Contents lists available at GrowingScience

## Management Science Letters

homepage: www.GrowingScience.com/msl

# Impact of employee empowerment on organizational commitment through job satisfaction in four and five stars hotel industry

Nasser Saad AlKahtani<sup>a</sup>, Shahid Iqbal<sup>b</sup>, Mariam Sohail<sup>c</sup>, Faisal Sheraz<sup>d</sup>, Sarwat Jahan<sup>e</sup>, Bilal Anwar<sup>f</sup> and Syed Arslan Haider<sup>g\*</sup>

## CHRONICLE

## ABSTRACT

Article history:
Received: September 20, 2020
Received in revised format:
October 10 2020
Accepted: October 16, 2020
Available online:
October 16, 2020

Keywords: Employee Empowerment Job Satisfaction Organizational Commitment Partial least square (PLS) The purpose of this study is to empirically test the impact of employee empowerment on organizational commitment through the mediating role of job satisfaction. The non-probability random sampling technique and time lag was used to collect data from 307 employees working at four and five Stars Hotels in two cities Rawalpindi, Islamabad of Pakistan. Smart Partial least squares-structural equation modeling (Smart PLS SEM v.3.2.8) was used to test the hypotheses. The result indicates that employee empowerment has a significant and positive impact on organizational commitment. Also, job satisfaction is considered as a potential mediator between employee empowerment and organizational commitment. Furthermore, to support the results current study used the social exchange theory. Finally, some theoretical and practical contributions to employee empowerment and organizational commitment literature, and research limitations and future directions are presented.

© 2021 by the authors; licensee Growing Science, Canada

## 1. Introduction

Employees are the most important assets of an organization. Therefore, organizations put their significant efforts to attract, retain and maintain the talented and committed employees (Aguiar-Quintana et al., 2020; Anggreyani et al., 2020; Ibrahim 2020). Employee empowerment (EE) is identified as the necessary source of development of the social exchange theory (SET) and viewed as the essential subject in practical ground (Ko & Hur, 2014). EE is now becoming a trend in an industry area which influences the employee behavior on a job and in organization (Francis & Alagas, 2020). Abuhashesh et al. (2019) and SELVI et al. (2020) explained that EE is a procedure to give authority, power, obligation, resources, and liberty to the workers of the company for taking decisions and solving job tasks. Also, provide control to employees and allows distribution of responsibilities and control at every level. Empowerment is basic and essential feature for successful accomplishment, efficiency, and development in Hotel industry (Simsek, 2020; Saban et al., 2020). It is primarily related with development of trust, motivation, involvement in making decisions and eliminating any borders between top management and an employee (Andika & Darmanto, 2020). Furthermore, empowerment is method of providing an employee the power of making decisions and is often associated with the allocation of responsibilities from leaders to their employees (Al Halbusi et al., 2017). Diah

E-mail address: haidershah24@gmail.com (S. A. Haider)

© 2021 by the authors; licensee Growing Science, Canada doi: 10.5267/j.msl.2020.10.022

<sup>&</sup>lt;sup>a</sup>Lecturer, Institute of Business Administration, Gomal University, Dera Ismail Khan, Pakistan

<sup>&</sup>lt;sup>b</sup>Assistant Professor, Management Studies Department, Bahria University, Islamabad Campus, Pakistan

<sup>&</sup>lt;sup>c</sup>PhD Scholar, Department of Management, Superior University, Lahore Campus, Pakistan

<sup>&</sup>lt;sup>d</sup>Lecturer, Faculty of Management Sciences, Abasyn University, Peshawar Campus, Pakistan

PhD Scholar, Department of Business and Accountancy, Lincoln University College (LUC), Main campus, Wisma Lincoln, 47301 Petaling Jaya, Selangor, Darul Ehsan, Malaysia

<sup>&</sup>lt;sup>f</sup>Assistant Professor Department of Business Administration, University of Sahiwal, Sahiwal, Pakistan

<sup>§</sup>PhD Scholar, Department of Management, Sunway University Business School (SUBS), Sunway University, No 5, Jalan Universiti, Bandar Sunway, 47500 Selangor Darul Ehsan, Malaysia

<sup>\*</sup> Corresponding author.

& Cahyadi (2020) mentioned that empowerment is a fundamental mechanism that should be integrated in a culture of organization or developed by managers. Empowering employees basically refers to the awareness among management that individuals working with them deserve more autonomy, control and power in their jobs also increases employee's commitment and satisfaction towards their organization (Zaraket et al., 2018). Selvi and Maheswari (2020) recognized one of the essential elements to ensure organizational efficiency is developing organizational commitment (OC) among employees. Therefore, committed workers help in positive organizational performance (Mahmoud et al., 2020). Loan (2020) stated that organizational commitment is feeling of workers or strength of an organization to bond workers for staying in the organization. OC has normally three aspects which are: affective commitment, continuance commitment and normative commitment (Boehman, 2006; Brooks et al., 2020). It is believed that affectively committed employees continue to do work with devotion autonomously; continuance commitment ensures that employees remain associated with the organization (Sohail & Ilyas, 2018). Öktem et al. (2020) described that job satisfaction (JS) is the attitude of an employee towards the responsibility received. Employees will have high OC if they are satisfied with their jobs and they will stay with the organization (Culibrk et al., 2018). JS is usually an assessment of employees that how much they are satisfied with their jobs and comparing with other workers on the basis of relative standards in the context of work. Despite widely known importance of empowerment for organization and employees, there is some limited consensus on the definition of empowerment. In recent years, many studies have been conducted on employees' empowerment, organizational commitment and job satisfaction separately with other variables i.e. (Organizational Performance (Diah et al., 2020), Job Motivational Factors (Norbu et al., 2020), Job Stress (Anggreyani et al., 2020), Employees' Creativity (Radwan 2020), respectively) in many industry areas e.g. production, manufacturing, operations, marketing. But there is some limited study on the relationship between employee empowerment with job satisfaction and organizational commitment in service sector e.g. hotels, restaurants, and other service areas. Therefore, current study focuses on how employee empowerment led to organizational commitment through mediating role of job satisfaction (Andi Kele, 2020; Simsek, 2020; Wong 2020), in the field of four and five stars hotels of Pakistan.

