

MOTIVATION AND ORGANIZATIONAL COMMITMENT TO LOYALTY AND ISLAMIC BANKING EMPLOYEE PERFORMANCE

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ABSTRACT

Purpose: The purpose of this study was to determine the effect of motivation and organizational commitment on the loyalty and performance of Islamic bank employees, either directly or through mediating variables.

Design/methodology: This research belongs to quantitative research with data analysis methods using Smart PLS 3.0 software. The research instrument used was a research questionnaire. The total sample of 353 employees.

Findings: The results of the study found that Organizational Commitment affects Employee Performance, Organizational Commitment affects Loyalty, Loyalty affects Employee Performance, motivation has no effect on Employee Performance, motivation has no effect on loyalty, loyalty mediates the effect of organizational commitment on employee performance, but loyalty does not mediate the effect of motivation on employee performance.

Practical implications: The Empirical implication of this research is to determine the conditions and factors that can increase of Islamic Bank Employee performance through motivation, organizational commitment, and loyalty.

Originality/Value: This study recommend that Islamic banks should create activities or programs in the form of training or workshops or other activities to increase the spirit of employee motivation at work so that later it can lead to employee loyalty.

Keywords: Motivation, Organizational Commitment, Loyalty, Employee Performance

A. INTRODUCTION

Human resources play an important role in the success of the organization. Human resources are the main factor that determines the success of financial institutions and is used as an organizational driver to achieve organizational goals and productivity. In other words, employees have a dominant influence in terms of work quality and become a contributor to achieving organizational goals. Therefore, employee performance is a very important part of supporting organizational performance. Efforts to improve employee performance are the most important management challenge because the success of achieving organizational goals and the survival of the company depends on the performance of employees in it (Lubis et al., 2021).

Islamic banks are one of the Islamic financial entities, Islamic banks in Indonesia should have a large market share in accordance with the majority Muslim population, but contrary to the reality of the achievement of the market share of Islamic banks in Indonesia, as follows:

Table 1. Market Share of Islamic Banking in Indonesia 2019-2021

| Bank Group | Assets (IDR Trillion) | | |
|----------------|-----------------------|--------|--------|
| | 2019 | 2020 | 2021 |
| BUS, UUS, BPRS | 503.7 | 575.85 | 646.21 |
| Percentage (%) | 5.96% | 6.24% | 6.52% |

Source : *Islamic Banking Snapshot* www.ojk.go.id (2019-2021)

The low achievement of this market share is certainly influenced by several factors, especially in the field of human resources including Islamic work motivation, organizational commitment owned by employees to the low loyalty of Islamic bank employees, this can be seen from the high turnover of Islamic bank employees, the data as follows:

Table 2. Entry and Exit Data of Islamic Banking Employees

| Year | Number of Employees | Change |
|------|---------------------|----------------|
| 2018 | 54,471 Person | |
| 2019 | 54,840 Person | + 369 Person |
| 2020 | 55,538 Person | + 698 Person |
| 2021 | 50,934 Person | - 4,608 Person |

Source : *Islamic Banking Statistics Data OJK* (2018-2021)

The data in Table 2 above, shows the high number of employees who stop working in Islamic banks, this certainly illustrates the low commitment and motivation possessed by employees so that they cannot generate employee loyalty. Organizational commitment is an employee's belief in the goals and values of the organization, as well as the desire to stay in the organization and loyalty to the organization (Manan et al., 2013).

Motivation has an important role in enhancing employee performance. Several previous studies have found that work motivation has a positive and significant impact on employee performance (Dewi, 2019) (Oetomo & Budiyo, 2020); (Ulantini et al., 2022). However, other studies show contrasting results, where motivation doesn't affect employee performance (Siahaan & Jayanti, 2021).

Research on organizational commitment also has been done before. Some of these studies are previous studies made by Rahmawati & Juwita (2019) and Citra et. al (2018) which found that there is a significant influence between organizational commitments on employee performance. However, other research conducted by Marsoit et al (2017) state otherwise, where organizational commitment does not have a significant influence in employee performance improvement strategies.

Based on the explanation above, there is inconsistency in the results of previous research which found that the variables of motivation and organizational commitment are able to improve employee performance in Islamic banks, making it a research gap that is further discussed in this study. Furthermore, the novelty in this study is to apply a loyalty approach that is considered capable of mediating in bridging the research gap found. Research on the performance of Islamic bank employees has been carried out by many researchers, including research conducted by (Hamzah et al., 2021), (Zulkifli et al., 2020) (Santoso et al., 2021), Hartini & Gustama (2022). They examine the factors that can affect the performance of Islamic

bank employees. However, our research is made using the latest research model that has not been examined by other researchers.

