



## Organizational Culture Influence on Employee Loyalty in the Urban Creative Industry

Masruri

Universitas Islam Syekh Yusuf, Indonesia

**Corresponding Author:** Masruri, [masruri@unis.ac.id](mailto:masruri@unis.ac.id)

---

### ARTICLE INFO

*Keyword:* Organizational Culture, Employee Loyalty, Human Resource Management, Creative Industry, Urban Workforce.

*Received :* 11, August

*Revised :* 25, August

*Accepted:* 26, September

©2025 Masruri: This is an open-access article distributed under the terms of the [Creative Commons Attribution 4.0 International](https://creativecommons.org/licenses/by/4.0/).



### ABSTRACT

This study examines the effect of organizational culture on employee loyalty in creative industry companies in Tangerang, Banten. Using a quantitative survey of 180 employees and multiple linear regression analysis, the results show that organizational culture significantly and positively influences loyalty, with clan and adhocracy dimensions having the strongest impact compared to market and hierarchy. These findings highlight the importance of collaborative, innovative, and adaptive cultures in fostering employee commitment and retention. The study contributes theoretically to human resource management research and practically offers recommendations for managers to design cultures that enhance loyalty.

## INTRODUCTION

The development of creative industries in urban areas creates significant economic opportunities, but also poses managerial challenges in maintaining the quality of the workforce. In Indonesia, especially in the Tangerang-Banten region, the creative sector such as design, advertising, and media experiences high dynamics due to competition and innovation demands. This condition requires companies to not only focus on the creation of creative products, but also on adaptive human resource management. Globally, research says that organizational culture is a crucial factor in influencing employee retention and loyalty in the competitive sector (Wiese et al., 2024). This shows that organizations that have a conducive work culture tend to be able to retain employees in the long term, so the urgency of this research is even clearer.

A collaborative and innovative organizational culture has been shown to increase employee loyalty and performance across various technology and manufacturing industries (Khan et al., 2022). In another context, research in the education sector has also found that cooperative-oriented organizational values can strengthen employees' emotional attachment to the institution (Nguyen & Le, 2021). However, in the context of the creative industry, especially in urban areas of Indonesia, empirical understanding of the mechanism is still limited. Other studies have shown that cultures that support collaboration and adaptability strengthen business strategies in the creative sector, but have not touched much on the employee loyalty aspect directly, creating research gaps that need to be filled (Hussain et al., 2023).

Other studies indicate that organizational culture has a positive effect on employee loyalty, both directly and through job satisfaction as a mediating variable in the garment sector (Vu et al., 2024). These findings show cultural relevance to loyalty, but are still limited to the conventional manufacturing sector, rather than the more dynamic and content-based creative industries. Research in the banking sector also confirms a similar thing, namely that a strong organizational culture is associated with increased employee commitment and willingness to persevere (Yildiz & Karaboga, 2020). Therefore, research in the urban creative sector still needs to be expanded to ensure the consistency of findings across sectors.

In addition, qualitative research shows that openness, collaboration, clarity of vision and mission, strong interpersonal relationships, and career development opportunities are the main factors driving employee loyalty, while challenges such as communication limitations and lack of development pathways are significant barriers (Anas et al., 2023). This concept emphasizes the importance of explicit cultural internalization to build loyalty. However, this context is very different from that of the urban creative industry which demands flexibility, innovation, and a typical motivational climate. Other research also confirms that the type of industry influences the way organizational culture is applied, so generalizations from the traditional sector to the creative sector must be done carefully (Rahmawati, 2021).

Theoretically, social exchange theory explains that an organizational culture that rewards emotional and professional rewards encourages employee

loyalty through reciprocation (Cropanzano, Li, & Wang, 2022). Recent research reinforces this view by showing that the practice of non-financial rewards is able to increase employees' sense of belonging in the service industry (Yoon & Kim, 2023). However, the application of this theory in the domain of the urban creative industry has not been extensively explored empirically in Indonesia. In fact, this sector relies heavily on emotional involvement and creativity of employees, so the implementation of social exchange can be more relevant than in other sectors.

Thus, there is a clear research gap, namely the lack of quantitative research that maps the influence of the specific organizational culture dimension on employee loyalty in Indonesia's urban creative industry. Then, there is a lack of exploration of whether cultural dimensions such as clan and adhocracy have a dominant effect compared to the market or hierarchy dimension in this context, as well as limitations in regional domains such as Tangerang-Banten. This is reinforced by international studies that emphasize the importance of relationship-oriented and innovation culture interactions to worker commitment and innovative behaviors, especially in the South Korean context (Song et al., 2025). Previous research has been limited to the manufacturing, garment, or energy sectors, with no specific focus on urban creative industries.

Based on this identification, this study aims to explicitly measure the direct influence of organizational culture on employee loyalty in the urban creative industry of Tangerang-Banten, test the comparison of the effects between the dimensions of clan culture, adhocracy, market, hierarchy on loyalty and formulate managerial recommendations based on empirical results. This goal is aimed at filling empirical gaps and improving theoretical understanding of human resource management in the urban creative industry. Methodologically, the use of quantitative approaches with standardized instruments is expected to be able to provide reliable empirical evidence.

