

CHAPTER I

INTRODUCTION

1.1. Background of The Study

There are many important steps to be consider when growing a business. One of 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, Motivation and Work Environment. These 3 variables (Motivation, Work Environment and Employee Performance) play an important role in the success of an organization.

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. While 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.

Work Environment is a location where employees carry out their responsibilities, as well as a working condition of employees who live and work together, and who carry out each job and work in a consistent and memorable manner (Edward & Purba, 2020). While according to Hakim (2018), work environment is defined as everything in and around the employees that can influence their ability to carry out and complete the work or tasks assigned to them.

As the 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). Employee performance is the value chain of an employee's contribution to the organization's objective, whether positive or bad (Minh Ha et al., 2021).

These variables will be use in CV Sinar Indah. But first, the writer will discuss for the company profile first. The object in this study is CV Sinar Indah, Medan. It is a family business-oriented company engaged in a consumer goods distribution company that currently distributes textile fabric based in Medan. This company is build in 1943 by Mr. Simon Kesuma. It started by selling bra accessories but then it changes to sell all kind of rubber in 1956. Then in 1992, the company changed its market sales to sell textile fabric until now. Now Mr. Simon Kesuma has retired and has inherited the company to his daughter and son-in-law who is Ms. Helen as marketing and Mr. Midin as a manager.

There are problems that some employee's complaint about from CV Sinar Indah within Motivation, Work Environment and Employee Performance. Employee Performance especially from cleaning service, mostly do not care about the circumstances of the people around. Sometimes when others are having their lunch, the cleaning service do not care that they keep on sweeping the floor although others are still eating. There are also some employees who always late to work in the morning. Sometimes there are some who like to play phone during their work time and some are always take longer lunch time which exceed the rest time

schedule. This is mostly influence by the lack of Motivation and Work Environment.

Table 1.1 List of lateness in 2020

Months	Number of lateness in a month
January	239
February	215
March	233
April	198
May	221
June	217
July	254
August	234
September	226
October	212
November	216
December	207

Source : Prepare by the writer (2021)

This is supported by theory from PANCASILA et al., (2020) which if the employee feels motivated, then he will get satisfaction in the work, and he works more enthusiastically, which will ultimately improve his performance. And theory from Al-omari & Okasheh, (2017) which stated that it is known that workplace environment and physical office design affect organizational performance. This thesis is made to provide the information about the Motivation and Work Environment from CV Sinar Indah that is located in Jl. Garut No.30, Kec. Medan Kota, Kota Medan, Sumatera Utara 20212.

For Motivation, some employees feel that their efforts are not being recognized or appreciated, which causes them rapidly lose enthusiasm and devotion to their job. By showing some appreciation, it will keep employees engaged. In addition to improving productivity, showing appreciation in the workplace also increases employee engagement and dedication.

For Work Environment, the company is lack of two-way communication. When one party misunderstands or misconstrues another's words or behavior, it has the potential to cause conflict. Poor communication in the office is irritating and can lead to poor performance, a lack of cooperation, low morale, and lower revenues. Which is why some employees are having trust issues that causes bad employee relations and lack of cooperation.

Employees want to work in an atmosphere where they can form relationships with their coworkers and share their thoughts and opinions. Workers cannot accomplish their tasks successfully if they do not have access to people and resources. This can have a negative impact on morale and drive to perform well, resulting in a less productive employees. It can also have an influence on project completion time, which can harm a company's image as well

These are the reason why this journal 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 journal “THE INFLUENCE OF MOTIVATION AND WORK ENVIRONMENT TOWARD EMPLOYEE PERFORMANCE AT CV SINAR INDAH, MEDAN” will provide the solution for these problem.

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 CV Sinar Indah which is located at Jl. Garut No.30, Medan, Indonesia.
- b. Due to geographical, time and cost constraints, the respondents were only taken from the employees of CV Sinar Indah.
- c. This research uses three (3) variables, in which;

The first variable X is Motivation whose indicators are : Extrinsic Motivation and Intrinsic Motivation.

The second variable X is Work Environment whose indicators are : Air and Lightning, Voice, Cleanliness, Security, Work Relations, Responsibilities and Work Structure and Smooth Communication and Teamwork.

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 Motivation and Work Environment partially and simultaneously influence the Employee Performance at CV Sinar Indah is the intention of the research. Therefore, this research attempts to answer the following questions :

- a. Does Motivation partially has influence at CV Sinar Indah, Medan?
- b. Does Work Environment partially has influence at CV Sinar Indah, Medan?
- c. Do Motivation and Work Environment simultaneously have influence toward Employee Performance at CV Sinar Indah, Medan?

1.4. Objective of the Research

Understanding the important role of Motivation and Work Environment influence the Employee Performance at CV Sinar Indah is the main goal of this research. Upon completion of this research, it is hoped that it will result in better understanding of how Motivation and Work Environment partially and simultaneously influence the Employee Performance. Hence the purposes of this study are :

- a. To assess whether Motivation partially influence Employee Performance at CV Sinar Indah.
- b. To analyze whether Work Environment partially influence Employee Performance at CV Sinar Indah.
- c. To analyze whether Motivation and Work Environment simultaneously influence Employee Performance at CV Sinar Indah.

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 Motivation and Work Environment toward 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 Motivation and Work Environment 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.

