

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables



Syahrial Yusuf¹, Ribhan², Nova Mardiana³

^{1,2,3} Faculty of Economics and Business, University of Lampung

ABSTRACT: This research explores the influence of Leader-Member Exchange (LMX) on work intentions, with job satisfaction and organizational commitment as mediating variables. The study sample comprises 200 Retail Sales Promotion Representatives (SPB/SPG) in Mall Bandar Lampung City, Indonesia. Data collection utilized a questionnaire based on purposive sampling techniques and was analyzed using Structural Equation Modeling (SEM) through the AMOS application. The findings reveal that LMX positively affects job satisfaction, positively influences organizational commitment, and has a negative impact on work intentions. Job satisfaction mediates the relationship between LMX and work intentions, while organizational commitment mediates the relationship between LMX and work intentions. This research provides insights into the dynamic relationship between leaders and team members, highlighting its impact on job satisfaction, organizational commitment, and ultimately work intentions. The study has the potential to enrich our understanding of factors influencing employee retention.

KEYWORDS: Leader-Member Exchange, Job Satisfaction, Organizational Commitment, and Work Intentions

INTRODUCTION

The rapid development of the digital era has led to increasingly diverse and complex marketing strategies. Companies are competing to capture consumer attention through various marketing tactics, ranging from advertising, promotions, to branding. However, amidst this intensifying competition, personal approaches remain effective in attracting attention and winning the hearts of consumers (Rehman et al., 2017; Teck Weng & Cyril de Run, 2013). One form of personal approach adopted by marketing companies is the use of Sales Promotion Girls (SPG) or Sales Promotion Boys (SPB). Personalized approaches through SPG/SPB are gaining popularity because consumers tend to trust and be more open to individuals they know or those who provide a personal touch. Additionally, personal approaches provide companies with the opportunity to better understand the individual needs and preferences of consumers, enabling them to design more effective products and marketing strategies (Teck Weng & Cyril de Run, 2013). The Leader-Member Exchange (LMX) concept emphasizes the importance of personal relationships between leaders and team members in achieving organizational goals (Krampitz et al., 2023; Yasin et al., 2023). Previous research has shown that the LMX concept is related to the intention to stay in an organization. A study in the United States indicates that the higher the quality of the relationship between leaders and team members, the lower the intention of team members to leave the organization. This is attributed to high job satisfaction and loyalty to the organization (H. Liao & Chuang, 2004; Maier et al., 2013; Moliner et al., 2005).

Research by Babič et al. (2019), Gottfredson et al. (2020), and Weng et al. (2020) found that a good interpersonal relationship between leaders and team members can enhance employee job satisfaction and ultimately influence organizational performance. Another study by Robert & Vandenberghe (2021) and Saragih et al. (2020) discovered that employees who have good interpersonal relationships with their leaders are more likely to feel satisfied with their jobs. Studies by Lee et al. (2019) and Liao et al. (2019) revealed that LMX directly and indirectly affects employee job satisfaction through mediator variables such as trust, motivation, and organizational commitment. These studies suggest that leaders with good interpersonal relationships with their team members can enhance trust, support, and perceptions of fairness among employees, ultimately leading to higher job satisfaction. Conversely, leaders with poor LMX with their team members tend to provide less support and recognition, affecting the job satisfaction and performance of their team members.

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

However, not all studies yield the same results regarding the relationship between LMX and job satisfaction. A study by Chung & Jeon (2020) showed that the LMX relationship does not have a significant impact on employee job satisfaction. Overall, research results on the influence of LMX on employee job satisfaction are still controversial and require further investigation. Nevertheless, the majority of studies indicate that a good interpersonal relationship between leaders and team members can influence employee job satisfaction and overall organizational performance. Therefore, companies and organizations need to recognize the importance of a good LMX relationship and develop strategies to enhance the quality of relationships between leaders and team members.

Previous studies suggest that LMX relationships can influence employee organizational commitment. According to studies (Brown, O., Paz-Aparicio, C., and Revilla, 2019; Sa'adah & Rijanti, 2022), LMX can influence organizational commitment through several mechanisms, including engagement, trust, justice, and mutual benefit. Although previous studies show that LMX can influence employee organizational commitment, some research also finds that this relationship is not always linear. For example, in a study conducted by Eisenberger et al. (2002) and Susanto (2023), it was found that a very strong LMX relationship can negatively influence employee organizational commitment. Other research also indicates that poor or low LMX can influence employees' intention to quit. In studies conducted by Kiazad et al. (2014), C. H. Lee & Bruvold (2003), Ozelik et al. (2008), and Schaubroeck et al. (2007), it was found that poor LMX quality influences employees' intention to quit through job satisfaction. The results suggest that the worse the LMX relationship, the higher the intention of employees to quit. Research also indicates that poor LMX influences employees' intention to quit through job satisfaction and organizational commitment.

Research in Indonesia on the influence of LMX on the intention to quit is still relatively limited. Therefore, investigating the impact of LMX on the intention to quit in sales promotion staff (SPB/SPG) becomes an interesting topic for exploration. This research can offer new insights for companies to understand how building strong personal relationships between leaders and team members can affect employees' intentions to remain with the organization. Additionally, the findings of this study can assist companies in designing strategies and policies to enhance the quality of relationships between leaders and team members, ultimately reducing employee turnover rates within the organization. In conclusion, this study aims to test and analyze the influence of Leader-Member Exchange (LMX) on job satisfaction, organizational commitment, and intention to quit. Additionally, it seeks to examine and analyze the impact of Leader-Member Exchange (LMX) on the intention to quit, mediated by job satisfaction and organizational commitment.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPING

Leader-Member Exchange on job satisfaction

A good relationship between leaders and subordinates will enhance job satisfaction. According to Rana et al. (2011), there are four aspects underlying job satisfaction: behavioral potential, expectations, reinforcement factors, and psychological atmosphere. Leader-Member Exchange (LMX), also known as the leader-subordinate exchange, is a system of several components and relationships among these components that involve the leader's closeness to members or dyadic (Ghulam et al., 2018, and Muhammed, 2017). Another study conducted by Chieh-Peng and Hua (2004) revealed that Leader-Member Exchange has a positive and significant impact on job satisfaction. The findings of Chieh-Peng and Hua's research were also consistent with the study conducted by Mohammed (2017). Based on these opinions, the following hypothesis can be formulated.

