

Employee Loyalty as Seen in The English of Compensation, Organizational Culture, Work Motivation and Village Office Work Environment

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ABSTRACT.

This study aims to determine and explain the influence of compensation, organizational culture, work motivation, and the work environment on the performance of village officials in Kasreman District, Ngawi. The population of this study was 50 village officials in Kasreman District, Ngawi, and a sample of 50 people using total sampling technique. Data collection used a questionnaire. Data analysis used Multiple Linear Analysis. The results showed that compensation, organizational culture, work motivation, and the work environment contributed 72.1% to performance, while the remaining 27.9% was explained by other variables not included in this study. This research suggests that village officials in Kasreman District, Ngawi, can improve their organizational culture and competency, and that leaders can manage employee workloads to enhance work experience and achieve maximum performance results.

Keywords: *performance, compensation, organizational culture, work motivation and work environment, village officials*

INTRODUCTION

Individuals who have decided to join a particular organization have rights and obligations established by the organization. They must also comply with existing regulations and demonstrate loyalty to the organization.

Employees who work will certainly not stray from the words loyalty and work attitude, thus, they will always strive to perform their jobs well. Employees will feel a strong and deep sense of pleasure in the work they undertake (Sriwati & Sriwani, 2023). Loyal employees are believed to contribute optimally and consistently perform to the best of their ability (Pratana & Sutisna, 2022).

Employee loyalty is optimized by providing adequate compensation so that it becomes the hope or main reason for an employee to work and dedicate themselves to the company, which includes income in the form of money, goods, or services given to employees as a reward for their contribution to the company (Rahmadhani & Mahmud, 2023). Compensation provided fairly and adequately can encourage work enthusiasm and increase employee loyalty to the organization. An effective compensation system can strengthen job satisfaction, which ultimately improves individual and team performance as a whole, which ultimately not only provides material rewards but also creates a sense of justice and recognition that is important for employees (Nazara, et.al, 2024). Compensation influences work loyalty where employees who feel fairly and adequately compensated tend to have a higher level of loyalty to the organization where they work (Rizky, et.al, 2022).

Organizational culture is a work chart or pattern created as a guideline for behavior and consideration in decision-making for all employees in order to achieve organizational goals. Therefore, it is important for companies to maintain the loyalty of their members by building a positive organizational culture and creating a strong organizational commitment within their environment (Widiyaniti, Wimba & Mahayasa, 2021). Organizational culture is a value that will determine the behavior of all members in the organization and is a component that can differentiate one organization from another. Organizational culture will be beneficial for an organization if all members use it as a work guideline in their daily lives within the organization. The implementation of organizational culture is said to be successful if the organizational culture has been embedded in all members (Muhtar, Sudarwati & Istiatin, 2024).

Motivation is a driving force that drives a person to perform a specific activity. Therefore, motivation is always considered a driving force for a person's attitude. Employee performance motivation can lead to and foster high levels of loyalty, fostering employee adherence to regulations, high levels of responsibility, collaborative work, and a sense of belonging to the company, fostering strong relationships (Sriwati & Sriwani, 2023). Motivation is a conscious or unconscious drive or desire within a person to take action to achieve specific desires, ideals, and goals. Motivation can be found anywhere, whether from those closest to them, motivators, or others. Motivation is essential for greater enthusiasm and self-motivation. Motivation isn't just a word, but a strong, inner drive. Motivation typically stems from the hope of achieving a desired outcome (Larengkeng, Kojo & Saerang, 2023).

Factors influencing loyalty are divided into two groups: Satisfies (motivator factors), which are factors or situations needed as a source of work loyalty, and Dissatisfies (hygiene factors), which are factors that become sources of loyalty, which consist of salary, wages, company regulations, interpersonal relationships, quality of supervision from superiors, job safety, job satisfaction, work environment, and work-life balance (Larastrini & Andyani, 2019). A comfortable work environment results in a feeling of comfort and well-being for employees and allows them to bring out their best abilities, and this situation results in an increase in employee loyalty. The work environment also influences employees in completing their responsibilities and duties to the organization, so that agencies must be able to carry out various activities in anticipation of changes in the company's work environment. A good work environment can create and improve working relationships and employee loyalty within its environment (Pratana & Sutisna, 2022).

