

## Examining the Factors Influencing Employee Retention and Loyalty in a Private Hospital in Bangkok, Thailand

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### Abstract

Employee retention and loyalty are critical for operational efficiency and quality patient care in hospitals. This study investigates the key factors influencing these outcomes through Structural Equation Modeling (SEM) using survey data from 332 employees of a private hospital in Bangkok. The model examined compensation, dedication, engagement, leadership, teamwork, and career advancement. Results revealed dedication ( $\beta = 0.62$ ,  $p < 0.01$ ) and teamwork ( $\beta = 0.83$ ,  $p < 0.01$ ) as the strongest positive predictors of retention and loyalty, while career advancement showed a significant negative direct effect ( $\beta = -0.66$ ,  $p < 0.05$ ) when not supported by internal opportunities. Compensation positively influenced retention ( $\beta = 0.27$ ,  $p < 0.01$ ), and leadership, though beneficial for teamwork and career growth, had a small negative direct effect ( $\beta = -0.05$ ). These findings suggest strategic actions such as enhancing leadership development, fostering collaborative cultures, aligning career pathways with internal opportunities, and offering competitive compensation packages. By implementing these targeted strategies, hospital administrators can reduce turnover, strengthen workforce commitment, and improve healthcare service delivery.

**Keywords:** Employee retention and loyalty, Structural equation modeling, Employee loyalty in hospital, Healthcare management, Employee satisfaction

## Introduction

Employee retention and loyalty are critical for ensuring stability, efficiency, and high-quality care in healthcare institutions. Hospitals face persistent challenges in retaining skilled professionals due to high job demands, workplace stress, and competitive external opportunities (Talib Al Shuaili, 2025). Multiple organizational and individual factors—such as compensation, job satisfaction, leadership, organizational culture, career advancement, and work-life balance—shape employees' commitment and intent to remain (Yang, 2024).

Job satisfaction has a strong influence on retention and loyalty. Satisfied employees tend to remain committed and perform at higher levels, and in hospital settings, this satisfaction is shaped by fair compensation, opportunities for growth, supportive leadership, and a positive organizational culture (Putra et al., 2024). In Thailand, internal service quality and supportive workplace practices have been shown to enhance employee satisfaction and loyalty in hospital contexts, which in turn positively influence patient care and organizational performance (Srisorn, 2020; Tangthong et al., 2014). Retention strategies must address these elements in an integrated way rather than in isolation.

Hospitals operate in dynamic, high-pressure environments where high turnover increases recruitment costs, disrupts patient care, and diminishes operational efficiency (Sija, 2022). Previous research often focuses on single factors such as leadership or compensation, but fewer studies have examined how multiple organizational and psychological factors interact to influence retention in the healthcare sector (Putri & Renwarin, 2023). Thai healthcare sector also suggests that structured career pathways, particularly for nursing professionals, play a significant role in retention, though their effects may vary depending on workload and organizational culture (Rakhab et al., 2021). This highlights the need to understand contextual influences in hospital environments.

Despite extensive literature, there is a lack of comprehensive, empirical models in the hospital context that simultaneously assess the interplay between compensation, dedication, engagement, leadership, teamwork, and career advancement, and their impact on retention and loyalty. Existing studies often neglect mediating pathways (e.g., teamwork and career growth) and rarely differentiate between direct and indirect influences. However, prior studies in Thailand and internationally have largely examined these variables in isolation, often focusing on single constructs such as leadership or compensation. Few have developed multi-factor SEM models in hospital contexts that integrate organizational, interpersonal, and career-related dimensions into a single framework. Additionally, limited research has explored the mediating roles of teamwork and career advancement in shaping employee retention and loyalty within the healthcare sector. This study addresses that gap by applying an advanced inferential modeling approach to evaluate these relationships in a private hospital in Bangkok, offering novel, data-driven insights that can inform targeted human resource strategies in healthcare. While this study is grounded in the Thai private hospital context, the conceptual framework and findings may be transferable to other healthcare systems facing similar workforce challenges such as high turnover, resource constraints, and the need for sustainable retention strategies thereby enhancing the global applicability of the research and providing a foundation for cross-national comparisons.

