

Work life balance, organizational learning culture and  
employee loyalty of hotel frontline employees,  
mediation through job satisfaction

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**Abstract**

*The purpose of this study is to investigate the relationship between work life balance, organizational learning culture and employee loyalty of hotel frontline employees and to analyze the mediation role of job satisfaction with organizational members given the rapidly growing academic interest in the meaning of work.*

*Based on a survey of 450 frontline employees in 10 luxury hotels in China, this study performed confirmatory factor analysis and structural equation modeling analysis to test the hypothesis of causal relationships in the research model*

*Drawing on social exchange theory, this study shows that work life balance and organizational learning culture have positive and significant effect on the loyalty of hotel frontline employees and that the relationship was mediated by job satisfaction.*

*The research result highlights the significance of service providers work life balance and learning opportunity on employee's loyalty and their pursuit of job satisfaction.*

*Originality/value Based on social exchange theory, this study deepens our understanding on the how work life balance and organizational learning culture leads to employees loyalty and job satisfaction in organizations.*

**Keywords:** *work life balance, organizational learning culture,*

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## *social exchange theory job satisfaction ,Frontline employee.*

### **Introduction**

Employee loyalty has continuously been a major challenge in organizational administration. It embraces compelling ways to persuade workers to willing to remain. Employees are the paramount source of benefits and competitive advantage in the organization. In other words, the viability and efficiency of an organization is credited to the stable and loyal employee group which is a hub of factors extent of employee loyalty has influence employee performance. Employee performance is instrumental to organizational development and productivity (Inuwa, 2016)

Therefore, the issue of employee loyalty is the key to the understanding of organization. Employees are the most valuable resource for all organizations; the longer an employee works for a company the more valuable it becomes. Though it can be determined by many factors, the level of effectiveness and efficiency can be measured via job satisfaction. This is applicable to many organizations including hotel industry. Within the China context, frontline staffs in hotels have issues regarding loyalty and these have been getting worse from time to time.

Job satisfaction is a key factor of influence on employee's loyalty; employees may quit their job because they dissatisfaction with their job.

Job satisfaction was devised byHoppock (1935). Hoppock described job satisfaction as conjunction with psychological, physiological and environmental conditions that cause people have different perception in job satisfaction. Job satisfaction is stand for employees like their job and they merged into their job. Additionally, he/she are more tend to achieve sense of success on the job. The term job satisfaction are defined that attitudes and feelings of

employees on their work. Positive attitudes and mood towards the job indicate job satisfaction. Contagion of negative attitudes and mood could result in job dissatisfaction (Armstrong, 2006). Job satisfaction is more of an attitude, performance of internal state (Mullins, 2005).

Employee estimate job satisfaction depends on their perception of working environment. Working environment with a positive learning atmosphere is inclining to produce good performance and loyal employees. Likewise, effective work life balance strategy that is positive influence of employee's attitude and emotion (Mullins, 2005).

Work-life balance has impact on employee behaviors, demeanors, emotion. Work-life balance as defined as the equilibrium point between the amount of time and effort spent by an individual in his or her work and personal life (Clarke, Koch & Hil, 2004) According to Greenhaus, Collins and Shaw (2003) contend, work life balance can be categorized into three aspects to measure it. Primarily is balancing of time, which is regarding the quantity of time set to finish the work and balance individual or family activities of employees. Second is participation balance, whereas it includes commitment to work and other activities or roles. Lastly is relevant to compensation.

Proving a sound work life balance plan is link to employee's job satisfaction and loyalty.

Organizational learning culture is one of the necessary condition components to elevate job satisfaction. By definition, it refers to an organization is good at creating, gaining, and conveying knowledge, and at change its behavior to reflect new knowledge, ideas as well as cognitions (Garvin, 1993). Learning organization is liable to creating an environment that are more tend to collaboration,

creativity, and transfer knowledge among first-line employees. While the possible close link between organizational learning culture and career satisfaction has been investigated, but more and more researchers are engross in investigating the relationship between organizational learning culture and job satisfaction and employee's loyalty. Bradly (2015) put forward the organizational learning culture positive effect on employee's loyalty by job satisfaction.

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### **Underpinning Theory**

According to Kerlinger (1979) a theory is a set of interrelated constructs or variables, definitions and propositions that presents a systematic view of a phenomenon by specifying relations among variables, with the aim of explaining a natural phenomenon.

