

Abstract

This study entitled "The effect of leadership style and compensation on motivation and its impact on the performance of employees of PT Geo Enviro Abadi Surabaya consultancy and engineering" aims to test and analyze the effect of leadership style and compensation on performance either directly or through motivational variables. This quantitative research took the population of employees of PT Geo Enviro Abadi, Surabaya consultant and engineering, with a total sample of 31 population, namely saturated sampling technique. The test was carried out using SPSS 16 for windows. By testing, the instrument test is validity and reliability, classic assumption test, consisting of normality test, linearity test, heteroscedacity test, multicollinearity test, hypothesis testing with t test and analysis through path analysis, with line 1 and line 2. The test results are to test instrument, the validity of all items for leadership style, compensation, motivation and performance values. > 0.60, this shows that all instruments are valid, so research is worth continuing. Likewise with the reliability test, all variables > 0.60. Then all variables are declared reliable and feasible for testing. Classic Assumption Test, all normally distributed. Linear test, between independent variables and variables have linear relationships. The effect of leadership style on motivation is 0.515, berate contributes 51.5 proents to motivation, Compensation to motivation has an effect of 0.027. Lemag contribution of 2 percent, leadership style to performance 0.085, this means that the contribution of influence is 8 percent. The effect of compensation on the workforce has a significant negative effect of - 0.214, while the motivation for performance has an effect of 0.333, the contribution to performance is 33.3 percent. The indirect influence of leadership style on performance through motivation is 0.686, meaning that the influence of leadership style on performance through motivation is 68.6 percent. Compensation's indirect effect on performance through motivation is - 0.285.

Keywords: leadership style, compensation, motivation, performance.