Loyalty of Traditional Food Small Industry Employees

Zaleha Trihandayani (Dr)[1], Wibowo (Prof. Dr)[2], Husein Umar (Prof, dr)[3], Tony Sitinjak (Dr)[4]

[1]*Department of Management Faculty of Economic and Bisnis, Muhammadiyah University Palembang, Palembang, Indonesia*
[2]*Department of Postgraduate Doctoral Program in Economics, Pancasila University, Jakarta, Indonesia*
[3]*Department of Postgraduate Doctoral Program in Economics, Pancasila University, Jakarta, Indonesia*
[4]*Department of Postgraduate Doctoral Program in Economics, Pancasila University, Jakarta, Indonesia*

ABSTRACT : *The culinary industry which has the characteristics of local wisdom must be maintained and developed by the stakeholders so that they are more advanced to support the ability of the region to improve the economy and welfare of the community. One area that has a culinary industry that has these characteristics is the city of Palembang. The participation of the people who work in this industry is very important, but the results of the pre-research stated that there are still problems experienced by employees in working in this industry. It is necessary to study these problems through a study, especially the issue of employee loyalty. The purpose of this study is to determine employee loyalty and the causes that can influence it, namely organizational culture, work motivation, employee trust and job satisfaction. The data used in this study is the result of the perception of employees who work at pempek industrial companies' outlets that present pempek products as their main menu. The analytical tool used is descriptive statistics and structural equation modeling (SEM) to determine the effects of variables in the model to be built. The results of the descriptive analysis stated that organizational culture, employee trust, job satisfaction and employee loyalty were still low, while work motivation is good. Causality analysis results state that there are hypotheses that are rejected, namely: Organizational Culture has no effect on Employee Loyalty, Organizational Culture has no effect on Trust, Organizational Culture has no effect on Work Motivation, Employee Trust has no effect on Job Satisfaction, Work Motivation has no effect on Employee Loyalty, Work Motivation has no effect on Job Satisfaction, and Job Satisfaction has no effect on Employee Loyalty..*

KEYWORDS - *Loyalty, Organizational Culture, Motivation, Trust, Job satisfaction.*

I.   INTRODUCTION

Opportunities for business actors to play a role in advancing the economy can be seen through market and commodity activities in the area. The structure of the regional economy will be weak if it is not supported by the strength of the structure of micro, small and medium enterprises (MSMEs). The focus of the middle and lower layers in the regional economic structure should not be a *Hollow Middle* (emptiness in the middle), namely medium and large businesses that are not supported by small and medium enterprises, because shocks in economic conditions can occur.

The business sector today is in an environment that is constantly changing with a fast and dynamic tempo, as well as for the MSME business sector with regional specialties, where various developments have occurred, including in terms of advances in science and technology. Also, economic globalization and political developments must be able to be anticipated by MSME economic actors, especially producers of regional specialties so that management does not need to isolate themselves from the outside world. On the other hand,

currently shopping centers, especially modern markets, continue to develop and it is hoped that their development will not leave the products of small industries and handicrafts which are local wisdom industries to continue to be traded even on a global scale.

Palembang as one of the developed cities in Indonesia seeks to increase anticipation of the increasingly rapid trade flows due to the position of South Sumatra which is at the axis of the development of newly industrialized countries such as: Taiwan, South Korea, Singapore, Malaysia and Thailand. The progress of Palembang as a Metropolitan City makes Palembang ready to become one of the trade destinations for economic actors both domestically and abroad. Business capabilities must continue to be improved, especially for workers who come from the opportunity for business players to play a role in advancing the economy can be seen through market and commodity activities in the area. The structure of the regional economy will be weak if it is not supported by the strength of the structure of micro, small and medium enterprises (MSMEs). The focus of the middle and lower layers in the regional economic structure should not be a *Hollow Middle* (emptiness in the middle), namely medium and large businesses that are not supported by small and medium enterprises, because shocks in economic conditions can occur.

The business sector today is in an environment that is constantly changing with a fast and dynamic tempo, as well as for the MSME business sector with regional specialties, where various developments have occurred, including in terms of advances in science and technology. Also, economic globalization and political developments must be able to be anticipated by MSME economic actors, especially producers of regional specialties so that management does not need to isolate themselves from the outside world. On the other hand, currently shopping centers, especially modern markets, continue to develop and it is hoped that their development will not leave the products of small industries and handicrafts which are local wisdom industries to continue to be traded even on a global scale.

Palembang as one of the developed cities in Indonesia seeks to increase anticipation of the increasingly rapid trade flows due to the position of South Sumatra which is at the axis of the development of newly industrialized countries such as: Taiwan, South Korea, Singapore, Malaysia and Thailand. The progress of Palembang as a Metropolitan City makes Palembang ready to become one of the trade destinations for economic actors both domestically and abroad. Business capabilities must continue to be improved, especially for workers who come from Palembang, where the majority of them are engaged in the micro, small and medium enterprise (MSME) sector.

Palembang as the capital of South Sumatra must be ready to seize the available opportunities, including through the growth ofshopping centers *representative* and especially promoting MSMEs that produce regional products including various food and culinary industries. Palembang has a variety of superior specialty products, namely pempek, kemplang crackers, songket cloth and carving cabinets which are expected to make these products exist as superior products in the midst of the proliferation of products originating from outside the region and even abroad.

The efforts of the people and local government of South Sumatra to develop business of regional products both in their own regions and expansion to other regions and even to foreign countries have many obstacles. In addition to the company's weak anticipation of the regional economic situation, competition with substitute products, competition with similar products, the availability of quality and quantity of raw materials, processing technology, and changing consumer behavior, also especially the availability of employees who have work skills. and good work behavior.

The results of the pre-survey through various sources, in general, MSME workers, especially in pempek products, kemplang crackers, songket cloth and carving cabinets are directed to be able to work in a simple manner according to the needs and expertise in an informal manner and carried out from generation to generation, so that the employee's ability to work is still simple or traditional.

Problem Statement
Based on the results of grouping problem indications into concepts that will be used as research variables, the following section lists the identification of the research problems.

1. The problem is the employee's desire to leave the company and the reluctance to invite family or friends to work in the pempek industry, the concern that the company is not progressing and developing and the desire to move to another company.

2. The implementation of employee behavior characteristics at the Pempek company which is a reflection of the behavior of the Palembang people shows a way of carrying out work that does not take the initiative so that it is less varied and the implementation of communication is not well established between employees and other employees as well as between leaders and employees, habits in the work implementation process built by the company will have an impact on employee job satisfaction because satisfaction is not only seen from the financial side alone.

3. Employees lack confidence in the leadership's ability to advance the company, supervision that is rarely carried out by the leadership of employees and the attitude of supervisors who are less concerned with the process of implementing the work carried out by employees can cause the creativity of employees to be less well developed, in addition to the attitude of employees who think that the company Pempek is classified as a traditional business which makes employees less creative in their way of working.

4. Employee welfare is still low, employee work results are not well appreciated, this shows the leadership's concern for the needs and desires of employees is still low, especially in respecting and prospering employees.

