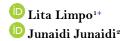
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Influence of empowering and ethical leadership on employees' job satisfaction, performance, and organization commitment



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ABSTRACT

Article History

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Keywords

Empowering leadership Ethical behavior Ethical leadership Job performance Job satisfaction Organization commitment. Unethical behavior in public and private organizations raises concerns among stakeholders about ethical stand in the workplace. This study aimed to investigate the effect of empowering and ethical leadership on employees' job satisfaction, performance, and organizational commitment. A total of 650 employees were identified from 25 companies in Sulawesi Selatan district, Indonesia. Data were collected through survey study, and Structural Equation Modeling (SEM) was used to test the hypotheses. We found that empowered and ethical leaders positively influenced employees' job satisfaction which also bridged the predictor variables to employees' job performance and organizational commitment. Job satisfaction also played a crucial role in mediating the relationship between predictor variables (e.g., empowering and ethical leadership) and employees' job satisfaction and organizational commitment. Following the call for determinants of empowering and ethical behavior, this study provides insights for managers to foster ethical behavior at the workplace.

Contribution/Originality: This study strengthens the concept of human resources management toward employees' emotional, job satisfaction and engagement in the workplace. It also shows that empowering and ethical leadership plays an important role in influencing employees' performance. Hence, the leaders must establish these contexts in the initial phase of the organization.

1. INTRODUCTION

According to Thomson (2021) the COVID-19 affected companies' performance and economic worldwide downturn. This phenomenon influenced the company managers to rapidly change their strategy and system. The managers also paid attention to employees' resources, work environment, and performance in the workplace because of the rapid competition globally. However, the leaders' role to empower their employees is inevitable and workers do everything based on their leaders' instruction (Pawirosumarto, Sarjana, & Gunawan, 2017; Plyushteva, 2021). The workers also carry out their field job when the instruction come and hold similar views with their leaders (Atatsi, Stoffers, & Kil, 2019; Bailey, Faisal, & Soad, 2016; Beuren, dos Santos, & Theiss, 2021; Mwesigwa, Tusiime, & Ssekiziyivu, 2020). This system has made the managers' leadership ethics and style have become the company's rule by developing enthusiasm. Besides, the comfortable workplace and environment possibly support the employee performance.

According to Freire and Claudia (2020); Hendri (2019) and Kundu, Kumar, and Gahlawat (2019) some workers worldwide have faced dissatisfaction with their environmental work. Preliminary studies on the human resources field have confirmed that the leader's ethics, job environment, and management support has positively affected employees' performance. However, the role of empowering and ethical leadership to enhance employees' job satisfaction and performance is still debatable among scholars. For instance, Lappalainen, Saunila, Ukko, Rantala, and Rantanen (2019) revealed that employees' engagement has a dominant role in influencing employees' performance rather than the environmental factor. Subsequently, the employees' attention is assured through how the leaders guide and assist in being professional. Furthermore, Nazir, Amina, Muhammad, Wang, and Sahar (2021); Wang and Morav (2021) concluded ethical leadership had become an essential key point to boost employees' creativity. It means that empowering and ethical leadership is essential for employees' job satisfaction, job performance and commitment to their company.

According to Edgar, Nancy, and André (2021) and Goswami, Agrawal, and Goswami (2021) the managers' enthusiasm and capability have effectively influenced employees' performance. Besides, Diamantidis and Chatzoglou (2019) claimed that work environment and management support positively influence employees' performance. In contrast, Kundi, Aboramadan, Elhamalawi, and Shahid (2021) concluded that work motivation has positively and significantly affected employees' performance. On the other hand, the employees are required to improve their productivity to obtain achievement, integrity, and loyalty. However, prior studies fail to provide complete view due to being more prone to monetary aspect (e.g., salary) rather than ethics or combine money and ethics simultaneously. Hence, employee's inclination and necessity become unfulfilled in consequence of the acquisitive of managers to take a project without examining first and press the employees to work on it.

Moreover, Beuren et al. (2021); Nazir et al. (2021) in their studies, recommend future research needs to investigate the role of a corporate organism in a broader area (e.g., empowering and ethical leadership) to employees' job satisfaction and commitment. It can help achieve a holistic view of the relationship between these variables and give insights to the academicians and industry players based on the organization field. Indonesia is still confused about why their workers' performance is lower than other countries. A few studies have examined the managers' leadership in the organizations' context (Ouakouak, Mohammed, Michel, & Bindu, 2020). Moreover, prior studies are more prone to Western and developed countries. This study addresses this gap by examining the role of empowering and ethical leadership, job satisfaction as a mediator between predictor variables to employees' organization commitment.

