

CHAPTER I

INTRODUCTION

1.1. Background of the Study

Human resource management is an important aspect in the success of a company. Therefore the quality of human resources must always be developed every time so that the company achieves the expected goals. The element of human resources is considered very important for companies, especially service companies that depend on the quality of human resources to provide the best quality service (Dewanti, 2018). Utilization of human resource management is very important in managing a company, this is because human resources are an important function within a company. Of course there are several stages that must be carried out in managing good human resources.

The stages that must not be forgotten in a company in managing human resources are started from the recruitment and selection process. The recruitment and selection process is an important aspect in the company to look for new employees who fit the company's needs so that the company can achieve their goals. Recruitment is also a process by which appropriate candidates for existing or future positions are found (Shafritz, Russell, & Borick, 2016). It is also considered a process of connecting and matching job seekers with vacant company positions. Therefore, in the preferred recruitment effort, it is hoped that a large number of qualified candidates will be attracted (Rahmany, 2018).

Mathis & Jackson cited (Suwanto & Arief, 2019) states that selection is a process where an organization selects someone for a vacant position in the organization. An organization will not be successful unless it has highly qualified and potential employees. The selection process is an important part of the entire human resource management process. Such a process makes it possible to hire high potential and quality employees, depending on how well the company implements the selection process. This of course cannot be separated from the recruitment process. The purpose of selection is to pick up the right candidate for the right position, to develop and maintain the reputation of the employer, and to ensure cost effective employee selection, Gamage cited (Suwanto & Arief, 2019).

In this study the writer will try to analyze this study in CV Isma Karya where this CV was established in 2004, founded by Mr. H. Jafaruddin Lida. This CV is engaged in the expedition of goods and documents between provinces, until now this CV is sending goods and documents from Medan to Aceh. CV Isma Karya has been operating for about 16 years and as of January 2021, it already has 38 employees working in it. CV Isma Karya has an office at JL.Sunggal No.72, Sei Kambing B, Kec. Medan Sunggal, Kota Medan, North Sumatra 20122, and apart from that it has another operational office in Aceh which is located at Panton Labu, Tanah Jambo Aye, Aceh Utara.

There are several problems faced by CV Isma Karya itself, one of which is the less than optimal performance of employees at CV Isma Karya. For example, there are still frequent delays in delivery, shipping damage, goods are exchanged when sent, and lost cargoes. This happens due to the employee's lack of

knowledge of the job description itself and the lack of loyalty of the employees of Cv Isma Karya Medan themselves. As a result, there are many things that make CV Isma Karya not run according to what has been targeted.

The following is the data on the number of complaints that occur during services performed by employees of CV Isma Karya Medan every month from 2019 to 2020 as follows:

Table 1. 1 Complaint data in 2019

| MONTH (2019) | COMPLAINT | | | TOTAL |
|-----------------|---------------|--------------|---------------|------------|
| | Delayed Cargo | Damage Cargo | Missing Cargo | |
| January | 4 | 11 | - | 15 |
| February | 2 | 10 | - | 12 |
| March | 3 | 9 | 1 | 13 |
| April | 2 | 10 | 1 | 13 |
| May | 4 | 9 | - | 13 |
| June | 3 | 8 | 2 | 13 |
| July | 5 | 8 | - | 13 |
| August | 3 | 10 | - | 13 |
| September | 5 | 13 | 1 | 19 |
| October | 7 | 12 | 1 | 20 |
| December | 6 | 13 | 1 | 20 |
| Total | 44 | 113 | 7 | 164 |

Source: Cv. Isma Karya Company (2021)

Table 1. 2 Complaint data in 2020

| MONTH (2020) | COMPLAINT | | | TOTAL |
|-----------------|---------------|--------------|---------------|------------|
| | Delayed Cargo | Damage Cargo | Missing Cargo | |
| January | 5 | 12 | - | 17 |
| February | 3 | 11 | 1 | 15 |
| March | 4 | 10 | - | 14 |
| April | 4 | 9 | 2 | 15 |
| May | 3 | 10 | - | 13 |
| June | 3 | 8 | 1 | 12 |
| July | 3 | 9 | - | 12 |
| August | 4 | 10 | 2 | 16 |
| September | 6 | 12 | 1 | 19 |
| October | 6 | 14 | - | 20 |
| December | 7 | 13 | 2 | 22 |
| TOTAL | 48 | 118 | 9 | 175 |

