

CHAPTER I

INTRODUCTION

1.1 Background of the Study

In today's global era, the business landscape is changing rapidly, and the competitive environment is no longer predictable. Survival and success depend entirely on the organization's ability to adjust to the dynamics of the business environment by making effective decision-making and proper utilization of skills and knowledge of employees. These are recent developments that represent the recognition of knowledge as a key competitive tool for the hospitality and tourism sector because need to upgrade their employee performance to a much higher level in order to survive in this competitive environment.

Tourism, as one of the world's major economic sectors will ultimately be required to adapt to these changes. But hospitality and tourism industry has been slow in adopting Knowledge Management (KM) approach. Therefore, if hospitality and tourism sector as an activity-based service sector that information and knowledge are fundamental want to remain competitive in this changing era, the adoption of a knowledge management approach will be required.

One of the hotels that begins to use Knowledge Management (KM) is Trans Luxury Hotel Bandung. Trans Luxury Hotel Bandung is known as beyond the five-star hotel by offering the highest standard facilities and remarkable services to local and international guests. This can be proven from the award received such as Travelers' Choice Award from Tripadvisor in 2013 until 2017, Gold Circle Award from Agoda in 2015, and Guest Reviews Award from booking.com in 2015. (handbook for trainee, December 2017).

To become a high-quality hotel, Trans Luxury Hotel Bandung must highly maintain the performance of all employees. Although each employee has their own uniqueness and specialty, but it is a pity that employees could not maintain the production quality. It can be proven through observation by writer witnessing that there were guests' complaints about freshness of the foods.

It would be better if every employee in each department can understand their duties and responsibilities properly and correctly when they applied Knowledge Management (KM). Knowledge Management (KM) can explain about duties and responsibilities of an employee in accordance with the part. This debriefing is expected to give knowledge to hotel employees, especially employees who are still in training. With the increase of knowledge, then this debriefing will be able to improve the performance of employees.

Therefore, it is necessary to study to know the Knowledge Management (KM) to improve the performance of Food and Beverage (F&B) product employees. Thus, the title is formulated as "Correlation Analysis of Knowledge Management Implementation Towards Food and Beverage Product Employee Performance at Trans Luxury Hotel Bandung". The benefits of the research results can be used as input material for the management of Trans Luxury Hotel Bandung.

1.2 Problem Limitation

Through the observation, there are other possible problems that the writer might found, which are the lack of guests in dinner buffet during weekday, the damage of cooking utensils such as stoves, meat grinder. But due to the limitation of the observation and the problem was occurred in other areas, the writer concluded the problem limitation into the terms below.

These are the problem limitation in this study:

1. Trans hotel that is meant in this research is Trans Luxury Hotel Bandung.
2. This research is limited to Food and Beverage Product Employee from Trans Luxury Hotel Bandung.
3. The independent variable (X) in this research is limited into Knowledge Management in identification knowledge, which is Tacit Knowledge focusing on Personal Knowledge and Explicit Knowledge focusing on Job Procedure and Technology.
4. The dependent variable (Y) in this research is Employee Performance focusing on the dimension, which is Quantity, Quality, Timeliness, Cost Effectiveness, and Interpersonal Impact.

1.3 Problem Formulation

This is the problem formulation in this study:

1. Is there any correlation between Knowledge Management and F&B Product employee performance in Trans Luxury Hotel Bandung?

1.4 Objective of the Research

This is the objective of the research:

1. To understand about the correlation between Knowledge Management and F&B Product employee performance in Trans Luxury Hotel Bandung.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

- a. For better understanding towards knowledge management practices and its importance in the hospitality industry in Indonesia.
- b. Can be provide direction for future hospitality research especially Knowledge Management (KM) and employee performance by identifying and describing published studies, suggestions and implications.
- c. Can examine the impact of knowledge management processes in the hospitality industry.

1.5.2 Practical Benefit

1. Benefit for the hotel is to find out and give some suggestion to improve the performance of F&B Product Employee at Trans Luxury Hotel.
2. Researcher and practitioners can create more guidelines to increase employee performance especially in F&B Product in hospitality department.

1.6 System of Writing

This study begins with an abstract and consists of five chapters. The first chapter contains introduction that explain the background of research which is the importance of Knowledge Management (KM) towards Food & Beverage Product Employee Performance in Trans Luxury Hotel Bandung. Then this chapter also mentions the problem statement, problem formulation, objectives, and theoretical and practical benefits.

In the second chapter, this study explains the definitions and factors of variables that supported by previous research. It also has a temporary hypothesis which is "There is relationship between Knowledge Management and F&B Product Employee Performance at Trans Luxury hotel". Then this chapter also completes with framework of thinking.

In the third chapter, this explains the methods used to find out and answer the hypothesis that have been made. Starting from the research design, which is quantitative, descriptive statistic, and coefficient correlation analysis method, as well as the population and sample used for this study. The part that ends this chapter is the operational variable definition, variable measurement, and data collection method.

In the fourth chapter, this study explains through data analysis and discussion. Starting from the general view of research object such as vision, mission, organizational structure, and job description; followed by data analysis then ends with the conclude discussion which proved that Knowledge Management has a strong and positive significant towards Employee Performance at Trans Luxury Hotel Bandung.

In the fifth chapter contains conclusion, which tried to describe the standing of Knowledge Management in Trans Luxury Hotel Bandung, then followed by the implication applied, which can categorized into theoretical benefit and practical benefit, then ended with the writer attempted to provide recommendations that are expected to guide the hotel in order to improve the quality of the performance of its employees.