

## Employee Loyalty : A Systematic Review of The Literature

M Iqbal Maulana

Muhammadiyah University of Jember, Indonesia



DOI : <https://doi.org/10.61796/icossh.v2i1.190>



### Sections Info

#### Article history:

Submitted: January 31, 2025

Final Revised: February 28, 2025

Accepted: March 16, 2025

Published: March 30, 2025

#### Keywords:

Employee loyalty

Systematic literature review

Bibliometric data

### ABSTRACT

**Objective:** Employee loyalty is an important factor in determining the success of the service and manufacturing sectors, with a profound effect on customer satisfaction and profitability. It is very important to continuously increase employee loyalty so as to achieve a significant competitive advantage, especially by minimizing the detrimental effects of high employee turnover. This study provides a detailed review of the methods and variables discussed in the peer-reviewed article on employee loyalty. **Method:** Through quantitative analysis, organization, and graphical representation of bibliometric data, including publication frequency and number of citations, derived from a thorough examination of the literature on in-depth analysis. **Results:** Our results provide essential insights and guidance for practitioners and scholars, aiming to navigate key achievements and hurdles in contemporary empirical investigations of employee loyalty. **Novelty:** It highlights shortcomings in current empirical research, suggests new paths for future studies, and identifies job loyalty gaps.

## INTRODUCTION

The importance of empirical studies and research on employee loyalty within the scope of the company today is the main focus of this research. Through a thorough review of more than 350 research studies, (Sibarani, 2024) Investigating the intricacies of employee loyalty, exploring its relevance amid various influencing factors. Using contemporary statistical methodologies, we build meaningful relationships drawn from a comprehensive analysis of the existing literature. In addition, we illuminate the evolving research landscape around employee loyalty by providing statistical insights into the volume of research research and its respective citations. In addition, we define works in this domain, explain their methodologies and areas of investigation, thus enriching our understanding of the important subject matter of work loyalty (Sianturi, 2023).

(Rudi et al., 2024) has raised and explored the central theme of employee loyalty, a subject that may seem archaic amid the rapid industrial revolution and global uncertainty of our time. In an era characterized by the growth of a workforce that lacks essential skills and a highly competitive market that demands exceptional quality of service, the conventional approach of gradual improvement faces significant challenges. The need for adaptability and innovation in the face of evolving dynamics in the employment landscape and market demands calls for a re-evaluation of strategies beyond traditional models of continuous improvement.

Undoubtedly, employee loyalty remains important in various sectors, including the service and manufacturing industries (Meschke, 2021). It plays an important role in shaping the relationship between industries and their customers, influencing satisfaction levels, and standing as an essential element in Total Quality Management (TQM)

(Hermawan, 2024), contributing to overall profitability. The presence of loyal employees can significantly increase a company's competitiveness, especially by reducing the losses associated with high employee turnover (Kamal et al., 2020). Various studies on employee loyalty, supported by a strong theoretical foundation, offer practical implications that can be easily adopted (Meschke, 2021).

This study seeks to reveal the results of a careful literature review that focuses on employee loyalty. The objectives include analyzing research trends related to the subject through examination of selected bibliometric data, such as co-occurrence of keywords and number of citations. Additionally, the study aims to determine the theories, methodologies, and factors that influence employee loyalty, offering a comprehensive overview of the current state of the literature. The goal is to distill the main substantive findings and identify potential avenues for future research. In addition, this study seeks to formulate practical guidelines that aim to increase employee loyalty in organizational settings (Sibarani, 2024).

