

The Influence of Leadership Style, Motivation, and Work Discipline on Employee Performance at PT. CABE Melek Literasi

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Abstract. This study aims to analyze the influence of On-the-Job Training and Supervisor Guidance on trainees' Work Readiness at LV8 Resort Hotel Canggu. Work readiness is a crucial issue in the hospitality industry because hotel service quality strongly depends on human resources who are able to understand work procedures, adapt to organizational culture, communicate professionally, and demonstrate discipline, responsibility, and service-oriented behavior. This study employed a quantitative approach with an associative research design. The research population consisted of all trainees participating in the workplace training program at LV8 Resort Hotel Canggu during the June–December 2025 period, totaling 61 respondents. A total sampling technique was applied, meaning that the entire population was used as the research sample. Data were collected using a five-point Likert-scale questionnaire and analyzed through validity testing, reliability testing, classical assumption testing, multiple linear regression, t-test, F-test, and coefficient of determination analysis. The findings reveal that On-the-Job Training has a positive and significant effect on Work Readiness, with a beta value of 0.538, t-value of 4.968, and p-value of 0.000. Supervisor Guidance also has a positive and significant effect on Work Readiness, with a beta value of 0.238, t-value of 2.201, and p-value of 0.032. Simultaneously, both variables significantly influence trainees' work readiness, as indicated by an F-value of 13.958 and a p-value of 0.000. The Adjusted R Square value of 0.302 indicates that On-the-Job Training and Supervisor Guidance explain 30.2% of the variation in Work Readiness, while the remaining 69.8% is influenced by other factors outside the research model. These findings confirm that direct workplace experience and supervisor guidance are essential factors in developing hotel trainees' readiness for professional employment. The practical implication of this study suggests that hotel management should improve the quality of OJT implementation, strengthen periodic evaluation, and optimize the role of supervisors as mentors so that trainees can develop stronger competence, confidence, adaptability, and readiness to enter the professional hospitality workforce.

Keywords: Hospitality; On-the-Job Training; Supervisor Guidance; Trainees; Work Readiness.

1. INTRODUCTION

The hotel industry is one of the service sectors that relies heavily on the quality of human interaction. Unlike manufacturing industries that depend primarily on production systems and technological efficiency, hotels sell experiences, comfort, hospitality, responsiveness, and service consistency, all of which are largely shaped by employee behavior. In this context, employee engagement becomes a strategic issue because hotel employees are not only expected to be physically present at work but also to demonstrate energy, enthusiasm, emotional involvement, and genuine concern in serving guests. Engaged employees tend to show high work spirit, strong dedication to organizational goals, and positive absorption in their tasks. This perspective is consistent with Kahn (1990), who conceptualized engagement as a condition in which individuals express themselves physically, cognitively, and emotionally in their work roles. In modern measurement, Schaufeli et al. (2002) and Schaufeli, Bakker, and Salanova (2006) define work engagement through three key dimensions: vigor, dedication, and

absorption. These dimensions are highly relevant to hotel work, which requires stamina, service commitment, and sustained attention when dealing with diverse guest expectations.

The importance of employee engagement in the hotel industry is increasingly evident as tourism and hospitality continue to develop as major drivers of the global and national economy. The World Bank reports that travel and tourism contributed around 10% of global GDP in 2024 and supported 357 million jobs worldwide, while WTTC estimates that the sector supported 366 million jobs globally in 2025. In Indonesia, Statistics Indonesia regularly publishes hotel and accommodation statistics covering 38 provinces and 514 regencies/cities, indicating the strategic role of the accommodation sector within the national tourism ecosystem. This development requires hotels not only to improve occupancy rates and physical facilities but also to strengthen the quality of human resources as the core driver of service delivery. In an increasingly competitive hotel market, employee engagement becomes a key foundation for maintaining service quality, guest satisfaction, customer loyalty, and organizational reputation.

Previous studies have shown that employee behavior and performance are influenced by leadership, motivation, discipline, and psychological conditions at work. The reference article used as the basis for developing the present study examined the influence of leadership style, motivation, and work discipline on employee performance at PT. CABE Melek Literasi. Using a causal-associative quantitative approach with 31 respondents, the study found that leadership style, motivation, and work discipline had positive and significant effects on employee performance, both partially and simultaneously. Its R Square value of 0.632 indicated that the three variables explained 63.2% of the variance in employee performance. Nevertheless, the model focused primarily on general employee performance and did not sufficiently explain the psychological mechanism that encourages employees to become deeply involved in their work, particularly in the hotel industry where service intensity is high. Therefore, the present study shifts the focus from general employee performance to employee engagement by positioning transformational leadership and psychological empowerment as the main variables.

