

## A STUDY ON LOYALTY AMONG PRIVATE SECTOR EMPLOYEES AND ITS DETERMINANTS



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### **ABSTRACT**

*Employees with high loyalty or morale are precious to any firm. This descriptive study has attempted to assess the degree of loyalty prevalent among private-sector employees in Iraq and how such loyalty is driven by job satisfaction and stress. Primary data has been collected by administering a structured questionnaire to 127 private employees selected using simple random sampling. The study results reveal that the employees surveyed are loyal to their company. 106 of the 127 employees have displayed good loyalty towards their firm, and only 13 have shown signs of disloyalty. The employees surveyed do not exhibit signs of stress. However, the employees have indicated that they encounter tiredness from their job, which is indicative of exhaustion due to work pressure, which results in them finding it a bit difficult to sleep and developing headaches that merit immediate attention and rectification.*

**Keywords:** *Employees; Job Satisfaction; Loyalty; Stress*

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## INTRODUCTION

Human resources constitute priceless assets for any firm (Knezović et al., 2020). A skilled and dedicated workforce constitutes invaluable property for firms. Firms are ready to invest any amount of finance in such human capital. The dedicated workforce is difficult, if not impossible, for firms to possess and retain (Mitchell et al., 2001). Firms try to identify and retain such employees at any cost. Employees with high loyalty or morale are precious to any firm (Abd-El-Salam, 2023).

Employee loyalty in the private sector, especially in developed countries like Iraq, is affected by many factors including job satisfaction and job stress. Understanding the determinants of these factors is important for organizations that are focused on creating a motivated and committed workforce. Loyal employees contribute to the growth of a company by providing consistent quality, consistent productivity and reducing recruitment and training costs.

The aim of this study is to investigate the level of loyalty among private employees in Iraq and to examine how job satisfaction and stress affect this loyalty. By identifying these dynamics, organizations can develop effective strategies to increase employee well-being and engagement, ultimately leading to sustainable improvements in positive working conditions.

The objectives of this study are to gauge the level of stress, job satisfaction, and loyalty among private-sector employees. To explore the impact of job satisfaction and stress on the loyalty of employees. Provide actionable insights for organizations to improve employee morale and satisfaction. By shedding light on these aspects, the study seeks to provide valuable insights into organizational practices that emphasize the importance of entrepreneurial policies in the private sector.

## LITERATURE REVIEW

Raziq & Maulabakhsh (2015) observed that employees will be contented with their work if their organization provides good environmental conditions, boosting productivity. Saffar & Obeidat (2020) found that recognition of employees by management contributes significantly to increasing the quality of the job they perform. Balouch & Hassan (2014) unearthed that job satisfaction is negatively associated with employee turnover and positively associated with employee morale, working conditions, performance, and empowerment. Rinaldi & Riyanto (2021) exposed the vitality of employees' satisfaction at work and found that monetary means of motivating profoundly impact staff satisfaction, output, and performance. Moslehpour et al. (2022) expressed anguish over firms not providing adequate employee welfare measures despite the government's different rules and regulations under various statutes. The author suggests giving rest passes during working hours, providing adequate monetary benefits to employees according to their efficacy and productivity with utmost transparency, and implementing a proper training mechanism to boost their know-how, competence, and proficiency to augment productivity.

### Morale

Employee morale, also known as "Workspace morale", denotes the extent to which employees display self-esteem in a firm. It refers to employees' degree of loyalty or attachment towards their organization. High morale has a substantial bearing on the output and productivity of a firm (Akhter & Naveed, 2023). Studies have exposed the direct impact of morale on efficacy, productivity, profits, employee welfare, and satisfying customers. Morale is developed through employees' satisfaction with their firm's job,

management, and working culture. Morale has a substantial positive correlation with the performance of firms (Nielsen et al., 2017; Alabdullah et al., 2021).

