fragastia, V. A., & Fahri, M. (2023).

Implementation Phases:

- a) **Pretest:** A pretest is conducted for both groups (experimental and control) to measure the initial knowledge and awareness of OHS.
- b) **Intervention:** The experimental group receives OHS education, each session lasting 45 minutes, covering topics such as hazard identification, use of personal protective equipment, and emergency procedures. The control group undergoes regular learning activities without additional OHS education.
- c) **Posttest:** After the intervention, a posttest is administered to both groups to measure changes in knowledge and awareness of OHS.

Conceptual Framework of the Research

Based on the problem formulation, discussion, and relevant research, the conceptual framework of this article is depicted in Figure 1 below.

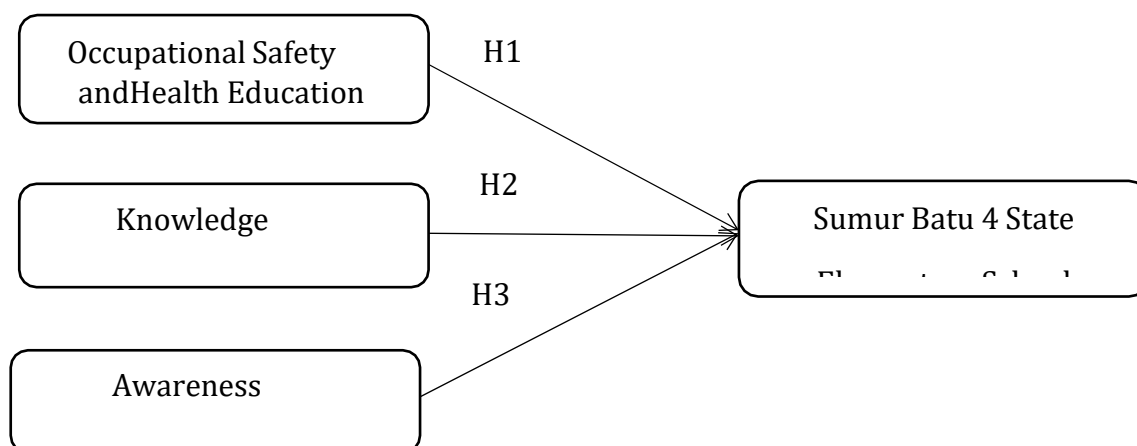


Figure 1: Conceptual Framework

DISCUSSIONS

Significance of Knowledge and Awareness Improvement

The findings of this research indicate that occupational health and safety (OHS) education has a significant impact on enhancing students' knowledge and awareness at Sumur Batu 4 Public Elementary School. The experimental group, which received the OHS education intervention, showed a much greater improvement in knowledge and awareness compared to the control group. These findings are consistent with previous studies that emphasize the importance of OHS education in building a strong knowledge base and awareness of potential hazards in the school environment (Fauziah et al., 2021; Rahmawati & Sudaryanto, 2020).

Interactive Learning Methods

One key factor contributing to the success of the OHS education program is the use of interactive learning methods. Simulations, role-playing games, and group discussions have been proven effective in increasing student engagement and strengthening their understanding of safety and health concepts (Lestari et al., 2022). These methods not only enhance theoretical knowledge but also provide deep practical experiences, which are essential for internalizing OHS concepts.

The Role of Teachers and School Support

The successful implementation of the OHS program is also greatly influenced by the active role of teachers and support from the school. Ongoing training for teachers to enhance their ability to deliver OHS content effectively is crucial (Sari & Kurniawan, 2021). Trained teachers can create a conducive learning environment where students feel safe and motivated to learn about safety and health.

Parental Involvement

Parental involvement in the OHS education program also plays a significant role. Supportive and involved parents can reinforce safety and health practices taught at school at home. This study found that with good communication between the school and parents, more consistent and sustainable safety practices can be implemented in both environments (Sari & Kurniawan, 2021).

Challenges and Limitations

Despite showing positive results, there are several challenges and limitations. The limited intervention time may not be sufficient to observe the long-term impact of OHS education. Additionally, this research was only conducted in one school, so the results may not be generalizable to a broader population. Further studies with larger samples and longer intervention periods are needed to understand the long-term impact of OHS education.

CONCLUSIONS

This study demonstrates that occupational health and safety (OHS) education can significantly enhance students' knowledge and awareness at Sumur Batu 4 Public Elementary School. Effective implementation of OHS education, supported by teachers, schools, and parents, can create a safer and healthier learning environment. These findings underscore the importance of integrating OHS education into elementary school curricula and the need for sustained efforts to support safety and health education at the elementary level.

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CHAPTER 4

The Influence of Occupational Health and Safety (OHS), Work Environment, and Workload on Employee Performance at PT. Asuransi Bhakti Bhayangkara

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ABSTRACT

The aim of this research is to analyze the influence of Occupational Safety and Health (OSH), work environment, and workload on employee performance at PT. Asuransi Bhakti Bhayangkara. Occupational Safety and Health (OSH) is a crucial factor that can affect employee performance, as a safe and healthy work environment can enhance productivity and work efficiency. Moreover, a conducive work environment plays a significant role in boosting employee morale and motivation. A balanced workload will have a positive effect on performance, whereas excessive workload can cause stress and reduce productivity. This research uses a quantitative method with a survey approach. Data were collected through questionnaires distributed to employees of PT. Asuransi Bhakti Bhayangkara. Data analysis was conducted using multiple linear regression to determine the influence of each independent variable on employee performance. The results of the study indicate that Occupational Safety and Health (OSH) has a significant impact on employee performance. The work environment also proves to have a significant impact on performance. Meanwhile, workload shows a negative and significant influence on employee performance. The conclusion of this study is that to improve employee performance, the company needs to pay attention to and enhance factors such as Occupational Safety and Health (OSH), create a comfortable and conducive work environment, and manage employee workload to avoid overburden.

Keywords: Occupational Safety and Health (OSH), Work Environment, Workload, Employee Performance, PT Asuransi Bhakti Bhayangkara.

INTRODUCTION

In the current era of globalization, one crucial aspect that needs to be strengthened is encouraging individuals to work with better performance. In this regard, human resources (HR) have the ability to contribute optimally to the achievement of company goals. The competition in the economic sector ultimately demands each individual to develop their skills. One factor influencing organizational performance is employee performance, as they play a key role in achieving the organization's goals and objectives. Employee performance needs to be maintained and even improved, so a manager must understand the factors affecting employee performance (Wardoyo & Suwasono, 2022).

Human Resource Management (HRM) is an activity aimed at stimulating, developing, motivating, and maintaining good performance within an organization (Ajabar, 2020:5). HRM is the process of achieving organizational goals by utilizing the people within it. Individuals or employees are managed to have the competence and skills needed to support their work (Ni Kadek & John, 2019:2).

Many factors can influence employee performance, especially for those in the production department. One such factor is the provision of occupational health and safety (OHS) guarantees. The implementation of OHS guarantees is an effort to create a safe, comfortable, healthy, and pollution-free work environment, which can ultimately minimize workplace accidents and occupational diseases, thereby improving employee performance.

Occupational Health and Safety (OHS), the work environment, and workload are significant factors influencing employee performance. In the context of PT. Asuransi Bhakti Bhayangkara, these factors play a vital role in creating a productive and healthy work environment.

The work environment is one of the valuable aspects in shaping employee performance, which directly influences employees to perform their tasks with results that improve organizational performance (Yantika, et al, 2018).

A quality environment indicates the success of achieving organizational goals, whereas a poor work environment can lead to a lack of motivation and enthusiasm, resulting in decreased employee performance. This is because work discipline is considered essential for optimizing performance within an organization's or company's development. A lack of employee discipline in carrying out tasks and jobs can lead to suboptimal work productivity (Basit et al., 2019).

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENTS

Occupational Safety and Health at PT. Asuransi Bhakti Bhayangkara

Occupational Health and Safety (OHS) is a crucial aspect of management in any company, including PT. Asuransi Bhakti Bhayangkara. Although PT. Asuransi Bhakti Bhayangkara is a company operating in the insurance services sector and may not have the same work risks as manufacturing or construction companies, there are still several OHS steps and policies that can be implemented to ensure the safety and health of employees. Identify studies or articles that link OHS with employee performance.

Work Environment

The definition of a work environment, as stated by Eric Hermawan (2022), mentions that a good work environment can enhance employee productivity and performance, ultimately improving organizational effectiveness and reducing company expenses. The work environment is a condition where a good workplace includes both physical and non-physical aspects that can provide a sense of comfort, safety, peace, and a feeling of being at ease (Oktavia & Fernos, 2023). Other indicators related to the work environment consist of the following: Work Atmosphere, Relationships with Colleagues, and Availability of Facilities for Employees (Jalil, 2020).

Workload

According to Meutia and Narpati (2021), workload refers to the tasks assigned to employees, generally adjusted according to the rank or position of the employee. Muslim (2021) states that indicators of workload include job conditions, the time used for work, and the achievement of targets in the work.

Employee Performance

Organizational performance is the total result achieved by an organization. The achievement of organizational goals means that the performance of an organization can be seen from the extent to which the organization can achieve its goals based on previously set objectives (Pasaribu & Manurung, Adler Haymans Rony, 2022). Performance is the achievement of work results by someone in terms of quality and quantity according to the responsibilities assigned to them (Sudiantini et al., 2023). According to Subroto (2019), the indicators for measuring employee performance can be explained as follows: Work quantity, Work quality, Work knowledge, Cooperation.

H1: The Influence of Safety

Safety has a significant influence on our daily lives. With guaranteed safety, we can carry out activities without worry, create a safe environment for everyone, and promote overall well-being and productivity.

H1: The Influence of Occupational Health and Safety (K3)

Occupational health and safety (K3) have a crucial impact on increasing productivity, reducing injury risks, and creating a safe and supportive work environment for all employees.

H2: Maintaining a Healthy Work Environment

Maintaining a healthy work environment not only enhances the physical and mental well-being of employees but also contributes to increased productivity, job quality, and overall job satisfaction.

H2: Maintaining a Productive Work Environment

Maintaining a productive work environment can enhance team collaboration, strengthen individual motivation, and result in optimal performance in achieving company goals.

H3: Company Workload

The company's workload has a significant impact on employee productivity, operational continuity, and the company's reputation and ability to achieve its strategic goals.

H3: Impact of Workload

The impact of workload can be felt in various aspects, such as the mental and physical health of employees, fatigue levels, individual and team productivity, and the overall quality of the work produced.

METHODS

Identification of instruments to be used for data collection, such as questionnaires to measure employees' perceptions of Occupational Health and Safety (K3), work environment, workload, and performance. These instruments should be valid and reliable for the research context.

Data Collection

Conduct data collection by distributing questionnaires to 181 employees of PT Asuransi Bhakti Bhayangkara, or through structured interviews, to ensure validity and reliability. Questions in the research instrument should align with the study focus on the Influence of Occupational Health and Safety (K3), work environment, and workload on employee performance in the company.

RESULTS

Based on this research, it can be concluded that occupational health and safety variables have a significant positive impact on employee performance, stating that it can be inferred that occupational health and safety (K3) partially and significantly influences employee performance. This means that good occupational health and safety (K3) will demonstrate an effect on the performance of employees at PT. Asuransi Bhakti Bhayangkara. In reality, the occupational health and safety program provided by the company to PT. Asuransi Bhakti Bhayangkara greatly helps in improving employee performance because nearly all of their activities are conducted in the field, which can pose risks or workplace accidents anytime and anywhere. Employees perceive that this program provides a sense of security in carrying out their responsibilities. With the goal of reducing workplace accidents in the production process, the safety program not only enhances enthusiasm, teamwork, and employee participation.

DISCUSSIONS

Increased Productivity

Employees who feel secure and protected tend to be more focused on their tasks, which can enhance overall productivity.

Comfort and Well-being

A pleasant working environment, both physically and psychologically, can improve employee satisfaction and well-being.

Collaboration and Creativity

An environment that supports collaboration and provides space for creativity can motivate employees to contribute more effectively within teams.

Workload Management

A measured and well-managed workload can reduce stress and fatigue, ultimately enhancing employee performance.

Improved Focus

Employees with workloads tailored to their capacity tend to be more focused and productive in their tasks.

CONCLUSIONS

Based on the findings of this study, it can be concluded that factors such as HSE (Health, Safety, and Environment), work environment, and workload significantly impact employee performance at PT. Asuransi Bhakti Bhayangkara. Therefore, some recommendations for the company may include:

Improvement of Occupational Health and Safety Program

Strengthening the implementation and monitoring of HSE programs to ensure employee safety and health.

Development of Work Environment

Creating a supportive work environment, including both physical and psychological aspects.

Workload Management

Adopting a more effective approach to workload management to reduce stress and enhance productivity.

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CHAPTER 5

The Impact of Workload, Work Environment and Stress Level on Employee Mental Health at XYZ Office

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ABSTRACT

The study aimed to determine the impact of work stress, work area and stress level on the mental health of employees of Department XYZ. Data analysis of the interactive model according to Miles and Huberman was used in this research. In this study, data collection was conducted to analyze and interview observations were recorded during data collection time. The result of the study is that workload, work environment and stress level have a significant influence on the mental health of employees in the XYZ Department. Work stress can affect the mental health of employees, especially when working hours and hours increase. The work environment has an influence on the mental health of employees, a good and positive environment can make the workplace feel like home, a bad work environment can harm the mental health of employees. Work stress is a major problem for companies in terms of good and bad employee mental health. One way to prevent and anticipate job stress in management is to identify stressful jobs and establish and implement them properly.

Keywords: Workload, Work Environment, Mental Health, Stres.

INTRODUCTION

Indonesia as a country surrounded by oceans, Indonesian businesses in the shipping sector need to improve product quality and service quality in order to compete and survive in the business world in order to survive and compete. In terms of shipbuilding and maintenance, shipping companies, especially shipyards, have an important role in providing ships. In the East Java region and there are many shipyard companies, one of which is the shipyard in Lamongan district is PT. XYZ.

The Company is a shipyard that operates a ship repair division that focuses on providing ship repair, management and maintenance services with the aim of becoming a large shipyard and shipping line capable of receiving ships for repair. The Company provides ship repair services, including ship maintenance and repair. Human resources (HR) are utilized more often than technology at XYZ. According to Manthosi and Makhubele (2016), a company's reputation and future success can be built by using human capital as an asset.

The role of Human Resources at PT XYZ is very relevant in helping the company achieve its vision and mission. Therefore, the shipyard spreads its human resources into various departments to manage various activities and functions: construction, planning, installation, HR, logistics, quality control, and various different departmental operations. If the work is not completed by that time, the workers will continue the work the next morning and work on other jobs according to their respective divisions. It is also necessary to check the handling of ship repairs. Audits are at the heart of successful human resource management.

Supervision is not only to detect failures in employees but also to guide and supervise subordinate employees so that the work runs according to the scheduled schedule. Workplace supervision also teaches subordinates to use and apply proper techniques and procedures and monitors their work to ensure that it is done correctly (Gibson et al., 1996). The role of supervision and leader influence is strongly related to employee performance (Liu & Batt, 2010). PT XYZ provides monitoring and needs to ensure employees work well, work is done smoothly, tasks are completed quickly, on schedule, so that ship repair services are more efficient. PT XYZ after the work is completed needs to review and improve its operations because human resources and all skills and abilities are the main drivers of the company (Elyanto, 2017).

