

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Nowadays, business plays an important role in a country's economic growth, and there are many methods that can be used to make the business survive and maintain the business industry by maintaining business competition. Every company has its own method of maintaining their organization or business operation. The most important factor is the employee's performance, which is one of the most important determinants of a company's success, because they need to find someone that can help them achieve the company's goals based on their vision and mission also they wishes to have employees who are loyal to them and perform well at work.

Human resources are critical to the success of any organization in today society, especially in service companies such as the hospitality industry. Due to the intensity of serving customers, hotel places a high value on human resources. The hotel relies heavily on human resources because of its intensity in serving customers. Every employee in every department, starting from the front office to housekeeping, food and beverage, room service and many more, are dealing and communicates with customers will be delighted if the service meets or exceeds their expectations. Therefore, the better the employee's performance will have a positive impact on the company. In other words, the organization's strength is determined by the people who support it from upper, middle and lower management levels.

Employees in an organization are the human resources referred to in this case, will undoubtedly try to work with the abilities they have in order to achieve the desired performance of the organization. A sense of security and comfort in the workplace can encourage employees to be more dedicated to completing work and will help employees achieve their best performance.

According to Donohoe (2019), employee performance includes several factors such as work quality, quantity, and effectiveness, as well as workplace behaviors. It is an important aspect in all types of business industries because a qualified employee means a good working performance for the business owner or company. This is very helpful for the company to achieve its goals based on the company's vision and mission, and vice versa, so if the company doesn't have good employee performance, it will be difficult for the company to move forward and develop to achieve these goals.

Hospitality is the relationship between guests and hosts, this includes reception and entertainment for both foreigners and local visitors. Hospitality is an industry that is directly related to hospitality activities in serving guests. Hospitality is also a complex knowledge and art in the service business, namely services that are respectful and full of humanity according to the needs of the human soul who want to be respected and appreciated as a human being who has reason and mind.


According to Fahmi (2016), motivation is a set of behaviours that provide a basis for someone to act in specific goal directed way. According to Hasibuan (2017) research, motivation arises from a sense of need for themselves and the encouragement of individual desires aimed at obtaining


satisfaction. The motivational process begins with need recognition. One of the reasons for the process's complexity is that each employee has different needs, which means that each employee's work motivation is also different. The higher the work motivation of employees will affect employee performance.

According to Mankunegara (2017), work environment is the overall tools and materials encountered, the surrounding environment in which a person works, his work methods and work arrangements both as individuals and groups. According to Arianty (2016), performance is generally defined as a person's success in carrying out a job. According to Donohoe (2019), employee performance refers to how employee behave in the workplace and how well they perform in the tasks assigned to them by the company. Generally, the company will assign a target to each of its employees in order to motivate them to work harder in order to meet the company's objectives.

This research is done at Karibia Boutique Hotel is a four-star hotel located in the city center, which it located on Jl. Timor Blok J No. I - IV, Medan, North Sumatra and started operating in 2012. Karibia Boutique Hotel it consists of 7 floors, which it has a minimalist and modern concept and has facilities, such as meeting rooms, grand balls, Karibia spa and seven class of rooms, such as superior rooms, deluxe rooms, executive rooms, business suite rooms, grand suite rooms, junior suite rooms and Karibia suite rooms.

The following are the online reviews retrieved from online platforms:

 **744tiva** wrote a review Dec 2020
 Aceh, Indonesia • 163 contributions • 26 helpful votes




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Plastic piece in my food

"staying in karibia, this is uncouncted times i have been here, today during breakfast i found plastic piece in my food, i was very dissapointed, i call the waiter and tell him, he reply calmly "ok" then leave me in hurry.
 i told him to inform the chef but there is no action towards
 quite bad morning in the first start of 2021"

[Read less](#) ▲

 **FennyWijaya** wrote a review Jan 2020
 Medan, Indonesia • 75 contributions • 57 helpful votes

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The Spa Therapist is not professional

"I wonder why the regulation for therapist in Karibia spa is they can bring MOBILE PHONE along with them while working. After 10 minutes massage, I felt that why the therapist is using 1 hand instead of 2 hands, I guess she is texting people in mobile and it is true after her mobile is ringing all the time. I thought she is aware of how annoying it is (she should off the mobile phone) but she is not. Then she excused to pick up the phone after she did it for several times (she should excused start from beginning) and it is continue for an hour. She said it's her daughter. I am confused why A VERY NICE PLACE like this become poor because of the 3 years working therapist."