### **Importance of Morale**

Morale exerts a profound effect on the output and financial solidity of firms and also a lower degree of morale among employees results in them lacking focus and attention on their job, leading to committing mistakes, inability to honour commitments on time and improper servicing of customers. Lower morale also results in augmented employee turnover and absenteeism;

Hence, high morale can result in firms marching ahead of their competitors in the market. In contrast, a lower level of morale is highly injurious to firms as it results in employees deriving disgruntlement and displeasure, leading to absenteeism and reduced work performance (Shaban et al., 2017; Worku, 2019; Nailius et al., 2021). Firms have to pay heavily and sustain huge losses for low morale. Gallup organization has estimated that almost 22 million employees are in the US lacking a reasonable degree of engagement, which costs the US economy a whopping 350 billion dollars annually due to attrition and, ill-being and absenteeism of employees caused by their displeasure at work resulting in a decline in productivity. Increasing attrition leads to the mounting costs of hiring and training fresh employees, the inability to honour work commitments on time, increasing workplace conflict and mounting customer complaints (Govindaras et al., 2023).

### **Measures to Boost Morale**

Low morale results in employees possessing low inspiration and drive to perform their work obligations (Ogunfowora et al., 2021). Lorette (2009) has suggested the following measures to be implemented to boost morale at work:

- Recognition of employees.
- The manager should command respect from his employees.
- Management should never hesitate to have direct meetings with employees.
- Invest heavily in the well-being of employees.
- Management should have personal knowledge of its employees.
- Rational compensation management should be executed.
- Employees should be provided with adequate freedom and autonomy at work.
- Practical support services should be offered to all employees without any discrimination.
- Effective training mechanisms should be installed to identify the needs of employees and cater to such needs through practical training.

As mentioned earlier, a lack of morale will have devastating consequences for a firm, resulting in excessive employee stress, which might prove fatal.

### **Stress**

The term "Stress" assumed significance and increased researchers' interest after World War II (Newton & Fineman, 1995). The term was initially recognized by Selye (1973), who described stress as a non-specific retort of the human physique and mind to excessive demand on it. According to Robbins (1999), "Stress is a dynamic condition in which an individual is confronted with an opportunity, constraint or demand related to what he/she desires and for which the outcome is perceived to be both uncertain and important". Recent industrial explosions, particularly in the IT field, characterized by

exhaustive working hours and mental depression of target accomplishments, have resulted in stress for employees, posing a severe threat to their job satisfaction. Stress accrues due to a mismatch of individual personalities and their environment (Ismael et al., 2021; Gmelchb & Ezeh, 2022). Stress has been considered one of the significant factors in work organization (Ahmad et al., 2015; Prabhu & Madan Mohan, 2014; Amol et al., 2023). This study has attempted to assess the level of loyalty, stress, and job satisfaction prevalent among private-sector employees in Iraq and explore the impact of stress and job satisfaction on employee loyalty.

Hargrove et al. (2016) talk about the positive aspect of stress as "Eustress" and describe the adverse side of stress as "Distress". Satpathy et al. (2015) advocated that minimum stress among employees is indispensable for motivating them to perform well. However, excessive stress also leads to dire consequences for individual employees and the firm. Hence, effectively managing stress has to be taken care of as a continuous process with constant monitoring. Identifying causes of stress is essential, while striving to reduce the adverse consequences of such stress is excessively vital. Some researchers reveal that excellently managed stress effectively motivates employees to accomplish organizational goals, while excessive stress worsens organizational performance (Nambirajan & Prabhu, 2010; Nasir et al., 2022). Atheya & Arora (2014) have found that stressful working conditions such as heavy workloads and high working hours profoundly impact employees' work-life balance and social and psychosomatic welfare.

