

ORGANIZATIONAL COMMITMENT IN THE WAQF ORGANIZATION OF MUHAMMADIYAH:

A Perspective from Social Exchange Theory

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Abstract: *Organizational commitment is a critical element in achieving organizational goals. The theory of social exchange can explain the causes of organizational commitment by proposing leader-member exchange (LMX) and perceived organizational support (POS) as antecedents. However, most of the research has only been applied to profit organizations and has not touched many non-profit organizations. Muhammadiyah, as one of the representatives of the largest waqf manager in Indonesia, was chosen as the object of this study, where the waqf officials in the Muhammadiyah environment of the Yogyakarta Special Region (DIY) were used as respondents. The results of this study indicate that LMX does not have a significant influence in forming organizational commitment directly, but has an indirect effect on organizational commitment through POS while showing the inability of POS to be a moderator variable in the relationship between LMX and organizational commitment. The new finding of this research is that LMX requires POS mediation in influencing organizational commitment, especially in the context of the non-profit organization.*

المخلص: يعد الالتزام التنظيمي عنصرًا مهمًا جدًا في تحقيق الأهداف التنظيمية. لقد أثبتت نظرية التبادل الاجتماعي (نظرية التبادل الاجتماعي) أنها قادرة على شرح أسباب الالتزام التنظيمي، من خلال اقتراح تبادل القائد والأعضاء (XML) والدعم التنظيمي المتصور (SOP) كعامل تشكيل رئيسي. ومع ذلك، فقد تم تطبيق معظم البحوث فقط على المنظمات الربحية، ولم يتم تطبيق الكثير على المنظمات غير الربحية. المحمدية، التي

تعد واحدة من أكبر مديري الوقف في إندونيسيا ، كانت موضوع هذه الدراسة ، حيث تستخدم إدارة الوقف في بيئة محمديّة بيوكياكارتا (YID) ككائن رئيسي. تشير نتائج هذه الدراسة إلى أن XML ليس له تأثير كبير في تشكيل الالتزام التنظيمي بشكل مباشر ، ولكن له تأثير غير مباشر على الالتزام التنظيمي من خلال SOP ، وكذلك إثبات عجز SOP عن أن يكون متغيرًا مشرفًا على العلاقة بين XML والالتزام التنظيمي. النتيجة الجديدة لهذا البحث هي أن XML تتطلب وساطة SOP للتأثير على الالتزام التنظيمي ، خاصة في سياق المنظمات غير الربحية.

Abstrak: *Komitmen keorganisasian merupakan unsur yang sangat penting dalam pencapaian tujuan organisasi. Teori pertukaran sosial telah terbukti mampu menjelaskan mengenai penyebab terbentuknya komitmen keorganisasian, dengan mengajukan variabel leader-member exchange (LMX) dan perceived organizational support (POS) sebagai antesedennya. Namun, kebanyakan penelitian tersebut hanya diterapkan pada organisasi profit, dan belum banyak menyentuh organisasi non-profit. Muhammadiyah, sebagai salah satu representasi pengelola wakaf terbesar di Indonesia, telah dipilih sebagai objek dari penelitian ini, di mana para pengurus wakaf di lingkungan Muhammadiyah Daerah Istimewa Yogyakarta (DIY) dijadikan sebagai respondennya. Hasil penelitian ini menunjukkan bahwa LMX tidak memiliki pengaruh signifikan dalam membentuk komitmen keorganisasian secara langsung, namun memiliki pengaruh secara tidak langsung pada komitmen keorganisasian melalui POS, sekaligus menunjukkan ketidakmampuan POS dalam menjadi variabel moderator pada hubungan antara LMX dan komitmen keorganisasian. Temuan baru dari penelitian ini adalah bahwa LMX memerlukan mediasi LMX dalam mempengaruhi komitmen keorganisasian, khususnya dalam konteks organisasi non-profit.*

Keywords: Muhammadiyah, waqf, leadership, religiosity, spiritualiy.

INTRODUCTION

Waqf is a religious endowment that is recognized by Islamic law as a sacred donation, where the ownership of a given grant will be transferred to Allah, so that the gift may be used permanently by the community.¹ For waqf to provide optimal benefits for waqf beneficiaries, the central role of the waqf manager is crucial. Muhammadiyah is a socio-religious organization as well as a social organization that has played a tremendous and extensive role in Indonesia from pre to post-independence and has enormous social and moral capitals in Indonesia.² Muhammadiyah's potential is also very visible in the management of waqf which is very abundant, as well as providing a large social impact.³

Muhammadiyah still faces challenges in optimizing the human resource management of its assets and waqf,⁴ as stated in the PP Muhammadiyah Council Report (Period 2010-2015), where the human resource challenges are such as a lack of motivation of leaders to improve their intellectual abilities and skills related to the Council's core program, the limited time of leaders to be active in the Council, and also the decline in the organizational passion of

¹ Rose Abdullah and Abdul Ghafar Ismail, "Taking Stock of the Waqf-Based Islamic Microfinance Model," *International Journal of Social Economics* 44, no. 8 (2017): 1018-1031.

