

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Indonesia is an archipelagic country with more than 17,500 islands and over 300 ethnic groups. Indonesia is a very popular tourist destination and is rich in both natural and cultural tourist resources (Hikmah & Nurdin, 2021). The tourism industry has long been considered to help the economic sector in Indonesia and other developing nations, as well as in established nations worldwide (Hikmah & Nurdin, 2021).

As the tourism industry progresses, especially in Bali, the hotel industry is starting to develop rapidly. With its current growth, Bali has become very busy with international visitors (Napu et al., 2023). Bali is very popular with international tourists because it offers beautiful natural views. Bali is also rich in culture and traditions such as religious ceremonies, traditional dances, arts, and unique handicrafts. Balinese people are known to be friendly and warm towards tourists; they often make visitors feel very welcome and appreciated.

In the January–July 2023 period, there were 2,896,766 foreign tourist visits coming directly to Bali. When compared with the January–July 2022 period, the number of foreign tourists was recorded at 618,009 and has increased by 368,73 percent” (Badan Pusat Statistik Provinsi Bali, 2023).

**Table 1.1 Arrivals of Foreign Tourists Coming Directly to Bali in Jan-Jul 2023 and Jan-Jul 2022**

No.	Nationality	Jan – Jul 2022 (person)	Jan – Jul 2023 (person)	Change in foreign tourists (%)
1.	Australia	187.285	724.376	286,78
2.	India	49.487	255.006	415,30
3.	United States of America	34.295	146.830	328,14
4.	England	41.623	145.030	248,44
5.	Tiongkok	7.923	141.292	1.683,31
6.	Singapore	35.887	128.688	258,59
7.	South Korea	10.610	119.717	1.028,34
8.	Malaysia	18.665	113.531	508,26
9.	France	32.867	108.786	230,99
10.	German	29.684	104.638	252,51
11.	Others	169.682	908.872	435,63
<b>Total</b>		<b>618.008</b>	<b>2.896.766</b>	<b>368,73</b>

Source: Badan Pusat Statistik Provinsi Bali (2023)

From the statement above, explain that the island of Bali is the prima donna for many tourists from various countries. Many tourists from various countries visit for a vacation to enjoy the beauty of the island. This also encourages competition between hotels and resorts to be at the forefront and the best in tourism.

**Table 1.2 Arrivals of Foreign Tourists Coming Directly to Yogyakarta in Jan-Jul 2023 and Jan-Jul 2022**

No.	Nationality	Jan – Jul 2022 (person)	Jan – Jul 2023 (person)	Change in foreign tourists (%)
1.	Malaysia	910	20.289	2.129,56
2.	Singapore	160	7.776	4.760,00
3.	Tiongkok	5	1.919	38.280,00
4.	United States of America	30	1.545	5.050,00
5.	France	47	1.430	2.942,55
6.	India	8	1.331	16.537,50
7.	England	26	1.066	4.000,00
8.	Dutch	51	1.054	1.966,67
9.	German	25	998	3.892,00
10.	Thailand	12	842	6.916,67
11.	Others	199	12.873	6.368,84
<b>Total</b>		<b>809</b>	<b>51.123</b>	<b>3.370,67</b>

Source: Badan Pusat Statistik Provinsi Yogyakarta (2023)

Compared with Yogyakarta, which is also a popular tourist destination, the total number of foreign tourists that visited Yogyakarta directly in January–July 2023 was 51,123, while in the January–July 2022 period, the total number of

visitors was only 809. The total change from January–July 2023 to January–July 2022 is 3,370.67 percent (Badan Pusat Statistik Provinsi Yogyakarta, 2023).

In facing competition, the management strategy implemented is a comprehensive approach in all aspects of hotel management, consisting of hotel facilities, product policies, and characteristics, as well as human resources attached to each section to generate profits (Sesario, 2021).

Herzberg described Abraham Maslow's theory of hierarchical needs, namely (1) physiological needs that are worthy of being met in a job; (2) safety needs; (3) social needs; (4) self-esteem needs; and (5) self-actualization needs. Human resources are one of the most vital elements for the organization because their performance is very calculated to realize the vision and mission of the company that has been set (Suryani et al., 2020).

According to McGregor's theory, which states that if individuals have positive potential, they will perform well as long as they receive motivation that is suited to the circumstances and conditions, this means that management must be able to direct this potential toward a reality of productivity that is beneficial to the company (Z. M. U. S. MM, 2020).

