

## **ABSTRACT**

*This research is motivated by the problem of the performance of the employees of PT. Pertamina Patra Niaga Bandung's fuel distribution that has not met the expected target. The purpose of this study was to determine the magnitude of the effect of compensation and motivation on employee performance.*

*Appropriate compensation policies will be able to increase employee motivation which can affect the level of employee performance. The method used is quantitative where the research data obtained were analyzed using descriptive analysis and multiple linear regression analysis. The samples in this study were 68 people who were all employees of the fuel distribution division of PT.Pertamina Patra Niaga TBBM Ujungberung Group Bandung.*

*The results of the study through descriptive analysis showed that the responses of respondents to the variables of performance, compensation, and motivation were in the very good category. The results of multiple linear regression analysis showed that partially compensation and motivation had a positive effect on employee performance, the highest influence was on motivation variable of 45.5% and the lowest was compensation of 33.2%. Simultaneously the compensation and motivation variables positively influence employee performance by 65.2%. And the remaining 34.8% is influenced by other variables not examined in this study such as the work environment, and work stress.*

***Keywords: Level of Performance, Compensation, Level of Motivation***