

Empowering leadership and employee loyalty in the hospitality industry: the mediating effects of job satisfaction and organizational commitment

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Abstract

The hospitality industry is characterized by intense competition and a high level of employee turnover, making effective leadership essential for enhancing employee loyalty. This study aims to investigate the relationship between empowering leadership and employee loyalty in the hospitality industry, as well as to examine the mediating roles of job satisfaction and organizational commitment in this relationship. Using a quantitative survey design, data were collected from 170 hotel employees across several major cities in Indonesia via a structured questionnaire. Data analysis was conducted using Hayes' (2018) PROCESS Macro for SPSS version 3.0, employing Model 4 to test a parallel multiple mediation model. The findings reveal that empowering leadership has a significant positive effect on employee loyalty. Furthermore, job satisfaction and organizational commitment are found to partially mediate the relationship between empowering leadership and employee loyalty. Specifically, empowering leadership significantly and positively influences both job satisfaction and organizational commitment, and these two mediators, in turn, significantly and positively affect employee loyalty. These results underscore the importance of adopting empowering leadership practices to foster employee retention and strengthen loyalty in the hospitality sector. Organizations seeking to reduce turnover and enhance long-term workforce stability should prioritize leadership approaches that empower employees while simultaneously cultivating positive psychological conditions, particularly job satisfaction and organizational commitment.

Keywords: *empowering leadership; employee loyalty; hospitality industry; job satisfaction; organizational commitment.*

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Introduction

The hospitality industry is one of the fastest-growing service sectors globally and plays a crucial role in tourism development, employment generation, and economic growth, particularly in emerging economies such as Indonesia (Rescalvo-Martin *et al.*, 2022). As a core component of the tourism ecosystem, the hospitality sector contributes significantly to national income by attracting international and domestic visitors and stimulating related industries, including transportation, food services, and cultural tourism (World Travel & Tourism Council, 2023). In many developing countries, including Indonesia, the expansion of hotels and tourism facilities has created substantial employment opportunities for both skilled and unskilled workers. Despite its economic importance, the hospitality industry is often characterized by challenging working conditions, high service expectations, and intense competition among organizations. These characteristics make effective human resource management practices, particularly leadership approaches that foster employee engagement and loyalty, increasingly critical for sustaining organizational performance and service quality (Hoang *et al.*, 2021).

The hospitality industry is widely recognized as one of the sectors with the highest employee turnover rates. Recent reports indicate that annual turnover in the global hospitality sector often exceeds 70-80%, significantly higher than the average turnover rate across other industries (Baum *et al.*, 2020; Deloitte, 2022). In Indonesia, the hospitality sector also experiences substantial workforce mobility due to seasonal employment, career mobility, and demanding working conditions (Putra & Yanuar, 2023). High turnover creates operational instability, increases recruitment costs, and threatens service quality, making employee loyalty a critical issue for hospitality organizations.

According to data from the Indonesian Central Bureau of Statistics (BPS), the accommodation and food service sector employed approximately 6.64 million workers in 2023, making it one of the largest labour-absorbing sectors in Indonesia. The sector is dominated by relatively young employees, with more than half of the workforce aged between 15 and 34 years, a group that generally exhibits higher job mobility. In addition, BPS reports that Indonesia has more than 3,900 classified hotels and over 28,000 non-star accommodation establishments, indicating a highly competitive hospitality industry. The large workforce and high labour mobility create significant challenges for hotel organizations in maintaining employee stability and service consistency. Therefore, understanding factors that influence employee loyalty has become increasingly important for hospitality management.

Despite its strategic importance, the sector faces complex challenges, one of the most critical being high employee turnover rates (Hoang *et al.*, 2021; Dennerlein & Kirkman, 2022). Elevated turnover can adversely affect operational stability and service quality, thereby compelling hotel management to adopt effective strategies to enhance employee loyalty and reduce workforce attrition (X. H. F. Wang & Howell, 2012; Eisenbeiss, 2012). One potential approach within human resource management is empowering leadership. Empowering leadership is defined as a leadership style that grants employees authority, responsibility, and trust to make decisions and complete tasks independently (Sari *et al.*, 2023; Hoang *et al.*, 2021). This leadership approach is believed to enhance job satisfaction, organizational commitment, and employee loyalty, as employees feel valued and experience greater control over their work (ÇAĞLAR, 2012; Setiawan *et al.*, 2020; Agung *et al.*, 2021).

