

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Employees are the company's most expensive assets compared to other assets because employees are the main driver of the company's organization. Employees must be optimally managed, continue and given extra attention and fulfill their rights, in addition employees are business partners to achieve organizational goals. In addition to companies, employees must always increase their competence, along with the development of the globalization era. In order to compete in business competition, companies are required to obtain, develop and maintain quality human resources. Human resources as the driving force of an organization are heavily influenced by the participants, and their role is very supportive for the success of the organization.

Rapid economic development requires that companies have quality human resources will be strength for the company to survive. The ease caused by technological advances also causes many new competitors to enter the business. Companies that are ready to compete in the business world must have effective and efficient management in improving and supporting employee work performance. The success of a company is not only to the superior technology, facilities and infrastructure, but also must be supported by qualified and competent human resources in implementing and managing company activities.

The success of a company depends on the performance of its employees so that the role of employees in the company is very important. Performance is

generally interpreted as a person's success in carrying out a job. Good employee performance is not formed by itself, but must be managed by the company management. The success of employee performance is shown by good feedback so that employees are motivated to keep trying to give good performance results. For this reason, there needs to be attention from the company's leaders, because the declining performance of employees can affect the company's performance.

The Coffee Crowd is one of the famous coffee shops in Medan. Coffee Crowd is located on Ringroad City Walks Floor 1 Jalan Ringroad Medan which was founded in 2019. The food and drinks provided are also varied and quality is guaranteed. With an attractive service concept, this restaurant is in great demand for all groups, from children to parents. In addition to providing food and drinks with a variety of offerings, The Coffee Crowd also carries the concept of simple, modern, and homey ambiance. Of course, this can comfort the visitors who want to enjoy the dish as well as hang out with their friends. Steady and suitable as the location of choice after returning home from activities. This cafe has many branches in Medan. Cafe provides Indonesian food and Chinese food. The food is delicious, the service is fast and good. Standard food prices. This cafe is always busy and noisy, not suitable for a relaxing

Table 1.1 List of Competitor Coffee Crowd

Name	Year
Opal Coffee	2007
Doffee-Dough and Coffee	2016
Coffee Box	2013
Laurence Coffee	2014
Sensuri Coffee Gallery	2017

Sources: Prepared by the writer, 2021

Based on interviews with several employees that there is a decrease in employee performance Coffee Crowd that can be seen from the work of employees who always make mistakes that can disappoint consumers, employees do not take the initiative in carrying out work and employee delays that increase every month.

Competence is also important in a company, competency is an ability possessed by an individual who has a sale value and is applied from the results of creativity and innovation produced. Work competency also affects employee performance at the company. Competence is basically what a person should do in his work. Competence shows the rational action that can achieve its objectives satisfactorily based on the conditions (prerequisites) set.

The factor that is thought to cause a decrease in employee performance is the competency of the employee Coffee Crowd. Where employee competence cannot support employees to achieve work performance due to unfavorable attitudes in compliance with applicable regulations in the company, the ability to support employees in carrying out their duties and responsibilities. Some of these things cause frequent errors in work and less carry out work quickly due to lack of understanding of the work.

From the description that has been there before, it encourages researchers to discuss in the thesis under the title "**The Influence of Competence on Employees Performance at Coffee Crowd Medan.**"

1.2 Problem Limitation

Limitation of the problem in this study only discusses the influence of Competence on Employee Performance at Coffee Crowd Medan. According to Wibowo (2018), there are five types of competency characteristics, namely as follows motive, traits, self-concept, knowledge and skills. According to Bangun (2015: 234), to measure employee performance is as follows amount of work, quality of work, timeliness, presence and ability to work together.

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1.3 Problem Formulation

The problem formulations in this research are:

1. How is condition of competence at Coffee Crowd Medan?
2. How is condition of employee performance at Coffee Crowd Medan?
3. Does the competence has an influence on the employee performance at Coffee Crowd Medan?

1.4 Objective of the Research

The purpose of the study is

1. To analyze competence at Coffee Crowd Medan.
2. To analyze employee performance at Coffee Crowd Medan.
3. To analyze competence has an influence on the employee performance at Coffee Crowd Medan.

1.5 Benefit of Research

1.5.1 Theoretical Benefit

A reference for similar research in the future, especially concern about Competence attention to the level of Employee Performance.

1.5.2 Practical Benefit

Some of the benefits are expected for:

1. Researcher
Help the writer to know the influence of Competence on Employee Performance at Coffee Crowd Medan.
2. Reader
Help to improve reader knowledge about how important the influence of the level of competence has an influence on the employee performance at Coffee Crowd Medan.
3. Company
Help the company to aware that Competence influenced the Employee Performance.