Research Effectiveness of Corporate Culture to Employee's Loyalty at Lilama 7 Joint Stock Company

Bui Thi Minh Thu[1*], Le Nguyen Doan Khoi[2]
[1]Hanoi University of Home Affairs in Central, Quang Nam, Viet Nam
[2]Research Affairs Department - Technology Business Incubation Center, Can Tho University, Can Tho, Vietnam

*Corresponding Author:
Bui Thi Minh Thu
Email: thubtm.gv@topica.edu.vn

Abstract: This paper goes towards 2nd purpose to study the impact of these factors corporate culture (CC) to employee's loyalty (EL). Since then built models depth study of the relationship CC to the MW research and application in practice in Lilama7. The study results showed that the factors that CC has a strong impact on employee's loyalty in Lilama7.
Keywords: employee's loyalty, corporate culture

INTRODUCTION

Organizational culture as a subject of formal study has captured the interest of a variety of researchers [1]. The literature on this topic falls broadly into two main schools of thought. One school takes a phenomeno- logical approach and focuses on understanding the concept and defining the meaning of culture [2-4]. Another school takes the functionalist approach and focuses on the consequences of organizational culture. Empirical research has largely been on the functionalist perspective with impressive evidence on the role of organizational culture for firm outcomes [5, 6].

Corporate culture currently has been considered as a part of social capital creating intangible asset for determining a sustainable development of firms. Thus, building corporate building plays an important role in making competitive advantage of firms, boosting working motivation and loyalty of employees [7]. It is even more essential to research deeply on the working motivation, loyalty, and their stimulating factors in tough working environment [8]. The corporate culture can push up innovation in firms, productivity and motivation for employees [5]. Corporate culture is of great significance in maintaining loyal of employees. Many researches have pointed out that corporate culture enhances employee's loyalty and keep them working for the organization in long term [9]. Employee's loyalty and commitment is the key to success of any firm [10]. There are a number of researches in Vietnam studying the relationship between influences of corporate culture on loyalty. The research at FPT Information System – FPT IS studied how corporate culture affects employees' commitment to the company. The result showed that there are 7 factors of corporate culture relate positively to commitment. This paper builds and investigates the new oriental relationship: building employee's loyalty, through corporate culture. The author use scales by Denison (2011) to measure corporate culture, employee's loyalty to evaluate the degree to which corporate culture affects employee's loyalty. Currently, there is no previous research studying the mentioned relationship in Vietnam. So "RESEARCH EFFECTIVENESS OF CORPORATE CULTURE TO EMPLOYEE'S LOYALTY AT LILAMA 7 JOINT STOCK COMPANY ", to help businesses identify the factors most strongly impact of corporate culture on motivation work since then recommend solutions and develop strategies for human resource time comes.

LITERATURE REVIEW AND RESEARCH FRAMEWORK
Definitions
Corporate culture

According to Hofstede [11], corporate culture (CO) has become an academic issue in the United States from 1979 and appeared frequently in those years. Hofstede defines CO as the value system that is commonly accepted and widely announced, in a certain group, at a certain time. Currently, CO has become a controversial concept, both in theory and in reality. It continued to expand in different aspects because new definitions come out continuously.

Denison [1] argues that culture refers to the underlying values, beliefs and principles that serve as a foundation for an organisation's management system as well as the set of management practices and behaviors that both exemplify and r einforce those basic principles

Schein has synthesized factors to describe corporate culture, including behavior patterns, group

standards, shared values, norms, rules, atmosphere, inherited skills and morals, typical metaphor or assumptions, symbols and festivals.

Based on the above mentioned definition of culture and empirical researches, culture in this paper can be defined: Corporate culture is a soul part of firm, creating distinctive characteristic for firm and be able to make difference with others. Corporate culture is product of all employees and adapts need of a sustainable value. Corporate culture makes a common belief and be motivation for loyalty, pushing up employees to gather for an overall objective of firm.