[Read less](#) ▲

Date of stay: January 2020

●●●○○ Location ●●●○○ Service
 ●●●○○ Sleep Quality

 **Yee Vyon L** wrote a review May 2018
 4 contributions

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Overrated

"Seeing you with luggages, the doorman didn't even help to open the door for us, but merely stood there watching us struggling to open the door. Took way too long for them to clean the table in the breakfast lounge, was searching for a seat for breakfast but none of the tables was cleaned. Got the kettles changed 2 times to get a functioning one, why won't you make sure it's functioning first before changing for us? Personal view: overrated as a 4star hotel. I've been in 3star hotel which the services are wayyyyyyy better.
 The only advantage is that Karibia is near to Centre Point mall and surrounded by restaurants and night life, and that's it. Large room of improvement to call yourself a 4star hotel."

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Date of stay: May 2018
Trip type: Traveled on business

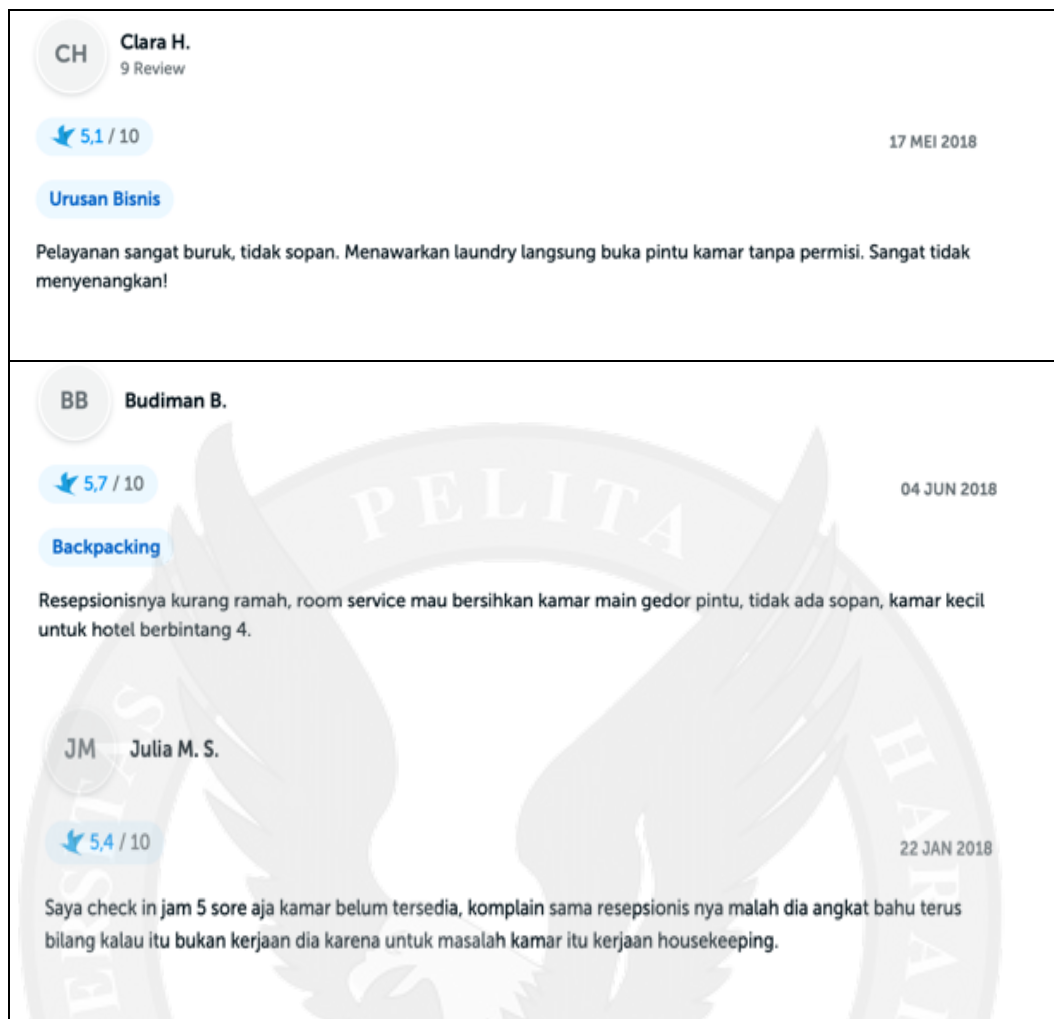


Figure 1. 1 Online Reviews (TripAdvisor 2018-2020; Traveloka 2018)

Source: TripAdvisor (2021) ; Traveloka (2021)

Karibia Boutique Hotel has received many positive feedbacks (from TripAdvisor and Traveloka) such as an excellent place to stay, a good place for sleep, and many more. This implies that the company has been operating effectively, meeting the needs and desires of its consumers. Unfortunately, despite the excellent reviews, Karibia Boutique Hotel falls short in a few areas. Some guests have