The Role of Ethical Leadership, Corporate Culture, Employee Empowerment, and Organizational Commitment on Employee Productivity: Case Study of State-Owned Enterprise Employee

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ABSTRACT

This study investigates the influence of ethical leadership, corporate culture, employee empowerment, and organizational commitment on employee productivity within a State-Owned Enterprise (SOE). Using a sample of 300 employees, data were analyzed through descriptive statistics, reliability testing, correlation analysis, and regression analysis. The findings indicate that all four factors significantly enhance employee productivity, with organizational commitment having the strongest impact. Ethical leadership was also found to influence productivity indirectly through organizational commitment, while corporate culture moderated the relationship between leadership and productivity. Employee empowerment was shown to further improve productivity by granting greater autonomy and responsibility to employees. These results suggest that SOEs can enhance employee productivity by fostering ethical leadership, a supportive corporate culture, empowering employees, and building organizational commitment. The study provides valuable insights for SOEs aiming to improve performance in a public-sector context.

Keywords:
Ethical Leadership, Corporate Culture, Employee Empowerment, Organizational Commitment, Employee Productivity

INTRODUCTION

In the modern organizational landscape, ethical leadership has emerged as a cornerstone for guiding institutions toward sustainable success. Ethical leaders emphasize values like integrity, fairness, and responsibility, which not only shape organizational policies but also inspire employees to align their behavior with these values. As organizations, especially State-Owned Enterprises (SOEs), face increasing scrutiny from both the public and government, ethical leadership becomes even more critical. The success of SOEs largely depends on how well these organizations maintain a moral and ethical framework, which directly impacts employee morale and productivity. Research has shown that when leaders exhibit ethical behavior, employees are more likely to exhibit positive work attitudes, leading to enhanced organizational performance (Decaens et al., 2018).

Corporate culture is another critical factor that shapes employee behavior and organizational outcomes. A positive corporate culture fosters a sense of belonging, promotes collaboration, and enhances motivation among employees. It provides a framework for how things are done in an organization and influences employee behavior and decision-making processes (Schein, 2010). In SOEs, where the structure and policies might be more rigid compared to private sector firms, a well-established corporate culture plays a crucial role in maintaining employee engagement and productivity. The integration of ethical leadership with a robust corporate culture can create an environment where employees feel empowered to contribute to the organization's success.

Employee empowerment is a vital element that directly influences productivity and organizational commitment. Empowerment refers to the process of enabling employees to make decisions, take initiatives, and contribute meaningfully to their roles within the organization (Hew & Brush, 2007). Empowered employees are more likely to be innovative, take ownership of their tasks, and feel a deeper connection to the organization. In SOEs, where traditional hierarchical structures may sometimes hinder quick decision-making, fostering a culture of empowerment can significantly enhance productivity. By giving employees more autonomy, organizations can harness their full potential, leading to higher levels of job satisfaction and overall efficiency.

Organizational commitment ties together the elements of ethical leadership, corporate culture, and employee empowerment. Employees who are committed to their organization are more likely to be productive, engaged, and willing to go beyond their job descriptions to contribute to the success of the organization (Meyer & Allen, 1991). Organizational commitment is especially important in SOEs, where job security, public accountability, and service to the nation play significant roles in shaping employee attitudes. Studies have demonstrated that a high level of organizational commitment among employees leads to improved job performance, reduced absenteeism, and lower turnover rates (Mowday et al., 2013). Understanding how these factors—ethical leadership, corporate culture, employee empowerment, and organizational commitment—interact to influence employee productivity is essential for both academic research and practical management in SOEs.

Despite the growing recognition of the importance of ethical leadership, corporate culture, employee empowerment, and organizational commitment, many SOEs continue to face challenges related to employee productivity. These challenges are often rooted in leadership practices that may not fully embrace ethical principles, rigid corporate structures that inhibit employee autonomy, and a lack of initiatives aimed at fostering a strong sense of organizational commitment. While previous studies have explored these factors individually, there is a need for comprehensive research that examines their combined effect on employee productivity, particularly in the context of SOEs. This study seeks to address this gap by exploring how these variables interact and contribute to employee productivity in a State-Owned Enterprise setting.

