

CHAPTER I

INTRODUCTION

1.1 Background

Companies need human resources who work well in their fields to carry out their business processes. The role of human resources in the company plays an important role, through a workforce that functions optimally, output that brings benefits to the company will be obtained (Masram and Mu'ah 2015:209). Being able to compete with companies' rivals and expand their business operations is an objective for every company. Indeed, this cannot be obtained in a short time, and it takes patience and perseverance from Organizational stakeholders.

Companies must be able to manage their resources properly. Increased business competition between companies, making each company required to be able to work more optimally. Furthermore, the company also has to focus on its human resources for the continuity of the company establishment. Commitment to the organization owned by employees, Career Development prepared by the company, Motivation that exists within employees, and Performance produced by employees are important things and must be considered in the process of achieving company success (Rahardjo 2022:12).

Employee performance is the ability of employees to do their job in the organization. Employee performance has input in the form of knowledge, abilities, skills, attitudes that are applied through work behavior, and the ability to produce several quantities of products or services based on certain qualities in a certain period

(Shields et al., 2016: 4). The performance made by employees greatly influences the success or failure of the company in achieving the detailed targets that have been set. Employees who can carry out their job desks well will expedite the company's business processes.

Essentially, motivation is something that can increase alertness to work and produce high team performance, a condition that all members of the organization have good performance, then this will increase overall organizational performance (Ramon et al., 2021: 50). High work motivation in employees will usually improve their performance and at the same time maintain consistency in the results of the work they have done. If employees have low motivation, it will impact resulting performance that has a declining impact.

Organizational Commitment in the opinion of Griffin et al. (2020: 149) is the level that identifies employees with their organization along with the similarity of goals and the desire to survive or stay in the organization. Someone who has high organizational commitment will identify himself as part of the organization where they work, so these employees will work hard considering they have the same view of the organization and a strong feeling of being together.

Career development advancement is core because it provides and guides employees to explore suitable career goals within the organization. This will create the right people or key employees to deal with the increasingly complex business needs of the organization. Career Development has a perspective and includes activities that

will help employees to explore personal interests, career paths, and further identify appropriate career goals for individual employees (Decenzo, et al. 2016: 196).

This research takes the object of CV. Mubarokfood Cipta Delicia. Mubarokfood is a jenang production company that is a processed food of Kudus District, having its address at Jl. Sunan Muria No. 33A Kudus, Central Java, Indonesia. Based on data from the Human Resources Section, there are problems related to employee performance in the form of the non-realization of targets for several products, as shown in Table 1.1 below.

Table 1.1
Target and Realization Report of CV.Mubarokfood Cipta Delicia 2021 & 2022

No	Name of Product	Target In 2022	Realization in 2022	Description
1	Mubarok Besar	176.191 Boxes	177.749 Boxes	Achieved
2	Mubarok Press	182.680 Boxes	190.347 Boxes	Achieved
3	Mubarok Kombinasi	367.110 Boxes	364.182 Boxes	Not
4	Mubarok Susu	24.120 Boxes	24.564 Boxes	Achieved
5	Mubarok Capucino	22.567 Boxes	22.679 Boxes	Achieved
6	Mubarok Anggur	34.955 Boxes	30.632 Boxes	Not
7	Mubarok Durian	64.010 Boxes	62.298 Boxes	Not
8	STT. Prima Kombi	23.865 Boxes	22.216 Boxes	Not
9	MBR Ideal	35.796 Boxes	39.903 Boxes	Achieved
10	STT. 1/4an	192.480 Slops	195.974 Slops	Achieved

Source: Human Resource of CV.Mubarokfood Cipta Delicia (2022).

Based on the Table 1.1, there were four products not realized, namely Mubarok Kombinasi, Mubarok Anggur, Mubarok Durian, and Senar Tiga-Tiga Prima Kombinasi. In the last two years, certainly in 2021 and 2022, only one of these four products has been achieved, namely the STT Prima Kombinasi product in 2021. The data below is presented the target and realization for 2021 and 2022.

Table 1.2
Percentage Targets and Realization of Production Results for Mubarok Kombinasi, Mubarok Anggur, Mubarok Durian, and STT. Prima Kombinasi

PRODUCTS	YEAR	TARGET	REALIZATION	PERCENTAGE
Mubarok	2021	264,345 Boxes	260,400 Boxes	98,5%
Kombinasi	2022	367,110 Boxes	364,182 Boxes	99,2%
Mubarok	2021	26,206 Boxes	22,000 Boxes	83,9%
Anggur	2022	34,955 Boxes	30,632 Boxes	87,6%
Mubarok	2021	44,174 Boxes	40,557 Boxes	91,8%
Durian	2022	64,010 Boxes	62,298 Boxes	97,3%
STT. Prima	2021	18,705 Boxes	19,270 Boxes	103%
Kombinasi	2022	23,865 Boxes	22,216 Boxes	93%
Average				94,3%