H₁ : Leader-Member Exchange has a positive and significant impact on job satisfaction

Leader-Member Exchange on organizational commitment

Leader-Member Exchange (LMX) is a high-quality relationship between a leader and team members based on trust, mutual understanding, and support. A positive LMX relationship can influence team members' organizational commitment, ultimately having a positive impact on the overall organizational performance. Therefore, it is important to understand the role of LMX in building organizational commitment. Previous research on the relationship between LMX and organizational commitment supports the idea that there is an influence between LMX and organizational commitment. Research by Yang et al. (2020) found that LMX has a positive influence on organizational commitment through job satisfaction. This means that a good LMX relationship will increase job satisfaction among team members, which, in turn, will affect their level of organizational commitment. Research by Farooq et al. (2019) found that LMX has a positive influence on organizational commitment and employee performance. These findings indicate that a positive LMX can enhance both organizational commitment and employee performance simultaneously. Research by Çolak et al. (2019) found that LMX has a positive influence on organizational commitment through job satisfaction and trust in the leader. This implies that a good LMX relationship will

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

increase trust in the leader and job satisfaction among team members, which, in turn, will affect their level of organizational commitment.

H₂: Leader-Member Exchange has a positive and significant impact on organizational commitment.

Leader-Member Exchange on intention to quit.

Leader-Member Exchange focuses on the dyadic (two-way) relationship between the leader and each follower, aiming to enhance organizational success by creating a positive relationship between the leader and followers (Cheh-peng and Hua, 2004). Mujahid and Mukhaer (2015) explain that the intention to quit refers to an employee voluntarily leaving a company or organization and moving to another company or organization. The research by Cheh-peng and Hua (2004) and Mujahid and Mukhaer (2015) is supported by studies conducted by Mahmud et al. (2015), Luke et al. (2018), and Muhammed (2017), where Leader-Member Exchange has a positive and significant impact on the intention to quit. However, a different result was found in the research conducted by Ceacilia et al (2017). In their study, Ceacilia et al. (2017) found that Leader-Member Exchange has a negative impact on the intention to quit. Therefore, the third hypothesis in this study is:

H₃: Leader-Member Exchange has a positive and significant impact on intention to quit.

The influence of Leader-Member Exchange on intention to quit with job satisfaction as a mediator

Heywood et al. (2016) state that job satisfaction is a reflection of an individual's beliefs about the determinants of their behavior. Increasing job satisfaction is expected to reduce employees' intention to quit. Intention to quit is something desired by an employee to leave the company they currently work for (Nyoman and Wayan, 2015). The weak Leader-Member Exchange influences job satisfaction, leading to the intention to quit (Luke et al. (2018), and Muhammed (2017)).

H₄: Job satisfaction mediates the impact of Leader-Member Exchange on intention to quit.

The influence of Leader-Member Exchange on intention to quit with organizational commitment as a mediator

There are several reasons why LMX can reduce an employee's intention to leave and maintain commitment to the organization. LMX encourages a positive psychological contract between leaders and followers (C. H. Lee & Bruvold, 2003). A positive psychological contract can be defined as a set of reciprocal obligations involving shared expectations, enhancing organizational identification among employees (Robert & Vandenberghe, 2021). Additionally, the quality of the relationship between leaders and followers can have a positive relationship with job performance (Lin & Ma, 2004), and followers' roles reflecting genuine commitment will result in more positive feedback (Sa'adah & Rijanti, 2022).

Robert & Vandenberghe (2021); Sa'adah & Rijanti (2022) argue that a high level of perceived management and leadership support creates a duty for employees to demonstrate sportsmanship, diligence, and willingness that represent their loyalty. Silva et al. (2019) state that employee commitment increases when they feel they receive more trust, respect, and attention from leaders. If the leader-employee relationship is positive, it will lead them to positive work, influencing their emotions in the form of commitment, as the leader is a significant representation of the organization.

H₅: Organizational commitment mediates the impact of Leader-Member Exchange on intention to quit."

METHODOLOGY

This study is a descriptive quantitative research, where the obtained data consist of numerical values that are then processed and analyzed to obtain an overview and relationships between the variables used in this study (Creswell, 2018). The population in this research consists of Retail Sales Promoters (SPB/SPG) in the shopping malls of Kota Bandar Lampung, Indonesia. A total of 200 samples are used in this study, employing a non-probability sampling technique. The data is analyzed using Structural Equation Modeling (SEM) with the assistance of the AMOS application.

