

## **ABSTRACT**

*This study aims to analyze the effects of distributive justice compensation and procedural fairness of compensation to employee engagement with job satisfaction as intervening variables. The information gained from this study is very important for the institution as a consideration for implementing increased employee engagement that leads to institutional productivity. The subject of this research is the employees of Outsourcing Bummy Harapan Umat (PT BUHARUM) who work at Muhammadiyah University of Yogyakarta.*

*The sampling technique in this study used the census method, using questionnaire and obtained 110 respondents. Data analysis using Structural Equation Modeling (SEM) with AMOS 22 program as its analysis tool. The results of this study indicate that Distributive Justice Compensation has a positive and significant influence on Employee Attitudes, Procedural Justice Compensation has a positive and significant effect on Employee Engagement with, Distributive Justice Compensation has a positive and significant impact on Job Satisfaction, Procedural Justice Compensation has positive and significant impact on Job Satisfaction , Job Satisfaction has a positive and significant effect on Employee Engagement, and Job satisfaction mediates positively and significantly Distributive Justice Compensation to Employee Attachment, and Job Satisfaction Mediate positively and significantly justice Prosedural Compensation to Employee Attachment.*

*Keywords: Distributive Justice Compensation, Procedural Justice Compensation, Job Satisfaction, and Employee Engagement*