



The Influence of Internal Employer Branding and Leadership Styles in Increasing Employee Engagement: The Mediating Effect on Employee Experience

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Abstract:

The hospitality industry, particularly 5-star hotels at the pinnacle of this sector, heavily relies on exceptional service quality standards to uphold the brand reputation, customer satisfaction, and overall Customer Experience (CX). Achieving these high standards largely depends on Employee Engagement (EE), as well as employee satisfaction and retention, given that employees serve as the hotel's frontline brand ambassadors. However, the industry—including the 5-star Hotel X in Bali—faces a higher employee turnover rate than other sectors. One of the ways that Hotel X fosters employee engagement (EE) is by implementing internal employer branding (IEB) initiatives. This study aims to measure the effect of Internal Employer Branding (IEB) and Leadership Style (LS) —a key factor influencing employee turnover—on Employee Engagement (EE), with Employee Experience (EX) acting as a mediating variable. The research employs Partial Least Square Structural Equation Modeling (PLS-SEM) analysis using a saturated sample of 252 respondents. Hypothesis testing results indicated that 4 out of 5 direct effect hypotheses positively affect their latent variables, and 1 of 2 specific indirect effect (mediation) hypotheses directly impact Employee Engagement (EE). The findings suggest that Employee Experience (EX) substantially mediates internal employer branding (IEB) and Employee Engagement (EE). However, Leadership Style (LS) proved to be more effective in directly enhancing Employee Engagement (EE) than through Employee Experience (EX).

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INTRODUCTION

Indonesia is a major tourist destination with rich cultural and natural resources supporting the tourism sector, making it a primary focus of national development. The government continues to develop this sector to boost the economy, expand employment, increase regional income, and add to the country's foreign exchange. Bali remains a popular tourist destination, evidenced by a 13.10% increase in star-rated hotels by 2023, reaching 541 hotels out of the national total (Badan Pusat Statistik, 2024). The hospitality industry, as the main element of accommodation, plays an important role in the growth of this sector, with the star rating system influencing tourists' behavior in choosing accommodation.



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Higher-rated hotels generally offer superior services and facilities, influencing booking decisions and guest expectations (Fontana et al., 2019; Papageorge et al., 2020). Hotel service standards rely heavily on Employee Engagement (EE), satisfaction, and retention of employees, who act as frontline brand ambassadors. However, the industry faces the challenge of higher employee turnover than other sectors (Han, 2022), which can reduce service quality and guest satisfaction and threaten hotel effectiveness and profitability due to the loss of strategic resources.

High turnover also occurs at the 5-star Hotel 'X' in Bali, the research site. Based on the turnover data and the results of the Exit Interview, it can be seen that the dominating factors that cause employees to leave are Employee Experience (EX) and Internal Employer Branding (IEB). In addition to staff-level employees dominating, the supervisor turnover rate also shows fluctuations. The increase in turnover at the Supervisor level in 2023, partly due to issues related to leadership styles, shows that companies need to continue to evaluate and improve, especially on leadership styles. These findings indicate a gap between employee expectations and the reality they experience at work, ultimately harming Employee Engagement (EE).

Employees who feel that their work experience does not align with the promises delivered by the company's brand are likely to experience decreased motivation and commitment. Research by Rai and Nandy (2021) also shows this result, emphasizing the importance of congruence between employee and organizational values to improve employee retention. In addition, Khan et al. (2020) pointed out that consistent brand communication, both internally and externally, is essential for building a positive identity among employees, which in turn can reduce turnover.

In addition to the turnover data and Exit Interview results, a pre-survey analysis was conducted on 30 active employees to determine whether the perceptions of active employees towards the organization were the same as those who resigned. Based on the pre-survey analysis, several underlying issues were identified that could affect Employee Engagement (EE) at 5 Star Hotel 'X' in Bali. These problems include low employee involvement in decision-making, which indicates a less participative leadership style, work-life balance issues, and uncertainty about career prospects in the company. In addition, companies, in this case, the hospitality industry, still focus on improving customer experience without being accompanied by Employee Experience (EX), as evidenced by the lack of journals that examine Employee Experience (EX). This finding is consistent with the potential problems indicated by turnover and exit interview data, which further strengthens the urgency of research on the influence of Internal Employer Branding (IEB) and Leadership Styles (LS) on Employee Engagement (EE) through Employee Experience (EX).