#### 2. Research Literature

## 2.1 Employee empowerment and organization commitment

Muhammad & Abdullah (2016) stated that employee empowerment relates with social exchange theory (SET) regarding reciprocal connections of workers with their companies. The SET theory proposed by Horsmans (1958) to improve an understanding of social human behaviour in financial ventures. This theory shows employees' view that they act more constructively towards the organizations when organizations treat them well (Zhao et al., 2020). SET describes social connection between workers and companies, companies that give workers assistance and identify the opinions of workers in decisionmaking, workers will be more committed with the organization in return (Prabawa & Supartha, 2018). Prior studies also maintained that if organization support employee empowerment it will help to increase their trust and commitment towards organization (Widayanti & Sariyathi, 2016; Kariuki & Kiambati, 2017; Zaraket et al., 2018). According to Norbu et al. (2020) and Andika et al. (2020), empowered workers committed with their organizations because organizations are giving them jobs, empowering and treating them fairly. Organizational commitment can be stated as a bond and loyalty of the employee with his organization and job (Mahmoud et al., 2020). OC can be understood as an employee bond and linkage with his company (Koo et al., 2020). It varies greatly from other firms of commitment, such as endorsement of work ethics, commitment with one's career, job engagement, etc. (Alkhadher, Beehr & Meng, 2020). Organizational commitment is an emotional and psychological bonding and linkage to an organization (Andi Kele, 2020). Employees' efforts towards organizational goals and values alignment, behavioral investments in organization and motivation to stay in an organization contribute towards the organizational commitment (Bani-Melhem et al., 2020). Thus, following hypothesis is established based on above arguments.

H<sub>1</sub>: Employee empowerment is positively associated with organizational commitment.

## 2.2 Employee Empowerment and Job Satisfaction

Employee empowerment is inevitably associated with organizational efficiency as employee empowerment impacts directly job satisfaction (Meyerson & Dewettinck, 2012; Rezaei Dizgah et al., 2018). Psychological empowerment is a mental condition that represents thinking of employees for their jobs and their actions that makes them feel more bold and satisfied with their work (Ibrahim, 2020). The efficient implementation of empowerment needs job satisfaction by employees in the organization, modifying the ancient corporate culture and taking new culture which assists empowerment, considering the conduct, world patterns and practices of organization (Reidhead, 2020). Job satisfaction is supported by the involvement of employees in decision-making, decreasing level of organizational communication, offering information related to job requirement, opportunities for development and ease of information regarding values of organization (Okumus et al., 2018). Ugboro & Obeng (2000) informed that less empowerment decreases the satisfaction of employees at their jobs. According to Widodo & Damayanti (2020) employees will have more job satisfaction if they participate in decision making. Saban et al., (2020) reported that job satisfaction of the hotel workers increased when they were empowered. When employees feel that they have empowerment, they will have job contentment and consequently their organizational commitment increases (Tarigan, 2015). Workers who believe that they are empowered, they will have characteristics of personal motivation and commitment, feel that they are responsible to carry out high-level of efforts and feeling of quality (Mira, Choong, & Thim, 2019). Additionally,

Sadati (2012) reported significant positive association between employee empowerment and job satisfaction in their study. Therefore, we have developed the following hypotheses.

H<sub>2</sub>: Employee empowerment is positively associated with job satisfaction.

## 2.3 Job satisfaction and organizational commitment

A perceived positive relationship between one's desired work and actual assigned work creates a positive and comfort feeling and this is called job satisfaction (JS) (Rohani et al, 2012; Emhan et al., 2018). Anggreyani et al. (2020) described JS as a pleasurable work and feeling that is associated with a job. The most desirable job creates a job satisfaction and disliked job leads toward job dissatisfaction (Koo et al., 2020). Additionally, JS is an internal feeling which may be favorable or unfavorable that employee perceives from his work (Saif & Saleh, 2013). Basically, the difference between what workers expects rewards and what it gets (Chen & Wang, 2019). It can be in the form of individual cognitive, affective and evaluation response towards his job (Mira et al., 2019; Khuong & Linh, 2020). The favorable feeling toward one's job leads to job satisfaction and unfavorable feeling toward one's job create job dissatisfaction (Alkhadher et al., 2020). Committed employees of the organization will perform their responsibilities and duties in a proper way (Viseu et al., 2020). This shows that if employees possess high job satisfaction, they will be more motivated which increases their commitment with organization and vice versa, when employees have less job satisfaction, they will be less motivated which decreases their organizational commitment (Tarigan, 2015; Abuhashesh et al., 2019). Loan (2020) identified positive relationship between job satisfaction and organizational commitment by the findings of multiple linear regression analysis. OC and JS the behaviors which relate to the jobs and these variables are receiving serious consideration from global scholars. The prior studies Sohail et al. (2018) and Hakami et al. (2020) indicated that high job satisfaction enhances normative and affective commitment; also high/less job satisfaction will have no effect on continuous commitment. The above literature leads to hypothesize that:

H<sub>3</sub>: Job Satisfaction is positively associated with organizational commitment.

