

Factors affecting employee loyalty among teachers in private vocational colleges in Guangzhou, China

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Abstract: Considered the most valuable resource and edge over competitors, a college's teaching staff stability. This study looks into how job happiness influences the linkages between employee loyalty, career advancement, and servant leadership. A numerical methodology was employed with a sample including 407 educators from vocational institutes located in Guangzhou, China. The findings indicated that job satisfaction mediates the relationship between career growth, servant leadership, and employee loyalty. Career development and employee loyalty are positively correlated with one another. The findings demonstrated that non-cash rewards, such as career advancement and servant leadership, had a favourable effect on staff loyalty. Developing and improving the dimensions would help legislators and college administrators cultivate committed instructors for mutual benefit, improving the college.

1. Introduction

The performance of a company's employees, who are regarded as its most valuable asset, directly affects how successful or unsuccessful it is.[1] Scholars have approached the idea of employee loyalty in a number of ways. According to some academics, employee loyalty is a psychological condition that strengthens an employee's relationship with the company, which in turn influences the person's decision to stay with the company. [2]

It is crucial that the faculty remain devoted to the institution and do not actively pursue other employment alternatives. In the past decade, the salaries and benefits of teachers in China's public colleges have been rising steadily and now surpass those in private institutions by a significant margin. As a result, when their skills and certifications reach a certain level, many private college instructors contemplate a switch to the public sector. However, from the perspective of the organization, there is a loss because the organization has invested resources on the personnel to make them more competent, resulting in a higher gross output.

In the past, numerous corporate sectors' relationships with employee loyalty have been the subject of studies. Muhammad Hashim (2017) investigated how servant leadership affected Pakistani academic staff members at private institutions' loyalty. In Hat Yai, Songkhla, private school instructors' organizational allegiance was investigated by Nattha Lertpanyawiwat (2022). Erna Joy Valdez (2023) conducted research on the effect of career development on the loyalty of employees in private schools located in San Jose, Occidental Mindoro.

But still not enough emphasis has been placed on the employee loyalty of college teachers in private technical colleges, where staff turnover is relatively significant. Consequently, the aim of this research is to examine the mediating role that job satisfaction plays in the relationship between career advancement, employee loyalty, and servant leadership in college instructors working in private vocational institutions in Guangzhou.

2. Literature review

Employee loyalty

Becker was the first researcher to present a detailed explanation of employee loyalty. According to Meyer and Allen [3], organizational loyalty serves as an illustration of the psychological relationship between employees' desire to continue working for the same business. On the basis of previous empirical research, this study suggests a three-factor model of commitment, which includes emotional, continuation, and normative components. Meyer was the first researcher to create and test a scale for use with the three-factor model. The three-factor model has had a tremendous influence on studies of loyalty, and the academic community in the west largely acknowledges its validity.

Loyalty is exemplified by an individual's commitment to, or feeling of connection to, a particular thing—such as another person or group of people, an ideal, a duty, or a cause—is an example of loyalty. Although it is a broad definition, it effectively conveys the idea. Bob [4] was the first person to propose the concept of behavioral loyalty. He believed that employees demonstrated their love to the firm via the activities that they took.

A strong sense or passion of connection to the firm as an emotional response coming from the members' want to remain with the organization is one definition of employee loyalty. Another definition of employee loyalty is an individual's desire to remain with the organization. The driving force behind this aspiration is a firm belief in the objectives and principles upheld by the organization [5]. Employee loyalty requires going above and beyond one's own self-interest, being willing to defend the organization against criticism, and occasionally partnering with others to help the company. [6].

According to this school of thinking, the needs of the organization take precedence above the desires of the individual. When presented with such a situation, personnel will choose the organization's objectives over their own needs. Another approach to consider employee loyalty is in terms of the reciprocal relationship that exists between the employee and the firm [7]. When seen from this more expansive vantage point, employees and employers alike have a common knowledge of how the business functions. Companies that want their employees to show a high level of loyalty need to demonstrate the same amount of commitment to their workers as they want their employees to demonstrate to them.