## Research Objectives

This study aims to examine the organizational and individual factors influencing employee retention and loyalty in a healthcare context. Specifically, the research is conducted in a private hospital in Bangkok, Thailand, targeting a broad range of hospital employees including nurses, nurse assistants, operational staff, and professional staff (e.g., laboratory technicians, pharmacists). The objectives are:

1. To identify and evaluate the direct effects of compensation, dedication, engagement, and leadership on employee retention and loyalty.
2. To analyze the mediating role of teamwork and career advancement in the relationship between key predictors and retention/loyalty.
3. To provide evidence-based recommendations for hospital administrators to improve retention and loyalty through strategic human resource management.

## Literature review

Job satisfaction is a critical factor influencing employee retention and loyalty, particularly within the demanding environment of hospitals. High turnover rates in healthcare institutions lead to increased recruitment costs, reduced staff morale, and disruptions in patient care, making the understanding of factors influencing job satisfaction essential.

Several theoretical models explain job satisfaction, including Herzberg's motivation-hygiene theory (Michael & Giannis, 2022), Maslow's Hierarchy of Needs (Ghaleb, 2024), and the Job Demand-Resource (JD-R) model (Bakker & Demerouti, 2014). Herzberg's motivation-hygiene theory identified intrinsic motivators (e.g., achievement, recognition) and extrinsic hygiene factors (e.g., salary, work conditions) as key determinants of job satisfaction. The Job Demand-Resource (JD-R) model emphasizes the balance between job demands and available resources as crucial for employee well-being.

## Factors Influencing Job Satisfaction

### Compensation

Compensation, including financial rewards (e.g., salaries, bonuses, and benefits) and non-monetary rewards (e.g., recognition and professional development opportunities), plays a significant role in influencing employee retention (Mohamad & Siti, 2023). While some studies focus on financial compensation, the impact of intrinsic rewards on employee loyalty should not be neglected.

### Engagement and Job Commitment

Employee engagement is another key factor influencing retention, with engaged employees demonstrating higher commitment, lower turnover intentions, and greater productivity (Rathaba & Naong, 2024). The psychological connection between employees and their work is particularly relevant in hospitals, where patient care requires continuous motivation and dedication.

### Leadership

Leadership is widely recognized as a crucial factor in shaping workplace culture and employee satisfaction. Transformational leadership, which inspires and motivates employees, is linked to higher retention rates (Kothari, 2023). However, certain leadership styles, such as authoritarian or micromanaging approaches, may reduce job satisfaction and contribute to higher turnover (Putra et al., 2024).

## Career Advancement

Opportunities for career growth and professional development are significant in retaining hospital employees. Human Capital Theory (Pasban & Nojehdeh, 2016) emphasizes that investing in employee development leads to greater organizational commitment and reduced turnover. Employees who perceive clear career advancement prospects are more likely to remain loyal to their employers (Rathaba & Naong, 2024).

## Teamwork

Effective teamwork fosters a positive work environment, improves job satisfaction, and enhances employee retention (Indasari et al., 2024). Hospitals require strong collaboration among healthcare professionals to ensure patient safety and operational efficiency.

Previous studies have often examined factors influencing retention in isolation, without analyzing their combined effects. For example, the role of leadership in retention remains unclear, with some studies reporting a positive impact while others suggest negative direct effects. Additionally, the mediating roles of factors like teamwork and career advancement in the relationship between leadership, engagement, and retention require further exploration. This study aims to address these gaps by employing Structural Equation Modeling (SEM) to examine the direct and indirect relationships between these key factors and job satisfaction in a hospital setting.

