



**PENGARUH KEPEMIMPINAN ETIS, STRES KERJA, KOMITMEN ORGANISASI
DAN LOYALITAS KARYAWAN TERHADAP KINERJA KARYAWAN PADA BANK
XYZ DI JAWA BARAT**

Oleh:

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Abstract

Perbankan merupakan industri yang mampu menunjang kelancaran kegiatan dan perkembangan perusahaan pada industri lainnya, dimana kinerja perbankan tercermin dari kinerja pada level individu atau karyawan. Penelitian ini bertujuan untuk menguji pengaruh kepemimpinan etis, stres kerja, komitmen organisasi dan loyalitas karyawan terhadap kinerja karyawan pada salah satu bank BUMN yaitu Bank XYZ pada seluruh kantor cabang di Provinsi Jawa Barat. Penelitian ini dilakukan secara kuantitatif terhadap 247 karyawan yang bekerja di Bank XYZ. Analisis dilakukan dengan menggunakan structural equality modeling (SEM). Hasil penelitian ini menunjukkan bahwa stres kerja berpengaruh positif terhadap komitmen organisasi, komitmen organisasi berpengaruh positif terhadap kinerja karyawan dan loyalitas karyawan, loyalitas karyawan berpengaruh positif terhadap kinerja karyawan, dan kepemimpinan etis berpengaruh positif terhadap komitmen karyawan, loyalitas karyawan dan kinerja karyawan.

Kata Kunci: Bank, Employee Loyalty, Employee Performance, Ethical Leadership.

INTRODUCTION

One of the efforts is to continue to improve the various industrial sectors operating in it so that they can contribute to the development of a country's economy. However, from various industrial sectors, the banking sector is considered one of the most important sectors in driving the national economy including in Indonesia (Hutauruk, 2020). Center of Reform on Economics (CORE) Indonesia Research Director Piter Abdullah said that the main drivers of the national economy are consumption, investment, and export-import activities and the banking industry has a big role in all three activities. According to the Financial Services Authority, Indonesian Banking has a main function "as a collector and distributor of public funds and aims to support the implementation of national development in order to increase the distribution of development and its results,

economic growth and national stability, towards improving the standard of living of the people." (OJK, 2022). Based on the function of banking, it can be seen that the banking industry has a role to provide economic growth, national stability, equitable development aimed at improving people's standard of living. One way is to channel capital in the form of credit to various industries which of course can greatly help the industry to continue to develop (Setiawan, 2020). Every year the banking industry tends to experience an increase, however, according to the global debt rating agency, Fitch Ratings (Fitch), the banking industry in Indonesia has a negative outlook because it is faced with asset quality challenges (Ayuningtyas, 2019). One of the reasons why the banking industry has a negative outlook for the future is because of the challenges of the business model and difficult external



conditions. Even without the pandemic, the performance of the banking industry is quite challenging because in 2019 credit growth was recorded at only 6.04% while the previous year it was able to record growth above 10% (Septiadi, 2020).

One of the things that can support the growth of the banking industry is human resources which are currently considered as company assets. In the banking industry which is a service industry, human resources are an important key to the running of the organization. Data obtained from one of the state-owned banks (State-Owned Enterprises) or BUMN shows that employees who work as sales have not been able to significantly achieve the set performance, where the ability of sales employees to achieve targets on average in all categories only reached 63.0% throughout 2022 and 2023. This shows that employee performance at Bank XYZ still needs attention. Performance is one way to measure the effectiveness of employee work. Azmy et al. (2022) stated that the need for the ability to set goals and objectives to achieve employee performance and how to improve overall organizational performance is undoubtedly the most important organizational goal and objective. Throughout 2023, the number of banking companies operating in Indonesia reached 105 commercial banks with a total of 24,276 operating offices consisting of 12,392 conventional state-owned banks, 3,672 regional development banks, and 6,239 national private banks (BPS, 2024). Meanwhile, the number of credit banks reached 1,575 banks with a total of 5,165 operating offices..