Social exchange theories treat social life regarding a series of consecutive transactions between two or more parties (Mitchell, Cropanzano, & Quisenberry, 2012). The interactions between parties are usually seen as mutually dependent and contingent on the

actions made by the other persons (Blau, 1964). Emerson (1976) who studied social exchange theory in psychology was concerned on the individual behavior when interacting with one another, the leadership support is one of key factor within the social behavior are important in explaining the theory.

Cropanzano and Mitchell (2007) contend that social exchange relationship in a work setting determines the continuous loyalty or disband of contract from either part. The authors considered that one employee can form various social exchange relationship either with his or her immediate supervisor, co-workers, organizations, customers, where these difference relationships have implications on their attitude and behavior as well as sentiment. Thus, the above discussion on social exchange theory (SET) is that employees are willingness to continue the relationship with their employer/supervisor when they perceive that the relationship is worthwhile for them, and halt the relationship when the costs are more than the rewards that they get from the relationship. The focus of this theory on this study is on the work life balance and organizational learning culture how to impact on employee's loyalty through job satisfaction

## **Literature Review**

### **Employee loyalty**

According to Bramlett-Solomon (1992), employee loyalty is the voluntary to stay with the organization. In the other word, employee loyalty means that workers are committed to the development of the company and put their trust by believing that working for this company is the right choice.

### **Job satisfaction**

Job satisfaction is a positive or negative attitude that an employee has towards their job. Employees who have a high level of job satisfaction will show a positive attitude and behavior

towards their work, in turn while employees who have a low level of job satisfaction will show a negative attitude and counterproductive behavior towards their work. The job gives satisfaction to the employee if the desired expectations or desires are achieved employees displeased with the work is obtained if the hopes and desires are not achieved. Consequently, job satisfaction would galvanize employee's responsibility and growth and development, those factors are basic of employee generate loyalty and high level of performance to the organization Herzberg's (2011).

### **Work life balance**

Work-life balance (WLB) is about discovering the right balance between work and life, and about feeling comfortable with work and family responsible. Work-life balance is essentially the balance between three components, namely, paid work, unpaid work and personal time. There is no one accepted definition of what constitutes a work life balance practice, the term usually refers to one of the following factors: organizational support for dependent care, flexible work options and family or personal holiday (Kar and K. C. Misra, 2013). (Byrne, 2005) describes work life balance as juggling of people's life at any one point in time, namely, work, family, friends, health and self.

(Clutterbuck, 2015) defined work life balance as awareness of different needs in relation to energy and time, it is able to allocate the time and energy among different domains of work and life and then employee can be making choices according to the demands. Work life balance includes practices that have the capacity to increase the autonomy and flexibility of employees in the workplace. Work life balance as a bridge of sentiment between employee and organization

Work and life conflict have also been associated with increased

anxiety, stress and burnout (Coffey, 2002) those unhealthy factors are liable to incurred number of problems in workplace. such as deficiency of concentration, and without vigor (MacEwen,1994)as well as bad for health and keep good energy(Russell,M L,1996).

### **Organizational Learning Culture**

The organizational learning culture is a type of organizational cultures that comprehensive organizational learning. It supports the gain of information, the sharing of knowledge, skills and new insight , and it enlighten and supports consecutive learning and its application to organizational improvement (Bates and Khasawneh, 2005)

Aspects of organizational environment, such as climate or culture, there is growing evidence that it can be influenced employee job satisfaction as a work-related outcome (Lund, 2003). Harris and Mossholder (1996) consider organizational culture as the center of human resource management, because of its implication on individuals' attitudes and outcomes such as commitment, satisfaction, loyalty and performance.

### **Job satisfaction and employees loyalty**

There are numerous plural concepts of job satisfaction developed by academicians. These various approaches exist because of each employee has a different perception and response to his or her company and organization.

To measure and define job satisfaction can be challenging because it associate with employee's attitude as well as ability to accomplish the required task, the communication in the organization and how the management treats them. The organization whether concern employee's benefits and development.

According to Varoom (1964), job satisfaction is extent of satisfaction of working environment and the role on the worker. Job satisfaction is affective orientation on the part of individuals tend to work roles that they are presently occupying. Hoppock defined job satisfaction relevant to physical physiological of individuals. A kind of truthful sound is from intrinsic that an individual sincerely to say I am satisfied with my job (Hoppock, 1935). Concurring to this viewpoint, in spite of the fact that the work may intervened by external factors, which fail to influence on attitude and behavior , however, it remains power inside that drives the employees to do, because this kind of work fulfillment that stem from individuals mind and psychological.

