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The mediating role of employee loyalty and job engagement relationship between job satisfaction and intention to leave among bank employees in Mongolia

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Abstract

Organizations need to focus on employee loyalty, commitment and retention in a dynamic business environment to gain a competitive advantage over rural areas. The success factors for organizational development and well-being are excessively contingent on engaged and skilled employees. This study is anticipated to examine the mediating role of employee loyalty and job engagement on the relationships between job satisfaction and intention to leave in the case of bank employees in Mongolia. The study used data from 444 employees across two private banks in Mongolia. Reliability analysis, correlation analysis, and structural equation modeling (SEM) were used to analyze the data. Results showed a moderately positive relationship between job satisfaction and job engagement and a negative relationship with the intention to leave. Employee loyalty had a weak and negative correlation with job engagement. Employee loyalty was found to partially mediate the relationship between job satisfaction and the intention to leave while job engagement showed no mediation effect. Improving job satisfaction can enhance employee loyalty and reduce intentions to leave the bank. However, enhancing engagement may not affect turnover intentions. Banks should focus on building loyalty among satisfied employees to retain talent. The mediating role of loyalty highlights its importance in influencing whether satisfied employees consider leaving. This study demonstrates the importance of employee loyalty in partially explaining the mechanism behind the relationship between job satisfaction and retention among Mongolian bank employees. The findings provide insights to help banks improve talent management strategies and retention.

Keywords: Bank employees, Employee loyalty, Intention to leave, Job engagement, Job satisfaction.

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Transparency: The authors confirm that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

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1. Introduction

The banking industry is a significant business sector that contributes to regional economic growth and sustainability. Employee job satisfaction and retention serve as success factors for the banking sector. It is considered one of the essential industries in the business world that continuously challenges its employees [1]. The severity and nature of the competition in the present have been changing. Accordingly, the creation of business values requires the banks to be more attentive to employee job satisfaction, retention and engagement. There is a potential to maintain competitiveness through employee job satisfaction and its capability to overcome business challenges as well as cultivate customer loyalty [2].

Satisfied and passionate employees not only contribute to organizational productivity but also add value to organizational competitiveness. Moreover, satisfied employees demonstrate a high level of commitment to their jobs [3]. Employee retention brings multiple benefits to any organization like maintaining the confidentiality of data, a minimal level of turnover that increases human capital investments and organizational knowledge acquisition owing to the long-tenured staff. An organizational capability to preserve its competitive advantages in the long run is dependent on numerous factors including the retention of talent, the cultivation of employee loyalty and the enhancement of employee loyalty among the entire organizational community. We proposed to examine the relationships between job satisfaction, employee loyalty, employee engagement and intention to leave in the case of bank employees in Mongolia based on the above perspectives.

2. Literature Review

Employee satisfaction is an important aspect of any organization. Total productivity and organizational success are exclusively dependent on efficient employee performance [4] which is closely related to employee loyalty. Lack of consent regarding job satisfaction has been observed during the study as the phenomenon itself is problematic and controversial. It is often referred to as a combination of psychological, physiological and environmental states that express one's state of being pleased with his or her job [5] as well as the employee's attitude towards his or her job. It is a positive and pleasant emotion that is often acknowledged or felt from performance appraisals or past experiences [6]. On the other hand, it is an expression of one's emotions towards the job, task accomplishments or responses to the progressive results of the job [7]. It is one's emotional balance between being satisfied and unsatisfied with the job. Job satisfaction can be assessed by intellectual, emotional and behavioral factors. It is a positive employee reflection on how much they feel pleased with the job compared to the expectations they have held since the start. Once the actual outcomes and rewards of a job exceed the employee's anticipated benefits, it results in greater job satisfaction and improves the motivation to perform the job. A feeling of a high level of job satisfaction means the state where one observes a high appreciation and feels delight in performing the job [8]. Job satisfaction indicates one's comfort with the job. It is a combination of both positive and negative emotions against the expectations and the reality of the job. Satisfied employees present good devotion and genuine care to attract customers which leads to high productivity and outstanding performance [9].

