



Organizational Legitimacy, Social Responsibility, and Employee Loyalty: The Role of Social Capital Mediation at Universitas Swadaya Gunung Jati

*Nabila Alissya Putri¹

Universitas Swadaya Gunung Jati,
Indonesia

Sandi Nasrudin Wibowo²

Universitas Swadaya Gunung Jati,
Indonesia

***Corresponding author:**

Nabila Alissya Putri, Universitas Swadaya
Gunung Jati, Indonesia.

✉ nabila.122020506@ugj.ac.id

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Abstract

Background: In higher education, faculty loyalty is an important factor in institutional sustainability. However, loyalty is influenced not only by individual internal factors but also by organizational legitimacy and socially responsible practices. In addition, the role of *social capital* as a bridge between social relationships and trust is believed to have the potential to strengthen this influence.

Objective: This study examines the direct and indirect effects of organizational legitimacy and social responsibility on employee loyalty and investigates *social capital* as a mediating variable in the context of higher education.

Methods: This study collected data from 113 respondents, including faculty members and staff at *Universitas Swadaya Gunung Jati*, using an associative quantitative approach through questionnaires. Data analysis was conducted using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method.

Results: Organizational legitimacy and social responsibility were shown to have a positive and significant effect on employee loyalty, both directly and indirectly through *social capital*. Furthermore, *social capital* was found to effectively mediate this relationship.

Conclusion: Organizational legitimacy and social responsibility can be optimized through the strengthening of *social capital*. Therefore, university management needs to strengthen trust, cooperation, governance transparency, and the maintenance of high-quality human resources.

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INTRODUCTION

In recent years, issues related to the quality of organizational governance, institutional legitimacy, and social responsibility have received serious attention in the context of higher education. Universities are no longer viewed solely as academic institutions; they are also regarded as transparent and accountable public service organizations that can build trust and maintaining effective employee engagement. Amid increasingly complex competitive dynamics, the loyalty of lecturers and administrative staff has become an important strategic asset that determines the sustainability and quality of institutional performance.

Loyalty in educational organizations has different characteristics from loyalty in the commercial business sector (Syanevets & Sudakova, 2019). Employee loyalty is not merely transactional or based on financial rewards; rather, it emphasizes attitudinal loyalty, such as long-term commitment, a sense of belonging, and a willingness to contribute to the institution.

Therefore, it is important for university management to understand the non-economic factors that strengthen employee loyalty.

One of the factors that theoretically affects loyalty is organizational legitimacy. From the perspective of institutional theory, organizational legitimacy reflects the extent to which an organization's policies, behaviors, and governance align with prevailing societal norms, values, and expectations (Meyer & Rowan, 1977; Suchman, 1995). Recent empirical studies have shown that institutional legitimacy, both moral and cognitive, contributes to increased trust and loyalty among organizational members (Sánchez del Río Vazquez et al., 2024). When employees perceive an organization as legitimate, fair, and trustworthy, they are more likely to demonstrate stronger commitment and loyalty.

In addition to legitimacy, social responsibility also serves as a key determinant in shaping employee loyalty. Based on stakeholder theory, organizations have a moral responsibility to consider the well-being of all stakeholders, including employees (Chi & Huang, 2025). Consistent implementation of social responsibility can foster pride, increase empathy toward the organization, and reinforce positive organizational perceptions. Various empirical studies and meta-analyses have shown that corporate social responsibility (CSR) has a significant impact on loyalty through increased stakeholder trust and perceived value (Sindhu & Arif, 2017; Chi & Huang, 2025).

Nevertheless, much of the existing research has focused on the corporate sector and external customers, while studies specifically targeting employees, particularly in the context of higher education, remain relatively limited. In addition, the relationship between organizational legitimacy, social responsibility, and employee loyalty has generally been analyzed directly, without exploring the internal mechanisms that mediate these relationships (Aman-Ullah et al., 2026). This condition indicates a research gap that requires further investigation to better understand the process of loyalty formation in educational organizations. The novelty of this study lies in its examination of the mediating role of social capital in the relationship between organizational legitimacy, social responsibility, and employee loyalty within the context of higher education. This area has received limited empirical attention and has not been fully explored in the existing literature.