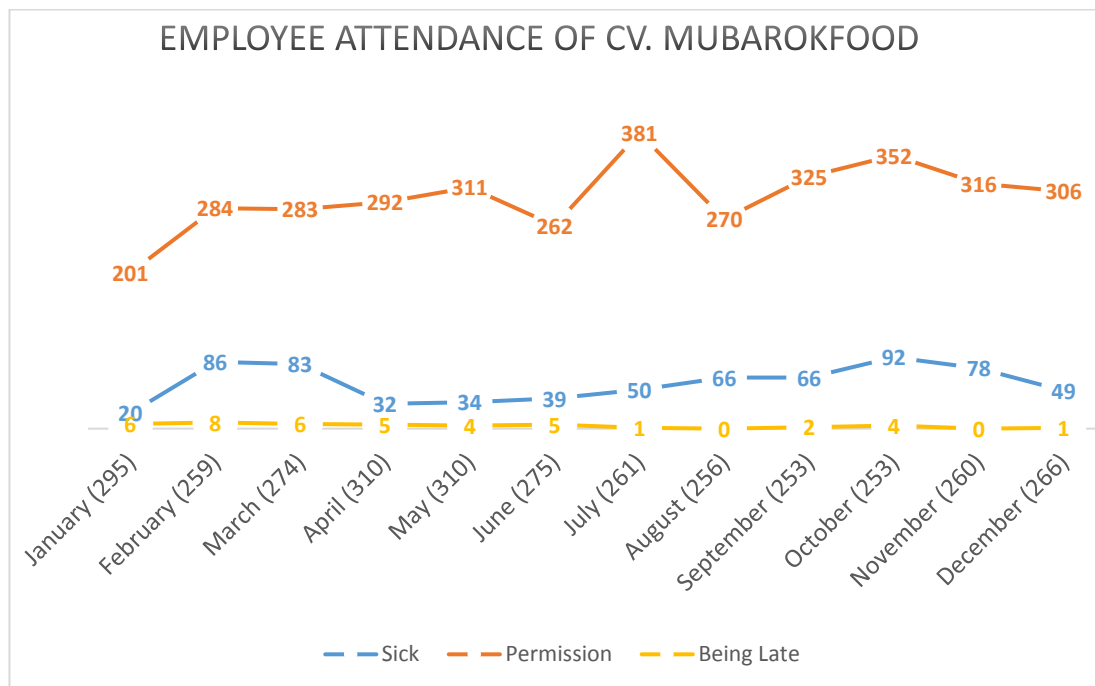
Source: Human Resource of CV.Mubarokfood Cipta Delicia (2022).

Based on Table 1.2 it indicates that in 2021 and 2022, some products did not reach the targets that must be realized by employees. The percentage of realized production results for Mubarok Kombinasi, Mubarok Anggur, Mubarok Durian, and STT Prima Kombinasi products only reached 94.3% of the total 100% production target. This shows that employee performance is less than optimal as evidenced by

targets that cannot be achieved. Employees that have suboptimal performance will have a direct impact on the continuity or stability of the company because their business work processes are disorganized. Several contributing factors that affecting Employee Performance are Organizational Commitment, and Work Motivation owned by employees (Enny, 2019:123). Career Development can affect at increasing of employee performance (Sabrina, 2021:149). Then, Organizational Commitment , Career Development, and Motivation influence on Employee Performance.

After have interviewed with The HR of Mubarokfood Cipta Delicia known that the major phenomenon related to Career Development at CV. Mubarokfood Cipta Delicia is the low level of development provision related to the continuation of employee careers in the future. Provision of development related to Leadership, Creativity, Language, Cross Functional, etc., is still rarely programmed by the company and the development usually focus on moral as main topic. This makes employees get minimal development that is needed for the next career path. The benefits of career development in general that can be achieved by employees are increased employee performance (Sabrina, 2021: 149). Based on this, low career development can interfere with the performance produced by employees.

The phenomenon related to the problem of work motivation is the low motivation that exists among employees in doing their jobs. This can be seen from the attendance of CV Mubarokfood Cipta Delicia employees in 2022.



Source: Human Resource of CV.Mubarakfood Cipta Delicia (2022).

Figure 1.1

Employee Attendance Graphic of CV.Mubarakfood Cipta Delicia for 2022

Based on Figure 1.1, it indicates that the attendance rate fluctuated every month. In October, it can be seen that employee absenteeism is at its highest point, with 92 sick employees and 352 employees with permission. The high number of employees that are absent from work indicates a lack of work motivation in the form of encouragement from within employees to complete their work. Even work motivation plays a separate role in employee work results, employees that have high motivation within themselves will work enthusiastically and seriously. Then motivation will impact the success of achieving targets set by the company (Novia et al., 2021: 92).

The Figure 1.1 also shows the sense of responsibility among employees. The lack of a sense of responsibility can be seen in employees who were late or did not come on time for attendance in 2022. Irresponsibility is a sign that the commitment possessed by employees to the organization is still relatively weak. The higher employee organizational commitment will increase their in-role and extra-role performance. Employees who have high commitment have the desire to provide more performance and responsibility in supporting the welfare and success of the organization where they work (Agustini, 2019:152).

