

## The Impact of Transformational Leadership on Employee Performance at Jeddah Islamic Port with the Mediating Role of Job Satisfaction: An Applied Study

Prepared By

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### المستخلص

تستكشف هذه الدراسة العلاقة بين القيادة التحويلية وأداء الموظفين، حيث يلعب الرضا الوظيفي دور العامل الوسيط، في ميناء جدة الإسلامي. استُخدم نهج كمي يعتمد على نمذجة المعادلات الهيكلية (SEM)، حيث جُمعت بيانات من ١٩٨ موظفًا، ثم حُللت باستخدام برنامج AMOS. تشير النتائج إلى أن لكل بُعد من أبعاد القيادة التحويلية الأربعة - التأثير المثالي، والدافع الملهم، والتحفيز الفكري، والاعتبار الفردي - تأثيرًا إيجابيًا وهامًا على أداء الموظفين وأداء الموظفين. يتوسط الرضا الوظيفي جزئيًا العلاقة بين القيادة التحويلية وأداء الموظفين. تُمثل المتغيرات المرتبطة بالقيادة التحويلية ٢٦,٠٪ من التباين في الرضا الوظيفي و 53.9٪ من التباين في أداء الموظفين من خلال الرضا الوظيفي. يقدم البحث بيانات تجريبية تُبرز الدور الأساسي للقيادة التحويلية في تحسين الأداء التنظيمي في قطاع الخدمات اللوجستية البحرية.

**الكلمات المفتاحية:** القيادة التحويلية، أداء الموظفين، رضا الموظفين، الصناعة البحرية، نمذجة المعادلات الهيكلية

### Abstract

This study explores the connection between transformational leadership (TL) and employee performance (EP), with job satisfaction (JS) acting as a mediating factor, at Jeddah Islamic Port (JIP). A quantitative approach employing structural equation modeling (SEM) was utilized, with data gathered from 198 employees and subsequently analyzed through AMOS software. The results indicate that each of the four dimensions of transformational leadership—idealized influence (II), inspirational motivation (IM), intellectual stimulation (IS), and individualized consideration (IC)—has a significant and positive impact on JS and EP. The relationship between transformational leadership and EP is partially mediated by JS. The variables associated with transformational leadership account for 26.0% of the variance in JS and 53.9% of the variance in EP. The investigation offers empirical data that underscores the essential function of transformational leadership in improving organizational performance within the maritime logistics sector.

**Keywords:** Transformational Leadership, Employee Performance, Job Satisfaction, Mediation, Maritime Industry, Structural Equation Modeling

## **1- Introduction**

In today's competitive business environment, the success of an organization heavily relies on strong leadership that encourages and energizes employees to achieve exceptional performance. Performance results play a crucial role in securing the long-term viability of a business. (Azmy, 2025) The effectiveness of performance is shaped by essential elements related to leadership, organizational culture, and motivational dynamics. The maritime logistics sector, particularly concerning port operations, faces unique challenges that require adaptable leadership approaches to maintain operational efficiency and promote employee satisfaction.

TL plays a vital role in improving talent retention and employee engagement, both of which are crucial for achieving organizational success in today's competitive landscape. (Sinha, 2024) This leadership style has attracted significant attention in the study of organizations due to its potential to enhance EP through psychological and motivational processes.

The Jeddah Islamic Port (JIP) serves as a crucial component of Saudi Arabia's maritime infrastructure, acting as an important gateway for global trade and pilgrimage activities. Examining the intricacies of leadership effectiveness in this context is essential for improving organizational performance and employee satisfaction. Human resources constitute an essential component for the success of any organization. (Sutio, 2024). The performance of employees plays a vital role in the realm of human resource management, greatly impacting the success of an organization.

This study examines how various aspects of TL influence EP in the maritime sector, highlighting the role of JS as a mediating factor. This study enriches theoretical understanding and practical implementations in the field of port management and the advancement of maritime human resources.