The primary objective of this research is to investigate the role of ethical leadership, corporate culture, employee empowerment, and organizational commitment in shaping employee productivity within a State-Owned Enterprise. Specifically, this study aims to (1) examine the influence of ethical leadership on employee behavior and productivity, (2) explore the impact of corporate culture on employee engagement and motivation, (3) assess the role of employee empowerment in enhancing decision-making and performance, and (4) analyze how organizational commitment contributes to overall productivity. By understanding these relationships, the research intends to provide insights that can help SOEs improve their leadership practices, foster a positive organizational culture, and empower employees to enhance productivity.

Literature Review and Hypothesis Development

1. Ethical Leadership and Employee Productivity

Ethical leadership refers to the demonstration of normatively appropriate behavior through personal actions and interpersonal relationships, as well as the promotion of such behavior among followers (Decaens et al., 2018). Ethical leaders are perceived as fair, honest, and caring, and they often prioritize the interests of employees and other stakeholders. In the context of organizational performance, ethical leadership plays a pivotal role in shaping workplace dynamics, particularly regarding employee attitudes and behavior. Ethical leaders build trust within teams, foster open communication, and create a culture where employees feel valued and supported, which in turn promotes job satisfaction and commitment.

Several studies have linked ethical leadership to positive organizational outcomes, including enhanced employee productivity. Research indicates that ethical leadership promotes a strong organizational culture that encourages collaboration, minimizes workplace stress, and reduces counterproductive work behavior (Avey et al., 2009). In a State-Owned Enterprise (SOE), where public accountability and integrity are crucial, ethical leadership may further enhance productivity by setting a clear ethical standard and aligning employees with the organization's mission. Hypothesis 1: Ethical leadership has a positive impact on employee productivity in State-Owned Enterprises.

2. Corporate Culture and Employee Productivity

Corporate culture refers to the values, beliefs, and norms shared by members of an organization, which shape their behaviors and interactions (Schein, 2010). A strong corporate culture is often seen as the backbone of successful organizations, as it aligns employees with the organization's goals and fosters an environment conducive to high performance. Within SOEs, a positive corporate culture can be particularly significant, given the potential challenges posed by bureaucratic processes and rigid structures.

A positive corporate culture, characterized by open communication, innovation, and collaboration, tends to enhance employee engagement and motivation. When employees identify with the organization's culture and values, they are more likely to exhibit a sense of ownership over their work, leading to improved performance. Research has also demonstrated that corporate culture plays a mediating role between leadership styles and employee outcomes, including productivity (Ogbonna & Harris, 2000). Thus, the alignment of corporate culture with ethical leadership can create a synergistic effect on productivity, particularly in SOEs where collective responsibility is highly valued. Hypothesis 2: Corporate culture has a positive impact on employee productivity in State-Owned Enterprises.

3. Employee Empowerment and Employee Productivity

Employee empowerment refers to the process of granting employees the authority, autonomy, and resources needed to make decisions and take initiative in their work (Hew & Brush, 2007). Empowered employees are more likely to feel motivated, capable, and confident in performing their tasks, which directly contributes to higher levels of productivity. In the context of SOEs, where decision-making processes may often be hierarchical and rigid, empowerment can play a critical role in unlocking employee potential and fostering a proactive work environment.

Several studies have demonstrated that employee empowerment is positively correlated with organizational performance. Empowered employees are more likely to

demonstrate job satisfaction, engagement, and innovation, all of which are crucial for productivity (Seibert et al., 2011). Furthermore, empowerment fosters a sense of responsibility and accountability, as employees take ownership of their work and are motivated to achieve organizational goals. In SOEs, fostering empowerment may help mitigate some of the bureaucratic challenges that hinder productivity, allowing employees to act with more agility and responsiveness. Hypothesis 3: Employee empowerment has a positive impact on employee productivity in State-Owned Enterprises.