5. The remuneration provided by the leadership to employees is still low, not in accordance with the workload that must be completed by employees so that fatigue often occurs while working which is felt by employees, this causes employees' expectations of fulfilling remuneration in accordance with the amount of work that must be done by employees not fulfilled.

6. The density of visitors and the inconvenience of eating places cause an uncomfortable working environment for employees who have to serve many customers while the dining area is not too big.

7. Company image as one of the variables that is considered low, is due to increasingly fierce competition with other pempek companies.

8. Business Competition, as one of the variables that are rated low.

Problem limitation is determined based on problem identification, namely the most dominant variable to find a solution is Employee Loyalty, so this variable is determined as the dependent or dependent variable. Other variables, namely Organizational Culture, Employee Trust, Work Motivation and Job Satisfaction will be used as independent variables. Other variables are not used because they have no direct effect on Employee Satisfaction and Loyalty. Therefore, the proof of the existence of relationships or influences between the variables that have been determined above needs to be supported by the results of previous studies. Although it can be proven, there are also research results that do not support, so it can be seen the *research gap* (research gap /gap in research results).

II.   RESEARCH METHODOLOGY

The research design used refers to the research objectives, namely explanatory design and verification design. The explanatory design is a research that aims to find an explanation of the causal relationship while the verification design is a research that looks for the effect of the independent variables on the dependent variable, so this research is a combination of causality research and descriptive research. Descriptive research aims to obtain an overview of the characteristics of a variable based on the data, while causality research is a type of research that aims to determine the effects between variables through a hypothesis testing. The implementation of this research is through a survey method by filling out questionnaires by selected respondents to obtain data.

Population and Sample

The population in this study were all pempek employees at seven pempek food companies in Palembang, namely Pempek Flamboyan employees, Pempek Chaplin, Pempek Sultan, Pempek Honney, Pempek Pak Raden, Pempek Candy, Pempek Mang Cek. The population in this study amounted to 510 employees.

Sugiyono (2010) determines the number of samples in the study at least 30 people) which are expected to be able to answer research problems. in order to meet the minimum requirements for the research sample using

the Lisrel application. The sample used is between 200-300 people. Hairs *et al.* (2011).The number of samples can be determined according to Issac Michael with the distribution of samples carried out proportionally based on the origin of the Pempek food company can be seen in the following table:

Table 1. Sample distribution of Pempek Food Company employees in Palembang

NO	Pempek Food Company Employees	Population	Sample
1	Flamboyan	70/510 x 210	29
2	Chaplin	60/510 x 210	25
3	Sultan	80/510 x 210	33
4	Honey	60/510 x 210	25
5	Pak Raden	80/510 x 210	33
6	Candy	85/510 x 210	34
7	Mang Cek	75/510 x 210	31
Total		**510**	**210**

Source: Pempek Food Company in Palembang

The sampling method used in this study is purposive sampling where the researcher determines the sampling by determining specific characteristics that are in accordance with the research objectives, namely employees at Pempek food companies based on big names, have legal entities, are willing to cooperate, and have minimum 30 employees

Design of Analysis and Hypothesis Testing Descriptive

Statistical analysis aims to provide an overview of the data from the available research variables using the average statistic (μ) and proportion (P).

Based on the Chi-Square statistic (χ^2)

The Chi-Square Test is useful among others to determine whether there is similarity or otherwise of a variable based on certain categories (Sekaran: 2011).

Chi-Square formula:

$$\chi^2 = \sum\sum ((O_{ij} - e_{ij})^2 / e_{ij})$$

The SEM structural equation model involves a number of mathematical symbols. This can be seen for example in thepackage *software* LISRELthat will be used in this study, the use of these symbols can be seen in Figure 1. Research Conceptual Model
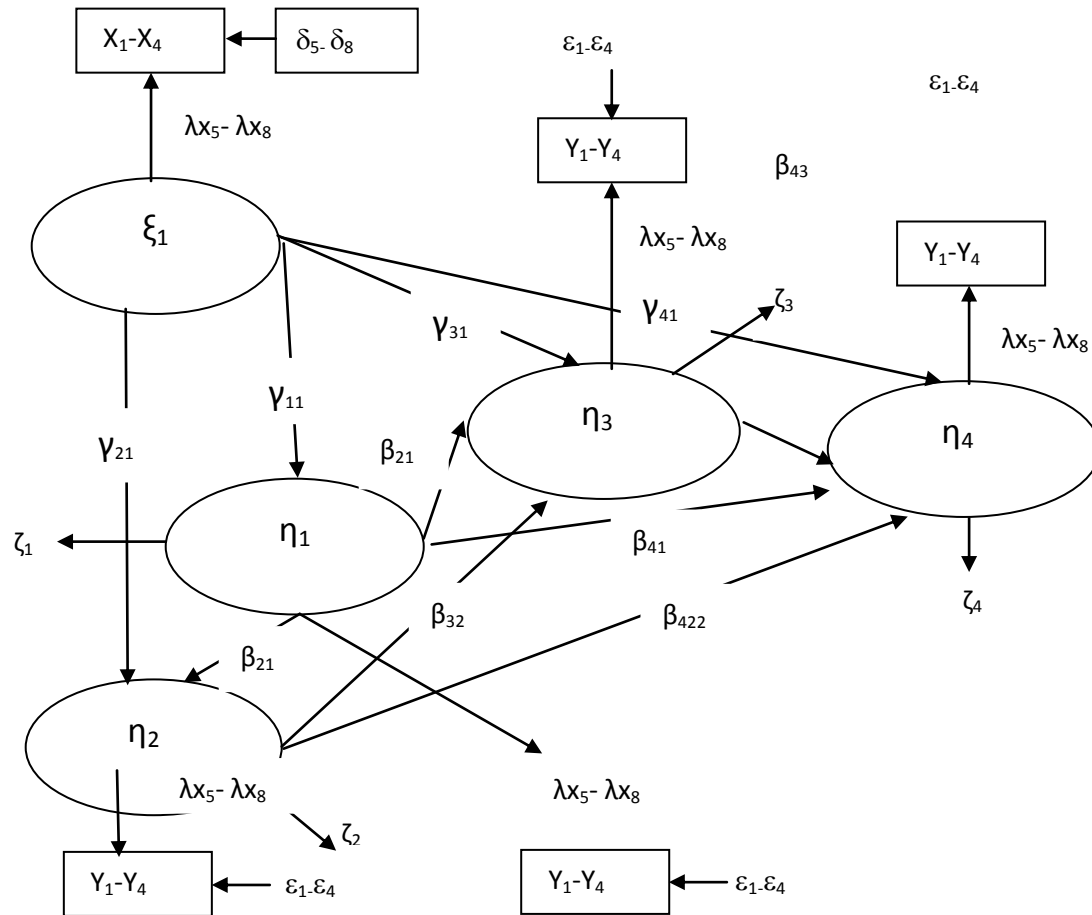

Figure 1.   General Research Model with LISREL Notation

Explanation Symbol

ξ = exogenous latent variable

X = observation variable of exogenous latent variable obtained from the average
      the indicator

η = endogenous latent variable

Y = observation variable of endogenous latent variable obtained from the average indicator

δ = *error* of exogenous variables

ε = *error* of endogenous variables

β = path coefficient between endogenous latent variables and endogenous latent variables

