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Security and Satisfaction: The Twin Pillars of Sustainable Employee Loyalty in Indonesia

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Abstract

This study examines how Career Development, Work-Life Balance, Organizational Culture, and Job Security shape Employee Satisfaction, and how that satisfaction, in turn, influences Employee Loyalty among employees in conventional banks in Indonesia. Using a quantitative approach, the findings indicate that all four factors play an important role in enhancing employee satisfaction, with organizational culture emerging as the most influential aspect. The study also confirms that employees who feel satisfied with their work environment tend to show stronger loyalty and commitment to their organizations. These results underscore the need for banking institutions to foster supportive cultures, provide clear career pathways, and strengthen job stability to improve employee engagement and retention. The insights presented in this research offer valuable guidance for HR practitioners in designing effective strategies to build a committed and satisfied workforce.

Keywords : Career Development, Work-Life Balance, Organizational Culture, Job Security, Employee Satisfaction, Employee Loyalty

Introduction

Human resource practices play a vital role in shaping employee experiences and organizational outcomes, particularly in sectors that depend heavily on trust, service quality, and long-term employee engagement. In Indonesia's banking industry especially within the conventional banking segment there is growing pressure to retain skilled personnel, enhance workforce morale, and adapt to ongoing digital and regulatory changes. In this context, employee satisfaction and loyalty are critical indicators of organizational health and sustainability.

Career development remains one of the most influential factors affecting employee satisfaction. Opportunities for skill enhancement, promotions, and clear career progression can significantly strengthen an employee's sense of value and purpose within the organization. According to Noe, (2017), when employees perceive that their professional growth is supported, they tend to exhibit higher levels of commitment and satisfaction.

Work-life balance has also become a central concern for the modern workforce, particularly in industries known for demanding workloads and long working hours, such as banking. An imbalance between professional and personal life can result in burnout, stress, and decreased job satisfaction. Greenhaus and Allen, (2011) emphasize that when organizations recognize and support employees' personal needs alongside their professional responsibilities, overall satisfaction increases.

Organizational culture plays a pivotal role in shaping employee experiences. A culture that promotes transparency, collaboration, and mutual respect fosters a positive work environment that contributes to higher satisfaction. As Cameron and Quinn, (2011) note, organizational culture not only influences employee behavior but also shapes how individuals perceive their workplace.

Job security is another key determinant of employee satisfaction, particularly in an evolving banking landscape marked by automation and restructuring. Perceived employment stability provides psychological comfort and strengthens employees' emotional connection to the organization. De Witte, (2005) found that job insecurity often leads to dissatisfaction, lower engagement, and higher turnover intentions.

Employee satisfaction, in turn, has long been recognized as a precursor to employee loyalty. Satisfied employees are more likely to remain with the organization, demonstrate stronger commitment, and contribute to a stable and productive workforce. As Locke, (1976) suggests, satisfaction is a central driver of positive workplace attitudes and long-term affiliation.

Despite growing attention to employee well-being, limited research has thoroughly examined the combined influence of career development, work-life balance, organizational culture, and job security on employee satisfaction and loyalty within the Indonesian banking context. Understanding these relationships is particularly important for conventional banks, which must compete not only with each other but also with emerging digital financial services. Therefore, this study offers essential insights for human resource strategies aimed at improving satisfaction and loyalty among bank employees in Indonesia.

Theoretical Framework and Hypothesis Development

Career Development

Career development is widely recognized as a key driver of employee satisfaction. When employees are provided with clear pathways for professional advancement, they are more likely to feel valued, motivated, and engaged. A study by Nur and Siti, (2021) involving banking employees in East Java found that career development has a significant positive effect on job satisfaction, particularly when supported by transparent promotion systems and effective mentoring. Similarly, research by Hariani et al., (2020) highlights that opportunities for career advancement enhance employee engagement and contribute to a more committed and loyal workforce.

H_1: Career development has a positive and significant effect on employee satisfaction.

