

# CHAPTER I

## INTRODUCTION

### 1.1. Background of The Study

There are many important steps to be consider when growing a business. One on the them is human resources. Which is why many experts say that human resources are considered as important capital and wealth of every human activity to boost the employee performance. There are 2 key factors that will boost employee performance such as, job satisfaction and motivation. These 3 variables (Job Satisfaction, Motivation and Employee Performance) play an important role in the success of an organization.

PT TSM (Tirta Sumber Menaralestari) is a consumer goods distribution company that currently distributes bottled drinking water (AQUA) that is located in Jl. Sumarsono No.14, Kp. Lalang, Kec. Sunggal, Kabupaten Deli Serdang, Sumatera Utara 20124. This company can be categorized as family business as the company has run to the second generation. This company runs for almost 50 years already and keep on expanding their business ever since then. Thesedays, they already had 13 branches of business in Sumatera Utara. However, the writer found out some problem about the Employee Performance especially from Courier and its Subordinates in this company.

Anwar & Budi (2018), defines employee performance as the results of work in quality and quantity accomplished by an employee in carrying out his duties in line with the responsibilities assigned to him. Employee performance is described

as the quality and quantity of work completed by an employee in accomplishing the task for which they are accountable, and employee performance has the potential to influence an organization's output Razak et al. (2018).

The employee performance in this company is not as satisfied as expected. There are reports that said that some employees are working in unprofessional way such as playing phone while working. Others are some employees are often lethargic while loading the products and some are often absent work. While others are new worker who are still unprofessional, some are often quarrel in both company or customer's place. While others are bad performance from the employee that they load the product in a hurry in which they throw and slamming the product that cause many sales return. These problems are related to two (2) variables such as Job Satisfaction and Motivation. Three (3) among them are related to Job Satisfaction, while the rest are related to Motivation.

According to Agustini (2019), Job satisfaction is a state in which employees are relieved, pleased, and passionate about their jobs because the circumstances and working conditions satisfy their requirements, wants, and expectations. Employees will have a positive attitude if they are pleased with the economic advantages received from their work, if the workload and qualities obtained are as desired, and if their social standing is rising (Sunarta, 2019).

For the relation with Job Satisfaction, the problems are some employees are often lethargic when delivering the products to customers which is mostly caused by overwork. So, mostly after they delivered the product to customers, they will go to side of the road to take a rest for a moment before going back to the company.

Next, sometimes they play with phone while working. This is mainly because of the inflexible and unpredictable working hour. They only deliver when there is order from customers. So, they usually take some rest while waiting for the incoming order. But sometimes, when they just arrived from delivery and want to take some rest, there is another incoming order, so they do not have time to rest which is why sometimes they play with phone while working.

Other is, employee's absenteeism that some employee feel burnout. The reason is the same with the two above. They experience tight and unscheduled working conditions and by the time goes by, they feel exhausted which sometimes they absent for a day.

These problems are discovered by interviewing two of the couriers with initial "B & G" (2021) which they both said that they got far trips lately. With a minimum of 3 trips a day, 1 trip had to consume almost 3 hours round trip. Not to mention that 1 trip had to load the products 2 times which are once in truck delivery, the other at the customer's place. Which means that a day with minimum 6x loads with a minimum of 250 cartons / 196 gallons. In addition, the working hour is unpredictable too. When there are few customer orders, they can take rest. But when there are many customer orders, don't even think about lunch. Sometimes they just arrived, they get called to load product to deliver it immediately.

According to Anwar & Budi (2018), work motivation is defined as a state that has the impact of creating, guiding, and maintaining behavior in the workplace. While according to Supartha & Sintaasih (2017), motivation is described as a

driving force that pushes someone to accomplish something in order to achieve the desired outcomes or goals.

For the relation with Motivation, the problems are the inappropriate behavior from the couriers and its subordinate when deliver for the 4<sup>th</sup> trip in a day. Mostly in a day, they only deliver up to 3 trips a day that cost 3-4 hours each trip. And by achieving the 4<sup>th</sup> trip, they do not get any bonuses. So, when they deliver the 4<sup>th</sup> trip, they are mostly loading the product in hurry and because of that, they often slamming or throwing the product and the result are many sales return.

This information is gathered by interviewing the same respondent with initial "G" (2021), said that he never intended to achieve more than 3 trips a day as it is useless and unworthy. He does not get anything for achieve more than 3 trips so there is no point in doing that. He will just be wasting his energy and precious time. Which is why he always manages his time so that he can only reach 3 trips a day. And if he really gets the 4<sup>th</sup> trip, he will deliver and load the product in such hurry that causes many sales return.

Besides that, there are some new worker who are still cannot perform well. Although they have been trained for a period, some of them still cannot perform well because the training provided is of poor quality. And because of that, those new workers feel unmotivated to done their job as they do not fully understand their task well. Some customers have complaint about many sales return because of these new workers.

Others is, sometimes there are drivers who like to pass their part of the job because they feel that there are too many people around who can do the job without him. This is mostly happening when there are 5-7 people to load the products to the delivery truck.

