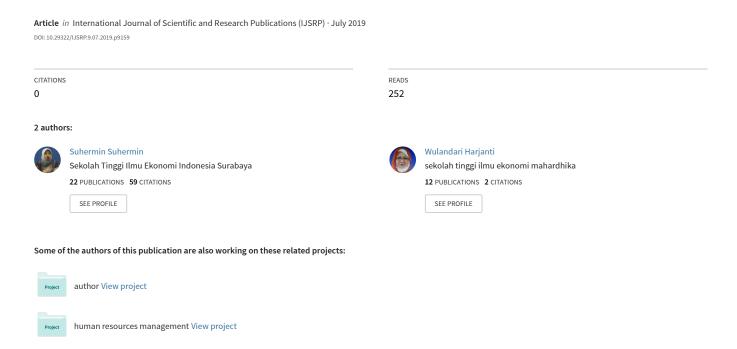
## The Impact of Social Exchange Theory Implementation Over Organizational Attitude and Behavior



# The Impact of Social Exchange Theory Implementation Over Organizational Attitude and Behavior

Suhermin\*, Anang Subardjo\*, Wulandari Harjanti \*\*

\* Sekolah Tinggi Ilmu Ekonomi Indonesia Surabaya \*\* Sekolah Tinggi Ilmu Ekonomi Indonesia Mahardhika Surabaya

> DOI: 10.29322/IJSRP.9.07.2019.p9159 http://dx.doi.org/10.29322/IJSRP.9.07.2019.p9159

**Abstract-** Medical sales representatives are sales force that is spearheading the sales and distribution of products in the health care organization. The tasks performed by medical sales representative have a high degree of difficulty that requires the support of the company and good communication with your boss. Research objectives to be achieved are: 1) To analyze the direct effect of organizational support on job satisfaction; 2) To analyze the direct effect of leader-member exchange (LMX) on job satisfaction; 3) To analyze the indirect effect of organizational support on organizational commitment; 4) To analyze the indirect influence of leader-member exchange (LMX) on organizational commitment. The approach used for this research is a quantitative approach. The population in this study is a medical sales representative at the Government General Hospital in Surabaya, dr. Soetomo and Haji General Hospital. The number of samples is four or five times the number of variables or attributes are specified by 72 respondents. Data were collected in person by the distributing questionnaires to number of respondents to obtain primary data. Analysis using path analysis. The result of the study is 1) The best medical support from the medical team; 2) Perception of medical sales representatives to leader-member exchange (LMX) are better, it could increase job satisfaction directly; 3) Support organization is also better to have an impact on increasing organizational commitment; 4) Leader-member exchange (LMX) brings indirect effect on organizational commitment

*Index Terms*- Perceived organizational support, Leader-member exchange, job satisfaction, commitment organization

#### I. INTRODUCTION

Pharmaceutical companies are manufacturing companies that deal with the world of health. In the dissemination of its products the company established a working relationship with the hospital, doctors, pharmacies, and others. Medical sales representatives are the spearhead salespeople for the sales and distribution of products to health care organizations. Working mobility, making appointments, maintaining good relationships with doctors, pharmacies, hospitals and other healthcare services are the things that should be done by a representative medical sales. Attitude is a positive or negative feeling or mental state that

is always prepared, studied, and organized through experiences that have a special effect on one's response to people, objects, and circumstances (Gibson 1996: 144). Some employee attitudes to work and organization are an important part consisting of work motivation, work itself, work involvement, organizational commitment, responsibility (Kolman et al, 2007).

Job satisfaction is a common attitude of the individual to his work (Robbins, 2007). Organizational commitment is defined as a feeling of confidence and shared values with a person throughout the organization (Meyer and Allen 1991). Porter (Robbins, 2007: 95) argues that organizational commitment seems to be a better indicator because it represents a more global and lasting response to the organization as a whole rather than job satisfaction.

Organizational support is an employee's general belief that organizations value their contributions and care about their lives (Rhoades and Eisenberger, 2002). The inner work team consists of superiors and subordinates. Each organization has a leader and subordinates or followers with their main tasks and functions. Modern organizations usually already have vision and mission, and have set goals, objectives, and strategic steps agreed with the leadership and subordinates (Bennis et al., 1996). Leaders build a special relationship with their small group of subordinates (Robbins, 2007: 446). At the same time, subordinates reciprocally form a leader's self-schema through subordinate responses, either through individual reactions or group reactions (Luthans, 2006: 647).

Research on organizational support has generally been followed by two main streams until this era, first, focusing on the linkage between organizational support with organizational commitment, leader-member exchanges, and job satisfaction and secondly, focusing on the antecedents and consequences of organizational support.

Based on the background of the problems described above, then there are questions arised; 1) Does organizational support have a direct effect on job satisfaction?; 2) Is the leader-member exchange (LMX) directly affecting job satisfaction?; 3) Does organizational support have an indirect effect on organizational commitment?; 4) Is leader-member exchange (LMX) having an indirect effect on organizational commitment?

