

Antecedents of Freelance Tutor Loyalty at IBSI Education: A Job Satisfaction Mediation Study

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ABSTRACT

This quantitative study investigates the influence of work engagement, compensation, and perceived organizational support on the loyalty of freelance tutors at IBSI Education, with job satisfaction serving as a mediating variable. Data were collected from 208 participants and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS 4.0. The findings indicate that work engagement, compensation, and perceived organizational support have significant positive impacts on loyalty. The mediation analysis reveals that job satisfaction significantly mediates the relationship between both work engagement and perceived organizational support toward loyalty. Conversely, job satisfaction does not significantly mediate the link between compensation and loyalty. These results imply that while perceived organizational support and work engagement require job satisfaction to optimize retention, competitive compensation directly fosters loyalty regardless of satisfaction levels. To reduce tutor turnover, this study recommends that IBSI Education management maintain a competitive honorarium system and bolster operational support.

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ABSTRAK

Penelitian kuantitatif ini bertujuan untuk menganalisis pengaruh keterikatan kerja, kompensasi, dan dukungan organisasi terhadap loyalitas tutor freelance di IBSI Education dengan kepuasan kerja sebagai variabel mediasi. Data dikumpulkan dari 208 responden dan dianalisis menggunakan teknik Partial Least Squares Structural Equation Modeling (PLS-SEM) melalui perangkat lunak SmartPLS 4.0. Temuan menunjukkan bahwa keterikatan kerja, kompensasi, dan dukungan organisasi berpengaruh positif dan signifikan terhadap loyalitas. Hasil uji mediasi mengungkapkan bahwa kepuasan kerja secara signifikan memediasi hubungan antara keterikatan kerja dan dukungan organisasi terhadap loyalitas. Namun, kepuasan kerja tidak berperan sebagai mediator dalam hubungan antara kompensasi dan loyalitas. Hal ini mengindikasikan bahwa meskipun dukungan organisasi dan keterikatan kerja memerlukan kepuasan kerja untuk mengoptimalkan retensi, kompensasi yang kompetitif mampu mendorong loyalitas secara langsung tanpa bergantung pada tingkat kepuasan. Untuk menekan angka turnover tutor, studi ini menyarankan manajemen IBSI Education untuk mempertahankan sistem honorarium yang kompetitif dan memperkuat dukungan operasional.

Keywords:

Work Engagement, Compensation, Perceived Organizational Support, Job Satisfaction, Loyalty.

1. INTRODUCTION

Employee loyalty is a cornerstone of organizational sustainability, reflecting the psychological and emotional commitment of individuals to remain and contribute to an institution (Meyer & Allen, 1991). This commitment is theoretically grounded in Social Exchange Theory (SET) and Organizational Support Theory (OST), which explain how reciprocal relationships and perceived organizational care shape employee

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attitudes and behaviors. When individuals perceive fair treatment, meaningful engagement, and institutional support, they develop a sense of obligation and attachment that encourages long-term retention. In the non-formal education sector, tutor loyalty is particularly critical, as tutor retention directly influences the continuity of learning, instructional quality, and overall service reliability provided to students.

However, contemporary labor market dynamics indicate a significant shift in loyalty patterns, particularly among younger workers. A national survey by Jobplanet.com (2017), reported that 57,3% of Gen Z workers in Indonesia intend to resign within one to two years, prioritizing flexibility, autonomy, and work-life balance over long-term institutional commitment. This trend presents substantial challenges for organizations such as IBSI Education, which rely heavily on freelance tutors, many of whom are university students and early-career job seekers with high mobility. The resulting turnover frequently disrupts learning continuity, reduces student satisfaction, and creates operational instability. This phenomenon reflects a growing "loyalty gap" in flexible employment environments, where traditional retention mechanisms may no longer function effectively.

Previous studies have identified several factors that influence employee loyalty. Work engagement has been shown to strengthen loyalty by fostering dedication, vigor, and emotional attachment to organizational goals (Nguyen & Ha, 2023; Rico, 2024). Compensation is also recognized as a critical determinant, as fair and competitive financial rewards signal organizational appreciation and encourage continued participation (Afifah & Taufiqurrahman, 2023). However, other research suggests that the impact of compensation may depend on employees' psychological responses, particularly job satisfaction (Nurcahyanti & Kuswandani, 2021). In addition, Perceived Organizational Support (POS) has consistently been linked to higher commitment and lower turnover intentions, as employees who feel valued by their organization are more likely to reciprocate through loyalty (Alam et al., 2023; Fitriyana et al., 2023). Despite these findings, most prior studies have examined these variables independently or focused primarily on permanent employees, leaving the unique context of freelance tutors insufficiently explored.

A critical gap, therefore, exists in understanding how work engagement, compensation, and perceived organizational support jointly influence loyalty within flexible employment arrangements, particularly when mediated by job satisfaction. Job satisfaction represents an individual's emotional evaluation of their work experience and plays a crucial role in translating organizational conditions into behavioral outcomes. For freelance tutors at IBSI Education, satisfaction with fair honoraria, professional support, and meaningful work experiences may strengthen their emotional attachment and willingness to remain with the institution. This mediating mechanism is particularly relevant in freelance contexts, where long-term contractual security is absent, and psychological factors play a greater role in shaping retention decisions.

