

# CHAPTER I

## INTRODUCTION

### 1.1 Background of Study

The culinary business is one of the businesses that is greatly reduced in today's development. Everyone has a taste in determining the food they like. Business in the culinary field is one of the most fulfilling businesses because food is one of the basic needs that must be met by the community. The restaurant and cafe business are growing from time to time. At this time, restaurants and cafes continue to appear with increasingly unique concepts in terms of menus, café design or the services provided. With the increasing variety of things, consumers will have various types of choices. Consumers will tend to consider the various things that are superior to the cafes and restaurants they will visit. Various markets are always divided by the different needs and desires of each customer. Culinary industry is very competitive. Every café and restaurant in the city of Medan continues to present the latest concepts with a variety of menus and increasingly affordable prices. Variations in menu and comfort atmosphere in the café will also be an added value that distinguishes it from other places.

Hospitality is a major part of good service to customers. Hospitality science is the study of services provided to customers. Employees are trained to provide the best service to customers as a major part of achieving customer convenience. The ability to develop or not a business is very dependent on the ability of company management. Maximum service from the employee and being able to meet the expectations and even exceed the expectations owned by the customer becomes an important element in hospitality. Service is the main element in carrying out every hospitality standard by prioritizing the ability to continue to develop and serve customers with established standards.

Good hospitality application is needed in running a culinary business. One of the elements of hospitality is service, which is prioritized in providing services. Assessment of employee service capabilities is always the main thing in consumer considerations. The ability of employees to provide services will be an important aspect of consumer assessment. In general, consumers really pay attention to the services provided as a major factor in visiting these restaurants. Hospitality business it is known that elements service and human contact are more dominant in determining satisfaction, but not meaningful for the convenience store located on the left it is assumed that the service is not urgent. Even though it sells goods, the reality is at this point. Hospitality in shops is also very important in determining customer satisfaction. Unfriendly shop staff service will cause shoppers to be reluctant to revisit the store self-service. Therefore, the convenience store right now can be concluded as a form of hospitality business oriented.

Service quality reflects a level of achievement in customer service: it refers to customers' evaluation and exceptions of organizations' service offering that could be favorable (or not). Companies continually strive to improve their service offering to not only satisfy, but to also surprise and impress them. (Collins, A, 2017). Service quality is something that must be done by the service provider well. The quality of service as perceived by consumers comes from a comparison between what is offered by a service company, namely expectations and with their perceptions of performance. (Apriyani and Sunarti, 2017)

In improving services, hospitality business makes it as one of the tips to compete with its competitors. Apart from that business hospitality must provide something else than others always will embedded and become an unforgettable experience for consumers in comparison with what is given by its competitors. The main key in producing a good service business is

service. A quality standard is set to meet the products and services that are in accordance with the price and value expected by the customer and are able to provide benefits for the company.

Training is every attempt to improve job performance at a certain job that is being responsible or a job that is related with work to be effective. The final goal in the implementation of the training is the maximum possible achievement.

Training will also provide opportunities for employees to develop skills and abilities in working so that what is known and mastered can help employees to understand what should be done and why it must be done, providing opportunities to add knowledge and expertise. Everyone has their abilities, but their abilities may not be in accordance with the specifications sought and needed by the company, so it is important for the company to carry out training so that employees know what they should do and how to do it. Employees are the most valuable asset of every company as they can make or break a company's reputation and can adversely affect profitability. Employees often are responsible for the great bulk of necessary work to be done as well as customer satisfaction and the quality of products and events. Without proper training, employees both new and current do not receive the information and develop the skill sets necessary for accomplishing their tasks at their maximum potential. Employees who undergo proper training tend to keep their jobs longer than those who do not.

Employee is a key of any business. The accomplishment or problems of the firm depends on its employee productivity. Hence, top management realized the importance of investing in training and development for the sake of improving employee productivity. With training being held, it is hoped that employees will be able to work with better work productivity. Work productivity is the ability of an employee to produce and improve

quality in carrying out work that is their responsibility. Employees who have good work productivity will have work results that match expectations. Good training brings benefits including increasing employee knowledge of culture and competitors, helping employees to understand how to work effectively in teams to produce quality services and products, ensuring that corporate culture emphasizes innovation, creativity and learning, and guarantee safety.

The assumption of work productivity can be seen as a mental attitude that always holds the view that today's life must be better than yesterday, and tomorrow must be better than today. Employees with this attitude will be encouraged to be dynamic, creative, and open while remaining critical and responsive to new ideas and changes. This requires an appropriate human resource development strategy. Work productivity is the result of the interaction between work ability (ability) and motivation (motivation). Work motivation can be influenced by physical conditions, social conditions of the work environment, and basic needs of employees. Productivity can be interpreted, among other things, from the aspect of individual appearance. Thus, employees who have the ability and high motivation in carrying out their duties will be able to support the organization by becoming productive employees characterized by fulfilling job qualifications, positive work orientation, maturity, high motivation, and being able to get along effectively.

In running a business, it is not enough only to have large capital to achieve its goals but must be assisted by employees. Therefore, between companies and employees there must be cooperation to achieve the desired goals in order to be realized in work productivity. Employee productivity is a very important factor in supporting business success. High productivity will be very beneficial both for employers and for employees, especially for their welfare. Productivity also reflects the work ethic of employees which

is also reflected in a good mental attitude. Employers and employees involved in a company must strive to increase productivity. Employee productivity cannot be achieved if the attitude of employees in work is not in line with organizational goals. Organizations in which there are organizations, these organizations are also inseparable from the problem of work attitudes and organizational performance. Organizations often face problems in the work environment, both with co-workers, superiors or even with the work itself.