² Pimpinan Pusat Muhammadiyah, *Tanfidz Keputusan Muktamar Satu Abad Muhammadiyah* (Pimpinan Pusat Muhammadiyah, 2010), 39.

³ Based on a simple study and inventory conducted by the Central Board of Economics and Entrepreneurship of PP Muhammadiyah, it is stated that there are around 3,717 ha of land assets and endowments, of which 24% (around 895 ha) of land assets and endowments have been utilized for tertiary high education, 61% (around 2,260 ha) is used for thousands of schools, 6% (around 219 ha) is used for hospitals, 0.81% (around 30 ha) is used for orphanages, around 3.4% has been produced with light plants and perennials, while 8.64% (around 321 ha) is still in the form of shrubs, forests and vacant land. Pimpinan Pusat Muhammadiyah, *Laporan Pimpinan Pusat Muhammadiyah (Disampaikan pada Muktamar Muhammadiyah Ke-47 Makassar, 3-7 Agustus 2015)*, 2015, 36.

⁴ This is as stated in the PP Muhammadiyah Council Report Period 2010-2015, where the human resource challenges in question are such as: some leaders are lazy to improve their intellectual abilities and skills related to the Council's core program, the limited time available for the management or leaders to active in the Council, until the decline in the organizational passion of the board. Pimpinan Pusat Muhammadiyah, *Laporan Majelis Pimpinan Pusat Muhammadiyah Periode 2010-2015 (Disampaikan pada Muktamar Muhammadiyah Ke-47 Makassar, 3-7 Agustus 2015)*, 368.

the board.⁵ These problems, both at the central and regional levels, indicate the instability of organizational commitment within the body of this organization, even though organizational commitment has a strategic role in driving the success of each organization.

The emergence of organizational commitment is strongly associated with the process of social exchange that occurs in an organization. Social exchanges in the organization have a high recognition as a critical factor in achieving organizational goals, where this is evidenced by the large number of researchers who have conducted their studies to understand how this exchange process realized in organizations.⁶ Global exchange is generally known as perceived organizational support (POS), as a result of the relationship between employees and the organization, in contrast, two-way exchanges are commonly known as leader-member exchange (LMX).⁷

Although the phenomenon of social exchange can occur in a variety of organizational conditions, more specifically, this study was carried out in an organization that is religiously patterned to look further at how social exchange theory can work in this type of organizational setting. All social exchanges involve some degree of uncertainty, although the amount depends on the conditions of the exchange, and this theory offers several mechanisms through which risk can be reduced or reduced through trust, repeated exchanges, reputation, information about exchanges of others, and institutions.⁸ From the perspective of spirituality and religiosity, according to Corcoran, an individual who has spiritual experience should be able to increase religious commitment by reducing uncertainty.⁹ Unlike a secular context, the workplace of religious and spiritual institutions is a place where discourses and symbols of belief (and morality) become explicit, so workers often expect the principles of faith to

⁵ Pimpinan Pusat Muhammadiyah, *Laporan Majelis Pimpinan Pusat Muhammadiyah Periode 2010-2015 (Disampaikan pada Mukhtamar Muhammadiyah Ke-47 Makassar, 3-7 Agustus 2015)*, 368.

⁶ Shingirayi M Mushonga, "Organizational Connections: The Moderation of Subordinate POS in the Relationship between LMX and Work Outcomes," *Journal of Management Research* 9, no. 1 (2017): 100–116.

⁷ Ibid.

⁸ Katie E Corcoran, "Divine Exchanges: Applying Social Exchange Theory to Religious Behavior," *Rationality and Society* 25, no. 3 (2013): 335–369.

⁹ Ibid.

powerfully shape the attitudes and behavior of those who work with them.¹⁰

This study seeks to explore the relationship model of LMX, POS, and organizational commitment, by the recommendations of Wayne et al. to integrate POS and LMX into a single research model,¹¹ and also to explore the strategic role of LMX and POS in forming organizational commitment, where LMX will be analyzed for its purpose as an independent variable. POS is interpreted as a mediating variable and, at the same time, a moderating variable in influencing the relationship of LMX with organizational commitment.

THE WAQF ORGANIZATION OF MUHAMMADIYAH IN SPECIAL REGION OF YOGYAKARTA (DIY) AND COLLECTIVE-COLLEGIAL LEADERSHIP

Waqf has received significant attention from Province Leadership of Muhammadiyah (PWM) DIY, and accurately the management is carried out by Waqf and Endorsement Council (MWK). The intensity of relations between Waqf stakeholders (through coordination meetings) at the PWM level and Regional Leadership of Muhammadiyah (PDM) varies.

