

**LEADERSHIP MEMBER EXCHANGE (LMX) MODEL, WORK DISCIPLINE AND ITS
COMPENSATION EFFECT ON EMPLOYEE ORGANIZATIONAL ENVIRONMENT
PT. FIF GROUP SURABAYA**

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Abstract: This research aims to determine the Leadership Member Exchange (LMX) Model which has implications for discipline and compensation in the PT FIF Group Surabaya Organization. The sampling technique used in this study is *Technique Nonprobability Sampling*). Furthermore, researchers took the population of all employees a number 50 respondents. The sample in the study of all employees PT. FIF Group as much 50 respondents. Data collection techniques are interviews, observations and questionnaires. Methods of data analysis using Multiple Linear Regression. The findings of this study indicate that with the LMX model Leadership is able to create innovative and unique working relationships in the organization according to competencies according to their field of work in the organization at PT. FIF Group with a t value of 4.026 and a significance level of 0.000, on the implications of work discipline there is a partially significant relationship with the organization with a t value of 2.389 and a significance level of 0.021 as well as compensation having partial significant implications on the PT organization. FIF Group with a t value of 2.165 and a significance level of 0.036. The Leadership Member Exchange (LMX) model has implications for Discipline, Compensation has implications for the organization, the findings in this study are the LMX model for organizations that were previously unhealthy to live according to information, technology and communication developments, a linear communication model. Simultaneously there is a significant impact on the organizational environment of PT employees. FIF Group with a calculated f value ($22.423 > f \text{ table } (2.70)$) with a significance of 0.000. The value of R square (R^2) is 0.594, indicating that the relationship^{between} the three research variables and the dependent variable is 59.4%. Meanwhile, the remaining 40.6% was suggested by the work life balance variable, rewards which were not included in the research.

Keywords: *LMX Model, Leadership, Work Discipline, Compensation, organization.*

1. Introduction

In developing a company that is capable of competence, the he industrial world really needs active human resources, skilled and capable. Even more still need a management system good

and quality. Human resources and management systems are two elements as a key Which own contribution most big for success company. By therefore source power man must managed, maintained and evaluated appropriately, in this case including roles a boss. superior leadership role that can give birth to innovative and unique employees as well as specific communication (Lasswell' Communication Models) in accordance development and capacity his employees in increase productivity. In this era of globalization requires a very competitive position strong, especially in human resource capacity. The good and the bad source Power man in something company can influence success company, If source Power man Which There is in If the company has good capabilities and quality, it will has a good impact on the continuity of the company and has good opportunities big For reach success objective company, However If source Power human beings in the company are less competent, which results company difficult increase objective company, so that cause less competitive with other companies.

With the LMX Model in leadership, the working relationship between superiors and their staff, which is unique and innovative, by differentiating one staff from another according to their respective skills, will be able to build and influence the level of success in the organization. Internal leadership affect his employees so that achieved objective organization or it can also be said to be a pattern of behavior and successful strategies applied by a leader (Zainal et al., 2018:42). The leadership that happened at PT. FIF Group in Surabaya is a leader who applies the LMX model, which means it involves communication with its staff, ultimately having the implication of generating new ideas in the form of innovative, unique, high discipline, ultimately producing value/added value in the form of compensation so that it is able to create an organization that lives and develops accordingly. current changes in global civilization.

Management of potential human resources is the main task for management. HR management is very important Because For reach organizational environment Which expected. Organizational environment employee is base for achievement objective and performance company. Every individual always has characteristic Which different One with Which other. Wrong One factor Which influence Organizational environment employee exists attitude discipline Work on each individual. Work discipline is respect for rules and organizational provisions that must be obeyed by all employees, which causes He can adapt voluntarily to rules and regulations company. Sustrisno in Cape (2018:30).

Table 1. 1 Data Level No Presence Employee from Year 2020–2022

Year	Sick	Permission	Alpha	Total Absence
2020	447	746	86	1279
2021	315	678	119	1112
2022	201	887	315	1493

Source : PT. FIF Group

Based on the data above, it can be seen that there has been an increase in the number of employees skipping work or permits and alpha in 2022. This indicates a low level of work

discipline at PT. FIF Group. Based on the results of an interview from one of the employees, the reason for the increase in absenteeism in 2022 is due to the change of new leadership, which makes employees uncomfortable at work and more often for permission and alpha. -average reduction of about 78-95%, supported by previous researchers (Hasibuan & Hasibuan , 2021), (Nugraha & Surya, 2016)

Compensation is very important for individual employees and companies. It is important for individual employees because it is a measure of employee value, they in between employee, family and public. And important for company Because is mirror from on organization _ _ For maintain s source Power man that is employee so that have high loyalty and commitment to the company. Human Resources that how perfect the planning, organization and supervision would be, if they were If you can't carry out your duties then you won't achieve as many results actually achieved. Compensation for companies means awards or reward on employee Which has given contribution in realize objective-purpose, through activity Which called working . Compensation at PT. FIF Group in the form of bonuses expected to occur discrimination, like Which seen on table following.

