

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Human resource is the most important asset for organizational development. It is the source that makes other source use and gets best return out of them. But to achieves employee satisfaction, the company/the organization itself also have to require best for their human resources too. If the human resource or employees are happy and satisfied with the jobs and actions of employer, they will definitely do their best for the company. But if they are not in this state, they might cause company disadvantage. Thus, managing human resource has become challenging. Management always tries to use that art to satisfy their employee. The greater the level of satisfaction of employees is, the higher will be return and benefit for the company itself. And this has been proof by various researcher, scholar, academicians, writers, and leaders.

Success of a company today much depends on the management of the Human Resource Department. In this era of globalization, companies should be able to direct its human resource to be a dependable employee, play and active role in solving the problems being faced by the organization and contribute to provide added value for the company's progress.

Companies that follow the progress of time era is certainly always strive to meet long-term goals of an organization, namely the development of the company. To achieve this goal, the company expects its employees to have a high performance in carrying out the duties and responsibilities that have been given by the company. With the employee's high performance, it is expected that all employees will complete task and responsibilities given to the company with the result that are effective, efficient, and optimal. Therefore, with the good employee performance, the company's goal will be achieved too.

One of the factors that affect the performance of employees is the Job Satisfaction; the workers with a high job satisfaction may have chance to perform very good in their workplace because that they didn't work with a burden mind.

Job satisfaction is merely how content an employer has with his or her job, that is, whether they like the job or individual elements or facets of employment, such as the nature of the job or oversight. Actually, there are two kinds of job satisfaction depending on the level of emotions of staff about their employment. The first, and most analyzed, is global job satisfaction, which refers to employees' overall feelings about their jobs. The second is job satisfaction, which refers to feelings regarding specific job aspects, such as salary, benefits, work hierarchy (reporting structure), growth opportunities, work environment and the quality of relationships with co-workers.

According to Hasibuan (2015:195), "*kepuasan kerja adalah sikap emosional yang menyenangkan dan mencintai pekerjaannya. Sikap ini dicerminkan oleh moral kerja, kedisiplinan, dan prestasi kerja.*" It means that job satisfaction is an emotional attitude that is pleasure and loves his job. This attitude is reflected by work morale, discipline, and work performance.

Ministro Café which is located on S. Parman Street, No.308 Medan is a cafe with food - wine - lounge concept in Medan. The appearance of foods here are so attractive and good looking, such as: crispy tortilla chips, mushroom alfredo, premium new zealand oxtail and many other western food. The local food can also be found in here, such as: fried rice and fried noodle.

The job satisfaction by the employee is important because it will affect the work performance by the worker, cost efficiency and timeliness of the production. When the employees feel that they're satisfied with their job, they can complete the job in effective way.

In addition, the writer did preliminary test by interviewing two employees, the first is with initial "W", stated that the employees didn't really care about their achievement in the company because they did not get recognition for the job well done, the second employee with initial "S", stated that the employee which are working in team need a job flexibility and personal freedom to organize their team. They believe that if they have job flexibility and personal freedom, they can arrange their own schedule in producing goods and can improve the quality of the product.

In this study, the researcher wants to analyze the effect of job satisfaction towards employee performance at Ministro Cafe Medan which located on S. Parman Street No.308, Medan City -North Sumatera and write it in this thesis entitled **“The Effect of Job Satisfaction towards Employee Performance at Ministro Cafe Medan”**.

1.2 Problem Limitation

In order for research conducted more focused and easily in collecting and processing data, the scope of research is limited as follows. There are so many cafes in Medan. This study only examines one of the cafe in Medan, which is only limited to Ministro Cafe Medan. There are two variables that have being applied in this research, they are: independent variable (job satisfaction) and dependent variable (employee performance). The indicator of job satisfaction includes: satisfaction with the work itself, pay or salary, growth and upward mobility, supervision, and coworkers (Kumar & Sangaran, 2015). The indicator of employee performance includes: quality, need for supervision, cost efficiency, discipline, and timeliness (Kotler & Keller, 2014).

1.3 Problem Formulation

Based on the description on the background of the study above, the research questions in this study are as follows:

1. How is the job satisfaction and employee performance at Ministro Cafe Medan?
2. Does job satisfaction have effect towards employee performance at Ministro Cafe Medan?

1.4 Research Objective

The research objective are as follows:

1. To evaluate job satisfaction and employee performance at Ministro Cafe Medan.
2. To discover whether job satisfaction have effect towards employee performance at Ministro Cafe Medan.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

Theoretically, the results of this study are expected to be useful to strengthen the theory in about management marketing, especially about the effect of job satisfaction towards employee performance in a company.

1.5.2 Practical Benefit

The practical benefits expected from this research are as follows:

1. For the writer

This research can provide an overview and knowledge about management marketing, especially about the effect of job satisfaction towards employee performance in a company.

2. For the company

This research is expected to be used as a suggestion to give more attention about the factors of job satisfaction in order to increase the level of employee performance.

3. For the future researchers

The results of this research are expected to be used as a source of references who concerned in conducting related research in the future.

1.6 System of Writing

The researchers compiled the writing with the following details:

CHAPTER I : Introduction

This chapter contains the background of the study, problem limitation, problem formulation, objective of the research, research benefits, and the systems of writing.

CHAPTER II : Literature Review and Hypothesis Development

This chapter discusses various concepts and theoretical basics related to the concept of job satisfaction and employee performance.

CHAPTER III : Research Methodology

This chapter will describe the research design used, the object of research, the method of data collection performed and the method of data analysis.

CHAPTER IV : Data Analysis and Hypothesis Development

This chapter describes the overview of the research objects discussed in this study and describes the data analysis and the detailed discussion.

CHAPTER V : Conclusion

This chapter contains the conclusions of what has been described in the previous chapters, and also contains suggestions for improvement for research development related to this research topic.