γ = path coefficient between exogenous latent variables and endogenous latent variables

λ = path coefficient of latent variables to indicators

ζ = error of endogenous latent variable

Based on this research model is complete, the next can set a measurement model *(measurement model)*and structural models *(structural models)* it. The measurement equation is an equation that states the relationship between the indicator variable and its latent variable. Structural equations are equations that express the relationship between latent variables.

a. **Equation for measurement model (*measurement model*)**

$X = \lambda_x \xi + \delta$

where :

X = exogenous variable indicator

λ_x = *loading factor* of exogenous indicators

ξ = exogenous latent variable

δ = *error* of exogenous variable

$Y = \lambda_y \eta + \varepsilon$

where :

Y = indicator of endogenous variables

λ_y = *loading factor* of endogenous indicator

η = endogenous latent variable

ε = *error* of endogenous variables

b. **Structural model equation (*structural model*)**

Based on the research model, the equations for the structural model can be determined, namely:

$\eta_1 = \gamma_{11} \xi_1 + \zeta_1$

$\eta_2 = \gamma_{21} \xi_1 + \beta_{21} \eta_1 + \zeta_2$

$\eta_3 = \gamma_{31} \xi_1 + \beta_{21} \eta_{1} + \beta_{22} \eta_{12} + \zeta_3$

$\eta_4 = \gamma_{41} \xi_1 + \beta_{41} \eta_1 + \beta_{42} \eta_{2} + \beta_{43} \eta_3 + \zeta_4$

To find out whether the structural model has a match between the theory and the facts (*goodness of fit*), it is carried out with variouscriteria *goodness of fit*, namely: *absolute fit indices, incremental fit indices,* and *parsimony fit indices.*

According to Hairs *et al.* (2010), the use of 4-5criteria *goodness of fit* is sufficient as long as each of thecriteria *goodness of fit* has been represented.

c. **Test the influence between latent variables**

This study also examines the relationships between endogenous latent variables and exogenous latent variables in the research model. This study is used to test the proposed research hypotheses. Structural model test is carried out by observing whether the statistical t-count values are taken from the t-distribution value for 5 percent alpha. If the t value is greater than 1.96 then the magnitude of the effect is significant, while the t value is above 1.96, the effect is declared insignificant.

III.   RESULT AND DISCUSSION

Result

1. Descriptive Analysis Descriptive

Analysis of each variable aims to determine the respondent's assessment of the variable through its indicators. If the assessment of all respondents on an indicator is low, choosing a score of 1,2 and 3 below 3.40 then the assessment is good and the respondent who thinks it is not good is choosing a score of 4 or 5 above 3.40 then this indicator must be discussed further.

Employee Loyalty

As companies that produce Palembang specialties and sell them directly to consumers.

Table 2. Summary of Employee Loyalty Variable Assessment

No.	Indicator	Percentage of Cumulative	Respondent Assessment
1	Wages according to workload	70,0	Bad
2	Work is considered good by superiors	32,9	Good
3	Work fatigue is still realistic	61,0	Bad
4	Happy with Work	44,3	Bad
5	Safe Threat of layoffs	51,4	Bad
6	Companies are progressing or growing	38,1	Bad
7	Maintain Honesty and Politeness	0,0	Good
8	Carry out Worship Activities	0,0	Good
9	Respect each other's religion each	1,0	Good
10	Help Other in work	35,7	Bad
11	Happy with daily work	27,1	Good
12	Happy with Work Locations	35,2	Bad

Source: analysis results

To find out there is a relationship or difference in employee loyalty to the characteristics of the respondents, the Chi-Square test has been carried out.

Table 3. Loyalty Relationship with respondent characteristics

Research Variables	Characteristics of Respondents	P-Value and P-table	Knot
Employee Loyalty	Company (Brand)	0,31 > 0,05	No difference
	Gender	0,06 > 0,05	No difference
	Age	0,21 > 0,05	No difference
	Family Status	0,40 > 0,05	No difference

Source: Appendix 1.a.

There is no difference between company brand, gender, age and family status on employee loyalty

Employee Job Satisfaction

As companies that produce Palembang specialties and sell them directly to consumers, job satisfaction is important for employee loyalty.

Table 4. Summary of Job Satisfaction Variable Indicators

No.	Indicator	Percentage Cumulative	Respondents Assessment
1	Satisfied with workload	38,1	Bad
2	Satisfied with the type of work	59,5	Bad
3	Satisfied with Work Time	12,4	Good
4	Satisfied with Supervisor's Direction	25,2	Good
5	Satisfied with Supervisor's Control	40,5	Bad
6	Satisfied with Communication	33,3	Good
7	Satisfied with Salary/Wage	75,2	Bad
8	Satisfied with Other Income	74,8	Bad
9	Satisfied with THR	73,8	Bad
10	Satisfied with Coworkers' Support	18,6	Good
11	Satisfied with good relations with colleagues	25,2	Good
12	Satisfied with good relations outside of work	36,7	Bad

13	Satisfied with how to reprimand superiors	65,7	Bad
14	Satisfied with peer criticism	73,8	Bad
15	Satisfied with how to reprimand when lazy to work	78,1	Bad

Source: Result of analysis

To find out whether there is a relationship or difference in the level of employee job satisfaction on the characteristics of the respondents, the Chi-Square test has been carried out.

Table 5. Chi Square Test of Employee Satisfaction

Research Variables	Characteristics of Respondents	P-Value and P-table	Knot
Employee Job Satisfaction	Company (Brand)	0,02 < 0,05	There is a difference
	Gender	0,02 < 0,05	There is a difference
	Age	0,77 > 0,05	No difference
	Family Status	0,24 > 0,05	No difference

Source: Analysis results

There are differences in company brands and gender on employee job satisfaction, this is due to the work itself, differences in salary/wages, THR, differences in supervision from the leadership and differences in how to respond to criticism from coworkers including differences in employee feedback on work while there is no difference in age and gender. family status on employee job satisfaction.

Work Motivation

As companies that produce Palembang specialties and sell them directly to consumers, work motivation is important for increasing employee loyalty.

Table 6. Summary of Work Motivation Variable Indicators

No.	Indicator	Percentage Cumulative	Respondents Assessment
1.	Physical Ability	8,1	Good
2.	Serve consumers who eat	0.0	Good
3.	Serve take-away orders	38,1	Bad
4.	Keep working even though physically not good enough	0,0	Good
5.	Keep working even though the atmosphere is not supportive	0,0	Good
6.	Keep working even though motivation is low	1,0	Good
7.	Work well even without being supervised	35,7	Bad
8.	Take risks at work	27,1	Good
9.	Still willing to learn	35,2	Bad
10.	Trying to work without mistakes	38,1	Bad
11.	Trying to work better than colleagues	59,5	Bad
12.	Trying to satisfy consumers	12,4	Good

Source: Results of analysis

To find out whether there is a relationship or difference in the level of employee motivation to the characteristics of the respondents, the Chi-Square test has been carried out.

