

CHAPTER 1

INTRODUCTION

1.1 Research Object Overview

The development of events in Indonesia is increasingly widespread and rapid, seen from the number of events as a form of tourism. These events can be sports, music, arts or other entertainment. Events are components of goals to be achieved by both the event organizer and the people invited to attend the event (Kholik, 2021). An event organizer, sometimes known as an EO, is a company in the service industry that has been legally appointed by the client to oversee the overall planning, preparation, execution, and evaluation of the events in order to help the customer achieve their desired outcomes (Keizer, 2011).

One of the event organizers in Semarang Regency is Dynasty Music Equipment. Dynasty Music Equipment Semarang is a company that including sound system rental services, ringing stages, band equipment, lighting, generators. Dynasty Music Equipment was first established in 1999. After a period of time in which Dynasty Music Equipment experienced faster and more successful growth than expected and received good feedback from the public, the company began to expand its product line to include music events. This business continues to this day (Dynasty Music Equipment, 2023). Dynasty Music Equipment location is on Jalan Wonolopo RT 03, RW 05 Mijen Semarang. Because of its location on the side of the road, Dynasty Music Equipment has a strategic location and is easy to reach. Apart from that, Dynasty Music Equipment is a service company with more than 20 years of experience. Therefore, it is not surprising that most residents in the Wonolopo area and surrounding villages are familiar with Dynasty Music Equipment. Apart from that, the presence of this service provider is very beneficial for the surrounding environment.

The following are the vision and mission of Dynasty Music Equipment: The mission is to advance and promote Dynasty Music Equipment by giving consumers the finest service possible, with the best quality, and by prioritizing requests based on client preferences. In the interim, its goal is to give every client access to the greatest music events.

1.2 Research Background

An institution, formal or informal, that is trusted to handle planning, preparation, execution, and evaluation in order to help achieve goals like launching a new product, party, seminar, music performance, and so forth, in response to service users' requests or the Event Organizer's own initiatives, is known as an event organizer (Rumerung, 2018)

Among the creative industries are those that plan events. The growing number of creative industries is evidence of the industry's rapid development. In the third quarter of 2023, the creative industry realized added value valued at IDR 1.05 trillion. This sum has surpassed the IDR 1.28 trillion goal for 2023 by 82.1 percent. Furthermore, the creative industry's export performance was valued at USD 17.4 billion in the third quarter of 2023, with USD 9.88 billion coming from the fashion subsector and USD 6.26 billion from the craft subsector (indonesiagoid, 2023). Considering that Industry 4.0 has had an impact on almost all industries, entrepreneurs must prepare their businesses well (Hatammimi and Krisnawati, 2018).

Dynasty Music Equipment is one of the Semarang Regency event organizers. Every firm faces competition in its industry as the number of event organizers rises. The company is attempting to combat competition by expanding its human resource base.

An organization or business has objectives to fulfill. In the pursuit of its objectives, management faces challenges pertaining not only to labor supplies and equipment but also to the human resources department, which oversees other aspects of the business. Every situation that is constantly changing without us realizing it requires a careful attitude so that organizational managers make adjustments as soon as possible to the changes that occur so that they can continue to survive the pace of the change process (Kusuma, Adriansyah, and Prastika, 2013). Businesses will deal with more complicated workforce issues. As a result, the Human Resource Department (HRD), a distinct department within a corporation, is required to properly manage labor as human resources (HR).

An organization's most important resource is human resources, the people who provide their energy, talent, creativity and effort to the organization. Therefore,

employees are the key to determining the company's success. For this reason, every employee, apart from having knowledge, skills and abilities, must also have high loyalty or commitment to the company. One aspect that can be used to sustain the organization's or company's continuity is employee dedication. Organizational commitment has an impact on the performance of a firm or organization. The degree to which a corporation succeeds in accomplishing its objectives is a measure of its success (Ayuningtias, 2018).