This research is important because low employee performance will affect organizational performance. This study will examine the relationship and influence between the variables of motivation and organizational commitment on the loyalty of Islamic bank employees in Riau Province. The relationship between the variables in question is a direct relationship and an indirect relationship.

B. LITERATURE REVIEW

1. Performance

Performance is the process of carrying out one's duties following the responsibilities he has. Etymologically, performance comes from the word performance. As stated by Mangkunegara (2010) that the term performance from the word job performance or actual performance (work performance or actual achievement achieved by a person) is the quality and quantity of work achieved by an employee in carrying out his duties following the responsibilities given to him. Furthermore, Mangkunegara (2010) states that performance is generally divided into two, namely individual performance and organizational performance. Nawawi (2011) states that performance is the result of doing a job, both physical/material and non-physical/non-material. According to Simanjuntak (2010), performance is the level of achievement of results on the implementation of certain tasks. Simanjuntak also defines individual performance as the level of achievement or results of one's work from the goals that must be achieved or the tasks that must be carried out within a certain period of time. Foster & Seeker (2001) state that, Performance is the results achieved by a person according to the measures applicable to the job in question.

According to Mathis & Jackson (2011) employee performance is to influence how much contribution to the organization, among others:

- a) Work Quantity
- b) This standard is done by comparing the amount of work volume that should be (normal work standards) with actual capabilities.
- c) Work Quality
- d) This standard emphasizes the quality of work produced rather than the volume of work.
- e) Time Utilisation
- f) Namely the use of working time adjusted to company policy.
- g) Attendance Rate
- h) The assumption used in this standard is that if an employee's attendance is below the set work standard, the employee will not be able to make an optimal contribution to the company.
- i) Cooperation
- j) The involvement of all employees in achieving the set targets will affect the success of the supervised section. Cooperation between employees can be improved if the leader is able to motivate employees properly.

2. Motivation

Theories of motivation have been discussed by several experts based on human needs that are linked to ways to fulfil human needs. Two-factor motivation theory was proposed by Frederick Herzberg, which is a development of Maslow's hierarchy of needs theory. This theory is more explicit than Maslow's hierarchy of needs theory, especially when looking at the relationship between needs in job performance. Herzberg's theory makes two important contributions to organizational leaders in motivating employees. This study understands employee motivation from the existence of motivation theory put forward by Herzberg. The author's consideration is that the theory developed by Herzberg applies micro, namely to employees in the place where he works only. While Maslow's motivation theory, for example, applies macro, namely to humans in general so that it is less specific and less suitable for this research.

According to Herzberg, there are two factors that influence a person's working conditions, namely intrinsic motivation and extrinsic motivation. Intrinsic motivation is the driving force that arises from within each person, while extrinsic motivation is the driving force that comes from outside a person, especially from the organization where he works (Hasibuan, 2011).

3. Organizational Commitment

Griffin (2004) states that organizational commitment is an attitude that reflects the extent to which an individual knows and is attached to their organization. Employees who feel more committed to the organization have reliable habits, plan to stay longer in the organization and devote more effort to work. Mathis & Jackson (2011) state that organizational commitment is the level of trust and acceptance of the workforce towards organizational goals and has a desire to remain in the organization. Robbins (2008) states that commitment to the organization is defined as a state in which an employee sides with a particular organization and its goals, and intends to maintain membership in that organization.

Organizational commitment reflects how an individual identifies himself with the organization and is related to its goals. Organizational commitment is where the employee knows, identifies and sides with an organization, and wishes to stay and always actively participate in the organization in order to achieve the organization's goals.

Meanwhile, according to Greenberg & Robert (2008), the forms of organizational commitment are: affective commitment, continuance commitment and normative commitment.

4. Loyalty

Loyalty is not only limited to how employees stay in the company, but loyalty is also a sense of being part of the company so that employees can optimise their work results. Employees stay also not only have to obey because it should be so and according to existing norms, but loyalty must be related to commitment to the company because of emotional involvement with the company. Employee loyalty cannot just happen within employees in a company, but some aspects make loyalty exist within these employees. The aspects of work loyalty found in individuals are stated by Siswanto in Soegandhi et al, (2013) which focuses on the implementation of work carried out by employees, among others. :

- a) Obey the rules. Every policy implemented in the company to facilitate and regulate the implementation of tasks by company management is obeyed and implemented properly.

