

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 BACKGROUND OF THE STUDY**

The success of an organization in implementing the tasks to achieve the organization goals is influence by leadership. Leadership is an important issue for an organization because the leadership is one of the factors that is very influential for the success of an organization to achieve the goals. A leader is someone who has the ability to influence subordinates with tasks that must be implemented.

In an organization the functions and roles of leaders in encouraging the formation of organizations that are expected to be dominant. In the era of globalization required leadership is a highly competent, and the competence can be obtained if the leader has had the maximum experience and science. Leadership is the way of a leader in directing, motivate and manage all elements within the group or organization to achieve an organizational goal so as to increase employee performance. The increasing of employee performance means the achievement of employees in achieving organization goals. Leaders is responsible for all that stuff concerning the organization he runs. The organization will run well, when leadership in the organization is run as well and full of responsibility too.

The improvement and decline of organization depends on quality leadership of a leader. The role of a leader in organization or group is vital. Because in his role, leader will help organization to realize its vision and mission. Therefore, the leader always have to be sharpened and developed, so it can adjust to the situations it faces. Whether the situation is came from the subordinates, superiors or the organization. We can see that the importance of leader while carrying out his leadership can empower themselves before empowering others.

Performance is the result of a person as a whole during a certain period in carrying out his duties. In the process of execution of the task must have a standard work results, targets, or targets or criteria that have been determined in advance and has been mutually agreed. Performance is the result of the whole thing.

According to the results of a survey on employee satisfaction entitled Global Workforce Study (GWS) 2012 conducted by Towers Watson, almost two-thirds of employees in Indonesia are not has a strong relationship to the company. Even more, it is about 38% of unrelated employees, tend to leave their jobs in two years (PortalHR, 2012). A leader must also be able to approach which is effective for its subordinates, so that employees feel valued indirectly, so they will make a contribution to the company's performance.

From the problems above, leadership is an important factor that must occur within the company. CV Kober is a family business company which is engaged in the field of plastic industry which was established in 1969. With the good leadership to achieve organizational goals for improving employee performance, CV Kober is able to grow years by years and now managed by the Third Generation.

Based on these things, the writer intends to make the research paper with the title of **“THE INFLUENCE OF LEADERSHIP TOWARDS EMPLOYEE PERFORMANCE IN CV KOBER MEDAN”**.

## **1.2 PROBLEM LIMITATION**

Due to the limitation of time, knowledge, experiences and capability that the writer has, thus the research and survey need to be limited. The writer will focus on the leadership and employees performance variables. The research will focus on the indicators of leadership and employee performance. The indicators of leadership are directive, supportive, participative and achievement oriented. The

indicators of employee performance are number of jobs, quality, timeliness, attendance, cooperative ability. And this research will focus on proving whether leadership is very influential to the employee performance.

### **1.3 PROBLEM FORMULATION**

Based on the description of the background of the study above, then the formulation of the problems identified in this study are as follows:

1. Does the leadership influence employee performance in CV Kober Medan?
2. How much the leadership influence the employee performance in CV Kober Medan?

### **1.4 OBJECTIVE OF THE RESEARCH**

Based on the background of the study, problem limitation and the problem formulation above, this study was conducted with the aim to know and examine matters as follows:

1. To prove that leadership influence the employee performance in CV Kober Medan.
2. To know how much that leadership influence the employee performance in CV Kober Medan.

