



## The Impact of Transformational Leadership on Employee Performance: Mediating Roles of Employee Engagement and Job Satisfaction

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### ABSTRACT

The hospitality industry in Pakistan faces persistent challenges, including high employee turnover, inconsistent service quality, and low engagement levels, which hinder its growth despite significant economic contributions. This study examines the impact of transformational leadership (TL) on employee performance (EP) and job satisfaction (JS), with employee engagement (EE) as a mediating variable. A quantitative cross-sectional design was utilized, collecting data from 151 hotel and resort employees across Pakistan through purposive sampling. Standardized instruments, including the Multifactor Leadership Questionnaire (MLQ) and the Utrecht Work Engagement Scale (UWES), were used to assess TL, EE, JS, and EP. Data analysis involved descriptive statistics, reliability tests, correlation analysis, and structural equation modeling (SEM) using SPSS and AMOS. Findings confirm that transformational leadership significantly enhances employee engagement and job satisfaction, which in turn improve performance. The dual mediation of EE and JS reveals key psychological pathways through which leadership drives performance. This study contributes to leadership literature by empirically validating transformational leadership's effectiveness in a non-Western, service-driven context. The results offer practical implications for hospitality managers to adopt transformational practices that foster a more engaged, satisfied, and high-performing workforce.

## INTRODUCTION

In the fast-paced, service-oriented world of hospitality, employee engagement and job satisfaction are essential drivers of business success. Imagine checking into a deluxe hotel after a long journey, only to encounter disengaged, unmotivated staff. The tenderness of the experience is lost, and the brand's reputation is instantly at stake. (Gross et al., 2016). (Sung et al., 2023) This is a hypothetical scenario and a pressing global issue affecting the multi-trillion-dollar hospitality industry. Across the world, high turnover rates and unpredictable service quality threaten the sector's permanence. (Bergfeld et al., n.d.). While developed nations have instigated progressive leadership frameworks to thwart these challenges, emerging economies like Pakistan still grapple with outdated management practices, leading to a disengaged workforce and uneven customer experiences (Nasir, 2024). The hospitality industry in Pakistan, a rapidly growing sector, contributes significantly to the country's economy, employing millions and accounting for a notable percentage of GDP (Meo et al., 2023). With an expected compound annual growth rate (CAGR) of 6.85% between 2025 and 2029 (Statista, 2023), this industry holds immense potential. However, its expansion is stalled by severe workforce challenges, including high employee turnover, low engagement levels, and declining service quality. (Timsina, 2024). The challenging nature of the sector, indicated by long working hours, stressful customer communications, and limited career progression, exacerbates these issues. (Subramaniam et al., 2024).

However, a critical research gap remains in understanding how leadership—particularly transformational leadership—can address these challenges in Pakistan's hospitality **sector**. While international studies affirm the positive impact of transformational leadership (TL) on employee engagement (EE), job satisfaction (JS), and performance (EP), localized empirical evidence in Pakistan's service industry is scarce. Moreover, the psychological mechanisms—such as engagement—that mediate these effects are not well-explored in this context. These relentless challenges necessitate a shift in leadership practices to ensure employees' well-being, job satisfaction, and superior performance. (Ajayi & Udeh, 2024).

Transformational leadership, a leadership style that inspires, motivates, and fosters personal growth, has been significantly studied for its effect on organizational outcomes. (Cai, 2023). Unlike transactional leadership, which focuses on rewards and punishments, transformational leadership emphasizes fundamental motivation, trust-building, and empowerment. (Mubashir & Siddiqui, 2024). This approach is particularly important in service industries, where employee attitudes directly influence customer satisfaction and brand loyalty. (Gazi et al., 2024; Irshad et al., 2024; Rane et al., 2023). Despite the global distinction of transformational leadership's benefits, its application and effectiveness in Pakistan's hospitality industry remain underexplored (Waqas et al., 2025).

Existing research highlights the positive effects of transformational leadership on employee engagement, performance, and job satisfaction in various industries. (Al Massoudi et al., 2023). However, studies specialized to Pakistan's hospitality sector remain limited, and the mechanisms through which transformational leadership influences employee outcomes, particularly through the mediating role of employee engagement, are not well understood. Addressing this research gap is critical to identifying leadership strategies that can improve workforce commitment and operational efficiency in Pakistan's hospitality companies.

