



THE EFFECT OF LEADER MEMBER EXCHANGE ON ARCHIVE FUNCTIONAL CAREER MODERATED BY COMPETENCY AND MOTIVATION VARIABLES AT THE MINISTRY OF MANPOWER

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ABSTRACT

An organization will progress and develop if the resources owned by its employees are good and have a certain quality. The Ministry of Manpower as an organisation, experiences problems related to its human resources. One of them is regarding the in-passing of functional archive positions which are not going well. As a result, the fulfilment of the number of archivists through the archiving functional position in-passing program at the Ministry of Manpower was not achieved. This quantitative study aims to examine the effect of leader member exchange on career functional positions as archivists moderated by competence and motivation variables in the Ministry of Manpower. The random sampling results obtained 70 respondents. Data collection was carried out using a questionnaire. Data analysis was performed using a simple linear regression analysis model using SPSS 20. The results of this study indicate that there is an effect of leader member exchange on careers, there is an influence of leader member exchange on careers moderated by competency variables, and (3) there is an influence of leader member exchange on careers moderated by motivation variables.

KeyWords

Career, Competence, Motivation, Leader Member Exchange

INTRODUCTION

The organization is an entity that consists of many people who have certain goals. In the organization there are components of leaders and members (subordinates), and in carrying out organizational activities, there will be a collaboration between leaders and their members. One approach used to describe the relationship between leaders and their members is the Leader Member Exchange theory or also referred to as the relationship of subordinate superiors (Robbins, 2007).

An organization will progress and develop if the resources owned by its employees are good and have a certain quality. Building a career will make someone more responsible for the organization and its duties. Many factors underlie employees in choosing career positions. These factors are competency and motivation. The issue of competence is important because competency offers an effective and efficient organizational framework for utilizing limited resources. Meanwhile, subordinates as a component in the organization need encouragement (motivation) from the leader to work as well as possible to meet the achievement of organizational goals.

The Ministry of Labor as an organization also undergoes a process as outlined above. Where the relationship between leaders and subordinates within the Ministry of Labor's organization also experiences an interesting dynamic. One of the concerns is in-passing functional positions. This program is encouraged to be followed by civil servants who meet the criteria in the Ministry of Labor to meet the needs of certain positions in functional positions of the organization. This functional position in-passing program is to encourage government organizations to become more streamlined yet rich in function. One of the in-passing programs carried out at the Ministry of Labor is the filing of functional filing positions. But unfortunately, the program of inverting the functional position of archivist at the Ministry of Labor is not going well.

Based on the results of a joint calculation between the Organization and Personnel Bureau, the General Bureau of the Ministry of Labor as the Filing Unit I within the Ministry of Labor, and the National Archives of the Republic of Indonesia (ANRI) as the supervisor of the national archives in 2016 requires 129 (one hundred twenty-nine) archives from the executive level archivist to the main expert. While in 2016 the number of archivists at the Ministry of Labor only amounted to 4 (four) people so that there are still quite a lot of archivists still needed to create an orderly archive at the Ministry of Labor.

From the leadership's point of view, the archiving functional position in-passing program at the Ministry of Labor also lacks in attention. Because currently, there are still some leaders who are less concerned with the functional position of the archivist because of the view that the archivist is a less strategic functional position. As a result, the fulfilment of the number of archivists through the archiving functional position in-passing program at the Ministry of Labor was not achieved.

Based on the background at the Ministry of Labor, this paper was made. This paper aims to examine the effect of leader member exchange on functional career position as an archivist moderated by competence and motivation variables in the ministry of labor. This paper consists of Introduction, Literature Review, Hypotheses Development, Research Methodology, Results and Discussion.

LITERATURE REVIEW

In an organization there will always be dynamic relations between leaders and their members. The dynamics of this relationship is the domain of the study of Leader-Member Exchange Theory (subordinates) or called Leader Member Exchange (LMX). LMX theory is a system of several components and the relationship between these components involves the closeness of leaders with members or dyadic (Dansereu, Graen&Haga, 1975; Graen&Cashaman, 1975).

Leader member exchange (LMX) is also called exchange between leaders and employees or superiors and subordinates. According to Yukl (in Ancok, 2012), the exchange relationship between superiors and subordinates makes employees comfortable to be with their leaders. This comfort makes it easier for employees to communicate with superiors. The leaders run LMX by giving awards to certain members who are considered willing to establish relationships and impose sanctions on unwanted members.