Stress and anxiety can affect occupational stress (Aujada et al., 2015). Physical and mental symptoms of workplace stress include fatigue, insomnia, impatience, headaches, sleeplessness and absenteeism. All of which can lead to workplace accidents. Various types of stress result from people's ignorance of their limitations. Failure to counter these restrictions can lead to confusion, bewilderment, anxiety and guilt, which are the main types of problems (Luthans, 2012).

Employees who have work stress are not bad for their jobs, but workload also results in reduced performance (Fonkeng, 2018). Furthermore, it takes an important role in supporting the framework and efficiency of modern administration. Because work is the result that

people produce as an indicator of how well the work is done in terms of quality and quantity of work (Mittal, 2018). It is unfortunate if the construction of a ship is delayed due to poor operator performance due to worker mismanagement.

Therefore, it is very important to distribute and organize the workload in proportion to the expertise of the employees, because it affects the workload and performance of employees in the production department, hereby the author takes this research topic with the title "The Impact of Workload, Work Environment and Stress Level on Employee Mental Health at XYZ Office."

REVIEW OF LITERATURE

Work Load

Workload or Weight and intensity often cause stress in employees. According to Hariyati (2011), work stress is the difference between the ability or capacity of an employee and the needs of work with different levels and difficulties. Many experts say that job responsibilities:

- a) According to Munandar (2001), job responsibility is a condition where employees are given various tasks and must be completed according to deadlines.
- b) According to Moekijat (2009), the amount of work done which can refer to the amount of labor employed in a particular field is the definition of workload.
- c) According to the Home Office Rules (2008), the amount of work to be done by a post/organization is determined by workload and time standards. Job responsibilities are an important determinant of employee performance (Bashel et al., 2010). Depending on the type of work, stress is determined by the nature of the company's work standards.

There are three levels of performance: performance based on performance standards, performance below standards, and performance above standards. When stress meets performance standards, employees will perform well. When the stress is below the business standard, the company suffers and the business becomes unstable. If the workload is greater than the standard, employees may not be able to perform well, resulting in work stress and decreased performance and productivity.

The impact of workload according to Irawati (2017) can have a negative impact on employees in the form of:

- 1) Increasing the level of absenteeism is very high and workers are exhausted to death. This has an influence on the running of the organizational system and affects organizational performance.
- 2) Decreased quality of work. The work is too much and too heavy, which is not commensurate with the skills of the workers. The quality of work that does not meet labor standards will only decline due to physical exhaustion. Loss of focus, work ethic and control.
- 3) Customer complaints. The result of a job that does not match and does not meet the customer's wishes will cause stress and stress for employees.

Work Environment

According to Sedarmayanti (2017), the work environment is a condition with a group and different types of support in obtaining company targets. According to Mangkunegara (2017), the work environment refers to equipment and all related materials, workplaces, work rules, and types of work. The work environment is the social, mental, and physical well-being in a company that affects employee work according to Rahmawati et al (2021).

This is because a clean environment affects employee performance and organizational performance (Nurjaya, 2021). The work environment affects his ability to do his job, such as lighting, air conditioning (AC) and others according to Afandi (2018). The work environment can also be interpreted as a good living environment, humane, familiar, familiar, not selfish, not jealous of each other, not underestimating each other, not doing other negative behaviors, including not expressing emotions. may Increase morale (M. Busro, 2018).

Stress Level

According to Luthans (2012), stress is the interaction of individuals with their environment, but it can also be described as individual differences and psychological processes and behavioral outcomes linked in adaptive responses. Psychological or environmental needs that concern a person's physical well-being).

Stress affects people in many ways (Leka et al., 2003). Occupational stress is a condition resulting from communication between a person and an association, a condition of change in a person that tends to deviate from his normal activities.

Many things can cause stress, such as family problems, personal finances, and special life circumstances. According to Hanoko (2011) The following can distract you from your workload, among others:

- a. The amount of work.
- b. time pressure.
- c. Poor quality inspection or poor supervision system.
- d. The benefits of an uncertain work environment.
- e. Response to labor inefficiency.
- f. Inability to perform tasks and time.
- g. Role confusion.
- h. Disputes between individuals and groups.
- i. Different company and employee values.
- j. Different types.

Stress Off the Job is a problem that occurs not in the workplace and causes stress in workers. These problems are:

- a. Financial stability.
- b. Problems regarding children.
- c. Physical problems.
- d. Marriage issues.

- e. Changes to be made to the house
- f. Other personal problems (e.g. death of a relative) consist of Internal factors are usually based on a person's behavior or expectations, and the difficulties posed by those values, including things like stress. Other factors are external factors that fall into two categories: physical burden and psychological burden. Physical stress includes low ventilation or lack of indoor lighting, stressful work environments, and other physical demands. Psychological stress includes mental and emotional stress, depression, etc.

Mental Health

Mental health comes from mental hygiene, while spirit comes from the Greek psyche which means mind, soul or spirit. According to the WHO, mental health is a state of 'wellness'. It is a place where people can reach their full potential, get through the stresses of daily life, work productively, and help their communities thrive.

According to Assagioli, mental health is the attainment of one's self-righteousness, balance with one's identity, growth of self-realization and growth of good with others.

According to health expert Merriam Webster, mental health is a state of emotional and mental well-being that enables a person to use their mental and emotional abilities, work in society, and fulfill their daily needs. The essence of one's mental health is to live and maintain a healthy mind. However, in practice, many experts in the world of mental health feel concerned about mental disorders and are unable to maintain mental health (Dewi; 2012: 3).

Problems related to mental health are (Suranto; 2009: 35):

- a. Self-caused factors are broadly divided into physical and mental factors and can have a significant impact on a person's mental state. Physical disability has an impact on the psyche, and spiritual inability to handle religious teachings causes dryness and has an impact on the psyche. Adolescence is a critical period for learning life skills and this time begins when 12 years old and finishes between 17 and 18 years old (Semium; 2006: 299).
- b. Physical and mental changes are experienced by adolescents. Changes affect the mental state of adolescents, and care and support are needed to prevent adolescents from engaging in harmful activities. An example of changes that need to be considered is the psychological changes of the younger generation. Because these changes have an impact on the mental health of young people. These changes include: Feelings of helplessness, emotions, independence and learning problems.
- c. Factors from outside the person. Factors from outside a person are relatives, society and places of study. A bad situation of relatives, the breakdown of the family situation affects the mental state of a person, especially a child. Most young people face vulnerability or personality disorders due to dysfunctional family problems. Social conditions can have a great impact on people's minds, especially children and adolescents. Because children and adolescents are influenced by environmental and social factors more often.

METHODOLOGY

According to Miles and Huberman, data analysis uses data analysis techniques with interactive models. Data analysis is carried out through data collection and Observation Interview Documentation after data collection within a predetermined period of time. According to Miles and Huberman (1984), the data analysis stage of qualitative research is carried out actively continuously until completion to ensure that the data is appropriate.

a. Data Collection

Interviews and observations were then used as the basis for data collection, which was continued with the search for additional data. In this examination, information was collected with several PT XYZ workers through meetings and perceptions.

b. Data Reduction

Data reduction means summarizing, selecting important components, and focusing on the most relevant components. Data reduction provides a clearer picture that will facilitate researchers in collecting additional data (Murdiyanto, 2020).

c. Data Presentation

A brief understanding, structure, interaction between categories, flowcharts, and others that display data in research (Murdiyanto, 2020). But story text is often used in subjective exploration. By presenting the data, it will make it easier for analysts to understand what happened, do the next planning.

d. Conclusion

In qualitative research, Miles and Huberman say that drawing conclusions is the third step in qualitative data analysis. Data collection that cannot find strong supporting evidence will change conclusions. But it is only temporary. Although using the assumption that the target proposed in the first stage is supported by substantial and predictable evidence, when the researcher returns to observation to collect information, the suggested goal is a reasonable goal (Murdiyanto, 2020).

FINDING

Tabel 1.1 Jumlah Pekerja PT. XYZ

Bagian	Jumlah	Percentage
Production Department	201	42,41%
Planning Department	12	2,53%
Inventroy Department	57	12,03%
Human Resource	106	22,36%
Logistics Department	21	4,43%
Quality Control	10	2,11%
Other Department	67	14,14%
Total	474	100%

Sumber: Laporan Jumlah Pekerja PT. XYZ (2019)

Table 1.1 Number of workers states that most employees are in the production department, which is 42.41%. The study focused on the production department, which is the company headquarters responsible for ship repairs. Although most of the workers are in the production

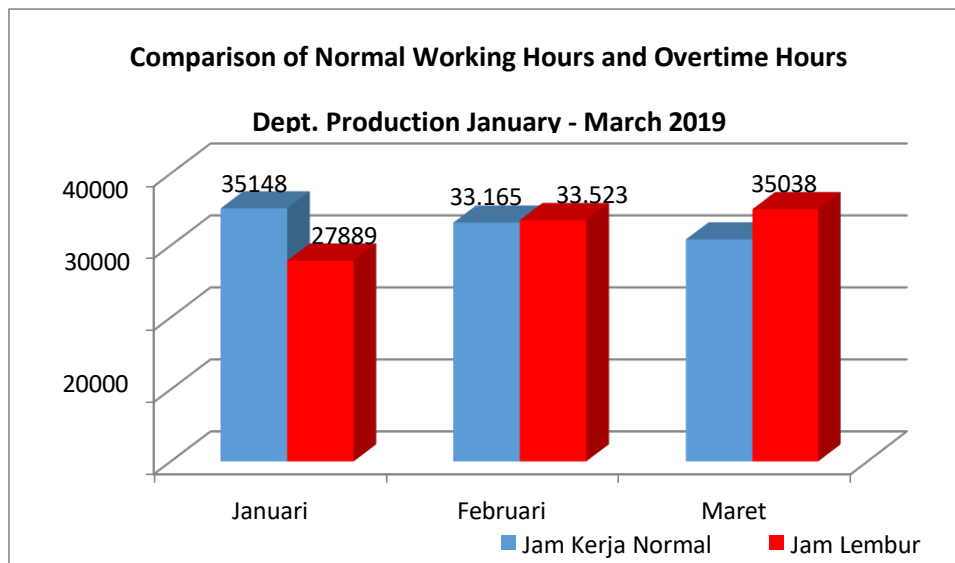
department, ship repairs often take a long time. This is due to the top four causes of vehicle delays identified in the Data Report on the causes of vehicle repair delays in the first three months of 2019.

Tabel 1.2 Data Akibat Keterlambatan Reparasi Kapal.

No	Akibat Keterlambatan	Presentase Bulan 2019		
		Januari	Februari	Maret
1	Pekerjaan Yang Bertambah	37,50%	25%	60%
2	Bahan Baku Yang Terlambat	25%	0%	0%
3	Keadaan Cuaca dan Pasang Surut	25%	50%	20%
4	Ketentuan Owner	12,50%	12,50%	20%

Sumber: Laporan PT. XYZ (2019)

Table 1.2 states that most of the causes of ship repair delays are Increased Work. Caused by the presence of damaged ships, findings, provisions or demands from customers (shipowners / OS), as well as customer turnaround times that are very difficult and increase the maximum vehicle repair work time. PT XYZ has not received any complaints or penalties from customers. Due to the magnitude and complexity of the repairs on each ship, the time required to complete the repairs is limited, so the work is carried out overtime, which is working time. This is to continue and advance the goal of workmanship progress seen in Figure 1.1.



Gambar 1.1 Jam Kerja Normal Lembur

Sumber: Laporan PT.XYZ

Looking at Figure 1.1 above, it can be seen that workers' working hours in March 2019 amounted to 35,038 hours. The increase in workers' working hours is believed to be caused by an increase in workload. If the work is not completed within the specified time, then workers must work long hours throughout the night. If the work has not been completed at that time, then the workers will continue the work the next morning and do other work according to the other jobs that have been given, causing work for workers in the production department.

DISCUSSION

Based on the information from the results of the research conducted, an overview can be taken to provide suggestions that the company can do to improve its management in the future, thus achieving the objectives of this study. Related to the results of the study, here are some recommendations that can be given to the company:

- a. The weight factor is important and the company should pay attention to increasing productivity. Performance indicators based on the use of work time and the achievement of work objectives are the main issues of responsibility that affect this research, so it is necessary to study the management of work methods, staff planning and division of activities on activities and labor. Other employees in specific business areas who delay progress, such as job replacement, are aligned with goals and needs. To improve employee efficiency, managers should share production workers' work documents in the production department's internal meetings once a month/quarterly to update and understand the work they do and managers/human resources departments should teach them what they know. and education Clarify the work schedule so that employees know what they are doing. This is expected to help employees understand and comprehend their work to improve company performance, increase productivity and reduce work stress.
- b. Work environment factors affect employees' mental health. There are many types of reasons that lead to mental health problems. The main cause is heredity or a history of mental illness in relatives. In addition, there are also external factors that appear in the work environment, namely as follows:
 1. Inadequate information and management systems
 2. Organizational goals and tasks are unclear.
 3. Support for staff and employees is limited.
 4. Working hours may interfere with personal well-being
 5. Limited declaration space.
 6. Uniqueness of decisions and opportunities that are only available to certain groups of workers
 7. Fair distribution of workers' individual skills.
- c. Harassment between employees. Job stress is a major problem for companies in terms of the mental health of both good and bad employees. Although every employee has a different reaction to job stress, management should be aware of this. As work increases, stress also increases. This is because stress in certain areas helps employees mobilize their resources to meet different job needs and requirements. However, excessive stress can reduce performance.

Management can reduce and prevent work stress by identifying work that causes stress, establishing and maintaining good management systems, and providing worker motivation for stress management, time management, and staff leadership. We bring appropriate work environment assistance and facilities, foster interaction between managers and employees, realize a supportive organizational culture, and provide counseling to individual employees in the human resources department.

CONCLUSION

Workload, work environment and stressors have a relevant influence on the mental health of XYZ office employees. Work stress can affect employees' mental health, especially when working hours and hours increase. The work environment affects the mental health of employees, a good and positive environment can make the workplace feel like home, a bad work environment can harm the mental health of employees. Work stress is a major issue for companies when it comes to good and bad employee mental health..

Management can reduce and prevent work stress by identifying work that causes stress, establishing and maintaining a sound management system, and providing motivation to workers for stress management, time management, and staff leadership. We bring appropriate work environment assistance and facilities, foster interaction between managers and employees, create a supportive organizational culture, and provide counseling to individual employees in the human resources department.

The recommendations of this study are:

- a. The company needs to pay more attention to the distribution of employee workload according to capacity and competence.
- b. Companies need to pay more attention to monitoring the mental health of their employees because it will improve performance.

Mental health improvement must provide guidance and empowerment to workers and increase their commitment to God Almighty. The company must also focus on its leaders to improve their performance.

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CHAPTER 6

How Brand Image Affects Consumer Intention To Use Multi-Finance Company for Home Loan

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ABSTRACT

Home financing or home loans provide money for people to buy property. Currently, home financing for both mortgages and house refinancing is still dominated by banks. The proportion of multi-finance companies is still very small. This research explores the varying aspects that influence consumers' decisions in choosing a multi-finance company for home financing, and whether brand image has a moderating role in choosing a multi-finance company. Few studies have looked at what makes customers decide to use a home financing company. This paper uses the theory of planned behavior (TPB) and extends it with brand image constructs as a moderator. The study utilizes a quantitative survey method. A questionnaire was sent to 300 respondents who were selected among the good collectability since 2019 -2022, and we got 297 respondents' answers to the questionnaires. We use SmartPLS4 to analyze the data. The finding shows that brand image doesn't moderate the relationship between the predictor variables (attitude towards behavior, subjective norms, perceived behavioral control) and behavioral intention. This study contributes to the finance industry, particularly multi-finance companies engaged in home refinancing to focus on other aspects such as trust and perceived risk to increase the intention to use a finance company instead of bank in home financing.