expressed their discontent through internet channels, stating that Karibia Boutique Hotel's employee performance needs to be improved. For instance, some customers have complaint, that the hotel service is not friendly at all. Furthermore, another feedback issue was that the housekeeping

and spa therapist did not assist with a guest's report and continued to play on their phone while working, which left the customers feeling quite disappointed. According to the feedback provided by guests, employee performance is an issue at Karibia Boutique Hotel. Therefore, it indicates the problem that Karibia Boutique Hotel is experiencing with the most important aspect of running a hotel business is the ability to maintain a high level of employee performance.

The following tables show the employee tardiness data for year 2019 and 2020 that can also reflect how well the employees have been performing through internal assessment:

Table 1. 1 Employee Tardiness in 2019 (Number of Employee)

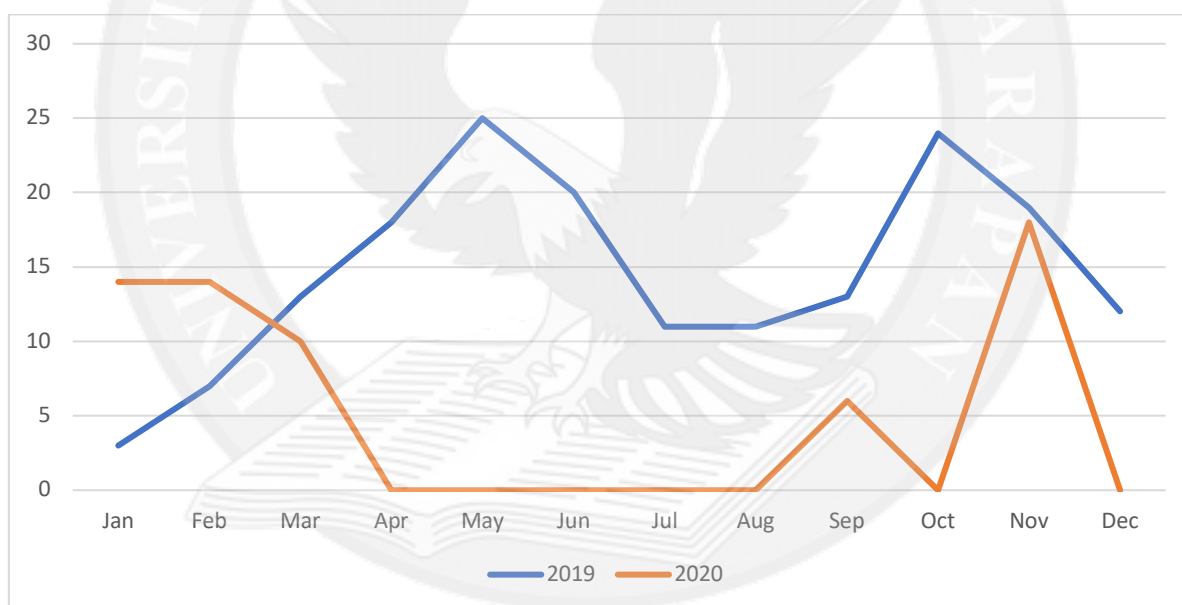
DEPARTMENT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DO	0	0	0	0	0	0	0	0	0	0	0	0
HR	0	0	0	0	0	0	0	0	0	0	1	0
Sales	3	4	5	6	8	1	1	0	0	3	7	2
Finance	0	2	4	0	5	2	5	2	2	11	6	5
Engineering	0	0	1	0	2	0	0	1	2	0	1	0
Housekeeping	0	1	1	0	2	4	0	1	0	1	0	2
FB Service	0	0	0	1	2	2	1	0	0	1	0	1
FB Product	0	0	0	0	2	1	0	1	0	1	1	1
Steward	0	0	0	0	0	0	0	0	0	0	0	0
Front Office	0	0	1	6	0	10	4	1	6	6	3	0
Security	0	0	1	1	0	0	0	0	0	0	0	1
IT	0	0	0	0	0	0	0	0	0	0	0	0
FBP GVM	0	0	0	4	4	0	0	5	3	1	0	0
FBS GVM	0	0	0	0	0	0	0	0	0	0	0	0
Total	3	7	13	18	25	20	11	11	13	24	19	12