Theoretically, this research contributes to the development of human resource management science by expanding the application of organizational culture theory and social exchange in the creative industry which is innovative and dynamic. This research also enriches the literature that is still limited in Indonesia, especially at the regional level that is rarely highlighted. Practically, the results of this study are expected to provide strategic guidance to managers and managers of the creative industry in Tangerang and its surroundings to design an organizational culture that effectively increases employee loyalty, thereby supporting talent retention and organizational competitive advantage. Furthermore, these findings can be the basis for the formulation of employment policies in the urban creative sector.

## **THEORETICAL REVIEW**

### ***Organizational Culture and Its Relevance to Employee Loyalty***

Organizational culture is a key determinant that shapes employees' attitudes, behaviors, and long-term commitments. Research by Rusu et al. (2020) shows that a supportive and cohesive organizational culture is able to increase employee loyalty, especially in industries with high levels of competition. Employees who feel shared value, a clear vision, and collaborative work practices

tend to stick around longer and are committed to organizational goals. This confirms that organizational culture not only serves as an internal mechanism, but also as a strategic asset to retain talent.

### ***Organizational Culture Dimensions: Clan, Adhocracy, Market, and Hierarchy***

The Competing Values Framework puts forward four dominant cultural orientations: clan, adhocracy, market, and hierarchy. Research by (Denison et al., 2021) confirms that each dimension contributes differently to employee outcomes, such as creativity, productivity, and loyalty. Clan culture and adhocracy were found to be closely related to employee emotional attachment and innovation, while market culture and hierarchy emphasized efficiency and control. In the context of a dynamic creative industry, adaptive cultures such as clan and adhocracy have stronger potential in driving loyalty.

### ***Collaborative and Innovative Culture in a Dynamic Industry***

A rapidly changing industry demands an innovative and collaborative work culture. Research by (Ahmed et al., 2022) proves that a culture that encourages innovation and knowledge sharing can increase employee commitment and loyalty in the technology sector. When employees feel compelled to experiment, learn, and solve problems collectively, they more easily identify with the organization. These findings confirm that the creative industry, which relies on human creativity, needs a cultural framework that prioritizes collaboration and innovation.

### ***Organizational Culture and Mediation Factors***

Several studies have shown that the influence of organizational culture on loyalty is not only direct, but also through mediating variables. A study by (Zhou et al., 2023) revealed that organizational culture has a significant effect on employee loyalty, with job satisfaction and motivation as important mediators. This means that organizational culture forms the foundation of loyalty, but the satisfaction and motivation factors turn cultural values into tangible results in the form of long-term retention and commitment. These findings are relevant for the creative industries, where employee intrinsic motivation is a critical factor.

### ***Organizational Culture in the Service and Knowledge-Based Sectors***

The service sector provides additional evidence of how culture influences loyalty. Research by (Choi et al., 2021) in the context of hospitality shows that an organizational culture that emphasizes trust, stability, and fairness is able to increase employee commitment and loyalty. Employees in a positive culture environment tend to have low exit intentions. Although different from the creative industry, both sectors require continuous engagement, so lessons from the service sector are relevant to strengthen loyalty in the urban creative industry.

### ***Social Exchange Theory as a Theoretical Foundation***

Theoretical perspectives such as Social Exchange Theory provide an important basis for understanding the relationship between organizational culture and loyalty. According to (Kim & Park, 2020), employees who receive

positive treatment, rewards, and support from the organization will respond with greater commitment and loyalty. In the creative industry, emotional engagement and a sense of belonging are key drivers of performance. By internalizing rewards and support in cultural practices, organizations can strengthen long-term retention.

### ***Cultural Adaptation in Global and Local Contexts***

The effectiveness of organizational culture is also influenced by the local context and the type of industry. Research by (Li & Sun, 2022) found that a relationship-oriented and innovation-oriented culture significantly increases employee loyalty as well as innovative behavior in Chinese companies. These findings show that a culture that emphasizes innovation and harmony of relationships can strengthen employee attachment. In the context of the urban creative industry in Indonesia, similar dynamics may apply, but adjustments are needed according to local socio-cultural characteristics.

### ***Research Gaps in the Context of the Creative Industry***

Although the literature on organizational culture continues to grow, research directly examining its effect on employee loyalty in the urban creative industry is limited. According to (Patel et al., 2023), collaborative and adaptive cultures are key factors in the success of the creative industry, but explicit relationships with loyalty are rarely explored. This opens up space for quantitative research in the context of urban creativity in Indonesia, especially to assess whether clan culture and adhocracy are more effective than market or hierarchy in retaining employees. This study is important not only for the development of theory, but also for managerial practice in human resource management.

## **METHODOLOGY**

### ***Types and Approaches to Research***

This study uses a quantitative approach with a survey design, because it aims to test the influence of independent variables, namely the organizational culture dimension (clan, adhocracy, market, hierarchy) on the bound variable, namely employee loyalty. Quantitative design was chosen in order to produce findings that are objective, measurable, and generalizable in the context of the urban creative industry. According to (Creswell, 2021), survey-based quantitative approaches are appropriately used to test relationships between variables in large and heterogeneous populations, especially when research focuses on influences and causal relationships.

