

CHAPTER I

INTRODUCTION

1.1 Background of the Study

In today globalization, coffee has become worldwide trend across the world. Some people consume coffee as a hobby, while some people do not like drinking coffee because they are worried about the side effect of coffee on their health. The increase and growth of this coffee shop business cannot be separated also from the continuing increase in the number of Indonesians who consume coffee.

Business nowadays forces the company to create high level of employee performance for company development. Company should be able to build, organize and increase performance in its environment. The achievement of company's goal depends on many factors like capital, modern technology, or well-equipped facilities and infrastructure. It also depends on people who carry out the work starting from planning, executing, until evaluating which is able to utilize the vital resources owned by company.

Many have said that human resource is the most valuable asset in the company and therefore they must be managed efficiently to ensure increased productivity. The existence of human resource in a company plays a very important role. Human resource has a great potential to run the business activity. The success of a company is greatly influenced by the performance of its employees. A good company acknowledges its employees and tries to improve

their performance. It is because the company knows that if its employees have a high performance; it will affect company performance too in order to meet the company's goals.

The company has to measure its employee performance to know if the employee's performance meets the target, below the target, or exceeds the target. To measure employee performance, company does a performance appraisal. Performance appraisal is conducted to evaluate the job performance of each employee in achieving targets that have been determined. After the appraisal is completed, the next step is to give a reward or punishment for the concerned employee.

Employee performance at Kofinski Coffee Roastery has decreased. Declining employee performance is caused by low levels of work discipline such as delays and absences. This causes inaccuracy in completing work that the job of the employee which should be the whole task must be completed no later, but in practice the employees always finish their work beyond the date set by the Kofinski Coffee Roastery, employee accuracy has decreased which causes work errors, as well as between employees not being able to work well together. This is due to unfair competition within the company making it difficult to work together. In addition, employee performance is also reflected in the increasing late and absence of employees is:

Table 1.1
Late and Absence of Employees
2020

Month	Total Employee	Late	Absent
January	32	24	9
February	32	26	4
March	32	31	6
April	32	18	8
May	32	19	11
June	32	27	10
August	32	26	8
September	32	20	13
October	32	24	15
November	32	26	17
December	32	29	16

Sources: Kofinski Coffee Roastery, 2020

From table 1.1 shows that the level of delay and employee attendance increased. Based on data from Kofinski Coffee Roastery, the level of performance of employees decreased which can be reflected from the absence and late work happened quite a lot. Employees who are late the most occurs in the month of march with the total 31 and absence most occurred in November with total of 17. The delay and the absence impacted on the job become less than optimal because of the shortage and delaying of human resource in the cafe certainly have an influence on the work and tasks job given to the employee.

Effective communication in the workplace is crucial for good organizational performance. Leaders with good communication skills can clearly communicate their ideas to subordinates, ensuring that they understand what is expected of them and can contribute constructively to the organization. Employee irritation, poorer productivity, attendance, and greater employee disturbance can all result from a lack of communication.

Communication should be a two-way process in order to be effective. Communication should be a step-by-step process that involves the exchange of information between two or more section at all organization levels, rather than just keeping employees informed about the latest business developments. Moreover, instead of only words, it should include behavioral patterns such as body language and facial expressions.

In a food and beverage industry, one of the factors in determining the success of the business is communication. According to a research done by Prayogi, Lesmana (2019), communication is able to improve performance in a company. Variables such as compensation, work environment, job stress, organizational and number of different samples to be examined for further research, and later on can be served as input to the management in the performance evaluation process for its employees.

Other factors that influence employee performance include managerial style, organizational culture, and social relationships, but the most cost-effective strategy to improve employee performance is to create efficient communication channels.

Communication at Kofinski Coffee Roastery is still not going well. This is because the language used by employees is quite diverse, resulting in unclear communication. This sometimes triggers employee work conflicts.

Performance is a result of work achieved by someone in carrying out the tasks assigned to him based on skill, experience, and sincerity as well as time. An employee's performance can be measured from the results of activities within a

certain period of time to what can be done in accordance with the duties and functions and can be disciplined in complying with applicable rules.

From the description that has been there before, there is a results from a research that said communication have a positive and significant effect on the employee performances, it encourages researchers to discuss in the thesis under the title "**The Influence of Communication towards Employee Performance at Kofinski Coffee Roastery.**"

1.2 Problem Limitation

Due to the limitation of time, opportunity, and resources, the writer will limit the problem formulation. It will be limited to employee performance which caused by low level of performance at Kofinski Coffee Roastery with X variable for Communication as the independent variable with the indicators that includes: sender of the message, message, channels, recipient of the message and output, and Y variable for Employee Performance as the dependent variable with the indicators that includes: effective, efficient, quality, timeliness, productivity and safety. Respondents in this research is employees of Kofinski Coffee Roastery with total of 32 respondents.

1.3 Problem Formulation

The problem formulations in this research are:

1. Does Communication has influence at Kofinski Coffee Roastery?
2. Does Employee Performance has influence at Kofinski Coffee Roastery?

3. Does Communication has influence toward Employee Performance at Kofinski Coffee Roastery?

1.4 Objective of the Research

The purpose of the study are:

1. To analyze Communication in Kofinski Coffee Roastery.
2. To analyze the performance of the employees and penguuran in the form of effective, efficient, quality, timeliness, productivity and safety..
3. To analyze influence Communication toward Employee Performance in Kofinski Coffee Roastery.

1.5 Benefit of Research

1.5.1 Theoretical Benefit

A reference for similar research in the future, especially concern about Employee Communication attention to the level of Employee Performance.

1.5.2 Practical Benefit

The practical of the benefits are expected for:

1. Researcher

Help the writer to know the influence of Employee Communication in towards Employee Performance in the real life.

2. Reader

Help to improve reader knowledge about how important the influence of the level of Employee Communication in towards their Employee Performance.

3. Company

Help the company to aware that Employee Communication influenced the Employee Performance.

