

ABSTRACT**The Effect Of Leadership Training Course Level III (DIKLATPIM TINGKAT III) On Institutional Performance And Employee Welfare In Provincial Government Of East Java**

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The objectives of the research reported in this dissertation are to examine and explain the effect of Leadership Training Course Level III (DIKLATPIM TINGKAT III) on institutional performance and employee welfare in Provincial Government of East Java. More specifically, the research attempts to explain the causal relationship (direct and indirect) between the variables involved, by taking into account employee work motivation, career, competency, and employee performance as intervening variables.

The data was gathered through the administration of questionnaires as well as direct interview with a selected subjects. One hundred and seventy eight individuals were chosen from all former attendants of the Leadership Training Course Level III (DIKLATPIM TINGKAT III) in East Java Province using a random sampling procedure. Then, a structural equation modeling (SEM) technique was employed to analyze the data.

The results of the research discover that Leadership Training Course Level III (DIKLATPIM TINGKAT III) has a significant positive effect on employee work motivation and competency. Leadership Training Course Level III (DIKLATPIM TINGKAT III) indirectly affects employee welfare through employee competency and career, and it indirectly affects institutional performance through work motivation and employee performance. Moreover, it is also found that Leadership Training Course Level III (DIKLATPIM TINGKAT III) does not have a direct effect on employee career, but rather it affects employee career through competency. And, Leadership Training Course Level III (DIKLATPIM TINGKAT III) does not have a direct effect on employee performance, but rather it affects employee performance through motivation.

Other additional findings are also reported and further discussed, while several recommendations for future research are developed.

Keywords : DIKLATPIM TINGKAT III, employee competency, career, employee welfare, works motivation, employee performance and institutional performance.