Kasreman is a subdistrict in Ngawi Regency, Province East Java, Indonesia. Kasreman District consists of eight villages, requiring village officials who are highly skilled and loyal to the village government. On average, each village in Kasreman District has eight to twelve employees, bringing the total number of village officials in Kasreman District to 91.

From the initial investigation, several data and information were obtained relating to the condition of human resources in almost all villages or sub-districts that are almost the same. Some village officials or sub-district employees also still complain about the lack of income or earnings to meet daily living needs, there are still quite a lot of employees who do other work in addition to community service duties during working hours. Many village officials or sub-district employees do not comply with regulations and implement the established village organizational culture, such as paying less attention to the details of village or sub-district programs and being less aggressive and innovative in serving the community. In addition, work motivation is apparently less reflected in the lack of carrying out tasks or jobs that have higher challenges and the still minimal achievements obtained. A less conducive work environment is also still often found in some village offices, causing a lack of employee enthusiasm at work. All of these things are suspected to be the cause of the lack of loyalty of sub-district or village employees in Kasreman District, Ngawi.

RESEARCH METHODS

This type of research is a quantitative research. This research was conducted in villages in Kasreman District, Ngawi. The research period was carried out for one month, namely from January to April 2025. The location was chosen because the sub-districts in Kasreman District, Ngawi had never been used for similar research and the lack of employee loyalty was caused by less than optimal motivation and a less than good organizational culture, a less than conducive environment and less than satisfactory compensation. The population used in this study were 50 Village Officials in Bringin District, Ngawi. The number of samples in this study was 50 officials in villages in Bringin District, Ngawi. In this study, the sampling technique used was nonprobability sampling with the technique taken, namely saturated sampling (census). Therefore, the researcher chose a sample using saturated sampling technique because the population was relatively small, so the sample used in this study was 50 people. The data obtained was then processed using multiple linear regression analysis tools with the help of SPSS 25.

RESULTS AND DISCUSSION

Table 1 Multiple Linear Regression Results1

No	Variables	Unstandardized B	Information
1	(Constant)	4.156	Positive
2	Compensation	0.103	Positive
3	Organizational culture	0.223	Positive
4	Motivation	0.309	Positive
5	Work environment	0.055	Positive

Source: Primary Data processed in 2025

Based on the table above, it can be seen that the regression equation formed is:

$$Y = 4.156 + 0.103 X_1 + 0.223 X_2 + 0.309 X_3 + 0.055 X_5$$

From this equation it can be explained that:

a. Constant (a)

The constant value of 4.156 indicates that the variables Compensation, Organizational Culture, Motivation and Work Environment if the value is 0 then the Loyalty of Village Apparatus in Kasreman District, Ngawi has a Loyalty level of 4.156.

b. Compensation Coefficient (b₁)

The Compensation coefficient or Compensation variable (β_1) is 0.103 with a positive value. This means that for every 1-fold increase in Compensation, Village Official Loyalty in Kasreman District, Ngawi will increase by 0.103, assuming other variables remain constant.

b. Organizational Culture Coefficient (b₂)

The coefficient value of Organizational Culture or the Organizational Culture variable (β_2) is 0.223 with a positive value. This means that for every one-fold increase in Organizational Culture, the Loyalty of Village Officials in Kasreman District, Ngawi will increase by 0.223, assuming other variables remain constant.

c. Motivation Coefficient (b₃)

The Motivation value or Motivation variable (β_3) is 0.309 with a positive value. This means that for every 1-fold increase in Motivation, the Loyalty of Village Officials in Kasreman District, Ngawi will increase by 0.309, assuming other variables remain constant.

d. Work Environment Coefficient (b₄)

The Work Environment value or Work Environment variable (β_3) is 0.055 with a positive value. This means that for every one-fold increase in the Work Environment, Village Official Loyalty in Kasreman District, Ngawi will increase by 0.055, assuming other variables remain constant.