Although numerous studies have demonstrated the benefits of empowering leadership across various sectors, empirical research examining its impact within the hospitality industry remains limited (Rescalvo-Martin *et al.*, 2022; Kundu *et al.*, 2019). First, most studies in hospitality management have focused primarily on turnover intention or intention to leave rather than employee loyalty, which represents a deeper psychological attachment to the organization (Yao *et al.*, 2019). Second, empirical research on empowering leadership in emerging economies such as Indonesia remains relatively limited, despite the rapid expansion of the hospitality sector in the region. Third, although job satisfaction and organizational commitment have individually been studied, the dynamic nature of hospitality operations, characterized by intensive employee–guest interactions and high service expectations, necessitates further investigation into how empowering leadership can be effectively implemented and how it influences employee loyalty.

Despite growing attention to empowering leadership, previous studies have produced mixed findings regarding its effects on employee outcomes. Some studies report that empowering leadership enhances job satisfaction, commitment, and performance (Kim *et al.*, 2018; Kundu *et al.*, 2019), while others suggest that excessive empowerment may increase role ambiguity and psychological pressure among employees. These inconsistent findings indicate that the mechanisms through which empowering leadership influences employee attitudes remain insufficiently understood, particularly in service-intensive industries such as hospitality.

Previous research indicates that empowering leadership enhances employees' job autonomy, encourages voice behaviour toward managers, and facilitates knowledge sharing among colleagues (C. J. Wang & Yang, 2021; Hoang *et al.*, 2021). The novelty of the present study lies in its specific focus on employee loyalty within the hotel context, a service-based industry where service excellence is paramount. To date, prior research has predominantly concentrated on turnover-related constructs such

as intention to leave or intention to stay (Dania Gabriel *et al.*, 2022; Chen *et al.*, 2016), which represent behavioural intentions following loyalty. In contrast, employee loyalty reflects a deeper emotional and psychological attachment to the organization (Yao *et al.*, 2019).

A review of the existing literature reveals several significant research gaps that warrant further investigation. First, empirical studies exploring empowering leadership within the Indonesian hospitality industry remain relatively scarce, despite the sector's substantial role in supporting national tourism development and employment generation (Hoang *et al.*, 2021). Second, the majority of hospitality research has predominantly examined employee turnover intention or intention to leave, while employee loyalty representing a stronger psychological bond and long-term commitment to the organization has received comparatively less attention (Yao *et al.*, 2019; Phuong & Vinh, 2020). Third, although job satisfaction and organizational commitment have frequently been investigated as mediating mechanisms in leadership studies, limited research has simultaneously analyzed their parallel mediating effects in the relationship between empowering leadership and employee loyalty (Kim *et al.*, 2018; Kundu *et al.*, 2019; Wang & Yang, 2021). Therefore, addressing these gaps is essential to provide a deeper understanding of how empowering leadership can enhance sustainable employee retention in the hospitality industry.

Based on this background, this study aims to examine the relationship between empowering leadership and employee loyalty in the hospitality industry, while testing the mediating roles of job satisfaction and organizational commitment. The expected contribution of this research is twofold: theoretically, it extends the empowering leadership literature by positioning loyalty as a key outcome within the hospitality context; practically, it offers a conceptual framework that hotel leaders can apply to foster employee loyalty and enhance long-term organizational sustainability in the Indonesian hospitality industry.

Literature Review and Hypothesis Development

Theoretical Foundation

This study is grounded in Social Exchange Theory (SET), which provides a theoretical explanation for the reciprocal relationship between leadership behaviours and employee attitudes (Cropanzano & Mitchell, 2005). According to this theory, social relationships within organizations are based on reciprocal exchanges between leaders and employees. When employees perceive supportive and empowering leadership behaviours, they tend to reciprocate with positive attitudes and behaviours that benefit the organization. In organizational contexts, empowering leadership signals trust, support, and recognition toward employees, which can strengthen employees' psychological attachment to the organization.

Within the hospitality industry, the application of Social Exchange Theory is particularly relevant because service quality largely depends on employees' attitudes and behaviours toward their work and organization. Employees who perceive supportive leadership are more likely to respond with increased job satisfaction, stronger organizational commitment, and higher loyalty toward their organization (Kim *et al.*, 2018; Hoang *et al.*, 2021). Therefore, empowering leadership may serve as an important mechanism for fostering positive employee attitudes and reducing turnover within hospitality organizations.