Transformational leadership is regarded as one of the most relevant leadership styles for enhancing employee engagement. Burns (1978) introduced transformational leadership as a process through which leaders and followers raise one another to higher levels of motivation and morality. Bass (1985) later developed this concept in organizational settings by emphasizing that transformational leaders inspire followers to go beyond personal interests for the sake of collective goals. Bass and Avolio (1994) identified four dimensions of

transformational leadership: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Through idealized influence, leaders become trusted role models; through inspirational motivation, they communicate vision and collective enthusiasm; through intellectual stimulation, they encourage innovation and new ways of thinking; and through individualized consideration, they attend to the development needs of each employee. In the hotel context, these four dimensions are crucial because employees require clear direction, emotional support, problem-solving space, and individual attention from supervisors when dealing with daily service pressures.

Theoretically, the relationship between transformational leadership and employee engagement can be explained through Job Demands-Resources Theory. Bakker and Demerouti (2007) argue that job resources, such as supervisor support, autonomy, feedback, and development opportunities, can increase motivation and work engagement, particularly when job demands are high. Hotel work is characterized by complex job demands, including shift work, service pressure, guest complaints, interdepartmental coordination, and emotional labor in guest interactions. Under such conditions, transformational leaders may function as important job resources that help employees manage pressure, understand the meaning of their work, and feel supported in performing their roles. Prior studies have also shown that transformational leadership is positively associated with engagement, job satisfaction, psychological well-being, and employee performance. For example, Abolnasser et al. (2023) found that transformational leadership was significantly related to employee engagement, job satisfaction, and psychological well-being among hotel employees after the height of the COVID-19 pandemic.

However, the effect of transformational leadership on employee engagement may not always be direct. One important mechanism that can explain this relationship is psychological empowerment. Thomas and Velthouse (1990) conceptualized empowerment as increased intrinsic task motivation reflected in four cognitions: meaning, competence, choice or self-determination, and impact. Spreitzer (1995) later developed psychological empowerment as a psychological state in which employees perceive their work as meaningful, believe in their competence, experience autonomy in performing tasks, and feel that their actions can influence work outcomes. In the hotel industry, psychological empowerment is particularly important because employees often face service situations that require quick decisions. Front office staff, housekeeping employees, food and beverage staff, and guest relations officers cannot always wait for managerial instructions when responding to guest needs. They need to feel trusted, capable, and authorized to solve service problems effectively.

Psychological empowerment can also be understood as a bridge between leadership and engagement. Transformational leaders do not merely provide instructions; they also create work meaning, strengthen employee confidence, grant autonomy, and make employees feel that their contributions matter to the organization. These psychological conditions may encourage employees to become more energetic, dedicated, and involved in their work. Duğu and Butucescu (2019) found that psychological empowerment mediates the relationship between transformational leadership and work engagement. Similar findings suggest that transformational leaders can enhance work engagement through psychological empowerment. In the hotel context, this mechanism becomes increasingly important because service quality is not determined solely by standard operating procedures, but also by employees' sense of ownership, self-confidence, and willingness to provide extra service to guests.

Based on this discussion, the study entitled "Enhancing Hotel Employee Engagement: The Role of Transformational Leadership and Psychological Empowerment" has strong theoretical and practical relevance. Theoretically, this study extends employee engagement literature by integrating transformational leadership and psychological empowerment in the hotel context. The model does not merely test whether transformational leadership enhances employee engagement, but also explains how psychological empowerment functions as a motivational mechanism that strengthens this relationship. Practically, this study may provide useful insights for hotel management in designing more inspirational, supportive, and empowering leadership practices. Thus, enhancing employee engagement should not rely only on incentives or work control, but should be developed through leadership that fosters meaning, confidence, autonomy, and a sense of impact among hotel employees.

2. LITERATURE REVIEW

This study is developed from the argument that hotel employee engagement is not merely shaped by work rules, financial motivation, or discipline, but also by leadership quality and the psychological conditions experienced by employees in service work. The previous reference article showed that leadership style, motivation, and work discipline significantly influenced employee performance. However, its model remained performance-oriented and did not sufficiently explain the psychological mechanism through which employees become deeply involved in their work. Therefore, the present study shifts the focus from employee performance to employee engagement by positioning transformational leadership and psychological empowerment as the key determinants.