Research Variables	Characteristics of Respondents	P-Value and P-table	Knot
Work Motivation	Company (Brand)	0,01 < 0,05	There is a difference
	Gender	0,91 > 0,05	No difference
	Age	0,50 > 0,05	No difference
	Family Status	0,01 < 0,05	There is a difference

Source **:** analysis result

There are differences in company brands and family status for work motivation, this is due to differences in employee commitment, differences in salary/wages and other incomes where different companies have different salaries/wages, different ways of completing employee tasks and the best efforts made by different employees. different while there is no difference in gender and age of employees for employee work motivation.

Organizational Culture

As a company that produces Palembang specialties, organizational culture is important for increasing employee motivation, trust, job satisfaction and employee loyalty.

Table 7. Summary Per Indicator Variable Organizational Culture

No.	Indicator	Percentage Cumulative	Respondents Assessment
1	Known Owner's Good Habits	55,7	Bad
2	Know Owner's	65,2	Bad
3	Will Carry Out Willing	42,4	Bad
4	Criticism Accepted by Company	21,4	Good
5	Criticism Company	20,0	Good
6	Pays Attention to Attention to Taste and Product Variations	6,2	Good
7	Criticism from Employees	21,9	Good
8	Maintain product packaging	21,9	Good
9	Maintain product flavor variations	15,7	Good
10	Maintain Facilities in Outlets	36,7	Bad
11	Attention to taste, shape , The packaging	15,2	Good
12	Company pays attention to product prices	16,2	Good

Source: Analysis results

To find out whether there is a relationship or difference in the level of employee organizational culture on the characteristics of the respondents, the Chi-Square test has been carried out.

Research Variables	Characteristics of Respondents	P-Value and P-table	Knot
Organizational Culture	Company (Brand)	0,46 > 0,05	No difference
	Gender	0,84 > 0,05	No difference
	Age	0,80 > 0,05	No difference
	Family Status	0,34 > 0,05	No difference

Source: Analysis results

There is no difference in company brand, gender, age and family status for organizational culture

Employee Trust

As a company that produces Palembang specialties and sells them directly to consumers, trust is important for employees for motivation, job satisfaction and loyalty.

Table 8. Summary Per Indicator Variable Trust Employees

No.	Indicator	Percentage Cumulative	Respondents Assessment
1.	Trust in the work ability of colleagues	18,1	Good
2.	Believe in product quality	13,8	Good
3.	Trust in the ability of company owners	36,7	Bad
4.	Believe that colleagues work always well	56,2	Bad
5.	Believe that product quality and variety are well maintained	20,0	Good
6.	Trust company owners manage the business	27,6	Good
7.	Trust colleagues protect each other from interference	30,5	Good
8.	Trust employee loyalty to participate in promotions	16,2	Good
9.	Believe in the loyalty of employees to stay at work	29,0	Good
10.	Trust honest employees for service to colleagues	21,4	Good
11.	Trust honest employees on product quality	17,6	Good
12.	Trust employees to be honest about service and product quality	12,9	Good

Source: Analysis results

To find out whether there is a relationship or difference in the level of employee confidence in the characteristics of respondents, the Chi-test has been carried out Square.

Research Variables	Characteristics of Respondents	P-Value and P-table	Knot
Employee Trust	Company (Brand)	0,27 > 0,05	No difference
	Gender	0,84 > 0,05	No difference
	Age	0,78 > 0,05	No difference
	Family Status	0,97 > 0,05	No difference

Source: Analysis results

There is no difference in respondent characteristics for company brand, gender, age and family status on employee trust.

2. Analysis Causality

Analysis Measurement Model

Analysis uses several construct tests on each variable, namely employee trust, employee loyalty, job satisfaction, motivation and organizational culture.

Analysis Structural model

Analysis is a test of the relationship or influence between latent variables that is carried out simultaneously or simultaneously. This test was carried out in 2 stages, namely the Goodness of Fit test and continued with the influence test between the variables. The following is the computer output in the form of the values of the indicators used for the Goodness of Fit.

a) Goodness of Fit Test (Model Fit Test)

The Test *Goodness of Fit* uses indicators grouped into 3 (three) criteria. According to Hair *et al.* (2010), the use of 4-5 indicators that meet the requirements of *goodness of fit* is sufficient as long as each indicator of the criteria is represented.

Based on all the indicators used for the Goodness of Fit test, each indicator of the criteria is represented, it is known that there are 9 indicators that do not support that the research model is suitable or proven and only 4 indicators that support it. Thus, the resulting research model will have at least 1 influence between variables that is not significant.

b) Test the influence between latent variables in the model

Based on the results of the t statistic test, it will be known the influence between significant and insignificant variables. The influence between variables that are not significant states that the research hypothesis is rejected. Here are 2 computer outputs that will be used to determine the level of significance of the influence between variables.

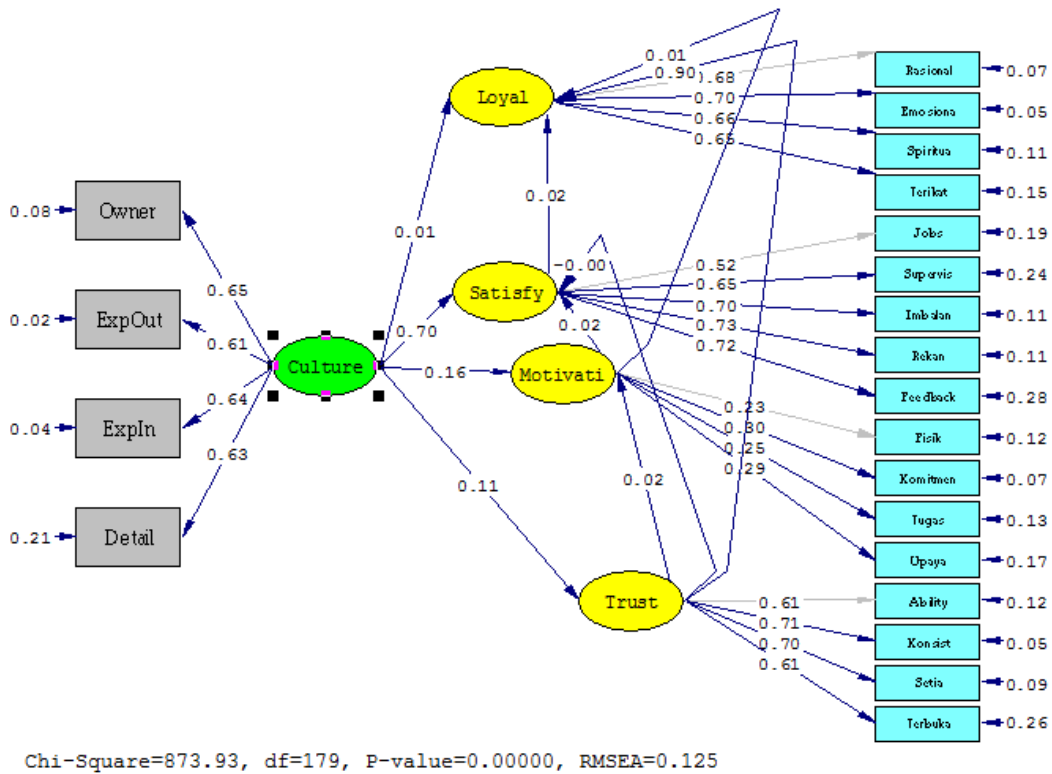Figure 2. Effect of the Inter Variables Hybrid