This research is strengthened by research gaps in previous studies. Based on the research conducted by Sartika and Aqsa (2022) it is stated that Career Development has a significant effect with a positive direction on employee performance. In contrast, research conducted by Rozy (2021) states that Career Development has no significant effect on Employee Performance.

Research conducted by Al-Aali (2021) states that Organizational Commitment has a significant and positive effect on employee performance. Meanwhile, the Organizational Commitment variable in Suhardi's research, et al (2021) has no significant effect on employee performance.

The results of research from Gandung and Suwanto (2021) state that Work Motivation has a positive and significant effect on employee performance. Meanwhile, research from Rosmaini and Tanjung (2019) states that motivation has a positive and insignificant effect on Employee Performance.

Research conducted by Jufrizen et al. (2022) state that Organizational Commitment has a significant positive effect on work motivation. The results of research conducted by Nasruddin et al. (2021) state that organizational commitment has a significant effect on motivation, but the research gap in this hypothesis is highlighted in the object under study. The research conducted by Jufrizen and colleagues took place on the company as an object whereas the research conducted by Nasruddin and colleagues was carried out at the Government Agencies.

The results of research from Sugiarti (2022) stated that Career Development has a positive significant effect on work motivation. Whereas research conducted by Sayoga and Kanto (2023) stated that Career Development did not have a significant effect on the Work Motivation variable. Based on the problems and differences in the results of previous studies, this study will analyze the title **“THE EFFECT OF CAREER DEVELOPMENT AND ORGANIZATIONAL COMMITMENT ON EMPLOYEE PERFORMANCE WITH WORK MOTIVATION AS INTERVENING VARIABLE AT CV.MUBAROKFOOD CIPTA DELICIA”**.

1.2 Research Scope

The scope of this research is as follows:

- a. The Object of this research is CV. Mubarokfood Cipta Delicia.
- b. The Variables used in this study are:
 - 1) Exogenous Variables are Organizational Commitment and Career Development.
 - 2) Endogenous Variable is Employee Performance.
 - 3) Intervening Variable is Work Motivation.

- c. Respondents in this research are Employees of CV. Mubarokfood Cipta Delicia.
- d. This research is conducted for 2 months after the proposal was approved.

1.3 Problem Formulation

Based on Those Data that had been obtained from Human Resource of CV. Mubarokfood Cipta Delicia and the past researches, there are several problems identified as follows:

1. Problems related to CV Mubarokfood Cipta Delicia's Employee Performance as shown on the table 1.1 and 1.2 are the realization of production in a few products has not been able to meet the realization targets previously set by the company.
2. Problems related to Work Motivation as shown on the figure 1.1 are many employees absent and shown in the employee attendance list, which fluctuates every month.
3. Problems related to career development known after having interviewed with the HR of CV.Mubarokfood Cipta Delicia are the low provision of development related to the continuation of employee careers in the future. Provision of development related to Leadership, Creativity, Language, Cross Functional, etc., is still rarely programmed by the company.
4. Commitment to the organization can be demonstrated through a sense of responsibility and discipline towards company regulations. There were many employees at CV.Mubarokfood Cipta Delicia do not comply with the working days and hours set by the company as shown on the figure 1.1

Based on the problems that occur in the CV. Mubarokfood Cipta Delicia above, the research questions are structured as follows:

1. What is the influence of Career Development on Employee Performance at CV. Mubarokfood Cipta Delicia?
2. What is the influence of Organizational Commitment on Employee Performance at CV. Mubarokfood Cipta Delicia?
3. What is the influence of Career Development on Work Motivation at CV. Mubarokfood Cipta Delicia?
4. What is the influence of Organizational Commitment on Work Motivation at CV. Mubarokfood Cipta Delicia?
5. What is the influence of Work Motivation on Employee Performance at CV. Mubarokfood Cipta Delicia?

1.4 Research Purposes

Based on the formulation of the research problem above, this study has the objectives to:

1. Analyzing the influence of Career Development on Employee Performance at CV. Mubarokfood Cipta Delicia.
2. Analyzing the influence of Organizational Commitment on Employee Performance at CV. Mubarokfood Cipta Delicia.
3. Analyzing the influence of Career Development on Work Motivation at CV. Mubarokfood Cipta Delicia.

4. Analyzing the influence of Organizational Commitment on Work Motivation at CV. Mubarokfood Cipta Delicia.
5. Analyzing the influence of Work Motivation on Employee Performance at CV. Mubarokfood Cipta Delicia.

1.5 Research Benefits

The results of this study are expected to have theoretical and practical benefits, as follows:

1.5.1 Theoretical Benefit

Designed as a final project for proofing the implementation of knowledge that had previously been studied while taking S1 Management, along with contributing to the development of human resource management science.

1.5.2 Practical Benefit

1.) For The Company

Could be used as useful information for companies in making decisions related to handling problems in terms of Career Development, Organizational Commitment, Work Motivation, and Employee Performance at CV. Mubarokfood Cipta Delicia. Besides that, this research is also expected to contribute ideas for the implementation of new strategies that can be planned by companies.

2.) For Further Research

The results of this study are expected to be used as additional references that are more comprehensive for further research to complement previous studies.