#### II. LITERATURE REVIEW

#### Attitude and Behavior

Some theories seek to explain the formation and change of attitude. One theory holds that one "seeks fit between their beliefs and feelings toward the object" and "suggests that attitude change depends on either a change in feelings or beliefs. Robin (2007: 94) argues that these work-related attitudes pave the way for positive or negative evaluation that employees hold about aspects of their work environment. Most of the research in organizational behavior has focused on three attitudes: job satisfaction, work engagement, and commitment to the organization. However Laschinger (2003) states that organizational attitudes and behaviors are organizational commitment, job satisfaction, and trust to the organization.

Bhargava (2008) argues that when an organization provides employees with what employees are promised and respected, employees will respond in the form of positive attitudes and behaviors (commitment, job satisfaction, no intention to leave the organization and ordinary behavior) that helps an organization to achieve its goal.

#### Job satisfaction

Job satisfaction can be described as an individual evaluation of how well the work meets personal expectations and needs (McKenna, 2000), or, with a global approach, when employee feelings and emotions lead to their work experience (Price 2001). Mathis (2006: 121) explains that in the most basic sense, job satisfaction is a positive emotional state that results from the evaluation of one's work experience. Job dissatisfaction arises when one's expectations are not met. Locke (Luthans, 2006: 243) provides a comprehensive definition of job satisfaction that includes reaction or cognitive, affective, and evaluative attitudes and states that job satisfaction is a happy emotional state or positive emotion derived from a job assessment or a person's work experience.

Furthermore, Robbins (2007: 149) states that there are elements of job satisfaction commonly used in job satisfaction studies including "type of work, co-workers, benefits, treated with respect and fair, job security, opportunities to contribute ideas, wages, recognition of performance, and an opportunity to move forward.

#### **Organizational Commitment**

Organizational commitment is the degree to which an employee sides with a particular organization and its purpose, and intends to maintain its membership within the organization (Robbins, 2007). Organizational commitment has been conceptualized as a psychological state or mindset that binds individuals to an action relevant to one or more targets, and the willingness to persevere in an action (Cooper-Judge and Viswesvaran, 2005). Mathis (2006: 122) defines commitment as a level to where employees are confident and accepted organizational goals, and wishes to stay with the organization. As an attitude, organizational commitment is defined as (1) a strong desire to remain as a member of a particular organization; (2) a desire to strive to the best of the organization; and (3) certain beliefs, and acceptance of organizational values and goals. In other words, this is an attitude that reflects employees' loyalty to the

organization and the success and continuous progress (Luthans, 2006: 249)

Buchanan (Gibson, 1996: 315) says that commitment to the organization involves three attitudes: (1) Identification with organizational goals, (2) Feelings of involvement in organizational tasks, and (3) Feelings of loyalty to the organization. Organizational commitment includes the pride of members, loyalty of members, and the willingness of members to the organization. Organizational commitment can also be interpreted as an attitude that reflects the likes or dislikes of employees to the organization (Robbin, 2007). Allen and Meyer (Aube, 2007) share commitments in three dimensions that include affective commitment, normative commitment and sustainability commitments.

#### **Organizational Support**

Organizational support theory (OST) (Rhoades and Eisenberger, 2002) says that to meet socio-emotional needs and to assess the benefits of better employment, employees create perceptions about the conditions at which organizations value their contribution and care about life. Based on the theory, the development of POS is based on the tendency of employees to realize human-like organizational characteristics.

Organizational support theory also explains the underlying psychological processes resulting from perceived organizational support. First, reciprocity-based norms, POS should result in an obligation to care for the well-being of the organization and assist the organization in reacting to its objectives. Second, awareness, approval, and honor shown by POS must meet the socio-emotional needs, which make the worker use the membership of his organization and the status of his role as his social identity. Third, POS seeks to reinforce employees' beliefs that organizations recognize and giving reward higher work performance (i.e reward-performance expectations). This process creates good results for employees (i.e increased job satisfaction and positive mood) and for the organization (i.e increased affective and performance commitment, and reduced turnover) (Rhoades and R. Eisenberger, 2002).

#### **Leadership Exchange Theory (Leader Member Exchange)**

The LMX theory states that leaders treat each subordinate differently (Luthans, 2006: 646). Graen (Yukl, 2007: 141) develops relationships in the subordinate-dyad leadership described in life cycle models that have three possible stages. 1). The relationship begins with a preliminary test phase in which leaders and subordinates evaluate each other's motives and resource attitudes, and the potential resources that will be required, and the building of a shared role expectation. Some relationships never move beyond this first stage. 2). If this relationship continues into the second stage, exchange arrangements are cleansed, and mutual trust, loyalty and respect are developed. 3). Some exchange relationships move forward to the third stage (mature) where self-made exchange is transformed into a shared commitment to the mission of the work unit's goals.

Maslyn and Uhl-Bien (2001) further suggest that the influence, loyalty, and professional respect dimension is more than the social value that focuses on the social exchange between leaders and members, while the contribution dimension is more like a working relationship that focuses on the work-relationships

between leaders and members. Thus, a high "dominant-dominant" (work-related) exchanges tend to involve intensive interaction with task-related activities, while a "dominant exchange" (social exchange rate) tends to involve outside work, affective and personal interaction. As a result, LMX exchange rate differences tend to predict different work outcomes.

