

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Nowadays, business development in Indonesia is experiencing several challenges of changing trends. This makes companies, especially the hospitality industry businesses have to face these challenges by making new innovations and adapting to new trends, such as complying with health protocols, paying attention to cleanliness, keep the distance and others. The hospitality industry is one of the largest industrial sectors in the world whose main goal is to provide products and services to consumers in order to gain customer satisfaction and loyalty. The hospitality industry includes the hotel or lodging business, the food and beverages (F&B) business, the tourism business, and many others.

The F&B culinary business such as restaurant business is one of the businesses that is currently developing and has profitable business opportunities if managed properly. According to Spang (2020), a restaurant is something to eat before it becomes a place to visit, then it quickly evolved into a place for people to dine together. The number of restaurants that are competing to get consumers makes the conditions of competition between restaurants increasingly tight. This increasingly fierce competition requires restaurants to be able to determine the right steps in competing, namely by improving the quality of the products sold and maintaining the quality of performance by employees. There are many factors that can affect employees' performance; motivation and work environment are

included in some of these factors (Diamantidis & Chatzoglou, 2018)

Motivation is needed by employees as a driving force in carrying out their activities and work. Motivation can be divided into positive and negative motivation. Positive motivation can be described as in the form of reward, while negative motivation can be described as in the form of detention. Motivation also can be divided into direct and indirect motivation method. Employees will find it hard to work and will not be possible to achieve work performance if there is no motivation. With high motivation, employees are willing to work well to achieve goals, so that they can improve their performance (Malinda, 2018; Syardiansah & Utami, 2019).

The work environment is the surrounding conditions that affect employees in doing their jobs. According to Musriha (2021) as cited in Josephine & Harjanti, (2017), a comfortable work environment can increase employee concentration at work, so that this condition can increase employee work productivity. Work environment can be divided into physical and non-physical work environment. Both the physical and non-physical work environment will affect employees' performance.

Employees' performance is the result of one's efforts achieved with abilities and actions in certain situations. High employees' performance is a step towards the process of achieving organizational goals. For this reason, work performance appraisal is an appropriate and useful method for evaluating work, developing, and motivating employees. Employees' performance appraisal is a process used by leaders to determine whether an employee is doing a job in

accordance with their duties and responsibilities (Huseno, 2016).

Culinary is a necessity and a lifestyle that cannot be separated from daily needs because everyone needs food and drink to carry out their activities. This has become a separate market, especially in the city of Medan. The city of Medan is known as a culinary tourism that provides variety kinds of food in strategic places.

This research is conducted at Budaya Resto, Medan. Budaya Resto is a local restaurant that has been operating since June of 2016 and is located on Jl. Medan - Tanjung Morawa Km 12,5 No.6, Deli Serdang, Medan, Indonesia. Budaya Resto restaurant is a family restaurant that presents the taste of the typical Indonesian archipelago, with a Javanese atmosphere equipped with a *pendopo*, which is the main building of the restaurant wide open like traditional Sumatra house building, and *joglo* which is like a gazebo with a Javanese building design that has a trapezoidal or pyramid-shaped roof. Budaya Resto restaurant has the facility to accommodate corporate meeting reservations, reunions, birthdays and outdoor weddings. Besides that, Budaya Resto restaurant also deliberately creates a special play area, namely Budaya Land or Budaya Park. In November 2017, Budaya Resto restaurant was visited by our president, Mr. Joko Widodo, when he was in Medan.