Keywords: Home financing, multi-finance company, theory of planned behavior, brand image.

Introduction

The Indonesian property/real estate market has expanded substantially in recent years. As Indonesia's population grows, home ownership and refinancing will become increasingly vital. Banks hold over 99.7% of the mortgage market. Home financing is the process by which banks lend money to consumers for them to purchase property. House refinancing is a type of home finance other than mortgages. People refinance for two reasons: (1) to cut their mortgage payments and increase their wealth, and (2) to have access to home equity. Multi-finance firms also provide loans for automobiles, motorcycles, real estate, education, health, vacations, appliances, working capital, and investment. The majority of multi-finance financing is for vehicles and motorcycles. Only a few multi-finance companies are involved in property and home refinancing. According to a previous study, Waluya & Iqbal (2019) stated that the image of the brand had a direct impact on the purchase decision, and according to Bob Foster (2016), the image of the brand had an impact on the purchase decision. Another research by Sukanto (2019) said that advertising influences purchase decisions. On the other hand, Bower & Landreth (2001) argued that advertising is related to brand image. However, very few research on whether brand image moderates the customer intention in home financing. This study investigates the factors that influence consumers' choices about house financing, we use the theory of planned behavior (TPB) (Ajzen, 1991). Then, we use the brand image construct to evaluate whether customer intention is moderated by the brand image in the relationship between personal attitude, customer subjective norms, and customer perceived behavioral control. Not many studies have examined the moderating role of brand image on the factors influencing customer intention to use multi-finance companies to get their home loan using TPB.

Theoretical Framework

Theory of Planned Behaviour (TPB)

TPB suggests that intention is a function of these four theoretically independent factors known as the direct constructs of the theory: attitude towards the behavior, subjective injunctive norms, subjective descriptive norms, and perceived behavioral control. Attitude is defined as a person's overall evaluation of specific behavior (Ajzen, 1991). It represents the internal sentiment and the positive or negative evaluation that arises when a person engages in certain behaviors (Ajzen, 2011). Subjective norms refer to influential individuals' approval and what is supported and not supported by these referents, while subjective descriptive norms refer to the perception of what is frequently conducted by most people (Nimri, Patiar, & Jin, 2020).

Finally, perceived behavioral control refers to an individual's perception of the potential difficulties and obstacles involved in conducting a particular behavior (Ajzen, 1991). These opportunities and resources may include time, money, skills, and confidence affecting the capacity to engage in each behavior (Chen & Tung, 2014). Generally, the more favorable the attitude and social norm, and the stronger the perceived control, the higher the individual's intention to engage in the behavior in question (De Leeuw et al., 2015).

Ajzen (1991) states that the TPB framework considers behavior as a function of salient beliefs (indirect constructs of the theory) that apply to the behavior. Individuals can hold different beliefs about any specific action, but only salient beliefs will be the predominant determinants of their behavioral intentions (Ajzen & Kruglanski, 2019). According to TPB, human behavior is directed by three kinds of considerations: beliefs about the perceived outcomes associated with the behavior (behavioral beliefs), beliefs about the normative expectations and actions of significant referents (normative beliefs), and beliefs about the existence of factors that assist or hinder conducting a specific behavior (control beliefs). In their respective aggregates, behavioral beliefs generate a favorable or unfavorable attitude toward the behavior; normative beliefs produce perceptions of social pressure; and control beliefs result in perceived behavioral control (Ajzen & Kruglanski, 2019). In other words, as formative indicators, the composite indices of behavioral, normative, and control beliefs capture, respectively, the underlying determinants of attitudes, social norms, and perceived control perceptions, which will be used to predict intentions (Ajzen & Kruglanski, 2019).

In addition, Ajzen (1991) defined perceived behavioral control as the person's beliefs on how easy or difficult the performance of the behavior is likely to be. Vamvaka et al. (2020), define the contextual factors that make it difficult to act upon the motivation to consume and to engage in repurchase loyalty toward a product category. Furthermore, perceived behavioral control is an important predictor of motivation, intention, and behavior (Vamvaka et al., 2020). Perceived behavioral control positively influences consumer loyalty (Sembada & Koay, 2021). Consumers may need an opportunity to be involved to consume and/or engage in repurchase loyalty (Izquierdo-Yusta et al., 2022; Vamvaka et al., 2020).

The Moderating Role of Brand Image

Brand equity is regarded as a critical component of brand growth. A company's brand value is expected to have a range of benefits (Keller, 1998). For example, high brand equity levels are known to lead to higher consumer preferences and purchase intentions (Dam, 2020). Firms with high brand equity are also known to have high stock returns (Aaker & Jacobson, 1994). Developing further insights into the measurement of consumer-based brand equity is important in the face of the prominence of branding. Branding is a powerful means of differentiation. Differentiation is one of the key competitive positioning strategies suggested by Porter (1990). The strategic impact of branding is duly recognized in the marketing literature. Brands might develop a sustainable competitive advantage for firms (Aaker, 1992). That is, if consumers perceive a particular brand favorably, then the firm may have a competitive advantage.

Brand equity has been defined in various ways and various approaches have been developed to measure it, in scientific research explains brand equity from the consumer side according to the consumer's perspective a brand has as much equity as the introduction of that brand and stores it in their memory and supporting associations in the perspective of consumers consists of two forms of knowledge, namely (Ihzaturrehman & Kusumawati, 2021).

Brand image is the soul of the product or service. It is usually transmitted to consumers, makes them believe in the products at a certain level, and further helps them to make a purchase decision regards brand image as the combination of a noun, name, design,

and symbol. Its purpose is for consumers to distinguish the product and service from other competitive ones (Kumar et al., 2000). The brand image involves the consumer's perceptions of the brand as reflected by a set of brand associations held in the consumer's memory (Keller, 1993). Based on this definition, 'brand image' and 'brand association' are often used interchangeably in the literature (Parris & Guzman, 2023).

Keller (1993) further classified brand associations into three dimensions: overall brand attitudes, brand attributes (i.e., product-related attributes: essential ingredients for performing the product or service function and nonproduct-related attributes: external aspects of the product or service), and brand benefits (i.e., functional, symbolic, and experiential benefits). Keller's brand information construct is made up of three dimensions: brand awareness, brand image, and brand associations, and it drives brand equity. A customer's view of a product, service, or brand is known as brand image. A consumer's ability to identify a brand and remember how they heard about it is known as brand awareness (Keller, 1993).

A brand image can be considered a kind of association that arises in the minds of consumers when considering a particular brand (Kotler and Keller). Brand image association can simply appear in the form of a certain thought or image that is associated with a brand, it is the same as when someone is thinking about other people, kind of brand associations include the attributes, benefits, and attitudes, brand image can be considered as a type of association that appears in the minds of consumers when remembering a particular brand, associations can be conceptualized based on type, support, strength, and uniqueness (Saputra, 2022). A brand image is defined as the total of brand associations held in consumer memory that leads to perceptions about the brand.

These associations of brand image are multidimensional and consist of the affective dimension or the attitudes towards the brand and the perceived quality dimension (Keller, 1993). Six dimensions seem to capture the common elements across these varied conceptualizations of store image which are employee service, product quality, product selection, atmosphere, convenience, and prices/value Chowdhury et al. (1998).

Research Framework and Hypothesis Development

Brand image is essential to differentiate a product from its competitors (Ismail & Spinelli, 2012). It is a set of perceptions about a brand as reflected by brand association held in the consumers' memory. Brand personality is defined as human characteristics associated with a brand, while brand association is defined as the category of a brand's assets and liabilities that include anything 'linked' in memory to a brand (Aaker, 1991, 1997). Both brand image and brand personality sometimes have been used interchangeably in several studies (Ismail & Spinelli, 2012). This study proposes that brand image positively influences brand personality because most previous studies' results directed in that direction (Peterson, 1997; Hosany et al., 2006; Chen & Phou, 2013; Oh & Park, 2020).

Through the brand image, brand personality can be built up (Chen & Phou, 2013). Moreover, when product information is given about the personality of the brand, it may increase consumers' attention to the brand and stimulate active information processing which further enhances the emergence of brand association (Freling & Forbes, 2005). Consumer behaviors can be influenced by internal and external factors (Lin, 2008). Brand image, brand personality, and brand association tend to influence consumers'

attitudes toward the brand from the internal side or consumers' cognition side. Brand image and brand association remain in consumers' memory, while brand personality is used to convey consumers' ideal self, and consumer perception can be used by the consumers to make brand evaluations (Faircloth et al., 2001; Guthrie et al., 2008).

Brands with positive images and associations in consumers' minds and that bear similar personalities to consumers tend to lead to consumers' positive attitudes toward such brands. On the other hand, subjective norm tends to influence brand attitude from the external side. Based on TPB, the subjective norm is reflected by a consumer's tendency to conform to the expectations of others regarding purchase decision-making to gain rewards or to avoid punishment from others (Zhan & He, 2012). Consumers tend to have a similar attitude toward a brand with other people in their community. Meanwhile, perceived quality can be defined as a consumer's overall impression of the relative superiority of the brand. Brand trust can be defined as the confident expectations of the brand's perceived credibility and benevolence (Kumar et al., 2013).

Figure 1 Research Framework

The three core components of the theory of planned behavior have been widely known to have a positive relationship with behavioral intention. From the previous explanation, the brand image can moderate the relationship between a core component of TPB and customer intention. The hypothesis in this research is listed as follows:

- H1. Brand image positively moderates the relationship between attitude toward behavior and behavioral intention
- H2. Brand image positively moderates the relationship between subjective norms and behavioral intention
- H3. Brand image positively moderates the relationship between perceived behavioral control and behavioral intention.

Methods

This study uses a quantitative method with a survey. The survey will look at a representative sample of the population using a questionnaire. The questionnaires will be distributed using purposive sampling criteria: the respondents are BFI customers in Jakarta with a good payment record from 2017 to 2020. The survey questions are based on TPB (Ajzen, 1991) and recent Ajzen research (2013) and Keller. We tested the hypotheses using PLS-SEM and calculated the minimum sample size using the Cohen Table (Hair Jr. et al., 2014). According to the table using 80% statistical power to detect R² of at least 0.25 and 5% probability of error, the sample size should be at least 88. We successfully collected 297 answers to the questionnaire, therefore our sample size is adequate.

Result and analysis

Respondent Profile

This questionnaire's respondents are mostly concerned with the greater Jakarta area. Bekasi has the highest percentage (33.33%), followed by Jakarta and Tangerang at 28.58%, Bogor at 11.45%, and Depok at 6.06%. Men made up approximately 70.71% of the respondents, with women accounting for 29.29%. In terms of age requirements, the age range 40-50 years is dominated at 49.83%, followed by 30-40 years at 28.28%, ≥ 50 years at 18.18%, and the remaining fraction is 20-30 years at 3.70% (Table 1).

Table 1 Respondent Profile

		Number	Percentage
City	Jakarta	73	24,6%
	Bekasi	99	33,3%
	Bogor	34	11,4%
	Depok	18	6,1%
	Tangerang	73	24,6%
Gender	Male	210	70,7%
	Female	87	29,3%
Age	20 -30	11	3,7%
	30 -40	84	28,3%
	40 -50	148	49,8%
	>50	54	18,2%

The researcher ran a pilot test with 30 obtained data points to confirm that all thesis questions were valid, and the findings showed that Pearson correlation was greater than 0.3 and Cronbach's Alpha was higher than 0.7. Following the pilot test, the researcher continued to distribute the survey, in the process receiving a total of 297 replies. The received data was then checked to ensure there was no missing data and that the data was of high quality through data processing.

Common Method Variance

Common method variance needs to be examined because this study used data from a single source of respondents to collect information on both dependent and independent variables (Tehseen, Ramayah, & Sajilan, 2017). We determined how collinear the constructs were to test for common method variance. It evaluates the variance inflation components (Kock & Lynn, 2012). When evaluating common method variance, these variance inflation factors (VIF) can be used, which produces a more conservative test than standard exploratory factor analysis (Kock, 2014; Kock & Lynn, 2012). According to Hair et al. (2014), the entire collinearity variance inflation factor of each construct in the model is less than 5. We may confidently conclude that common method bias did not provide a substantial danger after utilizing VIF to test for common method variance (Table 3).

Evaluation of Measurement Model

Three constructs made up the measuring model used in this study, and four or more items were used to evaluate each construct. The validity and reliability of the measuring model are assessed (Fig. 3). Two key components are commonly used to test convergent validity (Chin et al., 2013; Hair et al., 2011). The Average Variance Extracted (AVE) and the Composite Reliability (CR). The loading of each indicator on the associated variable needs to be calculated and compared to a threshold to assess a model's convergent validity.

According to Hair et al. (2011), a loading of more than 0.7 is often required for validity to be considered adequate. Items with a loading between 0.4 and 0.7 should be removed, while those with a loading less than 0.4 should be considered for removal if their removal increases the CRs and AVEs above the threshold (Chin et al., 2013; Hair et al., 2011). The second criterion is Convergent Validity occurs when a positive correlation of a measure happens with another measurement of the same variable. The average variance extracted (AVE) was used to examine convergent validity.

Table 2 Construct Reliability & Validity

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
ATB	0,872	0,873	0,913	0,723
Behaviour intention	0,870	0,874	0,911	0,720
Brand Image	0,882	0,886	0,910	0,628
PBC	0,811	0,817	0,889	0,727
SN	0,908	0,912	0,935	0,782

The summary of the criterion for evaluation is provided in Table 2, showing the Cronbach's alpha value of all five variables namely, ATB, SN, PBC, Behavior intention, and Brand Image exceeded 0.70, indicating that the model has internal consistency. To establish convergent validity, AVE should be higher than .50 (Hair Jr et al., 2014a). Table 2 shows that AVE values for all constructs are above 0.50, so convergent validity was established. The Composite reliability (CR), is all above 0.7 for all five constructs.

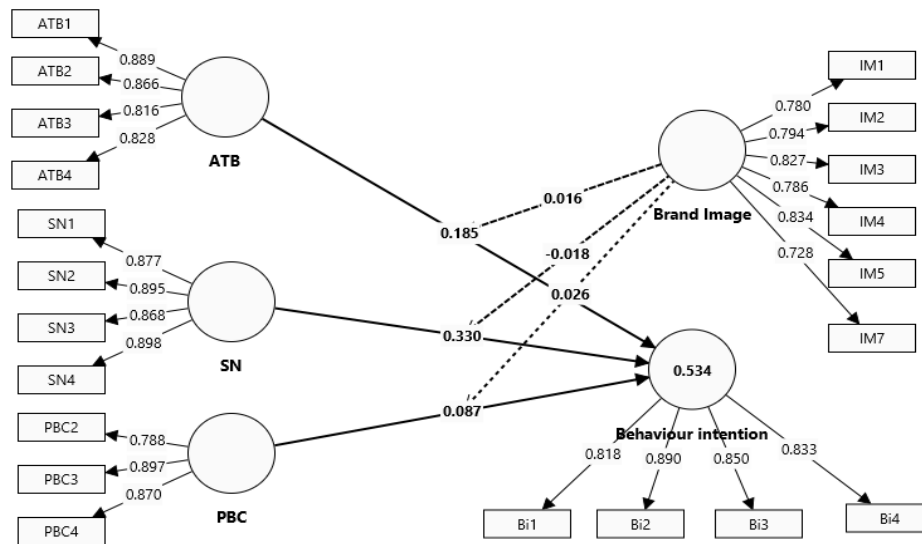


Figure 1 Research Model

As can be seen in Fig 4, all outer loading values shown in Fig 2 are above 0.7. This meant that the measurement model provided excellent reliability

The third criterion to evaluate the measurement model is Discriminant Validity to shows that a construct is established empirically to be distinct from other constructs (Hair Jr et al., 2014b). The method was examining the Fornell-Larcker criterion (Table 3).