4. Organizational Commitment and Employee Productivity

Organizational commitment refers to the emotional and psychological attachment an employee feels toward their organization. Employees who are highly committed to their organization are more likely to stay engaged in their work, demonstrate loyalty, and perform their tasks diligently (Meyer & Allen, 1991). Organizational commitment is often considered a key determinant of employee behavior and is closely linked to factors such as job satisfaction, turnover intentions, and productivity.

Studies have shown that organizational commitment mediates the relationship between various organizational factors—such as leadership, culture, and empowerment—and employee productivity. Employees who are committed to their organization are more likely to exhibit discretionary effort, go beyond their job requirements, and contribute to the overall success of the organization (Mowday et al., 2013). In the context of SOEs, where job stability and public service are often emphasized, fostering a strong sense of commitment can lead to enhanced productivity and reduced absenteeism. Hypothesis 4: Organizational commitment has a positive impact on employee productivity in State-Owned Enterprises.

5. The Interplay of Ethical Leadership, Corporate Culture, Empowerment, and Commitment

The relationship between ethical leadership, corporate culture, employee empowerment, and organizational commitment is complex and interconnected. Ethical leadership sets the tone for corporate culture, as leaders who prioritize ethical behavior create an environment where employees feel trusted and valued. This positive corporate culture, in turn, fosters employee empowerment, as employees feel more comfortable taking initiative and making decisions in an ethical and supportive environment. Moreover, ethical leadership and a strong corporate culture can strengthen organizational commitment, as employees are more likely to feel aligned with the organization's values and goals.

The interplay of these factors suggests a holistic approach to improving employee productivity. Research has shown that when ethical leadership, corporate culture, employee empowerment, and organizational commitment are all present, the overall effect on productivity is significantly greater than the impact of any single factor in isolation (Den Hartog & Belschak, 2012). In SOEs, this comprehensive approach is particularly important, as it enables the organization to navigate bureaucratic challenges while fostering a culture of integrity, empowerment, and commitment. H5: Ethical leadership, corporate culture, employee empowerment, and organizational commitment together have a greater combined effect on employee productivity than each factor individually in State-Owned Enterprises.

METHOD

1. Research Design

The study employs a quantitative research design, utilizing a cross-sectional survey method to gather data from employees within the selected SOE. The quantitative approach is appropriate because it allows for the measurement of relationships between variables—ethical leadership, corporate culture, employee empowerment, organizational commitment, and employee productivity—using statistical tools. The cross-sectional design captures data at a single point in time, which is suitable for examining how these variables interact within the SOE.

A structured questionnaire is used as the primary tool for data collection. The questionnaire includes a combination of validated scales to measure the variables of interest. The survey data collected will be analyzed to test the hypotheses and answer the research questions.

2. Population and Sampling

The population for this study consists of employees from a specific State-Owned Enterprise in Indonesia. SOEs typically have a unique organizational structure, with specific cultural and leadership traits that may differ from private-sector organizations. Therefore, the target population includes a broad range of employees, from different hierarchical levels, to obtain a comprehensive understanding of how ethical leadership, corporate culture, employee empowerment, and organizational commitment influence productivity across the organization.

a. Target Population: All full-time employees working in the SOE under study.
b. Sampling Frame: The organizational records will be used to create a list of all eligible employees, ensuring that every employee in the SOE has a chance of being selected.
c. Sample Size: The sample size is determined using the formula for estimating a population proportion with a specified level of precision. Based on previous research and using a confidence interval of 95% and a margin of error of 5%, approximately 300 participants are targeted for the survey. This number is sufficient to achieve statistical power and generalize the findings to the broader population of the organization.

A simple random sampling technique is employed to select the participants. This technique ensures that every employee in the SOE has an equal chance of being included in the study, reducing the risk of bias and improving the reliability of the findings.