Work-Life Balance

Work-life balance is a critical factor influencing employee satisfaction, particularly in high-pressure sectors such as banking. Research by Sari and Nugroho, (2023), conducted among banking employees across several Indonesian provinces, found that work-life balance has a positive and significant effect on job satisfaction. Their findings indicate that flexible scheduling, manageable workloads, and greater time autonomy substantially enhance satisfaction. Likewise, Dewi et al., (2022) reported that poor work-life balance often leads to burnout and reduced job satisfaction, underscoring the importance of organizational policies that support employees in maintaining a healthy balance between work and personal life.

H_2: Work-life balance has a positive and significant effect on employee satisfaction.

Organizational Culture

Organizational culture is widely recognized as a key contextual factor that directly shapes how employees perceive their roles and overall workplace experience. Fitriani and Aditya, (2023) found that a strong organizational culture promotes trust, effective communication, and mutual respect, all of which are positively associated with employee satisfaction in the banking sector. Similarly, Utami and Kristanti, (2022) reported that organizational culture has a significant effect on employee satisfaction, especially when organizational values align with individual employee values. Collectively, these studies demonstrate that cultural alignment and a supportive work environment contribute to higher levels of employee satisfaction.

H_3: Organizational culture has a positive and significant effect on employee satisfaction.

Job Security

Job security remains a dominant factor in fostering employee satisfaction, particularly in traditional employment sectors such as banking. Employees who feel secure in their positions are more likely to invest in their work and remain loyal to their organization. Research by Prasetya and Rahmawati, (2020) involving employees of conventional banks in Central Java found that job security has a direct and positive influence on job satisfaction. Similarly, Ismail et al., (2021) reported that perceived job stability reduces anxiety and enhances employee morale, ultimately leading to higher levels of satisfaction.

H_4: Job security has a positive and significant effect on employee satisfaction.

Employee Satisfaction and Loyalty

Employee satisfaction has been widely studied as a predictor of employee loyalty. Loyal employees often emerge from positive workplace experiences, including recognition, fairness, and opportunities for growth. A study by Putra and Aini, (2022) indicated that satisfied employees in Indonesian commercial banks are significantly more likely to remain loyal and recommend their workplace to others. Similarly, research by Kurniawan and

Sukartini, (2021) confirmed that job satisfaction mediates the relationship between HR practices and employee loyalty, making it a crucial element in human resource strategy.
H_5: Employee satisfaction has a positive and significant effect on employee loyalty.

Method

This research employs a quantitative approach to examine the influence of career development, work-life balance, organizational culture, and job security on employee satisfaction, as well as the subsequent effect of employee satisfaction on employee loyalty among employees of conventional banks in Indonesia. A quantitative method is appropriate for this study because it enables statistical analysis of relationships between variables and facilitates hypothesis testing using numerical data.

Data were collected using a structured questionnaire distributed both online and offline to ensure broad accessibility and participation. The questionnaire utilized a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) to capture respondents' perceptions of the variables under investigation. The items were adapted from previously validated instruments in relevant literature to ensure content validity and clarity.

The study population consists of employees working in various conventional banks across Indonesia. Given the wide geographic coverage and practical considerations in data collection, a purposive sampling technique was applied to determine the sample. A total of 120 valid responses were obtained and included in the final analysis. This sample size is considered adequate for regression analysis and provides sufficient statistical power to test the proposed hypotheses.

The operational definitions of the variables are as follows: Career development refers to employees' perceptions of growth opportunities and clarity of career pathways within the organization. Work-life balance measures the extent to which employees feel able to balance work responsibilities with personal life. Organizational culture encompasses shared values, beliefs, and practices that influence employee behavior and satisfaction. Job security refers to employees' perceived stability and continuity of employment within the organization. Employee satisfaction represents the degree of positive emotional response to job conditions, while employee loyalty reflects employees' willingness to remain with and support the organization over the long term.

Data analysis was conducted using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics were used to summarize respondent characteristics and overall responses. Inferential analyses specifically multiple linear regression and t-tests were performed to assess the influence of the independent variables (career development, work-life balance, organizational culture, and job security) on employee satisfaction, as well as the effect of employee satisfaction on employee loyalty. A 95% confidence level ($p < 0.05$) was applied to determine statistical significance, ensuring that the findings are valid and reliable for interpretation.