According to Robbins (2007), as a result of time pressure, the leader establishes that there is a special relationship with a group consisting of several followers. This group is divided into two, first called in-groups, which consist of people who are trusted and get an imbalance, in this case, the attention of a leader and tend to get special rights. The second is called out-group. They get little of the time given by the leader, little control given by the leader in terms of giving rewards, and the relationship between leaders and outgroups is based on formal authority relationships. For the leader member exchange relationship to remain intact, the leader and his followers must understand each other how to foster good relationships.

According to Gerstner & Day in Nusantara (2015: 22), the effect of leader member exchange on organizations can be seen as; high job satisfaction; organizational commitment; organizational citizen behaviour; objective performance assessment; and decreased intentions to leave the company. According to Liden&Maslyn (in Alshamasi&Aljojo, 2016: 58), there are four dimensions of LMX, namely: affection, loyalty, contribution, and professional respect.

Mondy (2010: 227) argues that the definition of career is a series of attitudes and behaviours related to work experiences and activities over a while in one's life and a series of ongoing work activities. Cascio in Marwansyah (2012: 207) argues that the word career can be viewed from two different perspectives, including from an objective and subjective perspective. From an objec-

tive perspective, careers are sequences of positions occupied by someone during his life, while from a subjective perspective, careers are changes in values, attitudes, and motivations that occur because a person gets older.

Ahmad Tohardi (2011: 281), stated that five factors affect an employee's career including; the attitude of superiors, co-workers, and subordinates; experience; Education; achievement; and fate. Careers can be developed through methods such as; employee self-service, discussions with knowledgeable individuals, company materials, performance-appraisal systems, and workshops (Mondy, 2010: 229).

Boyatzis in Hutapea and Thoha (2008) argues that competence is the capacity that exists in someone who can make that person able to fulfil what is required by work in an organization so that the organization can achieve the expected results. Meanwhile, according to Darsono (2011: 123) also stated the definition of competence is a combination of skills, knowledge, creativity, and a positive attitude towards a particular job that is manifested in performance. To be able to do a job, one must have the ability in the form of knowledge, attitudes, and skills relevant to the field of work (Suyanto and Jihad, 2013: 39).

Michael Zwell in Wibowo (2013: 339) revealed that several factors could influence one's competency skills, namely: beliefs and values, skills, experience, characteristics, motivation, emotional issues, intellectual abilities, and organizational culture. According to Spencer and Spencer (in Wibowo, 2010: 325) there are five characteristics of competence, namely; motives, traits, self-concept, knowledge, and skills.

Sutrisno (2013: 109) suggests motivation is a factor that drives a person to do a certain activity; motivation is often interpreted as a factor driving a person's behaviour. While Mangkunegara (2012: 61) also stated that motivation is "the condition or energy that drives employees who are directed or directed to achieve the goals of the organization of the company".

Sunyoto (2012: 13-17) states that there are seven motivational factors, namely; promotion, work performance, work itself, rewards, responsibilities, recognition, and success at work. Work motivation has several goals in its implementation, where the motivation goals describe an effective and efficient individual, there are several motivational goals, according to Hasibuan (2013: 146), namely:

- a. Improve employee morale and job satisfaction.
- b. Increase employee productivity.
- c. Maintaining the stability of company employees.
- d. Improve employee discipline.
- e. Streamlining employee procurement.
- f. Creating a good atmosphere and working relationships.
- g. Increase employee loyalty, creativity, and participation.
- h. Increase the level of employee welfare.
- i. Enhance employees' sense of responsibility towards their duties.
- j. Increase the efficiency of using tools and raw materials.

Archives are recorded information created by an institution, organization or individual. Human resource archiving as one of the elements in the filing system has an important role in the implementation of the filing policy. Overseas archivists already have internationally recognized archival competency standards. In general (2012), there are twelve aspects of competence for an archivist in working professionally, namely: (1) the ability to think creatively — problem-solving skills; (2) the ability to achieve results — execution and results; (3) the ability to build relationships - interpersonal skills; (4) the ability to promote customer service satisfaction; (5) the ability to communicate with impact; (6) the ability to promote organizational awareness; (7) the ability to influence/negotiate with others; (8) the ability to demonstrate business savvy; (9) the ability to manage projects; (10) the ability to conduct research and analysis; (11) the ability to lead teams; and (12) the ability to continue learning (G. Price, 2012).