Table 3 Fornell-Larcker criterion evaluation

	ATB	Behaviour intention	Brand Image	PBC	SN
ATB	0,850				
Behaviour intention	0,612	0,848			
Brand Image	0,698	0,609	0,792		
PBC	0,514	0,497	0,502	0,853	
SN	0,542	0,607	0,455	0,506	0,885

As shown in Table 3 Fornell-Larcker’s criterion was established, providing evidence for the constructs’ discriminant validity.

Evaluation of Structural Model

Assessing for collinearity problems (VIF), path coefficient (β), coefficient of determination (R^2), and effect sizes (f^2) are the steps involved in evaluating the structural model (Hair et al., 2014). The dependent variable's variance concerning the change in the independent variable is measured by the coefficient of determination, or R Squared (R^2). Table 4 displays the R^2 value on a scale from 0 to 1, where a greater score indicates higher levels of precision. For an endogenous variable, R^2 values of 0.25, 0.5, or 0.75 can be used to represent mild, moderate, or substantial (Hair et al., 2011).

Table 4 Coefficient of Determination (R²)

	R-square	R-square adjusted
Behaviour intention	0,534	0,523

As can be seen in Table 4 the R² of Behavior intention, has a large precision level (0.534).

The second criterion of structural model evaluation is the path coefficient, (Table 5) which shows the correlation between two variables, ranging from -1.00 to 1.00.

Table 5 Result of Path coefficient, VIF, and f²

	Path Coefficient	VIF	f ²
ATB → Behaviour intention	0,185	2,362	0,031
Brand Image → Behaviour intention	0,288	2,157	0,083
PBC → Behaviour intention	0,087	1,602	0,010
SN → Behaviour intention	0,330	1,633	0,143
Brand Image x ATB → Behaviour intention	0,016	2,782	0,000
Brand Image x SN → Behaviour intention	-0,018	2,764	0,000
Brand Image x PBC → Behaviour intention	0,026	2,246	0,001

As shown in Table 5, the effect of SN to behavior intention shown by path coefficient (β) (0.330), indicates a medium effect. The effect of ATB on Behavior intention (0.185) indicates a small relationship. The third criterion in structural model evaluation is multicollinearity. The result in Table 4 indicates no collinearity issues because all of the VIF values are below 5 (Hair Jr et al., 2014b). The fourth criterion in structural model evaluation is the f² values, which assess a predictor variable's comparative influence on an independent variable (Hair et al., 2014). which range from .02, .15, and .35, correspondingly, indicating small, medium, and large effect sizes (Cohen, 1988). The results in Table 4 show the current study that the model has a medium effect size on the relationship between SN and Behavior intention (0.143).

Hypothesis testing

The last step in data analysis used SmartPLS3 to test the hypothesized relationships by assessing the path coefficients' significance using bootstrapping computations. The bootstrapping process obtains the importance of path coefficients by calculating empirical t values considered significant at a particular probability of error if larger than the critical value (t distribution values). This study employed critical values for one-tailed tests: 1.65 (significance level= 5%), The hypothesis was tested using the bootstrapping test at 5000 bootstrap samples (Hair et al., 2014). Using a one-tail t-value is 1.65, and a p-value of 0.05 (at $\alpha = 5\%$), the result is reported in Table 7

Table 6 Hypothesis Testing Result

Ha	Relationship	Path coefficient	t Statistics	p Values	Result
H1	Brand Image x ATB → Behaviour intention	0,016	0,282	0,778	H1 Not Supported
H2	Brand Image x SN → Behaviour intention	-0,018	0,278	0,781	H2 Not Supported
H3	Brand Image x PBC → Behaviour intention	0,026	0,434	0,664	H3 Not Supported
	ATB → Behaviour intention	0,185	2,380	0,017	
	SN → Behaviour intention	0,330	5,634	0,000	
	PBC → Behaviour intention	0,087	1,460	0,144	

As can be seen in Table 6, the moderating effect of Brand image on the relationship between ATB and behavior intention has a p-value of 0.778. According to Hair Jr et al. (2016), the effect is not significant; therefore, H1 is not supported. Note that the relationship of ATB and Behavior intention is positive and significant. However, the brand image doesn't have a moderating effect on the relationship. The moderating effect of Brand image on the relationship between SN and Behavior intention has a negative moderating effect with a p-value (0.781) and this means that the result does not support H2. Although the effect of SN on behavior intention is positive and significant. The same result goes for the moderating effect of brand image on the relationship between Perceived behavior control and Behavior intention. The p-values indicate that the effect is not significant, therefore H3 is not supported.

Conclusion and Recommendation

The primary goal of this study is to analyze and examine the moderating effect of Brand image in the relationship between attitude toward behavior (ATB) and customer behavior intention in choosing home refinancing products in a multi-finance company. The findings indicated that the hypothesis is not supported. Brand image doesn't affect the relationship between ATB and behavior intention, although the relationship is positive and significant.

The second goal of this study is to analyze the moderating effect of Brand image on the relationship between subjective norms and customer intention. The findings indicated that the brand image doesn't have a moderating effect, even though the relationship between subjective norm and Behavioral intention is positive and significant.

The third goal is to analyze the moderating effect of Brand image on the relationship between perceived behavioral control and customer behavior intention in choosing home refinancing products in a multi-finance company. The findings indicated that the hypothesis does not have an effect. The relationship between PBC and Behavior intention is weak and not significant.

Implications and limitations of the study

This research will be the first to analyze the moderating effect of Brand image in the relationship between attitude toward behavior, subjective norms perceived behavioral control and behavior intention. So far there is limited previous research using the brand image as a moderator in a TPB theory to explain the effect in a multi-finance context. The finance sector will benefit from this study, particularly home refinancing.

We can first determine the significance of each component. This covers a person's disposition, societal pressure, and ability to choose the home refinance goods they want. Secondly, we can examine the relative importance of each aspect and how consumer intention is impacted by it, such as perceived control, social norms, and personal attitude. Multi-finance companies will benefit from this study as they develop house financing marketing tactics. It will be obvious how to use the plan in the marketplace.

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CHAPTER 7

Creating Competitive Advantage through Co-Innovation and Supply Chain Integration: A Case Study in Indonesia Housing Bank

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ABSTRACT

The Ministry of National Development Planning reported that the housing backlog in 2016 had reached 11.4 million homes. The housing backlog occurs due to the gap between supply and demand. BTN, a government-owned bank, has been given the responsibility and aspiration to play a central role as an institution that disburses housing loans to low-income groups. BTN's overall market share is 34%, with its ROAE lagging behind competing banks BCA, BRI, and Mandiri. Co-innovation and value chain integration of all players in the ecosystem to establish more effective cooperation is expected to solve the national housing problem and increase BTN's competitive advantage. The data collection method was a questionnaire sent to 150 managers and CEOs in regional offices, branches, and sub-branches in five major cities: Jakarta, Great Jakarta, Bandung, Semarang, and Surabaya. SmartPLS 4.0 was used in this study to predict the relationship between variables. The study suggests that a firm gains a competitive advantage by utilizing supply chain integration and co-innovation. It is argued here that co-innovation has a mediating role in creating competitive advantage. The paper provides practical implications for managers to identify value and utilize new ways of analyzing value-chain to create co-innovation within the housing bank ecosystem

Keywords: Competitive Advantage, co-innovation, value chain integration, state-owned housing bank.

Introduction

The banking industry in Indonesia is still categorized as an attractive industry in Southeast Asia as margins are still high (31%) with loan growth of 4% and an estimated NPL of 2.9% (PWC's Indonesian Banking Survey, 2018). In the real estate sector, for subsidized mortgages, financing is carried out primarily by government bank BTN, other banks, and financial services with a total of 40. BTN's overall market share is 34%, comprising subsidized mortgages (98%) and non-subsidized mortgages (18%). As a government bank that focuses on housing, BTN is also given the responsibility and aspiration to play a central role in the implementation of the 'One Million Houses for the People' program, as an institution that disburses homeownership loans to low-income groups. To realize the One Million Houses program, BTN has two main roles: First, as an integration of cooperation between institutions and financing institutions in increasing housing supply, providing long-term financing in the property sector to enable developers to build housing and settlements. Second, Bank BTN provides lending products to related parties, both the supply side and demand side, which enables low-income people to obtain low-cost housing with long-term credit and low interest. The collaborator model between the supply side and demand side of the housing business is illustrated in Fig 1.

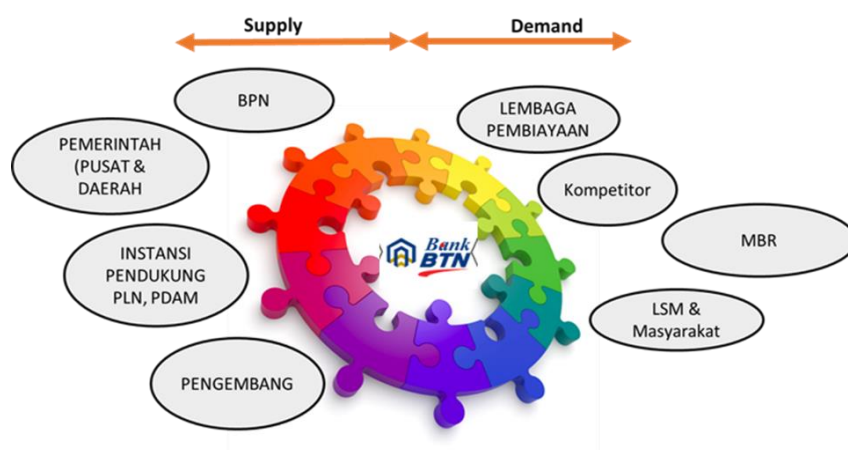


Figure 1 The role of BTN as a collaborator

As can be seen from Figure 1 the institutions that play a role on the supply side are the National Land Agency, property developers, and Central and Local Governments. On the demand side are low-income people and financial/banking institutions. Government and private banks are examples of financial institutions or financing institutions that offer mortgage services. The government's One Million Houses program is facing several challenges, including difficulties in securing land, a lengthy and intricate licensing process, limited developer capacity, inadequate infrastructure support such as electricity, water and transportation, and a lack of public facilities that support housing. Housing backlogs arise due to a discrepancy between supply and demand. To accelerate the delivery of housing units and reduce the backlog, BTN Bank management must assess the effectiveness and innovation of the housing delivery process in collaboration with other institutions within the ecosystem. Co-innovation refers to the development of new products or services in collaboration with other parties. It is anticipated that co-innovation will provide a solution to the country's housing issue. To achieve more effective collaboration, it is essential to integrate the value

chains of all ecosystem participants through co-innovation. It also requires the ability to facilitate communication, interaction, data, information, and knowledge sharing within the housing ecosystem for the low-income community. It is anticipated that the integration of value chains within the ecosystem and the development of relational capabilities will provide a competitive advantage through co-innovation.

A company's competitiveness and performance are based on its ability to innovate (Barney, 1991). Innovation efforts should not just focus on their current advantages but also keep looking for new ones. (Dibrell et al., 2011). The capacity for innovation can help businesses overcome the challenges posed by the escalating level of market volatility and competitiveness. Furthermore, the aim is to enhance the company's competitive edge and performance (Werner & Balkin, 2021). Organizations can attain a competitive edge, high performance, and maximize shareholder value through the continuous innovation process (Distanont, 2020). In today's fast-paced business environment, the costs and energy required to innovate can be significant. Partnering with external parties can help avoid a situation where innovation is detrimental to all parties involved (Shaikh & Levina, 2019). Companies benefit from information sharing and external learning, which helps remove ambiguity when selecting technologies (Azeem et al., 2021). So seeking external sources for innovation will help ensure the company's competitive advantage (Farida & Setiawan, 2022). Research shows that firms with extensive networks and external sources of expertise are more innovative than those with little or no such networks (Audretsch & Belitski, 2023).

Co-innovation, also known as collaboration-based innovation, can strengthen current competitive advantages and positions while also enhancing the knowledge base, competencies, and capacities (Adomako & Nguyen, 2023). Furthermore, a firm's ability to exploit new technologies with external parties can be an important activity that substantially contributes to the firm's ability to maintain competitive advantage (Lafuente et al., 2023). Value network co-innovation means innovation collaboration in a network that will generate added value for the relationships between actors in the network (Barile et al., 2020). In this paper, the research questions are: how is the effect of supply chain integration on co-innovation and competitive advantage, and can the concept of co-innovation serve as a mediator in efforts to improve competitive advantage?

Theoretical Framework

Supply Chain Integration

Resource integration is crucial to commercial partnerships because value is produced by deliberately combining, manipulating, and utilizing resources as opposed to just accumulating them (Ros-Tonen et al., 2019). Supply chain integration is a dynamic capability because it includes the capability to design product and group coordination between functions and organizations, information sharing, communication, and inter-organizational relationships (Yu et al., 2019). Supply chain integration refers to the movement of goods and services involving external parties and parties within the organization such as production, storage, and other related functions (Khanuja & Jain, 2020). According to Khanuja and Jain (2020) it is an inter-organizational integration that involves not only the movement of the flow of goods and services but also the flow of information, and finance in a network consisting of customers,

suppliers, manufacturers, and distributors. A supply chain integration model incorporating three-dimensional layers consisting of strategic, managerial, operational, and fundamental; and consist of elements namely: strategic planning and control, organization, process, finance, knowledge, information, and materials integration as illustrated in Fig.2. (Zhang et al., 2015).

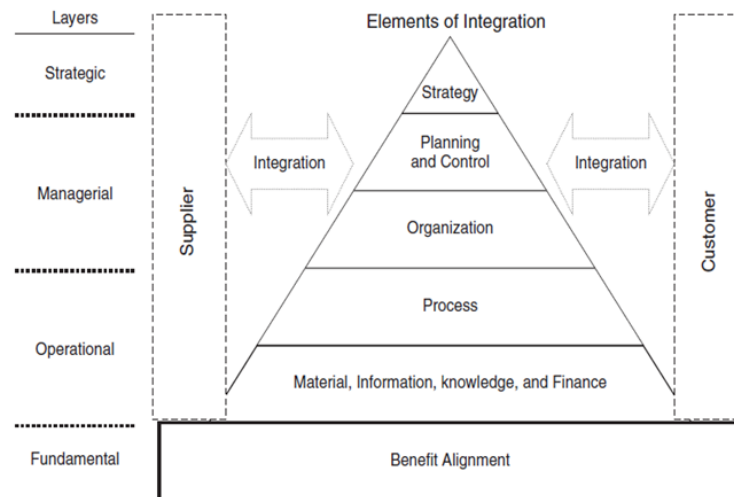


Figure 2 Supply chain integration model (Zhang et al., 2015)

To evaluate its performance, the approach uses four measurements: supply chain profit, competitive factor, individual performance, and supportive metrics (Simatupang et al., 2004). Simatupang et al. (2004) identified five dimensions that are the core of the supply chain integration construct, which are: benefit alignment, management of information, process alignment, process simplifications, and synchronization of decision-making (Argiyantari et al., 2022; Simatupang & Sridharan)

Co-innovation

There are three types of co-innovation 1) co-innovation convergence, namely co-innovation carried out by bringing together many ideas from many parties, namely suppliers, distributors, outsource partners, and others, 2) co-innovation collaboration is an innovation carried out by collaborating with many experts from outside the organization and internally, mainly to create new products, business processes, or new business models. 3) co-innovation co-creation is the co-creation of experiences with all stakeholders, especially with customers (Lee et al., 2012). Value co-creation is about understanding ‘the processes, resources, and practices that customers use to manage their activities’ (Ramaswamy & Ozcan, 2020). Achieving value co-creation is about finding a ‘structural fit’ between customer activities and seller activities (Hein et al., 2019). Value creation has a collaborative and interactional nature between customers, sellers, and other actors in complex B2B systems (Sjödén et al., 2020).