The banking industry in Indonesia is aggressively reducing branch offices. Based on the Indonesian Banking Surveillance Report released by the Financial Services Authority (OJK), it was noted that the network of conventional commercial banks (BUK), the majority of which are electronic banking terminals (ATM/CDM/CRM), throughout Indonesia remained 115,539 as of Q4-2023, a

decrease of 4,676 units. The decrease in the number of branch offices. BNI Networks & Services Director, Ronny Venir said that the rationalization of the number of branch offices occurred due to the market situation. Like how the Covid-19 pandemic changed people's behavior to rely on digital technology (Aprilia, 2024). Due to changes in consumer behavior, banks are adjusting by routinely closing branch offices. This will certainly have an impact on reducing the number of employees needed which can cause stress in employees.

To reduce stress in working with conditions that occur in the banking industry, the role of leaders is needed so that the stress felt by employees can be reduced. When employees feel insecure in their jobs, employees may feel stressed because they are worried that they will lose their positions in their jobs. However, when the company has ethical leaders, the stress may be reduced because employees may realize that they will be treated ethically, which makes them more likely to understand and even accept job instability (Kim & Kim, 2020). No matter how serious employees experience insecurity at work, if they believe that they are being evaluated in a fair and ethical manner, their work stress levels can be substantially reduced. Ethical leadership is defined as behavior between leaders and employees through personal and interpersonal relationships that are in accordance with applicable norms (Tangkawarow & Tanoto, 2023). Ethical leadership in the banking industry is needed especially in developing countries, where wages are relatively low compared to other countries and corruption practices are still quite common, so leaders who are able to demonstrate integrity and examples of values and norms that apply in work are very much needed. In Indonesia itself, there are quite a lot of cases carried out by banking employees, for example BRI banking employees who drained customer funds up to IDR 5.1 billion (Erika, 2023), Bank Mandiri credit embezzlement of IDR 1.8 trillion in 2018, BNI deposit forgery of



IDR 110 billion in 2021, and the loss of deposits from 14 Bank Mega customers totaling IDR 56 billion in 2021 (Pebrianto, 2021). Apart from being able to improve employee performance, ethical leadership is also able to encourage employees to work with full integrity in accordance with applicable work standards and norms.

Employees who experience stress at work will experience a lack of commitment when working. Organizational commitment is the level at which employees feel loyal to the organization, accept and internalize the goals and values of the organization, and involve themselves in organizational activities (Saputra & Riana, 2021). Therefore, work commitment can affect employee loyalty and work performance. Research conducted by Muslimin & Sumail (2024) shows that employee commitment to work has a significant effect on work performance, in addition to research conducted by Wijonarko et al. (2024) shows that work commitment also influences employee loyalty. Based on the background description above, this study aims to test the influence between the variables job stress, organizational commitment, employee loyalty and employee performance as well as the moderation of the ethical leadership variable

LITERATURE REVIEW

Job Performance

Job performance is the work results in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him (Mwova & Langat, 2021). Performance is one way to measure the extent of employee work effectiveness. Azmy et al. (2022) states that the need for the ability to set goals and objectives to achieve employee performance and how to improve overall organizational performance is undoubtedly the most important organizational goal and objective.

Job Insecurity

Job insecurity by definition involves a great deal of uncertainty about whether members of an organization can maintain their jobs stably (Ramaditya et al., 2023). In such situations, employees cannot predict and control the possibility of retaining their job positions (Kim & Kim, 2020). As a result of job insecurity, employees may doubt their ability to obtain basic resources that are important for well-being, such as social identity, wages, social connectedness, and social status. Job insecurity is considered a trigger for work stress, given that the anticipation of possible job loss can be considered as a source of anxiety as the job loss itself (Anuar et al., 2024). When employees feel that their current job position is at risk of being fired, psychological tension and pressure will arise which then makes the employee stressed and affects the employee's performance and well-being. Research conducted by Kim & Kim (2020) and Anuar et al. (2024) which shows that job insecurity has a significant positive effect on job stress.