3. Data Collection Instruments

The primary instrument for data collection is a structured questionnaire designed to measure each variable in the study:

a. Ethical Leadership: Measured using the Ethical Leadership Scale developed by Brown et al. (2005). The scale contains items that assess the extent to which leaders in the organization exhibit ethical behavior, such as honesty, fairness, and integrity. Participants respond on a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

b. Corporate Culture: Assessed using a modified version of the Organizational Culture Assessment Instrument (OCAI) developed by Cameron and Quinn (2006). This scale evaluates various dimensions of corporate culture, including clan, adhocracy, hierarchy, and market cultures, with a focus on how these influence employee productivity.

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c. Employee Empowerment: Measured using the Psychological Empowerment Scale developed by Spreitzer (1995). This scale assesses four dimensions of empowerment: meaning, competence, self-determination, and impact, capturing how empowered employees feel in their roles.

d. Organizational Commitment: Evaluated using the Three-Component Model of Commitment (TCM) by Meyer and Allen (1991), which includes items that measure affective commitment, continuance commitment, and normative commitment.

e. Employee Productivity: Measured using a self-reported productivity scale that captures how employees perceive their own performance, including output quality, efficiency, and overall job performance. The scale is adapted from the work of Williams and Anderson (1991).

The questionnaire is pilot-tested on a small sample of employees to ensure clarity, reliability, and validity. Any necessary adjustments are made before distributing the final version to the broader sample.

4. Data Collection Procedures

Data collection is carried out through an online survey platform to maximize participation and ensure the confidentiality of responses. Prior to distribution, approval is obtained from the organization's management, and ethical clearance is secured from the relevant institutional review board. Employees are invited to participate via email, which includes an explanation of the study's purpose, a consent form, and a link to the survey. Participation is voluntary, and respondents are assured of the anonymity of their responses.

The data collection process is conducted over a four-week period, during which reminder emails are sent to encourage participation. In cases where response rates are lower than expected, follow-up telephone calls or in-person reminders are employed to boost participation.

5. Data Analysis

The collected data are analyzed using SPSS (Statistical Package for the Social Sciences) software. The following steps are taken to analyze the data:

a. Descriptive Statistics: Descriptive statistics such as mean, standard deviation, frequency, and percentage are calculated to summarize the demographic characteristics of the respondents and provide an overview of the responses for each variable.

b. Reliability and Validity Testing:
   a) Reliability is assessed using Cronbach's alpha to ensure the internal consistency of the scales used to measure each variable.
   b) Construct Validity is tested using factor analysis to confirm that the items on the questionnaire are accurately measuring the intended constructs (ethical leadership, corporate culture, employee empowerment, organizational commitment, and employee productivity).

c. Correlation Analysis: Pearson's correlation coefficient is calculated to examine the relationships between the independent variables (ethical leadership, corporate culture, employee empowerment, and organizational commitment) and the dependent variable (employee productivity). This analysis provides insights into the strength and direction of these relationships.

d. Regression Analysis: Multiple regression analysis is conducted to test the hypotheses and determine the relative contribution of each independent variable to employee productivity. This analysis identifies the predictors of

productivity and quantifies the impact of ethical leadership, corporate culture, employee empowerment, and organizational commitment.

e. Mediation and Moderation Testing: The study also employs mediation analysis to explore whether organizational commitment mediates the relationship between ethical leadership and employee productivity, and whether corporate culture moderates the effect of ethical leadership on productivity. The PROCESS macro for SPSS is used for these analyses, allowing for a deeper understanding of the interactions between the variables.

RESULTS AND DISCUSSION

This section presents the findings from the data analysis, including descriptive statistics, reliability testing, correlation analysis, and regression analysis. The data was analyzed using SPSS, and the results are summarized in tables, followed by interpretations.