Chi-Square=873.93, df=179, P-value=0.00000, RMSEA=0.125

Figure 3. Large value of t statistics Variables Between Hybrid

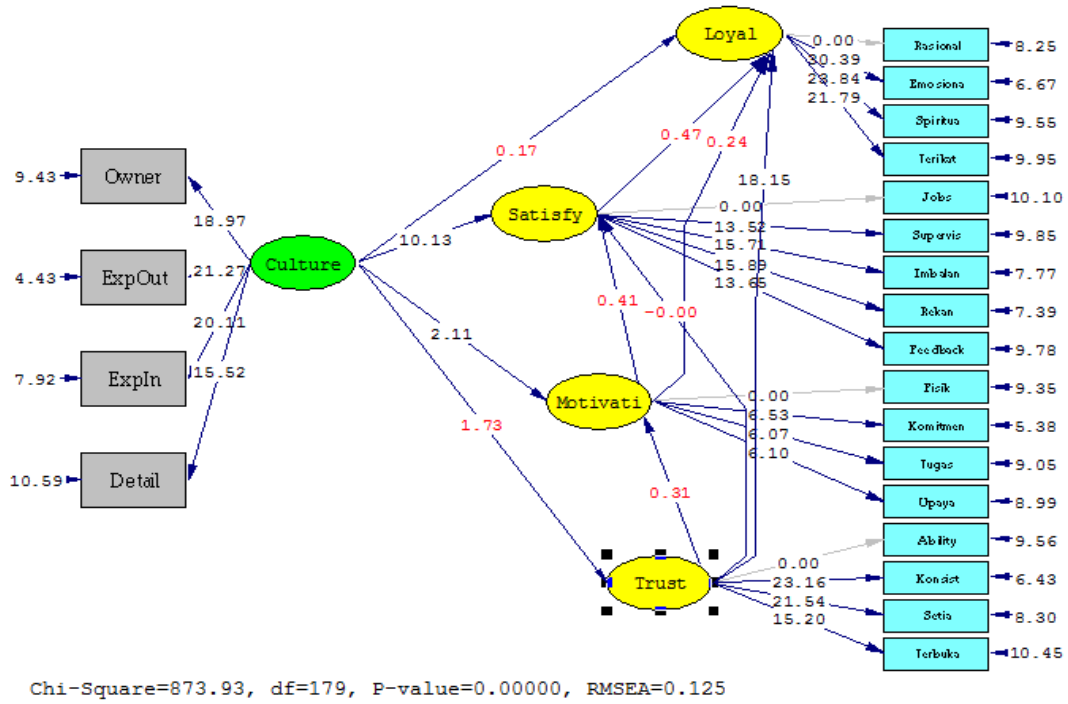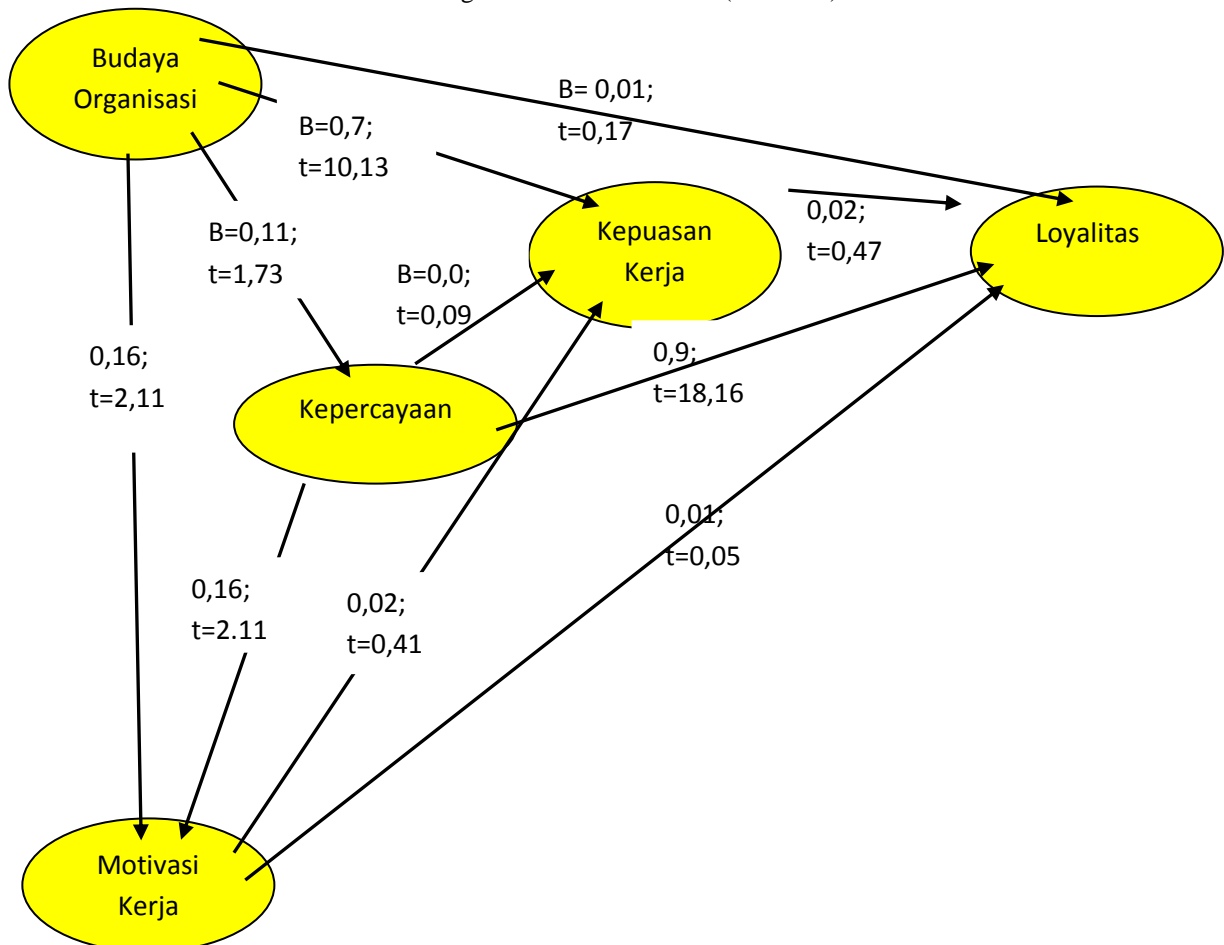Chi-Square=873.93, df=179, P-value=0.00000, RMSEA=0.125

Figure 4.Model Research (Modified)

Discussion

1. Descriptive Study

Based on the results of the respondent's assessment consisting of 5 alternative answers, then it will be divided into 2 alternatives, namely agree or disagree. The following are indicators of the variables that have been rated low by respondents.

