

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Employee performance is a part of the Human Resource Department (HRD) in which HRD is really concerned to all the employees in the hotel starts from recruitment and retention, training and development, employee and labor relations, policy creation and implementation, achievement and maintenance of hotel goals also growth and development of individuals among many other duties, not only to the employees, HRD also concerned about all the activities that related to the employees.

The performance of working determines the individual itself. People who are working cannot know their performance is good enough or not because only others can know about it. Someone will know their performance only while they are serving or build relationship with others which is when someone gives feedback or advice for what they have done. By giving advice or feedback, it will make the employees know whether their performance is good enough or not according to the one who gives feedback.

Employees couldn't feel bad if someone gives advice to them because it is a part of learning in order to improve their performance and skill. Employees who can be known or get praise from their superiors, usually they are the type of employees who have good performance in every situation. Employee performance is one of the key points on working, it came from the knowledge and skill that

they mastered, and it can be from their experiences while handling some issues or from learning by doing the process.

Everyone must have their own skills, talents, and knowledge, and only they know how to improve it until it becomes useful for them and others. All of the performance of employee will be rated by the HRD, therefore, if the performance is not good, HRM will conduct some training to review again all the job that is not well-performed. Skills and knowledge can be obtained from someone who has more experience in dealing with existing problems, it called a training process.

Training is the process of learning in order to get new things related to what will happen in the field. It is a good program for the one who just entered the world of job because by attending the training program, it will give so much knowledge and some practical lesson with a different situation. Training is not only for the person who has no skill but it is also for a person who wants to improve their skill. By having training, it can gain more knowledge for both side trainer and trainees, because, during the training process, all of them have the chance to share their own experiences so everyone can increase their knowledge also can get some motivation or advise in handling that case if it happens again in the future.

Experience is a case that has happened before, it is also a learning process in order to make us think twice if the case happens again in the future so we do not make the same mistake twice in the same case. By sharing the experiences,

people can get the view of that case, therefore, if the case happens to them, they will not get shocked because someone has told about how to handle it.

Besides of training process, HRD also has the systems that can motivate each of the employee in which every hotel will have the different way to make the employee feel appreciate and try to achieve their individual goals. Therefore, to improve employees' performance one of the factors is by giving a reward for what they have done or achieved.

By giving reward to the employees, it can become a motivation for them to become better and better on their performance. A reward is not only motivation but it is also something that can make them proud of themselves if they achieve it. Some people are really happy if they get rewards from the company because for them a reward is a special thing that really hard to get also a thing that describes how hard they achieve the target. Because to get a reward, someone must meet the criterias set by the company.

The research was conducted at Grand Elite Hotel Pekanbaru which is classified as a four-star hotel that located in Komplek Riau Business Centre, Jl. Riau, Air Hitam, Kec. Payung Sekaki, Kota Pekanbaru, is a luxury international business hotel first in Malay heritage city of Pekanbaru (Riau), the Island of Sumatera. It manages by Core Hospitality International which offers a unique and extraordinary experience for customers with very comfortable, affordable and unbearable choices. It is owned by PT. Asiacitra Riau Property.

Grand Elite Hotel Pekanbaru's standard of good service must be consistent and consistently served in the same way. Grand Elite Hotel Pekanbaru has been in

operation around 15 years where the grand opening of the hotel was in December 2005 with the mission is Grand Elite Hotel Pekanbaru must be lived every day, it should not be framed and hanged on the wall but practiced every day. Grand Elite Hotel Pekanbaru is very concerned about their service quality provided to the guest because their first vision and mission is to make Grand Elite Hotel Pekanbaru as a leader in Sumatera with the best quality of service.

According to customer satisfaction, every hotel is very concerned about their customer satisfaction so employee performance is very needed. Grand Elite Hotel Pekanbaru really concerned with three point of view of the employees such as skills, knowledge and attitude, in which the researcher doing this research because there are some employees that do not really competence while handling customers in which the employee don't seem to be able to make the right and fast decisions so guests have to wait quite long to get the solution or answer to what is complained about.