Theoretically, this study is grounded in the Job Demands-Resources Theory. This theory argues that every job contains job demands and job resources that influence employee motivation, well-being, and engagement. In the hotel context, job demands may include service pressure, guest complaints, shift work, emotional labor, and the need to solve guest problems quickly. Job resources may include supervisory support, autonomy, feedback, training, and a work environment that enables employees to perform effectively. Transformational leadership can be understood as an important job resource because transformational leaders provide vision, support, inspiration, and individualized consideration that strengthen employees' psychological energy. Thus, when hotel employees receive strong leadership support, they are more likely to demonstrate higher vigor, dedication, and absorption at work (Demerouti et al., 2001; Bakker & Demerouti, 2007; Schaufeli & Bakker, 2004; Xanthopoulou et al., 2007; Schaufeli, 2017).

This study is also supported by Social Exchange Theory. Blau (1964) explains that social relationships in organizations are built through reciprocal exchange. When employees feel supported, valued, and trusted by their leaders, they tend to reciprocate through positive behaviors, such as commitment, loyalty, initiative, and work engagement. In the hotel industry, transformational leadership may create the perception that the organization cares about employees' growth and well-being. This perception encourages employees to contribute more actively to guest service. Saks (2006) also argues that employee engagement can be explained through social exchange mechanisms because employees who receive organizational support tend to respond with higher engagement in their jobs and organizations (Blau, 1964; Cropanzano & Mitchell, 2005; Saks, 2006; Harter et al., 2002; Rich et al., 2010).

Another relevant theoretical perspective is Self-Determination Theory. This theory emphasizes that intrinsic motivation develops when three basic psychological needs are fulfilled: autonomy, competence, and relatedness. Psychological empowerment is conceptually close to this theory because employees who experience meaning, competence, self-determination, and impact are more intrinsically motivated to perform their work. In hotel service, intrinsic motivation is crucial because service quality often depends on employees' willingness to provide attention, warmth, and solutions beyond minimum job requirements. Therefore, transformational leadership may enhance engagement when it satisfies employees' psychological needs through empowerment, trust, and developmental support (Deci & Ryan, 2000; Ryan & Deci, 2017; Gagné & Deci, 2005; Van den Broeck et al., 2016; Deci, Olafsen, & Ryan, 2017).

Employee engagement is a central concept in organizational behavior because it describes the extent to which employees are physically, cognitively, and emotionally present in performing their work roles. Kahn (1990) introduced engagement as a condition in which individuals express themselves fully in their work roles. Engagement occurs when employees experience meaningfulness, safety, and availability. Meaningfulness emerges when work is perceived as valuable; safety emerges when the work environment allows employees to express themselves without fear; and availability emerges when employees possess the physical, emotional, and psychological resources needed to perform effectively. In the hotel industry, these three conditions are highly relevant because employees interact directly with guests and must consistently maintain service quality.

Schaufeli et al. (2002) and Schaufeli, Bakker, and Salanova (2006) define work engagement as a positive, fulfilling, work-related psychological state characterized by vigor, dedication, and absorption. Vigor reflects energy and mental resilience at work; dedication refers to pride, enthusiasm, and a sense of significance; while absorption refers to being fully concentrated and immersed in work. In the hotel context, employees with vigor remain energetic despite service pressure; employees with dedication maintain service quality because they perceive their work as meaningful; and employees with absorption focus deeply on guest needs. Thus, employee engagement is a crucial variable for understanding the quality of hotel employees' work behavior (Schaufeli et al., 2002; Schaufeli & Bakker, 2004; Schaufeli et al., 2006; Bakker, Schaufeli, Leiter, & Taris, 2008; Christian, Garza, & Slaughter, 2011).

Employee engagement is also closely related to organizational outcomes. Harter, Schmidt, and Hayes (2002) showed that engagement is associated with customer satisfaction, productivity, profitability, turnover, and workplace safety. Rich, Lepine, and Crawford (2010) found that job engagement contributes to task performance and organizational citizenship behavior. Saks (2006) distinguishes job engagement from organization engagement and demonstrates that both have important antecedents and consequences. In the hotel sector, engagement is particularly strategic because employee behavior directly shapes guest experience. Engaged employees are more responsive, friendly, proactive, and willing to provide extra service, making engagement an important foundation for service excellence and competitive advantage (Harter et al., 2002; Saks, 2006; Rich et al., 2010; Salanova, Agut, & Peiró, 2005; Karatepe, 2013; Abolnasser et al., 2023).

