

ABSTRACT

Human resources are a driving asset that needs to be managed and developed in a professional manner. Companies need to pay attention to the human resources in it, so this will create employee engagement which will have an impact on the sustainability of an organization. In achieving goals, companies need to pay attention to compensation as an important factor in human resource management because it is directly related to employee welfare while working in the company and meeting individual employee needs.

The purpose of this study was to determine how compensation affects employee engagement on employees of PT PLN (Persero), West Java Main Distribution Unit. This research uses quantitative methods with descriptive and causal research types. Sampling was conducted using a non-probability sampling technique with incidental sampling sampling technique with a total of 30 respondents. The analysis technique used is descriptive analysis and simple linear regression analysis. Using hypothesis testing and the coefficient of determination.

Based on the results of hypothesis testing, it was found that compensation had a significant effect on employee engagement of PT PLN (Persero) West Java Main Distribution Unit. Based on the coefficient of determination, the compensation variable has an effect on employee engagement by 57.8%. So it can be concluded that compensation has a positive and significant effect on employee engagement at PT PLN (Persero) West Java Main Distribution Unit.

Keywords: *Compensation, Employee Engagement, Human Resource*