Career development

Muhammad Hussain [8] investigated how career advancement and professional stress affected registered nurses' organizational commitment and discovered a positive relationship between employee loyalty and career advancement. This study educates both individuals and companies on the influence that professional stress and career growth have on their level of devotion to their organizations. Azis Hakim[9] determined the effect of compensation, career development, work environment and job satisfaction on organizational commitment. According to the study, there is a direct positive relationship between career development and organizational commitment, which means that successful career development will boost workers' organizational commitment. Yuliyanti, Dewi Susita[10] demonstrated the significant effects of career development and work environment on job satisfaction and employee loyalty, the positive relationship between job

satisfaction and loyalty, and the role of job satisfaction as an intervening variable in the relationship between career development and work environment and employee loyalty at PT Pelabuhan Indonesia II (Persero) Tanjung Priok Branch.

According to Reem Aljehani, Uzma Javed[11] there is a strong connection between career progression and devoted service from workers. Nada Fadhila & Endang Sulistyani[12] investigated the impact of career advancement, work environment, and motivation on employees' loyalty at PT Tawada Healthcare Semarang. The study's conclusions show that career growth, work environment, and motivation all positively and significantly affect employee loyalty. Employee loyalty is significantly impacted by the workplace.

Servant Leadership

In 1977, Greenleaf presented the idea of servant leadership for the first time. The primary goal of a servant leader is to serve their people (Grisaffe, VanMeter & Chonko, 2016; Spears, 2005; Yasir, & Mohamad, 2016). This paradigm prioritises the interests of people being led over those of the leader and emphasises personal development and subordinate empowerment. It is a practical leadership concept that fosters future orientation, cooperation, willingness to listen to others, advancement of service, and development of trust (Jaramillo, Bande, & Varela, 2015; Rimes, 2011).

Avolio and Gardner [13] make the point that they both care about the professional growth of their staff members and are conscious of the value of having a positive moral view, self-perception, self-restraint, and a favourable image. However, servant leadership differs from authentic leadership in that spirit serves as a significant source of inspiration. Beyond spiritual leadership is the idea of servant leadership. Being a servant leader is an expression of the highest level of a leader's dedication to their team.

Job satisfaction

Malik Farrukh, Ramanathan Kalimuthu, and Sarwat Farrukh [14] examined the connection between Job Satisfaction, Organizational Commitment, and Employee Loyalty in the Saudi Arabian hotel business. According to the study, job satisfaction and organizational commitment have a significant and positive effect on employee loyalty and serve as predictors of employee loyalty.

Swati Dhir, Tanusree Dutta, Piyali Ghosh[15] studied the relation of job satisfaction with employee loyalty and found a connection between satisfaction with one's job and dedication to one's employer. In a chaotic economic environment, companies have a huge challenge when it comes to retaining critical staff. As a result, it is essential to acknowledge the significance of point of focus (POF) in generating work satisfaction and encouraging loyalty among employees. Tran Thi Kim Phuong, Tran Trung Vinh [16] studied the connection between information technology (IT) workers' loyalty, job performance, and job satisfaction in Vietnam. Their research showed a strong positive correlation between work happiness and employee loyalty. There is still a significant relationship between employee satisfaction and organisational loyalty, according to research by Donna, Fosam et al., Fu, and Deshpande.

Bui Nhat Vuong, Dao Duy Tung [17] investigated the factors influencing the work satisfaction and organizational loyalty of Vietnamese physicians in public hospitals and found six factors that influence the job satisfaction of medical professionals, in descending order: pay, connection with colleagues, quality of medical examination and treatment, hospital resources, autonomy at work, training and advancement chances. Thus, Job Satisfaction positively promotes Organizational Loyalty among public hospital doctors in Vietnam.

3. Research Framework

We propose a research framework, depicted in Figure 1, based on the literature review about career growth, job satisfaction, servant leadership, and employee loyalty mentioned above. This

paradigm can be used to investigate the mediating function of job satisfaction in addition to describing the direct relationship between these four variables.



Figure 1: The mediating role of job satisfaction.

