THE EFFECTS OF SERVANT LEADERSHIP ON EMPLOYEE PERFORMANCE AT REGIONAL GOVERNMENT OFFICE SOUTHEAST MINAHASA

by
Hanna Naftalia Tomigolung

Faculty of Economics and Business,
International Business Administration (IBA) Program
University of Sam Ratulangi Manado
email: hanna.naftalia@gmail.com

ABSTRACT

Servant leadership is relatively a new concept. The servant leadership is aspired to lead. There are five dimensions in servant leadership such as love, empowerment, trust, humility and vision. Employee performance becomes a measurement for any organization. One factor that can influence the employee performance is servant leadership. The objective of this research is to know the influence of servant leadership on employee performance. This research used quantitative method. The method used to analyze the data is the Multiple Regression Analysis. This research uses casual type of research where it will investigate the influence of servant leadership on employee performance. The population observed is the employees of Regional Government Office Southeast Minahasa with sample size as many as 50 respondents. This study reveals those the dimension of servant leadership has significant effect partially on employee performance in Regional Government Office Southeast Minahasa. Therefore, to increase employee performance of Regional Government Office Southeast Minahasa dimensions of servant leadership should be considered intensively.

Keywords: *employee performance, love, empowerment, trust, humility, vision*

INTRODUCTION

Research Background

Human resources are not only an ordinary resource for an organization or institution. Human resources play an important role for an organization because it is become an asset or capital for an institution or organization itself. Human resources are not only playing as a main asset for an organization but human resource becomes a valuable asset for an organization because it can be multiplied and developed. Here, human resources are seen as a great asset that can be main factor for successful organization or institution.

In this era of globalization, an organization or institution will be able to win the competition and shows their existence to their competitor if they are supported by qualified and potential employee. Those qualified and potential employee of the organizations will be their valuable asset and become their competitive advantage that differentiates them with others. The success of an organization depends on its ability to manage their employee's talent.

Employees will grow as a tremendous productive asset for organizations when they get an ethical work environment which makes them more valuable and gives them the opportunity to advance their career by achieving the best performance. There are several factors that influence employee performance. The factors that can consider as major determinants of employee performance are servant leadership.

Servant leadership is philosophy and set of practices that enriches the lives of individuals, builds better organizations and ultimately creates a more just and caring world. The dimensions of servant leadership are love, empowerment, trust, humility, and vision. Servant leader shares powers, puts the needs of others first and helps people develop and perform as highly as possible.

Regional government as a local government organization performs coordination function and administrative technical service to all vertical device and institutions of district and village governments, so that the performance assessment of regional government employee has significant meaning especially in the effort of improving it in the future. Servant leadership is a philosophy and set of practices that enriches he lives of individuals, builds better organizations and ultimately creates a more just and caring world. Hence, this research gap needs to be fulfilled by investigating the effects of servant leadership on follower's commitment and motivation toward organization and their job level of job performance.

Southeast Minahasa is one of 15 Regency in North Sulawesi. In legal administrative, Southeast Minahasa Regency has set in UU. No. 9 tahun 2007. The regional government office of southeast Minahasa placed in Ratahan. There are 29 Work Unit Area *(Satuan Kerja Perangkat Daerah-SKPD)*. The vision of southeast Minahasa Regency for 2013-2018 is Sovereign, Independent, and Personality. There are the five mission of Southeast Minahasa Regency, Success in Government, Empowerment the people, Success in Economy, Success in Development, and Success in Environment. Because of this regency is new in North Sulawesi, so the written willing to choose this regency as the place for this research.

Research Objectives

This research has several objectives are to analyze the effects of:

1. Servant Leadership dimensions love, empowerment, trust, humility, and vision on employee performance of Regional Government Office Southeast Minahasa simultaneously.
2. Servant Leadership dimension Love on employee performance of Regional Government Office Southeast Minahasa partially.
3. Servant Leadership dimension Empowerment on employee performance of Regional Government Office Southeast Minahasa partially.
4. Servant Leadership dimension Trust on employee performance of Regional Government Office Southeast Minahasa partially.
5. Servant Leadership dimension Humility on employee performance of Regional Government Office Southeast Minahasa partially.
6. Servant Leadership dimension Vision on employee performance of Regional Government Office Southeast Minahasa partially.

THEORETICAL REVIEW

Theories

Human Resources Management

Snell &Bohlander (2010:4) defined human resource management is the process of managing human talent to achieve an organization's objective. Flippo(1980:1)Human resources management as "planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved". In other words, Human Resources Management is the process of hiring and developing employee to become better and more productive like organization's want them to be.

