



Effect of Empowering Leadership on Job Satisfaction with Organizational Commitment as a Mediator

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ABSTRACT

This study examines the effect of Empowering Leadership on Job Satisfaction, with Organizational Commitment as a mediating variable among 119 automotive sales employees in Tangerang. Using a quantitative survey approach, data were analysed through PLS-SEM with SmartPLS 4. The results show that Empowering Leadership positively and significantly affects Organizational Commitment ($\beta = 0.637$; $p = 0.000$) and Job Satisfaction ($\beta = 0.493$; $p = 0.000$). Organizational Commitment also positively and significantly affects Job Satisfaction ($\beta = 0.394$; $p = 0.000$) and partially mediates the effect of Empowering Leadership on Job Satisfaction ($\beta = 0.231$; $p = 0.002$). These findings indicate that empowering leadership enhances job satisfaction directly and through organizational commitment.

INTRODUCTION

Human resource management (HRM) encompasses the processes of recruiting, training, evaluating, and managing employees, including employment relationships and aspects of organisational justice (Dessler, 2019). In the modern era, a company's competitive advantage increasingly depends on strategic human resource management, particularly through effective leadership, Job Satisfaction, and Organizational Commitment, which have been shown to enhance employee loyalty and work productivity (Alam et al., 2024).

This urgency is particularly evident in Indonesia's automotive industry, especially in Tangerang, which faces increasingly intense market competition during the post-pandemic recovery period, as vehicle sales are strongly influenced by market conditions and dealer sales activities (Gaikindo, 2024). As a densely populated major city – with a population of 3.4 million and an annual growth rate of 1.25% (BPS, 2024) – and the city with the highest number of four-wheeled vehicles in Banten Province, Tangerang represents substantial automotive market potential while simultaneously requiring more effective human resource management among sales personnel to address such competition.

Kabupaten/Kota	Jumlah Penduduk (Ribu)	Laju Pertumbuhan Penduduk per Tahun	Persentase Penduduk	Kepadatan Penduduk per km persegi (Km ²)	Rasio Jenis Kelamin Penduduk
Tangerang	3.400,5	1,25	27,35	3.309	104,1

Figure 1. Tangerang City Growth Rate

Source: BPS (2024)

Automotive sales employees face high work pressure due to demands to achieve sales targets, build customer relationships, and consistently maintain performance, all of which may affect their Job Satisfaction. This is consistent with the findings of Khoirunnisa and Usman (2024), which indicate that job satisfaction plays an important role in reducing turnover intention among automotive sales employees who face demanding workloads and strict sales targets.

One of the key determinants of Job Satisfaction is Empowering Leadership, a leadership approach that emphasises the delegation of authority, trust, and employee involvement in decision-making to foster work motivation and performance (Kandemir, 2025; Zhang et al., 2022). In addition, companies need to pay attention to Organizational Commitment, as employees with high levels of commitment tend to demonstrate greater loyalty, active involvement, and lower turnover intention (Alomran et al., 2024; Kuutila et al., 2025). Kandemir (2025) found that Empowering Leadership has a positive effect on Job Satisfaction and Organizational Commitment, with Organizational Commitment serving as a mediating variable that explains the mechanism through which empowering leadership enhances job satisfaction.

Although the relationships among Empowering Leadership, Job Satisfaction, and Organizational Commitment have been widely studied, most previous studies have been conducted in the education, medical, and public service sectors, such as Kandemir (2025), which examined teachers as respondents. Research involving automotive sales employees remains relatively limited, particularly in Indonesia, despite their distinct work characteristics, including sales target pressures, intense market competition, and performance-based incentive systems.

This research gap provides the basis for the present study, which aims to empirically examine the contribution of Empowering Leadership to Job Satisfaction while positioning Organizational Commitment as a mediating variable among sales employees in the automotive sector in Tangerang.