All these coordination paths are carried out with a leadership model that is claimed to be collective-collegial leadership. Specifically, this leadership model has been targeted to be stronger, because it is considered to have a transformative character in providing an example, mobilizing potential, projecting the future, and scheduling change.¹²

Collective-collegial leadership practiced in Muhammadiyah is derived from two concepts of leadership, namely collective leadership and collegial leadership. Collective leadership is used to describe the incorporation of more than one person in a leadership role, such as in joint leadership or team leadership, or to refer to

¹⁰ Charles B Schaeffer and Jacqueline S Mattis, "Diversity, Religiosity, and Spirituality in the Workplace," *Journal of Management, Spirituality & Religion* 9, no. 4 (2012): 317–333.

¹¹ Sandy J Wayne, Lynn M Shore, and Robert C Liden, "Perceived Organizational Support and Leader-Member Exchange: A Social Exchange Perspective," *Academy of Management Journal* 40, no. 1 (1997): 82–11.

¹² Pimpinan Pusat Muhammadiyah, *Tanfidz Keputusan Muktamar Satu Abad Muhammadiyah*, 59.

situations where leadership roles change and are distributed.¹³ As for collegial leadership, this concept can be seen as a type of formal sustainable leadership structure in which authority rests with those who are formally equal or can also be seen as a type of decision-making process in organizations, where decisions are taken in the equality of fellow leaders and members of the organization, without anyone dominating the decision making.¹⁴

ORGANIZATIONAL COMMITMENT IN THE CONTEXT OF NON-PROFIT ORGANIZATION

Organizational commitment is the strength of identification and involvement of individuals in a particular organization, which can be characterized by three factors, namely strong confidence and acceptance of the goals and values of the organization, willingness to exert considerable effort on behalf of the organization, and a desire to maintain membership in the organization.¹⁵ According to Allen and Meyer, psychological relationships between employees and organizations can be categorized into three different forms, namely affective commitment, continuance commitment, and normative commitment.¹⁶ The origin of this division is the assumption that commitment is a psychological state that characterizes employee relations with the organization and has implications for the decision to continue or terminate an individual's membership in the organization.¹⁷

Among the features that distinguish non-profit organizations from business organizations is the aspect of human resources. Workers

¹³ Sonia M Ospina and Erica Gabrielle Foldy, "Collective Dimensions of Leadership," *Global Encyclopedia of Public Administration, Public Policy, and Governance* (2016).

¹⁴ Thomas A Baylis, "Collegial Leadership Advanced Industrial Societies: The Relevance of the Swiss Experience," *Polity* 13, no. 1 (1980): 33–56.

¹⁵ Lyman W Porter, Richard M Steers, and Richard T Mowday, "Organizational Commitment, Job Satisfaction, and Turnover Among Psychiatric Technicians," *Journal of Applied Psychology* 59, no. 5 (1974): 603–609.

¹⁶ Natalie J Allen and John P Meyer, "Affective, Continuance, and Normative Commitment to the Organization: An Examination of Construct Validity," *Journal of Vocational Behavior* 49 (1996): 252–276.

¹⁷ John P Meyer and Natalie J Allen, "A Three-Component Conceptualization of Organizational Commitment," *Human Resource Management Review* 1, no. 1 (1991): 61–89.

in non-profit organizations have different types of work compared to other workers in terms of responsibility to the community, because in non-profit organizations, salaries are not an objective, so these workers are more intent on wanting to do social services.¹⁸

Organizational commitment to volunteers in non-profit organizations can be considered as a person's attitude towards the organization related to the willingness to dedicate significant time and effort to the organization without monetary compensation.¹⁹ In a non-profit organizational environment, the affective or normative dimension is considered more appropriate, and it has greater relevance, because workers of non-profit organizations are not dependent on financial rewards, and have greater freedom of behavior in their organizations than paid workers.²⁰ Furthermore, according to Bang et al., The more effective assessment of organizational commitment in the non-profit sector is only affective commitment.²¹

SOCIAL EXCHANGE THEORY IN RELIGIOSITY AND SPIRITUALITY PERSPECTIVES

Social exchange theory describes the interaction of behavior between two or more individuals and how this interaction of behavior reinforces the behavior of others.²² One reason behind the popularity of social exchange theory is the ease of testing it, as well as its ability to be applied to various social situations.²³

Social exchange in the context of forming organizational commitment, according to Settoon, Bennett, and Liden (1996),

¹⁸ Yeni Rahmawati, Norhasni Zainal Abiddin, and Ihsan Ro'is, "Understanding Organizational Commitment among Scout Volunteers within Non-Formal Education," *Danish Journal of Management and Business Sciences* (2015): 75–83.

