

CHAPTER I

INTRODUCTION

1.1 Background of study

Measuring company performance is basically aimed at motivating employees to work optimally to achieve organizational goals. That way, everything that employees do can certainly be in accordance with what the organization wants to achieve its goals. A clean and comfortable work environment will make employees' moods calm and they can focus more on their work. The availability of complete work equipment also makes employee performance more optimal. Companies also need to pay attention to the health and safety of their employees by providing a work environment that is pleasant and meets their needs (Kelibulin et al., 2020).

Employee performance is very important to improve and advance the company's business. Companies need to place employees in the right positions so that their performance can be maximized. To help companies place the right people, companies can also use performance assessment applications, which of course provide comprehensive assessment results from these applications (Budiyanto & Mochklas, 2020).

According to Budiyanto & Mochklas (2020), Employee performance is the result of work in terms of quality and quantity achieved by an employee in carrying out tasks in accordance with the responsibilities given to him. This means

that it is not only the quantity, quality and completion that is considered, but also the responsibility and suitability of the task or work given.

The comfort of the work environment can support performance, on the contrary. Discomfort in the work atmosphere has an impact on reducing employee performance. The work environment is the situation around the work area and the implementation of employee activities in the company which determines employee satisfaction and comfort. In order to create a work environment full of security and comfort, organizations must improve room management including lighting, work layout, noise which can improve employee performance (Linda et al., 2023).

According to Kelibulin et al. (2020). Discipline is an individual's awareness of being orderly and voluntary towards obligations, regulations and high values of work and behavior set by the company. It can also be concluded that work discipline exists because it is defined and created by the organization. Discipline is a tool that managers use to communicate with employees so that they are willing to change behavior and to increase awareness and a person's willingness to comply with all regulations and social norms that apply in a company.

Discipline can be said to be a form of respect, giving respect, compliance and compliance with all applicable rules, both verbal and written, and consistently implementing them without hesitation in accepting sanctions if errors or omissions occur. Work discipline is said to be a means for managerial parties to establish communication with the results of changes in attitudes and behavior that

foster a sense of awareness and obedience to social rules or regulations that live and grow in the work environment and society. Work discipline itself requires special consequences such as warnings and even dismissal if employees are unable to meet company expectations. The awareness in question is a person's response consciously and without coercion to carry out every guideline, provision and rule related to their obligations (Maskur et al., 2024).

When a leader engages employees and values their opinions during the decision-making process, their productivity is likely to increase as they feel that their inputs are considered. Employees therefore feel appreciated. This kind of leader's behavior motivates employees and improves their performance. Meanwhile, a leader's lack of right behavior to manage employees can negatively affect their performance. Employees will be less willing to give their best, which can lead to difficult work relationships (Alamanda et al., 2022).

Meta Property formed in 2017 entered the property market in Medan under the legality of PT. Meta Properti Indonesia. As a forum for property agents and always consistently providing the best service for every developer, home owner and property seeker. To provide service offices in Medan Adam Malik, Medan Ringroad and Batam City. With experience and a strong commitment to client satisfaction, Meta Property has successfully marketed thousands of properties. Apart from that, each agent is trained by trainers who are experienced, qualified and professional so that the agent is reliable in marketing every property they handle.

Based on preliminary research, it can be concluded that the performance of employees in this company has decreased. This can be known from the reference data on employee performance assessment during 2023.

