Servant Leadership Characteristics, Organisational Commitment, Followers’ Trust, Employees’ Performance Outcomes: A Literature Review

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Abstract:

Purpose: The purpose of this paper is to present the findings relating to the impact of servant leadership on employee performance, organizational commitment, and employee trust in leaders.

Design/Methodology/approach: We conducted a systematic literature review (SLR). This study contributes to the development of servant leadership theory and practice in relation to organizational commitment, followers’ trust, and employees’ performance outcomes. In addition, this study contributes to the methodology for conducting SLRs in the field of management. The investigated previous studies are from different authors and different countries.

Findings: The findings suggest future research in using the same variable of servant leadership impact towards performance organization and mediation culture organization. This study also suggests that organizational commitment, trust, employee performance, and organization culture are impacted by servant leadership. In looking at the many previous studies on organizational culture from around the world, it is rare for literature to examine the relationship between servant leadership and employee performance outcomes.

Practical Implications: Servant leadership is a compelling topic to study because, in this leadership style, leaders give priority to the people they lead. This style of leadership is also unique because most humans tend to prioritize their own interests. Servant leadership creates organizational commitment and followers’ trust in their leadership.

Originality/Value: The research literature on servant leadership links this style of leadership with organizational commitment and trust. Several studies have concluded that servant leadership significantly generates organizational commitment and trust.

Keywords: Employee performance, Organizational commitment, Trust, Servant leadership.

Paper type: Research article.

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1. Introduction

Leadership styles are an interesting topic to examine. Every organization needs a leader, and, in these times of uncertainty caused by the additional demands that globalization is putting on businesses, stakeholders need to be able to count on an effective leader. This requires a leadership style that is highly capable and responsive to the demands of the changing business climate in a global situation dominated by aspects of extreme uncertainty. Wong (2002a) argued that globalization has led to workforce diversity and rapid social and technological change, thus requiring rethinking and regrounding in leadership and management.

Greenleaf (1998) argued that servant leadership prioritizes the interests of the leader’s followers rather than the leader’s own interests. Leadership styles that pay attention to the benefits to and welfare of employees, focus on relationships with employees, and show respect, appreciation, and support to them (Bass, 1990a in Khuong, 2016) are especially needed and valuable in today’s global business environment.

Servant leadership is a leadership model that encourages caring about people and engages employees in decision-making. Overbey (2017) stated that decision-making can be most effective if the decision-making works for everyone in the organization. Employee awareness and involvement in decision-making can build subordinates’ personal development so that they can be more actively involved in the organization. Moreover, employees who feel that their leaders care are more inclined to have attitudes and behaviours that give support to the organization. In this way, servant leadership is able to grow existing organizational commitment in subordinates and also improve their work performance.

Organizational commitment is the attitude and behaviour of employees to be actively involved in assisting the organization in achieving its goals, thus improving employee performance. Iqbal et al. (2015) suggested that there is a positive and significant influence of organizational commitment on employee loyalty in the organization. When employees have attitudes and behaviours aimed at helping the organization, they tend to strive for better job performance.

Additionally, the willingness of employees to work in earnest and in commitment to the organization can create better work results. In the last ten years, the concept of servant leadership has gained increasing importance in the leadership and organizational literature (Collins, 2001; Russell and Stone, 2002).

The contemporary business environment has led to the decline of businesses that follow the unethical actions of leaders, resulting in many business failures (Liden et al., 2008; Reed et al., 2011). This new environment requires a leadership style that displays emotional intelligence and trust in managers, that is, servant leadership (Plessis, 2015; Chan, 2014).
The literature cited above shows that the effect of servant leadership on employee performance is mediated by the organizational commitment of employees and their confidence in the leadership. Servant leadership is the appropriate choice in today’s turbulent business climate and has been internationally researched through various approaches, such as research on personal behaviour, on organizational demands, and on individual and team performance in the organization.

2. A Review of the Literature

2.1 Servant Leadership

Leaders generally want to be served by their followers and to only serve their followers if they have been served first. However, basically, leadership is conferred upon a person who is naturally a servant (Valeri, 2007). Coetzer et al. (2017) stated that the main function of a servant leader has not been conceptualized sufficiently in the literature to help researchers or practitioners apply servant leadership successfully within the organization. However, Barbuto and Wheeler (2006) pointed out that the concept of servant leadership has become increasingly popularized in the last decade.