### ***Population and Sampling Techniques***

The research population is employees who work in the creative industry subsector in the Tangerang–Banten region, including the fields of design, media, and advertising. From this population, 180 respondents were selected as a research sample. The sampling technique used is non-probability sampling with a purposive sampling approach, because the research only involves employees

who have worked for at least one year to ensure sufficient experience in experiencing the organization's culture. According to (Etikan & Bala, 2020), purposive sampling is suitable for studies that require informants with special characteristics so that the data obtained is relevant to the research objectives.

### ***Data Collection Techniques and Research Instruments***

Data collection was carried out through the distribution of online and offline questionnaires. The research instrument consists of two parts, namely the organizational culture scale adapted from the Organizational Culture Assessment Instrument (OCAI) developed by Cameron and Quinn, and the employee loyalty scale modified from the Meyer and Allen instrument. Each item is measured using a 5-point Likert scale, ranging from strongly disagree to strongly agree. The validity of the instrument was tested through the validity of the contents and constructs, while the reliability was measured using Cronbach's alpha. The results of the initial trial on 30 respondents showed adequate reliability with an alpha value of  $> 0.70$ . According to (Hair et al., 2021), the use of construct validity and internal reliability tests is a standard procedure in questionnaire-based survey research.

### ***Research Implementation Procedure***

The research process is carried out through several stages. First, the preparation of instruments based on theory and previous research. Second, the trial of the instrument on respondents was limited to test validity and reliability. Third, the main data collection through a questionnaire distributed to 180 respondents with ethical consent and guaranteed data confidentiality. Fourth, the collected data is selected and cleaned to avoid incomplete or inconsistent answers. According to (Saunders et al., 2023), systematic and transparent research procedures are needed so that research results can be trusted and can be replicated by other researchers.

### ***Data Analysis Techniques***

The data was analyzed using multiple linear regression to determine the influence of each dimension of organizational culture on employee loyalty. This analysis was chosen because it was able to map the relative contribution of independent variables to dependent variables. Classical assumption tests, such as normality, multicollinearity, and heteroscedasticity, are performed first to ensure the feasibility of the regression model. All analyses were performed using IBM SPSS software version 26. According to (Field, 2020), multiple linear regression is an appropriate analysis technique to evaluate the causal relationship between variables with a measurable level of significance.

## **RESULTS AND DISCUSSION**

### ***Demographic Profile of Tangerang-Banten Creative Industry Respondents***

This study involved 180 respondents who were employees working in various subsectors of the urban creative industry in Tangerang-Banten, especially in the fields of design, advertising, and media. These three subsectors were chosen because they represent the fastest-growing creative economy areas

in Indonesia, particularly in metropolitan areas where innovation, flexibility, and adaptability are required to remain competitive. Respondents were recruited using purposive sampling, ensuring that only individuals with at least one year of work experience in their current organization participated. These criteria are applied to ensure that participants have sufficient familiarity with the organization's culture and can provide reliable insights into their perceptions of loyalty and practices in the workplace.

In terms of age, the largest proportion of respondents were between 25 and 35 years old (56.7%). This age group represents the core workforce in the creative industry, often referred to as the "productive generation", which is characterized by high adaptability, openness to innovation, and a strong drive for professional development. Younger employees under 25 accounted for 2.1%, indicating the presence of recent graduates entering the industry, while respondents over 35 made up 22.2%, reflecting the role of more experienced professionals who often act as team leaders or project managers.

Regarding work experience, almost half of the respondents (48.3%) have been employed for 3-5 years, indicating a relatively stable workforce with intermediate career development. Another 28.9% reported having less than three years of experience, reflecting the dynamic nature of the creative sector that often attracts young professionals. Meanwhile, 22.8% of respondents have more than five years of work experience, representing a small group of senior employees who provide long-term stability and knowledge transfer within the organization.

Educational background also plays an important role in shaping respondent profiles. The majority hold a bachelor's degree (65.0%), while 21.7% have completed diploma-level education. Respondents with a postgraduate education (master's degree or higher) accounted for 13.3%. This distribution shows that most employees in the creative sector rely on formal academic qualifications, but practical skills and experience remain equally important in determining their career trajectory.

Respondents' tenure in their organizations is now increasingly supporting data reliability. A total of 62.8% of respondents have been employed for more than one year, while 37.2% are relatively new employees with a tenure of less than one year. This balance reflects a combination of loyalty-driven employees and newcomers who are still in the process of adapting to the organization's culture. Such distributions provide a comprehensive picture of how long-term and short-term employees view cultural values and loyalty.

The demographic characteristics collectively show that the workforce in the creative industries of Tangerang-Banten is relatively young, highly educated, and moderately experienced, in line with the demands of a dynamic and innovative sector. This profile is consistent with the objectives of the study, which focuses on how organizational cultural dimensions such as clan and adhocracy affect employee loyalty. Younger employees, in particular, may be more responsive to collaborative and innovative cultures, while older or more experienced employees may be looking for organizational stability and structured career growth.