Source: Prepared by the Writer (Karibia Boutique Hotel, 2021)

Table 1. 2 Employee Tardiness in 2020 (Number of Employee)

DEPARTMENT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DO	0	0	0	0	0	0	0	0	0	0	0	0
HR	0	0	0	0	0	0	0	0	0	0	0	0
Sales	0	4	1	0	0	0	0	0	0	0	8	0
Finance	4	4	0	0	0	0	0	0	4	0	6	0
Engineering	1	1	2	0	0	0	0	0	0	0	0	0
Housekeeping	0	1	1	0	0	0	0	0	0	0	0	0
FB Service	2	0	0	0	0	0	0	0	0	0	2	0
FB Product	5	3	2	0	0	0	0	0	2	0	2	0
Steward	0	0	0	0	0	0	0	0	0	0	0	0
Front Office	2	1	0	0	0	0	0	0	0	0	0	0
Security	0	0	0	0	0	0	0	0	0	0	0	0
IT	0	0	0	0	0	0	0	0	0	0	0	0
FBP GVM	0	0	2	0	0	0	0	0	0	0	0	0
FBS GVM	0	0	2	0	0	0	0	0	0	0	0	0
Total	14	14	10	0	0	0	0	0	6	0	18	0

Source: Prepared by the Writer (Karibia Boutique Hotel, 2021)

**Figure 1. 2 Employee Tardiness (2019-2020)**

Source: Prepared by the Writer (2021)

From the data above, it can be seen that employee tardiness in 2019 and 2020 have getting better. In 2019, there were 176 employees who experienced late. Meanwhile, in 2020, there were only 62 employees who experienced late. However, based on monthly data, there were always employees who were late

in 2019, especially in certain months such as May, June and October. Meanwhile, the number of late employees is expected to decrease by 2020. That's because the corona virus spread in Indonesia in 2020, causing the hotel business to suffer a little loss, and hotel staff are required to be always standby to serve customers at all times. The hotel management then employed stricter work shifts and monetary punishment for those proven not being discipline including on attendance.

In April 2020, the Karibia Boutique Hotel's working system underwent a slight change. The hotel was closed in April due to Covid-19's early entry into Indonesia and reopened in early May after arranging for employees who are actively working to be paid 50% of their basic salary, in which no more than 50% of those who come to work are paid, but for some department such as housekeeping, front office and security department work shifts continue to run three shifts as usual. Moreover, the hotel eliminated extra off and split shifts.

On the other hand, employees who are constantly disciplined in their attendance will be awarded with prizes in the form of best attendance criteria. The best attendance criteria is one of the criteria in the selection of the best employees which is held every three months and annually. There is also an allowance of Rp. 500.000,- as well as certificates of appreciation and awards will be given at the General Staff Meeting.