Empowering Leadership and Employee Loyalty

Empowering leadership refers to leader behaviours that grant employees autonomy, authority, and participation in decision-making processes, enabling them to take greater responsibility for their work (Amundsen & Martinsen, 2015). From the perspective of Social Exchange Theory (Blau, 1964), leadership behaviours that demonstrate trust, support, and empowerment can create reciprocal relationships between leaders and employees. When employees perceive that leaders empower them and value their contributions, they tend to reciprocate with positive attitudes and behaviours toward the organization. In service-oriented industries such as hospitality, empowering leadership becomes

particularly important because employees frequently interact with customers and must make service-related decisions that require autonomy and confidence.

Empirical studies have consistently shown that empowering leadership positively influences employee attitudes and behaviours, including organizational commitment, job engagement, and loyalty (Kim *et al.*, 2018; Rahman *et al.*, 2023; Zanabazar, 2023; Chow, 2018). Employees who experience empowering leadership are more likely to feel valued and trusted, which strengthens their psychological attachment to the organization and encourages them to remain loyal. In the hospitality industry, where high employee turnover is a persistent challenge, empowering leadership can be an important managerial strategy to strengthen employee loyalty and promote workforce stability. Based on these theoretical arguments and empirical findings, the following hypothesis is proposed.

H1: Empowering leadership has a significant positive effect on employee loyalty

The Mediating Role of Job Satisfaction

Job satisfaction refers to employees' overall evaluation of their job and work environment, encompassing aspects such as compensation, working conditions, interpersonal relationships, and opportunities for professional development (Khalilzadeh *et al.*, 2013). According to Social Exchange Theory, when employees perceive empowering leadership behaviours—such as autonomy, participation, and trust—they tend to evaluate their work experiences more positively. Empowered employees are more likely to feel their contributions are appreciated and that they have greater control over their tasks, which can increase their job satisfaction.

Previous studies indicate that empowering leadership is positively associated with job satisfaction because employees perceive greater autonomy and recognition in their work roles (Amundsen & Martinsen, 2015). Higher levels of job satisfaction, in turn, are strongly associated with positive organizational outcomes, including employee loyalty and reduced turnover intention (Mikkelsen & Olsen, 2019; Phuong & Vinh, 2020). In the hospitality industry, satisfied employees are more likely to remain in their organizations and demonstrate stronger commitment to service quality and organizational goals. Therefore, job satisfaction may function as an important psychological mechanism linking empowering leadership and employee loyalty. Based on these arguments, the following hypothesis is proposed.

H2: Job satisfaction mediates the relationship between empowering leadership and employee loyalty.

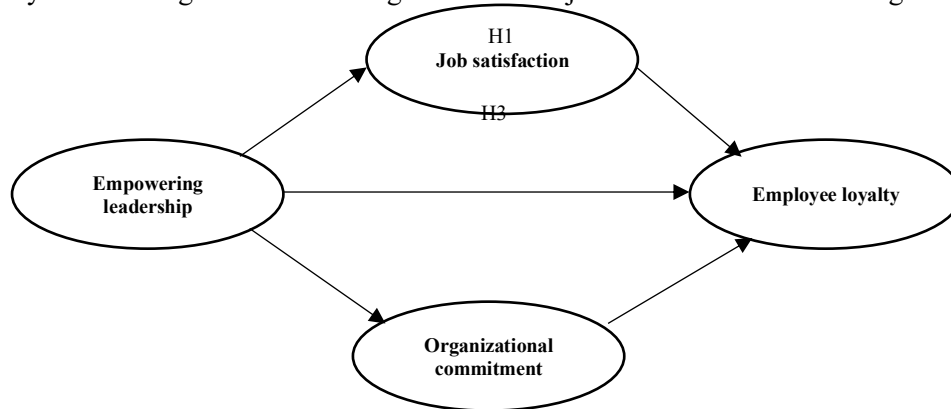
The Mediating Role of Organizational Commitment

Organizational commitment refers to the degree to which employees feel emotionally attached to, identify with, and are involved in their organization (Khalilzadeh *et al.*, 2013). (Celik & Konan, 2021). Within the framework of Social Exchange Theory, empowering leadership may strengthen organizational commitment because employees perceive empowerment as a form of organizational support and trust. Leaders who provide autonomy and encourage employee participation in decision-making processes foster a sense of belonging and psychological ownership among employees.

