

## ABSTRACT

*This study aims to analyze the effect of compensation and organizational commitment on employee performance with work motivation as a mediating variable among employees of PT Pegadaian Regional Office XI Semarang. This study employed a quantitative approach. The sampling technique used was random sampling with a total of 140 respondents, conducted through the distribution of questionnaires to employees of PT Pegadaian Regional Office XI Semarang. The analytical method used in this study was Structural Equation Modeling–Partial Least Square (SEM-PLS) with the assistance of SmartPLS version 4 software.*

*The results of this study indicate that compensation and organizational commitment have a positive and significant effect on employee performance, while work motivation is able to mediate the relationship between compensation and organizational commitment on employee performance. Thus, the findings suggest that the compensation received by employees serves as an extrinsic motivational factor, whereas organizational commitment strengthens employees' intrinsic motivation, enabling both factors to enhance employee performance optimally.*

*Keyword : Compensation, Organizational Commitment, Work Motivation, Employee Performance*

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