

CHAPTER I

INTRODUCTION

1.1 Background of Study

Nowadays, family business plays a big role in the economy, but without a good business performance, companies will have the difficulties to achieve their long-term success. It is widely known that job satisfaction is one of the essential keys for organizational performance to be improved. Workers with a high level of job satisfaction have a positive attitude towards their job. While on the contrary, negative attitudes are held by employees who are unhappy with their job. According to a research by Omah, O. and Obiekwe, O. (2019), job satisfaction could bring higher employee morale among workers, enhances employee commitment with an organization, improves their level of motivation, and directly affects employee productivity levels. Working is an important part of life compared to any other activity, it takes a lot of personal and professional time. Job satisfaction is a critical concern as it relates to many of other relevant and significant problems in an organization. To accomplish companies' objectives, they need to pay attention to their members job satisfaction. There are some factors that can influence job satisfaction and one of them is the atmosphere within the company, which is called as the organizational culture.

In the late 1980s and early 1990s, attention to organizational culture increased when US companies struggled to compete with their Japan counterpart in terms of organizational performance. (Mamo, 2017) Over the

years, the concept of culture has constantly evolved from a definition of collective rules and traditions within an institution that cannot be affected. The meaning has changed to the idea that an organizational culture is unpredictably tangible and can be purposely crafted and leveraged as an experience for employees. (Morcos, 2018) According to Schein cited on Utami and Sitohang (2019), organizational culture is a pattern of shared basic assumptions that a group has learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. Each organization operates within a unique culture it creates. Some companies may be very specific with a deadline, while others may be more flexible. Some companies may provide day care on-site and allow workers to visit their kids during the day, while others will expect private life to be kept strictly separate from working hours. Other areas of cultural variation can be seen in how the organization communicates, the management styles and how workers are expected to handle suppliers, customers, and colleagues, et cetera. (Mamo, 2017)

In this paper, the writer would like to do a research on the subject above and the object of this research is PT. Sardana Indah Berlian Motor Medan, which is one of the dealers of Mitsubishi vehicles in Medan with 3S assistances (sales, service and spare parts). It is part of PT. Mitsubishi Motors Krama Yudha Sales Indonesia and PT. Krama Yudha Tiga Berlian Motors. PT. Sardana Indah Berlian Motor was first established on 10th July 2007 in Medan, Sumatera Utara, Indonesia by Mr. Henry Katio. It is a family business that is currently held by

the first generation, which also managed by the second generation and the second generation will soon take over the company. The head office is located at Jl. Jend. Gatot Subroto No. 437, Medan, Sumatera Utara, Indonesia. In its business, PT Sardana Indah Berlian Motor provide sales service of Mitsubishi motors products which consist of Xpander, Pajero Sport, Outlander Sport, Mirage, 4x4 Triton, 4x2 Triton, L300 and T120. They also provide sales service of commercial vehicle products in light and medium truck class such as Colt Diesel, FUSO (New Fighter) and Tractor Head from Mitsubishi Fuso with several variants completing all commercial needs from mining, plantations, to retail trade in the city of Medan.

According to Aslan (2017), work slow-down, high level of tardiness, absenteeism and turnover are primarily caused by low job satisfaction. Low job satisfaction equals lack of productivity. As a result, when one team member shows low productivity, it is only normal for other team members to feel dissatisfied, and their productivity will also begin to decline. The table below is the frequency of employees' lateness July to December 2020:

Table 1.1 Employees Tardiness Frequency

Months (2020)	Tardiness Frequency	Percent of change
July	47	-
August	56	+19%
September	57	+2%
October	44	-22%

November	40	-2%
December	54	+35%

Source: Prepared by the writer (PT. Sardana Indah Berlian Motor Medan, 2021)

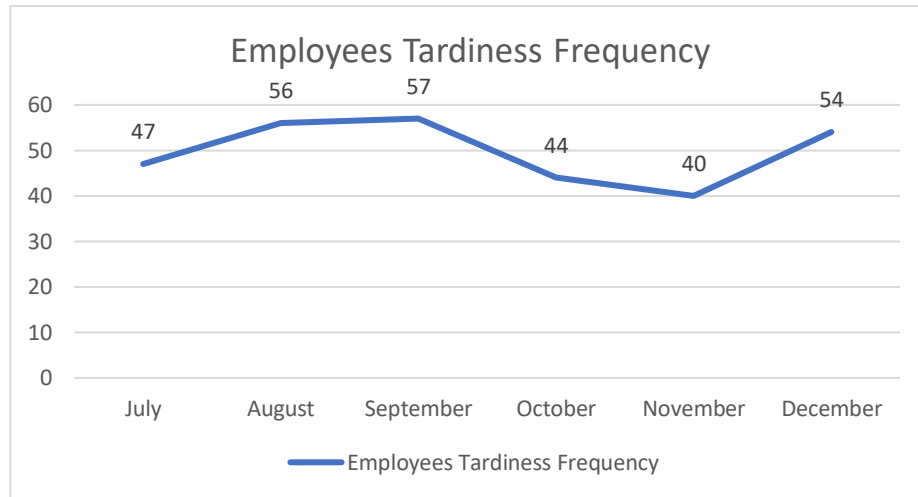


Figure 1.1 Employees Tardiness Frequency

Source: Prepared by the writer (PT. Sardana Indah Berlian Motor Medan, 2021)