This study addresses this gap by integrating work engagement,

compensation, and perceived organizational support into a unified conceptual model, with job satisfaction serving as a mediating variable, specifically within the context of freelance tutors at IBSI Education. Grounded in Social Exchange Theory (SET) and Organizational Support Theory (OST), this research is further supported by the Job Demands–Resources (JD-R) Model (Bakker & Demerouti, 2007) and Affective Events Theory (AET) (Weiss & Cropanzano, 1996). The JD-R model explains how organizational resources such as compensation and perceived organizational support enhance work engagement and motivation, which contribute to positive work outcomes. Complementing this perspective, Affective Events Theory explains how workplace experiences generate emotional reactions that shape job satisfaction and influence long-term behavioral outcomes such as loyalty. Within this integrated framework, compensation and organizational support function as key job resources that stimulate engagement and positive emotional responses, which in turn enhance job satisfaction and strengthen tutor loyalty in flexible employment contexts. Theoretically, this study contributes to the literature by examining whether reciprocity and perceived support remain effective drivers of loyalty in a freelance workforce. Practically, the findings provide IBSI Education with evidence-based insights to design adaptive human resource strategies that enhance tutor satisfaction, strengthen loyalty, and reduce turnover. Ultimately, this research supports the development of sustainable tutor retention strategies by recognizing freelance tutors not merely as temporary workers but as essential partners in achieving long-term institutional success.

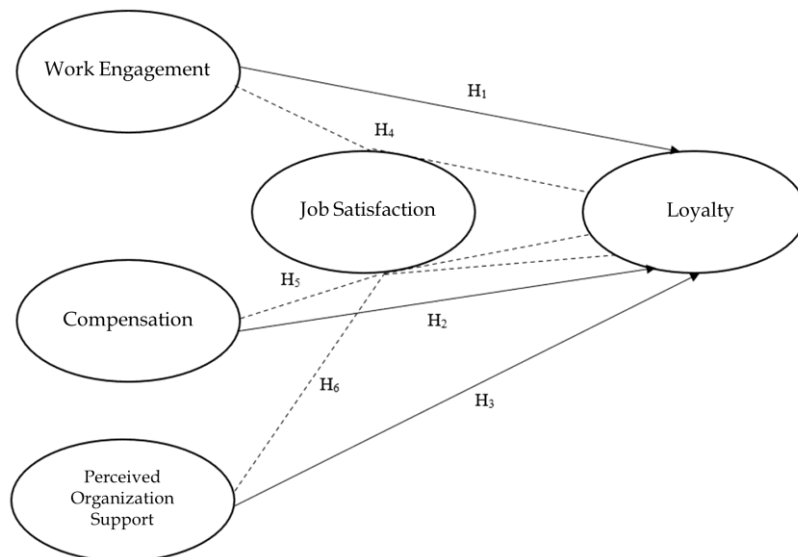
2. RESEARCH FRAMEWORK AND HYPOTHESIS

This study is grounded in Social Exchange Theory (SET), Organizational Support Theory (OST), the Job Demands–Resources (JD-R) Model, and Affective Events Theory (AET) as its primary theoretical foundation. Within this integrated framework, the loyalty of freelance tutors is understood as a product of positive reciprocal relationships, motivational processes, and emotional experiences that occur within the organizational environment. Social Exchange Theory explains that when individuals perceive favorable treatment from their organization, they feel obligated to reciprocate through positive attitudes and behaviors, including long-term commitment and loyalty. Complementing this perspective, Organizational Support Theory emphasizes that perceived organizational support strengthens emotional attachment by signaling that the institution values employee contributions and cares about their well-being. Meanwhile, the JD-R Model highlights the critical role of job resources, such as organizational support and fair compensation, in enhancing work engagement, which represents the psychological energy and motivation individuals invest in their work. Furthermore, Affective Events Theory explains that workplace conditions and experiences generate emotional reactions that shape job satisfaction, which subsequently influences behavioral outcomes such as loyalty. This perspective clarifies the psychological mechanism through which organizational resources and engagement translate into sustained commitment.

In the context of IBSI Education, tutor loyalty is conceptualized as an integration of affective, behavioral, and cognitive dimensions shaped by the interaction of work engagement, compensation, and perceived organizational support, with job satisfaction serving as a central mediating mechanism. Work engagement reflects the internal psychological energy that drives dedication and persistence, while compensation and organizational support function as essential organizational resources and forms of distributive and socio-emotional justice. These organizational and psychological resources create positive emotional experiences, which, according to Affective Events Theory, contribute to higher levels of job satisfaction. Through the mechanism of reciprocity and emotional evaluation, freelance tutors who experience fair compensation, feel supported by the institution, and remain actively engaged in their roles are more likely to develop stronger emotional attachment, professional responsibility, and long-term commitment. Ultimately, these reciprocal, motivational, and affective processes foster a sense of pride in contributing to the institution’s success and reinforce tutor loyalty, even within the flexible and non-permanent employment structure.

Conceptual Framework

The following research framework illustrates the relationships between the independent variables (Work Engagement, Compensation, and Perceived Organization Support), the mediating variable (Job Satisfaction), and the dependent variable (Tutor Loyalty). This framework proposes that organizational and psychological factors jointly shape loyalty outcomes, particularly within the flexible employment structure of freelance tutoring.



