SUMMARY

YENNI VERONICA KARO KARO. 105040100111015. Relations Provision of Direct Financial Compensation Employee Loyalty in PTPN IV Mandoge Unit, Kab. Asahan, North Sumatra Under the guidance of Ir. Shinta Agustina HW, MP and Riyanti Isaskar, SP., M.Si.

Basically each of company, and also any type of company has a firm goal to be achieved. To achieve those goals, the company has in persons Resources (HR) so that the company can be well-producing. Obtaining and maintaining the Human Resources (HR) who's excellent and has a high working loyalty is not easy, so the need for managerial policy within the company. Direct financial compensation is one way to maintain and increase employee loyalty. Employee loyalty can be seen from employee loyalty to the company which is reflected through the persistence of the employee to keep working in the company. Likewise with the theory Hasibuan (2005) which suggests that loyalty is one of the elements used in the assessment of employees that includes loyalty to their work/job, their position and the company.

This research was conducted in PTPN IV Mandoge Unit. PTPN IV Mandoge Unit carry on way to keep employees loyal to the company is providing direct financial compensation. In providing direct financial compensation company was in collaboration with partner companies which we known as the contractor. which the company and its partners provide direct financial compensation to employees in the form of salaries, bonuses, and allowances. The company provides financial compensation to jobholder while working partners provide financial compensation directly to Labor Day Off (BHL).

The analytical method which used to measure the relative financial compensation directly to employee loyalty is Partial Least Square (PLS). In addition, researchers used a descriptive analysis to describe Data that has been processed and provide a general overview of the spacious situation occurs.

The results of the study are:

- 1. The value of the parameter for the correlation coefficient direct financial compensation for the work loyalty 0,782 means that there is a positive relationship of direct financial compensation to loyalty.
- 2. Dominant indicator of financial compensation is sharing bonuses from performance based.
- 3. Dominant indicator of employes loyalty is a personal relationship.