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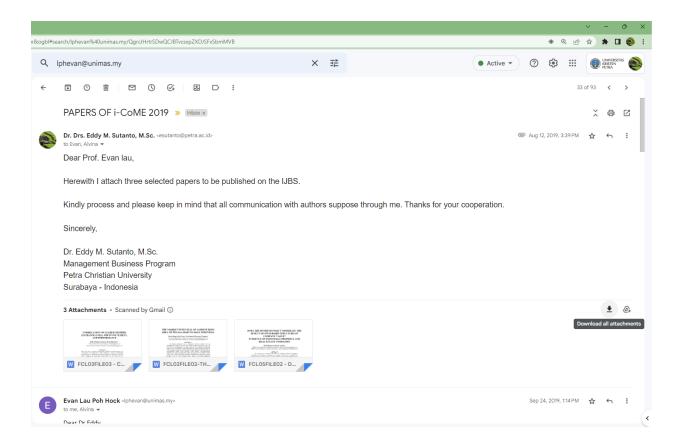
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CORRELATION OF LEADER-MEMBER EXCHANGE (LMX), JOB INVOLVEMENT, AND PERFORMANCE

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ABSTRACT

This study aims to conduct leader-member exchange correlation analysis, job involvement, and performance. Data collection is done by distributing question-naires to a number of shoe factory employees in Indonesia, especially those working in the production division. The type of research used is quantitative research with purposive sampling method. The research sample consisted of 288 employees who had worked for at least one year. The results show that there is a positive correlation between leader-member exchange with employee performance, job involvement with employee performance, and leader-member exchange with job involvement.

Keywords: Leader-member exchange, job involvement, performance.

INTRODUCTION

Employees are one of the important aspects in the operation of a company. This makes employees have a big role in determining the performance of a company, so that the company's performance will be largely determined by the conditions and attitudes of each employee of the company (Sidharta & Margaretha, 2011). To deal with these conditions, companies must have greater attention in the field of human resources, which will determine the success or failure of their use of the lucrative business growth momentum (Djawahir, 2011).

The relationship between supervisor and subordinates is one of the keys so that employee performance can be maximized. Therefore, supervisor must know how to build good relationships with subordinates, and vice versa. According to Gerstner and Day (1997), LMX is positively correlated with some desired results, including subordinate performance, job satisfaction, and organizational commitment (in O'Donnell, Yukl, & Taber, 2012). Other research conducted by Sudirjo and Toryanto (2013) also shows the results of supervisor-subordinate relationships that have a positive correlation with employee performance. This happens because the supervisor understands how far the potential possessed by his subordinates and assigns tasks to his subordinates according to their abilities. It can make subordinates who carry out these tasks will not feel burdened by the task given.

Involvement is one of the main aspects that deserves attention, especially in Indonesia. Through the results of a survey on employee job involvement in Indonesia in 2018, the engagement of employees in Indonesia shows a fairly stable increase. This is supported by the results of engagement scores which have increased from 65% to 80% over the past two years (Aon, 2018). According to Li and Long (1999) define job involvement as a degree when someone shows emotional or mental involvement with his work that has a close relationship with performance (in Khan, Jam, Akbar, Khan, & Hijazi, 2011). In addition, according to Safira (2013) job involvement also has a relationship to employee performance. Thus, employees who have high job involvement in their jobs will have full focus on their work, so that employees will have high performance.

To ensure that employees look enthusiastic and explore the work they are doing, employers need to understand how to build good two-way relationships between supervisor and subordinates. According

to Breevaart, Bakker, Demerouti, and Van den Hauvel (2015), LMX is positively related to job involvement, because high-quality supervisor-subordinate (LMX) relationships can make job involvement of subordinates also increase.

This study aims to examine the variable correlation leader-member exchange (LMX), job involvement, and performance. Previous studies never test the relationship between the three variables together. In other words, testing the previous relationship was done separately, for example between LMX and job involvement (Breevaart *et al.*, 2015; Dewi, 2015; Dhivya & Sripirabaa, 2015) or LMX with performance (Gerstner & Day, 1997; Li, Liang, & Crant, 2010; Sudirjo & Toryanto, 2013) or between job involvement and performance (Li & Long, 1999 dalam Khan et al., 2011; Markos & Sridevi, 2010; Indayati, Thoyip, & Rofiaty, 2012). The results of this study are expected to contribute positively to the development of science related to the above variables.

LITERATURE REVIEW AND HYPOTHESIS

Leader-Member Exchange

According to Wu (2009), leader-member exchange is the quality of reciprocal relationships between leaders and each of their employees, because leaders have different quality relationships with each of their employees. The quality of relationships formed can be divided into two, namely good relationships and bad relationships. A good relationship will produce a positive attitude in employees, while a bad relationship will produce the opposite attitude. According to Liden and Masyln (1998), the leader-member exchange indicator consists of four things (dalam Taupan, Sunyoto, & Kartika, 2016) that is employee contribution, employee loyalty, employee affect, and professional respect.

Job Involvement

Robbins (2006, p. 94) defines in a company or an organization, job involvement arises as a response to a particular job or situation in the work environment. A type of work or situation in the work environment will affect the person more involved or not in his work. In this case, the relationship of someone in work outside of the actual work covered (dalam Safira, 2013). According to Rayton and Yalabik (2014), job involvement has three indicators (dalam Shekari, 2015) that is employee vigor, employee dedication, and employee absorption.

Performance

According to Sedarmayanti (2011, p. 260), performance is a system used to assess and find out whether an employee has successfully carried out his work as a whole, or is a combination of work results (what one must achieve) and competence (how one achieves it). Retnaningsih (2007) suggests that there are four indicators used in measuring performance (in Kosasih & Sutanto, 2014), that is the quantity of employee work, the quality of employee work, employee efficiency, and timeliness.

Relations between Concepts

Leader-member exchange have a correlation with employee performance. From the results of a study conducted by Li et al. (2010); Sudirjo and Toryanto (2013) state that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. Job involvement has a correlation with employee performance. From the results of research conducted by Markos and Sridevi (2010); Indayati et al. (2012) state the same results in the form of job involvement which has a positive correlation with employee performance. Leader-member exchange have a correlation with job involvement. From the results of research conducted by Breevaart et al. (2015); Dewi (2015); Dhivya and Sripirabaa (2015) state the same results in the form of LMX as positively related to job involvement.

 H_i : Leader member exchanges have a positive correlation with performance.

 H_2 : Job involvement has a positive correlation with performance.

 H_3 : Leader member exchanges have a positive correlation with job involvement.

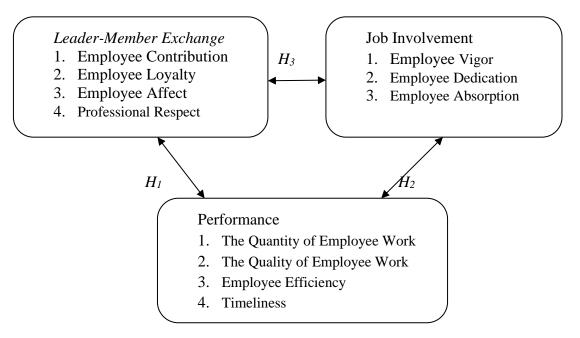


Figure 1. Research framework

RESEARCH METHOD

The type of research used is quantitative research. The population in this study were all employees of 1020 people with contract status for a certain period of time, namely three years. The reason for the production section being investigated is because this part has an important role in the survival of a company, because if there are no goods produced then there will be no sales of goods that will bring income to the operations of a company. The technique used in sampling is purposive sampling. In addition, because of the limitations of the existing research time, the sample that will be used as a study was taken using the Slovin method with an estimated error rate of 5%. The sample of this study was 288 employees. The results of calculating this sample are obtained by the following formula:

$$n = \frac{N}{1 + Ne^2}$$

Keterangan:

n: number of sample members

N : number of members of the population

e: tolerable sampling rates or significance levels;

e = 0.05 (5%)

From the existing data, the number of samples in this study are:

$$n = \frac{1020}{1 + 1020 \; (0.05)^2}$$

n = 288

Data collection techniques used in this study were through questionnaires. Questionnaires were distributed directly to 288 employees. In this study, data processing uses the SPSS for Windows version 23 program to test the feasibility of the questionnaire and find out whether there is a positive correlation between leader-member exchange with employee performance, job involvement with performance, and leader-member exchange with job involvement.

The test carried out there are three forms namely validity test, reliability test, and correlation test. Validity test is done to see whether the variable under study has a valid result or not. Valid means that the instrument can be used to measure what should be measured. Instrument reliability test is a requirement for testing validity. Therefore, although valid instruments generally must be reliable,

testing of instrument reliability needs to be done (Sugiyono, 2017, p. 121). According to Sunyoto (2016, p. 57), the correlation test is to test whether two variables, namely the independent variable and the dependent variable have a strong or not strong relationship, whether the relationship is positive or negative.

FINDINGS Table 1

Profile of Respondents

Profile of Respondents		Frequency	Respondent
Gender	Man	11	3.8%
	Woman	277	96.2%
	21–30 years	82	28.5%
Age	31–40 years	134	46.5%
	41–50 years	72	25%
	Elementary School	10	3.5 %
	Junior High School	113	39.2 %
Last Education	Senior High School	95	33%
	Vocational High School	69	24%
	Diploma 3	1	0.3%
	1–2 years	44	15.3%
Length of Work	3–4 years	91	31.6%
	> 4 years	153	53.1%

Table 1 shows that there were 288 people who were respondents to this study, the majority of respondents had female sex with a total of 277 people (96.2%). This is because to carry out production activities requires only a little energy and greater patience.

In terms of age, the majority of respondents were 31–40 years old (46.5%). These results indicate that if the majority of respondents were employees of 31–40 years old, there were 82 people. This is because employees in the age range of 31–40 years already have sufficient work experience and that age range can be classified in the age range that is considered productive for a worker.

In terms of recent education, the majority of respondents were graduates of the junior high school education level of 113 people (39.2%). This is because the work of these parts is classified as easy and can be done by employees with various educational backgrounds.

In terms of working time, the majority of respondents have worked for more than four years, amounting to 153 people (53.1%). These results indicate that employees who work have a high level of loyalty because the number of employees who work for more than four years is far more than employees who have a working period of one to two years and three to four years.

Validity and Reliability Test

According to Sugiyono (2017, p. 121), the results of the study can be said to be valid if there are similarities between the data collected and the data that actually occurs in the object under study. The technique used to test the validity is the product moment Pearson correlation. All statement items contained in Table 2, Table 3, and Table 4 show if the leader-member exchange, job involvement, and employee performance variables have a significance value smaller than 0.05 and $r_{count} > r_{table}$ 0.113, so that statement items measuring research variables declared to be valid.

Table 2 Leader-Member Exchange Variable Validity Test

Indicator	Correlation Value (rhitung)	Correlation Value (r _{tabel})	Significant Value	Information
LMX_1	0.707	0.113	0.000	Valid
LMX_2	0.646	0.113	0.000	Valid

LMX_3	0.674	0.113	0.000	Valid	
LMX ₄	0.755	0.113	0.000	Valid	
LMX ₅	0.754	0.113	0.000	Valid	
LMX ₆	0.603	0.113	0.000	Valid	
LMX ₇	0.688	0.113	0.000	Valid	
LMX ₈	0.775	0.113	0.000	Valid	
LMX ₉	0.785	0.113	0.000	Valid	
LMX_{10}	0.713	0.113	0.000	Valid	
LMX_{11}	0.703	0.113	0.000	Valid	
LMX_{12}	0.740	0.113	0.000	Valid	

Table 3 Job Involvement Variable Validity Test

Indicator	Correlation	Correlation	Significant	Information
	Value	Value (r_{tabel})	Value	
	(r_{hitung})			
KB_1	0.412	0.113	0.000	Valid
KB_2	0.551	0.113	0.000	Valid
KB_3	0.488	0.113	0.000	Valid
KB_4	0.490	0.113	0.000	Valid
KB_5	0.673	0.113	0.000	Valid
KB_6	0.660	0.113	0.000	Valid
KB_7	0.521	0.113	0.000	Valid
KB_8	0.526	0.113	0.000	Valid
KB_9	0.473	0.113	0.000	Valid
KB_{10}	0.480	0.113	0.000	Valid
KB_{11}	0.439	0.113	0.000	Valid
KB_{12}	0.390	0.113	0.000	Valid

Tabel 4 Employee Performance Variable Validity Test

Indicator	Correlation	Correlation	Significant	Information
	Value	Value (r_{tabel})	Value	
	(r_{hitung})			
KK_1	0.556	0.113	0.000	Valid
KK_2	0.671	0.113	0.000	Valid
KK_3	0.639	0.113	0.000	Valid
KK_4	0.645	0.113	0.000	Valid
KK_5	0.677	0.113	0.000	Valid
KK_6	0.646	0.113	0.000	Valid
KK_7	0.582	0.113	0.000	Valid
KK_8	0.578	0.113	0.000	Valid
KK_9	0.234	0.113	0.000	Valid
KK_{10}	0.573	0.113	0.000	Valid

Table 5 Reliability Test

Variable	Cronbach Alpha	Critical Value	Information
Leader-Member Exchange	0.921	0.60	Reliable
Job Involvement	0.749	0.60	Reliable
Performance	0.830	0.60	Reliable

Table 5 shows that all leader-member exchange variables, job involvement, and employee performance can be stated reliably. This is evident from the Cronbach alpha results greater than the critical value of 0.60.