### **1.1. Research Problem:**

Jeddah Islamic Port (JIP), a crucial hub for both regional and international trade, faces increasing demands to enhance operational efficiency, reduce costs, and elevate service quality amidst a competitive global landscape (Mangkunegara, 2016). The effectiveness of EP plays a vital role in the success of ports, impacting cargo handling efficiency, accuracy, and overall customer satisfaction (Kawiana, 2020). Numerous elements impact EP at JIP, such as leadership approaches, employee motivation, and general JS (Sumarno, 2023). Exploring the complex connections among TL, JS, and EP is crucial for pinpointing areas for enhancement and creating focused strategies to boost port efficiency and productivity (Naeem, 2018).

This investigation explores how JS mediates the connection between TL and EP at JIP. Improving EP leads to increased port efficiency, reduced operational costs, enhanced customer satisfaction, and ultimately, better competitiveness in the global maritime industry (Kawiana, 2013). This study seeks to explore the connection between TL and JS, as well as the impact of

this relationship on EP at the JIP. This highlights the fundamental practical challenge that this study aims to address (Lasiny, 2021).

A variety of studies have explored the relationship between TL and EP, often including JS as a mediating factor (Putri, 2022; Yodani, 2022; Muhajiroh, 2024). The findings indicate that TL positively influences JS, which in turn boosts EP. Putri and Meria (2022) found a noteworthy positive correlation between TL and JS, which in turn affects EP in the food and beverage industry. Yodani and Rimadias (2022) observed a positive correlation between TL and both JS and EP in Persero. However, certain studies have yielded varying results. Studies show that TL does not directly impact EP; rather, its effect is mediated by JS (Mariyatha, 2023; Sari, 2024).

Further investigations reveal that TL does not have a significant impact on EP, although it does positively influence JS (Mariyatha, 2023). The identified inconsistencies highlight the need for further investigation into the connection between TL and EP.

## **1.2. Research Purpose and Objectives**

This study primarily aims to assess how TL influences EP, considering the mediating effect of JS, specifically at JIP. The investigation is directed by the subsequent aims:

- 1- To assess the degree to which TL influences EP.
- To examine the impact of TL on JS.
- 3- To investigate the impact of JS on EP.
- 4- To examine the mediating effect of JS on the relationship between TL and EP.
- 5- To create and establish a framework that explores the relationship between TL and EP through the application of structural equation modeling.

## **1.3. Research Questions**

In pursuit of these objectives, this investigation aims to address the subsequent inquiries:

- Question 1: How does TL influence EP?
- Question 2: How does TL influence JS?
- Question 3: How does JS correlate with EP?
- Question 4: Is there a mediating effect of JS on the relationship between TL and EP?

## **1.4. Significance of the Study**

This study deepens the comprehension of organizational dynamics and leadership by empirically confirming the relationships between TL, JS, and EP in the unique and relatively under-researched setting of JIP. This investigation deepens the understanding of the mediating processes through which TL influences performance, thus reinforcing the significance of Bass and Avolio's (1994) model in diverse cultural and industrial settings. This study confirms the role of JS as a mediator, moving past simple direct effects and offering a deeper insight into the psychological mechanisms

at play. This deepens the understanding of the connection between TL and quantifiable improvements in performance.

The results offer valuable insights for management and human resource professionals at JIP. This investigation delineates the particular aspects of TL that notably influence JS, establishing a data-supported basis for the creation of focused leadership training initiatives and strategies designed to improve employee well-being and productivity. The findings present considerable importance for entities within the maritime sector or comparable operational environments facing analogous human resource issues.

## **2- Literature Review**

### **2.1 Transformational Leadership (TL) Theory**

Transformational Leadership (TL) Theory, initially presented by Burns in 1978 and further developed by Bass in 1985, represents a significant departure from traditional leadership models. This leadership approach is characterized by attributes such as IM, IC, II, and IS, fostering alignment with organizational goals while enhancing personal growth. (Sinha, 2024)

TL includes four key elements: II, IM, IS, and IC. Abolade (2024). The various dimensions work in unison to create a comprehensive leadership strategy that aligns with both organizational objectives and the needs of individual employees.

#### **2.1.1 Idealized Influence (II)**

Idealized Influence (II) represents the charismatic dimension of TL, where leaders serve as role models and earn the respect and trust of their followers. Leadership that embodies II can improve employee satisfaction regarding professional growth and relationships with superiors. Salim (2024). Leadership that embodies II has the potential to improve both the volume and caliber of EP.