Employee's loyalty

The definition of loyalty or commitment to organization has been explored by many researchers around the world [12, 13] in the field of human resource management, industry management/ organizational psychology and behavior. According to The Loyalty Research Center (2004), loyalty is the commitment of employee to the success of organization and the belief that working for that organization is the best choice for them. Mowday, Steers and Porter [13] defined loyalty as intention or desire to be member of an organization. The famous definition of loyalty by Mowday is similar to the concept of "Maintain" in nation-wide research of Aon Consulting Institue: Employees with loyalty will stay even although they get higher paid job offer. In this research, the author uses the definition of loyalty as: Loyalty employee is the one who understand and behave in accordance with organization's vision, mission and goals. They work with greatest effort and

organizational goals are more important to them than their own benefits, they commit to the company in long term.

The relationship between corporate culture and employee's loyalty

Based on research model of Ricardo và Jolly [14], four dimensions of Corporate culture including training and development, recognition and reward, teamwork, and organizational communication have different impact on employee's loyalty. In the field of quality control [15], there was evidence that corporate culture increases loyalty of employees and enhances competive advantage of the organization. Kumar et al. [16] supposed that employee's loyalty related to factors of corporate culture such as: (a) Organizations provide employees with training program to help improve skills and broaden knowledge; (b) open communication between leaders and employees; (c) encourage teamwork; (d) effective internal communication. With such arguments, the author developed the hypothesis: strong corporate culture is postitively related to employee's loyalty.

Proposed research model

All the mentioned models corporate culture showed that assumption or values, are the core determinant of how corporate culture influence employee's loyalty. This core determinant is hard to be recognized or observed, only explored through analyzing and evaluating awareness and behavior of organizational member. From that analysis, solutions or suggestions for corporate culture are developed.

Fig-1: Proposed research model
Souce: Author

For variables indicating constructs of the framework, firstly

In this research, the author used the model by Denison [17] for the following reasons:

- This model provides scales and criteria to evaluate the strength of corporate cultuew qith 4 items (adaptability, mission, consistency, and involvement); each item has 3 expressions and 2 dimensions: internal focus and external focus, Flexible and Stable.

- This model has questionnaire designed based on corporate behavior and environment with the aim to exploit behavior and belief rather than general emotions. This model has been adapted by 5000 enterprises and academics around the world during past 20 years. It could be concluded that this model is reliable in measuring corporate culture. The Denision model answered 4 questions:

- Do the organizations have clear view about direction of development? The result will reflect the awareness of members about long tern plan, or mission, which includes: (i) Strategic Direction and Intent; (ii) Goals and Objectives; (iii)Vision
- Do the organizations understand the market and customers to behave appropriately? The result will reflect the appreciation of corporate culture through effectiveness of process and systems, also called integration, including: (i) Coordination and Integration ; (ii)Agreement; (iii) Core values
- Do organizations have system to enforce direction and intent effectively? The result will reflect the ability to build capability and responsibility of employee, also called involvement, including: (i) Empowerment; (ii) Team Orientation ;(iii) Capability Development.
- Do the employee commit to the planned targets and goals? The result will reflect the ability of firm to convert customer's need into business activities, also called as adaptability, including: (i) Organizational Learning; (ii) Customer Focus; and (iii) Creating Change.

Denision model brings users clear advantages in evaluating corporate culture:

- Attain baseline assessment of current cultural strengths and weaknesses.
- Allow the determination of which content or scope of culture need improvements
- Align leadership direction with corporate culture

Therefore, the author used Dainel Denison [6] to design the questionnaire for investigating the proposed development intent to give evaluation about success and limitations of corporate culture. The model consists of 60 questions divided Denison into 4 sections with variable scales scales ariable 12) different to clarify the factors affecting the corporate culture from the inside and the outside impact (Appendix 2). Based on the results of verification testing at Denison model of attracting affiliates 7/2016 month with 309 employees, the results have been published in the newspaper "The International Journal Of Humanities & Social Studies," there are 5 variables were excluded because they did not fit. All opinions of the experts interviewed are in agreement as to category 4 after turning out the questionnaire is variable: "TC3. There is a sharing of knowledge between employees, departments within the Company "; "MT4. workers find their work contributes to completion of the business objectives "; "GT1. Workers have shared a series of core values of the business to generate strong awareness for employees and create expectations for the future "; "DT5. These organizations have made good compromise advocacy work. " And questions PT1. Enterprises are creating conditions for the development of skilled labor and advanced employment skills, are an integral part of the enterprise in the survey tested quit but by matching actual experts should Lilama7 retaining unity. Besides expert group also edit content questions to suit attracting.