Cross Tabulation Analysis

Cross Tabulation Gender with Leader-Member Exchange

Table 6

Cross Tabulation Gender with Leader-Member Exchange

			Leader-Member Exchange				
			Disagree	Normal	Agree	Strongly Agree	Total
Gender	Man	Amount	3	2	6	0	11
		Percentage	1%	0.7%	2.1%	0%	3.8%
	Woman	Amount	99	28	131	19	277
		Percentage	34.4%	9.7%	45.5%	6.6%	96.2%
	Total	Amount	102	30	137	19	288
		Percentage	35.4%	10.4%	47.6%	6.6%	100%

These results showed in Table 6 indicate if employees with female gender feel more about the quality of a good working relationship between themselves and their supervisors than employees with male gender. This is because women are more patient and more able to find ways to build good working relationships with their supervisors.

Cross Tabulation Age with Leader-Member Exchange

Table 7

Cross Tabulation Age with Leader-Member Exchange

•		_		Leader-Member Exchange					
			Disagree	Normal	Agree	Strongly Agree	Total		
Age	21-30	Amount	26	11	41	4	82		
_	years	Percentage	9%	3.8%	14.2%	1.4%	28.5%		
	31-40	Amount	46	15	63	10	134		
	yeras	Percentage	16%	5.2%	21.9%	3.5%	46.5%		
	41-50	Amount	30	4	33	5	72		
	years	Percentage	10,4%	1.4%	11.5%	1.7%	25%		
	Total	Amount	102	30	137	19	288		
		Percentage	35.4%	10.4%	47.6%	6.6%	100%		

This evidence showed in Table 7 proves that employees aged 31–40 years feel more about the quality of a good working relationship between themselves and their supervisors. This is because at the age of 31–40 years, employees are more productive and have considerable experience so supervisors are more comfortable in establishing working relationships with them.

Cross Tabulation Last Education with Leader-Member Exchange

Table 8

Cross Tabulation Last Education with Leader-Member Exchange

			Leader-Member Exchange				
			Disagree	Normal	Agree	Strongly Agree	Total
Last	Elementary	Amount	5	0	5	0	10
Education	School	Percentage	1%	0.7%	2.1%	0%	3.8%

Junior High	Amount	43	15	46	9	113
School	Percentage	14.9%	5.2%	16%	3.1%	39.2%
Senior	Amount	33	5	51	6	95
High	Danasatasa	11 50/	1.7%	17.70/	2.10/	220/
School	Percentage	11.5%	1./%	17.7%	2.1%	33%
Vocational	Amount	21	9	35	4	69
High						
School	Percentage	7.3%	3.1%	12.2%	1.4%	24%
Diploma 3	Amount	0	0	1	0	1
	Percentage	0%	0%	0.3%	0%	0.3%
Total	Amount	102	30	137	19	288
	Percentage	35.4%	10.4%	47.6%	6.6%	100%

These results showed in Table 8 indicate that employees who have a background in high school education feel more about the quality of a well-working relationship between themselves and their supervisors. This is because employees who have the last high school education have broader theoretical knowledge than employees with other recent education such as elementary, junior high and vocational schools, so supervisors are more likely to discuss with them.

Cross Tabulation Length of Work with Leader-Member Exchange Table 9

Cross Tabulation Length of Work with Leader-Member Exchange

				Leader-	Member F	Exchange	
			Disagree	Normal	Agree	Strongly Agree	Total
Length	1-2	Amount	19	5	18	2	44
of Work	years	Percentage	6.6%	1.7%	6.3%	0.7%	15.3%
	3-4	Amount	24	10	50	7	91
	years	Percentage	8.3%	3.5%	17.4%	2.4%	31.6%
	> 4	Amount	59	15	69	10	153
	years	Percentage	20.5%	5.2%	24%	3.5%	53.1%
	Total	Amount	102	30	137	19	288
		Percentage	35.4%	10.4%	47.6%	6.6%	100%

These results showed in Table 9 prove that the longer the working period of a worker shows the better quality of work relations between himself and their supervisor. This is because in the working period that has reached over four years, employees and supervisors should know each other's personalities and traits for a long time.

Cross Tabulation Gender with Job Involvement Table 10

Cross Tabulation Gender with Job Involvement

			Job Involvement				
			Disagree	Normal	Agree	Strongly Agree	Total
Gender	Man	Amount	5	4	2	0	11
		Percentage	1.7%	1.4%	0.7%,	0%	3.8%
	Woman	Amount	74	129	72	2	277
		Percentage	25.7%	44.8%	25%	0,7%	96.2%
	Total	Amount	79	133	74	2	288

These results showed in Table 10 indicate that both male and female employees still have a low desire for job involvement. This is due to the lack of desire and intrinsic encouragement that employees have to be willing to be involved in every work done.

Cross Tabulation Age with Job Involvement Table 11

Cross Tabulation Age with Job Involvement

			Job Involvement				
			Disagree	Normal	Agree	Strongly Agree	Total
Age	21-30	Amount	21	42	19	0	82
	years	Percentage	7,3%	14,6%	6,6%	0%	28,5%
	31-40	Amount	41	53	38	2	134
	years	Percentage	14,2%	18,4%	13,2%	0,7%	46,5%
	41-50	Amount	17	38	17	0	72
	years	Percentage	5,9%	13,2%	5,9%	0%	25%
	Total	Amount	79	133	74	2	288
		Percentage	27,4%	46,2%	25,7%	0,7%	100%

These results showed in Table 11 prove that employees aged 31–40 years are less willing to be involved in the work they do. This is because at the age of 31–40 years, employees tend to only want to do the work done every day without any desire to try to do something new.

Cross Tabulation Last Education with Job Involvement Table 12

Cross Tabulation Last Education with Job Involvement

			Job Involvement				
			Disagree	Normal	Agree	Strongly Agree	Total
Last	Elementary	Amount	4	3	3	0	10
Education	School	Percentage	1.4%	1%	1%	0%	3.5%
	Junior High	Amount	32	52	28	1	113
	School	Percentage	11.1%	18.1%	9.7%	0.3%	39.2%
	Senior High	Amount	25	42	28	0	95
	School	Percentage	8.7%	14.6%	9.7%	0%	33%
	Vocational High	Amount	18	35	15	1	69
	School	Percentage	6.3%	12.2%	5.2%	0.3%	24%
	Diploma 3	Amount	0	0	1	0	1
		Percentage	0%	0%	0.3%	0%	0.3%
	Total	Amount	79	133	74	2	288
		Percentage	27.4%	46.2%	25.7%	0.7%	100%

These results showed in Table 12 indicate that employees who have a junior and senior high school education background agree more if they are involved in the work done. This is due to the practical experience possessed by employees with middle school and high school education background whose intensity (number) is less than that of employees with a vocational education background.

Cross Tabulation Length of Work with Job Involvement

Table 13
Cross Tabulation Length of Work with Job Involvement

			Job Involvement				
			Disagree	Normal	Agree	Strongly Agree	Total
Length	1-2	Amount	14	21	8	1	44
of Work	years	Percentage	4.9%	7.3%	2.8%	0.3%	15.3%
	3-4	Amount	22	44	24	1	91
	years	Percentage	7.6%	15.3%	8.3%	0.3%	31.6%
	> 4	Amount	43	68	42	0	153
	years	Percentage	14.9%	23.6%	14.6%	0%	53.1%
	Total	Amount	79	133	74	2	288
		Percentage	27.4%	46.2%	25.7%	0.7%	100%

This result showed in Table 13 proves if employees who have worked more than four years are more willing if they are involved in the work done. This is because employees who have worked for more than four years are comfortable with the working conditions they feel every day and they also know the amount of compensation received if they are willing to be involved more deeply in the work done.

Cross Tabulation Gender with Performance
Table 14
Cross Tabulation Gender with Performance

				Performance			
			Disagree	Normal	Agree	Strongly Agree	Total
Gender	Man	Amount	1	5	5	0	11
		Percentage	0.3%	1.7%	1.7%	0%	3.8%
	Woman	Amount	47	100	116	14	277
		Percentage	16.3%	34.7%	40.3%	4,9%	96.2%
	Total	Amount	48	105	121	14	288
		Percentage	16.7%	36.5%	42%	4,9%	100%

These results showed in Table 14 indicate that both male and female employees are willing to give the best performance. This is because the nature of the employee should work because if the employee does not show good results, they will get a warning from their supervisor.

Cross Tabulation Age with Performance
Table 15
Cross Tabulation Age with Performance

			Performance				
			Disagree	Normal	Agree	Strongly Agree	Total
Age	21-30	Amount	11	40	30	1	82
	years	Percentage	3.8%	13.9%	10.4%	0.3%	28.5%
	31-40	Amount	26	40	59	9	134
	years	Percentage	9%	13.9%	20.5%	3.1%	46.5%
	41-50	Amount	11	25	32	4	72
	years	Percentage	3.8%	8.7%	11.1%	1.4%	25%
	Total	Amount	48	105	121	14	288
		Percentage	16.7%	36.5%	42%	4.9%	100%

This result showed in Table 15 proves if employees aged 31–40 years are more willing to give the best performance. This happens because employees who are 31–40 years old still have great enthusiasm and desire to work to reach a high career path in a certain position.

Cross Tabulation Last Education with Performance Table 16 Cross Tabulation Last Education with Performance

			Performance				
			Disagree	Normal	Agree	Strongly Agree	Total
Last	Elementary	Amount	1	5	4	0	10
Education	School	Percentage	0.3%	1.7%	1.4%	0%	3.8%
	Junior High	Amount	21	45	45	2	113
	School	Percentage	7.3%	15.6%	15.6%	0.7%	39.2%
	Senior High	Amount	15	30	41	9	95
	School	Percentage	5.2%	10.4%	14.2%	3.1%	33%
	Vocational High	Amount	11	24	31	3	69
	School	Percentage	3.8%	8.3%	10.8%	1%	24%
	Diploma 3	Amount	0	1	0	0	1
	_	Percentage	0%	0.3%	0%	0%	0.3%
	Total	Amount	48	105	121	14	288
		Percentage	16.7%	36.5%	42%	4.9%	100%

This result showed in Table 16 shows that all employees from various educational backgrounds agree to give the best performance. This happens because it is an obligation that must be shown by every employee who works in a company.

Cross Tabulation Length of Work with Performance
Table 17
Cross Tabulation Length of Work with Performance

			Performance				
			Disagree	Normal	Agree	Strongly Agree	Total
Length	1-2	Amount	3	19	21	1	44
of Work	years 3–4	Percentage Amount	1% 17	6.6% 36	7.3% 32	0.3% 6	15.3% 91
	years > 4	Percentage Amount	5.9% 28	12.5% 50	11.1% 68	2.1% 7	31.6% 153
	years Total	Percentage Amount Percentage	9.7% 48 16.7%	17.4% 105 36.5%	23.6% 121 42%	2.4% 14 4.9%	53.1% 288 100%

This result showed in Table 17 proves if employees who have worked more than four years are available to provide the best performance. This is because employees who have worked for more than four years are familiar with their work routines, so that these employees will not experience problems if they have to provide the best ability they have.

Correlation of Leader-Member Exchange and Performance

Table 18

Correlation Test Results between Leader-Member Exchange and Performance

		Performance
Leader-Member Exchange	Correlation Coefficient	0.008
_	Sig.(1-tailed)	0.446
	N	288

Table 18 shows that there is a positive correlation between leader-member exchange and employee performance. From the results of calculations using the existing formula, the correlation coefficient value of 0.008 is categorized as positive and the correlation is very low.

Correlation of Job Involvement and Performance

Table 19

Correlation Test Results between Job Involvement and Performance

		Performance
Job Involvement	Correlation Coefficient	0.196
	Sig.(1-tailed)	0.000
	N	288

Table 19 shows that there is a positive correlation between job involvement and employee performance. From the results of calculations using the existing formula, the correlation coefficient value is 0.196 which is categorized as positive and the correlation is very low.

Correlation of Leader-Member Exchange and Job Involvement

Table 20

Correlation Test Results between Leader-Member Exchange and Job Involvement

		Job Involvement
Leader-Member Exchange	Correlation Coefficient	0.005
_	Sig.(1-tailed)	0.467
	N	288

Table 20 shows that there is a positive correlation between leader-member exchange and job involvement. From the results of calculations using the existing formula, the correlation coefficient value of 0.005 is categorized as positive and the correlation is very low.

DISCUSSION

Table 21

Correlation Test between Leader-Member Exchange and Performance

		Performance
Leader-Member Exchange	Correlation Coefficient	0.008
	Sig.(1-tailed)	0.446
	N	288

Table 21 shows correlation test results can be decided including the category of positive / negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant / can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Li et al. (2010); Sudirjo and Toryanto (2013) show that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. From the results of the analysis of existing data shows if there is a positive correlation that occurs but insignificant between leader-member exchange with employee performance. This means that production division employees who have good or bad performance are not entirely dependent on the quality of work relationships that are well established between superiors and subordinates, for example employees who are able to work carefully and are able to produce good jobs are not entirely dependent on the quality of the work relationship good between themselves and their supervisor. Therefore, the way that can be

done so that the employee can perform well then there must be a sense of responsibility and intrinsic encouragement in each of the employees.

Table 22 Correlation Test between Job Involvement and Performance

		Performance
Job Involvement	Correlation Coefficient	0.196
	Sig.(1-tailed)	0.000
	N	288

Table 22 shows correlation test results can be decided including the category of positive / negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant / can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Markos and Sridevi (2010) and Indayati et al. (2012) shows the same results in the form of job involvement which has a positive correlation with employee performance. From the results of the analysis of existing data indicate if there is a positive and significant correlation between job involvement with employee performance. This means that production division employees who are able to work carefully can be caused by having high concentration and employees who always arrive on time at work can be caused by having a genuine willingness to work.

