

What determines employees' job satisfaction and loyalty? Evidence from Vietnamese enterprises



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ABSTRACT

Job satisfaction and loyalty of employees are key determinants for the sustainable development of the business. This study specifies factors that influence employee loyalty with employee happiness serving as a mediator. The sample survey involved 369 employees in different industries in Vietnam. The empirical results show that wages, benefits, working conditions, training, promotion opportunity, workplace relationship, and autonomy at work positively affect both employee satisfaction and loyalty. Our study complements the literature by providing firms with strategies for fostering a supportive environment that would further increase employee loyalty and contribute to the successful sustainability of organizations with satisfied employees.

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1. Introduction

Employee loyalty has been defined as the capacity of employees or staff members of a company to remain and contribute effectively to their positions for an extended period of time. Many studies have identified the main factors affecting employee satisfaction and loyalty in developed countries. However, not many studies have been conducted in emerging countries. Among these countries, Vietnam has an average economic growth rate (GDP) of more than 7% in the 1990s and early 2000s and significantly more than 8% from 2006-2018, becoming one of the fastest-growing economies globally. As a result of the severe rivalry that has resulted from the fast development in the number of businesses in Vietnam, the demand for human resources has expanded significantly. In order to distinguish themselves and increase their competitiveness, firms are continually searching for and enhancing the features of their company operations. According to [Santa Cruz et al. \(2014\)](#), people are viewed as a key weapon and a durable competitive advantage for the success of businesses, but other factors are easily mimicked by rivals.

Additionally, businesses' earnings are largely dependent on employee turnover ([Gazioglu and Tansel, 2006](#)).

Nevertheless, many businesses in Vietnam struggle to hire and keep laborers. One explanation is that employees can readily alter their work environment by voluntarily transferring to other workplaces in search of better roles and welfare circumstances ([Phuong and Vinh, 2020](#)). When long-term employees leave their positions, businesses suffer significant training costs ([Chaturvedi, 2010](#)). As a result of the unpredictability of the business climate and the ferocity of the business competition, employees play a significant role in practically all businesses; consequently, many firms have recently focused more on job happiness, job performance, and employee loyalty. Therefore, in this study, we examine the factors that influence employee satisfaction and loyalty in many industries in Vietnam.

The rest of the paper is as follows. Section 2 examines the literature review and develops hypotheses. Section 3 describes the data and research method. Section 4 shows results and discussions. Section 5 provides conclusions.

2. Literature review and hypothesis development

2.1. Employees' job satisfaction definition

There are many different definitions of job satisfaction and possible causes of job satisfaction.

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Some concepts are well known, such as job satisfaction is a positive response to work (Staines and Quinn, 1979); job satisfaction is a state in which employees have a clear, effective orientation towards work in the organization (Jones and Vroom, 1964) or really enjoy their work (Locke, 1976); Job satisfaction is an attitude, expressed in feelings, beliefs, and behaviors (Taylor and Weiss, 1972). According to Luddy (2005), job satisfaction is the emotional and emotional response to different aspects of an employee's job.

According to Spector (1997), job satisfaction, job satisfaction in general, and job aspects in particular are simply how people feel about their jobs and aspects of their work. According to this understanding, job satisfaction is the attitude (positive or negative) towards the job. According to Kreitner and Kinicki (2007), job satisfaction mainly reflects the degree to which an individual loves their job, that is, the employee's feelings or emotions towards the job. The level of satisfaction with components or aspects of work is the influencing attitude and recognition of employees about different aspects of work.

Some authors have detailed job satisfaction for different aspects of work (Kreitner and Kinicki, 2007; Smith et al., 1997). However, this approach often confuses constitutive factors and factors affecting employee satisfaction. For example, interaction with colleagues, leadership, or compensation policy affects satisfaction rather than a constitutive factor of satisfaction.

2.2. Determinants of job satisfaction

2.2.1. Wages

Wages are the right that employees are entitled to in return for their sacrifices for the organization. Wages include all forms of financial compensation, services, incentives, and benefits received by employees, and it manifests as part of the employment relationship (Mikkelsen et al., 2017). According to Maslow's (1943) hierarchy of needs theory (Maslow, 1943), it was recommended that an increase in income leads to better motivation and that when employees are motivated to work harder and more conscientiously, the productivity ratio increases and a motivated employee is more willing to do and complete the tasks assigned by the company than a worker with less motivation (Murty and Hudiwinarsih, 2012). According to Yee (2018), wages and benefits have a positive influence on employees' behavior and attitude toward work. Kampelmann et al. (2018) stated that people are motivated by salary, which has an impact on employees' decision to join a company.

