

THE IMPACT OF THE COVID-19 PANDEMIC ON THE LOYALTY OF EMPLOYEES

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Abstract: The global COVID-19 pandemic has been a real test for most employers and their employees. The purpose of the article is to establish the pandemic's impact on employees' loyalty and identify the factors that have had the most significant impact. The main objectives of the survey of the hired staff were as follows: to find out how the interviewed employees understand the concept of "loyalty"; to study with the help of the survey the factors that affect the loyalty of staff in the first and second stages of the survey; find out how much the respondents' answers have changed during the quarantine year. The study was conducted by interviewing Ukrainian enterprises' employees by Google forms in two stages: in March - April 2020 and February-March 2021. The 15125 people took part in the survey, of which 76.3% were women (11540 people) and 23.7% (3585 people). We understood that it is more appropriate to use the concept of "loyalty" and consider it is agreeing with the company's mission and vision, compliance with corporate culture and ethics, which allows achieving strategic goals. Only the employer and employees' joint efforts will contribute to the effective operation of enterprises, even in a pandemic COVID-19.

Keywords: Employees, Employers, Hired staff, Loyalty, Pandemic COVID-19.

1 Introduction

The global COVID-19 pandemic, which began in the spring of 2020, brought the relationship between employers and employees to the surface. It makes it clear to all parties that, on the one hand, not only economic conditions are essential in organizing work in enterprises, but also professionalism is the only criterion when choosing a specialist.

A few years ago, when there was a vacancy, employers paid attention to professional qualities; then, recently, job seekers expect not only economic but also social bonuses in the new job. That is why loyalty to the company plays a crucial role in increasing both young and experienced professionals.

2 Literature Review

Despite the importance of the phenomenon of loyalty and the presence of a number of publications on this issue, the very concept of "loyalty" is interpreted differently. In the English-language literature, two terms are used: "organizational commitment" and "employee loyalty". Meyer and Allen [26] state that organizational commitment is "a psychological state that a) characterizes the employee's relationships with the organization, and b) has implications for the decision to continue membership in the organization".

"Organizational Commitment is typically measured by items tapping respondents' willingness to work hard to improve their companies, the fit between the firm's and the worker's values, reluctance to leave, and loyalty toward or pride taken in working for their employers" [22]. The concept of organizational commitment has attracted considerable interest in an attempt to understand and clarify the intensity and stability of an employee's dedication to the organization [23, 24] defined organizational commitment as "a psychological state that binds the individual to the organization (i.e., makes turnover less likely).

According to Northcraft and Neale [33], commitment is an attitude reflecting an employee's loyalty to the organization and an ongoing process through which organization members express their concern for the organization and its continued success and well-being. Organizational commitment is "the degree to which an employee identifies with a particular

organization and its goals, and wishes to maintain membership in the organization" [36].

Bateman and Strasser [5] state organizational commitment as "multidimensional in nature, involving an employee's loyalty to the organization, willingness to exert effort on behalf of the organization, degree of goal and value congruency with the organization, and desire to maintain membership". At the same time, consider the concept of *loyalty*. "Loyalty, as a general term, signifies a person's devotion or sentiment of attachment to a particular object, which may be another person or group of persons, an ideal, a duty, or a cause [43-45]. It expresses itself in both thought and action and strives for the identification of the interests of the loyal person with those of the object" [8].

Employee loyalty (typically synonymous with commitment) to the organization has sometimes been viewed as an attitude. However, it is not so much an attitude (or thought component) that is important in organizations, but rather it is the bottom-line action component [25]. Employee loyalty is the willingness to remain with the organization [41].

Employee loyalty can be defined as employees being committed to the success of the organization and believing that working for this organization is their best option. Not only do they plan to remain with the organization, but they do not actively search for alternative employment and are not responsive to offers [42].

Employee loyalty is an organizational citizenship behavior that reflects the allegiance to the organization to the promotion of its interests and image to the outsiders [6]. Employee loyalty is a manifestation of organizational commitment, the relative strength of an individual's identification with and involvement in a particular organization [31], based on internalization and identification [34, 40].

Three related factors can characterize this behavior. They are strong belief and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization, and a strong desire to maintain membership in the organization [30, 39]. Since most scholars do not have a unified approach, we consider it necessary to conduct our own research, the results of which will show an understanding of loyalty on the part of hired staff. We believe that it is more appropriate to use the concept of "loyalty" and consider it is agreeing with the company's mission and vision, compliance with corporate culture and ethics, which allows achieving strategic goals [1-4, 7, 9, 11, 12, 15, 18-21].