Building upon earlier studies discussion aforementioned and combining these fields with insights from the human resources development literature, this study aimed to provide answers to the following two research questions:

RQ1. Does empowering and ethical leadership have positive effect on employees' job satisfaction?

RQ2. Does the employees' job satisfaction mediate relationship between empowering and ethical leadership to employees' job performance and organizational commitment?

In answering these questions, this study provides several theoretical and practical contributions. First, it links empowering and ethical leadership in the organizational context, particularly in business. It includes employees' job satisfaction, which influences their job performance and organizational commitment. Second, literature and studies concerning empowering and ethical leadership in the organization field are still limited. The result from this study uncovers the relationship among variables that have been neglected in preliminary studies (Mwesigwa et al., 2020; Nazir et al., 2021; Shrotryia & Dhanda, 2020). It can better understand the factors that affect employees' job satisfaction to their performance and commitment. Third, the result of the current study will have significant practical implications like boosting the organization sector and providing an insight into the existing situation of the current employees' behavior.

2. LITERATURE REVIEW

2.1. Empowering Leadership

From 1980s onwards, organizations have started to develop workers' cognitive levels. There also emerged the concept of empowering leadership (Hoang, Elisabeth, Leonie, & Tuan, 2021). Furthermore, employee empowerment became the main pattern of empowering leadership to encourage personal inspiration in the workplace through assigning duties and authority (Cheong, Yammarino, Dionne, Spain, & Tsai, 2019). Empowering leadership also has distinguished styles such as characteristics. It has a crucial role in employees' capabilities and performance, engagement, and reducing constraints. Hence, empowering leadership is a tool for managers to share and maintain their authority over employees. The spirit of empowering leadership is to share power and authority among managers and employees (Rao Jada, Mukhopadhyay, & Titiyal, 2019). This spirit also enhances the leader's motivation to emerge as self-directed individuals and initiate collaboration activities to achieve organizational goals toward increasing participation in the decision-making process (Kundu et al., 2019).

The empowering leaders' concept attempts to develop their employees toward autonomy, discretion, control, and decision toward inviting their employees' to the decision-making process (Albrecht & Andreetta, 2011; O'Donoghue & van der Werff, 2021). Leaders' empowering behavior generally enhances employees' sense of self-concept and self-worth. It also stimulates autonomy-associated situations such as self-leadership, opportunity thinking, and exciting work by boosting their coworkers' propensity to view performances that do not meet expectations as opportunities to learn. Hence, the employees need to be more empowered to enhance their contribution and competence.

2.2. Ethical Leadership

In the Business field, ethics (e.g., attitude and behavior) has become a tool to strengthen employees' relationship, including equality, transparency, and trust (Goswami et al., 2021; Luz, de Paula, & de Oliveira, 2018). Ethical leadership is defined as the demonstration of normative rules toward individual activities and also an interpersonal relationship developed by two-way communication to obtain decisions (Hoang et al., 2021; Nazir et al., 2021; Sharma, Agrawal, & Khandelwal, 2019). Leadership also refers to understanding what someone desires and needs and how to work it. It has five dimensions: egoistic (selfish), legalist (procedure and guidelines), altruistic (unselfish), communitarian (society), and autonomous (ethics members). Ethics also has become the guidelines to personal and group social communication and interaction behave, as well as among a rule among leaders and employees (Na-Nan & Ekkasit, 2019). Hence, the business process needs to apply ethical principles to motivate employees to enhance organizational success. The current study refers to personal ethics based on situation "right" or "wrong" (Muncy & Vitell, 1992). Nevertheless, the unique characteristic is an essential stimulus to solve the ethical problem and commitment. Furthermore, some studies concluded that ethical leadership has a crucial role in enhancing employees' job satisfaction (Pawirosumarto et al., 2017; Salas-Vallina, Simone, & Fernández-Guerrero, 2020; Sharma et al., 2019).

2.3. Job Satisfaction

Job satisfaction correlates with job quality from the financial and non-financial aspects (Claus, 2019). It also refers to personal perception and psychology (e.g., attitude, emotions, and happiness) about their job and workplace environment (Hendri, 2019; Junaidi, 2021; Junaidi, Anwar, Alam, Lantara, & Wicaksono, 2022). Generally, job satisfaction strongly correlates to personal feelings and psychology (Kundu et al., 2019; Maley, Dabic, & Moeller, 2020). In some cases, managers and companies focus more on profit-making than employees' well-being, enhancing dissatisfaction (Coggburn, Paul, & Mark, 2017; Sharma et al., 2019; Valaei & Rezaei, 2016). Studies have concluded that personal psychology has a crucial role in addressing the correlation between employees' job satisfaction and job engagement (Dhamija, Gupta, & Bag, 2019; Håvold, Håvold, & Glavee-Geo, 2021; Shrotryia & Dhanda, 2020). However, the lack of study examining the relationship between these variables makes empirical research and theoretical development worthy in this context. Furthermore, benefits of ethical assistance programs facilitate one

