

## The Role of Work Placement and Scholarship Program on Employee Performance through Employee Job Satisfaction in APP Sinarmas Java Island Employee



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**ABSTRACT:** Every company will try to improve the performance of employees so that company goals are achieved. The APP-Sinarmas Scholarship is one of the scholarships that provides comprehensive funding to create reliable human resources. APP-Sinarmas scholarship graduates, employee work performance has a reasonably strong correlation with job placement, thus influencing employee satisfaction of APP scholarship graduates during their career at the company. This research aims to determine the effect of Job Placement and Scholarship Programs on Job Performance through Employee Satisfaction. The research was carried out by distributing questionnaires to 68 respondents with data analysis testing using the SPSS 26 for Mac program. The results of this research show that Work Placement (X1) on Employee Performance (Y) through Employee Job Satisfaction (Z) in the regression test obtained a direct influence value of 0.231 and an indirect influence of 0.249 so that the total influence is 0.48. So, Job Placement greatly influences Job Performance through Employee Satisfaction of APP Sinarmas scholarship graduates. Meanwhile, the Scholarship Program (X2) on Employee Performance (Y) through Employee Job Satisfaction (Z) in the regression test obtained a direct effect value of 0.111 and an indirect effect of 0.080, so the total effect is 0.191. This research shows that the scholarship program obtained by APP scholarship graduates is less effective in improving work performance through employee satisfaction from APP scholarship graduates.

**KEYWORDS-** Employee Job Satisfaction, Employee Performance, Scholarship Program, and Work Placement.

### I. INTRODUCTION

Scholarship programs can help high school graduates who are looking for college. There are many types of scholarships, including for public colleges, private colleges, and even a civil service college. One of the scholarships that offers many benefits for its students is the APP-Sinarmas Scholarship. This scholarship covers all college costs, tuition fees, thesis, graduation, and even student pocket money. Plus, this scholarship builds cooperation with paper mills that spread around Indonesia. Therefore, many students aim for the APP-Sinarmas scholarship.

The APP-Sinarmas scholarship program collaborates with various colleges, including Institut Teknologi Sains Bandung (ITSB), to provide education and training on pulp and paper processing. This program offers career prospects to ITSB students who aspire to become experts in waste processing and energy conversion in pulp and paper processing. Students who join the APP-Sinarmas scholarship program can expect job opportunities at Asia Pulp and Paper (APP) upon graduation.

Companies strive to enhance employee performance to achieve their goals. There are some ways for companies to upgrade their employee performance: suitable work placement, balanced workload, and creating a great working environment. Management faces the challenge of improving employee performance since a company's success relies on the quality of its human resources (Damayanti et al., 2018). In this condition, companies tend to have a decline in the quality of employee performance. At the same time, great-performance employees can support the company's goals and objectives (Hanafi & Yohana, 2017).

One of the aspects that affect employee performance is work placement. If work placement is according to their fields of expertise and suitable to the employee's interest and ability, it can increase their performance, and vice versa. Hence, placing the most suited employee is hard to do because every employee has their value (Devi et al., 2016). Riyanto et al. (2017) found that work placement significantly and positively affects employee performance.

Another factor that affects employee performance is employee satisfaction; if employee satisfaction increases, employee performance also increases. Employee satisfaction consists of work placement, a great work environment, and getting credits for the results. Hanafi and Yohana (2017) found that the employee satisfaction variable positively impacts employee performance.

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During the research conducted at Asia Pulp and Paper (APP) company, several obstacles were encountered:

1. No research has been conducted on the work performance of students who received the APP-Sinarmas scholarship. It is crucial to evaluate the scholarship's effectiveness and impact.
2. Many job placements may not be suitable for the employee, leading to decreased performance and motivation to work.
3. The APP-Sinarmas scholarship program is accompanied by work commitment for eight years, and the students will only be able to get their diploma certificate after the eight-year commitment.
4. During the interview, the APP-Sinarmas scholarship program students expressed dissatisfaction due to being placed in jobs that did not match their qualifications.