**Figure 1
Research Framework**

Note on Figure 1: H₁, H₂, H₃ represent direct effects, while H₄, H₅, H₆ represent indirect (mediated) effects.

Within this model, Job Satisfaction functions as a crucial mediating variable, conceptually supported by Affective Events Theory (AET). According to AET, employees' attitudes and behavioral intentions are shaped by accumulated emotional experiences in the workplace. In the context of IBSI Education, job satisfaction emerges from positive emotional evaluations of teaching experiences, harmonious working conditions, fair compensation, and institutional support. These affective responses strengthen intrinsic motivation and professional commitment.

Thus, work engagement and organizational resources do not directly and mechanically generate loyalty. Instead, they first foster positive emotional states, such as enjoyment in teaching, passion for professional growth, and psychological comfort, which are reflected in job satisfaction. This satisfaction then acts as a bridge, transforming supportive organisational conditions into sustained commitment and reinforcing freelance tutors' intention to remain loyal to IBSI Education.

Hypothesis Development

The Influence of Work Engagement on Loyalty

Work engagement is defined as a positive psychological state characterized by vigor, dedication, and absorption, reflecting high levels of energy, enthusiasm, and deep involvement in work activities (Schaufeli & Bakker, 2004). Engaged individuals invest their physical, cognitive, and emotional resources into their roles, resulting in stronger emotional attachment and a greater sense of ownership toward the organization (Kahn, 1990). From the perspective of the Job Demands-Resources (JD-R) Model, work engagement represents a motivational outcome generated when job resources adequately support individuals' professional needs, enabling them to perform optimally and sustain commitment.

From the lens of Social Exchange Theory (SET), employees who experience meaningful and engaging work tend to reciprocate with positive attitudes, including loyalty and long-term commitment. Affective Events Theory (AET) further explains that consistent positive emotional experiences derived from engagement contribute to favorable emotional states, which accumulate into job satisfaction and strengthen attachment to the organization.

Empirical evidence supports this relationship. Rico (2024) found that work engagement significantly enhances employee loyalty in startup environments, as engaged employees demonstrate stronger emotional commitment and lower turnover intention. Similarly, Nguyen & Ha (2023) confirmed that highly engaged university staff exhibit stronger institutional loyalty due to increased dedication and a sense of purpose. Therefore, higher levels of work engagement are expected to strengthen tutor loyalty.

H1: Work engagement has a significant positive influence on tutor loyalty.

The Influence of Compensation on Loyalty

Compensation refers to the financial and non-financial rewards provided by organizations in return for employee contributions, including salary, incentives, benefits, and recognition (Milkovich et al., 2017). Compensation represents a critical organizational resource within the JD-R Model, fulfilling both economic and psychological needs and supporting employee motivation and retention.

From the perspective of Social Exchange Theory, fair and adequate compensation creates a perception of balanced exchange, encouraging employees to reciprocate with loyalty and commitment. Organizational Support Theory further suggests that compensation serves as a tangible signal that the organization values employee contributions, thereby strengthening emotional attachment.

Affective Events Theory explains that positive experiences related to fair compensation generate positive emotional reactions, contributing to job satisfaction and reinforcing long-term organizational attachment. According to Herzberg's Two-Factor Theory (1959), compensation functions as a hygiene factor that prevents dissatisfaction and establishes the foundation for positive work attitudes.

Empirical studies confirm this relationship. Afifah & Taufiqurrahman (2023) found that compensation significantly improves teacher loyalty. Selvia & Karneli (2023) demonstrated that compensation influences loyalty both directly and indirectly through job satisfaction. Nurcahyanti & Kuswandani (2021) also confirmed that fair compensation strengthens commitment among healthcare professionals. Therefore, fair and appropriate compensation is expected to enhance tutor loyalty.

H2: Compensation has a significant positive influence on tutor loyalty.

The Influence of Perceived Organizational Support (POS) on Loyalty

Perceived Organizational Support (POS) refers to employees' beliefs that the organization values their contributions and cares about their well-being (Eisenberger et al., 1986). Within Organizational Support Theory, POS plays a central role in developing emotional bonds between employees and the organization by fulfilling socio-emotional needs such as recognition, respect, and belonging.

Within the JD-R Model framework, organizational support functions as a critical job resource that enhances motivation, engagement, and psychological well-being. Social Exchange Theory explains that when individuals perceive strong organizational support, they feel obligated to reciprocate through positive behaviors, including loyalty and sustained commitment.

Affective Events Theory further explains that repeated experiences of appreciation, support, and recognition generate positive emotional states, which accumulate into job satisfaction and strengthen long-term attachment.

Empirical research supports this relationship. Fitriyana et al., (2023) found that organizational support significantly improves employee loyalty. Alam et al. (2023) demonstrated that emotional and profession-

al support enhances commitment and responsibility. Bui et al. (2024) also confirmed that organizational support strengthens loyalty by improving employee well-being. Therefore, higher perceived organizational support is expected to increase tutor loyalty.

H3: Perceived organizational support has a significant positive influence on tutor loyalty.

The Mediating Role of Job Satisfaction

Job satisfaction refers to a positive emotional state resulting from the appraisal of one's work experiences (Locke, 1976). Within Affective Events Theory, job satisfaction emerges from the accumulation of positive emotional experiences in the workplace, including meaningful work, fair compensation, and organizational support. These emotional responses shape long-term attitudes and behavioral outcomes, including loyalty.