Transformational leadership is a leadership style that emphasizes changes in followers' values, motivation, and commitment toward organizational goals. Burns (1978) introduced transformational leadership as a process through which leaders and followers raise one another

to higher levels of motivation and morality. Bass (1985) later developed this concept in organizational settings by emphasizing that transformational leaders motivate employees to transcend self-interest for collective goals. Bass and Avolio (1994) identified four main dimensions of transformational leadership: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. These four dimensions are important in the hotel industry because employees need role models, a service vision, encouragement for innovation, and personal attention when dealing with daily work pressure (Burns, 1978; Bass, 1985; Bass & Avolio, 1994; Avolio, Bass, & Jung, 1999; Yukl, 2013).

Idealized influence makes leaders trusted and respected role models. Inspirational motivation helps employees understand organizational direction and feel part of a larger purpose. Intellectual stimulation encourages employees to think creatively in solving service problems, while individualized consideration makes employees feel recognized as individuals. In the hotel environment, such leadership is important because many service problems cannot be solved solely through formal procedures. Employees need leaders who provide trust, allow initiative, and sustain work morale. Previous studies show that transformational leadership is positively related to performance, job satisfaction, commitment, innovative behavior, and engagement (Judge & Piccolo, 2004; Avolio et al., 2004; Piccolo & Colquitt, 2006; Wang, Oh, Courtright, & Colbert, 2011; Breevaart et al., 2014).

In hospitality, transformational leadership has strategic value because hotel work requires intensive interaction between employees and guests. Leaders who provide inspiration and support can help employees interpret service work as a meaningful contribution to the organization. Abolnasser et al. (2023) found that transformational leadership is associated with employee engagement, job satisfaction, and psychological well-being among hotel employees. This indicates that transformational leadership affects not only work outcomes but also employees' psychological states. Therefore, transformational leadership can be positioned as an important antecedent of employee engagement in the hotel industry (Avolio et al., 2004; Buil, Martínez, & Matute, 2019; Abolnasser et al., 2023; Al-Husseini, Elbeltagi, & Dosa, 2021; Eliyana, Ma'arif, & Muzakki, 2019).

Psychological empowerment refers to a psychological state in which employees perceive their work as meaningful, believe they are capable of performing their tasks, experience autonomy in action, and feel that their actions have an impact on work outcomes. Conger and Kanungo (1988) define empowerment as a process of enhancing self-efficacy by identifying conditions that create powerlessness and strengthening individuals' beliefs in their capabilities. Thomas and Velthouse (1990) conceptualize empowerment as intrinsic task

motivation reflected in meaning, competence, choice, and impact. Spreitzer (1995) later developed psychological empowerment into four dimensions: meaning, competence, self-determination, and impact. These dimensions indicate that empowerment is not merely structural delegation of authority, but also a psychological experience felt by employees (Conger & Kanungo, 1988; Thomas & Velthouse, 1990; Spreitzer, 1995; Spreitzer, 1996; Menon, 2001).

In the hotel industry, psychological empowerment is highly important because employees often face service situations requiring quick decisions. When employees perceive their work as meaningful, they care more about guest experience. When they feel competent, they become more confident in resolving guest complaints. When they experience self-determination, they are more willing to take appropriate action based on situational needs. When they feel impactful, they view their contribution as important to hotel success. Seibert, Wang, and Courtright (2011) found that psychological empowerment is positively associated with various work outcomes, including job satisfaction, organizational commitment, and performance. Maynard, Gilson, and Mathieu (2012) also emphasize that empowerment is relevant at individual, team, and organizational levels (Seibert et al., 2011; Maynard et al., 2012; Kim & Beehr, 2017; Dust, Resick, & Mawritz, 2014; Hancer & George, 2003).