Alam (2020) studied the impact of wages, benefits, and welfare facilities on employee productivity and employee motivation. The results show that wages are important in attracting and motivating good employees. Therefore, enterprise managers that provide suitable wage packages and

complete employee welfare facilities will improve employee productivity and work efficiency.

Ashraf (2020) has studied the direct and indirect influence of demographic factors (gender, age, income level, education, tenure, and design), employee compensation, benefits, job satisfaction, and organizational commitment in private universities in Bangladesh. Data were collected from 515 teachers at Bangladesh University and analyzed through SEM structural equation modeling. The results show that, although demographic factors have no direct impact on organizational commitment, they have an indirect impact on organizational commitment through the mediation of compensation structure and job satisfaction and enthusiasm in the teacher's work. Besides, compensation structure also has a significant mediating role in the relationship between demographic structure and the job satisfaction of lecturers. The study contributes to clarifying that demographics and salary packages are the most important factors for lecturers to influence organizational commitment in this study. The limitation of the study is that the sample used here is only 20 selected private universities, but there are no public universities, so the ability to generalize the results of the study is limited. Masood et al. (2014) analyzed the factors affecting employee satisfaction in Pakistani public and private organizations. After surveying 200 people in Bahawalpur City and selecting 155 observations, the study applied descriptive research methods, reliability testing by Cronbach's Alpha coefficient, and regression analysis. The author points out that income greatly affects employee satisfaction. Organizations that pay their employees fairly according to the obligations and responsibilities they perform in their work increase employee satisfaction levels. Alshetri (2013) explored the factors affecting the overall job satisfaction of 432 employees in a public research and development (R&D) center in Saudi Arabia. The study builds on 5 factors affecting employee satisfaction including salary, promotion, superiors, colleagues, and nature of work. The results show that income is the factor that has the strongest impact on employee job satisfaction. Tanjeen (2013) and Kabir and Parvin (2011) believed that income is also an important factor and has a positive relationship with employee satisfaction at work. Employees are always interested in income issues to meet the needs of themselves and their families. Only when the income is consistent with the job and fair and reasonable the employees can rest assured to devote to the development of the company. Therefore, we hypothesize that:

H1: Income has positive effects on the employees' job satisfaction.

2.2.2. Employee benefits

Perry et al. (2010) explained that employee benefit is a broad term that includes various

benefits, facilities, and services provided to employees by employers to promote and motivate their employees. Employee benefits embrace the state of health, happiness, satisfaction, preservation, and development of human resources and also help to promote the motivation of employees (Tiwari, 2014). Tiwari (2014) also stated that health, safety, and benefits are motivations to promote employee performance. The variety of benefits offered by employers will have an immediate impact on workers' health, physical and mental performance, alertness, and overall performance. Thereby contributing to higher productivity of the whole company. This result is also found in Evelyne et al. (2018), who have shown that benefits policies have an important role in improving employee performance. In contrast, an inadequate benefits program can bring about industrial disputes, crises, and situations that can slow down productivity (Hanaysha and Hussain, 2018). In addition, employee benefits programs in both developed and developing societies will also affect workforce dynamics (Hassan et al., 2020). Based on these findings, we hypothesize that:

H2: Employee benefits have positive effects on the employees' job satisfaction.

2.2.3. Working conditions

According to Böckerman and Ilmakunnas (2006), working conditions provided to employees by the organization such as the level of safety, comfort, health, happiness, etc. According to Nwachukwu and Chladková (2017), the working environment refers to the conditions of an organization and a favorable working environment can improve company performance. Working conditions are beneficial when an organization provides its employees with a safe and healthy environment, basic benefits, facilities, and other conditions such as good lighting, and ventilation (Rožman et al., 2017). Arnold and Feldman (1986) argued that when employees work in poor working conditions, they may feel that management does not appreciate or recognize their efforts or work completed. Greenberg and Baron (2003) indicated that workers want working conditions that provide more physical comfort and convenience. A lack of such working conditions among other things can negatively impact the mental and physical well-being of workers.

Masood et al. (2014) analyzed the factors affecting employee satisfaction in Pakistani public and private organizations. After surveying 200 people in Bahawalpur City and selecting 155 observed samples, the study applied descriptive research methods, convenience sampling, reliability testing by Cronbach's Alpha coefficient, and regression analysis. The author points out that working conditions are the most important factor in promoting employee satisfaction. Management can create work efficiency by creating comfortable and

advanced working conditions so that it is easy for employees to work effectively.

