

THE INFLUENCE OF WORK CHARACTERISTICS, ORGANIZATIONAL CULTURE, AND LEADERSHIP ETHICS ON THE LOYALTY OF EMPLOYEES IN INDO FURNITURE

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ABSTRACT

Every company considers human resources the most important asset in developing a business or company itself. This study aims to determine whether the characteristics of the work affect the Loyalty of Indo Furniture Employees. To find out whether Organizational Culture affects Indo Furniture's Employee Loyalty. To find out whether Leadership Ethics affect the Loyalty of Indo Furniture Employees. To determine whether work characteristics, organizational culture, and leadership ethics affect employee loyalty. The research approach used by the author is to use a quantitative approach. Results: the effect of job characteristics obtained t value 16.992 with a value of $t_{sig} = 0,000 < 0.05$. Thus, it can be stated that the Job Characteristics partially affect Indo Furniture Employees' Loyalty. The influence of organizational culture obtained t value of 2.436 with a value of $sig = 0.001 > 0.05$. Organizational Culture Affects Indo Furniture's Employee Loyalty. The influence of Leadership Ethics obtained t-value of 3.612 with a value of $sig = 0.001 > 0.05$. Leadership Ethics Affects Indo Furniture's Employee Loyalty.

Keywords : Job characteristics, Organizational Culture, Leadership Ethics, Employee Loyalty

1. INTRODUCTION

Currently, competition in the business world is so fierce, with all the limitations it has, companies must be able to compete with other companies to be able to seize the existing market share. This will not be realized if the company does not have the human resources needed (Tsani: 2016). Without the human factor all the company's resources cannot be utilized and managed properly. The survival of the Company is also influenced by employees, because employees have a very important role, namely being the maker and decision maker. Achieving company goals also requires employees whose loyalty is high to work, because employees are also considered to be the main drivers for the company (Sumardhan, 2014). Loyalty to the company is considered also as the loyalty of employees in working for the company. Loyalty is also defined as the ability to obey, carry out and do something that is obeyed with full responsibility and awareness when employees carry out daily work (Siagian: 2009).

Loyalty is a strong will to maintain yourself as a member in an organization, it is also the intention to provide the highest performance for the organization and the confidence and sense of comfort obtained from the values and goals in the organization (Wahba&Aziz:2015). Employees with high loyalty in work are employees that the organization needs to be able to contribute to the survival of the organization to market competition (Alkahtani: 2016).

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The characterization of work is the nature derived from the implementation of employee duties and includes the authority, responsibility and form of duties and also the level of satisfaction that individuals obtain derived from the characteristics of the work concerned (Saweduling, 2013; Siregar, 2021). Job characteristics are the basis for organizational productivity so that work loyalty is maintained. in conditions of increasing competition, well-designed work will be able to attract and maintain labor loyalty and provide motivation to produce quality products and services (Silvia, Rudi and Miranda: 2014). Pt. Indo Furniture is one of the business sectors engaged in the furniture industry including furniture, namely household furniture. the company's production activities such as tables, chairs, and cabinets and others, all equipment and household items located in Deli Serdang regency. Pt. Indo Furniture is located on Jl. Melintang Psr. 1 Percut Sei Tuan Industrial area.

Employees in carrying out their duties are equipped with skills, work challenges, clarity of duties, authorities, responsibilities and feedback from the work they will or have completed. so that they can provide good quality work and maintain the quality of pt. Indo Furniture. to maintain the production quality of PT. Indo Furniture, employees who have high loyalty are needed so that employees can continue to improve good work performance. Employee morale that is not optimal and the low level of achievement of work quality with company goals, employee initiative is still very minimal so that the level of employee loyalty to be willing and obedient in complying with regulations is still lacking.

The leadership style of the superior also affects the loyalty of employees. Bosses who behave as rulers who tend to be arbitrary and do not respect the aspirations of employees feel dissatisfied at work. so that employees are looking for a company led by superiors who are better at treating their subordinates. it's good not to be simply ignored by the company. If ignored, this will continue to affect employee loyalty and cannot provide high performance and productivity.

Organizational Culture according to Wambugu (2016) states that organizational culture is a differentiator between one organization and another because it includes concepts, systems, ideas, procedures, customs, traditions and customs that vary in each organization.

In Ginanjar's research, Persada sense (2012) stated that a good leader will definitely get more work results from his subordinates with an attitude as a good leader. to know the appropriate leadership style, not only do they see their position as a leader who wants everything to be done, but they must also work within the existing structure effectively.

Library Review

A. Job Characteristics

The characteristics of the work according to Robbins (2009:268) indicate that is the breakdown of the work described in a dimension about the diversity of skills and responsibilities in carrying out the work. Job characteristics between employees have different characteristics in evaluating work and solving the diversity of assigned tasks.

B. Organizational Culture

Culture is a pattern of basic assumptions found and developed by certain groups through study and mastery . the problem of external adaptation and internal integration, which works quite well to

be considered, is correct and therefore taught to . new member as a courtesy, thoughts and feelings of right in relation to the Schein problem (Wirawan: 2011:15).

