

CHAPTER I

INTRODUCTION

1.1 Background

Human resource management can contribute to the progress and survival of a company. Human resources are the most valuable and important asset an organization/company possesses, as organizational success is largely determined by its people. Humans play a crucial role in planning, implementing, and controlling the realization of organizational or company goals. For companies, employee performance is crucial because organizational success depends on the extent to which employees contribute to achieving goals, such as annual targets and services to achieve customer satisfaction. Therefore, to achieve good performance results, human resource management is necessary to maximize employee performance.

In essence, employee performance can improve with the support of organizational factors. One fundamental factor in a company is its organizational structure. Rahmanto et al. (2023) defines organizational structure as a systematically structured system for carrying out planning, coordination, and managerial functions within a company. Achieving established organizational goals will be difficult without the support of a clear organizational structure. A similar phenomenon occurs at Persada Indonesia, a company engaged in the field of tour and travel services. Where the results of field observations were known to have not been effective service which ultimately led to the management decision to redesign the organizational

structure. The structural change in 2025 was evidenced by the addition of the position of Vice Chief Executive under the direct command of the Chief Executive Officer, which was previously at the same level. Both management also added PIC at every level in the top-middle management area, and the company also began to transform and adapt to a digital-based system. In practice, the changes that occurred were aimed at creating a work system that could support employees to perform more optimally. However, conditions on the ground did not fully reflect the expectations that had been set by management

Tabel 1.1 Laporan Target dan Realisasi Jemaah Tahun 2023 dan 2024

Bulan	Tahun 2023		Tahun 2024	
	Target	Realisasi	Target	Realisasi
Januari	500	415	566	125
Februari	540	320	566	250
Maret	256	361	264	230
April	579	210	580	305
Mei	656	415	665	300
Juni	749	235	724	337
Juli	531	351	724	205
Agustus	695	401	724	314
September	953	203	665	342
Oktober	822	532	665	315
November	940	324	665	356
Desember	720	239	665	321

Source: Human Resource Persada Indonesia 2025

Table 1.1 shows that organizational targets and realizations fluctuate, with a downward trend each month, particularly in September and July. Furthermore, this data indicates that the fluctuations are not maximizing

employee performance. Employee performance impacts the company's sustainability in achieving its goals. Good employee performance can benefit the company, while poor performance can result in losses. This condition indicates other factors influencing company performance, such as changes in top leadership or CEOs. When a supervisor changes, employees experience a lack of engagement, encouragement, or support in their work, which is suspected to be influenced by differences in leadership character and the new leader's adjustment to the organizational environment and culture. Furthermore, the author conducted a pre-survey as follows:

Tabel 1.2 Leadership Pre- survey

No	Question	Yes	No	Total Responden
1.	Is your boss able to maintain cooperation between team members?	2	13	15
2.	Were you involved in the process decision making in the team?	1	14	15
3.	Did your boss convey information in a way consistent to all team members?	1	14	15
4.	Whether superior You give appreciation for team performance?	2	13	15
5.	Whether You feel motivated after receiving instructions from superiors?	2	13	15

Source: Primary data processed by researchers, 2025

A pre-survey of 15 respondents showed that the majority of Persada Indonesia employees believe their superiors' leadership is ineffective. This also indicates that leaders are not fully capable of fostering employee trust and engagement in their work. A lack of open communication and appreciation for subordinate performance can lower employee morale. This lack of balance in leadership has been shown to impact employee performance.

Leadership is a necessary element in managing any organization, as it always requires individuals who are trusted to lead. In a company, leadership plays a crucial role because leaders are tasked with directing and controlling the organization in an effort to achieve predetermined goals in a harmonious manner. In the context of achieving employee performance, a directed collaborative work process is required, thus emerging the need for leadership and being led to achieve common goals. Leadership is how a leader influences the behavior of subordinates, so that they are willing to work productively to achieve organizational goals (Hasibuan, 2019). Improving employee performance requires an analysis of the influencing factors, taking into account the needs of employees, including a good, conducive, and coordinated work environment.

