Globalization is full of challenges and competition, demands professionalism in all aspects of life, both individual existence or the existence of an organization. Globalization has emerged as a new phenomenon that was born due to the progress of time. Under these conditions requires cooperative BMT (UGT) Sidogiri Branch Malang to always perform a variety of innovations in anticipation of a very tight competition. Organizations in the global era now required to have a competitive advantage both in terms of product quality, service, cost, and human resources professionals. In a global competition, the existence of qualified human resources have a more strategic role than other resources. human resources is the most important property that is owned by an organization, while the effective management is the key to the success of an organization. One indicator of the professionalism of human resources is that the human resource that has a good work performance. The level of employee performance is affected by many factors involved, such as the ability and willingness to work, availability of facilities and infrastructure, compensation policies implemented in the company both financially and non-financial compensation or compensation for direct or indirect compensation, work environment, culture, employee motivation in work and other factors. The purpose of this study was to determine the effect of the variable compensation of financial compensation and non-financial variables on the performance of employees in co-UGT BMT Sidogiri Malang branch.

This study uses quantitative methods. The study subjects totaled 30 respondents were selected using sampling techniques saturated. In collecting data, researchers used the questionnaire method of scale. This study data analysis using Multiple Linear Regression technique, with the help of SPSS version 16.0 for windows.

The results showed that simultaneous independent variables (compensation) has a significant influence on the performance of employees in the cooperative BMT (UGT) Sidogiri Malang branch of the F count ≥ 18 053 3.39 F table, with a sig. 0.000 ≤ 0.05. partially contained significant effect between the variables of financial compensation to the value of t calculated (2.537) ≥ t table (2042), significant value ≤ 0.05 and 0017 non-financial compensation variables with t count value (3.645) ≥ t table (2.042) 0.001 significance value ≤ 0.05.