Table 1. 2 System Giving Bonus

Hari Kerja	Booking	Harian	Insentif	Reward	THP
25	1	1,760,000	91,667		1,851,667
25	2	1,760,000	183,333		1,943,333
25	3	1,760,000	275,000		2,035,000
25	4	1,760,000	366,667		2,126,667
25	5	1,760,000	458,333		2,218,333
25	6	1,760,000	550,000		2,310,000
25	7	1,760,000	1,026,667		2,786,667
25	8	1,760,000	1,173,333		2,933,333
25	9	1,760,000	1,320,000		3,080,000
25	10	1,760,000	1,466,667		3,226,667
25	11	1,760,000	1,613,333		3,373,333
25	12	1,760,000	2,640,000		4,400,000
25	13	1,760,000	2,640,000	195,000	4,595,000
25	14	1,760,000	2,640,000	210,000	4,610,000
25	15	1,760,000	2,640,000	225,000	4,625,000
25	16	1,760,000	2,640,000	240,000	4,640,000
25	17	1,760,000	2,640,000	255,000	4,655,000
25	18	1,760,000	2,640,000	270,000	4,670,000
25	19	1,760,000	2,640,000	285,000	4,685,000
25	20	1,760,000	2,640,000	300,000	4,700,000
25	21	1,760,000	2,640,000	315,000	4,715,000
25	22	1,760,000	2,640,000	330,000	4,730,000
25	23	1,760,000	2,640,000	345,000	4,745,000
25	24	1,760,000	2,640,000	360,000	4,760,000
25	25	1,760,000	2,640,000	375,000	4,775,000

Source: PT. FIF Group

From the table it can be seen that PT. FIF Group applies a bonus discrimination system to its employees. Bonuses are based on the work performance achieved by employees. If an employee exceeds a certain percentage of the target set by the company, the employee is entitled to a bonus

of a certain percentage of the basic salary, the amount of which is adjusted according to the percentage of the excess target. However, if the excess target percentage reaches above 20 %, then the bonus you get is only the maximum bonus limit, namely 20 % of the basic salary. Compensation at PT. FIF Group is considered inadequate because compensation is only based on employee work performance, compensation is not given to employees who have a good organizational environment and loyalty, this of course has an impact on reducing the employee's organizational environment. Researchers chose PT. FIF Group as research object. PT Federal International Finance (“FIFGROUP”) was founded under the name PT Mitrapusaka Artha Finance in May 1989. Based on a business license obtained from Minister of Finance, the Company operates in the Leasing sector, Factoring accounts receivable And Financing Consumer. On year 1991, Company changed the name to PT Federal International Finance. However, along with developments over time and in order to meet market demand, the Company started focus self to financing bicycle motorcycle Honda on field financing consumer in a way retail on year 1996. On May 2013, the company launched the FIFGROUP brand. Based on description on so writer interested For study deeper on study Which title “Leadership Member Exchange (LMX) Model, Work Discipline and Its Effect of Compensation On Employee Organizational Environment Pt. Fif Group”.

2. Literature Review

Leadership Member Exchange (LMX) Model

Leader member exchange (LMX) according to Morrow (2005:682) is improving the quality of the relationship between supervisors and employees which will be able to improve the work of both. However, in reality, the relationship between employees and supervision can be grouped into two relationships, namely good relationships and bad relationships. A good relationship will create employee trust, positive attitudes, and loyalty, but a bad relationship will have the opposite effect. According to Truckenbrodt (2002:233), leader member exchange is focused on assessing the relationship and interaction between supervisors (superiors) and subordinates. The level of closeness of the relationship between leaders and subordinates shows an indication of leader member exchange in the company. According to Rivai (2018:152) who defines the Leadership Member Exchange (LMX) Model as a characteristic used by leaders to influence employees so that organizational targets can be achieved. The same is true according to Busro's (2018:226) definition. Yulianto et. al, (2018) which states that, the Leadership Member Exchange (LMX) Model is a way in which a leader is able to influence workers to voluntarily carry out various tasks ordered by superiors without feeling pressured in order to achieve company goals. Subudi, (2016) and Yanoto, (2018)