2.1. Employee Loyalty

Employee loyalty can be exposed by a person's attitude, personality and psychological characteristics. It serves as one of the important factors for achieving a competitive advantage for the organization [10] that promotes organizational interests, builds its' image for the external environment, and expresses organizational citizenship behavior [11]. It can be concluded that loyalty is a commitment to organizational success and employees' confidence in their decent choice to work for the business [12]. Employee loyalty is expressed by their determination to contribute to the organizational goals, increase productivity and make an effort to provide excellent customer service. Furthermore, typically loyal employees are keen to employ their knowledge and expertise to make solid contributions to the business operations Tomic, et al. [13]. Yee, et al. [14] noted that employee loyalty significantly impacts corporate incomes through quality service, customer satisfaction and loyalty. The benefits of employee loyalty are not only the limitation of corporate growth and sustainability but also the minimization of the financial burdens related to investments in the recruitment of potential new employees. Nurturing employee loyalty necessitates continuous attentiveness and communication [15].

2.2. Job Engagement

The concept of job engagement is a popular management concept that is studied from multiple perspectives universally and has become a trending research topic in recent years [16]. Employee engagement is the result of an employee's profound devotion to the organization which is demonstrated by the level of effort they put into their work. In other words, it serves as an expression of belief in the organization's values coupled with a genuine eagerness to contribute towards achieving the overarching business objectives. Employee engagement is characterized by an employee's inclination to channel their energy and strength passionately towards the goals and values. This not only impacts the organization's development and adaptability but also plays a crucial role in shaping morale, productivity, initiative and loyalty among employees, thereby impacting both internal and external stakeholders. Employees get engaged when they are ready to pay for hard work, enthusiastic about the job, motivated to work and concerned about the positions they hold within the organization [17]. Job engagement can be assessed by how much the employees are loyal to the organization, their enthusiasm and their match of personal values with the organizational mission statement and goals.

2.3. Intention to Leave

An intention to leave the job is a deliberate, apprehended cognitive process that leads to resigning the job shortly [18]. An employee's intention to leave a job is a personal ambition and the final step before deciding to end the job. It is an

employee's motive to exit the organization [19]. Moreover, it expresses an employee's willingness to pursue an alternative employment opportunity to change their current job for a better one [20]. Although an intention to leave does not mean resigning from the job immediately, it is an expression of seeking potential jobs with prospects that would prevent him from the current job Griffeth, et al. [21]. Oprea, et al. [22] concluded that job engagement had a negative mediating effect on the relationships between job skills and the intention to leave.

2.3.1. Relationships between Job Satisfaction and Employee Loyalty

Several studies have been conducted to validate how employee loyalty has an impact on job satisfaction. Employee loyalty increased as a result of the increase in job satisfaction. Job satisfaction serves as the loyalty criterion [23, 24]. Therefore, an increase in employees' job satisfaction is crucial not only for organizational competitiveness and development but also for their loyalty and the retention of high-performance employees [25]. Employee loyalty can be improved through job satisfaction [15]. According to a study, job satisfaction is the main factor affecting employee loyalty [26]. Job satisfaction and employee loyalty share an integral, symbiotic relationship. Higher satisfaction levels directly correlate with increased loyalty towards the organization. When employees feel actively fulfilled and rewarded through their work, they naturally develop a sense of affiliation and allegiance over time. Syahrizal, et al. [27] verified that job satisfaction implied employee loyalty, and a high level of job satisfaction guaranteed loyalty. Chen, et al. [28] demonstrated in their study the strong positive relationships between job satisfaction and employee satisfaction and proved the possibility of affecting loyalty through the use of job satisfaction. Numerous empirical studies have demonstrated the positive impact of job satisfaction on employee loyalty. The studies established evidence that to nurture employee loyalty there is a need to raise the level of job satisfaction. We support the above-mentioned circumstances and propose the following hypothesis in our study based on the results and evidence of the earlier studies:

H_{1a}: Job satisfaction is positively associated with employee loyalty.