RESULTS AND DISCUSSION

RESULT

Validity and Reliability Test

Table 1 Validity and Reliability Test

No	Indikator	Loading Factor	Loading ^2	Error	Cr	AVE
1	X1	0,846	0,716	0,284	0,939	0,755
2	X2	0,820	0,672	0,328		
3	X3	0,886	0,785	0,215		

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

No	Indikator	Loading Factor	Loading ^2	Error	Cr	AVE
4	X4	0,916	0,839	0,161		
5	X5	0,873	0,762	0,238		

No	Indikator	Loading Factor	Loading ^2	Error	Cr	AVE
1	Y11	0,714	0,510	0,490	0,901	0,648
2	Y12	0,781	0,610	0,390		
3	Y13	0,779	0,607	0,393		
4	Y14	0,894	0,799	0,201		
5	Y15	0,845	0,714	0,286		

No	Indikator	Loading Factor	Loading ^2	Error	Cr	AVE
1	Y21	0,805	0,648	0,352	0,890	0,575
2	Y22	0,740	0,548	0,452		
3	Y23	0,720	0,518	0,482		
4	Y24	0,730	0,533	0,467		
5	Y25	0,750	0,563	0,438		
6	Y26	0,799	0,638	0,362		

No	Indikator	Loading Factor	Loading ^2	Error	Cr	AVE
1	Z1	0,770	0,593	0,407	0,879	0,647
2	Z2	0,750	0,563	0,438		
3	Z3	0,801	0,642	0,358		
4	Z4	0,889	0,790	0,210		

Source: Primary Data (2023)

Based on the results of the instrument validity test, it is evident that all research indicators for the 4 variables used in the research model are valid. This finding is supported by all loading factor values > 0.5 . According to the instrument reliability test results, it can be concluded that all items in the research instrument are reliable. This research finding is supported by all CR values for each research variable having a coefficient greater than 0.6. Regarding the discriminant validity test results, it is observed that all research variables meet the criteria for discriminant validity. This is evidenced by all AVE values being greater than 0.5. In conclusion, the data in this study are valid and reliable.

Table 2. GOF Test

GOF Criteria	Cut Off	Value	Keterangan
Probabilitas (χ^2)	$> 0,05$	0,392	Good Fit
Chisquare	Expected to be small	158.201	Good Fit
CMIN / df	≤ 5	1,027	Good Fit
RMSEA	$\leq 0,08$	0,012	Good Fit
GFI	$> 0,9$	0,928	Good Fit
AGFI	$\geq 0,9$	0,902	Good Fit
TLI	$\geq 0,9$	0,998	Good Fit
CFI	$\geq 0,9$	0,998	Good Fit

Source: Primary Data (2023)

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

Based on the test results, it can be concluded that this model has met the criteria for Goodness-of-Fit (GoF). The GoF fit criteria encompass various aspects, such as a low Chi-square value, Comparative Fit Index (CFI) and Tucker-Lewis Index (TLI) values close to 1, and a Root Mean Square Error of Approximation (RMSEA) close to zero. These positive results indicate that the research model, in general, aligns well with the observed data. Thus, it can be considered that the model exhibits a good level of fit with the available empirical data.

Table 3. Hypothesis Test

Hypothesis	Path	Standardized Coef	S.E.	C.R.	P
H1	LMX (X1) → Job Satisfaction (Y1)	,542	,062	8,695	***
H2	LMX (X1) → Organizational Commitment (Y2)	,393	,073	5,365	***
H3	LMX (X1) → Intention to Quit (Z)	,344	,097	3,538	***
H4	LMX (X1) *Job Satisfaction (M) → Intention to Quit (Z)	,163	,056	2,908	,004
H5	LMX (X1) *Organizational Commitment (M) → Intention to Quit (Z)	,361	,079	4,578	***

Source: Primary Data (2023)

Based on the calculations presented table 3, the obtained results are as follows:

1. LMX has a positive and significant effect on job satisfaction. This is evidenced by the estimate value of 0.542 and a p coefficient of 0.000, which is lower than the significance level (0.05).
2. LMX has a positive and significant effect on organizational commitment. This is supported by the estimate value of 0.393 and a p coefficient of 0.000, which is less than the significance level (0.05).
3. LMX has a positive and significant effect on the intention to quit. This is reinforced by the estimate value of 0.344 and a p coefficient of 0.000, which is lower than the significance level (0.05).
4. Job satisfaction mediates the relationship between LMX and the intention to quit, as evidenced by the estimate value of 0.163 and a p coefficient of 0.004, which is less than the significance level (0.05).
5. Organizational commitment mediates the relationship between LMX and the intention to quit, as evidenced by the estimate value of 0.361 and a p coefficient of 0.000, which is lower than the significance level (0.05).

These results indicate that the variables LMX, job satisfaction (JS), and organizational commitment (OC) have a significant and positive influence on the variable intention to quit (ITQ). Additionally, LMX has a significant and positive influence on job satisfaction and organizational commitment. Thus, these findings support the hypotheses proposed in the study.

DISCUSSIONS

LMX Influences Job Satisfaction Positively and Significantly

The results of the first hypothesis testing indicate that Leader-Member Exchange (LMX) has a significant positive relationship with job satisfaction. This finding aligns with statements from Erdogan et al. (2011), C. H. Lee & Bruvold (2003), and Narpati et al. (2020), highlighting various aspects underlying job satisfaction, such as behavioral potential, expectations, reinforcing elements, and psychological atmosphere. Leader-Member Exchange (LMX) refers to a system involving several components and relationships among these components, encompassing the closeness of a leader with each team member or dyadic relationship (Ghulam, 2017; Yasin et al., 2023). Other studies by S. S. Liao et al. (2017) and Menon (2014) reveal that role exchanges, as long as they do not disrupt performance, tend to improve job satisfaction. In the context of LMX with SPB/SPG, employees may feel a sense of ownership and responsibility, leading to enhanced job satisfaction. A stronger LMX relationship between leaders and team members correlates with increased job satisfaction. Job satisfaction plays a crucial role in contributing to work quality, performance, and employee retention.