Servant Leadership

Greenleaf (1970) stated that servant leader is servant first. It begins with the natural feeling that one wants to serve first. Then conscious choice brings one to aspire to lead. A servant leader focuses primarily on the growth and well-being of people and the communities to which they belong. While traditional leadership generally involves the accumulation and exercise of power by one at the "top of the pyramid," servant leadership is different. The servant leadership shares power, puts the needs of others first and helps people and perform as highly as possible. There are the five dimensions of servant leadership, love, empowerment, trust, humility and vision. According to Hussain and Ali (2012), describe that, Moral love and deep care for employees are at the core of servant leadership. Futher Bartram and Casimir (2007) reveal in their study that empowerment had significant positive correlations with both performance and satisfaction. And specifically empowerment was more strongly correlated with the in-role performance of followers than with satisfaction

with leader. Trust stems from the congruence between our words and actions. Humility is conceived with respect to the modesty level, in which one observes himself (Hare, 1996). Vision refers to that extent in which leaders prepare and look forward to upcoming needs, develop definite task and vision statements, keeping in view situations and problems (Reinke, 2004).

Employee Performance

Hughes, R., Ginnet, R., Curphy, G. (2006:244) defined performance is concerns those behaviors directed toward the organization's missions or goals, or the product or services resulting from those behaviors. A person's performance is a function of several factors, but perhaps it can be boiled down to three primary concerns: ability, motivation, and environment (Snell and Bohlander 2010:396). According to Meyhew (1985), Employee Performance means the level at which your employee are performing.

Previous Research

Abbas and Yaqoob (2009), Effect of Leadership Development on Employee Performance in Pakistan. Hussain and Ali (2012), Effects of Servant Leadership on Followers' Job Performance.

Research Hypothesis

The hypotheses of this research are:

H1:   Servant leadership dimension love, empowerment, trust, humility, vision significantly give an effect on the employee performance simultaneously.

H2:   Servant leadership dimension "love" significantly gives an effect on the employee performance partially.

H3:   Servant leadership dimension "empowerment" significantly gives an effect on the employee performance partially.

H4:   Servant leadership dimension "trust" significantly gives an effect on the employee performance partially.

H5:   Servant leadership dimension "humility" significantly gives an effect on the employee performance partially.

H6:   Servant leadership dimension "vision" significantly gives an effect on the employee performance partially.
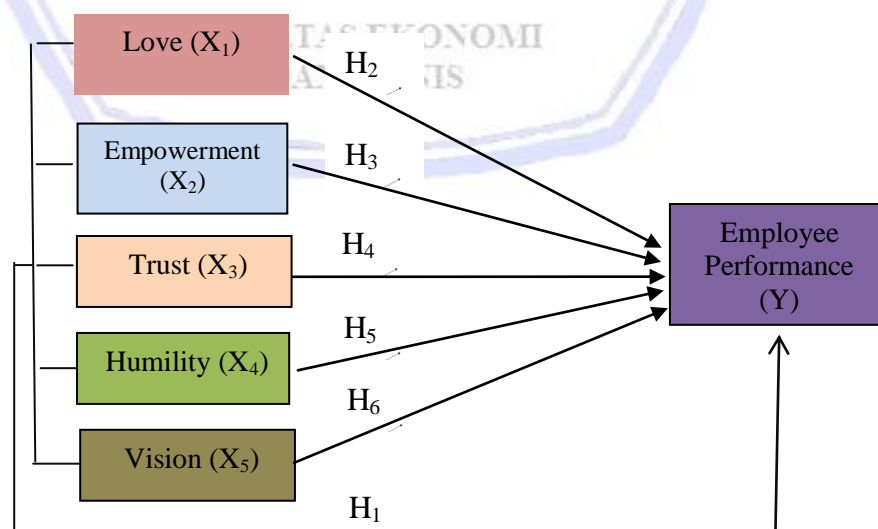
Conceptual Framework

Figure 1 Conceptual Framework
Source: Data processed, 2015

RESEARCH METHOD

Type of Research

This research is causal type. Causal since the purpose is to determine if one or more variables cause another variable to occur or change. This research is a quantitative method since using questionnaire as a tool to gather data and analysis.

Place and Time of Research

The study will be conducted in North Sulawesi and occurred in Regional Government Office of Southeast Minahasa. That field is a perfect location to do this research and find if servant leadership development give an effect on employee performance. This research regarding the employee as respondents from December 2014 and the survey started on January 2015.