The Dynasty Music Equipment Company has a number of employee performance issues, including issues with the production department that cause them to miss client deadlines and issues with marketing that result in them falling short of pre-established goals. The competition between different services that plan events is another issue (Interview with the head of Dynasty Music Equipment Semarang on March 1 2024). Data regarding the hiring and firing of Dynasty Music Equipment from September to February of 2024 is provided below:

Tabel 1. 1. Entry and Exit Data for Dynasty Music Equipment Semarang Employees for September 2023–February 2024

Month	Initial Employees	Number of employees Enter	Number of employees Go out	Total number Final Employee
September	67	0	2	65
October 2023	65	1	0	66
November	66	0	3	63
December	63	0	1	62
January 2024	62	2	0	64
February 2024	64	1	0	65

Source: Dynasty Music Equipment(2024)

Table 1.1. shows Dynasty Music Equipment employees leaving and entering from September 2023-February 2024. Important things that need to be considered in relationships within the company regarding employee performance. Employees coming in and out of the Company will cause several problems such as delaying the Company's deadline due to having to explain to new employees, which will take longer. Factors that influence employee performance are discipline. This is characterized by high levels of absenteeism, tardiness, gaps, slowing down of work

and even rejection of orders from superiors. Discipline at work can foster motivation and work enthusiasm within oneself to show better performance (Fahmi, 2021).

Work discipline is the factor that affects employee performance. Managers seek to use work discipline as a tool to talk to staff members in order to get them to change their behavior and to make them more conscious of and willing to follow all corporate regulations (Rivai, 2018). According to Hotmauli's research (2023), work discipline has an impact on employee performance. Discipline, in the words of Fahmi (2021), is a procedure for handling performance issues. Problems regarding work discipline among employees of Dynasty Music Equipment Semarang regarding work discipline are the level of attendance, there is still a high level of employee tardiness when entering the office when working hours have started, but there are several employees who are not yet at work,

The following is absenteeism (alpha) attendance data for Dynasty Music Equipment employees in September 2023-February 2024:

Tabel 1. 2. Dynasty Music Equipment Semarang Employee Attendance Data (Alpha) for September 2023-February 2024

Year	Number of Absent Employees
September 2023	3
October 2023	2
November 2023	2
December 2023	1
January 2024	4
February 2024	2

Source: Dynasty Music Equipment, 2024

Based on table 1.2, it shows alpha attendance data for Dynasty Music Equipment Semarang employees. In September 2023 to February 2024 there were still several employees who did not leave without explanation. Based on interviews with leaders, it was found that some employees still tend to be absent without explanation and arrive late. In general, the reasons for lateness are due to waking up late, laziness and lack of warnings from superiors so that employees still break many rules. A reduction in work-related discipline will affect output. To meet company objectives and increase earnings, every business must be able to enhance employee work discipline. Meilany & Ibrahim (2015) corroborated this, stating that

enhancing discipline is a crucial component of human resource management and a key element in raising performance. Put another way, an individual who exhibits higher levels of discipline and performance will also be more adept at managing their time, which will help them fulfill their obligations and finish projects in the future.

Target data from Dynasty Music Equipment Semarang was used to identify the issue, which was that the marketing staff members lacked enthusiasm for their jobs. The marketing staff's performance table of Dynasty Music Equipment Semarang shows this.

Tabel 1. 3. Marketing Performance November 2023-February 2024

Month	Target (events and weddings)	Achievement (events and weddings)	Percentage	Information
November 2023	8	10	125%	Target Fulfilled
December 2023	8	7	87.5%	Target Not Fulfilled
January 2024	8	6	75%	Target Not Fulfilled
February 2024	8	5	62.5%	Target Not Fulfilled

Source: CV Dynasty (2023)

Based on the table above, it shows that the targets given to employees of Dynasty Music Equipment Semarang were not met from December to February 2024. In November 2023 the targets were met by 125%, but the following month only 87.5% of the targets were met. From January 2024 to February 2024 the target decreases, namely 75% to 62.5%. The problem with Dynasty Music Equipment Semarang employees is that there are still some employees who are not optimal at work, do not meet the company's targets, thus reducing the employee's performance.

