The Influence of Work Motivation and Career Development on Employee Loyalty, Case Study of PT Delta Indonesia Pranenggar

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ABSTRACT

This study dives into the qualities companies seek in their workforce, highlighting the need for employees who are not only skilled but also dedicated to their tasks. By examining PT Delta Indonesia Praneggar's employees, it focuses on how work motivation and career development influence employee loyalty. The research draws from a sample of 36 permanent employees who have worked for at least two years. Data was collected using questionnaires—distributed either online or offline—and secondary sources like company records and documentation. The findings reveal an interesting pattern. Work motivation alone does not have a notable impact on employee loyalty. In contrast, career development significantly strengthens employee commitment. When examined together, work motivation and career development both contribute to fostering loyalty among employees. This indicates that while motivation is important, structured career growth plays a more substantial role in retaining a committed workforce.

INTRODUCTION

Indonesia Indonesia continues to experience significant population growth each year. By mid-2023, the country's population had reached 278.69 million. According to the Central Statistics Agency (BPS), the number of people employed in Indonesia stood at 139.85 million, or 69.48%, as of August 2023. According to Law Number 13 of 2003 on Manpower, workers are defined as individuals engaged in tasks aimed at producing goods and services to meet personal and societal needs. Human resources refer to individuals within an organization who serve as planners or executors, whether in an institution or company, with the goal of helping the organization achieve its objectives.

The quality of human resources that a company has will certainly affect the success of the company. Companies are now aware that by increasing the quality of their human resources, the quality of work and employee loyalty will be obtained. Companies certainly need human

resources that have good quality, but companies also certainly want employees who are diligent in working so that the work results obtained can be maximized. Competent employees will increase the company's performance and productivity to the maximum level, likewise, bad employees can cause the company to have no development at all and even the company can collapse (Bahri & Chairatun Nisa, 2017; Dastgeer, 2022; Estikomah & Sahrah, 2019; Spreitzer et al., 2005; Yazid, 2006; Zhai et al., 2020). Therefore, companies need a strategy to retain quality employees and build employee loyalty. Building employee loyalty is a process that involves the company's efforts to build emotional bonds and commitments between employees and the company. This includes motivating and providing career paths so that employees feel appreciated and have an attachment to the company (Ma'ruf, 2021).

A successful organization prioritizes the development of its human resources to cultivate a positive societal image. Companies certainly need human resources that have good quality, but companies also certainly want employees who are diligent in working so that the work results obtained can be maximized. For this reason, companies need a strategy to build employee loyalty and ensure quality employees can survive. Building employee loyalty is a process that involves the company's efforts to build emotional bonds and commitments between employees and the company (Citra & Fahmi, 2019).

Employee loyalty to the company can make employees work for the company's benefit, not just for their interests. Loyalty is also related to commitment to the company due to emotional involvement with the company (Yazid, 2006). According to (Juwita et al., 2023) Employee loyalty is influenced by several factors, namely age to achievements that have been achieved, suitability to the tasks given, career development, and the sense of trust that employees have while working . Employee loyalty to the company can be measured through three indicators explained by Soegandhi, namely length of service, employee involvement in maintaining the company's image, and employee pride. One way that can be done to increase this sense of loyalty is through motivation (Widnyasari & Surya, 2023)

Motivation is a psychological process that occurs between attitudes, needs, perceptions, and decisions that will be taken by a person (Citra & Fahmi, 2019). Company goals can be achieved when all employees are motivated to reach them and it is also a challenge for management to be able to motivate all employees. According to (Rizky, 2022), Companies can boost employee motivation by addressing key indicators such as physical needs, security, social connections, recognition, and self-actualization (Larastrini & Adnyani, 2019).