<p> Martin Manullang Local Guide · 150 reviews · 581 photos</p> <p>★★★★★ 3 years ago</p> <p>I would not recommend you for having lunch in this place, especially for weekend</p> <p>Service : 3/10 (Slow service, unprofessional) Price : 6/10 Ambience : 2/10 (very crowded and unpleasant) Taste : 7/10</p>	<p> hermawan awan Local Guide · 8 reviews · 8 photos</p> <p>★★★★★ 11 months ago</p> <p>Harga mahal, rasa standard.... Pelayanan nya juga lama, waiters nya sedikit, manggilnya susah</p>
<p> Irfan Sinulingga 3 reviews · 9 photos</p> <p>★★★★★ a year ago</p> <p>-Makan disini waktu tunggu nya hampir 45menit, --- - Tamu lain ditawarkan menu takjil kurma n teh manis hangat utk berbuka puasa, kt tidak ditawarkan padahal stok teh manis nya masih ada, sy mengetahui justru pada saat bayar di kasir, d struk malah ditampilkan ada menu takjil - pelayanan nya terkesan pilih2 tamu.</p>	<p> Andy lim 4 reviews</p> <p>★★★★★ 4 years ago</p> <p>Pelayanan sangat buruk,staff tidak profesional.. makanan datang selalu tidak sesuai pesanan untuk kedua kali datang sangat kecewa. 1 jam lebih makanan tidak datang. Makanan yang sudah datang di bawa pergi lagi dan di tarok di meja yang tak ada orang , sampai makanan berlalat.. sangat tidak recomended restoran ini.. kurang nya staff dan keterampilan staff.. tapi makanan enak.. tapi buat emosi</p>
<p> Kathleen Donovan 4 reviews</p> <p>★★★★★ 3 years ago</p> <p>I got to the restaurant at around 12.50 and it took the staff 5-10 minutes to get us the menu even when we asked over twice. After we ordered, we had waited an hour before realising that another table had gotten their food before us despite arriving maybe half an hour later than us. We repeatedly asked the staff when our food would come out, asking if they had forgotten it. They said that they would check it yet half an hour later, after asking several more times; it didn't come. It eventually came almost two hours after we had initially ordered and the lady from the restaurant apologized yet didn't specify why the food hadn't come out earlier. There were also more than two people at the cashier who could have probably helped made sure that orders were coming out. It may have been because it was busy there but I truly do believe that their service could be better. Other than that, the food was good. The calamari was soft and so was the salted egg fish.</p>	<p> palar purba 10 reviews</p> <p>★★★★★ 9 months ago</p> <p>reserved tgl 29 okt 2020 jam 6 sore. panggil pake bel, lama bener datangnya. gitu datang petugas, request makanan a kosong,b kosong, c kosong dstnya...kosong. setelah 15 menit, akhirnya pesanan selesai. lalu petugas pergi. setelah 15 menit pergi, petugas datang lagi bilang 3 item yg sdh di order kosong. Pening dan naik tensiku...lalu kita order lagi, dan mengganti yang sudah di order supaya makanannya pas. lalu petugas bilang, makanan yg sdh di order tdk bisa di ganti. Bukan saya bodoh, hanya lagi nahan diri, karna bawa anak kecil. kalau gak bawa anak, saya labrak habis!!! BUDAYA RESTO TIDAN PROFESIONAL . !!</p>

Figure 1. 1 Customers' Review
Source: Google Review (2021)

The figure above shows some customers' reviews regarding the service at Budaya Resto, these reviews are taken from Google reviews. From these reviews, it can be seen that the quality of service and speed of performance in Budaya Resto is not good enough. There are some customers who are dissatisfied with the service because of the long wait for orders to come, slow service, and the lack of restaurant's professionalism because many menus were not available.

According to the manager of Budaya Resto, the restaurant has made efforts to motivate employees by selecting the best employees, namely Employee of the Month, with the aim of so that employees are enthusiastic and motivated to give their best performance. The form of appreciation or rewards given can be in the form of incentives or bonuses to make employees motivated. The manager said that maintaining discipline is something restaurants can do to increase employee motivation. Restaurants give rewards to employees who arrive on time, while employees who are late will be subject to sanctions or fines. Reward and punishment will greatly determine employee motivation at work, said the manager of Budaya Resto, Medan.