This study aims to investigate the impact of transformational leadership on employee performance and job satisfaction within Pakistan's hospitality industry. (Ansari & Khan, 2024), with employee engagement as a mediating variable. By examining this relationship, the research will influence the body of knowledge on leadership

theories in non-Western settings and provide actionable insights for hospitality managers. (Interarm et al., 2024). Understanding how transformational leadership can tone down workforce challenges will help businesses foster a motivated, productive, and loyal workforce, enhancing service quality and competitiveness in the global market. (Nuraini, 2023).

The study will address three key objectives:

1. To investigate the direct impact of transformational leadership on employee performance and job satisfaction in Pakistan's hospitality business.
2. To discover the mediating role of employee engagement in the relationship between transformational leadership and employee performance.
3. To deliver recommendations for hospitality managers on applying transformational leadership practices to enhance employee performance.

By addressing the research gap, this study will not only offer theoretical advancements but also practical consequences for industry professionals, training them with leadership strategies to drive employee engagement, satisfaction, and superior service delivery. In an industry where human interactions define success, understanding and applying transformational leadership could be the key to revolutionizing Pakistan's hospitality sector.

## LITERATURE REVIEW

### Introduction to the Literature Review

This chapter presents a comprehensive analysis of the theoretical foundations and empirical evidence concerning Transformational Leadership (TL), Employee Engagement (EE), Job Satisfaction (JS), and Employee Performance (EP), particularly in the context of Pakistan's hospitality sector. The literature review aims to establish a robust conceptual framework that justifies the study's hypotheses and provides direction for empirical inquiry. The approach integrates classical theories and contemporary research to demonstrate how transformational leadership influences individual and organizational outcomes through the mediating roles of engagement and satisfaction.

### Theoretical and Conceptual Background

Transformational leadership theory (Bass & Riggio, 2019) underpins this study as a framework for understanding leadership behaviors that inspire followers beyond immediate self-interests. This leadership style includes four core dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Nasir, 2024b). Unlike transactional leadership, which is contingent upon rewards and punishments (Judge & Piccolo, 2019), transformational leadership aligns employee goals with organizational visions, fostering innovation, collaboration, and accountability (Ye et al., 2022).

In the proposed model, **employee engagement** acts as a key mediating variable, defined as a psychological state characterized by vigor, dedication, and absorption (Schaufeli & Bakker, 2004; Hines, 2022). Engaged employees feel empowered and committed to their work, leading to favorable organizational behaviors and outcomes (Abdul-Azeez et al., 2024). Transformational leaders enhance engagement by cultivating a

supportive and motivating environment (Breevaart et al., 2019).

**Job satisfaction**—another mediating construct—is the extent to which employees derive fulfillment from their roles, influenced by recognition, work environment, and growth opportunities (Locke, 1976; Kumari et al., 2021). It is widely recognized that transformational leaders improve satisfaction by meeting intrinsic psychological needs and fostering a culture of appreciation (Bass & Riggio, 2019).