#### **Conceptual Framework and Research Hypothesis**

This study examines the effect of organizational support and leader-member exchange (LMX) on organizational attitudes and behavior (organizational satisfaction and commitment). The research framework, can be described as follow:



Figure 1. Concept Research Framework

Based on the problems and objectives of the study, as well as the study of theory and conceptual framework as described above, the research hypothesis can be formulated as follow: 1) Organizational support has a direct effect on job satisfaction; 2) Leader-member exchange (LMX) has direct effect on job satisfaction; 3) Organizational support has an indirect effect on organizational commitment; 4) Leader-member exchange (LMX) has an indirect effect on organizational commitment.

#### III. RESEARCH METHODS

#### Research Approach

The approach that will be used for this research is quantitative approach. Quantitative approach is used in this research because through that approach the process of research is done in a structured and using research samples that the number is relatively large enough as a representation or represent the description of the population studied.

#### **Population and Sample Research**

The population in this study represent representative medical sales at Government General Hospital in Surabaya. There are 2 (two) General Hospital with ownership of Surabaya Province local government that are dr. Soetomo and Haji General Hospital. The sampling technique, is accidental sampling.

Determination of samples according to Malhotra (1996) is at least four or five times the number of variables or attributes specified. The number of indicators in this study are 18 indicators, so the number of respondents is 4 times the number of indicators that is equal to 72 respondents.

#### **Data Retrieval Method**

This study is using primary data which is linked directly with research variables testing collected from respondents. Data were collected personally by distributing questionnaires to a number of respondents to obtain primary data.

Questions in the questionnaire are presented in the form of statements and scales to state the response. The statements contained in the questionnaire relate to respondents' perceptions of organizational support, member-member exchanges, and organizational attitudes and behavior.

## Operational Definition of Variables Organizational Support (X1)

Organizational support is a mechanism to fulfill socio-emotional needs and assess the benefits of performance improvement, employees create perceptions about the conditions at which the organization values its contribution and care about life. The indicators used are:

- 1. Reciprocity-based norms, organizational support should result in an obligation to care for the well-being of the organization and assist the organization in reacting to its objectives.
- Care, agreement and honour which is which is shown by organizational support should fulfill emotional needs, which make the worker use the membership of his organization and the status of his role as his social identity.
- 3. Organizational support seeks to reinforce employees' belief that the organization recognizes and giving rewards an upward performance (i.e reward-performance expectations).

#### Leader-Member Exchange (Y1)

Leader-member exchange is defined as an assessment of the relationship and interaction between the supervisor (subordinate) and the subordinate shown by the degree of closeness of the relationship between the boss and the subordinate. The indicators of leader-member exchange used are:

- 1. Affection (affects), i.e the relationship of dyads to each other primarily based on interpersonal
  - attraction, not based on work or professional values.
- 2. Loyalty, i.e expression of public support for the purpose and personal character of other LMX

members. Loyalty involves a loyalty to an individual who is generally consistent from situation to

situation

3. Contribution, i.e the perception of the current level of workoriented activity puts each member

forward each other toward the goal (explicit or implicit) of the

4.Respect Professionals, i.e perceptions of the extent to which each dyad member has built a

Leader-Member

reputation, inside and / or outside the organization, from excelling in his line of work.

#### Organizational Attitudes and Behaviors (Y2)

Organizational attitudes and behaviors which consist of job satisfaction and organizational commitment are two of the most prominent in testing work and behavior attitudes in work and organization. Job satisfaction, and organizational commitment are used as dimensions that explain organizational attitudes and behaviors, as follow:

#### 1. Job Satisfaction

What is meant by job satisfaction is an effectiveness or emotional response to various aspects of

work.

#### 2. Organizational commitment

Organizational commitment is a relatively strong identification and involvement of the

organization, and the desire of members of the organization to maintain its membership in the

organization and willing to make a high effort for the achievement of organizational goals.

#### Data analysis

Data analysis techniques used in research are descriptive statistical analysis techniques, and path analysis techniques.

Descriptive statistical analysis techniques used to describe the characteristics of each respondents in the study. The data collected is tabulated and descriptive. Descriptive measure is the provision of numbers, either in the number of respondents or in percentage form.

Analyzer used in this research is path analysis (path analysis), where tool can be used to know direct influence of exogenous variable to endogen variable.