Table 23 Correlation Test between Leader-Member Exchange and Job Involvement

		Job Involvement
Leader-Member Exchange	Correlation Coefficient	0.005
_	Sig.(1-tailed)	0.467
	N	288

Table 23 shows correlation test results can be decided including the positive / negative category can be seen from the correlation coefficient value generated, while to find out whether the results are significant / can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significantThe results of this study are supported by research conducted by Breevaart et al. (2015); Dewi (2015); Dhivya and Sripirabaa (2015) showed the same results in the form of LMX positively related to job involvement, because leader-member exchange (LMX) of good quality can make job involvement of subordinates also increase. From the results of the analysis of existing data indicate if there is a positive correlation that occurs but not significant between leader-member exchange with job involvement. This means that production division employees who have high or low job involvement are not fully dependent on the quality of the work relationship that exists between ata and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of the work relationship good between themselves and their supervisor. This means that production division employees who have high or low job involvement are not entirely dependent on the quality of the working relationship that is well established between superiors and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of a good working relationship between themselves and their supervisor.

Table 24
F Test Results

Model	F_{table}	F_{count}	Sig.
Regression	3.04	6.451	0.002

From the results of processing as shown on Table 24 F_{count} of 6.451 shows a value greater than the value of F_{table} of 3.04 and a significance value below 0.05, so it can be stated that the results of the correlation model that has been produced are feasible to use.

CONCLUSION

From the analysis and discussion that has been done, it can be concluded that the leader-member exchange has a positive correlation with employee performance, job involvement has a positive correlation with employee performance, and leader-member exchange has a positive correlation with employee job involvement. From the conclusions and results of the existing research, the advice that will be given in this study is that the production supervisor is suggested to be able to create conducive and comfortable working conditions for the workers, so that employees are willing to establish good cooperative relationships with supervisors. The management, especially the production supervisor, must make the production employees feel proud of their work, so that from that feeling of pride will arise the desire of employees to participate actively involved in activities or solving problems related to the production process. In addition, it is also recommended that you establish a reward system for employees who are able to exceed the target number of production set.

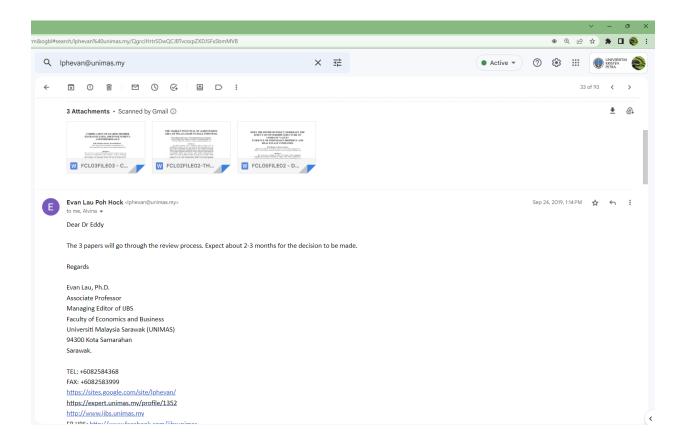
Further research is expected to be able to connect variables other than those that have been studied above on employee performance to find out variables that have a dominant positive relationship on employee performance in a company.

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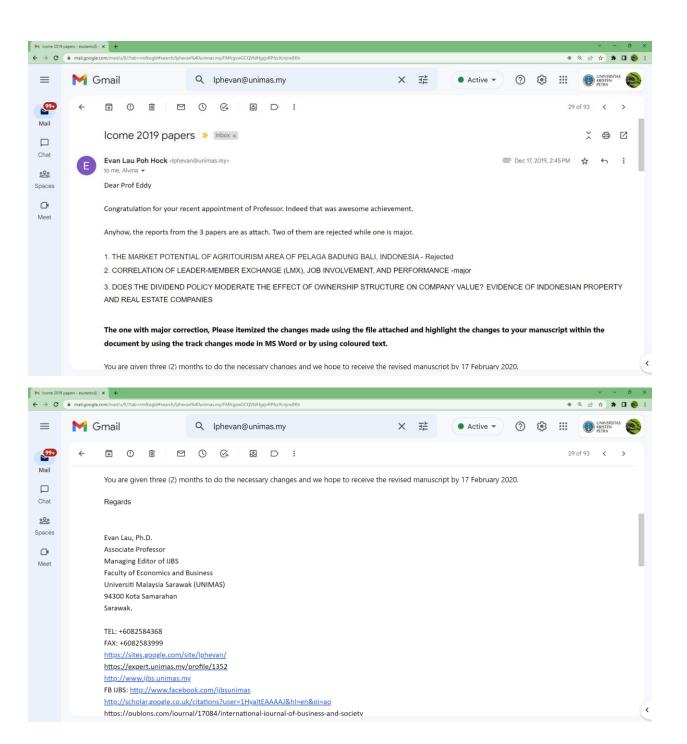
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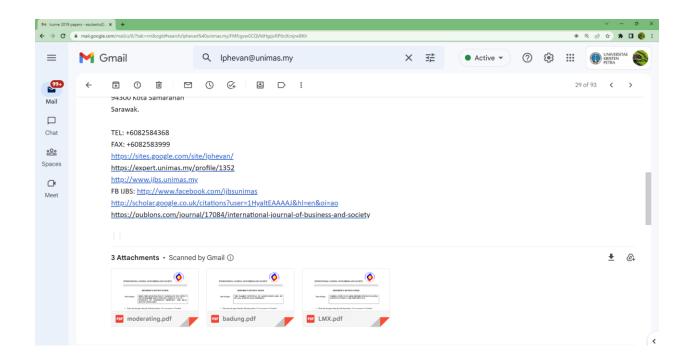
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2. Bukti Konfirmasi Kirim Artikel (24/09/2019)



3. Bukti Konfirmasi Hasil Telaah dan Hasil Telaah Pertama (17/12/2019)







INTERNATIONAL JOURNAL OF BUSINESS AND SOCIETY

REFEREE'S REVIEW FORM

Title	മ വ	Pa	ner
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CORRELATION OF LEADER-MEMBER EXCHANGE (LMX), JOB INVOLVEMENT, AND PERFORMANCE

1. Please rate the paper along the following criteria. 1 for very poor to 5 Excellent

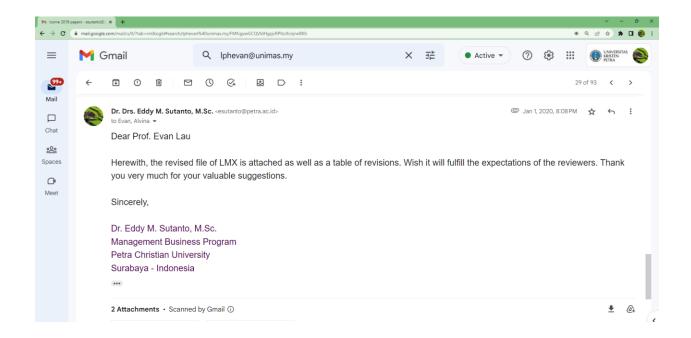
No	Criteria	1	2	3	4	5	N/A
1	Appropriateness of Title and Abstract						
2	Relevance to Business and Society						
3	Structure of the work						
4	Appropriateness of research method						
5	Elaboration of prior knowledge/research						
6	Discussion and Conclusions			\checkmark			
7	Content is scientifically accurate						
8	Contribution to Body of Knowledge						
9	Implication for Society, Industry, or Policy Maker						
10	Reference list, Adequate, and Correctly Cited						
11	Reference list, cited good and reputable journals						

2.	Please tick only one of the following and provide comments/reasons below as
	requested.

a)	The work is publishable in its present form.	
b)	The work is publishable with minor changes suggested below.	
c)	The work is publishable with major changes suggested below.	√
d)	The work is not publishable in its present form	

- 3. Please provide detailed comments/reasons below.
 - 1. Looking into the title, the aim was to find correlation of the variables of interest. Why does it matter here given a specific empirical application? Will this attract international audiences?
 - 2. I view this research is rather preliminary where the analysis was not in-depth. How would the results obtained here be one of the literature on LMX?
 - 3. The author can easily extend the LMX model and sample for the revised version. Looking into mediating impact would produce a more convincing evidence.
 - 4. Put forward detail on the data collection and description. Sample from one firm? Which and why select the shoe factory?
 - 5. Do integrate the tables as having 22 tables is not common in international journals.

4. Bukti Kirim Revisi Pertama, Respon kepada Penelaah, dan Artikel Revisi yang Dikirimkan (01/01/2020)



LEADER-MEMBER EXCHANGE (LMX), JOB INVOLVEMENT, AND PERFORMANCE

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ABSTRACT

This study aims to conduct leader-member exchange correlation analysis, job involvement, and performance. Data collection is done by distributing questionnaires to a number of shoe factory employees in Indonesia, especially those working in the production division. The type of research used is quantitative research with purposive sampling method. The research sample consisted of 288 employees who had worked for at least one year. The results show that there is a positive correlation between leader-member exchange with employee performance, job involvement with employee performance, and leader-member exchange with job involvement.

Keywords: Leader-Member Exchange; Job Involvement; Performance.

1. INTRODUCTION

Employees are one of the important aspects in the operation of a company. This makes employees have a big role in determining the performance of a company, so that the company's performance will be largely determined by the conditions and attitudes of each employee of the company (Sidharta & Margaretha, 2011). To deal with these conditions, companies must have greater attention in the field of human resources, which will determine the success or failure of their use of the lucrative business growth momentum (Djawahir, 2011).

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The relationship between supervisor and subordinates is one of the keys so that employee performance can be maximized. Therefore, supervisor must know how to build good relationships with subordinates, and vice versa. According to Gerstner and Day (1997), LMX is positively correlated with some desired results, including subordinate performance, job satisfaction, and organizational commitment (in O'Donnell, Yukl, & Taber, 2012). Other research conducted by Sudirjo and Toryanto (2013) also shows the results of supervisor-subordinate relationships that have a positive correlation with employee performance. This happens because the supervisor understands how far the potential possessed by his subordinates and assigns tasks to his subordinates according to their abilities. It can make subordinates who carry out these tasks will not feel burdened by the task given.

Involvement is one of the main aspects that deserves attention, especially in Indonesia. Through the results of a survey on employee job involvement in Indonesia in 2018, the engagement of employees in Indonesia shows a fairly stable increase. This is supported by the results of engagement scores which have increased from 65% to 80% over the past two years (Aon, 2018). According to Li and Long (1999) define job involvement as a degree when someone shows emotional or mental involvement with his work that has a close relationship with performance (in Khan, Jam, Akbar, Khan, & Hijazi, 2011). In addition, according to Safira (2013) job involvement also has a relationship to employee performance. Thus, employees who have high job involvement in their jobs will have full focus on their work, so that employees will have high performance.

To ensure that employees look enthusiastic and explore the work they are doing, employers need to understand how to build good two-way relationships between supervisor and subordinates. According to Breevaart, Bakker, Demerouti, and Van den Hauvel (2015), LMX is positively related to job involvement, because high-quality supervisor-subordinate (LMX) relationships can make job involvement of subordinates also increase.

This study aims to examine the variable correlation leader-member exchange (LMX), job involvement, and performance. There is a research gap found. Previous studies never test the relationship between the three variables together. In other words, testing the previous relationship was done separately, for example between LMX and job involvement (Breevaart *et al.*, 2015; Dewi, 2015; Dhivya & Sripirabaa, 2015) or LMX with performance (Gerstner & Day, 1997; Li, Liang, & Crant, 2010; Sudirjo & Toryanto, 2013) or between job involvement and performance (Li & Long, 1999 dalam Khan et al., 2011; Markos & Sridevi, 2010; Indayati, Thoyip, & Rofiaty, 2012). The results of

this study are expected to contribute positively to the development of science related to the above variables.

2. LITERATURE REVIEW

2.1. Leader-Member Exchange

According to Wu (2009), leader-member exchange is the quality of reciprocal relationships between leaders and each of their employees, because leaders have different quality relationships with each of their employees. The quality of relationships formed can be divided into two, namely good relationships and bad relationships. A good relationship will produce a positive attitude in employees, while a bad relationship will produce the opposite attitude. According to Liden and Masyln (1998), the leader-member exchange indicator consists of four things (in Taupan, Sunyoto, & Kartika, 2016) that is employee contribution, employee loyalty, employee affect, and professional respect.

2.2. Job Involvement

Robbins (2006, p. 94) defines in a company or an organization, job involvement arises as a response to a particular job or situation in the work environment. A type of work or situation in the work environment will affect the person more involved or not in his work. In this case, the relationship of someone in work outside of the actual work covered (in Safira, 2013). According to Rayton and Yalabik (2014), job involvement has three indicators (in Shekari, 2015) that is employee vigor, employee dedication, and employee absorption.

2.3. Performance

According to Sedarmayanti (2011, p. 260), performance is a system used to assess and find out whether an employee has successfully carried out his work as a whole, or is a combination of work results (what one must achieve) and competence (how one achieves it). Retnaningsih (2007) suggests that there are four indicators used in measuring performance (in Kosasih & Sutanto, 2014), that is the quantity of employee work, the quality of employee work, employee efficiency, and timeliness.

2.4. Relations between Concepts

Leader-member exchange have a correlation with employee performance. From the results of a study conducted by Li et al. (2010), Sudirjo and Toryanto (2013) state that

the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. Job involvement has a correlation with employee performance. From the results of research conducted by Markos and Sridevi (2010), Indayati et al. (2012) state the same results in the form of job involvement which has a positive correlation with employee performance. Leader-member exchange have a correlation with job involvement. From the results of research conducted by Breevaart et al. (2015), Dewi (2015), Dhivya and Sripirabaa (2015) state the same results in the form of LMX as positively related to job involvement.