Model Feasibility Test

Table 2. Model Testing Results

Model	F count	Ftable	Sig.	Standard	Information
Regression	7,5444	2.80	0,000	0.05	Eligible Model

Source: Primary Data processed in 2025

From the results of the model feasibility test, $F_{count} > F_{table}$ of $7.544 > 2.80$ was obtained with a significance of 0.000, meaning that this analysis is significant with a significance level of less than 0.05, so H_0 is rejected and H_a is accepted. Compensation, Organizational Culture, Motivation and Work Environment simultaneously and significantly affect Village Apparatus Loyalty in Kasreman District, Ngawi and meet the feasibility test model.

Hypothesis Testing

Table 3. Hypothesis Testing Results

Hypothesis	thitung	table	Sig.	Standard	Information
H1	2,386	>1,676	0.005	0.05	Ha Accepted
H2	2,445	>1,676	0.008	0.05	Ha Accepted

H3	2,049	>1,676	0.009	0.05	Ha Accepted
H4	2,387	>1,676	0.001	0.05	Ha Accepted

Source: Primary Data processed in 2025

Based on the results of the t-test in the table above, it can be explained in the following form:

- a. The Effect of Compensation on Village Apparatus Loyalty in Kasreman District, Ngawi
The Compensation variable has a calculated t value > t table (2.386 > 1.676) and a significance of 0.0005 < 0.05, so Ho is rejected and Ha is accepted. It can be concluded that there is a positive and significant influence of motivation on Village Apparatus Loyalty in Kasreman District, Ngawi.
- b. The Influence of Organizational Culture on the Loyalty of Village Officials in Kasreman District, Ngawi
The Organizational Culture variable has a calculated t value > t table (2.445 > 1.676) and a significance of 0.008 < 0.05, so Ho is rejected and Ha is accepted. It can be concluded that there is a positive and significant influence of Organizational Culture on Village Apparatus Loyalty in Kasreman District, Ngawi.
- c. The Influence of Motivation on the Loyalty of Village Officials in Kasreman District, Ngawi. The Motivation variable has a calculated t value > t table (2.049 > 1.676) and a significance of 0.009 < 0.05, so Ho is rejected and Ha accepted. It can be concluded that there is a positive and significant influence of motivation on the loyalty of village officials in Kasreman District, Ngawi.
- d. The Influence of Work Environment on Village Apparatus Loyalty in Kasreman District, Ngawi. The Work Environment variable has a calculated t value > t table (2.387 > 1.676) and a significance of 0.001 < 0.05, so Ho is rejected and Ha accepted. It can be concluded that there is a positive and significant influence of the Work Environment on the Loyalty of Village Apparatus in Kasreman District, Ngawi.

Coefficient of Determination Test (R2)

Table 4. Results of the Determination Coefficient

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Information</i>
1	0.697a	0.786	0.721	Eligible Model

Source: Appendix VII

Based on the calculation results, the adjusted R square value was 0.721. This means that the variables of Organizational Culture Compensation, Motivation, and Work Environment contributed 72.1% to Loyalty, while the remaining 28.9% was explained by other variables not proposed in this study.

Discussion

1. The Influence of Compensation on the Loyalty of Village Officials in Kasreman District, Ngawi

Based on the tests presented in Table IV.10, it shows The Compensation variable has a calculated t value $>$ t table ($2.386 > 1.676$) and a significance of $0.0005 < 0.05$, so compensation has a positive and significant effect on Village Apparatus Loyalty in Kasreman District, Ngawi.