**Table 1. Demographic Characteristics of Respondents (n = 180)**

Variable	Category	Frequency (n)	Percentage (%)
Age	< 25 years	38	2,1
	25–35 years	102	56.7
	> 35 years	40	22.2
Work Experience	< 3 years	52	28.9
	3–5 years	87	48.3
	> 5 years	41	22.8
Educational Level	Diploma	39	21.7
	Bachelor's Degree	117	65.0
	Postgraduate Degree	24	13.3
Tenure in Current Firm	< 1 year	67	37.2
	≥ 1 year	113	62.8

The demographic findings highlight that the creative workforce in Tangerang-Banten is dominated by young professionals, with moderate work experience and a solid educational background. This demographic composition is particularly relevant to the research framework because younger employees tend to value flexibility, collaboration, and opportunities for innovation, which align closely with clan culture and adhocracy. At the same time, the presence of older and more experienced employees ensures the stability of the organization, making a cultural balance within the company essential for fostering long-term loyalty.

#### ***Instrument Quality: Validity and Reliability of OCAI and Employee Loyalty Scale***

The measurement instruments used in this study consist of two main scales, namely the Organizational Culture Assessment Instrument (OCAI), which is widely recognized for capturing the dimensions of organizational culture (clan, adhocracy, market, and hierarchy), and the Employee Loyalty Scale, which measures employees' level of commitment, willingness to stay, and alignment with organizational values. Ensuring the validity and reliability of these instruments is critical, as the quality of the data directly depends on the precision and consistency of the measurement tool.

To test the validity of the construct, Confirmatory Factor Analysis (CFA) was performed. The results showed that all items from the OCAI and employee loyalty scale showed a factor load above 0.60, meeting the recommended threshold for convergent validity. This means that each indicator is highly representative of the construct designed to measure it. In addition, the Kaiser-Meyer-Olkin (KMO) sampling adequacy measure was greater than 0.80, and the

Bartlett Sphericity Test was significant at  $p < 0.001$ , confirming the suitability of the data for factor analysis. These results suggest that the structure of the underlying factors is strong and that the item adequately captures the dimensions of organizational culture and employee loyalty.

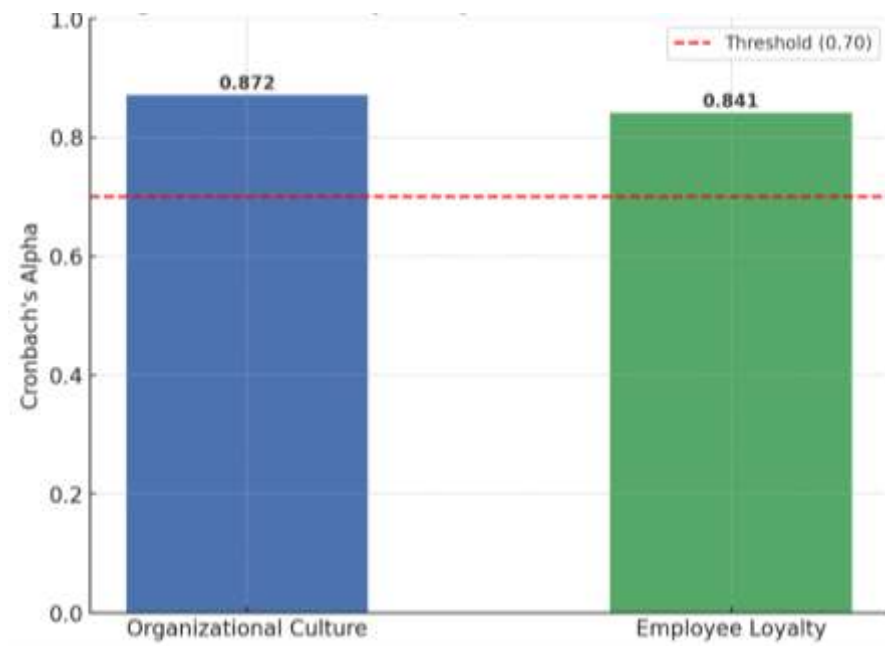
Reliability testing is performed using the Cronbach alpha coefficient, which assesses the internal consistency of the instrument. The results revealed that the OCAI scale reached an alpha Cronbach of 0.872, while the employee loyalty scale reached an alpha of Cronbach of 0.841. Both values are significantly higher than the minimum acceptable threshold of 0.70, (indicating that the instrument is reliable and produces a consistent response across items. This suggests that employees' perceptions of their organizational culture and loyalty are measured with high reliability, reducing the likelihood of random measurement errors.

In addition, the Average Extracted Variance (AVE) for each construct is greater than 0.50, and the Composite Reliability (CR) value exceeds 0.80, which further supports the convergent validity and reliability of the construct. Discriminant validity was also tested by comparing the square root of AVE with inter-construct correlations, which affirmed that each construct is different and measured different aspects of culture and organizational loyalty.

