Employee Loyalty towards Organization -A study of Academician

Seema Mehta, Tarika Singh, S.S. Bhakar, Brajesh Sinha Prestige institute of Management, Gwalior.

Abstract

Fred Reichheld in his book, the loyalty Effect, defines the loyalty as the willingness to make an investment or personal sacrifice to strengthen a relationship. Plato originally said that only a man who is just can be loyal, and that loyalty is a condition of genuine philosophy. In general, employee loyalty can be best described in terms of a process, where certain attitudes give rise to certain behaviors (intended or actual). There have been major changes in the business world and the workforce in the last couple of decades. Finding and retaining the best employees is every company's challenge. The present study was an attempt to know the relationship between loyalty and organizational factors. This study is designed to find out the reasons for difference in loyalty among teachers and to compare loyalty of teachers of professional and non-professional courses. The underlying factors of loyalty emerged from this study are career development, motivation, bonding, job security, leadership, and commitment. The underlying factors of loyalty emerged from this study are career development, motivation, bonding, job security, leadership, and commitment. The findings of the research conclude that there is a significant difference in loyalty exists between professional and non-professional teachers. Also there is significant difference in loyalty exist between female and male teachers of professional courses.

1. INTRODUCTION

Plato originally said that only a man who is just can be loyal, and that loyalty is a condition of genuine philosophy. The philosopher Josiah Royce said it was the supreme moral good, and that one's devotion to an object mattered more than the merits of the object itself. It's easy to confuse longevity with loyalty. For instance, for a few years someone ate at the same restaurant every week. To some it may have seemed that he was a loyal patron; however, nothing could have been further from the way he felt. Their food was bad, he complained about it to anyone who would listen and he only returned to this restaurant because it was near his home and stayed open late. The very day another restaurant opened up nearby was the last day he ever ate there. The point is that you need to scratch below the surface to find out whether someone is loyal or not. This concept of loyalty applies to employees as well.

In general, employee loyalty can be best described in terms of a process, where certain attitudes give rise to certain behaviors (intended or actual). There have been major changes in the business world and the workforce in the last couple of decades. In the past, once hired an employee believed it was a life time job and managers expected their unstinted loyalty to the enterprise. Similarly, workers used to be devoted to their employer. This image of employment loyalty has gradually changed with the advent of "globalization" when employees began to face restructuring, company relocations, and downsizing. Employers 'broke the rules', mutual obligations are reconsidered, life time employment and devotion is no longer expected, jobhopping is considered to be a normal phenomenon, and people are constantly striving for higher salaries or better working conditions.

Loyalty and trust have become more difficult to obtain and give in the work place. Loyalty seems like a quality that's becoming increasingly harder to find, whether it's employee loyalty to a company or consumer loyalty to a product. In the past, employees believed when they were hired by a company that they would be with that company until they retired. Starting in the 1980s as companies sought to increase profits, workers' perceptions of lifetime employment were shattered by corporate downsizing, company relocations to other states or countries and static wages.

Loyalty has two dimensions: internal and external. Loyalty is, fundamentally, an emotional attachment. The internal dimension is the emotional component. It includes feelings of caring, of affiliation and of commitment. This is the dimension that must be nurtured and appealed to. The external dimension has to do with the way loyalty manifests itself. This dimension is comprised of the behaviors that display the emotional component and is the part of loyalty that changes the most. The first step is to redefine loyalty as internal feelings that can be manifested in a variety of new ways. Instead, what happens most often is that the leaders of an organization feel that they are very loyal to their employees and that the organization has policies in place to reflect that-but that workers don't understand what management is trying to do. On the other hand, employees who feel they are very loyal to their companies aren't demonstrating it in ways management

understands. The terms of the loyalty are far different from what they were in the past. Rather than a blind corporate allegiance, employees show their commitment through their efforts for the organization.

Employee Loyalty

Consider also the influx of employees representing Generation X and the fact that these highly educated and technically skilled workers are in demand. Unlike members of prior generations, however, many "Xers" in their 20s command near executive-level salaries. What's more, they are well aware of their market value and as reported recently in a Fast Company cover story, they have unique requirements and are not afraid to make bold and frequent career moves to meet them. This trend, coupled with decreased employer loyalty, has resulted in job-hopping rates unseen even a decade ago. Indeed, the days of waiting for the gold watch and easing into retirement are long gone. The sooner companies can face the fact that they've got to do more to earn employee loyalty, the better they will be at recruiting and retaining the best and the brightest. In fact, studies show that corporate and shareholder return on investment is directly related to employee retention rates. Happy employees equal happy returns. The corporations named on Fortune's "100 Best Companies to Work For" are very often those which outperform other companies in the market.