Tanjeen (2013) studied the job satisfaction of employees in the telecommunications industry in Bangladesh. The author presents the influencing factors as working conditions, safety at work, autonomy at work, relationship with colleagues, relationship with superiors, income, and promotion. Based on the questionnaire survey, 5-level Likert scale, and regression analysis, the author proves that working conditions are one of the factors that contribute the most to job satisfaction. The company should provide all necessary resources such as information, tools, and equipment to employees to perform their duties most effectively. García-Almeida et al. (2015), Javed et al. (2014), and Chegini et al. (2019) believed that working conditions affect the job satisfaction of employees. All employees care about their working conditions, and they will feel satisfied if the working time is suitable and the working environment is safe and comfortable. We, therefore, hypothesize that:

H3: Working conditions have positive effects on the employees' job satisfaction.

2.2.4. Training and promotion opportunities

When an employee gets promoted, it is to a position with a higher wage grade or, in certain cases, to a job with significantly larger responsibilities within the same grade. Career promotion is not only necessary to fulfill physical needs, but also to satisfy individual psychological needs and always leads to higher productivity and positive relationship building. Opportunities for career promotion are characterized by employees having greater responsibility, authority, compensation, and autonomy in employee decisions (Okolocha, 2021). Therefore, promotion is an important component of job satisfaction. According to Okolocha (2021), career advancement not only helps employees achieve their economic needs through job enrichment but also helps employees achieve career growth. Career advancement is expected to strengthen employees psychologically, create job satisfaction, and improve overall employee performance. In the study of Azar and Shafiqhi (2013), the authors examine the effect of work motivation on employee performance and found that promotion opportunities positively impact employee performance.

Elnaga and Imran (2013) believed that training has a close relationship with promotion because training often has the ultimate aim of promoting or improving skills, thereby improving employee performance. Chegini et al. (2019) and Ramman (2011) also had similar results and Masood et al. (2014) found that training and research did not have much influence on employee satisfaction. We, therefore, hypothesize that:

H4: Training and promotion opportunities have positive effects on the employees' job satisfaction.

2.2.5. Workplace relationships

Workplace relationships are relationships between individuals in an organization. This relationship is one of the important factors affecting the engagement of employees in the organization (Bui et al., 2022). Alshetri (2013) showed that workplace relationship is an important factor affecting employee satisfaction. The relationship with colleagues and superiors reflects the extent to which members of an individual's workgroup are perceived as supportive and competent in their respective duties. Research results show that if there are friendly and supportive colleagues, the employees will be more satisfied with their work and more committed to the organization (Tanjeen, 2013). We, therefore, hypothesize that:

H5: Workplace relationships have positive effects on the employees' job satisfaction.

2.2.6. Job characteristics

Employees' interests in job characteristics usually are different. Young workers usually care about promotion opportunities more than older workers do because opportunities decline with age (Mehrabian and Blum, 1996). In contrast, older workers tend to value meaningful work. Zahra Cheginy et al. (2014) conducted a survey of employees at companies in many different fields. The results show that when the work is diverse and creative, it will bring joy to the employees. Besides, challenging work will help the employees not get bored. In addition, the job creates opportunities for the employees to develop skills that will bring great satisfaction to employees. And this factor always has a positive impact on the satisfaction of employees in companies.

H6: Job characteristics have positive effects on the employees' job satisfaction.

2.2.7. Autonomy at work

Job autonomy is defined as the degree to which work gives employees the freedom to choose what, when, and how they do their work (Parker et al., 2001). Greater work autonomy reduces constraints from other work factors and improves the individual's job performance (Saragih, 2015). Work autonomy can be an important factor in reducing stress and improving work quality because it encourages employees to feel effective, accountable, and trusted by others in the organization (Matteson et al., 2021).

Javed et al. (2014) conducted a study on the factors affecting employee satisfaction by analyzing a sample of 200 people. The authors find that

employee empowerment or employee autonomy in work has a strong impact on the company's revenue. Bellmann and Hübler (2021) investigated the relationship between Work-from-Home and job satisfaction at different Work-from-Home agreements. Results show that working from home as an aspect of work quality can improve self-control and facilitate work and family life through a flexible organization at work. Puhakka et al. (2021) assessed autonomy at work by the freedom to choose the work undertaken and the decisions about the work. The results of the study reveal that the level of autonomy and competence have a positive effect on employee satisfaction. From the above findings, we hypothesize that:

H7: Autonomy at work has positive effects on the employees' job satisfaction.