Secondly, scale of Loyalty

Loyalty is a principle concept, measured by observing items. Loyalty scale by Aon Consulting (Stum 2001) [P8 – pp.10-11] supposed that loyalty could be measure by the following items:

- Employees intent to work for company in a long term
- Employees will stay even though they receive better job offer
- Employees consider company as second home

Loyalty scale by Man Power [18], items to measure employee's loyalty includes:

- Willingness to recommend company as a good working environment
- Willingness to recommend company's products and services
- Intention to work in a long term

In research of Tran Kim Dung in Vietnam, she used the modified loyalty scale of Aon Consulting (revised and credibility proven in reality). Therefore, in this research, the author used this modified scale to measure loyalty in reality, which inclues:

- LTT1. Employee's intent to work for company in a long term
- LTT2. Employee consider company as second home
- LTT3. Employees are willing to protect company's reputation and assets.

- LTT4. Employees will stay even though they receive better job offer

From the research model includes 12 elements of corporate culture scale, the authors discuss the construction team official questionnaire consistent with the actual situation of attracting the 56 variables related observations and 4 variables surveys to measure the loyalty of employees. All variables observed in components are used Likert scale of 5 levels with corresponding levels: level 1 is totally disagree with the statement, the two disagree, 3 is the normal level, level 4 disagree and 5 being completely agree with the statement. The result of this section is the official questionnaire survey to use.

RESEARCH METHODOLOGY
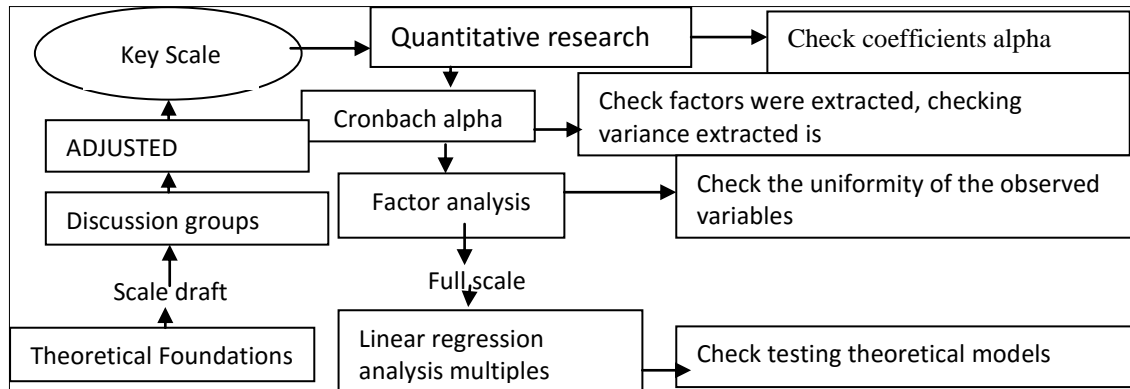**Process research by author taking steps as follows:**

Fig-2: Research process
Souce: Author

Methods of data collection
According to the researchers Hair *et al*. [20], then to select a sample size appropriate for factor analysis discovered EFA minimum sample size N> 5 * x (x: is the total number of observed variables) . According Tabachnick and Fideel [21] to conduct a regression analysis of the best way, the minimum sample size to be achieved by the formula N> 50 + 8xm (where m is the independent variable). According Klein [22], the number of samples for each parameter estimate is 5. Thus, in this study, the authors use variables sample with 56 observations and 12 components are: N> max (5x56, 50+12x8) = (280, 146) = 280 samples. Predicting the process of questionnaire to collect data, then there are no valid questionnaires can to backup because the author will get the number of samples is 320 samples, random sampling method to send objects the employee Lilama7. The study period from 7 - 8/2016.