The quality of human resources is also required to support the organization's competitive advantage. Having employees with good performance can make it easier for organizational leaders to direct them to achieve goals (Suryani et al., 2020).

The variable that can influence employee satisfaction is the condition of the work environment. Employee satisfaction can be seen intrinsically and

extrinsically. The conditions of the environment, which are increasingly competitive and even global, can cause employee dissatisfaction. This will cause the organization to be threatened with instability; there are work strikes, and many employees leave work (Andriani et al., 2021). Employees who feel engaged can have satisfaction at work, receive the support of colleagues positively, and be able to work in their work environment effectively and efficiently (Andriani et al., 2021).

The work environment is everything around the workplace that can influence employees to carry out work activities (Surajiyo et al., 2020). Co-workers support can take the form of providing information and resources, empathy, mentoring and various other forms that help employees complete their work (Psikolog & Febriansyah, 2020). Employee satisfaction is a positive or negative, pleasant or unpleasant emotional state as a result of one's evaluation of one's job or work experience (Tumanggor, 2020).

The object of this research is Bulgari Resort Bali, a five-star resort which is the second in a magnificent new line of hotels and resorts in prestigious locations across the world. One of the keys to the success of this resort is having quality and well-performing employees.

Bulgari Resort Bali opened on September 23, 2006. Food of exceptional quality, all infused with a particular Italian spirit of innovation and tradition, is in the tradition of the Bulgari Hotel Milano. Bulgari Resort Bali occupies a secluded plateau near Uluwatu, on the southern tip of the Jimbaran Peninsula. Defined by cliffs that fall dramatically into the Indian Ocean and blessed both by sunrise and

spectacular sunset views, the resort enjoys private access via funicular to a pristine stretch of beach.

Bulgari Resort Bali has 59 villas and 5 mansions that were built and styled with hand-cut volcanic stones, exotic woods, and stunning fabrics. The villa consists of an outdoor and an indoor area. When the guest opens the entrance door, they will see a beautiful garden, an outdoor living and dining area, and a private plunge pool. Continuing to the indoor area, there will be a master bedroom and a spacious bathroom with indoor and outdoor showers. Bulgari Resort Bali has facilities such as a spa, restaurants, bar, gymnasium, pavilion, swimming pool, private beach, Bulgari store, gift shop, and many more.

Bulgari Resort Bali is a favorite resort for tourists, as can be seen from the awards it has received. Bulgari Resort Bali won the Forbes Travel Guide Five-Star Award in 2020. Bulgari Resort Bali provides the best service to guests, so that guests are very happy and comfortable staying at the resort. The table below shows the ratings of guests who stay at the resort on the online booking platform compared with one of the 5-star villas in Uluwatu, Jumeirah Bali.

**Table 1.3 Resort Ratings on Online Booking Platforms**

No.	Platforms	Bulgari Resort Bali	Jumeirah Bali
1.	Booking.com	9.7/10	9.6/10
2.	Trip.com	4.9/5	4.8/5
3.	Expedia	9.4/10	9.4/10

Source: Booking.com, Trip.com, Expedia.com (2023)3)

Based on the table above, it can be concluded that Bulgari Resort Bali has a higher rating than Jumeirah Bali. This means that the success and reputation of Bulgari Resort Bali are heavily influenced by its employees. Understanding the work environment and level of support among co-workers at Bulgari Resort Bali is

critical to enhancing employee satisfaction, motivation, and ultimately the experience of guests staying at the resort.

Based on the observations conducted by the writers when interning at Bulgari Resort Bali, there are some issues in the work environment, such as the cleanliness in the work area that is still not maintained, discomfort in air exchange caused by a malfunctioning air conditioner, and lack of lighting at night in the working area. Additionally, there are issues related to co-worker support, including employees finding it difficult to communicate openly with colleagues or feeling uncomfortable expressing opinions or ideas, and there is a lack of care among co-workers. The other issue related to employee satisfaction is that employees feel uncomfortable when working because of the issues that happen in resorts. They feel unhappy when doing their job; this can also impact employee performance when working.

Based on the interview results with one of the employees working at Bulgari Resort Bali, there are issues in the resort, such as the lack of cleanliness and discomfort in air exchange. She stated that the employees are more individualistic and exposed to a toxic work environment, and these issues impact employee dissatisfaction when working.