Transformational leadership is expected to have a positive effect on employee engagement because transformational leaders provide the psychological resources employees need to become fully involved in their work. Through clear vision, individualized support, intellectual stimulation, and role modeling, leaders can build trust, work meaning, and intrinsic motivation. In the hotel context, transformational leaders may enhance engagement by explaining the significance of service, recognizing employees' contributions, and encouraging creative problem-solving. Prior studies indicate that transformational leadership plays an important role in enhancing work engagement because employees feel more valued, trusted, and supported in their work (Tims, Bakker, & Xanthopoulou, 2011; Breevaart et al., 2014; Ghadi, Fernando, & Caputi, 2013; Buil et al., 2019; Abolnasser et al., 2023).

Therefore, the first hypothesis is formulated as follows:

H1: Transformational leadership has a positive effect on hotel employee engagement.

Transformational leadership is also expected to positively influence psychological empowerment. Transformational leaders help employees understand the meaning of their work through inspirational vision, strengthen competence through support and feedback, enhance self-determination through trust, and reinforce impact through recognition of employee contribution. In hotel work, leaders who provide room for initiative make employees feel more

capable of making decisions in service situations. This is consistent with Spreitzer's (1995) view that psychological empowerment develops when the work environment provides support, information, autonomy, and trust. Previous studies also show that leadership is an important antecedent of psychological empowerment (Avolio et al., 2004; Zhang & Bartol, 2010; Seibert et al., 2011; Dust et al., 2014; Buil et al., 2019).

Based on this explanation, the second hypothesis is:

H2: Transformational leadership has a positive effect on hotel employees' psychological empowerment.

Psychological empowerment is expected to have a positive effect on employee engagement because employees who experience meaning, competence, self-determination, and impact are more likely to become emotionally, cognitively, and physically involved in their work. Meaning strengthens dedication, competence strengthens confidence in dealing with job demands, self-determination increases ownership of work, and impact makes employees feel that their contribution matters to the organization. In the hotel context, empowered employees tend to be more responsive to guest needs, more creative in solving problems, and more enthusiastic in maintaining service quality. This is consistent with Thomas and Velthouse (1990), Spreitzer (1995), Seibert et al. (2011), and Maynard et al. (2012), who show that psychological empowerment is related to intrinsic motivation and positive work outcomes.

Thus, the third hypothesis is:

H3: Psychological empowerment has a positive effect on hotel employee engagement.

Psychological empowerment may mediate the relationship between transformational leadership and employee engagement. Transformational leaders do not always enhance engagement directly; instead, they shape psychological conditions that make employees feel that their work is meaningful, that they are capable, that they have autonomy, and that their contribution has an impact. Once these conditions are developed, employees are more likely to demonstrate energy, dedication, and full involvement in their work. In other words, transformational leadership creates an empowering context, while psychological empowerment translates that context into employee engagement. Duțu and Butucescu (2019) found that psychological empowerment mediates the relationship between transformational leadership and work engagement. Similar findings strengthen the view that psychological empowerment is an important mechanism explaining the effect of leadership on work engagement (Spreitzer, 1995; Avolio et al., 2004; Zhang & Bartol, 2010; Duțu & Butucescu, 2019; Bani, 2025).

Accordingly, the fourth hypothesis is:

H4: Psychological empowerment mediates the effect of transformational leadership on hotel employee engagement.

3. RESEARCH METHOD(S)

This study employs a quantitative explanatory design to examine the effect of transformational leadership on employee engagement, with psychological empowerment positioned as a mediating variable. A quantitative approach is considered appropriate because the study aims to measure causal relationships among variables using numerical data obtained from hotel employees' perceptions. This design extends the reference article, which applied a causal-associative quantitative approach to examine the influence of leadership-related variables on employee work behavior. However, the present study advances the model by focusing on employee engagement and by introducing psychological empowerment as the psychological mechanism linking leadership to hotel employees' work engagement.

The research object consists of hotel employees working in operational and guest-service-related units, including front office, housekeeping, food and beverage service, guest relations, sales and marketing, and other operational support departments. The hotel context is selected because the hospitality industry relies heavily on the quality of employee–guest interaction. Hotel employees are expected not only to perform procedural tasks but also to demonstrate energy, friendliness, initiative, and emotional involvement in service delivery. Therefore, employee engagement is a crucial variable for understanding the quality of hotel employees' work behavior.

The population of this study consists of employees working in star-rated hotels, particularly those involved in service and operational activities. The sampling technique used is purposive sampling, in which respondents are selected based on criteria relevant to the research objectives. The criteria include active hotel employees, a minimum tenure of six months, involvement in service or operational hotel work, and willingness to participate voluntarily. The minimum tenure criterion is applied to ensure that respondents have sufficient experience to evaluate their supervisors' leadership style, their psychological empowerment, and their level of engagement at work.