To address this gap, this study positions social capital as a mediating variable. Social capital reflects the quality of internal social relationships formed through trust, shared norms, and collaborative networks (Nahapiet & Ghoshal, 1998). Strong social capital is considered an important mechanism for strengthening employees' emotional attachment to the organization and transforming organizational legitimacy and social responsibility into sustained loyalty (Al-Twal et al., 2024; Cachón-Rodríguez et al., 2025). A number of studies have shown that social capital plays an important role in increasing commitment and loyalty by strengthening a sense of unity and collective identity (Del-Castillo-Feito et al., 2022; Shuhui, 2022).

Based on this description, this study aims to analyze the impact of organizational legitimacy and social responsibility on employee loyalty, both directly and indirectly, with social capital serving as a mediating variable among lecturers and administrative staff at Universitas Swadaya Gunung Jati (Cirebon). By integrating these three concepts into a comprehensive conceptual framework, this research is expected to make a theoretical contribution to the development of the literature on human resource management and organizational behavior. In addition, from a practical perspective, the findings of this study are expected to serve as a foundation for university management in designing strategies to strengthen organizational legitimacy, social responsibility, and social capital, while maintaining high-quality and sustainable human resources.

METHOD

This study used a quantitative approach aimed at analyzing the predictive relationships among variables. Associative research is used to determine the influence between two or more variables in an empirical model, including organizational legitimacy (X1), social responsibility (X2), social capital (Z), and employee loyalty (Y). The subjects of this study were all staff members of Universitas Swadaya Gunung Jati, totaling 157 individuals, including both faculty members (lecturers) and educational staff (administrative personnel) who were actively employed within

the university environment. The sample size was determined using the Slovin formula with a margin of error of 5%. Based on calculations derived from the total population, 113 respondents were selected. This sample size was determined to ensure that the collected data reliably reflected the population under study, maintained population representativeness, and met the analytical requirements of the complex research model.

Data analysis was conducted using the Structural Equation Modeling–Partial Least Squares (SEM-PLS) approach. According to Hair (2014), this technique is considered appropriate for analyzing complex causal relationships without requiring a normal data distribution. The analysis began with an evaluation of the measurement model (outer model) to assess the validity and reliability of the instrument. The criteria used included convergent validity (outer loading > 0.70; AVE > 0.50), discriminant validity using the Fornell–Larcker criterion, composite reliability, and reliability testing with a Cronbach’s alpha value greater than 0.70.

Once the measurement model had been validated, the structural model (inner model) was evaluated to examine the relationships among the variables and test the proposed hypotheses. This evaluation was measured using the coefficient of determination (R^2) to determine the percentage of influence exerted by the independent variables on the dependent variable. Furthermore, significance testing was performed using the bootstrapping method, based on a t-statistic value greater than 1.96 and a p-value less than 0.05.

RESULTS AND DISCUSSION

Results

Validity and reliability testing

To ensure that each metric in the research instrument accurately measures its respective variable, the evaluation of the measurement model (also known as the outer model) begins with an assessment of convergent validity. The criteria used at this stage require expected values greater than 0.70 for outer loading values and Average Variance Extracted (AVE) values, with the AVE required to exceed the 0.50 threshold. When the AVE value is above 0.50, it indicates that the variable has a strong correlation and can explain more than 50% of the variance in the indicators.

Table 1. Convergent validity test results

Variable	Item	Outer L Order	Extracted Mean Variance (AVE)
Organizational Legitimacy (X1)	OL.1	0.799	0.699
	OL.4	0.898	
	OL.5	0.809	
Social Responsibility (X2)	SR.2	0.791	0.648
	SR.3	0.745	
	SR.5	0.837	
	SR.6	0.857	
	SR.7	0.789	
Loyalty (Y)	L.2	0.909	0.844
	L.3	0.929	
Social Capital (Z)	SC.1	0.744	0.618
	SC.2	0.827	
	SC.3	0.767	
	SC.4	0.813	
	SC.5	0.813	
	SC.6	0.749	

Source: SmartPLS data processed version 4 (2025)

Each indicator used to measure each variable met the convergent validity criteria, as shown in the validation test results presented in Table 1. The outer loading values of the indicators for organizational legitimacy (X1), social responsibility (X2), loyalty (Y), and social capital (Z) all exceeded the threshold of 0.70. In addition, the average variance extracted (AVE) values for all variables were greater than 0.50, with the loyalty variable having the highest value (0.844) and

the social capital variable having the lowest value (0.618). This suggests that these indicators have a high correlation and can account for more than 50% of the variance in the measured constructs.