A company's work environment has a direct impact on employees. A supportive work environment can improve employee performance, while an inadequate work environment can decrease it. The impact of a suitable work environment can be seen over the long term. According to Masood (2024), the work environment is the physical, social, and organizational conditions that influence the execution of tasks and employee interactions. A supportive environment can increase employee motivation and performance.

The underlying attitude of those receiving the results of the work will be satisfied and have a positive impression of the employee concerned. The work environment concerns the place or place where employees carry out their duties and work. This includes the process of implementing management and

the physical work environment, including a comfortable and well-organized room, good ventilation, job security, appropriate working hours, and other conditions that can support the smooth execution of tasks. The work environment is designed in such a way as to create a working relationship that binds workers to their environment (Gultom et al., 2021). Conversely, low levels of performance can easily lead employees to give up on work conditions and circumstances.

Tabel 1.3 Work Environment Pre-survey

No	Question	Yes	No	Total Responden
1.	Does the company provide facilities adequate support?	3	12	15
2.	Are the equipment and facilities available in good condition?	3	12	15
3.	Whether You feel comfortable with working atmosphere at your workplace?	2	13	15
4.	Do your coworkers help each other in completing the task?	2	13	15
5.	Are the facilities provided helpful improve your work comfort?	2	13	15

Source: Primary daa processed by researchers, 2025

Based on the results of the pre-survey, it was shown that the available equipment and facilities were not in good condition. The observation showed inadequate parking space for employees and equipment such as computers, which were still fully adequate in the IT division, and filing cabinets for document files, which were still inadequate. This indicates that the company still needs to improve the availability and quality of work infrastructure to support employee productivity. Relations between employees and the work atmosphere in general are not yet conducive to creating high work enthusiasm.

Thus, it can be concluded that the work environment in the company still requires serious attention, especially in aspects of facilities, comfort, and relationships between employees. According to Sedarmayanti (2017), in general, types of work environments are divided into two, namely: physical work environments and non-physical work environments.

Based on the results of the observations conducted, it is quite clear that there is a relationship between organizational structure, leadership, and the work environment on employee performance. An appropriate organizational structure also requires effective leadership support so that the change process is well-received by employees. Meanwhile, a conducive work environment is a supporting factor for optimal restructuring and leadership. In other words, an organizational structure without good leadership can create resistance, and good leadership without a supportive work environment will also not produce optimal performance. The emergence of low employee performance is one of the problems frequently encountered in organizations, thus negatively impacting organizational development within the company.

However, several previous studies conducted by researchers are as follows. Research conducted by Rismawati et al., (2025) stated that organizational structure has a positive effect on employee performance. Research conducted by Taghulihi et al., (2020) stated that leadership and work environment have a positive effect on employee performance. However, there are differences in results shown by previous studies that have different results, namely in research conducted by Sunaryo et al., (2020) which showed results

that there is no influence of organizational structure on employee performance. Research that conducted by Bibiana et al., (2024) showed that leadership and work environment had no effect on employee performance.

Based on the issues related to low employee performance at Persada Indonesia, this issue requires more attention for analysis. Furthermore, identifying the relationship between organizational restructuring, leadership, and the work environment yielded varying results. The results of this study are presented in a paper entitled "**The Influence of Organizational Structure, Leadership, and Work Environment on Employee Performance at Persada Indonesia.**"

1.2 Fomulation of the problem

1. Does the organizational structure affect employee performance at Persada Indonesia?
2. Does leadership influence employee performance at Persada Indonesia?
3. Does the work environment affect employee performance at Persada Indonesia?

1.3 Research purposes

Based on the problem formulation described above, the research objectives that can be formulated in the research are as follows:

1. To determine the influence of organizational structure on employee performance at Persada Indonsia.
2. To determine the influence of leadership on employee performance at Persada Indonesia.

3. To determine the influence of the work environment on employee performance at Persada Indonesia.

1.4 Benefits of research

Research is expected to provide benefits to all parties, both practical and theoretical. The benefits of this research are as follows:

1. Theoretical Benefits

Adding and expanding the horizon of knowledge in company management, especially matters related to company HR management and becoming a study book for further research.

2. Practical Benefits

Company development to identify factors that influence the company's success in improving employee performance and helping solve problems related to organizational structure, leadership, and work environment, which are factors that determine employee performance.