Job Stress

Stress is an emotional activity resulting from the perception of the external environment, more specifically a person's physical and emotional response to external stimuli (Leung et al., 2024). Job stress is an adverse physical or emotional reaction when working conditions do not match the employee's skills, finances, and desires (Paramita & Sudhartio, 2022). This means that employees who receive too much work stress will find it difficult to focus on work so that their work commitment will decrease. The results of this study are in line with research conducted by Leung et al. (2024) and Wang et al. (2020) shows that personal stress levels can significantly reduce organizational commitment.

Organizational Commitment

Organizational commitment is a psychological attachment between an employee and his organization (Antono et al., 2023). Organizational commitment according to



Meyer et al. (1993) is a psychological state that has feelings and/or beliefs regarding the employee's relationship with the organization and has the decision to continue membership in the organization based on desire, need or obligation (Putri, 2019). When employees decide to commit to working in an organization, then the employees will certainly maintain their performance so that they can remain in the organization. Ridwan (2020) and Iskanto et al. (2022) in his research he also showed that organizational commitment has a significant positive effect on employee performance.

Ethical Leadership

Ethical leadership is defined as behavior between leaders and employees through personal and interpersonal relationships that are in accordance with applicable norms (Tangkawarow & Tanoto, 2023). When employees feel insecure about their jobs, they may feel stressed because they are worried that they will lose their positions in their jobs. However, when a company has ethical leaders, this stress may be reduced because employees may realize that they will be treated ethically, which makes them more likely to understand and even accept job instability (Kim & Kim, 2020). Research conducted by Bahadori et al. (2021), Danish et al. (2020) and Solihah et al. (2023) shows that ethical leadership has a significant influence on employee commitment. Other research conducted by Alabduljader (2022) and Abdi & Rahman (2024) shows that ethical leadership has a significant positive influence on employee loyalty.

Employee Loyalty

Employee loyalty is an important concept to consider when assessing job performance in an organization. Employee loyalty is vital to any business. Employers must create an atmosphere that supports and rewards loyalty to encourage success (Ateeq et al., 2023). Research conducted by Khassawneh & Elrehail (2022) shows that loyalty has a

significant positive effect on employee performance. Ateeq et al. (2023) In his research, he stated that employee loyalty can directly influence employee work performance, and also increase employee satisfaction at work so that work performance will increase.

RESEARCH METHOD

This study was conducted using quantitative methods and a causal approach. The population in this study were all employees who worked as sales at XYZ bank in the West Java region totaling 630 employees, using the Slovin formula, the number of respondents needed was 245 employees, and in this study, 247 employees were successfully obtained. The sampling technique used was probability sampling with a simple random sampling approach, namely a random sampling technique, where the gform link was distributed to all employees via the WhatsApp group. The data analysis method is carried out using SEM-PLS.

RESULT AND DISCUSSION

The focus of this study is to examine the relationship between job stress, organizational commitment, employee loyalty and ethical leadership with employee performance as a dependent variable on employees working in one of the banks in West Java. The following is a description of the data that was successfully collected. The majority of respondents in this study were women with an age range of 18-30 years and had worked in the company for an average of 2-4 years.

Table 1. Profil Responden

| Criteria | | Freq | % |
|-----------|---------------------|------|-------|
| Gender | Man | 65 | 26.3% |
| | Woman | 182 | 73.7% |
| Age | 18-25 years | 151 | 61.1% |
| | 26-30 years | 64 | 25.9% |
| | 31-35 years | 25 | 10.1% |
| | Lebih dari 35 years | 7 | 2.8% |
| Education | Diploma (D3/D4) | 8 | 3.2% |



| | | | |
|----------------|-------------------|-----|-------|
| length of work | Sarjana S1 | 218 | 88.3% |
| | Magister S2 | 21 | 8.5% |
| | Less than 1 years | 10 | 4.0% |
| | 1-2 years | 32 | 13.0% |
| | 2-4 years | 157 | 63.6% |
| | 4-5 years | 35 | 14.2% |
| | More than 5 years | 13 | 5.3% |

Hypothesis testing in this study was conducted using SEM PLS analysis techniques. SEM PLS analysis consists of 2 stages of testing, namely the outer model and the inner model. Model measurement analysis is used to test convergent validity, discriminant validity and reliability. The following are the results of the convergent validity test.