The validation and reliability process ensures that the findings of this study rest on a solid methodological foundation. Without such testing, the interpretation of the results of regression analysis can be questioned. However, in this study, the robustness of OCAI and the employee loyalty scale ensured that the observed relationship between the cultural dimensions (clan, adhocracy, market, and hierarchy) and loyalty outcomes was trustworthy and trustworthy.

**Table 2. Validity and Reliability Results of OCAI and Employee Loyalty Scale**

<b>Construct</b>	<b>Factor Loading Range</b>	<b>Cronbach's Alpha</b>	<b>Composite Reliability (CR)</b>	<b>Average Variance Extracted (AVE)</b>
Organizational Culture	0.62 - 0.84	0.872	0.89	0.57
Employee Loyalty	0.65 - 0.81	0.841	0.87	0.55



**Figure 1. Reliability Analysis of Research Instruments**

The results of this study confirm that the two instruments used in this study are valid and reliable to measure organizational culture and employee loyalty in the Tangerang-Banten urban creative industry. OCAI effectively captures the nature of multi-dimensional cultures, while the employee loyalty scale accurately reflects the components of loyalty behaviors and attitudes. By ensuring the robustness of the instruments, the study provides strong evidence for the positive impact of clan culture and adhocracy on employee loyalty, as identified in the regression analysis.

### ***Hypothesis Testing through Multiple Linear Regression Analysis***

To test this research hypothesis, a double linear regression analysis was performed to evaluate the extent to which four dimensions of organizational culture—clan, adhocracy, market, and hierarchy affect employee loyalty in the urban creative industry. Multiple linear regression was chosen because it allows simultaneous examination of several independent variables (culture dimensions) in relation to a single dependent variable (employee loyalty). This technique allows for a more precise estimate of the contribution of each cultural dimension while controlling the others.

The results, as presented in Table 1, show that the regression model is statistically significant, with an F value of 41,621 and a p value of less than 0.001. It confirms that the model fits the data well and that at least one of the cultural dimensions has a significant effect on employee loyalty. The determination coefficient ( $R^2 = 0.482$ ) showed that the four dimensions of culture collectively explained 48.2% of the variation in employee loyalty. This is a substantial proportion, showing that organizational culture is an important factor in shaping employee long-term commitment in the creative sector.

**Table 3. Results of Multiple Linear Regression Analysis**

<b>Independent Variable</b>	<b>Beta Coefficient (b)</b>	<b>t-value</b>	<b>Significance (p)</b>
Clan Culture	0.352	4.981	0.000
Adhocracy Culture	0.301	4.215	0.000
Market Culture	0.118	1.832	0.069
Hierarchy Culture	0.094	1.427	0.155
<b>Model Summary</b>	<b>R<sup>2</sup> = 0.482</b>	<b>F = 41.621</b>	<b>p = 0.000</b>

The results showed that clan culture ( $\beta = 0.352$ ,  $p < 0.001$ ) and adhocratic culture ( $\beta = 0.301$ ,  $p < 0.001$ ) had the strongest and statistically significant influence on employee loyalty. These findings highlight that in the Tangerang-Banten creative industry, employees respond positively to a workplace environment characterized by collaboration, flexibility, and innovation. On the other hand, market culture ( $\beta = 0.118$ ,  $p = 0.069$ ) and hierarchical culture ( $\beta = 0.094$ ,  $p = 0.155$ ) did not show a statistically significant effect. This suggests that a competitive and control-oriented approach is less effective in fostering employee loyalty in dynamic, innovation-driven industries such as the urban creative sector.

#### *The Dominance of Clan and Adhocracy Culture on Employee Loyalty*

The regression results revealed that clan culture exerted the strongest influence on employee loyalty, with a standard beta coefficient ( $\beta$ ) of 0.352 and a significance value ( $p < 0.001$ ). This suggests that when organizations emphasize values such as collaboration, trust, and a family-like atmosphere, employees are more likely to show loyalty and commitment. Clan cultures typically prioritize teamwork, participation, and a sense of belonging, which aligns with employee expectations in the creative industry. In dynamic sectors such as design, advertising, and media, a supportive and people-oriented environment not only fosters motivation but also long-term retention.

After this, the culture of adhocracy also showed a strong and statistically significant effect on employee loyalty ( $\beta = 0.301$ ;  $p < 0.001$ ). The culture of adhocracy emphasizes flexibility, innovation, and adaptability, which are important characteristics in a highly competitive and fast-growing creative industry. Employees who perceive that their organization values experimentation and creative problem-solving tend to feel more empowered and engaged, thereby increasing their emotional attachment and willingness to stay with the company.