Consistent findings indicate that II has a positive effect on a range of organizational outcomes. demonstrates a favorable correlation between II, IM, IS, IC, and performance. (Hossam et al, 2024; Idiko, 2023). This aspect enables leaders to establish trust and cultivate assurance within their teams.

#### **2.1.2 Inspirational Motivation (IM)**

Inspirational Motivation (IM) involves the ability of leaders to articulate clear and compelling visions while cultivating enthusiasm for shared goals. This study explores how TL behaviors—such as IM, IS, II, and IC —affect employee motivation levels in the Indian private sector. (Chouksey, 2025).

The results demonstrate significant positive direct impacts of IM and personalized attention on employee creativity. (Alwaely, 2024). This aspect encourages emotional involvement and dedication to the objectives of the organization.

### **2.1.3 Intellectual Stimulation (IS)**

Intellectual Stimulation (IS) prompts individuals to challenge existing beliefs, engage in creative thinking, and tackle issues from innovative angles. This study posits that the IC and II aspects of TL impact followers' perceptions regarding the quality of their relationships with leaders. In contrast, the IM and IS aspects primarily serve motivational roles, such as person-organization fit and self-efficacy. Furthermore, these aspects are believed to enhance follower performance, including organizational citizenship behaviors and task performance, through the outlined mechanisms. (Erdurmazl, 2024)

Studies show that IS fosters innovation and problem-solving skills in employees, leading to improved performance results.

### **2.1.4 Individualized Consideration (IC)**

Individualized Consideration (IC) highlights the importance of leaders focusing on the unique needs, skills, and goals of each individual follower. By focusing on the unique needs and goals of team members, leaders can effectively reduce turnover rates and enhance overall employee retention. (Sinha, 2024)

Empowerment acts as a partial mediator in the connections between all aspects of TL (II, IM, IS, and IC) concerning employee creativity, with IC showing the most substantial indirect impact. (Alwaely, 2024)

## **2.2 Employee Performance (EP)**

The performance of employees reflects how effectively and efficiently individuals carry out their assigned tasks and contribute to the goals of the organization. The performance of employees is crucial to the success of a company, as the advancement of the organization depends on the combined efforts of its workforce. (Santya, 2022)

The performance of employees plays a crucial role in driving productivity within organizations, especially in the hospitality sector of Malaysia. (Teoh, 2022). Assessing EP encompasses various dimensions: task performance, contextual performance, and adaptive performance.

Investigations have revealed notable connections between TL and EP. The analysis of data revealed that TL has a positive impact on EP within the health sector of Pakistan. Naeem (2018) The results demonstrate: (1) a positive and significant correlation between TL and EP, (2) a positive and significant correlation between TL and JS, and (3) a positive and significant correlation between JS and EP. TL has a positive and significant impact on EP through the enhancement of JS. JS exerts a positive influence on EP via JS, though this effect is not significant. (Amalina, 2022)

### **2.3 Job Satisfaction (JS)**

Job Satisfaction (JS) involves individuals' emotional and cognitive evaluations of their work experiences. Transformational leaders cultivate a dynamic workplace that boosts employee worth, encouragement, and autonomy, leading to increased JS and commitment. (Sinha, 2024)

JS acts as a crucial connection between TL and improved organizational commitment and EP. (Firdaus, 2024). Comprehensive studies have demonstrated favorable links between JS and performance.