2.3. Job satisfaction and employees' loyalty

Employee loyalty can be described as employees' commitment to the organization's success and their conviction that working for this business is their best alternative. Not only do they intend to remain with the firm, but they are also unresponsive to job offers and do not aggressively seek other work. Employee loyalty is a form of organizational citizenship that demonstrates dedication to the organization via the promotion of its interests and image to the outside world. Employee loyalty is an expression of organizational commitment, which is the relative intensity of an individual's identification with and participation with a certain company.

Abdullah et al. (2009) discovered that a rise in employee satisfaction could result in a rise in employee engagement and has the potential to make both the employee and employer equally loyal to the organization. According to Mobley et al. (1979), employees with a low degree of job satisfaction are more likely to resign. This is corroborated by research by Shaw (1999) that examines the association between work satisfaction and the propensity to quit. If a person's job satisfaction is low, there is a substantial likelihood that he or she will leave the position, according to the study. Moreover, employees in such a circumstance are prone to be absent from work. Walker (2005) also discovered that satisfied employees are more likely to remain loyal if they consider their organization to have an opportunity to learn and improve, as well as a clearly defined career path inside the firm.

From the above findings, we hypothesize that:

H8: Job satisfaction has positive effects on the employees' loyalty.

We also examine the indirect effects of wages, benefits, working conditions, training and promotion opportunity, workplace relationship, job characteristics, and autonomy at work on the employees' loyalty. For those indirect effects, we

illustrate hypotheses H_{9a}–H_{9g} as in the research framework in Fig. 1.

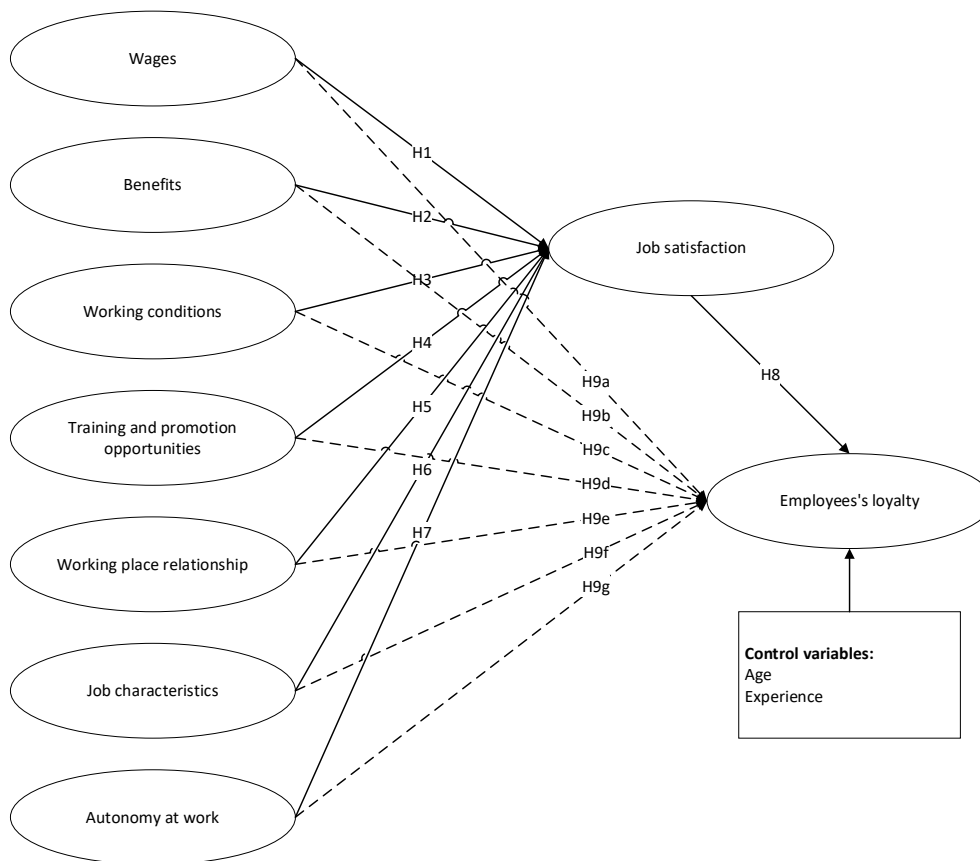


Fig. 1: Research framework

3. Data and methods

The total number of survey questionnaires distributed is 500. Among them, the total number of completed questionnaires is 369 (around 73.8%). Interviewees are randomly selected from the population for questionnaire administration. Face-to-face, drop-off, and email methods were employed to distribute the questionnaire.