This situation will lead to discipline that benefits the organization both internally and externally.

- b) 2) Responsibility to the company. The characteristics of the job and the implementation of its duties have consequences that are imposed on employees. The ability of employees to carry out their duties as well as possible and awareness of every risk of carrying out their duties will provide an understanding of the courage and awareness of being responsible for the risks of what has been done.
- c) 3) Willingness to cooperate. Working together with people in a group will allow the company to achieve goals that cannot be achieved by people individually.
- d) 4) A sense of belonging, the sense of belonging of employees to the company will make employees have an attitude to take care of and be responsible for the company so that in the end it will cause loyalty for the achievement of company goals.
- e) 5) Interpersonal relationships, employees who have high work loyalty they will have a flexible attitude towards the system of relationships between individuals. This relationship between individuals includes: Social relations among employees, harmonious relations between superiors and employees, work situations and suggestions from co-workers.
- f) 6) Loyalty to work, the company must be able to face the fact that its employees come to work every day as a whole human being in terms of doing the work that will be done happily as an indicator can be seen from: employee excellence in work, employees never demand what they receive beyond the basic salary.

C. METHOD

According to the method, this research is included in quantitative research which analyzes the effect of motivation and organizational commitment on the loyalty and performance of Sharia bank employees in Riau Province. Motivation and organizational commitment variables become independent variables while employee performance becomes the dependent variable and employee loyalty as a mediating variable. The data obtained in this study used primary data in the form of distributing questionnaires to research respondents.

The population in this study were all Sharia bank employees in Riau Province, totaling 3,061 people. Meanwhile, the number of samples that can be determined based on the Slovin formula is as follows : (Sanusi, 2016)

$$n = \frac{N}{1 + N (e)^2}$$

Description :

n = Sample size/Number of Respondents

N = Population size

e = Error Tolerance

In this study the total population (N) = 3,061 people, with an inaccuracy value of 0.05, the sample size:

$$n = \frac{3.061}{1 + 3.061 (0,05)^2}$$

$$n = \frac{3.061}{1 + 3.061 (0,0025)}$$

$$n = \frac{3.061}{8.578}$$

$$n = 353,35$$

Correspondingly, in this study the sample size was 353 individuals. Considering the above statement, on the grounds that the population is more than 100 people, the examination in this study used *proportionate stratified random sampling* (Sinambela, 2014).

$$n_i + N_i.n$$

1. Bank Syariah Indonesia : $593 / 3.061 \times 353 = 68,38 = 68$ Person
2. Bank Muamalat : $181 / 3.061 \times 353 = 20,87 = 21$ Person
3. Bank BTPN Syariah : $94 / 3.061 \times 353 = 10,84 = 11$ Person
4. Bank Riau Kepri Syariah : $2.167 / 3.061 \times 353 = 249,90 = 250$ Person
5. Bank Mega Syariah : $26 / 3.061 \times 353 = 2,99 = 3$ Person

In the initial process, the data in this study will be analyzed descriptive statistics (frequency test and respondent response test) with the help of SPSS. Then in the next process, this study uses a data analysis method using Smart PLS 3.0 software which is a multivariate statistical technique that compares multiple dependent variables with multiple independent variables. PLS is one of the variant-based SEM statistical methods designed to solve multiple regression when specific problems occur in the data. The following are the criteria for model assessment in PLS-SEM analysis.

Table 3. PLS-SEM Model Assessment Criteria

| No | Criteria | Explanation |
|----|----------------------------------|---|
| 1 | Loading Factor (LF) | The Loading Factor (LF) value must be > 0.7 . |
| 2 | Composite Reliability | Composite Reliability measures internal consistency and the value must be > 0.6 . |
| 3 | Average Variance Extracted (AVE) | Value Average Variance Extracted (AVE) must be $> 0,5$. |
| 4 | Validity of Discrimination | The square root value of the AVE must $>$ the correlation value between latent variables. |
| 5 | R^2 to Laten Endogen Variable | The R^2 results indicate that the model is good, moderate, and weak. |

| | | |
|---|----------------------------------|--|
| 6 | Prediction Relevance (Q2 and Q2) | The value of $Q^2 > 0$ proves that the model has predictive relevance, otherwise if the value of $Q^2 < 0$ proves that the model lacks predictive relevance. |
|---|----------------------------------|--|