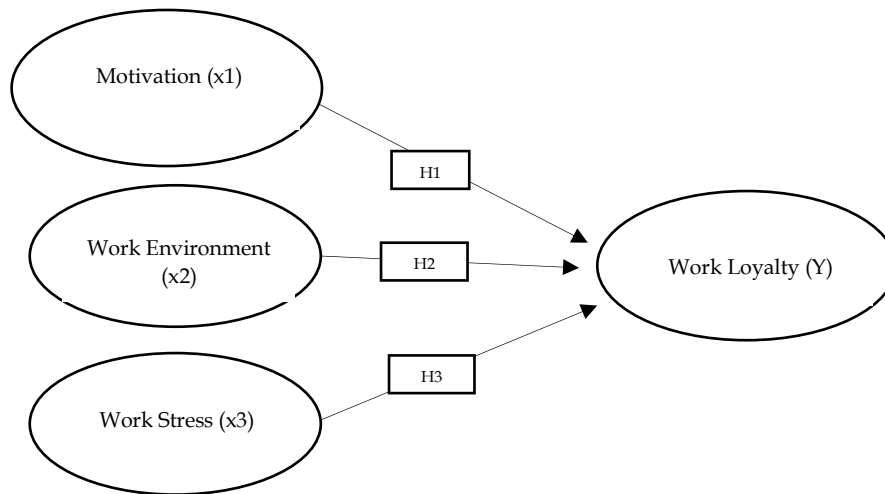
The manuscript follows a structured format outlined below. The process of identification and selection of related references from research published in academic journals. We identified growing trends in employee loyalty research, highlighted key journals that played a critical role in disseminating relevant publications, and identified related keywords. This section also focuses on the Indonesian keywords included in the sampling, explains the research methodology used, and outlines the factors considered, we present the main findings, concisely summarize the limitations, engage in discussions about potential future research directions and provide insights and implications gained from this review for both producers and policymakers (Rudi et al., 2024).

## **RESEARCH METHOD**

The material used in this systematic literature review consists of researched research papers, along with related bibliometric data, which includes metrics such as the frequency of publication over time and in various journals, the number of citations, and the analysis of keyword co-occurrence. The selection process of research papers related to employee loyalty. In this scientific article, an article is written using qualitative research methods and also literature review studies to help also obtain many or various descriptions through factors that affect the results of the variables studied. In this research article, the first step used is to collect information from online journal article literature through Google scholar. The qualitative research method is discussed in depth in the section titled. A review of literature, as the basis for the formulation of a hypothesis which will then be used as a basis for comparing the results of previous research or the findings contained in the research. This qualitative research is a research that has an exploratory nature (Sugiyono, 2016).



## Conceptual Framework



**Figure 2.** Conceptual framework.

Based on the conceptual framework above, it can be seen that Compensation, Work Stress, and Work Environment are exogenous variables that affect Employee Loyalty. In addition to these three factors, there are many other variables that have an influence on Employee Loyalty, including:

1. Work Motivation (X1)
2. Work Environment (x2)
3. Work Stress (x3)
4. Work Loyalty (x4)

## Discussion

### The Relationship between Work Motivation and Work Loyalty

Motivation is often discussed in a research, the discussion of motivation is very important to be explored by remembering that motivation is an important element in encouraging the achievement of a goal, in the context of an individual a person will be motivated if he has a goal and knows that it can bring benefits to him (Akbar Abbas, 2023). In the context of organizations and companies, motivation plays an important role in supporting the performance of the organization, especially if all members have the same goals so that they grow cohesiveness to work together to achieve goals. More motivated employees tend to be more loyal and loyal where they work (Raihan & Wulandari, 2024). Referring to the indicators of this research such as social needs, security needs, physical needs, the need for rewards, and the need for encouragement to achieve goals can affect employee loyalty, for example, social needs that are well met can create a willingness to work together so that employees will remain loyal to where they work, the need for security is an important role, with a guaranteed feeling of security both in the workplace and outside the workplace That way there will be a feeling of comfort at work so that employees will be loyal where they work, physical needs include needs in employees that must be met, the need for awards is a basic need in employees, by

appreciating a work that has been completed will make employees feel proud of the award, the need to achieve goals is a self-motivation to invite employees to achieve goals organization (Akbar Abbas, 2023). The results of the research are in line with those carried out by (Raihan & Wulandari, 2024), (Pardede, 2023), (Chandra et al., 2024) and (Oktaviyanto et al., 2024) The results of the study show that work motivation has a significant impact on employee work loyalty, motivated employees tend to be more loyal or loyal to the place where they work.