1. Descriptive Statistics

Table: I Descriptive Statistics

Variable	Mean	Standard Deviation	N
Ethical Leadership	4.02	0.58	300
Corporate Culture	3.85	0.64	300
Employee Empowerment	3.95	0.61	300
Organizational Commitment	4.10	0.57	300
Employee Productivity	4.07	0.54	300

The mean values for all variables indicate that respondents generally agree with the statements on ethical leadership (M = 4.02), corporate culture (M = 3.85), employee empowerment (M = 3.95), organizational commitment (M = 4.10), and employee productivity (M = 4.07). The relatively low standard deviations suggest that the responses are clustered closely around the mean, indicating consistency in the responses.

2. Reliability Testing (Cronbach's Alpha)

Table: II Reliability Analysis

Variable	Number of Items	Cronbach's Alpha
Ethical Leadership	10	0.89
Corporate Culture	12	0.87
Employee Empowerment	8	0.86
Organizational Commitment	9	0.90
Employee Productivity	7	0.88

All variables have Cronbach's alpha values above the recommended threshold of 0.70, indicating high internal consistency. The instruments used to measure the variables are reliable.

3. Correlation Analysis

Table: III Correlation Analysis

Variable	Ethical Leadership	Corporate Culture	Employee Empowerment	Organizational Commitment	Employee Productivity
Ethical Leadership	1	0.62**	0.58**	0.60**	0.64**
Corporate Culture	0.62**	1	0.56**	0.68**	0.67**
Employee Empowerment	0.58**	0.56**	1	0.65**	0.63**
Organizational Commitment	0.60**	0.68**	0.65**	1	0.70**
Employee Productivity	0.64**	0.67**	0.63**	0.70**	1

There are significant positive correlations between all the independent variables and employee productivity. The strongest correlation is between organizational commitment and employee productivity ($r = 0.70$, $p < 0.01$), suggesting that commitment is a key predictor of productivity in this organization. Ethical leadership also shows a strong positive correlation with employee productivity ($r = 0.64$, $p < 0.01$), emphasizing the importance of ethical leadership in enhancing performance

4. Regression Analysis

Table: IV Regression Analysis

Predictor Variables	B	SE B	Beta	t	p
Ethical Leadership	0.310	0.071	0.290	4.37	0.000
Corporate Culture	0.280	0.068	0.270	4.12	0.000
Employee Empowerment	0.265	0.064	0.250	4.14	0.000
Organizational Commitment	0.350	0.060	0.320	5.83	0.000

Model Summary:

$R^2 = 0.61$, $F(4, 295) = 115.33$, $p < 0.001$

The regression analysis shows that all four predictor variables—ethical leadership, corporate culture, employee empowerment, and organizational commitment—are significant predictors of employee productivity ($p < 0.001$). Organizational commitment has the strongest impact on employee productivity ($\beta = 0.320$), followed by ethical leadership ($\beta = 0.290$), corporate culture ($\beta = 0.270$), and employee empowerment ($\beta = 0.250$). The model explains 61% of the variance in employee productivity ($R^2 = 0.61$), indicating a good fit.

5. Mediation and Moderation Testing
Mediation Analysis (Organizational Commitment as a Mediator)

Table: V Mediation Analysis

Path	Effect	SE	p
Ethical Leadership → Org Commitment	0.45	0.08	0.000
Org Commitment → Productivity	0.38	0.06	0.000
Direct Effect (Ethical Leadership → Productivity)	0.21	0.07	0.001
Indirect Effect (via Org Commitment)	0.17	0.04	0.002

The mediation analysis indicates that organizational commitment partially mediates the relationship between ethical leadership and employee productivity. The indirect effect (0.17, $p = 0.002$) suggests that ethical leadership improves productivity through its impact on organizational commitment.

Moderation Analysis (Corporate Culture as a Moderator)
Table: VI Moderation Analysis

Interaction Term	B	SE B	t	p
Ethical Leadership × Culture	0.19	0.07	2.71	0.008

The moderation analysis reveals that corporate culture significantly moderates the relationship between ethical leadership and employee productivity. This indicates that the effect of ethical leadership on productivity is stronger when the corporate culture is positive.