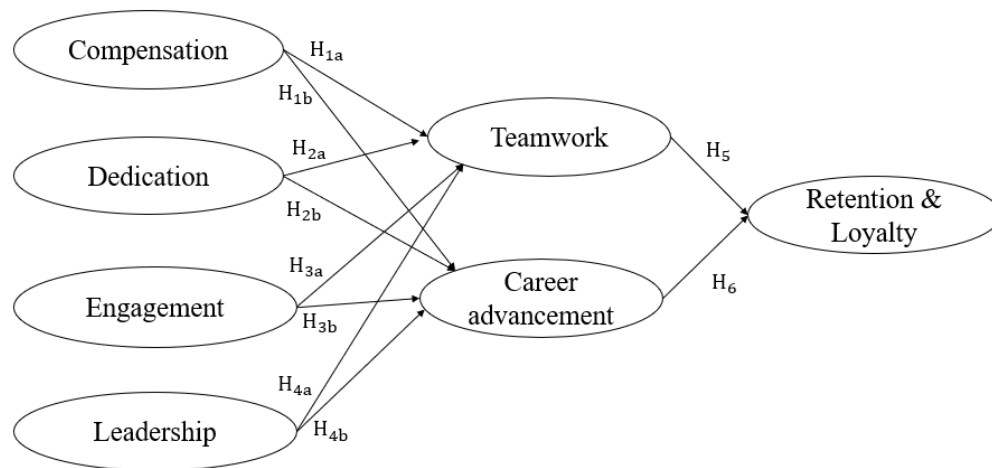
## Conceptual Framework

The conceptual framework of this study, as illustrated in Figure 1, examines the relationships between key factors influencing employee retention and loyalty in hospital environments. It proposes that compensation, dedication, engagement, and leadership act as key predictors of teamwork and career advancement, which subsequently shape employee retention and loyalty. Specifically, compensation ( $H_{1a}$ ,  $H_{1b}$ ), which represents financial and non-financial rewards, is expected to positively impact teamwork and career advancement by fostering satisfaction and reducing workplace conflicts. Similarly, dedication ( $H_{2a}$ ,  $H_{2b}$ ), reflecting employees' commitment and effort toward their roles, is hypothesized to enhance collaboration within teams and opportunities for professional growth. In this model, teamwork and career advancement are specified as mediators influenced by compensation, dedication, engagement, and leadership, which subsequently affect retention & loyalty.

Moreover, engagement ( $H_{3a}$ ,  $H_{3b}$ ), defined as employees' psychological connection to their work, is proposed to strengthen teamwork and career advancement by promoting proactive participation and alignment with organizational goals. Leadership ( $H_{4a}$ ,  $H_{4b}$ ), encompassing effective management practices and organizational culture, is also expected to play a pivotal role in fostering a supportive environment conducive to teamwork and career progression. These intermediate outcomes—teamwork ( $H_5$ ) and career advancement ( $H_6$ )—are posited to directly influence employees' loyalty and retention by enhancing their sense of belonging, satisfaction, and trust in the organization.

This framework is grounded in contemporary theories such as Herzberg's Two-Factor Theory (Alshmemri et al, 2017), which highlights the role of hygiene factors like compensation and motivators like career advancement. As further explored in recent research, this theory remains relevant in the public healthcare sector, emphasizing the impact of both hygiene and motivational factors on employee retention (Raj, 2024).

Building upon Human Capital Theory (Becker, 1964), the framework emphasizes investments in employee development as predictors of loyalty, aligning with findings from Rathaba and Naong (2024), who linked human capital development culture to enhanced staff retention through increased job satisfaction and commitment (Rathaba & Naong, 2024).



**Figure 1** Concept Framework (Sources: Researcher, 2025)

Guided by the research objectives and supported by prior studies, the following hypotheses have been formulated:

H<sub>1a</sub>: Compensation has significantly impacted Teamwork.

H<sub>1b</sub>: Compensation has significantly impacted Career Advancement.

H<sub>2a</sub>: Dedication has significantly impacted Teamwork.

H<sub>2b</sub>: Dedication has significantly impacted Career Advancement.

H<sub>3a</sub>: Engagement has significantly impacted Teamwork.

H<sub>3b</sub>: Engagement has significantly impacted Career Advancement.

H<sub>4a</sub>: Leadership has significantly impacted Teamwork.

H<sub>4b</sub>: Leadership has significantly impacted Career Advancement.

H<sub>5</sub>: Teamwork, as a mediating variable, has significantly impacted Retention and Loyalty.

H<sub>6</sub>: Career advancement, as a mediating variable, has a significant effect on retention and loyalty.

## Methodology

This study employed a quantitative research methodology to investigate the factors influencing employee retention and loyalty in a private hospital in Bangkok, Thailand. The analysis used survey responses from a cross-section of hospital employees, including nurses, nurse assistants, operational staff, and professional staff such as laboratory technicians, pharmacists, and allied health personnel. The data collected from the participants were analyzed using statistical techniques, including Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM), to test the formulated hypotheses.