This study was conducted at PT. Delta Indonesia Pranenggar, a private company specializing in Occupational Health and Safety (PJK3) services, particularly in the areas of Guidance and Training. PT. Delta Indonesia Pranenggar is dedicated to supporting companies across various sectors in adhering to government regulations related to occupational health and safety. Employee loyalty is a key factor for PT. Delta Indonesia Pranenggar's success (Estikomah & Sahrah, 2019). A strong sense of employee loyalty fosters a sense of responsibility for their tasks and a desire to remain with the company. In this context, employees at PT. Delta Indonesia Pranenggar demonstrate a commitment to staying with the company and taking responsibility for the tasks assigned to them
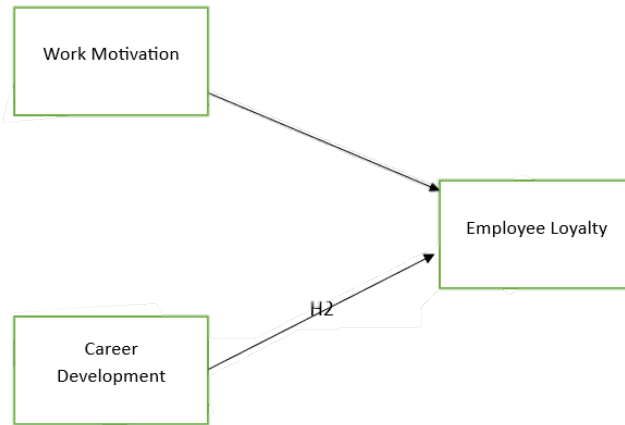
Figure 1. Conceptual Framework

Given the importance of employees in the organization, companies must foster a culture that values mutual respect, promotes employee well-being, and provides opportunities for career development. Employees require support, particularly regarding material rewards, through initiatives such as career advancement, recognition, incentives to boost motivation, and promotions. According to (Dhea & Handayani, 2020) and (Bahri & Chairatun Nisa, 2017), key factors in an employee's career development include relationships with others, employee dedication, opportunities for self-improvement, and encouragement from management to pursue career growth. Work motivation refers to the inner drive that fuels enthusiasm and commitment to achieving goals and objective. A study conducted by Indri Rul, obtained The findings from (Widnyasari & Surya, 2023), shows that employee loyalty is significantly enhanced by strong work motivation, fostering dedication and commitment. This suggests that as work motivation increases, employee loyalty to the company also strengthens. Based on these findings, the following hypothesis can be proposed:

H_{a1}: Work motivation has a significant influence on employee loyalty.

Career development involves an employee's dedication to creating plans that enhance their skills, which can, in turn, enhancing job performance involves optimizing skills, motivation, and efficiency in accomplishing work tasks and positively influence the company's overall success. A study by (Willy Rizky Utami & Dwiatmadja, 2020) found that career development positively affects employee loyalty. Likewise, research by (Vania Sally Nabila, 2022) concluded that career development also has a positive impact on employee loyalty. This positive correlation indicates that the more comprehensive the career development opportunities provided by the company, the stronger the loyalty employees will exhibit. Based on these results, the following hypotheses can be proposed:

H_{a2}: Career development has a significant influence on employee loyalty.

RESEARCH METHOD

This research was carried out at PT. Delta Indonesia Pranenggar, a company established in 2001. The study targeted all 54 employees of the organization as its population. Using a non-probability sampling method, specifically purposive sampling, the sample was determined based on predefined criteria. The study focused on employees who had been with the company for more than two years. A total of 36 employees were selected as the sample for this research. Data was collected using a questionnaire, where respondents provided written responses related to the

study. The questionnaire responses were then analyzed using SPSS 29 software.

Responses to each item in the instrument were measured using the Likert Scale. (Sugiyono, 2019), The Likert scale is a tool designed to measure individual or group attitudes, opinions, and perceptions toward various social phenomena. The purpose of using the Likert scale is to convert qualitative data into quantitative form, making it easier to analyze in research. The data collected from the questionnaires were tabulated, and the Likert scale allowed for this transformation of data. The scale offers a range of responses from very positive to very negative. This study employs a quantitative research approach, which focuses on testing theories by measuring research variables numerically and requires statistical analysis. The instrument used for data collection is a questionnaire designed to gather responses to the presented statements. The research method applied is the survey method, which combines both descriptive and explanatory approaches, making the study a descriptive survey. For this research, the primary data collected pertains to all variables, including the independent variables—Work Motivation (X^1) and Job Satisfaction (X^2)—as well as the dependent variable, Employee Loyalty (Y).