 H_1 : Leader member exchanges have a positive correlation with performance.

 H_2 : Job involvement has a positive correlation with performance.

 H_3 : Leader member exchanges have a positive correlation with job involvement.

Leader-Member Exchange Job Involvement H_3 **Employee Contribution** 1. Employee Vigor 2. Employee Loyalty 2. Employee Dedication 3. Employee Affect 3. Employee Absorption 4. Professional Respect H_{I} H_2 Performance The Quantity of Employee Work The Quality of Employee Work 3. Employee Efficiency 4. Timeliness

Figure 1: Research Framework

3. RESEARCH METHODS

The type of research used is quantitative research. The population in this study are all production employees of Shoe factory, which are 1020 people with contract status for a certain period of time, namely three years. Shoe factory is a representation of mass industries in Indonesia. The reason for the production section being investigated is

because this part has an important role in the survival of a company. If there are no goods produced, then there will be no sales of goods that will bring income to the operations of a company. The technique used in sampling is purposive sampling. In addition, because of the limitations of the existing research time, the sample that will be used as a study was taken using the Slovin method with an estimated error rate of 5%. The sample of this study was 288 employees. The results of calculating this sample are obtained by the following formula:

$$n = \frac{N}{1 + Ne^2}$$

Keterangan:

n : number of sample members

N : number of members of the population

e : tolerable sampling rates or significance levels;

e = 0.05 (5%)

From the existing data, the number of samples in this study are:

$$n = \frac{1020}{1 + 1020 \ (0.05)^2}$$

$$n = 288$$

Data collection techniques used in this study were through questionnaires. Questionnaires were distributed directly to 288 production employees who were qualified with set criterion initially. The collection was done during working break period for several days. After checking all filled in questionnaires, collected data was classified and processed. In this study, data processing uses the SPSS for Windows version 23 program to test the feasibility of the questionnaire and find out whether there is a positive correlation between leader-member exchange with employee performance, job involvement with performance, and leader-member exchange with job involvement.

The test carried out there are three forms namely validity test, reliability test, and correlation test. Validity test is done to see whether the variable under study has a valid result or not. Valid means that the instrument can be used to measure what should be measured. Instrument reliability test is a requirement for testing validity. Therefore, although valid instruments generally must be reliable, testing of instrument reliability needs to be

done (Sugiyono, 2017, p. 121). According to Sunyoto (2016, p. 57), the correlation test is to test whether two variables, namely the independent variable and the dependent variable have a strong or not strong relationship, whether the relationship is positive or negative.

4. DATA ANALYSIS

There were 288 people who were respondents to this study. The majority of respondents had female sex with a total of 277 people (96.2%). This is because to carry out production activities requires only a little energy and greater patience. In terms of age, the majority of respondents were 31–40 years old (46.5%). These results indicate that if the majority of respondents were employees of 31–40 years old, there were 82 people. This is because employees in the age range of 31–40 years already have sufficient work experience and that age range can be classified in the age range that is considered productive for a worker. In terms of recent education, the majority of respondents were graduates of the junior high school education level of 113 people (39.2%). This is because the work of these parts is classified as easy and can be done by employees with various educational backgrounds. In terms of working time, the majority of respondents have worked for more than four years, amounting to 153 people (53.1%). These results indicate that employees who work have a high level of loyalty because the number of employees who work for more than four years is far more than employees who have a working period of one to two years and three to four years.

4.1. Validity and Reliability Test

According to Sugiyono (2017, p. 121), the results of the study can be said to be valid if there are similarities between the data collected and the data that actually occurs in the object under study. The technique used to test the validity is the product moment Pearson correlation. All statement items of the research instruments show if the leader-member exchange, job involvement, and employee performance variables have a significance value smaller than 0.05 and $r_{count} > r_{table}$ 0.113, so that statement items measuring research variables declared to be valid. On the other hand, all leader-member exchange variables, job involvement, and employee performance can be stated reliably. This is evident from the Cronbach alpha results greater than the critical value of 0.60.

4.2. Cross Tabulation Analysis

In order to explore how the relationship between variables, therefore this research have done cross tabulation analysis, which are between respondent's profile with latent variables (leader-member exchange, job involvement, and job performance) as explained next consecutively.

Relate to leader-member exchange, the results indicate some interesting findings. In term of gender, employees with female gender feel more about the quality of a good working relationship between themselves and their supervisors than employees with male gender. This is because women are more patient and more be able to find ways to build good working relationships with their supervisors. In term of age, employees aged 31-40 years feel more about the quality of a good working relationship between themselves and their supervisors. This is because at the age of 31-40 years, employees are more productive and have considerable experience so supervisors are more comfortable in establishing working relationships with them. In term of education background, employyees who have a background in high school education feel more about the quality of a well-working relationship between themselves and their supervisors. This is because employees who have the last high school education have broader theoretical knowledge than employees with other recent education such as elementary, junior high and vocational schools, so supervisors are more likely to discuss with them. In term of the length of work, the longer the working period of a worker shows the better quality of work relations between himself and their supervisor. This is because in the working period that has reached over four years, employees and supervisors should know each other's personalities and traits for a long time.

Relate to job involvement, the results indicate some interesting findings. In term of gender that both male and female employees still have a low desire for job involvement. This is due to the lack of desire and intrinsic encouragement that employees have to be willing to be involved in every work done. In term of age, employees aged 31–40 years are less willing to be involved in the work they do. This is because at the age of 31–40 years, employees tend to only want to do the work done every day without any desire to try to do something new. In term of education background, employees who have a junior and senior high school education background agree more if they are involved in the work done. This is due to the practical experience possessed by employees with middle school and high school education background whose intensity (number) is less than that of employees with a vocational education background. In term of the length of work, employees who have worked more than four years are more willing if they are involved in the work done. This is because employees who have worked for more than four years are comfortable with the working conditions they feel every day and they also know the

amount of compensation received if they are willing to be involved more deeply in the work done.

Relate to job performance, the results indicate some interesting findings. In term of gender that both male and female employees are willing to give the best performance. This is because the nature of the employee should work because if the employee does not show good results, they will get a warning from their supervisor. In term of age, employees aged 31–40 years are more willing to give the best performance. This happens because employees who are 31–40 years old still have great enthusiasm and desire to work to reach a high career path in a certain position. In term of education background, employees from various educational backgrounds agree to give the best performance. This happens because it is an obligation that must be shown by every employee who works in a company. In term of the length of work, employees who have worked more than four years are available to provide the best performance. This is because employees who have worked for more than four years are familiar with their work routines, so that these employees will not experience problems if they have to provide the best ability they have.

4.3 Correlation Relationship Analysis

In order to answer the research questions and test the hypothesis, correlation relationship between variables are tested and the results are showed in Table 1, 2, and 3.

Table 1: Correlation Test Results between Leader-Member Exchange and Performance

		Performance
Leader-Member Exchange	Correlation Coefficient	0.008
	Sig.(1-tailed)	0.446
	N	288

Table 1 shows that there is a positive correlation between leader-member exchange and employee performance. From the results of calculations using the existing formula, the correlation coefficient value of 0.008 is categorized as positive and the correlation is very low.

Table 2 shows that there is a positive correlation between job involvement and employee performance. From the results of calculations using the existing formula, the

correlation coefficient value is 0.196 which is categorized as positive and the correlation is very low.

Table 2: Correlation Test Results between Job Involvement and Performance

		Performance
Job Involvement	Correlation Coefficient	0.196
	Sig.(1-tailed)	0.000
	N	288

Table 3: Correlation Test Results between Leader-Member Exchange and Job Involvement

		Job Involvement
Leader-Member Exchange	Correlation Coefficient	0.005
_	Sig.(1-tailed)	0.467
	N	288

Table 3 shows that there is a positive correlation between leader-member exchange and job involvement. From the results of calculations using the existing formula, the correlation coefficient value of 0.005 is categorized as positive and the correlation is very low.

5. DISCUSSION

Table 1 shows correlation test results can be decided including the category of positive or negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant or cannot be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Li et al. (2010); Sudirjo and Toryanto (2013) show that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. From the results of the analysis of existing data shows if there is a positive correlation that occurs but insignificant between leader-member exchange with employee performance. This means that production division employees who have good or bad performance are not entirely dependent on the quality of work relationships that are well established between superiors and subordinates, for example employees who are able to

work carefully and are able to produce good jobs are not entirely dependent on the quality of the work relationship good between themselves and their supervisor. Therefore, the way that can be done so that the employee can perform well then there must be a sense of responsibility and intrinsic encouragement in each of the employees.

Table 2 shows correlation test results can be decided including the category of positive or negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant or can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Markos and Sridevi (2010) and Indayati et al. (2012) shows the same results in the form of job involvement which has a positive correlation with employee performance. From the results of the analysis of existing data indicate if there is a positive and significant correlation between job involvement with employee performance. This means that production division employees who are able to work carefully can be caused by having high concentration and employees who always arrive on time at work can be caused by having a genuine willingness to work.

Table 3 shows correlation test results can be decided including the positive or negative category can be seen from the correlation coefficient value generated, while to find out whether the results are significant or can not be seen from the significance value (1tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significantThe results of this study are supported by research conducted by Breevaart et al. (2015); Dewi (2015); Dhivya and Sripirabaa (2015) showed the same results in the form of LMX positively related to job involvement, because leader-member exchange (LMX) of good quality can make job involvement of subordinates also increase. From the results of the analysis of existing data indicate if there is a positive correlation that occurs but not significant between leader-member exchange with job involvement. This means that production division employees who have high or low job involvement are not fully dependent on the quality of the work relationship that exists between ata and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of the work relationship good between themselves and their supervisor. This means that production division employees who have high or low job involvement are not entirely dependent on the quality of the working relationship that is well established between superiors and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of a good working relationship between themselves and their supervisor.

Table 4: F Test Results		
F_{table}	F_{count}	Sig.

Regression 3.04 6.451 0.002

Model

From the results of processing as shown on Table 4, F_{count} of 6.451 shows a value greater than the value of F_{table} of 3.04 and a significance value below 0.05, so it can be stated that the results of the correlation model that has been produced are feasible to use.

6. CONCLUSION AND IMPLICATION

From the analysis and discussion that has been done, it can be concluded that the leader-member ex-change has a positive correlation with employee performance, job involvement has a positive correlation with employee performance, and leader-member exchange has a positive correlation with employee job involvement. From the conclusions and results of the existing research, the advice that will be given in this study is that the production supervisor is suggested to be able to create conducive and comfortable working conditions for the workers, so that employees are willing to establish good cooperative relationships with supervisors. The management, especially the production supervisor, must make the production employees feel proud of their work, so that from that feeling of pride will arise the desire of employees to participate actively involved in activities or solving problems related to the production process. In addition, it is also recommended that you establish a reward system for employees who are able to exceed the target number of production set.

Further research is expected to be able to connect variables other than those that have been studied above on employee performance to find out variables that have a dominant positive relationship on employee performance in a company.

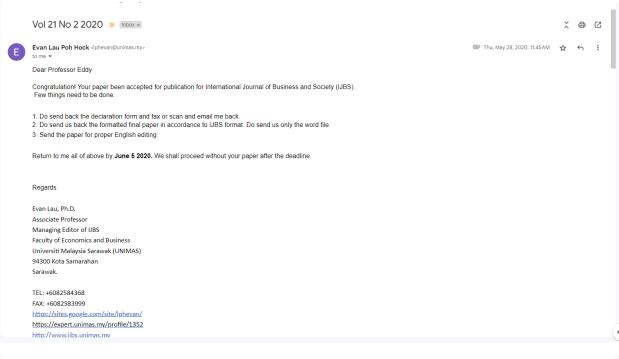
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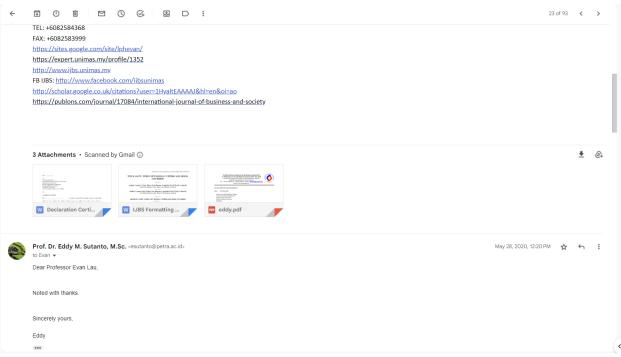
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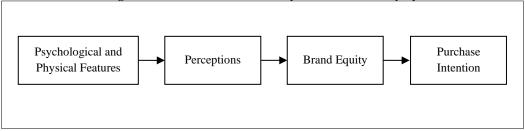
E.g:

Table 1: Correlation between QM and Customer Satisfaction

Constructs	Coefficient Correlation
Customer focus	0.535*
Benchmarking	0.465*
Employee Empowerment	0.423*

Notes: *p< 0.05.

Figure 1: Antecedents and Consequences of Brand Equity



Source: Cobb-Walgren, Ruble and Donthu (1995).

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Transparency International. (2015). *The Global Anti-Corruption Coalition*. Retrieved January 24, 2016, from http://www.transparency.org/

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Date : 28th May 2020

Professor Dr Eddy Madiono Sutanto, School of Business Management, Petra Christian University, 60236, Surabaya, East Java, Indonesia

Dear Professor Dr Eddy Madiono Sutanto,

We are pleased to inform that your paper entitled "Leader-Member Exchange (LMX), Job Involvement, and Performance" has been accepted for publication and will publish in the International Journal of Business and Society (IJBS). It is my pleasure to indicate that the paper will be scheduled for the publication in Vol. 21, No 2 (2020) of the journal.

