

ABSTRACT

Employee performance is a crucial factor for the success of PT. Arda Putra Kharisma, yet data reveals a gap where only a small portion of employees achieve "Good" performance. This study aims to determine the influence of Compensation and Transformational Leadership Style on Employee Performance.

This study employs a quantitative method with a descriptive approach. The population consists of all employees of PT. Arda Putra Kharisma, with a saturated sampling technique (census) involving 35 respondents. Primary data collection was conducted through the distribution of questionnaires measured using a Likert scale, and the data was analyzed using multiple linear regression techniques with the assistance of SPSS 27 software.

The results of the study show that: 1) Compensation has a partially positive and significant effect on Employee Performance; 2) Transformational Leadership Style has a partially positive and significant effect on Employee Performance; 3) Compensation and Transformational Leadership Style simultaneously have a positive and significant effect on Employee Performance. The coefficient of determination (Adjusted R Square) value indicates that both independent variables contribute 43.1% to Employee Performance.

Keywords: *Employee Performance, Compensation, Transformational Leadership Style*