¹⁹ Hyejin Bang, Stephen Ross, and Thomas G Reio, "From Motivation to Organizational Commitment of Volunteers in Non-Profit Sport Organizations: The Role of Job Satisfaction," *Journal of Management Development* 32, no. 1 (2013): 96–112.

²⁰ Terry Engelberg, Dwight H Zakus, and James Skinner, "Organisational Commitment Implications for Voluntary Sport Organisations," *Australian Journal on Volunteering* 12, no. 1 (2007): 26–34.

²¹ Bang, Ross, and Reio, "From Motivation to Organizational Commitment of Volunteers in Non-Profit Sport Organizations: The Role of Job Satisfaction."

²² Yaron J Zoller and Jeff Muldoon, "Illuminating the Principles of Social Exchange Theory with Hawthorne Studies," *Journal of Management History* 25, no. 1 (2018): 47–66.

²³ Ibid.

can be conceptualized into two categories, namely global exchange in the form of perceptions of organizational support (POS), and two-way exchange in the form of exchange between superiors and subordinates (LMX).²⁴ LMX focuses on the quality of exchanges between employees and managers based on the level of emotional support and exchange of valued resources, and POS focuses on the relationship of exchange between employees and the organization.²⁵

Consistent with social exchange theory, individuals who believe in the basic concept of exchange from a religious perspective (that they are exchanging with God) and their exchange partners (God) are more willing to contribute with a greater proportion.²⁶ According to Hicks (2003), religiosity is defined as individual rituals and organized practices in worshiping God, and according to Banner (1995) and Polley et al. (2005), spirituality is a more abstract construct, which refers to belief in transcendent power, where trust does not have to be tied to certain ritual practices.²⁷

The links between religion, spirituality, and work are not limited to efforts to create coordinated responses to stressful workplace dynamics, but religion and spirituality are central to individual attempts to deal with work-related stress.²⁸ Religious expressions are religious aspects that are very useful to be explored in the work context, for several reasons, including the view that religious expression must be permitted at work, and religious expression at work is a significant problem faced by organizations because it can affect relations between employees.²⁹ Religion has been considered relevant to the workplace because it can affect the attitudes and

²⁴ Mushonga, "Organizational Connections: The Moderation of Subordinate POS in the Relationship between LMX and Work Outcomes."

²⁵ Sandy J Wayne et al., "The Role of Fair Treatment and Rewards in Perceptions of Organizational Support and Leader-Member Exchange," *Journal of Applied Psychology* 87, no. 3 (2002): 590–598.

²⁶ Corcoran, "Divine Exchanges: Applying Social Exchange Theory to Religious Behavior."

²⁷ Schaeffer and Mattis, "Diversity, Religiosity, and Spirituality in the Workplace."

²⁸ Ibid.

²⁹ James E King and Ian O Williamson, "Workplace Religious Expression, Religiosity and Job Satisfaction: Clarifying a Relationship," *Journal of Management, Spirituality & Religion* 2, no. 2 (2005): 173–198.

performance of employees.³⁰ In particular, workers who have aspects of religiosity may be more satisfied and perform better, as well as better team players.³¹

LMX, which is a theory of exchange between superiors and subordinates, is one of the leadership theories that has developed into an exciting and useful approach to study the relationship between the leadership process and its results in the organization.³² LMX has a focus on the relationship between a superior and subordinate (vertical dyad).³³ Because the focus is different from other leadership theories, LMX does not assume that leadership is a characteristic function that comes from the personal leader, so a boss only applies the same leadership model to all his subordinates.³⁴ As a result, for example, if a superior and subordinate have a high-quality vertical dyad, the supervisor must be more aware of the problems faced by his subordinates in their respective jobs.³⁵

Organizational support theory proposes a psychological process that underlies the consequences of POS. First, based on reciprocal norms, POS must produce a perceived obligation to pay attention to the welfare of the organization and help the organization achieve its goals. Second, the care, approval, and respect connoted by POS must satisfy social-emotional needs, direct workers to include organizational membership and role status into their social identity,

³⁰ Ibid.

³¹ Nancy E Day, "Religion in the Workplace: Correlates and Consequences of Individual Behavior," *Journal of Management, Spirituality & Religion* 2, no. 1 (2005): 104–135. "type": "article-journal", "volume": "2", "uris": ["http://www.mendeley.com/documents/?uuid=4c013ab3-56bc-4cc5-998f-6dab0a3484b3"], "mendeley": "formattedCitation": "Nancy E Day, "Religion in the Workplace: Correlates and Consequences of Individual Behavior," *Journal of Management, Spirituality & Religion* 2, no. 1 (2005)

³² Charlotte R Gerstner and David V Day, "Meta-Analytic Review of Leader-Member Exchange Theory: Correlates and Construct Issues," *Journal of Applied Psychology* 82, no. 6 (1997): 827–844.

