

## **ABSTRACT**

*Productivity of PT. Telkom Indonesia Witel Bekasi employees is considered good according. The reasons of this phenomena because the compensation system provided by the company is in accordance with the needs of employees.*

*The purpose of this study is to determine the perception of policies regarding compensation, the level of employee productivity, the effect of compensation on the Work productivity of PT. Telkom Indonesia Witel Bekasi employees.*

*This study uses quantitative methods. The data were collected by distributing questionnaires to 127 employees of PT. Telkom Indonesia Witel Bekasi. The sampling technique uses probability random sampling. The techniques of analysis are simple linear regression and descriptive analysis.*

*The results of this research show that the relationship between the level of employee perceptions about company's compensation and the level of employee productivity is 63,7% which is classified into strong criteria. The coefficient of determination obtained with the value of R square is 40,6%, so it can be concluded that compensation has significant effect on employees' productivity at PT. Telkom Indonesia Witel Bekasi.*

*The results of this research are expected to give suggestions and help the company especially for the system of employee's compensation in order to increase the employee's productivity.*

*Keyword: Compensation, Work Productivity*