Kowalski & Loretto (2017) propagated that the welfare of employees profoundly impacts not only their health but also their productivity, efficacy, and performance. Hence, management must take care of the safety and welfare of their employees by maintaining cordial employee-management relations. Scrutiny of the above-cited studies reveals the importance of firms ensuring that their employees have a reasonable degree of dedication and engagement, for which their morale has to be high. High morale warrants a higher level of job satisfaction and reduced stress levels. This study has attempted to assess the level of loyalty prevalent among private-sector employees in Iraq and how stress at work and job satisfaction influence such loyalty.

## **METHOD**

This study is descriptive, based purely on primary data collected by administering a structured questionnaire to 127 private sector employees employed in different organizations in Iraq, selected using a simple random sampling technique. The questionnaire was tested for face and content validity before undertaking a pilot study. The questionnaire was further simplified upon completing the pilot study, and then the full-fledged data collection process was undertaken. Upon successful completion of data collection, the data collected was checked for reliability using Cronbach's Alpha values and normality using Skewness and Kurtosis, which was followed by data analysis using SPSS, employing the statistical tools of percentage, Mean, ANOVA, Cluster Analysis, Correspondence Analysis, and Linear Regression (Bodur et al., 2024).

## **RESULT AND DISCUSSION**

### **Demographic Profile of Respondents**

Employees surveyed were from 127, in that 28.3 % are males and 71.7% are females; 22.8% are aged less than 25, 17.4% are aged more than 45 and 59.8% are aged 25-45; 67.7% possess educational qualifications of less than degree while 15.8% possess degree and above as their educational qualifications and 16.5% are Diploma-holders; 69.3% are working up to 48 hours a week while 30.7% are working for more than 48 hours; 17.3%

are in service for less than 2 years while 15% are in service for 2-5 years, 38.6% are in service for 5-10 years and 29.1% are in service for more than 10 years.

### Loyalty among Employees

The level of loyalty existent among Employees is depicted in Table 1.

**Table 1**  
**Loyalty among Employees**

Statement	Mean	Skewness	Kurtosis
I am willing to work harder to help the organization succeed	4.2283	-.745	.040
I am happy to spend the rest of my career with the company	3.8583	-.820	-.246
Never encourage outsiders to speak ill about my company	3.9055	-.934	.254
I feel as if this company's problem is my owns	3.7165	-.806	.190

Source: Data Analyzed, 2024

Table 1 highlights that employees are loyal to their company as the mean for all four statements hovers around the 4 marks on the five-point scale. The values of Skewness and Kurtosis vary between -1 and +1, establishing the normality of the data.

### Grouping Employees Based on Their Loyalty

Further, cluster analysis was used to segment the employees based on their loyalty, and the results are shown in Table 2.

**Table 2**  
**Segmenting Employees Based on Loyalty**

Statement	C1	C2	C3	F	Sig.
I am willing to work harder to help my organization succeed	2.00	4.71	1.69	224.941	0.000
I am happy to spend the rest of my career with this company	2.88	4.17	1.92	61.968	0.000
Never encourage outsiders to speak ill about my company	4.50	4.08	2.08	82.937	0.000
I feel as if this company's problem is my owns	4.38	3.87	2.08	41.551	0.000
No. of Cases	8	106	13		

Source: Data Analyzed, 2024

Table 2 displays three distinct clusters based on employees' loyalty to their company. All four statements used to gauge the level of loyalty among the employees play a significant part in the clusterization process, as the F values are statistically significant at a one per cent level. Based on the mean values, the clusters may be labelled as "employees with affinity", "highly patriotic employees", and "disloyal employees", each comprising 8, 106 and 13 employees, respectively.

### Demographic Characteristics of Clusters formed based on loyalty

The demographic characteristics of Clusters formed based on loyalty have been explored using Crosstab and Chi-square analysis (Bodur et al., 2024)., and the results are displayed in Table 3.