Table 2. Validitas Konvergen

| Variable | Indicator | Outer Loading | AVE |
|----------------------|-----------|---------------|-------|
| Ethical leadership | EL.01 | 0.787 | 0.684 |
| | EL.02 | 0.913 | |
| | EL.03 | 0.823 | |
| | EL.04 | 0.846 | |
| | EL.05 | 0.737 | |
| | EL.06 | 0.833 | |
| | EL.07 | 0.840 | |
| Employee performance | EP.01 | 0.725 | 0.651 |
| | EP.02 | 0.877 | |
| | EP.03 | 0.855 | |
| | EP.04 | 0.666 | |
| | EP.05 | 0.887 | |
| Job stress | JS.01 | 0.855 | 0.635 |
| | JS.02 | 0.738 | |
| | JS.03 | 0.717 | |
| | JS.04 | 0.803 | |
| | JS.05 | 0.861 | |
| Employee loyalty | LY.01 | 0.804 | 0.741 |
| | LY.02 | 0.899 | |
| | LY.03 | 0.891 | |
| | LY.04 | 0.871 | |

| | | | |
|----------------------------|-------|-------|-------|
| Organization al commitment | LY.05 | 0.836 | 0.693 |
| | OC.01 | 0.835 | |
| | OC.02 | 0.817 | |
| | OC.03 | 0.825 | |
| | OC.04 | 0.787 | |
| | OC.05 | 0.894 | |

Based on the test results, it is known that all AVE values are above 0.500, while some outer loading values have values below 0.700. However, according to Hair et al. (2022) outer loading values in the range of 0.400 to 0.700 can still be used if the AVE value is above 0.500. Therefore, it can be concluded that the convergent validity in this study has been passed. Discriminant validity in this study was measured by looking at the HTMT value. HTMT is the correlation ratio between traits and correlations in traits. If the HTMT value is less than 0.900, it can be said that the variable is valid. The following are the results of the discriminant validity test in this study:

Table 3. Discriminant Validity

| Variable | LY | EP | EL | JS | OC |
|---------------------------|-------|-------|-------|-------|----|
| Employee loyalty | | | | | |
| Employee performance | 0.673 | | | | |
| Ethical leadership | 0.649 | 0.748 | | | |
| Job stress | 0.525 | 0.633 | 0.632 | | |
| Organizational commitment | 0.586 | 0.781 | 0.717 | 0.574 | |

It can be seen in the table that all variables have met the discriminant validity aspect because all values are below the recommended value, which is below 0.90, meaning that each indicator can be predicted well by each indicator. Next are the results of the reliability test with the following results.

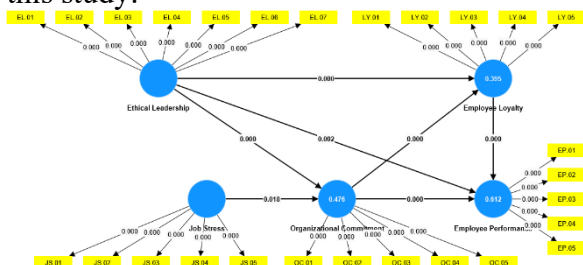
Table 4. Reliability

| Variable | Cronbach's alpha | Composite reliability |
|----------------------|------------------|-----------------------|
| Employee loyalty | 0.912 | 0.935 |
| Employee performance | 0.863 | 0.902 |
| Ethical leadership | 0.922 | 0.938 |



| | | |
|---------------------------|-------|-------|
| Job stress | 0.857 | 0.896 |
| Organizational commitment | 0.889 | 0.918 |

All variables in this study have met the reliability aspect because they have a composite reliability value of more than 0.7 and a Cronbach's alpha value of more than 0.6. After meeting the validity and reliability aspects, the following are the results of the inner model in this study:



After seeing the results of the outer model, the research was continued with the inner model. The inner model or structural model test was conducted to see the relationship between the significant value constructs and the R-Square of the research model. Multicollinearity can be seen from the Variance Inflation Factor (VIF). This value measures the variability of the selected independent variables that are not explained by other independent variables. VIF values of 1 to 5 indicate that there is no multicollinearity between variables (Hair et al., 2022). The following are the results of the multicollinearity test in this study.