JS acts as a driving force for improving performance quality. (Azmy, 2025). The performance of employees is enhanced by their level of JS. (Azmy, 2025)

## **2.4 Mediating Role of Job Satisfaction (JS)**

The role of JS as a mediator in the relationship between TL and performance presents an important theoretical and practical consideration. JS was recognized as a mediator in the connection between TL, serving as the independent variable, and EP, which is the dependent variable. (Naeem, 2018)

The results suggest the subsequent points: (1) TL has a positive and significant effect on EP, (2) TL positively and significantly influences JS, (3) JS has a positive and significant impact on EP, and (4) TL positively and significantly affects EP through JS. (Amalina, 2022)

The results demonstrate that TL significantly influences EP, both directly and indirectly, through the mediation of JS. (Yulianti, 2025), This study demonstrates that JS acts as a significant mediator in the connection between TL and EP. (Anggraeni, 2025)

Studies across various sectors consistently highlight the mediating role of JS. The findings of this study indicate that: (1) there is a significant effect of TL style on JS; (2) work motivation has a significant influence on JS; (3) TL style significantly impacts EP; (4) work motivation significantly affects EP; (5) JS has a significant influence on EP; (6) TL style has an indirect and significant effect on EP through JS; (7) work motivation also has an indirect and significant effect on EP through JS. (Lasiny, 2021).

## **3- Research Methodology**

### **3.1 Research Design**

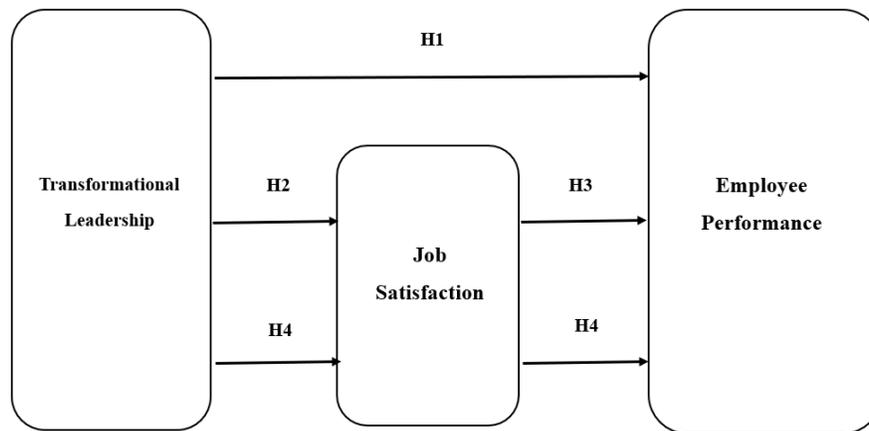
This investigation utilized a quantitative research framework, implementing a cross-sectional survey methodology. The framework was developed to examine the connections among dimensions of TL, JS, and EP through the application of structural equation modeling (SEM).

### **3.2. Population and Sample**

This study focused on employees and leaders at Jeddah Islamic Port (JIP) as the target population. A total of three hundred (300) questionnaires were distributed to potential respondents. A total of 228 questionnaires were returned, indicating a response rate of 76%. After careful examination, 30 questionnaires (10%) were classified as incomplete, ineligible, or rejected, while 72 (24%) were not reached. The outcome was 198 valid responses, leading to an effective response rate of 66%. This response rate is deemed highly suitable given the context of this study.

### 3.3 Instrumentation

**Transformational Leadership (TL):** The Multifactor Leadership Questionnaire developed by Podsakoff et al., (2000); Lai et al., (2020) Mathieu (2022) was used to measure TL dimensions. The instrument consists of 16 items measuring the four dimensions of TL. **job satisfaction JS:** The Job Descriptive Index developed by Pang and Lu (2018) was adapted to measure JS. The scale consists of 6 items covering various aspects of JS. **employee performance EP:** A 5-item scale adapted from Matar et al., (2019) Ramos-Villagrasa et al., (2019). Figure (1) shows the Conceptual Framework



**Figure 1 Conceptual Framework**

### 3.4 Data Analysis

The analysis of data was performed utilizing SPSS 28.0 and AMOS 28.0 software. The study incorporated descriptive statistics, reliability analysis, confirmatory factor analysis (CFA), and structural equation modeling (SEM) to evaluate the proposed relationships.

### 3.4. Data Collection

The survey was distributed to staff and management at JIP. The method of administration, whether online or paper-based, remains unspecified; however, the process successfully achieved a satisfactory response rate.

### 3.5. Data Analysis

Structural Equation Modeling (SEM) was utilized to examine the proposed connections among TL, JS, and EP. SEM serves as a robust multivariate analysis method, enabling the concurrent evaluation of various direct and indirect relationships, thereby offering an in-depth analysis of intricate theoretical models. The analysis utilized AMOS software (IBM® SPSS® Amos), specifically tailored for structural equation modeling and path analysis.