Table 1. Operational Concept

Variable	Indicator	Question items
Work motivation	Physical needs	The company ensures employees' financial needs are met.
	Need for security	The company provides health and safety facilities.
	Social needs	Leaders effectively communicate with employees within the company environment
	Reward needs	The company treats all employees equally, regardless of religion or race, and rewards them based on their achievements.
	Actualization	The company offers employees the opportunity to express their aspirations, share ideas, and develop their skills.
Career development	Owned work achievements	The company takes employee work achievements into account for career development.
	Relationships between employees and various parties	Employees maintain positive social relationships both within the company and with external parties.
	Employee dedication	Employees are capable of completing tasks within the assigned level of difficulty and time frame.
	Opportunity for self-development	The company offers training opportunities for employee self-development.
	Encouragement by management to carry out career development	The company provides fair access for employees to advance in their careers.
Employee loyalty	Length of working time	Employees are eager to continue working at the company.
	Employee involvement to maintain the company's image	Employees strive to uphold the company's reputation.
	Employee pride	Employees carry out their duties with enthusiasm and take pride in being part of the company.

Source: Data processed by researchers (2024)

This study uses multiple regression tests so that the influence of work motivation and career development on employee loyalty at PT Delta Indonesia Pranenggar can be known. The regression equation model is

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e \qquad (1)$$

Where is Y = Employee Loyalty (Dependent Variable), α = constant, β_1 = regression coefficient

of work motivation, X_1 = work motivation (independent), β_2 = regression coefficient of career development, X_2 = Career Development (independent)

RESULTS AND DISCUSSION

This study employs classical assumption tests (normality test, multicollinearity test, and heteroscedasticity test), multiple regression analysis, and hypothesis testing (adjusted R^2 coefficient test, partial test, and simultaneous test). The normality test aims to evaluate whether the residuals or error terms follow a normal distribution. The Kolmogorov-Smirnov test is employed for this purpose, with the results provided in the SPSS 29 output, as detailed in Table 2.

Table 2. Result Of the Validity Test

	Statement	R Count	R Table	Information
Work Motivation	X1.1	0,661	0,3291	Valid
	X1.2	0,755	0,3291	
	X1.3	0,661	0,3291	
	X1.4	0,685	0,3291	
	X1.5	0,666	0,3291	
	X1.6	0,784	0,3291	
	X1.7	0,728	0,3291	
	X1.8	0,593	0,3291	
	X1.9	0,755	0,3291	
	X1.10	0,787	0,3291	
Career Development	X2.1	0,482	0,3291	
	X2.2	0,469	0,3291	
	X2.3	0,718	0,3291	
	X2.4	0,802	0,3291	
	X2.5	0,676	0,3291	
	X2.6	0,798	0,3291	
	X2.7	0,785	0,3291	
	X2.8	0,711	0,3291	
	X2.9	0,747	0,3291	
	X2.10	0,801	0,3291	
Employee Loyalty	Y.1	0,839	0,3291	
	Y.2	0,822	0,3291	
	Y.3	0,864	0,3291	
	Y.4	0,873	0,3291	
	Y.5	0,886	0,3291	
	Y.6	0,885	0,3291	

Source: Data processed by researchers (2024

A validity test is conducted to assess the measuring instruments used in the study, with the test criterion being that the calculated correlation coefficient (r count) must exceed the critical value (r table). Table 2 displays the validity test results for each variable statement, showing that all r count values exceed the r table value of 0.3291. This indicates that all statements within the research variables are valid and suitable for use as measuring instruments for each respective variable.

Table 3. Result of the Reliability Test

Research Variable	Alpha Conbrach's	Critical Value	Conclusion
Work Motivation	0,883	0,600	
Career Development	0,884	0,600	Reliable
Employee Loyalty	0,930	0,600	

Source: Data processed by researchers (2024)

The reliability test assesses the consistency of responses provided by participants in the questionnaire. As shown in Table 3, the reliability coefficients for all variables are greater than 0.600, indicating satisfactory reliability levels, indicating that each variable is reliable. This suggests that the respondents' answers are consistent across all variables.