Table 5. Multicollinearity

| Variable | Employee loyalty | Employee performance | Job stress | Organizational commitment |
|---------------------------|------------------|----------------------|------------|---------------------------|
| Employee loyalty | | 1.653 | | |
| Ethical leadership | 1.781 | 2.087 | 2.104 | 1.491 |
| Job stress | | | | 1.491 |
| Organizational commitment | 1.781 | 1.887 | | |

It can be seen that the VIF value for all research variables has a value of less than 5.00 so it can be said that there is no multicollinearity between independent variables in this study. R-Square is a measure of the proportion of variation in the value of the influenced variable (endogenous) that can be explained by the influencing variable (exogenous). In other words, R-Square is how

the influencing variable (exogenous) is able to explain the influenced variable (endogenous). This is useful for predicting whether the model is good/bad.

Table 5. R Square Test

| Variable | R-square | R-square adjusted |
|---------------------------|----------|-------------------|
| Employee loyalty | 0.395 | 0.390 |
| Employee performance | 0.611 | 0.606 |
| Job stress | 0.365 | 0.357 |
| Organizational commitment | 0.448 | 0.443 |

The r square value on the employee performance variable is 0.606, which means that 60.6% of the employee performance variable can be explained by the ethical leadership, organizational commitment and employee loyalty variables. While the remaining 39.4% is explained by other variables outside this study. The f^2 (f-Square) measurement is also called the R^2 change effect. This means that changes in the R^2 value will occur when certain influencing (exogenous) variables are removed (not included) from the model, so that it can be known whether the omitted (not included) variables have a substantive (large) impact or not on the influenced variables (endogenous constructs) in a model. The guideline for assessing f^2 is that the values of 0.02, 0.15, and 0.35, respectively, represent small, medium, and large effects (Hair et al., 2022).

The influence of organizational commitment on employee performance has an f square value of 0.183, which means it is included in the medium effect category. This shows that if organizational commitment is removed from the research model, the r square value on employee performance will experience a moderate change. While other variables have little effect on changes in the r square value of the employee performance variable. Importance Performance Analysis

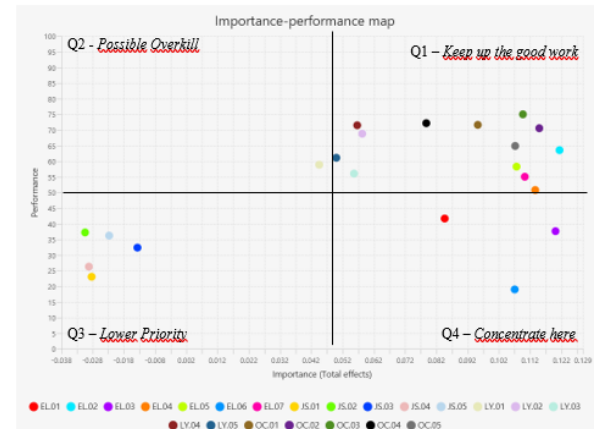


(IPMA) analysis is useful in expanding the findings of the basic PLS-SEM results using latent variable scores. Through IPMA analysis, researchers can find indicators that are useful for managers. IPMA analysis will show the total effect value which shows the level of importance of the construct by respondents, and the performance value which shows the performance of each construct. IPMA analysis results The following are the results of the IPMA test on each indicator in this study.