Model fit was assessed using several commonly accepted indices <sup>31</sup>:

Chi-Square/Degrees of Freedom ( $\chi^2/DF$ ): A value of  $\leq 3.0$  indicates an acceptable model fit.

Root Mean Square Error of Approximation (RMSEA): Values less than 0.08 indicate a good fit, with values less than 0.05 indicating excellent fit.

Tucker Lewis Index (TLI) and Comparative Fit Index (CFI): Values above 0.90 (or ideally 0.95/0.96) indicate acceptable to good fit.

Hypothesis testing involved examining the standardized regression weights ( $\beta$  values) and their corresponding P-values. A P-value of  $\leq 0.05$  was used as the criterion for statistical significance. Mediation effects were assessed to determine the indirect influence of TL dimensions on EP through JS. While the methodology section details the chosen approach, it is important to acknowledge inherent limitations of the cross-sectional design and reliance on self-report measures. Cross-sectional studies cannot definitively establish causality<sup>22</sup>, and self-report data are prone to biases like social desirability or memory limitations.<sup>33</sup> This acknowledgment demonstrates academic integrity and a nuanced understanding of research methodology.

## **4- Results**

### **4.1. Descriptive Statistics of the Sample**

This section would typically present demographic characteristics of the 198 acceptable respondents, such as age, gender distribution, educational level, tenure at JIP, and position level.

### **4-2 Measurement Model Assessment**

Before evaluating the structural model, it is standard practice to perform a Confirmatory Factor Analysis (CFA) to assess the psychometric properties of the measurement model, including factor loadings, composite reliability, and average variance extracted for the dimensions of TL, JS, and EP.

### **4-3 Structural Model Assessment**

#### **4-3-1 Model Fit Indices**

The structural model demonstrated a good fit to the observed data, as indicated by the following fit indices. This table is essential for demonstrating the statistical validity of the SEM model, allowing readers and reviewers to quickly ascertain if the theoretical model adequately fits the empirical data. A well-fitting model provides confidence in the interpretation of the path coefficients and R<sup>2</sup> values. Without good fit, any subsequent findings would be questionable. Reporting these specific fit indices is a standard requirement for publications utilizing SEM, particularly in Scopus-indexed journals.<sup>31</sup> It signals adherence to rigorous quantitative research practices.

**Table 1: Structural Model Fit Indices**

Fit Index	Value	Acceptable Threshold	Interpretation
Degrees of Freedom (DF)	311	> 0	Valid
$\chi^2/DF$	2.834	$\leq 3.0$	Good Fit
RMSEA	0.062	< 0.08	Good Fit

Fit Index	Value	Acceptable Threshold	Interpretation
TLI	0.927	$\geq 0.90$	Acceptable/Good Fit
CFI	0.936	$\geq 0.90$	Acceptable/Good Fit

Overall, these indices collectively indicate that the proposed structural equation model provides good support for the theoretical factor structure and the relationships identified through the preceding CFA. Figure (2) shows the Structural Model (Final Result)