Empirical research suggests that empowering leadership positively influences organizational commitment by strengthening employees' emotional attachment and sense of responsibility toward the (Kim *et al.*, 2018; Cheng *et al.*, 2021). Employees who feel committed to their organization are more likely to remain with the organization and demonstrate loyalty in their attitudes and behaviours. In the hospitality industry, where employee retention is critical for maintaining service consistency and customer satisfaction, organizational commitment plays an essential role in fostering long-term employee loyalty. Therefore, organizational commitment may serve as a key mediating mechanism through which empowering leadership influences employee loyalty. Based on these arguments, the following hypothesis is proposed (Yao *et al.*, 2019).

H3: Organizational commitment mediates the relationship between empowering leadership and employee loyalty.

Based on the theoretical foundations and empirical findings discussed above, particularly those related to empowering leadership, job satisfaction, organizational commitment, and employee loyalty, this research develops an integrated conceptual framework to explain the direct and indirect relationships among these variables within the hospitality industry context. The proposed model seeks to clarify the underlying mechanisms through which empowering leadership fosters employee loyalty, specifically by examining the mediating roles of job satisfaction and organizational commitment.



Source: Data processed (2026)

Figure 1. Conceptual Framework

Research Methods

The population of this study consisted of employees working in three- to five-star hotels located in major Indonesian tourism cities, including Jakarta, Bandung, Bali, Surabaya, and Yogyakarta. These employees were selected from several operational departments such as front office, housekeeping, food and beverage, and administrative divisions, as these positions represent core service functions within the hospitality industry. The focus on these departments is relevant because employees in these roles frequently interact with guests and play a critical role in maintaining service quality and organizational performance.

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The final sample consisted of 170 respondents. This sample size is considered adequate for mediation analysis using regression-based approaches such as Hayes' PROCESS Macro, which generally requires a minimum sample size of 100–150 observations to obtain reliable estimates (Hair *et al.*, 2019). Therefore, the sample size in this study satisfies the statistical requirements for hypothesis testing. Empowering leadership was measured using four indicators covering delegation of authority, encouragement of decision-making, trust in employees, and training and development (Amundsen & Martinsen, 2014). Employee loyalty was assessed through four indicators reflecting intention to remain, workplace recommendation, and commitment to organizational goals (Sekyi *et al.*, 2016). Job satisfaction was measured using four indicators: salary, working conditions, coworker relationships, and career development opportunities (Khalilzadeh *et al.*, 2013). Organizational commitment was captured with four indicators representing emotional attachment, sense of responsibility, and organizational pride (Zopiatis *et al.*, 2014).

Data were collected using an online questionnaire distributed to hotel employees between March and May 2025. Prior to distribution, the questionnaire was pretested to ensure the clarity and reliability of the measurement items. Respondents were informed about the purpose of the study and assured that their responses would remain anonymous and used solely for academic purposes. Participation in the survey was voluntary, and respondents completed the questionnaire through an online survey platform. The data analysis was conducted in several stages. First, descriptive statistics were used to examine the respondents' demographic characteristics. Second, validity and reliability tests were performed to ensure the measurement instruments were appropriate for analysis. Third, regression analysis using Hayes' PROCESS Macro (Model 4) was conducted to test the direct and indirect relationships among the variables. Finally, bootstrapping with 5,000 resamples was applied to estimate the significance of mediation effects and construct confidence intervals. (Hayes, 2018).

Results of the Research

A total of 170 hotel employees participated in this study. The demographic profile indicates a relatively balanced gender distribution, a predominantly young and productive workforce, and relatively short tenure periods, reflecting the dynamic and transitional nature of employment in the hospitality industry. The majority of respondents were male (50.6%), while female employees accounted for 49.4%. In terms of age, most respondents were within the productive age range of 18–30 years, particularly 25–30 years (37.1%) and 18–24 years (35.3%). Regarding tenure, most respondents had worked for 1–3 years (59.4%), followed by 4–6 years (32.4%), suggesting that employment in the hospitality sector is often characterized by early-career experience building or transitional employment before securing more permanent positions.