#### IV. ANALYSIS AND DISCUSSION

#### **Descriptive Analysis**

Descriptive analysis conducted to determine the level of responses of respondents to the items of questions posed. By using SPSS 16.0 then got the result of analysis as follow: Organizational Support Respondents' results for each indicator on the variable support organization, presented in the following table:

Table 1
Descriptive Analysis Results Variable Organizational Support (X1)

,	The
gene	ral

	Res	ponden	ts Res	ponse S	core						
Indicator	1		2		3		4		5		Mean
	F	%	F	%	F	%	F	%	F	%	_
						19,		55,		23,	
Norms of reciprocity $(X_{1.1})$	-	-	1	1,4	14	4	40	6	17	6	4,01
						19,		59,		19,	
Concern $(X_{1.2})$	-	-	1	1,4	17	4	43	7	14	4	3,97
						12,		66,		19,	
Approval $(X_{1.3})$	-	-	1	1,4	9	5	48	7	14	4	4,04
						19,		66,		19,	
Honor $(X_{1.4})$	-	-	-	-	10	9	48	7	14	4	4,05
						13,		58,		27,	
Recognition $(X_{1.5})$	-	-	-	-	10	9	42	3	20	8	4,13
						18,		52,		22,	
Reward $(X_{1.6})$	-	-	5	6,9	13	1	38	8	16	2	3,90
Total Mean Organizational Support 4,0											4,01

respondent's perception on the variable of organizational support has successfully revealed that the respondent has concern, legal, moral and financial responsibility for the contribution given by the employee. This is seen in the mean total value generated by this variable is 4.01 which means in good score.

#### Exchange (LMX)

Respondents' results for each indicator on the variable support organization, presented in the following table:

Table 2
Results of Descriptive Analysis of Leaders-Member Exchange Variables (Y1)

	Respondents Response Score										
Indicator	1		2		3		4		5		Mean
	F	%	F	%	F	%	F	%	F	%	<del>_</del>
						16,		61,		22,	
Influence $(Y_{1.1})$	-	-	-	-	12	7	44	1	16	2	4,05
						26,		51,		22,	
Loyalty (Y <sub>1.2</sub> )	-	-	-	-	19	4	37	4	16	2	3,95

						15,		59,			
Contribution (Y <sub>1.3</sub> )	-	-	-	-	11	3	43	7	48	25	4,09
						16,		55,		27,	
Professional Awards (Y <sub>1.4</sub> )	-	-	-	-	12	7	40	6	20	8	4,11
Total Mean of Leaders Exc	chang	e									4,05

The general respondent's perception on the leader member exchange (LMX) variable reveals that the interaction is done not only on the physical bond, where the subordinate must always follow the superior instruction, but more deeply the proximity between superiors and subordinates related to the emotional bond between the boss and subordinate. It appears that the total average value generated by this variable is 4.05 which means good.

## Organizational Attitudes and Behavior Job satisfaction

Response of respondents for each indicator is presented in Table 4.3 below:

Table 3
Descriptive Analysis Results Variable Job Satisfaction (Y2)

	Res	ponden	ts Res	ponse S	core						
Indicator	1		2		3		4		5		Mean
	F	%	F	%	F	%	F	%	F	%	_
						15,		68,		16,	
Salary or wages $(Y_{2.1})$	-	-	-	-	11	3	49	1	12	7	4,01
						15,		66,		18,	
Work $(Y_{2.2})$	-	-	-	-	11	3	48	7	13	1	4,02
Promotional opportunities						11,		77,		11,	
$(Y_{2.3})$	-	-	-	-	8	1	56	8	8	1	4,00
						18,		52,		29,	
Supervisor $(Y_{2,4})$	-	-	-	-	13	1	38	8	21	2	4,11
						12,		65,		19,	
Co-workers (Y <sub>2.5</sub> )	-	-	2	2,8	9	5	47	3	14	4	4,01
Total Mean Job Satisfaction	n										4,03

The general perception of respondents in this variable of job satisfaction revealed that satisfaction in the work is considered good, with the total average value generated by this variable is 4.03 which means good.

#### **Organizational Commitment**

Organizational commitment is a relatively strong identification and involvement of the organization, and the desire

of members of the organization to maintain its membership in the organization and willing to make a high effort for the achievement of organizational goals. The results of the responses of respondents on organizational commitment appear in the following table:

Table 4
Descriptive Analysis Results Variable Organizational Commitment (Y3)

	Res	ponden	ts Res	ponse S	core						
Indicator	1		2		3		4		5		Mean
	F	%	F	%	F	%	F	%	F	%	=
						12,		54,		31,	
Confidence (Y <sub>3.1</sub> )	-	-	1	1,4	9	5	39	2	23	9	4,16
						15,		68,		16,	
Will (Y <sub>3.2</sub> )	-	-	-	-	11	3	49	1	12	7	4,01
						15,		62,		19,	
Desire $(Y_{3.3})$	-	-	2	2,8	11	3	45	5	14	4	3,98
<b>Total Mean Organizational Commitment</b>										4,05	

#### Results of Path Analysis and Hypothesis Testing

Hypothesis testing is done by t-test on each path of partial direct influence. Path analysis is used to predict changes in the value of the dependent variable if the value of the independent variable increases or decreases. In this research, path analysis is used because the variables that become the topic in this study consist of two independent variables namely organizational support as variable X1 and leader-member exchange (X2), and two dependent variables consist of job satisfaction (Y1), and organizational commitment so that it can be known and can be proven how far the relationship between these variables.

