

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Leaders and employees are important elements in the company because leaders and employees have an important role in running a company. Currently, business development is getting faster, and the level of competition is getting sharper, making companies must improve and develop performance in all fields. One area that must be improved by the company amid intense competition to survive is human resources. Human resources have an important role for the company because they have the talent, energy, and creativity that are needed to move the company (Putri, 2014).

Human resource Management (HRM) is as the utilization of human resources within the organization or company, which is carried out through the functions of Human Resource Planning, recruitment and selection, Human Resource Development, Planning and career development, compensation and welfare, safety and Occupational Health, and industrial relations (Marwansyah, 2010). Human resources are very important even cannot be separated from an organization or company because it is the key to the success and development of the organization or company. Human resources in the form of human employed as movers, implementers, and planning in all activities of the organization or company. Therefore, human resources must be managed in such.

a way so that it is effective and effective in achieving the mission and goals of the organization.

According to Hasibuan (2018), Human resources are the driving force of creativity and innovation in a company which will increase the reputation and profit of the company in the long term. With good cooperation, salaries affect the satisfaction of each employee. Besides, the success of a company in achieving optimal targets is determined by how big the company is to continue to change and survive in the competition. In this continuous competition, companies can have an advantage if they produce goods or services that can meet expectations and satisfy them customers, in this case the authors conducted research on PT Farza Indonesia and also a family business company that was established on 2001, was founded by Mr. Robert Christian as CEO of PT Farza Indonesia.

In this case, one of the main competitive companies is PT Farza Indonesia is PT Cobra Dental. One of the reasons PT Cobra Dental is said to be the main competitor because the company produces the same distribution dental.

Table 1. 1 Comparison of PT Farza Indonesia and PT Cobra Dental

	PT Farza Indonesia	PT Cobra Dental
Since	2001	2000
Production Type	Dental	Dental
Managing Director	Mr Roy Aditya	Mr Alfonso
Vision	Become a well-known company in the field of medical dental specialists	Being a well-known and most complete company in the field of medical dental specialists
Mission	Maintain and provide effective and efficient services derta provide value-added quality services	Prioritizing customer satisfaction.

Sources: PT Farza Indonesia and PT Cobra Dental (2023)

PT Farza Indonesia and PT Cobra Dental have the same company field only for the year established PT Farza Indonesia is superior in 2001.

PT Farza Indonesia also experienced a decline in employee loyalty. This is reflected in the many employees who opt out of the company. The following data of employees resign of PT Farza Indonesia that:

Table 1. 2 List Yearly of In and Out Employees PT Farza Indonesia

Year	Out	In	Total Each Year
2020	4 People	4 People	41 People
2021	7 People	5 People	39 People
2022	6 People	4 People	37 People

Source: PT Farza Indonesi (2023)

Based on the table 1.2 above, it can be seen that the employees of PT Farza Indonesia in 2020 amounted 41 employees, but in 2020, employees at PT Farza Indonesia decreased to 37 employees, then in the following year, the company experienced a decrease in employees by 2 people. Some reasons to resign more because employees want to find better job opportunities at other companies.

According to Siswanto (2012) stated that loyalty is an employee's commitment to the organization that is sometimes seen as an attitude.. From the data above, it can be seen that the decrease in the number of employee loyalty is due to the increasing number of employees leaving on personal initiatives, not because of layoffs from the company. It is important to know the factors that influence employee loyalty at PT Farza Indonesia As a result, variables that have significant influence in developing employee loyalty in PT Farza Indonesia will be examined from workers who still maintain in the company, specifically as many as 37 employees.

The importance of customer loyalty for the company is an increase in work commitment, optimal performance in the implementation of its work and a

good level of job skills because it has a long work experience (Kasmir, 2018). The importance of employee loyalty on results company performance, at PT Farza Indonesia e company already increased their attention to business while always maintain their transparency and prioritize employee recognition in order to maintain employee loyalty and satisfaction against the company.

For example, every employee who works at PT Farza Indonesia really intends to keep working at PT Farza Indonesia and many employees will recommend PT Farza Indonesia in Jakarta to their friends who are looking for a job and employees have a desire to change for the better at work (HRD PT Farza Indonesia, 2023).

The importance of employee satisfaction is that employees feel comfortable working in the company so that it has an impact on increasing employee loyalty in working in the company (Bangun, 2020). According to Davis(2017: 117) stated that job satisfaction is a feeling of support or unsupportive that employees experience at work. In general, overall job satisfaction has been defined as a function of the perceived relationship between what one wants from one's job and what one perceives it as offering. For example, PT Farza Indonesia in Jakarta is both an ideal place to work and employees feel motivated to work (HRD PT Farza Indonesia, 2023).

According to Suwatno (2018) stated that the company image is a public impression of the company based on public knowledge and experience and it can change because everyone's knowledge and experience are personal. For example, at PT Farza Indonesia in Jakarta has a good image and the company has a positive

perception in the community so that employees have the pride of working in the company (HRD PT Farza Indonesia, 2023).