Table 1. Demographic Characteristics of Respondents

Category	Sub-Category	Frequency	Percentage (%)
Gender	Male	86	50.6
	Female	84	49.4
Age (Years)	18–24	60	35.3
	25–30	63	37.1
	31–35	20	11.8
	36–40	15	8.8
	41–45	5	2.9
	46–50	3	1.8
	51–55	1	0.6
	>55	3	1.8
Tenure	1–3 Years	101	59.4
	4–6 Years	55	32.4
	7–9 Years	8	4.7
	10–12 Years	3	1.8
	>15 Years	3	1.8
Total Respondents		170	100

Source: Data processed (2026)

The results of the validity test for each measurement item of Empowering Leadership (KP), Employee Loyalty (LK), Job Satisfaction (KK), and Organizational Commitment (KO) are presented in Table 2. The findings indicate that all item total correlation coefficients exceed the critical *r*-table value of 0.150, confirming that all measurement items are statistically valid and appropriate for further analysis.

All correlation coefficients are substantially higher than the threshold value ($r > 0.150$), indicating strong item validity across all constructs. The reliability analysis was conducted using Cronbach's Alpha to assess the internal consistency of each construct. As shown in Table 3, all variables demonstrate Cronbach's Alpha values exceeding the recommended threshold of 0.70, indicating high reliability and internal consistency of the measurement instruments.

The Cronbach's Alpha values for Empowering Leadership (0.776), Employee Loyalty (0.832), Job Satisfaction (0.849), and Organizational Commitment (0.828) all exceed 0.70, confirming that the research instruments demonstrate strong internal consistency and measurement stability. These results indicate that the scales used in this study are both valid and reliable for hypothesis testing and mediation analysis. The mediation analysis was conducted using Hayes' PROCESS Macro (Model 4) with 5,000 bootstrap samples ($N = 170$). The results of the direct, total, and indirect effects are summarized in Tables 4 and 5.

Table 2. Validity Test

Item	Correlation Coefficient	r-table	Decision
KP1	0.752	0.150	Valid
KP2	0.788	0.150	Valid
KP3	0.800	0.150	Valid
KP4	0.777	0.150	Valid
LK1	0.846	0.150	Valid
LK2	0.814	0.150	Valid
LK3	0.800	0.150	Valid
LK4	0.850	0.150	Valid
KK1	0.837	0.150	Valid
KK2	0.861	0.150	Valid
KK3	0.748	0.150	Valid
KK4	0.871	0.150	Valid
KO1	0.811	0.150	Valid
KO2	0.819	0.150	Valid
KO3	0.852	0.150	Valid
KO4	0.793	0.150	Valid

Source: Data processed (2026)

Table 3. Reliability Test

Variable	Cronbach's Alpha	Decision
Empowering Leadership	0.776	Reliable
Employee Loyalty	0.832	Reliable
Job Satisfaction	0.849	Reliable
Organizational Commitment	0.828	Reliable

Source: Data processed (2026)

The findings indicate that empowering leadership significantly and positively affects job satisfaction ($\beta = 0.68$, $p < 0.05$) and organizational commitment ($\beta = 0.78$, $p < 0.05$). Empowering leadership also has a significant direct effect on employee loyalty ($\beta = 0.29$, $p < 0.05$). Furthermore, job satisfaction ($\beta = 0.57$, $p < 0.05$) and organizational commitment ($\beta = 0.24$, $p < 0.05$) significantly influence employee loyalty. The total effect of empowering leadership on employee loyalty is strong and significant ($\beta = 0.87$, $p < 0.05$).

The indirect effect of empowering leadership on employee loyalty through job satisfaction is significant ($\beta = 0.39$; 95% CI [0.23, 0.54]), as the confidence interval does not include zero. Similarly, the indirect effect through organizational commitment is also significant ($\beta = 0.19$; 95% CI [0.06, 0.34]). The findings indicate that empowering leadership plays an important role in strengthening employee loyalty within the hospitality industry. When leaders provide autonomy, trust, and opportunities for employees to participate in decision-making processes, employees tend to develop stronger psychological attachment to their organization. This finding supports the perspective of Social Exchange Theory, which suggests that employees reciprocate supportive leadership behaviours with positive attitudes and loyalty toward the organization. In service-intensive industries such as hospitality, empowering

leadership can therefore serve as a strategic leadership approach to maintain employee commitment and organizational stability.