Table 4. Result of the Normality Test

One-Sample Kolmogorov-Smirnov Test

			Unstandardized Residual
N			36
Normal Parameters[a,b]	Mean		.0000000
	Std. Deviation		1.72935065
Most Extreme Differences	Absolute		.112
	Positive		.112
	Negative		-.087
Test Statistic			.112
Asymp. Sig. (2-tailed)[c]			.200[d]
Monte Carlo Sig. (2-tailed)[e]	Sig.		.298
	99% Confidence	Lower Bound	.286
	Interval	Upper Bound	.309

Source: Data processed by researchers (2024)

As presented in Table 4, the normality test results show an Asymp. Sig (2-tailed) value of 0.200 from the Kolmogorov-Smirnov test, exceeding the threshold of 0.05. This indicates that the data is normally distributed, fulfilling the normality assumption required for the model.

The multicollinearity test is conducted to evaluate the degree of correlation among independent variables in the regression model. In this study, the test focuses on the VIF values, which are detailed in the SPSS 29 output and summarized in Table 5.

Table 5. Multicollinearity Test Result

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics
		B	Std. Error	Beta			Tolerance
1	(Constant)	3.149	4.182		.753	.457	
	X1	.099	.135	.115	.730	.471	.535
	X2	.456	.108	.666	4.224	<.001	.535

Source: Data processed by researchers (2024)

The multicollinearity test is conducted to evaluate the degree of correlation among independent variables in the regression model. In this study, the test focuses on the Variance Inflation Factor (VIF) values, which are detailed in the SPSS 29 output and summarized in Table 5.

Table 6. Heteroscedasticity Test Results

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.539	2.201		1.154	.257
	X1	-.016	.071	-.055	-.230	.819
	X2	-.010	.057	-.041	-.172	.864

Source: Data processed by researchers (2024)

As shown in Table 6, the heteroscedasticity test results demonstrate that the significance values for all independent variables exceed 0.05, indicating that heteroscedasticity is not a concern in the data.

Table 7. Multicollinearity Test Results

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
		B	Std. Error	Beta			Tolerance
1	(Constant)	3.149	4.182		.753	.457	
	X1	.099	.135	.115	.730	.471	.535
	X2	.456	.108	.666	4.224	<.001	.535

Source: Data processed by researchers (2024)

Work motivation (X1) has a significance value of 0.471, which is greater than 0.05, and a t-count value of 0.730, which is less than the t-table value of 2.034. These results indicate that the Ha1 hypothesis is rejected, and the H0 hypothesis is accepted, suggesting that the work motivation variable does not have a significant impact on employee loyalty.

Career development (X2) has a significance value of 0.001, which is less than 0.05, and a t-count value of 4.224, which exceeds the t-table value of 2.034. These results indicate that the Ha2 hypothesis is accepted and the H0 hypothesis is rejected, demonstrating that the career development variable significantly influences employee loyalty.

The results of the table above are as follows:

The constant value of 3.149 indicates that if work motivation and career development are both zero, the baseline value of employee loyalty will be 3.149. The regression coefficient for the work motivation variable is 0.099, signifying that a 1% increase in work motivation will result in a 0.099 increase in employee loyalty. Similarly, the regression coefficient for the career development variable is 0.456, implying that a 1% increase in career development will lead to a 0.456 increase in employee loyalty.

The multiple regression analysis is presented in Table 8, which includes the results of the multiple linear regression test. Additionally, the adjusted R^2 coefficient test measures the proportion of variation in employee loyalty (Y) explained by the independent variables, work motivation (X1) and career development (X2), as shown in Table 8.

Table 8. Result adjusted R^2

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749[a]	.561	.535	1.78098

Source: Data processed by researchers (2024)

Based on Table 8, the adjusted R^2 coefficient test indicates an R^2 value of 0.535, meaning that 53.5% of the variation in employee loyalty at PT Delta Indonesia Pranenggar is explained by the variables of work motivation and career development. The remaining 46.5% is attributed to other factors not included in the study.