REVIEW OF LITERATURE

Chen, Zhen Xiong, Tsui, Anne S. and Farh, Jiing-Lih Larry (2002) investigated the relationship between loyalty to supervisor and employee's in-role and extra-role performance in comparison with that of organizational commitment in the People's Republic of China. Two studies were conducted. In the first study, a five-dimension loyalty to supervisor scale was developed and validated. In the second study, the relationships between loyalty to supervisor, organizational commitment and employee performance were examined. Results indicated that loyalty to supervisor was more strongly associated with both in-role and extra-role performance than organizational commitment. The findings are discussed in terms of their implications for future research and management practices in cross-cultural settings.

Miguel Pina e Cunha (2002) in his case study of an integrated information technology services firm, examines how the interplay between culture, structure, and leadership is managed in order to build control and employee loyalty. He focuses on the salient features of the case, namely that a high-profile culture combines with a low-profile leadership and with minimal structuring to create a vibrant and loyalty-generating organizational environment. He proposes that these processes are effective because they reinforce one another. It is their articulation, not their existence that acts both as an unobtrusive control mechanism and as an employee loyalty–generating process, fulfilling the needs of both the organization and its professionals.

Cunha, Miguel Pina et al (2002) in their case study of an integrated information technology services firm, studied how the interplay between culture, structure and leadership is managed to build employee loyalty. He proposed that these processes are effective because they reinforce one another.

B.A.K. Rider (1998) found that trust, loyalty and related norms may have a crucial economic role to play, it does not follow that regulation should be used to foster their development. Since it is sensible business practice to act in a cooperative manner, laws of this character will often be redundant and could in fact serve to reduce reliance on trust and loyalty.

Brian P. Niehoff, Robert H. Moorman, Gerald Blakely, Jack Fuller (2001) provided a useful outline of the work in the area of "Maintaining survivors' loyalty in a downsizing environment is a difficult problem for management practitioners". Theorists have suggested that empowerment and job enrichment are mechanisms that allow survivors to cope with the stress of downsizing. Their study examined the relationships between managerial empowerment behaviors, perceptions of job enrichment, and loyalty behaviors with employees who have survived downsizing in an organization. Results showed that empowerment does not have a direct effect on loyalty but affects loyalty indirectly through job enrichment. The results are discussed in terms of their implications for theory and practice.

Kyle LaMalfa (2007) in his study pointed out that as an employer, you need to understand why your employees are emotionally connected to your business - and it's generally much more than salaries, training, or benefits. Research shows that emotionally connected employees are the best employees because they are engaged and productive, and they feel validated and appreciated.

Frederick Reichheld (2006) in his study he reported that loyalty, for those who plan to stay with an employer at least two years, can be affected by several factors, including benefits and pay, working environment, job satisfaction and customers. Employee loyalty is critical for organizations as constant turnover or churn can be very expensive. In his report he stated that one of the most effective ways to improve employee loyalty is to make employees feel like they are an important part of the organization. His report found that only 55 percent of the employees surveyed feel like their organization treats them well. He suggested that an employee feedback system can help raise employee loyalty by providing two-way

communications between employees and management. If employees feel like the organization is listening to them, recognizing them for their contributions, they will more likely be loyal to the company.

Misra Sasi B, Kanungo R N (1993) in this essay they endeavored to analyse and understand variables that adversely affect level of motivation and performance of people within work organizations in developing societies. They analysed and identified the endogenous and the exogenous variables affecting worker motivation. With respect to exogenous variables, it is apparent that employees, owing to enduring influences of past socialization, bring with them habits, norms, and expectations that guide their behaviours at work place. It is the set of endogenous organizational variables that need to be looked at more carefully for identifying action levers for improving worker motivation and performance. These action levers have to be designed in such a way that they become compatible with the socio-cultural norms of the employees. With particular reference to Indian organizations. Job clarity would be welcome by the employees who belong to a culture high on uncertainty avoidance

Ho fstede, (1980) . Rewards, financial or otherwise, should be valued and must be perceived as based on performance. Perhaps there is no hitch in acknowledging this principle. But most organizations have far to go in implementing them. We have alluded to several management practices such as time-based compensation, inadequate performance appraisal etc. that hinder reward – performance contingency and equity in the Indian context.