Meanwhile, in Indonesia archival competence was only developed in 1990 since the issuance of Minister of PAN Decree Number: 36/1990 dated May 12, 1990, concerning Credit Figures for Archivist Position. In the decision, the archivist is still limited to Civil Servants. According to Government Regulation Number 28 of 2012 concerning Implementation of Law Number 43 of 2009 that an Archivist is someone who has competence in the field of archives obtained through formal education and or archival education and training and has the functions, duties and responsibilities of carrying out archival activities.

The general objective of this study is to examine the effect of leader member exchange on the career of archival functional positions moderated by competence and motivation variables in the ministry of labor. This goal is then divided into several specific objectives, namely to analyze; (1) the influence of leader member exchange on the career of archivist functional positions; (2) the influence of leader member exchange on the career of the archivist functional position by being moderated by the competency variable; and (3) the effect of leader member exchange on the career of the archivist functional position moderated by motivational variables. Based on these objectives and the literature review that has been done, the conceptual model that can be produced in this study is as shown below.

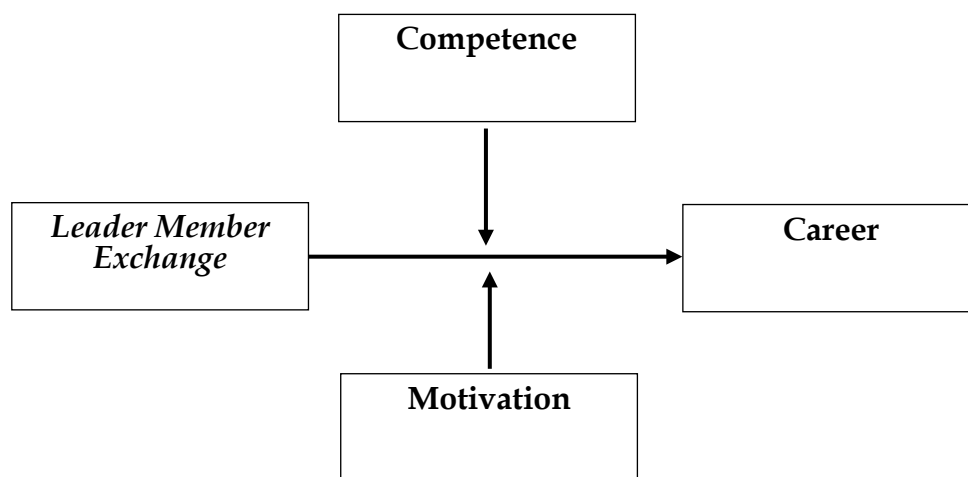


Figure 1. Conceptual Model

Notes:

Leader Member Exchange : Independentvariable

Career : Dependentvariable

Competence & Motivation: Moderatingvariables

The hypothesis in this study can be formulated as follows:

1. There is a leader member exchange effect on career
2. There is a leader member exchange effect on career by being moderated by the competency variable
3. There is a leader member exchange effect on career by being moderated by motivational variables

METHODOLOGY

This research is a quantitative study with a population involving employees in the Ministry of Labor. The respondent taking the technique used in this study is simple random sampling. From the sampling results obtained as many as 70 respondents in this study consisting of 28 archivists and 42 Sub-division Heads/Heads of Administration at the Ministry of Labor.

Data collection methods include observation and distribution of questionnaires. The questionnaire uses a Likert scale (1-5). After managing the data, the next step is to analyze the effect of independent variables on the dependent variable using a simple linear regression analysis model that is processed with the SPSS 20. This model was chosen because it wanted to know the contribution of the influence of the independent variables on the dependent variable. As well as the risk factors of the independent variables on the dependent variable. The form of the hypothesis used in this study is the associative hypothesis because in this study the effect of two variables is the independent variable and the dependent variable.

RESULTS AND DISCUSSION.

Descriptive analysis results showed that the majority of respondents were women (51.4%). Based on the results of the distribution of questionnaires to the Leader Member Exchange (X) variable, the highest respondent's answer was on the "Agree" answer of 27.02%. For the Career level variable (Y), the highest respondent's answer was "Strongly Agree" at 31.43%. In the Competency variable (Z1), the highest respondent's answer is in the "Very Agree" answer of 42.98%. For the Motivation variable (Z2), the highest respondent's answer is at the "Very Agree" answer of 40.36%. So it can be concluded that the level of Leader Member Exchange, career level, competence, and motivation in the Archivist Functional Position at the Ministry of Labor is considered good.

