

CHAPTER I

INTRODUCTION

1.1 Background of the Study

In this modern era, all things always change even in a short time including in the business world. The way of doing business from one generation to the next can be very different. If at this time people may be faced with the use of various internet-based access such as the web and social media as a marketing channel, different things happened in the generation before and will likely be different in the next generation. For these fast-moving changes, people must always be ready and have the ability to face business challenges. Employees play a big role in an organization. Employees must try their best at serving the customers so the organization will develop well.

PT Toyota Delta Mas, Medan is a family business which located on Balaikota no 2A, Medan, established since 1999. PT Toyota Delta Mas, Medan is facing the problem of employee's performance decrease as the cause of less motivation. Based on the interview and observation in PT Toyota Delta Mas, Medan, the author realizes that there are problems in the human resources. As a service-based company, they heavily rely on the employee to serve clients. Sometimes the company having a several complaints by client such as complaints of workmanship in the service shop, long administrative process , complaints of the long process of Motorized Vehicle Ownership Book (BPKB) and Vehicle Registration Certificate (STNK).

Performance is very important for the organization because high performance can certainly reduce the number of absenteeism or not working because of laziness, with high performance from workers and employees, the work given or assigned to it will be completed in a shorter time or more.

Table 1. 1 Comparison between Automotive Competitors

Company	Ratings	Year of Establishment	Main Product
PT Toyota Delta Mas	4.6	2001	Automotive
PT Arista Auto Prima	4.4	2003	Automotive
PT Sardana IndahBerlian Motor	4.6	1970	Automotive
PT Nissan Motor Indonesia	4.5	2001	Automotive

Sources: PT Toyota Delta Mas, PT Arista Auto Prima, PT Sardana IndahBerlian Motor, PT Nissan Motor Indonesia, 2022 retrieved in 2022, December 5

Performance is a very important and interesting part because it is proven very important benefits, an institution wants employees to work earnestly in accordance with the ability to achieve good work results, in the absence of good performance of all employees, then success in achieving the goal will be difficult to achieve. Performance basically includes mental attitudes and behaviors that always have view that the work carried out today should be of higher quality rather than the execution of past work, for the time to come more quality than it is today. An employee or employee will feel have pride and satisfaction with the achievements of the achieved based on the performance it provides for the company. The performance good is a desirable situation in the world of work. An employee will get a good job performance if its performance in accordance with standards, both quality and quantity.

In PT Toyota Delta Mas, Medan decreased employee performance. Decreased performance is seen from the achievement of work targets that cannot be achieved such as the target of completing work reports that are not in

accordance with the set time, employees have a decreased level of accuracy in completing their work. In addition, the decline in employee performance can also be seen from the results of employee performance appraisal which can be seen in the table as below.

Table 1. 2 Data Employee Performance Appraisal (2021)

Grade	Term 1		Term 2	
	A	72	49%	64
B	34	23%	37	25%
C	25	17%	29	20%
D	17	11%	18	12%

Sources: Prepared by the writer (PT Toyota Delta Mas, Medan, 2022)