A leader who serves must have the intention and desire to lead followers and have a multidimensional to be able to develop others to follow. (Greenleaf, 1998). Servant leaders see themselves as servants, placing the needs of others before themselves and making deliberate choices to serve others (Sendjaya and Sarros, 2002). The root of the servant leadership theory is based on the teaching of the various world religions. In servant leadership, leaders serve without seeking something in return and provide the best opportunities to their followers. According to Smith (2005), servant leadership is highly suitable in the information service industry, but this requires formalization, verification, and further research.

2.2 Characteristics of Servant Leadership

Servant leadership is about the relationship between leaders and other individuals in organizations and involves equal measures of humanity, openness, courage, and rigorous thinking (Stamm, 2004). Greenleaf’s writings (Russell and Stone, 2002, p. 146) state that leaders are expected to have qualities and skills in listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to people’s growth, and building community. This idea is further reinforced by Spears (1995). In 2002, Barbuto and Wheeler identified 11 potential dimensions of servant leadership that confirm the work of Spears (1995).

Spears (2010) stated that servant leadership serves to engage others in decision-making, is based on ethical and caring behaviour, and enhances employee growth while enhancing the overall awareness and quality of organizational life. Servant leadership recognizes leader awareness as a key mechanism for leadership
development. The servant leadership framework, according to First (2013), consists of service to others, a holistic approach to work, promoting a sense of community, and sharing the power in decision-making. Similarly, according to Ingram (2016), servant leadership has the characteristic values of acceptance, relationship, credibility, influence, vision, and encouragement. However, in order to achieve these values, a servant leader must be patient with his followers.

Patterson (2003) developed a theoretical model of servant leadership to explain that a leader must have agape love for his followers. Winston (2003) defined agape love as a moral love that seeks to do the right thing at the right time for the right reasons. Mutia (2015) stated that servant leadership helps followers realize their purpose in order to align with organizational goals; for this, servant leaders must be wise, and they must convince followers to work toward their goals.

### 2.3 Relationship of Servant Leadership to Organizational Commitment

Servant leadership fosters involvement and commitment from managers and employees (Hannay, 2009). Ulrich (2002) stated that the commitment of competent employees is critical to organizational success. Organizational commitment consists of behaviour that reflects the feelings, attitudes, values, practices, and brilliant ideas that employees voluntarily choose in order to support the organization's interests (Ambalir et al., 2011). The Rimes (2011) study found that there was a significant correlation between servant leadership and the affective and normative commitment of employees, but there was no significant correlation between leadership style and the commitment of staff continuity in the organization.

Servant leadership is a leadership philosophy that addresses ethical issues, customer experience, and employee engagement while creating a unique organization where both leaders and followers unite to achieve organizational goals, and employees are seen as one of the greatest assets for the organization (Carter, 2012). The influence of servant leadership on followers’ commitment is positively related to their performance (Jacobs, 2006). Winston (2003) argued that the followers of servant leadership will be more committed to their leaders. In relation to this, Fields (2002) developed an instrument to measure the commitment of a leader’s followers, called Supervisor-Related Commitment.

Lim Si Wei (2012) found that servant leadership in fostering the emotional well-being of employees had a significant positive correlation with their continuous and normative commitment. Thus, the altruistic aspects of servant leadership are significantly correlated with normative commitment, whereas leadership policy has a significant positive correlation to affective commitment (Liden et al., 2008).

The commitment literature consists of affective, calculative, and normative components (Martín, 2008; Roxenhall, 2012). The affective relationship commitment developed between the interacting parties is the way in which the
components of commitment are inter-related (Roxenhall, 2012). The above research indicates that, by putting the focus on the followers, servant leadership contributes to organizational commitment.

2.4 The Relationship between Trust and Servant Leadership

Brower et al. (2000) and Bük et al. (2017) found that trust is partly built on the leader’s behaviour and that the subordinate’s trust in leadership is based on the leader’s behaviour. Servant leadership is more likely to lead to the followers’ trust in their leaders because servant leaders can be personal examples, building shared values, openness, and commitment to the well-being of their followers (Senjaya, 2010). Lester and Brower (2003) found that subordinates’ perception of being trusted by their leaders was positively related to subordinate performance, organizational citizenship behaviour, and job satisfaction. As a result, the researchers concluded that when employees feel that they are trusted, they will work harder, go beyond the call of duty, and be more satisfied with their work.

Servant leadership has been taught by various religions. Kashyap (2016) found that employees simply following servant leadership is not enough to directly affect the level of trust they have with their leaders. Abid et al. (2015) found a positive relationship between servant leadership, trust, and the behaviour of organizational citizenship. Subsequent findings saw trust as a mediator and group cohesiveness as a moderator. Employees feel trusted when they are engaged in their work and are treated like colleagues in their organizations (Henkin and Moye, 2006, as quoted by Berraies et al., 2014).