Source: data processed

D. RESULT AND DISCUSSION

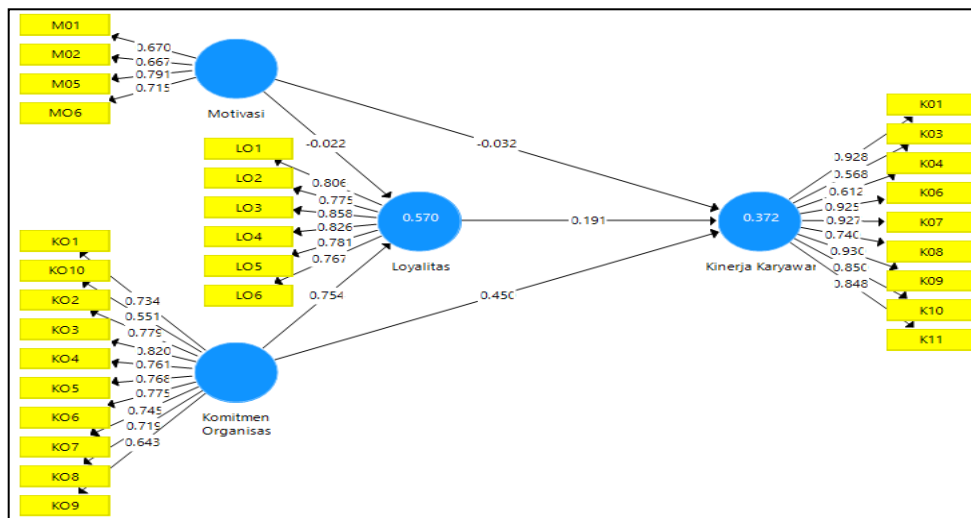
1. Partial Least Square (PLS) Analysis

In this study, the data analysis used the Partial Least Square (PLS) approach using smartPLS 3.0 M3 software. Partial Least Square (PLS) is a structural equation model (SEM) based on variance components. The PLS approach is distribution free (does not use certain distributed data, and can be nominal, categorical, ordinal, interval or ratio). In addition, PLS can also be used to measure small samples. The following are the stages of using the Least Square (PLS) approach using smartPLS software.

2. Assessing the Outer Model or Measurement Model

There are three criteria in using data analysis techniques with SmartPLS to assess the outer model, namely Convergent Validity, Discriminant Validity and Composite Reliability. The following is a picture of the PLS Algorithm in this study.

Figure 1. Model Framework



Source : Data Processed (2023)

The criteria for the PLS Algorithm can be explained in the description below:

3. Convergent validity

Convergent validity of the measurement model with reflexive indicators is assessed based on the correlation between item score/component score estimated with PLS software. An individual reflexive measure is said to be high if it correlates more than 0.70 with the measured construct. However, according to Chin, 1998 in Ghazali (2011) for early stage research from the development of a measurement scale, a loading value of 0.5 to 0.6 is considered sufficient (Ghozali, 2011). In this study, a loading factor limit of 0.50 will be used.

Table 4. Outer Loading (Measurement Model)

| Indicator | Outer Loading |
|-----------|---------------|
| K01 | 0.928 |
| K03 | 0.568 |
| K04 | 0.612 |
| K06 | 0.925 |
| K07 | 0.927 |
| K08 | 0.740 |
| K09 | 0.930 |
| K10 | 0.850 |
| K11 | 0.848 |
| KO1 | 0.734 |
| KO10 | 0.551 |
| KO2 | 0.779 |
| KO3 | 0.820 |
| KO4 | 0.761 |
| KO5 | 0.768 |
| KO6 | 0.775 |
| KO7 | 0.745 |
| KO8 | 0.719 |
| KO9 | 0.643 |
| LO1 | 0.806 |
| LO2 | 0.775 |
| LO3 | 0.858 |
| LO4 | 0.826 |
| LO5 | 0.781 |
| LO6 | 0.767 |
| M01 | 0.670 |
| M02 | 0.667 |
| M05 | 0.791 |
| MO6 | 0.715 |

Source : Data Processed (2023)

From table 4, it is obtained that the outer loading test indicator for the asset maintenance variable has a value greater than 0.5. So that the reflexive size of all variables is said to be qualified.