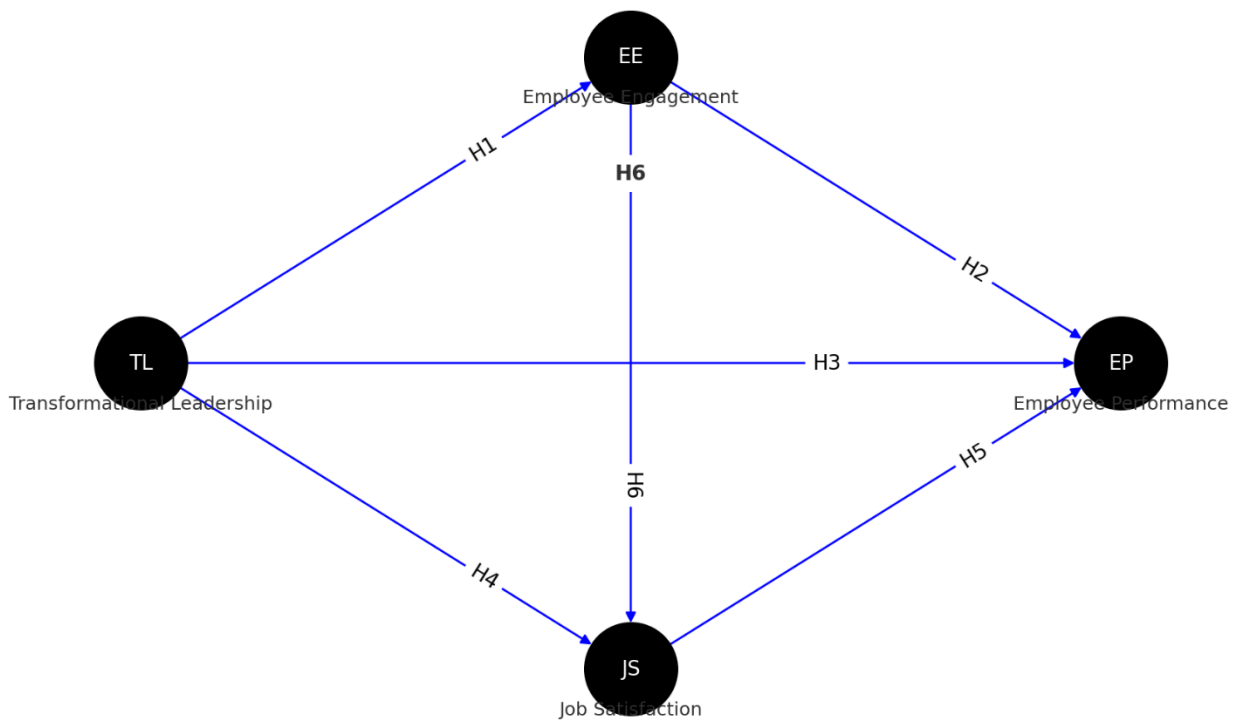
Finally, **employee performance** serves as the dependent variable and ultimate outcome. It encompasses task completion, goal attainment, and productivity (Campbell, 1990; Obeng et al., 2024). Transformational leadership affects performance directly and indirectly through engagement and satisfaction (Utomo et al., 2023; NUR et al., 2021). This conceptual framework is guided by Transformational Leadership Theory, the Job Demands–Resources (JD-R) model, and Social Exchange Theory.

### **Empirical Review and Hypothesis**

Empirical evidence supports the proposed theoretical linkages. Studies by Breevaart et al. (2019) and Zhang (2024) demonstrate that transformational leaders foster high engagement levels, which in turn enhance both satisfaction and performance. Similarly, Hassi (2019) and Hilton et al. (2023) found that transformational leadership behaviors such as individualized support and motivational communication are positively associated with job satisfaction, particularly in service-oriented environments like hospitality.

However, not all studies report uniformly strong effects. For instance, Chaudhry and Javed (2012) found that transformational leadership had a weaker impact on performance in highly bureaucratic or rigid organizational cultures. Similarly, Eisenbeiss et al. (2008) noted that transformational leadership may not significantly improve job satisfaction when basic organizational hygiene factors—such as fair compensation or job security—are lacking. Furthermore, some studies (e.g., Ng, 2017) caution that overreliance on inspirational leadership without matching structural support can lead to burnout or disillusionment among employees. These inconsistencies suggest that contextual factors such as organizational culture, employee expectations, and industry-specific dynamics may moderate the effectiveness of transformational leadership.

Research also reveals that engaged employees show higher satisfaction and improved task performance due to intrinsic motivation and emotional commitment (Shin, 2019; Sharafizad et al., 2020). Satisfied employees tend to be more loyal, productive, and efficient, which translates into better organizational performance (Jyoti & Rani, 2017; Obeng et al., 2024). In Pakistan's hospitality sector, where high turnover and service quality are major concerns (Kakar & Nawab, 2018; Xu et al., 2022), transformational leadership offers a practical strategy to elevate employee engagement and performance (Khan et al., 2022; Kambale & Namatovu, 2025).