The results of the study on Compensation have a positive and significant effect on Village Apparatus Loyalty in Kasreman District, Ngawi, in line with the research of Rahmadhani & Mahmud (2022); (Nazara, et.al, (2024); Rizky, et.al (2022) which states that compensation has a significant effect on loyalty.

Village officials who receive a fixed income, allowances and incentives on time will stay longer working in the village office, will not look for side jobs during working hours and will demonstrate a high level of commitment to their duties and responsibilities.

2. The Influence of Organizational Culture on Loyalty Village Apparatus in Kasreman District, Ngawi

Based on the tests presented in Table IV.10, it shows that the Organizational Culture Variable has a calculated t value $>$ t table ($2.445 > 1.676$) and a significance of $0.008 < 0.05$, so organizational culture has a positive and significant effect on Village Apparatus Loyalty in Kasreman District, Ngawi.

The results of the study on Organizational Culture have a positive and significant effect on Village Official Loyalty in Kasreman District, Ngawi, in line with research by Widiyaniti, Wimba & Mahayasa, 2021); Muhtar, Sudarwati & Istiatin (2024) who stated that organizational culture has a significant influence on employee loyalty.

Villages that implement a culture of family, mutual respect, and mutual cooperation have village officials who feel comfortable and at home working, and have a sense of belonging to the village organization and rarely submit resignations or transfers.

3. The Influence of Motivation on Loyalty of Village Apparatus in Kasreman District, Ngawi.

Based on the test presented in Table IV.10, it shows that the Motivation Variable has a calculated t value $>$ t table ($2.049 > 1.676$) and a significance of $0.009 < 0.05$, so motivation has a positive and significant effect on Village Apparatus Loyalty in Kasreman District, Ngawi.

Research on motivation towards Village Apparatus Loyalty in Kasreman District, Ngawi, has a significant influence in line with research by Sriwati & Siswani (2023); Larengkang, Kojo & Saerang (2023) who found that motivation and job satisfaction jointly influence employee loyalty.

Village officials who are highly motivated to provide the best service to the community feel satisfied when helping residents, making them feel at home working and not easily moving to other jobs even though the salary is limited, and are more patient and meticulous in handling village administration.

4. The Influence of the Work Environment on the Loyalty of Village Officials in Kasreman District, Ngawi

The Work Environment variable has a calculated t value $> t$ table (2.387 $>$ 1.676) and a significance of $0.001 < 0.05$, so the work environment has a positive and significant effect on Village Apparatus Loyalty in Kasreman District, Ngawi.

The results of the study on the Work Environment on the Loyalty of Village Officials in Kasreman District, Ngawi, have a positive and significant impact, in line with research by Larastrini & Andyani (2019); Pratana & Sutisna (2022), which found that the Work Environment has a positive effect on employee loyalty.

Village officials who work in an environment with adequate facilities, such as a comfortable and tidy workspace, complete administrative equipment (computer, printer, internet) and a good rest and cleanliness area will tend to be more comfortable and at ease working and show high commitment and loyalty and will not easily move to other jobs.

CONCLUSION AND SUGGESTIONS

This study aims to test and analyze employee performance, so the researcher raised the title Employee Loyalty Reviewed from Compensation, Organizational Culture, Work Motivation and Work Environment of Village Apparatus in Kasreman District, Ngawi. This study is a descriptive quantitative study with a population and sample of 50 Village Apparatus in Kasreman District, Ngawi using a saturated sampling method. The research instrument is a questionnaire with a Likert scale and multiple linear regression analysis. Based on the results of the study of compensation, organizational culture, work motivation and work environment, it can be concluded that they have a positive and significant effect on the loyalty of village apparatus in Kasreman District, Ngawi. Based on the calculation results, the adjusted R square value is 0.721. This means that the variables of Compensation, Organizational Culture, Motivation and Work Environment contribute to Loyalty by 72.1% while the remaining 28.9% is explained by other variables not proposed in this study.

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