2.3.2. Relationships between Job Satisfaction and Intention to Leave

Employees are valuable assets for any organization and their long-term dedicated services add an invaluable contribution. Several factors affect the intention to leave including job dissatisfaction, a low salary, excess working hours, inflexible working hours and workload [29]. Therefore, job satisfaction serves as the main consideration in job rotation and enrichment [30]. Job satisfaction is all about the decision-making process towards remaining in the present job or actively seeking potential jobs. Satisfied employees have a strong bond with the organization and have no intention of leaving it [31]. A strong relationship exists between job satisfaction and the intention to leave Yücel [32]. Bellani, et al. [33] acknowledged that employees who feel normally satisfied with their jobs and convinced of the fulfillment of their economic and socio-emotional needs tend to have a positive attitude towards the job and embrace a strong commitment to the organization. Satisfied employees remain active and have a low intention to leave [3] while dissatisfaction raises an intention to leave [34]. A gradual increase in the levels of dissatisfaction impacts significantly the intention to leave which also affects employee turnover Liu, et al. [35]. Ahmad, et al. [36] estimated that there is a moderate degree of relationship between job satisfaction and intention as well as a strong intention to leave the job among dissatisfied employees [37]. The studies on job satisfaction among bank employees acknowledged that job satisfaction is a key variable and revealed the degree of negative correlation between job satisfaction and the intention to leave [38, 39]. In this regard, we proposed another hypothesis:

H_{1b}: Job satisfaction is negatively associated with the intention to leave.

2.3.3. Relationship between Job Satisfaction and Job Engagement

Job engagement serves as a key factor that ascertains job satisfaction and job satisfaction is a willpower factor in job engagement [40-42]. Job engagement can be sustained through satisfied employees De Simone, et al. [43]. Park and Gursoy [44] verified that job satisfaction was an essential aspect of increasing job engagement and noted the strong disposition of satisfied employees to contribute to achieving organizational goals. Garg, et al. [45] conducted a study among bank employees which revealed that middle managers exhibited higher levels of job satisfaction compared to top-level and entry-level managers. Furthermore, the satisfied managers demonstrated positive job attitudes and had a strong commitment to their roles proved the positive impact of job satisfaction on job engagement. Ahmeti [40]; Lu, et al. [47] and Sypniewska, et al. [48] evidenced in their study's positive correlations between job satisfaction and job engagement. We conclude that there is an increase in job engagement levels among satisfied employees and propose the following hypothesis:

H_{1c}: Job satisfaction is positively associated with job engagement.

2.3.4. Relationships between Employee Loyalty and the Intention to Leave

The relationship between employee loyalty and the intention to leave is another key aspect of organizational behavior and human resources management. Several studies have been conducted in the area and have demonstrated the existence of an inverted correlation between the variables. Employees have a strong emotional connection when they remain loyal and are less concerned about leaving the organization any sooner [49]. Satisfied ones tend to sustain loyalty to the organization they belong to and are less concerned with the intention to leave [50]. Employee loyalty reduces the turnover level and expresses an inverted correlation to leave [51]. Loyal employees not only continue their services for the organization but also do not seek alternative job opportunities or behave passively in any job offers [28]. To conclude all the above, loyal

employees tend to remain at the organization and have no interests in or intention to leave their jobs. We propose the following hypothesis:

H2a: *Employee loyalty negatively relates to the intention to leave.*

H2b: *Employee loyalty mediates the relationship between job satisfaction and the intention to leave.*

2.3.5. Relationship between Job Engagement and the Intention to Leave

Positive employee experiences and emotional engagement are vital factors that contribute to a high level of job satisfaction and increased engagement fostering a positive shift in work-related behaviors. Therefore, it reduces the motivation to leave their jobs [52]. Job engagement enables employees to perform their jobs well and benefit from the outcomes that immediately prevent their intention to leave [53]. High-performance employees who put in hard work and bring significant investment embrace a strong tie to their low motivation with the intention to leave [54].