Moreover, satisfied employees are more motivated, enthusiastic, and dedicated. This positive impact extends to productivity, service quality, and customer loyalty. Organizations with high employee job satisfaction levels tend to be more stable with lower turnover rates. This stability helps reduce costs associated with retraining and layoffs while retaining experienced personnel. Strong LMX relationships can also foster better collaboration between teams and departments. Employees who feel valued and have positive relationships with their leaders are more cooperative in achieving organizational goals. These findings emphasize the importance of cultivating and maintaining a positive LMX relationship between leaders and team members, positively impacting job satisfaction among SPB/SPG employees in Mall Bandar Lampung City. Efforts to improve the quality of leader-

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

team member relationships can yield significant benefits for organizations, both in terms of performance and employee retention.

LMX Influences Organizational Commitment Positively and Significantly.

The positive and significant results indicating that LMX influences organizational commitment align with the context of this study. In the competitive retail business, having satisfied employees is a valuable asset. The positive relationship between LMX and organizational commitment suggests that the quality of interactions between leaders and team members has a positive impact on employees' perceptions of their organization. Several factors influencing the LMX-organizational commitment relationship should be considered. Leadership style, communication, and leader support play crucial roles in shaping the quality of LMX. Inclusive leadership styles, effective communication, and leader support contribute to building stronger LMX relationships.

Effective communication is key to building positive LMX relationships. Clear and continuous communication between leaders and team members enhances trust and mutual understanding, influencing organizational commitment positively. Support and attention provided by leaders to their team members are also crucial. Leaders who pay attention to the needs and development of employees and provide assistance when needed tend to create positive LMX relationships. Previous research by Kaukab et al. (2020) and C. H. Lee & Bruvold (2003) indicates that perceived high levels of management and leadership support create a sense of obligation in employees to demonstrate sportsmanship, diligence, and a willingness to represent loyalty. Silva et al. (2019) suggest that employee commitment increases when they feel they receive more trust, respect, and attention from leaders. Positive leader-employee relationships lead to positive work outcomes, influencing emotions in the form of commitment, as leaders are essential representations of the organization. These findings underscore the importance of support from management and the development of positive relationships between leaders and team members. Such efforts contribute to employees' commitment, loyalty, and satisfaction, influencing their intention to stay with the organization.

LMX Influences Intention to Quit Positively and Significantly

The positive and significant relationship between LMX and intention to quit implies that a well-established LMX results in lower intentions among SPB/SPG employees to leave their jobs. This finding aligns with previous studies (Jabutay & Rungruang, 2021; Kaukab et al., 2020; Srinadi & Supartha, 2015; Treglown et al., 2018), emphasizing that Leader-Member Exchange positively affects the intention to quit. A mutually beneficial relationship and openness in carrying out duties and responsibilities contribute to reducing employees' intent to leave. In this study, a positive LMX is considered a factor that helps reduce employees' intentions to quit. The establishment of relationships through LMX results in employees feeling ownership and responsibility for their work. This sense of ownership encourages higher job satisfaction, leading to a lower intention to quit. The importance of the LMX relationship highlights that building a positive LMX in the context of SPG/SPB in retail leads to employees feeling valued, supported, and having good relationships with their leaders, reducing the intention to quit. Understanding the significance of LMX emphasizes its role in minimizing negative impacts on organizational operations. In the context of retail, where competition is high, reducing employee turnover is crucial for maintaining experienced and committed personnel. Intent to quit can disrupt productivity, team stability, and customer service quality. Thus, these findings emphasize the importance of LMX in minimizing the negative impact on organizational operations.

LMX Positively and Significantly Influences Intention to Quit with Job Satisfaction as a Mediator

This study reveals that Leader-Member Exchange (LMX) positively and significantly influences the intention to quit, with job satisfaction mediating this relationship. Several factors explain why a positive LMX contributes to lower intentions to quit. Support and trust are crucial elements in a strong LMX; when leaders listen, provide support, and acknowledge employees, they tend to be more satisfied and committed, reducing the desire to seek alternative employment. Effective communication plays a vital role in positive LMX relationships. Clear and consistent communication helps avoid conflicts and misunderstandings, contributing to lower intentions to quit. Employees who can freely communicate with their leaders and feel heard tend to be more satisfied and less likely to quit. Recognition and appreciation also play a significant role. Employees with positive relationships with their leaders tend to receive more acknowledgment for their contributions, motivating them to stay and give their best effort. Job satisfaction as a mediator plays a crucial role in explaining the relationship between positive LMX and lower intentions to quit. Satisfied employees tend to have lower intentions to quit, feeling connected to their work and experiencing lower stress levels.

Previous studies, such as S. S. Liao et al. (2017), found that positive LMX helps reduce employees' intentions to quit and improves job satisfaction, ultimately positively impacting customer service quality and customer retention. The results emphasize the key role of a positive LMX relationship, mediated by job satisfaction, in achieving success and stability in retail

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

business. Consequently, these findings are highly relevant in the competitive retail context. Another study by Erdogan et al. (2011) highlights that in a competitive retail business environment, organizations need to understand the crucial role of LMX in designing strategies to retain competent and committed employees. This research underscores the importance of supporting leaders in building positive relationships with their teams and creating a work climate that promotes job satisfaction. These findings have significant implications for human resource management (HRM). In retail businesses with high employee turnover, understanding and leveraging positive LMX relationships can help organizations reduce turnover and retain experienced personnel. Management implications include leadership training to build skills in establishing positive LMX and focusing on developing a work climate that promotes organizational commitment.

LMX Positively and Significantly Influences Intention to Quit with Organizational Commitment as a Mediator

LMX is a key factor in shaping organizational commitment levels. The positive relationship between leaders and team members creates a more supportive work environment. When leaders listen, provide support, and acknowledge employees, they tend to be more satisfied with their work. Previous studies, such as Dennis and Bocarnea (20XX), show that better LMX is significantly related to higher job satisfaction levels. Therefore, a strong LMX can form the basis for organizational commitment. In this research framework, organizational commitment serves as a mediator that explains the relationship between LMX and the intention to quit. Considering that a positive LMX creates organizational commitment, employees are more likely to stay committed when satisfied with their organization. Organizational commitment reflects that the organization meets employees' expectations and needs, creating a supportive work environment. Thus, higher levels of organizational commitment can reduce the intention to quit as employees feel connected to the organization and satisfied with their work.