3 Materials and Methods

The purpose of the article is to establish the pandemic's impact on the loyalty of employees and identify the factors that have had the greatest impact [13, 16, 17, 29, 32, 35, 37]. The study was conducted by interviewing employees of Ukrainian enterprises by Google forms in two stages: in March - April 2020 and in February-March 2021. The 15125 people took part in the survey, of which 76.3% were women (11540 people) and 23.7% (3585 people). The age structure of the respondents is shown in Figure 1.

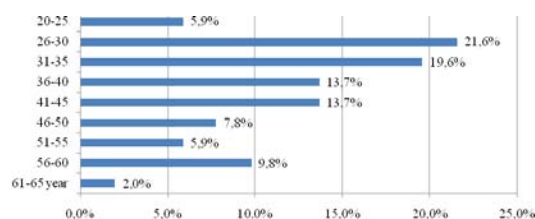


Figure 1 – Age structure of surveyed employees

The level of education of the interviewed employees showed that the vast majority of them have higher education (Figure 2).

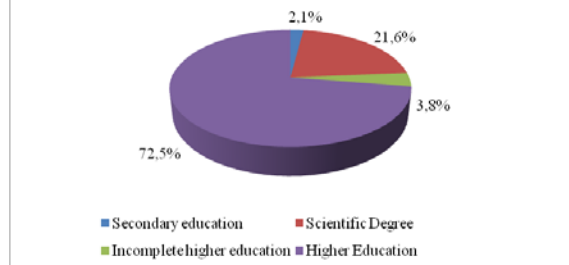


Figure 2 – The level of education of the surveyed employees

The educational level of the interviewed employees proves that the vast majority of them work for 10-15 years (Figure 3).

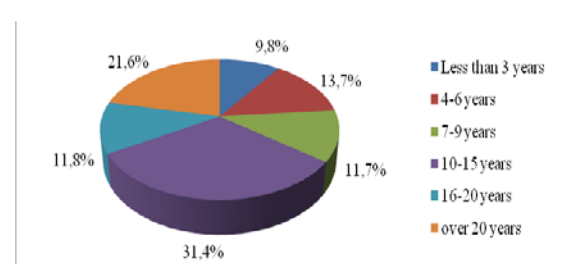


Figure 3 – Experience of interviewed employees

More than half of the surveyed employees have been working at their current place of work for more than 4 years (Figure 4).

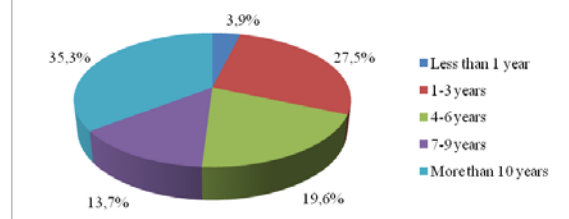


Figure 4 – The period of work of the interviewed employees at the current place of work

The main categories of employees who participated in the survey (Figure 5).

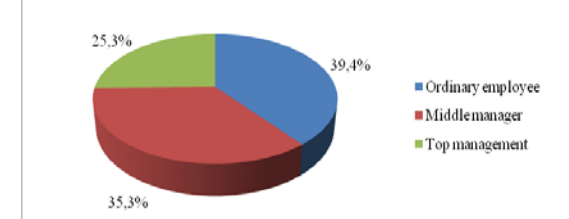


Figure 5 – The main categories of employees who participated in the survey

The main objectives of the survey of hired staff were as follows:

- To find out how the interviewed employees understand the concept of "loyalty";
- To study with the help of the survey the factors that affect the loyalty of staff in the first and second stages of the survey [10, 14, 27, 28, 38].;
- To find out how much the respondents' answers have changed during the quarantine year.

4 Results

The study found that the concept of "staff loyalty" is most often understood by construction workers as loyalty and a positive attitude towards the company (Figure 6).



Figure 6 – Interpretation of the concept of "staff loyalty" by employees

Respondents were asked to choose three answers that most fully characterize the factors on which employees' loyalty to the company depends. According to the results of the survey, the most important factors influencing the loyalty of employees were job satisfaction in general, the personality of the leader, team relations, and the level of wages (Figure 7).



Figure 7 – The main factors on which the loyalty of employees depends

Respondents were asked to choose three answers that most fully characterize the indicators of employee loyalty to the company (Figure 8).

