

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

The era of globalization demands human resources to compete in global competition. Human resources management involves a wide variety of activities, including analyzing a company's competitive environment and designing jobs so a firm's strategy can be successfully implemented to beat the competition. Human resource is also a vital component for health organization in delivering health services (Mondy, 2018).

Performance means the extent to which employees complete their task out of the total mentioned objective. To form a good performance requires an ability and motivation of employees. . Performance is also referred to as a track record of the results of achieving activities for a certain period effectively and efficiently (Basit, 2018). The good and bad of a performance can be seen from the responsibility of each employee itself. Performance is the work result of each employee both in quality and quantity in carrying out their duties in accordance with the responsibilities assigned by the company.

Employee performance at Juju Eatery declined seen to the work carried out less quickly thus creating consumer complaints. Here's a review of consumer Juju Eatery that :

## JUJU EATERY

no 88QQ, Komplek cemara asri, Jl. Boulevard Raya, Medan Estate, Kabupaten Deli Serdang, Sumatera Utara

Tulis ulasan

4,1 ★★★★★ 43 ulasan

**F** Faisal Riq  
2 ulasan

★★★★★ 5 bulan lalu

Servis yang jelek dari staff. Saya berdiri sampai lebih dari 30 menit dan tidak ada yang melayani.

👍 2

## JUJU EATERY

no 88QQ, Komplek cemara asri, Jl. Boulevard Raya, Medan Estate, Kabupaten Deli Serdang, Sumatera Utara

Tulis ulasan

4,1 ★★★★★ 43 ulasan

**B** Billie  
2 ulasan

★★★★★ 4 bulan lalu

Kunjungan 19 September 2021, pendapat dari seorang yang doyan nongkrong dan kemarin mampir ke Juju

Menu makanan tidak banyak, rasa masakan tidak sama dengan harganya atau memang seperti rasanya (khususnya menu pasta, tidak creamy dan seperti tidak ada keju sama sekali), curry beef ricenya (daging keras dan rasa serta plating yang sangat standard dengan harga diatas 70k per plate). Belum ketemu spot foto untuk IG yang menarik, terima kasih untuk staff pelayan yang baik walau diakhir permintaan bill lupa dikerjakan. Saran untuk perbaikan ya Juju, Sukses

👍 2

## JUJU EATERY

no 88QQ, Komplek cemara asri, Jl. Boulevard Raya, Medan Estate, Kabupaten Deli Serdang, Sumatera Utara

Tulis ulasan

4,1 ★★★★★ 56 ulasan

Topik yang sering dibicarakan orang

Semua menu 4 harga 4

Urutkan menurut

Paling relevan Terbaru Tertinggi Terendah

**R** Rezeki Parfum  
1 ulasan · 1 foto

★★★★★ seminggu lalu **BARU**

Mie Jawa rasa dibawah standart . overcook .

Nasi goreng juju ( nasi terlalu kering . udang terlalu kering . nasi goreng nya cuma ada rasa pedes tdk ada rasa asin )



👍 Suka

**Figure 1.1 Review Customers of Juju Eatery**

Sources: Google Review of Juju Eatery, 2022



**Figure 1.2 Review Customers of Juju Eatery**

Sources: Google Review of Juju Eatery, 2022

Reward management system is a core function of human resources discipline and is a strategic partnership with company management and also reward has been most considerable practices of human resources management system. Rewards also have great influence on employee's motivation and performance (Abdul, 2020), it gives to employees a form of company appreciation for dedication or performance that has been given. Reward system becomes critical to employees' performance and organizational success. The organization may have the latest technology, well-thought-out strategic plans, detailed job descriptions, and comprehensive training program, but unless the people are rewarded for their performance their behavior has a little impact on their performance.

Juju Eatery is less the application of the reward system so the lack of clarity for the employee criteria in obtaining the reward. The Reward is given in the form of additional bonus to employees at Juju Eatery. Then the bonus amount

given the absence of clarity that sometimes makes employees confused, resulting in employees being less motivated in the implementation of its work.

Moreover, work environment also has an important role in determining employee performance. It incorporates material and mental conditions existing inside the organization. A comfortable work environment that complies with a decent standard will contribute to employees' comfort in performing their duties. It is very needed for employees who work in hospital to have a good work environment, since they will stay in hospital for days. In addition, working conditions will enhance motivation of workers. Creating a good working environment atmosphere is by creating relationships/interactions among employees. The working atmosphere created will be more comfortable and harmonious so that employees will be more encouraged in improving their performance (Hasibuan, 2018).

Work environment at Juju Eatery is still less harmonious look the cooperation of the employee in carrying out the work is low, the level of conflict is high among employees at Juju Eatery, and the room staff is so narrow that lead to staff difficulties in the rest.

From the description that has been there before, it encourages researchers to discuss in the thesis under the title **“The effect of Reward System and Work Environment towards Employee Performance at Juju Eatery”**.

## **1.2 Problem Limitation**

This research was conducted in Juju Eatery located in Jl. Boulevard Raya no. 88 QQ, Komplek cemara asri Medan. In this study, researchers only limit the discussion related to the independent variable that is Reward system, and Work

Environment and the dependent variable is Employee Performance. According to Butar-butur (2021:39), the award is in the form of salary, bonus, promotion, recognition, and job security. According to Darodjat (2015: 168-169), four factors can be used as benchmarks for an ideal work environment, namely healthy policies, competent supervision, delightful colleagues, and comfortable work environment. Dessler (2019) explained that employee performance measurement of six aspects which are key performance indicator for the related company quality, quantity, accuracy, independence.

### **1.3 Problem Formulation**

Based on the background of the study, the writer formulates several questions:

1. Does reward system have partial effect a on employee performance towards Juju Eatery?
2. Does work environment have partial effect towards employee performance at Juju Eatery?
3. Do reward system and work environment have simultaneous effect towards employee performance at Juju Eatery?

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

Based on the problem identification proposed in previous point, the objective of this research are:

1. To analyze reward system has partial effect towards employee

performance at Juju Eatery.

2. To discover work environment has partial effect towards employee performance at Juju Eatery.
3. To investigate reward system and work environment have simultaneous effect towards employee performance at Juju Eatery.

## **1.5 Benefit of the Research**

The writer expects that this research can give benefits both theoretically and practically.

### **1.5.1 Theoretical Benefit**

The research result can be used to expand, improve and develop the relevant theories especially in the reward system and work environment and its effect towards guest employee performance.

### **1.5.2 Practical Benefit**

The practical benefits of this research are:

1. For the write

The writer as the researcher to get more experience in doing the research and an addition to knowledge about reward system, work environment and employee performance.

2. For the company

To provide useful suggestion for the company in increasing employee performance especially improving the reward system and work environment.

3. For other researchers

To be an additional reference, reference material for further research and information to interested parties in assessing the problem the same in the future.