The collected data was subsequently cleaned and analyzed using Partial Least Squares Structural Equation Modelling (PLS-SEM) with the aid of Smart-PLS software.

Table 1 shows the demographic profile of the study participants. Most of the respondents are highly educated (with the majority being undergraduate or above) and are middle managers or staff.

4. Results and discussions

Before studying the causal effects of variables, we first ensure the validity and reliability of the study model using the factor loadings, Cronbach’s alpha (CA), Average Variance Extracted (AVE), and Composite Reliability (CR).

Table 1: Demographic profile

Criteria	Number	Percentage (%)
Gender		
Male	191	51.76
Female	178	48.24
Educations		
High school	110	24.64
Undergraduate	175	47.42
Master	71	19.24
Ph.D.	13	3.52
Job positions		
Senior manager	34	9.21
Middle manager	116	31.44
Staffs	219	59.35
Working experiences		
<1 year	111	30.08
1–4 years	131	35.50
5–9 years	78	21.14
10–14 years	38	10.30
>15 years	11	2.98

Table 2 shows the summary statistics for each construct and item along with the results of CA, CR,

AVE, and factor loadings. The CA met the recommended value higher than 0.70, the value

ranges from 0.73 to 0.85. The CR ranging from 0.83 to 0.90 also fulfilled the criteria as it was above the minimum recommended value of 0.70 (Hair et al., 2017). The AVE value of the four variables was

within the range of 0.50 and 0.66, which fulfilled the recommended value above 0.50. The factor loadings satisfy the recommended value above 0.4 (Hair et al., 2017).