LITERATURE REVIEW

Leader-Member Exchange (LMX) Theory

LMX Theory explains that leadership effectiveness is determined by the quality of the relationship between leaders and subordinates, where high levels of trust and support foster positive work attitudes through reciprocal processes (Manata & Grubb, 2022). Horoub (2022) found that LMX quality strengthens the effect of Empowering Leadership on Job Satisfaction, while Kandemir (2025) confirmed that Empowering Leadership enhances Organizational Commitment and Job Satisfaction. This theory serves as the primary theoretical foundation for explaining the relationships among the variables examined in this study.

Job Satisfaction

Job Satisfaction refers to employees' affective responses to their work experiences, influenced by factors such as the work environment, communication with supervisors, incentives, and opportunities for personal development (Gazi et al., 2024). Employees with high Job Satisfaction tend to demonstrate greater work motivation, loyalty, and contribution, making it an important indicator of the quality of the relationship between employees and the organisation (Kandemir, 2025).

Organizational Commitment

Organizational Commitment refers to the psychological attachment that binds individuals to remain part of an organisation and support the achievement of its goals (Kandemir, 2025). It consists of three dimensions: affective commitment (emotional attachment), continuance commitment (consideration of the costs and benefits of leaving), and normative commitment (a moral obligation to remain). Employees with high organisational commitment generally demonstrate stronger work involvement and lower turnover intention.

Empowering Leadership

Empowering Leadership is a leadership approach that focuses on providing employees with authority, trust, and support in carrying out their tasks and responsibilities through greater autonomy and opportunities to participate in decision-making (Kandemir, 2025). This leadership style has been shown to enhance employees' intrinsic motivation by providing trust and support within the workplace (Zhang et al., 2022).

Empowering Leadership and Organizational Commitment

Empowered employees tend to feel valued, which strengthens their loyalty to the organisation. Kandemir (2025) and Limpo & Junaidi (2022) both demonstrated a positive effect of Empowering Leadership on Organizational Commitment, with no significant contradictory findings.

H1: Empowering Leadership has a positive effect on Organizational Commitment among automotive sales employees in Tangerang.

Organizational Commitment and Job Satisfaction

Limpo & Junaidi (2022) and Morais et al. (2024) found that high organisational commitment promotes positive work attitudes, including job satisfaction. However, Kandemir (2025) reported a non-significant relationship in the context of teachers, indicating that this relationship may be context-dependent.

H2: Organizational Commitment has a positive effect on Job Satisfaction among automotive sales employees in Tangerang.

Empowering Leadership and Job Satisfaction

Empowering Leadership provides employees with autonomy, trust, and delegated authority, allowing salespeople to feel greater ownership and control over their work, which fosters a more positive work experience and higher job satisfaction. This positive and significant effect has been empirically confirmed by Limpo & Junaidi (2022).

H3: Empowering Leadership has a positive effect on Job Satisfaction among automotive sales employees in Tangerang.

The Mediating Role of Organizational Commitment

Empowering Leadership can enhance Job Satisfaction both directly and indirectly by first strengthening Organizational Commitment. Kandemir (2025) and Limpo & Junaidi (2022) demonstrated that Organizational Commitment serves as a mediator in this relationship, with no findings rejecting its mediating role.

H4: Organizational Commitment mediates the effect of Empowering Leadership on Job Satisfaction among automotive sales employees in Tangerang.

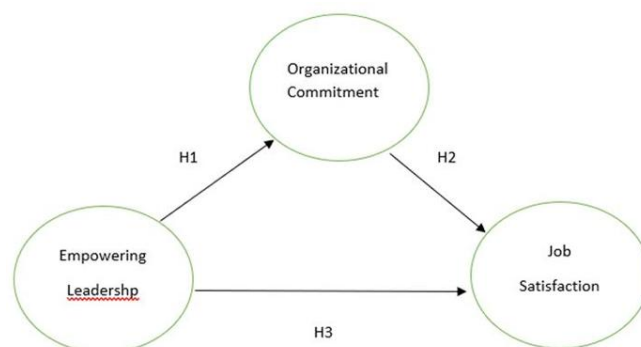


Figure 2. Conceptual Framework

METHODOLOGY

In order to gather data for this study, which uses a quantitative approach with an explanatory research design, 119 automotive sales employees operating in the Tangerang area were given questionnaires, selected through purposive

sampling based on the criteria of being at least 18 years old and having a minimum of six months of work tenure. Respondents were given a questionnaire with statements pertaining to every variable and a rating scale ranging from 1 to 5, which represents very high disagreement to very high levels of agreement.