The selection of a quantitative approach and the use of regression analysis align with the study's objective to measure the strength and direction of relationships among variables based on empirical data. This methodological strategy supports the research aim of providing evidence-based insights to enhance employee satisfaction and loyalty within Indonesia's conventional banking sector.

Discussion of Research Results

Characteristic Respondents

Understanding the demographic characteristics of respondents helps contextualize how career development, work life balance, organizational culture, and job security influence employee satisfaction and loyalty among conventional bank employees in Indonesia.

Respondents' Gender Distribution

Description	Quantity	Percentage
Male	53	44%
Female	67	56%
Total	120	100%

Source; Questionnaire respondents, (2025)

Among the 120 respondents, 44% are male and 56% are female. This distribution may reflect the composition of front-line roles in conventional banks across Indonesia where female employees often predominate. Balanced gender representation ensures diverse perspectives across all variables in the analysis.

Respondents’ Age Distribution

Age Range	Quantity	Percentage
18–24	10	8%
25–34	36	30%
35–44	34	28%
45–54	26	22%
≥ 55	14	12%
Total	120	100%

Source; Questionnaire respondents, (2025)

The majority of respondents are mid-career professionals aged 25–44 (58%), highlighting a group for whom career development and job security are particularly relevant factors influencing satisfaction and loyalty.

Multiple and Single Linear Regression

T-Test and Regression Coefficients

Variable	Sig.	Coefficient Regression (β)	Information
Career Development → Employee Satisfaction (CD → ES)	.000	0.32	Hypothesis accepted
Work–Life Balance → Employee Satisfaction (WLB → ES)	.002	0.28	Hypothesis accepted
Organizational Culture → Employee Satisfaction (OC → ES)	.003	0.25	Hypothesis accepted
Job Security → Employee Satisfaction (JS → ES)	.000	0.35	Hypothesis accepted
Employee Satisfaction → Employee Loyalty (ES → EL)	.000	0.58	Hypothesis accepted

Source; Questionnaire respondents, (2025)

All five hypotheses are supported, with each independent variable demonstrating a significant positive impact on employee satisfaction, and employee satisfaction itself significantly influencing employee loyalty. Career development contributes meaningfully to satisfaction ($\beta = 0.32$), showing that clear growth pathways and developmental opportunities enhance employees’ sense of value. Work–life balance also has a positive effect ($\beta = 0.28$), reinforcing the importance of flexibility and employee well-being in maintaining job contentment. Organizational culture exerts a significant, although smaller, influence ($\beta = 0.25$), emphasizing the role of a supportive and value-driven work environment.

Job security emerges as the strongest predictor of employee satisfaction (β = 0.35). In the conventional banking sector, where stability is highly valued, perceived job security provides reassurance that substantially elevates satisfaction levels. The significant effect of employee satisfaction on employee loyalty (β = 0.58) further demonstrates that higher satisfaction leads to stronger commitment, longer tenure, and a greater willingness to support the organization.

These findings underscore that job security and career development are particularly influential in shaping satisfaction among Indonesian banking employees. While organizational culture and work–life balance also contribute meaningfully, their effects are comparatively moderate. The strong link from satisfaction to loyalty highlights the need for targeted human resource interventions that enhance satisfaction and cultivate long-term commitment.

From a managerial perspective, the results affirm the relevance of the proposed model in the context of Indonesia's conventional banking sector. Banks can strengthen loyalty and reduce turnover by investing in structured career pathways, reinforcing perceptions of job stability, implementing supportive work–life balance policies, and fostering a positive, collaborative organizational culture. Overall, the study confirms the positive interrelationships among career development, work–life balance, organizational culture, job security, employee satisfaction, and employee loyalty.

Discussion

This study aimed to analyze the influence of Career Development, Work–Life Balance, Organizational Culture, and Job Security on Employee Satisfaction, as well as the effect of Employee Satisfaction on Employee Loyalty among employees of conventional banks in Indonesia. Data were collected from 120 respondents and analyzed using multiple and simple linear regression. The findings support all five proposed hypotheses.

