

# CHAPTER I

## INTRODUCTION

### A. Background

MICE (Meeting, Incentive, Conference, and Exhibition) is one of the the tourism industry sectors which contributes toward improviFng and driving Indonesia's economy, and is one of the fastest industries growing in the world. Though MICE itself is an industry which provides services for events, among others seminars, business meetings, conferences, incentive trips, and exhibitions. MICE is also one of the most helpful pieces that help tourism activities run smoothly. It is explained in the Law of the Republic of Indonesia Number 10 of 2009 on Tourism that, a proper travel industry requires MICE activities which will help to support tourism growth run properly and smoothly.

As said earlier, exhibitions are one of the activities in MICE. The trend of exhibitions in Indonesia by 2024 is increasing rapidly, this can be seen from the increasing number of demands for exhibitions and exposition. According to data from the Central Agency of Statistics Indonesia (BPS), it can be seen that Indonesia's economy in 2024 has shown a growth of 5.08 percent. With the increasing number, many parties are interested to take part and be involved in the sustainability of exhibitions and expositions held in Indonesia.

According to the Regulation of the Minister of Tourism and Creative Economy Number 5 of 2017 on Guidelines for Destinations Hosting Meetings, Incentive Travels, Conventions, and Exhibitions, "Exhibition is an organized event where objects are displayed to the public which can be in the form of trade shows between businesses as well as exhibitions for the ultimate consumers". The International Association of

Professional Congress Organizers defines Exhibition as "Event at which products and services are displayed". Exhibition according to Pearce (2008), is an event designed to showcase a product, service, or information to a targeted audience, increase brand awareness, generate leads, and drive sales. According to this definition, it can be said that an exhibition is an event that is carefully planned to display products that can be goods, services, or information with many objectives such as increasing product sales and brand awareness as well as increasing business relations between companies and individuals.

Following from their purpose, exhibitions have several types, one of which is trade shows or B2B exhibitions. Trade shows are an important marketing platform for companies to promote their products and services, build relationships with potential and existing customers, and learn about the latest industry trends (Shoham, 2008).

Meanwhile, it is also stated in the Minister of Tourism and Creative Economy Number 5 of 2017 on Guidelines for Destinations Hosting Meetings, Incentive Travels, Conventions, and Exhibitions that the exhibition itself is required to use human resources that have competitive value and obtain either national or international competency recognition, which in the exhibition industry itself is referred as Professional Exhibition Organizer. In the same regulation, it is also explained that a Professional Exhibition Organizer or PEO is a legal entity or individual/group of people whose task is to plan, prepare and carry out the organization of an exhibition in a professional manner.

The increasing number of exhibitions held in Indonesia is followed by the needs for professionals to organize a proper and successful exhibition, professionals which are specialized in organizing exhibition known as Professional Exhibition Organizer (PEO).

PT Napindo Media Ashatama is one of the Professional Exhibition Organizer which was established in 1989. PT Napindo Media Ashatama has many portfolios for hosting exhibitions in communications, multimedia and technology industry and a lot of experience in handling clients within the sectors of ministries, government, departments, embassies, associations, and institutions. The company itself has a team of experienced and dedicated staffs in providing the best service for exhibitors, visitors, speakers, and delegates for the exhibition. PT Napindo Media Ashatama has various type of workers, currently there are 60 permanent employees, 2 part-time employees, and an additional of trainees which are shifted in 6-month period. Below is the table about the number of trainees who have worked at the company.

**TABLE 1**  
**NUMBER OF INTERNS IN PT NAPINDO MEDIA ASHATAMA**

<b>Year</b>	<b>Number of Trainees</b>
2019	2
2020	7
2021	Discontinued due to COVID-19
2022	14
2023	11
2024 (January – July)	13
2024 (August – December)	21

Source : Company Archive, 2024

Permanent employees are employees who work on a contract within the time agreed with the company. Part-time employees are employees who are recruited to work on contract for a short period of time, usually ahead of a particular project. Part-time employees are typically taken from people who worked with the company such as trainees or freelancers.

While trainees are employees who are obtained by the company in cooperation with colleges as one of their curriculum programs. Freelancer employees are employee who are recruited for event execution and specialized only on the date of the event. In the event execution, trainees are considered as freelance employees.

The large number of demands for exhibition and conference organizers and seeing the scale of the event itself have made PT Napindo Media Ashatama need additional workers, who in this case are freelance employees, or usually are referred as freelancers. Freelancers are often recruited to help the running of the exhibitions smoothly. As an overview, several major events have been organized by PT Napindo Media Ashatama such as Indo Livestock requires approximately 57 freelancers, ITE Series requires approximately 78 freelancers and Indo Defence, which is the largest exhibition the company held, requires approximately 198 people.

