

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Organizational culture is the behavior of the organization that represent the values and the management style of company that is showed by the performance or services of employee. Every company has different organizational culture. The writer conduct the research at Hotel Aryaduta Medan which located at Jl. Kapten Maulana Lubis No.8, Petisah Tengah, Medan Petisah, Kota Medan, Sumatera Utara 20112. The culture on Hotel Aryduta Medan is Intergrity, Knowledge, Emphaty, Unique, Friendly and Fun. The culture that the organization determine is helping the employee to know how to take action in order reaching the goals of organization. Organizational culture that applied by the company will also shape the character of the employees to carry out their duties and achieve the goals of the organization.

Every organization has the goals itself, as Hotel Business the goals is to reach customer satisfaction which is can be fullfil by the services . Customer satisfaction is the experience that customer get when staying at the Hotel. Customer satisfaction is come from the services that they get directly from employee performance. Employee performance is the result of work achieved by someone in carrying out the tasks assigned in order to achieve the work target. The work target is same as hotel goals. If the performance of employee is good so customer will feel satisfy because of their service.

As organizational culture function is to represent the value of organization, so therefore performance of employee will related to the culture inside the organization that has been determine by the management.

An organization that has strong organizational culture can be seen by behavior of the employee and performance of the employee. Because employee will perform their work accordingly with the culture that embraces in the organization.

Hotel business is one of the business that is competing nowadays. The quality of the services that Hotel give is the main reason to make the business survive. In order to survive, the organization need to increase their quality of services. As organizational culture is one of biggest impact to the performance of employees, then the strong organizational culture will help employee to reach the goals of organization.

As writter ever did internship rogram on Hotel Aryaduta, writter had a chance to interview with Human Resources Manager accoring to the complaints that are still come from the guest on Hotel Aryaduta Medan, that it will be the obstacle in reaching the company goals. According to Mrs Nelly (Human Resources Manager) “the number of complaint mostly directed to the front office area and restaurant area”. She also stated complain mostly come from oral which is directly to the employee. Hotel aryaduta didn’t record the complains by the guest, Human Resources solve the complain directly by giving complimentary to the guest. Therefore according to Sutrisno (2015,p.3) “a strong organizational culture supports organization goals whereas weak or negative ones can be conflict to reach organization goals .

The company that has a strong organizational culture, all the members will understand deeply about the values of the organization, and the member itself will fight to keep the culture stick to the values”, it means that the organizational culture influences the performance of employees in order to achieve the objectives of the company.

It can be concluded that the organizational culture is the media that help organization to reach their goals, that the goals is come from customer satisfaction that employee perform as services. From the phenomenon above writer interested in choose the title **“Effect of Organizational Culture On Employees Performance At Hotel Aryaduta Medan.**

1.2 PROBLEM LIMITATION

The writer in this study emphasized 2 variable which are Organizational Culture as independent variable and dependent variable on Employees Performance. As the phenomenon on the study was the effect of Organizational Culture on Employee Performance at Hotel Aryaduta Medan, so the writer using indikator of Organizational Culture from Sutrisno (2015,p.26) which is Member Identity, Control, and Unit Intergration then for the Employee Performance the writer take the indicator from Wibowo (2016, Pg 102) which are Purpose, Standard, and Competence.

1.3 PROBLEM FORMULATION

From the perspective above, writer choose to take problem formulation which will be discussed is there effect of Organizational Culture on Employee Performance at Hotel Aryaduta Medan?

1.4 OBJECTIVE OF THE RESEARCH

The objective of the research will be to test and analyze the effect of organizational culture on Employee performance at Aryaduta Hotel Medan

1.5 BENEFIT OF THE RESEARCH

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

1.5.1 THEORITICAL BENEFIT

Theoretically benefit to writer and reader is the output or result of this research is expected to be a reference or input for the development of organizational culture on the organization and to determine the effect of organizational culture on employees performance at Hotel Aryaduta Medan.

1.5.2 PRACTICAL BENEFIT

Practically benefit is addressed to the organization or company , the results of this study are expected:

1. To be input for Aryaduta Medan especially in decision making to determine company policy for the employee.
2. Helping Hotel Aryaduta Medan solve its problems, increase sales and influence consumers to stayover night at the hotel by having good service expirience that perform by employee.

For others this research is also expected to assist other parties in presenting information to conduct similar research.

1.6 SYSTEM 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