**Figure 1.** Conceptual Model of the Study

Based on the reviewed theoretical and empirical literature, the following hypotheses are proposed:

- **H1:** Transformational leadership positively impacts employee engagement.
- **H2:** Transformational leadership positively impacts job satisfaction.
- **H3:** Transformational leadership positively impacts employee performance.
- **H4:** Employee engagement positively affects job satisfaction.
- **H5:** Employee engagement positively affects employee performance.
- **H6:** Job satisfaction positively impacts employee performance.
- **H7:** Employee engagement mediates the relationship between transformational leadership and employee performance.
- **H8:** Job satisfaction mediates the relationship between transformational leadership and employee performance.

## RESEARCH AND METHODOLOGY

### Research Design

This study employed a quantitative, cross-sectional research design to examine the impact of Transformational Leadership (TL) on Employee Performance (EP), with Employee Engagement (EE) and Job Satisfaction (JS) as mediating variables. A cross-sectional approach was deemed appropriate as it allows for the collection of data at a single point in time to identify relationships among variables within the target population.

### Population, Sample, and Sampling Procedure

The target population comprised employees working in the hospitality sector of Pakistan, specifically in hotels and restaurants. To ensure representation, participants were selected from various hierarchical levels, including frontline staff, supervisors, and managers. The study employed non-probability purposive sampling, focusing on employees with at least six months of tenure to ensure familiarity with leadership practices and organizational culture.

A total of 180 questionnaires were distributed through a mixed-method approach—online surveys and in-person distribution—to increase accessibility and response rates. After data cleaning, 151 valid responses were retained for analysis, yielding a response rate of approximately 83.9%.

### **Ethical Considerations**

This study adhered to strict ethical standards. Participants were informed of the voluntary nature of the study, and informed consent was obtained prior to participation. Anonymity and confidentiality were guaranteed. The study was conducted in compliance with ethical guidelines, and approval was granted by the Research Ethics Committee of IRB.

### **Instrumentation and Measures**

All constructs were measured using pre-validated scales, widely used and cited in existing literature:

- Transformational Leadership (TL): Measured using 5 items adapted from Bass and Avolio (1994).
- Employee Engagement (EE): Measured with 5 items based on Schaufeli et al. (2002).
- Job Satisfaction (JS): Assessed with 5 items adapted from Spector (1985).
- Employee Performance (EP): Measured using 5 items from Williams and Anderson (1991).

All items were rated on a 5-point Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

The instrument was pre-tested on a small sample to ensure clarity and reliability.

### **Data Analysis Procedures**

Data were analyzed using SPSS version 26 for preliminary analysis and AMOS version 24 for structural modeling. The analysis followed a multi-stage approach:

1. **Descriptive Statistics:** Computed to summarize demographic characteristics and central tendencies (mean, SD).
2. **Reliability Analysis:** Internal consistency was assessed using Cronbach's Alpha, with a threshold of  $\geq 0.70$  indicating acceptable reliability.
3. **Validity Testing:**
  - **Exploratory Factor Analysis (EFA)** was performed to confirm construct validity.
  - **KMO and Bartlett's Test** were used to assess sampling adequacy.
4. **Correlation Analysis:** Pearson correlation coefficients were computed to evaluate inter-variable relationships.
5. **Structural Equation Modeling (SEM):** Hypothesis testing and path analysis were conducted using SEM to evaluate direct and indirect relationships between TL, EE, JS, and EP.

This structured approach ensures the reproducibility and transparency of results, allowing future researchers to replicate the study in similar or expanded contexts.

## RESULT AND DISCUSSION

### Result

The demographic analysis reveals that the majority of the respondents were **male (70.9%)**, and the dominant age group was 20 years old (57.6%). Most participants held a bachelor's degree (41.1%) and had 1–2 years of work experience (51%), indicating a relatively young and moderately experienced workforce in the hospitality sector.

Table 1

Variable	Frequency
Male	70.9%
Bachelor's Degree	41.1%
1–2 Years Experience	51.0%

### Validity and Reliability Analysis

The Exploratory Factor Analysis (EFA) confirmed the construct validity of the instrument with a Kaiser-Meyer-Olkin (KMO) value of 0.896 and a significant Bartlett's Test ( $p < 0.001$ ), indicating sampling adequacy and factorability.

