

## Literature Review: Human Resource Management Strategy in Improving Employee Performance of Profit-Oriented Organisations

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### ABSTRACT

This study aims to identify the main factors causing delays in utility duct work in the Mandalika SEZ and to analyze the magnitude of their influence using Structural Equation Modeling (SEM). Furthermore, this research compares the efficiency of precast and cast-in-situ construction methods applied to utility duct work. A mixed-methods approach was employed. Delay factors were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) based on questionnaire data collected from contractors, construction management consultants, and area managers. Model evaluation included validity and reliability testing, structural relationship analysis, and mediation effect assessment. In addition, a comparative efficiency analysis of construction methods was conducted using actual project data, covering direct costs, observable quality indicators, and implementation time. The results indicate that construction methods have a significant direct effect on delays, while environmental conditions indirectly influence delays through their impact on construction method selection. Meanwhile, construction management, regulatory and licensing factors, and social and economic factors do not show significant direct effects. The efficiency analysis reveals that the cast-in-situ method demonstrates more consistent quality and lower costs compared to the precast method, while time performance varies depending on field conditions. Overall, this study highlights the importance of technical and environmental considerations in minimizing delays and improving efficiency in underground infrastructure projects.

**KEYWORDS** *Human Resources Management; Profit-Oriented Organization; Employee Performance.*



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## INTRODUCTION

Infrastructure development plays a strategic role in supporting regional economic growth, particularly in designated development areas such as Special Economic Zones (*Kawasan Ekonomi Khusus*, SEZs) (Ahmadsyah et al., 2024; Hussain, 2019; Osmundsen & Bygstad, 2022; Samanta, 2015). The Mandalika Special Economic Zone is one of Indonesia's priority national projects aimed at accelerating tourism-based economic development through integrated and sustainable infrastructure provision. Among the essential infrastructure components supporting this development is utility ductwork, which accommodates various underground utilities—such as electricity, telecommunications, and water networks—in a centralized system (Agastya et al., 2024; Cantika Yuli et al., 2025; Salahuddin et al., 2021).

Utility ductwork is designed to improve spatial order, ease of maintenance, and long-term operational efficiency. However, due to its underground nature and integration with other construction activities, this type of work is highly vulnerable to implementation challenges. Delays in utility ductwork can lead to cascading effects on other construction packages, disrupt project sequencing, and increase overall project costs, making delay management a critical issue in large-scale infrastructure projects.

Project delays in construction are generally caused by a combination of technical, managerial, environmental, regulatory, and socio-economic factors. In the context of underground infrastructure, these factors tend to be more complex due to site constraints, soil

and weather conditions, coordination with multiple stakeholders, and limited flexibility for corrective actions once construction has commenced. Therefore, understanding the dominant factors that contribute to delays is essential for improving project performance.

In addition to delay factors, the selection of construction methods plays a decisive role in determining project efficiency. Utility ductwork commonly employs two main construction methods: precast and cast *in situ*. Each method has distinct characteristics in terms of construction process, quality control, cost structure, and execution time. Inappropriate method selection may exacerbate delays, increase rework, or result in suboptimal quality outcomes.

Despite the importance of construction method selection, many infrastructure projects rely on conventional decision-making based on experience or cost considerations alone, without comprehensive analytical evaluation. This condition highlights the need for systematic and data-driven approaches that can simultaneously assess delay factors and construction method efficiency, particularly in complex infrastructure environments such as the Mandalika SEZ.

Structural Equation Modeling (SEM) provides a robust analytical framework for examining complex causal relationships among multiple variables. The Partial Least Squares (PLS) approach is particularly suitable for construction research due to its ability to handle small sample sizes, non-normal data distributions, and exploratory model development. SEM-PLS enables the identification of both direct and indirect effects of delay factors, offering deeper insights into project performance dynamics.

Previous studies on construction delays have largely focused on building and transportation projects, with limited attention given to underground utility infrastructure, especially within SEZ contexts. Furthermore, comparative studies integrating delay factor analysis with construction method efficiency evaluation remain scarce. This gap indicates the need for research that combines behavioral perception data from project stakeholders with empirical project performance data.

Therefore, this study aims to identify the main factors causing delays in utility ductwork in the Mandalika SEZ and to analyze the magnitude of their influence using SEM-PLS. In addition, this research seeks to compare the cost, quality, and time efficiency of precast and cast *in situ* construction methods. The findings are expected to provide practical recommendations for stakeholders in selecting appropriate construction methods, minimizing delays, and improving the efficiency of underground infrastructure development in the Mandalika SEZ and similar projects.

## **METHOD**

This research was undertaken by employing a qualitative methodology and a literature review approach. This study reviewed literature associated with human resources in profit-oriented organizations. Data was retrieved through browsing for academic publications on Google Scholars which contained references to keywords associated with the research topic of employee performance. The conclusion of the research process consisted of determining factors that are frequently utilized and influenced employee performance, with a particular emphasis on human resources management in a profit-oriented organizational context.

The choice of 35 appropriate research articles enabled the implementation of data analysis. A validation approach was afterwards undertaken to determine the five most

significant correlated factors that met predefined criteria from a comprehensive analysis related to employee performance throughout the subject matter of human resource management. This was executed to authenticate the research. To provide an in-depth examination of the importance on human resources within profit-oriented organizations, the research articles selected have been employed to build a synthesis of study findings. This has been accomplished by leveraging the literature review as a foundation.