The intention to quit is the end result of interactions between LMX, organizational commitment, and various other factors. Intention to quit can arise as a response to dissatisfaction, mismatch, or the desire to seek better opportunities. In the retail business, high employee turnover rates can disrupt operations and customer service quality. Therefore, understanding the factors influencing the intention to quit is crucial in human resource management. These findings have significant implications for human resource management in retail businesses. To reduce the intention to quit and improve employee retention, organizations need to pay attention to developing positive relationships through LMX. This may involve leadership training in communication skills, effective feedback, and deserving recognition. Additionally, organizations need to focus on developing a work climate that promotes organizational commitment, including career development programs, appropriate incentives, and constructive feedback.

CONCLUSIONS & MANAGERIAL IMPLICATION

CONCLUSIONS

This research has yielded several significant findings regarding the relationship between Leader-Member Exchange (LMX), job satisfaction, organizational commitment, and intention to quit. Here are the conclusions drawn from this study:

1. **Positive Influence of LMX on Job Satisfaction:**

The research results indicate a positive influence between LMX and job satisfaction. An improvement in the quality of the relationship between leaders and team members (LMX) has the potential to enhance levels of job satisfaction, and vice versa.

2. **Positive Influence of LMX on Organizational Commitment:**

Research findings suggest a positive influence between LMX and organizational commitment. An increase in LMX can elevate levels of organizational commitment, and conversely.

3. **Positive Influence of LMX on Intention to Quit:**

The study reveals a negative influence between LMX and the intention to quit. Enhancement in the quality of LMX can reduce the tendency to quit the job.

4. **Mediating Role of Job Satisfaction in the Relationship Between LMX and Intention to Quit:**

Job satisfaction is identified as a significant mediator in the relationship between LMX and the intention to quit. This implies that employees who are satisfied with their jobs are less likely to quit, especially when their relationship with their leaders (LMX) improves.

5. **Mediating Role of Organizational Commitment in the Relationship Between LMX and Intention to Quit:**

Findings indicate that organizational commitment mediates the relationship between LMX and the intention to quit. A positive relationship between leaders and team members creates a supportive work environment, which, in turn, influences organizational commitment and reduces the intention to quit.

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

In conclusion, this study underscores the importance of paying attention to and enhancing the relationship between leaders and team members (LMX) as a strategy to improve job satisfaction, organizational commitment, and reduce the intention to quit among employees. The implications of these findings can assist organizations in designing more effective human resource management policies, with a focus on improving the quality of interactions between leaders and team members.

MANAGERIAL IMPLICATIONS

Based on the assessment of individual indicators in the job satisfaction variable, the statement regarding "opportunities for promotion" received the lowest appreciation. This suggests that some respondents may have doubts or lower expectations regarding promotion opportunities in the workplace. Therefore, the suggestion for this study is to focus on strategies that foster social relationships and a sense of ownership among employees. This may include implementing team-building activities, creating opportunities for open communication and collaboration, and promoting a supportive and inclusive work culture. Additionally, conducting surveys or focus groups to gather more specific feedback from employees about their feelings of social connection in the workplace can provide valuable insights for improvement.

According to the assessment of individual indicators in the organizational satisfaction variable, the indicator "part of a family in the workplace" received the lowest appreciation. This indicates that some respondents may feel less socially connected in the workplace. It is important for the company to find ways to enhance employees' sense of accountability and ownership in addressing issues within the organization. This could involve providing clear guidelines on problem-solving processes, offering training or workshops on effective problem-solving skills, and recognizing and rewarding employees who demonstrate a proactive approach to solving challenges. Additionally, seeking input from employees through feedback mechanisms such as suggestion boxes or anonymous feedback channels can help identify the underlying reasons for the perceived lack of personal responsibility for a problem.

Based on the assessment of individual indicators in the organizational satisfaction variable, the indicator "responsibility for issues" received low appreciation. This suggests that there may be a sense of responsibility, but not everyone feels that if there is a problem, employees perceive it as not their personal responsibility. The research recommendation is twofold. First, conducting a survey to gather more specific information about why employees do not feel responsible for issues. This could include questions about the level of communication and transparency within the organization, the availability of resources and support, and to what extent employees feel empowered to own and make decisions about problems. Second, analyzing organizational culture and leadership styles to determine if there are factors that may contribute to a lack of personal responsibility. This could include assessing the level of autonomy and decision-making authority given to employees, the level of accountability and feedback provided, and the extent to which the organization values and appreciates existing issues. Implementing training and development programs to help employees build problem-solving and decision-making skills. This could include workshops on effective communication, conflict resolution, and decision-making, as well as opportunities for employees to practice these skills in a supportive and safe environment.