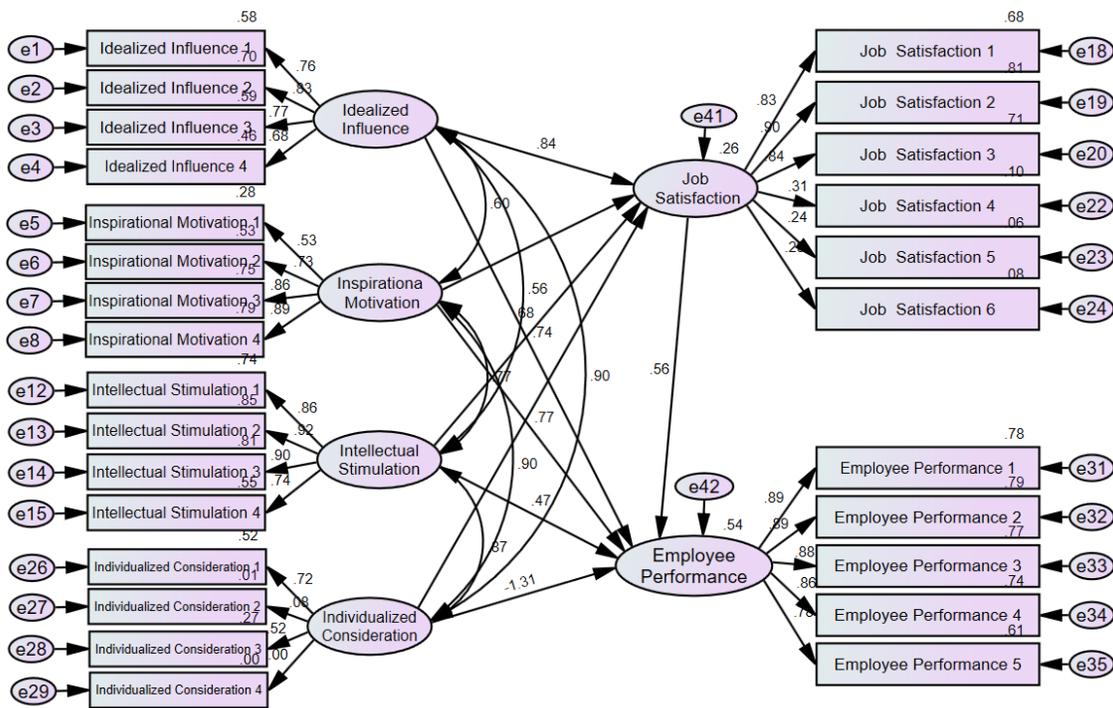


Figure 2: Structural Model

### 4-3-2 Direct Effects

The analysis of direct paths revealed statistically significant relationships for all hypothesized connections ( $\alpha \leq 0.05$ ). This table directly addresses and summarizes the outcomes of the primary direct hypotheses (H1, H2, H3, and their sub-hypotheses). It provides a clear, at-a-glance overview of which relationships are statistically significant. By presenting all beta values together, it facilitates a quick comparison of the relative strength of each direct path, allowing for deeper interpretation of which leadership dimensions have the most substantial impact on performance and satisfaction. Presenting these numerical results in a table is far more efficient and digestible for the reader than describing each finding in prose, enhancing the overall readability and impact of the results section.

**Table 2: Direct Effects**

Path	Standardized Beta ( $\beta$ )	P-Value	Hypothesis Supported
II → EP	0.738	0.000	Yes (H1.1)
IM → EP	0.771	0.000	Yes (H1.2)
IS → EP	0.470	0.000	Yes (H1.3)
IC → EP	0.306	0.000	Yes (H1.4)
II → JS	0.840	0.000	Yes (H2.1)
IM → JS	0.583	0.000	Yes (H2.2)
IS → JS	0.684	0.000	Yes (H2.3)
IC → JS	0.606	0.000	Yes (H2.4)
JS → EP	0.562	0.000	Yes (H3)

**4-3-3 Indirect (Mediating) Effects**

The findings from the mediation analysis demonstrate that JS serves as a statistically significant partial mediator in the relationship between all four dimensions of TL and EP ( $\alpha \leq 0.05$ ). This table directly examines the central mediating hypotheses (H4 and its sub-hypotheses), highlighting the distinct contribution of this study. The evidence distinctly illustrates the supportive role of JS as a mediator. This emphasizes the particular indirect pathways by which TL affects EP, going beyond mere direct correlations to elucidate the fundamental mechanisms at play. Clearly articulating "Partial Mediation" for each pathway is essential for precise interpretation and for directing the ensuing dialogue regarding the dual impact of TL.