Dirks and Ferrin (2002) concluded that trust as one of the important relational constructs in the work environment. Organizational fairness encourages trust between management and employees in a way that makes them feel involved in organizational tasks. Trust in the leader will enhance the harmony of the relationship between superiors and subordinates and can bind subordinates to jointly achieve organizational goals. Such attributes need to be implemented both in theory and practice.

2.5 Relationship between Servant Leadership and the Performance of Employees through the Mediation of Organizational Commitment and Trust

The application of servant leadership creates organizational commitment and trust in its leadership and improves employee performance. Some literature (Miao et al., 2013; Fajar et al., 2017) indicates that the trust and commitment of employees is related to servant leadership. Servant leadership positively affects employees’ trust in and commitment to organizational leadership (Chinomona et al., 2013). In addition the commitment to leadership, organizational commitment by employees contributes to the success of the organization.
Servant leadership places the interests of those who are led before the interests of leaders and emphasizes the personal development and empowerment of the followers (Greenleaf, 1978). Joseph (2004) supported Greenleaf’s view that the leadership style serves as an antecedent to the followers’ trust in their leaders and organizations and aspects of other servant-leadership models.

Meanwhile, Jacobs (2006) found that followers’ commitment to leaders is positively related to their performance. Ulrich (2000) argued that human resources are an intangible resource which is difficult to imitate, and that the commitment of competent employees is critical to organizational success. Laub (2004) suggested that servant leadership requires a change of mindset, a paradigm shift that sees leaders and followers differently from other competing mindsets of leadership, because this type of leadership emphasizes the interests of the people they lead.

Some studies mentioned above have argued that leadership attributes affect employees’ organizational commitment. Furthermore, some research has identified the specific values of servant leadership that affect employees’ commitment to the organization. This research facilitates the success of policies designed to improve employee performance.

3. Research Methodology

The research literature on servant leadership links servant leadership with organizational commitment and trust. Several studies have concluded that servant leadership significantly generates organizational commitment and trust. In this regard, we conducted a systematic literature review (SLR). This study contributes to the development of servant leadership proposed in the previous research. The core message of servant leadership is clear and simple, with the support, fostering, and consideration towards organizational members as the key elements of servant leadership theory and practice, leading to enhanced organizational commitment, followers’ trust, and employees’ performance outcomes. In addition, this study contributes to the methodology for conducting SLRs in the field of management.

The investigated previous studies are from different authors and different countries. Following the content analysis, the findings and conclusions are presented. The descriptive analysis is then presented in this paper to provide the conclusion that servant leadership is a compelling topic to be studied because, in this leadership style, leaders give priority to the people they lead, which leads to many benefits for the people in the organization and the organization itself. This style of leadership is also unique because most humans tend to prioritize their own interest. They like to be served, to be noticed, and to take precedence. For leaders to be respected by their followers.
4. Results and Discussion

The leadership style adopted and promoted within an organization is a key component of a leader’s ability to be successful in achieving an organization’s long-term goals. The role of leaders in ensuring excellent organizational performance and workers commitment to work. The dependent variable is organizational commitment and independent variable servant leadership which is characterized by the affective, normative, and continuance commitment of employees (Olesia et al., 2013).

Serving leadership behavior is positively related to employee loyalty (Barbuto and Wheeler, 2006; Ding et al., 2012). Employees with a strong affective commitment tend to stay with the organization because they want to and out of their own free will. These kinds of employees are devoted and loyal to their employer.

As mentioned previously, the presence of trust can reap important benefits for the organization. In fact, trust creates an environment where trustors believe that the trustee will not attempt to deceive or cause them harm, thus making the exchange of assets easier and less costly. Some researchers have concluded that “subordinates who perceived high servant leadership behaviour in their leaders had significantly higher trust levels compared with those who perceived low servant leadership in their leaders” (Sendjaya and Pekerti, 2010).

5. Conclusions and Recommendations

The previous research indicates that there are ten characteristics of effective servant leaders: patience, obedience, peace, joy, mercy, forgiveness, humility, gratitude, caring, adequateness, competence, appreciation, collaboration, and commitment.

The current era of turbulent and dynamic globalization requires leaders who are able to realize positive changes in the organization and are capable of generating commitment and trust from their followers. Service leadership positively affects employees’ trust and commitment to organizational leadership.

The findings of this study suggest that future research be conducted using the same variable of servant leadership to measure its impact on mediating employee performance and organizational culture. This study contributes to the existing servant leadership literature by providing new insights in this regard. The study also shows the impact of servant leadership on organizational commitment, employee trust, employee performance, and organizational culture.

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