The work environment at the Budaya Resto during the current pandemic is indeed undergoing a slight adjustment compared to before the pandemic. The Manager of Budaya Resto said that the scope of work for each employee became wider due to employee adjustments. However, the restaurant still maintains the comfort of employees working in the work environment by providing complete work equipment and facilities. Employee uniforms and work support equipment

such as masks, hats, helmets and others have been provided by the restaurant in order to achieve health protocols.

Based on observations made by the author, it seems that Budaya Resto employees are less motivated, this is because employees are less alert, slow and unenthusiastic in serving consumers. Employees also looked unsure when asked for a recommendation menu. Besides that, the employee's work environment also seems less supportive where there is noise here and there, whether it may come from the sound of the fan engine or because of the outdoor atmosphere which also disturbs the comfort of consumers because it is difficult to communicate with employees when they want to order food. In addition, the lighting in the kitchen is also not good. When the author walked around the restaurant area, it was seen from the outside that the kitchen part of the restaurant did not have sufficient lighting. The performance of the Budaya Resto employees is very slow and unenthusiastic which makes consumers feel that they are not being served well which makes them think that the service at this restaurant is not good.

Based on the above background regarding the speed of performance of employees in Budaya Resto which turned out to be not good, the writer is interested in conducting research on Budaya Resto's employees. There are some results of previous researches on employees' performance using variables of motivation and work environment. According to research conducted by Segovia & Bambang (2017), a better work environment accompanied by high motivation will trigger an increase in employee work performance at the company. Then according to Abdurrahman (2018) as cited in Augustinus and Halim (2021),

motivation is an important aspect that can be a predictor of employees' work performance. Therefore, based on the description above, the writer decided to conduct a research entitled "**The Influence of Motivation and Work Environment on Employees' Performance at Budaya Resto, Medan**".

1.2 Problem Limitation

Problem limitation is used to avoid deviations and to expand the subject so that research is more focused and facilitates discussion so that research objectives can be achieved. The limitations of the problem in this research are:

- a. The scope of the research only covers motivation and work environment as the independent variables; and employees' performance as the dependent variable.
- b. The object of the research was only conducted at the restaurant Budaya Resto, Medan.
- c. Restaurant Budaya Resto has its own fun land recreation area, namely Budaya Land; and a cafe inside the Budaya Land called Budaya Coffee Cabin. However, this research will only focus on the main business of the restaurant at Budaya Resto, Medan.

1.3 Problem Formulation

Based on the background of the problems described above, the writer can take the problem formulations in this research are as follows:

- a. Does motivation have partial influence on employees' performance at Budaya Resto, Medan?

- b. Does work environment have partial influence on employees' performance at Budaya Resto, Medan?
- c. Do motivation and work environment have simultaneous influence on employees' performance at Budaya Resto, Medan?

1.4 Objective of the Research

Based on the formulation of the research problem above, the writer formulated several research objectives, namely:

- a. To analyze whether motivation has partial influence on employees' performance at Budaya Resto, Medan.
- b. To describe whether work environment has partial influence on employees' performance at Budaya Resto, Medan.
- c. To investigate whether motivation and work environment have simultaneous influence on employees' performance at Budaya Resto, Medan.

1.5 Benefit of the Research

The benefits of this research are divided into two, namely theoretical benefits and practical benefits.

1.5.1 Theoretical Benefit

This research aims to contribute to existing theories relevant to motivation and work environment and their influence on employees' performance. This research is expected to add insight and knowledge about the factors that affect employees' performance in restaurants, especially

motivation and work environment factors.

1.5.2 Practical Benefit

The practical benefits that can be obtained from this research are:

a. For the writer

This research is expected to be a useful tool in implementing the writer's knowledge about motivation, work environment, and employees' performance.

b. For Budaya Resto, Medan

This research is expected to be additional information for Budaya Resto restaurant in studying how motivation and work environment can affect employees' performance so that it can be a concern for leaders in making policies to run restaurants in the future.

c. For other researchers

This research is expected to provide additional guidelines and references for researchers who conduct research on the same topic so that they can study motivation, work environment, employees' performance and how the influence of motivation and work environment can affect employees' performance at a restaurant.