**Table 3**  
**Demographic Characteristics of Clusters formed based on loyalty**

Profile		Employee with Affinity	Highly Patriotic Employees	Disloyal Employee	Total	Sig.
Gender	Males	2	26	8	36	0.020
	Females	6	80	5	91	
Age (in years)	< 25	2	22	5	29	0.166
	25-45	3	65	8	76	
	> 45	3	19	0	22	
Education	< Degree	8	70	8	86	0.172
	Degree and more	0	19	1	20	
	Diploma	0	17	4	21	
Marital Status	Married	8	76	8	92	0.089
	Unmarried	0	27	3	30	
	Separated	0	3	2	5	
Weekly Working Hours	Upto 48	6	72	10	88	0.751
	More than 48	2	34	3	39	
Experience (in years)	< 2	0	21	1	22	0.119
	2-5	0	15	4	19	
	5-10	5	41	3	49	
	> 10	3	29	5	37	

Source: Data Analyzed, 2024

The more significant number of male employees, employees with more than 10 years of experience, employees aged less than 25 and 25-45 years, and those working for more than 48 hours and up to 48 hours a week constitute the highly patriotic cluster, followed by disloyal employees and finally by those with affinity whereas a more significant number of female employees, employees aged more than 45 and those with 5-10 years of experience constitute the highly patriotic cluster followed by those with affinity and finally the disloyal employees. A more significant number of employees with less than two years and 2-5 years of experience, as well as unmarried and separated employees, constitute the highly patriotic cluster, followed by disloyal employees, while there are no employees with affinity. Many married and undergraduate employees constitute the highly patriotic cluster, followed by an equal number of employees in affinity and disloyal clusters. In contrast, more diploma-holders and graduate employees constitute the highly patriotic cluster, followed by disloyal employees, while no employees have an affinity. There is a substantial association between gender and cluster formed based on loyalty. At the same time, there is no such association between the clusters and age, education, marital status, weekly working hours and length of experience.

### Job Satisfaction among Employees

Job satisfaction prevalent among the employees surveyed is depicted in Table 4.

**Table 4**  
**Job Satisfaction among Employees**

Statement	Mean	Skewness	Kurtosis
Satisfied with my job	3.7953	-1.165	.703
I feel that my job is secure	3.6457	-.670	-.291
Enjoy the work that I do	4.0394	-.696	.422
Good team spirit at work	3.5669	-1.245	.182
Compensation is fair for the work that I do	2.6299	-.032	-1.142
Maintain a good balance between my work life and my family life	3.3858	-.550	-.392
Work gives me a feeling of accomplishment	3.4646	-.619	-.325
The organization is a good place to work	3.9134	-.572	.420
Efforts at work are well appreciated	3.3228	-.905	-.646

Source: Data Analyzed, 2024

The employees are satisfied with their organization and enjoy their work. They are pretty happy with their job and the security associated with their job. However, they have expressed marginal disgust towards their pay. At the same time, they have average satisfaction with their efforts to get appreciation, work-life balance, team spirit, and a feeling of accomplishment from their job. The values of Skewness and Kurtosis range between -1 and +1, establishing the normality of the data.

#### **Grouping Employees based on job satisfaction.**

Further, cluster analysis was used to segment the employees based on their job satisfaction, and the outcome is portrayed in Table 5.

**Table 5**  
**Segmenting Employees Based on Job Satisfaction**

Statement	C1	C2	C3	F	Sig.
Satisfied with my job	4.18	4.18	2.83	39.930	0.000
I feel that my job is secure	4.10	3.98	2.64	69.412	0.000
Enjoy the work that I do	4.16	4.18	3.72	7.895	0.000
Good team spirit at work	3.86	3.82	2.86	35.218	0.000
Compensation is fair for the work that I do	3.49	1.62	2.53	72.555	0.000
Maintain a good balance between my work life and my family life	3.45	3.25	3.44	6.415	0.000
Work gives me a feeling of accomplishment	4.08	3.75	2.28	78.428	0.000
The organization is an excellent place to work	3.94	4.02	3.75	4.522	0.000
Efforts at work are well appreciated	4.02	3.12	2.56	34.162	0.000
No. of Cases	51	40	36		

Source: Data Analyzed, 2024

All the statements used to assess employee job satisfaction play a significant role in the segmentation process, as the F values of all the statements are statistically significant at one per cent. The mean values, the three clusters have been designated as "Satisfied Employees", "Partially Satisfied Employees", and "Moderately Dissatisfied Employees", each engulfing 51, 40 and 36 employees, respectively.

