

CHAPTER I

INTRODUCTION

A. Background

Small Medium Enterprises is the fundamental subject for community economic condition. The influence of Small Medium Enterprises in minimizing unemployment are very crucial. With high influence to community economics, Small Medium Enterprises business activity increase rapidly. The complexity of business activity becomes high and effectiveness and efficiency is a must. Effective business activity becomes great competitive advantage to survive in competition.

To achieve efficiency and effectiveness, SMEs needs to move from manual system into computerize system and try to accept new technology development, but in reality SMEs is hard to accept it. They are still optimism with their own manual system. They are not realized, manual system still have many weaknesses around. Human involvement is still dominant, it makes human weakness weakened the system itself. Lack of accuracy is one of the weakness. Working speed also limited.

One of the importance part of business activity is build good system. Good system will acomodate all of business activity and make easy to reach business purpose. Salary information system is one of business activity which need more concern. This system is very common in our daily lives, but distributing salary in

this era is getting more complex, since amount of worker who work in company become higher, without good system information management the company cannot run well. The problem will be emerged one after another. The problem came from inaccurately wages and salary distribution. The other problem is human ability in processing big data is limited and difficult.

Tiara Handicraft is a Small Medium Enterprise established in Surabaya in 1995. With thirty seven people work on it, Tiara handicraft already found trouble with salary system. The problem of this small medium enterprises is the use of manual system in pay worker salary. The payment system of Tiara Handicraft use productivity base calculation. Productivity base calculation is calculating high amount of item produced and multiple by their own producing process multiple by amount of people work in Tiara. Using such complex system and many item which produced in a month, using manual system will be very difficult. With rapid growth and technology and necessity in efficiency and effectiveness moving from manual system into computer based information system is very important to this SMEs.

Those weaknesses of manual system become great hindrance for SMEs to develop their business into new level. Actually, now in globalization era, competition become really intense. Not just competition among SMEs and other industry in same city or area, but competition around the world.

Tiara Handicraft try to develop new system of salary system. Tiara Handicraft trying to build this system start from small part of business process

into more complexity of productivity base salary information system. Even though salary system sound easy in our common daily life, but for Small Medium Enterprises with such small resources using computer based information system to solve salary system problem and achieving effectiveness is quite challenging.

From these problems this research is entitled as “Salary Information System”.

B. Formulation of Problem

Based on previous explanation, the problems that might be faced :

1. How is the description of existed salary system that already use at Tiara Handicraft ?
2. What is the problem of existed salary system ?
3. What is the solution of Tiara Handicraft’s problem?

C. Research Purpose

1. Understanding the reason why company still use the existed salary system, and analyze how weak and strength the system are.
2. Understanding the problem of existed salary system
3. Understanding and analyze the solution of Tiara Handicraft’s problem with existed system.

D. Research Contribution

a. Academic

This research is purposed to give a contribution to the next researcher for giving general understanding in science and knowledge especially about system analyze and design.

b. Practical

This study is aimed to give a contribution for Tiara Handicraft in the implementation of computer based salary system.

E. Systematic of Discussion

The arrangement of the parts of discussion meant to make the scientific paper detailer, clearer and understandable on how the content of the scientific paper that itself. The figure of the whole basic of the minor thesis content can be explained shortly into five chapters.

Chapter I : Introduction

This chapter explains about the case or the matter which become a background of this research, objectives and the contributions of the research. Besides that, the writer also serves the problems of the study to bind the focus of the research.

Chapter II : Theoretical Framework

This chapter contains of theoretical framework that related with the basic of problems. The theories and references will be used as analysis tool of the research problems.

Chapter III : Research Method

This chapter explains on how the research is conducted, as well as functioned as guidance of research and analysis. This chapter will discuss about the type of research, research focus, research location, and source of data, data collecting technique, research instrument, and data analysis.

Chapter IV: Result and Analysis

This chapter contains the research data and analysis result of the research method. In addition, it describes about the interpretation of the research result.

Chapter V: Conclusion and Suggestion

This chapter is the last chapter of the study, which determines the research result and provides some suggestions.