and all, including managers, employees, and firms. Hence, employee satisfaction and the organization's performance seem more attractive. In other words, employees and managers can also strengthen their relationships. If all the members' teamwork is well organized on company goals and vision, it will develop expressive interrelationship and offer their commitment to the organization. Moreover, this issue may be fascinating to investigate the managers' empowerment and ethical leadership as predictors of employees' job satisfaction and teamwork engagement. It also has implications for private and public organizations.

2.4. Job Performance

Employee engagement has a correlation to prosperity among workers at work. Employees' engagement is a good and positive feeling; it fills their minds with credibility and dedication. Employee engagement is related to worker prosperity at work. Employees' engagement is a good and positive feeling; it fills their minds with credibility and dedication through the three dimensions of employee engagement, namely, emotional engagement, cognitive engagement, and physical engagement. This concept has a more complete and comprehensive view. Hence, employee job satisfaction in a workplace or an organization has become an important issue for managers, supervisors, and employees. Some scholars are concerned about enhancing personal well-being and job performance (Na-Nan & Ekkasit, 2019). Recently, a study conducted by Diamantidis and Chatzoglou (2019) concluded that job environment strongly correlates to company revenue. It implies the workers have become their greatest asset and resource. Hence, the need to allocate specific investments to enhance their professional skill, career-building, and employees' well-being (e.g., income and psychology).

Furthermore, the leaders and employees also need to build programs as teamwork. It refers to the apparent worker inquiries such as reward standard, training system, career development standard, and how employees feel and get respect in their workplace and achieve aspirations and expectations to their managers. However, despite obtaining significant attention, the issue of employees' engagement is still the supreme challenge in the organizational context (Beuren et al., 2021; Edgar et al., 2021; Kundi et al., 2021).

2.5. Organizational Commitment

Organizational commitment has become an important issue amid the employees' behavior (Bashir & Gani, 2020; Sharma et al., 2019). Organizational commitment refers to personal acceptance and views based on organizational and personal goals. Commonly commitment has three famous aspects: affective, continuance, and normative (Junaidi, Wicaksono, & Hamka, 2022). It also has an essential role in considering workers to develop loyalty to the organization (Luz et al., 2018; Shrotryia & Dhanda, 2020). The employees build engagement and relationships to correlate to the organization's competitive advantage and loyalty strongly. It also correlates to their emotional, mental, and spirit to achieve their goals. Recently, organization leaders have developed emotional well-being between leaders and employee engagement (Fu, Long, He, & Liu, 2020; Jha & Singh, 2019; Mwesigwa et al., 2020).

3. HYPOTHESES DEVELOPMENT

3.1. Relationship between Empowering Leadership and Employees' Job Satisfaction

Employees' productivity is developed through managers' instruction and guidance. Empowering leadership exhibits a true connection between managers, leaders, and employees. Employees needed the leader to exhibit and give the motivation, inspiration, and responsibility to carry out various tasks to increase capability, productivity, and performance in the workplace. The main role is that of the leader, and employees benefit from the leaders' performance who leads by performance, capability, and productivity. The leader needs to realize that responsibility and sharing knowledge with employees are obligations. It should be proven through leaders' actions, as well as through employees' discussion, sharing opinions, and decision-making. The competition makes managers and workers need to adapt and understand the business environment and nurture need creativity and innovation as an essential part of

organizational success. Unfortunately, most employees depend on their managers' leadership approach. Therefore, the leader believes the organization's performance depends on worker job engagement, enhancing their motivation and engagement (Aljuhmani, Hassan, Okechukwu, & Bashar, 2021; Nazir et al., 2021).