Data analysis methods

Analytical results from samples collected tested the reliability of the scale Cronbach's alpha coefficient and factor analysis EFA (Exploratory Factor Analysis). Correlation analysis, multiple linear regression was used to test the research model, hypothesis testing and finally discuss results of data processing and analysis of causes, compared with previous studies then offer solutions**.**

FINDINGS
The results of the research sample

Samples for the study were selected by convenient method, sample size n = 320. After interviewing 115 votes, 205 votes directly and indirectly (by email, phone, facebook) employees through questionnaires, conducted gather, review and eliminate the questionnaire received unsatisfactory. Feedback valid votes is 288 votes (90%) were included in the analysis. Classification 288 participants answered by ownership gender, age, education level, working time, job location and income level nhaptruoc processor when inserted.

Table-2: Results of the study sample (unit: %)

Sex		Age			Level (University)			Duration of work (years)			Income (million)		
Male	female	21-30	31-40	41-50	<	=	>	< 3	Từ 3-5	> 5	< 3	3-10	> 10
78.9	21.1	60.8	17	22.2	64.2	31.91	3.89	54	23	23	11.62	73.65	14.73

Source: Survey data 2016

The rate is much higher male than female which is also typical of the industry, in the appropriate age to reality for the mechanical engineering industry often employees are aged from 21 to under 40 years of age for engineering industry Engineering profession is not hard to higher age. Most attracting employees with

education from vocational secondary and college accounting for 64.2%, accounting for 31.91% college and remaining 3.89% have post-graduate qualifications, this rate matching the reality of the industry. People have time to work less than 3 years accounted for almost half of the sample, this shows the organization not linked to high. Employee income in the range of 3-10 million high proportion consistent with the current practice of mechanical engineering.

Results verification scale corporate culture

The scale of research is usually assessed through reliable methods Cronbach Alpha coefficients. Criteria for evaluating a standard scale is: Cronbach's Alpha analysis: $\alpha > 0.6$, total variable correlation coefficient> 0.3 [23]. Class 3 factor has correlation coefficient< 0.3. Thus, all 12 scale, with 53 observed variables are used in the analysis step furtherfactor (EFA) next.

Table-3: Item-Total Statistics

FACTOR	Observing variables and explaination	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
VISION $\alpha = 0.806$	TN1.I have shared vision with the company	.648	.741
	TN2.I understand the vision of our company	.655	.739
	TN3. Vision of company motivates me	.670	.727
Strategic direction and intent $\alpha = 0.813$	DH1. I understand the compnay's strategy	.403	.811
	DH2. I believe that company strategy will succeed	.607	.778
	DH3. Company's strategy aim to achieve goals	.670	.766
	DH4. Strategy helps me to make personal plan in accordance with company strategy	.626	.775
	DH5.Strategy generates working motivation for me	.310	.827
	DH6. Company's strategies are suitable in current market and industry.	.586	.782
	DH7.I participated in shaping company's strategy	.655	.770
Goals and Objectives $\alpha = 0.849$	MT1. Goals of company are suitable with goals of market and industry	.648	.822
	MT2.Company has both long term and short term goals to motivate employee	.486	.854
	MT3. Target customers have influence on the nature of work	.586	.833
	MT4. Company has short term goals that help employee finnish daily tasks	.662	.818
	MT5. Goals of company contribute to employee's loyalty.	.695	.812
Creating change $\alpha = 0.824$	DM1. I understand the external environment and behave appropriately	.514	.834
	DM2. I ususaly seek for new things and improve my work	.747	.730
	DM3. Company has policy to support innovation	.643	.780
	DM4. Innovation is recognized, rewarded and applied	.694	.756
Customer focus $\alpha = 0.755$	DH1. Company understands customer's needs	.600	.731
	DH2. Employees commit to react to change at any time	.374	.799
	DH3.Customer orientation is esstential issue	.492	.767
	DH4. Company has good customer policy	.704	.693
	DH5. Employee understand customer policy	.645	.717
Organizational learning $\alpha = 0.861$	TC2. Sharing of knowledge among departments	.713	.829
	TC3. Company create favorable environment for learning	.775	.768
	TC4.Company has training programs	.735	.814
Empowerment $\alpha = 0.720$	UQ1.I am well informed and attracted by job assigments	.405	.706
	UQ2.I feel that I have positive influence on our company	.420	.802
	UQ3. I get involved in generating ideas for improvement	.492	.668
	UQ4. Supervisors delegate some basic task to their inferior	.767	.563
	UQ5. Clear delegation policy	.739	.575
Team orientation $\alpha = 0.681$	PH1. Teamwork and collaborations are encouraged	.775	.689
	PH2. Employee appreciate cooperation and have mutual responsibility toward shared goals	.802	.681
	PH3.There is collaboration and cooperation among members and management board.	.426	.764
	PH4. Clear division of tasks among teams	.359	.811
	PH5. Clear conflict resolution instruction within team	.549	.739
	PH6. There is trust and personal capability appreciation among teams	.726	.700