Charles w. Mueller, jean e. Wallace james I. (1992) said that there has been a recent upsurge of interest among sociologists in the organizational commitment of employees, with loyalty and intent to stay identified as distinct forms that this commitment can take. In this article he argues that progress in understanding organizational commitment will not be made until conceptual and empirical distinctions among various forms of employee commitment are recognized and demonstrated. With this as the objective, it was hypothesized that loyalty and intent to stay are conceptually and empirically distinct from each other as well as from two other forms of employee commitment: work commitment and career commitment. This was tested with confirmatory factor analysis and was supported across a variety of tests.

Monika Hamori, Peter Cappelli (2006) provided a useful outline of the work in the area of employee's attachment to their employer is one of the central topics across the social sciences. They examined an important aspect of attachment, job search, in the context of executive jobs using a unique data set from a prominent executive search firm that identifies whether executives have declined or pursued offers of employment at other companies. This measure offers an improvement over previous studies on attachment, which rely on actual turnover and, as such, are confounded by opportunities in the labor market. They examined a range of factors concerning jobs and employment practices that increase an executive's identification with the organization and discourage him/her from looking for alternative employment.

Soo-young lee ,andrew b. Whitford (2006) in their study they assessed the Hirschman's theory of exit, voice and loyalty in the context of voluntary exit from organizations in the public workforce. Specifically, they tested the effects of loyalty and voice on the likelihood a person states their intention to leave.

Alison Davis-Blake, Joseph P. Broschak, Elizabeth George (2003) in their study they examined how a blended workforce (one with "standard" and "nonstandard" workers in the same jobs) affected exit, "voice," and loyalty among standard employees. They found that workforce blending worsened relations between managers and employees, decreased standard employees' loyalty, and increased their interest both in leaving their organizations and in exercising voice through unionization.

Gary W. Loveman (1998) indicated in his research findings that the service profit chain is a simple conceptual framework linking employee satisfaction and loyalty, customer satisfaction and loyalty, and financial performance.

Rhian Silvestro (2002) in his paper reported some empirical findings which appear to challenge the received wisdom prevailing in the operations management, service management, TQM and HRM literatures, namely, that employee satisfaction and loyalty are key drivers of productivity, efficiency and profit. An empirical study of one of the UK's four large supermarket chains reveals an inverse correlation between employee satisfaction and the measures of productivity, efficiency and profitability, the most profitable stores being those in which employees are least satisfied. Employee loyalty, measured in terms of length of service, also appears to be inversely correlated with productivity and profitability.

Zhenxiong Chen, Anne s. Tsui, Jiing-Lih Larry Farh (2002) in his study investigated the relationship between loyalty to supervisor and two employee outcome variables, i.e. job satisfaction and intent to stay. The results indicate that loyalty to supervisor is positively related to job satisfaction and intent to stay.

David Harbourne (1995) in his study on topic Employment in the Catering and Hospitality Industry – Employee Attitudes and Career Expectations, found that within the industry, job satisfaction is high, most companies have a loyal and happy workforce and there are few causes for complaint. He found the key

issues from the report as staff turnover, loyalty, job satisfaction, pay and perks, staff development, and presentation of the industry to the outside world.

Paul L. Martin, Roy T. Black (2006) in the intensive phase of their study the authors explored how a firm can incorporate real estate strategy with its core strategy, using the workspace to support its human resurce objectives. The intent is to examine how important the quality of the workplace is to employees and the resulting impact it can have on productivity, loyalty, satisfaction, and retention in a knowledge industry.

loannis Nikolaou, loannis Tsaousis (2002) in their study they explored the relationship between emotional intelligence and sources of occupational stress and outcomes on a sample of professionals in mental health institutions. He suggested a new role for EI as a determinant of employee loyalty to organizations.

Abbas J. Ali, Ahmed Azim, Thomas W. Falcone (1993) in their study they addressed the relationship between work loyalty and individualism in the USA and Canada. Results indicated that national identity has a minimal influence on individualism and work loyalty. Sex, however, influenced both measures. Women were found to be more individualistic and to score higher on work loyalty than male participants. In addition, a high correlation was found between work individualism and loyalty.