Once convergent validity was established, a reliability test was performed to ensure that the respondents' answers were internally consistent. Composite reliability and Cronbach's alpha were the two main parameters used to evaluate this reliability. If both values exceeded the minimum threshold of 0.70, then the construct was considered reliable and consistent.

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Composite reliability
Organizational Legitimacy (X1)	0.783	0.874
Social Responsibility (X2)	0.864	0.902
Loyalty (Y)	0.816	0.916
Social Capital (Z)	0.876	0.618

Source: SmartPLS data processed version 4 (2025)

The reliability test in Table 2 shows that the internal consistency of the research instrument is excellent. The reliability values of Cronbach's alpha and composite reliability for all study variables exceeded the minimum standard value of 0.70. The social capital variable (Z) recorded the highest reliability values, with a composite reliability of 0.916 and a Cronbach's alpha of 0.876. Therefore, it was concluded that the responses to the questionnaire statements were consistent and suitable for further analysis.

The final stage in evaluating the measurement model is to assess discriminant validity and ensure that each construct is empirically distinct from the other constructs in the research model. This test uses the Fornell-Larcker criterion, in which the square root of the AVE on the diagonal for each variable must be higher than the correlation between that variable and the other variables.

Table 3. Discriminating validity: Fornell Larker

Variable	OL	SR	L	SC
Organizational Legitimacy (X1)	0.836			
Social Responsibility (X2)	0.682	0.805		
Loyalty (Y)	0.633	0.642	0.919	
Social Capital (Z)	0.697	0.687	0.684	0.786

Source: SmartPLS data processed version 4 (2025)

The analysis of discriminant validity using the Fornell-Larcker criterion presented in Table 3 ensures that each construct is empirically distinct from the others. The test results showed that the square root (diagonal value) of the AVE for each variable was greater than the correlation between that variable and the other variables in the model. For example, the square root of the AVE (0.836) for organizational legitimacy was greater than its correlations with social responsibility (0.682), employee loyalty (0.633), and social capital (0.697). This finding ensures that each variable in this study possesses its own uniqueness and does not overlap with the other variables.

Decision Coefficient Test (R^2)

Once the measurement model was declared valid and reliable, the structural model (inner model) was evaluated to assess the strength of the research model. One of the criteria used was the coefficient of determination (R^2). The R^2 value indicates the percentage of variation in the dependent variables that can be explained simultaneously by the independent variables in the model.

Table 4. Result Coefficient (R²)

Parameters	R Square
Loyalty (Y)	0.543
Social Capital (Z)	0.569

Source: SmartPLS data processed version 4 (2025)

Table 4 shows the R-squared value (R²), which represents the percentage of variation in the dependent variables that can be explained by the independent variables in the model. The R² value for the loyalty variable (Y) was 0.543, indicating that employee loyalty was influenced by organizational legitimacy, social responsibility, and social capital by 54.3%, while the remaining 45.7% was explained by other factors outside the model. On the other hand, the R² value for the social capital variable (Z) was 0.569, indicating that 56.9% of the variation in social capital could be explained by organizational legitimacy and corporate social responsibility.

