

ABSTRACT

The Effect of Financial Compensation Effectiveness on Employee Performance at PT SPPBE PT Profil Sukses Abadi Lamongan

ABSTRACT By:

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In every company, employee performance is the most important factor in facing intense competition and also advancing the company's good name. So the company must continue to improve the performance of its employees. One of the factors that can improve employee performance is financial compensation. This study was conducted to conclude whether there is an influence between the independent variable (financial compensation) on the dependent variable (employee performance). as well as knowing the extent of the influence of financial compensation on employee performance.

This study uses quantitative methods. The population in this study were all employees of SPPBE PT Profil Sukses Abadi, totaling 35 respondents. Data were collected by using a questionnaire technique. The data analysis technique used is simple linear regression analysis using the SPSS for windows program.

Based on the analysis, it is proven that financial compensation has a direct positive and significant effect on the performance of SPPBE employees at PT Profil Sukses Abadi. Financial compensation has an effect of 78.7% on employee performance and the remaining 21.3% is influenced by other variables not examined in this study. It can be concluded that the decrease in employee performance at SPPBE PT Profil Sukses Abadi is caused by financial compensation that has not been maximized. If the company wants to have employees with good performance, financial compensation must also be considered properly. The better the financial compensation, the employee's performance will also increase, otherwise if the financial compensation is not good then the employee's performance will decrease.

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