H1: Relationship between Internal Employer Branding and Employee Engagement

Employee engagement (EE) is the psychological state of employees who feel emotionally, cognitively, and physically connected to their work and fully committed to it (Sun & Bunchapattanasakda, 2019). High Employee Engagement (EE) positively impacts employee productivity, retention, and organizational culture. Several factors influence the level of Employee Engagement (EE), including Internal Employer Branding (IEB) and Leadership Skill (LS).

Employer brand is a person's perception of the organization, whether prospective employees or employees working there. The activity of internally and externally communicating it as an attractive workplace is called Employer Branding. If External Employer Branding (EEB) aims to increase attractiveness to get talent that suits the needs of the company, Internal Employer Branding (IEB) has a strategic focus on building a

positive image in the eyes of employees so that they feel proud, creating a sense of belonging and commitment to the organization.

Internal Employer Branding (IEB) is to create a strong organizational identity and culture that resonates with employees. Research shows that the similarity between company and employee values can increase the level of engagement among employees because they feel one with the organization's brand, which encourages them to be actively involved in their roles to embody brand values (Dechawatanapaisal, 2019). This behavior increases Employee Engagement (EE) and pro-brand behavior (Drūteikienė et al., 2023). Bhasin et al. (2019) also show a similar result, stating that corporate branding strategies can increase retention and Employee Engagement (EE) by building a strong organizational identity that employees can relate to.

A strong employer brand has also increased job satisfaction and employee commitment to the organization (Widyana et al., 2021). This is also supported by Patil's research (2024), which highlights the role of Internal Employer Branding (IEB) in driving employee motivation, proving that Internal Employer Branding (IEB) is a significant driving factor for Employee Engagement (EE) and organizational performance. Similarly, Kaur et al. (2020) showed that strong Internal Employer Branding (IEB) can lead to higher employee commitment and performance. In addition, an empirical study conducted by Raj emphasized that effective Internal Employer Branding (IEB) practices, such as clear communication and brand-focused training, are essential for Employee Engagement (EE), especially in service-oriented sectors such as healthcare (Raj, 2020).

H2: The relationship between Leadership Styles and Employee Engagement.

Leadership Styles (LS) is one of the factors that influence Employee Engagement (EE), and it has also been proven in various studies to have a significant positive effect on Employee Engagement (EE). Leadership Styles (LS) refers to effective leadership's ability to provide direction, inspiration, and support to employees. One type of leadership style (LS) that has proven effective in increasing employee engagement (EE) by fostering and shaping a supportive work environment is empowering leadership. A study by Widyaningrum and Amalia (2023) found that transformational leaders positively influence work engagement in Indonesian aviation schools by creating a supportive work atmosphere and increasing their optimism. Other studies also show that certain leadership styles can promote a positive work environment and increase the work engagement of their subordinates (Chen et al., 2023).

Khan's (2020) research also supports the impact of leadership styles (LS) on employee engagement (EE). Their study found that service-oriented leadership styles significantly correlate with Employee Engagement (EE) levels in the private service sector. Their research emphasizes that effective leadership motivates employees and aligns their personal goals with organizational goals, thus increasing engagement.

H3: Relationship between Employee Experience and Employee Engagement

Employee Engagement (EE) significantly impacts Employee Experience (EX), influencing various aspects of employee satisfaction and workplace productivity. Employee Experience (EX) refers to how employees internalize values and interpret their interactions with the organization and the context in which those interactions occur. Engaged employees tend to experience higher levels of job satisfaction than those who are not engaged, which is an important component of Employee Experience (EX).

The relationship between Employee Engagement (EE) and organizational performance underscores the importance of engagement in shaping the Employee Experience (EX). Research by Albrecht et al. (2021) reinforces this, showing that engagement-focused human resource management practices can result in a positive organizational climate, improving Employee Experience (EX), better retention rates, and lower turnover.