Accordingly, from these problems, this research focuses on employee performance, especially those from the APP-Sinarmas scholarship program. The research study "The Impact of Work Placement and Scholarship Programs on Employee Performance through Job Satisfaction at APP Sinarmas Java Island" was conducted.

## II. METHODS

This study uses a quantitative approach and incorporates numerical data obtained through scaling to measure all research variables. The research sample is 68 respondents using census sampling methods; the result is using 100% of the total population of students from the APP-Sinarmas scholarship program who graduated in 2016-2023. Data analysis was carried out using descriptive analysis, validity, and reliability tests, and then analysis t-test using SPSS 26.0 for Mac. Also, the classic assumption test consists of a multicollinearity test, heteroscedasticity test, autocorrelation test, normality test, and linearity test. The regression test uses path analysis.

## III. RESULTS

### A. Respondent Characteristics

Initially the questionnaire was distributed to 68 respondents who graduated from APP-Sinarmas scholarship program in East Java in the year of 2016-2023. Furthermore, the characteristics explained in Table 1

**Table 1: Respondent Characteristics**

Characteristics	Category	N	Percentage
Gender	Female	30	44.1%
	Male	38	55.9%
Age	17-22	12	17.6%
	23-27	45	66.2%
	28-32	11	16.2%
Education	D4	63	92.6%
	S2	5	7.4%
Position	Officer/Technician/Operator/Admin	50	73.5%
	Specialist/Supervisor	16	23.5%
	Manager	2	3%

Table 1 indicates that most of the respondents are male, as much as 38 respondents, aged 23-27 years old, with an education of D4, and have positions as officer, technician, operator, and admin.

### B. Validity And Reliability

To achieve the results of this study, first, researchers need to conduct validity and reliability tests of online questionnaires to 68 respondents, with 40 questions. All questionnaire items are valid since all r-counts are greater than the r-table (0,1982). According to the reliability test, all four variables, work placement, scholarship programs, employee satisfaction, and employee performance, have a reliability value greater than 0.60. Therefore, all these variables can be used in the research.

### C. Classic Assumption Test

This study had five classic assumption tests. The first multicollinearity test shows no multicollinearity indication because all the tolerance values are more significant than 0,1 in all regressions. Second, the autocorrelations test uses the Durbin-Watson (DW) method because the respondents are less than 100, and there are no autocorrelations in all regressions. Next, the heteroscedasticity test has no heteroscedasticity indications because all significations are bigger than 0.05. Fourth, the normality test found that the distribution is normal, as seen from the signification value Asymp. Sig (2-tailed) is 0,085, which is greater than 0,05. Last is the linearity test that compares the F count and F table; it is found that in all regression, F count < F table, so the data is linear.

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## D. Hypothesis Test

In this research uses significant value in  $\alpha$  5% level. If the significant value is  $< 0.05$ , therefore  $H_a$  accepted, and if the significant value is  $> 0.05$  so  $H_a$  is rejected. The summary of direct and indirect effect explained in Table 2:

**Table 2: Direct and Indirect Effect**

Variable	Direct Effect	Sig.	Indirect Effect (Through Satisfaction)	Total Effect
Work Placement ( $X_1$ ) → Employee Satisfaction (Z)	0.394	0.000	-	-
Scholarship Program ( $X_2$ ) → Employee Satisfaction (Z)	0.126	0.084	-	-
Employee Satisfaction (Z) → Employee Performance (Y)	0.632	0.045	-	-
Work Placement ( $X_1$ ) → Employee Performance (Y)	0.231	0.000	0.249	0.48
Scholarship Program ( $X_2$ ) → Employee Performance (Y)	0.111	0.091	0.080	0.191

Based on the Table 2, found that relationship between work placement significantly and positively affect employee satisfaction and employee performance. On the other side, the relationship between scholarship program affects positively but do not significantly towards employee satisfaction and employee performance. In the path analysis, found that work placement affects directly and indirectly towards employee performance. But the scholarship program variables found do not significantly influence employee performance directly, or indirectly through employee satisfaction. Therefore, in this research, employee satisfaction only affords to be intervening variable between work placement and employee performance.