### Demographic Characteristics of Clusters Formed Based on Job Satisfaction

The demographic characteristics of clusters formed based on job satisfaction prevalent among the employees have been explored using Crosstabs, and the outcome is depicted in Table 6.

**Table 6**  
**Demographic Characteristics of Clusters Formed Based on Job Satisfaction**

Profile		Satisfied Employees	Partially Satisfied Employees	Moderately Dissatisfied Employees	Total	Sig.
Gender	Male	11	8	17	36	0.012
	Female	40	32	19	91	
Age (in years)	Less than 25	8	11	10	29	0.050
	25-45	28	25	23	76	
	more than 45	15	4	3	22	
Marital Status	Married	37	27	28	92	0.195
	Unmarried	13	9	8	30	
	Separated	1	4	0	5	
Education	< Degree	32	27	27	86	0.796
	Degree and above	10	6	4	20	
	Diploma	9	7	5	21	
Weekly Working Hours	Up to 48 hours	29	32	27	88	0.041
	> 48 hours	22	8	9	39	
Experience	< 2	11	7	4	22	0.125
	2-5	9	8	2	19	
	5-10	17	18	14	49	
	> 10	14	7	16	37	

Source: Data Analyzed, 2024

Table 6 highlights that a more significant number of unmarried employees, female employees, employees possessing diploma and degree and above as educational qualifications, employees aged 25-45 and above 45 years, employees with less than 2 years and 2-5 years of experience are satisfied with their job followed by those who are partially satisfied and finally by those who are moderately dissatisfied while more significant number of male employees and those who have experience of more than 10 years are partially dissatisfied with their job followed by those who are satisfied and finally by those who are partially satisfied. A more significant number of employees aged less than 25 are partially satisfied, followed by those who are moderately dissatisfied and those who are satisfied with their jobs, while a more significant number of married employees and employees spending more than 48 hours a week at work are satisfied with their job followed by those who are moderately dissatisfied and those who are partially satisfied. The more significant number of employees who have experience of 5-10 years are moderately satisfied with their job, followed by those who are satisfied and finally by those who are moderately dissatisfied, while a more significant number of separated employees and employees working up to 48 hours a week are moderately satisfied with their job followed by employees who are satisfied while none of them is moderately dissatisfied. A more significant number of undergraduate employees are satisfied with their jobs, followed by an equal number of employees who are moderately dissatisfied and partially satisfied. There is no association between the clusters formed based on job



satisfaction of employees and their marital status, educational qualifications, and length of experience. In contrast, a significant association has been established between the clusters and gender, age and weekly working hours of the employees.

### Stress among Employees

The magnitude of stress among the employees is showcased in Table 7.

**Table 7**  
**Stress among Employees**

Statement	Mean	Skewness	Kurtosis
I started finding it hard to concentrate or remember things	3.0157	-.308	-.538
Encountering difficulty in sleep	3.4882	-.710	-.734
I find my hands sweaty	1.8898	.307	.683
Quantum of appetite has changed	2.6535	.619	-.955
Stopped Exercising	2.1417	.933	.608
Finding it hard to give time to do personal things	3.2126	-.237	-.857
Constant feeling of tiredness	4.0787	-.252	.497
They started drinking alcohol and smoking	1.3386	.581	.468
Impatient if held up by people	2.2756	.124	.340
Experiencing headaches often	3.4724	-.633	-.047

Source: Data Analyzed, 2024

Table 7 suggests that the employees surveyed do not display signs of stress as the mean for all the statements used to gauge the stress level is between 2 and 3 on a five-point scale. However, the employees have indicated that they encounter tiredness from their job, which is indicative of exhaustion due to work pressure, which results in them finding it a bit difficult to sleep and developing headaches that merit immediate attention and rectification.