Fountain Café and Restaurant is a café and restaurant engaged in the F&B sector which was established in 1988. Currently, Fountain has several branches at Sun Plaza, Medan Fair Plaza, Center Point, Cemara Asri, Palang Merah, Cambridge, Thamrin Plaza. The menu that is always used as a symbol of Fountain is Ice Cream which is very well known in Medan City. Fountain also provides a variety of local menus and a various western menu. For employees who work at Fountain Café, the number of trainings held every 2 years for old employees and once every 3 years for employees with a service period of less than 1 year. The training is carried out directly with the appraisal method of direct work trials in the restaurant supervised by the manager of the Fountain Café.

In measuring work productivity, Fountain Café and Restaurant has a KPI (Key Performance Indicator) that employees must fulfill at work. The KPI assessment system is carried out by branch leaders assisted by a Manager or Assistant Manager with an assessment every 1 month. The training process is also carried out by senior employees to junior employees with a 3 months trial period. The assessment process during this time will determine whether the employee is accepted as an employee or not. Following are the assessment points in measuring KPI based on the interviews conducted.

**Table 1.1**  
**Key Performance Indicators from Fountain Café**

No	Subject of Assessment	Weighted Value
1	Control service standards	20
2	Check stock cafeterias and inventory	10
3	Sale of promo menu	10
4	How to educate members	10
5	Cleanliness of floors, chairs, tables	10
6	Good and correct work behavior	10

Source: Fountain Café and Restaurant, 2020

On the main problem faced by Fountain Café and Sun Plaza Restaurant, employees still get complaints from customers about the internal services provided during training. Complaints are accepted because employees are often impolite in speaking and are not active in offering menus to customers. Some complaints were due to employees who were less responsive in fulfilling requests from customers. This shows that the current training has not been going well in accordance to the expectations and targets of the company in providing training. The following is data on complaints from customers from 2017 to 2020.

**Table 1.2**  
**Complaint Data from Fountain Café and Restaurant Sun Plaza**

Years	Amount of Complaints	Reason of Complaint
2017	32	1. Employees are not polite when talking to customers 2. Employees are slow in serving food menus when the restaurant is busy 3. Employees are not active in offering menus and explaining promotional programs
2018	28	
2019	35	
2020	36	

Source: Fountain Café and Restaurant, 2017-2020

In the complaint data received by Fountain Café and Restaurant Sun Plaza, it shows an increase in complaints experienced because employees do not carry out internal service standards properly. The number of complaints from 2017 to 2020 tend to show an increase and employee productivity is still considered not good by customers who visit Fountain Café because they have not carried out the training results properly

The problem phenomenon in this study is regarding the quality of employee training for employees who have not been able to apply training properly so that it has an impact on the services provided and this becomes complaints for customers who are dissatisfied with the internal services provided so that this has an impact on productivity employee work.

As a result of this analysis, the writer decides to pursue a study titled **“The Influence of Service Training towards Employee Productivity at Fountain Ice Cream Café and Restaurant Sun Plaza Medan”**

## **1.2 Problem Limitation**

This study will limit the phenomenon of problems regarding service training employees still get complaints from customers about the internal services provided during training. Some complaints were also due to employees who were less responsive in fulfilling requests from customers and influence on employee productivity.

Restrictions of the issue are service training and employee productivity. Indicators of service training as the independent variables include type of training, training objectives, materials, methods used, and qualifications of participants (Prayogi and Marsudin, 2018) and indicators of employee productivity as the dependent variables include ability, trying to improve the results achieved, morale, self-development, efficiency (Muayyad, 2016).

## **1.3 Problem Formulation**

The following questions will be addressed in this report, based on the study's context:

- a. How is the service training at Fountain Ice Cream Café and Restaurant Sun Plaza Medan?
- b. How is employee productivity at Fountain Ice Cream Café and Restaurant Sun Plaza Medan?
- c. Does service training have an influence on employee productivity at Fountain Ice Cream Café and Restaurant Sun Plaza Medan?

## **1.4 Objective of The Research**

The following objectives inspired this research:

- a. To explain about service training at Fountain Ice Cream Café and Restaurant Sun Plaza Medan.
- b. To explain about employee productivity at Fountain Ice Cream Café and Restaurant Sun Plaza Medan.
- c. To analyze whether service training influences employee productivity at Fountain Ice Cream Café and Restaurant Sun Plaza Medan.

## **1.5 Benefit of the Research**

### **1.5.1 Theoretical Benefit**

This research is intended to support the writer directly by having experience performing analyses and putting learned theories into practice, as well as serving as a guide and source of knowledge for other scholars interested in conducting further research. It will include explanations and helpful details to assist the business in implementing its policies. Additionally, the findings of this study are intended to contribute to existing hypotheses about service preparation and its impact on employee productivity.

### **1.5.2 Practical Benefit**

The study's practical value was in relation to service training and employee productivity.

- a. For the writer: To collect information about customer efficiency and staff morale, as well as information about the enterprise itself.
- b. For the company: To make recommendations and offer guidance about how to enhance service training by increasing staff efficiency.
- c. For prospective researchers: Readers who want to perform their own research and compose a paper can use this writing as a resource and guidance, especially in relation to service training and employee productivity.