

## **Making Employee Loyalty: Impact Of Leadership And Job Satisfaction**

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### **Abstract**

*This study aims to analyze and determine the influence of leadership and job satisfaction on employee loyalty at PT Toyamilindo Cirebon Regency. The research method used is quantitative. The population of this study is employees of PT Toyamilindo Cirebon Regency which amounts to 100 people. The sample in this study amounted to 100 people using the saturated sample method. Data collection is carried out by giving questionnaires to employees at PT. Toyamilindo, Cirebon Regency. The data analysis techniques used are descriptive analysis and multiple linear regression analysis. Partial results show that job satisfaction variables have a positive and significant effect on employee loyalty. While the leadership variable has a positive and insignificant influence. These results show that job satisfaction has a significant effect on employee loyalty to PT employees. Toyamilindo, Cirebon Regency.*

**Keywords: Leadership, Job Satisfaction, Employee Loyalty.**

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## **INTRODUCTION**

Leadership is an imperative component within the company that encompasses a major part in running the company's operations. Currently, trade advancement is progressively quick and increasingly competitive, making companies need to move forward and create their in general execution within the field (Tanjung et al, 2020). This can affect employee loyalty in one company.

Employee loyalty can be interpreted as attitudes and behaviors. Devotion to the company as an demeanor of the degree to which an representative recognizes his work environment is demonstrated by the crave to work and attempt his best. The impact of leadership has the strongest indication of empowering employee loyalty on an ongoing basis. There's a positive relationship between authority that enables workers that influences representative devotion of one of the private institutions in Egypt (Gouda, 2018). This is in harmony with the situation in part of the employees of private companies from countries in the Germanic group who assess the authentic leadership of managers, identify through job satisfaction with realistic and dilemmatic situations in sketch scenarios. The results show that manager leadership greatly influences employee loyalty through its performance (Mozani et. al, 2016).

According to previous research, job satisfaction is a positive attitude of employees towards the company where they work. Job satisfaction is also influenced by the work they do at the behest and decision of their managers, work that is considered inappropriate or employees experience workload, it will affect employee loyalty, as has been researched by (Saputra & Mahaputra, 2022) showing that job satisfaction has a significant positive effect on employee loyalty. Seeing from previous research that employee loyalty is influenced by several factors such as leadership style and workload received. Maintaining employee loyalty can be formed through organizational fairness for employees and support from organizational members, especially in leadership factors. Leadership is an activity to influence people to be directed to achieve organizational goals (Afandi, 2021). Another factor that can affect employee loyalty is job satisfaction with the company.

Work fulfillment agreeing to Melino & Fahmi (2019) emerges as a result of the work circumstance in a company that reflects the upbeat or despondent sentiments of workers working within the company. Work fulfillment alludes to a person's state of mind towards his work. Representatives who have a tall level of work fulfillment appear a positive state of mind towards the work they are capable for. This could be seen from the state of mind of representatives towards their work and all their work.

Workers who have tall work fulfillment ordinarily have a record of participation, work execution, and great working connections with other company individuals. Then again, workers with moo fulfillment levels will appear negative states of mind, both towards their work and towards their work environment. Work disappointment regularly leads to a want to take off the company. Hence, in the event that the company makes its workers have great work fulfillment, the level of worker devotion will be tall. To find out if the employee has the trait of loyalty to his company. So this study examines the role of leadership and job satisfaction on employee loyalty at PT Toyamilindo.

## RESEARCH METHODS

In a quantitative study conducted by researchers, this study focused on employees of PT Toyamilindo located in Cirebon Regency. This study proves clearly how leadership and workload mediated by job satisfaction can affect job loyalty.

Data collection was carried out by distributing questionnaires through Google Form channels starting on March 4, 2024 until April 4, 2024. Questionnaires are submitted in Indonesian to facilitate respondents' understanding of the statements given. The questionnaire was distributed to 103 respondents and received answers from 100 respondents. The questionnaire has three parts, namely screening questions, respondent data, and variable measurements. Bentler (in Hoyle, 2014) assessed the execution of five comparative fit records based on different information and show conditions, counting test estimate, which shifted from 50 to 1,600. In any case, by and large  $N = 100 - 150$  is set as the least test estimate for the study.