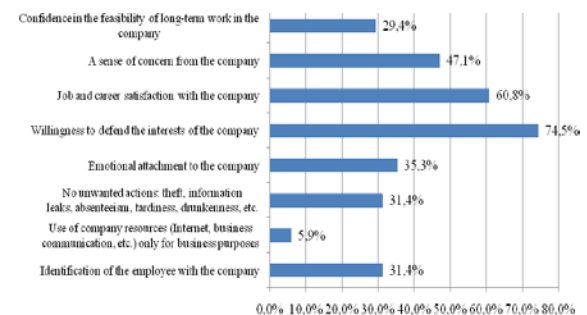


Figure 8 – The main indicators of staff loyalty

All respondents were asked, "Has your loyalty to the company you work for changed during the quarantine?" The answers obtained differed in the first and second stages of the survey (Figure 9).

According to the survey results, the respondents' answers changed during the year of quarantine in favor of employers who took care of their employees.

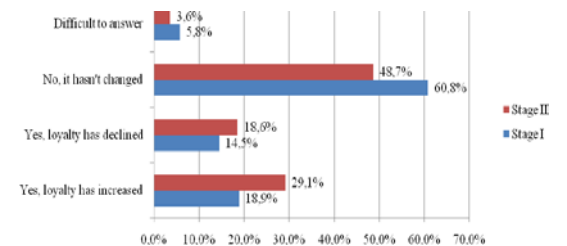


Figure 9 – Answers to question, "Has your loyalty to the company you work for changed during the quarantine?"

Respondents were asked to choose all the important ones to answer the question, "What actions on the part of the company's management during the quarantine had a positive effect on your loyalty?" Of all the proposed answers, "Invariance in the remuneration of employees" and "Creating the right conditions for employees to work separately (work laptop, software, etc.)" were most often chosen.

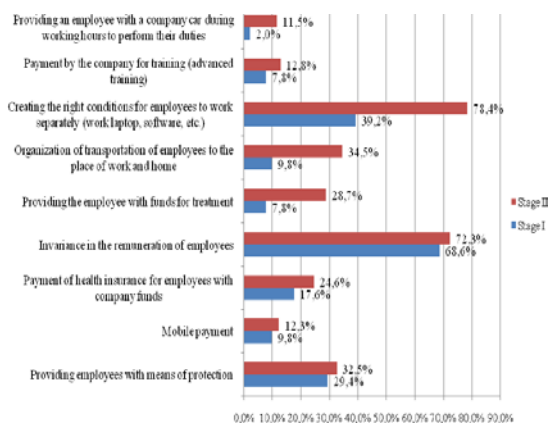


Figure 10 – Answers to question, "What actions on the part of the company's management during the quarantine had a positive effect on your loyalty?"

As can be seen from Figure 10, in the second stage of the survey, all indicators changed their value in the direction of increase, which indicates a more caring attitude of employers to employees, which improved their loyalty.

5 Discussion

At the same time, it was the concern for hired personnel in the conditions of the COVID-19 pandemic that allowed them to keep most enterprises' activity.

We believe that the confirmation of our hypothesis answers respondents' answers to questions about the possibility of changing jobs (Figure 11).

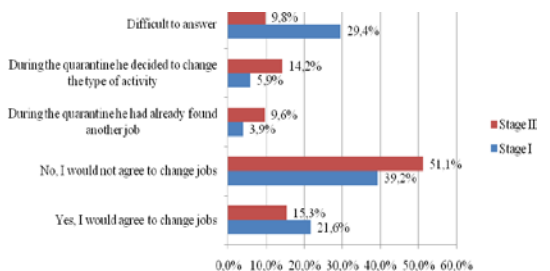


Figure 11 – Answers to the question, "How would you now be offered to change jobs if you did?"

Thus, if at the beginning of the COVID-19 pandemic, almost 30% could not decide on a workplace change, then a year later, only 10% were not sure of their decision. During the second phase of the survey, only 15% are still ready to change the workplace. Simultaneously, more than half of the respondents became more confident in their decision not to change jobs.

6 Conclusion

Based on the results of the study, the following conclusions can be drawn [46, 47]. We believe that it is more appropriate to use the concept of "loyalty" and consider it is agreeing with the company's mission and vision, compliance with corporate culture and ethics, which allows achieving strategic goals.

Under normal circumstances, most employees called the main factor of loyalty "Job satisfaction in general" and "Satisfaction

with relationships in the team", and manifestations of loyalty – "Willingness to defend the interests of the company" and "Job and career satisfaction with the company".

During the COVID-19 pandemic, most employees paid attention to "Creating the right conditions for employees to work separately (work laptop, software, etc.)" and "Invariance in the remuneration of employees." At the same time, most respondents' loyalty to the place of work has not changed or increased.

Thus, only the employer and employees' joint efforts will contribute to the effective operation of enterprises, even in a pandemic COVID-19.

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Primary Paper Section: A

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