	PH7.There is cooperation and integration within team	.356	.811
Capability development α = 0.849	PT1. Employees believe that they are considered as valuable resource and their skills are improve day by day	.838	.664
	PT2. General strength of company is improved continuously	.768	.739
	PT3. Company possess essential capability to compete in current and future market	.577	.910
Core values α = 0.691	GT1.Leaders make role model and support for those values	.732	.818
	GT2. Employees agree on company's core values	.756	.800
	GT3. Core values are clearly communicate to employees	.759	.807
Agreement α = 0.734	DT1. Company could gain unity on important issues	.351	.857
	DT2. Employees harmonize difference by constructive ways in problem – solving	.656	.717
	DT3. Company have policy to compromise in case of problems	.707	.688
	DT4. Members are willing to reach an agreement in problem-solving	.762	.679
Coordination & Integration α = 0.700	GK1. Employees in different teams cooperate at work	.844	.710
	GK2. Employees give up their personal concerns and approve important activities	.703	.846
	GK3. Members in team cooperate with each other	.691	.857

Source: Survey data 2016

The results of analysis to discover (EFA)

Exploring factor analysis was used to test the value of the concept of the scale, according to researchers Clack & Watson [19], these observations have important variable load factor of less than 0.4 will be species. In this study, the method of deduction coefficient main components (Principal component) used for rotation is Varimax factors and indices represent the amount of variation is explained by a larger factor 1 (Eigenvalue> 1). Total variance values greater than or equal to 0.5 will be approved [20]. Scale the corporate culture includes 12 scale, with 53 observed variables included in the factor analysis EFA,

results of 12 factors drawn to the total variance equal to 71.13%, KMO = 0.833 coefficient > 0.5; significance level Sig. = 0.000 factor analysis showed that the overall correlation matrix is the identity matrix is rejected, ie the variables are correlated with each other and satisfy the conditions in the factor analysis. Using allows quayVarimax, sample size n = 288, the result , the remaining 53 observed variables are introduced into further analysis to ensure the observation of the variable factor load factor coefficient greater than 0.5 and are evenly distributed on the factors. Factor analysis results showed that there are 9 factors drawn to the total variance equal to 75.68% of which showed that 9 factors explained 75.68% of the data variability.

