

CHAPTER I

INTRODUCTION

1.1 Background of the Study

The SARS-CoV-2 virus which caused the COVID-19 disease has brought the most significant changes in the world over the past century. The virus outbreak has a huge impact on the global economy, social development, business risk, financial management and financial markets. This impact was felt in all regions of Indonesia, including in Sumatra. The spread of the Corona virus outbreak in the West Sumatra region has continued to increase since the initial case discovery. The increasing development of positive cases requires the government to establish large-scale social restriction policies. This policy causes a loss of household income because it requires people to work at home to reduce employee density (Tairas, 2020).

Human resources needed at this time are human resources who have good performance, potential and loyalty to the company, so that employees are able to describe the vision and mission that has been mutually agreed in order to achieve company goals. Performance is one of the most potential things that every worker must have to carry out every task and responsibility that are given by the company to the employees. With good performance, every worker can solve all company expenses effectively and efficiently, so the problems that occur in the company can be resolved properly.

Employees in an organization are the most important assets in achieving organizational goals, where employees who are able to produce good performance can contribute greatly to carrying out the activities of an organization. In enhancing the performance of employees, an organization must have a good a strategy and also create professional and good management. In order to achieve this goal, all available resources in the company must be involved (Suwarsito, 2020). Performance is the ability of an employee to accomplish work related goals and expectations in accordance with certain predetermined work standards. Identified that there are two contextual performances: Performance as changing concept behavior which the main purpose is to see that the present activities of the organization are carried smoothly without interruption.

PT Hazmat Techno Indonesia is a company engaged in waste and hazardous (*Limbah Bahan Berbahaya dan Beracun/LB3*) processing services according to procedures regulated by the legislation. As well as providing corporate education in the importance of waste and hazardous management.

Based on a survey conducted by PT Hazmat Techno Indonesia, there is a decrease in employee performance. The decline in employee performance can be seen from the level of employee work delays to the office. The following data tardiness employees of PT Hazmat Techno Indonesia:

Month	Total Tardiness	% of Change
2019	194	-
2020	218	12.37
2021	253	16.05
2022	271	17.11

Table 1. 1 Data of Employee Tardiness at PT Hazmat Techno Indonesia (2019-2021)

Sources: Prepared by the Writer (PT Hazmat Techno Indonesia, 2023)

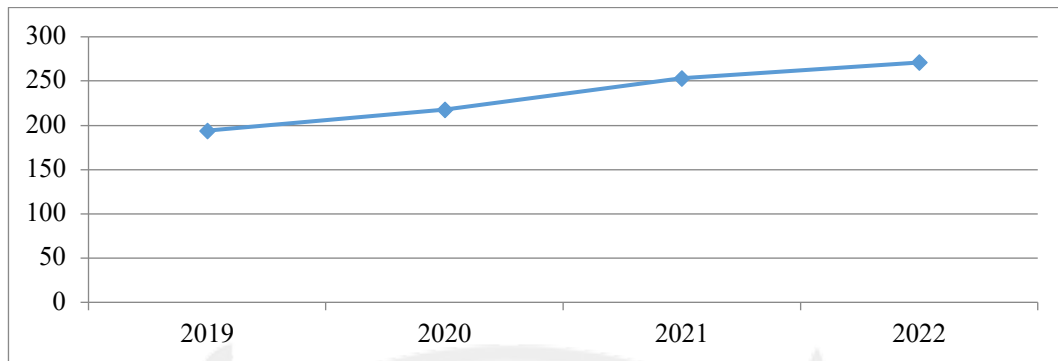


Figure 1.1 Amount of Tardiness at PT Hazmat Techno Indonesia

Sources: Prepared by the Writer (PT Hazmat Techno Indonesia, 2023)

Table 1.1 shows that the number of tardiness employees amounted to 194 times in 2019. In 2020 there was an increase of 12.37% by 218 times. Then in 2021 it also increased by 13.76% by 253 times. For 2022 increased by 15.12% by 271 times. Decreased non-compliance with employee working hours resulted in employees obtaining poor performance.

In addition, the decline in employee performance was also seen from performance appraisal in December 2022, which received a lot of poor performance compared to the number of employees in 2021.