## 2.4 Mediating role of job satisfaction between employee empowerment and organizational commitment

Several researches showed the mediating role of job satisfaction (Feng et al., 2017; Eşitti et al., 2020). Because job satisfaction is an important concept that has extraordinary significance for consideration of the impact of different antecedent variables on organizational commitment and job satisfaction acts as a mediator between different antecedent and organizational commitment. Hsiao et al. (2019) reported that job satisfaction has significant impact on organizational commitment as a mediating variable. The earlier study Crow et al. (2012) and Ali & Ali (2014) described that job satisfaction acts as mediating variable between organizational justice and organizational commitment.

Empowerment provides employees with intrinsic work motivation that describe it in four cognitions which shows employee's orientation toward his or her work roles (Widodo et al., 2020). Empowerment can also be defined as an information sharing environment where organization performance, employees' performance, reward-based information, goals and objectives related information is widely shared and also give power to make decisions that effects on organization's performance and direction (Rohani et al, 2012; Rezaei Dizgah et al., 2018). A feeling of self-efficacy is enhanced through empowerment among employees by identifying the conditions that shows powerlessness and by removing informal techniques that give efficacy information (Conger & Kanungo, 1988). According to Allen and Meyer (1996), organizational commitment is an employee involvement, engagement, linkage and bond with his organization and to his work with a strong desire for fulfillment of organization's goals and values and his desire and willingness to exert his knowledge, skills and abilities for his organization. Thus, the fourth hypothesis is constructed as follow:

H4: Job satisfaction mediates the relationship between employee empowerment and organizational commitment.

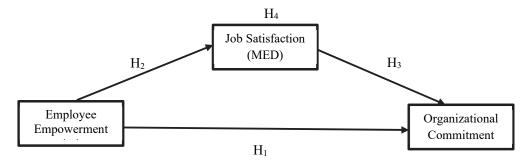


Fig. 1. Conceptual Model

## 3. Research Method

## 3.1 Research design and sampling method

The current research is exploratory cum descriptive and the research approach is deductive in nature. Furthermore, the collection of information from the entire population is not feasible due to resource and time constraint, which is the reason why sampling is used to collect and examine data. Therefore, in this study a simple random technique which is a type of nonprobability sampling technique and time lag were used to collect data because both reduce the common method variance from the information collection method (Podsakoff et al., 2003; Fuller et al., 2016). The population of this research consists of front-line employees serving in different public and private four and five stars hotels and restaurants located in Rawalpindi, Islamabad and Dera Ismail Khan, Pakistan. At T1 in Feb, 2019 (after the teams members had worked together for approximately 3 to 5 months), the first author visited these hotels and got permission of the employees to participate in the study. After 1 year T2 in Feb, 2020 (teams had worked together for approximately 1 to 1.5 year). An aggregate of 450 surveys were conveyed in the first phase of study (T1), just 380 respondents returned the questionnaire, yielding a response rate of 84.44%. The follow-up questionnaire in the second phase (T2) was sent only to those employees who responded at T1. The response rate was quite anticipative with whole of 307 useable questionnaires returned, yielding a response rate of 80.78%. The respondents are managers, shift supervisor working in these hotels. After data collection Harman's single factor test is conducted to identify common method variance the result of extraction sums of squared loading is 35.98% of variance which is less than 50%, which means there is no common method biased issue in data (Aguirre-Urreta & Hu, 2019). Furthermore, based on G\* power analysis, the minimum required sample size for this study should be 119 respondents to generate power of 0.95 and medium size effect of 0.15. However, researchers were able to collect data from 307 target respondents that exceeded the minimum required sample size (Hair et al., 2014). Out of these 307 respondents, 51% were male and 49% were female. The majority of the sample fell within the ages of 20-40 years old. With respect to the educational level large numbers of respondents are master's degree holders. Also, the respondents of current study had majority job tenure of 1-3 and 4-6 years.

#### 3.1 Measures

Data was complied with the help of questionnaires that were designed from different sources. The questionnaire consisted of 35-items in total: regarding the independent variable, a 13-item scale developed by Hayes (1994) was used to measure Employee empowerment, the dependent variable organizational commitment was measured by using a 12-item scale that was developed by (Meyer & Allen, 1991). As mediator variable job satisfaction was measured using a 10-item scale (Hackman & Oldham, 1975). All the items used five point Likert scale for measurement which included 1 (Strongly Disagree), 2 (Disagree), 3 (Neutral), 4 (Agree) and 5 (Strongly Agree). It is the most ideal instrument for collecting information because it helps in collecting quantitative information efficiently and conveniently. In order to carry out investigation on a larger scale, the pilot study was directed to ensure that the questionnaire was valid. Cronbach alpha was used for checking the latent variables reliability. Cronbach alpha for all the variables were above the threshold value which is 0.70, as the reliability above the threshold of 0.7 is considered acceptable (Hensler et al., 2009; Taber, 2018). The results of the Cronbach alpha test are presented in Table 1.

The multivariate fact based examination included the following tests: factor loading, convergent validity, discriminant validity checked by Fornell-Larcker Criterion and Heterotrait-Monotrait Ratio (HTMT- Ratio) and structural equation model examination by calculation of explained predictive relevance ( $Q^2$ ), variance ( $R^2$ ) and effect size ( $R^2$ ) (Hair et al., 2018).