Zhenxiong Chen (2001) his study investigated the relationship between loyalty to supervisor and two employee outcome variables, i.e. job satisfaction and intent to stay. His results indicated that loyalty to supervisor is positively related to job satisfaction and intent to stay. Loyalty to supervisor explained variance in these two outcome variables over and above that explained by organizational commitment. The results also confirm the previous findings that only the three extended loyalty to supervisor dimensions were significantly associated with employee outcomes, while the two original loyalty to supervisor dimensions were not.

Josée Bloemer, Gaby Odekerken-Schröder (2006) in their study they investigated the impact of employee relationship proneness (RP) on the three different types of attitudinal loyalty (affective, calculative, and normative commitment (NC)) and relate these different types of attitudinal loyalty to employee loyalty behaviours in terms of word-of-mouth, intention to stay (ITS), benefit insensitivity (BI), and complaining (COM). Their study results revealed that employee RP is a strong antecedent of affective and NC. Affective commitment plays a pivotal role in creating all positive loyalty behaviours of employees, whereas normative commitment only supports intention to stay and benefit insensitivity while it has a negative impact on complaining. Calculative commitment has a negative impact on benefit insensitivity and complaining.

Rachid Zeffane (1995) provides a useful outline of the work in the area of organizational commitment and perceived management from both public and private sector organizations, operating in Australia. Comparisons between public and private sector employees revealed significantly higher levels of commitment amongst private sector employees. These differences were consistent with differences in perceived management styles. The concept of organizational commitment was found to incorporate the notion of "corporate loyalty/citizenship" and the notion of "attachment to the organization".

Gladys Styles Johnston, Vito Germinario (1985) in their study following points were examined (1) the characteristics of teacher involvement in the decision making process in schools; (2) the degree of loyalty to principals in schools; (3) test the relationship between teacher decisional status and loyalty to the principal; and (4) explore the dynamics of teacher decision-making so that a better understanding of the underlying structure of decision-making in schools can be developed. They conclusioned from the study that: (1) Teacher satisfaction with their decisional status was related to loyalty to the principal; (2) no significant differences were found between elementary and secondary schools with regard to satisfaction with their decisional status; (3) elementary school teachers exhibited a greater degree of loyalty to their principals than did teachers in secondary schools; and (4) teachers' desires to participate in decision-making are strongest in those areas that are closely related to the teaching-learning process.

Albert S. King, Barbara J. Ehrhard (1997) in their study they described the commitment cohesion exercise, which is an instrument that increases the understanding of employees' attraction to "the ideal" or empowered organization. This exercise measured employees' perception of loyalty, values, and organizational commitment. They found that three conditions, i.e. loyalty, values and commitment, influence empowerment structures within an organization. Their exercise supported the notion of a stepwise movement from loyalty to value congruence (or agreement) to organizational commitment. It also demonstrates how progressive phases are associated with perceived quality of work life and connected to an empowered organization.

RATIONALE OF THE STUDY

Organizations now a days finding very hard to retain their employees. In the present study an attempt had been made to know the relationship between loyalty and organizational factors. This study had been designed to find out the reasons for difference in loyalty among teachers and to compare loyalty of teachers of professional and non-professional courses. The study presents some valuable insights that might help organizations develop effective strategies for developing teacher's loyalty. It will also help the future researchers for review.

OBJECTIVE OF THE STUDY

- 1. To design, develop and standardize a measure to evaluate employee loyalty.
- 2. To find out the underlying factors of employee loyalty.
- 3. To compare the loyalty between teachers of professional and non-professional courses.
- 4. To open new vistas for further research.

2. RESEARCH METHODOLOGY

2.1 The Study

The study was exploratory in nature with survey being used as a method to complete the study.

2.2 Sampling Design

- Population: All the teachers of various professional and non-professional institutions of Gwalior region.
- Sample Size: 100 teachers of various professional and non-professional institutions.
- Sample element: Individual respondents of various professional and non-professional institutions were part of my study.
- Sampling Technique: Non-probability purposive sampling technique was used.

2.3 Tools used for data Collection:

Self designed questionnaire was used to solicit responses from the respondents ranging from 1 to 7 on a likert type scale.