Table 5. Important Performance Map Analysis

| Variable | Indicator | Total Effect | MV performance |
|---------------------------|-----------|--------------|----------------|
| Ethical leadership | EL.01 | 0.098 | 41.700 |
| | EL.02 | 0.132 | 63.563 |
| | EL.03 | 0.129 | 37.652 |
| | EL.04 | 0.119 | 50.810 |
| | EL.05 | 0.116 | 58.300 |
| | EL.06 | 0.112 | 19.028 |
| | EL.07 | 0.115 | 55.061 |
| Job stress | JS.01 | -0.026 | 23.077 |
| | JS.02 | -0.026 | 37.247 |
| | JS.03 | -0.016 | 32.389 |
| | JS.04 | -0.026 | 26.316 |
| | JS.05 | -0.023 | 36.235 |
| Employee loyalty | LY.01 | 0.045 | 58.907 |
| | LY.02 | 0.059 | 68.826 |
| | LY.03 | 0.056 | 56.073 |
| | LY.04 | 0.057 | 71.525 |
| | LY.05 | 0.050 | 61.134 |
| Organizational commitment | OC.01 | 0.096 | 71.660 |
| | OC.02 | 0.116 | 70.580 |
| | OC.03 | 0.110 | 75.034 |
| | OC.04 | 0.079 | 72.200 |
| | OC.05 | 0.108 | 64.912 |
| Average | | 0.054 | 48.439 |

Using the average of the two tables, vertical and horizontal lines can be drawn to divide the position of the variables or indicators into four quadrants (Ringle & Sarsted, 2016). In the IPMA visualization of the calculation results, the performance value is located on the Y axis, while the importance value (total effect) is located on the X axis. So that table 8 can be transformed into the 2 quadrant image below.



Quadrant 4 (Concentrate here) is a quadrant that has a low performance value but is considered important by respondents in improving employee performance. The indicators in this study are EL.01, EL.03 and EL.06. This means that leaders need to continue to discipline employees who violate ethical standards, discuss ethics or business values with employees and listen to what employees say. Through this, it is hoped that the management can maintain and improve employee performance well. Hypothesis testing in this study was carried out by looking at the t-statistic value and p-value. The measure of the significance of the hypothesis support can be used by comparing the t-table value and t-statistics in the total effects table. If the t-statistic value is higher than the t-table value, it means that the hypothesis is supported. The t-table value in this study is 1.65 which is obtained from the t table at the one-tail level with an alpha of 5% and a df of 245 (247 - 2). The following are the results of the hypothesis test in this study.

**Table 6. Hypothesis Test**

| | Hypothesis | Original sample | T stat | P value | Result |
|----|--|-----------------|--------|---------|-----------|
| H1 | Job stress \rightarrow Organizational commitment | -0.223 | 1.891 | 0.029 | Supported |
| H2 | Organizational commitment \rightarrow Employee performance | 0.366 | 3.574 | 0.000 | Supported |
| H3 | Organizational commitment \rightarrow Employee loyalty | 0.254 | 4.200 | 0.000 | Supported |
| H4 | Employee loyalty \rightarrow Employee performance | 0.231 | 3.747 | 0.000 | Supported |
| H5 | Ethical leadership \rightarrow Organizational commitment | 0.534 | 4.846 | 0.000 | Supported |
| H6 | Ethical leadership \rightarrow Employee loyalty | 0.431 | 6.250 | 0.000 | Supported |
| H7 | Ethical leadership \rightarrow Employee performance | 0.310 | 2.879 | 0.002 | Supported |

In this study, there are 5 variables with 7 hypotheses tested. All hypotheses in this study are accepted from the results of the tests conducted. Hypothesis 1 in this study tests the effect of job stress on organizational commitment. The results of the study indicate that job stress has a significant and positive effect on organizational commitment because it has a p value of 0.029 which is lower than alpha 0.05 and also a t statistic value of 1.891 which is higher than t table 1.65. Thus it can be concluded that hypothesis 1 in this study is supported. The negative nature of the influence indicates that the higher the employee's job stress, the lower the employee's commitment level will be, this indicates that the level of stress can reduce employee work commitment. The original sampling value of -0.223 indicates that if job stress can increase by one unit, organizational commitment will decrease by 0.223. Job stress is a detrimental physical or emotional reaction when working conditions do not match the employee's skills, finances, and desires (Paramita & Sudhartio, 2022). This means that employees who get too much work stress will find it difficult to focus on work so that their work commitment will decrease. The results of this study are in line with research conducted by Leung et al. (2024) and Wang et al. (2020) which showed that personal stress levels can significantly reduce organizational commitment.