REFERENCES

- 1) Arshad, H. M., Akhtar, M. W., Imran, M., Batool, I., Asrar-ul-Haq, M., & Akbar, M. (2022). Effectiveness of leader-member exchange on employee outcomes in cross-cultural environment of China–Pakistan economic corridor. *Kybernetes*. <https://doi.org/10.1108/K-05-2022-0746>
- 2) Babič, K., Černe, M., Connelly, C. E., Dysvik, A., & Škerlavaj, M. (2019). Are we in this together? Knowledge hiding in teams, collective prosocial motivation and leader-member exchange. In *Journal of Knowledge Management* (Vol. 23, Issue 8). <https://doi.org/10.1108/JKM-12-2018-0734>
- 3) Barry, C. T., Sidoti, C. L., Briggs, S. M., Reiter, S. R., & Lindsey, R. A. (2017). Adolescent social media use and mental health from adolescent and parent perspectives. *Journal of Adolescence*, 61(September), 1–11. <https://doi.org/10.1016/j.adolescence.2017.08.005>
- 4) Bourguignons, A. (2016). *Abj ' M*. 4(2). <https://doi.org/10.5296>
- 5) Brimhall, K. C., Lizano, E. L., & Mor Barak, M. E. (2014). The mediating role of inclusion: A longitudinal study of the effects of leader-member exchange and diversity climate on job satisfaction and intention to leave among child welfare workers. *Children and Youth Services Review*, 40, 79–88. <https://doi.org/10.1016/j.childyouth.2014.03.003>
- 6) Brown, O., Paz-Aparicio, C. and Revilla, A. J. (2019). Leader's Communication Style, LMX and Organizational Commitment: A Study of Employee Perceptions in Peru. *Leadership & Organization Development Journal*, 40(2), 230–258.

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

- 7) Chen, G. K. W., Tansley, C., & Chou, R. C. C. (2021). Towards liminality competence: a migrant's talent identity narratives for re-imagining global talent management. *Journal of Organizational Effectiveness*, 8(4), 427–443. <https://doi.org/10.1108/JOEPP-02-2021-0037>
- 8) Chung, M., & Jeon, A. (2020). Social exchange approach, job satisfaction, and turnover intention in the airline industry. *Service Business*, 14(2), 241–261. <https://doi.org/10.1007/s11628-020-00416-7>
- 9) Dalton, D. (1993). Turnover, transfer, absenteeism: An interdependent perspective. *Journal of Management*, 19(2), 193–219. [https://doi.org/10.1016/0149-2063\(93\)90052-o](https://doi.org/10.1016/0149-2063(93)90052-o)
- 10) Dankwort, J. (2002). Partner Abuse Group Intervention Lessons From Education and Narrative Therapy Approaches TOD AUGUSTA-SCOTT Bridges Domestic Violence Intervention Program. *Journal of Interpersonal Violence*, 17(7), 783–805.
- 11) Eisenberger, R., Stinglhamber, F., Vandenberghe, C., Sucharski, I. L., & Rhoades, L. (2002). Perceived supervisor support: Contributions to perceived organizational support and employee retention. *Journal of Applied Psychology*, 87(3), 565–573. <https://doi.org/10.1037/0021-9010.87.3.565>
- 12) Elliot, R. L., Campbell, L., Hunter, M., Cooper, G., Melville, J., McCabe, K., Newman, L., & Loughland, C. (2014). When i look into my baby's eyes... infant emotion recognition by mothers with borderline personality disorder. *Infant Mental Health Journal*, 35(1), 21–32. <https://doi.org/10.1002/imhj.21426>
- 13) Elliott, R. (2004). Consumer behaviour. In *The Social Science Encyclopedia*. NJ Prentice-Hall. <https://doi.org/10.4018/jebr.2008070104>
- 14) Erdogan, B., Bauer, T. N., Peiró, J. M., & Truxillo, D. M. (2011). Overqualified Employees: Making the Best of a Potentially Bad Situation for Individuals and Organizations. *Industrial and Organizational Psychology*, 4(2), 215–232. <https://doi.org/10.1111/j.1754-9434.2011.01330.x>
- 15) Firth, L., Mellor, D. J., Moore, K. A., & Loquet, C. (2004). How can managers reduce employee intention to quit? *Journal of Managerial Psychology*, 19(2), 170–187. <https://doi.org/10.1108/02683940410526127>
- 16) Ghulam, S. H. & A. (2017). Job Satisfaction and Turnover Intentions Among College Faculty in Gilgit-Baltistan, Pakistan. *Pakistan Business Review*, 810–825. <http://journals.iobmresearch.com/index.php/PBR/article/viewFile/1643/290>
- 17) Gottfredson, R. K., Wright, S. L., & Heaphy, E. D. (2020). A critique of the Leader-Member Exchange construct: Back to square one. *Leadership Quarterly*, 31(6), 101385. <https://doi.org/10.1016/j.leaqua.2020.101385>
- 18) Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis 7th Edition*. Hair, Black, Babin, Anderson.pdf (p. 761).
- 19) Heywood, J. S., Jirjahn, U., & Struewing, C. (2017). Locus of control and performance appraisal. *Journal of Economic Behavior and Organization*, 142(10288), 205–225. <https://doi.org/10.1016/j.jebo.2017.06.011>
- 20) Hirvi, S., Laulainen, S., Junttila, K., & Lammintakanen, J. (2022). The dynamic nature of leader–member exchange relationships in health-care organizations. *Leadership in Health Services*. <https://doi.org/10.1108/LHS-06-2022-0073>
- 21) Jabutay, F. A., & Rungruang, P. (2021). Turnover intent of new workers: social exchange perspectives. *Asia-Pacific Journal of Business Administration*, 13(1), 60–79. <https://doi.org/10.1108/APJBA-10-2019-0216>
- 22) Kaukab, M. E., Sains, U., Wonosobo, A., Suliyanto, S., Soedirman, U. J., Suroso, A., & Soedirman, U. J. (2020). The Influence of Interactional Justice , Leader-Member Exchange Quality , Involvement in Job , and Trust to Leader toward Intention to Quit : Case Study in SMEs The Influence of Interactional Justice , Leader-Member Exchange Quality , Involvement in Job ,. *International Journal of Advanced Science and Technology*, 29(May), 3407–3415.
- 23) Kiazad, K., Seibert, S. E., & Kraimer, M. L. (2014). Psychological contract breach and employee innovation: A conservation of resources perspective. *Journal of Occupational and Organizational Psychology*, 87(3), 535–556. <https://doi.org/10.1111/joop.12062>
- 24) Krampitz, J., Tenschert, J., Furtner, M., Simon, J., & Glaser, J. (2023). Effectiveness of online self-leadership training on leaders' self-leadership skills and recovery experiences. *Journal of Workplace Learning*, 35(9), 66–85. <https://doi.org/10.1108/jwl-10-2022-0125>
- 25) Lee, A., Thomas, G., Martin, R., & Guillaume, Y. (2019). Leader-Member Exchange (LMX) Ambivalence and Task Performance: The Cross-Domain Buffering Role of Social Support. *Journal of Management*, 45(5), 1927–1957. <https://doi.org/10.1177/0149206317741190>
- 26) Lee, C. H., & Bruvold, N. T. (2003). Creating value for employees: Investment in employee development. *International Journal of Human Resource Management*, 14(6), 981–1000. <https://doi.org/10.1080/0958519032000106173>
- 27) Liao, H., & Chuang, A. (2004). A multilevel investigation of factors influencing employee service performance and customer outcomes. *Academy of Management Journal*, 47(1), 41–58. <https://doi.org/10.2307/20159559>