2.4 Tools used for data Analysis:

- Internal consistency was established through item to total correlation.
- Reliability test was computed through Cronbach alpha to check whether data items in the questionnaires are reliable or not.
- Factor analysis was applied to identify the underlying factors of loyalty.
- z-test and t-test were applied to compare loyalty of academic and professional teacher.

3. RESULT AND DISCUSSION

3.1 Consistency Measure

Consistency of all the factors in the questionnaire was checked through item to total correlation. In this correlation of every item with the total was measured and the computed value was compared with standard value of (0.137). Only those factors/statements were accepted whose value was more than the standard value.

3.2 Reliability Measure

Cronach Alpha method has been applied to calculate reliability of all items in the questionnaire. Reliability test measures are given below.

3.3 Factor Analysis

The raw scores of thirty-two items were subjected to principle component factor analysis and were applied with varimax rotation with Kaiser Normalization to find out the factors that contribute towards the employee loyalty. All the statements converged on six factors after eleven iteration.

 Table 1.
 Item to Total Correlation

Item	Computed	Consistent	Accepted/Dropped
1	0.676456	Consistent	Accepted
2	0.527962	Consistent	Accepted
3	0.642079	Consistent	Accepted
4	0.647734	Consistent	Accepted
5	0.662868	Consistent	Accepted
6	0.658667	Consistent	Accepted
7	0.676897	Consistent	Accepted
8	0.682411	Consistent	Accepted
9	0.582694	Consistent	Accepted
10	0.707389	Consistent	Accepted
11	0.721073	Consistent	Accepted
12	0.589833	Consistent	Accepted
13	0.730965	Consistent	Accepted
14	0.733545	Consistent	Accepted
15	0.545658	Consistent	Accepted
16	0.72095	Consistent	Accepted
17	0.674324	Consistent	Accepted
18	0.722552	Consistent	Accepted
19	0.744076	Consistent	Accepted
20	0.650219	Consistent	Accepted
21	0.762532	Consistent	Accepted
22	0.78119	Consistent	Accepted
23	0.653024	Consistent	Accepted
24	0.747308	Consistent	Accepted
25	0.60228	Consistent	Accepted
26	0.59059	Consistent	Accepted
27	0.665728	Consistent	Accepted
28	0.643659	Consistent	Accepted
29	0.694037	Consistent	Accepted
30	0.745171	Consistent	Accepted
31	0.698238	Consistent	Accepted
32	0.640954	Consistent	Accepted

Table 2. Reliability Statistics

Cronbach's Alpha	No. of Items
0.960	32

Table 3. Factor Analysis

Factor Name	Eige	en Value	Variable	Loading
	Total	% of		Values
		Variance		
Career	14.619	45.683	23. Takes responsibility to shape work culture	0.757
development			20. Provides opportunity to gain experience	0.614
			19. Provides information to make good decision	0.614
			21. Trains employee on myriad skills and areas	0.610
			24. Commitment towards employee development	0.604
			31. Organization demonstrates professionalism	0.549
			14. Employee commitment gone stronger over past year	0.529
			22. Focuses energy in employee development	0.509
			30. Cares for employee efforts to improve performance	0.504
Motivation	1.789	5.618	17. Provides timely feedback for employee growth	0.761
			16. Provides sufficient opportunity to grow	0.706
			11. Employee really feel like part of the family	0.703
			18. Invests regularly in employee growth	0.554
			10. Provides excellent working environment	0.538

Factor Name	Eige	en Value	Variable	Loading
	Total	% of Variance		Values
Bonding	1.563	4.884	08. Employee like to see growing relationship in future	0.777
			07. Employee proud to work for organization	0.767
			09. Employee provide enthusiastic referrals	0.756
			01. Enduring relationship with organization	0.516
			06. Recommends organization to friends	0.498
			04. Organization retains outstanding employees	0.491
Job security	1.499	4.683	05. Organization treats employee like real partner	0.693
			03. Believes in making long term relationship	0.686
			12. Employee feel organization problem is their problem	0.571
			29. Offering outstanding service quality	0.513
Leadership	1.179	3.686	32. Communicates what is expected of employee	0.634
			25. Clearly defines employee job responsibility	0.616
			28. Encourages high achievement	0.616
			27. Help employee to manage their time effectively	0.518
Commitment	1.065	3.328	02. Values employee ahead of its profit	0.760
			26. Provides fringe benefits for employee delight	0.581
			15. System to change employee department as per choice	0.545
			13. Quickly responds to the feedback of employee	0.453