Hypothesis 2 in this study examines the effect of organizational commitment on employee performance. The results of the study indicate that organizational commitment has a significant and positive effect on employee performance because it has a p value of 0.000 which is lower than alpha 0.05 and also a t

statistic value of 3.574 which is higher than t table 1.65. Thus it can be concluded that hypothesis 2 in this study is supported. The positive nature of the effect indicates that the higher the employee commitment, the higher the employee performance will be, this indicates that the level of employee commitment can improve employee work performance. The original sampling value of 0.366 indicates that if organizational commitment can increase by one unit, employee performance will increase by 0.366. Employees who work at Bank XYZ generally have permanent employment contracts and are very rarely fired, besides working at a BUMN is also generally considered a prestige because the benefits obtained are generally higher than in private companies non-BUMN, therefore employees at Bank XYZ feel that they are happy to continue in the organization (have good work commitment). The results of this study are in line with research conducted by Muslimin & Sumail (2024) who in their research showed that organizational commitment has a significant positive effect on employee performance.

Hypothesis 3 in this study examines the effect of organizational commitment on employee loyalty. The results of the study indicate that organizational commitment has a significant and positive effect on employee loyalty because it has a p value of 0.000 which is lower than alpha 0.05 and also a t statistic value of 4.200 which is higher than t table 1.65. Thus it can be concluded that hypothesis 3 in this study is supported. The positive nature of the effect indicates that the higher the employee commitment, the higher the employee loyalty will be, this indicates that the level of employee commitment can increase employee loyalty. The original sampling value of 0.254 indicates that if organizational commitment can increase by one unit, employee loyalty will increase by 0.254. Organizational commitment shows attachment and trust in organizational values and the desire to stay (Alismail et al., 2022).



The desire to survive makes employees try to maintain their position in an organization. This means that committed employees will always maintain their membership in the organization. The results of this study are in line with research conducted by Sutanto & Setiadi (2021) and Sedyoningsih et al. (2024) shows that organizational commitment is not able to significantly influence loyalty.

Hypothesis 4 in this study tests the effect of employee loyalty on employee performance. The results of the study indicate that employee loyalty has a significant and positive effect on employee performance because it has a p value of 0.000 which is lower than alpha 0.05 and also a t statistic value of 3.747 which is higher than t table 1.65. Thus it can be concluded that hypothesis 4 in this study is supported. The positive nature of the effect indicates that the higher the employee loyalty, the higher the employee performance will be, this indicates that the level of employee loyalty can improve employee work performance. The original sampling value of 0.231 indicates that if employee loyalty can increase by one unit, employee performance will increase by 0.231. The results of this study also confirm the theory put forward by Liu & Liu (2022) which states that employee loyalty is related to the level of individual involvement in organizational values and the desire to actively contribute to the achievement of company goals, therefore loyal employees will always strive for organizational goals, therefore employee performance at the individual level will also increase along with employee loyalty. The results of this study are in line with research conducted by Irhamni et al. (2022) and Khassawneh & Elrehail (2022) shows that employees who are loyal to the company where they work will influence their work performance.