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

- 28) Liao, S. S., Hu, D. C., Chung, Y. C., & Chen, L. W. (2017). LMX and employee satisfaction: mediating effect of psychological capital. *Leadership and Organization Development Journal*, 38(3), 433–449. <https://doi.org/10.1108/LODJ-12-2015-0275>
- 29) Liao, Z., Liu, W., Li, X., & Song, Z. (2019). Give and take: An episodic perspective on leader-member exchange. *Journal of Applied Psychology*, 104(1), 34–51. <https://doi.org/10.1037/apl0000371>
- 30) Lin, C.-P., & Ma, H. C. (2004). Effects of leader-member exchange, job satisfaction, and organizational commitment on diagnosing employee job performance using career stage as a moderator. *Asia Pacific Management Review*, 9(1), 79–99.
- 31) Low, G. S., & Mohr, J. J. (2000). Advertising vs sales promotion: A brand management perspective. *Journal of Product & Brand Management*, 9(6), 389–414. <https://doi.org/10.1108/10610420010356984>
- 32) Maier, C., Laumer, S., Eckhardt, A., & Weitzel, T. (2013). Analyzing the impact of HRIS implementations on HR personnel's job satisfaction and turnover intention. *Journal of Strategic Information Systems*, 22(3), 193–207. <https://doi.org/10.1016/j.jsis.2012.09.001>
- 33) Mandolfo, M., Bettiga, D., Lamberti, L., & Noci, G. (2022). Influence of Sales Promotion on Impulse Buying: A Dual Process Approach. *Journal of Promotion Management*, 28(8), 1212–1234. <https://doi.org/10.1080/10496491.2022.2060415>
- 34) Menon, M. E. (2014). The relationship between transformational leadership, perceived leader effectiveness and teachers' job satisfaction. *Journal of Educational Administration*, 52(4), 509–528. <https://doi.org/10.1108/JEA-01-2013-0014>
- 35) Moliner, C., Martínez-Tur, V., Peiró, J. M., Ramos, J., & Cropanzano, R. (2005). Relationships between organizational justice and burnout at the work-unit level. *International Journal of Stress Management*, 12(2), 99–116. <https://doi.org/10.1037/1072-5245.12.2.99>
- 36) Narpati, B., Andrian, A., & Nursal, M. F. (2020). Pengaruh Turnover Intention Dan Kepuasan Kerja Terhadap Produktivitas Kerja Sales Promotion Girl (Spg) Matahari Department Store – Bekasi. *Business Management Analysis Journal (BMAJ)*, 3(2), 174–188. <https://doi.org/10.24176/bmaj.v3i2.4819>
- 37) Nazir, S., Shafi, A., Asadullah, M. A., Qun, W., & Khadim, S. (2020). Linking paternalistic leadership to follower's innovative work behavior: the influence of leader–member exchange and employee voice. *European Journal of Innovation Management*, 24(4), 1354–1378. <https://doi.org/10.1108/EJIM-01-2020-0005>
- 38) Omilion-Hodges, L. M., & Baker, C. R. (2017). Communicating Leader-Member Relationship Quality: The Development of Leader Communication Exchange Scales to Measure Relationship Building and Maintenance Through the Exchange of Communication-Based Goods. In *International Journal of Business Communication* (Vol. 54, Issue 2). <https://doi.org/10.1177/2329488416687052>
- 39) Ozcelik, H., Langton, N., & Aldrich, H. (2008). Doing well and doing good: The relationship between leadership practices that facilitate a positive emotional climate and organizational performance. *Journal of Managerial Psychology*, 23(2), 186–203. <https://doi.org/10.1108/02683940810850817>
- 40) Quraisy, M., & Pakkanna, M. (2018). Komitmen organisasional Dan Intention To Quit Karyawan Perbankan Syariah. *Liquidity*, 4(2), 136–144. <https://doi.org/10.32546/lq.v4i2.74>
- 41) Rehman, F. ur, Bin Md Yusoff, R., Bin Mohamed Zabri, S., & Binti Ismail, F. (2017). Determinants of personal factors in influencing the buying behavior of consumers in sales promotion: a case of fashion industry. *Young Consumers*, 18(4), 408–424. <https://doi.org/10.1108/YC-06-2017-00705>
- 42) Robert, V., & Vandenberghe, C. (2021). Laissez-Faire Leadership and Affective Commitment: the Roles of Leader-Member Exchange and Subordinate Relational Self-concept. *Journal of Business and Psychology*, 36(4), 533–551. <https://doi.org/10.1007/s10869-020-09700-9>
- 43) Sa'adah, N., & Rijanti, T. (2022). The Role of Knowledge Sharing , Leader-Member Exchange (LMX) on Organizational Citizenship Behavior and Employee Performance : An Empirical Study on Public Health Center of Pati 1, Pati 2 and Trangkil in Central Java. *International Journal of Social and Management Studies*, 3(1), 112–131. <https://www.ijosmas.org/index.php/ijosmas/article/view/87>
- 44) Saragih, J., Pratama, I., Wardati, J., Silalahi, E. F., & Tarigan, A. (2020). Can organizational justice dimensions mediate between leader mindfulness and leader-member exchange quality: An empirical study in Indonesia pharmaceutical firms. *Systematic Reviews in Pharmacy*, 11(2), 545–554. <https://doi.org/10.5530/srp.2020.2.82>
- 45) Sasmita, S., Hidayati, T., & Heksarini, A. (2017). Pengaruh Kompensasi dan Komitmen organisasional Terhadap Turnover