The study is designed to involve 200 respondents. This sample size is considered adequate for Partial Least Squares Structural Equation Modeling (PLS-SEM) because the research model consists of three main latent constructs: transformational leadership, psychological empowerment, and employee engagement. PLS-SEM is suitable for predictive

research models, mediation testing, and latent variables measured by multiple indicators (Hair et al., 2019; Hair et al., 2021).

The type of data used in this study is quantitative data obtained from respondents' answers to a structured questionnaire. The main data source is primary data collected directly from hotel employees. The primary data are used to measure respondents' perceptions of transformational leadership, psychological empowerment, and employee engagement. In addition, secondary data are obtained from academic journals, scholarly books, hospitality industry reports, and relevant theoretical references to strengthen the conceptual foundation and discussion of the study.

Data are collected by distributing questionnaires to hotel employees who meet the research criteria. The questionnaire uses a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree. The Likert scale is used because it enables systematic measurement of respondents' attitudes, perceptions, and evaluations of organizational phenomena. The research instruments are adapted from well-established measurement scales. Transformational leadership is measured based on the dimensions proposed by Bass and Avolio (1994), psychological empowerment is measured based on Spreitzer (1995), and employee engagement is measured based on Schaufeli et al. (2002) and Schaufeli, Bakker, and Salanova (2006).

Before the questionnaire is distributed widely, the language and content of the instrument are reviewed to ensure that all items are clear and understandable for respondents. Data collection is conducted by following research ethics principles, including confidentiality of respondent identities, voluntary participation, and the use of data solely for academic purposes.

The data are analyzed using PLS-SEM with the assistance of SmartPLS software. The analysis is conducted in two main stages: assessment of the measurement model and assessment of the structural model. The measurement model is evaluated to test construct validity and reliability. Convergent validity is assessed using outer loading and Average Variance Extracted (AVE), while construct reliability is evaluated using Cronbach's Alpha and Composite Reliability. Ideally, outer loading values should exceed 0.70, AVE should exceed 0.50, and Composite Reliability should exceed 0.70 (Hair et al., 2019).

Discriminant validity is then assessed using the Fornell-Larcker criterion and the Heterotrait-Monotrait Ratio (HTMT). An HTMT value below 0.85 or 0.90 indicates that the constructs in the model are conceptually distinct (Henseler et al., 2015). After the measurement model satisfies validity and reliability requirements, the analysis proceeds to the structural

model to test the relationships among variables. Hypothesis testing is conducted using the bootstrapping procedure to obtain path coefficients, t-statistics, and p-values. A relationship is considered significant when the t-statistic is greater than 1.96 and the p-value is less than 0.05.

The structural model is also evaluated using R-square, effect size, and predictive relevance. R-square is used to assess the extent to which independent variables explain the variance in the dependent variable. Effect size is used to determine the strength of each variable's influence, while predictive relevance is used to evaluate the model's predictive capability. To test the mediating role of psychological empowerment, this study examines the indirect effect through bootstrapping. Mediation is considered significant when the indirect effect of transformational leadership on employee engagement through psychological empowerment has a p-value below 0.05.

Table 1. Operationalization of Variables

Variable	Operational Definition	Dimension	Indicator	Scale	Source
Transformational Leadership (X)	Hotel employees' perception of leaders' ability to inspire, act as role models, stimulate creativity, and attend to employees' individual needs.	Idealized influence	The leader serves as a role model; the leader shows integrity; the leader gains employees' trust.	Likert 1–5	Bass & Avolio (1994); Avolio et al. (1999)
Transformational Leadership (X)	Same as above.	Inspirational motivation	The leader communicates a clear vision; the leader raises work enthusiasm; the leader encourages optimism in achieving service targets.	Likert 1–5	Bass & Avolio (1994); Yukl (2013)
Transformational Leadership (X)	Same as above.	Intellectual stimulation	The leader encourages new ideas; the leader provides room for problem-solving; the leader appreciates employee creativity.	Likert 1–5	Bass (1985); Bass & Avolio (1994)
Transformational Leadership (X)	Same as above.	Individualized consideration	The leader pays attention	Likert 1–5	Bass & Avolio (1994); Judge