Sub Sutructure Analysis 1A sub-structural analysis of 1 (one) will examine the direct influence of organizational support variables, and leader-member exchange (LMX) on job satisfaction. The relationship of sub-structure 1 can be seen in Figure 1 below:

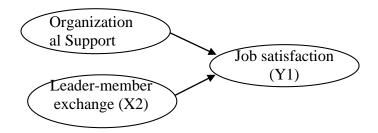


Figure 1. Sub-Structure Relationships X1 and X2 over Y1

In sub-structure 1, multiple linear regression analysis is used to know the influence of each exogenous variable to its endogenous variable.

Table 5
Model Summary - Sub Structure 1

Model	R	R square	Adjusted R Square	Std Error of the Estimated
1	0,717	0,514	0,500	0,330

The magnitude of R square (r2) of 0.514 indicates that the influence of organizational support and leader-member exchange on job satisfaction is 51.4%, while the rest of 49.6% is influenced by other variables.

Tabel 6 Anova Model 1 – Sub Structure 1

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.966	2	3.983	36,474	$0,000^{a}$
	Residual	7.534	69	.109		
	Total	15.500	71			

The F value in Table 6 above is 36.474 with a significance level of 0.000 indicating that the regression model used is feasible or correct.

Table 7 Model Summary - Sub Structure 1

Mod	Model		ardized ent	Standardized coefficient	t	Sign
		В	Std error	Beta		
1	Constant	1,412	0,317		4,461	0,000
	Organizational support	0,347	0,071	0,457	4,907	0,000
	Leader-member exchange	0,302	0,072	0,390	4,190	0,000

Table 7 above shows that the organization support variable (X1) has a t value of 4.907 with a significance of 0.000 < 0.005. This suggests that organizational support has a direct influence on job satisfaction. The result of path coefficient is 0.457 indicating the magnitude of the effect of organizational support on leader-member exchange is 0.457.

The leader-member exchange variable (X2) has a t value of 4.190 with a significance of 0.000 < 0.005. This suggests that leader-member exchanges have a direct influence on job satisfaction. The result of path coefficient is 0.390 which indicates the magnitude of the influence of leader-member's exchange on job satisfaction is 0.390.

#### **Sub Sutructure Analysis 2**

Substructure 2 is used to test the effect of organizational support (X1) and leader-member exchange (X2) directly on organizational commitment (Y2).

Table 8 Model Summary - Sub Structure 2

Model	R	R square	Adjusted R Square	Std Error of the Estimated
1	0,713	0,508	0,486	0,439

The magnitude of R square (r2) of 0.508 indicates that the influence of organizational support and leader-member exchanges on organizational commitment is 48.6%, while the remaining 32.4% is influenced by other variables.

Tabel 9 Anova Model 1 – Sub Structure 2

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13,532	3	4,511	23,377	$0,000^{a}$
	Residual	13,121	68	0,193		
	Total	26,653	71			

The value of F in Table 9 above of 23,377 with a significance level of 0,000 indicates that the regression model used is feasible or correct.

Table 10 Model Summary - Sub Structure 2

Mod	Model		ardized ent	Standardized coefficient	t	Sign
		В	Std error	Beta		
1	Constant	0,200	0,478		0,418	0,677
	Organizational support	0,234	0,109	0,235	2,145	0,036
	Leader-member exchange	0,355	0,17	0,350	3,309	0,001
	Job satisfaction	0,350	0,160	0,267	2,190	0,032

Table 10 above shown that organizational support variable (X1) has a t value of 2.145 with a significance of 0.036 < 0.005. This suggests that organizational support has a direct bearing on organizational commitment. The result of path coefficient is 0.235 which indicates the magnitude of the effect of organizational support on organizational commitment is 0.235.

Lead-member exchange variable (X2) has a t value of 3.390 with significance of 0.001 < 0.005. This suggests that leader-member exchanges have a direct influence on organizational commitment. The result of path coefficient is 0.350 which

indicates the magnitude of the effect of leader-member's exchange on organizational commitment is 0.390.

Job satisfaction variable (Y1) has a t value of 2.190 with a significance of 0.032 < 0.005. This shows that job satisfaction has a direct influence on organizational commitment. The result of path coefficient is 0.267 indicating the magnitude of the influence of leader-member's exchange on organizational commitment is 0.267.

Testing sub-structure 2 can also be seen in the following figure:

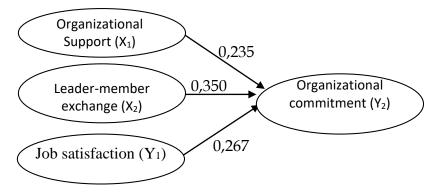


Figure 2. Results of Sub Structure Testing 2

#### **Hypothesis testing**

Based on calculations that have been done on sub-structure 1 and sub-structure 2, it can be obtained summary of results for testing the hypothesis as follows:

