

CHAPTER I

INTRODUCTION

1.1. Background of the study

As human beings, we are required to have the ability to do a job so that we can survive. Based on a study conducted by a site called Fitforwork.org, it is stated that working is not only for getting paid, but working can provide other benefits such as improving our health, becoming more confident in everyday life, and can provide happiness. The benefits in health are because people who enjoy their work will enjoy life more and are healthier than those who do not work. Not only physically healthy but also mentally. But all of this we can only get if we enjoy the work we are doing. Therefore, it is important for us to find jobs that match what we like.

PT. Anugrah Sentana Agro Medan is one of the companies engaged in the field of agro business where this company was founded in 2001 in the city of Medan which is located at Jln Tanjung Morawa, Km 18,5, Deli Serdang, Medan, North Sumatera, Indonesia. This company engaged in the distribution of any agricultural medicines or plantation equipment such as seeds and fertilizer. The company founded by Sumantri Djoko is experiencing problems where the company has decreased sales which can be seen from table 1.1 below

Tabel I.1
Sales Data PT. Senata Agro Medan Period 2017 to d. December 2021

No	Tahun	Company Targets	Sales Realization	Target Achievement
1	2017	12,495,000,000	11,843,810,000	95%
2	2018	12,495,000,000	13,577,650,000	109%
3	2019	12,495,000,000	11,261,080,000	90%

4	2020	12,495,000,000	11,158,475,000	89%
5	2021	12,495,000,000	10,694,080,000	86%

In Table I.1 the sales data above shows that the company often does not reach its annual target where the company's lowest sales are in 2021 which only reaches 86% of its sales target. Low sales achievement can be caused by several factors including Job Satisfaction and Organizational Culture.

Table 1. 2
Employee Data from 2018 to 2021

Description	Years			
	2018	2019	2020	2021
Number of Employees	67	65	58	54
Resign Employees	5	9	6	7
New Employees	3	2	2	6
Total Absence	129	133	145	156
Total Lateness	145	165	155	178

Sources: Prepared by the writer (2022)

From Table 1.2, it can be seen that employee turnover is quite high, absence and lateness of employee are also increasing from year to year. The high level of absence and the number of employees resign can be an indication that employees feel less motivated and less satisfied with the work they are doing. Employees which is less motivated will result in a decrease in overall company performance since employees are the one who drive company activities and number of productions will be decreasing from the target that set by the company.

Job satisfaction is the satisfaction felt by employees at work. The better the job satisfaction of the employees will make the employee's performance increase. Job satisfaction can come from good workplace, it will make you more comfortable and make you feel at home, not because of the work you did is easy, but it's because of the environment and the systematic way or working. Good workplace means

that they give you a flexibility to your work time so you can still manage your job and your daily life needs. Not only that, good workplace needs to be able to encourage your ability to balancing your life schedules, must be able to provide appropriate number of wages according to your job desk, and the ability to create a supportive circle that can understand your position. That's why job satisfaction of an employee is quite important.

The job satisfaction phenomena in this company can be seen from many different aspects. The most effecting aspect is the employees agree that their leaders are not willing to help them with all of their complaints and they don't always have their tasks to make them productive. . But in the other positive side, they try their best not to be absent, they come early to do their work, some of them are comfortable with the company's environment, and they always try their best to do their job based on the standards that have been set.

Besides, the thing that influences a good workplace is the organizational culture. So basically, culture is the characteristics from one group that include their language, habits, religion, etc. Organizational culture means the characteristics from the organization, how the organization behave in a proper way. It is important because it can affect the employee's point of view, behaviors, and perception.

The organizational culture phenomena in this company also can be seen from any different aspects. But the main problems in the company are the employees agree that they are not cared among each other, the employees can't manage strategy for their group work, some of the rules are being disobeyed because of the denial culture in the company and also the employees are not

cooperative in the company's activity. But the positive sides are the employees feel like their leaders are willing to provide information according to their postal activities and leaders are always pay attention to their health and appearance

By understanding the importance of every small aspect in the organization, the writer is interested to do an examination with the title "The Effect of Job Satisfaction and Organizational Culture on Employee Performance at PT Anugrah Sentana Agro.

1.2. Problem Limitation

In every research, there will be a problem limitation that can obstruct the result. Here is some information that the writer offer, such as:

The data used in this research is gathered from the President Director of PT Anugrah Sentana Agro in Tanjung Morawa. Due to geographical, time, and cost constraint, the respondents were gathered from all employees of PT Anugrah Sentana Agro in every department that is include in the company.

The research will use three (3) variables, which are : Job Satisfaction as Variable X1 (independent variable), Organizational Culture as Variable X2 (independent variable), and Employee Performance as Variable Y (dependent variable)

1.3. Problem Formulation

Here are some of the problem formulations based on the research and background study:

- a. Does job satisfaction effect the employee performance at PT Anugrah Sentana Agro?

- b. Does organization culture effect the employee performance at PT Anugrah Sentana Agro?
- c. Do job satisfaction and organization culture simultaneously effect Employee Performance at PT Anugrah Sentana Agro?

1.4. Objective of the Research

Based on the problem formulation that have written, it is important for the reader to understand the purpose of this research, which are:

- a. To analyze the job satisfaction effect on the employee performance at PT Anugrah Sentana Agro
- b. To analyze the organization culture effect on the employee performance at PT Anugrah Sentana Agro
- c. To analyze whether Job Satisfaction and Organization Culture simultaneously effect Employee Performance at PT Anugrah Sentana Agro

1.5. Benefit of the Research

All research carried out is expected to have benefits for all parties. There are 2 kinds of benefits of the research:

a) Theoretical Benefit

- For the reader: the result from this research is expected to provides a better quality of knowledge and understanding regarding to the effect of organization culture and employee's job satisfaction on employee's performance

b) Practical Benefit

- For the writer: by analyze and investigating this research, it will really help the writer to have more knowledge according to the topic. Writer will also have more experience on how to improve the employee performance in the organization
- For the company: the purpose of this writing is to help the company to improve and develop the employee performance by understanding the organization culture and employee's job satisfaction
- For other researchers: the writer expects to help other researchers by allow them to use it as a reference whenever they want to do other research or even study about the same topic

