

A Study on the Relationship Between Loyalty and Employee Morale in the Workplace

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Abstract: *This study is based on the correlation between the loyalty of employees and the morale of employees in the workplace. Employee morale and loyalty are also key factors to consider when creating a healthy and productive workplace, as they can impact employees' attitude, commitment, and workplace experience. The study aims to find out the relationship between these two aspects among employees. The method used was quantitative research, and data collection was carried out by structured questionnaires to employees. The data analysed in this study used descriptive statistics and Pearson's correlation technique. The research offers insights into employee loyalty and morale, and emphasises the need to foster a positive and supportive work environment.*

Keywords: Loyalty, Employee Morale, Workplace.

Introduction

Employee loyalty and employee morale are two important terms in Human Resource Management and are significant for the development of any organization. These two factors have been well explained by many researchers that they are highly associated and influence the performance of employees, satisfaction, and retention significantly. on,. Employee morale may be defined as the degree of happiness, motivation, and positive attitude of the employees towards their work. An employee's morale is high when he is enthusiastic and he is willing to do his best at work. On the other hand, Employee loyalty is the dedication and devotion of employees to the organisation. Employees stay longer and work to help the organization meet its objectives when they are loyal to the company (Smith, 2018). Various studies have indicated that morale has a direct impact on employee performance. As per Kumar and Singh (2020), high-morale employees are more productive, cooperative, and engaged in their work. Employee absenteeism and turnover are also reduced with high morale. However, in the case of low morale, employees can feel discontent, become less motivated, and exhibit poor performance (Sharma, 2019). Other research also found that there is a close relationship between employee loyalty and job satisfaction. Happy employees are supposed to show loyalty towards their company in terms of their role in the organization, salary, and work environment. Brown (2017) states that job satisfaction is one of the significant factors that contribute to employee retention as it gives employees a sense of value and belonging. There is a significant influence of leadership on morale and loyalty. According to Gupta (2021), if the leadership is good, it brings more confidence, motivation, and trust among employees. Employees get a sense of appreciation when they have leaders' back, their communication is clear, and their efforts are appreciated, which helps to develop higher morale and loyalty. On the other hand, poor management can lead to a loss of trust among employees and a decrease in their engagement with the company. The environment of an organization has another impact on employee attitudes; it's known as organizational culture. A positive workplace atmosphere promotes respect, teamwork, and fairness, which results in increased morale. When the workforce finds itself valued and respected, they become more loyal and satisfied and (Lee, 2018). Other initiatives such as career development and rewards and recognition further reinforce employee engagement. Another theme of the research is psychological safety. It involves employees being able to present their ideas and opinions without fear of criticism. Edmondson (1999) described how if employees are made to feel safe and supported, their morale will improve, as will their loyalty to the organisation. This is also helpful in developing a healthy workplace. Other HR practices like fair policies, performance evaluation, and employee benefits also affect morale and loyalty. Ali and Ahmed (2019) state that fairness and transparency in organizational practices help to boost employees' trust. Employees' spirits are lifted, and their loyalty is enhanced when they feel they are treated equally. Additionally, numerous studies demonstrate that employee loyalty enhances the organization's performance. Staff members have more commitment to their work, take responsibility, and contribute to productivity. They are less likely to leave the organisation, thereby decreasing the costs of replacing and training new staff (Davis, 2020). Another factor that links employee morale with employee loyalty is employee engagement. An engaged employee is motivated to be involved and interested in their work. As employees engage more, morale improves and so does their loyalty, said Wilson (2022).

Research Gap

Despite the significant focus on loyalty and employee morale in organization and research, the link between these constructs in specific organizational and employee settings is yet to be studied. Most of the previous research focuses on how loyalty and morale are interrelated with other organisational factors, including organisational commitment, job satisfaction, leadership, turnover intention, or employee engagement. Hence, the relation between the loyalty of employees and the morale of employees may not always get sufficient attention.

Aim

To assess the relationship between employee morale and loyalty in an organisation.

Objective

To study the level of loyalty and employee morale in an organisation

Hypotheses

There is a significant relationship between loyalty and employee morale.

There is no significant relationship between loyalty and employee morale.

Method

Sample

The sampling technique used is the targeted sampling technique, and the employees working in a Noida enterprise were taken as samples. Sixty samples were selected in total.

Inclusion Criteria: All adults living in an urban area, working in any organisation, and belonging to the age group of twenty-five to forty-five were included as part of the sample.

Exclusion Criteria: There was an exclusion of all sorts of physical as well as mental illnesses were excluded.

Tools Used: Muhammad Waseem, Hazrat Bilal, and Sher Ali are the authors of the Swat Loyalty Scale. This scale is incorporated for the measurement of the loyalty of an organization's employees. The Swat Loyalty Scale is a 19-item questionnaire that measures employee loyalty using the Five-Point Likert Scale, where number 5 appertains to "Strongly Agree," and number 1 appertains to "Strongly Disagree". The scale has been used in research studies to evaluate the linkage between deviant workplace behaviour and employee loyalty. The scale has also been used in studies to assess the effect of intrinsic rewards on employee loyalty.

Steers, Porter, and Mowday developed a 15-item scale questionnaire in the context of organisational commitment (Mowday et al., 1979), and it was developed to evaluate the morale of employees, attitude, and job satisfaction using 3 determinants - willingness to have organisation's membership in the, willingness to exert effort, and organizational values' acceptance. It's a 7-point Likert scale where 7 appertains to "Strongly Agree," and 1 appertains to "Strongly Disagree". The OCQ is a useful tool for organisations that want to measure

employee morale and commitment, providing valuable insights into how employees feel about their jobs and the organisation as a whole.