Population and Sample

Population is the entire group of people, events or things of interest that the researcher wishes to investigate (Sekaran & Bougie 2009;262). The population in this research is the employees of the Regional Government Office Southeast Minahasa. According to Sekaran and Bougie (2009;263) sample is a subset of a population that comprises some members selected from it. Simple random sampling was used in this research. Simple random sampling is a probability sampling design in which every single element in the population has a known an equal chance of being selected as a subject (Sekaran & Bougie, 2009:445).The sample of this research is the people or employee at the Regional Government Office Southeast Minahasa as many as 50 respondents.

Data Collection Method

Primary data is originated by the researcher specifically to address the research problem. This primary data generated by distributing the questionnaire with the relevant person in charge that become the point of interest for the research. In order to generate more accurate data. In this research the questionnaire distributed to people and employee.Secondary data in this research is gathered from some related books, journals, internet, and literature from library. Secondary data use to support the research in order to develop the fundamental analysis and adding information regarding to the research.

Operational Definitions and Measurement of Research Variable.

Operational definitions of research variables are:

1. Love (X_1) is the core of servant leadership.
2. Empowerment (X_2), the leadership using their potential power in accomplish the task and responsibility and able to lead the followers to increase the performance.
3. Trust (X_3) is describing the personality of the leadership.
4. Humility (X_4), the leadership respecting the followers and recognizing their input to the organization.
5. Vision (X_5), extent in which leaders prepare and look forward to upcoming needs, develop definite task and vision statements, keeping in view situations and problems.
6. Employee Performance (Y) employee performance is the result of employee's capability in certain period based on the work standard of the organization.

Data Analysis Method

Validity and Reliability Test

The reliability of a measure is established by testing for both consistency and stability. Consistency indicates how well the items measuring a concept hang together as a set, Cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another (Sekaran and Bougie 2009:324).

Multiple Regressions on Analysis Method

Multiple regressions use to express the effect of independent variables and the dependent variable. The formula of linear regression (multiple linear regressions) in general as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where:

Y	=	Employee performance
α	=	The constant, when all independent variable equal to 0
X_1	=	Love
X_2	=	Empowerment
X_3	=	Trust
X_4	=	Humility
X_5	=	Vision
$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$	=	The regression coefficient of each variable
ε	=	Error

RESULTS AND DISCUSSION

Validity and Reliability

The validity test of Love (X_1), total value for $X_{1.1}$ is 0.933; $X_{1.2}$ is 0.601; and $X_{1.3}$ is 0.813, all the indicators are above 0.3 means that the indicators are valid. Empowerment (X_2), total value for $X_{2.1}$ is 0.859; $X_{2.2}$ is 0.825 and $X_{2.3}$ 0.785, all the indicators are above 0.3 means that the indicators are valid. Trust (X_3), total value for $X_{3.1}$ is 0.900; $X_{3.2}$ is 0.871; and $X_{3.3}$ 0.814, all the indicators are above 0.3 means that the indicators are valid. Humility (X_4), total value for $X_{4.1}$ is 0.937; $X_{4.2}$ is 0.937; and $X_{4.3}$ 0.520, all the indicators are above 0.3 means that the indicators are valid. Vision (X_5), total value for $X_{5.1}$ is 0.877; $X_{5.2}$ is 0.925; and $X_{5.3}$ is 0.845, all the indicators are above 0.3 means that the indicators are valid. Employee Performance (Y), total value for Y_1 is 0.603, Y_2 is 0.736, Y_3 is 0.666, Y_4 is 0.677 and Y_5 is 0.758, all the indicators are above 0.3 means that the indicators are valid. The reliability test using Alpha Cronbach. The Cronbach's Alpha parameter, with ideal score more than 0.6. The variable are reliable because the value of Cronbach's Alpha is bigger than 0.6.

Table 1. Multiple Linear Regression

Model		Unstandardized Coefficients		Standardized Coefficients	T
		B	Std. Error	Beta	Tolerance
1	(Constant)	.817	.269		2.035
	X_1	.088	.120	.105	3.737
	X_2	.157	.151	.199	2.240
	X_3	.139	.132	.207	3.054
	X_4	.550	.105	.672	2.226
	X_5	.108	.086	.159	1.462

a. Dependent Variable: Y

Source: SPSS data analysis, 2015

Multiple Regression model is as follow:

$$Y = 0.817 + 0.088\, X_1 + 0.157\, X_2 + 0.139\, X_3 + 0.550\, X_4 + 0.108\, X_5$$

Where: Y   = Employee Performance (Dependent Variable)
                               X_1 =   Love (Independent Variable)
                               X_2 = Empowerment (Independent Variable)
                               X_3 = Trust (Independent Variable)
                               X_4 =   Humility (Independent Variable)
                               X_5 = Vision (Independent Variable)