H4: Relationship between Internal Employer Branding and Employee Experience

Internal Employer Branding (IEB) plays an important role in improving Employee Experience (EX) by fostering a strong organizational identity, encouraging Employee Engagement (EE), and aligning employee values with the organization's vision and mission. This alignment increases job satisfaction and promotes a positive workplace culture (Widyana et al., 2021). When employees feel that their values align with the organization, a sense of belonging will increase their experience in the organization, leading to improved morale and work productivity. Research by Drūteikienė et al. (2023) argues that Internal Employer Branding (IEB) should focus on Employer proposition value (EPV), which allows employees to internalize brand identity in their work attitudes and behaviors. This internalization fosters more profound relationships with other employees and the organization and increases Employee Experience (EX).

Internal Employer Branding (IEB) also significantly affects employee retention, which is one of the important aspects of Employee Experience (EX). An effective Internal Employer Branding (IEB) strategy is a strong predictor of employee retention because when employees' perceptions of the organization are positive, they are more likely to stay and play an active role in contributing to the organization's success (Alzaid & Dukhaykh, 2023). This retention is critical to maintaining a stable organizational atmosphere, increasing collaboration among team members, and the long-term relationships fostered can increase Employee Experience (EX). In addition, a positive employer brand is proven to positively influence the emergence of a sense of belonging and encourage employees to be more engaged. Engaged employees tend to behave positively, contribute to team dynamics, and enhance a conducive workforce atmosphere, directly increasing Employee Experience (EX) for themselves and other employees (Nguyen & Nguyen, 2022).

H5: Relationship between Leadership Styles and Employee Experience

Another important factor in the success of Internal Employer Branding (IEB) initiatives is the role of leadership. An attractive employer brand requires strong leadership to retain and motivate employees (Chen et al., 2023). Leaders who show interest in engaging with employees personally and demonstrate commitment to the employer brand can foster a sense of belonging and loyalty among their subordinates, improving Employee Experience (EX). Leadership contributions and aligned employer branding initiatives can promote a positive organizational culture where employees feel valued and motivated to do their best.

H6: The relationship between Internal Employer Branding and Employee Engagement mediated by Employee Experience

Employee Experience (EX) acts as a mediator to explain how employees' experiences during work (starting from the recruitment process, onboarding, offboarding, daily life at work, even until they resign) affect their Employee Engagement (EE). The mediating role of Employee Experience (EX) is supported by Kucherov's research (2023), which emphasizes that strong Internal Employer Branding (IEB) can improve employee attitudes and behaviors, which in turn increases Employee Engagement (EE). Engaged employees are more likely to have a positive experience in the organization and be committed to their work and its vision and mission, leading to increased productivity and lower turnover rates.

H7: The relationship between Leadership Styles and Employee Engagement mediated by Employee Experience.

Leadership is also essential in the relationship between internal employer branding (IEB), employee experience (EX), and employee engagement (EE). Leader's Leadership Styles (LS) can foster a reward and recognition culture and shape an organizational climate that can foster Employee Engagement (EE). According to Hidayati et al. (2022), authentic

leadership promotes employee well-being and work-life balance, is critical to fostering employee engagement (EE), and significantly increases employee experience (EX). Employee Engagement (EE) increases when employees feel their leaders genuinely care about their existence and well-being.

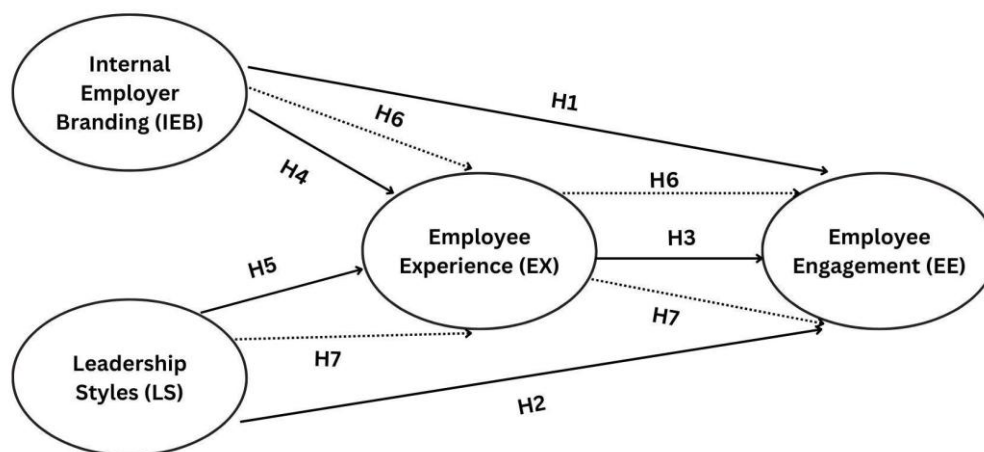


Figure 1. Research Framework
Source: Data processed by research (2025)

