

ABSTRACT

Recommendations for Employee Performance Improvement based on Leader-Member Exchange (LMX) and Co-Worker Exchange (CWX) Analysis in Surabaya Orthopedic and Traumatology Hospital

Surabaya Orthopedic and Traumatology Hospital (SOTH) as a relatively new hospital required a competitive advantage in terms of human resources in order to compete with others that had already existed and evolved over years. Improving employee performance could be achieved by LMX theory and CWX concept which developed by Dansereau, Graen, and Haga. Instruments used to measure the LMX and CWX quality created by Liden and Maslyn. The objective of this research was to analyze the influence of LMX and CWX quality for employee performance and recommendation for employee's performance improvement. This quantitative research was conducted cross-sectional in May 2014. The technique for collecting data was questionnaires. The population was the fulltime employees at SOTH. Sampling method was use total sampling. 54 samples were taken from population. The result showed that the quality of LMX and CWX influence employee performance. LMX influence negatively while CWX influence positively. Generally, LMX and CWX quality considered poor, so was the employee performance in SOTH. Conclusion: there was a negative influence of LMX quality to employee performance and positive influence of CWX quality for employee performance in SOTH.

Keywords: employee performance, LMX quality, CWX quality