Recently, the corporate world faced economic downturn during COVID-19 pandemic and reduced the financial performance. Employees' job satisfaction has a crucial role in enhancing the company's performance. Furthermore, the managers' leadership style also contributes to employees' job satisfaction. The managers' behavior also strongly correlates to employees' satisfaction in the workplace. It implies the companies revise their leadership and standard (Albrecht & Andreetta, 2011; Cheong et al., 2019). Effective and efficiency are related to honesty, integrity, and justice. Leaders concerned about the management decision-making process with respect, sincerity, and honesty possibly strengthen their relationship with employees. The leader also needs to allocate specific effort and time to understand intellect and humanism to enhance their knowledge. It is possible to inspire and respect their workers and other people (Håvold et al., 2021; Hoang et al., 2021). Thus, causality flows among variables possibly occurred. Prior studies validated the effect of managers' empowering leadership on job satisfaction, such as Rao Jada et al. (2019) and Salas-Vallina et al. (2020) which revealed that empowering leadership helps the workers' positive energy and motivation, and satisfaction in the workplace. Similarly, empowering leadership significantly affects employees' job satisfaction in the private sector (Kundu et al., 2019; O'Donoghue & van der Werff, 2021). Hence, we propose the following hypothesis:

H1. Managers' empowering leadership has a positive effect on employee job satisfaction.

3.2. Relationship between Ethical Leadership and Employees' Job Satisfaction

Effective business processes and performance are close to leader's attitude and ethics. Some scholars have paid attention to examining ethical leadership in organization context by Freire and Claudia (2020), Fu et al. (2020), Jha and Singh (2019) and Qing, Asif, Hussain, and Jameel (2020). It has a dominant and influential role in measuring managers' success and moral outcomes. It is crucial because some managers neglect the ethical value of their leadership approach. The employees also pay attention to their leader promoting moral values due to historical ethics. Ethical leadership is also essential due to the workers' need to obtain honest guidance from their managers.

Competition among workers help them realize their leadership potential and develop high performance and high potential. They can carry out various tasks through creativities and innovation exhibiting one of their special sides. Ethical leadership possibly influences workers' characteristics toward cognitive and emotional mechanisms. Working without managers' role models will influence workers' performance. They were giving respect also perhaps to stimulate employees to keep the spirit and performance of each other. The main goal of this approach is to identify critical positions which contribute to companies' sustainable competitive advantage. Developing collaboration and motivating employees can enhance their work effectively (Ouakouak et al., 2020). Some scholars have paid attention to the organization's need for high standard ethics since income has a positive effect on enhancing employees' working. According to Mwesigwa et al. (2020) the leadership style has transformed into a prospective field to develop employees' capacities and skills. Hence, the worker has organizational value and makes them feel empowered. Furthermore, this phenomenon possibly influence the employees' job satisfaction. Preliminary studies have concluded that ethical leadership positively affects employees' job satisfaction (Freire & Claudia, 2020; Goswami et al., 2021; Ouakouak et al., 2020; Qing et al., 2020). Hence, the leader becomes an inspiration to employees. Hence, we propose the following hypothesis:

H2. Ethical leadership has a positive effect on employees' job satisfaction.

3.3. Relationship between Employees' Job Satisfaction and Job Performance

The rapid competition makes firms and managers face a complex and competitive atmosphere. The leaders and workers need to transform due to this rapid change in the working environment. There is a need to transform both

external and internal environment of the organization. Employees' job performance has become crucial to company sustainability in this condition. In this field, job satisfaction manifests the employees' career. Hence, employees' job engagement has become a critically important issue in business and management. It has a psychological effect on employees' job performance. From the organizational context, employees' job satisfaction possibly correlates with managers' and employees' relationships. Moreover, employees' job satisfaction also positively affects their performance (Aljuhmani et al., 2021; Beuren et al., 2021; Cheong et al., 2019; Coggburn et al., 2017; Freire & Claudia, 2020).

Job satisfaction contributes to developing a meaningful and positive relationship and commitment among team members and the company. This study also considers employees' job satisfaction as a mediator when examining the relationship between managers' leadership (e.g., empowering and ethical) to employees' job performance. In organizations and current businesses, employees need an emotional engagement with their leaders and organization. Leaders assist employees in achieving organizational goals. Furthermore, in the workplace, empowered employees can enhance the organizations' competitive advantage (AlMazrouei, 2021). Hence, leaders and employees may develop the quality of inferences, bridge access to knowledge, and provide a substantial contribution to each other. Thus, this study proposes the following hypotheses.

H3a. The employees' job satisfaction has a positive effect on their job performance.

H3b. The manager's empowering leadership has positively affected their employees' job performance, mediated by job satisfaction.

H3c. The manager's ethical leadership has positively affected their employees' job performance, mediated by job satisfaction.