### **1.5 BENEFIT OF THE RESEARCH**

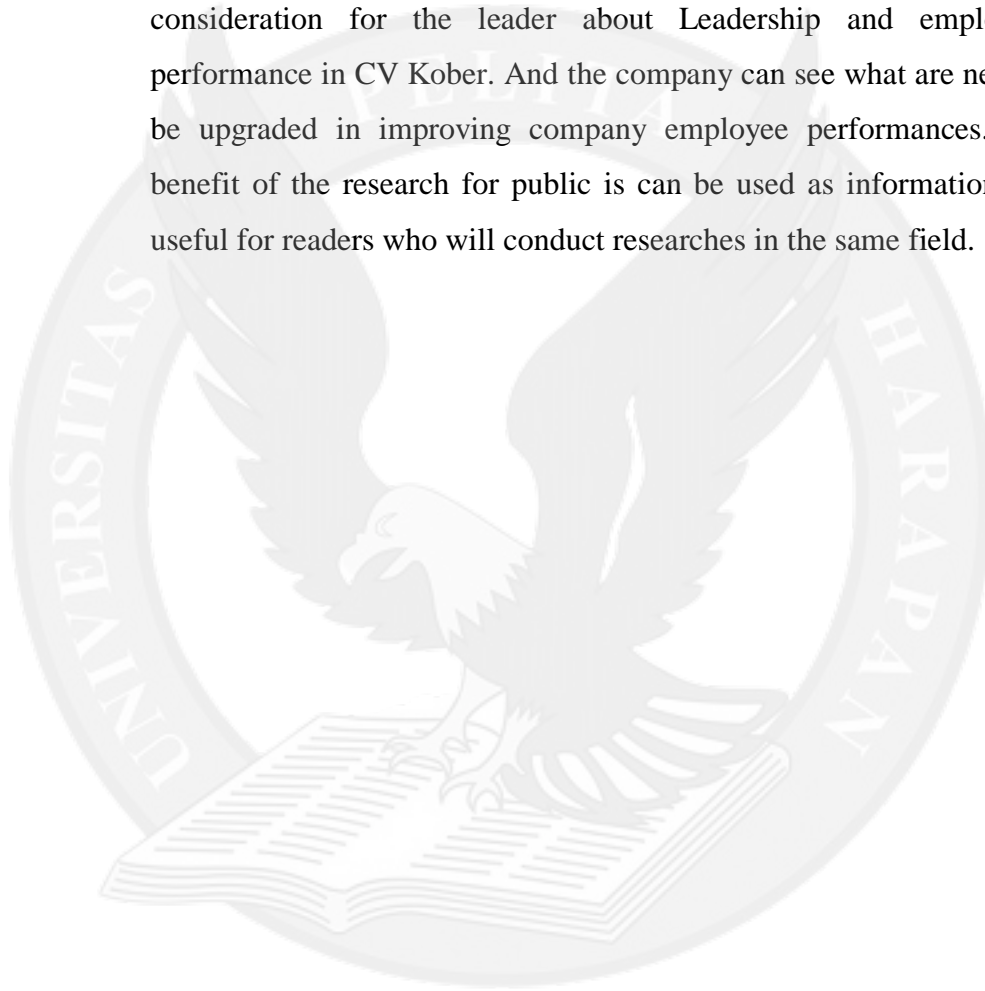
#### **1.5.1 THEORETICAL BENEFIT**

This research is expected to be useful for the development of theory about Leadership and Employees Performance to compare theories studied with the facts that exist in the field so it is expected to contribute to the study of Entrepreneurship and Family Business.

### **1.5.2 PRACTICAL BENEFIT**

The benefit of the research for the writer are to improve knowledge especially about the leadership theory and employee performance theory and the influence of leadership towards employee performance in CV Kober.

The benefit of the Research for the company are can be used as consideration for the leader about Leadership and employees performance in CV Kober. And the company can see what are need to be upgraded in improving company employee performances. The benefit of the research for public is can be used as information and useful for readers who will conduct researches in the same field.



## **1.6 SYSTEMS OF WRITING**

Hereby is the system of writing of this research paper:

### **Chapter I : Introduction**

This chapter is discussing Background of the Study, Problem Limitation, Problem Formulation, Objective of the Research, Benefit of the Research and Systems of Writing.

### **Chapter II : Literature Review and Hypothesis Development**

This chapter contains Theoretical Background, Previous Research, Hypothesis Development, Research Model and Framework of Thinking.

### **Chapter III : Research Methodology**

This chapter is discussing Research Design, Population and Sample, Data Collection Method, Operational Variable Definition and Variable Measurement and Data Analysis Method.

### **Chapter IV : Data Analysis and Discussion**

This chapter contains General View of “CV Kober”, Data Analysis: Descriptive Statistic, Result of Data Quality Testing, Result of Hypothesis Testing and Discussion.

### **Chapter V : Conclusion**

This last chapter contains Conclusion, Implication and Recommendation.