

## **ABSTRACT**

*This study aimed to determine good practices in the safety management system and analyze the effect of the Occupational Safety Management System on organizational performance indicators, especially in employee safety performance, competitive performance, and construction project performance. The population of this research was state-owned construction companies (BUMN) in Indonesia including their vendors and private companies. The respondents were 193 companies in Indonesia. Data analysis used the Structural Equation Model with PLS. The result of this research showed that the Safety Management System significantly had a positive effect on competitive advantage, the Safety Management System significantly had a positive effect on safety performance, the Safety Management System significantly had a positive effect on project performance, the safety performance significantly had a positive effect on project performance, and the project performance significantly had a positive effect on competitive advantage.*

***Keywords : Safety Management System (SMS), Competitive Advantage, Safety Performance, Project Performance***