Furthermore, job satisfaction demonstrates in what way a person is satisfied by their work. Employees expect to happy with their job which are including team work with co-workers and immediate supervisors as well as self-development (Noah & Steve, 2012). Essentially, Robbins and Judge (2013) also explained that job satisfaction describe a positive perception towards a particular job resulting from assessment of its characteristic. workers who sustain high level of job satisfaction, they are more likely to generate positive attitude and behavior towards their work, and employees are willing to spend time and effort towards their work. On the opposite, employees with low satisfaction tend to have negative perception toward their job such as counterproductive behaviors or quit.

According to Pugne (2009), the relationship between job satisfaction and employee loyalty is clear. Their research shows that job satisfaction is found to be positively correlated with employee loyalty. Employees with high job satisfaction will galvanize healthier mood, positive mood could bring lots of benefits, for example, the employees made keen to involve into his/her job, they have confidence with their work and they trust their peers,



managers, and customers. Job satisfaction is extremely important especially in the areas of sales and services, especially hotel front-line employees as they represent the hotel to customers Singh (2013). This view is supported by Sels (2015) who also clarified that the positive feeling toward their job and will result in higher trust and loyalty. Therefore, based on above discussion, the proposed in this study is as follows

*H1: There is a positive relationship between job satisfaction and employee loyalty*

### **Work life balance and Employees loyalty**

Number of studies show that work life balance is vital in the organization, work life balance regarded as a diplomatic which increase worker productivity and reduction of turnover intention Lockwood(2003). The idea of work-life balance copy with the methods of balancing that an individual makes between responsibility of home and work, it reflects the extent of organization take care about beneficial of employees. Work-life balance is essential particularly when they were professionals (hotel frontline employees) because their high loyalty and commitment are required for the achievement of the hotel.

Furthermore, with rapid pace of work, balancing work and life is development of having a perfect balance between the work and personal life. WLB is a best bridge between individual life and work, and WLB imperative in upgrading representative execution at work and private Felicity (2013). Many studies have found that a positive relationship exists between work-life balance and employee performance. but the relationship between work-life balance and employee loyalty focused less on it Anitha (2015).

Ratna (2008) in his article Work Life Balance in service Sector revealed that the work life of an employee has attracted a concern

because of a substantial of problems related to employee's health and well-being, such as working longer hours and workload and without holiday. Working parents can be significant in work life balance and job satisfaction and loyalty. The great problem of dual-earning families is they do not have sufficient time with their child, even they were also unable to take care of their parents.

Moreover, imbalance work life that is possibly obstructs progress of individuals. She/he do not have adequate time to development their hobbies or a new competence that may lead them to resign job because they are swayed by work, especially the employees who are from hotel industry, most of employees are young it is sign of manpower in hotel industry. Employees need more flexible time to explore new life and learn knowledge and improvement in individuals' skills and like.

Therefore, According to Wombacher&Felfe (2017), organizational ought to analyzing and clarifying the employee's tasks in his/her organization. Besides, organizational should respect employee's right and personal life, employing an effectiveness of work life plan is playing a vital role in employee's loyalty, work life balance would lead employees willingness to put efforts and intention to keep employer .

Work-life balance is a key one of reason that it can be influenced on employee's loyalty. Anitha (2015) clarified that when employees are able to balance between their work and individuals life, she/he would like to remain and work hard in the workplace.

Therefore, based on above discussion, the proposed in this study is as follows:

*H2: There is a positive relationship between work life balance and employee loyalty.*

### **Work life balance and Job satisfaction and Employees loyalty**

Fisher, et al (2003) stated that work-life balance is something that an individual does in dividing time both in the work and other activities outside of work. Work life balance can bring a lot benefit for employees, in turn, it is imbalance that it also would me lead personal conflict with family of employees which regarded as conflict of energy for oneself.

Therefore, time balance is important; time balance refers to employees determines the amount of time allocated by employees in their work or personal life. Likewise, The balance of time achieved by employees shows that the demands of the family on employees do not reduce professional time, vice versa. Tasks and activities of workplace are exceedingly to the ceiling that are employees unacceptable it.

Moreover, satisfaction balance is can be regarded as measurement of standard. , satisfaction balance refers to the amount of level of satisfaction an individual has towards their work activities and things outside of their workplace. Satisfaction will arise by itself if the employee considers what he has done so far is good enough to reconcile the needs of work and family. This is seen from the conditions that exist in the family, relationships with friends as well as the quality and quantity of complete of work ( Reyhan Fatwa,2020)

Job satisfaction can get from an employee's attitude towards his/her job. positive attitude employees who have a high level of performance ,in turn employees who have a low level of job satisfaction show a negative attitude and behaviors their work.