Hypothesis testing

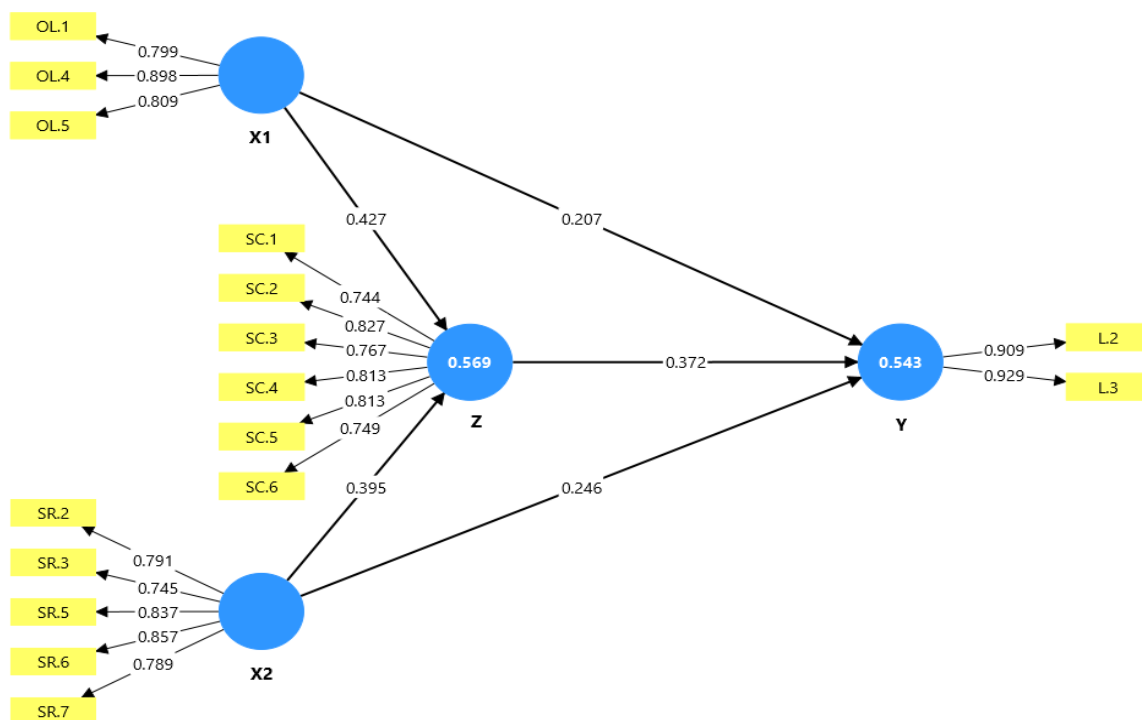


Figure 1. Bootstrap Tests

The core stage of data analysis is verifying the relationships between variables and testing the hypotheses through a bootstrap process. The significance criteria in this study are determined based on t-statistics and path coefficients supported by p-values. A hypothesis is considered accepted and to have a significant effect if the t-statistic value is greater than or equal to 1.96 or the p-value is less than 0.05.

Table 5. Bootstrap Tests

Hypothesis	Direction of influence	Original Sample	T-Statistics	P-Value	Verdict
H1	Organizational Legitimacy (X1) (→ Y)	0.207	2.304	0.021	Reception
H2	Organizational Legitimacy (X1) (→ Z)	0.427	4.193	0.000	Reception
H3	Social Responsibility (X2) (→ Y)	0.246	2.867	0.004	Reception

	(X2)(→ Y)				
H4	Social Responsibility (X2)(→ Z)	0.395	4.189	0.000	Reception
H5	Social Capital (Z) (→ Y)	0.372	3.642	0.000	Reception
H6	Organizational legitimacy (X1)(→ Z)(→ Y)	0.159	2.905	0.004	Reception
H7	Social Responsibility (X2)(→ Y)	0.147	2.469	0.014	Reception

Source: SmartPLS data processed version 4 (2025)

The results of hypothesis testing in Table 5 show that the seven hypotheses proposed in this study were statistically supported through the bootstrapping process. This is evident from the fact that all p-values were less than 0.05 and all t-statistics exceeded 1.96. The strongest direct effect was found in the relationship between social responsibility and social capital (t-statistic = 4.189). In addition, the results of the mediation tests (H6 and H7) demonstrate that social capital plays an important role as a mediating variable connecting organizational legitimacy and social responsibility with employee loyalty.

Discussion

The Impact of Organizational Legitimacy on Loyalty

The results of the hypothesis test showed that organizational legitimacy had a positive and significant effect on loyalty, with a statistical T-value of 2.304 and a p-value of 0.021. These findings demonstrate that employees tend to exhibit higher loyalty when organizations are perceived as adhering to societal norms and values. This finding is supported by Sánchez (2024), who stated that moral and cognitive institutional legitimacy significantly influences the enhancement of members’ loyalty attitudes. In addition, Alomran (2024) and Song (2021) emphasized that organizational legitimacy is a primary determinant of trust and long-term attachment.