Discussion

1. Ethical Leadership and Employee Productivity

The study's results indicate a significant positive relationship between ethical leadership and employee productivity ($\beta = 0.290$, $p < 0.001$), which aligns with previous research on the topic. Ethical leadership promotes a work environment where transparency, fairness, and moral behavior are prioritized, thereby encouraging employees to enhance their work performance. Leaders who model ethical behaviors can foster trust, commitment, and motivation among employees, all of which are crucial for improving productivity (Brown & Treviño, 2006).

In the case of SOEs, where there is often a higher level of public scrutiny and accountability, ethical leadership can help mitigate issues related to corruption, favoritism, and unethical practices that may otherwise hinder employee engagement and productivity. By fostering an ethical climate, leaders ensure that employees are motivated to perform their tasks with integrity and dedication, contributing to the overall productivity of the organization.

The positive correlation between ethical leadership and employee productivity supports the view that leadership behaviors have a direct impact on employees' willingness to invest more effort into their work (Walumbwa et al., 2011). The findings emphasize the need for SOEs to prioritize leadership development programs that focus on ethical decision-making, as this can have a direct influence on organizational outcomes.

2. Corporate Culture and Employee Productivity

Corporate culture was found to have a strong positive effect on employee productivity ($\beta = 0.270$, $p < 0.001$). This finding is consistent with Cameron and Quinn's (2006) research on the role of organizational culture in shaping employee behavior and performance. A positive and supportive corporate culture can enhance job satisfaction, foster a sense of belonging, and promote collaboration, all of which are critical factors in improving productivity.

In the context of this study, the State-Owned Enterprise exhibited a culture that blends hierarchy with elements of clan and market cultures. This combination supports the view that while SOEs operate within formal and bureaucratic structures, there are also efforts to foster collaboration and flexibility to improve efficiency. The significant correlation between corporate culture and productivity highlights the importance of creating an environment where employees feel valued, empowered, and aligned with the organization's goals.

Furthermore, the moderation analysis revealed that corporate culture significantly enhances the relationship between ethical leadership and employee productivity. This suggests that ethical leadership is most effective in improving productivity when it is embedded in a strong and supportive corporate culture. SOEs that focus on building

a culture that emphasizes values such as accountability, trust, and open communication are more likely to see higher levels of productivity from their employees. Leaders should, therefore, take an active role in shaping and sustaining a corporate culture that aligns with ethical principles and promotes productivity.

3. Employee Empowerment and Employee Productivity

The results indicate that employee empowerment has a significant positive impact on employee productivity (β = 0.250, p < 0.001). This supports the view that empowering employees by giving them more autonomy, control over their tasks, and opportunities for professional growth can lead to improved job performance (Spreitzer, 1995). Empowerment increases employees' sense of responsibility and ownership over their work, which can lead to greater engagement and, subsequently, higher productivity.

In the SOE context, employee empowerment is particularly relevant as it addresses the challenges of bureaucratic inefficiencies often found in public-sector organizations. By empowering employees, SOEs can mitigate the effects of rigid hierarchical structures that may otherwise stifle creativity, innovation, and efficiency. Empowered employees are more likely to take initiative, solve problems proactively, and contribute to organizational goals, thus improving overall productivity.

The positive relationship between empowerment and productivity underscores the importance of providing employees with the resources, support, and autonomy they need to succeed in their roles. SOEs should invest in training and development programs that enhance employees' skills and competencies, as well as leadership practices that encourage empowerment. By fostering an empowering environment, organizations can unlock the potential of their workforce and drive higher levels of productivity.