Optimizing Employee Retention: Exploring the Impact of Leader-Member Exchange on Work Intentions with Job Satisfaction and Organizational Commitment as Mediating Variables

- Intention Pada Karyawan Matahari Department Store Lembuswana. *Jurnal Prosiding Seminar Nasional Manajemen Dan Ekonomi Bisnis*, 1, 285–288. <http://journal.feb.unmul.ac.id/index.php/PROSNMEB>
- 46) Schaubroeck, J., Lam, S. S. K., & Cha, S. E. (2007). Embracing Transformational Leadership: Team Values and the Impact of Leader Behavior on Team Performance. *Journal of Applied Psychology*, 92(4), 1020–1030. <https://doi.org/10.1037/0021-9010.92.4.1020>
- 47) Silva, I. S., Bernardes, P., Ramalho, F. D., Ekel, P. I., Martins, C. A. P. da S., & Libório, M. P. (2019). Continuous results-driven innovation management program. *Revista de Gestao*, 26(4), 389–408. <https://doi.org/10.1108/REG-01-2019-0006>
- 48) Son, W. H., Baek, W. Y., & Byon, K. K. (2022). Effects of Sports Center Employees' Self-Leadership on Organizational Commitment: Mediating Effects of Leader-Member Exchange. *Sustainability (Switzerland)*, 14(18). <https://doi.org/10.3390/su141811343>
- 49) Srinadi, N. N., & Supartha, W. G. (2015). Peran Mediasi Kepuasan Kerja pada Hubungan Motivasi Kerja dengan Intention To Quit. *E-Jurnal Ekonomi Dan Bisnis Universitas Udayana*, 4(03), 197–219.
- 50) Susanto, A. (2023). The Influence of Organizational Citizenship Behavior (OCB) and Leader-Member Exchange (LMX) on the SMEs Performance: How The Role of Organizational Commitment (OC) Mediation. *International Journal of Sociology, Policy and Law (IJOSPL)*, 4(1), 1–11.
- 51) T. Manichander, T. M. (2012). Locus of Control and Performance: Widening Applicabilities. *Paripex - Indian Journal Of Research*, 3(2), 84–86. <https://doi.org/10.15373/22501991/feb2014/25>
- 52) Teck Weng, J., & Cyril de Run, E. (2013). Consumers' personal values and sales promotion preferences effect on behavioural intention and purchase satisfaction for consumer product. *Asia Pacific Journal of Marketing and Logistics*, 25(1), 70–101. <https://doi.org/10.1108/13555851311290948>
- 53) Treglown, L., Zivkov, K., Zarola, A., & Furnham, A. (2018). Intention to quit and the role of dark personality and perceived organizational support: A moderation and mediation model. *PLoS ONE*, 13(3), 1–13. <https://doi.org/10.1371/journal.pone.0195155>
- 54) Weng, Q., Latif, K., Khan, A. K., Tariq, H., Butt, H. P., Obaid, A., & Sarwar, N. (2020). Loaded with knowledge, yet green with envy: leader-member exchange comparison and coworkers-directed knowledge hiding behavior. *Journal of Knowledge Management*, 24(7), 1653–1680. <https://doi.org/10.1108/JKM-10-2019-0534>
- 55) Widiati, Sridana, N., Kurniati, N., & Amrullah, A. (2022). Pengaruh Minat Belajar dan Kebiasaan Belajar terhadap Prestasi Belajar Matematika. *Griya Journal of Mathematics Education and Application*, 2(4), 885–892. <https://doi.org/10.29303/griya.v2i4.240>
- 56) Yasin, R., Jan, G., Huseynova, A., & Atif, M. (2023). Inclusive leadership and turnover intention: the role of follower-leader goal congruence and organizational commitment. *Management Decision*, 61(3), 589–609. <https://doi.org/10.1108/MD-07-2021-0925>
- 57) Yue, C. A., Thelen, P. D., & Walden, J. (2022). How empathetic leadership communication mitigates employees' turnover intention during COVID-19-related organizational change. *Management Decision*. <https://doi.org/10.1108/MD-01-2022-0011>
- 58) Yuliani, F., Syahrul, L., Lukito, H., & Hidayat, T. (2021). Affective Commitment in Questions; Does LMX, POS, and Job Satisfaction being Answer? *Enrichment: Journal of Management*, 12(1), 120–125.
- 59) Zhao, L., Zhao, S., Zeng, H., & Bai, J. (2021). To share or not to share? A moderated mediation model of the relationship between perceived overqualification and knowledge sharing. *Baltic Journal of Management*, 16(5), 681–698. <https://doi.org/10.1108/BJM-01-2021-0006>



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (<https://creativecommons.org/licenses/by-nc/4.0/>), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.