4. Discriminant Validity

Discriminant validity is carried out to ensure that each concept of each latent variable is different from other variables. The model has good discriminant validity if each loading value of each indicator of a latent variable has the largest loading value with other loading values on other latent variables. The results of discriminant validity testing are obtained as follows:

Table 5. Value Discriminant Validity (Cross Loading)

| Indicator | Employee Performance | Organizational Commitment | Loyalty | Motivation |
|-----------|----------------------|---------------------------|---------|------------|
| K01 | 0.928 | 0.480 | 0.414 | -0.014 |
| K03 | 0.568 | 0.405 | 0.347 | -0.070 |
| K04 | 0.612 | 0.505 | 0.506 | -0.104 |
| K06 | 0.925 | 0.478 | 0.416 | -0.013 |
| K07 | 0.927 | 0.479 | 0.410 | -0.040 |
| K08 | 0.740 | 0.506 | 0.449 | -0.092 |
| K09 | 0.930 | 0.480 | 0.416 | -0.035 |
| K10 | 0.850 | 0.515 | 0.470 | -0.026 |
| K11 | 0.848 | 0.508 | 0.457 | -0.026 |
| KO1 | 0.461 | 0.734 | 0.503 | -0.040 |
| KO10 | 0.415 | 0.551 | 0.496 | -0.049 |
| KO2 | 0.515 | 0.779 | 0.562 | 0.009 |
| KO3 | 0.482 | 0.820 | 0.596 | 0.025 |
| KO4 | 0.439 | 0.761 | 0.532 | 0.034 |
| KO5 | 0.395 | 0.768 | 0.542 | -0.038 |
| KO6 | 0.394 | 0.775 | 0.560 | -0.051 |
| KO7 | 0.410 | 0.745 | 0.609 | -0.068 |
| KO8 | 0.393 | 0.719 | 0.515 | -0.051 |
| KO9 | 0.438 | 0.643 | 0.590 | -0.041 |
| LO1 | 0.399 | 0.615 | 0.806 | -0.040 |
| LO2 | 0.402 | 0.593 | 0.775 | -0.029 |
| LO3 | 0.422 | 0.625 | 0.858 | -0.025 |
| LO4 | 0.395 | 0.590 | 0.826 | -0.002 |
| LO5 | 0.438 | 0.576 | 0.781 | -0.045 |
| LO6 | 0.498 | 0.628 | 0.767 | -0.089 |
| M01 | -0.012 | -0.043 | -0.036 | 0.670 |
| M02 | -0.026 | -0.019 | -0.023 | 0.667 |
| M05 | -0.058 | 0.009 | -0.032 | 0.791 |
| MO6 | -0.049 | -0.055 | -0.044 | 0.715 |

Source : Data Processed (2023)

From table 5, it can be seen that some loading factor values for each indicator of each latent variable do not have a loading factor value that is not greater than the loading value when connected to other latent variables. This means that each latent variable has good discriminant validity where some latent variables do not have a measure that is highly correlated with other constructs.

5. Composite Reliability and Average Variance Extracted (AVE)

The validity and reliability criteria can also be seen from the reliability value of a construct and the Average Variance Extracted (AVE) value of each construct. The construct is said to have high reliability if the value is 0.70 and the AVE is above 0.50. In table 4.6. Composite Reliability and AVE values for all variables will be presented.

Table 6. Cronbach's Alpha Composite Reliability dan Average Variance Extracted (AVE)

| Variabel | Cronbach's Alpha | Composite Reliability | Average Variance Extracted (AVE) |
|---------------------------|------------------|-----------------------|----------------------------------|
| Employee Performance | 0.937 | 0.949 | 0.681 |
| Organizational Commitment | 0.902 | 0.920 | 0.538 |
| Loyalty | 0.889 | 0.916 | 0.644 |
| Motivation | 0.689 | 0.804 | 0.507 |

Source : Data Processed (2023)

Based on table 6, it can be concluded that all constructs meet the reliability criteria.

6. R-Squares

In assessing the structural model with PLS, it starts by looking at the R-Squares value for each endogenous latent variable as the predictive power of the structural model. Changes in the R-Squares value can be used to explain the effect of certain exogenous latent variables on endogenous latent variables whether they have a substantive effect. The R-Squares value is 0.75 (strong), 0.50 (moderate) and 0.25 (weak). The results of PLS R-Squares represent the amount of variance of the constructs explained by the model (Ghozali & Latan, 2012).

