

ABSTRACT

Deya Rizky Ananda Walangadi. *PT. Jiwasraya (Persero) Gorontalo*. Majors: Management. May 11th, 2012. *The Effect of Compensation toward Work Productivity*. Supervisor: Drs. Maha Atma Kadji, M.Si., Co-Supervisor: Robiyati Podungge, S.Pd., M.AP.

The objective of this study is to analyze and to describe the effect of compensation toward work productivity partially and simultaneously. Population of this study is the whole employee of *PT. Jiwasraya Gorontalo* which consists of 37 people. The sampling of study is 37 people. Sample is taking by using purposive sampling method. The data analyzed by simple regression linier analysis. Indicator of study is using theory of Simamora (2004:445) stated that compensation indicator consists of salary, wages, incentive, benefit and perquisites. Furthermore, work productivity refers to Sedarmayanti (2002:59) theory which said that work productivity indicators consist of efficiency and effectiveness. There is a questionnaire that is made from each indicator above from dependent and independent variable and should be answered by the respondent. $\hat{Y} = 17.872 + 0.578X$. The result of this study shows that the increasing of employee work productivity through compensation at *PT Asuransi Jiwasraya Gorontalo* simultaneously effect significantly toward the employee work productivity which is showed by determination coefficient $r^2 = 0.512$ or around 51,2% and the rest is around 48,8% effected by the other factors. The increasing of employee performance by work motivation effect significantly toward the employee productivity showed by $t_{count} = 6,061$. The result of regression is determined by $\beta = 0,578$. It can be concluded that by giving the right policy of compensation and accepting by the employee will increase their work.

PT. Jiwasraya (Persero) Gorontalo can use this result of study related with compensation and work productivity to fix some lacking such as compensation for the employee by balancing the job position and salary; or benefit that should received by the employee because it has a huge effect on the growth of work spirit and affect to the company development rate, quality time management and role of the leader to develop good cooperation at the company.

Key words: compensation and work productivity