Influence Influence of variables Direct Indirect Total  $X1 \rightarrow Y1$ 0,457 0,457  $X2 \rightarrow Y1$ 0.390 0,390  $Y1 \rightarrow Y2$ 0,267 0.267  $X1 \rightarrow Y1 \rightarrow Y2$ 0,235  $0,267 \times 0,457 = 0,122$ 0,235 + 0,122 = 0,357 $X2 \rightarrow Y1 \rightarrow Y2$ 0,350  $0,267 \times 0,390 = 0,104$ 0.350 + 0.104 = 0.454

Table 11 Summary of Path Coefficient Results

Based on Table 11 above, the path coefficient can be seen also in the following figure:

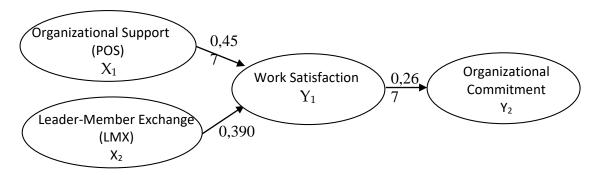


Figure 3. Results of Path Coefficients

#### V. DISCUSSION

#### The Effect of Organizational Support on Job Satisfaction

This hypothesis is to find out the improved quality of leadermember exchange predictable from increased organizational support. The result of path coefficient in this relationship is 0.457 (Table 11) and significant. This suggests that better organizational support will result in increased job satisfaction. This means that organizational support contributes greatly to the creation of job satisfaction.

Empirical conditions (descriptive analysis results) resulted in the recognition indicator as one of the parameters to measure the organizational support variable has the highest descriptive mean value of 4.13 (Table 1) compared to other indicators in the organizational support variable. Recognition is an individual's socio-emotional need for the status of its role as part of the organization. With these averages, indicating that the employee's recognition by the company has done well.

Organizational support theory is oriented from the theory of social exchange which states that individuals voluntarily provide benefits to others, causing others to have an obligation to reciprocate by providing benefits to the giver. Organizational support can be enhanced by rewarding employees for their work

through media such as thanksgiving or small gifts (Andrew et al., 2009).

Based on above explanation, there are findings that support organization has been perceived either by the respondent can provide an increase in the satisfaction of medical sales representative job. These findings succeeded in proving the hypothesized relationship while enriching the limited findings of increased job satisfaction influenced by organizational support.

## Effect of Leader-Member Exchange (LMX) on Job Satisfaction

This hypothesis is to find out an increase in leader-member exchange (LMX) on increasing job satisfaction. Empirical conditions (descriptive analysis results) brought the supervisor indicator as one of the parameters to measure job satisfaction variable has the highest descriptive mean value of 4.11 (Table 3) compared to other indicators in the organizational support variable. Supervision by the supervisor is a form of attention when the medical sales representative finds difficulties in the field.

The LMX theory illustrates how leaders develop different exchange relationships over time with various subordinates (Yukl, 2007: 140). This study is inconsistent with Andrew et al. (2009) brought in an insignificant relationship between LMX and employee satisfaction. This result is due to volunteer status so that the leader does not have legitimate power over the volunteers (e.g evaluation, compensation). Masterson's (2009) research was conducted on restaurant employees and stated that the quality of LMX relationships having a direct linear relationship with job satisfaction.

The descriptive analysis of leader-member exchanges (LMX) is shown by professional rewards with an average figure of 4.11 (Table 2). This indicates that in actual conditions leaders and members are able to create high exchange relationships so that members can feel appreciation from their superiors of their work professionally. The award can be a recommendation of salary increase, position, or recommendation in following job-related development program. Therefore this study is consistent with the theory that implicitly can be revealed that the exchange rate between superior and subordinate high will lead to subordinate job satisfaction.

## The Effect of Organizational Support on Organizational Commitment Through Job Satisfaction

This study found that organizational support has a significant effect on organizational commitment through job satisfaction. This means both the good and bad of support organization provided by the company is able to increase job satisfaction which ultimately can increase organizational commitment. The amount of influence of organizational support to organizational commitment through job satisfaction is 0.357 (Table 11). This effect is smaller when compared to the direct influence of organizational support on organizational commitment of 0.457 (Table 7).

The results of this study are consistent with research conducted by Wood et al. (2003) who stated that high organizational support can increase organizational commitment through job satisfaction. The research was conducted on the employees of the School of Pathology (Speech-language pathologists (SLPs)) in the Midwest, USA. One hundred randomly

selected respondents in Illinois, Indiana, Iowa, Michigan, Minnesota, Wisconsin and Ohio. The results of this study reveal that perceptions of organizational support and high levels of job satisfaction can affect organizational commitment. Consistent with the research of Allen et al. (2003), that organizational support can increase organizational commitment through increased job satisfaction. This study shows that increased job satisfaction can increase organizational commitment as well.

The use of the same theory in different samples and locations gets the same result. This shows that job satisfaction successfully mediates the effect of organizational support on organizational commitment of employees to both service organizations and manufactures. Organizational support provided by pharmaceutical companies to medical sales representatives has been perceived well with a descriptive average of 4.03 able to provide job satisfaction so that it makes a representative sales representatives have a high commitment to the company. The findings succeeded in proving the hypothesized and consistent relationship with the research of its predecessor, and may enrich the findings of the effect of organizational support on organizational commitment mediated by job satisfaction on representative medical sales.