### **The Relationship between Work Environment and Work Loyalty**

The work environment affects work loyalty, where poor work environment dimensions or indicators can make employees vulnerable to illness, stress, difficulty concentrating, and reduced productivity. If the workspace is uncomfortable, stuffy, lacks air circulation, the work environment is too full, dirty and also noisy, this will obviously have a big impact on the work comfort of employees in the company, it will be directly related to the level of employee loyalty (Sedarmayanti, 2017). To increase work loyalty by paying attention to the work environment (Hakim et al., 2023), loyalty to the company is an attitude, that is, the level of identification of the employee with the workplace, which manifests itself in the desire to work and to do the best, among which loyalty to the company is a behavior, the process by which an employee makes a firm decision not to leave the company without committing extreme mistakes (Waworuntu et al., 2022). Harmonious relationships between colleagues can cause employees to be loyal to the place where they work, because employees will feel comfortable in communicating and cooperating if the relationship between colleagues runs harmoniously (Usniarti & Nuvriasari, 2024). Good infrastructure facilities will make employees more optimal in completing a job, thereby making employees comfortable at work, not discriminating with other employees, so that employees will feel treated fairly in the place where they work (Reza & Yuliharsi, 2024). Employees who are equipped with tools that can support their work, establish harmonious communication relationships, and are treated fairly tend to be more loyal and loyal where they work. The results of the study are supported by (Leuhery, 2023), (Pratiwi et al., 2024), (Sanjaya & Febrian, 2024) and (Oktaviyanto et al., 2024) The results of the study suggest that a supportive work environment tends to have an impact on employee loyalty. However, this is contrary to research conducted by (Usniarti & Nuvriasari, 2024) The results of the study show that the work environment is not a factor that affects work loyalty.

### **The Relationship between Work Strees and Job Loyalty**

Work Stress affects Job Loyalty, where the company experiences Bullying and pressure from colleagues, the need and resources available to complete tasks and obligations, inappropriate work, frustrating and dangerous work, boring or repetitive work and overload (Lift et al., 2023). Therefore, what management needs to do is the degree of centralization, formalization and participation in decision-making. At the very least, it can demonstrate a multilevel relationship with responsibility to the company, functional dependence, and control functions in the company, including a positive attitude towards the company's business, trusting the company and making it feel safe

and feel the personal satisfaction that the company can achieve (Usniarti & Nuvriasari, 2024).

The implications of these findings are that although work stress can directly reduce employee loyalty, it is for some companies to still try to minimize employee work stress (Rahmadani et al., 2024). This is because work stress can have a negative impact on various aspects, such as work stress can reduce employee productivity, then employees who experience high work stress will tend to leave work (Zet Ena et al., 2022), and work that is not in accordance with competence will cause stress at work (Sianturi, 2023). In line with the research conducted by (Pratama & Saputro, 2024) Low work stress will not only increase employee loyalty, but it can also prevent negative impacts on employee productivity and well-being as well as overall company performance, supported by research conducted by (Sianturi, 2023), (Pratama & Saputro, 2024), (Oktaviyanto et al., 2024) and (Larissa et al., 2023) The results of these findings show that employee work stress has a significant impact on employee loyalty in the workplace.

## CONCLUSION

**Fundamental Finding :** In accordance with existing theories, relevant literature, and discussions, hypotheses can be proposed for further research. The findings reveal that motivation has a significant and positive impact on employee loyalty, where motivation is understood as a person's desire to work harder driven by various needs and desires, both tangible and intangible, such as awards and honors. Additionally, the work environment is shown to have a significant and positive impact on employee loyalty across various companies studied. Elements like room temperature, air quality, cleanliness, lighting, safety, and interpersonal relationships contribute to a supportive and engaging environment, which strengthens employee loyalty. Conversely, a significant and negative correlation was identified between work stress and employee loyalty, where higher levels of stress are associated with lower loyalty due to diminished job satisfaction. **Implication :** These results suggest that organizations must prioritize employee motivation, foster a conducive and supportive work environment, and manage work-related stress effectively to enhance employee loyalty. A comfortable and safe work setting, along with recognition and support for employee needs, not only enhances engagement but also retains talent. Furthermore, management must be proactive in identifying and alleviating sources of stress, as this can significantly affect employees' commitment to the organization. Maintaining employee loyalty through such efforts is a strategic advantage and an essential asset for organizational sustainability. **Limitation :** While the study establishes clear links between motivation, work environment, work stress, and employee loyalty, it is limited by its focus on only these three variables. The influence of other potential factors that may shape employee loyalty has not been explored. Additionally, the data were drawn from various companies, but the study may not fully account for sector-specific or cultural variations that could impact generalizability. These constraints suggest the findings, though robust, are not exhaustive. **Future Research :** The advice in this article is that there are still many factors