According to Richard, Robert & Gordon (2012), job satisfaction is related to feelings or attitudes relevant to the job itself, salary, promotion, education, supervision,, workloads, and others

working environment. The job gives satisfaction to the employee if the desired expectations or desires are achieved, this kind of satisfaction would effect on the perceive of employees to the organization which will propel employee's vigor and commitment in their group, it also would vulnerable to provoke sense of loyalty of employee. vice versa, employees' dissatisfaction with the work is obtained if the hopes and desires are unable to achieved. Therefore, factors of job satisfaction can be increased employee's loyalty with their organization according to Herzberg's research (2011). Therefore, based on above discussion, the proposed in this study is as follows:

*H3: Job satisfaction mediates the relationship between work life balance and Employees loyalty*

#### **Organization Learning Culture and Employees Loyalty**

The previous as containment the concept of an organizational learning culture. This is a culture that significantly contributes to the continuous improvement of employees and organization as well, as it can adapt to challenging environments especially,(Cunningham and Gerrard, 2000), employees working in the hotel industry. Self-transformation through consecutive learn (Watkins and Marsick, 1993) and expanded capacity to shape its own future.

This kind of learning ability that can be fit any challenging environment, employees are able to development of driving force in their work, this kind of driving power are from internal of employees and encourage employees keep positive attitude and emotion to the job. This type of internal emotion is vulnerable to spark employee's sense of belongings and loyalty for organization. Therefore, based on above discussion, the proposed in this study is as follows:

*H4: There is a positive relationship between organization*

*learning culture and employee loyalty.*

### **Organization Learning Culture & Job satisfaction Employees Loyalty**

Organizational learning culture has a significant impact on employee's attitude and behavior. Previous research supported the idea that there is a positive significant link between workplace learning (formal, informal) and employee job satisfaction (Rowden and Ahmad, 2000). It is clearly stated that conducted in Korea targeting small to mid-sized businesses, found evidence that employees with opportunities to develop at their jobs and then they could express higher levels of job satisfaction and confidence.

Egan et al. (2004) provide evidence that organizational learning culture has a direct and indirect impact, through the mediator of job satisfaction, on employee's loyalty.

They reported that despite the high correlation between the organizational learning culture and job satisfaction, these two constructs tend to be distinct both conceptually and in terms of measurement. Tsai et al.(2007) showed that job satisfaction significantly related to employees commitment and loyalty.

Chang and Lee (2007) conducted quantitative research targeting different type of firms in Taiwan and contended that the operation of learning organizations has a distinctive positive effect on employees job satisfaction since the supervisors are willingness to convey and share knowledge and skills with employees, likewise, employees are able to acquisition of information and knowledge from their immediate supervisors or managers which can help them to expansion of their mind, especially the new insights are generated by difference experiences of people which are good for employees to improvement in self-development.

Linking the previous studies, it is hypothesized that in an organizational learning culture that encourages and supports employees learning and development, the employees can respond better and effectively to customers' needs and achievement of customer's demands it would reinforce employee's confidence in the workplace and enhance their job satisfaction.

Senge (1990) proposed that long-term superior performance depends on superior learning provided by an organization. In learning organizations, much of the training focuses on soft skills such as problem-solving, decision-making, and need analysis all of which have a direct impact on employee's self-development. Working with a learning organization that employee will obtain more professional skills and vision which can encourage employees going all out involved into his/her job and they are liable to remain. Therefore, based on above discussion, the proposed in this study is as follows:

*H5: Job satisfaction mediates the relationship between organizational learning culture and employees loyalty.*

#### Conceptual Framework



Figure 1: A research Framework showing the relationship between the selected independent variables, mediating variable and dependent variable.

#### Methodology

##### Research Design

A research design describes the basic structure of the study and usually is a researcher guidance to conduct the study (Ary, Jacobs

and Razavieh, 2010). Cross-sectional survey will be adopted in the current study to determine the phenomenon of employee loyalty and the mediating job satisfaction among hotel frontline employees in Beijing. Feasibility is the main advantage of employing cross-sectional survey in the current study. It is the most common data collection design for non-experimental research design used by researchers (Murray, 2006). Earlier scholar such as Kumar (2005) supported that cross-sectional survey is the most suitable data collection design in the studies that usually investigate a condition, issue and phenomenon such as employee loyalty.

### **Sample and data collection procedure**

For the empirical analysis of the hypothesis, this study solicited the collaboration of 10 super deluxe hotels, Beijing, China in 2019. With the cooperation of front line employees of the food and beverage departments and Housekeeping department, a total of 450 questionnaires were distributed to frontline employees, such as waiters/waitresses and bartenders, in May 2019, and 370 questionnaires were returned (82 per cent return rate).