All indicators used to measure Empowering Leadership, Organizational Commitment, and Job Satisfaction were adapted from Kandemir (2025). Measurement of Empowering Leadership is understood through indicators related to information sharing, accountability, and autonomy in problem-solving. Meanwhile, measurement of Organizational Commitment includes indicators such as sense of belonging, emotional attachment, and dependency on the workplace. Job Satisfaction is measured based on indicators that include a sense of accomplishment, work enjoyment, and overall satisfaction. After the data is obtained, further analysis will be carried out using outer model testing, inner model testing, and hypothesis testing, all of which will be processed through SmartPLS 4.

RESEARCH RESULT

This study employed Partial Least Squares Structural Equation Modeling (PLS-SEM), implemented in SmartPLS 4, to examine data collected from 119 automotive sales employees in Tangerang. The analysis focused on assessing both the measurement and structural models to evaluate the proposed research framework.

Table 1. Factor Loadings

Indicator	Variable	Factor Loading	Interpretation
EL01	Empowering Leadership	0,793	Valid
EL02	Empowering Leadership	0,777	Valid
EL03	Empowering Leadership	0,808	Valid
EL04	Empowering Leadership	0,856	Valid
EL05	Empowering Leadership	0,840	Valid
OC01	Organizational Commitment	0,905	Valid
OC02	Organizational Commitment	0,859	Valid
OC03	Organizational Commitment	0,805	Valid
OC04	Organizational Commitment	0,842	Valid
OC05	Organizational Commitment	0,830	Valid
JS01	Job Satisfaction	0,773	Valid
JS02	Job Satisfaction	0,866	Valid
JS03	Job Satisfaction	0,847	Valid
JS04	Job Satisfaction	0,704	Valid
JS05	Job Satisfaction	0,735	Valid

Indicator	Variable	Factor Loading	Interpretation
JS06	Job Satisfaction	0,778	Valid

Source: SmartPLS 4 Output (2026)

As presented in Table 1, every indicator recorded a factor loading exceeding the recommended threshold of 0.70. This finding suggests that the measurement items adequately represent their respective constructs and can therefore be retained for subsequent analysis.

Table 2. Average Variance Extracted

Variable	AVE	Interpretation
Empowering Leadership	0,664	Valid
Organizational Commitment	0,618	Valid
Job Satisfaction	0,720	Valid

Source: SmartPLS 4 Output (2026)

The AVE values for all constructs were greater than 0.5, indicating that each latent variable explains more than half of the variance in its indicators. These results provide sufficient evidence of convergent validity within the measurement model.

Table 3. Cronbach's Alpha and Composite Reliability

Variable	Cronbach's Alpha	Composite Reliability	Interpretation
Empowering Leadership	0,873	0,908	Reliable
Organizational Commitment	0,903	0,928	Reliable
Job Satisfaction	0,875	0,906	Reliable

Source: SmartPLS 4 Output (2026)

Reliability testing demonstrated that all constructs satisfied the recommended criteria for both Cronbach's Alpha and Composite Reliability. These findings indicate that the measurement instrument exhibits a satisfactory level of internal consistency.

Table 4. R-Square Values

Variabel Depend	R-Square	Kategori
Job Satisfaction	0,646	Kuat
Organizational Commitment	0,406	Moderat

Source: SmartPLS 4 Output (2026)

The R-Square value of 0.646 indicates that Empowering Leadership and Organizational Commitment jointly explain 64.6% of the variance in Job Satisfaction. Meanwhile, the R-Square value of 0.406 suggests that Empowering Leadership accounts for 40.6% of the variance in Organizational Commitment, with the remaining variance explained by other factors not included in the present research model.