The explanation of the multiple linear regression equation above, it can inform the interpretation as follows:

1. Constant value of 0.817 means that if all variables in this research of Love (X_1), Empowerment (X_2), Trust (X_3), Humility (X_4), Vision (X_5) simultaneously increased by one scale or one unit will increase the Employee Performance (Y) in Regional Government Office Southeast Minahasa at 0.817 point.
2. Coefficient value of 0. 088 means that if the variable in this research, Love (X_1), increased by one scale or one unit, it will increase and improve Employee Performance (Y) in Regional Government Office Southeast Minahasa at 0.088 point.
3. Coefficient value of 0.157 means that if the variable in this research, Empowerment (X_2), increased by one scale or one unit, it will increase and improve Employee Performance (Y) in Regional Government Office Southeast Minahasa at 0.157 point.
4. Coefficient value of 0. 139 that if the variable in this research, Trust (X_3), increased by one scale or one unit, it will increase and improve Employee Performance (Y) in Regional Government Office Southeast Minahasa at 0.139 point.
5. Coefficient value of 0. 550 means that if the variable in this research, Humility (X_4), increased by one scale or one unit, it will increase and improve Employee Performance (Y) in Regional Government Office Southeast Minahasa at 0.550 point.
6. Coefficient value of 0. 108 means that if the variable in this research, Vision (X_5), increases by one scale or one unit, it will increase and improve Employee Performance (Y) in Regional Government Office Southeast Minahasa at 0.108 point.

Test of classical assumption

Multicolinearity
Table 2. Collinearity Statistics

Model		Collinearity Statistics	
		Tolerance	**VIF**
1	(Constant)		
	X_1	.242	4.124
	X_2	.133	7.513
	X_3	.127	7.867
	X_4	.297	3.370
	X_5	.310	3.223

 a Dependent Variable: Y
Source: SPSS data analysis, 2015

The results in the table can be seen by SPSS output does not occur because the symptoms of multicollinearity VIF value of love, empowerment, trust, humility, vision on the employee performance are below numbers < 10, this means that there is no connection between the independent variables. Thus, the assumption that there is no multicollinearity is met (free of multicollinearity).

Heteroscedasticity

Heteroscedasticity occurs if there are dots which form a certain pattern regularly as waves. Homoscedasticity occurs if there are no certain patterns which are clear, and the dots spread above and below the 0 the Y-axis
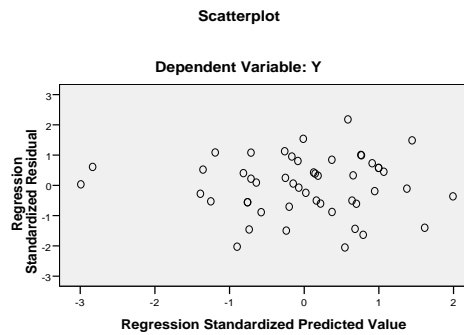
Figure 2. **Heteroscedasticity Results**
Source : *SPSS data analysis, 2015*

Figure 2 shows that the patterns of the dots are spreading and the dots are spreading above and below the zero point of Y-axis. So, there is no heteroscedasticity in this regression.

Normality

Normality test can be identifying by using graph of P-P Plot. The data will distribute normally if the value of P-P Plot is near diagonal line of the graph.

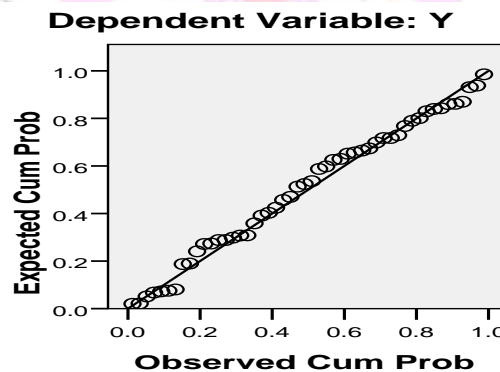**Normal P-P Plot of Regression Standardized Residual**

Figure 3. **Normality Results**
Source : *SPSS data analysis, 2015*

Figure 3 shows the dots spread near the diagonal line and follow the direction of the diagonal line. Therefore, the data is distributed normally.

Table 3.   Coefficient Correlation (R) and (R Square)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.886(a)	.784	.760	.23225

Source: *SPSS data analysis, 2015*

The analysis of correlation (r) is equal to 0.886 indicating that the Correlation of The Influence of X_1 – X_5 on Y has a strong relationship.

