

The Influence of LMX and EVB on Employee Performance with Job Satisfaction as A Mediator at PLN IP Suralaya

Irwan Edi S Lubis, Liza Mumtazah Damarwulan
Universitas Sultan Ageng Tirtayasa, Indonesia
Email: ichokfashion@gmail.com, lizamd@untirta.ac.id

Abstract

The purpose of this research is to examine the influence of Leader Member Exchange (LMX) and Employee Voice Behavior (EVB) on Employee Performance with Job Satisfaction as an intervening variable at PT PLN Indonesia Power Business Unit Pembangkitan Suralaya. The population in this study comprised all employees of the goods and services procurement section of PT PLN Indonesia Power, Suralaya Generation Business Unit. Purposive sampling was used as the sampling method, meaning that the sampling technique employed certain criteria. In this research, 30 individuals were selected as samples, with the criteria being permanent employees at PT PLN Indonesia Power Suralaya Generation Business Unit who served in the Goods and Services Procurement section. The research employed a quantitative method utilizing SmartPLS 4. The results show that Leader Member Exchange (LMX) has a negative effect on Employee Performance and a positive and significant effect on Job Satisfaction. Employee Voice Behavior (EVB) has a positive and significant effect on Job Satisfaction and a positive, but not significant, effect on Employee Performance. Additionally, Job Satisfaction has a positive and significant effect on Employee Performance. This study demonstrates that improving the quality of LMX and EVB through increased Job Satisfaction can enhance Employee Performance, both practically through leadership training and theoretically within the energy sector literature.

Keywords: Leader Member Exchange; Employee Voice Behavior; Job Satisfaction; Employee Performance

Introduction

Companies that want to move forward are expected to be able to manage changes caused by business conditions that often shift rapidly (Hasibuan, 2019). An adaptive company culture reflects an organization that can quickly adjust to face challenges and opportunities, as well as internal and external changes within the company (Alfayad & Arif, 2017). Therefore, the role of employees is essential as the main driving factor and the driving force behind company activities. As such, employee management requires greater attention through *Human Resource Management* (Errida & Lotfi, 2021).

Human Resource Management (HRDM) is both a science and an art involving the management of employee roles to optimize goal achievement (Hasibuan, 2019). Employees play a vital role in realizing the company's goals (Zhang & Li, 2024). Currently, the main factor for a company's continuity and success lies in the human factor, which is necessary to achieve the company's vision, mission, and long-term objectives. One of the critical factors in supporting the company's performance is employee performance, which illustrates that employees must have the capacity in both quantity and quality and contribute their best to ensure the company's success in meeting its goals (Naqvi & Abbas, 2020).

The relationship between superiors and subordinates greatly affects the quality of company activities conducted by employees. A leader's support significantly influences the company's scope, emphasizing that employees will experience *job satisfaction* when a leader provides motivation, care, and acts as a protector for employee welfare. One theory addressing the relationship between superiors and subordinates is *Leader Member Exchange (LMX)*. Mayasari (2019) stated that the main focus of the *LMX* leadership theory is how leaders and subordinates collaborate to achieve the organization's vision. The formation of relationships between leaders and employees, particularly through good communication, supports employee performance (Wagner, 2022). The exchange between members and leaders forms a specific closeness, including attachment, a sense of belonging, trust, and care. *LMX* is believed to encourage employee performance by emphasizing the importance of communication in leadership. The right communication style fosters mutual exchange and strengthens emotional bonds within the group, thus creating effective leadership and a strong team (Willie, 2025).

Communication within a company plays a crucial role in fostering relationships among superiors, members, and colleagues (Sharma, Sharma, & Sheoran, 2023). Communication benefits the company by facilitating the processing and sharing of information among colleagues, subordinates, and superiors (Doshi & McGregor, 2015). Communication can include evaluations, where employees provide advice on problems faced by the company. Before engaging in voice behavior, employees consider the risks and outcomes, making *voice behavior* a planned action (Alfayad & Arif, 2017). Employees who are not given the freedom to communicate informally—meaning employees are restricted in expressing ideas, suggestions, concerns, or information regarding company problems or relationships with colleagues—will experience *job dissatisfaction*, which ultimately affects employee performance (Ariani, 2024).