Value co-creation is an overarching construct that captures an organization's entity evolution towards developing a relational orientation and deeper interactions with customers to produce a holistic experience (Cennamo & Santaló, 2019). Value is created before, during, and after the purchase process, thus, value does not lie in the object of consumption, but in the consumption experience (Itani et al., 2019). Value creation goes beyond the current interaction and also includes past and future experiences and expectations. Service providers

therefore need to understand customers' experiences that continue to emerge beyond individual interactions, as well as their activities with other actors to facilitate the co-creation of value (Freudenreich et al., 2020).

Competitive Advantage

Competitive advantage is a fundamental concept in the field of strategic management that explains the causes of differences in organizational performance (Baia et al., 2020). Three different generic strategies for achieving competitive advantage: differentiation and cost leadership strategies aim for competitive advantage in multiple industry segments, while focal strategies target cost advantage (cost focus) or differentiation (differentiation focus) in narrow segments (Porter, 2011). However, the literature does not provide a clear definition of the competitive advantage construct (Sigalas et al., 2013). Barney (1991) argues that competitive advantage is achieved when a company implements a value-creation strategy that cannot be done simultaneously by competitors or potential competitors. Furthermore, sustainable competitive advantage can be achieved when a company implements a value-creation strategy that cannot be duplicated by its competitors or implements the same strategy as competitors, but in a way that is superior to its competitors (Barney, 1991). Another definition is that a company is said to have a competitive advantage if it can create economic value above the average of its competitors (Peteraf & Barney, 2011).

The sources of competitive advantage are also responded to differently by many researchers. There are at least six different groups of opinions regarding the source of competitive advantage (Sigalas & Papadakis, 2018). The first group is those that support the Industrial organization theory which says that superior performance is achieved when there are competitive advantages derived from market barriers (Nogueira Tomas et al., 2014). Second, the group that supports the market-led theory argues that superior performance comes from competitive advantages developed from market position (Porter, 1980, 1985). Third, the resource-based theory group states that a firm can have superior performance from competitive advantages created by the firm's specialized resources and capabilities (Barney, 1991; Peteraf, 1993). Fourth, the capability-based theory which suggests that a company can achieve a competitive advantage through distinctive or core capabilities (Hayes, et al, 1996). According to the resource-based view, sustainable competitive advantage can be achieved if the organization has corporate resources that are: a) valuable b) rare c) cannot be imitated d) irreplaceable (J. Barney, 1991). Fifth, some researchers also suggest that cooperative inter-firm relationships are complementary resources and capabilities that can be used to achieve optimal resource configuration (Grant and Baden-Fuller, 2004). Cooperation with other organizations can be used to acquire resources, capabilities, and knowledge (Ireland et al., 2002). Sixth, proponents of dynamic capabilities theory claim that competitive advantage can be achieved when there is a dynamic ability to continuously develop new resources and capabilities in response to rapidly changing market conditions (Teece et al., 1997). Recently, some researchers listed the sources of competitive advantage which are: innovation (Distanont, 2020), knowledge management processes (Mahdi et al., 2019), sustainable technology adoption (Oladapo et al., 2023), data, and vast information. The competitive advantage construct is measured using five dimensions, which are derived based on these definitions and techniques. The first dimension is a resources-based competitive advantage

(Chen & Tsou, 2007), a competitive advantage based on competence (Foon, 2009) dynamic capability, the differentiation (Bhat & Darzi, 2016; Kamukama et al., 2017; Nkundabanyanga et al., 2017) and interfirm collaboration (Ritala & Ellonen, 2010).

Relationship between Supply Chain Integration and Co-innovation

Research from Ayoub et al. (2017) on supplier integration, customer integration and internal integration and their impact on technical co-innovation provides significant results from each integration dimension on co-innovation. Then research from Yenyurt et al. (2014) which adopts a supplier perspective and examines the factors that contribute to the desire to engage in co-innovation empirically with a longitudinal method proves that over time the buyer and supplier relationship will affect the behavior to co-innovate which in turn will have a positive effect on innovation performance and sales performance on both parties. Furthermore, according to Schreier et al. (2012), the involvement of outsiders (customers) in the innovation process increases the desire to buy because it is mediated by the perceived innovation ability of customers. Likewise, research from Hienerth et al. (2014) which discusses the synergy between producers, lead users, and user communities empirically proves that the integration of users and suppliers adds value to the innovation process through several synergies. From the explanation of the relationship between supply chain integration and competitive advantage, the research hypothesis can be formulated as follows:

H1. Supply Chain Integration has a positive effect on co-innovation.

Relationship between Supply Chain Integration and Competitive Advantage

Most studies conducted by researchers operationalize supply chain integration as multiple constructs (Droge et al., 2012) There are only a few studies that conceptualize supply chain integration as a single construct (Danese & Romano, 2012). Research from Talavera (2017) regarding supply chain integration effectiveness and efficiency, concluded that supply chain integration has a positive and significant effect on supply chain effectiveness and efficiency. Empirical research from Peng et al. (2013) regarding external integration improving operating capabilities, and improving innovation capabilities. The results of his research show: 1) a positive relationship between integration with customers on operating improvement capabilities and 2) integration with customers does not significantly affect operating innovation capabilities. The study of the relationship between supply chain integration, supplier integration, and customer integration on customer-oriented performance concluded that customer integration has a significant and positive effect on customer-oriented performance (Huo, 2012). Based on previous research, the following research hypothesis is formulated:

H2. Supply chain integration has a positive effect on competitive advantage

Relationship between Co-innovation and Competitive Advantage

A study (Löfgren, 2014) indicates that co-innovation with customers can increase competitive advantage in international markets, resulting in sustainable success. Several other studies have also proven that innovation and co-innovation in the service process have a positive relationship with competitive advantage, for example, the study of Tsou et al. (2015) on co-innovation conducted together with business partners to improve processes related to services

or services to their customers resulted in a positive influence on competitive advantage, which was measured by two indicators, namely a) market-based competitive advantage and b) employees.

Research from Jajja et al. (2017) based on Resource Dependence Theory proves that organizational strategy affects suppliers and the relationship between the two will be able to produce product innovations that affect business performance. Tinoco and Ambrose's (2017) study on collaboration with suppliers and customers has a positive effect on joint innovation and in turn joint innovation will have a positive effect on the organisation's business performance. Fidel et al. (2015) studied co-innovation and its impact on customer knowledge management and organizational performance, concluding that innovation collaboration with customers has a positive and significant effect on marketing performance and customer knowledge management. From the explanation of the relationship between co-innovation (and competitive advantage, the research hypothesis can be formulated as follows:

- H3. Co-innovation has a positive effect on Competitive Advantage
- H4. Co-innovation has a mediating effect on the relationship between Supply Chain integration and Competitive Advantage

Research Framework and Hypothesis Development

Based on the above relationship between variables and the hypothesis developed, the framework in this study shows the mediating effect of Co-innovation.

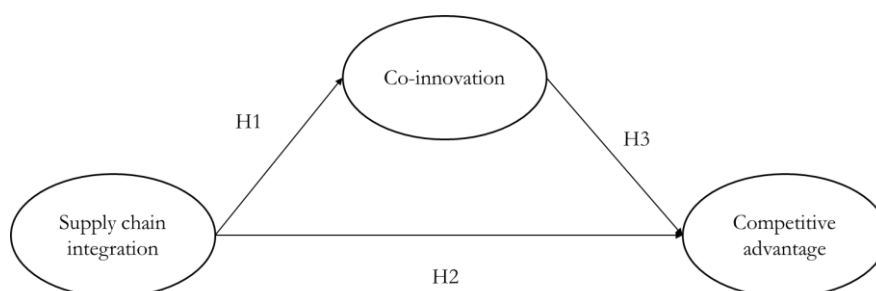


Figure 3 Research Framework

Methods

Research is conducted by exploring concepts and theories relevant to research activities to support efforts to prove the model built, and predict the results that will be obtained so that the goal is more towards prediction (prediction oriented). In five major cities in Java island — DKI Jakarta, Jabotabek, Bandung, Semarang, and Surabaya—BTN Bank serves as the analytical unit. The CEO, Director, Manager, and Branch Head at the main office and branch offices were the observation units under study. The probability sampling-cluster-stratified random sampling is employed as the sampling technique. Data collection methods were carried out using questionnaire distribution. Questionnaires were sent to 250 managers in BTN's regional offices, branch offices, and sub-branch offices through direct distribution, and e-mail. Because hypothesis testing will use the PLS application, it is necessary to first calculate whether the population meets the requirements for conducting data analysis with

PLS, namely by using the Cohen Table (Hair Jr et al., 2014). To be able to perform calculations with PLS using four independent variables in the structural model with 80% statistical power to detect R² of at least 0.25 and 5% probability of error, the recommended data size for performing PLS is at least 65. So that the number of questionnaires to be sent is a total of 150 offices consisting of regional offices, branch offices, and sub-branch offices.

Result and analysis

Respondent Profile

The total number of respondents is 214, from 150 offices in five big cities in Java island. The profile of respondents is shown in Table 1.

Table 7 Respondent Profile

	Number	Percentage (%)
Female	25	12%
Male	189	88%
Position		
Assistant Manager	1	0.47%
Branch Manager	52	24.30%
Deputy Branch Manager	59	27.57%
Department Head	64	29.91%
Division Head	21	9.81%
Area Office	2	0.93%
Senior manager	7	3.2%
VP	1	0.47%
Regional Office Head	1	0.47%
Director	5	2.34%
Program Manager	1	0.47%

The survey results indicate that the male participants constituted the larger proportion of the respondent pool (88%) compared to their female counterparts (12%). In terms of position, department head accounted for the majority of the respondents (30%), deputy branch manager (27,5%), and branch manager (24,3%).

Common Method Variance

Because this study employed a single source of respondents to gather data on both dependent and independent components, common method variance must be checked (Tehseen, Ramayah, & Sajilan, 2017). To test for common method variance, we assessed the collinearity among constructs. The variance inflation factors are assessed (Kock & Lynn, 2012). These variance inflation factors may be employed to evaluate common method variance, resulting in a more conservative test than the usual exploratory factor analysis (Kock, 2014; Kock & Lynn, 2012). All of the constructs in the model have a complete collinearity variance inflation factor of less than 5 (Hair et al., 2014). As a result of testing for common method variance using VIF, we can safely infer that common method bias did not pose a significant risk (Table 3).

Evaluation of Measurement Model

The measuring model utilized in this study consisted of three constructs, each of which was assessed using four or more items. The measuring model is evaluated in terms of its reliability and validity (Fig.3). Convergent validity is frequently tested using two essential factors (Chin et al., 2010; Hair et al., 2011). The Composite Reliability (CR) and the Average Variance Extracted (AVE). When evaluating a model's convergent validity, the loading of each indicator on its related variable must be computed and compared to a threshold. In general, the loading should be greater than 0.7 for validity to be deemed satisfactory (Hair et al., 2011). A loading lower than 0.4 indicates that an item should be considered for removal, and items with a loading of 0.4–0.7 should be considered for removal if their removal increases the CRs and AVEs above the threshold (Chin et al., 2010; Hair et al., 2011).

Table 8 Construct Reliability & Validity

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Co-Innovation	0,863	0,865	0,902	0,650
Competitive Advantage	0,854	0,865	0,895	0,630
Supply Chain Integration	0,736	0,771	0,825	0,543

The summary of the criterion for evaluation is provided in Table 2, showing the Cronbach's alpha value of all three variables namely, SCI, CI, and CA exceeded 0.70, indicating that the model has internal consistency.

The second criterion is Convergent Validity occurs when a positive correlation of a measure happens with another measurement of the same variable. The average variance extracted (AVE) was used to examine convergent validity. To establish convergent validity, AVE should be higher than .50 (Joe F Hair Jr, Sarstedt, Hopkins, & Kuppelwieser, 2014). Table 2 shows that AVE values for all constructs are above 0.50, so convergent validity was established. The Composite reliability (CR), is all above 0.7 for all three constructs. This meant that the measurement model provided excellent reliability.

All outer loading values shown in Fig 4 are above 0.6.

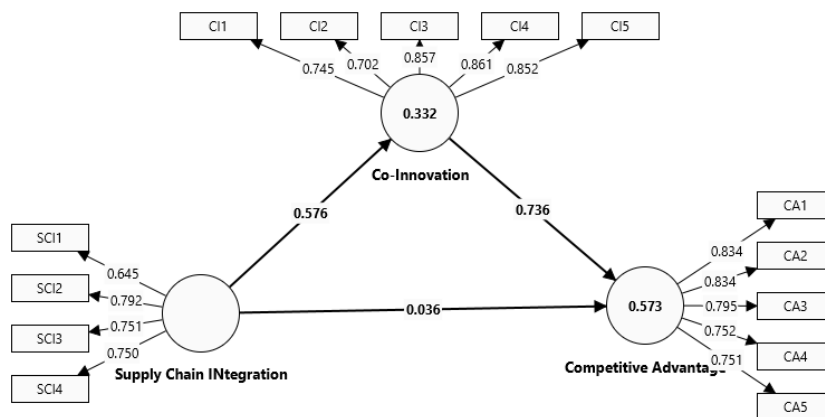


Figure 2 Research Model

The third criterion to evaluate the measurement model is Discriminant Validity to shows that a construct is established empirically to be distinct from other constructs (Hair Jr et al., 2014). The method to establish discriminant validity was examining the Fornell-Larcker criterion (Table 3).

Table 9 Fornell-Larcker criterion evaluation

	Co-Innovation	Competitive Advantage	Supply Chain Integration
Co-Innovation	0,806		
Competitive Advantage	0,756	0,794	
Supply Chain Integration	0,576	0,460	0,737

As shown in Table 3 Fornell-Larcker’s criterion was established, providing evidence for the constructs’ discriminant validity.

Evaluation of Structural Model

Evaluating the structural model consists of assessing for collinearity issues (VIF), path coefficient (β), coefficient of determination (R^2), and effect sizes (f^2) (Hair et al., 2014).

The coefficient of determination - R Squared (R^2) measures the dependent variable’s variance about the independent variable’s change. The R^2 value ranges from 0 to 1 (Table 6), with a higher score showing higher precision levels. R^2 values of 0.25, 0.5, or 0.75 for an endogenous variable can be portrayed as weak, moderate, or substantial (Hair et al., 2011).

Table 5 Coefficient of Determination (R^2)

	R-square	R-square adjusted
Co-Innovation (CA)	0,332	0,329
Competitive Advantage (CI)	0,573	0,569

As can be seen in Table 5 the R^2 of CA, has a moderate precision level (0.332), and for CI is large (0.573).