Model Leadership Member Exchange (LMX) according to Zulkarnain (2019:95) Sukwirahmanta, (2017) Rivai & Mulyadi (2011) stated that, "leaders' behavioral patterns are used to influence the activities of the people they lead to achieve goals in an organizational situation. According to Samsuddi (2018:42), the Leadership Member Exchange (LMX) model is a behavior designed to unite organizational goals with individual goals to achieve a certain goal. Likewise, according to Mifta Thoha (2019:49), the Leadership Member Exchange (LMX) model is a behavioral norm used by someone when that person tries to influence the behavior of other people as they see it, such as superiors influencing subordinates. In other words, the Leadership Member

Exchange (LMX) Model is a way of behavior and strategy that leaders like and often use in achieving organizational goals.

Work Discipline

According to Sinambela (2019:335) Hasibuan (2017: 193) work discipline is the ability to work somebody for in a way regular persistent, constantly For Work in accordance rules Which applies No violate rules Which has been set. According to Sutrisno in Tanjung (2018:30) Sutrisno (2016: 86) work discipline is the attitude of respect and determination of the company that exists in employees, that is causing him to conform voluntarily to the rules and company decision. The definition of work discipline is an attitude of respect, value, obey and obedient to regulation rules Which applies Good Which written or unwritten and able to carry out and not circumvent accept sanctions if He violate task And regulations. Meanwhile, Nguyen et al. (2003) in (Kuswandi et al., 2018) explains the concept of job satisfaction as being influenced by multidimensional things and cannot be predicted using a single dimension. In the corporate and business work environment, job satisfaction has different dimensions. The dimensions include the type of work involved, satisfaction with compensation, satisfaction with supervision, satisfaction with aspects of promotion to co-workers. These differences in aspects cause each person's level of job satisfaction to always be different. This is because it is related to a person's emotional state of being happy or unhappy.

Discipline is a person's behavior in accordance with existing regulations, work procedures or discipline is attitudes, behavior and actions that comply with the organization's regulations, both written and unwritten (Edy Sutrisno, 2016: 89). Discipline is the mental attitude of a person or group of people who always wants to follow/obey all the rules/decisions that have been set. Discipline can be developed through training, including working to respect time, energy and costs (Sinungan Muchdarsyah, 2014: 135). Work discipline is a person's awareness and willingness to comply with all company regulations and applicable social norms. The better employees obey the rules, the more it will help accelerate the company's goals, especially the company's organizational environment (Hasibuan, 2016:94). Based on the opinions of the experts above, it can be concluded that work discipline means a worker's willingness to act and behave in accordance with work norms and rules.

Compensation

Compensation is total whole rewards Which accepted employee as replacement service they (Mondy, 2018: 4). Hariandja in Suwati (2013) Whereas according to Martoyo (2019:126) Build (2012: 254) Suwanto and Priansa (2011: 219) Kreitner and Kinicki (2014: 258) Veithzal, et al (2014: 541). , compensation is arrangement whole giving reply service for *employers* and *employees* both in the form of money (*financial*) nor Which No direct form Money (*nonfinancial*). Compensation employee own three components. Matter This covers payment Money in a way direct (*direct financial payments*) in form wages, wages, incentive, commission and bonus. Payment No direct (*indirect payments*) in form allowance like insurance and holidays on company funds. Non-financial rewards (*non-financialreward*) like things that employees as compensation for services provided to the company (Hasibuan, 2011: 118). Compensation in the form of money means that compensation is paid in the form of currency to

the employee concerned. Compensation in kind means that compensation is paid in kind. Wibowo (2007) stated that compensation is an achievement counter to the use of more energy or services provided by the workforce. Compensation is the total package offered by an organization to workers in return for the use of labor.

Compensation according to Handoko (2014: 155) is "everything that employees receive as compensation for their work". According to Mondy (2008: 4) states that compensation is "the total of all rewards received by employees in lieu of the services they have provided". Compensation is a remuneration provided by the company to employees for the results of the work performed by employees to achieve the desired goals. Compensation according to Rivai and Sagala (2011: 741) there are two kinds, namely financial compensation and non-financial compensation. Financial compensation is a reward given by the company to employees in the form of money. Non-financial compensation is compensation provided by the company to employees not in the form of money, such as the relationship between superiors and subordinates, subordinates and subordinates, promotions, work environment, and promotions .

