ABSTRACT

This research has been done as one of solution to answer the problem that has been formulated in this research, which is to research if there is an influence of perceived compensation fairness and job satisfaction towards employee performance through affective commitment as intervening variable. The selected research object in this study are the employees of PT Kharisma Klasik Indonesia.

Respondents in this research are all of the employees of PT. Kharisma Klasik Indonesia. Data were collected through questionnaires which were filled by independently of the 265 respondents whom were chosen using sensus method. Then all collected data will be analyzed by using analytical tool Structural Equation Modeling (SEM) from AMOS software.

The hypothesis results of structural equation modeling(SEM) shows that: (1) Perceived compensation fairness does not related on affective commitment. (2) Job satisfaction has significantly positive effect on affective commitment, (3) Job satisfaction has significantly positive effect on employee performance, (4) Perceived compensation fairness has significantly positive effect on employee performance, (5) affective commitment has significantly positive effect on employee performance, (6) Job satisfaction has significantly positive effect on employee performance through affective commitment, (7) Perceived compensation fairness does not related on employee performance through affective commitment.

Keywords: Perceived Compensation Fairness, Job Satisfaction, Employee Performance, Affective Commitment.