## Effect of Leadership-Exchange (LMX) on Organizational Commitment Through Job Satisfaction

The study found that leader-member exchange (LMX) had a significant effect on organizational commitment through job satisfaction. This means that the high level of leader-member exchanges provided by the company can improve job satisfaction that ultimately can increase organizational commitment. The amount of influence of organizational support to organizational commitment through job satisfaction is 0.454 (Table 11). This result is higher than the direct influence of leader-member exchange on organizational commitment of 0.390 (Table 7).

Colins (2007) research was conducted for part-time and full-time employees at restaurants located in the Midwestern United States. The results revealed that the quality of leader-member exchanges can improve job satisfaction which further reduces the turnover intention. Ouyang et al. (2010) suspect that leader-member exchanges can affect organizational commitment through job satisfaction. The research instrument was distributed to 400 bank employees, securities and insurance companies in Taiwan using a seven-point Likert scale. Research has shown that keeping good relationships between managers and subordinates causes them to feel more satisfied in the job, making employees more willing to comply with organizational rules, and committed to the organization.

The results of this study are consistent with the results of the above research, that the higher the leader-member exchange rate, the better the level of job satisfaction that will ultimately impact on the increase of organizational commitment. The use of theories about the same research variables at different locations, as well as on different samples obtained the same research results.

#### VI. CONCLUSIONS AND SUGGESTIONS

#### Conclusion

Based on the results of the study, and the discussions that have been described in the previous chapter, the following conclusions can be drawn: 1. The better the support given by the company to the medical sales representative will be able to

improve the satisfaction of the medical sales representative directly.

2. A representative representative medical representation of a better leader-member exchange

(LMX) can increase job satisfaction directly. Supervision given by the superior directly perceived as

a form of attention to subordinates, so it can help get problem solving if representative sales

representatives have difficulty.

3. Improved organizational support also has an impact on increasing organizational commitment.

This shows that job satisfaction mediates the relationship between organizational support and

organizational commitment.

4. Leader-member exchange (LMX) has an indirect effect on organizational commitment. Improved

leader-member (LMX) exchanges will have an effect on increased job satisfaction and result in

increased organizational commitment.

#### **Implications**

The results of this study provide implications for the following:

#### 1. Theoretical implications

1) The findings of this study, indicating that the theory of social exchange can be applied to the

organization. Interaction patterns between individuals and other individuals in the company

have an impact on increasing job satisfaction and organizational commitment. The interaction

patterns as the result of this research is a favorable pattern of working relationships with one

another.

2) The findings of this study enrich the results of research on the theory of social exchange. Job

satisfaction, which is a reflection of the individual's attitude toward his work conditions, is

capable of mediating to an increase in organizational commitment.

3) The theory of social exchange strengthens the relationships between individuals that form an

interaction and produce an effort, to achieve balance in the relationship.

#### 2. Practical implications

1) Giving rewards and loyalty between superiors and subordinates need to get the attention of

the management. Reward is an indicator that motivates employees to enthusiasm in

performing their duties as a representative medical sales while loyalty is the interaction of

superiors and subordinates who must always be considered.

2) Growing the desire to remain an organization member by improving harmonious

interrelationships between employees and organizations.