³³ Fredric M Jablin, "Superior-Subordinate Communication: The State of the Art," *Psychological Bulletin* 86, no. 6 (1979): 1201–1222.

³⁴ Kenneth J Dunegan, Dennis Duchon, and Mary Uhl-Bien, "Examining the Link Between Leader-Member Exchange and Subordinate Performance: The Role of Task Analyzability and Variety as Moderators," *Journal of Management* 18, no. 1 (1992): 59–76.

³⁵ George B Graen and William A Schiemann, "Leadership-Motivated Excellence Theory: An Extension of LMX," *Journal of Managerial Psychology* 28, no. 5 (2013): 452–469.

and third, POS must strengthen employee confidence that the organization recognizes and values performance improvement.³⁶ These processes must benefit both for employees (such as increased job satisfaction and improved mood) and for organizations (such as increased commitment and affective performance and reducing employee turnover).³⁷

RESEARCH METHOD

Research Framework

Because this study uses the paradigm of social exchange theory, this study has a scope of discussion surrounding the role of LMX in forming organizational commitment, accompanied by POS as a mediating variable as well as a moderating variable. The present study is an explanatory study which aims at revealing causal relationships (causality). By using the Partial Least Square (PLS) method, the orientation of the results of this study is to predict the causal relationship between the variables or constructs under study.

Primary data in this study obtained from the answers of questionnaires of stakeholders managing waqf in Muhammadiyah throughout DIY, according to the willingness of each respondent. The secondary data in this study was obtained from various scientific references, both in the form of textbooks, scientific journals, regulatory documents, as well as performance reports and results of organizational meetings. Because the scope of the population is extensive, with the location of Regencies and Cities that are relatively far, and the number of PCM is very much,³⁸ then the researcher used a non-probability sampling approach, with convenience sampling technique. In determining the number of samples, the researcher used criteria developed by Roscoe (1975 and 1982), in which sample sizes higher than 30 and less than 500 were sufficient for most studies, as well as in multivariate studies where the sample size should be several

³⁶ Linda Rhoades and Robert Eisenberger, "Perceived Organizational Support: A Review of the Literature," *Journal of Applied Psychology* 87, no. 4 (2002): 698–714.

³⁷ Ibid.

³⁸ The number of PCMs in Yogyakarta City consists of 14 PCMs, in Kulon Progo Regency consists of 13 PCMs, in Gunungkidul Regency consists of 18 PCMs, in Sleman Regency consists of 17 PCMs, in Bantul Regency consists of 20 PCMs.

times (10 times or more) is higher than the number of variables in the study.³⁹

Hypothesis

Studies conducted by Truckenbrodt,⁴⁰ Lee,⁴¹ Islam et al.,⁴² Jaiswal and Dhar,⁴³ Srivastava and Dhar,⁴⁴ Feng et al.,⁴⁵ and Megheirkouni⁴⁶ show that there is a significant relationship between LMX quality and subordinate commitment. Several periodic research findings have also complemented the evidence of POS's significant positive influence on organizational commitment, as proposed by Garg and

³⁹ Uma Sekaran, *Metode Penelitian untuk Bisnis (Buku 2)*, 4 ed. (Jakarta: Salemba Empat, 2006), 160; Sugiyono, *Metode Penelitian Manajemen*, 4 ed. (Bandung: Penerbit Alfabeta, 2015), 164-165; Ferdinand, *Metode Penelitian Manajemen: Pedoman Penelitian untuk Penulisan Skripsi, Tesis, dan Disertasi Ilmu Manajemen*, 173.

⁴⁰ Yolanda B Truckenbrodt, "The Relationship Between Leader-Member Exchange and Commitment and Organizational Citizenship Behavior," *Acquisition Review Quarterly—Summer* (2000): 233–244.

⁴¹ Jean Lee, "Effects of Leadership and Leader-Member Exchange on Commitment," *Leadership & Organization Development Journal* 26, no. 8 (2005): 655–672.

⁴² Talat Islam et al., "Organizational Learning Culture and Leader-Member Exchange Quality: The Way to Enhance Organizational Commitment and Reduce Turnover Intentions," *The Learning Organization* 20, no. 4/5 (2013): 322–337.

⁴³ Deepakshi Jaiswal and Rajib Lochan Dhar, "Impact of Perceived Organizational Support, Psychological Empowerment and Leader Member Exchange on Commitment and Its Subsequent Impact on Service Quality," *International Journal of Productivity and Performance Management* 65, no. 1 (2016): 58–79.

