

# The Effect of Stimulating Human Resource on the Job Loyalty: A Conceptual Paper

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<p>Article history Submitted: 11 February, 2021 Revised: 25 February, 2021 Accepted: 27 February, 2021</p> <p><b>Keywords:</b> <i>Stimulating Human Resource Job Loyalty, Economic Companies.</i></p>	<p><b>Abstract</b> This paper is a conceptual and it aims to examine the impact of stimulating human resource on the job loyalty. The paper aims to review the literature on the stimulating human resource. Where the concept of motivating human resources as well as job loyalty were addressed. Studies related to job loyalty confirmed that motivation is the most important indicator of employee loyalty and achieving corporate sustainability through motivation and training. The study highlighted the role of motivation of human resources in increasing employee loyalty and increasing their productivity and efficiency. This paper recommends that the economic companies implement human resource motivation to achieve employee loyalty.</p>
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## 1. Introduction

The most important characteristic of the contemporary business world is the speed of transformation and change in the business environment, which has become the hallmark of this world and its intense competition between institutions, the relentless pursuit of competitive advantages, increasing rates of innovation and technological change, in addition to achieving high levels of performance. Which made these institutions in a difficult position, with which the normal performance is not sufficient to face these rapid changes and transformations, but it requires them to work to raise their performance to high levels, effective, distinctive and work to sustain [1].

In light of these changes, achieving the effectiveness of performance in economic institutions no longer depends only on the possibilities and resources they possess, whether material, financial, human and organizational, but the effectiveness of performance is determined mainly by the ability of institutions to maximize the use of different resources and capabilities in general, and from What is human resources in particular, the real value of the economic institution lies in the value of its human resources, its individual and collective competencies as intellectual capital, and the ability to employ it for the knowledge inherent in it, and convert it into applications that achieve distinctive and sustainable performance [2]. In view of the changes in knowledge and knowledge that the world is witnessing today, the economic establishment has been assigned new duties and responsibilities with regard to human resources from training and motivation, so that it acquires the necessary skills and knowledge and pushes it to make greater efforts to improve and develop its performance, which contributes to enhancing performance. The sustainable (economic, social, and environmental) of the economic institution [3].

Human resources have become one of the most important factors in the competitive and effective performance of economic institutions, which gave them a strategic dimension in their leadership, which made the human resources function shift from its traditional framework to its strategic role, and the traditional role of the human resources function is no longer sufficient to achieve excellence and promote the sustainable performance of the institution Therefore, it has become imperative for the latter to manage its human resources according to a strategic perspective, as it depends on it the process of converting the physical inputs within the institution into goods and services, which necessitates that these human resources be more skilled, efficient, and knowledgeable, and it is imposed on them to control the quality of those competencies And employ the knowledge inherent in it, because of the performance of the economic institution [4].

## 2. Literature Review

Stimulation is a strength or internal feeling that drives and activates the behavior of the individual to satisfy certain needs, desires and purposes in order to alleviate the tensions associated with the lack of satisfaction of those needs and desires more specifically, and it is considered a variable that cannot be observed directly and affects the behavior of the individual as cannot be observed or heard cannot be observed or heard. To be inferred through the behavior of the individual in the performance of his work and through the effort he exerts in the performance of his duties [5].

The financial motivation is the incentive of a financial, monetary or economic nature that satisfies the basic needs of the human being. It encourages the employees to do their best to work, to recruit their abilities and to raise their level of efficiency. These incentives include salary, incentive bonuses, bonuses, participation in profits [6].

In general, it can be said that material incentives are considered one of the most important and most influential factors in the individual's desire to work, when these wages are adequate and sufficient to meet the individual's requirements. On the contrary, the low and unequal wages of the work efforts, which do not meet the worker's demands and needs in neglecting the worker for his work and low productivity [7].

In the study of [8] investigates the effect of reward system on employee performance, they conform that the collective bargaining reward systems had a significantly positive impact on employee cohesiveness, and they found that there is a positive link between reward systems and employee performance. That link creates an opportunity for employers to use reward system as a motivating factor to fine-tune employee behavior towards efficiency and effectiveness.