PT PLN Indonesia Power Plant Generation Business Unit Suralaya is located on Jalan Raya Merak, Cilegon, Banten. PT PLN Indonesia Power Suralaya Power Generation Business Unit operates in the electricity sector with a total installed capacity of 3400 MW, making it the largest unit in Indonesia owned by PT Indonesia Power (Errida & Lotfi, 2021). As the largest unit of PT PLN Indonesia Power Generation Business Unit, Suralaya is required to perform well and increase the contribution of human resources as the company's driving force to optimally realize individual targets that contribute to achieving the company's overall performance. The performance data of employees at PT PLN Indonesia Power Plant Suralaya Power Generation Business Unit is as follows:

Table 1. Employee Performance Data in 2018-2022

YEAR	TARGET (%)	EMPLOYEE PERFORMANCE REALIZATION (%)
2018	100	89,06
2019	100	92,02
2020	100	90,11
2021	100	89,45
2022	100	88,80

Source: Internal data of PT PLN Indonesia Power Unit Suralaya Generation (2023)

Based on table 1 above, the performance of employees of PT PLN Indonesia Power Generation Business Unit has been fluctuating since 2018-2022 and has continued to decline since 2019-2021. To strengthen the data, the researcher also used EEI (Employee Engagement Index) survey data, which is an annual survey at PT PLN Indonesia Power to assess the level of employee job satisfaction. The graph of EEI data trends and Employee Performance of PT PLN Indonesia Power Suralaya Power Generation Business Unit in 2018-2022 is as follows:

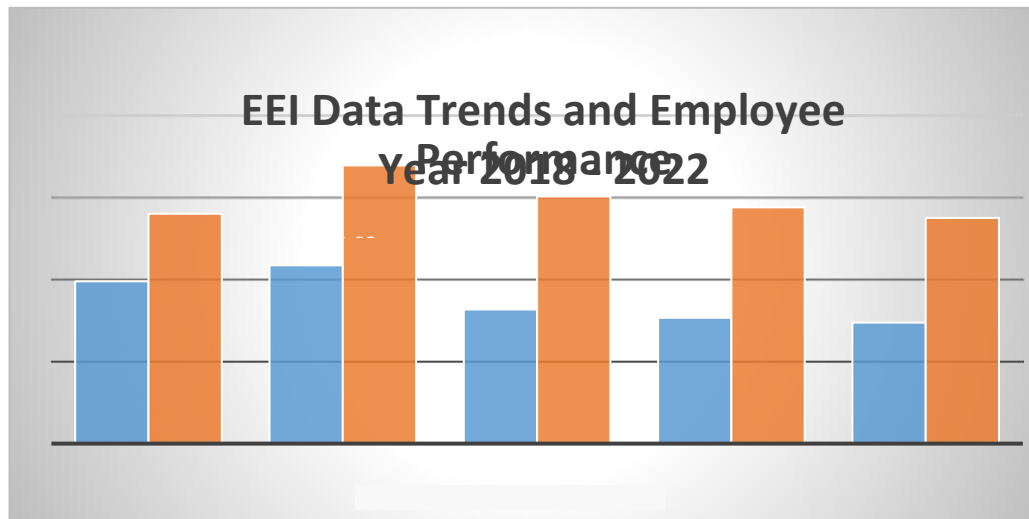


Figure 1. EEI Data Trend Chart and Employee Performance in 2018-2022

Source: Results processed by researchers from the Employee Engagement Index (EEI) survey and PT PLN IP Suralaya performance report (2023)

Based on Figure 1 above, it shows that the achievement of *employee performance* and the level of *job satisfaction* (EEI survey) were stable from 2018 to 2022. There was an increase in *job satisfaction* (EEI survey) that was followed by an increase in *employee performance*, and conversely, a decrease in *job satisfaction* was accompanied by a decline in *employee performance*. This indicates that *job satisfaction* is positively correlated with *employee performance*. From the table and graph above, it can also be concluded that from 2020 to 2023, the values of *job satisfaction* and *employee performance* continued to decline. To improve *employee performance*, it is necessary to review the leadership and communication practices at PT PLN Indonesia Power Plant Suralaya Power Generation Business Unit.

