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Investigating the improvement of employee performance through the role of job placement and compensation

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Abstract

Employee performance is an important factor for the survival of the organisation, therefore the leadership of the organisation must know what efforts need to be made to improve employee performance. This study was conducted with the aim of knowing how to improve employee performance through the role of workplacement and compensation. This research was conducted on 61 education personnel of Mandala Waluya University. The data analysis used is multivariate regression. The results showed that job placement and compensation have a significant role in improving the performance of mandala waluya university education personnel.

Keyword: Employee performance; Work placement; Compensation; Education personnel; Organization,

1. Introduction

Achieving organisational goals requires human resources that perform well and optimally, therefore efforts are needed to provide strong encouragement so that the human resources owned by the organisation can improve their performance. Employee performance is important for the organisation because employee performance is the driving force of the organisation towards achieving organisational goals.

According to Gibson (1997), efforts made to use employees' knowledge, skills, experience and education to achieve organisational goals effectively and efficiently are employee performance. Good performance is one measure of the success of an organisation in achieving its goals. By knowing the performance of its employees, the organisation can evaluate the work of individual employees in order to make decisions on the achievement of the organisation as a whole. Performance as a result of work related to organisational goals such as quality, efficiency and other effectiveness criteria.

There are many factors that can play a role in improving employee performance, but based on observations that have been made, it shows that job placement and compensation are important factors that play a role for education personnel at Mandala Waluya University.

Some previous research results have found that proper job placement is an important strategy that needs to be carried out by organisations to achieve optimal organisational goals (Chindri T. Abram, et al. 2022), because proper job placement according to employee interests and expertise significantly improves employee performance (Atkhan, et al., 2018). Job placement in accordance with employee interests and expertise allows employees to work happier and increase their creativity (Heri Murtiyoko, 2021) Appropriate job placement allows employees to work efficiently and effectively (Hafis Laksmana Nur Aldy,. 2020). However, job placement is not always able to improve employee

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performance, this is explained by the research findings of Chindri T. Abram, et al (2022), Nurlaely Razak, et al (2021), who found that organisational efforts to improve employee performance through effective job placement did not succeed in significantly improving employee performance. Therefore, the researcher is interested in testing whether the performance of Mandala Waluya university education personnel can be improved through the role of job placement.

Another important factor that has been observed by researchers is the importance of the role of compensation for education personnel at Mandala Waluya University because in addition to improving the welfare of education personnel, compensation is also important for education personnel.

According to Dessler (1997) compensation includes direct financial payments in the form of wages, salaries, incentives, commissions and bonuses as well as indirect payments in the form of benefits such as insurance and holidays on company funds and non-financial rewards such as things that are not easily quantified, namely rewards such as more challenging work, more flexible working hours and more prestigious offices. Compensation is an important thing that is the main drive or motivation for an employee to work (Schuler and Jackson, 1999). Compensation is a reward given by the company to its employees that can be valued in money and tends to be given permanently (Nitisemito, 2000: 90).

Empirically, the effect of compensation on employee performance has been found to have a positive and significant effect by Prafitri Kumalasari & Sugito Efendi (2021), Ahmad Syukri et al. (2021), Rusman Hidayat (2019). However, different results were found by Ustadus Sholihin & Ririn Wahyu Arida (2021), Suryono Efendi & Amirudin Yusuf (2021), Idris et al. (2020), Puspita Rinny et al. (2020) who found that compensation had no effect on employee performance.

Based on the literature review above, the authors are interested in reviewing the effect of work placement, workload, and compensation on employee performance.

2. Literature Review and Hypothesis

2.1. The Effect of Job Placement on Employee Performance

According to Hasibuan (2010: 63) employee placement is a follow-up to selection, namely placing prospective employees who are accepted (passing the selection) in positions / jobs that need them and at the same time delegating authority to that person. Employee placement according to Hasibuan (2009: 63) must be carried out on the basis of job descriptions and job specifications that have been previously determined and are still guided by the principle of "the right man in the right place". Factors that must be considered in employee placement include; education, knowledge, skills and work experience of the employee concerned. (Suwatno, 2008: 117). The results of research by Heri Murtiyoko (2021); Endang Suswati (2021); Hafis Laksmana Nur Aldy (2020) found that job placement has a positive and significant effect on employee performance.