Reliability testing yielded Cronbach's Alpha values above 0.75 for all constructs, confirming good internal consistency of the measurement scales.

Table 2:

Construct	Cronbach's Alpha
Transformational Leadership	0.767
Employee Engagement	0.757
Job Satisfaction	0.805
Employee Performance	0.792

### Descriptive Statistics

The descriptive analysis showed high levels of agreement across all measured variables. Transformational Leadership (TL), Employee Engagement (EE), Job Satisfaction (JS), and Employee Performance (EP) all had low

mean scores (close to 1), indicating strong agreement (as lower values represent stronger agreement on the Likert scale).

The positive skewness values indicate that respondents leaned toward favorable perceptions across all constructs.

Table 3:

Variable	Mean Range	SD Range	Skewness
TL	1.42–1.77	0.626–0.902	1.537–2.236
EE	1.38–1.52	0.586–0.756	1.622–1.958
JS	1.53–1.68	0.651–0.868	1.576–2.175
EP	1.40–1.52	0.564–0.738	0.884–1.779

### Correlation Analysis

All variables were positively and significantly correlated at the 0.01 level, indicating strong associations between transformational leadership and the outcome variables (EE, JS, EP), as well as between the mediators and employee performance.

Table 4:

Relationship	Correlation Coefficient (r)	Interpretation
TL – EE	0.620**	Moderate-Strong
TL – JS	0.799**	Strong
TL – EP	0.626**	Moderate-Strong
EE – JS	0.573**	Moderate
EE – EP	0.582**	Moderate
JS – EP	0.530**	Moderate

( $p < 0.01$ )

### Structural Equation Modeling (SEM)

#### Measurement Model

The Confirmatory Factor Analysis (CFA) confirmed convergent validity, with all standardized factor loadings above 0.60. The model also met most fit criteria: CMIN/DF = 1.857, RMSEA = 0.076, and CFI = 0.883, indicating an overall acceptable fit.

Additionally, significant covariances were found between employee engagement, job satisfaction, and

performance.

The covariances observed between employee engagement, job satisfaction, and employee performance reflect strong associations between these constructs rather than modeled causal or mediation paths. While AMOS reports these as covariances, they serve to highlight the natural psychological interconnection among these variables. These associations are theoretically supported by the Job Demands–Resources (JD-R) model and Social Exchange Theory (SET), both of which emphasize how engagement and satisfaction co-occur and jointly shape employee behavior and performance. Thus, the covariances are interpreted as supportive contextual relationships that reinforce the structural paths, but not as independent hypotheses.

Table 5:

Latent Construct	Highest Loading	Item Loading
Transformational Leadership (TL)	TL3	0.791
Employee Engagement (EE)	EE1	0.755
Job Satisfaction (JS)	JS4	0.742
Employee Performance (EP)	EP1	0.747

Table 6: Model fit indices were acceptable.

Fit index	Value	Threshold	Interpretation
CMIN/DF	1.857	< 3.0	Good fit
RMSEA	0.076	< 0.08	Reasonable fit
CFI	0.883	> 0.90	Marginal fit

### Structural Model (Hypothesis Testing)

The path analysis results supported all six proposed hypotheses. Transformational leadership significantly influenced employee engagement ( $\beta = 0.826$ ), job satisfaction ( $\beta = 0.991$ ), and employee performance ( $\beta = 0.792$ ). Additionally, significant covariances were found between employee engagement, job satisfaction, and performance.

Table 7:

Path	Estimate	Standardized $\beta$	p-value	Conclusion
TL $\rightarrow$ EE	0.858	0.826	***	Supported
TL $\rightarrow$ JS	1.165	0.991	***	Supported
TL $\rightarrow$ EP	17.817	0.792	***	Supported
EE $\leftrightarrow$ JS (Cove)	-0.212	0.750 (covariance)	***	Supported

Path	Estimate	Standardized $\beta$	p-value	Conclusion
EE $\leftrightarrow$ EP (Cov)	-2.883	0.736 (covariance)	***	Supported
JS $\leftrightarrow$ EP (Cov)	-14.800	0.666 (covariance)	***	Supported