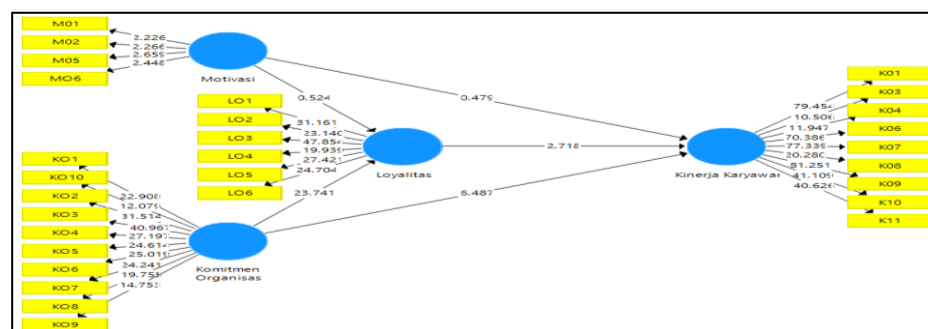
Table 7. R-Squares

| Variable | R Square | R Square Adjusted |
|----------------------|----------|-------------------|
| Employee Performance | 0.372 | 0.365 |
| Loyalty | 0.570 | 0.567 |

Source : Data Processed (2023)

7. Significance Testing and Hypothesis Testing

In PLS, statistical testing of each hypothesized relationship is carried out using simulation. In this case, the bootstrap method is carried out on the sample. Bootstrap testing is also intended to minimize the problem of abnormalities in research data. The estimated significance parameters provide very useful information about the relationship between the research variables. The results of testing with bootstrapping from PLS analysis can be seen in the result for inner weight output presented in the structural model image.

Figure 2. Structural model

Source: data processed

Based on the picture above, the following will explain the testing of each hypothesis.

8. Hypothesis Testing

The structural model (inner model) is a structural model to predict the causal relationship between latent variables (Ghozali & Latan, 2012). To predict the existence of a causality relationship in SEM-PLS using SmartPLS 3.0 M3 as follows:

Table 8. Result For Inner Weights

| Variabel | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---|---------------------------|-----------------------|----------------------------------|-----------------------------|----------|
| Organizational Commitment -> Employee Performance | 0.450 | 0.455 | 0.069 | 6.487 | 0.000 |
| Organizational Commitment -> Loyalty | 0.754 | 0.754 | 0.032 | 23.741 | 0.000 |
| Loyalty -> Employee Performance | 0.191 | 0.187 | 0.070 | 2.718 | 0.007 |
| Motivation -> Employee Performance | -0.032 | -0.035 | 0.068 | 0.479 | 0.632 |
| Motivation -> Loyalty | -0.022 | -0.023 | 0.042 | 0.524 | 0.601 |

Source : Data Processed (2023)

Based on the results of the analysis that can be seen in the table above, the coefficient value of Organizational Commitment -> Employee Performance is 0.450 with a calculated t value of 6.487. This value is greater than t table 1.97. These results prove that Organizational Commitment has an impact on Employee Performance.

Based on the results of the analysis that can be seen in the table above, the coefficient value of Organizational Commitment -> Loyalty is 0.754 with a calculated t value of 23.741. This value is greater than t table 1.97. These results prove that Organizational Commitment has an impact on Loyalty.

Based on the results of the analysis which can be seen in the table above, the coefficient value of Loyalty -> Employee Performance is 0.191 with a t value of 2.718 This value is greater than t table 1.97. These results prove that Loyalty has an impact on Employee Performance.

Based on the results of the analysis that can be seen in the table above, the coefficient value of Motivation -> Employee Performance is -0.032 with a t value of 0.479 This value is smaller than t table 1.97. These results prove that motivation has no effect on employee performance.

Based on the results of the analysis which can be seen in the table above, the coefficient value of Motivation -> loyalty is -0.022 with a t value of 0.524 This value is smaller than t table 1.97. These results prove that motivation has no effect on loyalty.