Employee Voice Behavior (EVB) is another critical factor influencing performance. *EVB* allows employees to communicate ideas and concerns, thereby fostering innovation and problem-solving. However, Liang and Yeh (2020) argue that the effectiveness of *EVB* depends on leadership receptivity and the organizational climate. Their study revealed that in environments where voice is discouraged, *EVB* can lead to dissatisfaction and reduced performance. This contrasts with findings from Holland et al. (2019), who demonstrated that *EVB* positively impacts performance when mediated by *job satisfaction*. These discrepancies highlight a research gap in understanding how *EVB* and *LMX* interact to influence performance, particularly in large, structured organizations like PT PLN Indonesia Power.

The purpose of this study is to determine the influence of *Leader Member Exchange (LMX)* and *Employee Voice Behavior (EVB)* on *employee performance*, with *job satisfaction*

as an intervening variable at PT PLN Indonesia Power Business Unit Pembangkitan Suralaya. The findings will offer practical benefits, such as actionable strategies for enhancing leadership practices and fostering a supportive work environment, ultimately contributing to improved organizational outcomes.

Research Methods

This research used a quantitative method. The population of this study consisted of all employees who worked in the procurement of goods and services at PT PLN Indonesia Power Business Unit Pembangkitan Suralaya. The sampling technique employed purposive sampling, which is a sampling method based on certain criteria. In this case, the sample had to be permanent employees responsible for the procurement of goods and services. The number of samples in this study was 30 (thirty) people. For data processing, this study used the SmartPLS 4.0 program.

Research Hypothesis

The author tries to make a hypothesis, or provisional conjecture based on the results of previous research and the above framework:

- H1 = Ada influence positive and significant *Leader Member Exchange (LMX)* to Employee Performance.
- H2 = There is a positive and significant influence of *Employee Voice Behavior (EVB)* on Employee Performance.
- H3 = There is a positive and significant influence of *Leader Member Exchange (LMX)* on Job Satisfaction.
- H4 = There is a positive and significant influence of *Employee Voice Behavior* on Job Satisfaction.
- H5 = Exist influence positive and signifikan Job Satisfaction with Employee Performance.
- H6 = Job Satisfaction mediates *Leader Member Exchange (LMX)* on Employee Performance
- H7 = Job Satisfaction mediates *Employee Voice Behavior* on Employee Performance

Results and Discussion

Measurement Model Test Results (Outer Model)

The first step in using PLS-SEM involves creating a path model that connects variables and constructs based on theory and logic. In creating a path model it is important to distinguish the construction site as well as the relationships between the variables. The measurement model (outer model) is used to assess the validity and reliability of the research model. Testing of the measurement model in this study was carried out on all 30 respondents. From the data processing that has been carried out, outer loading and AVE can be presented as follows:

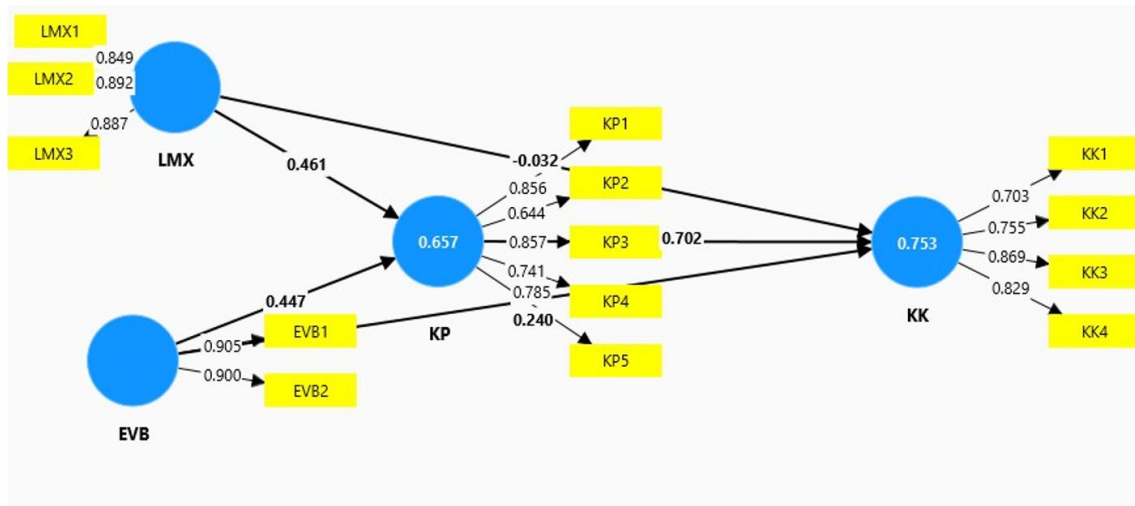


Figure 2. Outer Model Test Results

Source: SmartPLS 4.0 analysis output

To test the results of convergent validity and discriminant validity, in this study it was obtained from the values of outer loading and average variance extracted (AVE). The indicator is declared to meet the convergent Validity assumption if it obtains an outer loading > 0.6 . Meanwhile, discriminant validity can be fulfilled if the AVE value of the construct is > 0.5 (Ghozali & Latan, 2014).

From the image above, it is known that the range of outer loading values of the four research variables is to obtain a value above 0.6. Referring to the requirement of convergent validity assumption, the results of the outer model show that all indicators are declared valid.

Based on this model, the value of discriminant validity and reliability construct can be determined as follows:

Tabel 2. Construct Reliability dan Validity

Variable	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
EVB	0.773	0.774	0.898	0.815
KK	0.801	0.818	0.870	0.627
KP	0.836	0.846	0.885	0.609
LMX	0.849	0.857	0.908	0.767

Source: Primary data processing results using SmartPLS 4.0

From the figure above, it is known that the four research variables obtained an AVE value of > 0.5 which states that they have met the discriminant validity assumption. After knowing the two validity assumptions, namely convergent validity and discriminant validity, a reliability test was then carried out to determine the consistency of respondents' answers on all research instruments by looking at the composite reliability and cronbach's alpha values. The research instrument is declared reliable if it has a composite reliability value and Cronbach's alpha > 0.7 (Ghozali & Latan, 2014).

Based on the image above, it is also known that all research variables have a composite reliability value and Cronbach's alpha > 0.7 . Thus, all instruments in this study are declared to

have met the reliability assumptions and can be continued in the testing of structural models (inner models).

Structural Model Test Results (inner model)

Structural model testing (inner model) was carried out to find out how much correlation there is between the variables stated in the hypothesis, the magnitude of the influence of independent variables on the dependent variables and the dependency of the hypothesis determined. It is further presented in the table as follows:

Tabel 3. Path Coefficient

Path Coefficients - List	
Path	Path Coefficients
EVB -> KK	0.240
EVB -> KP	0.447
KP -> KK	0.702
LMX -> KK	-0.032
LMX -> KP	0.461

Source: PLS-SEM modeling output (SmartPLS 4.0)

From the table above, the explanation can be described:

1. Employee Voice Behavior (EVB) on employee performance obtained a path coefficient of 0.240 which means that Employee Voice Behavior (EVB) has a positive effect on employee performance. A positive sign on the path coefficient indicates that the better the Employee Voice Behavior (EVB), the better the Employee Performance.
2. Employee Voice Behavior (EVB) on Job Satisfaction obtained a path coefficient of 0.447 which means that Employee Voice Behavior (EVB) has a positive effect on Job Satisfaction. A positive sign on the path coefficient indicates that the better the Employee Voice Behavior (EVB), the better the Job Satisfaction.
3. Job Satisfaction to Employee Performance obtained a path coefficient of 0.702 which means that Job Satisfaction has a positive effect on Employee Performance. A positive sign on the path coefficient indicates that the better the Job Satisfaction, the more Employee Performance will increase.
4. Leader Member Exchange (LMX) on Employee Performance obtained a path coefficient of -0.032 which means that Leader Member Exchange (LMX) has a negative effect on Employee Performance.
5. Leader Member Exchange (LMX) on Job Satisfaction obtained a path coefficient of 0.461 which means that Leader Member Exchange (LMX) has a positive effect on Job Satisfaction. A positive sign on the path coefficient indicates that the better the Leader Member Exchange (LMX), the better the employee's performance.

Hypothesis Testing Results

Hypothesis testing in the PLS method, the free variable in question is the exogenous latent variable and the bound variable in question is the endogen latent variable. The estimated value for the path relationship in the inner model is used to determine the significance of the

relationships between latent variables. Significance values can be obtained by bootstrapping procedures developed by Geisser and Stone (Ghozali, 2015).