#### 4. Results

The analysis was carried out by using IBM and SPSS v.21 and Smart PLS software (Ringle et al., 2015). The initial step of measurement model is investigated to confirm the survey questionnaire decides the factors that should quantify, and simultaneously ensuring that the instrument is reliable. Bootstrapping technique (T-test 5000 subsample) was applied on 307 cases to analyze the level of significance for the loadings, weights, and path coefficients (Hair et al., 2016). This procedure contains measurement of factor loadings, Cronbach's alpha, Composite Reliability (CR), and Average Variance Extracted (AVE). Additionally, hypothesis legitimacy of explicit indicators can be evaluated by inspecting the particular and factor loadings, where it has been suggested that a loading, of >0.50 on two or more factors is reflected significant (Hair et al., 2014). Hence, the results of three constructs including employee empowerment, job satisfaction and organizational commitment are all valid measures of their particular constructs as shown in Table 1. Since, Fornell and Larcker said that if AVE is under 0.5, however composite reliability is higher than 0.6, the convergent validity of the construct is still acceptable (Fornell & Larcker, 1981; Lam, 2012). At first, there were items that were erased so as to increase the value of AVE which are some indicators from EET1, JST1 and EET2 items. This technique was proposed by Hair et al. (2014) which revealed that the items with loadings somewhere in the range of 0.40 and 0.70 ought to be excluded from the measure if erasing the observed variable would increase the composite reliability in the reflective scales. Thus, after the removal, all estimations of factor loadings, CR and AVE are greater than the suggested cut off criteria; therefore, Figure 2 shows the measurement model has a convergent validity.

Table 1
Measurement Model

Constructs	FL	FL	α	CR	AVE	α	CR	AVE
	Employee Empow	erment (EE)						
EE10		0.635	0.850	0.881	0.452	0.853	0.891	0.577
EE1	0.741							
EE2	0.773	0.649						
EE3	0.773	0.671						
EE4	0.763	0.686						
EE5	0.752	0.659						
EE6		0.660						
EE7		0.673						
EE8		0.737						
EE9		0.677						
	Job Satisfacti							
JS10		0.678	0.784	0.514	0.514	0.894	0.514	0.514
JS1	0.663	0.783						
JS2		0.781						
JS3	0.727	0.805						
JS4	0.673	0.747						
JS5	0.754	0.720						
JS6	0.687	0.653						
JS7	0.600	0.671						
JS8		0.670						
JS9		0.635						
	rganizational Commi							
OC10	0.814	0.578	0.921	0.938	0.576	0.911	0.925	0.509
OC11	0.801	0.578						
OC12	0.766	0.651						
OC1	0.020	0.791						
OC2	0.790	0.778						
OC3	0.800	0.768						
OC4	0.800	0.730						
OC5	0.792	0.796						
OC6	0.795	0.745						
OC7	0.796	0.688						
OC8	0.791	0.720						
OC9	0.776	0.597						

Abbreviations: Factor Loading (FL), Cronbach's Alpha (a), Composite Reliability (CR) and Average Variance Extracted (AVE)

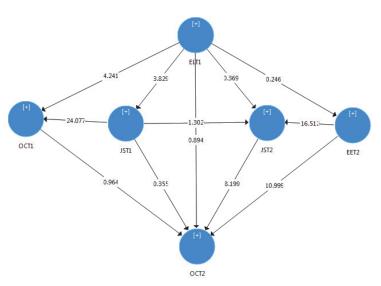


Fig. 2. Path Analysis

After confirming the convergent validity of the model that met the preset criteria, the subsequent step was to confirm the discriminatory validity of the model by applying the Fornell-Larcker criterion (Fornell & Larcker, 1981) and the Heterotrait-Monotrait Ratio (HTMT-Ratio) criteria. According to this criterion, the square root of AVE for each latent variable should be greater than the value of its bivariate correlations (Ringle et al., 2015). Table 2 shows that the latent constructs are separate from each other.

Table 2 HTMT- Ratio

	EET2	EET1	JST1	JST2	OCT1	OCT2
EET2						
EET1	0.098					
JST1	0.260	0.218				
JST2	0.813	0.106	0.227			
OCT1	0.236	0.357	0.735	0.303		
OCT2	0.812	0.096	0.247	0.850	0.280	

After confirming the convergent validity of the model that met the preset criteria, the next step was to confirm the discriminatory validity of the model using the Heterotrait-Monotratit (HTMT) method proposed by Henseler, Ringle and Sarstedt in 2015. There are two ways in which the HTMT approach is used to assess the validity of the discriminant. In the first place, using the HTMT as a measure includes examining it to a predetermined threshold if the HTMT value is higher than that threshold so there is a lack of discriminatory validity. The exact threshold value of the HTMT is questionable; after all, "when the correlation is close to one". Some researchers propose a threshold of 0.85 (Watson et al., 1995; Kline, 2011), while others suggest a threshold of 0.90 (Gold et al., 2001; Teo et al., 2008). Second, the use of the HTMT inference data analysis when the confidence interval of the HTMT values for the structural pathways contains the value if 1 indicates a lack of discriminatory validity. If the value of 1 falls outside the range of the interval, it proposes that the constructs be empirically distinct. Table 3 shows that all values of HTMT between constructs are < 0.85. As a result, discriminatory validity has been established in our model.

Table 3
The PLS method Coefficient of determination

Constructs	R Square	R Square Adjusted	Q Square
JST1	0.045	0.042	0.015
JST2	0.514	0.509	0.257
OCT1	0.513	0.510	0.292
OCT2	0.735	0.730	0.367

The structural equation model is computed after measurement model is done. In this study standard bootstrapping method were used to acquire significant levels of any association among the construct. To examine the mediating outcomes of job satisfaction, we followed the methods recommended by Henseler et al. (2015). In order to analyze both the direct and indirect effects of the structural equation models, four specific criteria were used: Firstly, estimating the level of R², for endogenous latent variables to determine the amount of variance elucidated by all constructs (Hair et al., 2018). Although, the satisfactory assessment of R² depends on the study setting (Cohen, 1998) displays the assessment of 0.26, 0.13, and 0.09 shows high, moderate and low, respectively. However, in current study R² values for endogenous variable, the direct effect model elucidated job satisfaction is 4.5% at Time1, which implies that 4.5% change of job satisfaction is predicted by employee empowerment but after 1 year it increased up to 51.4%. Also, the R² for organizational commitment is 51.3% at Time 1 and increased 73.5% at Time 2, the model shows adequate predictive accuracy as shown in Table 4 and Fig. 3.