Hypothesis Testing

Table 4. F-test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8.623	5	1.726	32.005	.000(a)
	Residual	2.373	44	.054		
	Total	11.005	49			

a. Predictors: (Constant), X_5, X_4, X_3, X_2, X_1

b. Dependent Variable: Y

   Source: *SPSS data analysis, 2015*

Value of 32.005 of FCount significant 0.000. Because the sig <0.05 means the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. Therefore H0 is rejected and accepting Ha. Thus, the formulation of the hypothesis of love (X_1), empowerment (X_2), trust (X_3), humility (X_4), vision (X_5) on employee performance (Y) in Regional Government Office Southeast Minahasa, accepted.

Table 5. T-test

Model	T	Sig.
(Constant)	2.035	.004
X_1	3.737	.003
X_2	2.240	.001
X_3	3.054	.004
X_4	2.226	.000
X_5	1.662	.014

a Dependent Variable: Y

   Source: *SPSS data analysis, 2015*

The calculations in the table above, the interpretation as follows:
1. tcount for Love (X_1) tvalue= 3.737 and ttable= 1.660 which tvalue>ttable=3.737>1.660. Therefore, Ho is rejected and H1 is accepted which means Love significantly influence Employee Performance. The analysis shows that generally experience will improve the Employee Performance.
2. tcount for Empowerment (X_2) tvalue= 2.240 and ttable= 1.660 which tvalue>ttable=2.240>1.660. Therefore, Ho is rejected and H1 is accepted which means Empowerment significantly influence Employee Performance. The analysis shows that generally experience will improve the Employee Performance.
3. tcount for trust (X_3) tvalue= 3.054 and ttable= 1.660 which tvalue>ttable=3.054>1.660. Therefore, Ho is rejected and H1 is accepted which means Trust significantly influence Employee Performance. The analysis shows that generally experience will improve the Employee Performance.
4. tcount for humility (X_4) tvalue= 2.226 and ttable= 1.660 which tvalue>ttable=2.226>1.660. Therefore, Ho is rejected and H1 is accepted which means Humility significantly influence Employee Performance. The analysis shows that generally experience will improve the Employee Performance.
5. tcount for vision (X_5) tvalue= 1.662 and ttable= 1.660 which tvalue>ttable=1.662>1.660. Therefore, Ho is rejected and H1 is accepted which means Vision significantly influence Employee Performance. The analysis shows that generally experience will improve the Employee Performance.

Discussion

     This research discovers that there are some factors of servant leadership dimension employee performance in regional government office southeast Minahasa. Based on the result of F-test there is a linear relationship in this multiple regression equation model, in other words all the independent variables influence employee performance simultaneously. Reward and workplace environment are all factors that influence on

employee performance. The result of t_{test} shows that the independent variable such as reward and workplace environment partially has significant influence, consecutively on employee performance.

The result shows that Love of servant leadership dimension has significant influence to employee performance in regional government office southeast Minahasa. The result shows that empowerment of servant leadership dimension has significant influence to employee performance in regional government office southeast Minahasa. Another result showed that Trust of servant leadership dimension has significant influence to employee performance in regional government office southeast Minahasa. The other multiple regression result showed that, Humility of servant leadership dimension has significant influence to employee performance in regional government office southeast Minahasa. The last variable, vision of servant leadership dimension have significant influence to employee performance in regional government office southeast Minahasa. The results in this research are different with the previous research. In the previous research the dimension of servant leadership, the leaders' vision cannot play a significant role to improve employees' performance.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The findings and discussing the result, the conclusions based on this research are as follows:
There are six constructive findings that can be concluded from the overall result in this research, which are listed as follow:

1. The servant leadership dimension "love, empowerment, trust, humility, and vision" simultaneously and significantly give an effects on employee performance of the regional government office southeast Minahasa.
2. The servant leadership dimension "love" has a positive significant partial gives an effect on employee performance of the regional government office southeast Minahasa.
3. The servant leadership dimension "empowerment" has a positive significant partial gives an effect on employee performance of the regional government office southeast Minahasa.
4. The servant leadership dimension "trust" has a positive significant partial gives an effect on employee performance of the regional government office southeast Minahasa.
5. The servant leadership dimension "humility" has a positive significant partial gives an effect on employee performance of the regional government office southeast Minahasa.
6. The servant leadership dimension "vision" has a positive significant partial gives an effect on employee performance of the regional government office southeast Minahasa.

Recommendations

There are two practical recommendations that can be concluded from the overall result in this research which are listed as follow:

1. The regional government office southeast Minahasa have to consider about the importance dimension of servant leadership, there are love, empowerment, trust, humility, and vision regarding with it in advanced and increase the employee performance.
2. The other hand, the regional government office southeast Minahasa have to evaluate other important factors that can give an effect on employee performance, regarding with the continuity of the organization.

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