

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF STUDY

Human resource is a critical success factor and most valuable and strategic asset which integrates other functional areas of the organization. The concept of human capital development has gained tremendous attention in the recent times of rapid technological change and high competitive environment. For employees of an organization to work at their maximum effort to determine the success of the organization, there is the need for management to implement policies that give the employees the opportunity to develop their talents, retain them and commit them to the objective of the organization. It is a fact that individuals who are given the opportunity to develop their talent and obtain high level of education and skills are more committed to the goals and objectives of the organization and can produce more output.

In this highly changed and competitive environment in Indonesia, all employees are needed to adapt themselves in the changes of policies and increase their standard in order to improve their performance. When employees are unable to adapt to this challenging workplace environment, they would face pressure and stress on their job. The competition among organizations requires them to give more attention to the operational effectiveness for competitive advantage. The effectiveness for competitive advantage mainly depends on the performance of the workforce. However, the foregoing means that employees are valuable resources, capable of providing competitive advantage for organizations. The resource-based view maintains that human resources can meet the criteria for resources that are valuable, rare, inimitable, and non-substitutable. For organizations to succeed, there is need to address the employee's needs, particularly on aspects such as organization culture.

Organizational culture is the value of norms established and implemented by members as a pointer to the identity of the organization. In each company, each member has the characteristics and characteristics of each culture so that the unification of all members will consider between their own cultures that are tailored to the organizational culture that is formed.

As for Konsultama Technology sales data during the year 2017 can be presented in table I.1 as follows:

Table I.1 Sales Realization Data at Konsultama Technology Year 2017

Month	Target Sales (Rp)	Realization Sales (Rp)	Percentage (%)
Januari	1.200.000.000	925.000.000	77%
Februari	1.200.000.000	886.500.000	73,8%
Maret	1.200.000.000	878.000.000	73,16%
April	1.200.000.000	776.000.000	64,6%
Mei	1.200.000.000	793.000.000	66%
Juni	1.200.000.000	804.000.000	67%
Juli	1.200.000.000	756.000.000	63%
Agustus	1.200.000.000	742.000.000	61,8%
September	1.200.000.000	688.000.000	57,3%
Oktober	1.200.000.000	656.000.000	54,6%
November	1.200.000.000	635.000.000	52,9%
Desember	1.200.000.000	612.000.000	51%

Source: Konsultama Technology, 2017

From table I.1 it can be seen that the sales of Konsultama Technology are not very good, as evidenced by the lowest sales in December with the achievement of only 51% of the sales target of 1,200,000,000.

The following will show the recapitulation of data on the number of violations of employees of Konsultama Technology as in Table I.2.

Table I.2 Recapitulation of Data Number of Employee Offenses Konsultama Technology Year 2017

Month	Culture	Division	Number of Violations	Descriptions
July	Discipline	Marketing	11	1. Late entry to work 2. Late financial statements 3. New employees do not know the portion of work well 4. Negligence in work 5. Use of office facilities for personal affairs 6. Work not help each other
August	Cooperation	Administrative	12	
September	Commitment	Distributing Adm	10	
October	Caution	finance	15	
November		helper	17	
December		IT	18	

Source: Konsultama Technology, 2017

From table I.2 it appears that the number of violations of work that are still high each month, still above 10 violations. The lowest violation occurred in September of 10 violations. The violations do not reflect a good organizational culture. The highest number of violations occurred in December of 18 violations due to inadequate rules, regulations and direct supervision used to monitor and control employee behavior.

Based on the background above, the researcher is interested in choosing the title “**The Influence of Organization Culture towards Employees Performance at Konsultama Technology, Medan**”

I.2 PROBLEM LIMITATION

The research is conducted at Konsultama Technology which located at Jl. Hindu No.88 Medan. This study emphasized on independent variable organization culture and dependent variable the employees performance. This study was conducted to examine the effect of organization culture towards employees performance. The indicators for organization culture, namely: Member identity, Group

emphasis, People focus, Unit integration, Control. (Sutrisno, 2015: 26)
The indicators for employees performance, namely: Purpose, Standard, Feedback, Tools or facilities, Competence, Motive and Opportunities. (Wibowo, 2016: 102)

I.3 PROBLEM FORMULATION

This research digs up whether organization culture has relationship with employee performance among employees in the company. The question to fulfill the research aim, which is: Is there any influence of Organization Culture and Employee Performance at Konsultama Technology, Medan.

I.4 OBJECTIVE OF THE RESEARCH

The main objective of this research is to know whether there is an influence of Organization Culture towards Employees performance at Konsultama Technology, Medan.

I.5 BENEFIT OF THE RESEARCH

The benefits of this study are divided into two, namely theoretical and benefits practically.

I.5.1 THEORITICAL BENEFIT

Theoretically, to writer and reader, the result of this research is expected to be a reference or input for the development of communication science and increase the study of entrepreneurship, especially to determine the effect of organization culture towards employees performance in Konsultama Technology, Medan.

I.5.2 PRACTICAL BENEFIT

Practically, to the company, the results of this study are expected to be input for Konsultama Technology, Medan especially in decision making to determine company policy, helping Konsultama

Technology, Medan solve its problems, better culture and increase employees performance. And for others this research is also expected to assist other parties in presenting information to conduct similar research

I.6 SYSTEMS OF WRITING

In the systematics of writing, the author will briefly describe the chapter by chapter in sequence. The order of writing the chapter to be presented is as follows:

CHAPTER I: INTRODUCTION

It is the outline, the direction of purpose, and the encouraging research grounds the authors do research and include: Background of the study, Problem limitation, Problem formulation, Objective of the research, Benefit of the research (Theoretical and Practical benefit) and Systems of writing

CHAPTER II: LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Explaining further about the theory on which the author is based, which cover: Theoretical background, Previous research, Hypothesis Development, Research model and Framework of thinking

CHAPTER III: RESEARCH METHODOLOGY

Describe about: Research design, Population and sample, Data collection method, Operational variable definition and variable measurement, Data analysis method.

CHAPTER IV: DATA ANALYSIS AND DISCUSSION

Describe about: General view of “Research Object”, Data analysis (Descriptive statistic, Result of data quality testing and Result of the hypothesis testing), Discussion

CHAPTER V: CONCLUSION

Describe about: Conclusion, Implication and Recommendation

