

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Economic environment is transforming rapidly and this change is represented by phenomena such as globalization, changing market and investor requests and the increasing amount of competitors. To be able to compete successfully in such environment organizations need to improve their performance consistently by decreasing costs, launching new products and services, productivity and speed to market. The individuals who build an organization are considered to be one of the most significant part of the organization. In this case, human resource is considered the most important resource that help the organization grow. Employees and how they are supervised and controlled is a major issue because many other sources of competitive advantage are becoming less powerful than how they used to be. Knowing that the basis of competitive advantage has changed is natural to develop a new frame of reference regarding the concerns of human resource management and strategy.

In leadership company, human resource has a big deal. Human resource is the process of recruiting, selecting employees, giving induction and training, developing skills and assessing employee performance. Human resource includes activities such as motivating, maintaining employee's safety, maintaining proper relations with labor union, providing compensation and benefits for the employees. Human resource management considers people's dimension in management since every organization is compromised by people. To be able to achieve organizational objectives human resource must be able to acquire the services of their employees, improve their skills, motivate them to higher performance and ensuring that employees are committed to the organization. Human resource need to be able to retain the capable, high-

performing employees in the organization to achieve long-term competitive advantage.

The term employee performance implies how significant is an individual's work achievement after using necessary effort on the job which is related to getting the job done, how engaged an individual is to his or her job and how caring an individual is towards his or her colleagues. Early discoveries have suggested that the amount of incentives given have effect on an individual's job performance.

Employee performance can't be optimal if company only rely on machines regardless aspects of human being. It must be remembered that in a company or organization, aspects of human beings who have capable, skilled, responsible as an employee is a company asset that is very valuable for survival company. Human as labor is expected to reach the level optimal work productivity with company standard. Company should motivate employees in such way that the employees will have optimal work productivity.

The existence of employees who have received education and training, usually are more accepting to the tasks assigned by the company and certainly will reduce the risk of workplace accidents harming employees and companies. Employees with certain skills will be able to solve everything and done work full responsibility. Someone who has an education level or high knowledge (in this case understanding of knowledge, skills and its adoption in the company).

Every employee who works in the company is motivated to get higher salary and incentives from companies for better work achievement. These aspects can be stimulants for employees and affect optimal work performance. Every company needs to evaluate the performance of its employees. Its assessment should provide an accurate picture of employee performance. For this purpose, the scoring system must have a job related, practical, have standard standards and use a variety of measurement so that it is reliable.

Motivation has an important position in enhancing the employees' performance in an organization or institution. In addition, organization that consider human needs as the basis when developing organization strategy is more likely to have successful management. Thus, organization need to be able to motivate the employees. Therefore, motivation is an important aspect for an organization to be able to success as it is related to the fundamental behavior which is willingness and choice. According to Abdiaziz Ahmed Ibrahim (2017) enhancing employee motivation improves employee performance.

The quality of employees is the most powerful factor on determining the performance, thus the person that is highly motivated will succeed. While ones with lower motivation level will most likely fail. In advance education sector, job performance is the main focus of administrators and academics where the performance level will decrease if the level of motivation level of employee decrease. A highly motivated employee will do his or her best in doing every single part of his or her duties and obligations. An individual can increase his or her value to the organization by improving his or her job performance.

It is important to deal with a number of problems such as increasing employees' motivation, ensuring that they feel content with their job and ensuring that employees' have a good working environment to increase the employees' work performance.

Based on the observation and interviews with Novia Cornelia, Vice P of the employees of Picket Fence International Pre-School, it was found that there was a lack of motivation to enhance employee's performance. Many of the employees there are decreasing their work performance as they are not motivated to do so. From the first survey with employees of Picket Fence International Pre-School is obtained information that one of the problems that must be resolved by Picket International Pre-School is now how to encourage employees to improve their performance.

Basically, everyone's work motivation is different from one another. Like Picket Fence International Pre-School employees, each employee has a different motivation level to work. To motivate and improve performance employees, Picket Fence International Pre-School should provide facilities to support work such as adequate work equipment, parking place, drinking water, prayer rooms, bathrooms, and for employees to get Social Security, payment of salaries should be on time, additional salary / wages for those who do overtime.

Table 1.1 Employees Attendance and Absenteeism

Month	Number of Absence	Number of Lateness
January	2	8
February	3	13
March	3	14
April	5	13
May	6	17

Source: Prepared by writer

From Picket Fence International Pre-School Employee Attendance and Absenteeism in the last 5 months it is known that the trend is increasing employee delays each month have increased with an average of 15 employees, while the absenteeism has increased with an average of 3 people each month. This is because large number of the employees reside outside the city if this problem is unsolved this might cause a problem in the school in the long term. In addition, salary payments are sometimes not on time, assigning existing menial tasks to highly educated employees, not enough facilities supporting work and heavy sanctions are given to employees who violate company rules.

For that reason, the researcher is attracted to perform a research with the title **“THE EFFECT OF MOTIVATION TOWARDS EMPLOYEES’ PERFORMANCE AT PICKET FENCE INTERNATIONAL PRE-SCHOOL”**.

1.2 Limitation of the Research

Due to limitation in time and ability, the writer determines problem limitation in this study to employees' performance as dependent variable has indicator such as (Sutrisno in Arif Yusuf, 2018): The results of work, Job knowledge, The initiative, Mental dexterity, Attitude, Discipline of time and attendance. And motivation as independent variable at Picket Fence International Pre-School with indicator such as (Maslow theory in Cepi Triatna, 2016): Physiological, Security, Social, Awards, Self-actualization.

1.3 Problem Formulation

Based on the background study that has been described previously, the problem that are being discussed in this research is: "Does motivation have effect towards employees' performance at Picket Fence International Pre-School?"

1.4 Objectives of the Research

The purpose of doing this research is to know whether there is an impact of motivation to employees' performance in Picket Fence International Pre-School.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

This research is expected to contribute to enriching reading sources, research references, and the expanding of knowledge in academia are and by companies on different ways on how to handles the same challenges.

1.5.2 Practical Benefit

a. For the writer

This research is expected to enrich and expand the knowledge on the influences of communication on employee motivation.

b. For the company

This research is expected to encourage employees to value communication and use it more often as tool to channel their grievances rather than opting for other ineffective methods which can arise conflicts between employee to employee and employee to superior or employees to the company itself.

c. For the researchers

The findings of this study will be used as a reference point by other researchers for further research on the same field. They can also use the findings and recommendation as a foundation of their literature reviews.

1.6 Systems of Writing

This research paper is based on the groupings of the main topics that are stated in the chapters.

Chapter I INTRODUCTION

This chapter includes Background of the Study, Company Profile, Limitation of Research, Research Objectives, Research Questions, and Benefits of Research.

Chapter II LITERATURE REVIEW and HYPOTHESIS DEVELOPMENT

This chapter includes Theoretical Background, Previous Research, Hypothesis Development, Research Model, Framework of Thinking

Chapter III RESEARCH METHODOLOGY

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

Chapter IV DATA ANALYSIS and DISCUSSION

This chapter includes General View of “Picket Fence International Pre-School”, Data Analysis, Descriptive Statistic, Result of Data Quality Testing, Result of Data Quality Testing and Discussion.

Chapter V CONCLUSION

This chapter includes Conclusion, Implication and Recommendation.

