

ABSTRACT

Ahda Saiful Aziz, 2012, Thesis. The Influence of *Leader Member Exchange* (LMX) on the Employee Performance (The Case Study on Public Enterprise Jasa Tirta I Malang)

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Keywords : *Leader Member Exchange*, Leadership, Performance

This research is motivated by the role of leader in a company related to performance improvement. There are different possible relationship between the leadership of the employee. In improving the performance of the leadership aspect of leader member exchange has an important role for the creation of high performance company.

It was a quantitative research which used descriptive-analytic approach. It is studied the influenced of *Leader Member Exchange* which consisted of four variables. The variables are affection (X1), loyalty (X2), contribution (X3), and (X4) professional honor on the (Y) Jasa Tirta I Malang company performance. The sample was taken by *simple random sampling* with 83 respondents. The instrument of the research was questionnaire. The data from the questionnaire was processed using descriptive-statistic, the double linear regression and the partial regression.

The result of the study shows that *Leader Member Exchange* which consisted of affection (X1), loyalty (X2), contribution (X3), and (X4) professional honor on the (Y) performance of the public enterprises Jasa Tirta I Malang has the correlation coefficient (R) 0.747 (74.7%) and the level of significance was 0, 05 and the value of the *Adjusted R Square* was 0.536 or 53.6%. The dominant variable which has the important influence on the public enterprise Jasa Tirta I Malang was the professional honor (X4) with the value t-count 3.415. The conclusion of the research is that *Leader Member Exchange* which consisted affection (X1), loyalty (X2), contribution (X3), and (X4) professional honor influenced on the (Y) performance of public enterprise Jasa Tirta I Malang. It is suggested the public enterprise Jasa Tirta I Malang has to pay more attention to the four variables to improve the employee performance.