## Research Instrument

The primary research instrument used in this study was a questionnaire, specifically designed by the researchers to assess various factors influencing employee retention and loyalty. The questionnaire comprised seven sections with a total of 30 items. The first section focused on collecting demographic information, including gender, age, education level, job position, years of service, and work schedule (i.e., normal working hours or rotating shifts). The remaining sections measured key constructs including compensation, dedication, engagement, leadership, teamwork, career advancement, and retention and loyalty using

Likert-scale items adapted from validated employee engagement and organizational commitment measures, refined for the hospital context. For example, dedication reflected sustained effort, pride, and willingness to exceed job requirements; compensation measured perceived fairness of pay and benefits; leadership assessed clarity, fairness, and supervisor support; teamwork evaluated collaboration and mutual help; career advancement examined growth and promotion opportunities; and retention/loyalty measured intent to remain and commitment to the hospital.

### **Validation of the Research Instrument**

To ensure the validity and reliability of the questionnaire, the researchers conducted a content validity assessment using the Index of Objective Congruence (IOC), reviewed by three experts in the field. The experts evaluated the clarity and relevance of each item, ensuring that they accurately measured the intended constructs. Following this validation process, a pilot test was conducted with 50 participants who met the study's eligibility criteria. The internal consistency reliability of the questionnaire was then assessed using Cronbach's Alpha. The results demonstrated high reliability across all constructs, with Cronbach's Alpha values exceeding 0.87 for all factors. This indicates a strong internal consistency of the measurement tool, ensuring that the questionnaire was suitable for full-scale data collection.

### **Population and Sample Size**

The study used a purposive sampling technique, selecting participants from the hospital staff roster to ensure representation across job roles. Out of the hospital's eligible workforce, 332 employees completed the survey, meeting the recommended sample size for Structural Equation Modeling (SEM) (generally >200 cases).

### **Data collection and analysis**

Data collection was conducted using an online questionnaire, with the link distributed to all eligible hospital employees through the internal communication system. To mitigate potential bias and ensure data completeness, participation was made voluntary and anonymous, with no incentives offered to prevent undue influence. After the data was collected, descriptive statistical analyses were performed to summarize the demographic characteristics and response distributions.

To test the research hypotheses, AMOS software was employed to conduct Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM). CFA was used to assess the validity of the measurement model, evaluating factors such as standardized loadings, Average Variance Extracted (AVE), Composite Reliability (CR), and Cronbach's Alpha for each construct. SEM was then applied to examine the relationships among the variables, testing the direct and indirect effects of compensation, dedication, engagement, leadership, teamwork, and career advancement on employee retention and loyalty.

The results of the reliability and validity tests, including standardized factor loadings, AVE, CR, and Cronbach's Alpha, confirmed the robustness of the measurement model. Each construct met the required statistical thresholds, ensuring that the findings were based on a well-validated and reliable instrument. These analyses provided empirical insights into the factors that significantly influence employee retention and loyalty in the hospital setting.



## Results

### Demographic information

The demographic characteristics of the respondents are presented in Table 1. A total of 332 employees participated in the study, with 262 females (78.9%) and 70 males (21.1%). The majority of respondents (37.0%) were aged 25-35 years, followed by those under 25 years old (24.4%). The highest level of education attained by most participants was a bachelor's degree (53.3%), while 29.5% had completed secondary education.

Regarding job roles, 39.5% of respondents were operational staff, followed by nurse assistants (21.4%) and nurses (20.2%). Employees had varying levels of work experience, with 36.4% having worked between 1-5 years and 19.9% having less than one year of experience. The majority of employees (56.3%) worked regular hours, while 43.7% worked rotating shifts.