Zhang, et al. [55] found that job engagement acts as a partial mediator in the relationship between organizational loyalty and the intention to leave illustrating how job engagement serves as a bridge connecting loyalty to the likelihood of departing from an organization. Shantz, et al. [55] embarked on an investigation to explore the interplay between job engagement, organizational commitment and turnover within the context of Great Britain's industries. Their findings indicated a direct relationship between low job engagement due to unfulfilled employee expectations, an increased tendency towards negligence and higher turnover intentions across the companies studied. Fletcher, et al. [56] highlighted that higher job engagement is associated with stronger intentions to remain in one's current job. Similarly, Park and Johnson [3] identified a negative correlation between job engagement and the propensity to leave a job. Furthermore, Memon, et al. [57] introduced a concept suggesting that satisfaction with compensation plays a crucial role in fostering higher job engagement which subsequently leads to a decrease in turnover intentions. They observed that employees who were completely satisfied with their remuneration demonstrated more profound engagement and commitment to their organizations, consequently showing a lower likelihood of resigning. We propose the following hypothesis based on these empirical findings:

H3a: *Job engagement negatively relates to the intention to leave.*

H3b: *Job engagement mediates the relationship between job satisfaction and the intention to leave.*

2.4. Research Model

We proposed the following model based on the desk review and the results of previous studies that supported the relationship between job satisfaction, employee loyalty, job engagement and intention to leave. Figure 1 illustrates the research model.

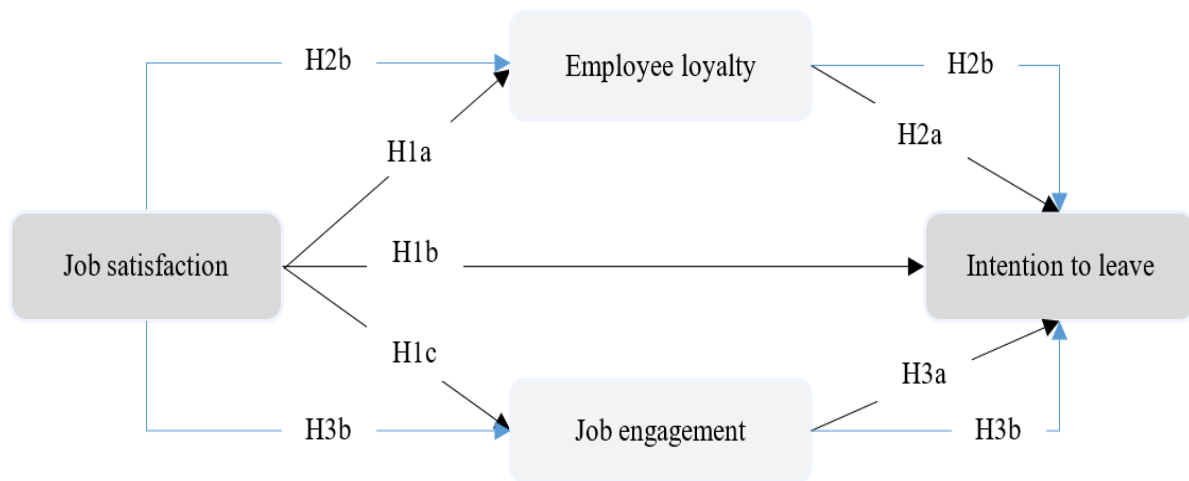


Figure 1.
Research model

Research hypotheses: The following hypotheses were presented within the framework of the research model.

H1a: *Job satisfaction is positively associated with employee loyalty.*

H1b: *Job satisfaction is negatively associated with the intention to leave.*

H1c: *Job satisfaction is positively associated with job engagement.*

H2a: *Employee loyalty negatively relates to the intention to leave.*

H2b: *Employee loyalty mediates the relationship between job satisfaction and the intention to leave.*

H3a: *Job engagement negatively relates to the intention to leave.*

H3b: *Job engagement mediates the relationship between job satisfaction and the intention to leave.*

The variables that have been dealt with in this study are shown below:

- *Independent variable:* job satisfaction.
- *Dependent variable:* intention to leave.
- *Mediator variable:* employee loyalty and job engagement.