Table 2: Summary statistics, validity, and reliability for constructs and items

Constructs/Items	Questions	Min	Max	Mean	Std.	Factor loading
TN	Wages (CA=0.758; CR=0.846; AVE=0.580)	1.25	5.00	3.344	0.666	
TN1	Your current salary is commensurate with your ability.	1.00	5.00	3.463	0.821	0.719
TN2	You are perfectly fine living with your current salary.	1.00	5.00	3.241	0.865	0.845
TN3	The payment of wages to the company's employees is fair and transparent.	1.00	5.00	3.393	0.860	0.729
TN4	The company's allowances and commissions are reasonably.	1.00	5.00	3.276	0.952	0.747
PL	Employee benefits (CA=0.753; CR=0.835; AVE=0.504)	1.60	5.00	3.251	0.643	
PL1	You are satisfied with the company's bonus	1.00	5.00	3.152	0.908	0.690
PL2	Are you satisfied with the way the company handles employee benefits.	1.00	5.00	3.100	0.969	0.681
PL3	The company organizes annual travel.	1.00	5.00	3.060	0.934	0.733
PL4	You are satisfied with the company's annual travel.	1.00	5.00	3.691	0.835	0.624
PL5	The company creates conditions for employees to participate in cultural and artistic movements, fitness and sports clubs.	1.00	5.00	3.252	0.884	0.808
DK	Working conditions (CA=0.853; CR=0.895; AVE=0.631)	1.00	5.00	3.227	0.701	
DK1	You are provided with full equipment to work.	1.00	5.00	3.247	0.886	0.780
DK2	Good workplace facilities (garage, dining room, restrooms...).	1.00	5.00	3.160	0.890	0.867
DK3	You feel safe at work.	1.00	5.00	3.333	0.860	0.807
DK4	Your working environment is airy, clean and comfortable.	1.00	5.00	3.133	0.892	0.728
DK5	Your working time is flexible and reasonable.	1.00	5.00	3.263	0.893	0.785
DT	Training and promotion (CA=0.786; CR=0.848; AVE=0.530)	1.80	5.00	3.482	0.594	
DT1	You are introduced and oriented to the job from the very beginning.	1.00	5.00	3.431	0.795	0.805
DT2	You have many opportunities for job skills training.	2.00	5.00	3.450	0.706	0.681
DT3	You have more opportunities to promote in your career.	2.00	5.00	3.463	0.780	0.706
DT4	The company encourages you to participate in advanced training courses.	1.00	5.00	3.450	0.899	0.769
DT5	The company has policies and conditions for promotion that are widely and clearly announced to all employees.	1.00	5.00	3.618	0.871	0.668
QH	Workplace relationship (CA=0.816; CR=0.868; AVE=0.524)	1.33	5.00	3.296	0.655	
QH1	Your boss is friendly and always listens to employees' opinions.	1.00	5.00	3.347	0.920	0.757
QH2	Your superiors always support employees in their work.	1.00	5.00	3.347	0.917	0.720
QH3	The bosses treat employees equally.	1.00	5.00	3.165	0.883	0.771
QH4	Your co-workers are friendly.	1.00	5.00	3.363	0.917	0.732
QH5	Employees in the departments are always happy to cooperate and help each other in their work.	1.00	5.00	3.252	0.926	0.769
QH6	You learn a lot from your superiors and colleagues.	1.00	5.00	3.301	0.878	0.576
DD	Job characteristics (CA=0.802; CR=0.871; AVE=0.629)	1.25	5.00	3.367	0.662	
DD1	You can make good use of your personal capacity for your work.	1.00	5.00	3.306	0.873	0.866
DD2	Your work does not create undue pressure	1.00	5.00	3.412	0.751	0.720
DD3	You can balance work and personal life.	1.00	5.00	3.415	0.807	0.751
DD4	Your work is interesting and you love your work.	1.00	5.00	3.336	0.900	0.827
TC	Autonomy at work (CA=0.730; CR=0.831; AVE=0.552)	1.75	5.00	3.617	0.613	
TC1	You have the right to decide all the work in your area of responsibility.	2.00	5.00	3.767	0.766	0.719
TC2	You can take a leave as long as the job is done.	1.00	5.00	3.762	0.829	0.739
TC3	You are trusted by your superiors and empowered to make your own decisions.	1.00	5.00	3.507	0.854	0.779
TC4	You are assigned work by your superiors and can improve in your own way.	1.00	5.00	3.434	0.848	0.733
HL	Satisfaction (CA=0.874; CR=0.908; AVE=0.665)	1.40	5.00	3.520	0.732	
HL1	You are satisfied with the fairness in the distribution of benefits of the company.	1.00	5.00	3.515	0.804	0.818
HL2	You are satisfied with the salary and amount of work compared to others in the company.	1.00	5.00	3.531	0.897	0.829
HL3	You are satisfied with the current security of the company.	1.00	5.00	3.613	0.899	0.839
HL4	You are satisfied with the current working environment, decision making and work methods of the company.	1.00	5.00	3.599	0.910	0.812
HL5	You are satisfied with the stability of your current job.	1.00	5.00	3.344	0.980	0.777
TT	Loyalty (CA=0.771; CR=0.853; AVE=0.593)	1.50	5.00	3.363	0.632	
TT1	You want to work for a long time at your current company.	1.00	5.00	3.463	0.929	0.653
TT2	You are enjoying and enjoying your current job.	1.00	5.00	3.407	0.796	0.787
TT3	You see the company as your second family.	1.00	5.00	3.220	0.786	0.805
TT4	You will stay at the company even though another company offers a higher salary.	1.00	5.00	3.363	0.783	0.824

The analysis results in Table 3 also show that there is no problem of multicollinearity between the variables because the value of the variance inflation factor (VIF) ranges from 1.00 to 2.564, which is lower than the maximum of 10 as suggested in Hair et al. (2017). The adjusted-R² values of the dependent variables are all much larger than the minimum threshold of 0.10 (specifically, the

adjusted R² of employees' satisfaction is 0.471; the adjusted R² of employees' loyalty is 0.471; the adjusted R² of employee loyalty is 0.387) (Hair et al., 2019). Besides, the SRMR coefficient is 0.063 (less than the threshold of 0.08) (Henseler et al., 2016) and the RMS Theta value is less than 0.12 (Hair et al., 2017), proving that the theoretical research model is consistent with the actual data.

Table 3: VIF results

	TN	PL	DK	DT	QH	DD	TC	HL	TT	C1	C2
TN								1.939			
PL								2.154			
DK								2.097			
DT								1.698			
QH								2.564			
DD								2.412			
TC								1.436			
HL									1.000		
TT										1.077	
C1											1.077
C2											
	Adjusted R ² _{HL} = 0.471				SRMR = 0.063						
	Adjusted R ² _{TT} = 0.387				Rms Theta = 0.115						

Notes: C1: Control variable 1 (Age); C2: Control variable 2 (Working experience)

Table 4 and Fig. 2 illustrate the results of direct effects using the PLS-SEM model. The structural model results support most of the research hypotheses that have been proposed in the research model, except for hypothesis H6. Table 5 shows the

indirect effects of wages, benefits, working conditions, training and promotion opportunity, workplace relationship, job characteristics, and autonomy at work on the employees' loyalty with employees' satisfaction as mediators.