**Table 1** Demographic information

Demographic variable	Category	Frequency	Percentage
Gender	Male	70	21.1%
	Female	262	78.9%
Age	< 25 years old	81	24.4%
	25-35 years old	123	37.0%
	36-45	54	16.3%
	46-55	38	11.4%
	> 56 years old	36	10.8%
Education	Primary	10	3.0%
	Secondary	98	29.5%
	Vocational Certificate	39	11.8%
	Bachelor's Degree	177	53.3%
	Master's Degree	8	2.4%
Position	Manager/Supervisor	16	4.8%
	Operational Staff	131	39.5%
	Nurse	67	20.2%
	Nurse Assistant	71	21.4%
	Professional Staff (LAB/X-ray/PT/Pharmacy)	27	8.1%
	Professional Staff Assistant	20	6.0%
Work experience	< 1 year	66	19.90%
	1-5 years	121	36.40%
	6-10 years	65	19.60%
	11-15 years	14	4.20%
	16-20 years	14	4.20%
	21- 25 years	9	2.70%
	> 25 years	43	13.00%
Working Hours	Regular Working Hours	187	56.30%
	Shift Work (Morning-Afternoon-Night)	145	43.70%

### Confirmatory Factor Analysis (CFA)

Confirmatory Factor Analysis (CFA) was conducted to validate the measurement model, ensuring that the constructs were accurately represented. Table 2 presents the standardized factor loadings, Average Variance Extracted (AVE), Composite Reliability (CR), and Cronbach's Alpha for each construct. The results confirmed strong reliability and validity, as all factor loadings exceeded 0.60, AVE values were above the acceptable threshold of 0.50, and CR values exceeded 0.70, demonstrating internal consistency. The Cronbach's Alpha values ranged from 0.87 to 0.95, indicating a high level of reliability across all constructs.

**Table 2** Standard loading, AVE, CR, and Cronbach's alpha of each construct

Construct	Std. loading of each item	AVE >0.50	CR >0.70	Cronbach's $\alpha$
1. Compensation	0.93, 0.88, 0.83, 0.84	0.76	0.93	0.94
2. Dedication	0.89, 0.85, 0.90, 0.85	0.76	0.93	0.93
3. Engagement	0.82, 0.95, 0.85, 0.71	0.70	0.90	0.91
4. Leadership	0.91, 0.60, 0.91, 0.97, 0.95	0.77	0.94	0.94
5. Teamwork	0.69, 0.82, 0.87, 0.90	0.68	0.89	0.90
6. Career adv.	0.63, 0.89, 0.87, 0.84, 0.77	0.57	0.88	0.87
7. Retention & Loyalty	0.93, 0.96, 0.92	0.88	0.95	0.95

The model fit indices in Table 3. further supported the adequacy of the measurement model, with Goodness-of-Fit Index (GFI) values above 0.90, Comparative Fit Index (CFI) values exceeding 0.90, and Root Mean Square Error of Approximation (RMSEA) values below 0.08, indicating a well-fitting model.

**Table 3** Index of Item Objective Congruence values according to Confirmatory Factor Analysis criteria

Variable	$\chi^2/df$ <4.00	p-value >0.05	GFI >0.90	AGFI >0.90	CFI >0.90	TLI >0.90	RMSEA <0.08
1. Compensation	0.73	0.39	0.99	0.98	1.00	1.00	0.00
2. Dedication	2.65	0.10	0.99	0.96	0.99	0.99	0.07
3. Engagement	0.50	0.47	0.99	0.99	1.00	1.00	0.00
4. Leadership	1.56	0.18	0.99	0.97	0.99	0.99	0.04
5. Teamwork	0.64	0.42	0.99	0.99	1.00	1.00	0.00
6. Career adv.	2.22	0.06	0.99	0.99	0.99	0.98	0.06
7. Retention & Loyalty	20.4	0.069	0.99	0.99	0.99	0.99	0.05

### Analysis of Correlation Coefficients

To assess the relationships between the key variables, a correlation analysis was conducted. The correlation coefficients presented in Table 4 indicate that all constructs were significantly correlated at  $p < 0.01$ . The highest correlation was observed between dedication and Retention & loyalty ( $r = 0.86$ ), followed by teamwork and Retention & loyalty ( $r = 0.83$ ), suggesting that higher levels of teamwork and dedication are strongly associated with greater employee loyalty.



Other notable correlations include compensation and teamwork ( $r = 0.82$ ), career advancement and engagement ( $r = 0.79$ ), and leadership and teamwork ( $r = 0.62$ ). These findings provide initial support for the hypothesized relationships tested in the Structural Equation Modeling (SEM) analysis.