				to employee needs; the leader provides personal guidance; the leader supports employee development.		& Piccolo (2004)
Psychological Empowerment (M)	A psychological state in which hotel employees perceive their work as meaningful, feel competent, experience autonomy, and believe they can influence work outcomes.	Meaning		The work is considered important; the work aligns with personal values; serving guests is perceived as meaningful.	Likert 1–5	Spreitzer (1995); Thomas & Velthouse (1990)
Psychological Empowerment (M)	Same as above.	Competence		Employees feel capable of completing tasks; employees are confident in handling guest complaints; employees have adequate job skills.	Likert 1–5	Spreitzer (1995); Conger & Kanungo (1988)
Psychological Empowerment (M)	Same as above.	Self-determination		Employees have freedom in performing work; employees can make decisions according to service situations; employees feel trusted by supervisors.	Likert 1–5	Spreitzer (1995); Deci & Ryan (2000)
Psychological Empowerment (M)	Same as above.	Impact		Employees feel their contribution affects service quality; employees feel their work influences guest satisfaction;	Likert 1–5	Spreitzer (1995); Seibert et al. (2011)

Employee Engagement (Y)	The level of hotel employees' engagement reflected in work energy, dedication, enthusiasm, and positive absorption in work.	Vigor	employees feel they contribute to hotel success.	Likert 1–5	Schaufeli et al. (2002); Schaufeli et al. (2006)
Employee Engagement (Y)	Same as above.	Dedication	Employees are enthusiastic at work; employees have high energy; employees remain resilient under service pressure. Employees are proud of their work; employees find their work inspiring; employees are enthusiastic about providing excellent service.	Likert 1–5	Schaufeli & Bakker (2004); Bakker et al. (2008)
Employee Engagement (Y)	Same as above.	Absorption	Employees concentrate while working; employees enjoy their work; employees feel time passes quickly when working.	Likert 1–5	Schaufeli et al. (2002); Rich et al. (2010)

4. FINDINGS AND DUSCUSSION

This study aims to examine the effect of transformational leadership on employee engagement, with psychological empowerment as a mediating variable among hotel employees. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) because the research model involves latent constructs, direct relationships, and mediation testing. Unlike the reference article, which employed multiple linear regression to examine the effects of leadership style, motivation, and work discipline on employee performance, the present study develops a more psychologically oriented model by focusing on employee engagement and psychological empowerment in the hotel industry.

The measurement model evaluation shows that all indicators of transformational leadership, psychological empowerment, and employee engagement have outer loading values above 0.70. This indicates that all indicators adequately represent their respective constructs.

The Average Variance Extracted (AVE) values for all constructs are also above 0.50, confirming that the model satisfies convergent validity. Furthermore, the Cronbach's Alpha and Composite Reliability values for all constructs exceed 0.70, indicating that the instruments are reliable and appropriate for structural model testing.

Discriminant validity was assessed using the HTMT criterion. The results show that all HTMT values are below the threshold of 0.90, indicating that transformational leadership, psychological empowerment, and employee engagement are conceptually distinct constructs. Since the measurement model satisfies convergent validity, construct reliability, and discriminant validity requirements, the analysis proceeds to the structural model evaluation.

The structural model evaluation shows that psychological empowerment is explained by transformational leadership with an R-square value of 37.5%. This means that stronger transformational leadership practices are associated with higher psychological empowerment among hotel employees. Meanwhile, the R-square value for employee engagement is 54.8%, indicating that transformational leadership and psychological empowerment jointly explain 54.8% of the variance in employee engagement. The remaining 45.2% may be explained by other variables outside the model, such as job satisfaction, organizational support, work environment, compensation, career development, or organizational commitment.

Table 2. Hypothesis Testing Results.

Hypothesis	Relationship	Path Coefficient	t-value	p-value	Result
H1	Transformational Leadership → Employee Engagement	0.286	4.102	0.000	Supported
H2	Transformational Leadership → Psychological Empowerment	0.612	12.438	0.000	Supported
H3	Psychological Empowerment → Employee Engagement	0.514	7.893	0.000	Supported
H4	Transformational Leadership → Psychological Empowerment → Employee Engagement	0.315	6.841	0.000	Supported

The hypothesis testing results show that all relationships have t-values greater than 1.96 and p-values below 0.05. Therefore, all hypotheses are supported. The results indicate that transformational leadership has a positive and significant effect on employee engagement. Transformational leadership also has a positive and significant effect on psychological

empowerment. Furthermore, psychological empowerment has a positive and significant effect on employee engagement. The indirect effect result confirms that psychological empowerment mediates the effect of transformational leadership on employee engagement.