### Grouping Employees Based on Their Stress

Further, cluster analysis was used to segment the employees based on their stress levels, and the outcome is showcased in Table 8.

**Table 8**  
**Segmenting Employees Based on their stress**

Statement	C1	C2	C3	F	Sig.
I started finding it hard to concentrate or remember things	1.11	3.26	2.95	9.708	0.000
Encountering difficulty in sleep	3.89	3.19	4.05	6.331	0.000
I find my hands sweaty	1.11	1.49	2.95	28.121	0.000
Quantum of appetite has changed	5.00	1.93	3.68	86.776	0.000
Stopped exercising	1.11	2.32	2.00	8.120	0.000
Finding it hard to give time to do personal things	4.22	3.26	2.86	6.622	0.000
Constant feeling of tiredness	1.78	4.10	4.59	33.122	0.000
They started drinking alcohol and smoking	4.00	1.14	1.14	214.510	0.000
Impatient if held up by people	2.00	2.27	2.35	7.521	0.000
Experiencing headaches often	1.11	3.56	3.86	5.963	0.000
No. of Cases	9	81	37		

Source: Data Analyzed, 2024

Table 8 showcases the formation of three distinct clusters based on statements used to gauge the stress level among the employees, and all these statements play a significant role in the segmentation process as the F values in respect of all these statements are statistically significant at one per cent. With the help of the mean values, the three clusters have been labelled as "stress-free employees", "partially stressed employees", and "anguished employees", each engulfing 9, 81 and 37 employees, respectively.

### Demographic Characteristics of Clusters Formed based on stress

The demographic characteristics of clusters formed based on stress prevalent among the employees have been explored using Crosstabs, and the outcome is depicted in Table 9.

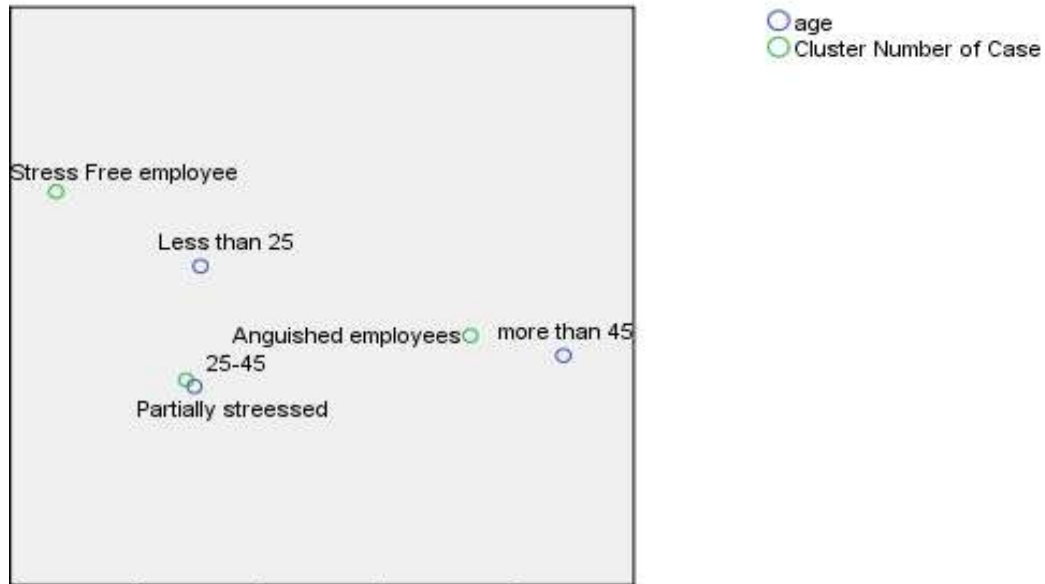
**Table 9**  
**Demographic Characteristics of Clusters Formed based on stress**