Table-4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.833
Bartlett's Test of Sphericity	Approx. Chi-Square	43498.680
	df	1128
	Sig.	.000

Rotate the first time for UQ3 with <0.5 should give up, rotate the second time the following results:

Table-5: Rotated Component Matrix[a]

	Component								
	1	2	3	4	5	6	7	8	9
MT6	.855								
DM4	.839								
MT4	.768								
NQ7	.757								
DM2	.748								
MT5	.719								
DM3	.718								
NQ6	.666								
GK3	.658								
NQ5	.605								
GK2	.579								
GK1	.570								
PT1		.886							
NQ2		.882							

TN2		.856						
NQ4		.856						
PT2		.771						
NQ3		.759						
MT2		.756						
DH2		.678						
DH1		.645						
TC3			.815					
TC2			.790					
GT2			.769					
GT1			.758					
DT2			.756					
DT3			.750					
DT4			.739					
TC4			.739					
GT3			.725					
TN3				.893				
PT3				.888				
NQ1				.880				
TN1				.553				
PH2					.934			
PH1					.916			
PH6					.877			
PH5					.672			
PH3					.567			
DT1						.784		
MT3						.709		
DM1						.698		
UQ4							.769	
UQ5							.743	
UQ1							.729	
DH4								.711
DH3								.689
DH5								.589
UQ2									.681
PH4									.659
PH7									.599

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization. a. Rotation converged in 8 iterations.
Source: Survey data 2016

According to Table5, after the implementation of rotation, the disturbance factor between observed variables of the components should have to rename the following new elements:

Table-6: The following factors rotation factor

Factor	Name factors	Observations
H1	Vision	MT6,DM4,MT4,NQ7,DM2,MT5,DM3,NQ6,GK3,NQ5,GK2,GK1
H2	Strategic direction and intent	PT1,NQ2,TN2,NQ4,PT2,NQ3,MT2,DH2,DH1
H3	Goals and Objectives	TC3,TC2,GT2,GT1,DT2,DT3,DT4,TC4,GT3
H4	Creating change	TN3, PT3,NQ1,TN1
H5	Customer focus	PH2,PH1,PH6,PH5,PH3
H6	Organizational learning	DT1,MT3,DM1
H7	Coordination and Integration	UQ4,UQ5,UQ1
H8	Team orientation	DH3,DH4,DH5
H9	Capability development	UQ2,PH4, PH7

Source: Survey data 2016

Scale loyalty test Cronbach alpha nails and EFA have matches to move on to steps:

Table-7: KMO and Bartlett's Test, communalities and total variance explained

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.783
Bartlett's Test of Sphericity	Approx. Chi-Square	2985.851
	df	6
	Sig.	.000

Communalities

	Initial	Extraction
LTT1	1.000	.881
LTT2	1.000	.948
LTT3	1.000	.557
LTT4	1.000	.920
Extraction Method: Principal Component Analysis.		

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.306	82.647	82.647	3.306	82.647	82.647
2	.534	13.349	95.996			
3	.129	3.221	99.217			
4	.031	.783	100.000			
Extraction Method: Principal Component Analysis.						

Check the fit of the model study
+ Correlation Analysis

Before conducting regression analysis, the authors used Pearson correlation coefficients to quantify the level of strict linear relationship between two quantitative variables, there is no distinction between independent variables and the dependent variable where all the variables are considered equally considering the correlation matrix between the variables, loyalty factors and other factors are the linear correlation> 0, so continued regression analysis.

+ Regression Analysis

Regression analyzes were conducted with 12 independent variables of the corporate culture, the author has examined the assumptions, current results show similarities between variables multicollinearity negligible (the magnification factor VIF corresponding false independent variables = 1 (and less than 10), the residuals are not normally distributed phenomena and the relationship between the residuals no violation of assumptions. the initial hypothesis the theoretical model, the regression equation looks like this:

$$Y = B0 + B1* X1+ B2* X2+ B3* X3+ B4*X4+ B5*X5 + B6*X6+B7*X7+ B8* X8+ B9*X9$$

In which: - Y is worth loyalty dynamics - regression coefficients B0- (X1, B1); (X2, B2); (X3, B3); (X4, B4); (X5, B5); (X6, B6); (X7, B7); (X8, B8); (X9, B9)) the value and the corresponding regression coefficients of components in turn is Strategic Direction and Intent; Goals and Objectives; Vision; Coordination and Integration; Team Orientation;Capability Development; Organizational Learning; Customer Focus; and Creating Change.