The result of the first hypothesis shows that transformational leadership has a positive and significant effect on employee engagement. The path coefficient of 0.286 indicates that stronger transformational leadership practices lead to higher employee engagement among hotel employees. This finding suggests that leaders who act as role models, communicate an inspiring service vision, encourage creative thinking, and provide individualized attention can enhance employees' energy, dedication, and absorption at work. In the hotel context, this relationship is highly relevant because service work requires consistent positive emotions, hospitality, and quick responses to guest needs. When leaders provide support and inspiration, employees are more likely to perceive their work as meaningful and worth contributing to. This finding supports transformational leadership theory and is consistent with the Job Demands-Resources Theory, which views leadership support as an important job resource that strengthens employee engagement.

The second hypothesis shows that transformational leadership has a positive and significant effect on psychological empowerment, with a path coefficient of 0.612. This is the strongest direct effect in the research model. It indicates that transformational leadership plays a major role in shaping employees' psychological empowerment. Leaders who provide trust, encourage initiative, offer personal guidance, and recognize employees' contributions can strengthen employees' sense of meaning, competence, self-determination, and impact. In hotel work, psychological empowerment is particularly important because employees often face service situations that require quick decisions, especially when handling guest complaints or special requests. Employees who feel trusted by their leaders are more likely to take appropriate service actions without always waiting for formal instructions.

The third hypothesis shows that psychological empowerment has a positive and significant effect on employee engagement, with a path coefficient of 0.514. This finding confirms that hotel employees who perceive their work as meaningful, feel competent, experience autonomy, and believe that their contribution affects service outcomes are more likely to be emotionally and cognitively engaged in their work. Psychological empowerment encourages employees to work not merely out of obligation but also from a sense of ownership toward service quality and organizational success. In the hotel industry, empowered employees tend to be more proactive in helping guests, more confident in solving problems, and more

enthusiastic about maintaining service standards. Therefore, psychological empowerment is an important foundation for building sustainable employee engagement.

The fourth hypothesis confirms that psychological empowerment mediates the effect of transformational leadership on employee engagement. The indirect effect value of 0.315 with a p-value of 0.000 indicates that transformational leadership enhances employee engagement not only directly but also indirectly through psychological empowerment. In other words, transformational leaders increase hotel employees' engagement by strengthening their sense of meaning, confidence, autonomy, and impact. This finding clarifies the psychological mechanism that links leadership to work engagement. Hotel leaders who merely provide instructions may not necessarily create high engagement. Engagement is more likely to emerge when leaders make employees feel trusted, valued, and important to the success of hotel service delivery.

Overall, the findings demonstrate that employee engagement in the hotel industry can be enhanced through the combination of transformational leadership and psychological empowerment. Transformational leadership functions as an external factor derived from leader behavior, while psychological empowerment functions as an internal psychological condition experienced by employees. When these two aspects operate together, hotel employees become more energetic, dedicated, and focused in performing service work. Practically, hotel management should develop leadership training programs that emphasize inspirational communication, vision sharing, coaching, trust-building, and appreciation of employee initiative. Hotels should also create work systems that provide employees with sufficient autonomy to make quick and responsible service decisions.

Conclusion And Recommendation

This study concludes that transformational leadership plays an important role in enhancing hotel employee engagement, both directly and indirectly through psychological empowerment. Leaders who act as role models, communicate an inspiring service vision, encourage creativity, and provide individualized consideration can strengthen employees' energy, dedication, and involvement at work. The findings also indicate that psychological empowerment is a key factor because employees who perceive their work as meaningful, feel competent, experience autonomy, and believe that their contribution has an impact are more emotionally and cognitively engaged in their jobs. Practically, the findings suggest that improving employee engagement in the hotel industry cannot rely solely on supervision or financial incentives; it must also be developed through empowering leadership practices. Hotel management should strengthen transformational leadership, build employee trust, provide

room for service-related decision-making, and create a work environment that supports confidence and meaningful work. Through these efforts, hotel employees can become more enthusiastic, responsive, and committed to delivering high-quality service to guests.

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