

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Human resource management have been a key position for a company sustainability. If basic materials such as motivation, performance, job satisfaction and productivity are inefficiently fulfilled, it will cause disruption to company's sustainability (Hasibuan, 2019). The performance of employees has become important due to the increase concern of human resources and personnel experts about the level of output obtained from employees due to poor remuneration. The attitude is also a social concern and is very important to identify problems that are obtained in industrial setting due to nonchalant attitudes of managers to manage their employees by rewarding them well to maximize their performance. A very few organizations believe that the human personnel and employees of any organization are its main assets which can lead them to success or if not focused well, to decline. Unless and until, the employees of any organization are satisfied with it, are motivated for the tasks fulfilment and goals achievement and encouraged, none of the organization can progress or achieve success. Appropriate reward package can jeer up or influence employees to develop positive attitude towards their job and thereby increase their productivity.

The performance is very important for the organization because the high performance of can reduce the number of attendance or not working due to lazy, with the high performance of workers and employees then the work is given or

assigned to him will be resolved with a shorter period of time or faster, with the high performance of the organization obtain the advantage of the corners of the small numbers of damage because of the not satisfied in the work, the more zealous in the work, then the larger numbers damage, high performance automatic make employees will feel happy to work so that the less likely the employee will be moved to work for the another place, high performance can reduce the number of accidents due to employees who have high performance tends to work carefully and thorough so that the work in accordance with existing procedures (Tohardi, 2019).

PT. Kreativitas Aset Indonesia Medan exists from being the first authentication platform in Southeast Asia and marketplace trading platforms where users can buy and sell their limited edition lifestyle stuffs such as sneakers, apparel, watches, and luxury bags. Besides, exist to bring impact for local brands to be able to be recognised globally for being our Multi-brand store partner. PT. Kreativitas Aset Indonesia Medan Located in Jl. Brastagi No.5AA, Sidodadi, Kec. Medan Timur., Kota Medan,

The decline in employee performance which can be seen from the diligence of employee has decreased so resulting in not being completed on time.

**Table 1. 1Employee's Latenes and Attendance Data
January – June 2021**

Month	Late	Absent
January	78	37
February	71	41
March	87	38
April	96	46
May	79	54

Sources: PT. Kreativitas Aset Indonesia Medan , 2021

Motivation that entails a employee wanting to do the job cannot be easily provided or generalised. It requires extra effort on the part of the manager to determine what will motivate the employee to work hard enough to meet set performance levels. Thus, motivation is important in an organisation in as much as it determines employees performance in conjunction with ability and environment (Moorhead and Griffin, 2018).

Motivation is defined as energizing, directing and sustaining employee efforts. It is equally important that effective leader understand how to influence people to perform specific behaviors and tasks they are likely to find mundane. A leader needs to be able to persuade employees to stay with the organization. Leader want employees to complete mundane tasks at times and always perform at a high level. A little provision of employee motivation can be seen from the provision of a few awards such as salary increases, job promotions that are little done so that employees are unable to improve employee performance. The company is also working on a low look from the lack of career development provided by the company so that employees are less motivated, high-performance.

According to Marshall (2016), competence is the basic characteristic of a person who allows him to provide superior performance, roles, or certain situations. This implies that everyone has certain basic characters that can produce the best performance so that they can be distinguished from one another. Competence is also important in a company, competency is an ability possessed by an individual who has a sale value and is applied from the results of

creativity and innovation produced. Competency also affects employee performance at the company.

Competence is basically what a person should do in his performance. Competence shows the rational action that can achieve its objectives satisfactorily based on the conditions set.

**Table 1. 2 Competence Data
June 2021**

Divition	Education		
	Criteria	Appropriate	Not Appropriate
Marketing	S1 Management	2	5
Accounting	S1 Accounting	3	3
Warehouse	SMA	2	6
Operational	SMA	10	2

Sources: PT. Kreativitas Aset Indonesia Medan , 2021

Table 1.2 shows that the level of education set lot of which the employee received less in accordance with his position. This can lead to competence is still lacking in terms of knowledge and skill so it can not work optimally. The factor that is thought to cause a decrease in employee performance is the competency of the employee. Where employee competence cannot support employees to achieve performance due to unfavorable attitudes in compliance with applicable regulations in the company, the ability to support employees in carrying out their duties and responsibilities. Some of these things cause frequent errors in performance and less carry out performance quickly due to lack of understanding of the performance.

From the description that has been there before, it encourages researchers to discuss in the thesis under the title "**The Influence of Motivation and**

Competence towards Employee Performance in PT. Kreativitas Aset Indonesia Medan."

1.2 Problem Limitation

Limitation of the problem in this study only discusses the influence of motivation and competence towards employee performance in PT. PT. Kreativitas Aset Indonesia Medan. In this study, motivation and competence will be the independent variable (X) and employee performance will be the dependent variable (Y). PT. Kreativitas Aset Indonesia Medan Located in Jl. Brastagi No.5AA, Sidodadi, Kec. Medan Timur., Kota Medan,

Indicators of motivation Sunyoto (2018), is the physiological needs, safety and security needs, social needs, the need for appreciation and self-actualization needs. According to Wibowo (2017), there are types of competency characteristics, namely as follows trait, self-concept, knowledge and skills. The measurement of the performance of the employees according to Priansa (2019), namely the quantity of work, quality of work, dependability, initiative, adaptability and cooperation.

1.3 Problem Formulation

The problem formulation in this research are:

1. How is the motivation in PT. Kreativitas Aset Indonesia Medan ?
2. How is the competence in PT. Kreativitas Aset Indonesia Medan ?
3. How in the condition employee performance in PT. Kreativitas Aset Indonesia Medan ?

4. Does motivation have influence toward employee performance in PT. Kreativitas Aset Indonesia Medan ?
5. Does Competence have influence toward employee performance in PT. Kreativitas Aset Indonesia Medan ?
6. Do motivation and Competence have simulhaneous influence toward employee performance in PT. Kreativitas Aset Indonesia Medan ?

1.4 Objective of the Research

The objective of this study is:

1. To describe about motivation in PT. Kreativitas Aset Indonesia Medan .
2. To explain about competence in PT. Kreativitas Aset Indonesia Medan
3. To asses how employee performance in PT. Kreativitas Aset Indonesia Medan
4. To analyze motivation whether have influence toward employee performance in PT. Kreativitas Aset Indonesia Medan
5. To discover competence whether have influence toward employee performance in PT. Kreativitas Aset Indonesia Medan .
6. To investigate motivation and competence have simulhaneous influence toward employee performance in PT. Kreativitas Aset Indonesia Medan .

1.5 Benefit of Research

1.5.1 Theoretical Benefit

A reference for similar research in the future, especially concern about motivation and competence attention to the level of Employee Performance.

1.5.2 Practical Benefit

From this study, the company will benefit from this research as they know if there is correlation between motivation and competence with employee performance. If the motivation and competence is sufficient enough, then employee performance will be up to expectations. Some of the benefits are expected for:

1. Researcher

Help the writer to know the influence of motivation and competence towards Employee Performance in the real life.

2. Reader

Help to improve reader knowledge about how important the influence of the level of motivation and competence towards their employee performance.

3. Company

Help the company to aware that motivation and competence influenced the employee performance.