Bootstrapping is a resampling technique that pulls a large number of subsamples from the original data (with replacements) and estimates the model for each subsample. In this way, researchers obtain a large number (usually 5,000 or more) of the model's estimates, which can be used to calculate the standard error of each model parameter. Drawing on standard errors, the significance of each parameter can be determined, by using T-values.

Partial influence testing was carried out with t-statistic by comparing the t-statistic value and p value (one-party test) with t-table and sig 0.05. From the data processing carried out, the statistical value of the research hypothesis is presented:

Tabel 4. T statistic

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
EVB -> KK	0.240	0.221	0.133	1.799	0.072
EVB -> KP	0.447	0.438	0.139	3.226	0.001
KP -> KK	0.702	0.726	0.170	4.126	0.000
LMX -> KK	-0.032	-0.048	0.155	0.205	0.838
LMX -> KP	0.461	0.474	0.117	3.948	0.000

Source: Bootstrapping results of 5,000 subsamples (SmartPLS 4.0)

Based on the above provisions, the following is the hypothesis of each path coefficient:

1. Hypothesis 1: from the table above, it is known that hypothesis 1 (LMX -> Employee Performance) obtained a tstatistic of 0.205 with a p value of 0.838. These results show that LMX has a negative effect on Employee Performance because of tstatistic (0.205) > ttable (1.96) and p value (0.838) > α (0.05).
2. Hypothesis 2: from the table above, it is known that hypothesis 2 (Employee Voice Behavior -> Employee Performance) obtained a statistic of 1.799 with a p value of 0.072. These results show that EVB has a positive but insignificant effect on Employee Performance because of the tstatistic (1.799) < ttable (1.96) and p value (0.072) > α (0.05).
3. Hypothesis 3: from the table above, it is known that hypothesis 3 (LMX -> Job Satisfaction) obtained a statistical t of 3.948 with a p value of 0.000. These results show that LMX has a positive and significant effect on Job Satisfaction with tstatistic (3.948) > ttable (1.96) and p value (0.000) < α (0.05).
4. Hypothesis 4: from the table above, it is known that hypothesis 4 (EVB -> Job Satisfaction) obtained a statistical t of 3.226 with a p value of 0.001. These results show that EVB has a positive and significant effect on Job Satisfaction because of the tstatistic (3.266) > ttable (1.96) and p value (0.001) < α (0.05).
5. Hypothesis 5: from the table above, it is known that hypothesis 5 Job Satisfaction-> Employee Performance) obtained a statistical t of 4.126 with a p value of 0.000. These results show that Job Satisfaction has a positive and significant effect on employee performance because of the tstatistic (4,126) > ttable (1.96) and p value (0.000) < α (0.05).

Indirect Effect

Indirect effect testing or mediation test is the influence that arises from variable X (LMX and EVB) on Y (employee performance) through variable Z (Job Satisfaction). The following are the indirect effects that can be presented:

Table 5. Specific Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
LMX -> KP -> KK	0.324	0.345	0.122	2.648	0.008
EVB -> KP -> KK	0.314	0.318	0.129	2.441	0.015

Source: Mediation analysis using the bootstrapping method

Based on the above provisions, the following are the results of indirect effects:

1. Indirect effect 1: Hypothesis 6 (LMX -> Job Satisfaction -> Employee Performance) obtained a statistical t of 2.648 with a p value of 0.008. These results show that Job Satisfaction mediates the influence of LMX on employee performance because of the tstatistic ($2.648 > t_{table} (1.96)$ and $p \text{ value } (0.008) < \alpha (0.05)$).
2. Indirect effect 2: Hypothesis 7 (EVB->Job Satisfaction -> Employee Performance) obtained a statistical t of 2.441 with a p value of 0.015. These results show that Job Satisfaction mediates the influence of EVB on employee performance because the tstatistic ($2.441 > t_{table} (1.96)$ and $p \text{ value } (0.015) < \alpha (0.05)$).