4. Research Method

4.1 Samples

The study's research objects consist of teachers of the private vocational colleges in Guangzhou, the capital city of GuangDong province, China. Out of the 500 paper questionnaires provided for this survey, 450 were returned. We acquire 407 surveys with a valid response rate of 81.4% after excluding 43 questions with missing answers or nonserious responses. Table 1 displays the fundamental conditions of the samples.

Table 1: Sample information.

		Count	Percent
Gender	Male	278	68.3%
	Female	129	31.7%
Age	20-29	40	9.8%
	30-39	132	32.4%
	40-49	184	45.2%
	Above 50	51	12.5%
Tenure	Below 5 years	257	63.1%
	5 – 10 years	120	29.5%
	Above 10 years	30	7.4%
Education	Bachelor	377	92.6%
	Master	25	6.1%
	Doctorate	5	1.2%

4.2 Measuring Tool

Our questionnaire, which contains 35 measuring items overall, primarily addresses career growth, servant leadership behaviour, job happiness, and employee loyalty in accordance with the Churchill's scale design principles.

Including: 1) career development. Using the measuring scale made by Chen, T. Y., Chang, P. L., & Yeh, C. W. (2004). The original questionnaires includes 4 tables indicating 4 R&D personnel's career needs and appropriate career development programs during four stages of a company's development (namely the exploration stage, the establishment stage, the maintenance stage, the

disengagement stage). The issue is that having too many latent variables would make the model less fit, which makes it impossible to ascertain how career advancement and employee loyalty are related. Because of this, we will be using the maintenance stage questionnaire, which has nine measurement items. 2) servant leadership. Fields and Winston's (2012) ESLB instrument was developed in collaboration with a group of scholars studying servant leadership with the goal of measuring the unique behaviours of a servant leader—behaviors that prioritise the well-being and advancement of followers—quantitatively. First, 116 items were taken from the literature and presented to an academic panel. Based on their professional knowledge, the panel chose 22 leader behaviours from this list. The next step was testing the 22-item questionnaire on 456 workers from different industries. After an exploratory component analysis was performed on the sample data, one 10-item factor that explained 75% of the variation was found. These 10 items have a high dependability score of .96 on Cronbach's alpha. The present study employed the ESLB instrument due to preliminary findings from empirical research demonstrating its validity and reliability. 3) job satisfaction. The Job Satisfaction subscale of the Work Satisfaction Questionnaire (Ngo et al., 2014b) was chosen to assess faculty's satisfaction with their current job. Researchers (Andrade et al., 2019; Rakowska et al., 2017; Rollero et al., 2016) have studied workers in China, gender-based perspectives, the Polish logistics industry, stress and emotional intelligence, workplace burnout, and teachers' work mentality using the Work Satisfaction Questionnaire (Ngo et al., 2014b). This measure is useful for the study because job satisfaction is frequently associated with employee work engagement, successful results, or improved performance and loyalty. 4) employee loyalty. We use the questionnaire designed by Dutta, T., & Dhir, S. (2021) to summarize a line of study aiming at creating and verifying a measure of employee commitment to work organizations. , and it has 8 measuring items in total.

Every measure is assessed using the Likert scale, which ranges from 1 to 5, with 1 denoting strong disagreement to 5 denoting strong agreement.

4.3 Statistical Method

In this study, we conduct structural equation modelling and analysis using Smart-PLS 3, as well as basic statistical analysis and regression analysis using SPSS 26.0.

5. Empirical study

5.1 Reliability and Validity Analysis

Before data analyzing, we first test the reliability and validity of the questionnaire samples. Table 2 shows that the Cronbach's α coefficients of career development scale, servant leadership scale, job satisfaction scale and employee loyalty scale are 0.966, 0.966, 0.963 and 0.963, all above the generally accepted level of 0.80 indicating that the variables are of good reliability and good stability and consistency to achieve the basic requirements for surveying and research.

Table 2: Reliability statistics.

Variables	Cronbach's alpha
Career Development	0.966
Servant Leadership	0.966
Job Satisfaction	0.963
Employee Loyalty	0.963

The Fornell-Larcker criterion is shown in table 3.