In line with previous literature, it proposed that Internal Employer Branding (IEB) and Leadership Styles (LS) will directly influence Employee Engagement (EE) and indirect effect through Employee Experience. It is also suggested that Employee Experience will directly influence engagement. A secondary aim of the research is to determine the relative influence of internal employer branding (IEB) and LS to determine which resources may be the most effective drivers for increasing employee experience and engagement.

METHODS

This research is using a quantitative approach. Quantitative research methods test specific theories by examining the relationship between variables (Widyana et al., 2021). The object of this study is to investigate employee involvement in carrying out their work at the 5-Star Hotel X located on the island of Bali by observing the impact of Internal Employer Branding (IEB) and Leadership Styles (LS) on their Employee Experience (EX). The number of samples in this study used the census method. The sample was obtained from all employees who filled out the questionnaire and included in the saturated sampling type, namely 251 participants. The inclusion criteria required participants to have a contract or permanent employment. Data collection in this study used an online questionnaire with a closed questionnaire, which collects respondent data through structured questions and online answer options already provided digitally. The online questionnaire for data collection will be carried out through Google Forms. Survey data collection will be conducted over one month in January 2025, and turnover data and the exit interview analysis will be limited to 2021-2023.

Measures: As shown in Figure 1, the proposed model included four first-order constructs: internal employer branding, leadership styles, employee experience, and employee engagement. All items required participants to respond to their work experiences.

Internal Employer Branding (IEB) was measured using sub-dimensions based on Ambler & Barrow's Employer Branding Theory (Silva & Dias, 2022): Social Value (SV) with 5 indicators (EBS1 - EBS5), Development Value (DV) with 7 indicators (EBD1 - EBD7), and Economic Value (EV) with 2 indicators (EBE1 - EBE2) on a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

Leadership Styles (LS) was measured using the supervision and dynamic relationship sub-dimension. The supervision dimension is based on the two-factor theory, especially the hygiene theory (Blevins, 2022), with as many as three indicators (LSH1 - LSH3). The dynamic relationship dimension based on the Leader-Member Exchange (LMX) theory emphasizes the importance of the quality of relationships between leaders and team members based on trust and mutual respect (Zhao et al., 2019), as well as three indicators (LSL1 - LSL3). The measure uses a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

Employee engagement (EE) was measured using the nine-indicator version of the Utrecht Work Engagement Scale (UWES-9), which consists of three sub-dimensions: vigor (EEV1 - EEV3), dedication (EED1 - EED3), and absorption (EEA1 - EEA3). The measure uses a seven-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

Employee Experience (EX) was measured using the Morgan Employee Experience Framework (Panneerselvam & Balaraman, 2022), totaling nine indicators, which included the Cultural, Technological, and Physical Environment sub-dimensions.

RESULTS AND DISCUSSION

Of the 251 participants who reported their gender, 159 were male (63%) and 93 were female (37%). Of those who reported both age and gender, most employees were in the age range between 35 - 44 years old at 61%, while employees aged <25 years old made up the least group (4%). For other age groups such as 25 - 34 years old, 20% and 45 - 54 years old, 15% and no employees above 55 years old.