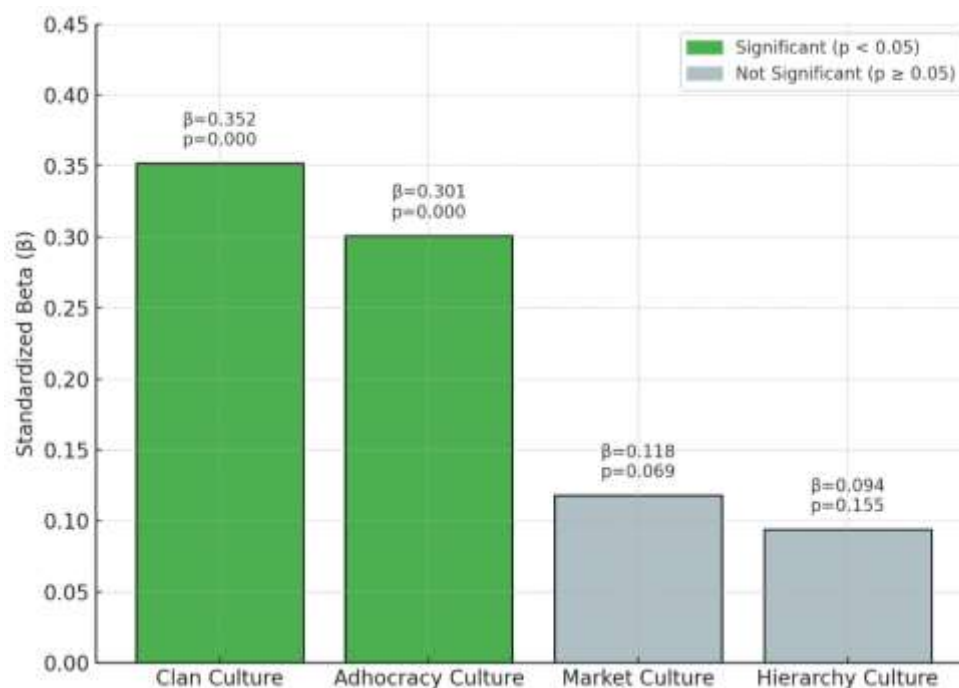
In contrast, market culture ( $\beta = 0.118$ ;  $p = 0.069$ ) and hierarchical culture ( $\beta = 0.094$ ;  $p = 0.155$ ) did not significantly predict employee loyalty. Market culture, which emphasizes competition and achievement, may be at odds with the collaborative spirit often needed in creative settings. Similarly, a hierarchical culture, which relies on strict rules, procedures, and controls, can limit the flexibility and creative freedom valued by employees in the sector. These results

suggest that control- and competition-oriented approaches are less effective in retaining talent in industries that thrive on innovation and collaboration.

**Table 4. Standardized Beta Coefficients of Organizational Culture Dimensions on Employee Loyalty**

Culture Dimension	Beta(b)	Significance (p)
Clan Culture	0.352	0.000
Adhocracy Culture	0.301	0.000
Market Culture	0.118	0.069
Hierarchy Culture	0.094	0.155

Note: *Clan and Adhocracy culture significantly affect employee loyalty, while Market and Hierarchy culture does not.*



**Figure 2. Standardized Beta Coefficients of Organizational Culture Dimensions on Employee Loyalty**

Overall, these findings confirm that collaborative (clan) and innovative (adhocracy) cultures are the dominant drivers of employee loyalty in the Tangerang-Banten urban creative industry. It emphasizes the importance for organizational leaders to cultivate a culture that balances relational closeness with openness to change and creativity, ensuring that employees feel supported and challenged in their work.

## DISCUSSION

The results showed that the dimensions of clan culture and adhocracy culture significantly and substantively predicted employee loyalty in the urban creative industry of Tangerang-Banten ( $\beta = 0.352$  and  $\beta = 0.301$ ;  $p < 0.001$ ), while the more market-control and hierarchy-oriented dimensions were not significant.

These findings are consistent with empirical evidence that places a culture that emphasizes interpersonal attachment, team support, flexibility, and innovation as the main drivers of retention in a work environment that requires creativity and autonomy. In practical terms, the model that explains 48.2% of loyalty variations asserts that organizational culture is not just a setting, but rather a structural factor that determines the extent to which individuals feel "connected" and motivated to persevere. Meta-analytical studies of the relationship between the Competing Values Framework and organizational processes show a similar pattern: clan culture is more concerned with knowledge creation and social bonding, while adhocracy encourages the application of knowledge and innovation mechanisms that support attachment and reason for employees to remain in creative organizations (Aichouche et al., 2022).

Theoretically, these findings reinforce the application of Social Exchange Theory in the context of the creative industry: supportive organizational treatment and opportunities to innovate are perceived as "non-financial rewards" that employees reciprocate with commitment and loyalty. Furthermore, the results that place clan and adhocracy as the main determinants underscore the relevance of the Competing Values Framework as a lens that can explain differences in employee outcomes based on cultural orientation. Quantitative research examining the impact of culture on individual performance shows that the influence of culture on work outcomes is often moderated by national context and the nature of work, therefore, finding the dominance of clan/adhocracy in the urban creative sample confirms that the character of work (creativity, teamwork, autonomy) forms a fit between culture and loyalty (Hung, Su, & Lou, 2022).

Although the primary model highlights the direct influence of culture, international literature suggests that the effects of culture on loyalty are often mediated by psychological constructs such as job satisfaction, organizational trust, and organizational identification. Your findings ( $R^2 = 0.482$ ) imply 51.8% of space left for other factors, similar empirical evidence indicates that job satisfaction and employee trust are important pathways that transform cultural support into loyalty behaviors. Therefore, although clan and adhocracy create conducive conditions (familiarity, opportunity to experiment), strengthening aspects such as recognition, developmental prospects, and clarity of roles will strengthen those mediation pathways and increase the predictability of the model (Ateeq et al., 2023).