All sections are measured using a 5-point Likert scale. The measurement section is translated back twice to ensure there is no difference in meaning from the original version. Job insecurity is measured by 7 items, emotional stability is measured by 6 items, employee retention is measured by 9 items, and adaptability is measured by 10 items. Details of measurement items can be seen in the following appendices to the validity and normality test. The Likert scale is adapted from Meyer and Allen's previous research (in Gouda 2018). Nine items were measured AC and six items were measured CC, one of which was the statement "I feel like I belong to the organization, the problem is my own problem.

According to Kimberlin and Winterstein (in Iin & Ary, 2022), validity is regularly characterized as the degree to which an instrument measures what it needs to degree. Legitimacy requires that an instrument is solid, but an instrument is solid but invalid (Drummond & Jones, 2006). States in determining how far a measuring instrument will be measured. There are three categories: *content validity* which means the degree to which the accuracy of components in the instrument to something to be measured, *criterion validity*, and *construct validity* that can provide answers to the question of what is the meaning and urgency of the score contained in the validity tested on a test.

**Validity Test**

The following is a table of validity test results that have been carried out:

Variable	V	$\Sigma$ R Calculate	R Table	Information
1	X	0, 751	0, 195	Valid
2	X	0, 608	0, 195	Valid
	Y	0, 606	0, 195	Valid

Source: Processed Data (2024)

**Table 2. Variable Validity Test**

Based on the data that has been processed, it can be concluded that the variable data in each question item is valid. This is evidenced by the comparison of the average value of R count with R table.

**Reliability Test**

Reliability is the degree to which a survey, test, perception or any estimation method produces the same comes about on rehashed tests. Briefly, it is the steadiness or consistency of scores over time or between raters (Bolarinwa, 2015).

According to Sugiyono (2012: 220), instruments are declared reliable if the reliability coefficient is at least 0.6. To simplify the calculation of reality tests, the author uses SPSS Statistics (*Statistical Program of Social Science*) 26 version for windows. The following are the reliability test results of this study in the following table:

**Table 2. Variable Reliability Test**

Variable	Cronbach Alpha	$r_{tabel}$	Information
Leadership	0,910	0,60	Reliable
Job Satisfaction	0,843	0,60	Reliable
Employee Loyalty	0,821	0,60	Reliable

Source: Processed Data (2024)

**RESULT AND DISCUSSION****Hypothesis Testing****Multiple Regression Test**

Multiple linear regression is a continuation of a basic linear relapse demonstrate that employments as it were one illustrative variable. In this composing is connected to anticipate the esteem of the bound variable Y beginning from information of a few free factors (Trunfio, et al., 2022).

Coefficients <sup>a</sup>					
Type	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	22.984	4.018		5.720	.000
X1	.071	.091	.072	.776	.440
X2	.503	.081	.579	6.246	.000

a. Dependent Variable: Y

Based on the results of multiple regression processing in the table above, three regression coefficients are obtained:

$$Y = a + b_1X_1 + b_2X_2$$

Based on the table, it is known that the value of the coefficient  $a = 22.984$   $b_1 = 0.71$ , and  $b_2 = 0.503$ . From the value above, the regression equation is as follows:

$$Y = 22.984 + 0.71 X_1 + 0.503 X_2$$

The regression coefficient contains a positive esteem so that it can be concluded that the impact of authority and work fulfillment on worker dependability is positive.

### Partial Hypothesis Test (T Test)

Coefficients <sup>a</sup>					
Type	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	22.984	4.018		5.720	.000
X1	.071	.091	.072	.776	.440
X2	.503	.081	.579	6.246	.000

a. Dependent Variable: Y

Based on the results of the coefficient table, it is known that the data obtained for the leadership variable is 0.776 and the job satisfaction variable is 6.294. For  $\alpha = 0.05$  and degrees of freedom =  $n - k - 1$  where  $n$  = number of samples and  $k$  = number of variables, the value of T table is 1.660.