3.4. Relationship between Employees' Job Satisfaction and Organization Commitment

Job satisfaction also refers to a personal attitude of employees to their work. Hence, it has a vital role in enhancing organizational performance. Once employees commit to their work, they have a direct attitude and commitment to the organization (Hendri, 2019). In addition, job satisfaction strongly correlates to employees' firms' commitment. It is also possible to develop a sustainable competitive advantage toward positive employee attitudes and behavior. Organizational commitment also refers to employees' loyalty. Some scholars attempt to validate the job satisfaction to employees' organization commitment (Bailey et al., 2016; Beuren et al., 2021; Charni, Brun, & Ricard, 2019; Luz et al., 2018; Mwesigwa et al., 2020; Valaei & Rezaei, 2016). This study premises that job satisfaction contributes to developing meaningful and positive views and commitment among employees. Furthermore, this study considers employees' job satisfaction as a mediator when examining the relationship between managers' leadership (e.g., empowering and ethical) and employees' organizational commitment. Besides having psychological value, these aspects also have connections that can enhance organization leading and effectiveness (Bailey et al., 2016; Beuren et al., 2021; Freire & Claudia, 2020). Thus, this study proposes the following hypothesis.

H4a. The employees' job satisfaction has a positive effect on their job performance.

H4b. The manager's empowering leadership has positively affected their employees' organizational commitment, mediated by job satisfaction.

H4c. The manager's ethical leadership has positively affected their employees' organizational commitment, mediated by job satisfaction.

4. METHODOLOGY

4.1. Questionnaire Design, Pretest, and Pilot Study

The recent study applied multi-item scales based on constructs from prior studies for the concept of empowering and ethical leadership, job satisfaction, and employees' job performance. Subsequently, this study conducted a pilot test to identify various responses, implications, difficulties, attentiveness, and kindness related to the questions. We also invited a professional English-Indonesia translator to review all the instruments.

4.2. Sample and Data Collection

All the participants in the recent study were Indonesian workers who were active in the administration department in public company South Sulawesi districts, Indonesia, which invited them to fill out an online survey. This online survey was carried out using Google Forms, which lasted from April 1 to May 30, 2021. The samples were gathered from random convenience sampling involving 675 employees. However, 601 samples were valid, and this indication was experienced at a rate of 85.78%. The structural equation modeling (SEM) approach was applied in this study (Byrne, 2016; Hair Jr, Black, Babin, & Anderson, 2019). Table 1 shows the respondents' demographics.

Demographic items	Frequency	Percentage (%)	
Gender			
Male	262	43.59	
Female	339	56.41	
Age			
Under 30 years old	213	35.44	
31~45 Years old	205	34.11	
Over 45 years old	183	30.45	
Education			
Bachelor and below	341	56.74	
Master	245	40.77	
PhD	15	3.50	
Time period of work			
Below 5 years	110	18.30	
5~10 Years	281	46.76	
Over 10 years	210	34.94	

Table 1. Respondent demographics.

4.3. Measures

All the variables applying a five-point Likert scale anchored between 1 ("strongly disagree") and 5 ("strongly agree"). Ethical leadership items refer to Yukl, Mahsud, Hassan, and Prussia (2013), which emphasized on the employees' statement about manager concern for ethical and moral value, communication, honesty, and employee accountability. Empowering leadership items refer to Ahearne, Mathieu, and Rapp (2005), which comprises four dimensions, including enhancing the meaningfulness of work which concern how the employees understand the organization goals, the importance of work effectiveness of the company, fostering participation in decision making elaborate how the employees' take decisions together and discuss their leader, lastly, expressing confidence in high performance this part examine how the employees' belief about their capacity and how to enhance their performance.

Furthermore, job satisfaction included five items: satisfaction with work, coworkers, supervision, salary system, and promotion procedures (Diamantidis & Chatzoglou, 2019). Employees' job performance statements refer to Edgar et al. (2021) which emphasized employees' perceptions about quality, quantity, cost, supervision procedure, and interpersonal impact among employees. Employees' organizational commitment items refer to Bailey et al. (2016) and Luz et al. (2018) with seven items statement. They talk about employees' sense of belonging in the workplace, psychology, and relationships.

Table 2. Correlation matrix for measurement scales.

Constructs	Mean	SD	EML	EL	JS	JP
EML	3.90	0.60	0.786			
EL	3.60	0.61	0.547**	0.796		
JS	3.60	0.69	0.427**	0.530**	0.815	
JP	4.00	0.66	0.533**	0.705**	0.503**	0.822
OC	3.75	0.83	0.393**	0.485**	0.496**	0.485**

Note: EML: Empowering leadership, EL: Ethical Leadership, JS: Job Satisfaction, JP: Job performance, OC: Organization commitment.

SD: Standard deviation

Diagonal elements are the square roots of the AVE for each construct.

Pearson correlations are shown below the diagonal.

Significant at: **p < 0.01.