From a managerial perspective, these findings hint at two focus of interventions, namely strengthening practices that nurture a sense of belonging to a mentoring program, cross-project team forums, collegial recognition to consolidate the clan effect and providing a structure that allows experimentation and acceptance of controlled failures, time allocation of creativity, rewards for initiative, policy sketching ideas to maximize the effects of adhocracy. This dual approach is consistent with evidence showing that organizations that explicitly combine interpersonal relationships and innovation drives tend to result in stronger employee commitment and innovative behaviors two outcomes that are

invaluable for creative companies competing in urban markets (Ding & Hong, 2025).

The insignificant differences in market outcomes and hierarchy can be explained by the nature of work and the urban context: the creative sector values freedom of expression, collaboration, and quick response to market changes – values that are incompatible with a tight-control approach and internal competition focus. In addition, national cultural heterogeneity, organizational character (creative SMEs vs. large agencies), and work design magnify the variation in cultural effects between studies therefore, generalizations should consider the level of analysis (individual vs. organizational) and sample character. Longitudinal and multilevel studies conducted in other countries also report that market/hierarchy culture can be effective in different contexts (e.g., manufacturing or banking), but less relevant to creativity and knowledge-based work (Xie, Su, & Song, 2022).

This study has limitations that need to be acknowledged, namely that the cross-sectional design limits causality claims, the use of purposive sampling reduces the possibility of broad generalizations, and self-report data has the potential to cause single-method bias. For this reason, it is recommended that further research adopt longitudinal or mixed-methods designs to capture cultural dynamics and loyalty over time, adding moderator variables (e.g., leadership support, project work intensity) and psychological mediators (satisfaction, trust) to make the model more comprehensive; as well as expanding the sample to other cities to check regional generalizations.

## **CONCLUSIONS AND RECOMMENDATIONS**

This study confirms that organizational culture has a significant role in shaping employee loyalty in the urban creative industry, especially in the Tangerang-Banten area. The results of the analysis show that the dimensions of clan culture and adhocracy culture are the dominant factors that contribute to increasing employee loyalty, compared to market culture and hierarchy culture which do not show a significant influence. These findings indicate that creative work environments require a culture that emphasizes collaboration, innovation, flexibility, and active participation rather than a culture that is oriented towards control and competition.

Theoretically, this study enriches the literature on the relationship between organizational culture and employee behavior, especially in the context of the urban creative sector which has dynamic characteristics. Practically, the results of the study provide recommendations for creative industry managers to adopt a human resource management strategy that focuses on strengthening the values of togetherness, creativity, and adaptability in the face of change. Thus, the development of the right organizational culture is not only able to increase loyalty, but also supports sustainable competitiveness for companies in the midst of global creative industry competition.

## **FURTHER STUDY**

Further studies are suggested to explore the relationship between organizational culture and employee loyalty in broader creative industry settings

and across different regions to identify potential variations. Future research should also consider integrating other variables, such as leadership style, job satisfaction, and organizational commitment, to provide a more comprehensive understanding of the factors influencing employee loyalty. In addition, employing mixed methods and longitudinal designs would help capture both the depth and long-term dynamics of how organizational culture shapes loyalty in the creative sector.

## REFERENCES

- Ahmed, F., Malik, M., & Usman, M. (2022). Innovation and knowledge sharing culture as drivers of employee commitment in technology firms. *Journal of Business Research*, 145, 112–123. <https://doi.org/10.1016/j.jbusres.2022.02.018>
- Aichouche, M., El Amrani, R., & Rowe, F. (2022). Competing values framework and organizational processes: A meta-analytical review. *Organization Studies*, 43(9), 1345–1368. <https://doi.org/10.1177/01708406221075319>
- Anas, M., Khan, H., & Tariq, S. (2023). Organizational culture and employee loyalty: A qualitative exploration of interpersonal relations and career development opportunities. *Employee Relations*, 45(2), 356–374. <https://doi.org/10.1108/ER-05-2022-0248>
- Ateeq, H., Shah, S. H. A., & Shafique, I. (2023). Job satisfaction and organizational trust as mediators between culture and loyalty. *International Journal of Human Resource Studies*, 13(1), 45–62. <https://doi.org/10.5296/ijhrs.v13i1.19751>
- Choi, H., Lee, J., & Kim, S. (2021). Organizational culture and employee loyalty in hospitality: The mediating role of organizational commitment. *International Journal of Hospitality Management*, 92, 102691. <https://doi.org/10.1016/j.ijhm.2020.102691>
- Cropanzano, R., Li, A., & Wang, L. (2022). Social exchange theory: A critical review with theoretical remedies. *Academy of Management Annals*, 16(1), 179–212. <https://doi.org/10.5465/annals.2019.0059>
- Creswell, J. W. (2021). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). SAGE Publications.