Grade	Term 1 (January-June) 2021	Term 2 (July- December) 2021	Term 1 (January-June) 2022	Term 2 (July- December) 2022
A	16	12	10	10
B	11	11	9	8
C	18	15	12	13
D	3	4	6	8
E	4	5	8	8
Total	52	47	45	47

Table 1. 2 Data of Performance Appraisal at PT Hazmat Techno Indonesia (2021-2022)

Sources: Prepared by the Writer (PT Hazmat Techno Indonesia, 2023)

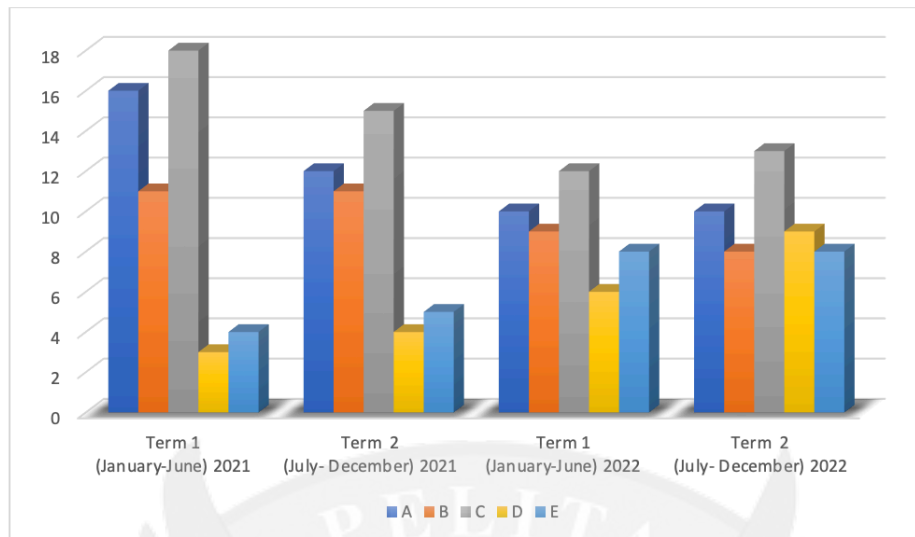


Figure 1. 2 Data of Performance Appraisal at PT Hazmat Techno Indonesia (2021-2022)
Sources: Prepared by the Writer (PT Hazmat Techno Indonesia, 2023)

The company is going performance assessment 2 times in 1 year. For the value of A means very good, the value of B means Good, the value of C means well enough, the value of D means less good, the value of E is less. The results of the performance assessment are still a lot of employees who obtain a value that is less good. Aspects of the appraiser's performance with regard to technical knowledge of the work, work quality, speed in completing the work, ability to adjust self, teamwork, communication, work discipline, initiative, responsibility and timeliness. From Figure 1.2 it can be seen that the decrease in employees who obtain the results of employees who obtain grades A, B and C has decreased the number of employees every performance appraisal is carried out. As for the value of D and E has increased the number of employees.

Individuals must have more than just intellectual ability and great ideas; employees must also possess certain human characteristics and personal qualities such as emotional stability. Organizations that promote more positive emotions at work are likely to have productive workers. The roots of emotional intelligence in the organizational context can be traced to classic management theory and

practice where strategies for assessment greatly revolved around cognitive abilities (social awareness) found to be predictive of successful performance in managerial positions.

Based on the interview with Mrs. Lilis Kurnia as the manager of the HRD in PT Hazmat Techno Indonesia at Jl. Haji Anif Komplek Cemara Kuta No 88N Medan in July 2022, that many employees are difficult to control their emotions so that work conflicts in this company are quite high. This conflict routine occurs during work meetings in the discussion of company operations. Lack of emotional stability in employees resulting in frequent work meetings do not go well and calmly. Based on an interview with Mr. Jackson Sembiring as a Customer Relationship Manager in PT Hazmat Techno Indonesia at Jl. Haji Anif Komplek Cemara Kuta No 88N Medan in July 2022, that there are complaints from customers related to the attitude and ethics of employees who are not good in providing services. This is due to customers filing complaints but employees are not responding properly and appropriately.

Work motivation in a company aims to encourage workers to be more active in conducting their work to achieve optimal goals and results. Implementation of work motivation focuses on the human factor in carrying out activities or jobs. In this case the role of a leader is needed to motivate its employees. Performance is the output of the employees that are working for a certain period of time and the emphasis is on the work done by the employee within a certain time period. For motivating employees, every company usually evaluates the performance of its employees. Motivation is an encouragement so

that workers can work according to what is expected by the company. Providing motivation to employees can affect company activities in increasing work productivity. The growth of motivation in employees can improve employee work performance so that company goals can be achieved.

Based on the interview with Mrs. Lilis Kurnia as the manager of the HRD in PT Hazmat Techno Indonesia at Jl. Haji Anif Komplek Cemara Kuta No 88N Medan in July 2022, that there was low work motivation given during the pandemic due to the absence of salary increases, triggering employees who complained to the HRD, and there was no promotion. The number of complaints from employees so that it is concluded that the motivation of employees applied in the company is still less done. Employee motivation at this company was given during the pandemic in order to improve the work competence of employees the company provided employee gathering to several employees.