Hypothesis test results on these variables produce the causality diagram as follows:

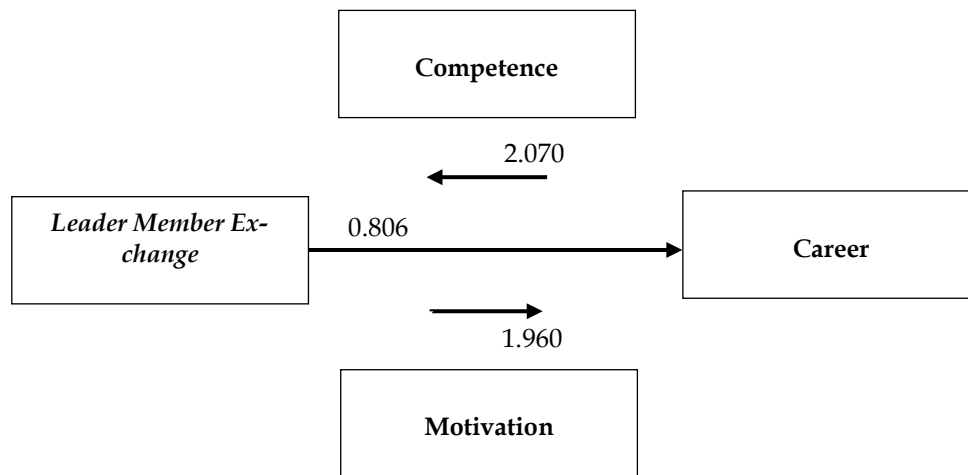


Figure 2. Causality Diagram

The Effect of Leader Member Exchange (X) on Career (Y)

The hypotheses can be proved by the magnitude of the path coefficient of 0.706 with a tcount of 11.221 > ttable of 1.994 or a significance value of 0.000 < 0.050. While the amount of contribution (contribution) variable Leader Member Exchange (X), can be seen from the value of R Square that is equal to 0.649. This means that 64.9% of the Career variable (Y) is influenced by the independent variable, namely Leader Member Exchange (X). While the remaining 35.1% of the Career variable (Y) is influenced by other variables not discussed in this study. As well as the Exchange Leader Member in equation (1) of 0.806 and a significant value at 0,000, which means that the Exchange Leader Member influences Career. Thus H1 is accepted.

Thus, the higher the level of involvement of leader member exchanges, the better career can be. This is consistent with the theory put forward by Yuni Elisa & Marcus (2016: 409). The leader listens for the input given by the employee. Besides, the addition of duties from the leader is considered not as pressure but as an opportunity to prepare the employee's career, so that employees will accept additional responsibilities.

This study is per that studied by Desy and Sari (2018) showing that the leader-member exchange (LMX) in the study is mentoring. While indicators of career success consist of career satisfaction and promotion, an examination of career satisfaction shows that only training and working hours have a positive effect. The more training and working hours following the work provided, the higher the career satisfaction of employees. While testing of promotions shows that only career planning and mentoring has a positive effect. The better the career planning of employees and the greater the support of superiors in mentoring, the more likely the employee will get a promotion to support his career success. It is said that leader member exchange (LMX) has a positive effect on career success.

The Influence of Leader Member Exchange (X) on Career (Y) with Competency moderating variable (Z1)

The new variable interaction XZ1 (moderating) is obtained tcount value of 5.027 > t table of 1.994 or the significance value of 0.000 < 0.05, meaning that the new variable had a positive and significant effect so that the Competency variable (Z1) had fulfilled the criteria as a moderating variable. And the value of standardized beta X with Z1 in equation (2) is 2,070 and significant value at 0,000, which means that Leader Member Exchange (X) * Competence (Z1) affects Career. Thus H2 is received.

The higher the level of competency involvement, the better the career. This is consistent with the theory put forward by Gary Yukl (2015: 140) argues that leaders develop interpersonal relationships from time to time with each of his subordinates when the two parties influence each other and negotiate the role of subordinates in the organization. Graen and Cashman in Gary Yukl (2015: 140) state that exchange relations (LMX) are formed based on personal relationships and the competence and abilities of subordinates and the reliability of subordinates.

This study is in accordance with that studied by Desy and Sari (2018) showing that leader-member exchange (LMX) has a positive effect on career success. Wijayanto, Theresia Avila Sri BuddiRahayu (2019) showed that Competence, Leader Member Exchange (LMX), and Work Discipline had a positive and significant effect on employee performance. Work discipline has the most influence on performance. So it can be said that leader-member exchange (LMX) has a positive effect on career success through competence.