Employee Loyalty

Loyalty to the company, especially in the Palembang food industry, especially Pempek is very important for the smooth running of the company both in terms of improving employee performance, efficient use of resources and being safe from threats of layoffs. Employees feel that the work that has been done so far in serving customers, whether buying to eat on the spot or orders to take home or be sent through a third party does not make employees loyal. The work carried out is too heavy and boring, the work results of employees have not been judged satisfactory by superiors, work fatigue is relatively high, so employees are not happy with their work.

Based on these assessments, the manager or brand owner must evaluate all company activities, especially regarding the use of employees, in terms of:

a. Reviewing the main duties of employees, all work handled by the company and the number of employees who handle them. Supposedly, all work can be handled by all employees with adequate physical and spiritual abilities.

b. Reviewing marketing strategy by management in order to increase sales. When sales increase, the number and weight of work will also increase. This must be anticipated by the company regarding the additional burden of employees.

c. Wages that are not in accordance with the sacrifice of time, energy, thoughts, and others will have an impact on disappointment and the impact of this disappointment will disrupt the level of employee loyalty to the company. Therefore, companies need to review a better and more pro-employee wage system so that they are more satisfied with their work.

d. In addition to low employee loyalty to work, problems also come from the existence of companies that are considered undeveloped and increase their image in the community. Employees perceive that traditional commodity companies are difficult to develop due to lack of innovation and service. The impact is a reduced sense of security because they are starting to worry about the threat of layoffs.

Another aspect that makes loyalty low is the lack of mutual assistance between employees in helping others. This happens because of various obstacles, among which, as described above, are excessive workloads and tedious work.

Job Satisfaction

Satisfaction Employee job satisfaction is the gap between expectations and reality received. If the reality received is below their expectations, the employee is not satisfied with what is asked. Employee job satisfaction is low because the expectations desired by employees are not in accordance with the reality received. What makes employees dissatisfied are: a) the work itself, such as the workload of the job, the type of work assigned) control from superiors over the implementation of employee work, where the quality of communication between superiors and subordinates is inadequate and the quality of direction is inadequate; reprimand from superiors who are not polite c) Relationships with coworkers outside of working hours, as explained in the low level of loyalty due to inadequate relations between employees; d) salary, overtime pay, THR and others are still below expectations. Based on these assessments, the manager or brand owner must evaluate all company activities, especially regarding the low employee satisfaction associated with the factors that cause it.

Work Motivation

Consumers can buy pempek food and others through communication tools or come directly, where the purchased goods will be brought home, so that the packaging, neatness of food arrangement, completeness and others must be considered very well by employees. The results of the study stated that the service was not good enough, meaning that it was mediocre as it was done on a daily basis. The quality of daily work should be consistently carried out by employees with good work standards, preferably even in situations of low emotion and work motivation because the fluctuations in motivation are human, but the quality of service remains excellent.

Another problem related to low work motivation is the willingness to learn so that employees are better able to increase customer satisfaction with the services provided. This is no longer in demand by employees because it is considered unnecessary. Trying to work without mistakes means that it will be difficult to carry out because carelessness of work, whether intentional or unintentional, can occur in any situation, and no longer trying to work better than other colleagues.

Based on these assessments, the manager or brand owner must evaluate all daily activities of employees that result in low employee motivation, especially related to physical fatigue and job satisfaction. Giving leave according to the applicable rules must be carried out consistently, complemented by vacations with employees is a good effort so that employees are not bored and enthusiastic to work

The Culture Organizational

The owner of the company, both themselves and the descendants who continue the company, have a vision, mission and goals in which the company will be run. They know, are aware of and strive to develop their employees well from all lines. Without adequate employees, both in terms of number and qualifications, the company will not advance, and will even retreat.

The results of this study indicate that the owner's desire to realize the vision, mission and goals through employees was not conveyed. Managers or superiors are only busy with service matters without providing useful information to employees about these strategic aspects. All employees should know and understand where the company is directed and how to motivate employees' work.

The owner of the company has a culture that proclaimed to all employees how to behave and behave in the company. There are norms to be upheld, so that what employees can and cannot do becomes clear. If the organizational culture is not understood, then the habits that are expected to drive the company's wheels by all employees will not be achieved.

Regarding products, employees stated that the taste and variety of products did not change from time to time, even though the taste and variety of products was an opportunity that could be achieved to improve customer satisfaction and company image. Because the company culture is not known by employees. Based on these assessments, the owner of the company or brand must provide information to employees both at the manager and employee levels so that they know, understand and implement what is expected through knowledge, work skills, attitudes and behavior as well as social ethics through special events. , for example holding an annual meeting to maintain good communication between employees, employees and superiors as well as company owners.

Employee Trust

Trust in the various aspects asked has been relatively good because they agree with the positive statements submitted. However, a statement of doubt or disagreement is expressed when the ability of the owner of the company to advance the company. This indicates that the owners and managers appointed by the pempek producing companies in Palembang are considered to be running ordinary companies.

Another distrust is in terms of the assumption that in general employees do not have consistency in carrying out their work to provide a good level of service. Inadequate mutual trust will make mutual assistance or mutual assistance among employees low.

Based on these assessments, the owner of the company or brand must provide enlightenment to employees so that mutual trust exists between employees and provides motivation so that employees can work better and mutual trust arises. This can be done through various meetings that can be held by the company on a regular basis. Meetings can also be used for other purposes or interests.

2. Causality and Descriptive

Study of Organizational Culture Does Not Affect Employee Loyalty. The results of this study refute several previous studies used in the formation of this hypothesis, namely the results of research by Kee, et al. (2012) and Bu, et al. (2016). employee loyalty to work in the company can be characterized from the rationality of employees, employees' emotional, spiritual and inner attachment of employees to the company as used in this study. The results show that employee loyalty is quite good and the values are quite diverse, which is reflected in 2 dimensions of low value and 2 dimensions of good value.

Organizational culture has a significant and significant effect on employee job satisfaction. The values given by respondents to organizational culture, work motivation and job satisfaction are relatively the same, namely various and the value is lower than the value of loyalty. Organizational culture has no effect on employee trust. The results of this study refute some of the results of previous studies used in the formation of this hypothesis, namely the results of research by Fauzia Jabeen (2017), Erwin et al. (2017) and Fauzia (2017). Organizational

cultural values for consumers are not a priority for employees compared to those that have a direct impact on employee interests, namely employee trust in the company and management by superiors. Organizational culture has a significant and significant effect on work motivation. Organizational culture is also low affecting work motivation. Employees' work motivation is characterized by aspects of the employee's physical condition, commitment to carrying out tasks and obligations, and the severity of the tasks handled.

Employee trust and significant effect on employee loyalty. Employees who serve pempek consumers at each outlet are employees who focus more on fulfilling their work needs, even though their needs are not too high, they have not been able to be fulfilled so they are disappointed. They have not focused on assessing trust in the company. Employee trust has no effect on employee job satisfaction. In general, employee job satisfaction is low, this can be seen from all dimensions and all indicators, although the distribution of assessments from respondents is quite high. Likewise, the respondent's value on employee trust, although the value is relatively better than consumer satisfaction, the data is also spread out. Employee trust has a significant and significant effect on employee work motivation. Employee work motivation is characterized by aspects of the employee's physical condition, commitment in carrying out duties and obligations, the severity of the tasks handled, as well as efforts to serve consumers.