From the analysis results, it is known that the root mean square of the variable Career

Development AVE is 0.887, and the correlation coefficients with the variables Employee Loyalty, Job Satisfaction, Servant Leadership are 0.607, 0.661 and 0.552 respectively. Less than 0.887, indicating that the variable Career Development has good discriminant validity. As for the other three variables, their correlation coefficients with other variables are all smaller than their root mean squares, indicating that the variables have good discriminant validity. To sum up, our questionnaire has good construct validity.

Table 3: The Fornell-Larcker criterion

	Career Development	Employee Loyalty	Job Satisfaction	Servant Leadership
Career Development	0.887			
Employee Loyalty	0.607	0.891		
Job Satisfaction	0.661	0.671	0.892	
Servant Leadership	0.552	0.593	0.619	0.876

5.2 Descriptive Statistics and Correlation Analysis of Variables

The means and standard deviations for career growth, work satisfaction, employee loyalty, and servant leadership are displayed in Table 4. Each variable's mean value falls between 3.283 and 3.508, suggesting a generally balanced distribution, and each variable's standard deviation falls between 1.192-1.264, suggesting a narrow dispersion of the sample data. According to Klein (1998), when the sample data The observed variables are deemed to be essentially in accordance with the normal distribution if the absolute values of skewness and kurtosis are less than 3. Based on the aforementioned statistical findings, the absolute values of kurtosis < 10 and skewness of all variables < 3 are below the reference value suggested by Klein (1998). Thus, it can be said that the big sample data's shape essentially follows a normal distribution, which satisfies the fundamental needs of the research hypothesis for the data analysis in this study.

Table 4: Mean value, Standard deviation (N = 407).

	Variables Mean			
	Mean	Std. Deviation	Skewness	Kurtosis
Servant Leadership	3.508	1.192	-.785	-1.254
Career Development	3.492	1.207	-.784	-1.240
Job Satisfaction	3.283	1.264	-.435	-1.681
Employee Loyalty	3.289	1.261	-.443	-1.670

Table 5 shows the correlation coefficients of servant leadership, career development, job satisfaction and employee loyalty.

As can be seen from the table, servant Leadership is significantly correlated with Career Development, Job Satisfaction, and Employee Loyalty ($p < 0.05$), and the correlation coefficients are 0.518, 0.618, and 0.593, respectively;

Career Development has a significant correlation with Job Satisfaction, and Employee Loyalty ($p < 0.05$), and the correlation coefficients are 0.635, and 0.707, respectively;

There is a significant correlation between Job Satisfaction and Employee Loyalty ($p < 0.05$), and the correlation coefficient is 0.671.

Table 5: Correlation coefficient.

	Servant Leadership	Career Development	Job Satisfaction	Employee Loyalty
Servant Leadership	1			
Career Development	.518**	1		
Job Satisfaction	.618**	.635**	1	
Employee Loyalty	.593**	.707**	.671**	1

5.3 Hypothesis Test in Structural Equation Model

Table 6 and Table 7 show the relationship between the variables of the structural equation model and the path coefficients. Our assumptions of this research are fully supported by data analysis results in the tables

Career Development has a significant positive impact on Employee Loyalty (Original Sample (O)=0.141, p=0.009), indicating that the better Career Development is, the higher Employee Loyalty is when other conditions remain unchanged. Career Development has a significant positive impact on Job Satisfaction (Original Sample (O)=0.258, p=0.000), indicating that the better Career Development is, the higher Job Satisfaction is when other conditions remain unchanged. Job Satisfaction has a significant positive impact on Employee Loyalty (Original Sample (O)=0.220, p=0.002), indicating that the better the Job Satisfaction is, the higher the Employee Loyalty is when other conditions remain unchanged. Servant Leadership has a significant positive impact on Employee Loyalty (Original Sample (O)=0.198, p=0.000), indicating that the stronger the Servant Leadership is, the higher the Employee Loyalty is when other conditions remain unchanged. Servant Leadership has a significant positive impact on Job Satisfaction (Original Sample (O)=0.250, p=0.000), indicating that the stronger the Servant Leadership is, the higher the Job Satisfaction is when other conditions remain unchanged.