3.4 Discussions on factors

- 1. Career development (14.619): This factor has emerged as the most important determinant of employee loyalty with 45.683% of variance. The major elements constituting this factor include; responsibility to shape work culture (0.757), opportunity to gain experience (0.614), provides information to make good decision (0.614), trains employee on myriad skills and areas (0.610), commitment towards employee development (0.604), organization demonstrates professionalism (0.549), employee commitment gone stronger over past year (0.529), focuses energy in employee development (0.509), cares for employee efforts to improve performance (0.504).
- 2. **Motivation (1.789):** This factor has emerged as an important determinant of employee loyalty with 5.618% of variance. The major elements constituting this factor include; timely feedback for employee growth (0.761), provides sufficient opportunity to grow (0.706), employee really feel like part of the family (0.703), invests regularly in employee growth (0.554), provides excellent working environment (0.538).
- **3. Bonding (1.563):** This factor has emerged as an important determinant of employee loyalty with 4.884% of variance. The major elements constituting this factor includes; employee like to see growing relationship in future (0.777), employee proud to work for organization (0.767), employee provide enthusiastic referrals (0.756), enduring relationship with organization (0.516), recommends organization to friends(0.498), organization retains outstanding employees (0.491)
- **4. Job security (1.499):** This factor has emerged as an important determinant of employee loyalty with 4.683% of variance. The major elements constituting this factor includes; organization treats employee like real partner (0.693), believes in making long term relationship (0.686),employee feel organization problem is their problem (0.571), offering outstanding service quality (0.513).
- **5. Leadership (1.179):** This factor has emerged as an important determinant of employee loyalty with 3.686 % of variance. The major elements constituting this factor includes; communicates what is expected of employee (0.634), clearly defines employee job responsibility (0.616), encourages high achievement (0.616), help employee to manage their time effectively (0.518).
- **6. Commitment (1.065):** This factor has emerged as an important determinant of employee loyalty with 3.328% of variance. The major elements constituting this factor includes; values employee ahead of its profit (0.760), provides fringe benefits for employee delight (0.581), system to change employee department as per choice (0.545), quickly responds to the feedback of employee (0.453).

3.5 Z-test and t-test

3.4.1 Z-test (Professional Vs Non-professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	Z value
Professional	148.56	6.55476	4.54936
Non-professional	178.38	6.55476	4.54936

The null hypothesis has been rejected because the Z-test value (4.54936) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers.

3.4.2 t-test Professional teachers (Management Vs Engineering)

t-test was applied to evaluate difference in loyalty of teachers of management and engineering courses. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	t- value
Management	158.0000	28.69138	2.2352
Engineering	139.8426	28.69138	2.2352

The null hypothesis has been rejected because the t-test value (2.2352) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference in loyalty exist between teachers of management and engineering courses.

3.4.3 t-test Professional teachers (Female Vs Male)

t-test was applied to evaluate difference in loyalty of female and male teachers of professional courses. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	t- value
Female	152.8000	30.01429	2.1190
Male	146.7429	30.01429	2.1190

The null hypothesis has been rejected because the t-test value (2.1190) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference in loyalty exist between female and male teachers of professional courses.

3.4.4 t-test Non-professional teachers (Female Vs Male)

t-test was applied to evaluate difference in loyalty of female and male teachers of non-professional courses. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	t- value
Female	178.6571	35.83202	0.2707
Male	177.7333	35.83202	0.2707

The null hypothesis has been accepted because the t-test value (0.2707) is less than the cut-off value (2.0126 at 48 degree level of significance). Hence there is no significant difference in loyalty exists between professional and non-professional female teachers.

3.4.5 t-test Male (Professional Vs Non-professional teachers)

t-test was applied to evaluate difference in loyalty of female and male teachers of non-professional courses. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	t- value
Professional	146.7429	32.04346	3.1339
Non-professional	177.7333	32.04346	3.1339

The null hypothesis has been rejected because the t-test value (3.1339) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference in loyalty exist between professional and non-professional male teachers.