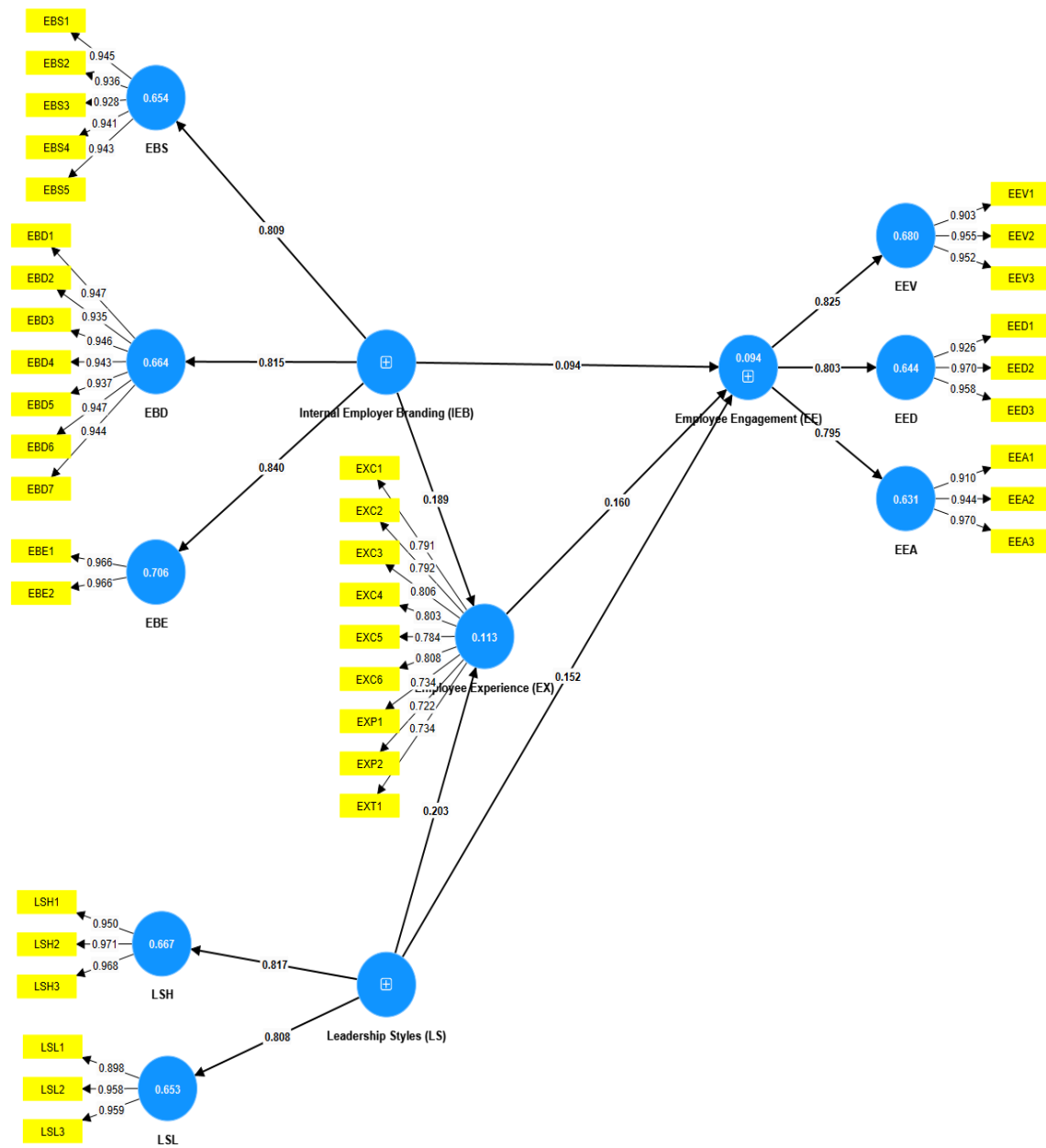


Figure 2. Path Diagram of the Outer Loading Test Results of the Structural Equation Model (SEM)

Source: Data processing using SEM PLS (February 2025)

Testing on each dimensional indicator item in this study shows that all items forming each variable are declared valid because they have an outer loading value > 70.

Table 1. Test Results of Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)
EBS	0.881
EBD	0.889
EBE	0.932
Internal Employer Branding (IEB)	0.595
LSH	0.927
LSL	0.881
Leadership Styles (LS)	0.596
EEV	0.878
EED	0.905
EEA	0.887
Employee Engagement (EE)	0.579
Employee Experience (EX)	0.602

Source: data that has been processed by the author (2025)

Average Variance Extracted (AVE) is used in discriminant validity. Every indicator is said to have good discriminant validity if the Average Variance Extracted (AVE) value is more than 0.50 (Jamal et al., 2023).