Procedure: A total of 60 adults participated in the study. Their selection was done from an enterprise, and they volunteered to take part in the study about the effect of loyalty on employee morale. After giving their consent, they completed the Swat loyalty test and the employee morale scale. They were also told that their responses would be used only for research and kept confidential. At the beginning, participants were given a comfortable place with proper lighting. They received both written and verbal instructions to help them understand what to do. After the data was collected, any unanswered questions were carefully checked and given suitable scores to avoid mistakes in the results.

Reliability and Validity

OCQ 15 Items

Cronbach's alpha across studies had a range between 0.81 and 0.93 (phenomenal internal consistency). Subscale alphas had a range between 0.72 and 0.91.

Demonstrated good discriminant validity and clear relationships with outcomes like job satisfaction, employee morale, leadership relations, etc.

The SWAT Loyalty Scale (19 ITEMS)

It depicted acceptable internal continuity, with Cronbach's alpha values generally exceeding 0.70, which is an indication of items' reliable measurement.

The Swat Loyalty Scale shows solid construct validity; it has a clear multi-factor structure and appears to measure loyalty consistently across its items and has been used in various studies.

Results

Table 1. Mean and S.D of the variables

Variable	N	Mean	Standard Deviation (SD)
Employee Loyalty	60	54.27	19.90
Employee Morale60	57.15	18.35	

Table 2. Pearson Correlation between Loyalty of Employees and Morale of Employees

Variables	Loyalty of Employees	Morale of Employees
Employee Loyalty	1	.100
Employee Morale.100		1
N	60	60
Sig. 2-tailed	—	.447

The correlation between loyalty and employee morale is $r = .100$, with $p = .447$. This indicates a very weak, positive and non-significant correlation between the two variables.

Analysis

The descriptive results show that 54.27 was the mean score of loyalty and the SD stood at 19.90, while 57.15 was the mean score of employee morale and the SD stood at 18.35 among the 60 respondents. The Pearson correlation analysis depicted a very weak, positive relation between employee loyalty and employee morale, $r = .100$. With $p = .447$ at the 0.05 level, the relationship was not found to be significant within the bounds of statistics. Therefore, the significant relationship's null hypothesis is not rejected, and the proposed hypothesis that loyalty is significantly related to employee morale is not supported. The finding indicated that only a very small correlation exists between higher loyalty and higher morale level in this sample, which suggests that other factors like leadership, job satisfaction, organizational support, recognition, working conditions, or career opportunities are also affecting employee morale level.

Discussion

This research explored the linkage between the loyalty of employees and the morale of employees. The results revealed that the mean score of employee loyalty was 54.27 (SD = 19.90) and the mean score of employee morale was 57.15 (SD = 18.35). The correlation between employee loyalty and employee morale was very weak and positive as per Pearson's correlation ($r = .100$, $p = .447$, $N = 60$). This small sample of 60 respondents may also have resulted in a failure to identify a weak relationship. The overall results indicate that loyalty is not enough to account for employee morale. Therefore, organizations need to pay attention to more comprehensive factors like supportive leadership, recognition, fair treatment, employee development, and a positive work environment to boost employee morale. Larger sample sizes and other factors, including job satisfaction, organisational support, and organisational commitment, could be further investigated in future studies to gain a deeper understanding of the connection between loyalty and organisational morale.

Conclusion

This study looked at the relation between employee morale and loyalty among 60 respondents. The findings indicated only a very weak and non-significant positive correlation between the two, $r = .100$, $p = .447$. It does not necessarily imply that when an employee is loyal to an organization, he or she will have higher morale. There are a lot of other things that can shape employee morale, such as having supportive managers, recognizing employee efforts, having a satisfying job, communicating well with employees, and having a positive work environment. Thus, organisations need to pay attention to establishing a working environment where employees are valued, supported, and motivated, rather than just loyal.

Limitations of The Study

There are certain limitations in the present study, which should be noted in the interpretation of the results. First, this study analysed a relatively small number of respondents ($N = 60$); this number may restrict the results' generalizability to a larger number of employees. Secondly, it

was a cross-sectional study, and the data were gathered only at one time, so that the changes in the employees' loyalty and morale over time could not be analysed. Third, the study was conducted using self-reported questionnaire responses that could be subject to the perception of respondents, their social desirability, or personal bias. Last, the study did not involve other organizational features that can affect employee morale and loyalty, such as leadership, job satisfaction, organizational support, recognition, and working conditions.

Practical Implications

The results show that loyalty alone is not enough for employee morale to be improved when it comes to organizations. Ongoing employee feedback can inform management of areas of concern and help to implement interventions as soon as possible to improve morale. A wider emphasis on employees could be one way to build loyalty and morale in a company.

Future Implications

The results show that loyalty alone is not enough for employee morale to be improved when it comes to organizations. Ongoing employee feedback can inform management of areas of concern and help to implement interventions as soon as possible to improve morale. A wider emphasis on employees could be one way to build loyalty and morale in a company. The studies to be conducted in the future can consolidate the analysis with the usage of variables like organisational commitment, leadership, perceived organisational support, employee engagement, job satisfaction, work environment, and recognition. Researchers could also assess if these variables behave like moderators or mediators between employee morale and employee loyalty.

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A Study on the Relationship Between Loyalty and Employee Morale in the Workplace

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