Hypothesis 5 in this study tests the effect of ethical leadership on organizational commitment. The results of the study indicate that ethical leadership has a significant and positive effect on organizational commitment

because it has a p value of 0.000 which is lower than alpha 0.05 and also a t statistic value of 4.846 which is higher than t table 1.65. Thus it can be concluded that hypothesis 5 in this study is supported. The positive nature of the influence indicates that the higher the level of adoption of ethical leadership style in leaders, the employee commitment will also increase. The original sampling value of 0.534 indicates that if ethical leadership can increase by one unit, employee commitment will increase by 0.534. Commitment shows an employee's aspiration to share the beliefs and goals of the organization in addition to working towards achieving and achieving organizational success among competitors (Olawajun Adeoye, 2021). This can increase organizational commitment, because committed employees tend to prioritize the interests and goals of the organization. The results of this study are in line with research conducted by Bahadori et al. (2021), Danish et al. (2020) and Solihah et al. (2023) shows that ethical leadership has a significant influence on employee commitment.

Hypothesis 6 in this study tests the effect of ethical leadership on employee loyalty. The results of the study indicate that ethical leadership has a significant and positive effect on employee loyalty because it has a p value of 0.000 which is lower than alpha 0.05 and also a t statistic value of 6.250 which is higher than t table 1.65. Thus it can be concluded that hypothesis 6 in this study is supported. The positive nature of the influence indicates that the higher the level of adoption of ethical leadership style in leaders, the employee loyalty will also increase. The original sampling value of 0.431 indicates that if ethical leadership can increase by one unit, employee loyalty will increase by 0.431. Ethical leaders have "right values" and "strong characters" that provide direction to groups in the organization and are able to resist temptation (Santiago-Torner et al., 2024). This refers to the integrity of the superior which can then make employees trust the superior and encourage employees to stay in the



organization. The results of this study are in line with research conducted by Alabduljader (2022) and Abdi & Rahman (2024) shows that ethical leadership has a significant positive influence on employee loyalty.

Hypothesis 7 in this study tests the effect of ethical leadership on employee performance. The results of the study indicate that ethical leadership has a significant and positive effect on employee performance because it has a p value of 0.000 which is lower than alpha 0.05 and also a t statistic value of 2.879 which is higher than t table 1.65. Thus it can be concluded that hypothesis 7 in this study is supported. The positive nature of the influence indicates that the higher the level of adoption of ethical leadership style in leaders, the employee performance will also increase. The original sampling value of 0.310 indicates that if ethical leadership can increase by one unit, employee performance will increase by 0.310. The results of this study confirm the theory put forward by Robbins & Judge (2023) that leaders are one of the factors that can influence employee performance. Thus, the results of this study also confirm the research conducted by Harjono et al. (2024) shows that ethical leadership has a significant influence on employee performance.

PENUTUP

Kesimpulan

Hasil pada penelitian ini menunjukkan bahwa seluruh hipotesis diterima yang artinya *career development*, *employee motivation*, *work life balance* dan *employee engagement* memiliki pengaruh signifikan terhadap *employee performance*. Selain itu *career development*, *employee motivation* dan *work life balance* juga berpengaruh signifikan terhadap *employee performance*.

Suggestion

Based on the results of the research that has been conducted, it is known that all hypothesis accepted. Emotional attachment to the company is an indicator that needs to be

maintained by the managerial side and also obtained the lowest average value even though overall it has been included in the agree category. To improve this, the managerial side can do several things such as building a comfortable work environment, maintaining positive values, supporting employee development, and several other things with the aim of building an emotional bond with the company. The company also needs to increase a strong sense of belonging to the company in order to maintain employee performance. To increase a good sense of belonging, the company can do several things such as building trust with employees, providing clear goals, opportunities for development, and various other things that can increase the sense of belonging to the company. It is hoped that these things if done can improve the performance of employees working at Bank XYZ. In addition, indicators related to leaders disciplining employees who violate ethical standards, discussing ethics or business values with employees and listening to what employees say are indicators that have an influence on employee performance. Thus, leaders need to continue to discipline employees who violate ethical standards, discuss ethics or business values with employees and listen to what employees say. The management can also do several things such as motivating employees by implementing awards for employees who excel, building trust and good teamwork. With these things, it is hoped that the company can increase employee loyalty which will also have an impact on employee performance.

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