The validity of the discrimination test aims to determine whether an indicator used by the author to measure a latent construct (unobserved variable) is a good gauge for the construct, meaning that it is relevant and can represent the latent construct well. More formal and general criteria, namely the Heterotrait-Monotrait Ratio (HTMT) and the Fornell-Larcker Criterion were used to test the validity of discrimination from the research model.

Table 2. Test Results of Heterotrait-Monotrait Ratio (HTMT)

	EBD	EBE	EBS	EEA	EED	EEV	EE	EX	IEB	LSH	LSL	LS
EBD												
EBE	0.523											
EBS	0.347	0.813										
EEA	0.109	0.182	0.190									
EED	0.098	0.099	0.135	0.468								
EEV	0.044	0.260	0.293	0.523	0.534							
EE	0.106	0.226	0.259	0.863	0.866	0.892						
EX	0.181	0.285	0.224	0.191	0.131	0.199	0.218					
IEB	0.878	0.871	0.813	0.183	0.137	0.202	0.219	0.261				
LSH	0.328	0.498	0.352	0.135	0.042	0.080	0.107	0.224	0.446			
LSL	0.198	0.378	0.350	0.283	0.244	0.255	0.328	0.212	0.343	0.338		
LS	0.340	0.566	0.452	0.267	0.182	0.214	0.278	0.281	0.509	0.897	0.899	

Source: data that has been processed by the author (2025)

The HTMT method uses a multitrait-multimethod matrix as the basis for measurement. The HTMT value must be less than 0.9 to ensure the validity of discrimination between two reflective constructs (Sitorus & Vania, 2022). Table 2 shows that all models have HTMT values < 0.90; thus, testing the research model is declared valid.

Table 3. Test Results of Fornell-Larcker Criterion

	EBD	EBE	EBS	EEA	EED	EEV	EE	EX	IEB	LSH	LSL	LS
EBD	0.943											
EBE	0.499	0.966										
EBS	0.338	0.769	0.939									
EEA	0.104	0.169	0.181	0.942								
EED	0.094	0.094	0.129	0.443	0.951							
EEV	0.042	0.241	0.277	0.489	0.502	0.937						
EE	0.099	0.209	0.243	0.795	0.803	0.825	0.761					
EX	0.192	0.307	0.246	0.205	0.124	0.230	0.231	0.776				
IEB	0.815	0.840	0.809	0.177	0.132	0.202	0.211	0.285	0.771			
LSH	0.318	0.470	0.339	0.127	0.026	0.075	0.094	0.246	0.431	0.963		
LSL	0.189	0.352	0.332	0.265	0.230	0.237	0.302	0.228	0.331	0.320	0.939	
LS	0.313	0.507	0.414	0.240	0.157	0.243	0.243	0.292	0.470	0.817	0.808	0.772

Source: data that has been processed by the author (2025)

The Fornell-Larcker Criterion compares the square root value of each construct's Average Variance Extracted (AVE) with the correlation between other constructs in the model. The AVE root value for each construct greater than the correlation value between the construct and other constructs indicates that the research model meets the discriminant validity criteria (Sitorus & Vania, 2022). Table 3 shows that the AVE root value for each construct is greater than the correlation value between the construct and other constructs, which indicates that the research model meets the criteria for discriminant validity and that the instruments in this study are declared valid.

Table 4. Test Results of Reliability

	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
EBS	0.966	0.966	0.974	0.881
EBD	0.979	0.979	0.982	0.889
EBE	0.927	0.927	0.965	0.932
Internal Employer Branding (IEB)	0.948	0.950	0.954	0.595
LSH	0.961	0.961	0.975	0.927
LSL	0.932	0.932	0.957	0.881
Leadership Styles (LS)	0.865	0.865	0.899	0.596
EEV	0.930	0.931	0.956	0.878
EED	0.947	0.949	0.966	0.905
EEA	0.936	0.936	0.959	0.887
Employee Engagement (EE)	0.909	0.910	0.925	0.579
Employee Experience (EX)	0.925	0.940	0.931	0.602

Source: data that has been processed by the author (2025)

The composite reliability value considered good is generally above 0.7, which indicates good internal consistency in measuring the structure. Meanwhile, testing using the Cronbach Alpha coefficient measurement (α) aims to determine the reliability of an instrument. If the reliability is <0.60 , it is considered bad; if it is in the range of 0.70, it is considered acceptable; and if it is >0.80 , it is considered good (Jamal et al., 2023). Table 4 shows two types of constructs: constructs with excellent Internal and convergent validity and constructs with excellent Internal and reasonably good convergent validity.