Through the comparison of the magnitude of t count and t of the leadership table it has been obtained the decision that t count is greater than t table which is  $0.776 < 1.660$ . Thus  $H_0$  is accepted and  $H_1$  is rejected. This indicates "There is no significant influence between leadership and employee loyalty."

Furthermore, in the job satisfaction variable, t count is greater than t table, which is  $6.246 > 1.660$ . Thus  $H_0$  rejected and  $H_2$  accepted, can be interpreted as "There is a significant effect between job satisfaction and employee loyalty." research conducted by Athar Waqas et al concludes the same result, namely the analysis of this study shows that job satisfaction and job loyalty have a positive and significant relationship but cannot be generalized to the overall population in Pakistan.

**Simultaneous Hypothesis Test (F Test)**

Test F is calculated as regression MS/residual MS. This statistic shows whether regression models provide better data fit than models that do not contain independent variables. In essence, it tests whether the regression model as a whole is useful (Onchiri & Kalen, 2020).

Type	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	828.858	2	414.429	30.124	.000b
Residuals	1334.452	97	13.757		
Total	2163.310	99			

a. Dependent Variable: Y  
b. Predictors: (Constant), X2, X1

Based on the value of data processing in the table, a value of  $F_{\text{calculate}}$  30.124 is obtained. while the  $F_{\text{table}}$  value is 2.69. So from the hypothesis test, it was determined that  $30.124 > 2.69$ . Thus it can be concluded that  $H_0$  is rejected and  $H_1$  is accepted. This shows the influence between leadership and job satisfaction on employee loyalty.

**Coefficient of Determination**

This coefficient of determination is well-defined for linear regression models, and  $R^2$  is commonly used in practice as a measure of the suitability of the underlying model. However, its extension to generalized linear models (GLM) and other more common models is not easy (Zhang, 2016).

**Model Summary<sup>b</sup>**

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.619 a	.383	.370	3.709

a. Predictors: (Constant), X2, X1  
b. Dependent Variable: Y

Based on the results of data processing in the table, it can be known how much the level of influence of leadership variables and job satisfaction on employee loyalty. The *greater the Adjusted R-Square* value is close to number 1. This shows the magnitude of the influence that occurs. In this study, an *Adjusted R-Square* value of 0.370 was obtained. The value shows that employee loyalty is influenced by leadership and job satisfaction by 37.0%. While the remaining  $100\% - 37.0\% = 63\%$  were influenced by other factors not studied by the author.

This result is supported by previous research conducted by (Furinika et al, 2023) which concluded that servant leadership through job satisfaction does not have a statistically significant impact on employee loyalty.

**CONCLUSION**

Based on the data that has been processed, there are 100 respondents who fill out the questionnaire on average are employees who have worked for more than 5 years. The data that has been processed by each variable item is normal and valid with the highest average value is the statement item "Leaders Have Honesty". This refers to the variable of job satisfaction, the description of the variable whose average value is the highest is a statement item that shows that employees feel that the work done can maximize their abilities. And in the employee loyalty variable, the description of the variable whose average value is the highest is a statement item

that shows that employees are good friends with colleagues despite differences in ethnicity and race and personality.

In this study, there is research that provides an overview of how the results or influence between the variables determined. The study finally concluded that job satisfaction showed a significant influence on employee loyalty and commitment to the company. This is as in the conclusion of research conducted by Marnis Atmojo (2017) the influence of leadership on commitment to the company which can also be indicated as loyalty. Bentler (in Hoyle, 2014) assessed the execution of five comparative fit lists based on different information and show conditions, counting test estimate, which shifted from 50 to 1,600. In any case, for the most part  $N = 100 - 150$  is set as the least test estimate for the consider.

Regarding the pasial test that found no influence between leadership and employee loyalty, the author expressed an opinion that actually gave negative results to both variables. Quoted from research (Marnis, 2017) concluded that leadership styles such as autocratic leadership have a negative impact on employee loyalty. The employee-manager relationship has a significant impact on employee performance, commitment to the organization, and loyalty

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