Work motivation has no effect on employee loyalty. The results show that employee loyalty is quite good and the values are quite diverse, which is reflected in 2 dimensions of low value and 2 dimensions of good value. Work motivation has no effect on employee job satisfaction. The results of this study refute some of the results of previous studies used in the formation of this hypothesis, namely the results of research by Ishfaq, Musarrat, and Iqbal (2011), Rizwan Saleem and Azeem Mahmood (2012). Low work motivation on employee job satisfaction. The data from the respondents' assessment of motivation which is quite good and also more spread out causes no significant relationship with job satisfaction. Similarly, the assessment of work motivation on job satisfaction, because employees are more focused on meeting their needs through work. Job Satisfaction has no effect on Employee Loyalty. The results of this study refute some of the results of previous studies used in the formation of this hypothesis, namely the results of research by Rachel and Andy (2011) and Parul and Havisha (2015).

IV. CONCLUSION

Based on all the stages of the research that has been done, this chapter is the final explanation, namely the conclusions of the research to answer the research objectives. In accordance with the purpose of this study, namely to find and analyze the level of employee loyalty, employee job satisfaction, employee work motivation, organizational culture, and employee trust in the traditional Palembang food industry pempek company, namely:

a. The loyalty of the employees of the traditional pempek food industry in Palembang is influenced by the trust of the employees.

b. The job satisfaction of employees of the traditional Pempek food industry in Palembang cannot be proven as an indirect variable because employee job satisfaction has no effect on employee loyalty.

Through the job satisfaction of the employees of the traditional Pempek food industry in Palembang, it can be proven that organizational culture and employee motivation have no effect on employee loyalty.

V. Recommendation

As has been produced in this study, suggestions that can be given for further research can be redeveloped into concepts, theories or models that contribute to the development of science, especially human resource management. regional characteristic industries such as the songket weaving industry.

Recommendations for companies that own well-known brands in the traditional food pempek industry in the city of Palembang need to re-evaluate every outlet that sells pempek products, especially with regard to excessive work fatigue, the threat of layoffs, the comfort of the work environment and the presence of employees in terms of serving consumers.

REFERENCES

Book
[1]   Aida Azadi, Somaye Bagheri, dan Maryam Eslami Farsani. 2013. Relationship between organizational culture and organizational commitmentamong woman physical education teachers, *European Journal of Experimental Biology, 2013, 3(1)..*

[2]   Bubaker, N.A. 2012. The impact of organisational culture on employees motivation: Libyan case study, *University of Salford*.

[3]   Cummings, LL. dan P. Bromiley. 2012. The Organizational Trust Inventory (OTI), Development and Validation in Bijlsma, K. and P. Koopman. 2013. Introduction: Trust within Organisations. *Personel Review. 32 (5). 543- 555. Curral, SC. and TA. Judge*.

[4]   David Evans, Paul Gruba, dan Justin Zobel, 2011.*How to Write a Better Thesis*, edisi 3, Melbourne: Springer.

[5]   Dessler, Gary, (2012). *Human Resource Management*, New Jersey: Prentice Hall Inc.

[6]   Dipboye, R. L., Smith, C. S., dan Howell, W. C. 2013. *Understanding Industrial and Organizational Psychology: An integrated approach.* Orlando, FL: Harcourt Brace.

[7]   Ermin Erasmus, Lucy Gilson, dan Veloshnee Govender, 2017. Organisational culture and trust asinfluences over the implementation ofequity-oriented policy in two South Africancase study hospitals, *International Journal for Equity in Health 16:164.*

[8]   Gibson, William David, 2011. The effect of trust in leader on job satisfaction and intent to leave present job in the context of the nursing profession. *Disertasi University of Louisville*

[9]   Hampton, R. David, Charles Edgar Summer, dan Ross A. Webber. (2013). *Organizational Behavior and The Practice of Management*, edisi 4, Boston: McGrawHill

[10]   Katerina Spakovska, Marek Ballarin, dan Michal Vanek, 2015, Influence of motivation on work performance and loyalty of employees inindustrial enterprises, *VSB-Technical University of Ostrava, Czech Republic*

[11]   Kee, Hui Poo; Low Pei Wa, dan Oi Chong King. 2012. A Study on The Impacts towards The Loyalty of the Employee among the Back of House Staff in Hotel Industry. *A Research Project, Universiti Tunku Abdul Rahman*

[12]   Keitner, Robert dan Angelo Kinicki. 2012. *Organizational Behavior*. New York: McGraw-Hill.

[13]   *Luthan, Fred dan Mc. Farlin, 2012. Organizational Behavior, Singapore: Mc.Graw-Hill.*

[14]   Mathis, L. Robert dan John H. Jackson. 2012. *Strategic Human Resources Management,* edisi 13, Southwestern : Chengange Learning.

[15]   Mullins, LJ. 2013. Management and Organisational Behaviour. Prentice hall. UK 7th Ed. 88(431):1052-1058.

Journal
[16]   Arumugam Raman, dan Lim Tse Ying. 2015.The Relationsip between Culture and Organizational Commitment amongChinese Primary School Teachers, *Mediterranean Journal of Social Sciences, MCSER Publishing, Rome-Italy, Vol 6 No 2 S5*.

[17]   Bu, Thi Min Thu dan Le Nguyen Doan Khoi. 2016. Building Research Framework of Relationship Between Corporate Culture, Working Motivation and Employee's Loyalty. Science *Journal of Business and Management, Vol. 4 No. 5)*.

[18]   Danish, R Qaiser; Umar Draz dan Hafiz Yaser Ali. 2015. Impact of Organizational Climate on Job Satisfaction and Organizational Commitment in Education Sector of Pakistan.*American Journal of Mobile System, Application and Services, Vol. 1 No.2*.

[19]   Hackman J Richard dan Greg R. Oldman. 2012. Development of the Job Diagnostic Survey, Journal of Applied Psychology, Vol. 60 No. 2

[20]   Hutabarat, Wesly. 2015. Investigation of Teacher Job-Performance Model: Organizational Culture, Work Motivation and Job-Satisfaction.*Asian Social Science, Vol. 11, No. 18*

[21]   Ishfaq Ahmed, Muhammad Musarrat, dan Naveed Iqbal. 2012. Effects of Motivational Factors on Employees Job Satisfactiona Case Study of University of the Punjab, Pakistan, *International Journal of Business and Management, Vol. 5 No. 3*

[22]   Janjua, B. Hussain dan Amir Gulzar, 2014. The Impact of Human Resource Practices on Employee Commitment and Employee Retention in Telcom Sector of Pakistan : Exploring the Mediating Role of Employee Loyalty, *Journal of Business and Management, Vol. 16 Iss 1.*

[23]   Kurt Matzler dan Birgit Renzl, 2013. The Relationship between InterpersonalTrust, Employee Satisfaction, andEmployee Loyalty, *Total Quality ManagementVol. 17, No. 10, 1261–1271, December*

[24]   Lady N. Frempong, Wonder Agbenyo dan Peter A Darko, 2018. The Impact of Job Satisfaction on Employees' Loyalty and Commitment: A Comparative Study Among Some Selected Sectors in Ghana, *European Journal of Business and Management, Vol.10, No.12.*

[25]   Lebbaeus Asamani, 2015. Interpersonal Trust at Work and Employees' Organizational Citizenship Behavior, *International Journal of Business and Management Review, Vol.3, No.11, pp.17-29.*

[26]   Liu, Y & Jang. 2013. Perseptions of Chinese restaurants in the US: what affects satisfaction and behavioral intentions? *International Journal of Hospitality Mangement*, 338-348.