\*\*\*p < .001

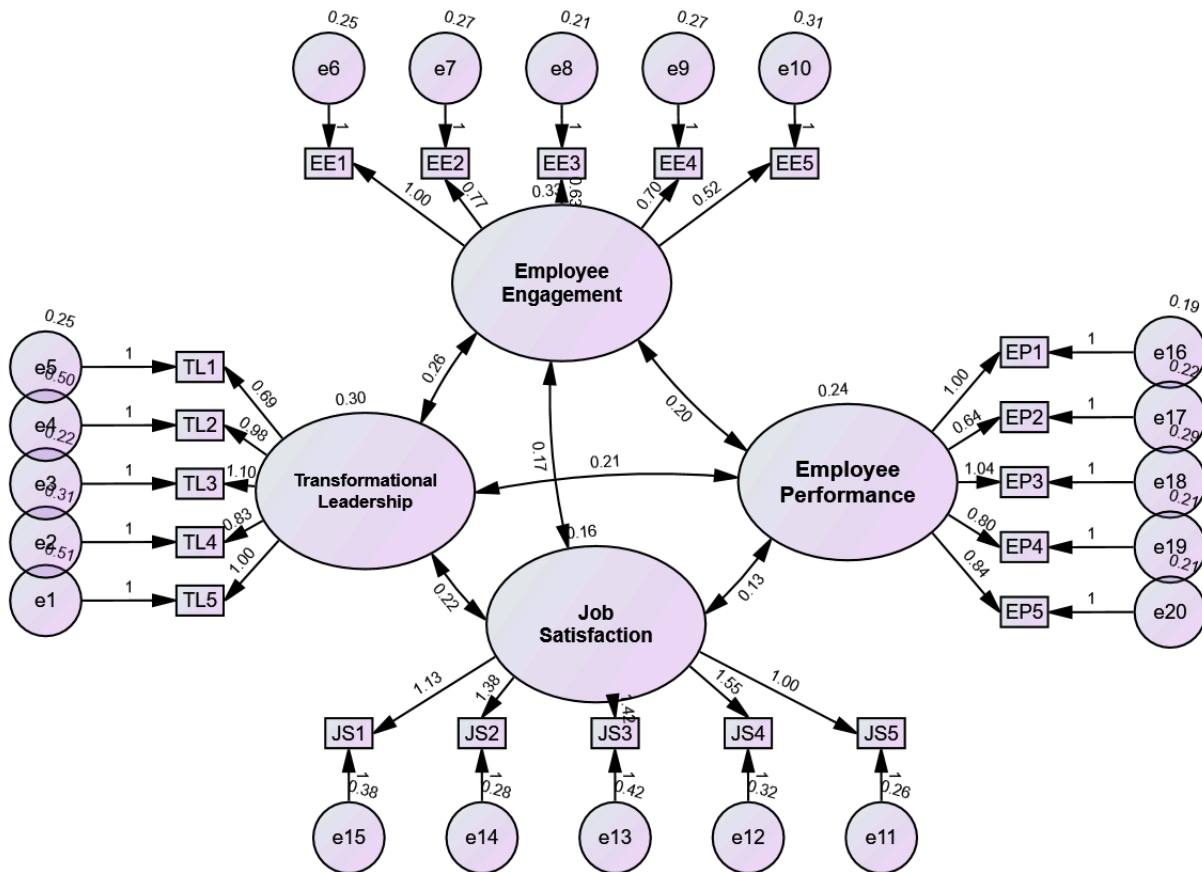


Figure 1 SEM from AMOS

## Discussion

The present study empirically establishes that transformational leadership (TL) significantly and positively influences employee engagement (EE), job satisfaction (JS), and employee performance (EP) in the hospitality sector of Pakistan. These findings are consistent with the broader body of literature that affirms TL's impact on workforce outcomes across service-oriented industries (Breevaart et al., 2019; Zhang, 2024). In the context of Pakistan's hospitality industry—which suffers from high turnover rates, inconsistent service quality, and low employee morale—these results underscore the urgent need for leadership models that go beyond transactional exchanges. TL emerges as a strategic tool to foster a work environment where employees feel empowered, valued, and aligned with organizational goals.

