

CHAPTER I

INTRODUCTION

1.1 Background of Study

In this era of globalization, every business tries to maximize their employee performance in order to keep up with the tight of competition. To be able to meet the goals, every company whether it is big or small, need to invest a professional human resources. Human Resources play an important role in all business sector because it helps company to develop their employee performance by providing them some training. Recently, many companies have invested more on employee training since it becomes a vital business strategy which not only to retain the employees but also helps them to invent a skilled workforce for the better performance in the future. In the study of Mathis et al., (2016), Human Resources give a lot of benefits to company because it can help them to maximize the employee performance by having a training but under the rules and the regulations that the company set.

Besides that, employee's performance is really important to all business sector around the world because the variable is a measurement to company growth. If the employees handle all job and task that has been given professionally, it can help the company to achieve the vision and mission. By having a professional employee, every company will hire and filter an employee that suits for the criteria. Furthermore, the employee will be sent to a training development programme to reach their standard or the key performance indicator of the company. Every

company always tries their best to provide training programs to prepare their employees to perform based on the rules and regulations that has been set. (Huang and Jao, 2017)

Employee is an individual who was hired by an employer to do a specific job. The employee is hired by the employer after an application and interview process results in his or her selection as an employee. Besides that, every company definitely wish to have professional employees which can serve the customers and fulfil their needs. That's why every company has invested a program training for their employees to have a good performance. (Heathfield, 2021)

While, training refers to a company who want to give a best facilities to the employees for learning some knowledge like skills, attitude and behaviors. If they mastered these component, they will performed a good quality of services. According to Jaoude (2015), company that has invested a high-level of employee training usually gain three times profit compared to the others. Every business also has different needs, therefore there have several strategies to train the employee according to the related areas and functions. Employee training not only benefit the company's career grow as well, it also helps themselves to improve their inner skills and knowledge base. If they aware with the results, they also can feel motivated and satisfied with the job that they do.

According to Lia Ciner (2019), employee performance means how our employee act in the workplace, and how professional and friendly they are to the customers. Employee performance means like how employee do their job with a standard that has already set by the company. If the employee good at handling the

customer, customer will feel satisfied and the company will definitely get a customer retention.

Not every business can run smoothly, the relationship between employee's training and employee's performance is really important since both variable are depending on the workers. If the employee being trained well, the performance will get a best result too. Thus, employee training is not only target to improve the employees about their responsibilities, but it also helps to encourage employees to develop more commitment towards their job for the future. As what has mentioned before, there have several strategies about training, it can be held inside the company or it also can be held outside the company. When the training holds outside the company, the employee can feel a different atmosphere. If the company held a training outside the company, it usually can provide new atmosphere for the employees who can increase the result for the performance. (Kasmir, 2016)

In Medan, there also have several companies which have set a standard to hire the employees. One of them is Coffee Box. Coffee Box is a restaurant which located at the central of the city at Jalan Palang Merah, Medan, Sumatera Utara. This restaurants has established since 2007 and sell many varieties of menus. The reason why the author chooses Coffee Box as the research object is because from the external worldview there have some complaints from customers who are not satisfied about Coffee Box employee's performance.

As we can see from the Google Review as follow:



Figure 1.1 First Customer Review on Coffee Box

Source: Google Review (2021)



Figure 1.2 Second Customer Review on Coffee Box

Source: Google Review (2021)

So, as the feedback above, it can be assumed that the employee is being rude and didn't have a hospitality manner like having a smiley face and being friendly to all people. Those complaints is supported by a decreasing in employee

performance when it comes to serve customers. Furthermore, based on the interview with the manager, the training process in Coffee Box is only focus at how they train the waiters bring the food and make sure that the employee remembering all menus that sell in the café only. For recruiting the employees, they only give a test around the menus. If the trainee can answer all the questions very well, they will be recruited. Thus, for all employees and trainees, the leaders will always briefing them every morning in the café area only.

From the information above, it can be seen there are several factors that shows the lacking of the training process in Coffee Box. The first one is the training which only focus on the waiters' performance since waiters is the person who are the most likely to interact with the customers. Actually, they need to have more interesting content to train all the employees for having skills, attitudes and behaviours. The second one is they need to have more materials to be trained. Usually, the HRD trained them in traditional way which ask them to follow every steps that the seniors did. They can use a video clips and audio to train the employees effectively instead of traditional way.

On another interview with the past employee that has been worked for 4 years, there have some employee who like to absent and late to the work without any reasons. In addition, he also mentioned that they are not really being trained from the process in training session which makes them lazy to attend the training session.

The author also do an observation at Coffee Box and the result shows that the employee is not too initiative when served a customers. They also take a long

time in preparing the food and beverages which makes the customers feels inconvenient.

Based on the description of phenomena above, the writer is interested in conducting research with the title **“The Effect of Employee Training towards Employee Performance at Coffee Box, Medan”**.

1.2 Problem Limitation

In this paper, to make it easier to processing the data, the author will focus on some limitation of the problem as follows:

1. For Indicator of Employee Training (Variable X), the writer use training contents (TC), training environment (TE), facilities and material (TM), training schedule, and presentation style. (EL Hajjar & Alkhanaizi, 2018).
2. For Indicator of Employee Performance (Variable Y), the writer use the work quality, productivity, work knowledge, reliability, attendance and initiative. (Dessler, 2015).
3. This research is only applicable for Palang Merah Branch of Coffee Box, Medan.

1.3 Problem Formulation

Based on the background study above, the writer formulate research problem as below:

1. How is the effectiveness of training in Coffee Box Medan ?
2. How is the employee performance in Coffee Box Medan?
3. Does the training effect towards employee performance at Coffee Box Medan?

1.4 Objectives of The Research

The objectives in doing this research are as follows:

1. To evaluate the effectiveness of training at Coffee Box, Medan
2. To evaluate the employee performance at Coffee Box, Medan
3. To discover whether the training effect towards employee performance at Coffee Box, Medan.

1.5 Benefits of the Research

In this title, the author would give a theoretical benefit and practical benefit for the readers, so they will know the effect of employee training towards employee performance at Coffee Box, Medan.

1.5.1 Theoretical Benefit

- a. This research will give a knowledge to the readers about how important the effect of employee training toward employee performance.
- b. This research will give a knowledge about what the readers need to do to conduct a training.

- c. To know the standard of being a good employee, so the readers can perform well in company.

1.5.2 Practical Benefit

- a. This research will give an idea to the company especially human resources department to create an effective training.
- b. From this research, it can help a company to improve their quality of training to maximizing their employee performance.