**Table 3: Indirect (Mediating) Effects**

Indirect Path	P-Value	Mediation Type	Hypothesis Supported
II → JS → EP	0.003	Partial Mediation	Yes (H4.1)
IM → JS → EP	0.003	Partial Mediation	Yes (H4.2)
IS → JS → EP	0.002	Partial Mediation	Yes (H4.3)
IC → JS → EP	0.003	Partial Mediation	Yes (H4.4)

**4-3-4 Variance Explained (R<sup>2</sup> Values)**

The variable of TL, encompassing II, IM, IS, and Individual Consideration, accounts for 26.0% of the variance in JS (R<sup>2</sup> = 0.260). Moreover, the variable of TL, mediated by JS, accounts for a significant 53.9% of the variance in EP (R<sup>2</sup> = 0.539). This table offers a comprehensive perspective on the model's explanatory capabilities. This measures the extent to which independent and mediating variables explain the variability in JS and EP. Elevated R<sup>2</sup> values, especially concerning EP, highlight the significant relevance of the established relationships. The findings indicate that TL and JS are not only statistically significant but also play a crucial role in predicting employee outcomes. This enables the reader to assess the overall influence of the proposed theoretical framework on the dependent variables, highlighting the study's contribution.

**Table 4: Variance Explained (R<sup>2</sup> Values)**

Variable	R <sup>2</sup> Value	Percentage of Variance Explained
JS	0.260	26.0%
EP	0.539	53.9%

**5- Discussion**

The findings of this study provide strong empirical support for the proposed model, highlighting the considerable influence of TL on EP, both directly and indirectly through JS, at JIP.

The analysis of direct paths revealed statistically significant associations for all proposed relationships. Consistent with Main Hypothesis 1 and its sub-hypotheses, each of the four dimensions of TL — II, IM, IS, and Individual Consideration—showed a statistically significant positive impact on EP. IM ( $\beta=0.771$ ) and II ( $\beta=0.738$ ) exhibited the most substantial direct effects, suggesting that leaders who inspire and act as exemplary role models are particularly effective in improving EP in this context. This aligns with the core tenets of TL, where leaders motivate their followers to surpass expectations in their endeavors. The observation that IM and II show elevated beta values highlights their considerable influence in this context, offering focused insights for the advancement of leadership skills.

In alignment with Main Hypothesis 2 and its associated sub-hypotheses, all dimensions of TL demonstrated a statistically significant positive correlation with JS. The findings indicate that Idealized Influence ( $\beta=0.840$ ) has the most substantial impact, highlighting that leaders who embody strong values and foster trust significantly enhance employee satisfaction. This is consistent with current studies that highlight the empowering and supportive elements of TL in enhancing employee well-being and engagement.

A strong and statistically significant positive relationship is observed between JS and EP ( $\beta = 0.562$ ), aligning with the Main Hypothesis. This reinforces the well-accepted notion that content

employees demonstrate increased motivation, productivity, and engagement, which in turn results in improved performance outcomes.

The results of the mediation analysis are significant, confirming Main Hypothesis 4 along with its related sub-hypotheses. JS emerged as a statistically significant partial mediator in the relationship between the four dimensions of TL and EP. This finding aligns with previous studies that illustrate partial mediation effects. The repeated finding of partial mediation across all four dimensions of TL is noteworthy. JS acts as a significant avenue, albeit not the only one, through which TL influences EP. This suggests that TL could have direct effects on performance, possibly through avenues not solely reliant on JS, including direct inspiration, a clear vision, or skill enhancement that improves task execution. This dual influence highlights the intricate impacts of TL.

The model shows considerable explanatory strength, with TL responsible for 26.0% of the variance in JS, which subsequently accounts for 53.9% of the variance in EP. The  $R^2$  values, particularly the 53.9% variance explained in EP, are significantly elevated within the framework of organizational behavior studies. This indicates that TL plays a crucial role in predicting EP at JIP, influencing it both directly and indirectly via JS. This discovery underscores the practical importance of the model.

### 5-1 Theoretical Implications

This study offers several theoretical contributions. This study's findings provide substantial backing for TL theory and its applicability within the maritime logistics industry. The findings indicated that all four variables were significant predictors of the outcome, expressed as a percentage. constituted 37% of the variance (Matar, 2019) The results align with previous research demonstrating the positive effects of TL on employee outcomes.