This study excluded nine incomplete questionnaires having any missing data, and the remaining 361 questionnaires (80.2 per cent of all questionnaires originally distributed) were coded for data analysis. The questionnaire items measured the variables in the research model by using the seven-point Likert scale, and included items regarding the respondent's profile, such as their gender, age, income, education level and duration of hotel service.

The profile characteristics of the sample are presented in Table I. There was a relatively even distribution of gender in the sample, with males accounting for 47.6 per cent and females for 52.4 per cent. The ages bracket of 20 to 35 years old. Regarding the education level of the sample, vocational colleges accounted for 70.5 per cent, graduates of four-year universities accounted for 27

per cent and those with graduate school education accounted for 2.5 per cent.

Regarding the duration of hotel service of the sample, duration of between 1 and 2 years accounted for 62.5 per cent, duration of between 3 and 5 years accounted for 31 per cent and duration longer than 5 years accounted for 6.5 per cent.

The results of the research data questionnaire were obtained from a measuring tool in the form of a scale, regarding Work-life Balance scores, Job Satisfaction, and Employee Loyalty. The description of research data can be seen in the following table:

No	Question	Score					Criteria
		1	2	3	4	5	
1.	I have a sense of responsibility toward my work	0	0	3	5	4	Good
2.	My work contribution is well appreciated by the company	0	1	4	5	2	Good
3.	I am satisfied with the trade-offs that I have received so far in my work	0	1	4	3	4	Good
4.	I work according to the working hours set by the company	0	0	3	2	7	Good
5.	I set aside time outside of work for family	0	0	3	5	4	Good
6.	I set aside time outside of work for other activities	0	0	1	7	4	Good

A good work-life balance is attained when employees are respected and feel valued by the hotel. Also, the balance of work and life of employees can be galvanized employees to feel satisfied with the feedback they get from the company and leave time for family and learning knowledge and other activities to affect work-life balance well.

The measurement of job satisfaction was based on the Job Satisfaction Survey ( JSS) instrument (Spector, 1985) according to the dimensional construct is based on pay, promotion, supervision, rewards, operating procedures, co-workers, the nature of the work, working environment, feel and communication. This



instrument was chosen because it was developed specifically for employ in service sectors

The core question was “how satisfied are you with [...]?”. Respondents were asked to rate their degree of job satisfaction on a seven-point Likertscale ranging from “extremely dissatisfied” to “extremely satisfied”

The ideal organizational learning culture is supposed to have certain dimensions ranging from ten (Philips, 2003) to five (Senge, 1990). Watkins and Matkins (2003) to identify six action imperatives of an organizational learning culture. social exchange has served as a theoretical base for this study. The cultural characteristics are including as follows: continuous learning, dialogue, team learning, embedded systems, connection to environment and development of learning

The raw scores of 9 items were subjected to factor analysis to find out the factors that contributed towards Employee Loyalty. After factor analysis, three main factors are identified. The factors were work life balance and organizational learning culture and mediation job satisfaction.

This factor has emerged as the most important determinant of employee loyalty with 42.669% of variance. The major contents constituting this factor include; emotionally attached to job (0.780), do not want change my job (0.758), like to recommend this job to others (0.7447) and attaining own goals with this job (0.715) and would constant this job (0.681).

### **Data Analysis and Interpretation**

Statistical Software SPSS version 22 has been used for data analysis. Item to total correlation was used to establish the internal consistency of the questionnaire; Cronbach s alpha was used to

measure the reliability of the measurement scale. Factor analysis was used to find out the factors underlying employee loyalty by work life balance and organizational learning culture (independent variables) Regression Analysis was applied to find out the impact of job satisfaction (mediation variable) on employee loyalty (dependent variable).

### **Conclusion**

Five hypotheses were developed for this study in which are related to work-life balance, organizational learning culture that are treated as the independent variables while employee loyalty is treated as the dependent variable. Job satisfaction is treated as the mediation variable. This study contributes to a better understanding of the influence of organizational learning culture which toward employee loyalty in the hotel industry. Organizational learning culture and job satisfaction which are significantly positive effect on employee loyalty. Likewise, Based on research conducted show that work-life balance is getting higher that make front line employee's loyalty will increase. Based on research conducted show that job satisfaction is getting higher that front line employee's loyalty will increase, and conducted shows that there is a positive influence between work-life balance and job satisfaction on the employee's loyalty of front line employees.

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