From the JD-R Model perspective, job resources such as compensation and organizational support enhance motivation and engagement, which contribute to job satisfaction. Social Exchange Theory further explains that satisfied individuals are more likely to reciprocate favorable treatment with loyalty and long-term commitment.

Empirical evidence supports the mediating role of job satisfaction. Mascarenhas et al. (2022) found that work engagement enhances job satisfaction, which subsequently strengthens loyalty. Selvia & Karneli (2023) confirmed that job satisfaction mediates the relationship between compensation and loyalty. Similarly, Alam et al. (2023) and Bui et al. (2024) found that organizational support improves loyalty primarily through increased job satisfaction.

Therefore, job satisfaction serves as a psychological mechanism that transforms engagement, compensation, and organizational support into sustained loyalty.

H4: Job satisfaction significantly mediates the positive influence of work engagement on tutor loyalty.

H5: Job satisfaction significantly mediates the positive influence of compensation on tutor loyalty.

H6: Job satisfaction significantly mediates the positive influence of perceived organizational support on tutor loyalty.

3. RESEARCH METHOD

Population and Sampling Technique

This study employs a census (complete enumeration) approach rather than a partial sampling technique. According to Hair et al. (2019), a census method is particularly appropriate when the population size is relatively small and fully accessible, as it eliminates sampling error and ensures complete representation of the organizational context, thereby enhancing the accuracy and internal validity of institutional-level research. The broader population initially consisted of 379 freelance tutors registered at IBSI Education. However, to ensure the relevance, accuracy, and contextual appropriateness of the data, the target population was refined using purposive inclusion criteria, as recommended by Sugiyono (2017). Specifically, only tutors who were actively as-

signed to at least one ongoing teaching module were included, ensuring that respondents possessed sufficient organizational exposure to meaningfully evaluate compensation practices, organizational support, and work-related experiences. Based on these criteria, the final population comprised 208 active freelance tutors, all of whom were included in the study. By conducting a census of this qualified population, the research eliminates representativeness bias associated with partial sampling and ensures that the resulting structural model accurately reflects the actual behavioral and organizational dynamics of the active freelance workforce at IBSI Education.

Operational Definition and Measurement

To ensure conceptual clarity, each latent variable was operationalized using indicators adapted from established and validated measurement scales. All items were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Tutor Loyalty (Y)

Tutor loyalty is defined as the commitment of freelance tutors to maintain long-term cooperation with IBSI Education despite their non-permanent status. Adapted from Afifah & Taufiqurrahman (2023), this construct is measured using five indicators: compliance with institutional policies, responsibility in the learning process, dedication beyond contractual obligations, intention to continue cooperation, and professional pride. These dimensions reflect affective, behavioral, and cognitive attachment to the institution.

Work Engagement (X1)

Work engagement refers to the psychological presence and emotional involvement of tutors in performing their teaching duties. Based on the Utrecht Work Engagement Scale (UWES) framework, adapted by Nguyen & Ha (2023), this variable includes six indicators: full involvement, enthusiasm, sustained concentration, professional dedication, extra-role contribution, and intrinsic motivation. These indicators capture vigor, dedication, and absorption in teaching activities.

Compensation (X2)

Compensation represents tutors' perceptions of financial and non-financial rewards provided in exchange for instructional contributions. Following Nurcahyanti & Kuswandani (2021), this variable includes three indicators: honorarium adequacy, payment equity, and welfare support. These dimensions reflect distributive justice and perceived fairness.

Perceived Organizational Support (X3)

Perceived Organizational Support (POS) refers to the extent to which tutors believe the institution values their contributions and cares about their well-being. Adapted from Fitriyana et al. (2023), this construct includes recognition of contributions, responsiveness to grievances, concern for welfare, performance feedback, attention to satisfaction, support for operational needs, and institutional pride in tutor achieve-

ments. These indicators represent socio-emotional support and reciprocal recognition.

Job Satisfaction (Z)

Job satisfaction is defined as the positive emotional evaluation of tutors regarding their teaching experiences and professional roles. Based on Indranata & Safaria (2023), this variable includes five indicators: enjoyment in teaching, love for the profession, enthusiasm for performance, work discipline, and sense of achievement. These dimensions reflect emotional fulfillment and professional contentment.

Table 1
Measurement Instrument and Sources

Variable	Indicators (Questionnaire Items)	Sources
Work Engagement (X1)	Full involvement in teaching Teaching enthusiasm Concentration and focus Professional dedication Extra-role contribution Intrinsic motivation	Nguyen & Ha (2023)
Compensation (X2)	Honorarium adequacy Payment equity Welfare support	Nurcahyanti & Kuswandani (2021)
Perceived Organizational Support (X3)	Recognition of contributions Appreciation for extra effort Responsiveness to grievances Concern for welfare Performance feedback Attention to job satisfaction Concern for general needs Pride in tutor achievements	Fitriyana et al. (2023)
Job Satisfaction (Z)	Enjoyment in teaching Love for the profession Teaching enthusiasm Work discipline Achievement of teaching results	Indranata & Safaria (2023)
Loyalty (Y)	Compliance with institutional policies Commitment to continuing cooperation Dedication to the institution and students Professional pride Responsibility in learning	Afiffah & Taufiqurrahman (2023)

Source: Afifah & Taufiqurrahman (2023), Fitriyana et al. (2023), Indranata & Safaria (2023), Nguyen & Ha (2023), Nurcahyanti & Kuswandani (2021)

Data Analysis Technique

This study applied Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 4. PLS-SEM was selected because it is suitable for complex models involving mediation, does not require strict normal distribution assumptions, and performs well with small-to-medium (N=208) sample sizes (Hair et al., 2019). The analysis was conducted in two stages: outer model evaluation and inner model evaluation.

