

## ***ABSTRACT***

The rise and fall due to the employee's performance is less supportive co-workers, superiors unpleasant and demands of the employees benefits that are not met by the company. These conditions resulted in the company is difficult to grow rapidly. The purpose of this study is to prove and analyze the effect of work stress on employee performance in PT. Unggul Jaya Blora.

This study uses independent variables, job stress and compensation, as well as the dependent variable is the performance of employees. Populations used were all employees of PT. Unggul Jaya Blora part pelintingan cigarettes. The sampling technique used method of total sample (census method) that is the whole of the population of 98 people. Data analysis methods used are qualitative analysis and quantitative analysis including variable index, validity and reliability, the classic assumption test, multiple linear regression analysis, t test and F test and the coefficient of determination ( $R^2$ ).

Based on multiple linear regression analysis, the results showed that work stress variables have a negative effect or the opposite and significant impact on employee performance. In addition, compensation has a positive and significant impact on employee performance.

**Keywords:** Job Stress, Compensation and Employee Performance