Employee organizational environment

According to Handoko (2015:135) Davis, (2010) in (Kuswandi et al., 2018) , the organizational environment is the work results achieved by a person or group of people in an organization, in accordance with their respective authority and responsibilities in order to achieve the goals of the organization concerned, legally does not violate the law and is in accordance with morals and ethics. The organizational environment is basically the activities and results that can be achieved or continued by a person or group of people in carrying out tasks, work well, meaning achieving targets or work standards that have been set before or even exceeding the standards determined by the organization in a certain period. (Anas, 2021). According to Rivai And Basri in Lijan P Sinambela (2018:482) y Hasibuan (2012:94) put forward organizational environment is level success somebody in finish his job in accordance with standard results Work And criteria Which have been determined and agreed upon. The organizational environment is a process that shown in connection with the work assignments given. The organizational environment is not the end result of a series of work processes but the overall shape of that process starting from the input process activities, output and outcome materials (Amir in sustainable, 2019:36). According to Siswanto (2018:25) Wibowo (2016:2) organizational environment is form achievements that have been achieved by an employee in completing the assigned task has been charged to him .

Mangkunegara (2010: 67) Abdullah (2014: 3) Rivai and Sagala (2011: 548) Mathis and Jackson (2011: 378) define the employee organizational environment (work performance) as the quality and quantity results achieved by an employee in carrying out his duties according to the responsibilities given to him. According to Ruky, quoted by Mangkunegara (2010: 6), the organizational environment is a form of business activity or program initiated and implemented by the leadership of an organization or company to direct and control employee performance. Armstrong said that organizational environmental management is a way to provide a more integrated and sustainable approach than that provided by previous approaches that were isolated and sometimes used inadequate organizational environmental assessment schemes (Cahyani, 2005).

Conceptual Framework

The conceptual framework in this study refers to the theoretical basis Which has exposed so that framework conceptual Which developed in study This is :

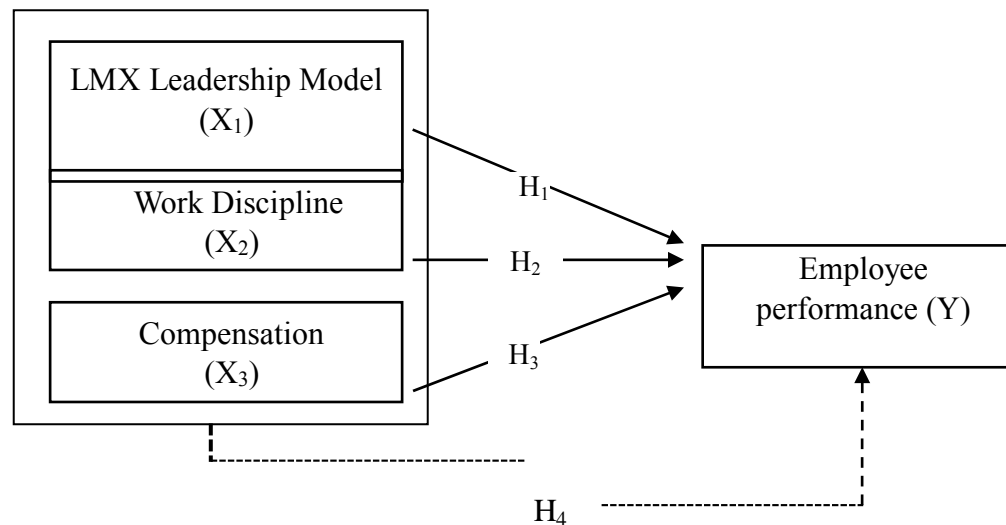


Figure 1.1 Framework Conceptual

Source: Data processed researcher, 2023

Hypothesis

- H₁ : The Leadership Member Exchange (LMX) model has a significant effect to organizational environment employee PT. FIF Group
- H₂ : Discipline Work have significant effect to Organizational environment employee PT. FIF Group
- H₃ : Compensation have significant effect to Organizational environment employee PT. FIF Group
- H₄ : Style leadership, discipline Work And compensation simultaneous effect to Organizational environment employee PT. FIF Group.

3. Research Methods

Type study This is study survey that is study Which taking samples from the population, using field research and distributing questionnaires as the main data collection tool. (Effendi in Trihandini, 2021), then the data obtained is discussed and described in a way systematic so that obtained conclusion. Study This use method quantitative, study quantitative is research that uses data measurement through calculations scientific Which originate from sample people or resident Which requested answer on a number question about survey For determine frequency And percentage response people the (Effendi in Trihandini, 2021).