Based on the description above, hypothesis 1 proposed in this study is :

2.1.1. Hipotesis 1: work placement has a positive and significant effect on education personnel at Mandala Waluya University

The Effect of Compensation on Employee Performance

Compensation is everything that employees receive in return for their labour. When compensation is given correctly, employees will be more satisfied and motivated to perform better to achieve organisational and personal goals. Compensation has a positive and significant effect on employee performance (Prafitri Kumalasari & Sugito Efendi, 2021; Ahmad Syukri et al., 2021; Rusman Hidayat, 2019; Ustadus Sholihin & Ririn Wahyu Arida, 2021; Suryono Efendi & Amirudin Yusuf, 2021; Idris et al., 2020 and Puspita Rinny et al., 2020).

Based on this description, hypothesis 2 is proposed:

2.1.2. Hypotesis 2 : Compensation has a positive and significant effect on education personnel at Mandala Waluya University

- Research Method

This study aims to test and explain the causal relationship between the influence of Job Placement, Workload, and Compensation on employee performance. This study uses descriptive research with a quantitative approach, namely

revealing the influence between variables and expressed in numbers and explaining it by comparing it with existing theories and using multiple linear regression data analysis techniques. This study was conducted on all educational staff at Mandala Waluya University through a survey using a questionnaire.

3. Results and Discussion

The results of data processing using multiple regression analysis that have been carried out in testing this research model are presented in the following table:

Table 1 Results of Multiple Regression Analysis

Hypothesis	Standardized Coefficient	Probability Value ($<\alpha=0,05$)	Results
Job Placement → Employee Performance	0,343	0,000	Accepted
Compensation → Employee Performance	0,515	0,000	Accepted
R = 0,890 R-Square = 0,791 F-value = 72.031 Sig, F = 0,000			

Based on the results of the multiple linear regression analysis in the table above, the following regression analysis equation is obtained:

$$Y = 0.343X_1 + 0.515X_2$$

The results of the multiple linear regression analysis in the equation can be interpreted as the R value = 0.893 indicating that the correlation of the relationship between the independent variables of Job Placement and compensation on the performance of Mandala Waluya University employees is very strong. Furthermore, the coefficient of determination (RSquare) = 0.791 This means that the diversity of all independent variables analyzed, namely Job Placement and workload on the performance of Mandala Waluya University employees can be explained by the model by 79% and the remaining 21% is explained by other variables outside the model of this research variable and it can be concluded that from the coefficient value, determination (R²) this research model has good model accuracy or precision.

The results of the F test obtained a probability or significance value of $F = 0.000 < \alpha = 0.05$. These results indicate that simultaneously the variables of Job Placement and workload have a positive and significant effect on the performance of Mandala Waluya University employees.

Partially (t-test) in this study aims to test the effect of Job Placement on employee performance, compensation on employee performance and workload on the performance of Mandala Waluya University education personnel. The partial test in this study is described as follows:

3.1. H1: Job Placement has a significant positive effect on the performance of education personnel at Mandala Waluya University

The results of testing the effect of Job Placement on the performance of Mandala Waluya University education personnel can be proven by the estimated path coefficient value of 0.343 with a significance value of $t = 0.000 < 0.05$. The test results prove that Job Placement has a positive and significant effect on the Mandala Waluya University education staff can be accepted. This means that the better the Job Placement is, the performance of Mandala Waluya University education personnel will increase significantly.

These results indicate that the better the Job Placement owned, the performance of the Mandala Waluya University education staff will increase significantly. Professionalism is described by education, knowledge, skills and work experience. The test results are supported by empirical facts according to the majority of respondents' responses, they perceive that they already have good Job Placement in carrying out their activities at Mandala Waluya University. Job Placement can be interpreted as a person's ability and skills in doing work according to their respective fields and levels.