Moral motivation are incentives that are not dependent on money. They aim to satisfy the employees' personal and social needs. The organization aims to provide them with a distinction between the employees for the best performance, encourage competition and raise their levels, and generate continuous motivation for belonging and loyalty to the organization. Moral incentives are also a set of motives aimed at achieving the emotional, psychological and humanitarian needs of the workers, which are mostly - reflected in the good treatment of the worker, and the removal of the causes of discontent and complaint and reward the aggressors, all that strengthens their spirit and development of human hopes [9].

Most researchers stated that loyalty is considered as an employee that give their effort and being responsible toward their organization [10], [11] In addition, job loyalty, also known as either employee loyalty or workforce loyalty [12] is a concept that has attracted significant research interest. Coughlan (2005) argues that the concept of organizational loyalty is not correctly conceptualized by many people. This is evidenced, for instance, by the erroneous use of the word's loyalty and commitment synonymously when in reality there is a dichotomy between these two terms. Many definitions of job loyalty have ensued as a result.

Job loyalty could be defined as a psychological inclination, a "feeling" of identification with, an attachment or a commitment to the organization [14]. It is an observable workplace phenomenon materialized in staying in the organization over the long term that encompasses a little tendency to seek or examine outside job offers [14]. They are the employees who are devoted to the success of their organization and believe that being an employee of this organization is in their best interest. Not only do they plan to remain with the organization, but also, they do not actively seek for alternative employment opportunities [15].

Loyalty integrates a strong desire as well to continue membership of an organization [16], living and standing up to the vision and values of the organization [17], investing high levels of efforts for the sake of the organization [18], or even a willingness to work late [14]. Companies clearly understand that loyal employees make them solid and profitable and that happy, but disgruntled (thus, disloyal) employees have the opposite effect [19]. The employee loyalty has been proven to create value for organizations [14] through higher levels of effort and contribution provided, better product quality, better service, higher levels of consumer satisfaction, increased profits, greater shareholder value, increased organizational reputation, and lower turnover rates/costs [17], [20]. On the other side, a lack of loyalty can clearly be detrimental and result in loss of trust, inefficient work, higher absenteeism and turnover [17], [20].

[21] state that higher job loyalty may be found in employees who seek to continuously engage in a relationship with their employer. The study of [12] found that applicable leader communication strategies such as across-the-board guidelines, listening/feedback, coaching, and information sharing can increase employee loyalty. The scholars attribute this to fact that communication engenders trust between employers and employees, which in turn nurtures employee loyalty. Loyalty is unlikely to develop if employees perceive that the organization does not deserve sacrifice or identification [21]. This can happen in situations where the organization has a morally unjustified mission, is under poor management, or indulges in unethical practices [22]. This denotes that some employees may not necessarily be loyal to the organization, but they extend their tenure in that organization only because they need a source of income.

The study of [23] shows that not all HR systems affect organizational outcomes in similar ways. While motivation-enhancing practices are the only HR system to have a direct effect on service performance, different HR systems may contribute to shaping various organizational cultures in order to attain the desired outcomes. A study conducted by [24] showed that support and improved communication and shading for staff retention contribute to the theory of human resources in terms of the benefit of the most informal methods of human resources development as well as for managers to retain the benefits and hourly wages provided to employees; thus, contributing positively to improving productivity to

the staff (HR). Nevertheless, variations in organization size appear to affect the retention rate and qualification level of employees most significantly.

It is commonly believed that loyalty achieved through money and providing employees with the high salary or benefits, but nowadays this situation has changed. Employees prefer organization that create positive work environment, strong positive culture and the good relationship between employees and employer that may influence them to stay longer with the organization [25].