In particular, the results show that TL significantly enhances employee engagement. Leaders who practice idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration tend to

create emotionally resonant workplaces where employees exhibit vigor, dedication, and absorption in their tasks. This supports the Job Demands–Resources (JD-R) model, where leadership is considered a critical job resource that mitigates stressors and boosts motivation (Bakker & Demerouti, 2019). As a result, engaged employees are not only more enthusiastic but are also more likely to contribute meaningfully to customer satisfaction, a vital metric in hospitality services.

The positive relationship between TL and job satisfaction further validates the role of leadership in addressing psychological and emotional needs at work. In hospitality settings, where employees frequently manage high-pressure interactions with guests, personalized support, recognition, and clarity of purpose offered by transformational leaders significantly enhance morale. These results align with prior research (Hassi, 2019; Hilton et al., 2023), which found that supportive leadership climates improve job satisfaction, thereby reducing burnout and turnover. Moreover, satisfied employees in the hospitality sector tend to stay longer, demonstrate loyalty, and engage more meaningfully with customers—factors that directly contribute to service excellence.

Employee performance was also directly and indirectly affected by TL. Leaders who exhibit transformational behaviors are able to build trust, provide strategic clarity, and inspire accountability—factors that result in higher task efficiency, adaptability, and overall service quality. These findings are consistent with those of Jyoti and Rani (2017) and Obeng et al. (2024), who also emphasized the critical role of TL in enhancing individual and team performance in service sectors. Importantly, our results confirm that this performance effect is mediated by both engagement and satisfaction, reflecting the interconnectedness of these psychological constructs.

In addition to direct paths, the study also observed strong positive covariances among EE, JS, and EP. While these were not modeled as direct or indirect effects in the structural equation modeling, they represent robust associative relationships. The JD-R model and Social Exchange Theory (SET) provide theoretical backing for these findings, suggesting that engaged employees are more likely to experience satisfaction and deliver higher performance due to mutual trust and reciprocal exchanges with their leaders (Breevaart et al., 2019; Schaufeli & Bakker, 2004). These interconnected states of mind collectively create a high-functioning service environment, essential for Pakistan’s hospitality organizations striving for consistency and global competitiveness.

Overall, this study emphasizes that transformational leadership is not merely a motivational tool but a strategic necessity for addressing systemic workforce issues in Pakistan’s hospitality sector. In a rapidly expanding service economy, where the demand for quality guest experiences is growing, leadership that fosters engagement and satisfaction can provide a sustainable competitive advantage. The findings support the integration of TL practices into managerial development programs and HR policies across the industry.

## **Theoretical and Practical Implications**

### **Theoretical Contributions**

This study contributes to the literature in several novel ways:

1. **Contextual Expansion of TL Theory:** Most transformational leadership research originates from Western contexts. By confirming its effectiveness in Pakistan—a collectivist, hierarchical, and service-oriented culture—this study validates the cross-cultural generalizability of TL theory.
2. **JD-R Model Integration:** The findings demonstrate how transformational leadership functions as a

motivational resource, mitigating job demands and enhancing psychological outcomes such as engagement and satisfaction. This supports and extends the JD-R model in the hospitality setting.

3. **SET Validation in Service Sector:** The study confirms that reciprocal leader–employee relationships based on trust, recognition, and fairness lead to better work-related attitudes and behaviors. Emotional (EE) and evaluative (JS) mediators are shown to be key mechanisms through which TL operates, thereby strengthening the empirical foundation of Social Exchange Theory within emerging markets.

### **Practical Implications**

For practitioners and policymakers:

- **Leadership Development:** Hospitality organizations should invest in training programs that nurture transformational behaviors such as vision-sharing, intellectual stimulation, and individualized consideration. These traits directly and indirectly enhance organizational performance through engaged and satisfied employees.
- **HR Policy Enhancement:** Human Resources departments can implement recognition systems, feedback loops, and growth opportunities to boost EE and JS. Aligning HR practices with leadership behaviors strengthens the workplace environment.
- **National Policy Direction:** Industry regulators should consider developing national leadership development frameworks tailored for service-sector dynamics. Standardizing competencies in transformational leadership can raise overall service quality and competitiveness.