Source: Cv. Isma Karya Company (2021)

The data listed in the table above shows that many errors in the work that occur are carried out by employees of CV. Isma Karya Medan. The number of complaints made by clients shows that the performance of the employees of CV. Isma Karya Medan is not optimal yet. There are still complaints from customers about the inadequate services provided, such as delays, lost items and damaged goods, which in the end this shows that there is still a lack of loyalty to the performance of employees at CV. Isma Karya Medan. This is also caused by the lack of knowledge of these employees about their job descriptions, which causes things like the above to happen. That is what makes this recruitment and selection greatly affect the performance of employees at CV. Isma Karya Medan.

The quality of work can be measured by the quality of the work produced and the perfection of tasks on skills and abilities employees. From the data above, it shows that with the number of complaints received by the company and have increase of 7% in 2020 from 2019, there was an increase of 11 errors in the process of delivering goods. In addition, timeliness is measured by the employee's quick response to an activity that is completed at the beginning of time until it becomes output, according to the data listed above that timeliness has not been optimally carried out by employees of CV Isma Karya Medan because 28% of the total number of complaints that occurred delayed cargo is adequate to affect the performance of employees in this company, it shows that it has not been maximized. And there is an ineffectiveness of employee work performance in the use of time in carrying out tasks, it can be seen from the number of damage cargo figures that contribute the largest number in this complaint data. It can be seen that the performance of employees from CV Isma Karya Medan is still not good.

But in fact, there are still many companies that have not paid attention to these stages, which ultimately affect the performance of the employees themselves. This is not without basis, because many studies have proven that these stages will positively affect employee performance. Therefore the authors feel the need to conduct research that addresses the above matters, namely those relating to the influence between recruitment and selection on employee performance. The object of this research is CV Isma Karya Medan. So that the proper title in this study is "The Effect Recruitment Selection on Employee Performance at CV Isma Karya Medan."

1.2.Problem Limitation

Due to limited time and resources, this research study is limited only about the effect of "Recruitment and Selection" on "Employee Performance" at CV.ISMA KARYA in Medan. This research study will only examine the effect of recruitment and selection on employee performance in increasing employee loyalty.

In recruitment and selection, it will be limited to only recruitment indicators and basic selection of employee recruitment, employee sources, recruitment methods, education, references, and experience; education and management and colleagues at work. Employee performance are measured in 5 terms which are training, development, work standard provided, management and colleagues at work.

1.3.Problem Formulation

In this research study, the problem that occurs to complete all the process to be examined are:

1. How well does the Recruitment at CV Isma Karya Medan?
2. How well does the Selection at CV Isma Karya Medan
3. How well does the Employee Performance at CV Isma Karya Medan?
4. Does the Recruitment have effect towards employee performance on CV. Isma Karya in Medan?

5. Does the Selection have effect towards Employee Performance on CV Isma Karya Medan?
6. Do the Recruitment and Selection simultaneously have effect toward Employee Performance on CV Isma Karya Medan?

1.4 Research Objective

The objectives of this research study that the author expected to aim as a whole process are:

1. To identify the effect of recruitment at CV. Isma Karya in Medan
2. To identify the effect of selection at CV. Isma Karya in Medan
3. To examine about the employee performance have affect CV. Isma Karya in Medan.
4. To examine the effect of recruitment towards employee performance on CV. Isma Karya in Medan.
5. To examine the effect of selection towards employee performance on CV. Isma Karya in Medan.
6. To investigate the Recruitment and Selection simultaneously have effect toward Employee Performance on CV Isma Karya Medan.

1.5 Benefit of the Study

1.5.1 Theoretical Benefits

This research study is expected to develop and contribute more about "Recruitment and Selection" in the company and "Employee Performance" itself. This study is also expected to be useful for the reader theoretically and also for other parties who face the same topic about the effect of Recruitment Selection on Employee Performance in each company.

1.5.2 Practical Benefit

- For company

The author hopes that this research can help CV Isma Karya Medan in increasing effective Recruitment Selection to influence Employee Performance to a better level to avoid mistakes in choosing new employees.

- For Author

Researchers can apply the theory of human resources directly in field practice, can improve the ability of researchers to conduct a study.

- For Future Researcher

The author also expects this research study to be able to be used as an additional reference for other people studies which relatable with Recruitment Selection to influence Employee Performance.