Before employee assigned as an employee at Grand Elite Hotel Pekanbaru, there are some training plans compiled by HRD for the new employee, it can be seen as below:

TRAINING PLAN OF HOUSEKEEPING DEPARTMENT				
DATE	DESCRIPTION	CONDUCTED BY	Time	PARTICIPANT
	Greeting	Management	09 : 00	HK Staff
	Hospitality Knowledge	Commute / HRD	09 : 00 – 10 : 00	HK Staff
	Break Time		10 : 00 – 10 : 30	
	Structure Organization Chart	Dept Head	10 : 30 – 11 : 30	HK Staff
	Job Description for each section	Dept Head	11 : 30 – 12 : 00	HK Staff
	Break Time		12 : 00 – 13 : 30	HK Staff
	Job description for each section	HOD	13 : 30 – Finish	HK Staff
	Hospitality Knowledge	HOD	09 : 00 – 10 : 00	FO & HK Staff
	Handling Guest of Loans	HOD/SPV	10 : 00 – 10 : 45	FO & HK Staff
	Break Time		10 : 45 – 11 : 00	
	Lost and Found	HOD / SPV	11 : 00 – 11 : 30	All Department
	Handling mini Bar	HOD / SPV	11 : 30 – 12 : 00	FO & HK Staff

Figure 1.1 Training Plan

Source: Grand Elite Hotel Pekanbaru

The figure 1.1 above, shows some training plans compiled by HRD for the housekeeping department before becoming a staff at Grand Elite Hotel Pekanbaru. (the table sent by the GM through Whatsapps on Wednesday, July 22 2020)

To find out whether the three important points have been fulfilled or not, Grand Elite Hotel Pekanbaru will conduct an evaluation of each employee that is done with an evaluation in every 3 months of working with several criteria such as including the needs to master the existing facilities, good communication, loyalty, respect to all people, initiative and having knowledge in their fields. If all the criteria have been met that the employee can be said to be competent in doing the job also if the evaluation point is high, then the employee entitled to get a reward. (Appraisal form is available in Appendix J also the example of the housekeeping department program is available in Appendix K)

Due to it, there are two factors that will be discussed in this research such as training and rewards in which it can be the way for them to improve their performance even though some of the employee performance is good enough. Therefore, the writer decided to do a research with the title **“The Influence of**

Training and Rewards on Employee Performance at Grand Elite Hotel Pekanbaru”.

1.2 Problem Limitation

In this research, the limitation is the influence of training and rewards on employee performance. As we can see that the relationship between training and rewards can affect employee performance, where both variables have an influence that will have an impact on the services provided to the guests. To identify the variables that affect employee performance, we need to know whether the training process provided by the company has a high impact on their performance, also whether the rewards given as an appreciation of the performance given to the company can motivate them to be more optimal in providing services to the guests.

Another limitation in this research is the writer only focuses on the Grand Elite Hotel Pekanbaru and the respondents are the employees who work at the Grand Elite Hotel Pekanbaru.

1.3 Problem Formulation

Analyzing how training and rewards affect the employee performance at Grand Elite Hotel Pekanbaru, is the intention of this research, therefore, this research attempts to answer the following questions:

1. How is the influence of training at Grand Elite Hotel Pekanbaru?
2. How is the influence of rewards at Grand Elite Hotel Pekanbaru?
3. How is the influence of employee performance at Grand Elite Hotel Pekanbaru?
4. How are training and rewards simultaneously effect to employee performance?

1.4 Objective of the Research

The objective of the research about analyzing how training and rewards affect employee performance at Grand Elite Hotel Pekanbaru is as follows:

1. To understand the effect of training at Grand Elite Hotel Pekanbaru.
2. To understand the effect of rewards at Grand Elite Hotel Pekanbaru.
3. To understand the effect of employee performance at Grand Elite Hotel Pekanbaru.
4. To find out whether training and rewards are one of the factors that can make employee performance better also which variables are more influential on employee performance.

1.5 Benefit of the Research

There are two benefits in this research which are Theoretical benefit and Practical benefit. Both of its benefits will be written down below.

1.5.1 Theoretical Benefit

For the theoretical benefit, both side trainers and trainees will gain more new pieces of knowledge during the training process and will be motivated if they get rewards. This research can be used as a data analysis to find out whether training and rewards given by the management can be applied in practical or not. Also as a guideline theory for all researchers before entering the hospitality industry, it also can be used as their knowledge block.

1.5.2 Practical Benefit

This research can become learning method for employees to apply it in practice. It will make them feel more confident and look more experienced in dealing with the situations or conditions that come without any prior preparation. The management will see their employee serve the guests with a good quality of service from the knowledge that they gained from the training process and be more enjoyable with the job because there is something that they wanted to achieve. Also for all researcher, both who has joined in the hospitality industry or who has an interest in hospitality industry, this research can become their representation whether they want to apply it in their current job or their new program to make the employee performance or maybe they performance itself become better.