

## ABSTRACT

Firmansyah, M. Fikri, 2013. Thesis. Entitled: “The Effect Of Transformational Leadership Toward the Employee Morale in BMT (UGT) Central Cooperative Sidogiri, Pasuruan”

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The organizations'/companies' environmental changes that are increasingly complex and competitive require companies to be more responsive in order to survive. The most important aspect in an either planned or unplanned change of an organization/company is the individual's change. The change in individuals is not easy, it must go through some processes. It should be started from the top level (the leader) since a leader is a role model within the organization / company. Therefore, organizations need a reformist leader who is capable of being the driving force of change (transformational change) of the organization. Along with the complex and competitive change of the organizations'/companies' environment, the leader's readiness is required for the companies' survival. The current leadership model such as organizational transformation leadership plays an important role for every organization.

The research goal is to simultaneously and partially determine the effect of the significant and dominant transformational leadership toward the employees morale. The method used in this study is a quantitative approach using explanatory study (explanatory research) to test the hypothesis between the hypothesized variables which are then analyzed through statistical analysis using multiple linear regression.

Based on the data as the research's result, idealism; inspirational motivation; intellectual stimulation; and individual's consideration have a simultaneous effect toward the employees morale (Y) and partially, it is only idealism that has a significant effect. It means that inspirational motivation, intellectual stimulation, and individual's consideration have no significant effect toward the employees morale (Y) partially. The variables of leadership model that affect the morale (Y) of the employees of BMT (UGT) Central Cooperative Sidogiri, Pasuruan dominantly is the effect of idealism (charismatic) variable with the highest coefficient value of 0.567 (56.7%).