

ABSTRACT

This research aimed to examine the effect of compensation and leadership behavior on job satisfaction and employee performance. Research initiated by problems or reality in the field (research problem). The object of this research at PT. PLN (Persero) APP Semarang and the respondent size is about 178 employees who work at PT. PLN (Persero) APP Semarang.

The analysis technique to test the hypothesis is using SEM (Structural Equation Modelling) which assisted by application program of AMOS (Analysis Of Moment Structure) version 21.0. The result of analysis showed that compensation and leadership behavior have significant effect on job satisfaction. Compensation and job satisfaction have significant effect on employee performance and furthermore, leadership behavior don't have significant effect on employee performance.

Data analysis showed that compensation have more influence on job satisfaction in order to improve employee performance, compares to leadership behavior. Therefore PT. PLN (Persero) APP Semarang more concerned to the payment rates of compensation in order to increase the level of job satisfaction which have direct effect for increasing employee performance.

Keywords : Compensation, Leadership Behavior, Job Satisfaction and Employee Performance