Table 1.2 Employees Turnover Frequency

Months (2020)	Turnover Frequency
July	4
August	0
September	3
October	3
November	4
December	5

Source: Prepared by the writer (PT. Sardana Indah Berlian Motor Medan, 2021)

From the data obtained, it can be concluded that the tardiness frequency from the month of July to December has its up and down, where in July the employees' tardiness happened 47 times and in August the tardiness frequency is 56 times. In September its frequency is 57 times, and the percentage of change is around 2 percent. By October its frequency is 44 times, and the percentage has dropped around 22 percent. In November, its frequency is 40 times which has dropped around 9 percent. Lastly, in December its frequency is 54 times, and the overall average is 50 times. Since the frequency tends to increase, it can be said that the job satisfaction level in this company is quite low.

As for the turnover rate, the frequency also tends to increase where there were 4 people in July. 0 in August and 3 people in September and October. 4 people in November and 5 people in December. From this result, the writer then questioned several employees regarding their experiences and opinions working at PT. Sardana Indah Berlian Motor Medan. The conclusion from their answers can be said that the superior is rather suppressive, and the operation procedure of the company is quite exhausting.

The culture at PT. Sardana Indah Berlian Motor Medan is also quite challenging and tends to be difficult to match with most individuals. The top management often held a meeting to discuss on a new strategy, everything must be done according to the procedures and rules, not enough harmonization and the workers are expected to work so hard to achieve the target goals. However, there is also notice and reward for excellent worker, the task given is also in accordance to the job description. Organizational culture is the centre from which all human resource management variables originate. Culture is believed

to be dedication, encouragement, morality, and satisfaction. Individual work performance, positive job results, including job satisfaction, job participation and the desire to stay with the company, rely on the match between the characteristics of an individual and the culture of the organization. (Mamo, 2017) Hence, regarding to the description above, the writer is intrigued to analyse a study with the title **“The Influence of Organizational Culture on Job Satisfaction at PT. Sardana Indah Berlian Motor Medan”**.

1.2 Problem Limitation

In this research paper, the writer will do a research toward the influence of organizational culture on job satisfaction at PT. Sardana Indah Berlian Motor. PT. Sardana Indah Berlian Motor is one of the dealers of Mitsubishi vehicles in Medan. It has 7 location, which are located at Jl. Jend. Gatot Subroto No. 437 Medan, Jl. Putri Hijau No. 4A Medan, Bundaran Cemara Asri Medan, Kisaran, Tanjung Morawa, Rantau Prapat and Siantar. Due to the writer limitation in time, ability and data access, the writer will only focus the research on PT. Sardana Indah Berlian Motor that is located at Jl. Jend Gatot Subroto No. 37 Medan. The writer will also make problem limitation on Organizational Culture as independent variable (X) and only including Attention to Detail, Outcome Orientation, People Orientation, Team Orientation, Innovative and Risk Taking, Aggressiveness and Stability as the indicators by Saputra (2018). For dependent variable (Y) which is Job Satisfaction, the writer will limit the indicator only to Salary and Welfare, Leader Behaviour, Personal Growth, Work Itself, Interpersonal Relationship and Job Competency by Lee, et al. (2017).

1.3 Problem Formulation

According to the background of study, the questions to be researched in this study are the following:

1. How is the organizational culture situation of PT. Sardana Indah Berlian Motor Medan?
2. How is the overall job satisfaction in PT. Sardana Indah Berlian Motor Medan?
3. Does organizational culture have any influence on job satisfaction at PT. Sardana Indah Berlian Motor Medan?

1.4 Objective of the Research

The purpose of doing this research are as following:

1. To identify the organizational culture situation in PT. Sardana Indah Berlian Motor Medan
2. To examine the overall job satisfaction in PT. Sardana Indah Berlian Motor Medan
3. To determine whether there is an influence of organizational culture on job satisfaction at PT. Sardana Indah Berlian Motor Medan

1.5 Research Benefit

Based on the problems and objectives, there are two types of benefit from conducting the research in PT. Sardana Indah Berlian Motor, which are the following:

1.5.1 Theoretical Benefit

This research should provide benefit to the writer itself in order to enhance the knowledge, understanding and information on family business, especially the influence of organizational culture on job satisfaction.

1.5.2 Practical Benefit

In practical benefit, the result of research should provide benefit for PT. Sardana Indah Berlian Motor Medan as a source on how to overcome future problem that has similar problem discussed. It can also be used as an input on how to improve employees job satisfaction and creating a good organizational culture. Besides, this result also provides benefits to public or other researcher as reference for comparable matter.