Profile		Stress-Free Employees	Partially stressed Employees	Anguished Employees	Total	Sig.
Gender	Male	8	21	7	36	0.000
	Female	1	60	30	91	
Age (in years)	< 25	3	19	7	29	0.014
	25-45	6	53	17	76	
	> 45	0	9	13	22	
Marital Status	Married	7	54	31	92	0.385
	Unmarried	2	23	5	30	
	Separated	0	4	1	5	
Education	< Degree	4	53	29	86	0.006
	Degree and above	0	17	3	20	
	Diploma	5	11	5	21	
Weekly Working Hours	Upto 48	7	57	24	88	0.708
	More than 48	2	24	13	39	
Experience (in years)	< 2	1	14	7	22	0.004
	2-5	0	16	3	19	
	5-10	2	37	10	49	
	> 10	6	14	17	37	

Source: Data Analyzed, 2024

Table 9 showcases that a more significant number of male employees are moderately stressed, followed by those without stress and finally, by those who are anguished, while a more substantial number of female employees, employees aged less than 25 and 25-45 years, married and unmarried employees, under-graduate employees and those possessing degree and more educational qualifications, employees with experience of fewer than 2 years and 5-10 years are moderately stressed followed by those who are anguished and finally, by those without stress; Larger number of diploma-holders are moderately stressed while there are equal number of employees with and without stress. A more significant number of employees aged more than 45 years and those with experience of 2-5 years are anguished, followed by those who are moderately stressed. A more significant number of separated employees are moderately stressed. In contrast, a solitary employee is anguished, while a more substantial number of employees with more than 10 years of experience are anguished, followed by those who are

moderately stressed and those who are without stress. There is no association between the clusters formed based on stress among employees and their marital status. At the same time, there is a significant association between experience, education, age and gender of employees and clusters formed based on stress. The nature of such association has been explored using correspondence analysis, and the outcome is portrayed in Figures 1 and 2.



Source: Data Analyzed, 2024

**Figure 1**  
Age



Source: Data Analyzed, 2024

**Figure 2**  
Experience

Figures 1 and 2 showcase that employees under 25 years are stress-free, while employees aged 25-45 years and with experience of 5-10 years are partially stressed. Employees aged more than 45 years and those with experience of fewer than 2 years are anguished.

### Impact of Stress on Employee Loyalty

The impact of stress on employee loyalty was assessed using regression analysis, and the outcome is displayed in Table 10.

**Table 10**  
**Impact of Stress on Employee Loyalty**

Factor	B	Std. Error	T	Sig.	F	P
Constant	1.678	0.455	3.684	0.000	24.890	0.000
Stress	-0.816	0.164	-4.989	0.000		

Source: Data Analyzed, 2024

Table 10 suggests the regression model fits at one percent as the F value is statistically significant. Further, the table showcases that stress substantially negatively impacts employee loyalty. Based on the results, the following regression equation may be formed:

$$\text{Loyalty} = 1.678 - \text{Stress} (0.816)$$

The result reveals that a one percent increase in stress will result in a 0.816 drop in employee loyalty.

### Impact of job satisfaction on loyalty

The impact of job satisfaction on Employee Loyalty has been gauged using Regression Analysis, and the outcome is portrayed in Table 11.

**Table 11**  
**Impact of job satisfaction on loyalty**

Factor	B	Std. Error	T	Sig.	F	P
Constant	1.551	0.490	3.165	0.002	23.941	0.000
Job Satisfaction	0.673	0.138	4.893	0.000		

Source: Data Analyzed, 2024

Table 11 establishes the fitness of the Regression model as the F value is statistically significant at one percent. The table further highlights that job satisfaction substantially positively impacts employee loyalty. Based on the results, the following regression equation is formulated:

$$\text{Loyalty} = 1.551 + \text{Job satisfaction} (0.673)$$

The result implies that a one percent increase in job satisfaction results in a 0.673 percent rise in employee loyalty.