C. Leadership ethics

According to Wirawan (2013:102), ethical leadership is leadership that demonstrates appropriate normative behavior through actions, problems, and interpersonal relationships, and promotes such actions to followers through two-way communication, reinforcement, and decision-making. Whereas according to Peter (2013) ethics has to do with what the leader and the leader do.

D. Employee Loyalty

According to Agustian (2001), loyalty is loyalty to the principle adopted. According to Dessler (2000), employee loyalty is an emotional attitude of pleasure and love for one's work. Then, Hasibuan (2007) posited that employee loyalty is loyalty that leads to the employee's willingness to maintain and protect the organization in the workplace and beyond the weakening of the duties of irresponsible people. Furthermore, according to Hermawan, loyalty (Prayato, 2008) is an expression of basic human needs for support, a sense of security, and building emotional attachment.

2. RESEARCH METHODS

This type of research is quantitative. is a systematic scientific research of existing variables. is a systematic scientific research of existing variables. This research is categorized as explanation research (explanation) is a study that means the position of the variables studied as well as the relationship or influence or comparison between one variable and another. This study aims to determine the effect of Job characteristics (X1), Organizational Culture (X2) and Leadership Ethics (X3) on Employee Loyalty (Y). The object of the study is the characteristics of work, organizational culture, Leadership Ethics and employee loyalty. The subjects of the study were employees of Indo Furniture. The types of data used in this study are primary and secondary quantitative data. Where the data obtained is the result of answers from respondents in the form of questionnaires personally and is closed and equipped with alternative answers. with this questionnaire can help researchers obtain the data needed.

Population and Research Samples

The research population is an employee of Indo Furniture. The sampling method using the Total Sampling technique, the samples taken were all employees at Indo Furniture Indonesia which amounted to 80 people.

3. Results of Research and Discussion

In this section are indicated the results of validity and reliability tests. Validity tests are carried out to measure the data that has been obtained after the study is valid data with the measuring instruments used, namely questionnaires and by using the SPSS for Windows version 20 program. and reliability tests are used to measure the consistency of a variable. Statement items are said to be reliable or reliable if the respondent's answer is consistent over time. A variable is said to be reliable if it has an Alpha Cronbach (α) value > 0.70 . that all variable items of job characteristics, organizational culture, leadership ethics and employee loyalty are valid with a rhitung value $> r$ tabel (0.2199) and reliable with an Alpha Cronbach value > 0.70 .

The double linear regression analysis in this study was used to determine the characteristics of work (X1), organizational culture (X2), and leadership ethics (X3) towards employee loyalty (Y). obtained results in table 1.

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Table 1
Multiple Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Itself. |
|----------|-----------------------------|------------|---------------------------|--------|---------|
| | B | Std. Error | Beta | | |
| constant | .840 | 1.441 | | .583 | .562 |
| X1 | .550 | .032 | .725 | 16.922 | .000 |
| X2 | .183 | .075 | .144 | 2.436 | .001 |
| X3 | .163 | .045 | .208 | 3.612 | .001 |

a. Dependent Variable: variabel_y

In table 1 above, it can be seen from the results of regression analysis obtained regression equations, namely:

$$Y = 0.840 + 0.550 X1 + 0.183 X2 + 0.163X3 + e.$$

Based on the regression above, it can be interpreted as follows:

- 1 The constant value of 0.840 indicates the magnitude of Employee Loyalty If the variables of job characteristics, organizational culture and leadership ethics mean zero.
- 2 Based on the regression equation, it shows that the job characteristic variable (X1) has a positive regression direction towards employee loyalty, namely $b_1 = 0.550$ which means that if the job characteristic variable has increased by 1% then employee loyalty will increase by 55% assuming the other variables are constant.
- 3 Based on the regression equation, it shows that the organizational culture variable (X2) has a positive regression direction towards employee loyalty, namely $b_2 = 0.183$ which means that if the organizational culture increases by 1% then employee loyalty will increase by 18.3% assuming other variables are constant.
- 4 Based on the regression equation, it shows that the leadership ethics variable (X3) has a positive regression direction towards employee loyalty, namely $b_3 = 0.163$ which means that if leadership ethics increases by 1% then employee loyalty will increase by 16.3% assuming other variables are constant.

The t-test was performed to determine the significance of the role of each free variable against the partially bound variable.