Table 4: Results of the structural model on direct effects

Direct effects	β	p-value	t-value	Conclusion
TN→HL	0.179***	0.003	2.987	H1 is supported
PL→HL	0.138**	0.028	2.200	H2 is supported
DK→HL	0.131**	0.024	2.258	H3 is supported
DT→HL	0.240***	0.000	4.397	H4 is supported
QH→HL	0.131**	0.035	2.110	H5 is supported
DD→HL	-0.059	0.308	1.019	H6 is rejected
TC→HL	0.154***	0.001	3.272	H7 is supported
HL→TT	0.622***	0.000	18.754	H8 is supported

Notes: *** and ** are significant at 1% and 5%, respectively

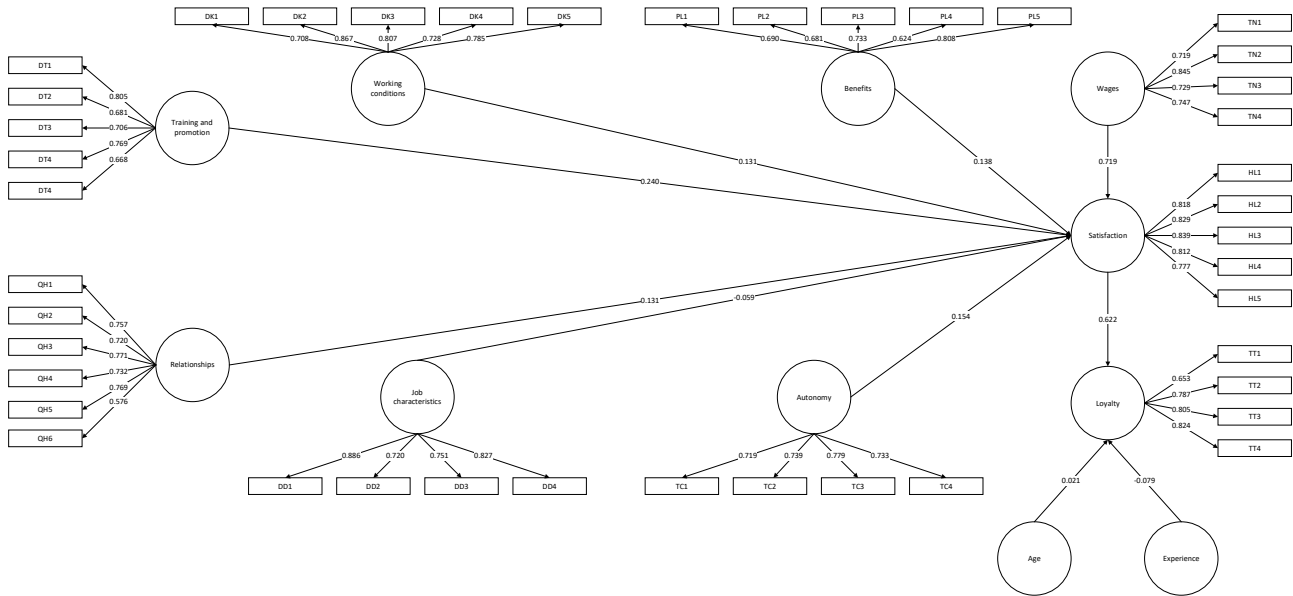


Fig. 2: PLS-SEM results

Table 5: Results of the structural model on indirect effects

Indirect effects	β	p-value	t-value	Conclusions
TN→HL→TT	0.039**	0.012	2.530	H9a is supported
PL→HL→TT	0.029*	0.068	1.825	H9b is supported
DK→HL→TT	0.031**	0.048	1.979	H9c is supported
DT→HL→TT	0.049***	0.008	2.650	H9d is supported
QH→HL→TT	0.032**	0.045	2.010	H9f is supported
DD→HL→TT	-0.013	0.395	0.851	H9g is rejected
TC→HL→TT	0.034**	0.018	2.378	H9h is supported

Notes: ***, **, and* are significant at 1%, 5%, and 10%, respectively

4.1. Impact of wages on satisfaction and loyalty

For the impacts of wages on employees' satisfaction, survey participants are relatively

satisfied with the company's salary; the salary is commensurate with their capacity as well as the company's salary is fair and transparent. The test results show that wage is positively correlated with

employee satisfaction and employee loyalty. Income is one of the major factors affecting employee satisfaction at work. Yee (2018) pointed out that appropriate adjustment of salary, bonus, and allowance policies is extremely necessary to improve job satisfaction and meet employees' aspirations. This contributes to creating trust and long-term attachment of highly qualified employees who continue to contribute and bring benefits to the company.