Table 1. 1 Performance Appraisal Data at Meta Property Medan

Grade	Term 1 January-June 2023	Term 2 July-December 2023	Term 1 January-June 2024	Key Performance Indicator (KPI)
A (Very Good) >90-100	12	9	10	1. Discipline a. Attendance b. Punctuality c. Timesheet 2. Character a. Teamwork b. Time Management c. Responsibility 3. Competence a. Decision Making b. Problem solving c. Adaptation d. Initiative
B (Good) 80-90	16	11	7	
C (Average) 70 -<80	9	12	13	
D (Bad) 50-<70	6	8	9	
E (Very Bad) 10 - <50	3	6	7	

Sources: Prepared by the writer (Meta Property Medan, 2024)

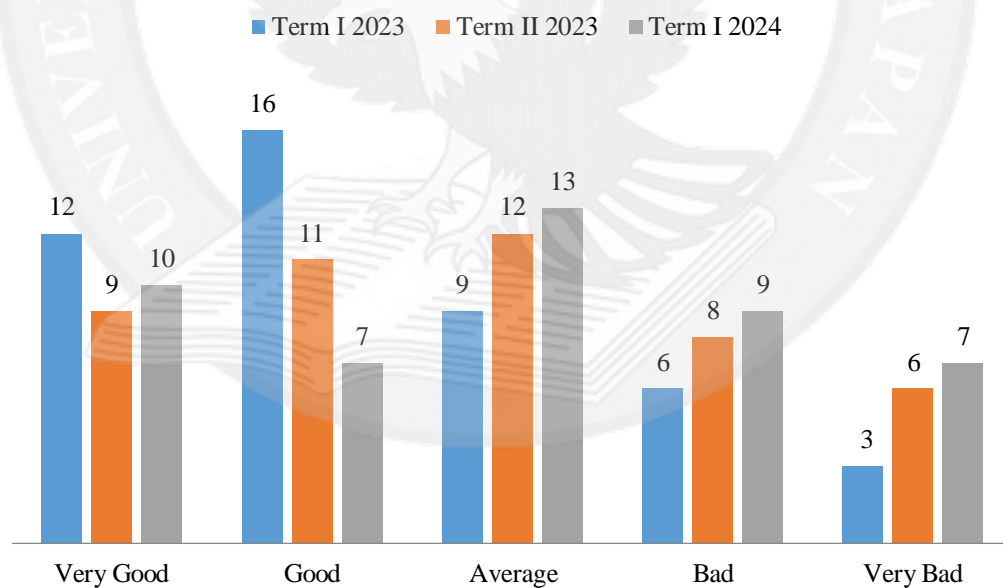


Figure 1. 1 Performance Appraisal Data at Meta Property Medan

Sources: Prepared by the writer (Meta Property Medan, 2024)

Component performance appraisal indicators relate to discipline (attendance, punctuality and timesheet), character (teamwork, work motivation,

leadership, time management, and responsibility) and competence (decision making, problem solving, adaptation, and initiative). Table 1.1. shows that the performance assessment for the 2023 period carried out 2 times obtained a decrease for employees who obtained very good and good grades. However, for employees who obtained normal, bad and very bad scores increased. From these data it can be concluded that employee performance has decreased at Meta Property Medan. Based on the components of the assessment indicators used in this company that employee work discipline related to attendance, punctuality and timesheet has decreased so that it has an impact on many employee jobs that the target time for completion of work cannot be achieved. The characters are divided into teamwork, time management and responsibility. When many employees get bad grades for character assessment, it supports an inharmonious work environment among employees. From this problem encourages the quality of work of employees who decline in the completion of their duties. Competency character as measured by decision making, problem solving, adaptation and initiative. From the character of this competence will encourage optimal leadership because it can resolve work conflicts well and problems in their duties. Problems in this component lead to decreased employee performance causing various jobs to experience work errors.

Employee at Meta Property feels that the work environment provide by company is not enjoyable and safety for them, there are no safety helmet for employee and agent when they went to survey houses and properties. Less comfortable working environment is also visible from the narrow working room

conditions that do not provide comfort when conducting activities within the company, non-physical work environment in this company is still less harmonious due to the high level of competition, especially in the marketing division so that the impact of a less solid work team. Less comfortable working environment is also visible from the narrow working room conditions that do not provide comfort when conducting activities within the company, non-physical work environment in this company is still less harmonious due to the high level of competition, especially in the marketing division so that the impact of a less solid work team. Employee work environment that is still less harmonious work life balance that is still less considered by the company. Of course this has an impact on the socialization of employees who are less harmonious. The level of work competition is high enough to trigger an unhealthy non-physical work environment.