## IV. DISCUSSION

### a. The Effect of Work Placement towards Employee Job Satisfaction

Work placement can significantly influence employee job satisfaction. In this case, if an employee gets a suitable position that aligns with his qualifications, then a sense of satisfaction will grow among employees. In this research, especially employees from APP-Sinarmas scholarship already know about the process of paper making and have internships in the office. Therefore, their satisfaction will also grow if they get the position based on their knowledge and skills. It aligns with Topan (2020), who said work placement significantly influences employee satisfaction.

### b. The effect of scholarship program towards employee job satisfaction

In this research, scholarship programs do not significantly influence employee job satisfaction. An interview was conducted with some APP-Sinarmas scholarship employees after receiving the result. Many students are dissatisfied with the scholarship contract that withholds their diploma certificate for eight years. According to the questionnaire, 35% of respondents chose neutral, and 2% chose not to agree with the statement, "Diploma certificate should be withheld to prevent students from running away from responsibility." The scholarship program does not influence employee satisfaction because they feel dissatisfied with the contract.

### c. The Effect of Work Placement towards Employee Job Performance

Work placement was found to influence employee performance significantly. In this case, high employee performance can be achieved by placing them in positions that align with their qualifications. In this research, an item in the questionnaire said, "Work placement in the company is aligned with the job experience." Getting agreement from 57 people means the employee knows they are already in a suitable place according to their experience and qualifications. Moreover, the company needs to pay attention to their physical and mental health, as the right amount of pay and promotion to keep the employee performance high.

### d. The effect of scholarship program towards employee job performance

This research found that scholarship programs do not significantly influence job performance. The scholarship program has a positive impact but is not significant for employees from the APP-Sinarmas scholarship. Twenty-eight respondents supported the result; among them, only 6 people had an A score for their annual performance. The employee who received the APP-Sinarmas scholarship is disappointed with the 8-year contract. The contract feels too long, causing the employee to feel saturated, resulting in decreased performance.

### e. The effect of employee satisfaction towards employee performance

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This research found that employee satisfaction significantly influences employee performance, meaning that the more significant the satisfaction, the greater the performance. This aligns with Khan et al. (2011), who found a positive correlation between employee satisfaction and performance. The more aspects of the work align with the employee goals, the more their satisfaction will grow, and so will their performance.

f. The effect of work placement towards employee performance through employee satisfaction

It has been found that when employees are placed in suitable work environments, their job satisfaction increases, and as a result, their performance also improves. It was discovered from the data that the indirect effect was greater than the direct effect. Therefore, employee satisfaction was found to be an intervening variable and created mediation in the path analysis.

g. The effect of scholarship program towards employee performance through employee satisfaction

This research found that a scholarship program is insufficient to improve employee performance. Therefore, the direct effect is not significant. This is because the employee from the APP-Sinarmas scholarship felt dissatisfied with the scholarship program, which is why the performance has not improved. Therefore, the direct effect is greater than the indirect effect. As a result, scholarship programs have a positive effect on employee performance through employee satisfaction, but it is not significant.

### V. CONCLUSION

Based on the result of the research on the effect of work placement and scholarship program towards employee performance through employee satisfaction in APP Sinarmas Java Island Employee, the following conclusion are drawn:

- a. Work Placement able to increase the employee satisfaction in the employee from APP-Sinarmas scholarship, therefore Hypothesis 1 accepted.
- b. Scholarship program positively influence, but not significant towards employee satisfaction, therefore Hypothesis 2 rejected.
- c. Work placement positively and significantly influence employee performance in the employee from APP-Sinarmas scholarship, therefore Hypothesis 3 accepted.
- d. Scholarship program does not significantly influence employee performance in the employee from APP-Sinarmas scholarship, therefore Hypothesis 4 rejected.
- e. Employee satisfaction significantly influence employee performance, therefore Hypothesis 5 accepted.
- f. Work placement positively and significantly influence employee performance through employee satisfaction, with the indirect effect is greater than the direct effect, therefore Hypothesis 6 accepted.
- g. Scholarship program positively influence, but not significant towards employee performance through employee satisfaction, therefore Hypothesis 7 rejected.

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