Outer Model Evaluation (Measurement Model)

The measurement model was assessed to ensure construct validity and reliability. Convergent Validity was evaluated using outer loadings and Average Variance Extracted (AVE). Indicator loadings were required to be ≥ 0.708 (values ≥ 0.50 are acceptable in exploratory research), and AVE values were required to exceed 0.50. Discriminant Validity was assessed using the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. The square root of AVE for each construct had to exceed its correlations with other constructs, while HTMT values were required to be below 0.90 (Henseler et al., 2009). Reliability was evaluated using Cronbach’s Alpha and Composite Reliability (CR), both of which were required to exceed 0.70 to confirm internal consistency.

Inner Model Evaluation (Structural Model)

The structural model was evaluated to assess predictive power and hypothesis testing. The coefficient of Determination (R^2) was used to measure the variance explained in Job Satisfaction and Tutor Loyalty. Path Coefficients (β) were examined to determine the strength and direction of relationships between constructs. Hypothesis Testing was conducted using the bootstrapping method with 5,000 subsamples. A hypothesis was considered significant if the T-statistic exceeded 1.96 and the p-value was below 0.05.

4. RESULTS AND DISCUSSION

Respondent Profile

Table 2
Respondent’s Description

Characteristics	Category	Frequency	Percentage
Gender	Male	39	18.90%
	Female	169	81.10%
Age	< 20 years	8	3.80%
	20 – 28 years	173	83.00%
	> 28 years	27	13.20%
Type of Tutoring	Private	164	78.80%
	Class	21	9.90%
	Private & Class	23	11.30%
Tenure	6 – 12 months	134	64.60%
	13 – 24 months	40	18.90%
	> 24 months	34	16.50%

Characteristics	Category	Frequency	Percentage
Monthly Income	< Rp 250,000	76	36.80%
	Rp 250,000 – Rp 499,000	70	33.50%
	Rp 500,000 – Rp 749,000	32	15.60%
	Rp 750,000 – Rp 1,000,000	16	7.50%
	> Rp 1,000,000	14	6.60%
Education	High School	67	32.50%
	Diploma	10	4.70%
	Bachelor’s Degree (S1)	122	58.50%
	Master’s Degree (S2)	9	4.20%
Primary Profession	School Tutor	31	15.00%
	Employee	35	16.70%
	Student	99	47.80%
	Job Seeker	43	20.60%

Source: Tabulated results of respondent surveys.

A total of 208 active freelance tutors participated in this study. The majority were female (81.1%) and within the 20–28 years age range (83.0%), indicating that IBSI Education’s workforce is predominantly composed of young adults.

Most respondents held a Bachelor’s degree (58.5%), while 47.8% identified as students as their primary profession. In terms of work characteristics, 78.8% focused on private tutoring sessions, and 64.6% had a tenure of 6–12 months, reflecting relatively short-term engagement typical of freelance arrangements.

Monthly income levels were modest, with 36.8% earning below Rp 250,000 per month. These demographics confirm that the tutor workforce largely consists of young, educated individuals engaged in flexible and supplementary employment.

Descriptive Analysis

Descriptive statistics indicate generally positive perceptions across all variables.

Table 3
Descriptive Analysis of Each Variable

No	Variable	Mean Score
1	Work engagement	4.14
2	Compensation	3.53
3	Perceived organizational support	3.89
4	Job satisfaction	3.84
5	Loyalty	3.7

Source: Primary data processed

Work Engagement recorded the highest mean (4.14), demonstrating strong enthusiasm and intrinsic motivation among tutors. Perceived Organizational Support (3.89) and Job Satisfaction (3.84) also showed favorable evaluations, indicating that tutors generally feel valued and fulfilled.

Compensation obtained the lowest mean (3.53), although it remains

**Work
Engagement**

within a positive range. This suggests that while tutors consider financial rewards acceptable, improvements in equity and adequacy may further enhance perceptions.

Outer Model Evaluation (Measurement Model)

The outer model evaluation confirms that all constructs satisfy the established criteria for validity and reliability, indicating that the measurement model possesses adequate psychometric quality.