Job Placement is an understanding or belief that employee attitudes and actions in carrying out organizational activities and their roles are always based on knowledge and professional values that prioritize public interests (Dwiyanto 2011:157). Based on the understanding above, it can be concluded that Job Placement is the expertise, skills and abilities of an employee in doing work creatively and having high quality and quality by quickly taking advantage of existing opportunities, the desire to spur the mission in progress to develop his career. Job Placement from the results of this study can make a significant contribution to employee performance. The results of this study are supported and consistent with previous studies conducted by Huijuan Ma, et al. (2022), Afrianty (2021), Hakim (2020), Hendri (2020), Keumala, et al. (2020), Ruth Novita et al. (2020), Alifia, et al. (2022), Yani Dahliani, et al. (2022), Jerrv F. Alfreth, et al. (2021) found that Job Placement has a positive and significant effect on employee performance. However, there are still differences in the results of Muliaty's study (2021) which found that Job Placement has no significant effect on employee performance.

3.2. H2: Compensation has a positive and significant effect on the performance of education personnel at Mandala Waluya University

The results of testing the effect of compensation on the performance of educational staff at Mandala Waluya University can be proven by the estimated path coefficient value of 0.515 with a significance value of $t = 0.000 < 0.05$. The test results prove that Compensation has a positive and significant effect on the performance of educational staff at Mandala Waluya University which can be accepted. This means that the better the Compensation given to employees, the more the performance of educational staff at Mandala Waluya University will increase significantly.

The results of this study indicate that the better the compensation of the educational staff at Mandala Waluya University, the more their performance will significantly increase. Changes in increasing educational staff compensation reflected through; knowledge, skills and attitudes of educational staff at Mandala Waluya University have a significant contribution to increasing their performance reflected through aspects of financial perspective, customer perspective, internal business perspective and learning and growth perspective. The four perspectives in the Balanced Scorecard state that there is an interrelationship (Acufia-Carvajal et al., 2019). The results of this study are supported by empirical facts based on the description of respondents' answers that the compensation of educational staff at Mandala Waluya University mostly stated that it was good. This means that the majority of respondents stated that the increase in compensation for educational staff at Mandala Waluya University which includes aspects of knowledge, skills and attitudes has been implemented well. This result is also supported by the percentage of respondents' answers that compensation has been implemented well. According to Rivai and Sagala (2009), compensation is the desire to have an impact on others and the ability to influence others through persuasion and influence strategies. Compensation from the results of this study can provide a significant contribution to the performance of educational staff at Mandala Waluya University. The results of this study are supported and consistent with previous studies conducted by Puspita Rinny et al. (2020), Ruth Novita et al. (2020), Andi Hidayat et al. (2020), Alifia, et al. (2022), which found that compensation had a positive and significant effect on employee performance. However, there are still differences in the results of the Jon Maizar study (2017) which found that compensation had no significant effect on employee performance.

3.3. Limitation and Future Research

The researcher realizes that in implementing this study, there are limitations experienced, the differences in the findings of this study with several previous researchers are possible due to differences in time, organizational culture and measurements used, therefore it is recommended for future research to develop this study by adding organizational culture variables as moderating variables to see the role of organizational culture in strengthening the influence of job placement and compensation on individual performance. In addition, it is recommended to use different variable measurements than those used in the study to expand empirical evidence regarding the influence of job placement and compensation on individual performance.

4. Conclusion

This study uses a questionnaire that has been tested for validity and reliability. The results of data analysis using multivariate regression found that proper job placement, proper compensation and proper workload will improve the performance of Mandala Waluya University education personnel. This finding shows the importance of organisations managing human resources by paying attention to job placement, compensation and workload policies because they are proven to be effective in improving employee performance.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

Statement of informed consent

Informed consent was obtained from all individual participants included in the study.

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