Table 3. Measurement results

Table 3. Measurement results.								
Constructs	Maximum likelihood estimation (MLE) estimates factor loading/ measurement error		Squared multiple correlations (SMC)	Composite reliability (CR)	Average of variance extracted (AVE)	Cronbach's α		
Empowering leadership				0.942	0.618	0.941		
EML1	0.826	0.318	0.682					
EML2	0.816	0.334	0.666					
EML3	0.840	0.294	0.706					
EML4	0.793	0.371	0.629					
EML5	0.787	0.381	0.619					
EML6	0.753	0.433	0.567					
EML7	0.761	0.421	0.579					
EML8	0.746	0.443	0.557					
EML9	0.800	0.360	0.640					
EML10	0.734	0.461	0.539					
Ethical leadership	0.701	0.101	0.000	0.945	0.634	0.945		
EL1	0.838	0.298	0.702	0.0.0	0.0001	0.0 10		
EL2	0.854	0.271	0.729					
EL3	0.811	0.342	0.658					
EL4	0.843	0.289	0.711					
EL5	0.776	0.398	0.602					
EL6	0.775	0.399	0.601					
EL7	0.770	0.407	0.593					
EL8	0.742	0.449	0.551					
EL9	0.790	0.376	0.624					
EL10 Job satisfaction	0.754	0.431	0.569	0.908	0.665	0.905		
JS1	0.860	0.260	0.740	0.908	0.003	0.903		
JS2	0.820	0.328	0.672					
JS3	0.763	0.418	0.582					
JS4	0.818	0.331	0.669					
JS5	0.813	0.339	0.661					
Job performance	0.010	0.000	0.000	0.912	0.676	0.910		
JP1	0.851	0.276	0.724					
JP2	0.801	0.358	0.642					
JP3	0.814	0.337	0.663					
JP4	0.7878	0.381	0.619					
JP5	0.855	0.269	0.731					
Organizational commitment	0.000	0.200	0.701	0.919	0.619	0.918		
OC1	0.809	0.346	0.654					
OC2	0.760	0.422	0.578					
OC3	0.776	0.398	0.602					
OC4	0.797	0.365	0.635					
OC5	0.785	0.384	0.616					
OC6	0.761	0.421	0.579					
OC7	0.819	0.329	0.671					

Note: Fit statistics (N = 601).

 $\chi^2/df = 2.822$, Goodness-of-fit index (GFI) = 0.855, Non-normed fit index (NFI) = 0.901, Comparative fit index (CFI) = 0.934, Incremental fit index (IFI) = 0.934, and Root mean square error of approximation (RMSEA) = 0.055.

5. RESULTS

5.1. Pilot study and Common Method Variance (CMV)

Table 2 shows the value of mean differences and standard deviations. It shows that the value is good fit for the observed data (Byrne, 2016; Hair Jr et al., 2019). Furthermore, this study also used the common method variance

(CMV) approach as prevention and post-detection procedures and also to reduce respondents' concerns (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). It indicated no serious problem with CMV. Furthermore, seven factors were extracted from the EFA with 35.45% of the explained variance for the first factor.

5.2. Measurement Model

Firstly, the data was examined by exploratory factor analysis (EFA) to ensure the factor loading pattern observed in this study. Furthermore, using Analysis of Moment Structures (AMOS) 22 and Statistical Package for the Social Sciences (SPSS) 22 software to estimate all the constructs' convergent and discriminant validity. Table 3 shows the covariance matrix of the observed variables (Byrne, 2016; Hair Jr et al., 2019). Besides, all the factor loading was larger than 0.700, and the Cronbach's α for all constructs was more than 0.800, indicating a good convergent validity and reliability for all measurement items and constructs. Furthermore, this study also examined the relationship and hypothesis of the variables by applying the structural equation model (SEM). This method provided the causal effects of the observed variables and the structural relations among variables.

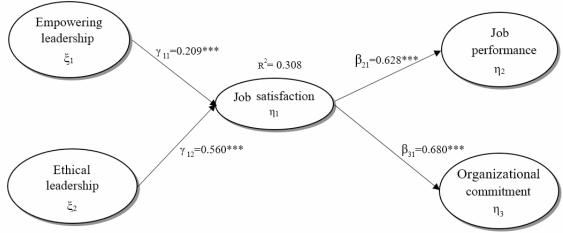
5.3. Structural Model

This study empirically validates that managers' empowering leadership and ethical leadership have a significant and positive effect on employees' job satisfaction ($\gamma_{11} = 0.209$, p < 0.001) and ($\gamma_{12} = 0.560$, p < 0.001), respectively, supporting H1 and H2. Furthermore, employees' job satisfaction also significantly affects their job performance and employees' organization commitment to support H3a and H4a ($\beta_{21} = 0.628$, p < 0.001; $\beta_{31} = 0.680$, p < 0.001). It implies that the leaders' behavior directly influences their employees' attitudes and motivation. It also positively affects their performance and possibly strengthens their relationship. Table 4 shows the results of the research hypotheses. Figure 1 also shows the structural model result.