Constructs that have excellent internal reliability (Cronbach's Alpha, rho_a, and rho_c ≥ 0.7) and excellent convergent validity (AVE ≥ 0.5 approaching 1) are EBD, EBE, EBS,

EEA, EED, EEV, LSH, and LSL. This means these constructs have excellent and reliable measurement quality so that the analysis results can be relied on. Meanwhile, the constructs that have excellent internal reliability (Cronbach's Alpha, ρ_a , and $\rho_c \geq 0.7$) but reasonably good convergent validity ($AVE \geq 0.5$ but not approaching 1) are Employee Engagement (EE), Employee Experience (EX), Internal Employer Branding (IEB), and Leadership Styles (LS).

Table 5. Test Results of Variance Inflation Factor (VIF)

	EE	EX	IEB	LS
Employee Engagement (EE)				
Employee Experience (EX)	1.135			
Internal Employer Branding (IEB)	1.360	1.307		
Leadership Styles (LS)	1.345	1.307		

Source: data that has been processed by the author (2025)

The expected VIF value is <5 , and if >5 indicates collinearity between constructs (Hair et al., 2019). The results of the VIF test show that the VIF value in this research model is <5 , which means it is free from multicollinearity symptoms. The relationship between independent variables may exist (possible collinearity) but remains within acceptable limits and does not interfere with the analysis results.

Table 6. Test Results of Coefficient of Determination (R^2)

	R^2	R^2 adjusted
Employee Engagement (EE)	0.111	0.100
Employee Experience (EX)	0.119	0.112

Source: data that has been processed by the author (2025)

The value of the coefficient of determination (R^2) is expected to be between 0 and 1. If a model has $R^2 = 0.75$, then it is considered a strong model; for $R^2 = 0.50$, it is regarded as a moderate model, and $R^2 = 0.25$ is considered a weak model (Jamal et al., 2023). Based on Table 6, the R-Square (R^2) value for the influence of Internal Employer Branding, Leadership Styles, and Employee Experience on Employee Engagement is 0.111, indicating a very weak model with a contribution of 11.10% with other factors outside the study influence the rest. Meanwhile, the R^2 value for Internal Employer Branding and Leadership Styles on Employee Engagement is 0.119, which is also classified as very weak, with a contribution of 11.90%. At the same time, other factors play a role outside the research model.

Hypothesis testing is conducted after various assessments to determine the direction of the relationship between independent and dependent variables. This process involves path analysis of the developed model, examining correlation results between constructs. The significance level is then compared with the study hypothesis. Path coefficients indicate how much the independent variable influences the dependent variable (Budihardjo & Cokki, 2023). The direct effect between variables is presented in the table below, where a T-statistic > 1.96 and a P-value < 0.05 indicate statistical significance.

Table 7. Test Results of Path Coefficients

Hypothesis		P-values	P-criteria	Result
H1	Internal Employer Branding (IEB) -> Employee Engagement (EE)	0.101	<0.05	rejected
H2	Leadership Styles (LS) -> Employee Engagement (EE)	0.017	<0.05	accepted
H3	Employee Experience (EX) -> Employee Engagement (EE)	0.010	<0.05	accepted
H4	Internal Employer Branding (IEB) -> Employee Experience (EX)	0.002	<0.05	accepted
H5	Leadership Styles (LS) -> Employee Experience (EX)	0.008	<0.05	accepted

Source: data that has been processed by the author (2025)

The criteria used in hypothesis testing are if the p-value for a specific indirect effect <0.05, then the effect is considered significant or successful in mediating (Budihardjo & Cokki, 2023). The study found that Internal Employer Branding (IEB) does not have a direct significant impact on Employee Engagement (EE) (H1 rejected). Still, it influences Employee Engagement (EE) more effectively through Employee Experience (EX). In contrast, Leadership Styles (LS) have a direct and significant positive effect on Employee Engagement (EE) (H2 accepted), highlighting the role of transformational and participative leadership in enhancing employee engagement. Additionally, employee experience (EX) significantly impacts employee engagement (EE) (H3 accepted), meaning that better employee experiences lead to higher engagement. Moreover, Internal Employer Branding (IEB) significantly influences Employee Experience (EX) (H4 accepted), indicating its crucial role in shaping employees' work experiences. Leadership Styles (LS), LS also significantly affects Employee Experience (EX) (H5 accepted), emphasizing the importance of effective leadership in improving workplace experiences and ultimately boosting engagement.