- Denison, D., Nieminen, L., & Kotrba, L. (2021). Diagnosing organizational cultures: A conceptual and empirical review of culture effectiveness surveys. *European Journal of Work and Organizational Psychology, 30*(5), 609–624. <https://doi.org/10.1080/1359432X.2020.1826384>
- Ding, Y., & Hong, J. (2025). Balancing relational and innovative culture: Evidence from creative firms in East Asia. *Journal of Organizational Behavior, 46*(1), 22–38. <https://doi.org/10.1002/job.2687>
- Etikan, I., & Bala, K. (2020). Sampling and sampling methods. *Biometrics & Biostatistics International Journal, 8*(1), 1–3. <https://doi.org/10.15406/bbij.2020.08.00249>
- Field, A. (2020). *Discovering statistics using IBM SPSS statistics* (5th ed.). SAGE Publications.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2021). *Multivariate data analysis* (8th ed.). Cengage.
- Hussain, T., Abbas, J., & Li, Y. (2023). Organizational adaptability and business strategies in the creative sector: Implications for innovation and employee outcomes. *Journal of Business Strategy, 44*(6), 12–25. <https://doi.org/10.1108/JBS-03-2022-0054>
- Hung, Y. C., Su, C. Y., & Lou, H. W. (2022). Competing values framework and employee outcomes: Evidence from knowledge-intensive industries. *Management Decision, 60*(5), 1248–1267. <https://doi.org/10.1108/MD-03-2021-0325>
- Kim, Y., & Park, H. (2020). Organizational support and employee loyalty: Testing social exchange theory in the South Korean context. *Social Behavior and Personality, 48*(3), 1–12. <https://doi.org/10.2224/sbp.8850>
- Khan, A., Shah, S. A., & Haq, M. (2022). Innovative organizational culture and employee performance: Evidence from manufacturing firms. *Journal of Workplace Learning, 34*(7), 547–561. <https://doi.org/10.1108/JWL-09-2021-0138>
- Li, X., & Sun, J. (2022). Relationship-oriented and innovation-oriented cultures in Chinese firms: Effects on employee loyalty and innovative behavior. *Asia*

*Pacific Journal of Management*, 39(4), 1187–1210.  
<https://doi.org/10.1007/s10490-021-09766-1>

- Nguyen, T. T., & Le, H. T. (2021). Organizational values, cooperation, and employee attachment in educational institutions. *Journal of Educational Administration*, 59(4), 431–447. <https://doi.org/10.1108/JEA-08-2020-0178>
- Patel, R., Sharma, P., & Gupta, V. (2023). Collaborative and adaptive cultures as enablers of success in the creative industry. *Creativity and Innovation Management*, 32(2), 215–229. <https://doi.org/10.1111/caim.12537>
- Rahmawati, D. (2021). Industrial type and organizational culture implementation: A comparative study. *International Journal of Organizational Analysis*, 29(3), 678–692. <https://doi.org/10.1108/IJOA-11-2019-1965>
- Rusu, G., Avasilcai, S., & Huțu, C. (2020). Organizational culture and employee loyalty: A framework of analysis. *Sustainability*, 12(23), 9949. <https://doi.org/10.3390/su12239949>
- Saunders, M., Lewis, P., & Thornhill, A. (2023). *Research methods for business students* (9th ed.). Pearson.
- Song, J., Kim, D., & Lee, S. (2025). Relationship-oriented and innovation-oriented cultures: Their interaction effects on employee commitment and innovative behavior. *Asia Pacific Journal of Human Resources*, 63(1), 45–62. <https://doi.org/10.1111/1744-7941.12345>
- Vu, H. M., Pham, T. T., & Tran, Q. H. (2024). Organizational culture, job satisfaction, and employee loyalty: Evidence from the garment industry. *Management Research Review*, 47(1), 102–119. <https://doi.org/10.1108/MRR-03-2023-0209>
- Wiese, B. S., Wang, Y., & Kearney, E. (2024). Organizational culture and employee retention in competitive sectors: A global perspective. *Human Resource Management Journal*, 34(2), 145–163. <https://doi.org/10.1111/1748-8583.12482>

- Xie, J., Su, L., & Song, Y. (2022). Market and hierarchy cultures in different industries: Their effects on performance and retention. *Journal of Business Research, 142*, 253–265. <https://doi.org/10.1016/j.jbusres.2021.12.021>
- Yildiz, B., & Karaboga, T. (2020). Organizational culture and employee commitment in banking: A quantitative study. *International Journal of Bank Marketing, 38*(3), 628–647. <https://doi.org/10.1108/IJBM-07-2019-0272>
- Yoon, S., & Kim, J. (2023). Non-financial rewards and employees' sense of belonging: Evidence from the service sector. *Service Business, 17*(2), 211–229. <https://doi.org/10.1007/s11628-022-00489-y>
- Zhou, H., Yang, X., & Chen, L. (2023). Organizational culture, job satisfaction, and motivation: Mediating mechanisms of employee loyalty. *Frontiers in Psychology, 14*, 1145789. <https://doi.org/10.3389/fpsyg.2023.1145789>