Based on previous research by Ada et al., (2023), it is proven that employee satisfaction is positively and significantly influenced by the work environment. Furthermore, the writer also states that improving employee performance can be pursued by increasing the indicators contained in the work environment.

According to Lulu (2018), stated that as the work environment within the company improves, employee satisfaction also increases. Based on previous research by Kurniawan & Naeni (2021), they stated that employees will feel satisfied when they find pleasure in working. This enjoyment comes not only from being happy with the work being done but also from socializing with fellow co-workers.

The seventh division at the Bulgari Resort Bali carries out its duties according to the company's strategy in order to compete with other hotels. Therefore, to improve service quality and get a good impression from guests who stay at the resort, good performance is needed from each of its employees. Each hotel certainly has a department that has the same goal, which is to improve the name and quality of the hotel where they work. One of the important factors that affects service quality and overall employee satisfaction is the work environment and the support received from colleagues. Below is the table of divisions and departments at Bulgari Resort Bali:

**Table 1.4 Division and Department at Bulgari Resort Bali**

<b>Division</b>	<b>Department</b>	<b>Total</b>
<b>Admin &amp; General</b>	Finance	12
	Human Resources	4
	Admin & General	2
	Revenue	2
<b>Engineering</b>	Engineering	26
<b>Culinary</b>	Stewarding	15
	Pastry	6
	Main Kitchen	24
	EDR Kitchen	7
	Italian Kitchen	5
<b>Food &amp; Beverage</b>	FB Adm	4
	Il Bar	11
	In Villa Dining	6

	Pool Bar	3
	Sangkar	13
	Il Ristorante	4
<b>Mansion</b>	Mansion	15
<b>Rooms</b>	SPA, Retail, Gym, Recreation	13
	Gift Shop	2
	Front Office	30
	Info & Telecom System	2
	Housekeeping	33
	Laundry	4
	Loss Prevention	16
	Rooms Adm	2
	<b>Sales &amp; Marketing</b>	Sales & Marketing
Reservation		4
Events / Banquet		3
<b>Total</b>		<b>278</b>

Source: Bulgari Resort Bali (2023)

Based on the explanation above, the author is interested in analyzing the work environment and co-worker support on employee satisfaction at hotels, with research entitled “*Analysis of Work Environment and Co-Worker Support on Employee Satisfaction at Bulgari Resort Bali*”.

## 1.2 Problem Limitation

The problem limitations of this research are as follows:

- a. This thesis is limited to a specific location, Bulgari Resort Bali. Means that the conclusions of this thesis may not be fully applicable to work environments in other locations.
- b. There may be other factors that can affect employee satisfaction, such as personal conditions, motivation, and family environment, which may not be fully discussed in this thesis.



### **1.3 Problem Formulation**

Based on the background of the problems described above, the problem formulations are as follow:

- a. Is there an influence of the work environment on employee satisfaction at Bulgari Resort Bali?
- b. Is there an influence of co-worker support on employee satisfaction at Bulgari Resort Bali?
- c. Is there an influence of the work environment and co-worker support on employee satisfaction at Bulgari Resort Bali?

### **1.4 Objective of the Research**

Based on the problem formulations, the objectives of the research are as follows:

- a. To analyze the influence of the work environment on employee satisfaction at Bulgari Resort Bali.
- b. To analyze the influence of co-worker support on employee satisfaction at Bulgari Resort Bali.
- c. To analyze the influence of the work environment and co-worker support on employee satisfaction at Bulgari Resort Bali.

### **1.5 Benefits of the Research**

The benefits of the research according to the objectives and problems found during the research are as follows:

### 1.5.1 Theoretical Benefits

This research can add the insight, knowledge, and skills of the writer. By compiling this research, it can also help the writer apply the knowledge that has been obtained while studying at Universitas Pelita Harapan Medan Campus.

### 1.5.2 Practical Benefits

a. For Researchers

Through this research, the writer will gain a deeper understanding of the influence of the work environment, co-worker support, and employee satisfaction. Also, the writer can improve their ability to compile research.

b. For University

Through this research, it will become a reference and source of information in the future at Universitas Pelita Harapan Medan Campus.

c. For Bulgari Resort Bali

Through this research, Bulgari Resort Bali can find out what factors influence employee satisfaction and assist the human resources department in designing effective policies to increase employee satisfaction.