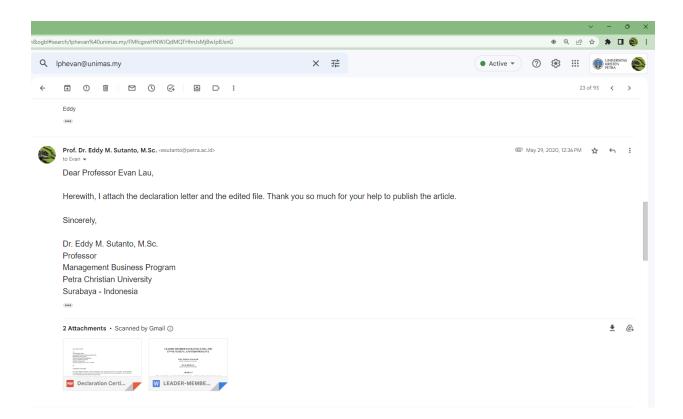
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LEADER-MEMBER EXCHANGE (LMX), JOB INVOLVEMENT, AND PERFORMANCE

Eddy Madiono Sutanto*
Petra Christian University

Kevin Hendarto

Petra Christian University

ABSTRACT

This study aimed to conduct leader-member exchange correlation analysis, job involvement, and performance. Data collection was done by distributing questionnaires to a number of shoe factory employees in Indonesia, especially those working in the production division. The type of research used was quantitative research with purposive sampling method. The research sample consisted of 288 employees who had worked for at least one year. The results showed that there was a positive correlation between leader-member exchange with employee performance, job involvement with employee performance, and leader-member exchange with job involvement.

Keywords: leader-member exchange, job involvement, performance.

1. INTRODUCTION

Employees are one of the important aspects in the operation of a company. This makes employees have a big role in determining the performance of a company, so that the company's performance will be largely determined by the conditions and attitudes of each employee of the company (Sidharta & Margaretha, 2011). To deal with these conditions, companies must have greater attention in the field of human resources, which will determine the success or failure of their use of the lucrative business growth momentum (Djawahir, 2011).

The relationship between supervisor and subordinates is one of the keys so that employee performance can be maximized. Therefore, supervisor must know how to build good relationships with subordinates, and vice versa. According to Gerstner and Day (1997), LMX is positively correlated with some desired results, including subordinate performance, job satisfaction, and organizational commitment (in O'Donnell, Yukl, & Taber, 2012). Other research

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conducted by Sudirjo and Toryanto (2013) also shows the results of supervisor-subordinate relationships that have a positive correlation with employee performance. This happens because the supervisor understands how far the potential possessed by his subordinates and assigns tasks to his subordinates according to their abilities. It can make subordinates who carry out these tasks will not feel burdened by the task given.

Involvement is one of the main aspects that deserves attention, especially in Indonesia. Through the results of a survey on employee job involvement in Indonesia in 2018, the engagement of employees in Indonesia shows a fairly stable increase. This is supported by the results of engagement scores which have increased from 65% to 80% over the past two years (Aon, 2018). According to Li and Long (1999) define job involvement as a degree when someone shows emotional or mental involvement with his work that has a close relationship with performance (in Khan, Jam, Akbar, Khan, & Hijazi, 2011). In addition, according to Safira (2013) job involvement also has a relationship to employee performance. Thus, employees who have high job involvement in their jobs will have full focus on their work, so that employees will have high performance.

To ensure that employees look enthusiastic and explore the work they are doing, employers need to understand how to build good two-way relationships between supervisor and subordinates. According to Breevaart, Bakker, Demerouti, and Van den Hauvel (2015), LMX is positively related to job involvement, because high-quality supervisor-subordinate (LMX) relationships can make job involvement of subordinates also increase.

This study aims to examine the variable correlation leader-member exchange (LMX), job involvement, and performance. There is a research gap found. Previous studies never test the relationship between the three variables together. In other words, testing the previous relationship was done separately, for example between LMX and job involvement (Breevaart *et al.*, 2015; Dewi, 2015; Dhivya & Sripirabaa, 2015) or LMX with performance (Gerstner & Day, 1997; Li, Liang, & Crant, 2010; Sudirjo & Toryanto, 2013) or between job involvement and performance (Li & Long, 1999 dalam Khan et al., 2011; Markos & Sridevi, 2010; Indayati, Thoyip, & Rofiaty, 2012). The results of this study are expected to contribute positively to the development of science related to the above variables.

2. LITERATURE REVIEW

2.1. Leader-Member Exchange

According to Wu (2009), leader-member exchange is the quality of reciprocal relationships between leaders and each of their employees, because leaders have different quality relationships with each of their employees. The quality of relationships formed can be divided into two, namely good relationships and bad relationships. A good relationship will produce a positive

attitude in employees, while a bad relationship will produce the opposite attitude. According to Liden and Masyln (1998), the leader-member exchange indicator consists of four things (in Taupan, Sunyoto, & Kartika, 2016) that is employee contribution, employee loyalty, employee affect, and professional respect.

2.2. Job Involvement

Robbins (2006, p. 94) defines in a company or an organization, job involvement arises as a response to a particular job or situation in the work environment. A type of work or situation in the work environment will affect the person more involved or not in his work. In this case, the relationship of someone in work outside of the actual work covered (in Safira, 2013). According to Rayton and Yalabik (2014), job involvement has three indicators (in Shekari, 2015) that is employee vigor, employee dedication, and employee absorption.

2.3. Performance

According to Sedarmayanti (2011, p. 260), performance is a system used to assess and find out whether an employee has successfully carried out his work as a whole, or is a combination of work results (what one must achieve) and competence (how one achieves it). Retnaningsih (2007) suggests that there are four indicators used in measuring performance (in Kosasih & Sutanto, 2014), that is the quantity of employee work, the quality of employee work, employee efficiency, and timeliness.

2.4. Relations between Concepts

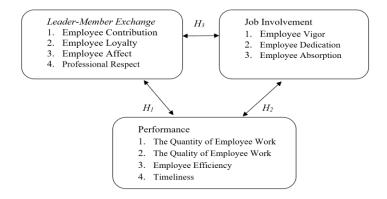
Leader-member exchange have a correlation with employee performance. From the results of a study conducted by Li et al. (2010), Sudirjo and Toryanto (2013) state that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. Job involvement has a correlation with employee performance. From the results of research conducted by Markos and Sridevi (2010), Indayati et al. (2012) state the same results in the form of job involvement which has a positive correlation with employee performance. Leader-member exchange have a correlation with job involvement. From the results of research conducted by Breevaart et al. (2015), Dewi (2015), Dhivya and Sripirabaa (2015) state the same results in the form of LMX as positively related to job involvement.

 H_1 : Leader member exchanges have a positive correlation with performance.

 H_2 : Job involvement has a positive correlation with performance.

 H_3 : Leader member exchanges have a positive correlation with job involvement.

Figure 1: Research Framework



3. RESEARCH METHODS

The type of research used is quantitative research. The population in this study are all production employees of Shoe factory, which are 1020 people with contract status for a certain period of time, namely three years. Shoe factory is a representation of mass industries in Indonesia. The reason for the production section being investigated is because this part has an important role in the survival of a company. If there are no goods produced, then there will be no sales of goods that will bring income to the operations of a company. The technique used in sampling is purposive sampling. In addition, because of the limitations of the existing research time, the sample that will be used as a study was taken using the Slovin method with an estimated error rate of 5%. The sample of this study was 288 employees. The results of calculating this sample are obtained by the following formula:

$$n = \frac{N}{1 + Ne^2}$$

Keterangan:

n : number of sample members

N : number of members of the population

e : tolerable sampling rates or significance levels;

e = 0.05 (5%)

From the existing data, the number of samples in this study are:

$$n = \frac{1020}{1 + 1020 \ (0.05)^2}$$

Data collection techniques used in this study were through questionnaires. Questionnaires were distributed directly to 288 production employees who were qualified with set criterion initially. The collection was done during working break period for several days. After checking all filled in questionnaires, collected data was classified and processed. In this study, data processing uses the SPSS for Windows version 23 program to test the feasibility of the questionnaire and find out whether there is a positive correlation between leader-member exchange with employee performance, job involvement with performance, and leader-member exchange with job involvement.

The test carried out there are three forms namely validity test, reliability test, and correlation test. Validity test is done to see whether the variable under study has a valid result or not. Valid means that the instrument can be used to measure what should be measured. Instrument reliability test is a requirement for testing validity. Therefore, although valid instruments generally must be reliable, testing of instrument reliability needs to be done (Sugiyono, 2017, p. 121). According to Sunyoto (2016, p. 57), the correlation test is to test whether two variables, namely the independent variable and the dependent variable have a strong or not strong relationship, whether the relationship is positive or negative.

4. DATA ANALYSIS

There were 288 people who were respondents to this study. The majority of respondents had female sex with a total of 277 people (96.2%). This is because to carry out production activities requires only a little energy and greater patience. In terms of age, the majority of respondents were 31–40 years old (46.5%). These results indicate that if the majority of respondents were employees of 31–40 years old, there were 82 people. This is because employees in the age range of 31–40 years already have sufficient work experience and that age range can be classified in the age range that is considered productive for a worker. In terms of recent education, the majority of respondents were graduates of the junior high school education level of 113 people (39.2%). This is because the work of these parts is classified as easy and can be done by employees with various educational backgrounds. In terms of working time, the majority of respondents have worked for more than four years, amounting to 153 people (53.1%). These results indicate that employees who work have a high level of loyalty because the number of employees who work for more than four years is far more than employees who have a working period of one to two years and three to four years.

4.1. Validity and Reliability Test

According to Sugiyono (2017, p. 121), the results of the study can be said to be valid if there are similarities between the data collected and the data that actually occurs in the object under study. The technique used to test the validity is the product moment Pearson correlation. All statement items of the research instruments show if the leader-member exchange, job involvement, and employee performance variables have a significance value smaller than 0.05 and $r_{count} > r_{table}$ 0.113, so that statement items measuring research variables declared to be valid. On the other hand, all leader-member exchange variables, job involvement, and employee performance can be stated reliably. This is evident from the Cronbach alpha results greater than the critical value of 0.60.

4.2. Cross Tabulation Analysis

In order to explore how the relationship between variables, therefore this research have done cross tabulation analysis, which are between respondent's profile with latent variables (leader-member exchange, job involvement, and job performance) as explained next consecutively.

Relate to leader-member exchange, the results indicate some interesting findings. In term of gender, employees with female gender feel more about the quality of a good working relationship between themselves and their supervisors than employees with male gender. This is because women are more patient and more be able to find ways to build good working relationships with their supervisors. In term of age, employees aged 31-40 years feel more about the quality of a good working relationship between themselves and their supervisors. This is because at the age of 31-40 years, employees are more productive and have considerable experience so supervisors are more comfortable in establishing working relationships with them. In term of education background, employees who have a background in high school education feel more about the quality of a well-working relationship between themselves and their supervisors. This is because employees who have the last high school education have broader theoretical knowledge than employees with other recent education such as elementary, junior high and vocational schools, so supervisors are more likely to discuss with them. In term of the length of work, the longer the working period of a worker shows the better quality of work relations between himself and their supervisor. This is because in the working period that has reached over four years, employees and supervisors should know each other's personalities and traits for a long time.

Relate to job involvement, the results indicate some interesting findings. In term of gender that both male and female employees still have a low desire for job involvement. This is due to the lack of desire and intrinsic encouragement that employees have to be willing to be involved in every work done. In term of age, employees aged 31–40 years are less willing to be involved in the work they do. This is because at the age of 31–40 years, employees tend to only want to do the work done every day without any desire to try to do something new. In term of education background, employees who have a junior and senior high school education background agree more if they are involved in the work done. This is due to the practical experience possessed by employees with middle school and high school education background whose intensity (number)

is less than that of employees with a vocational education background. In term of the length of work, employees who have worked more than four years are more willing if they are involved in the work done. This is because employees who have worked for more than four years are comfortable with the working conditions they feel every day and they also know the amount of compensation received if they are willing to be involved more deeply in the work done.

Relate to job performance, the results indicate some interesting findings. In term of gender that both male and female employees are willing to give the best performance. This is because the nature of the employee should work because if the employee does not show good results, they will get a warning from their supervisor. In term of age, employees aged 31–40 years are more willing to give the best performance. This happens because employees who are 31–40 years old still have great enthusiasm and desire to work to reach a high career path in a certain position. In term of education background, employees from various educational backgrounds agree to give the best performance. This happens because it is an obligation that must be shown by every employee who works in a company. In term of the length of work, employees who have worked more than four years are available to provide the best performance. This is because employees who have worked for more than four years are familiar with their work routines, so that these employees will not experience problems if they have to provide the best ability they have.

4.3 Correlation Relationship Analysis

In order to answer the research questions and test the hypothesis, correlation relationship between variables are tested and the results are showed in Table 1, 2, and 3.

Table 1: Correlation Test Results between Leader-Member Exchange and Performance

		Performance
Leader-Member Exchange	Correlation Coefficient	0.008
	Sig.(1-tailed)	0.446
	N	288

Table 1 shows that there is a positive correlation between leader-member exchange and employee performance. From the results of calculations using the existing formula, the correlation coefficient value of 0.008 is categorized as positive and the correlation is very low.