**Table 4**Structural Equations Model Results

Hypothesis	Constructs	β	Mean	S.D	T Value	F Square	P Value	
	Direct Effects							
H1	$EET1 \rightarrow OCT1$	0.182	0.183	0.043	4.241	0.065	0.000	Supported
	$EET2 \rightarrow OCT2$	0.515	0.516	0.047	10.999	0.480	0.000	Supported
H2	$EET1 \rightarrow JST1$	0.212	0.223	0.055	3.829	0.047	0.000	Supported
	$EET2 \rightarrow JST2$	0.705	0.706	0.043	16.512	0.974	0.000	Supported
Н3	$JST1 \rightarrow OCT1$	0.655	0.657	0.027	24.077	0.841	0.000	Supported
	$JST2 \rightarrow OCT2$	0.400	0.399	0.049	8.199	0.280	0.000	Supported
	Indirect Mediation Effects							
H4	$EET1 \rightarrow JST1 \rightarrow OCT1$	0.139	0.146	0.036	3.873		0.000	Supported
	$EET2 \rightarrow JST2 \rightarrow OCT2$	0.282	0.282	0.039	7.270		0.000	Supported

Secondly, determining the predictive relevance ( $Q^2$ ) a cross-validation redundancy measure was also used to measure the appraised significance of the investigation model (Hair et al., 2014). Table 4 shows the adequate estimations significance of the direct effect model because value of  $Q^2$  greater than zero (JST1  $Q^2$ =0.015 and JST2  $Q^2$ =0.257) for the endogenous latent variable the direct EE and JS also the indirect effect of EE to OC is (OCT1  $Q^2$ =0.292 and OCT1  $Q^2$ =0.367) all values greater than zero, it can be considered as an acceptable predictive relevance of the model (Henseler et al., 2015). Results also support the H1, H2, H3, the direct effect of EE has significant and positive effect on OC both (Time 1  $\beta$  = 0.182 and Time 2  $\beta$  = 0.515, p < 0.000), EE to JS (Time 1  $\beta$  = 0.212 and Time 2  $\beta$  = 0.705, p < 0.000), JS to OC (Time 1  $\beta$  = 0.655 and Time 2  $\beta$  = 0.400, p < 0.000) all were positive and significant.

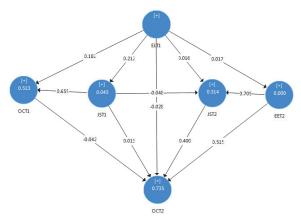


Fig. 3. Structural Equations Model

Thirdly, effect size ( $f^2$ ) is the effect by independent variable explicit to the dependent variable in order to perceive how large the effect of exogenous (independent variable) is obvious to endogenous (dependent variable) (Hair et al. (2014). According to the Cohen (1988) rule, the effect size estimates between 0.02, 0.15 and 0.35 as having small, medium and large effects, correspondingly. Table 5 specifies effect size (T1=0.065 and T2=0.480) for EE to OC, (T1=0.047 and T2=0.974) for an EE to JS and (T1=0.841 and T2=0.280) for JS to OC. The result directs medium and large effect size of these exogenous constructs on the endogenous construct, respectively. Lastly, the model proposes and validate for this study hypothesized that Job satisfaction would mediate the relationship between Employee Empowerment and organizational commitment. As described in Table 5, the indirect effect of EE on OC is positive and significant at Time1 ( $\beta$  = 0.139, p < 0.05) and Time 2 ( $\beta$  = 0.282, p < 0.05), but both are less than the direct effect. Though, if indirect effect is significant and positive but its effect is less than direct effect, so, it is reflected as partially mediated, hence the hypothesis 4 was also accepted.

## 5. Discussions

Empowerment in the workplace is often thought to be a wrong thing. Many employers feel that by giving empowerment to their employees, they might relinquish the responsibilities to lead and control the organization (Zhao et al., 2020). The basic purpose of this study is to clear this misunderstanding regarding to employee empowerment. Therefore, current research provides the knowledge by showing that employee empowerment has a positive role towards organizational commitment also the mediating role of job satisfaction increases employees' commitment towards organization. The time lag was used and result revealed that employee empowerment has significant and positive effect on organizational commitment. The result had shown that after 1 year working in hotel employees' commitment towards organization increases due to high employee empowerment and satisfaction. According to the findings of the study employee empowerment is thought to be very helpful in organization's success and retaining of its employees by increasing level of job satisfaction and organizational commitment. Empowerment is basically related to giving decision making power and authority in a task and work-related issues (Norbu et al. 2020). EE can be in form of making necessary job-related decisions on their own in their day to day functions and activities (Hass, 2010). Managers delegate the decision-making power to employees to act on their own behalf and be responsible. It means employees use their power to make necessary decisions (Samad, 2007).

Prior studies indicated that managers avoid giving authority to their employees because they have fear to lose their influence and power in their jobs (Chen & Wang, 2019). As a result, there will be low level of employees' recognition for their job's relationship to the organizational goals and the consequences of this are low level of job satisfaction and commitment (Aguiar-Quintana et al., 2020; Bani-Melhem et al., 2020). Moreover, the results indicate that the job satisfaction significantly mediates the relationship between EE and OC. The results also supported by earlier studies Ćulibrk et al. (2018) stated that job satisfaction is the attitude of an employee towards the responsibility received. Job satisfaction is usually an assessment of employees that how much they are satisfied with their jobs and comparing with other workers on the basis of relative standards in the context of work (Khuong et al., 2020). Therefore, the effective application of employee empowerment mainly requires employees' job satisfaction and their commitment to the organization (Wen et al., 2019; Viseu et al., 2020).