Table 5. Original Sample and P-Values

	Original Sample	P-Values	Interpretation
Empowering Leadership → Job Satisfaction	0,493	0,000	Supported
Empowering Leadership → Organizational Commitment	0,637	0,000	Supported
Organizational Commitment → Job Satisfaction	0,394	0,000	Supported

Source: SmartPLS 4 Output (2026)

As presented in Table 5, all hypothesized relationships were statistically significant ($p < 0.05$), supporting all proposed hypotheses. Empowering Leadership positively influenced both Job Satisfaction ($\beta = 0.493$) and Organizational Commitment ($\beta = 0.637$), with the strongest effect observed on Organizational Commitment. Furthermore, Organizational Commitment had a positive effect on Job Satisfaction ($\beta = 0.394$), indicating that stronger leadership and organizational commitment contribute to higher employee job satisfaction.

DISCUSSION

Empowering Leadership emerged as an important factor influencing both Organizational Commitment and Job Satisfaction among automotive sales employees in Tangerang. Employees who perceived greater autonomy, participation in decision-making, and support from their supervisors were more likely to develop stronger commitment to the organization and report higher levels of job satisfaction. Moreover, Organizational Commitment partially mediated the relationship between Empowering Leadership and Job Satisfaction, indicating that leadership contributes to employee satisfaction not only through direct interactions but also by strengthening employees' attachment to the organization.

These results are consistent with the assumptions of Leader-Member Exchange (LMX) Theory, which emphasizes that high-quality relationships between leaders and subordinates encourage mutual trust, respect, and reciprocal support. When employees believe that their supervisors value their contributions and trust them to carry out their responsibilities, they tend to identify more strongly with organizational goals and experience greater

satisfaction in their work. This pattern is also in line with previous studies, which have consistently reported positive associations between empowering leadership, organizational commitment, and job satisfaction.

The present study adds empirical evidence from the Indonesian automotive sales industry, a setting characterized by demanding sales targets, performance-based evaluation, and intense market competition. In this environment, leadership extends beyond coordinating daily activities; it also plays an important role in maintaining employees' motivation and commitment. The findings suggest that empowering leadership remains an effective managerial approach for fostering positive employee attitudes, even in organizations where performance expectations are particularly high.

These findings also have practical implications for management. Rather than relying primarily on performance control, organizations should create leadership practices that encourage employee involvement, provide appropriate autonomy, and support continuous learning through coaching and feedback. Efforts to strengthen organizational commitment, such as offering transparent career opportunities, recognizing employee contributions, and maintaining open communication, may further enhance job satisfaction and contribute to sustainable organizational performance.

CONCLUSIONS AND RECOMMENDATIONS

Empowering Leadership was found to play a central role in enhancing Organizational Commitment and Job Satisfaction among automotive sales employees in Tangerang. Employees who perceived greater trust, autonomy, and involvement from their supervisors tended to demonstrate stronger commitment to the organization and higher job satisfaction.

The mediating role of Organizational Commitment further suggests that leadership practices influence employee satisfaction not only through direct interactions but also by strengthening employees' psychological attachment to the organization. These results provide additional evidence that high-quality leader-employee relationships remain an important mechanism for promoting positive workplace attitudes within performance-driven organizations.

For automotive companies, strengthening empowering leadership should become part of leadership development initiatives. Supervisors should be encouraged to involve employees in decision-making, delegate responsibilities according to employees' capabilities, and provide regular coaching and feedback to support individual development.

At the organizational level, efforts to improve career development, employee recognition, and internal communication may reinforce organizational commitment and contribute to higher job satisfaction. Future research could extend this model by examining other organizational or psychological factors that may explain employee attitudes more comprehensively and by testing the model across different industries or organizational settings.

ADVANCED RESEARCH

Future research may extend the present study by incorporating additional independent or mediating variables that are theoretically relevant to Job

Satisfaction, such as Compensation, Work Environment, Work-Life Balance, and Career Development.

Expanding the research to different geographical areas or industrial sectors may also provide broader empirical evidence and enable comparisons across organizational contexts, thereby enhancing the generalizability of the findings.

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