Table 2 shows that there is a positive correlation between job involvement and employee performance. From the results of calculations using the existing formula, the correlation coefficient value is 0.196 which is categorized as positive and the correlation is very low.

 Table 2: Correlation Test Results between Job Involvement and Performance

		Performance
Job Involvement	Correlation Coefficient	0.196
	Sig.(1-tailed)	0.000
	N	288

Table 3: Correlation Test Results between Leader-Member Exchange and Job Involvement

	Job Involvement	
Leader-Member Exchange	Correlation Coefficient	0.005
	Sig.(1-tailed)	0.467
	N	288

Table 3 shows that there is a positive correlation between leader-member exchange and job involvement. From the results of calculations using the existing formula, the correlation coefficient value of 0.005 is categorized as positive and the correlation is very low.

5. DISCUSSION

Table 1 shows correlation test results can be decided including the category of positive or negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant or cannot be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Li et al. (2010); Sudirjo and Toryanto (2013) show that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. From the results of the analysis of existing data shows if there is a positive correlation that occurs but insignificant between leader-member exchange with employee performance. This means that production division employees who have good or bad performance are not entirely dependent on the quality of work relationships that are well established between superiors and subordinates, for example employees who are able to work carefully and are able to produce good jobs are not entirely dependent on the quality of the work relationship good between themselves and their supervisor. Therefore, the way that can be done so that the employee can perform well then there must be a sense of responsibility and intrinsic encouragement in each of the employees.

Table 2 shows correlation test results can be decided including the category of positive or negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant or can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Markos and Sridevi (2010) and Indayati et al. (2012) shows the same results in the form of job involvement which has a positive correlation with employee performance. From the results of the analysis of existing data indicate if there is a positive and significant correlation between job involvement with employee performance. This means that production division employees who are able to work carefully can

be caused by having high concentration and employees who always arrive on time at work can be caused by having a genuine willingness to work.

Table 3 shows correlation test results can be decided including the positive or negative category can be seen from the correlation coefficient value generated, while to find out whether the results are significant or can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significantThe results of this study are supported by research conducted by Breevaart et al. (2015); Dewi (2015); Dhivya and Sripirabaa (2015) showed the same results in the form of LMX positively related to job involvement, because leader-member exchange (LMX) of good quality can make job involvement of subordinates also increase. From the results of the analysis of existing data indicate if there is a positive correlation that occurs but not significant between leader-member exchange with job involvement. This means that production division employees who have high or low job involvement are not fully dependent on the quality of the work relationship that exists between ata and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of the work relationship good between themselves and their supervisor. This means that production division employees who have high or low job involvement are not entirely dependent on the quality of the working relationship that is well established between superiors and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of a good working relationship between themselves and their supervisor.

Table 4: F Test Results			
Model	F_{table}	F_{count}	Sig.
Regression	3.04	6.451	0.002

From the results of processing as shown on Table 4, F_{count} of 6.451 shows a value greater than the value of F_{table} of 3.04 and a significance value below 0.05, so it can be stated that the results of the correlation model that has been produced are feasible to use.

6. CONCLUSION AND IMPLICATION

From the analysis and discussion that has been done, it can be concluded that the leader-member ex-change has a positive correlation with employee performance, job involvement has a positive correlation with employee performance, and leader-member exchange has a positive correlation with employee job involvement. From the conclusions and results of the existing research, the advice that will be given in this study is that the production supervisor is suggested to be able to

create conducive and comfortable working conditions for the workers, so that employees are willing to establish good cooperative relationships with supervisors. The management, especially the production supervisor, must make the production employees feel proud of their work, so that from that feeling of pride will arise the desire of employees to participate actively involved in activities or solving problems related to the production process. In addition, it is also recommended that you establish a reward system for employees who are able to exceed the target number of production set.

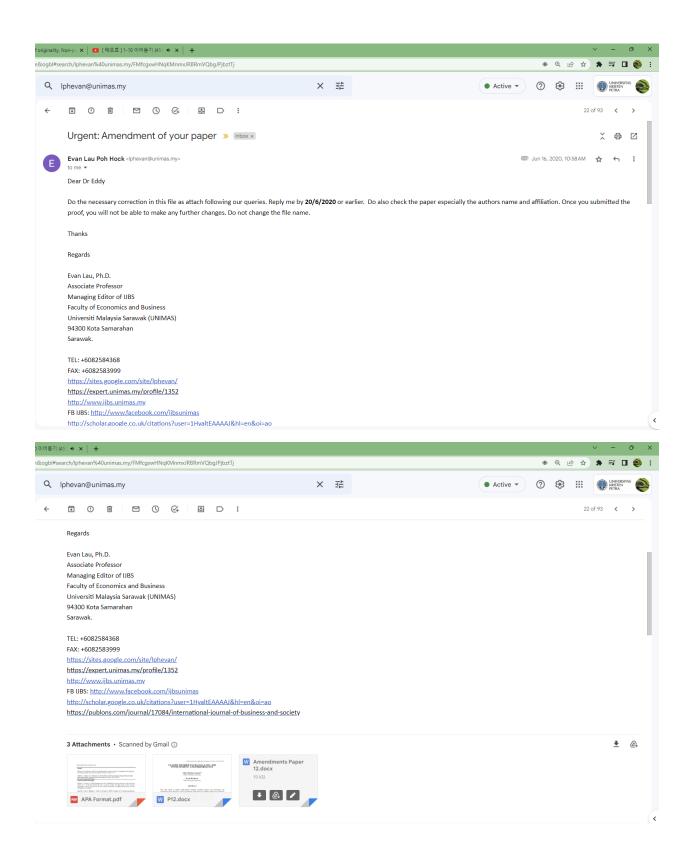
Further research is expected to be able to connect variables other than those that have been studied above on employee performance to find out variables that have a dominant positive relationship on employee performance in a company.

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7. Bukti Konfirmasi Hasil Telaah dan Hasil Telaah Ketiga (16/06/2020)



Amendments required for Paper 12

- 1. Kindly ensure that in-text citation and references are written in appropriate APA format. Refer to the file attached.
- 2. Replace the word "keterangan" in Page 4 with English. Do check thoroughly the paper as there still exist Indonesian wording.

Journal

Karlan, D. S., & Zinman, J. (2012). List randomization for sensitive behavior: An application for measuring use of loan proceeds. *Journal of Development Economics*, 98(1), 71-75.

Gabbett, T., Jenkins, D., & Abernethy, B. (2010). Physical collisions and injury during professional rugby league skills training. *Journal of Science and Medicine in Sport*, 13(6), 578-583. doi:10.1016/j.jsams.2010.03.007

Conference Paper/Proceeding

Williams, J., & Seary, K. (2010). Bridging the divide: Scaffolding the learning experiences of the mature age student. In J. Terrell (Ed.), *Making the links: Learning, teaching and high quality student outcomes*. Proceedings of the 9th Conference of the New Zealand Association of Bridging Educators (pp. 104-116). Wellington, New Zealand.

MacColl, F., Ker, I., Huband, A., Veith, G., & Taylor, J. (2009, November 12-13). *Minimising pedestrian-cyclist conflict on paths*. Paper presented at the Seventh New Zealand Cycling Conference, New Plymouth, New Zealand. Retrieved from http://cyclingconf.org.nz/system/files/NZCyclingConf09_2A_MacColl_PedCycleConflicts.pdf

Dissertation

Mann, D. L. (2010). Vision and expertise for interceptive actions in sport (Doctoral dissertation, The University of New South Wales, Sydney, Australia). Retrieved from http://handle.unsw.edu.au/1959.4/44704

Books

Collier, A. (2008). The world of tourism and travel. Rosedale, New Zealand: Pearson Education New Zealand.

Airey, D. (2010). Logo design love: A guide to creating iconic brand identities. Berkeley, CA: New Riders.

Whitney, E., & Rolfes, S. (2011). *Understanding nutrition* (12th ed.). Australia: Wadsworth Cengage Learning. **Book Chapter**

Palmer, F. (2007). Treaty principles and Maori sport: Contemporary issues. In C. Collins & S. Jackson (Eds.), *Sport in Aotearoa/New Zealand society* (2nd ed., pp. 307-334). South Melbourne, Australia: Thomson.

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LEADER-MEMBER EXCHANGE (LMX), JOB INVOLVEMENT, AND PERFORMANCE

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ABSTRACT

This study aimed to conduct leader-member exchange correlation analysis, job involvement, and performance. Data collection was done by distributing questionnaires to a number of shoe factory employees in Indonesia, especially those working in the production division. The type of research used was quantitative research with purposive sampling method. The research sample consisted of 288 employees who had worked for at least one year. The results showed that there was a positive correlation between leader-member exchange with employee performance, job involvement with employee performance, and leader-member exchange with job involvement.

Keywords: Leader-member exchange; Job involvement; Performance.

1. INTRODUCTION

Employees are one of the important aspects in the operation of a company. This makes employees have a big role in determining the performance of a company, so that the company's performance will be largely determined by the conditions and attitudes of each employee of the company (Sidharta & Margaretha, 2011). To deal with these conditions, companies must have greater attention in the field of human resources, which will determine the success or failure of their use of the lucrative business growth momentum (Djawahir, 2011).

The relationship between supervisor and subordinates is one of the keys so that employee performance can be maximized. Therefore, supervisor must know how to build good relationships with subordinates, and vice versa. According to Gerstner and Day (1997), LMX is positively correlated with some desired results, including subordinate performance, job satisfaction, and organizational commitment (in O'Donnell, Yukl, & Taber, 2012). Other research conducted by Sudirjo and Toryanto (2013) also shows the results of supervisor-subordinate relationships that have a positive correlation with employee performance. This happens because the supervisor understands how far the potential possessed by his subordinates and assigns tasks to his

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subordinates according to their abilities. It can make subordinates who carry out these tasks will not feel burdened by the task given.

Involvement is one of the main aspects that deserves attention, especially in Indonesia. Through the results of a survey on employee job involvement in Indonesia in 2018, the engagement of employees in Indonesia shows a fairly stable increase. This is supported by the results of engagement scores which have increased from 65% to 80% over the past two years (Aon, 2018). According to Li and Long (1999) define job involvement as a degree when someone shows emotional or mental involvement with his work that has a close relationship with performance (in Khan, Jam, Akbar, Khan, & Hijazi, 2011). In addition, according to Safira (2013) job involvement also has a relationship to employee performance. Thus, employees who have high job involvement in their jobs will have full focus on their work, so that employees will have high performance.

To ensure that employees look enthusiastic and explore the work they are doing, employers need to understand how to build good two-way relationships between supervisor and subordinates. According to Breevaart, Bakker, Demerouti, and Van den Hauvel (2015), LMX is positively related to job involvement, because high-quality supervisor-subordinate (LMX) relationships can make job involvement of subordinates also increase.

This study aims to examine the variable correlation leader-member exchange (LMX), job involvement, and performance. There is a research gap found. Previous studies never test the relationship between the three variables together. In other words, testing the previous relationship was done separately, for example between LMX and job involvement (Breevaart *et al.*, 2015; Dewi, 2015; Dhivya & Sripirabaa, 2015) or LMX with performance (Gerstner & Day, 1997; Li, Liang, & Crant, 2010; Sudirjo & Toryanto, 2013) or between job involvement and performance (Li & Long, 1999 dalam Khan et al., 2011; Markos & Sridevi, 2010; Indayati, Thoyip, & Rofiaty, 2012). The results of this study are expected to contribute positively to the development of science related to the above variables.

2. LITERATURE REVIEW

2.1. Leader-Member Exchange

According to Wu (2009), leader-member exchange is the quality of reciprocal relationships between leaders and each of their employees, because leaders have different quality relationships with each of their employees. The quality of relationships formed can be divided into two, namely good relationships and bad relationships. A good relationship will produce a positive attitude in employees, while a bad relationship will produce the opposite attitude. According to Liden and Masyln (1998), the leader-member exchange indicator consists of four things (in Taupan, Sunyoto, & Kartika, 2016) that is employee contribution, employee loyalty, employee affect, and professional respect.

2.2. Job Involvement

Robbins (2006, p. 94) defines in a company or an organization, job involvement arises as a response to a particular job or situation in the work environment. A type of work or situation in the

work environment will affect the person more involved or not in his work. In this case, the relationship of someone in work outside of the actual work covered (in Safira, 2013). According to Rayton and Yalabik (2014), job involvement has three indicators (in Shekari, 2015) that is employee vigor, employee dedication, and employee absorption.

2.3. Performance

According to Sedarmayanti (2011, p. 260), performance is a system used to assess and find out whether an employee has successfully carried out his work as a whole, or is a combination of work results (what one must achieve) and competence (how one achieves it). Retnaningsih (2007) suggests that there are four indicators used in measuring performance (in Kosasih & Sutanto, 2014), that is the quantity of employee work, the quality of employee work, employee efficiency, and timeliness.

2.4. Relations between Concepts

Leader-member exchange have a correlation with employee performance. From the results of a study conducted by Li et al. (2010), Sudirjo and Toryanto (2013) state that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. Job involvement has a correlation with employee performance. From the results of research conducted by Markos and Sridevi (2010), Indayati et al. (2012) state the same results in the form of job involvement which has a positive correlation with employee performance. Leader-member exchange have a correlation with job involvement. From the results of research conducted by Breevaart et al. (2015), Dewi (2015), Dhivya and Sripirabaa (2015) state the same results in the form of LMX as positively related to job involvement.

 H_1 : Leader member exchanges have a positive correlation with performance.

 H_2 : Job involvement has a positive correlation with performance.

 H_3 : Leader member exchanges have a positive correlation with job involvement.