Moreover, the notable relationship between idealized influence and both JS ( $\beta = 0.840$ ) and EP ( $\beta = 0.738$ ) highlight the essential importance of leader credibility and role modeling in organizational settings. Both financial and non-financial compensation, coupled with leadership marked by idealized influence, can significantly boost EP when underpinned by JS in professional development and constructive working relationships with superiors and colleagues. (Salim, 2024)

The discovery that IM exerts the most substantial direct influence on EP ( $\beta = 0.771$ ) underscores the importance of clearly articulating a vision and fostering emotional engagement in successful leadership. The findings reveal a significant positive relationship between the traits of TL and the motivation levels of employees. (Chouksey, 2025).

The model explains a notable portion of the variance in EP (53.9%), suggesting that TL and JS serve as robust predictors of employee outcomes in this scenario. This finding highlights the practical importance of these constructs, suggesting that focusing on TL development and improving JS can result in significant enhancements in workforce effectiveness.

## 5-2 Practical Implications

The findings of this study offer several practical implications for management and human resource professionals at JIP and similar organizations.

The cultivation of leadership skills is crucial. Considering the substantial benefits associated with TL, particularly in terms of Idealized Influence and IM, it is essential for port authorities to focus on initiatives that foster these aspects. Training should concentrate on empowering leaders to articulate a persuasive vision, cultivate dedication, and exemplify ethical behavior to enhance employee performance and JS.

Furthermore, enhancing JS: The level of JS directly influences performance and acts as a mediator; thus, it is essential for organizations to adopt strategies aimed at improving employee happiness. This involves ensuring fair compensation and benefits, providing opportunities for professional growth and advancement, fostering a supportive and healthy work environment, and promoting positive relationships among colleagues. Consistent employee surveys and feedback systems can pinpoint particular aspects that need enhancement in JS. (Anggraeni, 2025).

Thirdly, the findings of partial mediation indicate that a comprehensive approach to performance enhancement is necessary, suggesting that a multi-faceted strategy yields the most effective results. Enhancing JS is crucial; nonetheless, it is essential for leaders to actively inspire, intellectually engage, and personally support their employees, as these actions greatly influence performance, independent of JS levels. This involves creating an environment where individuals are valued and respected, while also fostering a culture of innovation and growth. The model exhibits considerable explanatory strength ( $R^2 = 0.539$ ), suggesting that TL and JS are critical components of performance management systems.

In a demanding and complex environment like a port, understanding these relationships enhances the management of human resources. Emphasizing TL alongside employee satisfaction can result in lower turnover rates, boosted morale, and greater operational efficiency and safety in organizations.

## **6- Limitations and Future Research**

This study makes a meaningful contribution, yet it also presents several limitations that indicate potential avenues for future investigation. The cross-sectional design, while useful for examining associations, limits the ability to establish clear cause-and-effect relationships. Future studies could employ longitudinal designs to track changes over time and provide stronger evidence of causality.

Secondly, depending on self-report measures for data collection can lead to various biases, such as social desirability bias, recall bias, and misinterpretation of questions. Future investigations could incorporate a variety of data collection techniques, such as peer assessments, supervisor evaluations, and objective performance metrics, to triangulate findings and reduce reliance on single-source data.

Thirdly, the study was carried out at a single organization, JIP, which may restrict the

applicability of the findings to other port authorities or sectors. Future investigations ought to replicate this study in diverse organizational and cultural settings to assess the generalizability or particularity of these relationships.

Furthermore, JS emerged as a partial mediator; nonetheless, additional exploration into other possible mediators or moderators is necessary. Future investigations may delve into the functions of employee engagement, psychological empowerment, organizational commitment, or organizational citizenship behavior as further mediating or moderating factors in the connection between TL and employee performance. Cultural factors, such as power distance orientation, could act as potential moderators and deserve further investigation.

Future investigations should delve into the precise mechanisms through which each aspect of TL affects outcomes. Utilizing qualitative methods, including interviews and focus groups, may yield richer insights into employees' perceptions and experiences related to these leadership behaviors and their impact on satisfaction and performance.

This study offers a theoretical contribution to the applicability of Social Exchange Theory (SET) and highlights practical implications, suggesting that managers should develop TL skills to improve employee performance. (Yulianti, 2025)

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