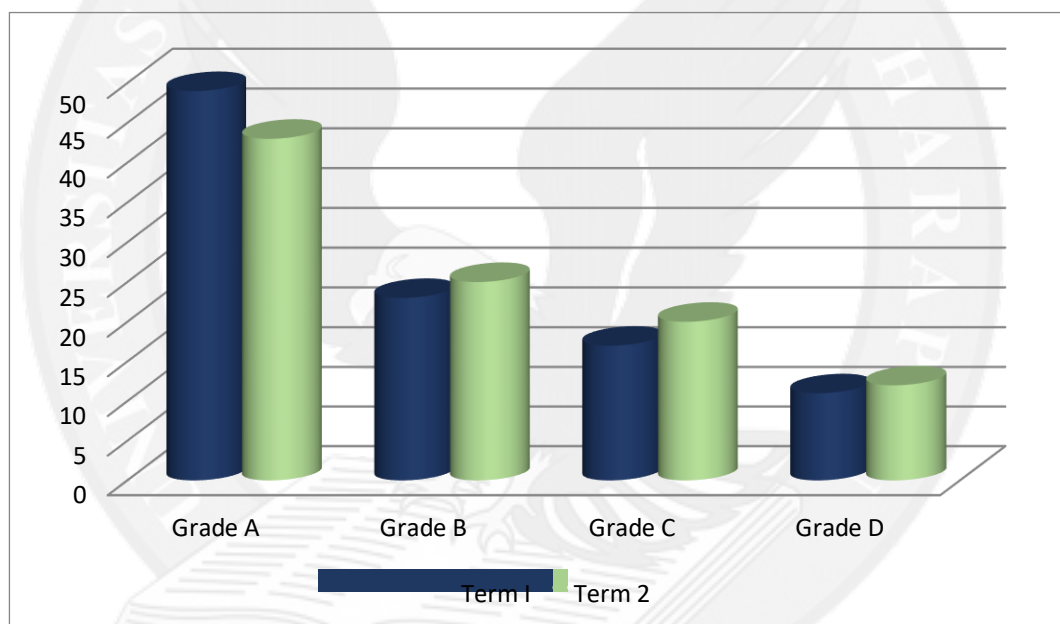


Figure 1. 1 Data Employee Performance Appraisal (Term I- January – June 2021)

Sources: Prepared by the writer (PT Toyota Delta Mas, Medan, 2022)

Performance appraisal at PT Toyota Delta Mas, Medan during 2021 carried out 2 terms. The first term is carried out from January to June. in the first term the employees obtained grade A by 49%, Grade B by 23%, grade C by 17% and Grade D by 11%. As for term 2 employee performance appraisal results for grade A decreased to 43%, grade B by 25%, and for grade C and Grade D

increased to 20% and 12%. . For the value of A means very good (score 91-100), the value of B means Good (score 71-90), the value of C means well enough (score 51-70), the value of D means less good (score 10-50). The result of the performance assessment is still a lot of employees who obtain a value that is unsatisfactory. Aspects of the appraiser's performance with knowledge, role and organization, problem solving, communication, discipline and initiative level.

According To Wahyuni (2019) factors affecting performance include: work motivation, ability, work environment, work discipline, leadership and personality. Motivation is a condition or energy that moves employees who directed or closest to achieve corporate organizational goals. Three elements that are the key to motivation, namely efforts, organizational goals, and needs. So, the motivation in this actually a response from a action. Motivation comes from within employee because of the impulse by the existence of elements of a purpose. This purpose raised about the need can be said that there will be no motivation if not felt the existence of a need. Motivation is only aimed at human resources in general and employees. Motivation questions how to direct the power and potential of subordinates so that they are willing to work together productively to achieve and achieve predetermined goals (Hasibuan, 2017)

Motivation is the most important thing in a company which has a strong power to driving the employee to produce a good quality of the job, high performance, and good morale. To optimize employee's performance there are

need for employees to be sufficiently motivated. Low motivation can affect employees' performance, the writer stated that the PT Toyota Delta Mas, Medan has a low motivation because of some factors. In this company the motivation given to the marketing division is still unsatisfactory for marketing employees. This can be seen from the incentives provided that are less large and do not match the sales target that has increased.

Based on the above explanation, the writer decides to conduct research entitled **“The Effect of Motivation towards Employees Performance at PT Toyota Delta Mas, Medan”**.

1.2 Problem Limitation

Due to limitation of time and budget this research focus to PT Toyota Delta Mas, Medan that Motivation (X) and Employees Performance (Y). PT Toyota Delta Mas, Medan located in Jalan Balaikota no 2A, Medan. In this study only conducted research in the marketing division.

1.3 Problem Formulation

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

1. How is the motivation at PT Toyota Delta Mas, Medan ?
2. How is the employee's performance at PT Toyota Delta Mas, Medan ?
3. Is there any effect of motivation on employee's performance at PT Toyota Delta Mas, Medan ?

1.4 Objective of the Research

Based on the problem formulation the objectives of this research are:

1. To analyze whether motivation at PT Toyota Delta Mas, Medan.
2. To discover whether employee's performance at PT Toyota Delta Mas, Medan.
3. To analyze whether motivation has partial on employee's performance at PT Toyota Delta Mas, Medan.

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 motivation and its effect towards employee performance.

1.5.2 Practical Benefit

The practical benefits on this research are:

1. For the writer

The writer as the researcher to get more experience in doing the research and as an addition to knowledge regarding brand image, personal selling and motivation and employee performance.

2. For the company

To provide useful suggestion for the company in increasing employee performance especially improving the motivation.

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.