[27]   Mahwish, Anjam dan Tahira Yawer Ali. 2016. Impact of Leadership Style on Employee's Loyalty. *Gulf-Pacific Journal of Business Administration, Vol. 1, No. 2.*

[28]   Mappamiring P. 2015. Effect of Cultural Organization, Leadership and Motivation of Work on the Performance of Employees (Studies in Islamic Banking in Makassar). *International Journal of Academic Research in Business and Social Sciences, Dec., Vol. 5*

[29]   Max Evans. 2013. Is Trust the Most Important Human Factor Influencing Knowledge Sharing in Organisations?*Journal of Information & Knowledge Management (JIKM)*, Vol. 12. No. 4.

[30]   Mayer, R. C., dan Gavin, M. B. 2012. Trust in management and performance: Who minds the shop while the employees watch the boss? *Academy of Management Journal, 48: 874 – 888. McAllister, D. J*

[31]   Maznah Wan Omar, Kamaruzaman Jusoff dan Harniyati Hussin. 2011. Employee Motivation and its Impact on Employee Loyalty, *World Applied Sciences Journal 8 (7): 871-873, ISSN 1818-4952.*

[32]   M Sheik Mohamed, M Mohiadeen Abdul Kader dan H. Anisa, 2012. Relationship among Organizational Commitment, Trust and Job Satisfaction: An Empirical Study in Banking Industry, *Research Journal of Management Sciences, Vol. 1(2), 1-7.*

[33]   Muhammad Jamal, Musawwir-Ur-Rehman, dan Gulnaz Akhtar. 2012. Job Satisfaction and Motivation of Teachers of Public Educational Institutions, *International Journal of Business and Social Science Vol. 3 No. 8.*

[34]   Nida Zafar, Sana Ishaq dan M. Rizwan. 2011. Employee Motivation and its Impact on Employee Loyalty, *World Applied Sciences Journal 8 (7): 871-873.*

[35]   Omar, 2016. Development Model of Traditional Local Product Based Innovation Driven for Entering Market Centre. *Journal Of Business and Management Sciences*. Vol 4, Number 1, 2016.

[36]   Parastoo Gashtasebi Fard, dan Fariba Karimi, 2015. The Relationship between Organizational Trust and OrganizationalSilence with Job Satisfaction and Organizational Commitment of theEmployees of University, *International Education Studies; Vol. 8, No. 11*

[37]   Parul, Jhajharia dan Havisha Gupta. 2015. A Study of Employee Satisfaction and its Impact on Employee Retention in Retail Sector,*Journal of Business and Management, Vol. 17 Iss 7.*

[38]   Rachel, W. Y. Yee danAndy C. L. Yeung. 2011. The Impact of Employee Satisfaction on Loyalty and Profitability in High-contact Service Industries, *Journal of Operations Management, Vol. 26 No. 5.*

[39]   Rachel, W. Y. Yee danAndy C. L. Yeung. 2011. The Impact of Employee Satisfaction on Loyalty and Profitability in High-contact Service Industries, *Journal of Operations Management, Vol. 26 No. 5.*

[40]   Rizwan Saleem, Azeem Mahmood, 2011. Effect of Work Motivation on Job Satisfaction in MobileTelecommunication Service Organizations of Pakistan, *International Journal of Business and Management Vol. 5, No. 11.*

[41]   Shurbagi, Ali Adel Mohamed. 2015. The Effect of Organizational Culture on the Relationship between Job Satisfaction and Organizational Commitment.*International Journal of Humanities and Management Sciences, Vol. 3, Iss 1.*

[42]   Shweta Awasthi, 2013. Impact of Organizational Culture on Employee Attitude, *IJSR – International Journal of Scientific Research, Volume : 2, Iss : 3.*

[43]   Walker, Kiyak. 2013. The Effect Of Organizational Culture On Organizational Efficiency: The Moderating Role Of Organizational Environment and CEO Values, *Elsevier- Journal Procedia Social and Behavioral Sciences 24 (2011) 1560–1573*

Online Edition

[44]   Agus Joko Pramono. (2018). South Sumatra Provincial Government Wins WTP, BPK Entrusts Three Repairs. Rimaunews, South Sumatra Province http://www.rimaunews.com/berita/rimau-government/view/pemprov-sumsel-raih-opini-wtp-bpk- entrust-perbaikan.html.

[45]   Fauzi Ahmad Commission. (2017). The performance of the Pelembang City government's OPD is considered not optimal. Beritamusi, Palembang http://beritamusi.co.id/2017/09/27/kinerja-opd-pemkot-palembang-perceived-not-maximal/.

[46]   I Gede Kastawa. (2016). The head of the representative submitted LPH Quarter IV 2016. Palembang.bpk.go.id http://Palembang.bpk.go.id/?p=13905.

[47]   Isma Yatun. (2018). BPK Finds 5 Problems in Palembang. Detiksumsel, Palembang https://www.detiksumsel.com/bpk-tekan-5-perjualan-dipalembang/amp/.

[48]   Maman Abdurachman. (2018). Less effective, BPK asks the sub-district head to supervise village funds, what are the obstacles? Warta Ekonomi, Palembang https://www.wartaekonomi.co.id/read208680/less-effective-bpk-minta-camat-awasi-dana-desa-apa-kendalanya.html.Examples follow:

[49]   McCusker. D. dan Wolfman, I. (2013). Loyalty in the eyes of employers and employees. Workforce, in press.

[50]   McCauley, D.P. dan Kuhnert, K.W. 2013. A theoretical review and empirical investigation of employee trust in management. *Public Administration Quarterly, 16, 2, 265-85*

[51]   Peloso, A. Frederick. 2012. The Antecedents of the Employee Loyalty-Customer Loyalty Relationship, *Dissertation, Queensland University.*

[52]   Porter, Lyman W,, Richard M, Steers, Richard T. Mowday, dan Paul V. Boulian. 2012. Organizational commitment, job satisfaction, and turnover among psychiatric technicians. *Journal of Applled Psychology, 59: 603-609.*

[53]   Rai, Imtiaz Hussain. 2014. The Linkage of Employee Satisfaction and Loyalty in Hotel Industries of Pakistan, *Asian Economics and Financial Review.*

[54]   Robbins, P. Stephen. dan Timothy A. Judge, 2013. *Organizational Behavior.* New Jersey: Prentice Hall

[55]   Sempane, ME, HS Rieger, dan G Roodt, 2012. Job Satisfaction in Relation to Organizational Culture. *Journal of Industrial Psychology*, No. 28(2).

[56]   Smrita Sinha, Ajay Kr. Singh, Nisha Gupta, dan Rajul Dutt. 2011. Impact of work culture on motivation and performance level of employees in provate sector companies. *Acta Oeconomica Pragensia.*