## 6. Limitations & directions for future research

There are certain limitations in every work since nothing in this world is perfect. Similarly, current study also has some limitations that were faced while conducting this research. Firstly, the data were collected only from four and five stars hotels in the context of developing country Pakistan, limiting the generalizability to broader scope because there may be differences organizational culture in the respective places. Therefore, for future research might be able to replicate and extend again the scope of the study, especially in different work environments i.e. public sector banks, construction industry. Moreover, employee empowerment can be studied in future with multiple factors i.e. self-efficacy, individual-level

stress related outcomes and it should also to check the impact of employee counselling, training against organization commitment. In addition, future researches can also explore the impact of diversity of workplace and employee empowerment on organization commitment in the context of COVID-19.

#### 7. Conclusion

To conclude, the study has demonstrated that in four and five stars hotel industry in Pakistan, the job satisfaction along with employee empowerment is very important to enhance the performance of these organizations. Empowerment significantly influences organizational commitment. Job satisfaction has significant effect on organizational commitment directly as well as it also significantly mediates the relationship between empowerment and organizational commitment. It was also observed that Empowerment leads to increase in the job satisfaction. More emphasis should be given on empowerment of employees in order to build a trusted and committed workforce ultimately leading towards better performance and increased productivity in the organizations. Academicians can also benefit from the findings of the present study. The findings of the study have implications for both industry professionals as well academicians.

#### References

- Abuhashesh, M., Al-Dmour, R., & Ed Masa'deh, R. (2019). Factors that affect employees job satisfaction and performance to increase customers' satisfactions. *Journal of Human Resources Management Research*, 4, 2166–2184.
- Aguiar-Quintana, T., Araujo-Cabrera, Y., & Park, S. (2020). The sequential relationships of hotel employees' perceived justice, commitment, and organizational citizenship behaviour in a high unemployment context. *Tourism Management Perspectives*, 100676.
- Aguirre-Urreta, M. I., & Hu, J. (2019). Detecting common method bias: Performance of the Harman's single-factor test. ACM SIGMIS Database: the DATABASE for Advances in Information Systems, 50(2), 45-70.
- Al Halbusi, H., Tehseen, S., & Ramayah, T. C. (2017). The impact of organizational justice on the ethical leadership under the moderating influence of perceived support: A conceptual study. *Malaysian Journal of Business and Economics* (*MJBE*), 4(1), 46 64.
- Ali, N., & Ali, A. (2014). The Mediating Effect of Job Satisfaction between Psychological Capital and Job Burnout of Pakistani Nurses. *Pakistan Journal of Commerce and Social Sciences*, 8(2), 399-412.
- Alkhadher, O., Beehr, T., & Meng, L. (2020). Individualism-collectivism and nation as moderators of the job satisfactionorganisational citizenship behaviour relationship in the United States, China, and Kuwait. Asian Journal of Social Psychology.
- Allen, N.J., & Meyer, J.P. (1996). Affective, continuance, and normative commitment to the organization: An examination of construct validity. *Journal of Vocational Behavior*, 49, 252-276.
- Andi Kele, A. T. (2020). Employee empowerment in luxury hotels in East Malaysia (Doctoral dissertation, *The University of Waikato*.
- Andika, R., & Darmanto, S. (2020). The effect of employee empowerment and intrinsic motivation on organizational commitment and employee performance. *Jurnal Aplikasi Manajemen*, 18(2), 241-251.
- Anggreyani, N. M., & Satrya, I. G. H. (2020). Effect of job satisfaction, employee empowerment and job stress towards organizational commitment. *American Journal of Humanities and Social Sciences Research*, 4(6), 108-113.
- Kariuki, A., & Kiambati, K. (2017). Empowerment, Organizational Commitment, Organization Citizenship Behavior and Firm Performance. *Management Studies*, 5(4), 290–300.
- Bani-Melhem, S., Quratulain, S., & Al-Hawari, M. A. (2020). Customer incivility and frontline employees' revenge intentions: interaction effects of employee empowerment and turnover intentions. *Journal of Hospitality Marketing & Management*, 29(4), 450-470.
- Boehman, J. (2006). Afective, continuance, and normative commitment among student affairs professionals, unpublished doctoral dissertation. *North Carolina State University, Raleigh, NC* (ProQuest Digital Dissertations).
- Brooks, N. G., Korzaan, M. L., & Brooks, S. (2020). Normative commitment in an information systems project environment. *International Journal of Managing Projects in Business*.
- Chen, H.-T., & Wang, C.-H. (2019). Incivility, satisfaction and turnover intention of tourist hotel chefs: moderating effects of emotional intelligence. *International Journal of Contemporary Hospitality Management*.
- Cohen, J. (1988). Statistical Power Analysis for the Behavioral Sciences. New York: Routledge Academic.
- Conger, J. A., & Kanungo, R. N. (1988). The empowerment process: Integrating theory and practice. *Academy of Management Review*, 13(3), 471-482.
- Crow, M. S., Lee, C.-B., & Joo, J.-J. (2012). Organizational justice and organizational commitment among South Korean police officers: An investigation of job satisfaction as a mediator. *Policing: An International Journal of Police Strategies & Management*, 35(2), 402-423.
- Ćulibrk, J., Delić, M., Mitrović, S., & Ćulibrk, D. (2018). Job satisfaction, organizational commitment and job involvement: The mediating role of job involvement. *Frontiers in Psychology*, *9*, 132.
- Diah, Y. M., & Cahyadi, A. (2020, May). Improving Organizational Performance Through Job Satisfaction Based on Employee Empowerment. In 5th Sriwijaya Economics, Accounting, and Business Conference (SEABC 2019) (pp. 148-153). Atlantis Press.