Table 6: Path coefficients

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Career Development -> Employee Loyalty	0.141	0.141	0.054	2.601	0.009
Career Development -> Job Satisfaction	0.258	0.257	0.056	4.595	0.000
Job Satisfaction -> Employee Loyalty	0.220	0.218	0.070	3.154	0.002
Servant Leadership -> Employee Loyalty	0.198	0.200	0.050	3.979	0.000
Servant Leadership -> Job Satisfaction	0.250	0.252	0.048	5.167	0.000

The mediation effect of the path Career Development -> Job Satisfaction > Employee Loyalty is 0.057, and the 95% Confidence intervals confidence interval is (0.018, 0.108), which does not include 0, indicating that the mediation effect exists, and the 95% Confidence intervals Bias Corrected confidence interval is (0.022, 0.115), does not include 0, indicating that the mediation effect exists;

Table 7: Specific indirect effects

	Original sample (O)	Sample mean (M)	95% CI		95% BCCI	
			2.5%	97.5%	2.5%	97.5%
Career Development -> Job Satisfaction -> Employee Loyalty	0.057	0.057	0.018	0.108	0.022	0.115
Servant Leadership -> Job Satisfaction -> Employee Loyalty	0.055	0.054	0.021	0.095	0.024	0.100

Path Servant Leadership >-> Job Satisfaction > Employee Loyalty mediation effect is 0.055, 95% Confidence intervals confidence interval is (0.021, 0.095), does not include 0, indicating the existence of mediation effect, 95% Confidence intervals Bias Corrected confidence interval is

(0.024, 0.100), does not include 0, indicating that the mediation effect exists.

6. Discussion and Suggestions

The following conclusions are drawn from this article's questionnaire-based analysis of the relationships between career advancement, service leadership, work happiness, and employee loyalty.

First of all, the findings of this study demonstrate a strong positive association between employee loyalty and service leadership, in line with the findings of research conducted by Jaramillo and other western experts. If college administrators prioritize serving teachers, promote their professional growth and success while pursuing the school's mission, incorporate personal charisma into their management, and truly care about their personal and professional needs, teachers will establish psychological connections with the school, devote more time to teaching and research, and be more loyal to the college.

Second, the results showed that employee loyalty and career development are positively correlated. It was obvious that non-monetary benefits played a part in keeping teachers loyal to their colleges. The results show similar outcomes to those of several earlier studies conducted in a comparable setting. According to the correlation coefficient data, teachers will be more devoted to their colleges if they have greater professional growth. Colleges, especially private ones, must establish a supporting career development programme in order to develop a devoted faculty. Teachers would therefore believe they had a future with the college and would be able to get a stable job.

Third, the findings of this paper demonstrate that job satisfaction acts as a mediator between career development, service leadership, and employee loyalty, in line with the research theories of Riketta and other western researchers. This intermediate variable, job satisfaction, is crucial to understanding the impact of career development and service leadership on employee loyalty. In general, psychological experiences and perceptual impacts have a major influence on people's attitudes and behaviors. Examining job satisfaction as a mediating variable also illustrates the influence of psychological motivation on individuals' behaviour.

Maslow's hierarchy of needs hypothesis states that a person's needs progress from physiology, safety, and social interaction to respect and self-realization. To increase teachers' job satisfaction, college administrators should take these factors into account and gradually attend to their demands. Increased teacher satisfaction results in higher psychological costs associated with leaving the profession, which strengthens the teachers' bond with the college.

7. Conclusion

The purpose of this research was to examine the effects of employee loyalty, servant leadership, and career development on teachers at private vocational institutions in Guangzhou, China. The results of the data analysis provide answers to each of the thirteen study topics. Engaged teachers tend to become more loyal to a college; career development and servant leadership both positively impact employee loyalty among teachers in private institutions. Furthermore, there exists a noteworthy correlation between job happiness and employee loyalty. Teachers at private universities report higher levels of work satisfaction when they get career development and servant leadership. The outcomes also demonstrate how work satisfaction mediates relationships with other dimensions; i.e. the finding indicates the significant mediating role of job satisfaction in the relationship between career development, servant leadership and employee loyalty.

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