The first hypothesis (H_1) proposed that Career Development has a significant and positive effect on Employee Satisfaction. The results support this hypothesis, indicating that opportunities for professional growth, training, and clear career advancement pathways play a crucial role in enhancing employees' job satisfaction. This finding aligns with Saks and Gruman, (2014), who emphasize that employees who perceive structured development opportunities tend to be more engaged, motivated, and satisfied in their roles.

Hypothesis 2 (H_2) stated that Work–Life Balance significantly influences Employee Satisfaction. The results reveal a positive and significant relationship between these variables, suggesting that when employees can effectively balance personal and professional responsibilities, their overall satisfaction increases. These findings are consistent with Haar et al., (2014), who highlight that work–life balance initiatives reduce stress and improve job satisfaction.

Hypothesis 3 (H_3) suggested that Organizational Culture has a significant effect on Employee Satisfaction. The analysis confirms this relationship, indicating that a strong, supportive, and inclusive culture positively shapes employees' perceptions of their work environment. This result aligns with Schein, (2010), who argues that shared organizational values, beliefs, and practices substantially influence employee attitudes and satisfaction.

Hypothesis 4 (H_4) proposed that Job Security positively affects Employee Satisfaction. The results support this hypothesis, showing that employees who feel secure in their positions are more likely to report higher levels of satisfaction. Job security provides psychological safety, reduces anxiety, and strengthens organizational attachment, as highlighted by Greenhalgh and Rosenblatt, (2010). When employees trust the stability of their employment, they tend to be more focused and committed.

Finally, Hypothesis 5 (H_5) examined the effect of Employee Satisfaction on Employee Loyalty. The findings reveal a strong and significant relationship, indicating that satisfied employees are more likely to develop long-term loyalty to their organizations. This supports Mowday, Steers, and Porter, (1979), who assert that employee satisfaction is one of the strongest predictors of organizational loyalty and retention.

In summary, this study provides evidence that promoting career development, ensuring work–life balance, cultivating a positive organizational culture, and providing job security significantly enhance employee satisfaction. Furthermore, satisfied employees are more likely to remain loyal to the organization, contributing to reduced turnover, higher engagement, and improved performance. These insights are particularly relevant for HR practitioners and bank management in Indonesia seeking to strengthen employee commitment and enhance organizational effectiveness within the conventional banking sector.

Conclusion

This study examined the influence of Career Development, Work–Life Balance, Organizational Culture, and Job Security on Employee Satisfaction, as well as the effect of Employee Satisfaction on Employee Loyalty among employees working in conventional banks in Indonesia. The findings indicate that all four independent variables have a positive and significant impact on Employee Satisfaction, and Employee Satisfaction itself significantly influences Employee Loyalty. Job Security and Organizational Culture emerged as the most substantial predictors of satisfaction, followed by Career Development and Work–Life Balance. The results confirm that satisfied employees are more likely to remain committed and loyal to the organization.

Recommendations

Based on the findings, banking institutions are encouraged to strengthen strategic human resource management practices. Organizations should develop clear and structured career pathways, implement supportive work–life balance initiatives, cultivate a strong and positive organizational culture, and reinforce perceptions of job stability. By focusing on these areas, banks can enhance employee satisfaction, reduce turnover, and improve long-term organizational performance. HR practitioners should also integrate employee feedback mechanisms to continually evaluate and improve workplace conditions.

Limitations and Future Research

This study has several limitations. First, the sample size was limited to 120 respondents, which may not fully represent all employees working in conventional banks across Indonesia. Second, the research relied solely on self-reported data, which may be subject to respondent bias. Third, the study focused only on conventional banking institutions, excluding employees from Islamic banking or digital banking sectors. Additionally, the cross-sectional design restricts the ability to infer long-term causal relationships among variables.

Future research could expand the sample size and include participants from various regions and different types of banking institutions, such as Islamic banks or digital banks, to improve generalizability. Longitudinal studies are recommended to better understand changes in satisfaction and loyalty over time. Researchers may also incorporate qualitative methods to gain deeper insights into employee perceptions. Furthermore, future studies could explore additional variables such as leadership style, compensation, or organizational justice to provide a more comprehensive understanding of factors influencing satisfaction and loyalty.

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