that affect job loyalty beyond motivation, work environment, and work stress. Therefore, further studies are necessary to explore other influential variables. Future research should consider including factors such as compensation, rewards, organizational culture, personality, leadership, motivation, and allowances. Continued development of a more relevant and quality literature review will support a broader understanding of what drives job loyalty across different organizational contexts and employee demographics.

## REFERENCES

- Akbar Abbas, S. (2023). Motivational Drivers and Their Role in Driving Performance Improvement: A Literature Review. *Balanca : Journal of Islamic Economics and Business*, 5(1), 45–54. <https://doi.org/10.35905/Balanca.V4i1.4295>
- Angkat, R. A., Indra, A. P., & Tambunan, K. (2023). The Effect Of Islamic Work Ethics, Work Strees, And Work Life Balance On Employee Performance With Work Loyalty As An Intervening Variable At Bank Sumut Syariah Kcp Katamso Medan. *Al Iqtishod: Journal of Islamic Economic Thought and Research*, 11(2), 156–179. <https://doi.org/10.37812/AlIqtishod.V11i2.981>
- Chandra, A., Rastitiati, N. K. J., & Kalpikawati, I. A. (2024). The Effect of Work Motivation and Rewards on Employee Loyalty at XYZ Hotel Bali Uluwatu. *Journal Of Hospitality Accommodation Management (Jham)*, 3(1), 1–10. <https://doi.org/10.52352/Jham.V3i1.1352>
- Frizky Pratama, M., & Hendra Saputro, A. (2024). The Effect of Work Motivation, Work Stress and Job Satisfaction on Employee Loyalty in the Merchandiser Division of Pt. Kao Indonesia Bandung Branch. *Jemsi (Journal of Economics, Management, and Accounting)*, 10(1), 314–325. <https://doi.org/10.35870/Jemsi.V10i1.1876>
- Gresye Leatemala, Ferdy Leuhery, F. C. (2023). *The Effect of Workload, Work Environment and Job Satisfaction on the Performance of Expenditure Treasurers in the Maluku Police Task Force*. 4(3), 1390–1399.
- Hakim, S., Tri Endar Susianto, Sukma Irdiana, Yudiyanto Joko Purnomo, & Hery Purnomo. (2023). The Influence Of Job Satisfaction, Work Environment And Workload On Loyalty Of National Sharia Bank Employees. *Jemsi (Journal of Economics, Management, and Accounting)*, 9(5), 1823–1828. <https://doi.org/10.35870/Jemsi.V9i5.1481>
- Hermawan, E. (2024). The Influence of Work Environment, Work Stress, and Workload on the Performance of Pt. Sakti Mobile Jakarta. *Journal of Scientific Studies*, 22(2), 173–180. <https://doi.org/10.31599/Dn4eq582>
- Kamal, M. F. M., Mohd Zahari, M. S., Hanafiah, M. H., & Ariffin, N. W. M. (2020). The Influence Of Japanese Work Cultures On Malaysian Foodservice Employees' Work Stress And Their Turnover Intention. *The South East Asian Journal Of Management*, 14(2), 194–214. <https://doi.org/10.21002/Seam.V14i2.12255>
- Larissa, V., Susilarini, T., & I, U. P. I. Y. A. (2023). The relationship between work stress and compensation and employee loyalty at Pt . X in North Jakarta. *Journal of Creative Psychology of Innovation*, 3(1), 56–64.
- Oktaviyanto, S. A., Purusa, N. A., Haziroh, A. L., & Ulfa, A. K. (2024). The Influence of Work Environment, Work Stress, and Work Motivation on Employee Loyalty (Case Study of Car AC Repair Shops in Semarang). *Economics And Digital Business Review*, 5(2), 721–735. <https://bit.ly/44psivd>
- Pardede, L. N. (2023). The Influence of Work Environment, Work Discipline and Work Motivation on Employee Loyalty at Pt. United Rope. *Journal of Digital Business Economics*, 2(1), 126–134. <https://doi.org/10.59663/Jebidi.V2i1.177>
- Pratiwi, A. O., Raziansyah, R., & Pusparina, I. (2024). The Relationship Between Work Life Balance and Work Environment with Employee Loyalty at Bhayangkara Tk Hospital. iii banjarmasin The Relationship Work Life Balance And Work Environment With Employee