⁴⁴ Anugamini Priya Srivastava and Rajib Lochan Dhar, "Impact of Leader Member Exchange, Human Resource Management Practices and Psychological Empowerment on Extra Role Performances: The Mediating Role of Organisational Commitment," *International Journal of Productivity and Performance Management* 65, no. 3 (2016): 351–377.

⁴⁵ Wei Feng, Lee Jean, and Ho Kwong Kwan, "Impact of Active Constructive Leadership and Passive Corrective Leadership on Collective Organizational Commitment," *Leadership & Organization Development Journal* 37, no. 7 (2016): 822–842.

⁴⁶ Majd Megheirkouni, "Revisiting Leader-Member Exchange Theory: Insights into Stadia Management," *International Journal of Event and Festival Management* 8, no. 3 (2017): 244–260.

Dhar,⁴⁷ Wayne et al.,⁴⁸ Wayne et al.,⁴⁹ Loi et al.,⁵⁰ Aube et al.,⁵¹ Leveson et al.,⁵² and also Nazir and Islam.⁵³ The findings of Ahmed et al. show the effect of LMX on POS,⁵⁴ and also AlHashmi et al.,⁵⁵ where both states that LMX has a positive and significant impact on POS.

Based on the findings of the study described above, the researcher proposed the following hypothesis:

- H1 : There is a positive effect of LMX on organizational commitment
- H2 : POS can be a mediating variable on the influence of LMX on organizational commitment

Besides, studies conducted by Mushonga show the role of POS from subordinates who are also able to moderate the relationship between LMX and organizational commitment, so that the

⁴⁷ Shreya Garg and Rajib Lochan Dhar, "Effects of Stress, LMX and Perceived Organizational Support on Service Quality: Mediating Effects of Organizational Commitment," *Journal of Hospitality and Tourism Management* 21 (2014): 64–75, <http://dx.doi.org/10.1016/j.jhtm.2014.07.002>.

⁴⁸ Wayne, Shore, and Liden, "Perceived Organizational Support and Leader-Member Exchange: A Social Exchange Perspective."

⁴⁹ Wayne et al., "The Role of Fair Treatment and Rewards in Perceptions of Organizational Support and Leader-Member Exchange."

⁵⁰ Raymond Loi, Ngo Hang-yue, and Sharon Foley, "Linking Employees' Justice Perceptions to Organizational Commitment and Intention to Leave: The Mediating Role of Perceived Organizational Support," *Journal of Occupational and Organizational Psychology* 79 (2006): 101–120.

⁵¹ Caroline Aube, Vincent Rousseau, and Estelle M Morin, "Perceived Organizational Support and Organizational Commitment: The Moderating Effect of Locus of Control and Work Autonomy," *Journal of Managerial Psychology* 22, no. 5 (2007): 479–495.

⁵² Lynne Leveson, Therese A Joiner, and Steve Bakalis, "Managing Cultural Diversity and Perceived Organizational Support: Evidence from Australia," *International Journal of Manpower* 30, no. 4 (2009): 377–392.

⁵³ Owais Nazir and Jamid Ul Islam, "Enhancing Organizational Commitment and Employee Performance through Employee Engagement: An Empirical Check," *South Asian Journal of Business Studies* 6, no. 1 (2017): 98–114.

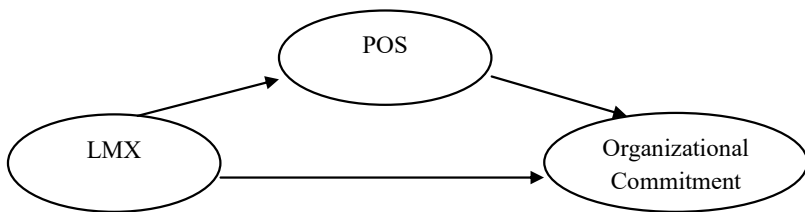
⁵⁴ Ishfaq Ahmed, Wan Khairuzzaman Wan Ismail, and Salmiah Mohamad Amin, "Employee's Reciprocation of Organizational Support and Leader-Member Exchange," *Management Research Review* 37, no. 11 (2014): 930–943.

⁵⁵ Maryam AlHashmi, Fauzia Jabeen, and Avraam Papastathopoulos, "Impact of Leader-Member Exchange and Perceived Organisational Support on Turnover Intention: The Mediating Effects of Psychological Stress," *Policing: An International Journal* (2018).

relationship between the two will become stronger when subordinate POS is high.⁵⁶ Therefore, the researcher also proposed the following hypothesis:

H3 : POS plays a role as a moderating variable that can strengthen the influence of LMX on organizational commitment

Figure 1. Research Model



Research Variables and Instruments

Measurement of organizational commitment in this study used instruments that have been developed by Allen and Meyer.⁵⁷ Among the three scales, the researcher only used the affective commitment scale, because the object of research has characteristics as a non-profit institution, where human resources in it considered to have more emotional elements in the organization and do not have the intention to earn income in doing their tasks in the organization. To measure LMX, the researcher used the 7-Item LMX scale developed by Graen and Uhl-Bien.⁵⁸ As for measuring POS, the researcher used a scale that had been developed by Eisenberger et al.⁵⁹

⁵⁶ Mushonga, "Organizational Connections: The Moderation of Subordinate POS in the Relationship between LMX and Work Outcomes."