4. Organizational Commitment and Employee Productivity

The strongest predictor of employee productivity in this study was organizational commitment (β = 0.320, p < 0.001), with a high correlation (r = 0.70, p < 0.001). This finding is consistent with Meyer and Allen's (1991) model of organizational commitment, which emphasizes the importance of emotional attachment and loyalty to the organization in shaping employee behavior. Employees who are committed to their organization are more likely to go above and beyond their job requirements, leading to higher levels of productivity (Meyer et al., 2002).

In the context of the SOE, organizational commitment may be particularly important due to the sense of job security, stability, and purpose that such organizations provide. Employees in SOEs may feel a stronger sense of loyalty to their organization, which can translate into greater effort and dedication to their work. The findings suggest that fostering organizational commitment through strategies such as recognizing employee contributions, providing career development opportunities, and promoting a shared vision can have a significant impact on productivity.

The mediation analysis also revealed that organizational commitment partially mediates the relationship between ethical leadership and employee productivity. This suggests that ethical leadership fosters a sense of commitment among employees, which in turn leads to higher productivity. Leaders who act ethically not only inspire trust but also enhance employees' emotional attachment to the organization, motivating them to perform better. Therefore, SOEs should focus on strengthening organizational commitment as a key driver of productivity, and ethical leadership should be seen as a means to achieve this goal.

5. Theoretical Implications

The findings of this study contribute to the growing body of literature on the relationship between leadership, organizational culture, and employee behavior in the public sector. The significant role of ethical leadership in improving productivity highlights the importance of integrating ethical considerations into leadership practices, especially in public organizations where accountability and transparency are paramount. This study supports the view that leadership behavior and corporate culture are not independent constructs; rather, they interact to shape employee outcomes.

Furthermore, the study adds to the understanding of how employee empowerment and organizational commitment contribute to productivity. By examining these variables in the context of a State-Owned Enterprise, the research sheds light on the unique dynamics that influence productivity in public-sector organizations, which may differ from those in private-sector companies. The positive effects of empowerment and commitment on productivity suggest that public organizations can benefit from adopting practices that promote employee autonomy and loyalty.

6. Practical Implications

The results of this study have several practical implications for SOEs and other public-sector organizations. First, the strong influence of ethical leadership on productivity suggests that organizations should invest in leadership development programs that emphasize ethical decision-making, integrity, and fairness. Such programs can help leaders create a positive work environment that fosters trust and motivates employees to perform at their best.

Second, the significant role of corporate culture in shaping productivity indicates that organizations should focus on building a culture that aligns with their strategic goals and values. Efforts to create a supportive, inclusive, and values-driven culture can enhance employee engagement and productivity. Leaders play a crucial role in shaping and maintaining this culture, and they should be proactive in promoting ethical standards and collaborative work practices.

Third, employee empowerment emerged as an important driver of productivity. Organizations should seek to empower their employees by providing them with the resources, autonomy, and opportunities for growth they need to succeed. Empowerment can help overcome the bureaucratic constraints often present in SOEs, leading to greater efficiency and innovation.

Finally, fostering organizational commitment is essential for improving productivity. SOEs should implement strategies that enhance employee loyalty and emotional attachment to the organization, such as providing career development opportunities, recognizing employee achievements, and promoting a sense of shared purpose.

CONCLUSION

This study examined the impact of ethical leadership, corporate culture, employee empowerment, and organizational commitment on employee productivity in a State-Owned Enterprise (SOE). The results revealed that all four factors significantly contribute to enhancing productivity, with organizational commitment emerging as the strongest predictor. Ethical leadership not only directly influenced productivity but also had an indirect effect through organizational commitment, highlighting the role of leadership in fostering loyalty and dedication among employees. Additionally, corporate culture was found to moderate the relationship between ethical leadership

and productivity, emphasizing the importance of a supportive and value-driven work environment. Employee empowerment also played a critical role in improving productivity by giving employees greater autonomy and responsibility. Overall, the findings underscore the need for SOEs to prioritize ethical leadership, foster a positive corporate culture, empower their employees, and strengthen organizational commitment to boost productivity and organizational success.

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