

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Along with the development of the times, the problems facing organizations increasingly complex. Every organization is faced with complicated conditions that demand the organization it empowers all components HR. Job promotion is one way to utilizing human resources in order used efficiently. The human factor is recognized as a main factor in each organization, despite technological developments now growing rapidly, but human still plays an important role in it. Therefore, if human administration and arrangement are not well noted then achievement organizational goals will undoubtedly be disrupted. Along with the development of the times, the problems facing organizations increasingly complex.

The organizational performance has a strong line with employee performance. Performance is essentially result of work that can be achieved by a person or group of people in the organization, in accordance with the authority and responsibilities of each in order to attempt to achieve organizational goals in question legally, do not break the law and in accordance with moral and ethical (Prawirosentoso, 2018).

Performance is the result of the quality and quantity of work accomplished by an employee in performing their duties in accordance with the responsibilities given to him. Performance is the result or the overall success rate of a person during a certain period in carrying out the task compared with a range of possibilities, such as the standard of the work, the target or targets or criteria that have been determined

in advance and have been agreed (Rivai and Basri, 2015). Performance is a function of motivation and ability to complete the task or job a person should have a degree of willingness and a certain level of ability. The willingness and skills of a person would not be effective to do something without a clear understanding of what is done and how to do (Kasmir, 2016).

PT. Rimba Mujur Mahkota is a modern corporate company with international standards engaged in the agriculture and palm oil industry. Established since 1992, PT. Rimba Mujur is located in Natal District, Mandailing Natal Regency, North Sumatra. Supported by experienced, agile, and dynamic and high-quality professionals in order to provide the best service to customers and are committed to always trying to reduce pollution by using natural care ingredients that have an impact on the environment in every activity and product produced in order to create a balance of resources nature and the surrounding ecosystem. PT. Rimba Mujur Mahkota obtained the Quality Management System Certificate: ISO 9001: 2008 and the Environment Management System: ISO 14001: 2004 issued by the BUREAU VERITAS Certification Institute with Accreditation: National Accreditation Committee (KAN) and the UKAS Accreditation Symbol (UKAS) in 2012, the certificate has continued in 2018 and expired on the 15th of march 2021. PT. Rimba Mujur Mahkota has been led by 4 generations. All divisions that are important and average are led by their children and siblings.

Based on a preliminary survey of the grade in their performance can be seen from the employee performance and the results of completion of work that is often completed in a timely manner such as financial reports submitted to superiors often

exceed the time set by superiors. The decline in employee performance which is marked by the employee's work initiative in carrying out work quickly and precisely has decreased.

Table 1.1
Data of Employees Performance 2020

| Grade | Term1 (April) | Term2 (August) |
|--------------|--------------------------|---------------------------|
| A | 14 | 9 |
| B | 29 | 31 |
| C | 13 | 5 |
| D | 6 | 17 |

Sources: HRD PT Rimba Mujur Mahkota Medan, 2020

The existence of coaching and development in the organization is expected to create qualified personnel that will lead to increased employee performance. One employee development effort that can be taken to attempt to improve employee performance is enforcement of discipline. Labor discipline is an attitude of respect, respect, obedience, or adherence someone who has joined in an organization with applicable regulations in the organization of both written and verbal with full awareness and be happy, that will create a state order that shows the organization's goals will be faster reached. This is in accordance with the opinion of Satrohadiwiryo (2017) that "labor discipline" an attitude of respect, respect, comply with and obey the regulations in force, both written as well as unwritten and able to run and do not swerve to accept sanctions if he violated his duties and authority given to employee.

According Motowidlo (2016), employee performance can also be measured through the combination of expected behavior and task-related aspects, even though performance is often determined by financial figures. According to Hasibuan (2016), discipline is the most important operational function of human resource

management because the better employee discipline, the higher work performance they achieve. Discipline is needed for more organizational purposes to maintain efficiency by preventing and correcting the actions of individuals in bad faith towards the group.

Employee discipline will affect the efficiency and effectiveness of its work. Employee discipline expected their work will be done efficiently and effectively as possible. Where discipline cannot be enforced then it is likely predetermined organizational objectives cannot be achieved efficiently and effectively. A low-level work discipline of employee PT. Rimba Mujur Mahkota is indicated by an increase in employees who violate company rules and an increased level of tardiness.

The reason of choosing this title is to know and understand the level of work discipline and how they guide their employees. The author also thinks if there are reasons or other factors that can affect employee performance in working in a company because of their decrease of work discipline in the company. These are the reasons of the writer would choose “The Influence of Work Discipline toward Employee Performance in PT Rimba Mujur Mahkota Medan.”

1.2 Problem Limitation

Limitation of the problem in this study only discusses the Work Discipline variable and Employee Performance variables at PT Rimba Mujur Mahkota Medan.

1.3 Problem Formulation

Based on the observation that has been done at PT. Rimba Mujur Mahkota Medan, the author can formulate some research questions as follows:

1. How is the Work Discipline in PT. Rimba Mujur Mahkota Medan?
2. How is the Employee Performance in PT. Rimba Mujur Mahkota Medan?
3. Does Work Discipline influence toward Employee Performance in PT. Rimba Mujur Mahkota Medan?

1.4 Objective of the Research

The objectives of the research are as follow:

1. To analyze Work Discipline at PT. Rimba Mujur Mahkota Medan.
2. To analyze Employee Performance at PT. Rimba Mujur Mahkota Medan.
3. To analyze Work Discipline has influence Employee Performance in PT. Rimba Mujur Mahkota Medan.

1.5 Benefit of Research

1.5.1 Theoretical Benefit

A reference for similar research in the future, especially concern about paying attention to the level of Work Discipline to maintain the Employee Performance.

1.5.2 Practical Benefit

Some of the benefits are expected for:

1. Researcher

Help the writer to know the influence of Work Discipline towards Employee Performance in the real life.

2. Reader

Help to improve reader knowledge about how important the influence of the level of Work Discipline towards their Employee Performance.

3. Company

Help the company to aware that Work Discipline influenced the Employee Performance.