The findings of this study can be explained through Social Exchange Theory (Cropanzano & Mitchell, 2005) which suggests that employees tend to reciprocate positive treatment from their leaders with positive attitudes and behaviours toward the organization. When leaders demonstrate empowering behaviours—such as granting autonomy, encouraging participation in decision-making, and expressing trust in employees—employees perceive these actions as organizational support. As a result, they respond with stronger psychological attachment and loyalty toward the organization. In the hospitality industry, where employee attitudes significantly influence service quality, empowering leadership can therefore serve as an important mechanism for strengthening employee retention and organizational stability.

This study provides important insights into the mechanisms through which empowering leadership influences employee loyalty in the hospitality industry by highlighting the mediating roles of job satisfaction and organizational commitment. First, the finding that empowering leadership has a positive and significant effect on employee loyalty (H1 supported) is consistent with prior research (Rahman *et al.*, 2023; Zanabazar, 2023). This result confirms that leadership behaviours characterized by granting autonomy, responsibility, and trust foster a sense of ownership and recognition among employees, which in turn strengthens their willingness to remain loyal to the organization. Employees who perceive themselves as empowered are more motivated to contribute meaningfully and demonstrate stronger attachment to the organization. In the highly competitive hospitality sector, such leadership practices become particularly critical in retaining service-oriented talent.

Second, the mediation analysis demonstrates that job satisfaction partially mediates the relationship between empowering leadership and employee loyalty (H2 supported). The results suggest that empowering leadership contributes to higher levels of job satisfaction among hotel employees. When employees perceive that leaders trust them and provide autonomy in performing their work, they tend to evaluate their work experiences more positively. Empowering leadership creates a supportive work environment in which employees feel valued and recognized for their contributions. This finding aligns with previous research indicating that empowering leadership enhances employees' work attitudes and psychological well-being in service organizations (Kundu *et al.*, 2019) (W. *et al.*, 2020). When employees are satisfied with their working conditions, compensation, interpersonal relationships, and career development opportunities, they are more likely to remain loyal and less inclined to seek alternative employment (Phuong & Vinh, 2020)(Matzler & and Renzl, 2006).

Third, organizational commitment is also found to partially mediate the relationship between empowering leadership and employee loyalty (H3 supported). Empowering leadership significantly increases organizational commitment. Organizational commitment also emerges as an important factor in explaining employee loyalty in the hospitality sector. Employees who develop strong emotional attachment and identification with their organization tend to demonstrate stronger dedication and loyalty toward their workplace. In highly competitive service industries, committed employees are more likely to remain with the organization and contribute to long-term organizational success. This finding reinforces the argument that strengthening employees' commitment is essential for maintaining workforce stability and service excellence. Organizational commitment reflects employees' emotional attachment and identification with the organization, which serves as a key predictor of loyalty (Hoang *et al.*, 2021). Employees who develop strong organizational commitment are more likely to internalize organizational goals and demonstrate sustained loyalty (Hidayati *et al.*, 2019).

Overall, the partial mediation results indicate that empowering leadership affects employee loyalty both directly and indirectly through enhanced job satisfaction and organizational commitment. This suggests that empowering leadership creates a supportive work environment in which employees feel psychologically fulfilled and emotionally attached, and these internal psychological states collectively strengthen their loyalty. In the context of the hospitality industry—where service quality, consistency,

and employee–guest interaction are central to competitive advantage—this mechanism is particularly relevant for talent retention and service excellence.

Discussion

This study extends the empowering leadership literature by empirically confirming the dual partial mediating roles of job satisfaction and organizational commitment in shaping employee loyalty. The findings provide a more nuanced understanding of how empowering leadership influences *behavioural* outcomes by demonstrating that internal psychological mechanisms serve as critical transmission channels. By integrating these mediators within a parallel mediation framework, this research contributes to leadership and hospitality management literature, particularly within emerging economy contexts such as Indonesia.

From a managerial perspective, the findings highlight the importance of integrating empowering leadership practices into human resource management strategies within hospitality organizations. Hotel management should develop leadership training programs that encourage managers to delegate authority, promote participative decision-making, and support employee development. By adopting empowering leadership practices, organizations can foster a supportive work environment that enhances employees' psychological well-being and strengthens their loyalty toward the organization.