This information is gathered by interviewing the courier with initial “J” (2021), confess that sometimes he feels bad for passing the job to his subordinates but at the same time, he feels that it is too annoying to do the same job by many people.

In addition, PT Tirta Sumber Menaralestari has some competitors which companies runs in the same business as distributor of mineral water, which are:

**Table 1.1 Competitors from PT Tirta Sumber Menaralestari, Medan**

| No | Competitor's Name           | Products    | Year of Establishment |
|----|-----------------------------|-------------|-----------------------|
| 1  | PT Sentralsari Primasentosa | Cleo        | 2003                  |
| 2  | PT Tirta Fresindo Jaya      | Le Minerale | 1998                  |
| 3  | PT. Tirta Alpin Makmur      | Amoz        | 1968                  |
| 4  | PT Tirta Sari Sumber Murni  | Indodes     | 2006                  |
| 5  | PT. Tirkumsari              | Clean-Q     | 1988                  |

Source : Prepared by the writer (2021)

It can be concluded from the table above that PT TSM has competitors which runs in the same business that distribute water bottle to whole Indonesia but different type of product brands. This will increase its competences between the others. PT TSM need to be more competitive than the others. Which is why, it is crucial for PT TSM to have a quality of human resources in order to increase its business productivity and performance to compete with their competitors.

These are the reason why this report is made in which to do some research for these problems. These problem might decrease the sales as in customers side, they would like a to be treated in a good way. Which is why, this final paper “THE

INFLUENCE OF JOB SATISFACTION AND MOTIVATION ON EMPLOYEE PERFORMANCE AT PT TIRTA SUMBER MENARALESTARI, MEDAN” will provide the solution for these problem.

In addition, the writer decided to use Quantitative Design which the research method is using the Correlational Method. The writer chooses Quantitative Design to emphasize objective measurements and statistical, mathematical, or numerical data analysis, which will eventually be more focused on obtaining numerical data and generalizing it across groups of individuals or explaining a specific phenomenon. While the reason for choosing Correlational Method is to assess the degree of a relationship between two or more variables by using statistical data.

Correlational research seeks and interprets relationships between and among a variety of data. This type of research method will identify trends and patterns in data, but it will not go so far as to prove the reasons of these observed patterns. This sort of observational study does not rely on cause and effect. Only the data, relationships, and variable distributions are analyzed. Variables are not controlled; rather, they are recognized and examined as they occur in the wild.

## **1.2. Problem Limitation**

Due to limitation of time and budget, the writer will limit the research by conducting some limitation, such as :

- a. The data of this research is gathered from the head of PT TSM which is located at Jalan Sumarsono No.14, Medan, Sumatera Utara, Indonesia.

- b. Due to geographical, time and cost constraints, the respondents were only taken from the employees of PT TSM.
- c. This research uses three (3) variables, in which;  
The first variable X is Job satisfaction whose indicators are : Salary, Working Environment and Colleagues.  
The second variable X is Motivation whose indicators are : Extrinsic Rationale, Relational Rationale and Intrinsic Rationale.  
While the variable Y is Employee Performance whose indicators are : Quality of work, Work Quantity , Time utilization and Cooperation,

### **1.3. Problem Formulation**

Analyzing how Job Satisfaction and Motivation influence the Employee Performance at PT TSM is the intention of the research. Therefore, this research attempts to answer the following questions :

- a. Does Job Satisfaction influence Employee Performance at PT Tirta Sumber Menaralestari, Medan?
- b. Does Motivation influence Employee Performance at PT Tirta Sumber Menaralestari, Medan?
- c. Do Job Satisfaction and Motivation simultaneously influence Employee Performance at PT Tirta Sumber Menaralestari, Medan?

#### **1.4. Objective of the Research**

Understanding the important role of Job Satisfaction and Motivation influence the Employee Performance at PT Tirta Sumber Menaralestari is the main goal of this research. Upon completion of this research, it is hoped that it will result in better understanding of how Job Satisfaction and Motivation influence the Employee Performance. Hence the purposes of this study are :

- a. To assess the quality of Job Satisfaction by PT Tirta Sumber Menaralestari.
- b. To explain the quality of Motivation by PT Tirta Sumber Menaralestari.
- c. To analyze whether Job Satisfaction and Motivation simultaneously influence Employee Performance at PT Tirta Sumber Menaralestari.

#### **1.5. Benefit of the Research**

Theoretical Benefit and Practical Benefit are the two (2) forms of benefits in this research.

##### **1.5.1 Theoretical Benefit**

As far as the educational context is concerned, the accomplishment of this research will stand as a means of extra learning about the the influence of Job Satisfaction and Motivation on Employee Performance as a result, it can enrich the writer's understanding and improve future educational discussions of the similar topics.

##### **1.5.2 Practical Benefit**

The writer expects that this research will deliver three (3) benefits, which are as follows :

- a. For the company, this research would serve as a foundation for improving the company's performance by integrating the supply chain throughout the system.
- b. For the writer, this research could improve the experience and knowledge in the the influence of Job Satisfaction and Motivation on Employee Performance in real-life setting.
- c. For other researcher, this research would be able to stand as their references when they conduct in research on similar type.