Year	Total Number of Employees	Company Gathering Participant Rate
2019	42	75.2%
2020	52	61.6%
2021	47	68.9%
2022	47	62.1%

Table 1.3 Data of Motivation at PT Hazmat Techno Indonesia
Sources: Prepared by the Writer (PT Hazmat Techno Indonesia, 2023)

Table 1.3 shows that company already gave some employee gathering to the employee. However, participant of employee that joined the company gathering decreased during transition because the event is held virtually which makes motivation not created for the employee.

The relationship between individuals is often called the relationship interpersonal. Good interpersonal relationships will lead to mutual understanding and comfort in work. If the officer likes work and feels comfortable working in an

agency, he will be doing his job well. Therefore, building good relationships between employees should always be sought to create work motivation for employees, so they are encouraged to improve performance (Asrifah, 2018).

Some employees in this company have complained to the HRD Manager, Mrs. Lilis Kurnia, regarding conflict between colleagues that have a direct impact on the process of completing work, but the responses given have not been able to improve relations between employees so that because employees are lazy to improve the impact on information difficulties in the work process, these employees prefer to resign. In this company of PT Hazmat Techno Indonesia, the relationship between employees is low because of the difficulty of working in a work team, an unhealthy work environment because of the high level of competition also results in poor relations between employees so that communication is less harmonious. This encourages a decrease in employee performance.

Year	Total of Employee	% of Turnover Rate
2019	5	9.6
2020	8	17.02
2021	12	26.6
2022	10	21.2

Table 1. 4 Data of Turnover Rate at PT Hazmat Techno Indonesia
Sources: Prepared by the Writer (PT Hazmat Techno Indonesia, 2023)

Table 1.4 shows the percentages turnover rate of employees who opted out of the company due to poor employee's relations. Because many employees have conflicts in one division of work which result in the employee being shunned and not given information related to the work when the employee is not in the office.

Based on the above explanation, the writer decides to conduct research entitled **“How to Improve Employees Performance during Transition of**

Covid-19: The Important Role of Emotional Stability, Work Motivation and Working Relationships at PT Hazmat Techno Indonesia”.

1.2 Problem Limitation

Due to limitation of time and budget this research focused to PT Hazmat Techno Indonesia that Emotional Stability (X_1), Work Motivation (X_2) and Working Relationships (X_3), and Employee Performance (Y). PT Hazmat Techno Indonesia is located at Jl. Haji Anif Komplek Cemara Kuta No 88N Medan.

1.3 Problem Formulation

Based on the background of the study, the writer formulates several questions, follows:

- a. Does Emotional Stability have partial effect on Employee Performance at PT Hazmat Techno Indonesia?
- b. Does Work Motivation have partial effect on Employee Performance at PT Hazmat Techno Indonesia?
- c. Does Working Relationships have partial effect on Employee Performance at PT Hazmat Techno Indonesia?
- d. Do Emotional Stability, Work Motivation and Working Relationships have simultaneous effect on Employee Performance at PT Hazmat Techno Indonesia?

1.4 Objective of the Research

Based on the problem formulation the objectives of this research are:

- a. Analyze whether Emotional Stability has partial effect on Employee Performance at PT Hazmat Techno Indonesia.
- b. Analyze whether Work Motivation has partial effect on Employee Performance at PT Hazmat Techno Indonesia.
- c. To analyze whether Working Relationships have partial effect on Employee Performance at PT Hazmat Techno Indonesia
- d. Investigate whether Emotional Stability, Work Motivation and Working Relationships have simultaneous effect on Employee Performance at PT Hazmat Techno Indonesia.

1.5 Benefit of the Research

The writer expects that this research can give benefits both theoretically and practically.

1.5.1 Theoretical Benefit

The research result can be used to expand, improve and develop the relevant theories especially in the Emotional Stability, Work Motivation and Working Relationships and its effect towards Employee Performance.

1.5.2 Practical Benefit

The practical benefits on this research are:

- a. For the writer

The writer as the researcher to get more experience in doing the research and as an addition to knowledge with regard to Emotional Stability, Work Motivation, Working Relationships and Employee Performance.

b. For the PT Hazmat Techno Indonesia

To provide useful suggestion for the company in increasing Employee Performance especially improving the Emotional Stability, Work Motivation, Working Relationships.

c. For other researchers

Be an additional reference, reference material for further research and information to interested parties in assessing the problem the same in the future.