### **3. Stimulating Human Resource and Job loyalty**

The human cadre is the primary element in production, in addition to all the other resources of any service or profitability organization that defines its objectives and seeks to achieve them in the foreseeable term, and the desire to achieve these goals [26], [27]. However, the motivation of human resources contributes to employee loyalty generally. Therefore, the study is to determine job loyalty by stimulating resources to affect productive efficiency, where studies have confirmed the existence of a relationship between them, for instance, [28] found that employees' perception of the recruitment and development, training and selection and compensation and benefits HR practices had significant and positive effects, as well as the training and development HR practices to have the strongest positive effect on the relational and balanced types of psychological contracts.

The process of motivating human resources begins when the administration knows the needs that workers want to fulfill, and the process of motivation is defined as a leadership organization that aims to invest the positive external influencer by pushing for better behavior and higher performance, or it is investing the negative external influencer by pushing towards the desired behavior change [28].

Madi et al. (2018) defines stimulation as: individuals obtain enthusiasm, courage and pleasure in their work, and give them confidence in themselves, including what motivates them to do the work required of them in the best way without complaining or complaining," Mohamed Mari" defines stimulation as: a set of factors or influences that push the individual towards making the greatest efforts in his work, and avoiding making mistakes in exchange for his obtaining what guarantees the fulfillment of his desires and satisfying his multiple needs, and achieving his project and aspirations that he seeks to achieve during his work [30]

The author of [31] defines stimulation as: a set of factors and methods that an organization uses to influence the behavior of the individuals working for it, which causes them to make more of their interests in their work and performance in terms of quality and quantity, which leads to increased production, and thus to lower labor costs, and raise The morale of working individuals and the satisfaction of their needs [32], [33].

Motivation is the process of activating employees in positive or negative ways with the aim of increasing production rates and improving performance, by all possible means to motivate employees to work well and include all the methods used to motivate them to work continuously [34].

With regard to the moderating role of job loyalty between stimulating human resource and productivity competence. As mentioned by [35] self-presentation tactics and rationality have positive relationships with job performance ratings, while exchange of benefits and upward appeal tactics have negative relationships with job performance ratings.

According to [36] A Pearson's Correlation test revealed that human resource management practices are significantly and positively correlated with the organizational loyalty of employees in Malaysia.

Handling a Human Resources (HR) department nowadays can indeed be tough. Staff attrition is the biggest culprit in making this otherwise enjoyable job to unbearable drudgery. Admittedly, no organization of any repute wants staff attrition. Attrition is often caused by absence of loyalty. There are several reasons why employees nowadays are less loyal to an organization, despite being perfectly honest and law-abiding citizens [37]–[40].

### **4. Discussion**

This paper provides a better understanding of the effect of the stimulating Human resource motivation on the employee to improve their efficiency of productivity. Drawing the attention of officials to the incentives tool can help employees to improve performance at work, detecting the presence of a relationship between incentives and performance.

The study Contribute stems from the importance of achieving a sustainable performance, and what it represents for institutions, as a way to increase productivity and achieve the goals of survival and profitability, due to the weak interest of economic institutions in the importance of human resources, training and motivation in achieving the distinct and sustainable performance of the economic institution, this study can contribute to improving the management Economic institutions the importance of training and motivating human resources, in achieving high and sustainable performance levels, as well as increasing job loyalty to economic institutions.

## 5. Conclusion

This study examines the importance of Stimulating Human Resource on the Job Loyalty. Previous studies have shown that training and motivation is one of the approaches that work to enhance the sustainable performance of economic institutions, as training is the best way to prepare and develop human resources and acquire new knowledge and skills that help him in improving and developing his performance, which contributes to enhancing the sustainable performance of the economic institution. With regard to motivation, which plays an important and pivotal role in the life of the worker, as he works to direct his behavior and determine his directions, and considering that motivation is one of the main engines of work, production, stimulating activity and work proficiency as this contributes to increasing the efficiency of the worker and works to enhance the sustainable performance of the economic institution, Thus, training and motivation are among the modern approaches that enhance the performance and sustainability of the economic institution. The literature review confirmed that the positive impact between motivating human resources on job loyalty. For this study, it is recommending that the economic companies implement human resource motivation to achieve employee loyalty.

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