

## ABSTRACT

**PATRISIA KOSASIH.** "THE ROLE OF PSYCHOLOGICAL CONTRACT AS THE MODERATING VARIABLE ON THE RELATIONSHIP BETWEEN MOTIVES OF AFFILIATION AND EMPLOYEE LOYALTY" Rostiana D. Nurdjajadi, M.Si., Psi. and Dr. Fransiska I. R. Dewi, M.Si. (xv + 91 pages + 5 pictures + 22 tables)

This research aims to investigate the relationship between the motives of affiliation and employee loyalty as well as the influence of two types of psychological contract that are relational and transactional, as the moderator variable on the relationship. Questionnaires measuring employee loyalty, motives of affiliation and psychological contract were sent to 350 employees in PT. X, but only 300 responded. Through criteria selection, there are 241 data that can be used in this research.

There are 101 data were used for reliability tryout. The sample were based on 140 subjects that were passed the subject criteria requirements and completed the whole questions. Hypothesis test applies normality formula One-Sample Kolmogorov-Smirnov. Analysis statistic with simple linear regression and moderated regression analysis (MRA) was conducted to obtain the result.

The results were shown that the motives of affiliation had a direct influence on the employee loyalty. The findings were also shown that psychological contract moderated the relationship between the motives of affiliation and employee loyalty only when it is relational, and when psychological contract formed as transactional, it did not moderating the relationship.

This research contributes to theory and practice by directing the attention of researchers and practitioners to the importance of understanding the composition of employees' psychological contracts in efforts to increase the respond of employees' loyalty for the company. It also offers scales of employee loyalty, motives of affiliation, as well as psychological contract that can be used in future studies and by practitioners.

**Keywords:** Psychological Contract Relational; Psychological Contract Transactional; Employee Loyalty; Motives of Affiliation.

**References:** 56 (1908 – 2009)