Table 9. Result For Inner Weights

| Variables | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---|---------------------------|-----------------------|----------------------------------|-----------------------------|-------------|
| Organizational Commitment - > Loyalty -> Employee Performance | 0.144 | 0.141 | 0.054 | 2.693 | 0.007 |
| Motivation -> Loyalty -> Employee Performance | -0.004 | -0.004 | 0.009 | 0.495 | 0.621 |

Source : Data Processed (2023)

Based on the results of the analysis that can be seen in the table above, the coefficient value of Organizational Commitment -> Loyalty -> Employee Performance is 0.144 with a calculated t value of 2.693. This value is greater than t table 1.97. These results prove that loyalty mediates the effect of organizational commitment on employee performance.

Based on the analysis results that can be seen in the table above, the coefficient value of Motivation -> Loyalty -> Employee Performance is -0.004 with a t value of 0.495. This value is smaller than t table 1.97. These results prove that loyalty does not mediate the effect of motivation on employee performance.

The results of this study indicate that Organizational commitment affects employee performance. Islamic bank employees in Pekanbaru City must have a high work commitment because it will have an impact on the work they achieve. If Islamic bank employees do not have organizational commitment, it will result in high employee turnover and the work climate will be disrupted and can even disrupt bank operations (Halimsetiono, 2014). Therefore, Islamic banks in Pekanbaru city must pay serious attention to employee commitment at work. Griffin (2004) states that organizational commitment is an attitude that reflects the extent to which an individual knows and is attached to his organization (Griffin, 2004). Employees who feel more committed to the organization have reliable habits, plan to stay longer in the organization and devote more effort to work.

The results of this study also show that Organizational Commitment has an effect on Loyalty. Islamic bank employees who have organizational commitment will always show loyalty at work. This loyalty attitude will have an impact on achieving organizational/company goals. Loyalty is not only limited to how employees stay in the company, but loyalty is also a sense of being part of the company so that employees can optimize their work results (Nisa & Prasetya, 2024).

The results of this study also show that Loyalty affects Employee Performance. Islamic bank employees in Pekanbaru city must be able to show an attitude of loyalty at work by: obeying the rules, responsibility to the company, being able to work together in a team, having a sense of belonging (Sense of Belonging), having good communication with subordinates, superiors and fellow work themes, liking the work done (Handayani, 2020).

The results of this study also show that motivation has no effect on employee performance. This shows that Islamic bank employees in Pekanbaru city feel that work is a responsibility that must be completed because they have received proper compensation. There are

several employees at Islamic banks in Pekanbaru city who think that work is part of worship(Zulhelmy & Suryadi, 2021). According to Herzberg, there are two factors that influence a person's working conditions, namely intrinsic motivation and extrinsic motivation. Intrinsic motivation is the driving force that arises from within each person, while extrinsic motivation is the driving force that comes from outside a person, especially from the organization where he works(Hasibuan, 2011).

The results of this study indicate that motivation has no effect on loyalty. This shows that Islamic bank employees can have high loyalty without being motivated either intrinsically or extrinsically(Faizah, 2015). The results of this study indicate that there are other factors that can make employees loyal such as religiosity factors where employees feel more comfortable working in Islamic banks to avoid usury practices such as in conventional banks(Kasman, 2021).

The results of this study indicate that loyalty mediates the effect of organizational commitment on employee performance. Islamic bank employees in Pekanbaru City who have high loyalty can improve employee performance either directly or indirectly or mediated by organizational commitment. One form of high loyalty owned by employees can be seen from their commitment to work (Raharjo et al., 2023).

The results of this study indicate that loyalty does not mediate the effect of motivation on employee performance. The motivation possessed by Islamic bank employees in Pekanbaru City cannot improve the performance of Islamic bank employees either directly or mediated by loyalty. Loyalty owned by Islamic bank employees is created due to other factors.

E. CONCLUSION

The results of the study concluded that: Organizational commitment affects employee performance, organizational commitment affects loyalty, loyalty affects employee performance, motivation has no effect on employee performance, motivation has no effect on loyalty, loyalty mediates the effect of organizational commitment on employee performance, and loyalty does not mediate the effect of motivation on employee performance. Suggestions from this study recommend that Islamic banks create activities or programs in the form of training or workshops or other activities to increase the spirit of employee motivation at work so that later it can lead to employee loyalty. This research has limitation in using more comprehensive variable particularly in Islamic variable which can improve the employee performance of Islamic Bank. Therefore further research is needed to determine the factors can improve the employee performance of Islamic bank including Islamic work ethic, Islamic motivation, Islamic organizational culture, Islamic leadership and other Islamic variable. Future research should also expand the sample, it can be focused in several province in Indonesia.

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