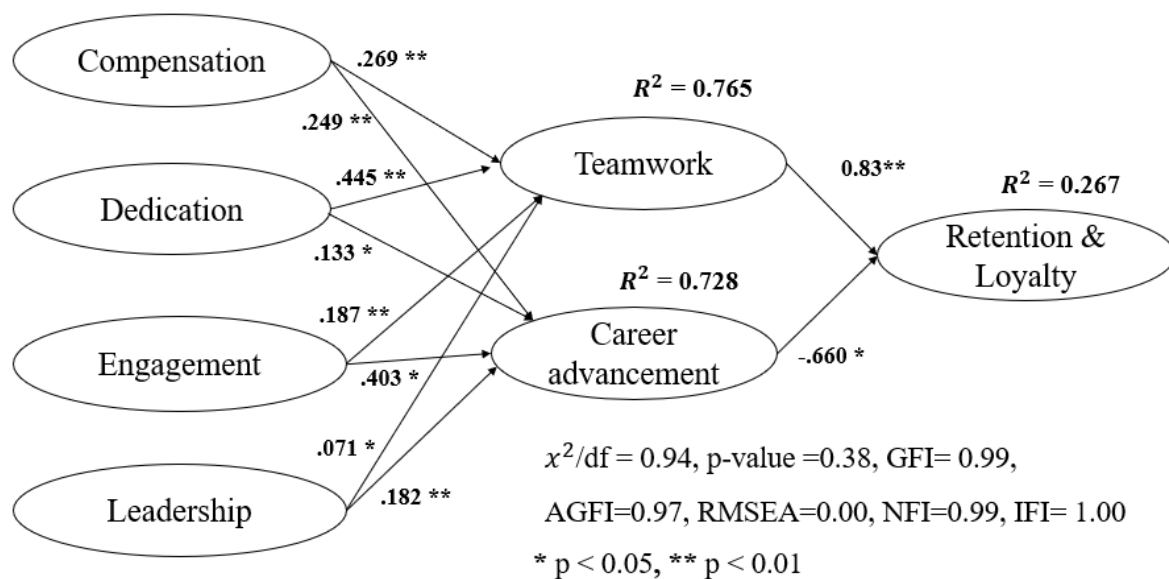
**Table 4** Correlation Coefficient

Variables	1	2	3	4	5	6	7
1. Compensation	<b>0.88</b>						
2. Dedication	0.77**	<b>0.88</b>					
3. Engagement	0.74**	0.72**	<b>0.84</b>				
4. Leadership	0.67**	0.51**	0.61**	<b>0.88</b>			
5. Teamwork	0.82**	0.84**	0.76**	0.62**	<b>0.82</b>		
6. Career adv.	0.77**	0.70**	0.79**	0.65**	0.76**	<b>0.76</b>	
7. Retention & Loyalty	0.77**	0.86**	0.68**	0.51**	0.83**	0.70**	<b>0.94</b>
VIF	<b>4.18</b>	<b>3.45</b>	<b>3.46</b>	<b>2.09</b>	<b>3.71</b>	<b>4.34</b>	-

\*\* =  $p \leq 0.01$  (2-tailed)

### Structural Equation Modeling (SEM)

The Structural Equation Modeling (SEM) analysis, as depicted in Figure 2, illustrates both direct and indirect relationships among predictors (compensation, dedication, engagement, leadership), mediators (teamwork, career advancement), and the outcome variable (retention and loyalty). Standardized coefficients are shown on the paths, indicating the strength and direction of each relationship.



**Figure 2** SEM Path Diagram of Factors Influencing Employee Retention and Loyalty  
(Sources: Researcher, 2025)

Table 5 presents the direct, indirect, and total effects of exogenous variables on employee retention and loyalty. Dedication had the strongest positive impact on teamwork ( $\beta = 0.44$ ) and loyalty ( $\beta = 0.62$ ). Compensation significantly influenced teamwork ( $\beta = 0.26$ ) and career advancement ( $\beta = 0.24$ ), while engagement positively affected career advancement ( $\beta = 0.40$ ). Leadership showed modest positive effects on teamwork ( $\beta = 0.07$ ) and career advancement ( $\beta = 0.18$ ), but a small negative direct effect on retention and loyalty ( $\beta = -0.05$ ), suggesting that certain leadership styles may reduce satisfaction unless their influence is

channeled through mediators. Teamwork (mediator) strongly enhanced retention and loyalty ( $\beta = 0.83$ ,  $p < 0.01$ ), highlighting the value of collaboration. Conversely, career advancement (mediator) had a significant negative direct effect ( $\beta = -0.66$ ,  $p < 0.05$ ), indicating that without sufficient internal opportunities, focus on advancement can increase turnover risk.