The second criterion of structural model evaluation is the path coefficient, (Table 4) which shows the correlation between two variables, ranging from -1.00 to 1.00. A correlation of 0 shows no relationship at all, a correlation of 1.0 indicates a perfect positive correlation and a value of -1 shows a perfect negative correlation. As shown in Table 4, the effect of supply chain integration on co-innovation shown by path coefficient (β) (0.576), indicates a large effect. The effect of SCI on CA (0.036) indicates a small effect, and a strong effect has been shown on the relationship between CA to CA (0.736)

Table 10 Result of Path coefficient, VIF and f^2

Relationship	Path coefficient	VIF	f^2
SCI → CI	0.576	1.000	0.497
SCI → CA	0.036	1.497	0.002
CI → CA	0.736	1.497	0.846

The third criterion in structural model evaluation is multicollinearity. The result in Table 4 indicates of no collinearity issues because all of the VIF values are below 5 (Hair Jr et al., 2014).

The fourth criterion in structural model evaluation is the f^2 values, which assesses a predictor variable's comparative influence on an independent variable (Hair et al., 2014), which range from .02, .15, and .35, correspondingly, indicating small, medium, and large effect sizes (Cohen, 1988). The results in Table 4 show the current study that the model has a large effect size (.846) effect of CI to CA, and a medium effect size has been shown in the relationship between SCI on CI (0.497), and small value on relationship between SCI and CA (0.002).

Hypothesis testing

The last step in data analysis used SmartPLS3 to test the hypothesized relationships by assessing the path coefficients' significance using bootstrapping computations. The bootstrapping process obtains the importance of path coefficients by calculating empirical t values considered significant at a particular probability of error if larger than the critical value (t distribution values). This study employed critical values for one-tailed tests: 1.65 (significance level= 5%), The hypothesis was tested using the bootstrapping test at 5000 bootstrap samples (Hair et al., 2014). Using one tail t-value is 1.65, and p-value of 0.05 (at $\alpha = 5\%$), the result is reported in Table 7

Table 5 Hypothesis Testing Result

Ha	Relationship	Path coefficient	t Statistics	p Values	Confidence interval bias corrected		Result
					5.0%	95.0%	
H1	SCI → CI	0.576	14,789	0,000	0,497	0,630	H1 Supported
H2	SCI → CA	0.036	0,622	0,267	-0,058	0,129	H2 Not Supported
H3	CI → CA	0.736	16,947	0,000	0,657	0,802	H3 Supported
H4	Mediating Effect of CI	0,424	10,683	0,000	0,355	0,486	H4 Supported

As can be seen in Table 5, the effect of SCI on CI has a t-value greater than 1.65, and p-value (0.000) smaller than 0.05 (at $\alpha = 5\%$). Further checking on the confidence interval bias-corrected showed that on 5% and 95% confidence interval bias-corrected the value does not contain zero. According to Hair Jr et al. (2016), the effect is significant; therefore, H1 is supported. This is confirmed by (Ayoub et al., 2017) on supplier integration, customer integration, and internal integration and their impact on technical co-innovation provides significant results from each integration dimension on co-innovation. This is also confirms previous research from (Hienerth et al., 2014; Tinoco & Ambrose, 2017)

On the other hand, supply chain integration does not affect competitive advantage directly, as shown by the value < 0.05 , This conforms to Peng et al. (2013) study that integration with customers does not significantly affect operating innovation capabilities. However, it does affect competitive advantage indirectly through co-innovation. Co-innovation has a strong effect on competitive advantage and this means that the results confirm previous research, (Jajja et al., 2017; Tinoco & Ambrose, 2017). With the result, the

novelty of this research that co-innovation mediating the relationship between SCI and CA is supported by looking at the p-value and confidence interval bias-corrected, both 5% and 95% don't contain zero.

Conclusion and Recommendation

The results prove that supply chain integration has no statistically significant effect on competitive advantage, but supply chain integration has a strong and significant effect on co-innovation, and co-innovation also has a strong and significant effect on competitive advantage. Thus, co-innovation has the effect of fully mediating the relationship between supply chain integration and competitive advantage. The indicators that most strongly represent supply chain integration and value network-based co-innovation are process alignment and the provision of new solutions. Therefore, efforts to increase competitive advantage, especially competitive advantage based on dynamic capabilities, can be done through process alignment and providing new solutions.

Implications and limitations of the study

This empirical study contributes to both science and practice. There are several theoretical contributions to knowledge in co-innovation. The results of this study also provide management with insights on how to improve competitive advantage from several perspectives. This research contributes to the understanding of supply chain integration in the context of the housing supply ecosystem, both theoretically and in terms of managerial implications. Theoretically, this study links the benefits and reasons for integrating the housing supply ecosystem to theories of organizational learning, knowledge management, and co-innovation. Specifically, this study positions the benefits of supply chain integration in the housing supply ecosystem as a value-adding process of co-innovation.

The study suggests that value network-based co-innovation is a function of how well the ecosystem within the value network connects, simplifies, and harmonizes processes that will generate added value as an antecedent of the co-innovation variable, and value network-based co-innovation is significantly correlated with competitive advantage. Therefore, the co-innovation variable is an important mediator variable because it fully mediates the relationship of supply chain integration to competitive advantage. This study not only provides insights into an important mediator variable (value network-based co-innovation) that will help explain many of the inconsistencies in previous findings but also explains the need for relational capabilities and learning in explaining the importance of the co-innovation variable. By testing the supply chain integration-value network-based co-innovation-competitive advantage we suggest the critical role of co-innovation in integrating that variable to competitive advantage. This study thus adds to the comprehensive review and richness of the literature on supply chain integration in ecosystems.

Since this study found that supply chain integration with parties in the ecosystem leads to a firm's competitive advantage, it tends to support the proposition that competitive advantage arises through the co-creation of something new by parties in the value network. Relationships based on this theory imply that management should extensively integrate their organizations with the ecosystem to pursue the broader strategy of co-innovation. From a supply chain ecosystem perspective, companies should try to create a situation where all participants in the organization work together to recognize business synergies to compete

effectively in the supply chain ecosystem. Such collaborative benefits have the impact of increasing competitive advantage when co-innovation is enabled and generates solutions for the ecosystem.

Although this study makes a significant contribution to the understanding of SCI, there are some limitations and more opportunities for future research. Perhaps an important limitation of this study is that the data analyzed is based on managers' self-perception answers. Although most of the respondents were managers and deputy managers, and the questions were well-designed and clear, there may still be biases arising from the subjectivity of the respondents. In addition, not all respondents were at the same level or held the same role in the company, future studies could expand the scope by collecting data from various supply chain partners that provide various services in a housing delivery ecosystem.

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CHAPTER 8

The Role of Leadership and Business Ethics in the Era of Disruption

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ABSTRACT

The era of technological disruption that is increasingly advanced now affects various fields of life, including the world of education and requires high-level thinking, analysis, out of routine, and not just following existing habits. Disruption is an innovation that will replace the entire old system with new ways, replacing old players with new ones, replacing old technology that is all physical with digital technology that produces something completely new and more efficient, also more useful; which makes it easier for all human activities, so that the rapid impact of technology is what gave birth to the digital revolution, or industrial revolution 4.0. Throughout history, the quality of leadership is a determining factor in the success of an organization. Any organization in this world must have experienced failure, so that it requires the presence of a leader who should have good character if he wants to be an effective leader. Ethics is closely related to human behavior and the way humans conduct themselves in order to correct actions or deeds that are less pleasing, while business is a relationship between people who “need” each other in different positions, such as sellers and buyers. With the existence of business activities, their needs are mutually fulfilled and in carrying out a business, of course, business ethics are needed in order to achieve planned business goals. Business ethics is an inseparable part of business activities carried out by a leader, especially in the current era of disruption.

Keywords: Business Ethics, Disruption, Leadership.

INTRODUCTION

Currently, the world is experiencing two extraordinary disruptions, namely the field of technology due to the Industrial Revolution 4.0 and the change of generations that caused lifestyle changes. The digital revolution is characterized by a combination of technology, which combines cyber technology with automation technology and integration between the online world and the industrial world to increase the efficiency of industrial process.

The business era influenced by the Industrial Revolution 4.0 is characterized by the use of digital technology in business processes that are carried out and are known as cyber systems, which are continuous interaction processes without space and time limits. Before the digital era, to be a winner, organizations only needed to perform more efficiently and productively. However, in the current era of disruption, for organizations to win competitions, innovation, creativity, and an entrepreneurial spirit are needed.

In an increasingly dynamic era, leadership is an important and strategic aspect of an organization. The development of various concepts about leadership theory that must undergo transformation or change in the direction of adaptive and responsive so that leadership is no longer synonymous with governing or regulating things; but is more about taking on the role of an agent of change to move towards positive things. A leader must be adaptive and responsive to changes in an era of rapid disruption and be able to respond to evolving needs (Arafat et al., 2023:1).

On the other hand, organizations also continue to grow and pose various challenges and changes to survive. Business activities in an organization based on ethics are businesses that are run based on multiple good methods and have patterns and ways of thinking that are based by the logic and esthetics that develop in society. Business ethics is an inseparable part of business activities carried out by actors wherever they are. The existence of business ethics cannot be separated from personal ethics and social ethics in a person.

THEORY

The term disruption was popularized by (Rheinald Kasali, 2017:27) who said that there was a fundamental or fundamental change. The era of technological disruption that is increasingly advanced today affects various areas of life, including the world of work/business. All parties involved, especially leaders, are expected to be able to keep up with the times. They are faced with a time that requires high-level thinking, analysis, outside of routines, and not manuals that only follow existing habits. The business that is run is no longer just a routine and ordinary business!

Disruption is innovation. This is an innovation that will replace the entire old system in new ways. Disruption has the potential to replace old players with new ones, replacing old physical technology with digital technology that produces something completely new and more efficient, also more useful. Talking about disruption, the so-called axis of disruption is: massive innovation, involving the role of technology, threatening old players and making products more effective and efficient. There is also the meaning of disruption, which is defined as uprooting from its roots. This is due to the revolution in the field of technology that changed the way people work and live very quickly and completely changed the pattern of the old order in a very short time.

In organizations, known as leadership, which is a process in which a person is able to influence a group of other people in achieving a common goal (Northouse in Bishop, 2013) or in other words, when a leader or superior encourages his members to behave according to what he wants (Hughes, Ginnett, and Curphy, 2012); on the other hand, Sutrisno (2016:218) also revealed that leadership is a process to direct and influence a series of activities related to the duties of group members.

Hersey and Blanchart (Sunyoto, 2016:34) argue that leadership is all efforts of a person to try to influence the behavior of a person/group, trying to influence behavior that aims to achieve individual goals, the goals of friends/together with organizational goals that may be the same or different. So, leadership is:

1. A mutually influencing relationship between leaders and members (followers); who want real change and reflect their shared goals.
2. Deliberately influencing from one person to another in the arrangement of his activities and relationships in a group or organization.
3. Someone who is considered dynamic and strong in controlling the organization in order to create a harmonious organization.

Ethics comes from the Greek word *ethos*, which means habit, custom. It also means morality, inner feelings, or the tendency of a person's heart to carry out an act (J. Verkuyl, 2018). Ethics is closely related to human behavior and the way humans do their actions. The term business means a trading business-business; business-business is a relationship between people who "need" each other in different positions, such as sellers and buyers. With business activities, their needs are met with each other. In carrying out a business, of course, business ethics are needed in order to achieve the planned business goals.

Shaw as quoted by Sosiopater (2016) wrote that the definition of business ethics is a science to know good and bad, right or wrong, from human behavior in the context of business. Based on this, it can be seen that there is a moral standard of business ethics, where business people are not allowed to make others harmed and uphold human values or treat human beings with dignity harm; This is where the role of a leader comes at stake. Some of the approaches to business ethics within a company (Fauzan, 2023) are:

- 1) Utilitarianism or the ethics of benefits. In this approach, every action must be based on its consequences. Therefore, before acting, leaders must think about whether to provide great benefits to the community in a way that does not harm and uses optimal costs. When a business has succeeded in providing many benefits to the community, then the business will easily be liked by many people and, of course, will get many loyal customers.
- 2) Deontology or ethics of obligations; This theory assesses whether an action is judged good or bad based on whether the action is in accordance with the obligation or not. In other words, an action is considered good because it is indeed good for itself, so it is an obligation that must be done. On the contrary, an act is considered morally bad so it is not an obligation to do it. Being just is a good act, and it is the duty of the church to act as such. On the other hand, violating the rights of others or cheating others is a bad, act on oneself, so it must be avoided.
- 3) Distribution of justice. Every decision maker has an equal position and must act fairly in providing services to customers, both individuals and groups, so that there should be no discrimination or discrimination in making a decision. This ethical approach to business will

provide benefits, both in the short and long term, because all parties feel benefited by a fair decision.

METHOD

This article is written with a literature study approach, where researchers collect and process qualitative data which is then described. Qualitative methods are part of the knowledge process which is considered a social product as well as a social process. The literature review is a comprehensive overview of research that has been carried out on a specific topic to show the reader what is already known about the topic and what is not yet known, to find the rationale for the research that has been carried out or for further research ideas (Denney & Tewksbury, 2013).

DISCUSSION

The Role of Leadership in the Era of Disruption

John C. Maxwell said that the essence of leadership is influencing or gaining followers. The ability and skill of a leader to provide direction is an important factor for the progress of the organization. An advanced organization cannot be separated from a leader who has a vision, mission, goals, strategies and policies in leading the organization. Leaders who are able to make decisions based on the principles and values of truth will result in members feeling humanized, valued, supported and will ultimately create a healthy work environment. Members will feel that their leaders are able to be role models and have integrity.

The criteria for leadership from time to time are the same, because leadership is something that happens continuously and timelessly; What distinguishes is the challenges in leadership that continue to change from time to time, due to changes in the way of viewing, communication, way of living, and way of treating others, namely:

1. **PERSPECTIVE**; how a leader has a perspective that is in accordance with God's truth and will.
2. **HOW TO COMMUNICATE**; gadgets are not everything. A leader must be willing to listen, not just a means of communication, but face to face, pay attention to each other, and understand each other.
3. **WAY OF LIFE**: Wise in using time, the rapid flow of information via the internet sometimes makes us "complacent" looking for and reading information which is actually not related to the important things that we should be doing. Without realizing it, 24 hours a day is used more for things that are not a priority.
4. **HOW TO TREAT OTHERS**. If you are preoccupied with things related to yourself, then you will have less time to pay attention to and treat others. The more immersed you are in your own world, the more you will tend to treat others like your own shadows or thoughts.

It must be admitted that most people are still trapped by a fixed mindset model that is used to thinking linearly, is firmly bound by tradition, and tries to maintain the status quo. In fact, in an era that disrupts almost every inch of life today, uncertainty is certainty itself. In the era of industry 4.0, leadership is very important in the adoption of technology. Leaders in the digital age must have digital abilities as well as emotional flexibility to work in

unpredictable and complicated circumstances. Today's effective leaders operate in a rapid learning cycle in decision-making and innovation processes. Why is the leadership role important in organizing or doing business?

1. Every organization needs leadership that can organize well. This means that the management function is implemented without overlap and harmony.
2. An organization or business needs a figure who can lead and be responsible for managing and managing a business.
3. A leader has many important and vital tasks in running a business, for example in terms of decision-making, being responsible and daring to take risks.
4. If there is no leader in managing an organization, then there is chaos in many activities. It is not even closed that the organization will go bankrupt.

