

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Over the years, hospitality industry is one of the sectors that are very diverse and hence, relies on multitudes of talents and skillsets. Hospitality industry also complete growth and development of a country by bringing numerous economic value and benefits, increasing country brand value, image and identity. With the immensity of this industry, it is important to understand some defining aspects.

According to Novak (2017), the hospitality industry is a broad category of fields within service industry that includes lodging, event planning, theme parks, transportation, cruise line, restaurant, and additional fields within the tourism industry. A hospitality unit as well as a hotel, amusement park and restaurant consists of units such as facility maintenance and direct operations (servers, housekeepers, porters, kitchen workers, bartenders, management, marketing, and human resources, etc.)

Ranging from hotels, tourism-related jobs, and especially F n B industry such as restaurants, employees are one of the most required department in the overall success of any organization. Even if all the necessary factors are available, company will not be able to run effectively and efficiently without employees. Any treatment that the guests receive from the employees will determine whether the

guests will or will not come back to the area. Besides, it will also influence the "Word of Mouth" about the restaurant. Employee is part of human resource department (HRD) that needs to be trained in a professional manner to manifests a balance between human resource capabilities with the demand of a company.

Historical experience shows that the wealth of natural resources does not or cannot fully guarantee the welfare and success of a nation. Many developed countries actually do not have natural resources, but instead, many countries that have abundant natural resources are actually suffering from poverty, even conflicts and prolonged civil wars. Furthermore, statistically 80 percent of a nation's success is determined by the quality of its human resources, and only 20 percent is determined by the factor of natural resource wealth. (Nugraha, 2019)

In order to ensure the employees for not lacking in this zone, it is imperative to build a solid human resources team. The companies need a highly effective and strategic human resource management department that can synergize the activities of the business to attain the organization's bottom line. In fact, in today's highly competitive environment adopting Human Resource Management as one of the key factors to surge ahead. (Soniya, 2019)

Human resource development is a planned activity and integrated with one another, which is held by an organization in terms of training to achieve goals the organization. According to Dessler in Sudaryo et al, (2018), training is the process of teaching new employees the basic skill they need to perform their jobs.

Sudaryo et al, (2018) stated that there are several reasons why training must be carried out or become a very important part of human resource department

activities, including employees who are recruited often do not understand correctly how to do the job. There are also changes in the work environment and workforce. Changes here include in the process of technology such as the emergence of new technology or the emergence of new work methods, where companies must proactively adjust the skills of their employees to be able to use these technologies.

Moreover, training can increase company competitiveness and improve productivity. Lastly, adjusting to existing regulations, for example work implementation standards are issued by industry and government associations, to ensure production quality or occupational health and safety.

Additionally, the knowledge imparted during training by the trainer and the experience shared with other trainees' may eventually enhance job performance (Karim et al in Kumaran Kanapathipillai, 2019). The need for training programs in large corporate organisations is to bring about changes in the employees' attitudes, performance, motivation and satisfaction as well as their perspective of the organisations. (Dhurgah et al, 2018; Huang in Kumaran Kanapathipilla, 2020) This means that it is even more critical when new employees are recruited, as they are expected to make perfections in the performance of their jobs.

Muzaffar et al in Morsy et al, (2016) indicates that, to increase the employee's performance, it is crucial to inspire the employees by means of satisfying the space in between skills necessary and the owned or operated by means of staff through delivering applicable training. High performance business is the role model for the other business.

The object of this research is Babura Dim Sum Steamboat, Medan. The restaurant itself is located at Jalan Babura Lama No.12. Famous for the undoubtedly delicious Chinese home-made cuisine, the place is getting more and more crowded on weekdays and weekends. Restaurant opens every day from 07.00 AM to 21.30 PM. The writer chooses Babura Dim Sum Steamboat, Medan as the research object because there are some visitors expressing their dissatisfaction on the employee performance. Unfriendly, slow respond and ignorant some waitresses lead to bad feedbacks on the website.

The following figures show some of the customers comment on Tripadvisor regarding the services they experienced during their visit time at Babura Dim Sum Steamboat, Medan.



Figure 1.1 Customer Review About Babura Dim Sum Steamboat, Medan

Source: Tripadvisor (2021)

Despite all of the bad performances above, the writer had an interview with Mr. Viktor Purnama (the owner of Babura Dim Sum Steamboat, Medan) related to the training method that has been used for the employees.

Table 1.1 Training Method at Babura Dim Sum Steamboat, Medan

Training Method	Definition	Time of Conduct
On the job training (OT)	A training method in which workers or prospective workers are placed in real work conditions, under the guidance or supervisors of experienced or trained employees.	This is the most common training method. Usually for new employees and go on for several months.
Job rotation	A training method by moving the trainees from one workplace to another to gain experience and train skills.	When employee is ready to be transferred and given a new assignment in new position in a certain period of time.

Source: Prepared by the Writer (2021)

This could be seen that Babura Dim Sum Steamboat, Medan has applied a training system for the employees, and based on Mr. Viktor, he also mentioned that some of Babura Dim Sum Steamboat, Medan employees were undisciplined during the training time especially for the employees that have been working for some period of time, which could indirectly be a cause of customer dissatisfaction.

Therefore, the writer decided to analyse the influence of training towards employees' performance at Babura Dim Sum Steamboat, Medan by taking the title **“The Influence of Training towards Employees' Performance at Babura Dim Sum Steamboat, Medan”**.

1.2 Problem Limitation

The writer only focuses on the training program and its influence towards employees' performance at Babura Dim Sum Steamboat, Medan. The indicators of training are using the theory of Mangkunegara in Sudaryo et, al (2018) which are instructor, participants, material, method, purpose and target. Meanwhile for the

indicators of work performance are using the theory of Mathis and Jackson in Sudaryo et, al (2018) namely work quality, work quantity, working time, and cooperation.

1.3 Problem Formulation

In order to investigate the influence of training towards employees' performance at Babura Dim Sum Steamboat, Medan. The following discussion will consist matters that questions the correlated factor:

1. How is the training implemented at Babura Dim Sum Steamboat, Medan?
2. How is the employees' performance at Babura Dim Sum Steamboat, Medan?
3. Does the training have influence towards employees' performance at Babura Dim Sum Steamboat, Medan?

1.4 Objective of the Research

Based on the problem formulation which has been listed above, the writer could conclude that the research objective of this study is:

1. To evaluate the training at Babura Dim Sum Steamboat, Medan.
2. To determine the employees' performance at Babura Dim Sum Steamboat, Medan.
3. To find out the influence of training towards employees' performance at Babura Dim Sum Steamboat, Medan.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

The following are the theoretical implications of this research:

- a. By conducting research, you can maximize the writer's expertise and skill in conducting research.
- b. All students at Universitas Pelita Harapan, Medan, are required to read this content.
- c. To contribute in improving existing theories, especially on training and employee performance

1.5.2 Practical Benefit

The practical benefits on this research are as follow:

- a. This research allows the writer as the researcher to get more experience in doing the research, while being able to compare the relevant theories with the findings from real-life settings.
- b. For the company, the findings are expected to assess and improve the skill in order to create an excellent performance towards customer so the number of customers will grow rapidly, to retain customer loyalty and also to leave a good feedback on any websites
- c. For other researchers, this research can be used as reference for further study in relevant areas