Table 4. Proposed model results.

Hypotheses	Symbol	Path	Coefficients	Test results
H1	γ11	Empowering leadership → Job satisfaction	0.209***	Supported
H2	γ_{12}	Ethical leadership → Job satisfaction	0.560***	Supported
Н3а	β_{21}	Job satisfaction → Job performance	0.628***	Supported
H4a	β_{31}	Job satisfaction -> Organization commitment	0.680***	Supported

Note: Significant at: ***: p < 0.001.



Note: ***: *p* < 0.001.

Figure 1. Structural model result.

5.4. Mediating Effect

The 95% confidence interval (CI) with 5,000 bootstrapped samples to test the mediation effects of mediator variables (e.g., job satisfaction). The recent study applied the method recommended by Hayes (2018) to examine the mediator variable's role. It was used to examine the managers' empowering leadership and ethical leadership to employees' job performance and organizational commitment. Mediation analysis showed that the 95% CIs of all tested indirect effects did not include zero see Table 5. The results from the regression show that job satisfaction is partially mediating the relationship between predictor variables (e.g., empowering leadership and ethical leadership) and outcome variables, namely, employees' job performance and commitment to the organization. Hence, H3b, H3c, H4b, and H4c are also supported in the recent study. Thus, the results suggest that empowering and ethical leadership impacted employees' job performance and organizational commitment and avoidance through job satisfaction.

Table 5. Mediation effects.

IV	M	DV	IV->DV	IV->M	IV+M->DV		Bootstrapp	ing 95% CI
			(c)	(a)	IV (c')	M(b)	Percentile	Bias-corrected
							method	
EML	JS	JP	0.428***	0.489***	0.585***	0.323***	[0.107, 0.181]	[0.179, 0.299]
Standa	rd error	•	0.039	0.042	0.038	0.034		
EML	JS	OC	0.308***	0.489***	0.546***	0.487***	[0.134, 0.224]	[0.210, 0.345]
Standa	rd error	•	0.053	0.042	0.052	0.046		
EL	JS	OC	0.664***	0.601***	0.768***	0.171***	[0.056, 0.093]	[0.134, 0.220]
Standa	rd error	•	0.036	0.039	0.031	0.032		
EL	JS	OC	0.424***	0.601***	0.667***	0.402***	[0.134, 0.219]	[0.221, 0.357]
Standa	rd error		0.054	0.039	0.049	0.048		

Note: EML: Empowering leadership, EL: Ethical leadership, JS: Job satisfaction, JP: Job performance, OC: Organizational commitment. Significant at: ***: b < 0.001.

6. DISCUSSION

6.1. Key Findings

This study confirms that the managers' empowering leadership includes coordination among leaders and workers, respect for employees and ethical standards in the company, fair decision-making process, and the manager's trust in their employees. All of them strongly correlate with employees' job satisfaction. Furthermore, respect for employees and work based on the organization's code of conduct also positively affects employees' performance. It aligns with the company vision and mission, motivation to enhance company value, feel contribute, and respect their work toward organizational achievement. These are ground-breaking findings that have not been validated in earlier studies. Specifically, the recent study found that employees' job satisfaction and engagement align with their managers' leadership patterns. The result also proved the leader in the organization had played a pivotal role in mobilizing their workers' minds and views about company goals.

Although, every organization has had an ethical code of conduct for its managers and workers. However, conflict is sometimes inevitable due to miscommunication and misperception about the rule and processes to obtain organizational goals. The result of this study can explain the individual mind and view about their organization toward a managers' leadership pattern, ethical leadership, and job satisfaction, which also has an essential point to their performance and commitment to the organization. This study confirms that prior studies on empowering and ethical leadership also have a crucial role in employees and organizations. The findings of the current study confirm the results of prior studies which also concluded that leadership style has a crucial role in employees' job satisfaction (Albrecht & Andreetta, 2011; Cheong et al., 2019; Hoang et al., 2021; Kundu et al., 2019; O'Donoghue & van der Werff, 2021), ethical leadership (Aljuhmani et al., 2021; Nazir et al., 2021; Ouakouak et al., 2020; Qing et al., 2020; Salas-Vallina et al., 2020; Sharma et al., 2019) job satisfaction (Bailey et al., 2016; Bashir & Gani, 2020; Beuren et al., 2021; Coggburn et al., 2017) and employees job performance (Atatsi et al., 2019; Diamantidis & Chatzoglou, 2019;

Edgar et al., 2021) and employees organization commitment (Mwesigwa et al., 2020; Valaei & Rezaei, 2016) in developed and developing countries.

