

# CHAPTER I

## INTRODUCTION

### 1.1 Background of Study

Company is an organization that does business either in service industry or manufacturing industry, in which the organization grows through profits. In facing free trade, the growing competition effects every company. This condition forces every company to adapt by working effectively, efficiently and productively. However, there are a lot of problems that hinder company to adapt therefore will lead to failure. It can be caused by the inability to adapt to technology growth or the inability of human resources to work effectively and efficiently.

The success of an organization is effected by the human resources quality because good quality human resources will increase the performance of the organization. An organization will always increase its employees' performance in order to achieve the company's vision. Employees' performance is related to the amount of contribution for the organization which is quantity, quality, time management and team work. By looking through all those contributions, performance is very important for organizations. Every organization wants its employees to be able to show high performance in working.

In increasing the employees' performance, companies support through several things such as education, training, incentives and motivation. Going through education and training will lead to ability for employees to work responsibly because they are trained to do their job. On the other hand, incentives and motivation are employees' rights and

the responsibility of company to support the employees' contribution in attaining the company's vision.

Motivation is a driver that drives people in doing things enthusiastically and goal oriented. Without motivation, employees will be less focus in attaining company's vision. Incentive is a tool that is given to motivate employees to maximize their performance to the company. Incentive has a role in increasing social welfare as company also realizes that by giving salary, it is not enough to motivate employees to be more enthusiastic in working.

According to Chung & Megginson (2019), "Motivation is defined as goal-directed behaviour. It concerns the level of effort one exerts in pursuing a goal... it is closely related to employee satisfaction and job performance" (Sastrohadiwiryono & Syuhada, 2019).

PT Boga Dimsum Indonesia is a manufacturing company that operates in food and beverages industry. As what is written in the website of PT Boga Dimsum Indonesia, they "produce & market a wide range of fresh and frozen dim sum – traditional Chinese delicious delicacies, pastries, shrimp & meat dumpling and spring roll, which are divided into fried, steam, baked and microwave categories. Different delicious varieties are available such as vegetable, seafood, and chicken meat etc" (PT Boga Dimsum Indonesia, 2017).

The core business of PT Boga Dimsum Indonesia is producing frozen export quality dimsum that halal certified and free of food additives. The frozen dimsum is marketed in both marketing and retail segment including restaurant, fast food chain, supermarket chain, etc. Moreover, all of their products are certified by expatriate chefs in the internal quality control to achieve export quality products.

Since the time PT Boga Dimsum Indonesia established, PT Boga Dimsum Indonesia has hired expatriate chefs in its production section for inspecting and certifying that the products have passed the quality control and suitable for export. Based on the observation on PT Boga Dimsum Indonesia, the manufacturing of the products includes manual production through employees and production through machine. The majority of production around 75% are produced manually and the other 25% are produced through machine. The total employees of PT Boga Dimsum Indonesia are around fifty people and the population of expatriate chefs are around ten people.

The problem that currently occurs in PT Boga Dimsum Indonesia is that the company is having trouble in maximizing performance. The current expatriate chefs are believed not be able to contribute their full potential to the company. The chefs are often bored and spend more of their times playing. This is an important problem and therefore it needs motivation to improve the performance.

As the writer is researching about international businesses, the writer chooses PT Boga Dimsum Indonesia for this research paper subject is because although PT Boga Dimsum Indonesia is an Indonesia based company and operates in Jakarta Barat, PT Boga Dimsum Indonesia hires expatriate chefs and exports its products of which both aspects are deeply connected in international business.

This paper is written with the intention to identify and explain **“The Effect of Motivation towards The Employees’ Performance at PT Boga Dimsum Indonesia in Jakarta Barat”**. In addition, this research is done to fulfil the requirement for the writer to achieve its education degree.

## **1.2 Problem Limitation**

Due to the ability of the writer to complete this research project in limited time, the writer will just limit motivation (independent variable) with the indicator of Physiological Needs, Safety Needs, Love and Belonging Needs, Esteem Needs and Self-Actualization Needs and employee performance (dependent variable) with the indicator of Performance Quantity, Work Quality, Time Utilization and Cooperation

## **1.3 Problem Formulation**

The problem that underlies this research is to analyse:

Does motivation have effect towards employees' performance at PT Boga Dimsum Indonesia in Jakarta Barat?

## **1.4 Objective of The Research**

The objectives in doing this research are as follows:

Investigate the effect of motivations towards the employee performance of PT Boga Dimsum Indonesia in Jakarta Barat.

## **1.5 Benefit of The Research**

This research is done so that it can provide more information on the following subjects and it can be used by several parties

### **1.5.1 Theoretical Benefit**

This research uses the theory of motivation and performance. The aim of completing this research is to develop the theory of human resources management that can contribute to the development of management theory especially in human resources management and international business. The writer hopes that this research will lead to future researches.

### **1.5.2 Practical Benefit**

This research can be used by companies in the same industry to gain insight on the effect of motivation towards employees' performance.

## **1.6 Systems of Writing**

### **Introduction**

#### **Chapter I**

This chapter includes the background of the study, problem limitation, problem formulation, objective of the research, benefit of the research and systems of writing

### **Literature Review**

#### **Chapter II**

This chapter will discuss about the theoretical background of this research and it will also discuss about previous research, hypothesis development, research model and framework of thinking.

### **Research Methodology**

#### **Chapter III**

This chapter will discuss about research design, the population and sample, primary data collection, secondary data collection, operationalization of variables and variable measurement; and data analysis method.

### **Data Analysis and Discussion**

#### **Chapter IV**

This chapter will discuss about the general view of PT Boga Dimsum Indonesia that includes the brief history, the vision and mission of PT Boga Dimsum Indonesia, organizational structure and job description of each position. In addition, it will include the data analysis that consist of descriptive statistic, result of data quality testing and result of hypothesis testing; and discussion about the analysis.

### **Conclusion**

#### **Chapter V**

This chapter will discuss about conclusion after research and discussion, the implication and the recommendation