⁵⁷ Allen and Meyer, "Affective, Continuance, and Normative Commitment to the Organization: An Examination of Construct Validity."

⁵⁸ George B Graen and Mary Uhl-Bien, "Relationship-Based Approach to Leadership: Development of Leader-Member Exchange (LMX) Theory of Leadership over 25 Years: Applying a Multi-Level Multi-Domain Perspective," *Leadership Quarterly* 6, no. 2 (1995): 219–247.

⁵⁹ Robert Eisenberger et al., "Perceived Organizational Support," *Journal of Applied Psychology* 71, no. 3 (1986): 500–507.

LMX'S INFLUENCE ON ORGANIZATIONAL COMMITMENT: POS AS MEDIATOR AND MODERATOR

The number of samples in this study was 63 respondents. Using SmartPLS 3 (Student Version) software, the data is calculated to determine its validity and reliability, as part of the measurement model analysis, which is the first process before entering the structural model analysis stage. After going through several stages of data processing, from the data derived from 63 respondents, only a total of 55 respondents' data can be used to obtain results that are following individual item reliability criteria.

In evaluating internal consistency reliability, LMX, and POS has fulfilled the requirements because it meets a minimum limit value of \square 0.7 to be accepted. While the evaluation of averaged variance extracted (AVE) shows that the construct of organizational commitment, LMX, POS, and moderating effect has had an excellent convergent validity because it meets a minimum value of 0.5. In the evaluation of discriminant validity, the cross-loading of each correlation between the indicator and its construct already has a higher value than the correlation with other block constructs. So the discriminant validity requirements have also been fulfilled.

Evaluation of structural models in SEM with PLS is done in two steps, namely the significance test through estimation of the path coefficient and the level of significance (by looking at the R-Square value) of each model. Hypotheses are tested based on the path coefficient, so that the significance of the influence between constructs is known, by looking at the value of the parameter coefficient and t-statistic value (t-count), which uses an α value of 5%, and a t-table of 1.96.⁶⁰

Table 1. Path Coefficients

	Original Sampl...	Sample Mean (...)	Standard Devia...	T Statistics (O...	P Values
LMX -> KO	-0.315	-0.293	0.209	1.512	0.131
LMX -> POS	0.521	0.535	0.176	2.961	0.003
POS -> KO	0.630	0.641	0.169	3.733	0.000

⁶⁰ Ghozali, *Structural Equation Modeling Metode Alternatif dengan Partial Least Square (PLS): Dilengkapi Software Smartpls 3.0, Xlstat 2014, dan WarpPLS 4.0*, 232.

Table 2. Path Coefficients (POS as a Moderation Construct)

	Original Sampl...	Sample Mean (...	Standard Devia...	T Statistics (O...	P Values
LMX -> KO	-0.277	-0.249	0.214	1.294	0.196
Moderating Eff...	0.204	0.168	0.151	1.345	0.179
POS -> KO	0.679	0.684	0.164	4.127	0.000
POS -> LMX	0.521	0.548	0.160	3.265	0.001

Based on Table 1, the results are obtained that LMX has no direct effect on organizational commitment (t-statistic of 1.512 in model 1; smaller than 1.96), so H1 is rejected. As for proving H2, which states the indirect effect (mediation) effect of POS, this study uses the Sobel test approach. Based on Table 3, from the Sobel test calculation, the t-value of 2.264 (greater than 1.96) is obtained, so it can be concluded that POS as a mediating variable on the influence of LMX on organizational commitment has a significant effect, so H2 is accepted.

Table 3. Calculation of the Sobel Test

Sobel Test	Calculation
Sobel Test (POS as a Mediation Construct)	$t = \frac{P12}{Se12} = \frac{0.328}{0.145} = 2,264$

The next hypothesis testing is about the role of POS moderation. The results of the calculation of the path coefficient of the model with this moderation construct can be seen in Table 2, which shows that POS proved unable to be a moderating variable on the effect of LMX on organizational commitment (t-statistic of 1.345; smaller than 1.96).

The final step in the analysis of the inner model (structural model) is to evaluate the value of R². All R² values of the LMX, POS, and organizational commitment of this research model are in the range between 0.19 and 0.33, so it can be concluded that the contribution of all constructs to organizational commitment falls into the weak category.