Table 8. Test Results of Specific Indirect Effects

Hypothesis		P-values	P-criteria	Result
H6	Internal Employer Branding (IEB) -> Employee Experience (EX) -> Employee Engagement (EE)	0.043	<0.05	accepted
H7	Leadership Styles (LS) -> Employee Experience (EX) -> Employee Engagement (EE)	0.054	<0.05	rejected

Source: data that has been processed by the author (2025)

Table 8 shows that Employee Experience (EX) significantly mediates the effect of Internal Employer Branding (IEB) on Employee Engagement (EE) with a p-value = 0.043 (<0.05), which means that a strong Internal Employer Branding (IEB) strategy increases Employee Experience (EX), which ultimately increases Employee Engagement (EE). However, Employee Experience (EX) does not significantly mediate between Leadership Styles (LS) and Employee Engagement (EE) ($p = 0.054 > 0.05$). Although there is an indirect effect, the effect is not strong enough to be considered significant. This suggests that leadership styles affect Employee Engagement (EE) but not through Employee Experience (EX) as the main mediator.

This study provides valuable insights into the dynamics of employee engagement, particularly about Internal Employer Branding (IEB), leadership styles (LS), and employee experience (EX). The findings indicate that Internal Employer Branding (IEB) significantly enhances Employee Engagement (EE) through improved employee experience, highlighting the strategic importance of employer branding in fostering a positive work environment. Employees who perceive strong employer branding are more likely to have positive workplace experiences, which, in turn, boosts their level of engagement. In line with the findings of Staniec et al. (2021), which stated that Internal Employer Branding (IEB) could be a significant driver of Employee Engagement (EE) through positive work experiences, the results of this study indicate that employee experience is a key element in determining whether employer branding strategies can increase their engagement. In other words, even though internal branding has been carried out without supporting Employee Experience (EX), its impact on engagement remains limited.

Although leadership styles did not significantly influence employee engagement through employee experience, this does not imply that leadership is irrelevant. Instead, it suggests that other factors, such as organizational culture, motivation, or direct communication strategies, may mediate the impact of leadership on engagement. This opens opportunities for future research to explore alternative pathways through which leadership can effectively drive engagement. Moreover, while employee experience plays a role in engagement, its effect is not strong enough, reinforcing that additional organizational factors must be considered to maximize engagement levels.

The predictive relevance of the model was mixed. At the same time, it demonstrated a degree of predictive validity for employee engagement and employee experience. Still, it was not as effective in predicting internal employer branding and leadership styles. Additionally, the effect size of the relationships studied was generally small, suggesting that while the examined factors contribute to engagement, other significant influences remain outside the scope of this model. However, this study's findings provide practical implications for HR professionals and organizational leaders, particularly in the hospitality industry. Companies looking to enhance engagement should strengthen their employer branding strategies, ensuring employees feel valued and connected to the organization. Furthermore, leadership development programs should be refined to incorporate engagement-driven approaches, recognizing that leadership's role in engagement may operate through indirect mechanisms rather than direct influence.

CONCLUSION

Several preliminary findings can be drawn from this study: Leadership Styles (LS) have a significant direct impact on Employee Engagement (EE), but their influence on Employee Engagement (EE) through Employee Experience (EX) as a mediator is weaker. In contrast, Internal Employer Branding (IEB) does not directly affect Employee Engagement (EE) but plays a crucial role in shaping Employee Experience (EX, which in turn enhances Employee Engagement (EE). Additionally, Employee Experience (EX) has a significant positive impact on Employee Engagement (EE). These findings suggest that while leadership is a key driver of employee engagement, employer branding strategies are more effective when they improve employee experience rather than attempting to enhance engagement directly. Therefore, organizations should focus on strong leadership and a well-crafted employee experience strategy to foster employee engagement.

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