Employee discipline in this company has decreased. Some phenomena related to work discipline are time management disciplines that are still lacking, this is reflected in many employees, especially the marketing division that does not meet office operating hours, some employees who are always undisciplined in completing their work on time. Many employees complain about the company's regulations related to working hours due to many consumers who want to meet and check the home unit after work, so the marketing division is always unable to comply with the working hours imposed by the company. Low employee work discipline is due to the level of employee obedience to company rules which is quite low, this can be seen from the many violations of the rules in the process of

completing work. Employees still don't utilize work time well to pursue company targets. This certainly shows that employees have a low attitude of discipline. These problems resulted in a decrease in work discipline, resulting in decreased employee performance.

Leadership in this company is still not optimal, because the leadership is too guided in the work that causes employees to obtain a high workload, especially with working hours required for overtime and work completion time required quickly. In addition, leaders who still cannot appreciate employees can be seen from the lack of acceptance of employee opinions or ideas in order to improve and advance the company during work meetings. Leaders are also unable to communicate well to employees because they have an authoritarian leadership style so that sometimes they are too emotional when faced with employees who complete work that has gone wrong. Leadership in this company is said to be less than optimal due to excessive pressure, especially the marketing department related to sales targets. Some leaders are still unable to communicate well with employees so that the work direction that is completed is not in accordance with the wishes of the leadership. This factor is caused by leaders using a mix of languages (English, Mandarin, Indonesian) so that some employees do not understand well and are afraid if employees want to ask again. These leadership problems lead to a decline in employee performance at this company

Based on those study research explained above, the writer is interested to create a research with the title **“The Influence of Work Environment,**

Discipline and Leadership towards Employee Performance at Meta Property Medan”.

1.2 Problem Limitation

In order to maintain the limitation of time and budget, the writer decides that this study is limited to only several variables such as work environment (X1), discipline (X2), and leadership (X3) as independent variables and employee performance (Y) as the dependent variable. Moreover, the writer would also limit the object of research to Meta Properti Medan at Jl. H. Adam Malik No.20 - 20A, Silalasa, Kec. Medan Bar., Kota Medan, Sumatera Utara 20114.

1.3 Problem Formulation

According to the background of study above, the writer can conducted some research question can be seen below:

- a. Does work environment have partial influence on employee performance at Meta Property Medan?
- b. Does discipline have partial influence on employee performance at Meta Property Medan?
- c. Does leadership have partial influence on employee performance at Meta Property Medan?
- d. Do work environment, discipline and leadership have simultaneous influence on employee performance at Meta Property Medan?

1.4 Objective of Research

Based on the research problem formulation, the objectives of this research can be conducted as follows:

- a. To analyze whether work environment have partial influence on employee performance at Meta Property Medan.
- b. To analyze whether discipline have partial influence n employee performance at Meta Property Medan.
- c. To analyze whether leadership have partial influence on employee performance at Meta Property Medan.
- d. To analyze whether work environment, discipline and leadership have simultaneous influence on employee performance at Meta Property Medan.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

The benefit of overall study in this research is needed to provide a better understanding of how work environment, discipline and leadership influence on employee performance. This research are expected to give a refresh to the existing theories especially to those study variable thatt relevant to work environment, discipline, leadership and employee performance.

1.5.2 Practical Benefit

The following are the practical benefit provide in this research:

a. The writer

This study is expected to expand the writer's knowledge base and new experience about the importance information about work environment, discipline and leadership influence on employee performance.

b. For Meta Property Medan

This research is expected to be able to contribute to help Meta Property Medan to increase their employee performance, as well as provide positive things to distributions that will increase the comfortness among employee and customers also for property sales.

c. For other researchers.

This research is supposed to bring new theories references and information about work environment, discipline and leadership that have simultaneously influence on employee performance