Conclusion

Based on the research findings, Leader Member Exchange (LMX) negatively influenced employee performance at PT PLN Indonesia Power Generation Business Unit Suralaya, while Employee Voice Behavior (EVB) had a positive but not significant effect on performance. Both LMX and EVB showed positive and significant impacts on employee job satisfaction, which itself positively and significantly influenced employee performance. These results highlight the importance of fostering a comfortable and enjoyable work environment to motivate optimal employee contributions. For future research, it is suggested to replace the intervening variable of job satisfaction with innovative behavior to explore its potential effect on the relationship between leadership, employee voice, and performance.

REFERENCES

- Alfayad, Z., & Arif, L. S. M. (2017). Employee voice and job satisfaction: An application of Herzberg's two-factor theory. *International Journal of Business and Society*, 18(S4), 819-832.
- Ariani, D. W. (2024). How leader-member exchange affects work outcomes in social work. *South African Journal of Human Resource Management*, 22, 1-9.
- Doshi, N., & McGregor, L. (2015). The secret to an ideal work culture. *Time Magazine*.

- Erlita, D. V., & Surjanti, J. (2018). Pengaruh leader Member exchange, Self Efficacy, dan Kepuasan kerja terhadap kinerja karyawan (Studi pada Karyawan Bagian Pabrikasi di PT. PG Candi Baru Sidoarjo). *Jurnal Ilmu Manajemen*.
- Errida, M., & Lotfi, M. (2021). The role of adaptive culture in organizational success: A comprehensive review. *Academy of Strategic Management Journal*, 20(6), 1-13.
- Ghozali, I., & Latan, H. (2014). *Partial Least Squares Konsep, Teknik dan Aplikasi Menggunakan Program SmartPLS 3.0 untuk Penelitian Empiris* (Second ed.). Badan Penerbit Universitas Diponegoro Semarang.
- Hasibuan, M. S. (2019). *Manajemen Sumber Daya Manusia* (14th ed.). Bumi Aksara.
- Helmy, I. (2021). Pengaruh Leader-member Exchange dan Quality of Work-Life Terhadap Komitmen Organisasi dengan Mediasi Kepuasan Kerja. *Journal of Economic, Management, Accounting and Technology*, 4(2), 181-191.
- Holland, P., Teicher, J., & Donaghey, J. (2019). *Employee Voice at Work*. Springer.
- Lailatur Rizki, V., Titisari, P., & Prihatini, D. (2019). The role of emotional intelligence and organizational commitment in increasing OCB and employee performance. *International Journal of Scientific Research and Management*, 7(05).
- Liang, H. L., & Yeh, T. K. (2020). The effects of employee voice on workplace bullying and job satisfaction: The mediating role of leader–member exchange. *Management Decision*, 58(3), 569-582.
- Liang, J., Farh, C. I., & Farh, J. L. (2012). Psychological antecedents of promotive and prohibitive voice: A two-wave examination. *Academy of Management Journal*, 55(1), 71-92.
- Mayasari, I. (2019). Pengaruh Leader Member Exchange (LMX) dan Quality Work of Life (QWL) Terhadap Organizational Citizenship Behavior (OCB) Dosen Sekolah Tinggi Agama Islam Nahdatul Ulama (STAI NU) Jakarta.
- Mayasari, S. (2019). Leader-member exchange and employee performance: A review. *International Journal of Business and Social Science*, 10(12), 121-134.
- Sharifkhani, M., Khazaei Pool, J., & Asian, S. (2016). The impact of leader-member exchange on knowledge sharing and performance: An empirical investigation in the oil and gas industry. *Journal of Science and Technology Policy Management*, 7(3), 289–305.
- Stankey, J. (2025). 5 things the AT&T CEO's sweeping memo says about where corporate America is headed. *Business Insider*.
- Vipraprastha, T., Sudja, I. N., & Yuesti, A. (2018). The effect of transformational leadership and organizational commitment to employee performance with citizenship organization (OCB) behavior as intervening variables. *International Journal of Contemporary Research and Review*, 9(02), 20503–20518.
- Willie, M. M. (2025). Leader-member exchange and organizational performance: A review of communication biases and personality challenges. *Golden Ratio of Human Resource Management*, 5(1), 120-132.

Copyright holder:

Irwan Edi S Lubis, Liza Mumtazah Damarwulan (2025)

First publication right:

Syntax Literate: Indonesian Scientific Journal

This article is licensed under:

