ABSTRACT

Employee productivity is a key indicator in assessing the effectiveness and efficiency of individual performance in achieving organizational goals. Achieving optimal productivity is influenced by various factors, including individual psychological aspects and interpersonal relationships within the workplace, thereby requiring support from company management.

This study aims to analyze the influence of psychological capital and leader-member exchange on employee productivity at XYZ Company, located in East Jakarta. XYZ Company is a multinational manufacturing company in the consumer health sector that produces various healthcare products for both domestic and international markets.

The sampling in this study was conducted using a stratified random sampling technique, involving 131 respondents, consisting of both permanent and non-permanent employees directly recruited by XYZ Company. The research instrument utilized a questionnaire with a 5-point Likert scale, and data were collected through an online survey method.

Data analysis was performed using the Structural Equation Modeling–Partial Least Squares (SEM-PLS) approach with the SmartPLS software. The results of the analysis indicate that all proposed hypotheses are supported, suggesting significant relationships among the variables. Psychological capital was found to have a positive influence on employee productivity, as did leader-member exchange.

These findings offer practical implications for company management, highlighting the importance of fostering employees' positive psychological conditions and maintaining high-quality superior-subordinate relationships to sustainably enhance productivity.

*Keywords: psychological capital, leader member exchange, employee productivity***.**