

ABSTRACT

Human resource is an important part of the company. Human resource management is the strategic approach to the effective management of people in an organization, so they can help the business gain a competitive advantage. In gaining a competitive advantage a good employee performance will support the organization to get the objectives. Human resources can increase the company's competitiveness in facing global competition.

This research was conducted at PT. Indonesia Power Unit Jasa Pembangkitan 1 Suralaya Cilegon Banten with employee engagement and compensation as the independent variables and employee performance as the dependent variable. The purpose of this study is to determine employee engagement level, compensation level, and employee performance level at PT. Indonesia Power Generation Service Unit 1 Suralaya Cilegon Banten. The aims of this research is also to determine the effect of employee engagement and compensation on employee performance at PT. Indonesia Power Unit Jasa Pembangkitan 1 Suralaya Cilegon.

The population in this study were the employees of PT. Indonesia Power Generation Service Unit 1 Suralaya Cilegon Banten. The method that used in this study is a quantitative method with the aim of descriptive research. Data analysis in this study has been done with descriptive statistical analysis, normality test, multicollinearity test, heteroscedasticity test, multiple regression analysis, coefficient of determination, hypothesis test T test and F test.

Based on the results of the test and data analysis, employee engagement has a significant effect on employee performance with 79% while compensation has a significant effect on employee performance as well with the percentage 59%. Simultaneously, the result revealed that employee engagement and compensation have a significant effect on employee performance.

Keyword: Employee Engagement, Compensation, Employee Performance