### **Limitations and Future Research Directions**

Despite its contributions, the study has several limitations:

1. **Cross-sectional Design:** The use of a one-time survey limits causal interpretation. While associations are statistically strong, longitudinal studies are necessary to track how TL influences EE, JS, and EP over time.
2. **Sector-Specific Focus:** The exclusive focus on the hospitality sector in Pakistan restricts generalizability. Future research should compare findings across sectors (e.g., healthcare, retail, education) and determine whether similar patterns emerge.
3. **Potential Moderators:** Variables such as gender, age, tenure, leadership experience, and organizational size may moderate the strength or direction of the observed relationships. Investigating these factors could reveal deeper insights into when and for whom TL is most effective.
4. **Need for Qualitative Insights:** While this study is quantitative, integrating qualitative methods—such as interviews or ethnographic studies—would provide a more nuanced understanding of how employees interpret and respond to TL behaviors, particularly within hierarchical and culturally diverse organizations.
5. **Regional Comparisons:** A South Asian comparative analysis involving countries like India, Nepal, Bangladesh, and Sri Lanka could uncover contextual similarities and differences, enhancing regional policy alignment and cross-border learning.

This research confirms that Transformational Leadership is a powerful strategic asset in shaping employee engagement, job satisfaction, and performance within Pakistan's hospitality sector. Leaders who articulate compelling visions, foster intellectual growth, and demonstrate personalized care help cultivate emotionally invested and high-performing teams.

The findings underscore the psychological mechanisms—such as engagement and satisfaction—through which leadership behaviors translate into superior performance. By validating TL's impact in a non-Western, collectivist context, the study advances the cross-cultural relevance of leadership theory and presents actionable pathways for sustainable HR development.

In a time when the hospitality sector faces global disruptions, economic uncertainty, and talent shortages, adopting transformational leadership approaches is not only desirable but essential. Organizations that invest in transformational leadership will likely build resilient, innovative, and motivated teams capable of driving sustained service excellence and long-term growth.

## **CONCLUSION**

The working hypothesis of this study—that transformational leadership positively affects employee engagement, job satisfaction, and employee performance—was fully supported by empirical evidence. The data confirmed both direct and indirect pathways, with engagement and satisfaction mediating the relationship between leadership behavior and performance outcomes. This affirms the theoretical grounding in Transformational Leadership Theory, the JD-R Model, and Social Exchange Theory, demonstrating that psychological and relational mechanisms are critical in explaining how leadership impacts employee outcomes.

A key contribution of this research lies in its contextual specificity: it provides one of the few empirical validations of transformational leadership's effectiveness within the hospitality sector of a South Asian, collectivist society. Unlike the predominantly Western-focused literature, this study illustrates that even in hierarchical and culturally nuanced environments like Pakistan, the core principles of transformational leadership—vision, trust, and individualized support—translate into tangible improvements in employee engagement and organizational performance. This represents a meaningful addition to the cross-cultural applicability of leadership theory, particularly within service-intensive industries.

However, the research is not without its limitations. The use of a cross-sectional design precludes the establishment of causality, and the reliance on self-reported data introduces the potential for response bias. Moreover, sectoral and geographic limitations suggest caution in generalizing the findings to other industries or regions without further validation. Future research should adopt longitudinal and mixed-method designs to capture the evolution of leadership impacts over time and explore deeper cultural or organizational nuances.

The implications of these findings extend beyond academic theory into institutional and systemic domains. For human resource policy and management practices, the study suggests a shift in focus toward leadership development that prioritizes emotional intelligence, strategic vision, and personalized support. In terms of national

development policy, particularly in Pakistan's service sector, there is an urgent need for a structured leadership development framework that aligns with international standards but is sensitive to local cultural values. Training programs should be institutionalized to build leadership capacity at all organizational levels, thereby enhancing competitiveness, reducing turnover, and elevating service quality on a national scale.

In conclusion, transformational leadership should no longer be viewed as a theoretical ideal but as a strategic imperative—particularly in emerging economies where human capital development is pivotal to service excellence. By empowering leaders who can engage, inspire, and support their employees, organizations position themselves to meet the evolving demands of the global hospitality industry while fostering sustainable, people-centered growth.

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