

ABSTRACT

This study aims to evaluate the effect of Perceived Organizational Justice and Perceived Compensational Fairness on employee performance with Work Motivation as an intermediary variable. This research was conducted at the Department of Cooperatives and Micro, Small and Medium Enterprises, Industry and Trade, Pemalang Regency. The sample is 175 respondents, and SEM technique is used in data analysis.

The results of the study show that Perceived Organizational Justice and Perceived Compensational Fairness have a positive and significant impact on employee performance. Perceived Organizational Justice and Perceived Compensational Fairness also have a positive and significant influence on work motivation. Work motivation has a positive and significant influence on employee performance. Perceived Organizational Justice also has a positive and significant effect on Perceived Compensational Fairness. The influence of intermediaries in this study shows that Perceived Organizational Justice has an indirect effect that is greater than the direct effect on work motivation, while Perceived Compensational Fairness has a direct effect that is greater than the indirect effect on employee performance.

Keywords: *Perceived Organizational Justice, Perceived Compensational Fairness, Work Motivation, Employee Performance*