The Impact of Organizational Legitimacy on Social Capital

The second hypothesis was proven to be significant, with a T-statistic of 4.193 and a p-value of 0.000. Institutional legitimacy serves as a prerequisite for establishing healthy social relationships within the work environment. According to Gallardo (2019), organizational legitimacy enables members to build social capital through mutual respect for the organization’s credibility. This finding is consistent with the view of Pillai (2017), who argued that organizational behavior perceived as socially appropriate strengthens collective acceptance, which forms the foundation of social capital.

The Impact of Social Responsibility on Loyalty

The social responsibility variable had a positive and significant effect on loyalty (T-statistic = 2.867; p-value = 0.004). Employees who perceive their organization as socially responsible are more likely to develop long-term pride and commitment. Safer (2023) Revealed that social responsibility practices increase loyalty by reinforcing positive perceptions of the organization. Similarly, a meta-analysis conducted by Le (2023) confirmed that corporate social responsibility (CSR) consistently strengthens stakeholder loyalty.

The Impact of Social Responsibility on Social Capital

There was a significant relationship between social responsibility and social capital, with the highest T-statistic value of 4.189 and a p-value of 0.000. Social programs function as a means

of cooperation that strengthens interpersonal relationships among staff members. Cachón (2025) showed that participation in sustainable and socially responsible organizational practices is highly effective in developing employees' internal social capital. This finding demonstrates that CSR functions as a social "glue" within Universitas Swadaya Gunung Jati.

The Impact of Social Capital on Loyalty

The findings showed that social capital had a positive and significant effect on loyalty (T-statistic = 3.642; p-value = 0.000). Trust and strong social networks make employees feel emotionally connected to the organization. Social capital, including mutual trust and shared norms, serves as the primary foundation for fostering strong loyalty. In addition, You (2025) also found that social capital increases members' perceived value and encourages them to remain within the organization.

The Impact of Social Capital on Loyalty as a Mediation of Organizational Legitimacy

The sixth hypothesis was accepted, with a statistical T-value of 2.905 and a p-value of 0.004, indicating that social capital significantly mediates the effect of organizational legitimacy on loyalty. Institutional legitimacy requires a relational mechanism, namely social capital, to transform perceptions into genuinely loyal behavior. Del Castillo (2022) emphasized that social capital and organizational legitimacy function as intangible competitive advantages while simultaneously increasing member commitment and loyalty.

The Impact of Social Capital on Loyalty Mediated by Social Responsibility

The mediation test results showed a significant effect, with a T-statistic of 2.469 and a p-value of 0.014. These findings demonstrate that the university's social responsibility programs can be more effective in building loyalty when they first strengthen employees' social capital. Cachón (2025) affirmed that employee loyalty can be more deeply developed through the integration of social capital and socially oriented organizational management practices. These findings reinforce the role of social capital as an important bridge between organizational ethics and employee behavior.

CONCLUSION

The results of the hypothesis testing and SEM-PLS analysis concluded that organizational legitimacy and social responsibility have positive and significant effects on employee loyalty, both directly and indirectly through social capital. Organizational legitimacy and social responsibility were also shown to enhance social capital, which reflects trust, shared norms, and strong networks. In addition, social capital significantly influences loyalty and acts as a mediating variable that amplifies the effects of these two variables on loyalty. These findings indicate that strong internal social relationships are essential for increasing employee loyalty.

Based on these findings, the management of Universitas Swadaya Gunung Jati is advised to prioritize strengthening social capital to enhance long-term loyalty by creating a supportive work environment and expanding opportunities for positive interaction among staff members. The implementation of social responsibility initiatives should focus more on internal employee-related aspects that can genuinely foster organizational pride. In addition, the university must maintain consistent governance transparency to strengthen organizational legitimacy in the eyes of the academic community. Future researchers are encouraged to expand their research models by incorporating moderating variables and conducting comparative studies to verify the consistency of the role of social capital across different settings.

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AUTHOR CONTRIBUTION STATEMENT

If any, Author Contribution. All authors have read and approved the final manuscript. Author 1 conceptualized the study, designed the research framework, and led the data analysis. Author 2 contributed to the literature review, data collection, and manuscript preparation. Both authors jointly interpreted the results and revised the manuscript.

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