

# **CHAPTER I**

## **INTRODUCTION**

### **I.1 Background of the Study**

We are living in a fast-growing world, especially in business. There are a lot of companies; either an entrepreneurship or corporations arising nowadays. Therefore, there are a greater number of business competitors, as well. In order to survive, one company has to be better than the others. Certain factors determine the success of a company; including, capital, network, and human resource. However, the principle thing is that a company should focus on its human resource. If a company has both good capital and good network but it does not have good human resource, there will not be effective synergies. Human resource plays a critical role in any successful change effort in a company. When having good human resource, a company can have both good capital and good network. A company which can manage its employees well usually becomes a successful company.

A leader in a company plays an important role. The leader is the person who is capable of describing the vision and mission of the company; therefore, the leader should direct human attitude for specific objectives of the

company. In addition, leaders can also give a specific style for the company; on the other hand, it can also create the uniqueness of the company, which makes a difference for the company and determine its success. Moreover, He can also motivate his subordinates to do their tasks well. With his authority and responsibility, an effective leader can influence employees, position, and situation.

A leader should increase employees' motivation in working as according to Oxford Advanced Learners Dictionary (2000), "motivation is a desire of a person to do something or behave in a particular way". Work motivation is a reason of a person to do his or her work well. Accordingly, it is crucial for leader to be concerned about how to motivate his subordinate. There are many things that can influence the employees' motivation, such as need, relationship, work situation, and leadership. This thesis would like to point out about influence of leadership on PT. X's employees work motivation.

PT. X runs in banking and it has 50 employees. PT. X is run by a team that consists of a Branch Manager, staff of finance, accounting, and marketing. They have different responsibilities but they support one another in their job. This thesis focuses on the marketing division. In this division, there are ten employees and they have to support the company's goal. They have to find clients who want to deposit or save their money in this company. Motivation to find new clients, motivation to follow up the clients, motivation to make the clients put their trust in this company are the motivations expected from the staff of this division.

Formal meetings are held regularly to motivate the employees. The meetings are proven to be helpful to motivate them. One of the main points in these meetings is to develop a good communication between the employees and the managers and to make sure that the company is heading to its goal. Therefore, it is crucial for the leader in marketing division to have good leadership skills to get the employees motivated to achieve the company's goals. This thesis would like to analyze more about the type of leadership skills that will influence employees' motivation and what kind of motivation needed to bring human resource to the same vision and goals.

## **I.2 Identification of the Case**

1. What is the leader's style of leadership which is applied to the marketing employees in PT. X?
2. What leadership factors that motivate the marketing employees in PT. X?

## **I.3 Objectives of the Study**

The objectives of this thesis are:

- To know which leadership style applied by the leader in PT. X.
- To know what leadership factors that give impact to work motivation of the marketing employees in PT. X.

#### **I.4 Limitation of the Study**

This thesis will focus on finding the best leadership style that can give positive influence on marketing division in PT. X's employees work motivation and to find out leadership factors that can motivate the marketing employees at PT. X. The data needed will be gathered through library research and distributing the questioner to the managers and the employees in PT. X. This data will only be collected from the marketing division.

#### **I.5 Layout of the Paper**

This thesis starts with the Abstract, a concise summary of the entire paper in Indonesian. This Abstract is followed by the Preface, in which acknowledgements are given to those contributing and involved in the work. After that is the Table of Contents and the Appendices, followed by its four chapters:

Chapter I     Introduction of the study

Chapter II    Theoretical review of basic theories related to the case study

Chapter III   Findings and Discussion of the study

Chapter IV   Conclusion

Following the Conclusion is Bibliography and the Appendices, where I present alphabetically the references used for the study.