In addition, the results of this study provide practical insights for talent retention strategies in the hospitality industry. Given the high employee turnover commonly observed in hospitality organizations, fostering job satisfaction and organizational commitment becomes essential for retaining talented employees. Organizations can strengthen employee retention by creating supportive leadership environments, providing career development opportunities, and recognizing employee contributions. By implementing such strategies, hospitality organizations can reduce turnover rates while maintaining service consistency and organizational competitiveness.

Conclusion, Limitation of the Study, and Recommendations for Future Research

This study examined the relationship between empowering leadership and employee loyalty in the hospitality industry, with job satisfaction and organizational commitment as mediating variables. The findings highlight the important role of empowering leadership in fostering positive employee attitudes and strengthening loyalty within service-oriented organizations. Specifically, empowering leadership contributes not only to the development of stronger employee loyalty but also indirectly influences loyalty through the enhancement of job satisfaction and organizational commitment. These findings underscore the importance of leadership practices that empower employees by providing autonomy, trust, and opportunities to participate in decision-making.

From a conceptual perspective, this research contributes to the leadership and hospitality management literature by extending the application of Social Exchange Theory to explain the mechanisms by which empowering leadership influences employee loyalty. By integrating job satisfaction and organizational commitment as parallel mediators, this study provides a more comprehensive understanding of how leadership practices shape employees' psychological attachment and long-term commitment to the organization. The findings also contribute to hospitality management research by emphasizing the importance of leadership strategies in addressing employee retention challenges in service-intensive industries characterized by high turnover rates.

Despite its contributions, this study has several limitations that should be acknowledged. First, the study had a relatively small sample size of 170 respondents, which may limit the generalizability of the findings to the broader hospitality industry. Although the sample size is adequate for mediation analysis, future studies may benefit from larger samples that include employees from a wider range of hospitality organizations and geographical regions. Second, the data were collected using self-reported questionnaires, which may introduce potential biases such as common method bias or social desirability bias. These limitations suggest that the findings should be interpreted with caution.

Future research may address these limitations by employing larger, more diverse samples across sectors of the hospitality industry and countries to enhance the generalizability of the findings. Longitudinal research designs could also provide deeper insights into the causal relationships between empowering leadership, employee attitudes, and loyalty over time. Additionally, future studies may explore other mediating or moderating variables, such as perceived organizational support, psychological empowerment, or organizational culture, to further explain how leadership practices influence employee retention and organizational sustainability in the hospitality industry.

Statement of Conflict of Interest

The author declares that there are no conflicts of interest in this study. The entire research process and the writing of this article were conducted independently, without any personal, commercial, or institutional interests that could influence the results or interpretation of this study.

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Appendix

Table 4. Direct and Total Effects Model

Direct effect				
Predictor	Outcome = M1 (Job satisfaction)			
	β	SE	t	p
X (Empowering leadership)	0,68	0,06	12,02	0,00
Constant	5,61	0,99	5,68	0,00
Direct effect				
Predictor	Outcome = M2 (Organizational commitment)			
	β	SE	t	P
X (Empowering leadership)	0,78	0,69	11,27	0,00
Constant	3,39	1,20	2,83	0,00
Direct effect				
Predictor	Outcome = Y (Employee loyalty)			
	β	SE	t	P
X (Empowering leadership)	0,29	0,06	4,66	0,00
M1(Job satisfaction)	0,57	0,07	7,66	0,00
M2 (Organizational commitment)	0,24	0,06	3,97	0,00
Constant	-2,13	0,84	-2,55	0,01
Total Effect Model				
Predictor	Outcome = Y (Employee loyalty)			
	β	SE	t	P
X (Empowering leadership)	0,87	0,06	13,93	0,00
Constant	1,90	1,09	1,75	0,08

*N=170; SE= standard error; bootstrap sample size = 5000

Source: Data processed (2026)

Table 5. Summary of Mediation Effects

Effect Type	Path	β	LLCI	ULCI	Interpretation
Total Effect	Employee leadership → Employee loyalty	0.87	0.75	0.99	Significant
Direct Effect	Employee leadership → Employee loyalty	0.29	0.17	0.41	Significant
Indirect Effect	Employee leadership → Employee loyalty via Job Satisfaction	0.39	0.23	0.54	Partial Mediation
Indirect Effect	Employee leadership → Employee loyalty via Organizational Commitment	0.19	0.06	0.34	Partial Mediation

*LLCI = Lower-Level Confidence Interval; ULCI = Upper-Level Confidence Interval.

Source: Data processed (2026)