

# CHAPTER I

## INTRODUCTION

### A. Research Background

A company is an organization with a specific purpose, whose structure and objectives are interrelated, and which relies on human communication to coordinate activities within the organization. Organizations can be said to have a purpose to fulfill their needs. Therefore, the organization expects its employees to work well and be able to create favorable conditions and conditions in which employees experience boredom, boredom and laziness at work which leads to poor performance improvement. Poor employee performance causes organizational losses (Listianto, 2005) In fact, organizational members are the most important influencing factor because it is their behavior that in the long run will facilitate or hinder the achievement of organizational goals. (Agency & Guarantee, 2020). Workers are resources that are directly related to the management of all resources in the organization (Karambut, 2017). Therefore, the behavior of workers is very influential in the achievement of organizational goals. With such problems, a company needs a standard reference so that employees can be optimally empowered, the standard reference can be realized in the form of a corporate culture that systematically guides employees to increase their work commitment to the company and ultimately improve company performance.

According to (Moehariono, 2012) performance is a description of the level of achievement of the implementation of an activity program or policy in realizing the goals, objectives, vision, and mission of the organization as outlined in an organization's strategic planning. Performance comes from the root word "to performance" and according to The Scibner Bantam English Dictionary (Herzberg, 1979) and (Widodo, 2007) means as follows:

1. To do or carry out; execute (Do, run, execute).
2. To discharge or fulfil; as a vow (To fulfill or fulfill the obligation of a vow).
3. To portray, as a character in a play.
4. To render by the voice or a musical instrument.
5. To execute or complete an undertaking.
6. To act a part in a play (Implementing an activity in a game).
7. To perform music.
8. To do what is expected of a person or machine.

In line with this opinion, (Mangkunegara., 2009) revealed that employee performance as "Expressions such as output, efficiency, and effectiveness are often associated with productivity". This opinion states that the performance of an employee cannot be separated from the results achieved, and is effective in increasing productivity. According to (Mangkunegara., 2009) in his book entitled Human Resource Performance Evaluation, the definition of employee performance is:

"The results of work in quality and quantity achieved by an employee in carrying out their duties in accordance with the responsibilities given to him".

This understanding can be concluded that the performance of human resources is work performance or work (output) both quality and quantity achieved by HR per unit of time in carrying out their work duties in accordance with the responsibilities given to them. Performance is the result or level of success of a person as a whole during a certain period in carrying out the task. Below will be mentioned the definition of performance from several expert opinions, namely:

1. Performance is a set of results achieved and refers to the act of achieving and implementing a requested job (Stolovitch and Keeps: 1992).

2. Performance is one of the total collections of work that exists in workers. (Griffin: 1987).
3. Performance is influenced by goals (Mondy and Premeaux: 1993).
4. Performance refers to the level of success in carrying out tasks and the ability to achieve the goals that have been set. Performance is declared good and successful if the desired goals can be achieved properly (Donnelly, Gibson, and Ivancevich: 1994).

Performance is carrying out an activity and perfecting it according to its responsibilities with the expected results. It can be concluded that the notion of performance is a work that can be achieved by a person or group of people in an organization, in accordance with their respective authorities and responsibilities, in order to achieve organizational goals, not violating the law, and in accordance with morals and ethics. Performance is a description of the level of achievement of the implementation of an activity or program or policy in realizing the goals, objectives, mission, vision and organization. Basically, the notion of performance relates to the responsibility of the individual or organization in carrying out what is the authority and responsibility given to him.

PT. Mitsuyoshi Manufacturing Indonesia is a company engaged in electronic components, electronics manufacturing, electronics repairing, and electronics retail. Sales are made with company partners. PT. Mitsuyoshi Manufacturing Indonesia is also a professional speaker fabric manufacturer, speaker frame and grille company. The company has an experienced engineering team and production team to handle all kinds of framing, speaker grilles and is skilled in the production of speaker cloth. In addition, the company has also complied with the requirements of ROHS ISO9001 and L4001. PT Mitsuyoshi Manufacturing Indonesia is aware of the importance of culture in the company. The leaders and management as well as all employees of PT. Mitsuyoshi Manufacturing Indonesia is committed to creating a work culture that is comfortable, orderly, safe, and increases work efficiency and productivity. To support this commitment, PT. Mitsuyoshi Manufacturing Indonesia applies a 5S work culture, 5S is a determination to implement the Seiri, Seiton, Seiso, Seiketsu, and Shitsuke culture.

One method of employee performance is to use the 5S method. 5S (Seiri, Seiton, Seiso, Seiketsu, Shitsuke) is a methodology for creating a clean, uncluttered, safe, and well-organized workplace in order to reduce waste and improve productivity (Osada, 2004). It's at helping in the creation of a positive work environment, both physically and mentally. Any work area that benefits from visual control and lean production can benefit from the 5S philosophy. Employees place a premium on a work environment's 5S condition. The 5S condition of the work area is very important to employees and is the basis for customers' first impressions (ASQ, 2018) In recent years, the 5S method has been popular among Japanese businesses as a means of improving human potential and efficiency. Since Takashi Osada established the 5S approaches in the early 1980s, it has been thought that using them may significantly improve the environmental performance of production lines, including housekeeping, health, safety, and so on. (Rahman et al., 2010)

Implementing a better 5S culture requires strong leadership and commitment from all company employees, the manager of PT Mitsuyoshi Manufacturing Indonesia also admits that the implementation of 5S culture cannot be implemented immediately, but will take time and will be carried out in stages, so the company conducts 5S audits every year to evaluate the performance of the company and employees. Companies need trust from all parties, including employees. in the company that implementing a 5S culture will increase the effectiveness and efficiency of our operations.

According to (Kimura Masaru, n.d.) company engaged in the manufacturing industry, which produces various kinds of goods, one of which is moulding. In the production process at PT. Mitsuyoshi Manufacturing Indonesia really needs the 5S method as a method to help employees work effectively. With the various factors above, the researcher has a goal to analyze whether the 5S method can affect work effectiveness with the research title "The Influence Of Implementation 5S Method Towards Employee Performance: Study On PT. Mitsuyoshi Manufacturing (Employee Perspective)"

#### B. Formulation of the Problem

1. Does implementing Seiri have positive impact on Employee Performance?
2. Does implementing Seiso have positive impact on Employee Performance?
3. Does implementing Seiton have positive impact on Employee Performance?
4. Does implementing Seiketsu have positive impact on Employee Performance?
5. Does implementing Shitsuke have positive impact on Employee Performance?

#### C. Research Purpose

1. To analyze the effect of Seiri having a positive impact on employee performance
2. To analyze the effect of Seiso having a positive impact on employee performance
3. To analyze the effect of Seiton having a positive impact on employee performance
4. To analyze the effect of Seiketsu having a positive impact on employee performance
5. To analyze the effect of Shitsuke having a positive impact on employee performance

#### D. Benefit of Research

The benefits in this research are as follows:

##### 1. Theoretical benefits

This study is expected to advance understanding for academics and add references for future research to the development of quality control theory.

##### 2. Practical benefits

a. Researcher

Researcher can add insight and understanding related to quality control. It is hoped that this research will increase the ability to analyze and solve related problems, especially quality control.

b. University

This Research can be used as material for consideration in the preparation of a management curriculum related to quality control.

c. Company

This research can be used for company as a reference in using 5S to be implemented in their company. In addition, this research can also assist the employee to apply 5S so it will increase the employee performance.