The interview's findings led to the identification of a problem—specifically, the employees of Dynasty Music Equipment Semarang were doing less well. Customer complaints are to blame for this. Companies take complaints or grievances seriously when it comes to the satisfaction of their customers. The absence of complaints demonstrates good and accomplished employee job results;

on the other hand, complaints show that the employee has not satisfied clients, which would affect his negative performance evaluation. The following are elements of Dynasty Music Equipment Semarang employees' performance requirements and assessments (Interview with the head of Dynasty Music Equipment Semarang on September 7 2024).

Tabel 1. 4. Aspects of assessment and performance assessment standards for Dynasty Music Equipment Semarang employees

Aspects of assessment	Target	Score	Criteria
Employee expertise	85%	70%	Enough
Employee capabilities	85%	70%	Enough
Collaboration ability	85%	75%	Enough
Customer satisfaction	85%	82%	Good

Source: CV Dynasty (2024)

Table 1.4 lists the four factors that Dynasty Music Equipment Semarang staff members evaluate. One of the primary components of assessment is employee competence, namely the individual's task completion time, or if the work can be finished within the allocated time frame. The second evaluation component focuses on each employee's unique skills, including their inventiveness, diligence, and integrity. The ability to interact with one's team, or how coworkers think through and develop ideas and address problems as they arise, comes next. The final one is customer happiness, where there have been no complaints or complaints about unsatisfied customers.

The following is an assessment of the performance of Dynasty Music Equipment Semarang employees from 2019 to 2023.

Tabel 1. 5. Dynasty Music Equipment Semarang employee performance assessment for 2021-2023

Year	Performance Assessment	Criteria
2021	85%	Good
2022	80%	Good

2023	75%	Enough Good
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Source: CV Dynasty (2024)

Table 1.5 shows that staff performance at Dynasty Music Equipment Semarang declined from 2019 to 2023. It is known that the performance evaluation declined in 2022, namely from the good category in 2021 with a score of 85 to the good category in 2022 with a score of 80. Additionally, staff performance will drastically decline to 78 in 2023. Reduced performance may serve as an indicator that something is wrong with the way Dynasty Music Equipment Semarang staff are performing.

Customer complaints rank among the top factors influencing Dynasty Music Equipment Semarang employees' performance reviews. Workplace discipline is frequently the subject of complaints. The leader clarified that complaints from clients of Dynasty Music Equipment Semarang were caused by employees who lacked discipline. Specifically, the sound system installation crew arrived late and did not arrive at the scheduled time, so the work was completed quickly and hurriedly, which led to subpar outcomes and complaints from clients. This client complaint demonstrates how staff members are defying current time restrictions. Aside from that, there were grievances raised regarding certain employees' outfits not matching those of other employees, making them appear dissimilar (Interview with the head of Dynasty Music Equipment Semarang on September 7 2024).

According to Siagian (2015), discipline is the practice of training, particularly the training of attitudes and ideas to generate self-control and the habit of abiding by relevant laws. According to research by Aulia (2021) that shows the job Discipline variable has a positive and significant affect on employee performance, employees who lack discipline in their job can have an impact on reducing employee performance.

The company's success is determined by employee performance factors and employee work abilities. In increasing production results and company balance, it is necessary to improve employee performance by being disciplined in working, so that each employee can work well and has the ability to work according to the type of employee, of course increasing and bringing a positive impact to the company (Putri, 2024).