Population and Sample

According to Indraswari (2018) population is all research subjects who have few the same trait, while some of the individuals studied are named sample. In this study, researchers took a

population of all employees a number 50 respondents. The sample is part of the number of characteristics possessed population the (Sugiyono in Indraswati, 2018). According to sugiono (2018:131) states that the sample is part of the number and characteristics owned population . The sampling technique used in this research is *Technique Nonprobability sampling* , or sampling fed up (census). Method Saturated sampling is a sampling technique if all members population used become sample. Matter This done If amount population less than 30 people (Sugiyono, 2019:3). The sample in this research is employee PT. FIF Group as much 50 respondents.

4. Results and Discussion

Results

a. Validity test

This test is used as a measure of whether a questionnaire is valid legal or not (Ghozali, 2016:52). The purpose of the validity test is to ensure whether the questionnaire items are correct or not as far as possible. If a measuring instrument is valid, then it can accurately measure the parameters it is intended to measure. If r count. is greater than r table and the significance level is set at 0.05, then the questionnaire is considered valid. If so, then the questionnaire questions can be certified as valid and used in research.

In this research, the r table is calculated using the formula ($DF = n - 2$) where n is the number of samples used. So, the DF value in this study is $DF = 50 - 2 = 48$, from the existing DF value and the determined two-way significance of 0.05, the r table value obtained is 0.2787. Furthermore, for a comparison of calculated r and r table for each variable, you can see the following table:

Table 4. 1 Comparison of r Count and r Table

Indicator	Mark r Count		Mark r Table	Significance	Information
Leadership Member Exchange (LMX) Model (X_1)	X1.1	0.759	0.2787	0.000	Valid
	X1.2	0.621	0.2787	0.000	Valid
	X1.3	0.622	0.2787	0.000	Valid
	X1.4	0.650	0.2787	0.000	Valid
	X1.5	0.534	0.2787	0.000	Valid
	X1.6	0.720	0.2787	0.001	Valid
Work Discipline (X_2)	X2.1	0.427	0.2787	0.000	Valid
	X2.2	0.895	0.2787	0.000	Valid

Indicator	Mark r Count		Mark r Table	Significance	Information
	X2.3	0.711	0.2787	0.000	Valid
	X2.4	0.861	0.2787	0.000	Valid
	X2.5	0.538	0.2787	0.000	Valid
	X2.6	0.889	0.2787	0.000	Valid
	X2.7	0.636	0.2787	0.000	Valid
	X2.8	0.711	0.2787	0.000	Valid
Compensation (X ₃)	X3.1	0.552	0.2787	0.000	Valid
	X3.2	0.505	0.2787	0.000	Valid
	X3.3	0.686	0.2787	0.000	Valid
	X3.4	0.714	0.2787	0.000	Valid
	X3.5	0.672	0.2787	0.000	Valid
	X3.6	0.739	0.2787	0.000	Valid
Employee organizational environment (Y)	Y1.1	0.707	0.2787	0.000	Valid
	Y1.2	0.789	0.2787	0.000	Valid
	Y1.3	0.854	0.2787	0.000	Valid
	Y1.4	0.837	0.2787	0.000	Valid
	Y1.5	0.701	0.2787	0.000	Valid
	Y1.6	0.905	0.2787	0.000	Valid

Source: Data processed

Because the calculated r value for all existing variable indicators is higher than the table r value (calculated $r > 0.2787$) and the significance value is below 0.05 (Sig < 0.05), it can be concluded that all instruments in this study is valid.

b. Reliability Test

Ghozali (2017:47) explain, reliability used as measuring from a questionnaire which is an indicator of the variable. The questionnaire was declared reliable if the answers the respondents

gave included consistent or stable over time. Ghazali (2016) explains, instruments Can stated reliable when obtain *cronbach alpha* > 0.6.

Table 4. 2Reliability Tests

Variable	Cronbach's alpha	Information
Leadership Member Exchange (LMX) Model	0.720	Reliable
Work Discipline	0.866	Reliable
Compensation	0.718	Reliable
Employee organizational environment	0896	Reliable

Source: Data processed

From the table above it can be seen that *Cronbach's alpha* is more than 0.60 it was concluded that all of these variables *were reliable*.

c. Classic assumption test

Normality test

Normality test is intended to see how normal the distribution of variable (Ghozali, 2018: 161). Method For detect normality distribution through normal probability plot or analysis chart histogram. Testing will researcher do it through testing Kolmogorov Smirnovm (KS), through comparison of data distribution to the standard normal distribution. Through KS testing when obtained sig < 0.05 will signifies data No normal.