## **RESULT AND DISCUSSION**

Current research primarily focusses on employee performance, which subsequently appears to be the central theme of the research. The data analysis reveals that work discipline and motivation are the most frequently examined variables, appearing in 18 and 12 studies respectively, followed by career development (eight studies), communication and organizational culture (six studies each). The literature indicates that employee performance evaluation in profit-oriented organizations requires an in-depth strategy incorporating multiple factors, comprising of work discipline, motivation, career development, communication, and organization culture are often examined with an emphasis on individual capabilities, which are evaluated separately.

Work discipline creates order, efficiency and quality of work through compliance with rules, punctuality and responsibility, all of which lead to the effective achievement of organizational goals and reduce waste of available resources (Puspitawati et al., 2023; Sigit Wicaksono et al., 2024). Work discipline in the literature, has the most favorable impact on employee performance. Despite being the most extensively studied factor, work discipline shows a moderate level of empirical support, with a 72% success rate, as 13 studies confirm its positive relationship with employee performance while five report no significant relation.

Recent findings indicate that work discipline does not improve employee performance in organizations facing challenges such as workplace conflict, low employee loyalty, excessive workload, inadequate work-life balance, and ineffective communication. Consequently, subsequent study is anticipated to validate that the aforementioned elements may undermine efforts to enhance employee performance through work discipline.

Motivation, as contrast to work discipline, is a concept that consistently prevails throughout an organisation, regardless of the other challenges that the organisation continues to encounter (Ginting et al., 2021; Mantik & Halfa Rifani, 2023; Tamara et al., 2021). presumably this is the situation, it is feasible to draw a conclusion that the factors that motivate employees actually, in fact, have the potential to considerably improve employee performance. Motivation demonstrates a consistent and robust influence, achieving a 100% success rate across all examined studies, particularly highlighting the strong role of intrinsic motivation. Employee motivation is an intrinsic drive that motivates employees to pursue objectives and persist in their duties, resulting in improved efficiency, quality of work, loyalty, and enthusiasm (Ayofe & Martha, 2021).

Employee motivation can significantly influence the attainment of profit-oriented organizational objectives and foster a constructive work environment. In the absence of motivation, employees typically exhibit suboptimal performance, diminished standards, and hinder the attainment of organizational objectives.

Offering career development opportunities guides and engages employees, allowing them to improve their performance, sharpen their abilities, and contribute to organizational goals to their fullest potential. Employees see clear advancement within the organization. Organizations that put financial effort into their employees' professional growth are better able to hold on to their best employees, reducing rate on employee turnover, and guarantee a steady supply of knowledgeable workers in the years to come (Ananto et al., 2023).

As a result, the organization is better able to adjust to new circumstances, which boosts output. Accordingly, it is fair enough to assume that profit-oriented organization can independently steer their own performance improvement efforts to the right direction by facilitating workers' access to educational and training opportunities. Employees' motivation, competence, and loyalty can all be boosted when intention to career development from the employee is being entertained by the organization. This will in turn promotes employee performance.

Profit-oriented organizations are often reluctant to invest in their employees' professional growth, which makes career development a difficult issue for many to achieved. The organization is at a disadvantage since it cannot reap the benefits of the income that employees normally receive during careers advancing season. While in most cases, further negotiation are made before career development, where workers are most the time suffer lost. For the reasons mentioned earlier, neither companies nor employees actively seek out professional development opportunities, even though research has consistently shown that it improves performance. Consequently, it appears that the gap inhibiting employee performance is career development.

Likewise, communication exhibit a 100% success rate, indicating a strong and consistent relationship with employee performance. Emphasizing communication factors can improve clear task understanding, reduce errors, enhance coordination, and build better relationships. Emphasizing the importance of effective communication can facilitate the effective transfer of information and ideas (Aprinawati et al., 2024).

Disruptions to work discipline and communication tend to occur in profit-driven businesses with enormous workloads. nevertheless, only one of the seven investigations has been finalised. Effective communication enhances employee performance, as evidenced by six further studies. The amalgamation of substantial workloads and insufficient work discipline may be culpable. Consequently, more inquiry is highly recommended, potentially through comparative studies or the integration of additional confirmation elements.

A favourable organisational culture significantly enhances employee performance by aligning behaviours with corporate objectives, increasing motivation, engagement, and collaboration, which results in heightened productivity and improved outcomes, frequently by cultivating trust, innovation, and dedication to shared values. A positive organisational culture functions as a social mechanism that directs employee behaviour, fostering more dedication and synergy in the pursuit of objectives (Iskamto, 2023). Organisational culture is a concept that holds constant across a company no matter what other difficulties it faces. Assuming this to be true, it's reasonable to assume that the things that inspire workers can, in fact, have the power to boost their productivity.

Literature research on analyzing employee performance within human resource management context examines various critical variables for profit-oriented organizational

success, such as enhancing productivity to achieve a competitive advantage. A number of studies indicate that measuring employee performance is crucial in understanding the importance of human resources as a core component of management.

## CONCLUSION

In profit-driven organizations, enhancing employee performance is vital for boosting productivity, competitiveness, and profitability, with key elements such as work discipline, motivation, career advancement, effective communication, and a constructive organizational culture exerting substantial influence. Literature reviews indicate that while work discipline positively affects outcomes, its empirical support is moderate due to organizational constraints; motivation consistently provides a strong impetus for superior performance; career development opportunities are crucial for talent engagement and retention but often underinvested in; effective communication fosters better understanding and coordination; and a nurturing culture aligns employee behavior with business goals to elevate productivity and collaboration. Addressing these factors holistically can yield sustainable performance improvements. For future research, a suggestion is to employ longitudinal studies or Structural Equation Modeling (SEM-PLS) to examine the mediating role of organizational culture in the interplay between these elements and performance metrics across diverse industries in Indonesia.

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