Employees that practice strong work discipline are accountable for the tasks they complete or the work they do. Employee morale rises as a result, which makes it simpler for the business or organization to accomplish its objectives with such zeal. One may argue that the corporation will make more money if it is successful in enhancing employee work discipline (Chyntia, 2023). Enhancing work discipline can lead to quicker completion of tasks, decreased damage, lower absenteeism, and a lower chance of personnel turnover. As a result, employers must continue to draw in devoted staff members by providing incentives that are meant to boost output (Chyntia, 2023).

This research was conducted at Dynasty Music Equipment Semarang, an event organizer company. In running its business, of course Dynasty Music Equipment Semarang is required to have employees who are disciplined and professional in their work to support the company's productivity. Employees must therefore exhibit a disciplined mindset by being punctual, abiding by business policies, having a strong feeling of responsibility, setting and meeting reasonable goals, and creating detailed work plans. The purpose of this study was to determine how employee performance at Dynasty Music Equipment Semarang was affected by employee discipline. Researchers are interested in studying the impact of work discipline on performance at Dynasty Music Equipment Semarang due to the issues raised in the backdrop.

1.3. Problem Formulation

The problem that is formulated for this research is based on the background of the study:

1. How is the work discipline of Dynasty Music Equipment Semarang employees?
2. How is the performance of employees at Dynasty Music Equipment Semarang employees?
3. How does work discipline influence the performance of Dynasty Music Equipment Semarang employees?

1.4. Research Objective

The following are the research's aims, which are based on the problem formulation:

1. To determine the work discipline of Dynasty Music Equipment Semarang employees.
2. To determine the performance of Dynasty Music Equipment Semarang employees.
3. To determine the influence of work discipline on the performance of Dynasty Music Equipment Semarang.

1.5. Research Benefit

The author is hoping to gain several benefits from this research, which are:

1.5.1 Theoretical Benefits

This research's theoretical component applies the theories learned in lectures, offers insights into how work discipline affects performance at Dynasty Music Equipment Semarang, serves as a final project for undergraduate education in Telkom University's International ICT Business study program, and provides information to students seeking information about the impact of various variables on employee performance and analytical techniques.

1.5.2 Practical Benefits

Aspect The theoretical aspect of this research is to apply the theories that have been obtained during lectures, providing information aboutThe influence of work discipline on performance at Dynasty Music Equipment Semarangand provide information for students who are looking for information about human resource management regarding employee performance and combined data analytical techniques and as a final assignment for undergraduate education in the Telkom University International ICT Business study program.

1.6. Research Scope

This research has limitations that aim to prevent the problem from spreading and maintain the consistency of the researcher's goals. These limitations are as follows:

- 1) Observation period is March-April 2024.
- 2) The people who are used as respondents are employees Dynasty Music Equipment Semarang.
- 3) Description of what employee performance preferences are Dynasty Music Equipment Semarang.

1.7. Writing Systematics

This part of the writing outlines a brief understanding of how the mini-thesis will be structured. It is aimed to help readers understand the contents of this mini-thesis. Each chapter will be explained as follow:

a. CHAPTER 1: INTRODUCTION

The introduction will explain several topics including Research Object Overview, Research Background, Problem Formulation, Research Objectives, Research Benefits, and Systematic Writing.

b. CHAPTER 2: LITERATURE REVIEW

This chapter will outline the theoretical basis that will cover the whole research, as well as theories from previous research that are similar to this research. Further into this chapter will cover the theoretical framework and hypotheses of the research.

c. CHAPTER 3: RESEARCH METHODOLOGY

The research methodology chapter will cover how the research will be done, the resource of the data, and the type of data used in this research. It will also include the information about where the population will be from, the number of the sample, the research variables, data collection method, instrument testing, and data analysis method.

d. CHAPTER 4: RESULTS AND DISCUSSION

This chapter will explain the general description of the research object, results from all instrument testing, as well as hypothesis testing.

e. CHAPTER 5: CONCLUSION

The last chapter will include the conclusion from the overall research, as well as suggestions to stakeholders who are related to this research.