The analysis of the structural model provides support for several hypotheses:

H<sub>1</sub>: Compensation → Retention & Loyalty. The SEM analysis revealed a significant positive relationship ( $\beta = 0.27$ ,  $p < 0.01$ ). Higher compensation levels are associated with greater employee commitment and reduced turnover intentions.

H<sub>2</sub>: Dedication → Retention & Loyalty. A significant positive effect was found ( $\beta = 0.62$ ,  $p < 0.01$ ). Dedicated employees exhibit stronger loyalty to the organization.

H<sub>3</sub>: Engagement → Retention & Loyalty. Although the effect was positive, it was not statistically significant ( $\beta = 0.03$ ). Engagement may contribute indirectly to loyalty through other factors but does not exert a direct influence.

H<sub>4</sub>: Leadership → Retention & Loyalty. Leadership demonstrated a small negative and non-significant direct effect ( $\beta = -0.05$ ). While leadership positively influenced teamwork and career advancement, its direct effect on retention and loyalty was slightly negative and insignificant. This may reflect contextual factors such as performance pressures or leadership approaches that, without adequate support, could diminish long-term loyalty.

H<sub>5</sub>: Teamwork (Mediator) → Retention & Loyalty. Teamwork had a strong positive effect ( $\beta = 0.83$ ,  $p < 0.01$ ). Collaborative environments foster commitment, as employees rely on colleagues during high-demand periods. Consistent with prior studies, dependable collaboration helps manage workloads and strengthens loyalty. In this study, cohesive interdepartmental support and mutual respect were linked to a greater willingness to remain with the organization.

H<sub>6</sub>: Career Advancement (Mediator) → Retention & Loyalty. A significant negative direct effect ( $\beta = -0.66$ ,  $p < 0.05$ ) suggests that pursuing advancement without sufficient internal opportunities may raise turnover risk. However, training, clear promotion pathways, and skills development were positively linked to loyalty. In healthcare, where continuous learning is vital, perceived investment in professional growth can offset heavy workloads and reinforce long-term commitment.

Beyond the Variance Inflation Factor (VIF) checks, tolerance values and condition indices were examined. All predictors exhibited tolerance values well above the 0.10 threshold and condition indices below 30, confirming the absence of multicollinearity. These diagnostics strengthen the robustness and credibility of the SEM results.

**Table 5** Direct, Indirect, and Total Effects of Exogenous Latent Variables on Job Satisfaction Factors

Exogenous Latent Variables	Unobserved Variables								
	Teamwork			Career adv.			Retention & Loyalty		
	DE	IE	TE	DE	IE	TE	DE	IE	TE
1. Compensation	0.26**	0.00	0.25**	0.24**	0.00	0.24**	0.00	0.27**	0.27**
2. Dedication	0.44**	0.00	0.44**	0.13*	0.00	0.13*	0.00	0.62**	0.62**
3. Engagement	0.18**	0.00	0.18**	0.40**	0.00	0.40**	0.00	0.03	0.03
4. Leadership	0.07*	0.00	0.07*	0.18**	0.00	0.18**	0.00	-0.05	-0.05
5. Teamwork	0.00	0.00	0.00	0.00	0.00	0.00	0.83**	0.00	0.83**
6. Career adv.	0.00	0.00	0.00	0.00	0.00	0.00	-0.66*	0.00	-0.66*

Note: \*\* $p < 0.001$ , \* $p < 0.05$ , DE = direct effect, IE = indirect effect, TE = total effect

## Discussions

Career advancement showed a negative link with loyalty, contrary to expectations. Equity Theory and Social Exchange Theory suggest that in this hospital context, advancement may be perceived as scarce, competitive, and associated with heavier workloads without added autonomy or support, reducing commitment. The study's limitations include its cross-sectional design, which restricts causal inference, and reliance on self-reported data, which may introduce bias. Future research should employ longitudinal or mixed-method designs and incorporate objective performance data to improve validity. Overall, loyalty is shaped by compensation, dedication, engagement, teamwork, and perceptions of career advancement. While teamwork fosters loyalty, poorly managed advancement opportunities can have unintended negative effects. Hospital administrators should enhance leadership programs that promote supportive supervision, transparency, and fair promotion criteria; ensure advancement opportunities are tied to skill growth, manageable workloads, and work–life balance; foster collaborative teamwork through cross-functional care teams and peer support; and regularly monitor employee perceptions of advancement to address potential drawbacks.