A business that lasts and grows into a big one is an effort that is upheld by ethical values that started with ordinary people who, from the beginning, uphold moral and ethical values, maintain trust and are not careless in words, especially in acting and working with the values adhered to, and recruiting people appropriately, meaning that they instill healthy values from the beginning.

So, it is clear that leadership is something important in any organization and in the development of the times in this era of disruption. Leaders must be aware of ever-changing circumstances and have the ability to adapt so that they are ready to face various challenges, be able to respond to changes and lead the organization to success.

The Importance of Business Ethics in the Era of Disruption

(Rhenald Kasali, 2018) Disruption not only means the phenomenon of change today but also reflects the meaning of the phenomenon of change tomorrow. In the era of disruption, when a business is run, that is where business ethics becomes something important. Many cases of violations occurred so that they had a bad impact and harmed each other. A business person's awareness of ethics in doing business is an absolute non-negotiable thing. Ethics is always related to good living habits in a person or society that are inherited from one generation to the next, so that the concept of good, bad, right, and wrong values will be seen when certain actions are taken.

When a business is run, the goal to be achieved is to make a profit or take a series of actions to be able to maximize profits. In conditions like this, it is not uncommon for business people to be trapped in legalizing all means to make a profit. Business ethics in real practice must be applied responsibly. Leaders and business people must maintain professionalism with full integrity and not rely on mere business profits. How to do business ethically? Leaders as business people must behave honestly in carrying out business activities, always obey the values embraced and 'walk the talk' means consistency between what is done and what is said.

The application of business ethics in this era of disruption should not be considered as a barrier to profit. On the contrary, leaders like business people must apply leadership that carries out moral norms, good service to put customers first, so that customer loyalty will be formed by itself. This is what will generate profits for the company and beat the business competition it faces.

The Role of Leadership and Business Ethics in the Era of Disruption

In an era of disruption that is always full of rapid changes, with various types of human needs, there have been many applications of internet support and the digital world as a vehicle for interaction and transactions of a leader. Therefore, a leader must also have several competencies, namely:

1. Critical thinking and problem-solving skills.
2. Communication and collaborative skills.
3. Creativity and innovative skills.

In today's era, business and employment models in Indonesia have been affected by the current disruption era; For example, many conventional stores that have existed so far have been replaced by marketplace business models. Likewise, traditional taxis or motorcycle taxis their position has begun to shift with various online-based modes. In the midst of today's disruption, a leader must be able to become an icon and a representative of the disruptive mindset itself. This is in line with the phrase of Samuel Ichiye Hayakawa, "If you see in any given situation only what everybody else can see, you can be said to be so much a representative if your culture treats you as a victim of it". While most people only see the mediocre, a great leader is able to see differently and then turn it into a valuable asset, while still paying attention to the ethical factors in doing business. How does a leader respond in an era of disruption in carrying out his business ethics?

1. Committed to increasing knowledge and developing digital capabilities.
2. Always try and apply the latest technology prototypes, namely learning by doing!
3. Dare to step out of your comfort zone.
4. Willing to adapt to the times, which is required to master technology in doing business.

To anticipate an existing development, every leader in its development needs to be aware of the symptoms of change that will occur now and in the future; it is something that is not easy to see and physically read. To anticipate this, self-disruption is needed as a strategy in facing the era of disruption by daring to get out of the comfort zone, visionary and far-sighted, so leaders must dare to dismantle and abandon old ways in the context of leading their organization, so that members are able to follow every process taken for the better.

CONCLUSION

In answering the problems that occur in the era of fast-paced and changing disruption, all organizations need to continue to develop leadership patterns that are willing to transform, adapt quickly and be responsive to changes that occur, so that they are able to develop strategies and take appropriate decisions. An adaptive and responsive leader in an organization should also have ethical behavior in running his business.

On the other hand, the rapid development of technology also makes all easy access appear so that all information is very accessible. Therefore, the impact on business occurs where ethics must be applied, namely morals and the principle of propriety. Business ethics must also make business people aware to distance themselves from unethical, fraudulent and changeable business practices if they have done so in the past.

Complexity, rapid change, and the need for flexibility are some of the problems faced in this era of disruption, which encourages the creation of a more distributed and decentralized leadership structure, which will later encourage participation and overall organizational growth.

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CHAPTER 9

Analysis of the Role of Jeong Culture in Implementing Leadership in Tobacco Company in Indonesia

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ABSTRACT

Company culture and leadership implementation are two of the most important aspects in a company. PT. RKS is a tobacco company originating from South Korea. RKS Indonesia has branches and offices in Jakarta, Indonesia. The PT. RKS company has a different culture and leadership from other companies. Company culture and leadership are the factors that a company runs smoothly, conductively, stably, and by the wishes of a company's leaders and employees. This research aims to describe, explain, and analyze the role of Jeong culture in implementing autocratic leadership in RKS Indonesia. This descriptive qualitative research was carried out using data collection methods, namely interviews with triangulation of 15 informants, direct observation, and documentation. The data analysis method is carried out by data reduction, data presentation, and concluding/verification. The research results show Jeong culture (hierarchy) at PT. RKS Indonesia has an important role in implementing autocratic leadership. This culture is manifested in a hierarchical organizational structure, autocratic superior-subordinate relationships, and employee obedience to leaders. Autocratic leadership in this company is carried out by a leader who has complete control over decision making, and one-way communication and looks at positions between individuals and employees toward and subordinates. Jeong culture also strengthens the implementation of autocratic leadership by encouraging employee respect and obedience to leaders. This research shows that Jeong culture (hierarchy) and autocratic leadership are interrelated and strengthen each other in daily activities in PT. RKS Indonesia.

Keywords: Jeong Culture, Hierarchy Culture, Autocratic Leadership, PT. RKS Indonesia.

1. INTRODUCTION

With the development and advancement of the economy in the industrial and service sectors which aim to meet the needs of society, each company faces unique challenges in managing its operations, especially in the process of distributing manufactured products. One of the problems that companies often face is how to overcome obstacles in the sale and distribution of products to consumers who need them so that production results can provide optimal satisfaction of the consumers. (Muksin Wijaya, 2017: 7).

Organizational culture has a significant impact on company strategy from the formulation stage to implementation within the organizational structure. When formulating a strategy, corporate culture has a major influence on the strategic choices taken by the company. When it comes to the implementation stage, company culture plays a role in reducing obstacles that may arise during the implementation of the strategy. Both in formulation and implementation, company culture indirectly influences the attitudes and decisions of leaders and decision-makers at all levels of management, including top-level management, middle management, lower-level management, and even all employees in the organization (Muksin Wijaya, 2017: 8).

PT. Rokok Korea Selatan is a South Korean tobacco company founded in 1899 by the royal family. Initially, this company was only tasked with managing tax income documents. However, in 1948, the company expanded to monopolize cigarette and ginseng products. In 1989, the company was reformed into a government-affiliated organization. After the tobacco monopoly law was repealed in 2002, the company became independent from the government and became the leader of the cigarette market in South Korea. The South Korean cigarette company was founded in 2002 as part of a strategy to expand its market outside South Korea. In 2007, PT. RKS Indonesia is starting to expand its business beyond tobacco products. This company launched its first ginseng product in Indonesia, namely SRG. This product was also well received by Indonesian consumers and managed to become one of the best-selling ginseng brands in Indonesia. Currently, PT. RKS Indonesia has become one of the largest tobacco and ginseng companies in Indonesia. This company has an extensive sales network throughout Indonesia and employs more than 1,000 people. The following is a brief history of the founding of PT. RKS Indonesia:

2002: PT. RKS Indonesia was founded.

2004: PT. RKS Indonesia launched its first cigarette product in Indonesia, namely *DFC*.

2007: PT. RKS Indonesia launched its first ginseng product in Indonesia, namely *SRG*.

2011: PT. RKS bought shares worth 140 billion won or the equivalent of IDR 1.12 trillion from one of the largest tobacco company in Indonesia.

Last year it was recorded that the company had sold up to three billion cigarettes. The kretek cigarette market itself is also widely open to Southeast Asian countries. In this area, around 70% of the population has the habit of smoking.

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may arise during the implementation of the strategy. Both in formulation and implementation, company culture indirectly influences the attitudes and decisions of leaders and decision-makers at all levels of management, including top-level management, middle management, lower-level management, and even all employees in the organization (Muksin Wijaya , 2017: 8).

2. LITERATURE REVIEW

Organizational culture and leadership style are intertwined, significantly impacting employee behavior, decision-making, and ultimately, company success. This review examines the relationship between hierarchical company culture and autocratic leadership, exploring their individual characteristics, potential benefits and drawbacks, and their combined impact on the work environment (EH Schein, 2018).

Hierarchical Culture:

Hierarchical cultures are characterized by a well-defined chain of command, with clear distinctions in power and authority levels. Employees understand their place within the structure and typically follow top-down decision-making processes. This structure can offer advantages such as:

Clarity and Efficiency, clear roles and responsibilities can streamline processes and decision-making. Stability and Predictability, established procedures and expectations provide a sense of security for employees. Career Progression, defined hierarchies can motivate employees through clear paths for advancement.

However, hierarchical cultures can also lead to: Reduced Innovation, top-down decision-making may stifle creativity and limit employee input. Decreased Morale, a lack of autonomy and control can lead to disengagement and lower job satisfaction. Slow Adaptation, rigid structures can hinder a company's ability to adapt to changing market demands.

Autocratic Leadership:

Autocratic leaders make decisions with minimal input from others, emphasizing obedience and control. This style can be effective in situations requiring decisive action or specialized expertise. However, its drawbacks include: Stifled Creativity, lack of employee participation can limit innovative solutions and knowledge sharing. Reduced Motivation, employees may feel undervalued and disengaged with no ownership over decisions. Feeling micromanaged and lacking autonomy can lead to employee dissatisfaction and higher turnover rates.

The Intersection:

Hierarchical cultures and autocratic leadership often go hand-in-hand. The emphasis on structure and authority in hierarchies creates an environment where autocratic leaders can

thrive. While this can lead to efficient decision-making in the short term, the long-term consequences for employee morale and innovation can be detrimental. (E. Maamari, 2018)

Alternative Approaches:

Modern organizations are increasingly recognizing the benefits of more collaborative leadership styles and flatter hierarchies. Transformational leadership, for example, focuses on inspiring and motivating employees, fostering a culture of shared decision-making and innovation. (Maryam Al-Sada, 2017) Additionally, flatter hierarchies allow for more direct communication and collaboration between employees and leaders.

Conclusion:

Hierarchical cultures and autocratic leadership offer some advantages, particularly in terms of clarity and control. However, their limitations, including reduced innovation and employee disengagement, can significantly hinder company performance over time. The most successful organizations often strike a balance, fostering structures that empower employees while maintaining some level of order. Future research could explore how hierarchical cultures can adapt to embrace a more collaborative approach to leadership.

3. RESEARCH METHOD

The research method used in this research is qualitative. The type of research used is a descriptive qualitative approach based on data obtained in the field and then analyzed. According to Bogdan and Taylor quoted by Lexy. J. Moleong, a qualitative approach is a research procedure that produces descriptive data in the form of written or spoken words from people and observed behavior. Qualitative research focuses on social phenomena, giving voice to the feelings and perceptions of the participants under study.

This is based on the belief that knowledge is generated from social settings and that understanding social knowledge is a legitimate scientific process. A qualitative approach is an approach that intends to understand the phenomena experienced by research subjects, for example, behavior, perceptions, interests, motivations, and actions, using descriptions in the form of words and language. This qualitative approach aims to obtain complete information about "**Analysis of the Role of Jeong Culture in Implementing Leadership at PT. RKS Indonesia**". Primary data is obtained directly from the research object by conducting observations and interviews. The researcher interviewed the Head of HR or what is called *the Head of People & Culture Department* at the company PT. RKS Indonesia and also with staff employees in *Human Resources Development (HRD)*.

In this research, the author examines the role of Jeong culture in implementing leadership in PT. RKS as a research object. The first type is the primary research object, namely the object needed from the first source. The first source referred to here is interviewing with the Head of HR (Human Resources) or Head of People & Culture PT. RKS Indonesia at the research office location. In this study, researchers conducted interviews by asking several questions to the Head of HR or the Head of People & Culture and 14 HR division staff. This research was conducted at PT. RKS Indonesia office and is located in Jakarta, Indonesia. Data collection is

important in research. Data collection is how researchers determine the most precise method for obtaining data, then followed by ways of compiling supporting tools or instruments (Arikunto, 2010: 26). Data collection technique. In qualitative research, several data collection techniques are commonly used. Some of these methods include interviews, observation, and documentation. (Arikunto, 2010: 27).

4. RESULT AND DISCUSSION

The research subjects in this study are 15 employees who work at PT. RKS Indonesia. In this study, researchers used 15 research subjects who had positions in the HR (Human Resources) division. The following are profiles of the 15 research subjects. with a total of 15 (fifteen) participants.

TABLE IV 4.1 RESEARCH INFORMANTS

No.	Positions	Number of Informants (Employees)
1.	Head of Human Resources Division	1
2.	SPV and Specialist People Development	3
3.	SPV and Staff Recruitment	4
4.	SPV and Specialist Industrial Relations	2
5.	SPV and Staff Compensation & Benefits	4
6.	SPV Human Resources Manufacturing	1
Total Informants		15 Informants

Source: created by the author, 2024

RESULT

In this research, researchers conducted broad interviews which will be developed in more depth with informants so that they are expected to obtain accurate information. Some of the questions in the interview were written by the researcher and made into a research interview table. This interview question serves to find out what the company culture and leadership are in the company in the research entitled “ANALYSIS OF THE ROLE OF JEONG CULTURE IN IMPLEMENTING LEADERSHIP IN TOBACCO COMPANY IN INDONESIA”

After the researcher conducted interviews with the informants, the researcher made a summary in table form of what the informants had asked and answered, totaling 8 questions to 15 research informants, and the summary table was made in table IV 4.2, as follows

TABLE IV 4.2 INTERVIEW SUMMARY
RESEARCH INFORMANT

No.	Question	Interview Topics	Answer
1.	What is the corporate culture embedded in a company like RKS Indonesia?	Company Culture of RKS Indonesia	"During the time we worked at this company, there were 5 company cultures that were introduced and implemented, and they all came from South Korea, there were Gung-Ye, Cheong, Nunchi, Han, and Chaebol. And from these 5 cultures, we as working employees must respect and obey the culture, rules, and policies according to our leadership."
2.	Of the four types of organizational culture proposed by experts, what kind of organizational culture best describes the PT. RKS Indonesia?	Company Culture	"The most appropriate is a hierarchical culture, because of the <i>top-down</i> approach, there is a gap between superiors and subordinates, and leaders from South Korea really look at the positions of their subordinates."
3.	Is there a positive impact of a hierarchical culture, especially on employees at PT. RKS Indonesia?	Company Culture	"If there is a positive impact, yes, a culture like hierarchy creates the work environment becomes more stable and compliant. Leaders and superiors here also have higher authority, which allows them to make quick and firm decisions. This positive impact can help to create a work environment that is controlled and free from conflict."
4.	Is there a negative impact of hierarchical culture, especially on employees at PT. RKS Indonesia?	Company Culture	"There are clearly negative impacts, there are many. This culture inhibits our creativity and innovation as employees. The leaders of each division make their own decisions, and we as employees cannot participate because we are in a lower position than them. From this matter alone, it is clear that employees like us, especially those from Indonesia who are in lower positions, feel that they do not have the opportunity to contribute. We as workers here also lack of motivation and work enthusiasm, which in the end can also cause stress to employees like us. Leaders and superiors also tend to like to demand that we become their subordinates so that company targets can be met."
5.	Of the five leadership styles differentiated by experts, what kind	Leadership of RKS Indonesia	"It is clear that this leadership style is autocratic because this company originates purely from South Korea. "All the leaders in this company are from South Korea. The

No.	Question	Interview Topics	Answer
	of leadership style describes the leaders at RKS Indonesia?		leaders here are very firm, <i>to the point</i> , like to manage and lead without looking and thinking at the consequences or the positions of their subordinates."
6.	Do you think that as an employee (informant) an authoritarian leadership style is always effective in producing fast and correct decisions?	Leadership	"Authoritarian leadership in this company is sometimes effective for making quick and correct decisions, but it also makes us as employees feel stressed and lack motivation (already feeling inferior)."
7.	Why do you as an employee feel depressed and less motivated by the autocratic leadership in this company?	Leadership	"Yes, because we feel we have less control over the work we do. The leadership here always makes decisions without involving us as employees. They often give us orders and tasks without explaining the reasons. This clearly makes us as employees feel less appreciated and have less opportunity to contribute. Our leaders often act unfairly towards us as employees who come from Indonesia, which also makes us feel uncomfortable working here."
8.	In your opinion, as an employee, are there positive and negative impacts of autocratic leadership, especially on employees at PT companies RKS Indonesia?	Leadership	"There is a positive impact, our work environment has become more structured and more compliant. Our leaders are more responsible for giving direction to us because we are clearly their subordinates. From that, it really helps us to ensure that tasks or work are completed correctly and efficiently. On the other hand, autocraticism is obstructive. we become less enthusiastic and less motivated."