Table 4. 3Normality Tests
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		50
Normal Parameters a,b	Mean	.0000000
	std. Deviation	2.32883982
Most Extreme Differences	Absolute	,140
	Positive	,047
	Negative	-.140

Test Statistics	,140
Asymp. Sig. (2-tailed)	.016 ^c

- a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

Source: processed data

Based on the normality statistical test in the table above, it shows a significance of 0.016 which is greater than 0.05, so it can be concluded that the data is normally distributed.

Multicollinearity Test

Testing This intended for find existence correlation between variable X (*independent*) (Ghozali, 2016:103). As for inside check multicollinearity ie through mark VIF, where when $VIF \geq 10$ or $tolerance \leq 0.10$ signify existence of multicollinearity (Ghozali 2016:170).

Table 4. 4Multicollinearity Test

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	std. Error	Beta			Tolerance	VIF
1 (Constant)	5,846	2,660		2,198	.033		
Leadership member exchange (LMX) model_ X1	.411	.102	.425	4,026	.000	.791	1,264
Work_Discipline_X2	.161	.067	.287	2,389	.021	.612	1634
Compensation_X3	.206	.095	.252	2,165	.036	.653	1530

a. Dependent Variable: Organizational environment_Employee_Y

Source: processed data

From the data in the table above, it can be seen that the multicollinearity test has been

fulfilled by all existing independent variables, namely a *tolerance value* of not less than 0.100 and a VIF (*Variance Inflation Factor*) value of no more than 10. Therefore, it can be concluded that all variables The independent variables used in this study do not correlate with one independent variable with other independent variables

Heteroscedasticity Test

This test is intended to see if there is an inequality of variance residual between observations (Ghozali, 2016:134).

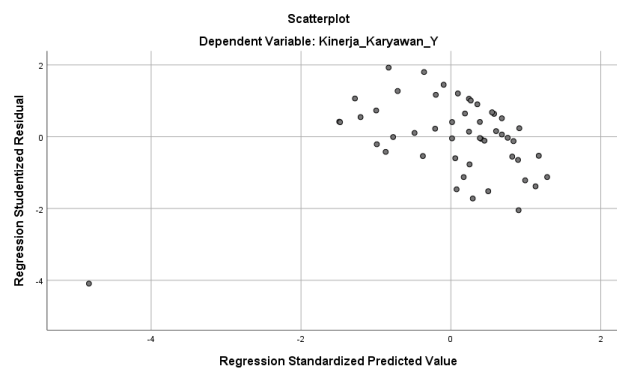


Figure 4. 1Heteroscedasticity Test

Source: Processed data

Based on this figure, it is known that there is no clear pattern, and each point spreads above and below the number 0 on the Y axis, so it can be confirmed that heteroscedasticity does not occur in the regression model formed.

Multiple Linear Regression Analysis

Analysis This Can researcher use it when want estimate How does the variable Y increase and decrease if the value is two or more X up lower it (Sugiyono, 2017:27). Based on regression with the SPSS program, results are obtained as in the table below:

Table 4. 5Multiple Linear Regression Analysis
Coefficients^a

Model	Unstandardi zed Coefficients		Standardize d Coefficients	t	Sig.	Collinearity Statistics	
	B	std. Error	Beta			Tolerance	VIF
1 (Constant)	5,8 46	2,660		2,198	.033		

Model Leadership member exchange (LMX) _X1	.41 1	.102	.425	4,026	.000	.791	1,264
Discipline _Work_X2	.16 1	.067	.287	2,389	.021	.612	1634
Compensat ion_X3	.20 6	.095	.252	2.165	.036	.653	1530

a. Dependent Variable: Organization_Employee_Y environment

Source processed

The multiple linear regression equation model that is formed is obtained from the *Unstandardized B* value of each independent variable in the output *coefficients table* with a value of α (*Constant*) = 5.846. With this, the multiple linear regression equation obtained is:

$$Y = 5,846 + 0,411X_1 + 0,161X_2 + 0,206X_3 + e$$

Where:

- α : Constant
- $\beta_1, \beta_2, \beta_3$: Regression coefficients of each variable independent
- e : *Error Estimates*
- Y : Employee organizational environment
- X_1 : Leadership Style
- X_2 : Work Discipline
- X_3 : Compensation

From this equation it can be explained that the Leadership Style, Work Discipline and Compensation variables have a positive coefficient direction towards the employee's organizational environment.

Hypothesis testing

Partial Test (t Test)

Testing t used For see level significance from the effect of variables X and Y, through criteria based on probability. When obtained probability $H_a > 0.05$ It means No significant, likewise the opposite (Ghozali, 2018). To obtain the t_{table} , use a two-sided test with *level of significance* (α) = 0.05 (5%) and *degrees of freedom* (df) = $n - k$, where n = number of samples and k = number of independent variables . From these provisions, the *df value is obtained* = $50 - 2 = 48$, so that, the t_{table} value is 2.01063.