**Table 4
Validity and Reliability**

Variable	Item	Validity Test		Reliability Test	
		Loading Factor	AVE	Composite Reliability	Cronbach Alpha
Work Engagement	KK1	0.827	0.592	0.920	0.900
	KK2	0.809			
	KK3	0.730			
	KK4	0.826			
	KK5	0.681			
	KK6	0.804			
	KK7	0.798			
	KK8	0.658			
Compensation	KP1	0.794	0.698	0.902	0.855
	KP2	0.792			
	KP5	0.896			
	KP6	0.854			
	POS1	0.812			
	POS2	0.809			
Perceived Organizational support	POS3	0.644	0.590	0.928	0.913
	POS4	0.763			
	POS5	0.766			
	POS6	0.761			
	POS7	0.784			
	POS8	0.793			
	POS9	0.770			
Job Satisfaction	KB2	0.831	0.645	0.879	0.816
	KB4	0.743			
	KB5	0.804			
	KB7	0.832			
Loyalty	LK2	0.825	0.613	0.904	0.872
	LK3	0.812			
	LK4	0.679			
	LK5	0.835			
	LK6	0.738			
	LK7	0.794			

Source: Statistical analysis results

As presented in Table 4, convergent validity is demonstrated by the loading factors of all indicators, which exceed the minimum acceptable threshold of 0.60, with the majority surpassing the preferred benchmark of 0.70. Although several indicators, specifically KK5 (0.681), KK8 (0.658), POS3 (0.644), and LK4 (0.679), fall slightly below the ideal threshold of 0.70, they remain above the acceptable level of 0.50 for exploratory research, and therefore are retained within the model. Furthermore, the Average Variance Extracted (AVE) values for all constructs range from 0.590 to 0.698, exceeding the minimum requirement of 0.50, thereby confirming that each construct explains more than half of the variance of its respective indicators.

Reliability assessment further confirms the internal consistency and stability of the measurement instrument. Composite Reliability values range from 0.879 to 0.928, while Cronbach’s Alpha values range from 0.816 to 0.913. Both measures exceed the recommended threshold of 0.70, indicating strong reliability and consistent measurement across all constructs.

In addition, discriminant validity is established based on the Fornell-Larcker criterion, whereby the square root of the AVE for each construct exceeds its correlations with other latent variables. This confirms that each construct is empirically distinct and captures a unique conceptual domain within the model.

Overall, these findings demonstrate that the measurement model meets all required standards for convergent validity, discriminant validity, and reliability. Consequently, the constructs are considered valid and reliable, and the model is deemed appropriate for subsequent structural model analysis.

Inner Model Evaluation (Structural Model)

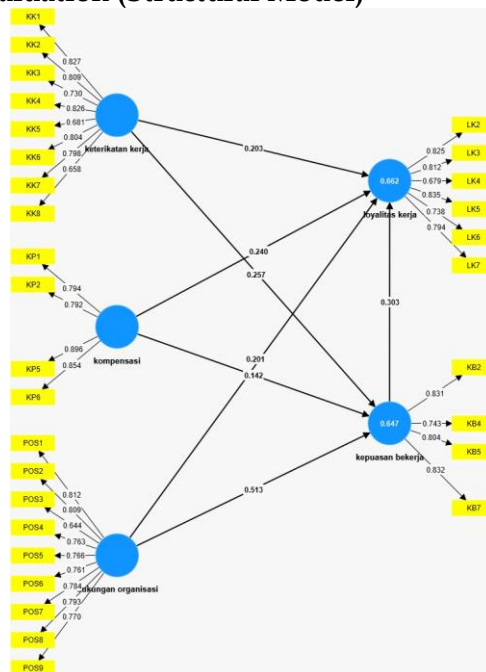


Figure 2
Inner Model

Source: Path analysis results via SmartPLS 4.0, processed by the author

The structural model demonstrates substantial explanatory power in predicting the endogenous constructs. Specifically, the model accounts for 64.7% of the variance in Job Satisfaction ($R^2 = 0.647$) and 66.2% of the variance in Loyalty ($R^2 = 0.662$). According to the criteria established by Hair et al. (2019), these values indicate moderate to strong predictive accuracy, approaching the threshold of 0.67, which signifies a strong structural model.

The inner model illustrates the hypothesized structural relationships between the exogenous variables: Work Engagement, Compensation, and Perceived Organizational Support, and the endogenous variables: Job Satisfaction and Loyalty. The directional arrows represent the causal pathways among constructs, while the standardized path coefficients indicate the magnitude and direction of the relationships. Higher positive coefficients reflect a stronger predictive influence of the independent variables on the dependent variables.

Furthermore, Job Satisfaction functions as both an endogenous outcome of organizational and psychological resources and as an intervening mediating variable influencing Loyalty. This mediating structure reinforces the theoretical proposition that organizational resources and individual engagement contribute to loyalty both directly and indirectly through affective evaluation mechanisms. Overall, the structural model confirms the robustness and predictive relevance of the proposed theoretical framework in explaining freelance tutor loyalty.

Table 5
R-square Value

	R-square	R-square adjusted
Job satisfaction	0.647	0.642
Loyalty	0.662	0.655

Source: Statistical analysis results

The structural model analysis indicates an R^2 value of 0.647 for Job Satisfaction and 0.662 for Loyalty. These findings demonstrate that Work Engagement, Compensation, and Perceived Organizational Support collectively explain 64.7% of the variance in Job Satisfaction, while Work Engagement, Compensation, Perceived Organizational Support, and Job Satisfaction explain 66.2% of the variance in Loyalty.

According to the classification criteria proposed by Henseler et al. (2009), R^2 values of 0.25, 0.50, and 0.75 represent weak, moderate, and substantial predictive accuracy, respectively. Therefore, the R^2 values obtained in this study indicate moderate to substantial predictive power, approaching the threshold of strong explanatory capability.

