

# CHAPTER I INTRODUCTION

## 1.1 Background of the study

Usaha Mikro Kecil dan Menengah (Micro, Small and Medium Enterprises, known as UMKM) are businesses types which are easily found in developing countries and people run this business to help their economy reasons. UMKM contribute a lot to the economy growing in a country because they will offer jobs for the citizens and become the reason for reducing unemployment in the country. Indonesia is one of the countries that have quite a lot of UMKM businesses type and it growing rapidly day by day. Based on the latest data shows that as of 2013 the number of UMKM in Indonesia amounted to 57,895,721 units with the use of labor as many as 114,144,082 people (Ministry of Cooperatives and Small and Medium Enterprises of Indonesia, 2016). However, there are still problems in controlling and recording the accounting cycle in several UMKM. Not only that, in carrying out the business, UMKM did not always provide special training to their workers before hiring the workers and it could be the problems for UMKM itself.

Job training is very important for workers to master their field. Job training is a step to prepare the workers to master their part of work. This is the way to avoid the worst possibility that would happen if there's a human error made by the worker. Job training also helps the workers to improve their performance. According to Prawirosentono in Sinambela (2012) states, "Performance is the result of work that can be achieved by a person or group of people in the organization, in accordance with their respective authorities and responsibilities,

in order to achieve the objectives of the organization in question, not violating the law and in accordance with morals and ethics."

Job Description is a collection of information about work or outlines regarding what obligations, responsibilities, and authorities are held and must be carried out by workers. Also, Job Description explains the procedures for carrying out these tasks to achieve organizational goals effectively and efficiently. "The job description is the result of job analysis as a series of activities or processes to gather and process information about work" (Rivai, 2009). The job description states the duties and responsibilities of a job. It says "what is done, why it is done, and where it is done, and briefly how to do it" (Jackson, 2001).

Good Job training and Job description can also help UMKM in carrying out internal controls. Internal control in a business can help business owners reduce fraud. The objectives of internal control are including to maintain the security of the wealth of business owners, checking data reliability, increasing the efficiency of operational activities, and increasing compliance with company policies. For that reason, good control is needed to help develop more effective businesses (Bimantara, Handayani & Dwiatmanto, 2017).

Refers to that background, the author gives the title of this practical work report as **"Analysis of Internal Control, Job Training and the clear Job Description of each worker at Jeufood Restaurant."**

## **1.2 Project Scope**

The author decides JEUFOD RESTAURANT as the research object. The company still has not implemented the internal control system of their workers properly. It might cause several problems in running this business. The scope of

the discussion in this study includes the analysis of implemented internal control system, job training and the clear job description for workers which is by existing regulations.

### **1.3 Project Objectives**

This project has a purpose to help the companies in the company's inventory control systems analysis, presenting the efficient method for workers to work well at JEUFOOD Restaurant. For the result to present of job training method and good job description of worker and have the efficient internal controls.

### **1.4 Project Outcomes**

This project has a output to advising the JEUFOOD Restaurant operational activities. This activity is expected to provide results to find out why JEUFOOD Restaurant workers cannot work well and need more time to understand their job description. With this project, it is also expected to provide restaurant owners with knowledge about the importance of job training of workers before running a business. The process of retrieving data for analysis includes information from the own experience of author and information from other workers.

### **1.5 Project Contributions**

#### **a. For Business**

For companies, this practical work will help business owners to increase knowledge about the importance of good management of workers in their business. As well as the importance of job training and the clear of a job description for workers to make it easier to find out how well the company's performance.

#### **b. For Academic**

For academic, this practical work can be expected to be a reference material for further researchers who will examine the internal control system and the importance of good management of workers.

### **1.6 Methodology**

This project has 2 methods, namely observation, and interview. The author has done the observation and interview to get information about JEUFOOD Restaurant business activities.

### **1.7 Implementation schedule and Practical Work Plan**

Implementation schedule of the author's practical work is on Monday to Friday starting from 07:20 to 09:10 a.m KST and 5:30 to 7:00 p.m. KST. This practical work starts on March 4th, 2019 and ends on March 29th, 2019.

### **1.8 Writings Systematics**

This systematic discussion aims to provide a description of the contents and discussion of each chapter. The discussion of this study consists of five chapters as follows:

#### **CHAPTER I INTRODUCTION**

A brief description of the background of the study, project objectives, project outcomes, project scope, project contributions, methodology and writing systematics are included in this chapter.

#### **CHAPTER II LITERATURE REVIEW**

A literature review of the previous research results and relating theories with the research and a description of the framework for the approach are included in this chapter.

**CHAPTER III****GENERAL DESCRIPTION OF THE COMPANY**

A company identity description, organizational structure of the company, operational activities of the company, and the system used in the company are included in this chapter.

**CHAPTER IV DATA COLLECTING AND DATA ANALYSIS**

Data collecting process and business activities analysis of the company is included in this chapter.

**CHAPTER V****CONCLUSIONS AND SUGGESTIONS**

Conclusions and suggestions regarding the results of the research are included in this chapter.