#### REFERENCES

- [1] Allen, D.G., L.M. Shore, and R.W. Griffeth. 2003. The Role of Perceived Organizational Support and Supportive Human Resource Practices in the Turnover Process. Journal of Management. 29 (1): 99-118.
- [2] Aggarwal, U., and S. Bhargava. 2009. Reviewing the Relationship Between Human Resource Practices and Psychological Contracts and Their Impact on Employee Attitude and Behavior: A Conceptual Model. Journal of European Industrial Training. 33 (1): 4-31
- [3] Andrew, D., May, K., and Seungmo, K. 2009. Influence of Leader-Member Exchange and Perceived Organizational Support on Volunteer Satisfaction and Turnover Intention of Older LPGA Volunteers. North American Society for Sport Management Conference (NASSM). May 27-30,2009: 146
- [4] Aube, C., Vincent R., and Estelle M.M. 2007. Perceived Organizational Support and Organizational Commitment: The Moderating Effect of Locus of Control and Work Autonomy. Journal of Managerial Psychology. 22 (5): 479-495
- [5] Collins, M.D. 2007. Understanding the Relathionships Between Leader-Member Exchange (LMX).
- [6] Psychological Empowerment, Job Satisfaction, and Turnover Intent in a Limited-Service
- [7] Restaurant Environment. Presented in Partial Fulfillment of the Requirements for the Degree Doctor of Philosophy in the Graduate School of The Ohio State University.
- [8] Cooper, H.A. and Viswesvaran C. 2005. The Construct Of Work Commitment: Testing An Integrative Framework. Psychological Bulletin. 131 (2): 241-59
- [9] Eisenberger, R., Florence, S., Christian, V., Ivan, L. S., and Linda, R. 2002. Perceived Supervisor Support: Contributions to Perceived Organizational Support and Employee Retention. Journal of Applied Psychology. (87) 3: 565-573
- [10] Erickson, R.A., and Michael E.R. 2007. Reducing Attrition After Downsizing Analyzing the Effects of Organizational Support, Supervisor Support, and Gender on Organizational Commitment. International Journal of Organizational Analysis. (15) 1: 35-55
- [11] Gibson, J.L., Ivancevich, J.M., and Donnelly, J.H. 1996. Organization: Behavior, Structure, Process, Translation Nunuk Adiarni. Editor Lyndon Saputra. Jakarta: Publisher Binarupa Aksara
- [12] Harrison, D.A., Daniel, A.N., and Philip, L.R. 2006. Important are Job Attitudes? Meta-Analytic Comparisons of Integrative Behavioral Outcomes and Time Sequences. Academy of Management Journal. 49 (2): 305-325
- [13] Kolman, L and Prymesova, P. 2007. Attitude To Work and Organization As A Part Of A Competency Model. Agricultural Economic, Czech University of Life Science. 53 (6): 271-275
- [14] Laschinger H.K.S, Almost, J., and Tuer-Hodes, D. 2003. Workplace Empowerment And Magnet Hospital Characteristics: Making The Link. Journal of Nursing Administration. 33 (7-8): 410-422
- [15] Luthans, F. 2006. Organizational Behavior, Ninth Edition, Boston: McGraw Hill
- [16] Malhotra, K. N. 2009. Applied Applied Marketing Research. PT. Index. Jakarta.
- [17] Maslyn, J. and Uhl-Bien, M. 2001. Leader-Member Exchange and Its Dimensions: Effects of Self-Effort and Others' Effort on Relationship Quality. Journal of Applied Psychology. 86: 697-708
- [18] Masterson, S. S., Kyle, L., Barry, M. G., and Susan, T. 2000. Integrating Justice and Social Exchange: The Differing Effects of Fair Procedures and Treatment on Work Relationships. Academy of Management Journal, 43, 738-748.
- [19] Mathis, R. L., and Jackson, J.H. 2006. Human Resources Management, 10th edition, Thomson South Western
- [20] Meyer, J.P. and Allen, N.J. 1991. A Three-Component Conzeptualization Of Organizational Commitment. Human Resources Management Review. 1 (1): 61-89
- [21] Mowday, R., Porter, L., and Steers, R. 1982. Employee-organization linkages: The psychology of Commitment, Absenteeism, and Turnover, New York: Academic Press
- [22] Ouyang, Y., Chun, H.C., and Chi, J.H. 2010. Does LMX Enhance the Job Involvement of Financial Service Personnel by the Mediating Roles?. Problems and Perspectives in Management. 8 (1): 174

- [23] Polly, L. M. 2002. Social Exchange and Customer Service The Relationship Between Perceived Organizational Support, Leader-Member Exchange, And Customer Service Behavior. A Dissertation. Louisiana State University
- [24] Price, J.L. 2001. Reflections on the determinants of voluntary turnover ", International Journal of Manpower. 22 (7): 600-24.
- [25] Richards B, O'Brien, T., and Akroyd, D. 2002. Predicting the Organizational Commitment of Marketing Education and Health Occupations Education Teachers by Work Related Rewards. Journal of Industrial Teacher Education. (32) 1
- [26] Robbins, S.P. 2007. Organizational Behavior. Tenth Edition. Molan, Benjamin (translator). Jakarta: Prenhallindo
- [27] Valentine, S., Martin, M. G., and Sandra, B.R. 2006. Employee Job Response as a Function of Ethical Context and Perceived Organization Support. Journal Of Business Research. 59: 582-588
- [28] Wood, L.R. (Rod). 2003. Corelating Perceived Organizational Support, Job Satisfaction and Organizational Commitment Of Public Scholl Speech-Language Pathologists. Call for Papers of the American Sociological Association.

- [29] Yousaf, A., Karin. S., Nicole, T., dan Joost, A. 2009. Having Two Bosses: Considering the Relationship between LMX, Satisfaction witj HR Practices, and Organizational Commitment. Organizational Psychology and Human Resource Development. University of Twente, Enschede, the Netherlands.
- [30] Yukl, Gary. 2007. Leadership in Organization, Fifth Edition. Supriyanto, Budi (intrepreter). Leadership in Organization. PT. Indeks Indonesia. Jakarta

#### **AUTHORS**

First Author – Suhermin: email: <a href="hermine\_stiesia@yahoo.com">hermine\_stiesia@yahoo.com</a>, Sekolah Tinggi Ilmu Ekonomi Indonesia Surabaya

Second Author – Anang Subardjo: email: <a href="mailto:anangsubardjo@stiesia.ac.id">anangsubardjo@stiesia.ac.id</a>, Sekolah Tinggi Ilmu Ekonomi Indonesia Surabaya

**Third Author** – Wulandari Harjanti; email: <a href="mailto:dra.wulandariong@gmail.com">dra.wulandariong@gmail.com</a>, Sekolah Tinggi Ilmu Ekonomi Indonesia Mahardhika Surabaya