The hotel continues to value their employees as 50% of the company's assets. For a period of six months, which in August – December 2020, management provides food assistance, they pays attention to the health and well-being of employees at work by providing healthy beverages such as hot

ginger and bear brand milk, along with multivitamins and some sports activities. Everything is done to ensure that employees maintain their stamina and confidence while performing their assigned duties.

The reason the writer chose to research at the Karibia Boutique Hotel, Medan was because the writer wanted to know the problems and constraints that the Karibia Boutique Hotel, Medan had, which made some guests complain about the unsatisfactory service provided. Therefore, the writer interested in knowing more about the performance of the employees at the Karibia Boutique Hotel, Medan. This is very important, because the quality of service is one of the important keys that must be owned by every hotel industry to maintain guest loyalty, by knowing more about the performance of employees at the Karibia Boutique Hotel, Medan can benefit the hotel to improve the quality of their performance.

Based on the background of study above, the writer would like to conduct a research with a title **“The Influence of Motivation and Work Environment on Employee Performance at Karibia Boutique Hotel, Medan”**.

1.2 Problem Limitation

Due to limited time, knowledge and access towards this company, the writer will limit the research and will try to focus on achieving the objective about Motivation and Work Environment as the independent variables (X) and Employee Performance as the dependent variable (Y) at “Karibia Boutique Hotel” which is located in Medan, North Sumatra. This research focuses on

how the employee motivation and work environment influence the employee performance at Karibia Boutique Hotel, Medan.

The indicators in motivation according to Sunyoto (2012) as cited in Sembiring (2020) are: job promotion, achievement, the work itself, awards, recognition and success.

The indicators in work environment according to Sunyoto (2012) as cited in Sembiring (2020) are: employee relationship, noise level of work environment, work regulation, lightning, air circulation and security.

The indicators in employee performance according to Robbins and Judge (2013) as cited in Nazwirman (2019) are: quantity, quality, effectiveness, timeliness, independence and work commitment.

1.3 Problem Formulation

Based on the research that are going to be conducted, the writer will prepare some research question, as follow:

- a. How is the motivation for employees at Karibia Boutique Hotel, Medan?
- b. How is the work environment at Karibia Boutique Hotel, Medan?
- c. How well the employee performance at Karibia Boutique Hotel, Medan?
- d. Does motivation have partial influence on employee performance at Karibia Boutique Hotel, Medan?
- e. Does work environment have partial influence on employee performance at Karibia Boutique Hotel, Medan?
- f. Do motivation and work environment have simultaneous influence on employee performance at Karibia Boutique Hotel, Medan?

1.4 Objective of the Research

The main objective of the writer doing this research are as follow:

- a. To describe about employee motivation at Karibia Boutique Hotel, Medan.
- b. To explain the work environment at Karibia Boutique Hotel, Medan.
- c. To evaluate the employee performance at Karibia Boutique Hotel, Medan.
- d. To analyze whether motivation has partial influence on employee performance at Karibia Boutique Hotel, Medan.
- e. To determine whether work environment motivation has partial influence on employee performance at Karibia Boutique Hotel, Medan.
- f. To investigate whether motivation and work environment have simultaneous influence on employee performance at Karibia Boutique Hotel, Medan.

1.5 Benefit of the Research

This research aims to bring some benefits, which are divided as below:

1.5.1 Theoretical Benefit

The writer believes that by doing this research, it could deliver knowledge on the importance of motivation and work environment and how it affects the employee performance. The results of this research are also expected to contribute to the existing theories, especially those relevant with motivation, work environment and their influence on employee performance.

1.5.2 Practical Benefit

The following are the practical benefit expected to be gained from this research:

- a. For the writer, the writer will get more knowledge about the motivation, work environment and employee performance.
- b. For Karibia Boutique Hotel, the hotel will get benefit from this research, they could get a recommendation that are being provided by the writer to improve and solve the problems that are being faced by the hotel.
- c. For other researchers, this research can be used as a reference in doing their research and have more understanding about the variables that are similar to the topic