3. Research Methodology

3.1. Data Collection and Sample Size

An online survey was conducted among the employees of three private banks from May to October 2023. We have considered a confidence level of 95% with a 5% interval in our sample survey. The population of the target is estimated at 640 employees. The sample to represent the population is determined to be 240 employees. We collected 444 valid responses from the target respondents and concluded it was acceptable to represent the entire population. If we look at the composition of the respondents, 36.6% were male and 63.7% were female. In the context of education background, 1.2% of the employees held a high school diploma, 0.2% held credentials of skilled professionals, 73.4% earned bachelor's degrees and 25.2% completed a master's degree or advanced level of studies.

3.2. Instruments and Data Analysis

The survey construct consists of two main parts. The first part is designed to collect background information; the second one is intended to measure variables including job satisfaction, job engagement and intention to leave. In the survey, we used instruments widely applied in the measurement of the variables included in the survey. All questions included in the questionnaire were scored on a 5-point Likert scale.

Job Satisfaction: According to [Judge and Klinger \[58\]](#) “the brief overall job satisfaction measure” is used to measure job satisfaction. Cronbach’s alpha coefficient demonstrated a value of 0.867, the KMO (Kaiser–Meyer–Olkin) value was 0.910 and Bartlett’s test sphericity significance demonstrated as $0.0000 < 0.05$.

Employee Loyalty: We applied 5 questions from [Bettencourt, et al.'s \[11\]](#) questionnaire to evaluate the variable. The Cronbach alpha coefficient showed a value of 0.929, the KMO (Kaiser–Meyer–Olkin) value was 0.906 and Bartlett’s test sphericity significance was demonstrated as $0.0000 < 0.05$.

Job Engagement: We used nine questions from [Crawford, et al. \[59\]](#) for measuring the job engagement scale and short form”. The Cronbach alpha coefficient resulted as 0.961, the KMO (Kaiser–Meyer–Olkin) value was 0.926 and Bartlett’s test sphericity significance showed a value of $0.0000 < 0.05$.

Intention to Leave: Four questions from the Questionnaire of [Hasselhorn, et al. \[60\]](#) are used to measure the variable. The Cronbach alpha coefficient resulted in 0.942, the KMO (Kaiser–Meyer–Olkin) value was 0.942 and Bartlett’s test sphericity significance showed a value of $0.0070 < 0.05$.

3.3. Measurement of Model Assessment

SPSS 23.0 and Smart PLS (Partial Least Squares) 4.0 are used in the data analysis. The analysis is carried out in three steps:

1. Develop a research model and provide a pilot test to check its validity and reliability.
2. Estimating variables and conducting various tests to verify the validity of the variables included in the survey.
3. Analyzing inter-relationships between observed and latent variables by partial least square structural equation modeling (SEM-PLS).

4. Results

4.1. Reliability Analysis of Variables

The results of the analysis and validity tests are presented below in [Table 1](#). A factor loading test is carried out and the values for the items ranged between 0.728 and 0.943 for the determination of the correlations between the item and the factor of the constructs. The composite reliability (CR) test values ranged between 0.875-0.961 which exceeded the desired threshold of 0.70 [\[61\]](#). The average variance extracted (AVE) of the construct ranged between 0.591 and 0.806 which also exceeded the desired threshold value of 0.50 [\[61\]](#). Cronbach's alpha reliability test was carried out and the results showed a value in the range of 0.867 and 0.961 which proved that all factors considered in the survey indicate a satisfactory level of dependability (>0.70) for assessing internal consistency.

Table 1.
Results of the reliability analysis of variables

Factors	Number of questions	Factor loading	Cronbach's alpha	AVE	CR
Job satisfaction (JS)	5	0.725-0.885	0.844	0.891	0.626
Employee loyalty (EL)	4	0.816-0.927	0.893	0.925	0.756
Job engagement (JE)	9	0.798-0.873	0.944	0.953	0.692
Intention to leave (ITL)	4	0.830-0.941	0.927	0.949	0.823

Note: CR= Composite reliability, AVE= Average variance extracted.

4.2. Correlation Analysis

Test results for the discriminant validity of measurements are summarized in [Table 2](#). According to our analysis, the discriminant validity of the construct was less than the desired threshold (<0.9) [\[62\]](#).