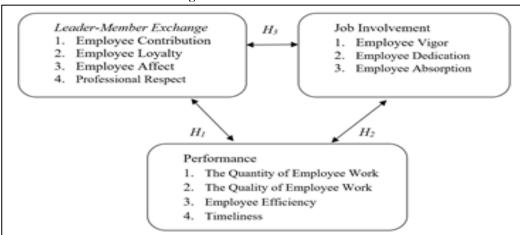


Figure 1: Research Framework

3. RESEARCH METHODS

The type of research used is quantitative research. The population in this study are all production employees of Shoe factory, which are 1020 people with contract status for a certain period of time, namely three years. Shoe factory is a representation of mass industries in Indonesia. The reason for the production section being investigated is because this part has an important role in the survival of a company. If there are no goods produced, then there will be no sales of goods that will bring income to the operations of a company. The technique used in sampling is purposive sampling. In addition, because of the limitations of the existing research time, the sample that will be used as a study was taken using the Slovin method with an estimated error rate of 5%. The sample of this study was 288 employees. The results of calculating this sample are obtained by the following formula:

$$n = \frac{N}{1 + Ne^2}$$

Keterangan:

n : number of sample members

N : number of members of the population

e : tolerable sampling rates or significance levels;

e = 0.05 (5%)

From the existing data, the number of samples in this study are:

$$n = \frac{1020}{1 + 1020 \ (0.05)^2}$$

$$n = 288$$

Data collection techniques used in this study were through questionnaires. Questionnaires were distributed directly to 288 production employees who were qualified with set criterion initially. The collection was done during working break period for several days. After checking all filled in questionnaires, collected data was classified and processed. In this study, data processing uses the SPSS for Windows version 23 program to test the feasibility of the questionnaire and find out whether there is a positive correlation between leader-member exchange with employee performance, job involvement with performance, and leader-member exchange with job involvement.

The test carried out there are three forms namely validity test, reliability test, and correlation test. Validity test is done to see whether the variable under study has a valid result or not. Valid means that the instrument can be used to measure what should be measured. Instrument reliability test is a requirement for testing validity. Therefore, although valid instruments generally must be reliable, testing of instrument reliability needs to be done (Sugiyono, 2017, p. 121). According to Sunyoto (2016, p. 57), the correlation test is to test whether two variables, namely the independent variable and the dependent variable have a strong or not strong relationship, whether the relationship is positive or negative.

4. DATA ANALYSIS

There were 288 people who were respondents to this study. The majority of respondents had female sex with a total of 277 people (96.2%). This is because to carry out production activities requires only a little energy and greater patience. In terms of age, the majority of respondents were 31–40 years old (46.5%). These results indicate that if the majority of respondents were employees of 31–40 years old, there were 82 people. This is because employees in the age range of 31–40 years already have sufficient work experience and that age range can be classified in the age range that is considered productive for a worker. In terms of recent education, the majority of respondents were graduates of the junior high school education level of 113 people (39.2%). This is because the work of these parts is classified as easy and can be done by employees with various educational backgrounds. In terms of working time, the majority of respondents have worked for more than four years, amounting to 153 people (53.1%). These results indicate that employees who work have a high level of loyalty because the number of employees who work for more than four years is far more than employees who have a working period of one to two years and three to four years.

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In order to explore how the relationship between variables, therefore this research have done cross tabulation analysis, which are between respondent's profile with latent variables (leader-member exchange, job involvement, and job performance) as explained next consecutively.

Relate to leader-member exchange, the results indicate some interesting findings. In term of gender, employees with female gender feel more about the quality of a good working relationship between themselves and their supervisors than employees with male gender. This is because women are more patient and more be able to find ways to build good working relationships with their supervisors. In term of age, employees aged 31–40 years feel more about the quality of a good working relationship between themselves and their supervisors. This is because at the age of 31–40 years, employees are more productive and have considerable experience so supervisors are more comfortable in establishing working relationships with them. In term of education background, employees who have a background in high school education feel more about the quality of a well-working relationship between themselves and their supervisors. This is because employees who have the last high school education have broader theoretical knowledge than employees with other recent education such as elementary, junior high and vocational schools, so supervisors are more likely to discuss with them. In term of the length of work, the longer the working period of a worker shows the better quality of work relations between himself and their

supervisor. This is because in the working period that has reached over four years, employees and supervisors should know each other's personalities and traits for a long time.

Relate to job involvement, the results indicate some interesting findings. In term of gender that both male and female employees still have a low desire for job involvement. This is due to the lack of desire and intrinsic encouragement that employees have to be willing to be involved in every work done. In term of age, employees aged 31–40 years are less willing to be involved in the work they do. This is because at the age of 31–40 years, employees tend to only want to do the work done every day without any desire to try to do something new. In term of education background, employees who have a junior and senior high school education background agree more if they are involved in the work done. This is due to the practical experience possessed by employees with middle school and high school education background whose intensity (number) is less than that of employees with a vocational education background. In term of the length of work, employees who have worked more than four years are more willing if they are involved in the work done. This is because employees who have worked for more than four years are comfortable with the working conditions they feel every day and they also know the amount of compensation received if they are willing to be involved more deeply in the work done.

Relate to job performance, the results indicate some interesting findings. In term of gender that both male and female employees are willing to give the best performance. This is because the nature of the employee should work because if the employee does not show good results, they will get a warning from their supervisor. In term of age, employees aged 31–40 years are more willing to give the best performance. This happens because employees who are 31–40 years old still have great enthusiasm and desire to work to reach a high career path in a certain position. In term of education background, employees from various educational backgrounds agree to give the best performance. This happens because it is an obligation that must be shown by every employee who works in a company. In term of the length of work, employees who have worked more than four years are available to provide the best performance. This is because employees who have worked for more than four years are familiar with their work routines, so that these employees will not experience problems if they have to provide the best ability they have.

4.3 Correlation Relationship Analysis

In order to answer the research questions and test the hypothesis, correlation relationship between variables are tested and the results are showed in Table 1, 2, and 3.

 Table 1: Correlation Test Results between Leader-Member Exchange and Performance

		Performance
Leader-Member Exchange	Correlation Coefficient	0.008
	Sig.(1-tailed)	0.446
	N	288

Table 1 shows that there is a positive correlation between leader-member exchange and employee performance. From the results of calculations using the existing formula, the correlation coefficient value of 0.008 is categorized as positive and the correlation is very low.

Table 2 shows that there is a positive correlation between job involvement and employee performance. From the results of calculations using the existing formula, the correlation coefficient value is 0.196 which is categorized as positive and the correlation is very low.

Table 2: Correlation Test Results between Job Involvement and Performance

		Performance
Job Involvement	Correlation Coefficient	0.196
	Sig.(1-tailed)	0.000
	N	288

Table 3: Correlation Test Results between Leader-Member Exchange and Job Involvement

	Job Involvement		
Leader-Member Exchange	nge Correlation Coefficient 0.005		
	Sig.(1-tailed)	0.467	
	N	288	

Table 3 shows that there is a positive correlation between leader-member exchange and job involvement. From the results of calculations using the existing formula, the correlation coefficient value of 0.005 is categorized as positive and the correlation is very low.

5. DISCUSSION

Table 1 shows correlation test results can be decided including the category of positive or negative can be seen from the correlation coefficient value generated, while to find out whether the results are significant or cannot be seen from the significance value (1-tailed). If the significance value (1tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Li et al. (2010); Sudirjo and Toryanto (2013) show that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. From the results of the analysis of existing data shows if there is a positive correlation that occurs but insignificant between leader-member exchange with employee performance. This means that production division employees who have good or bad performance are not entirely dependent on the quality of work relationships that are well established between superiors and subordinates, for example employees who are able to work carefully and are able to produce good jobs are not entirely dependent on the quality of the work relationship good between themselves and their supervisor. Therefore, the way that can be done so that the employee can perform well then there must be a sense of responsibility and intrinsic encouragement in each of the employees.

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Table 3 shows correlation test results can be decided including the positive or negative category can be seen from the correlation coefficient value generated, while to find out whether the results are significant or can not be seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Breevaart et al. (2015); Dewi (2015); Dhivya and Sripirabaa (2015) showed the same results in the form of LMX positively related to job involvement, because leader-member exchange (LMX) of good quality can make job involvement of subordinates also increase. From the results of the analysis of existing data indicate if there is a positive correlation that occurs but not significant between leader-member exchange with job involvement. This means that production division employees who have high or low job involvement are not fully dependent on the quality of the work relationship that exists between ata and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of the work relationship good between themselves and their supervisor. This means that production division employees who have high or low job involvement are not entirely dependent on the quality of the working relationship that is well established between superiors and subordinates, for example employees who are able to work with high concentration in their work are not fully dependent on the quality of a good working relationship between themselves and their supervisor.

Table 4: F Test Results

Model	$oldsymbol{F}_{table}$	F_{count}	Sig.
Regression	3.04	6.451	0.002

From the results of processing as shown on Table 4, F_{count} of 6.451 shows a value greater than the value of F_{table} of 3.04 and a significance value below 0.05, so it can be stated that the results of the correlation model that has been produced are feasible to use.

6. CONCLUSION AND IMPLICATION

From the analysis and discussion that has been done, it can be concluded that the leader-member ex-change has a positive correlation with employee performance, job involvement has a positive correlation with employee performance, and leader-member exchange has a positive correlation with employee job involvement. From the conclusions and results of the existing research, the advice that will be given in this study is that the production supervisor is suggested to be able to create conducive and comfortable working conditions for the workers, so that employees are willing to establish good cooperative relationships with supervisors. The management, especially

the production supervisor, must make the production employees feel proud of their work, so that from that feeling of pride will arise the desire of employees to participate actively involved in activities or solving problems related to the production process. In addition, it is also recommended that you establish a reward system for employees who are able to exceed the target number of production set.

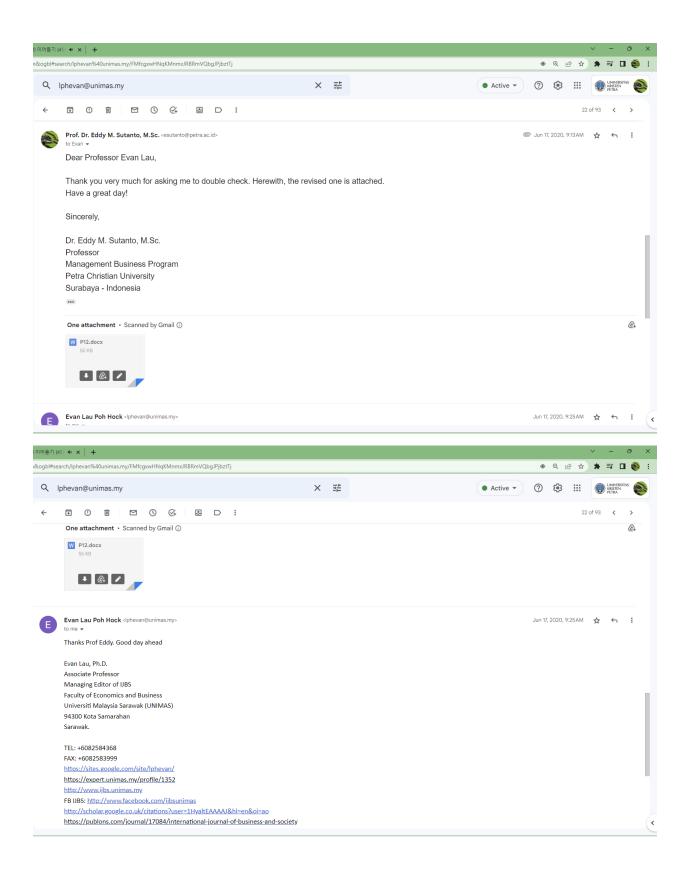
Further research is expected to be able to connect variables other than those that have been studied above on employee performance to find out variables that have a dominant positive relationship on employee performance in a company.

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8. Bukti Konfirmasi Kirim Revisi Ketiga dan Artikel Revisi yang Dikirimkan (17/06/2020)



LEADER-MEMBER EXCHANGE (LMX), JOB INVOLVEMENT, AND PERFORMANCE

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ABSTRACT

This study aimed to conduct leader-member exchange correlation analysis, job involvement, and performance. Data collection was done by distributing questionnaires to a number of shoe factory employees in Indonesia, especially those working in the production division. The type of research used was quantitative research with purposive sampling method. The research sample consisted of 288 employees who had worked for at least one year. The results showed that there was a positive correlation between leader-member exchange with employee performance, job involvement with employee performance, and leader-member exchange with job involvement.

Keywords: Leader-member exchange; Job involvement; Performance.

1. INTRODUCTION

Employees are one of the important aspects in the operation of a company. This makes employees have a big role in determining the performance of a company, so that the company's performance will be largely determined by the conditions and attitudes of each employee of the company (Sidharta & Margaretha, 2011). To deal with these conditions, companies must have greater attention in the field of human resources, which will determine the success or failure of their use of the lucrative business growth momentum (Djawahir, 2011).

The relationship between supervisor and subordinates is one of the keys so that employee performance can be maximized. Therefore, supervisor must know how to build good relationships with subordinates, and vice versa. According to Gerstner and Day (1997), LMX is positively correlated with some desired results, including subordinate performance, job satisfaction, and organizational commitment (in O'Donnell, Yukl, & Taber, 2012). Other research conducted by Sudirjo and Toryanto (2013) also shows the results of supervisor-subordinate relationships that have a positive correlation with employee performance. This happens because the supervisor understands how far the potential possessed by his subordinates and assigns tasks to his

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subordinates according to their abilities. It can make subordinates who carry out these tasks will not feel burdened by the task given.

