

ABSTRACT

Job Satisfaction is one of the factors that are very important to get the optimal of work. When one was satisfied with the job, one will give his/her maximum effort to done the job. There by, it will improve the productivity and could achieved the organization goals. The improvement of job satisfaction can not be disconnected from the compensation given by the organization to the employees and the leadership to achieve the goal.

To test the impact of impartial compensation and leadership on job satisfaction and performance, data was collected from 105 respondents who were asked to answer the questionnaires. Then the data was being analyzed by using the Structural Equation Modeling (SEM) Method of Analysis.

The causality test result to the observed variables shows that impartial compensation have a positive and significant impact on job satisfaction, leadership have a positive and significant impact on job satisfaction, job satisfaction have a positive and significant impact on employee's performance, impartial compensation have a positive and significant impact on employee's performance, leadership have a positive and significant impact on employee's performance. Based on this research, there are some implication that can be suggested to have the decision on impartial compensation and leadership. Those implications are to revise the performance appraisal system in BNI Bank of Solo Branch to be really able to show how good the job performance of the employee are and to implement the leadership style that accentuate more on clear supervisory in every job category.

Keywords: impartial compensation, leadership, job satisfaction, performance