Table 2.
Discriminant validity by the Fronell –Larcker criterion

Factors	Mean	SD	JS	EL	JE	ITL
Job satisfaction (JS)	3.892	1.0081	(0.791)			
Employee loyalty (EL)	4.260	0.8766	0.461**	(0.869)		
Job engagement (JE)	4.193	0.8353	0.503**	0.458**	(0.832)	
Intention to leave (ITL)	1.983	1.2435	-0.410**	-0.407**	-0.153**	(0.907)

Note: **. Correlation is significant at the 0.01 level (2-tailed).
Variable definition: JS, Job satisfaction; EL, Employee loyalty; JE, Job engagement; ITL, Intention to leave.

4.3. Structural Equation Modeling

R-square is estimated for PLS analysis to test the significance of the structural model and variables. The correlation between independent and dependent variables was tested in the analysis. The regression values were positive and significant and all five hypotheses proposed in the study were supported (p<0.01). The results of the test are presented below in Table 3.

Table 3.
Research results of PLS-SEM

Hypothesis	Path	Standardize beta	Standard error	T statistics	P value	Remarks
H1a	JS→EL	0.461***	0.1198	8.297	0.000	Supported
H1b	JS→ITL	-0.410***	0.2603	9.863	0.000	Supported
H1c	JS→JE	0.503***	0.0987	8.356	0.000	Supported
H2a	EL→ITL	-0.407***	0.1440	10.365	0.000	Supported
H3a	JE→ITL	-0.153**	0.3171	6.198	0.006	Supported

Note: ***:p<0.001; and **:p<0.01, significance levels are two-tailed.
Variable definition: JS, Job satisfaction; EL, Employee loyalty; JE, Job engagement; ITL, Intention to leave.

The hypothesis proposed in the study was tested by the PLS algorithm and Bootstrapping algorithm in PLS 4.0 after verification of the validity and reliability of the model:

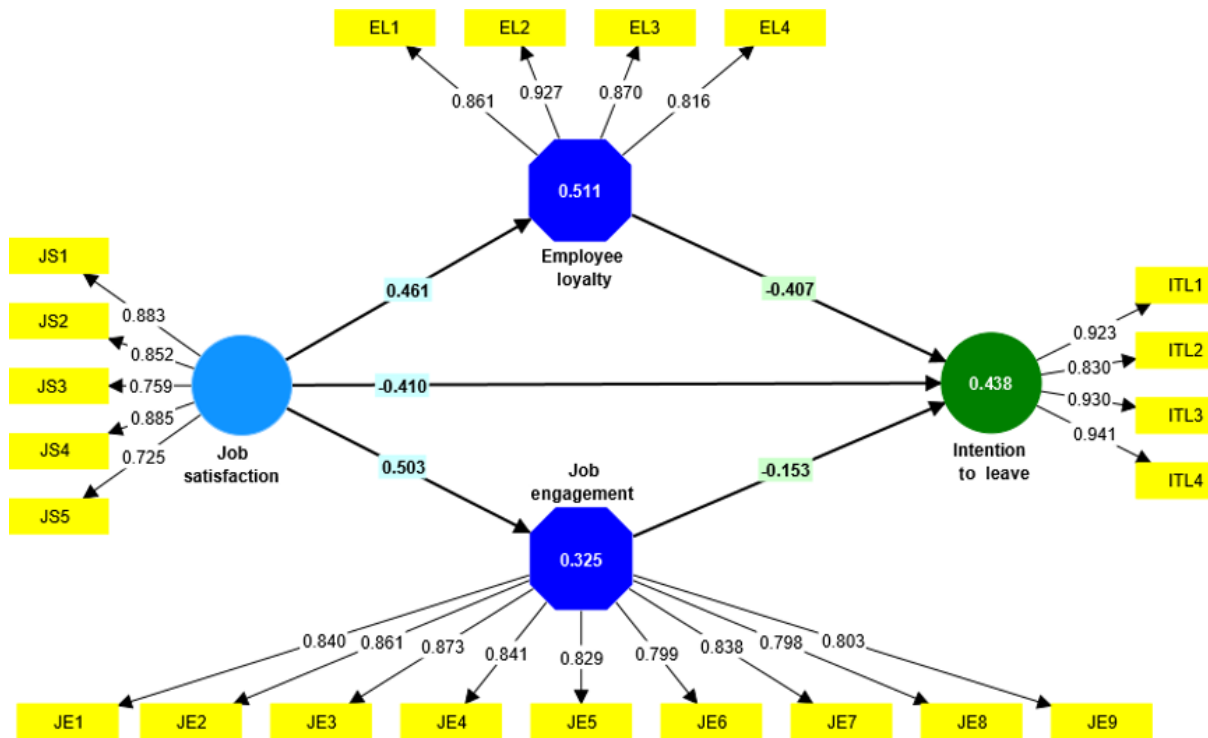


Figure 2.
Items loadings and path coefficient

The results of the analysis support the H1a, H1b, H1c, H2a and H3a hypotheses as demonstrated in Figure 2 and Table 3.

Our study results demonstrate a positive correlation between job satisfaction and employee loyalty (β=0.461) as well as job engagement (β=0.503). Both correlations present moderate effects. However, we found an inverse correlation between job satisfaction and intention to leave (β=-0.410) with a moderate effect. Furthermore, employee loyalty and intention to leave displayed an inverted correlation (β=-0.407) again showing a moderate effect. Job engagement and intention to leave revealed a weak and negative correlation (β=-0.153) presenting a minor effect.

Additionally, we examined the mediating roles of employee loyalty and job engagement in the relationship between job satisfaction and the intention to leave. We used the Smart PLS methodology to accomplish our study goals. Table 4 summarizes the results. Employee loyalty strongly mediates the connection between job satisfaction and intention to leave supporting hypothesis H2b. However, the results showed no mediating impact of job engagement on the relationship between job satisfaction and the intention to leave. Therefore, we rejected hypothesis H3b.

Table 4.
The mediating effect of employee loyalty and job engagement

Hypothesis	Path	Direct effects	Indirect effects	Total effects	Remarks
H2b	Job satisfaction → Employee loyalty → Intention to leave	-0.410***	-0.150***	-0.560***	Supported
H3b	Job satisfaction → Job engagement → Intention to leave	-0.410	0.085***	-0.325***	Unsupported

Note: ***: p<0.001, significance levels are two-tailed

5. Discussion

The capability of banks to maintain their competitive advantage and market leadership depends mostly on their ability to keep talented workers and foster employee loyalty. Financial institutions must prioritize job satisfaction, engagement and retention rather than solely focusing on business returns. In this study, we investigated the intermediary impacts of commitment and engagement on the association between fulfillment and turnover intent across two enduring private Mongolian banks. Our results endorsed all hypotheses except for the buffering effect of work engagement.

- The first result of the study demonstrated moderate and positive correlations between job satisfaction and employee loyalty. Employee loyalty increases job satisfaction and makes employees more loyal to the job. It is obvious that to boost employee loyalty organizations need to increase employee job satisfaction levels. Our results are consistent with the results of previous studies conducted by [Chang, et al. \[15\]](#); [Chen, et al. \[28\]](#), [Jun, et al. \[26\]](#) and [Syahrizal, et al. \[27\]](#) who acknowledged the positive correlation between employee loyalty and job satisfaction and the possibility of influencing employee loyalty through job satisfaction.
- The relationship between job satisfaction and the intention to leave has been attracting the attention of researchers for many years. The result of the study showed the existence of an inverted correlation between job satisfaction and the intention to leave. The result revealing that satisfied employees lessen the intention to leave condition is adherent to the results of other studies conducted by [Ahmad, et al. \[36\]](#), [Park and Johnson \[3\]](#), [Peterson, et al. \[31\]](#), [Sopiah and Sangadji \[39\]](#) and [Wijesekara \[37\]](#). Undoubtedly, it demonstrated that the more employees feel satisfied with their jobs, the more are they unlikely to leave their current jobs.
- The third result of the study was testing the correlation between job satisfaction and employee engagement which demonstrated a fair positive correlation between the two variables. Satisfied employees tend to be more engaged in their jobs. The current result of our study affirms the existence of positive correlations between the named variables that were acknowledged by previous studies carried out by numerous scholars including [Ahmeti \[40\]](#), [De Simone, et al. \[43\]](#), [Park and Gursoy \[44\]](#) and [Sypniewska, et al. \[48\]](#).
- The next results of our study are evidence of an existing moderate inverted correlation between employee loyalty and intention to leave. The result is consistent with the results of the studies of [Meyer and Allen \[49\]](#), [Borzaga and Tortia \[51\]](#) and [Chen, et al. \[28\]](#) whose research demonstrated similar results where an inverted correlation was embraced between employee loyalty and the intention to leave. It is evident that satisfied employees have a low level of motivation to exit their current job rather their intention to stay with the organization in the long term increases over time.
- The next result of the study is the existence of a weak inverted correlation between employee engagement and the intention to leave. Engaged employees have less interest in leaving the job that they occupy. The present result is complemented by the results of earlier studies conducted by [Alarcon and Edwards \[54\]](#), [Fletcher, et al. \[56\]](#), [Shantz, et al. \[55\]](#), [Park and Johnson \[3\]](#) and [Zhang, et al. \[63\]](#). It means engaged employees have a better attitude towards the job and have less interest in quitting their job any sooner.
- Finally, the overall goal of our study is to examine the mediating role of employee loyalty and job engagement in the relationship between job satisfaction and the intention to leave.