Involvement is one of the main aspects that deserves attention, especially in Indonesia. Through the results of a survey on employee job involvement in Indonesia in 2018, the engagement of employees in Indonesia shows a fairly stable increase. This is supported by the results of engagement scores which have increased from 65% to 80% over the past two years (Aon, 2018). According to Li and Long (1999) define job involvement as a degree when someone shows emotional or mental involvement with his work that has a close relationship with performance (in Khan, Jam, Akbar, Khan, & Hijazi, 2011). In addition, according to Safira (2013) job involvement also has a relationship to employee performance. Thus, employees who have high job involvement in their jobs will have full focus on their work, so that employees will have high performance.

To ensure that employees look enthusiastic and explore the work they are doing, employers need to understand how to build good two-way relationships between supervisor and subordinates. According to Breevaart, Bakker, Demerouti, and Van den Hauvel (2015), LMX is positively related to job involvement, because high-quality supervisor-subordinate (LMX) relationships can make job involvement of subordinates also increase.

This study aims to examine the variable correlation leader-member exchange (LMX), job involvement, and performance. There is a research gap found. Previous studies never test the relationship between the three variables together. In other words, testing the previous relationship was done separately, for example between LMX and job involvement (Breevaart *et al.*, 2015; Dewi, 2015; Dhivya & Sripirabaa, 2015) or LMX with performance (Gerstner & Day, 1997; Li, Liang, & Crant, 2010; Sudirjo & Toryanto, 2013) or between job involvement and performance (Li & Long, 1999 dalam Khan et al., 2011; Markos & Sridevi, 2010; Indayati, Thoyip, & Rofiaty, 2012). The results of this study are expected to contribute positively to the development of science related to the above variables.

2. LITERATURE REVIEW

2.1. Leader-Member Exchange

According to Wu (2009), leader-member exchange is the quality of reciprocal relationships between leaders and each of their employees, because leaders have different quality relationships with each of their employees. The quality of relationships formed can be divided into two, namely good relationships and bad relationships. A good relationship will produce a positive attitude in employees, while a bad relationship will produce the opposite attitude. According to Liden and Masyln (1998), the leader-member exchange indicator consists of four things (in Taupan, Sunyoto, & Kartika, 2016) that is employee contribution, employee loyalty, employee affect, and professional respect.

2.2. Job Involvement

Robbins (2006, p. 94) defines in a company or an organization, job involvement arises as a response to a particular job or situation in the work environment. A type of work or situation in the

work environment will affect the person more involved or not in his work. In this case, the relationship of someone in work outside of the actual work covered (in Safira, 2013). According to Rayton and Yalabik (2014), job involvement has three indicators (in Shekari, 2015) that is employee vigor, employee dedication, and employee absorption.

2.3. Performance

According to Sedarmayanti (2011, p. 260), performance is a system used to assess and find out whether an employee has successfully carried out his work as a whole, or is a combination of work results (what one must achieve) and competence (how one achieves it). Retnaningsih (2007) suggests that there are four indicators used in measuring performance (in Kosasih & Sutanto, 2014), that is the quantity of employee work, the quality of employee work, employee efficiency, and timeliness.

2.4. Relations between Concepts

Leader-member exchange has a correlation with employee performance. From the results of a study conducted by Li et al. (2010), Sudirjo and Toryanto (2013) state that the same results in the form of leader-member exchange (LMX) have a positive correlation with employee performance. Job involvement has a correlation with employee performance. From the results of research conducted by Markos and Sridevi (2010), Indayati et al. (2012) state the same results in the form of job involvement which has a positive correlation with employee performance. Leader-member exchange has a correlation with job involvement. From the results of research conducted by Breevaart et al. (2015), Dewi (2015), Dhivya and Sripirabaa (2015) state the same results in the form of LMX as positively related to job involvement.

- H_1 : Leader-member exchange has a positive correlation with performance.
- H_2 : Job involvement has a positive correlation with performance.
- H_3 : Leader-member exchange has a positive correlation with job involvement.

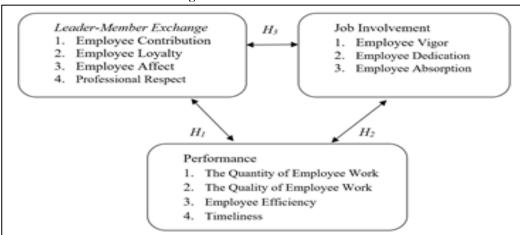


Figure 1: Research Framework

3. RESEARCH METHODS

The type of research used is quantitative research. The population in this study are all production employees of Shoe factory, which are 1020 people with contract status for a certain period of time, namely three years. Shoe factory is a representation of mass industries in Indonesia. The reason for the production section being investigated is because this part has an important role in the survival of a company. If there are no goods produced, then there will be no sales of goods that will bring income to the operations of a company. The technique used in sampling is purposive sampling. In addition, because of the limitations of the existing research time, the sample that will be used as a study was taken using the Slovin method with an estimated error rate of 5%. The sample of this study was 288 employees. The results of calculating this sample are obtained by the following formula:

$$n = \frac{N}{1 + Ne^2}$$

Remarks:

n : number of sample members

N : number of members of the population

e : tolerable sampling rates or significance levels;

e = 0.05 (5%)

From the existing data, the number of samples in this study are:

$$n = \frac{1020}{1 + 1020 \ (0.05)^2}$$

$$n = 288$$

Data collection techniques used in this study were through questionnaires. Questionnaires were distributed directly to 288 production employees who were qualified with set criterion initially. The collection was done during working break period for several days. After checking all filled in questionnaires, collected data was classified and processed. In this study, data processing uses the SPSS for Windows version 23 program to test the feasibility of the questionnaire and find out whether there is a positive correlation between leader-member exchange with employee performance, job involvement with performance, and leader-member exchange with job involvement.

The test carried out there are three forms namely validity test, reliability test, and correlation test. Validity test is done to see whether the variable under study has a valid result or not. Valid means that the instrument can be used to measure what should be measured. Instrument reliability test is a requirement for testing validity. Therefore, although valid instruments generally must be reliable, testing of instrument reliability needs to be done (Sugiyono, 2017, p. 121). According to Sunyoto (2016, p. 57), the correlation test is to test whether two variables, namely the independent variable and the dependent variable have a strong or not strong relationship, whether the relationship is positive or negative.

4. DATA ANALYSIS

There were 288 people who were respondents to this study. The majority of respondents had female sex with a total of 277 people (96.2%). This is because to carry out production activities requires only a little energy and greater patience. In terms of age, the majority of respondents were 31–40 years old (46.5%). These results indicate that if the majority of respondents were employees of 31–40 years old. There were 82 people. This is because employees in the age range of 31–40 years already have sufficient work experience and that age range can be classified in the age range that is considered productive for a worker. In terms of recent education, the majority of respondents were graduates of the junior high school education level of 113 people (39.2%). This is because the work of these parts is classified as easy and can be done by employees with various educational backgrounds. In terms of working time, the majority of respondents have worked for more than four years, amounting to 153 people (53.1%). These results indicate that employees who work have a high level of loyalty because the number of employees who work for more than four years is far more than employees who have a working period of one to two years and three to four years.

4.1. Validity and Reliability Test

According to Sugiyono (2017, p. 121), the results of the study can be said to be valid if there are similarities between the data collected and the data that actually occurs in the object under study. The technique used to test the validity is the product moment Pearson correlation. All statement items of the research instruments show if the leader-member exchange, job involvement, and employee performance variables have a significance value smaller than 0.05 and $r_{count} > r_{table}$ 0.113, so that statement items measuring research variables declared to be valid. On the other hand, all leader-member exchange variables, job involvement, and employee performance can be stated reliably. This is evident from the Cronbach alpha results greater than the critical value of 0.60.

4.2. Cross Tabulation Analysis

In order to explore how the relationship between variables, therefore this research have done cross tabulation analysis, which are between respondent's profile with latent variables (leader-member exchange, job involvement, and job performance) as explained next consecutively.

Relate to leader-member exchange, the results indicate some interesting findings. In term of gender, employees with female gender feel more about the quality of a good working relationship between themselves and their supervisors than employees with male gender. This is because women are more patient and more be able to find ways to build good working relationships with their supervisors. In term of age, employees aged 31–40 years feel more about the quality of a good working relationship between themselves and their supervisors. This is because at the age of 31–40 years, employees are more productive and have considerable experience so supervisors are more comfortable in establishing working relationships with them. In term of education background, employees who have a background in high school education feel more about the quality of a well-working relationship between themselves and their supervisors. This is because employees who have the last high school education have broader theoretical knowledge than employees with other recent education such as elementary, junior high, and vocational schools. So supervisors are more likely to discuss with them. In term of the length of work, the longer the working period of a worker shows the better quality of work relations between himself and their

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Table 3: Correlation Test Results between Leader-Member Exchange and Job Involvement

		Job Involvement
Leader-Member Exchange	Correlation Coefficient	0.005
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Table 3 shows that there is a positive correlation between leader-member exchange and job involvement. From the results of calculations using the existing formula, the correlation coefficient value of 0.005 is categorized as positive and the correlation is very low.

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Table 2 shows correlation test results can be decided including the category of positive or negative seen from the correlation coefficient value generated, while to find out whether the results are significant or not seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported

by research conducted by Markos and Sridevi (2010) and Indayati et al. (2012) shows the same results in the form of job involvement which has a positive correlation with employee performance. From the results of the analysis of existing data indicate there is a positive and significant correlation between job involvement with employee performance. This means that production division employees who are able to work carefully can be caused by having high concentration and employees who always arrive on time at work can be caused by having a genuine willingness to work.

Table 3 shows correlation test results can be decided including the positive or negative category seen from the correlation coefficient value generated, while to find out whether the results are significant or not seen from the significance value (1-tailed). If the significance value (1-tailed) is more than 0.05 then it can be said to be insignificant, and vice versa if the significance value (1-tailed) is less than 0.05 then it can be said to be significant. The results of this study are supported by research conducted by Breevaart et al. (2015), Dewi (2015), Dhivya and Sripirabaa (2015). It showed the same results in the form of LMX positively related to job involvement, because good quality leader-member exchange (LMX) can make job involvement of subordinates also increase. From the results of the analysis of existing data indicate there is a positive correlation that occurs but not significant between leader-member exchange with job involvement. This means that production division employees who have high or low job involvement do not fully depend on the quality of the work relationship that exists between supervisors and subordinates. For example, employees who are able to work with high concentration in their work do not fully depend on the quality of the work relationship good between themselves and their supervisor.

Table 4: F Test Results

Model	F_{table}	F_{count}	Sig.
Regression	3.04	6.451	0.002

From the results of processing as shown on Table 4, F_{count} of 6.451 shows a value greater than the value of F_{table} of 3.04 and a significance value below 0.05, so it can be stated that the results of the correlation model that has been produced are feasible to use.

6. CONCLUSION AND IMPLICATION

From the analysis and discussion that has been done, it can be concluded that the leader-member exchange has a positive correlation with employee performance, job involvement has a positive correlation with employee performance, and leader-member exchange has a positive correlation with employee job involvement. From the conclusions and results of the existing research, the advice that will be given in this study is that the production supervisor is suggested to be able to create conducive and comfortable working conditions for the workers, so that employees are willing to establish good cooperative relationships with supervisors. The management, especially the production supervisor, must make the production employees feel proud of their work, so that from that feeling of pride will arise the desire of employees to participate actively involved in activities or solving problems related to the production process. In addition, it is also recommended that you establish a reward system for employees who are able to exceed the target number of production set.

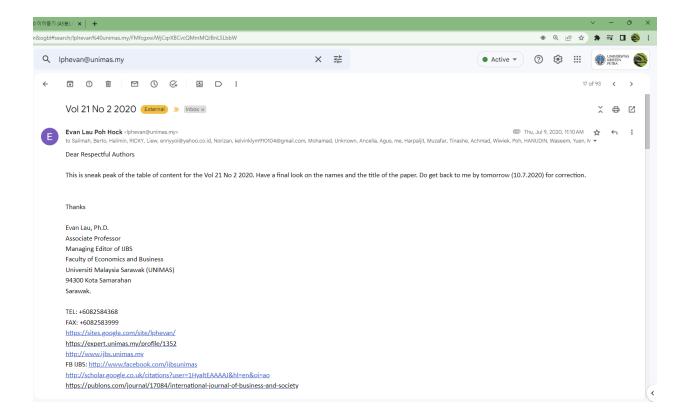
Further research is expected to be able to connect variables other than those that have been studied above on employee performance to find out variables that have a dominant positive relationship on employee performance in a company.

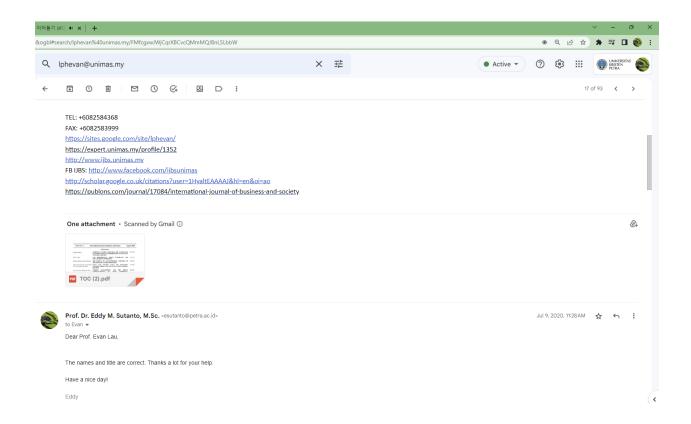
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