## Conclusion and suggestions

This study investigated the factors influencing employee retention and loyalty in a hospital setting using Structural Equation Modeling (SEM). The results highlight the significant role of compensation, dedication, engagement, leadership, teamwork, and career advancement in shaping employee loyalty. Dedication emerged as the most influential predictor, reinforcing the importance of fostering a committed workforce. While leadership positively impacted teamwork and career growth, its direct effect on loyalty was unexpectedly negative, suggesting the need for further exploration of leadership styles in hospital environments.

Overall, the model demonstrated strong reliability and validity, with fit indices indicating a well-fitting model. The findings contribute to the growing body of research on employee retention strategies and provide practical implications for hospital administrators seeking to enhance workforce stability and organizational commitment.

Future research should further explore the role of leadership styles in shaping employee loyalty. Given the unexpected negative direct effect of leadership on retention and loyalty observed in this study, it is essential to distinguish between different leadership styles—such as transformational, transactional, and servant leadership—to identify which approaches are most effective in hospital settings. Transformational leadership, which focuses on inspiring and motivating employees through vision and personal influence, may foster higher engagement and commitment. In contrast, transactional leadership, which is based on structured tasks, rewards, and punishments, might not be as effective in environments where intrinsic motivation plays a crucial role. Servant leadership, which prioritizes employee well-being and development, could be particularly relevant in healthcare settings, where compassionate leadership is essential for staff morale. Future studies should also examine the mediating effects of teamwork and career advancement, as these factors may explain the indirect pathways through which leadership and engagement influence employee retention. A deeper understanding of these relationships could help organizations design more targeted interventions to enhance workplace satisfaction and commitment.

Since this study focused on a private hospital in Bangkok, expanding the research to include a wider range of healthcare settings—such as public hospitals, rural clinics, and

international institutions—would improve the generalizability of the findings and provide a more comprehensive understanding of employee retention and loyalty.

Finally, incorporating qualitative methods, such as interviews or focus groups, could offer deeper insights into employee experiences and perceptions. While quantitative analysis provides statistical validation of retention factors, qualitative approaches can capture nuanced perspectives, offering a richer interpretation of the challenges and motivations that influence employees' decisions to stay or leave. By addressing these areas, future research can contribute to a more holistic understanding of employee retention and inform more effective human resource strategies in the healthcare sector.

### **New knowledge and the effects on society and communities**

This study contributes to the growing body of knowledge on employee retention and loyalty, particularly in the hospital sector, by utilizing Structural Equation Modeling (SEM) to identify key determinants influencing workforce stability. Unlike previous research that often focused on isolated factors, this study provides a comprehensive, data-driven analysis of the interconnected relationships among job satisfaction, organizational commitment, leadership style, work environment, and compensation. By highlighting both direct and indirect influences on employee retention, this research offers a nuanced understanding of how hospital administrators can create a more sustainable workforce.

The findings have significant implications for society and local communities. High employee turnover in hospitals can lead to staff shortages, increased workload for remaining employees, and potential declines in patient care quality. By implementing strategies that improve employee satisfaction and loyalty, hospitals can enhance service efficiency, reduce burnout, and ensure better health outcomes for the communities they serve. Moreover, retaining skilled healthcare professionals fosters a sense of trust and continuity in patient care, which is particularly critical in underserved and rural areas where medical resources are already scarce. Additionally, this research has policy implications. Healthcare policymakers can use these insights to develop workforce retention policies, allocate resources effectively, and design training programs that promote employee well-being. By addressing the core factors that influence hospital workforce stability, this study provides actionable recommendations that can positively impact both healthcare institutions and the broader society.

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