The results showed that employee loyalty has a mediating role in the relationship between job satisfaction and the intention to leave which supported Hb2.

Satisfied employees remain loyal to the organization which reduces their intention to leave. However, employee engagement has no mediating effect on the relationship between job satisfaction and intention to leave which rejects H3b. The study evidenced that although job satisfaction increases employee engagement, an increase in engagement does not affect the intention to leave. This evidence of our study is in conflict with the results of earlier studies conducted by [Memon, et al. \[57\]](#).

6. Conclusion

Job satisfaction has a positive effect on employee loyalty and employment engagement while job satisfaction has a reverse effect on the intention to leave. The results of the study showed that satisfied employees were more loyal and engaged in their jobs and had low motivation to leave the job. Employee loyalty has a strong and negative impact on the intention to leave which can be a solid factor in the decrease in the intention to leave. This demonstrates the prominence of

the turnover decrease strategy and the cultivation of employee loyalty in an organization. Although there was evidence of an inverted correlation between job engagement and the intention to leave, it showed a weak effect. It shows that employee engagement cannot serve as a convincing factor like job satisfaction and employee loyalty in reducing the intention to leave. One of the compelling results of our study is that job satisfaction's presence has a mediating effect on the relationship between job satisfaction and the intention to leave. The current result proves the statement that employee satisfaction increases employee loyalty. Conversely, the results demonstrated that job satisfaction does not affect the intention to leave. Moreover, it revealed that employee engagement is unlikely to have an impact on reducing the intention to leave.

In a nutshell, we note the significance of job satisfaction in employee loyalty, the cultivation of positive behavior, the increase of employee engagement and the reduction of the intention to leave. There is a need to address job satisfaction as a vital factor for sustaining employee loyalty and reducing the intention to leave any organization. These results have practical significance and they can be incorporated into organizational performance, human resources policies on the improvement of employee satisfaction, training and development programs and employee participation plans.

6.1. Limitations and Future Research

We need to acknowledge the limitations of the present study considering several circumstances:

First, the sample survey covered only two representatives of private banks operating in Mongolia. Second, the survey is solely conducted online due to the limited opportunity to reach the target in their workplace on account of the service nature of most of the jobs. The challenge disabled the possibility of presenting the dynamics of the perception changes of employees regarding job satisfaction, employee loyalty and intention to leave the job. Third, the potential of moderation and other factors' impact on job satisfaction and intention to leave have not been considered in the present study.

Furthermore, the limited representation of the target group prevented the identification of the differences among the organizations in the industry. Therefore, the involvement of several organizations in the industry would guarantee the variances between the variables. The use of qualitative methods such as interviews and focus group discussions along with surveys could provide more comprehensive data on employee motivations and experiences.

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