The freelance employees in the exhibitions organized by PT Napindo Media Ashatama are those who works and often involve in organizing exhibitions coming from different background. The company is using the direct approach or words of mouth method while hiring. This is followed by Curriculum Vitae collection and followed by selection, after that the human resources department will conduct an interview with the candidates. After the interview, the freelancer hired will be invited to a group for further information about the job, and if not, they will not receive any confirmation from the company. The company itself has a few qualifications when hiring freelancers, such as:

1. Able to understand and speak English well
2. In the range of 17-35 years old
3. Physically and mentally healthy
4. Have a neat and clean appearance

The list above is some of the general qualifications needed, while at it there might be some additional qualifications applied by company to ensure the qualifications needed for each position.

Likewise, the benefits that will be obtained by freelancers are:

1. Wages (which might be different to each person, depending on the division they work at and the event itself) without any deduction as the government tax will be covered by the company
2. Overtime fee (if any)
3. Meals
4. Accommodation (several divisions are prioritized for this, e.g. show management, operational, etc.)
5. Health facility and work safety assurance
6. Official event shirts or uniforms

Their involvement in the exhibitions organized by the company itself is quite diverse, there are several freelancers who are involved once but it cannot be denied that there are also a large group of people which repeatedly work together with the company. This is proved by the results of the interviews with several freelancers who have been involved in exhibitions organized by PT Napindo Media Ashatama, there are dissatisfaction found in among freelancers with the statements as follows:

On October 2, 2024, an interview was conducted with one of the freelancers whose identity is kept confidential. In the interview, the interviewee stated that they had an issue with the working-hour as they are expected to standby early in the morning, while they have to go back late at noon with no hotels near the venue provided by the company. These issues might result in fatigue as a result of limited time of rests and also the long distance trips to the venue with inappropriate accommodation.

Meanwhile in the second interview held on 3 October 2024, another interviewee stated that, the process of recruiting freelancers was still unclear because there was no sort of further confirmation about the vacancies from the company. The same interviewee also stated that the facilities such as accommodation (e.g., transportation, hotels, etc.) was also still unclear as such things are not always provided (i.e., it is only provided in several occasions, some are not). However, the wages given are in accordance to the workload and the company provides bonuses if there is any overtime work done by the freelancers.

Based on the results of the interviews, it was identified that the dissatisfactions of freelance employees recruited by PT Napindo Media Ashatama which causes a group of freelancers hesitates or refuses to work several times with the company. To assess the job satisfaction of freelance employees, the job satisfaction factors (Sutrisno, 2015:80), psychological, social, physical, and financial were used.

Therefore, this research was conducted with the aim of identifying the job satisfaction of freelance employees who have been involved in organizing exhibitions held by PT Napindo Media Ashatama. Considering the background and theories related to job satisfaction, the research title is formulated as follows “Job Satisfaction of Freelance Employees at PT Napindo Media Ashatama”.

## **B. Problem Statement**

Referring to the background that has been previously described, the focus of discussion in this study is to see the satisfaction of freelance employees at PT Napindo Media Ashatama with the following problem identification:

1. How is the freelance employee's satisfaction on psychological factor while working for PT Napindo Media Ashatama?

2. How is the freelance employee's satisfaction on social factor while working for PT Napindo Media Ashatama?
3. How is the freelance employee's satisfaction on physical factor while working for PT Napindo Media Ashatama?
4. How is the freelance employee's satisfaction on financial factor while working for PT Napindo Media Ashatama?

## **C. Research Objectives**

### **1. Formal Objectives**

In general, this final project aims to fulfill one of the requirements to complete the Diploma IV Program in the Convention and Event Management Study Program, Tour and Travel Department at NHI Bandung Tourism Polytechnic.

### **2. Operational Objectives**

This research has several objectives as follow:

- a. To find out the employee satisfaction on psychological factors while working for PT Napindo Media Ashatama.
- b. To find out the employee satisfaction on social factors while working for PT Napindo Media Ashatama.
- c. To find out the employee satisfaction on physical factors while working for PT Napindo Media Ashatama.
- d. To find out the employee satisfaction on financial factors while working for PT Napindo Media Ashatama.

## **D. Benefits of Research**

### **1. Theoretical Benefits**

This research is expected to contribute in terms of knowledge and insight in the event industry, especially in the job satisfaction of freelance employees of a company.

### **2. Practical Benefits**

This research is expected to provide benefits for PT Napindo Media Ashatama as a consideration, evaluation and reference in development when recruiting and hiring freelance employees at PT Napindo Media Ashatama.

## **E. Problem Limitation**

Problem limitation serves to prevent deviation from the core discussion of the problem under study and to make sure the solution core problem to be more oriented. The problem limitations in this research are the respondents were taken from freelance employees who have work at least once with PT Napindo Media Ashatama.