Next, the authors conducted testing theoretical models with methods into a turn (Enter), in this way 9 independent variables and one dependent variable will be included in the model simultaneously. Results of linear regression models showed multiple coefficient of determination R^2 (coefficient of determination) is 0.706 and R^2 adjusted (adjusted Rsquare) is 0.726. Thus the model explains 72.6% of the impact of factors affecting loyalty of the employees. As follows:

Table 8. Model Summary[b]

Model	R	R Square	Adjusted R Square	td. Error of the Estimate	Durbin-Watson
	0.848a	0.769	0.726	0.528	1.786

Source: Survey data 2016

Table 9. ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2065.224	84	24.586	86.333	.000[a]
	Residual	285.06	225	.285		
	Total	2350.284	309			

Source: Survey data 2016

Table-10: Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-1.584E	0,36			
Vision	0.354	0.35	0.346	8.365	.000
Strategic direction and intent	0.616	0.34	0.658	16.312	.000
Goals and Objectives	0.589	0.41	0.615	15.617	.000
Creating change	0.298	0.42	0.310	6.522	.000
Customer focus	0.495	0.36	0.495	12.841	.000
Organizational learning	0.221	0.36	0.231	5.635	.019
Team orientation	0.584	0.41	0.615	15.617	.000
Capability development	0.398	0.42	0.315	6.522	.000
Coordination and Integration	0.306	0.41	0.316	6.522	.000

Source: Survey data 2016

With the results are presented in Table 10, all variables are statistically significant Sig = 0.000 <0.05. Observe the beta, we can see the 9 components of the corporate culture are affecting **e**mployee's loyalty.

The regression equation is as follows:
Loyalty = -1.584+ 0.616 * Strategic direction and intent + 0.589 * Goals and Objectives+ 0.584 * Team orientation + 0.495* Customer focus + 0.398* Capability development +0.354* Vision + 0.306* Coordination and Integration + 0.298* Creating change + 0.221* Organizational learning**.**

The regression equation suggests **e**mployee's loyalty in LILAMA7 linear relationship proportional to Strategic Direction and Intent; Goals and Objectives; Team Orientation; Customer Focus; Capability Development; Vision; Coordination and Integration; Organizational Learning and Creating Change. That is oriented to loyalty, Strategic Direction and Intent; Goals and Objectives; Team Orientation most impact on **e**mployee's loyalty. Results of linear regression models showed multiple coefficient of determination R^2 (coefficient of determination) is 0.769 and R^2 adjusted (adjusted Rsquare) is 0.726. Thus, the model explained 72.6% of the impact of factors affecting the motivation of workers. Through regression equation above we see the importance of the variables in the model, namely the degree of orientation loyalty increased by 1 unit, **e**mployee's loyalty level is increased average unit 0.616 conditions fixed in the remaining factors. Similarly, when the level Goals and Objectives; Team Orientation; Customer Focus; Capability Development; Vision; Coordination and Integration; Organizational Learning and Creating Change increased by 1 unit you and the other factors constant, this will increase the loyalty average is .616, respectively; 0.589;0.584;0.495;0.398;0.354;0.306;0.298;0.221.

After taking two of the drawing tools are software SPSS charts and graphs PP Histogram plot to detect a

violation of the normal distribution assumption authors found residuals normally distributed with mean values close 0, its standard deviation close to 1 (= 0.928), which means that data normally distributed residuals. Followed by verification of the independence of the remainder, the authors used statistical quantities Drbin-Watson (d) for inspection. Statistical data get d = 1.788, the independence of the remainder was secured.

CONCLUSION
This study tested the model of structural relationships between factors of corporate culture to staff loyalty attracting 7. The results of the baseline study and investigation staff are currently working at Lilama points out some suggestions to increase loyalty are as follows:

Enterprises must always share to employees about the core values, vision and mission of the enterprise. Should build and maintain organizational culture imbued with Oriental philosophy to create employee loyalty.