A partial test was also conducted to assess the individual significance of work motivation (X1) and career development (X2) on employee loyalty (Y). The results of this partial test are detailed in Table 9.

Table 9. Partial Test Result

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.149	4.182		.753	.457
	X1	.099	.135	.115	.730	.471
	X2	.456	.108	.666	4.224	<.001

Source: Data processed by researchers (2024)

The partial test results reveal that work motivation (X1) has a significance value of 0.471, which is higher than 0.05, and a t-count value of 0.730, which is lower than the t-table value of 2.034. These findings indicate that the Ha1 hypothesis is rejected, confirming that work motivation does not have a significant effect on employee loyalty.

In contrast, career development (X2) shows a significance value of 0.001, which is below 0.05, and a t-count value of 4.224, exceeding the t-table value of 2.034. These results support the acceptance of the Ha2 hypothesis, demonstrating that career development has a significant impact on employee loyalty.

Additionally, the simultaneous F-test is conducted to evaluate the combined effect of the independent variables on the dependent variable. The results of this F-test are outlined in Table 10.

Table 10. Simultaneous Test Results

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	133.883	2	66.941	21.104	<.001[b]
	Residual	104.673	33	3.172		
	Total	238.556	35			

Source: Data processed by researchers (2024)

Based on Table 10, the simultaneous test results indicate a significance value of 0.01, which is below 0.05, and an F-count value of 21.104, surpassing the F-table value of 3.284. These results lead to the acceptance of the Ha3 hypothesis, confirming that work motivation and

career development together significantly influence employee loyalty.

Furthermore, the partial test for work motivation reveals a t-count value of 0.730, which is less than the t-table value of 2.034, and a significance value of 0.471, which is greater than 0.05. As a result, the Ha1 hypothesis is rejected, indicating that work motivation does not have a significant impact on employee loyalty at PT Delta Indonesia Pranenggar. These findings are consistent with Utami & Dwiatmadja (2020), who also concluded that work motivation does not positively affect employee loyalty. The results suggest that the work motivation initiatives at PT Delta Indonesia Pranenggar may not meet employees' needs, particularly in providing sufficient opportunities for self-actualization.

The t-count value for career development is 4.224, exceeding the t-table value of 2.034, with a significance value of 0.001, which is below 0.05. This result supports the acceptance of the Ha2 hypothesis, confirming that career development significantly influences employee loyalty at PT Delta Indonesia Pranenggar. These findings align with the study by Bahri & Nisa (2017), which also demonstrated a significant relationship between career development and employee loyalty. At PT Delta Indonesia Pranenggar, employee loyalty is closely tied to career advancement opportunities, perceived by employees as recognition of their contributions.

Additionally, the F-count value of 21.104, surpassing the F-table value of 3.284, along with a significance value of 0.001 (less than 0.05), leads to the acceptance of the Ha3 hypothesis. This indicates that work motivation and career development collectively have a significant impact on employee loyalty. The adjusted R^2 value of 53.5% further supports this, suggesting that these two factors explain 53.5% of the variance in employee loyalty, while the remaining 46.5% is attributed to other factors not covered in this study.

CONCLUSION

Work motivation does not have a significant impact on employee loyalty at PT Delta Indonesia Pranenggar, indicating that its influence on employee loyalty is relatively small. On the other hand, career development does have a significant effect on employee loyalty at the company, meaning that career development plays a relatively large role in fostering employee loyalty. Furthermore, both work motivation and career development together have a combined effect on employee loyalty, accounting for 53.5% of the variance in employee loyalty at PT Delta Indonesia Pranenggar.

RECOMMENDATIONS

Companies should consider and optimize the provision of motivation by providing equal opportunities for employees to be able to actualize themselves and other work motivation needs in the form of health and safety facilities, which are still provided in accordance with the provisions in force in the company. In addition, the company continues to carry out good career development for employees in the company.

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