Source: created by the author, 2024

Description of Company Culture PT. RKS Indonesia

According to the 15 employees, said that because of the company culture of PT. RKS Indonesia directly adopts the philosophies of South Korea, so the South Korean philosophy adopted and adopted by the company can be described as follows:

Gung Ye

This reflects the determination to maintain ethical values and integrity in all aspects of business as a strong form of fairness and loyalty. (*Culture of Gung Ye, The academic of Korean studies*)

Cheong

This concept prioritizes cooperation and loyalty between individuals and companies through relationships and a strong sense of solidarity. (Eiga, Takebi. (2021) *Knowing Korea*.)

Nunchi

Nunchi refers to the ability to read other people's feelings and needs and act with sensitivity towards them. It plays an important role in effective communication and building good relationships with clients and colleagues in business. (Rahmawati, Imelda. (2023) *Nunchi: Reading Korean Cultural Situations*)

Han

Han culture reflects the corporate spirit of PT. RKS to form a unified team of employees, overcome obstacles and challenges that may arise, and demonstrate the resilience and fighting spirit of RKS leaders and employees. Han culture was adopted and taken from the cultural philosophy of South Korea which originated from the Han kingdom. (*Daehan Jeguk* which means *Great Han Empire* (Great Han Kingdom).

Chaebol

Although not a philosophy, the term "chaebol" refers to large South Korean conglomerates that dominate various business sectors. PT. RKS Indonesia has adopted a chaebol business model with a focus on business diversification and large growth.

“Hierarchy” Company Culture in RKS Indonesia.

The hierarchical culture at the company is very strong. This is reflected in various aspects of work life at the company, including relationships between employees, communication, decision-making, and giving awards.

Company Leadership in RKS Indonesia.

Autocratic leadership is a leadership style characterized by the centralization of power in the leader, *top-down decision-making*, and minimal employee participation in decision-making. Autocratic leadership is closely associated with a strong hierarchical culture in PT. RKS Indonesia. In RKS Indonesia, leaders from South Korea show autocratic leadership, for example:

The leadership, president director, and directors of each division have great power, and decision-making is done *top-down*, they have the authority to make decisions without consulting or discussing with their employees or subordinates.

Lower-level management along with their subordinates and staff are required to obey orders and instructions from the directors of their divisions. Employees and subordinates are not expected to ask questions or provide suggestions about decisions made by their leaders. Employees of PT. RKS Indonesia and its staff are not given much autonomy or freedom, they are expected to follow procedures and instructions set by their superiors.

According to the 15 informants, they agreed that autocratic leadership in this company has several advantages and disadvantages. On the other hand, autocratic leadership can

encourage hard work and employee productivity, this is because employees and staff feel encouraged to work hard and show good performance in order to be promoted to higher positions. On the other hand, autocratic leadership sometimes causes a gap between employees and their leaders and can limit employee's creativity and innovation.

DISCUSSION

Based on research data, researchers have previously presented to identify what the company culture and leadership are like at PT. RKS Indonesia and will be explained in further discussion below. Of the five philosophies embraced and implemented by PT. RKS Indonesia, the head of the HR department said that there is a daily culture of each of the five philosophies implemented by RKS Indonesia as values, habits daily norms, and customs in the company, namely:

GUNG YE

Discussion Regarding Gung Ye.

Gung Ye is a concept in South Korean culture that refers to determination, respect, and loyalty towards superiors. At RKS company, the Gung Ye concept is reflected in several ways, such as the use of polite language. Employees show respect for superiors by using polite and respectful language. Respect for seniority. More senior employees are respected and considered to have higher authority. Fulfillment of duties with responsibility. Employees of RKS Indonesia is expected to complete its duties with full responsibility and commitment. With Gung Ye culture, PT. RKS Indonesia has encouraged a work culture characterized by respect, responsibility, and strong teamwork, which in turn fosters harmonious and productive leadership.

CHEONG

Discussion Regarding Cheong.

Cheong is an important concept in South Korean culture that emphasizes cooperative, warm interpersonal relationships, mutual trust, and empathy. At the company PT. RKS Indonesia, Cheong culture is reflected in various ways, such as: Close relationships at work. Employees form relationships that are more than just cooperation, but also close, caring friendships. Collaboration and mutual assistance. Employees tend to help each other sincerely, both in work and personal matters. Coordinated teamwork. Employees of RKS Indonesia work together to achieve common goals and pay respect to the contributions of each team member. Empathetic communication. Employees of RKS Indonesia listens to each other with empathy and tries to understand each other's points of view and feelings. Sensitivity to the moods of fellow workers/colleagues. Employees show sensitivity to their colleagues' feelings and emotions to avoid conflict or discomfort. Celebrate success together. Individual success is celebrated as a collective success, and employees share happiness together as a team. With this concept, RKS Indonesia builds strong social bonds between employees, ensuring warm, trusting, and empathetic leadership, which ultimately contributes to overall well-being and better organizational performance.

NUNCHI

Discussion Regarding Nunchi

Nunchi is an important concept in South Korean culture that refers to the ability to read social situations carefully and respond appropriately. In the company environment of PT. RKS Indonesia, Nunchi's cultural philosophy is reflected in various ways, such as: Avoid direct confrontation. RKS Indonesia tends to avoid open confrontation and tries to resolve problems subtly and indirectly. Adapt to divisional team dynamics. Employees have the ability to adapt to changing team dynamics, reading changes in mood or priorities quickly.

Show respect and courtesy. Employees demonstrate respect and courtesy in their interactions, respecting social and professional boundaries. Show politeness in communication. Employees speak in a way that respects the feelings of others and ensures their messages are delivered in a non-offensive manner. With Nunchi cultural philosophy, the company ensures conflict-free Leadership, respects social sensitivity, and prioritizes smooth communication, which in turn strengthens teamwork and overall work efficiency.

HAN

Discussion Regarding Han.

Han is one of the values espoused by RKS employees and company society. This philosophy emphasizes the importance of harmony and unity in life. In the work context, Han's philosophy is manifested in various daily cultures at the RKS company. Several examples of the daily culture of Han philosophy at PT. RKS namely: Loyalty to the company. Employees of RKS generally has a high level of loyalty to its company. They often work long hours without complaint, even late into the night. This is because they feel they have a responsibility to help their company achieve its goals. Team work. Teamwork is important in company's work culture. Employees are encouraged to work together and help each other to achieve common goals. This is reflected in the various team activities held at the company, such as group lunches, sports activities, and social activities. Obey seniors. Seniority is an important thing in company's corporate culture because of the hierarchical culture. Junior employees or what are called Management Trainees must respect and obey their seniors. This is reflected in various actions, such as lowering your head when meeting seniors, and using polite language when talking to seniors. Drinking culture. Drinking is an important part of the company's work culture. Employees often drink together after work hours to strengthen relationships between employees, honest communication, and deep understanding between employees, thereby creating strong togetherness and holistic well-being.

CHAEBOL

Discussion Regarding Chaebol.

Chaebol is a term referring to large conglomerates in South Korea which are generally owned and managed by one family, which was later adopted by the RKS company. In RKS Leadership, this daily culture can be reflected through several aspects, such as: Centralization of decision making. Major decisions are often made by leaders or managers, with little involvement from lower levels of management. Authoritative leadership. Head of the company tends to demonstrate strong, authoritative leadership with authority that is rarely

questioned. Strong network. The company often has extensive and strong business networks in various sectors, giving them a competitive business advantage. Lifetime employment policy. Employees at RKS often expects long-term loyalty to the company, and the company also provides the guarantee of relatively stable employment.

Discussion Regarding the Hierarchical Culture of RKS Indonesia

In relations between employees at PT. RKS Indonesia, leaders who come from South Korea are considered more authoritative and must be respected by employees/subordinates who come from Indonesia. This is reflected in the use of formal and polite language in communicating with seniors, as well as in a respectful and obedient attitude. For example, employees and subordinates will call the PT leadership. RKS Indonesia is called "sunbae", while high-ranking leaders call their employees and staff "hoobae". In communication at the company, employees and subordinate staff are required to speak with leaders. RKS Indonesia politely, respectfully, and clearly. Employees and subordinate staff should also avoid speaking in public without permission from their superiors. For example, if staff employees want to ask their superiors a question, they should do so in private, not in public. In making decisions the leaders of PT. RKS Indonesia has a big role than employees and subordinates. Leaders such as presidents directors, division directors, and other high-level managers make important decisions, while employees and subordinates are not given the opportunity or authority. For example, if there is a new project to be started, the leaders of each division will decide whether to carry out the project or not. Employees and staff will be asked to provide suggestions about the project, but the final decision remains in the hands of company leaders. In giving awards at the company, leaders receive greater appreciation than employees or subordinates. High-level management is more frequently promoted to higher positions, and they also more frequently receive bonuses or salary increases. Hierarchical culture in the RKS Indonesia has several advantages and disadvantages. On the one hand, this culture can encourage hard work and employee productivity. This is because employees and staff feel encouraged to work hard and show good performance in order to be promoted to higher positions. On the other hand, this culture can cause a gap between leaders or high-level management and employees/subordinates. Employees or staff often feel unappreciated or do not have the opportunity to develop.

Discussion regarding Leadership in RKS Indonesia

Based on the results of observations and interviews at the company office of PT. RKS Indonesia, it can be seen according to the 15 informants, they assess that leaders from South Korea who work at the RKS Indonesia company show leadership as summarized by researchers as follows:

Autocratic leadership style

According to Head of HR and 14 other HR staff agreed to the statement that the leaders of PT. RKS Indonesia from South Korea who serves as director, president director, and other highest-level management tends to show and apply an autocratic leadership style. An autocratic leadership style is a leadership approach where a leader makes decisions without involving significant contributions or input from subordinates or the team.

Top-down approach

According to the Specialist of Human/Employee Development, in corporate culture and leadership at PT. RKS Indonesia as a whole can be said to have a hierarchical culture and hierarchical leadership. The approach tends to be hierarchical, with authority and decisions flowing from top to bottom in the company's organizational structure.

South Korean Leadership Decision-Making in RKS Indonesia

High leaders or directors and top-level managers from South Korea are very reactive in decision-making. According to the Head of HR, high-level leaders are always very reactive in decision-making, where leaders take immediate action without waiting for further input or approval. This can result in quick decisions, but it can also leave little room for participation or teamwork.

Lack of strategic planning skills

Limitations in strategic planning skills are another characteristic of this leadership style. South Korean leaders of RKS Indonesia tends to pay less attention to long-term planning or mature strategy, focusing on day-to-day operational decisions.

Lack of communication skills

The head of HR, revealed that incompetence in communication skills is also often related to an autocratic leadership style. Because of the decision made by the leadership of Indonesia's RKS are often created without extensive consultation or dialogue, communication between leaders and subordinates can be hampered, causing ambiguity and lack of understanding. This is caused by differences in language used, where leaders from South Korea use Korean language and minimal of English, while middle and lower-level managers and staff use Indonesian and English in which they are not very fluent.

No change management skills

Incompetence in change management skills indicates that autocratic leaders may have difficulty managing and facilitating organizational change. This can result in resistance from team members or difficulty in implementing effective changes.

A "just do it" mentality without thinking about the consequences

The Head of HR and 14 other staff employees agreed to assess and said that "the leadership of PT. RKS Indonesia, which comes from South Korea, has a leadership attitude called the "*Just Do It*" mentality or a "just do it" mentality without thinking about the consequences. This attitude reflects a lack of consideration for the impacts that might occur due to decisions that are quick and without involving input from subordinates. and the team. This can result in poorly planned decisions and undesirable impacts on a company of this size.

5. CONCLUSION AND RECOMMENDATIONS

This research is mainly to analyze, indentify and describe two of the variables in the title. Hierarchical culture and autocratic leadership have a mutually supportive relationship, especially in RKS Indonesia. A hierarchical culture that emphasizes different levels within

the company provides legitimacy for autocratic leadership. This is because of the leadership at the company. The autocratic leadership at this company focuses on decision making which is centered on the leaders, as well as the power and authority possessed by leaders at RKS Indonesia.

A hierarchical culture creates an environment conducive to autocratic leadership. A hierarchical culture emphasizes obedience and submission to leaders which can strengthen a hierarchical culture that emphasizes order and obedience. Hierarchical culture and autocratic leadership can improve employee performance. In a hierarchical and autocratic environment, employees have clearly defined roles and responsibilities. Therefore, the implementation of a hierarchical culture and autocratic leadership needs to be adapted to the conditions and needs of the company.

Based on the explanation above, it can be concluded that the five South Korean corporate cultures have a close relationship with the leadership style of PT. RKS Indonesia is autocratic.

Company culture in PT. RKS Indonesia

The daily culture in this company is considered good, but it would be better if the company had a clear and written company culture. A clear company culture can help employees understand the values and norms that apply in the company. PT. RKS Indonesia also needs to carry out regular company culture outreach which is expected to help employees understand and apply company culture in their daily lives. And finally, companies need to create a work environment that supports company culture so that they can help employees implement company culture more easily.

Company Leadership PT. RKS Indonesia

Leaders in PT. RKS Indonesia, which consists of the president director, directors, and other top-level management, need to learn to be more democratic by the philosophy of the Indonesian state. Leaders in the office need to learn to involve subordinates in decision-making and provide input to encourage creativity and innovation, as well as increase employee job satisfaction. Leaders need to learn to communicate with subordinates effectively and efficiently in the hope of helping leaders build trust and good relationships with subordinates. Lastly, the head of PT. RKS Indonesia needs to create a work environment that allows employees to feel comfortable to provide input or new ideas to encourage creativity and innovation.

Next Writer

It is hoped that future authors or researchers will be able to study more sources or references related to culture and leadership in a company so that the research results can be better and more complete. It is also hoped that future authors will prepare themselves better in the process of taking and collecting everything so that the research can be carried out well.

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**T.C.
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