- Loyalty At Bhayangkara Hospital Tk . Iii Banjarmasin. *Journal Of Intan Hospitas Administration*, 1(November 2023), 61–66. <https://doi.org/10.54004/Join.V1i2.129>
- Rahmadani, R., Rahim, A. R., Prasilowati, S. L., & Siradjuddin, S. (2024). A Literature Review On The Effect Of Perceived Organizational Support On Employee Engagement And Employee Performance Of Government Agencies In Singapore, Thailand And Indonesia. *International Journal Of Social Service And Research*, 4(01), 79–96. <https://doi.org/10.46799/Ijssr.V4i01.663>
- Raihan, P. G., & Wulandari, W. (2024). The effect of compensation, motivation, and workload on employee loyalty. *Journal Of Economic, Business And Accounting (Costing)*, 7(4), 10181–10191. <https://doi.org/10.31539/Costing.V7i4.9940>
- Reza, M., & Yuliharsi, Y. (2024). The Effect Of Transformational Leadership Style, Work Environment, And Organizational Culture On Employee Loyalty Of Pt Sucofindo (Persero) Padang Branch. *Business And Investment Review*, 2(3), 1–13. <https://doi.org/10.61292/Birev.106>
- Rudi, R., Qamari, I. N., & Udin, U. (2024). What Factors Influence Employee Loyalty? A Meta-Analysis Using Vosviewer. *Multidisciplinary Reviews*, 7(10), 1–15. <https://doi.org/10.31893/Multirev.2024193>
- Sanjaya, V., & Desty Febrian, W. (2024). The Influence of Work Discipline, Non-Physical Work Environment and Authoritarian Leadership Style on Employee Performance (Case Study on Cardig International Group Employee Cooperative). *Journal of Management and Business Madani*, 6(1), 29–45. <https://doi.org/10.51353/Jmbm.V6i1.788>
- Sedarmayanti. (2017). *Planning and Development of Human Resources to Improve Work Competence, Performance and Productivity*. Refika Aditama., 2017. <https://doi.org/978-602-622-34-0>
- Sianturi, P. (2023). Analysis of the effect of compensation, work stress, and work environment on employee loyalty. *Balance of Management, Economic Accounting*, 3(1).
- Sibarani. (2024). Employee Loyalty : Systematic Literature Review. *Journal of Science Info : Informatics and Science*, 14(03), 531–545. <https://doi.org/10.54209/Infosains.V14i03>
- Sugiyono. (2016). *Educational Research Methods: Quantitative, Qualitative, and R&D Approaches*. Alfabeta, 2016.
- Usniarti, J., & Nuvriasari, A. (2024). The Influence Of Work Environment And Workload On Job Satisfaction And Its Impact On Employee Loyalty. *East Asian Journal Of Multidisciplinary Research*, 3(2), 857–870. <https://doi.org/10.55927/Eajmr.V3i2.8293>
- Waworuntu, E. C., Kainde, S. J. R., & Mandagi, D. W. (2022). Work-Life Balance, Job Satisfaction And Performance Among Millennial And Gen Z Employees: A Systematic Review. *Society*, 10(2), 384–398. <https://doi.org/10.33019/Society.V10i2.464>
- Zet Ena, Sjoen, A. E., & Riwardjani, A. M. (2022). The Effect Of Work Environment On Employee Loyalty With Work Stress As An Intervening Variable At Bella Vita Hotel - Kupang City. *Quantitative Economics And Management Studies*, 3(1), 65–76. <https://doi.org/10.35877/454ri.Qems865>

---

**M Iqbal Maulana**

Muhammadiyah University of Jember, Indonesia

---