Table 2
t Test Results (Partial)

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Itself. |
|----------|-----------------------------|------------|---------------------------|--------|---------|
| | B | Std. Error | Beta | | |
| constant | .840 | 1.441 | | .583 | .562 |
| X1 | .550 | .032 | .725 | 16.922 | .000 |
| X2 | .183 | .075 | .144 | 2.436 | .001 |
| X3 | .163 | .045 | .208 | 3.612 | .001 |

a. Dependent Variable: variabel_y

Based on Table 2 above obtained the following results:

1. Its significance value for the Occupational characteristic variable (0.000) is smaller compared to that of alpha 5% (0.05) or $t \text{ count} = 16.922 (n-k=80-4=76) > t \text{ table } 1.991$. based on the results obtained then reject H_0 and accept. H_a for Job characteristic variables. thus, partially that the variables of Job characteristics have a positive and significant effect on Employee Loyalty.
2. Its significance value for the Organizational Culture variable (0.001) is smaller compared to that of alpha 5% (0.05) or $t \text{ count} = 2.436 (n-k=80-4=76) > t \text{ table } 1.991$. based on the results obtained then reject H_0 and accept. H_a for Organizational Culture variables. thus, partially that the variable Organizational Culture has a positive and significant effect on Employee Loyalty.
3. Its significance value for the Leadership Ethics variable (0.002) is smaller compared to that of alpha 5% (0.05) or $t \text{ count} = 3.612 (n-k=80-4=76) > t \text{ table } 1.991$. based on the results obtained then reject H_0 and accept. H_a for leadership ethics variables. thus, partially that the variables of Leadership Ethics have a positive and significant effect on Employee Loyalty

Table 3
F Test Results

ANOVA^b

| Model | Sum of Squares | df | Mean Square | F | Itself. |
|--------------|----------------|----|-------------|--------|-------------------|
| 1 Regression | 547.666 | 3 | 182.555 | 238.30 | .000 ^a |
| Residual | 58.221 | 76 | .766 | 1 | |
| Total | 605.887 | 79 | | | |

a. Predictors: (Constant), variabel_x3, variabel_x1, variabel_x2

b. Dependent Variable: variabel_y

Testing all variables in this study is to jointly affect the loyalty of Indo Furniture employees. Hypothesis testing using SPSS 20. a significant rate in this study was 5% or 0.05. F tables can be searched by using the magnitude of the numerator degree and the denominator degree. for the numerator degree using k (k is the multiplicity of predictors), while the denominator degree uses

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$n-k-1 = 80-3-1 = 76$ and the denominator df 76 is 2.72. Then the result of the calculated F value = 238.301 using a 95% confidence level is significant 5% and df $(n-k-1) 80-3-1 = 76$, then it is obtained F table of 2.72 then $F_{\text{calculated}} > F_{\text{table}}$ with a significant level of $0.000 < 0.05$. This means that job characteristics, organizational culture and leadership ethics have a positive and significant effect together on employee loyalty.

Discussion

Based on the results of hypothesis testing, it was found that the Job Characteristics variable had a significant and positive effect on Employee Loyalty. This means that the Job Characteristics are in accordance with the abilities of the employees. The work done is important for self-development and makes a great contribution to the company as well as consumers. Employees are given guidance in completing work and then given feedback on the results of the employee's work. Thus employees are not only given work and complete it alone, but are also involved in the process of achieving the company's goals. This makes employees more loyal to Indo Furniture. This is in accordance with the research of Silvia, Et al (2014).

Job Characteristics affect Employee Loyalty. Based on the results of hypothesis tests, it can be concluded that the Organizational Culture variable affects Employee Loyalty. This means that the higher the organizational culture, the higher the organizational commitment formed, on the contrary, the lower the organizational culture, the lower the organizational commitment. An employee who always applies an organizational culture tends to have a strong organizational commitment in him. This is in accordance with Rose's research (2019) showing that Organizational Culture has a Positive effect on Employee Loyalty.

Based on the results of the hypothesis test, it can be concluded that the variable of Leadership Ethics affects Employee Loyalty. This means that the better the ethics of a leader will increase employee loyalty. This can also be interpreted to mean that the better the leadership ethics, the higher the loyalty of employees to the Company. This is in accordance with Aban's research (2019) that leadership styles have a positive influence on loyalty.

4. Conclusions

Based on the results of research and discussion in the previous chapter, it can be concluded as follows:

1. Based on the validity test of the research results obtained that the questionnaire statement item was declared valid because of the $r_{hitung} > r_{tabel}$ value while the reliabel test results of the research results obtained that all questionnaire statement items were declared reliable because the Cronbach Alpha value was above the reliable limit value.
2. Partially (one by one) the influence of the Job characteristic variable (X1) has a positive and significant effect on employee loyalty (Y) where the Work characteristic variable is calculated as much as the t_{hitung} of the table.
3. Partially (one by one) the influence of the Organizational Culture variable (X2) has a positive and significant effect on employee loyalty (Y).
4. Partially (one by one) the impact of the Leadership Ethics variable (X2) has a positive and significant effect on employee loyalty (Y).

5. Overall (simultaneously) the influence of the variables of Work characteristics (X1), Organizational Culture (X2) and Leadership Ethics (X3) has a positive and significant effect on Employee Loyalty (Y) because the value of F counting for the variables of Job characteristics (X1), Organizational Culture (X2) and Leadership Ethics (X3) > F table.
6. The results of determination obtained from the characteristics of Work (X1), Organizational Culture (X2) and Leadership Ethics (X3) can show a close and positive level relationship with Employee Loyalty.

Suggestion

The suggestions that researchers can give are:

1. For Indo Furniture, companies should pay more attention to each employee so that employee performance is more visible
2. Companies can give awards to outstanding employees so that employees are more loyal to the company

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