Table 4. 6Partial Tests (t Test)

Model	Coefficients ^a		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	Unstandardized Coefficients					Toler	ance
	B	std. Error					
1 (Constant)	5,846	2,660		2,198	.033		
Model Leadership member exchange (LMX)_X1	.411	.102	.425	4,026	.000	.791	1,264
Discipline_Work_X2	.161	.067	.287	2,389	.021	.612	1634
Compensation_X3	.206	.095	.252	2.165	.036	.653	1530

a. Dependent Variable: Organization_Employee_Y environment

Source: Processed data

Based on data analysis with the SPSS program, the following results are obtained:

1. Leadership Member Exchange (LMX) Model Effects and Democracy (X1) on Employee Organizational Environment (Y) has a t-value of 4.026 with a significance level of 0.000. Because t count is 4.026 > t table 2.01063 and the significance level is < 0.05, it shows that the variables of the Leadership Member Exchange (LMX) Model are global and democratic (X1) has a partially significant effect on organizational environment. Employees (Y) are supported by: researchers Anggara and Suhendi (2010), if there are factors of ability, motivation, also mental in improving the employee's organizational environment. Other supporters such as Mahmudi (2010) regarding the factors that influence the employee's organizational environment, one of which is leadership. In this explanation, it is said that leaders should provide clear assignment or work direction to their subordinates with the aim of improving the organizational environment of their subordinates in their environment. Previous research such as: Maamari & Majdalani (2017) leadership is an activity to influence the behavior of other people, or the art of influencing human behavior, both individuals and groups. (Jannah & Jumady, 2020; Robbins, 2015)

2. The effect of Work Discipline (X^2) on the Employee Organizational Environment (Y) has a t value of 2.389 with a significance level of 0.021. Because t count is $2.389 > t$ table 2.01063 and the significance level is < 0.05 , it can be said that the Work Discipline variable (X^2) has a partially significant effect on the employee's organizational environment (Y), confirmed by researchers: Putri et al. (2015), the title Effects of the physical work environment, work stress and work discipline on the organizational environment of employees in the production department of PT. Kimia Farma, also at Tbk Semarang, with the results of work discipline having a significant effect on the employee's organizational environment, with a simple linear regression test, work discipline has a positive effect on the organizational environment variable, so that the higher the employee's work discipline, the more the organizational environment will improve, on the contrary the higher low employee work discipline is getting worse. The employee organizational environment is supported by previous researchers: Husain (2018), Supomo and Nurhayati (2018), Surwanto (2019), Edy Sutrisno (2016).
3. The effect of compensation (X^3) on the employee's organizational environment (Y) has a calculated t value of 2.165 with a significance level of 0.036. Because t count is $2.165 > t$ table 2.01063 and the significance level is < 0.05 , this indicates that the Compensation variable (X^3) has a partial effect on Employee Organizational Environment (Y). Amrullah (2012) This research is reinforced by the theory of Mangkunegara (2013: 84) compensation given to employees has a great effect on the level of job satisfaction and work motivation, as well as work results. Compensation is an important element in the organization of giving the right compensation that can affect the organizational environment of employees which will also affect the company's organizational environment. Compensation is not only limited to salary, praise, bonuses, health benefits, and so on. But it can also be that the compensation given by the company to its employees must think about various factors such as the psychological impact regarding enthusiasm, pleasure at work, because this can affect the future of the company in the future and the provision of compensation has carefully measured parameters so that the compensation received by employees can be said fair. Mondy (2012:4) in M Kadarisman's book (2012:18), supported by previous researchers such as: Hendry Simamora (2014:442), done Salisu et al. (2015), Darma & Supriyanto (2017), Wekesa & Nyaroo (2013), Build (2012: 254) and Veithzal, et al (2014: 541)

Simultaneous Test (F Test)

The F test aims to show whether the X variable has simultaneous effect on Y (Ghozali, 2012:98). This test is intended for prove truth, ie through testing coefficient regression with thorough on $\alpha=0.05$ through F count as well as F table.