Furthermore, the adjusted R^2 values of 0.642 and 0.655 confirm the robustness and stability of the model, indicating minimal estimation bias. These results suggest that the exogenous variables included in the structural model demonstrate strong explanatory relevance and predictive accuracy in explaining variations in Job Satisfaction and Loyalty, thereby supporting the adequacy of the proposed theoretical framework (Hair et al., 2019).

Table 6
Discriminant Validity Test

Variable	POS	KB	KK	KP	LK
Perceived organizational support (POS)	0.768	0.764	0.602	0.679	0.717
Job satisfaction (KB)	0.764	0.803	0.643	0.63	0.738
Work engagement (KK)	0.602	0.643	0.769	0.542	0.649
Compensation (KP)	0.679	0.63	0.542	0.835	0.677
Loyalty (LK)	0.717	0.738	0.649	0.677	0.783

Source: Statistical analysis results

Following the establishment of convergent validity and reliability, discriminant validity was assessed to ensure that each latent construct represents a conceptually and empirically distinct phenomenon within the structural model. Discriminant validity was evaluated using the Fornell-Larcker criterion, which requires that the square root of the Average Variance Extracted (AVE) for each construct exceed its correlations with other constructs in the model.

As presented in Table 5, the diagonal values representing the square root of AVE for each construct: Perceived Organizational Support (0.768), Job Satisfaction (0.803), Work Engagement (0.769), Compensation (0.835), and Loyalty (0.783) are consistently higher than the corresponding inter-construct correlation values in their respective rows and columns. These results confirm that each construct shares greater variance with its own indicators than with other latent variables.

Accordingly, all constructs satisfy the Fornell-Larcker criterion, thereby demonstrating adequate discriminant validity. This finding confirms that the measurement model possesses strong construct distinctiveness and that each variable uniquely captures its intended theoretical domain without significant overlap with other constructs.

Table 7
Hypothesis Results

Hypotesis	Influence	Coefficient Value	P-values	Description
H1	Work Engagement → Loyalty	0,203	0,015	accepted
H2	Compensation → Loyalty	0,240	0,000	accepted
H3	Perceived Organizational Support → Loyalty	0,201	0,017	accepted
H4	Work Engagement → Job Satisfaction → Loyalty	0,078	0,004	accepted
H5	Compensation → Job Satisfaction → Loyalty	0,043	0,061	rejected
H6	Perceived Organizational Support → Job Satisfaction → Loyalty	0,155	0,003	accepted

Source : Statistical analysis results

The results of the structural model evaluation indicate that the majority of the proposed hypotheses are supported. All direct effects (H1-H3) demonstrate statistically significant relationships with Loyalty ($p < 0.05$). Among these, Compensation exhibits the strongest direct influence on Loyalty ($\beta = 0.240$; $p = 0.000$), followed by Work Engagement ($\beta = 0.203$; $p = 0.015$) and Perceived Organizational Support ($\beta = 0.201$; $p = 0.017$). These findings confirm that organizational and psychological resources directly enhance tutor loyalty.

With respect to the mediating effects, Job Satisfaction significantly mediates the relationship between Work Engagement and Loyalty (H4; $\beta = 0.078$; $p = 0.004$) as well as between Perceived Organizational Support and Loyalty (H6; $\beta = 0.155$; $p = 0.003$). These results indicate the presence of meaningful indirect effects through affective evaluation mechanisms.

However, the mediating role of Job Satisfaction in the relationship between Compensation and Loyalty (H5) is not statistically significant ($\beta = 0.043$; $p = 0.061$). This suggests that Compensation influences Loyalty primarily through a direct pathway rather than through Job Satisfaction.

Overall, the findings reinforce the structural robustness of the model, confirming both direct and indirect mechanisms in explaining freelance tutor loyalty.

5. DISCUSSION

This section provides an in-depth interpretation of the data analysis, aligning empirical findings with supporting theories and relevant prior research. Utilizing the Partial Least Squares (PLS-SEM) method, the results evaluate both direct and indirect relationships among variables, confirming that most hypotheses are statistically significant.

Direct Effects on Loyalty (H1, H2, H3)

The findings confirm that Work Engagement, Compensation, and Perceived Organizational Support significantly enhance freelance tutor loyalty.

The Effect of Work Engagement on Loyalty (H1)

The empirical analysis confirms that work engagement exerts a significant positive influence on the loyalty of freelance tutors at IBSI Education. This suggests that heightened emotional and physical attachment to their roles serves as a vital psychological anchor, effectively reducing turnover intentions. This phenomenon aligns with Herzberg's Two-Factor Theory (1959), where engagement acts as a "motivator" through internal drivers such as professional pride and inherent work value. These results resonate with studies by Rico (2024) and Nguyen & Ha (2023), which identifies enthusiasm and dedication as primary catalysts for institutional loyalty.

The Effect of Compensation on Loyalty (H2)

Empirical evidence confirms that compensation significantly and positively influences loyalty, demonstrating the strongest direct influence in this study. This indicates that for freelance tutors, many of whom are

students or early-career individuals, financial fairness serves as the primary retention anchor. The result reinforces Herzberg's (1959) view of compensation as a critical hygiene factor that provides a sense of security and a baseline for commitment. This aligns with recent empirical studies by Afifah & Taufiqurrahman (2023) and Selvia & Karneli (2023), which argues that fair compensation directly scales with increased employee loyalty.