4.2. Impact of benefits on satisfaction and loyalty

Based on the empirical results, benefits positively affect employees' satisfaction and loyalty. The benefit is a factor that many people care about when choosing a job and it has a significant impact on employees' job satisfaction (Gabriel and Nwaeke, 2015). Bandara et al. (2022) found that benefits such as bonuses on holidays, health insurance, social insurance, full benefits of vacation, sightseeing tours, etc. have a positive impact on employees' job satisfaction. Besides, employees will feel secure and increase their work productivity if they feel that they and their families are protected. Increasing benefits for employees and their families will make employees stick with the company for a long time.

4.3. Impact of working conditions on satisfaction and loyalty

Working condition is also a factor that brings positive effects on employees' satisfaction and loyalty. Working conditions can be improved in many ways, such as ensuring facilities and equipment for the job; creating a safe, clean, and comfortable working environment; arranging flexible working hours, etc. Employees will feel more comfortable and satisfied at work if the working time at the company is appropriate, there is no overtime and the working environment is safe and comfortable (Masood et al., 2014).

4.4. Impact of training and promotion opportunity on satisfaction and loyalty

Training and promotion opportunity is proven to be a driver of employees' satisfaction and loyalty. To be able to improve employee satisfaction with the company, it is necessary to create peace of mind about the future for employees. In other words, building a reasonable and fair promotion route for each employee will make employees feel more secure at work and will increase employee satisfaction with the company.

4.5. Impact of workplace relationship on satisfaction and loyalty

Workplace relationships have a positive influence on employees' satisfaction and loyalty. Good working relationships such as leaders always acknowledging

employees' contributions; leaders treating employees fairly; colleagues willing to help each other at work; employees always receiving the support of leaders at work, etc. have a positive impact on employee job satisfaction. Employees need to be considered effective partners and friends at work, so building good relationships with subordinates is a top priority factor to becoming a successful leader. However, many people in high positions often think that new subordinates must focus on relationships with superiors and ignore this responsibility. Therefore, many companies have reduced employee satisfaction to an alarming level.

4.6. Impact of job characteristics on satisfaction and loyalty

Among all examined factors in our study, job characteristics are the only factor that does not have any impact on employees' satisfaction and loyalty. It means that once employees decide to take the job, they have understood the characteristics of that job. And, since the natural characteristics of the job are not changed too much, it may have no influence on employees.

4.7. Impact of autonomy at work on satisfaction and loyalty

Autonomy at work is another factor that has a positive impact on employees' satisfaction and loyalty. Autonomy at work helps employees reveal their abilities, solve problems and take responsibility for their own actions. Employees will feel they are capable, they are shown, and have a high sense of responsibility as well as feel satisfied when they are trusted by their superiors (Tanjeen, 2013).

4.8. Impact of job satisfaction on employees' loyalty

Job satisfaction is proved to be a main factor that improves the loyalty of employees. This result is consistent with Kim et al. (2005), in which, employees who are satisfied with their jobs exhibit stronger organizational loyalty than those who are not. When employees have high job satisfaction and are eager to remain devoted to the organization, employee loyalty will be greater.

5. Conclusions

This study's primary purpose is to determine which factors have the strongest and most significant influence on employee happiness and loyalty, as well as the extent of that influence. The empirical findings propose that for an organization to achieve a high level of employee satisfaction and loyalty, it must pay close attention to all factors that provide significant correlations and unique contributions as a good predictor of employee satisfaction and loyalty, whether directly or

indirectly. Additionally, we believe that a higher level of rewards and benefits, a comfortable and conducive working environment, training programs provided to employees by firms, and employee job satisfaction might contribute to a higher level of employee loyalty. Consequently, the researcher concludes that the determinants of employee loyalty that companies and organizations must value and employee job satisfaction; training and promotion opportunities given to them, rewards and benefits offered to the employee, as well as working conditions, should be a top priority for any organization.

Compliance with ethical standards

Conflict of interest

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

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