This study suggests that the company owners, managers, and employees must collaborate on their ethics principle, which stakeholders need to evaluate. Therefore, they directly affect their employees' job satisfaction, performance, and motivation to continue in their company. It also can avoid the potential worker migration to their competitors. Moreover, the firms' managers or organization leaders need to employ their employees to expose their organization's operational system and enlighten their workers by incorporating ethics, work standards, and remuneration systems to enhance their loyalty. The findings indicate that the primary factor is the leaders' leadership and skill practice to influence employees' job satisfaction and job performance. Consequently, it will pursue the workers and firms' possibly maintaining their relationships to succeed.

6.2. Conclusion

The results of this study strengthen the concept of human resources management to prove that the leaders are an essential point to their worker psychology and their satisfaction and engagement on the job, which mediated their leader empowering and ethical leadership to employees' job performance. Although prior studies found culture, income, and education strongly correlate with employee and leader relationships. However, they are more prone on Western and developed countries rather than Eastern fields. It also probably strengthens the connection among stakeholders. The leaders' empowering and ethical job performance can also predict employees' commitment and organizational performance. Hence, empowering and ethical leadership are two necessary fields for business and society. The stakeholders can also empower their employees, which has one unity and moral standard. The leaders who expose valuable skills and ethical standards can become a predictor of enhancing employees' job satisfaction and performance. It also can strengthen organization value (e.g., economic and social).

6.3. Theoretical Implications

The result of this study has some contributions to ethics and employees' decision. First, the research model provides a better understanding of leaders' empowering leadership and ethical standards, which are lacking in studies that validate the concept of job satisfaction, job performance, and employees' simultaneous commitment to the private and public fields. This study concluded that empowering leadership has an essential role in employees' satisfaction and engagement, subsequently influencing their commitment and performance to the organization. The workers who have had positive perceptions of the manager leadership and managers' skill are more prone to be committed and have a sense of belonging to their organization. This study also expands the concept of organization and employees' behavior to explain how leadership pattern has a strong correlation to their employees' job satisfaction and engagement and their behaviors on individuals and groups. Hence, it provides a solid theoretical foundation for future studies by proving the mediating role of the employees' job satisfaction to develop commitment and reduce the frequency of workers who plan to go outside. Hence, the leaders must establish these contexts in the initial phase of the organization. Finally, the current study also enlightens the concept of human resources management to predict factors (e.g., manager empowering leadership and ethical development) that influences worker frequency satisfaction, engagement, and behavior. It also reinforces the close relationships among workers individually to their organizational commitment.

6.4. Practical Implications

This study suggests that academics and organization stakeholders need to develop ethical leadership standards to distinguish between good or bad actions, which positively affects their workers' job satisfaction and engagement and their organization's sense of belonging. It is not only in private companies but also in public companies with economic goals (e.g., profit) and social goals toward providing services to people such as water, education, and health.

In addition, the organization system possibly affects their attitude and behavior. It implies a leader's ethical and unethical organization's influence on workers' attitude toward the organization. It could explain why some companies care about ethical standards and operational systems to enhance their managers' and employees' relationships. This study implies that the company leaders need concerned about the ethics standard that will be applied to all workers. Empowering and ethical leadership are essential to workers, allowing them to revise their views and commitment through job satisfaction and engagement. The organization's leaders must also be conscious and identify the aims and workers' characteristics to enhance their concerns. Besides, the stakeholders also need to focus on the manager and employees' performance measurements to increase their communication and worker attitudes and satisfaction with the organization.

6.5. Limitations and Future Research Directions

Some parts need to enhance in the subsequent research. First, this study was limited to Indonesian workers and restricted to multinational organizations in Indonesia; there may be limitations in applying the result in other circumstances. Hence, this research needs more focus on workers from other cultures and countries toward different indicators and research methodologies. Second, convenience sampling and mixed-method techniques are needed to obtain more complete results and the quality of the participants' feedback. The workers have distinguished minds and views regarding ethical standards, job perception, and organizational commitment. This can help managers and regulators to understand many kinds of workers' dynamic economic and social aspects, which affect their ethical action, job satisfaction, job engagement, and organizational commitment. Further study is also required to validate how employees maintain their organizational commitment and how this influences workplace creativity and productivity. Organizational commitment also possibly encourages different positive outcomes, including retention and reduction of employee turnover.

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