The Effect of Perceived Organizational Support (H3)

Testing demonstrates that POS significantly and positively affects loyalty. Despite their freelance status, tutors who feel trusted and recognized develop a sincere emotional commitment. These findings are highly consistent with Social Exchange Theory by Blau (1964), where tangible support, such as adequate teaching media and open communication, creates a social obligation for tutors to reciprocate through heightened dedication. This result aligns with research by Alam et al. (2023), Bui et al. (2024), and Fitriyana et al. (2023).

Mediating Role of Job Satisfaction (H4, H5, H6)

A crucial insight of this study lies in the differentiated mediation pattern between "soft" psychological resources and "hard" transactional rewards.

Mediation between Work Engagement and Loyalty (H4)

Statistical analysis reveals that job satisfaction significantly mediates this relationship. High engagement does not automatically translate into loyalty; it first fosters profound job satisfaction, which then drives long-term commitment. This aligns with Kahn (1990) Personal Engagement Theory, where tutors experiencing meaningfulness and safety derive satisfaction that acts as an emotional bridge to loyalty. While this differs from some formal higher education findings, it supports the dynamic organizational context work of Mascarenhas et al. (2022) and Rico (2024).

Non-Mediation between Compensation and Loyalty (H5)

The empirical analysis reveals that job satisfaction does not significantly mediate the relationship between compensation and loyalty. This suggests that for freelance staff, financial rewards influence loyalty directly rather than psychologically. Unlike permanent employees, who may view pay as a marker of career status (Saputra et al., 2024), freelance tutors prioritize immediate financial independence. Consequently, they remain loyal as long as pay is competitive, even if they are dissatisfied with other aspects of the role.

Mediation between Perceived Organizational Support and Loyalty (H6)

Job satisfaction significantly mediates the relationship between POS and loyalty. Organizational support functions by first enhancing tutor satisfaction through administrative ease and responsive management. Consistent with Social Exchange Theory, support systems foster a sense of being a "valued partner" rather than a temporary asset. These find-

ings resonate with research identifying organizational support as a catalyst for feeling valued and improving psychological well-being (Bui et al., 2024; Mascarenhas et al., 2022).

6. CONCLUSION, IMPLICATIONS, LIMITATIONS, AND SUGGESTIONS

This study concludes that Work Engagement, Compensation, and Perceived Organizational Support are the key determinants of freelance tutor loyalty at IBSI Education. Job Satisfaction functions as a psychological bridge for both engagement and organizational support, yet it does not mediate the effect of compensation. Consequently, loyalty among freelance tutors is found to follow two distinct pathways: 1) Psychological pathway: Organizational support and engagement influence loyalty through the mediation of job satisfaction, 2) Transactional pathway: Compensation directly drives loyalty without the necessity of a satisfying emotional appraisal. The structural model accounts for 66.2% of the variance in loyalty, indicating that the exogenous variables possess substantial explanatory power and high relevance in explaining the constructs within this specific context.

This research extends Social Exchange Theory (SET) by demonstrating dual reciprocity mechanisms within freelance employment settings. Specifically, it reveals that in the context of freelance labor, reciprocity is split into two distinct pathways: a psychological pathway (Support → Satisfaction → Loyalty) and a transactional pathway (Compensation → Loyalty). Furthermore, this study refines the application of Herzberg's Two-Factor Theory by showing that in gig-based or mobile workforce contexts, hygiene factors such as pay can act as direct drivers of commitment rather than merely serving to prevent dissatisfaction, effectively bypassing the requirement for intrinsic satisfaction to foster loyalty.

Based on the findings of this study, several practical recommendations are proposed for IBSI Education. Management should prioritize the implementation of a transparent honorarium system; since compensation serves as a direct driver of loyalty, clear communication regarding fee structures and ensuring timely payments will be more effective for tutor retention than purely "social" activities. Regarding HR policy, to maximize the impact of "soft" organizational support, IBSI should focus on enhancing the quality of the teaching experience, such as by providing superior modules and instructional resources, as these factors are instrumental in driving the job satisfaction necessary to foster long-term emotional loyalty.

Several limitations should be acknowledged. The study's cross-sectional design captures participant perceptions at a single point in time, potentially overlooking long-term dynamic shifts in loyalty. Furthermore, the reliance on self-reported questionnaire data may introduce subjective bias into the findings. While the model demonstrates moderate predictive power, the R^2 value of 0.662 indicates that 33.8% of the variance in tutor loyalty remains unexplained by the current variables. Finally, the strictly quantitative approach employed limits a deeper exploration of the contextual nuances surrounding freelance tutor experiences.

To further enhance the robustness and depth of research in this field, future studies should consider expanding the current model by incorporating additional variables such as Work-Life Balance or Remote Leadership Style, which may account for the currently unexplained variance in tutor loyalty. Methodologically, transitioning from cross-sectional to longitudinal designs is recommended to observe how loyalty patterns evolve. Furthermore, researchers should utilize mixed-method approaches to provide richer contextual insights that quantitative data alone cannot capture. Finally, applying advanced statistical techniques, such as Gaussian Copulas, would allow for more rigorous testing of potential endogeneity, ensuring the continued refinement of the theoretical framework.

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