

ABSTRACT

Human resources can be considered as an important element in an organization, so to say as an asset that needs to be maintained in order to continue to make a positive contribution to the company. One way to manage these assets is by way of compensation. Similarly, the Head Office of PT Pos Indonesia (Persero) Bandung, which provides compensation as a way to maintain and manage the employee as well as a tool for remuneration for the employee's contribution. Hopefully, with the provision of compensation would have an impact on employee contributions in the form of performance in accordance with the wishes of the company.

This research was conducted to determine the effect of compensation to employee performance. Compensation variables have some indicators such as salary, incentives, benefits and facilities. As for the performance variables also have some indicators of quality, quantity, timeliness, cost effectiveness, need for supervision, and interpersonal impact.

Methods of data collection is done by distributing questionnaires to 78 respondents who are employees of the Directorate of Human Resources Head Office of PT Pos Indonesia (Persero) Bandung. The data processing is done with SPSS application version 20 for Windows.

The results showed that the compensation and performance at the high category. For a simple linear regression analysis, is 0,656 which means that any increase in compensation variable of 1%, then the performance variable will also be increased by 0,656%. Based on the analysis, hypothesis using the t test, and showed that H_0 is rejected. That is, compensation significantly influence performance. The coefficient of determination in this research has a value of R Square of 0.656 or the percentage of influence cross - variables 65.6%.

Based on the research, the company is expected to pay attention to the compensation awarded to employees. In addition, to be able to improve employee performance as well, the company expected to provide guidance on a regular basis and pay attention to the deadline for completed work.

Keywords: Human Resources, Compensation, Performance