According to Stoner (2016) states that leadership is the process of directing and influencing activities related to work of group members. On the contrary, in modern social reality, also known charismatic leaders, especially in the social and political environment. For example, the director of PT Farza Indonesia in Jakarta can show good leadership for the company because he cares about the work problems faced by employees, provides information that can be understood well by employees and can show the right corporate ethics for employees. (HRD PT Farza Indonesia, 2023)

Immediate manager is an important part of management, but it is not the same with management. Immediate manager is an ability that has someone to influence others to work to achieve goals and objectives. Management includes leadership, but also includes other functions such as planning, organizing, and supervision (Handoko, 2018). For example, the leader of the senior manager section of PT Farza Indonesia in Jakarta can show good leadership to his subordinates, has the ability to act professionally to his subordinates both by providing clear and detailed guidance and has good leadership abilities (HRD PT Farza Indonesia, 2023).

Landsberger (2011) cooperation is a group process where members support and rely on each other to achieve a result consensus. In addition, the ability of cooperation can increase self-confidence and the ability to interact, and train learners to adapt to new environment. For example, employees at PT Farza

Indonesia in Jakarta show good professional cooperation, employees have good work solidarity and have good social care among workers. (HRD PT Farza Indonesia, 2023)

Working conditions in an enterprise are very important for attention to management. Although the working conditions do not implement production process in a company, but the work environment has direct influence on the employees who carry out the process that production. Working conditions is the atmosphere in which employees do activities every day (Bangun, 2020). For example, the system of division of labor at PT Farza Indonesia in Jakarta is good and clear, a harmonious working environment, work pressure in accordance with the compensation received and there is a development of employee skills (HRD PT Farza Indonesia, 2023).

Based on the explanation above, the writer decides to conduct research entitled **“The Influence of Image, Corporate Leadership, Immediate Manager, Cooperation, Condition of Work towards Job Satisfaction and Job Loyalty on PT Farza Indonesia”**.

1.2 Problem Limitation

Based on the background described above, the authors need to limit the problem with the aim that the discussion of the problem is not too broad.

This research will focus on:

1. Image, Corporate Leadership, Immediate Manager, Cooperation, Condition of Work, Job Satisfaction and Job Loyalty.

2. The Data of this research is gathered from PT Farza Indonesia.
3. Subjects of research on all employees who work at PT Farza Indonesia from all divisions.
4. The population of this study consisted of males and females residing in Jakarta, aged between 18 to 60 years, who had worked for more than 1 year, familiar with the director of PT Farza Indonesia in Jakarta, Mr. Robert Christian and familiar with Senior Manager of PT Farza Indonesia in Jakarta, Mr. Roy Aditya.

1.3 Problem Formulation

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

1. Does image have a significant influence on job satisfaction at PT Farza Indonesia?
2. Does corporate leadership have a significant influence on job satisfaction at PT Farza Indonesia?
3. Does the immediate manager have a significant influence on job satisfaction at PT Farza Indonesia?
4. Does the cooperation have a significant influence on job satisfaction at PT Farza Indonesia?
5. Does the condition of work have a significant influence on job satisfaction at PT Farza Indonesia?

6. Does job satisfaction have a significant influence on job loyalty at PT Farza Indonesia?

1.4 Objective of the Research

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

1. To determine the influence of image on job satisfaction at PT Farza Indonesia.
2. To determine the influence of corporate leadership on job satisfaction at PT Farza Indonesia.
3. To determine the influence of immediate manager on job satisfaction at PT Farza Indonesia.
4. To determine the influence of cooperation on job satisfaction at PT Farza Indonesia.
5. To determine the influence of condition of work on job satisfaction at PT Farza Indonesia.
6. To determine the influence of the job satisfaction on job loyalty at PT Farza Indonesia.

1.5 Benefit of the Research

This research can give benefits both theoretically and practically.

1.5.1 Theoretical Benefit

The theoretical benefits from the results of this study can be used as additional information and as a reference to carry out further research related to

image, corporate leadership, immediate manager, cooperation and condition of work towards job satisfaction and loyalty.

1.5.2 Practical Benefit

The practical benefits on this research are:

1. PT Farza Indonesia is expected to provide additional information and as material for consideration in making decisions related to human resources and performance appraisal of employee satisfaction and loyalty, so that in the future the results of this research can help PT Farza Indonesia, especially in the HRD section to become a company which has employees with high levels of satisfaction and loyalty.
2. The author is expected to be able to increase knowledge about HR with the aim that it will be useful when he comes to the world of work later by applying the knowledge of HR that has been obtained in college.
3. For the Faculty of Management, Pelita Harapan University, Medan, the results of this study can be used as library material and add references for students and younger generations at the Faculty of Economics, Pelita Harapan University.
4. For other parties, the results of this study are expected to be knowledge for readers and can be a consideration for companies that are facing the same problem.