- Emhan, A., Arslan, V., Yaşar, M. F., & Çocuk, S. (2018). Relationship between organizational commitment, job satisfaction, emotional regulation and mediating effect of political perceptions: an application in the education sector. *European Journal of Educational & Social Sciences*, 3(2), 250-270.
- Eşitti, B., & Kasap, M. (2020). The impact of leader-member exchange on lodging employees' dynamic capacities: The mediating role of job satisfaction. *Tourism and Hospitality Research*, 20(2), 237-244.
- Feng, D., Su, S., Yang, Y., Xia, J., & Su, Y. (2017). Job satisfaction mediates subjective social status and turnover intention among Chinese nurses. *Nursing & Health Sciences*, 19(3), 388-392.
- Fornell, C., & Larcker, D.F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50.
- Francis, R. S., & Alagas, E. N. (2020). Hotel employees' psychological empowerment influence on their organizational citizenship behavior towards their job performance. *In Organizational Behavior Challenges in the Tourism Industry (pp. 284-304)*. *IGI Global*.
- Fuller, C. M., Simmering, M. J., Atinc, G., Atinc, Y., & Babin, B. J. (2016). Common methods variance detection in business research. *Journal of Business Research*, 69(8), 3192-3198
- Gold, J. R., Burridge, C. P., & Turner, T. F. (2001). A modified stepping-stone model of population structure in red drum, *Sciaenops ocellatus (Sciaenidae), from the northern Gulf of Mexico. Genetica*, 111(1-3), 305-317.
- Hackman, J.R., & Oldham, G.R. (1975). Development of the job diagnostic survey. *Journal of Applied Psychology*, 60, 159-70
- Hair Jr, J. F., Sarstedt, M., Hopkins, L., & Kuppelwieser, V. G. (2014). Partial least squares structural equation modeling (PLS-SEM). *European business review*.
- Hair Jr, J. F., Sarstedt, M., Matthews, L. M., & Ringle, C. M. (2016). Identifying and treating unobserved heterogeneity with FIMIX-PLS: part I-method. *European Business Review*.
- Hakami, A., Almutairi, H., Al Otaibi, R., Al Otaibi, T., & Al Battal, A. (2020). The Relationship between Nurses Job Satisfaction and Organizational Commitment. *Health Science Journal*, 14(1), 1-5.
- Hayes, B.E. (1994). How to measure empowerment. Quality Progress, February, pp. 68-78.
- Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The use of partial least squares path modeling in international marketing. In New challenges to international marketing (pp. 277-319). *Emerald Group Publishing Limited*.
- Hsiao, A., Ma, E. (Jintao), Lloyd, K., & Reid, S. (2019). Organizational Ethnic Diversity's Influence on Hotel Employees' Satisfaction, Commitment, and Turnover Intention: Gender's Moderating Role. *Journal of Hospitality & Tourism Research*, 109634801988369.
- Ibrahim, A. M. (2020). Psychological empowerment and organizational commitment among employees in the lodging industry. *Journal of Human Resources in Hospitality & Tourism*, 1-19.
- Khuong, M., & Linh, U. (2020). Influence of work-related stress on employee motivation, job satisfaction and employee loyalty in hospitality industry. *Management Science Letters*, 10(14), 3279-3290.
- Kline, R. B. (2011). Convergence of structural equation modeling and multilevel modeling (pp. 562-589).
- Ko, J., & Hur, S. (2014). The impacts of employee benefits, procedural justice, and managerial trustworthiness on work attitudes: Integrated understanding based on social exchange theory. *Public Administration Review*, 74(2), 176-187.
- Koo, B., Yu, J., Chua, B. L., Lee, S., & Han, H. (2020). Relationships among emotional and material rewards, job satisfaction, burnout, affective commitment, job performance, and turnover intention in the hotel industry. *Journal of Quality Assur*ance in Hospitality & Tourism, 21(4), 371-401.
- Lam, L.W. (2012). Impact of competitiveness on salespeople's commitment and performance. *Journal of Business Research*, 65(9), 1328-1334.
- Loan, L. (2020). The influence of organizational commitment on employees' job performance: The mediating role of job satisfaction. *Management Science Letters*, 10(14), 3307-3312.
- Mahmoud, A. B., Sitladin, M., Tehseen, S., Fuxman, L., Reisel, W. D., Purkayastha, H., & Grigoriou, N. (2020). Job satisfaction as a mediator between performance appraisal effectiveness and organisational outcomes in the caribbean. BAM2020 Conference, *Alliance Manchester Business School*.
- Meyer, J.P., & Allen, J. (1991), "A three-component conceptualization of organizational commitment", *Human Resources Management Reviews*, Vol. 1 No. 1, pp. 61-89.
- Meyerson, G., & Dewettinck, B. (2012). Effect of empowerment on employees performance. *Advanced Research in Economic and Management Sciences*, 2(1), 40-46.
- Mira, M., Choong, Y., & Thim, C. (2019). The effect of HRM practices and employees' job satisfaction on employee performance. *Management Science Letters*, 9(6), 771-786.
- Muhammad, I. G., & Abdullah, H. H. (2016). Assessment of organizational performance: Linking the motivational antecedents of empowerment, compensation and organizational commitment. *International Review of Management and Marketing*, 6(4), 974–983.
- Norbu, J., & Wetprasit, P. (2020). The study of job motivational factors and its influence on job satisfaction for hotel employees of Thimphu, Bhutan. *Journal of Quality Assurance in Hospitality & Tourism*, 1-22.
- Öktem, Ş., & Öztoprak, M. (2020). The effects of workplace safety climate on organizational identification and job satisfaction perceptions in hotel kitchens. *Journal of Hospitality*, 2(1-2), 15-29.
- Okumus, B., Chaulagain, S., & Giritlioglu, I. (2018). Examining the impacts of job stress and job satisfaction on hotel employees' eating behavior. *Journal of Hospitality Marketing & Management*, 1–18.

- Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: a critical review of the literature and recommended remedies. *Journal of Applied Psychology*, 88(5), 879.
- Prabawa, IMA, & Supartha, IWG (2018). Increase employee productivity through Empowerment, teamwork and training in service companies. *E-Journal of Management of Udayana University*, 7(1).
- Radwan, H. R. I. (2020). Leadership styles in the hotel sector and its effect on employees' creativity and organizational commitment. *International Journal of Social and Business Sciences*, 14(3), 169-179.
- Reidhead, C. (2020). Impact of organizational culture on employee satisfaction: A case of Hilton hotel, United Kingdom. *Journal of Economics and Business*, 3(1).
- Rezaei Dizgah, M., & Mehrabian, F. (2018). Study the effect of emotional intelligence on job satisfaction considering the mediator role of job burnout, emotional labor, emotional inconsistency, personality deprivation and deficiency of individual success in the staff of Guilan University of Medical Sciences. *Health and Safety at Work*, 8(1), 1-14.
- Ringle, C., Da Silva, D., & Bido, D. (2015). Structural equation modeling with the SmartPLS. Bido, D., da Silva, D., & Ringle, C. (2014). Structural Equation Modeling with the Smartpls. *Brazilian Journal of Marketing*, *13*(2).
- Rohani, S., Mishaliny, S. N., & Haryanni, H. (2012). Job satisfaction, organizational commitment, and turnover intention: A case study on employees of a retail company in Malaysi. World Academy of Science, Engineering and Technology International Journal of Economics and Management Engineering, 6(12).
- Saban, D., Basalamah, S., Gani, A., & Rahman, Z. (2020). Impact of Islamic work ethics, competencies, compensation, work culture on job satisfaction and employee performance: The case of four-star hotels. *European Journal of Business and Management Research*, 5(1).
- Sadati, S. (2012). A survey relation of organizational culture and organizational citizenship behavior with employees' empowerment. *Management Science Letters*, 2(6), 2175-2186.
- Saif, N. I., & Saleh, A. S. (2013). Psychological empowerment and job satisfaction in Jordanian hospitals. *International Journal of Humanities and Social Science*, 3(16), 250-257.
- Samad, S. (2007). Social structural characteristics and employee empowerment: The role of proactive personality. *International Review of Business Research Papers*, 3(4), 254-264.
- Selvi, M. S. & Maheswari G. S. (2020). Effects of Employee Empowerment on Organizational Success. *Journal of Xi'an University of Architecture & Technology*, 12(3), 2018-2025.
- Simsek, H. (2020). The relationship between organizational commitment and organizational cynicism levels of accounting employees in Hotel enterprises: The case of Kemer. *Global Journal of Management and Business Research*, 20(9).
- Sohail, M., & Ilyas, M. (2018). The impact of Job Satisfaction on aspects of Organizational Commitment (Affective, Continuance and Normative Commitment). *Journal of Managerial Sciences*, 12(3), 221-234.
- Taber, K. S. (2018). The use of Cronbach's alpha when developing and reporting research instruments in science education. *Research in Science Education*, 48(6), 1273-1296.
- Tarigan, V. (2015). Empirical study relations job satisfaction, organizational commitment, and turnover intention. *International Business & Economic Research Journal*, 5(2), 21–42.
- Teo, T. (2009). A case for using structural equation modelling (SEM) in educational technology research. *British Journal of Educational Technology*, 41(5), E89-E91.
- Ugboro, I. O., & Obeng, K. (2000). Top management leadership, employee empowerment, job satisfaction, and customer satisfaction in TQM organizations: an empirical study. *Journal of Quality Management*, 5(2), 247-272.
- Viseu, J., Pinto, P., Borralha, S., & de Jesus, S. N. (2020). Role of individual and organizational variables as predictors of job satisfaction among hotel employees. *Tourism and Hospitality Research*, 1467358420924065.
- Watson, D., Weber, K., Assenheimer, J. S., Clark, L. A., Strauss, M. E., & McCormick, R. A. (1995). Testing a tripartite model: I. Evaluating the convergent and discriminant validity of anxiety and depression symptom scales. *Journal of Abnormal Psychology*, 104(1), 3.
- Wen, J., Huang, S. (Sam), & Hou, P. (2019). Emotional intelligence, emotional labor, perceived organizational support, and job satisfaction: A moderated mediation model. *International Journal of Hospitality Management*, 81, 120–130.
- Widayanti, K. S., & Sariyathi, N. K. (2016). Pengaruh Kepuasan Kerja, Pemberdayaan Karyawan, Dan Stres Kerja Terhadap Komitmen Organisasi Pada Cv. *Akar Daya Mandiri. E-Jurnal Manajemen Unud*, *5*(11), 7022–7049.
- Widodo, W., & Damayanti, R. (2020). Vitality of job satisfaction in mediation: the effect of reward and personality on organizational commitment. *Management Science Letters*, 10(9), 2131-2138.
- Wong, K. C., & Chan, A. K. (2020). Work antecedents, work-life interference and psychological well-being among hotel employees in Macau. *Journal of Human Resources in Hospitality & Tourism*, 19(2), 131-147.
- Zaraket, W., Garios, R., & Malek, L. A. (2018). The impact of employee empowerment on the organizational commitment. *International Journal of Human Resource Studies*, 8(3), 284.
- Zhao, P., Xu, X., Peng, Y., & Matthews, R. A. (2020). Justice, support, commitment, and time are intertwined: A social exchange perspective. *Journal of Vocational Behavior*, 103432.



© 2021 by the authors; licensee Growing Science, Canada. This is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC-BY) license (http://creativecommons.org/licenses/by/4.0/).