The Effect of Leader Member Exchange (X) on Career (Y) with Motivation (Z2) moderating variable

The new variable interaction XZ2 (moderating) obtained tcount value of 4,871 > t table of 1,994 or a significance value of 0,000 < 0.05, meaning that the new variable had a positive and significant effect so that the Motivation variable (Z2) had met the criteria as a moderating variable. And the value of standardized beta X with Z2 in equation (3) is 1,960, and significant value is at 0,000 which means that Leader-Member Exchange (X) * Motivation (Z2) affects Career. Thus H3 is accepted.

Thus, the higher the level of involvement of leader member exchanges, the better career can be. This is consistent with the theory put forward by Sherman (2002) also states that the quality of a good leader-member exchange will have an impact on increasing the motivation of subordinates. Motivation, in this case, is the effect of the formation of positive leader-member exchanges, because in a positive leader-member exchange the boss relinquishes sanctions and influences that are forcing subordinates so that subordinates become more confident in superiors and are motivated to do work better. Harris et al. (2007) also conducted research that showed that high motivation could emerge in employees through the internal locus of control, self-esteem and also the quality of good leader-member exchange. With the quality of a good relationship between superiors and subordinates employees will have several benefits such as the existence of rewards that are formal or informal, feel the emotional support from superiors, have greater access to superiors and feel challenged and motivated to do jobs outside of what which is the responsibility in our work (Liden & Graen; Dienesch & Liden; Graen & Sca; Wayne, Shore & Liden, in Harris et al. 2007). In line with research conducted by Ilies, Nahr-gang, & Morgeson, 2007; Chen, Lam, & Zhong, 2007 (in Lunenburg, 2010) which stated that one of the most important implications of increasing leader-member exchange is that subordinates who are in groups in groups will feel an increase in work motivation trying to increase work productivity.

On the other hand, employees who are out-group, feel a lack of mutual trust, lack of support and attention from superiors and limited communication so that they only do limited work delegated by their superiors. Besides, Liden and Maslyn (1998, p.50) stated that work-related behavior, respecting leaders' skills and knowledge, loyalty to each other, and liking each other can contribute to the development of LMX. Exchange Leader Member leadership system in its application can produce feedback between individuals without being affected by social boundaries or strata. Leaders and employees can communicate regardless of seniority and position so that it can have a positive impact on the company. In addition, Liden and Maslyn (in Patrick and Rocky, 2017: 523) stated that work-related behavior, respecting leaders' skills and knowledge, loyalty to one another, and liking each other can contribute to the development of LMX. Exchange Leader Member leadership system in its application can produce feedback between individuals without being affected by social boundaries or strata. Leaders and employees can communicate regardless of seniority and position so that it can have a positive impact on the company.

This study is in accordance with that studied by Desy and Sari (2018) showing that leader-member exchange (LMX) has a positive effect on career success. Wijayanto, Theresia Avila Sri BuddiRahayu (2019) showed Erin AnggreaniWijanto and Drs. Ec. Eddy M. Sutanto, M.Sc. (2013) shows that LMX influences work motivation. This can be said that leader-member exchange (LMX) has a positive effect on career success through motivation.

CONCLUSION

The conclusions from the results of this study are as follows; (1) there is an influence of leader member exchange on career (path coefficient = 0.706, tcount is 11.221 > ttable is 1.994, the significance value is 0.000 < 0.050); (2) there is the influence of leader member exchange on career moderated by competence variable (tcount 5,027 > ttable for 1,994), and (3) there is an influence of leader member exchange on career moderated by motivation variable (tcount 4,871 > ttable of 1,994). Some things that can be concluded in this study are; there is an influence of knowledge on employee performance (t-statistic = 11,426, a significance level of 5% = 1.99); there is an effect of skill on employee performance (t-statistic = 2.453); there is an influence of attitude on employee performance (original sample value = -0.210 and t-statistics = 2.339); there is no influence of knowledge on employee performance by moderating work experience (original sample value = -0.069 and t-statistic 0.887); there is a skill effect on employee performance by moderating work experience (original sample value = 0.270 and t-statistics = 2.487); there is an effect of attitude on employee performance by moderating work experience (original sample value = -0,248 and t-statistics = 2,400).

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