**Table 4. 7Simultaneous Test (Test F)
ANOVA^a**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	343,752	3	114,584	22,423	.000 ^b
	residual	235,068	46	5.110		
	Total	578,820	49			

a. Dependent Variable: Organization_Employee_Y environment

b. Predictors: (Constant), Compensation_X3, Style_Leadership_X1, Discipline_Work_X2

Source: processed data

If the F table value is calculated with a significance level of 0.05 with the *Degree of Freedom values* (Df 1 = k = 3) and (Df 2 = n - k - 1 = 50 - 3 - 1 = 46 where "k" is the number of independent variables and "n" is the number of samples, so the result obtained from the f table is 2.81. Because the calculated F value is 22.423 > F table 2, 81 and sig < α (0.05), then Ho is rejected and Ha is accepted. This means simultaneously the Leadership Member Exchange (LMX) Model (X1), work discipline (X2) and compensation (X3) has a significant effect on the employee's organizational environment (Y).

Coefficient of Determination Test (R^2)

Objective from coefficient determination for now as big what is the partial effect of variable X on Y (Ghozali, 2016:95). Coefficient determination describes the proportion of variation in variable Y), which is described jointly by one or more variables X.

Table 4. 8Coefficients of Determination (R^2)

Summary Model ^b				
Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.771 ^a	.594	.567	2,261

a. Predictors: (Constant), Compensation_X3, Leadership_Style_X1, Work_Discipline_X2

b. Dependent Variable: Organizational
environment_Employee_Y

Source: Data processed

It is known that the results seen in the table above are the value of *R square* (R^2) which is 0.594 or 59.4%, indicating that the relationship between the three research variables and the dependent variable is 59.4% . While the remaining 40.6 % is explained by other variables that are not included in the study. So, it can be concluded that the regression model from this research is good because the independent variables can explain the dependent variable with quite high accuracy.

5. Conclusions and Suggestions

Conclusion

The collected data and a series of analyses, the following conclusions can be drawn:

- a. Leadership Member Exchange (LMX) Model , In a company, the role of leadership is as a role model, coordinator, motivator and catalyst who will bring the organization to the peak of success . When someone communicates continuously and chooses according to their competence, it will have implications or impacts on employees, fostering a spirit of never giving up, giving rise to new ideas in the form of innovative, unique and discipline that grow from each individual so that the organization creates compensation. according to ability, while the Leadership Member Exchange (LMX) Model that occurs at PT. FIF Group Sidoarjo Branch has style to a global and democratic leader is very fitting with the organizational environment and this is what needs to be maintained and developed, but on the other hand, if the leader ignores input or opinions from his subordinates, the impact is on employees feeling uncomfortable and not having the right to have an opinion, the effect is that the level of employee discipline decreases, if it happened to have an impact on the decline in the employee's organizational environment .
- b. Work Discipline , operational function of resource management Humans are the most important asset in improving and stimulating employee discipline, which means Organizational environment employees together can be improved, without quality discipline with measurable parameters it is difficult for the organization gets optimal results . Data on PT. FIF group, when there is an increase in the number of employees absent from work in the alpha category in 2022, it indicates that the level of work discipline has decreased at PT. FIF Group. Based on the results of an interview from one of the employees, the reason for the increase in absenteeism in 2022 is due to the change of new leadership, which makes employees uncomfortable at work and more often for permission and alpha.
- c. Compensation is a concept wages or wages more emphasize on recompense that characteristic financial nor nonfinancial . Compensation at PT. FIF Group is considered not to be in line with expectations considering that compensation is still based on employee work performance, compensation is not given to employees who have a good

organizational environment or meet targets and good loyalty, this of course has an impact on reducing the employee's organizational environment.

Suggestion

Based on the results of the analysis, the suggestions are as follows:

- a. In this study, the Global Leadership Member Exchange (LMX) Model and Ber democracy effect on the organizational environment of employees of PT. FIF Group. The Leadership Member Exchange (LMX) model that occurred at PT. FIF Group Sidoarjo Branch is a leader who feels he is number one , so that in the company the leadership often ignores input or opinions from his subordinates, the impact is making employees feel uncomfortable and they don't have the right to have an opinion, so as a result the level of employee discipline decreases, ultimately resulting in a decline Employee organizational environment. For this reason, researchers recommend that leaders in future companies master new systems and utilize contemporary technology such as Artificial Intelligence (AI), this is important because it can be used as a reference, consideration, reference in making decisions in the 2027 era or preparing for technological changes in 5.0.
- b. Furthermore, apart from the global and democratic Leadership Member Exchange (LMX) Model, compensation also has an effect on the organizational environment of PT employees. FIF Group. So, compensation at PT. FIF Group needs a new formulation considering that currently it is still considered inadequate, because compensation is only based on employee work performance, compensation is not given to employees who have innovation, integrity and loyalty. A good organizational environment, the researcher suggests that company leaders act fairly and include the indicators above for employees in providing compensation.

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