Based on the test results presented above, it can be shown that there is no positive direct effect of LMX on organizational commitment. This is not in line with the results of previous studies,

such as those conducted by Truckenbrodt,⁶¹ Lee,⁶² Islam et al.,⁶³ Jaiswal and Dhar,⁶⁴ Srivastava and Dhar,⁶⁵ Feng et al.,⁶⁶ and also Megheirkouni⁶⁷, all of which showed a significant influence on LMX quality on organizational commitment of subordinates.

As for portraying the mediation function, the findings of this study indicate POS's ability as a mediating variable on the relationship between LMX and organizational commitment. The significant POS in playing this mediation function is in line and reinforces the results of previous research conducted by Wayne et al. who found that LMX was positively related to POS, and even the two also had a reciprocal relationship with each other,⁶⁸ as well as a study by Ahmed et al.⁶⁹ and AlHashmi et al.⁷⁰ who found that LMX had a positive and significant impact on POS.

The study also found that POS was not able to be a moderator construct on the relationship of LMX's influence on organizational commitment. The results of this study are not in line with Mushonga's

⁶¹ Truckenbrodt, "The Relationship Between Leader-Member Exchange and Commitment and Organizational Citizenship Behavior."

⁶² Lee, "Effects of Leadership and Leader-Member Exchange on Commitment."

⁶³ Islam et al., "Organizational Learning Culture and Leader-Member Exchange Quality: The Way to Enhance Organizational Commitment and Reduce Turnover Intentions."

⁶⁴ Jaiswal and Dhar, "Impact of Perceived Organizational Support, Psychological Empowerment and Leader Member Exchange on Commitment and Its Subsequent Impact on Service Quality."

⁶⁵ Srivastava and Dhar, "Impact of Leader Member Exchange, Human Resource Management Practices and Psychological Empowerment on Extra Role Performances: The Mediating Role of Organisational Commitment."

⁶⁶ Feng, Jean, and Kwan, "Impact of Active Constructive Leadership and Passive Corrective Leadership on Collective Organizational Commitment."

⁶⁷ Megheirkouni, "Revisiting Leader-Member Exchange Theory: Insights into Stadia Management."

⁶⁸ Wayne, Shore, and Liden, "Perceived Organizational Support and Leader-Member Exchange: A Social Exchange Perspective"; Wayne et al., "The Role of Fair Treatment and Rewards in Perceptions of Organizational Support and Leader-Member Exchange."

⁶⁹ Ahmed, Ismail, and Amin, "Employee's Reciprocation of Organizational Support and Leader-Member Exchange."

⁷⁰ AlHashmi, Jabeen, and Papastathopoulos, "Impact of Leader-Member Exchange and Perceived Organisational Support on Turnover Intention: The Mediating Effects of Psychological Stress."

findings,⁷¹ which show the role of POS and LMX in being moderators of organizational commitment.

CONCLUSION

This study shows that LMX has no direct influence on organizational commitment. However, LMX is proven to be able to influence organizational commitment through POS as a mediating variable. The inability of LMX to directly influence organizational commitment shows the lack of significance of social exchange theory in the context of non-profit organizations. It means that LMX that is not able to have an impact on organizational commitment directly will affect organizational commitment when there is good POS quality in the organization.

The inconsistency of the theory of social exchange in the Muhammadiyah waqf organization is a phenomenon that may only apply to non-profit organizations. Non-profit organizations are indeed quite different from profit organizations, so this has its impact that must be paid attention to by researchers who will observe the organizational commitment of their workers. Besides, according to the researcher, LMX's inability to have a positive impact on the formation of organizational commitment (except through POS) in the context of the Muhammadiyah waqf organization is caused by the strength of the collective-collegial leadership culture that was instilled early on at various levels of leadership in Muhammadiyah. The results in the perception of superiors and subordinates, that their relationship between one another will be meaningful if based on their excellent perception of the organizational support for them.

Although LMX does not have a direct impact on organizational commitment, through POS, it still strengthens the mechanism of social exchange theory that works within Muhammadiyah's waqf organization, which has a religious organization pattern. In the perspective of religiosity and spirituality, the social exchange that operates in religious organizations reinforces the theory of the application of the Islamic ethical system that is run by the workers in the organization. Islamic ethics is transcendental, because the determination of what is ethical and unethical comes from God

⁷¹ Mushonga, "Organizational Connections: The Moderation of Subordinate POS in the Relationship between LMX and Work Outcomes."

Almighty. Every social behavior of every individual in a religious organization that has implications for the process of social exchange will always have transcendental value and is oriented to meeting religious and spiritual needs. Therefore, the results of this study suggest that the next research agenda explore more the mechanism of social exchange among religious individuals, both in multi-religious organizations and organizations that are identical to one particular religion.

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