3.4.6 t-test Female (Professional Vs Non-professional teachers)

t-test was applied to evaluate difference in loyalty of female and male teachers of non-professional courses. If the value of t-test is less than the standard value 2.0126 at 48 degree level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

 Type
 Mean
 Standard Error
 t- value

 Professional
 152.8000
 33.99837
 2.4644

 Non-professional
 178.6571
 33.99837
 2.4644

The null hypothesis has been rejected because the t-test value (2.4644) is more than the cut-off value (2.0126 at 48 degree level of significance). Hence there is significant difference in loyalty exist between professional and non-professional female teachers.

3.4.7 Z-test on Career Development Factor (Non-professional Vs Professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses when only career development as a factor is taken into consideration. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

 Type
 Mean
 Standard Error
 Z value

 Non-Professional
 50.56
 2.10088
 3.8364

 Professional
 42.50
 2.10088
 3.8364

The null hypothesis has been rejected because the Z-test value (3.8364) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers when only career development as a factor is taken into consideration.

3.4.8 Z-test on Motivation (Non-professional Vs Professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses when only motivation as a factor is taken into consideration. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	Z value
Non-Professional	28.18	1.30451	3.9862
Professional	22.98	1.30451	3.9862

The null hypothesis has been rejected because the Z-test value (3.9862) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers when only motivation as a factor is taken into consideration.

3.4.9 Z-test on Bonding (Non-professional Vs Professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses when only bonding as a factor is taken into consideration. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	Z value
Non-Professional	35.98	1.26066	5.07670
Professional	29.58	1.26066	5.07670

The null hypothesis has been rejected because the Z-test value (5.07670) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers when only bonding as a factor is taken into consideration.

3.4.10 Z-test on Job Security (Non-professional Vs Professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses when only job security as a factor is taken into consideration. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	Z value
Non-Professional	22.06	1.08606	3.0017
Professional	18.80	1.08606	3.0017

The null hypothesis has been rejected because the Z-test value (3.0017) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers when only job security as a factor is taken into consideration.

3.4.11 Z-test on Leadership (Non-professional Vs Professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses when only leadership as a factor is taken into consideration. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	Z value
Non-Professional	22.32	0.97288	3.5976
Professional	18.82	0.97288	3.5976

The null hypothesis has been rejected because the Z-test value (3.5976) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers when only leadership as a factor is taken into consideration.

3.4.12 Z-test on Commitment (Non-professional Vs Professional teachers)

Z-test was applied to evaluate difference in loyalty of teachers of professional and non-professional courses when only commitment as a factor is taken into consideration. If the value of Z-test is less than the standard value 1.96 at 5% level of significance the null hypothesis is accepted otherwise alternate hypothesis is accepted.

Туре	Mean	Standard Error	Z value
Non-Professional	19.28	1.07543	3.1615
Professional	15.88	1.07543	3.1615

The null hypothesis has been rejected because the Z-test value (3.1615) is more than the cut-off value (1.96 at 5% level of significance). Hence there is significant difference in loyalty exist between professional and non-professional teachers when only commitment as a factor is taken into consideration.

4.1 IMPLICATIONS

Study will provide an outlook to professional and non-professional institutions in designing their human resource policy as the study will let them know the impact of various factors on employee loyalty. Study would aid professional and non-professional institutions in understanding various underlying factors contributing towards employee loyalty Study will aid teachers to understand factors contributing towards employee loyalty. Study would help in knowing the impact of institutions human resource policies on their loyalty.

4.2 SUGGESTIONS

- Sample size can be increased to obtain more reliable results.
- Responses from Gwalior teachers are taken, others could be considered.
- Research could be done in broader perspective by considering age group and qualifications, and salary.
- More items could be added to questionnaire for more specific results.

5. CONCLUSION

The objective of the study was to find out the employee loyalty towards organization among professional and non-professional teachers and to explore the underlying factors. The findings of the research conclude that there is a significant difference in loyalty exists between professional and non-professional teachers. Also there is significant difference in loyalty exist between female and male teachers of professional courses. When professional courses such as management and engineering are taken into consideration difference in loyalty exist. However there is no significant difference in loyalty exists between professional and non-professional female teachers. The underlying factors of loyalty emerged from this study are career development, motivation, bonding, job security, leadership, and commitment. Finding of this study is in line with the earlier research conducted by John Gilbert (1998).

References

- Abbas J. Ali, Ahmed Azim, Thomas W. Falcone (1993), International Journal of Manpower, 14 (6).
- Albert S. King, Barbara J. Ehrhard (1997), Empowering the workplace: a commitment cohesion exercise, *Empowerment in Organizations*, 5 (3).
- Alison Davis-Blake, Joseph P. Broschak, Elizabeth George (2003), Happy Together, How Using Nonstandard Workers Affects Exit, Voice, and Loyalty Among Standard Employees, *Academy of Management Journal*, 46 (4), 475-485.
- B.A.K. Rider, ed. (1998), Trust, Loyalty and Cooperation, *The Realm of Company Law, Kluwer Law International*, London, Pp. 53-80.
- Brian P. Niehoff, Robert H. Moorman, Gerald Blakely, Jack Fuller (2001), The Influence of Empowerment and Job Enrichment on Employee Loyalty in a Downsizing Environment, *Group & Organization Management*, 26 (1), 93-113.
- Charles W. Mueller, Jean E. Wallace, James L. Price (1992), Employee Commitment, Work and Occupations, 19 (3), 211-236.
- Chen, Zhen Xiong, Tsui, Anne S. and Farh, Jiing-Lih Larry, (2002), Loyalty to Supervisor Vs. Organizational Commitment, Relationships to Employee Performance in China, *Management Research News*, 20 (1).
- Cunha, Miguel Pina e (2002), The best place to be: managing employee loyalty in a knowledge-intensive company, *Management Decision*, 39 (2).
- David Harbourne (1995), Issues in hospitality and catering, Management Development Review, 8 (1).
- David J. Therkelsen, Christina L. Fiebich (2003), The supervisor: The linchpin of employee relations, *Journal of Communication Management*, 8 (2).
- Gary W. Loveman (1998), Employee Satisfaction, Customer Loyalty, and Financial Performance, *Journal of Service Research*, 1 (1), 18-31.
- Gladys Styles Johnston, Vito Germinario (1985), Relationship Between Teacher Decisional Status And Loyalty, *Journal of Educational Administration*, 23 (1).
- Josée Bloemer, Gaby Odekerken-Schröder (2006), The role of employee relationship proneness in creating employee loyalty, *International Journal of Bank Marketing*, 24 (4).
- Kyle LaMalfa (2007), The Top 11 Ways to Increase Your Employee Loyalty, Business Week Technology Research, White Paper.
- Larmen, R.A. (1992), Whistle-blowing and Employee Loyalty, Journal of Business Ethics,: 21 (4).
- Lauren Keller Johnson (2005), Rethinking Company Loyalty, Harvard Management Update, 10 (3).
- Miguel Pina e Cunha (2002), The Best Place to Be: Managing Employee Loyalty in a Knowledge-Intensive Company, The Journal of Applied Behavioral Science, 38 (4), 481-495.
- Misra Sasi B, Kanungo R.N. (1993), Bases of Work Motivation in Development Societies: A Framework for Performance Management, *IIM Ahmedabad Working paper*, wp: 1129.
- Monika Hamori, Peter Cappelli (2006), Executive Loyalty and Employer Attributes, *Instituto de Empresa Business School*, Working Paper No. WP 06/10.
- Paul L. Martin, Roy T. Black (2006), The twenty-first century business frontier, Journal of Corporate Real Estate, 8 (2).
- Rachel s. Arnow-richman (2001), Bargaining for Loyalty in the Information Age: A Reconsideration of the Role of Substantive Fairness in Enforcing Employee Noncompetes, *Oregon Law Review*, 80 (4).
- Rhian Silvestro (2002), Dispelling the modern myth: Employee satisfaction and loyalty drive service profitability, International Journal of Operations & Production Management, 22 (1).
- Robert A. Larmer (1992), Whistleblowing and employee loyalty, *Journal of Business Ethics,* Springer Netherlands, 11 (2).
- Soo-young lee, Andrew b. Whitford (2006), Exit, Voice, Loyalty, and Pay: Evidence from the Workforce, *University of Georgia Department of Public Administration & Policy*, 42(4).
- Zhenxiong Chen, Anne s. Tsui, Jiing-Lih Larry Farh (2001), Loyalty to Supervisor Vs. Organizational Commitment: Relationships to Employee Performance in China, *Journal of Occupational and Organizational Psychology*, 75, 339-356.
- Web link, http://en.wikipedia.org/wiki/Loyalty. Feb 25, 2008