### Impact of Stress on job satisfaction

The impact of stress on job satisfaction was assessed using regression analysis, and the outcome is shown in Table 12.

**Table 12**  
**Impact of Stress on job satisfaction**

Factor	B	Std. Error	T	Sig.	F	P
Constant	2.559	0.284	9.022	0.000	11.921	0.000
STRESS	-0.352	0.102	-3.453	0.028		

Source: Data Analyzed, 2024

Table 12 establishes the fitness of the Regression model as the F value is statistically significant at one per cent. Further, the table highlights that stress substantially negatively impacts job satisfaction. Based on the results, the following Regression equation is formulated:

$$\text{Job satisfaction} = 2.559 - \text{Stress} (0.352)$$

The result says that a one per cent increase in stress will result in a 0.352 per cent drop in job satisfaction among the employees.

## Discussion

Employees have a good level of loyalty towards their company. 106 of the 127 employees have displayed good loyalty towards their firm, and only 13 have shown signs of disloyalty. A handful of male employees who have put in more than 10 years of service and possess diplomas as educational qualifications, as well as middle-aged and married employees, display disloyalty towards their company. Similarly, the employees are satisfied with their organization and enjoy their work. They are pretty happy with their job and job security. However, they have expressed marginal disgust towards their pay. At the same time, they have an average level of satisfaction towards efforts, such as appreciation, work-life balance, team spirit, and feeling of accomplishment from their job. Fifty-one employees are satisfied. At the same time, 40 are Partially Satisfied, and 36 are Moderately Dissatisfied. Male employees and those with more than 10 years of service display less satisfaction with their jobs. It is worth noting that employees who spend more than 48 hours a week at work do not display any dissatisfaction towards their jobs. The results suggest that employees are not hesitant to work hard and spend more time on their work. Hence, if management ensures that employees are adequately paid and well recognized for their hard work, they will become highly patriotic and content with their jobs.

Similarly, the employees surveyed do not display signs of stress. However, the employees have indicated that they encounter tiredness from their job, which is indicative of exhaustion due to work pressure, which results in them finding it a bit difficult to sleep and developing headaches, which merits immediate attention and rectification. It again reiterates the importance of management of companies recharging their employees mentally by offering good recognition for them at work. 37 employees are tragic, which is quite a sizeable number. Employees with less than 2 years of service and those older than 45 display more significant stress. Employees who have served their organization longer have felt that they are not all that well recognized, while the younger employees find the job more stressful.

## CONCLUSION

Stress substantially negatively impacts employee loyalty and job satisfaction, while job satisfaction significantly impacts employee loyalty. Management must implement a good compensation package for their employees and recognize the hard work they put in, which will boost satisfaction among the employees on their job. That will also diminish the level of stress among the employees. These will ultimately culminate in transforming the employees into highly patriotic employees for the company. Highly patriotic employees are a great asset to the company, and management should not hesitate to invest in them as they will positively contribute to the rapid growth and expansion of the company.

There are some limitations to the study that need to be considered. The sample size of 127 private entrepreneurs in Iraq may not be representative of the broader

population in different industries or sectors, limiting the generalizability of findings. The study focuses on quantitative measures, leaving out qualitative insights potentially leading to increased understanding of employee experience. In addition, research emphasizes structural factors such as job satisfaction and stress, taking into account external influences such as economic conditions and cultural factors. Future research should address these limitations by expanding the sample size and diversity, using a more comprehensive design to track change over time, and using qualitative methods such as interviews or stories with additional analysis. Furthermore, examining the impact of leadership style on employee loyalty and morale can provide employees with actionable perspectives. Addressing these areas can contribute to a more comprehensive understanding of the determinants of employee loyalty and contribute to effective employee engagement strategies.

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