Lilama7 should establish corporate culture towards depth. Through youth activities, such as trade union organization DN movement "Learn core values", team building programs (team-building), training advanced corporate culture, ... Lilama will ensure efficiency in production and business activities, and manners form standards for officers and employees. This is also the basis for building performance evaluation criteria employed by attracting employees.Lilama7 need to share business information and regularly consult with staff members in the process of solving the problems that arise on the job for employees to see the relationship between the work they do and the results that the company achieved. Yes so, employees will feel valued, noticed the growth of the company has always had its share.

Create a favorable environment to enhance interaction with the staff at work: sharing the assessments of superiors for the employees themselves,

often organizing periodic meetings with subordinates, ... from there, they can feel a part of the business.Superior to regularly inform employees about the relevant changes directly to them; and interested, listened thoughts and aspirations of employees, create a friendly working environment ...

REFERENCES

1. Denison, D.R. (1990). *Corporate Culture and Organizational Effectiveness*, New York: Wiley.
2. Allaire, Y & Firsirotu (1984) Theories of Organizational Culture. *Organization Studies*, 5, 193-226.
3. Martin, J. (1992). *Cultures in Organisations*: Three Perspectives, Oxford Unin~rsity Press.
4. Meek, V.L. (1988) "*Organizational Culture: Origins and Weaknesses*" Organization Studies, Vol 9, No 4, 453- 473
5. Calorie, R. & Sarini'i. (1991). Corporate Culture and Economic Performance. *Organization Studies*, 12,49-74
6. Denison, D. R., H. J. Cho, and J. Young, (2000), *Diagnosing Organizational Culture: Validating a Model and Method,* Working Paper, International Institute for Management Development, Lausanne, Switzerland.
7. Noe, R. (2013). *Employee Training and Development,* 6 th Edition, McGraw Hill.
8. *Bard,* M., *& Moore,* E. *(2000).* Mentoring and self-managed learning Professional development for the market research industry. *International*.23
9. Takada, P. W., & Westbrook, J. W. (2009). The Impact of Organization Culture on Satisfaction of Engineers in Technology.
10. Shahid, A., & Azhar, S. M. (2013). Gaining employee commitment: Linking to organizational effectiveness. *Journal of management research*, *5*(1), 250.
11. Hofstede, G. (2001) Culture's Consequences – Second Edition: Comparing Values, Behaviors, *Institutions and Organizations across Nations*. London: Sage
12. Porter, L., Steers, R., Mowday, R. & Boulian, P. (1974). Organizational commitment, job satisfaction and turnover among psychiatric technicians, *Journal of Applied Psychology*,59, 603-609.
13. Mowday, R., Steers, R., & Porter, L. (1979). The measurement of organizational commitment, *Journal of Vocational Behavior*, 14, 224-247.
14. Ricardo, R & Jolly, J. (1997). Training of teams in the workplace. S. A. M Advanced *Management Journal*, 62(2).
15. Karia, N. (1999). The impact of TQM practice on employees' work-related attitude. *MBA Unpublished Research Report). Penang, Malaysia: University Science Malaysia*.
16. Ranjan Kumar, M., & Sankaran, S. (2007). Indian culture and the culture for TQM: a comparison. *The TQM Magazine*, *19*(2), 176-188.
17. Denison, E. (2011). *Trends in American economic growth*. Brookings Institution Press.
18. Man Power inc (2002). *Internationnal Loyalty Survey*. Wiscosin USA.
19. Clark, L. A., & Watson, D. (1995). Constructing validity: Basic issues in objective scale development. *Psychological assessment*, *7*(3), 309.
20. Hair, Jr., J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (1998). *Multivariate Data Analysis (5th ed.).* New York: Macmillan Publishing Company
21. *Tabachnick,* B. G., & *Fidell*, L. S. (*1996). Using multivariate statistics (3rd ed.),* New York
22. Klein, L. F. (2013). The Image of Absence: Archival Silence, Data Visualization, and James Hemings. *American Literature*, *85*(4), 661-688.
23. Nunnally, J. C., & Bernstein, I. H. (1994). The assessment of reliability. *Psychometric theory*, *3*(1), 248-292.