

The Effect of the Servant Leadership Style on the Performance of Regional Organizations through the Core Values of Competent ASN as an Intervening Variable

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ABSTRACT

Objective: This research aims to analyze the effect of servant leadership style on the organization performance through the core value of competence as an intervening variable. **Method:** This research uses descriptive and quantitative research methods. The population to be studied is all staff of Regional Apparatus Organizations in Jember Regency, total 461 people. The number of samples used was 109 respondents and the sampling technique was nonprobability sampling with purposive sampling technique. Hypothesis testing in this research uses Structural Equation Modeling (SEM) with the WarpPLS statistical tool. **Results:** Findings of this research state that servant leadership style has a significant effect on the core value of competence and the organization performance. Core value of competence has significant effect on the organizational performance. The servant leadership style has a significant effect on employee performance through the core value of competence. **Novelty:** This research uses a model of the influence of servant leadership style on organization performance by involving the core value of competence as mediator or intervening. Thus, this model is the answer to the existing research gap related to organizational performance.

INTRODUCTION

Performance is a person's achievement or accomplishment regarding the tasks assigned to him/her and can be viewed as a combination of work results (what a person must achieve) and competence (how a person achieves it) [1]. Meanwhile, performance as defined by [2] is what is produced from working through a management process or company as a whole, which requires concrete evidence of the results of his/her work that can be measured. Performance measurement can be carried out not only on individual employees, but also on organizations. Organizational performance measurement is recognized as a management function that has developed into a separate branch of science. The main purpose of measuring organizational performance is to ensure that every government agency works efficiently, effectively, and provides real results for the community.

The right leadership style applied to the circumstances and conditions of the organization, especially at the subordinate level, will be more effective in improving employee performance and vice versa [3]. Leadership style is a key factor in public sector organizations. A leader is required to be able to bring and maximize the organization he leads to provide quality services and achieve optimal public satisfaction. An organization will run smoothly in achieving the organizational goals that have been set, greatly influenced by the leadership factor. Therefore, leaders are always the focus of evaluation as a picture of the assessment of the success of an organization [4]. Servant leadership has attracted research interest in organizational studies in recent decades with particular

attention to the role of leaders as servants, prioritizing the needs of others to then foster positive organizational outcomes [5], [6], [7]. This paradoxical leadership function and servant style provide an important mechanism in the workplace to maintain an organization's business ethics while striving for performance [8]. [9] argue that servant leadership impacts various aspects of the organization, such as trust, prosocial behavior, and team performance.

Support for the quality of Human Resources (HR) is one of the important factors in increasing the productivity of the performance of an organization or agency. Therefore, human resources with high competence are needed because competence will be able to support the improvement of employee performance achievements. [10] in [11] explained that the development of ASN competence aims to ensure and maintain employee abilities to meet the required qualifications and provide optimal contributions to the organization. [12], [13] in their research stated that the competence variable has a negative and significant effect on performance.

The performance of regional apparatus organizations (OPD) has a very important role in supporting the success of development in a region. However, the challenges faced by OPD are often related to the effectiveness of budget planning and leadership carried out by organizational leaders. Referring to the description above, this study examines the influence of servant leadership style on organizational performance through the core value of competent as an intervening variable.

RESEARCH METHOD

The research method is basically a scientific way to obtain valid data with the aim of being found [14]. This study uses descriptive and quantitative research methods.

The population to be studied is all employees of the Regional Agency in Jember Regency, totaling 461 people. The number of samples used is 109 respondents and the sampling technique is nonprobability sampling with purposive sampling technique. Hypothesis testing in this study uses Structural Equation Modeling (SEM) with the WarpPLS statistical tool.

Variables are objects of research, or what is the focus of a study to be studied and conclusions drawn [14]. There are three research variables, namely endogenous variables, exogenous variables, and intervening variables. Operational measurements of these variables can be seen in Table 1.

Table 1. Identification of measurement research variables.

No	Variables	Indicator
1	Servant leadership style (X)	a. Respect for others b. Create an inspiring vision c. Prioritizing ethics d. Putting others' interests first e. Granting privileges f. Balance focus with flexibility g. Serve with humility
2	Core value of competent (Z)	a. Knowledge b. Understanding c. Skill d. Value e. Attitude f. interest
3	Organization performance (Y)	a. Productivity b. Service Quality c. responsiveness d. responsibility e. Accountability

The data analysis stage as a form of testing the research hypothesis using Structural Equation Modeling (SEM) with the WARPLS statistical tool. Structural Equation Modeling (SEM) is an integrated approach between factor analysis, structural models and path analysis [15].

RESULTS AND DISCUSSION

Results

Descriptive Statistics of Respondents

The research respondents were 109 staff of Regional Agencies in Jember Regency.

Table 2. Descriptive statistics of respondent demographics.

	Criteria	Frequency (people)	Percentage (%)
Age	a. < 30 years	38	34.9
	b. 30 – 50 years	53	48.6
	c. > 50 years	18	16.5
	Amount	109	100.0
Gender	a. Man	60	55.0
	b. Woman	49	45.0

	Amount	109	100.0
Last education	a. High School/Equivalent	31	28.4
	b. Diploma	27	24.8
	c. Bachelor	39	35.8
	d. Postgraduate	12	11.0
	Amount	109	100.0
Length of work	a. < 5 years	36	33.0
	b. 5 years - 10 years	48	44.0
	c. > 10 years	25	22.9
	Amount	109	100.0

Source: Processed data

Structural Equation Modeling (PLS-SEM) Analysis Results

The results of the SEM-PLS model testing can be presented in the following Figure 1.

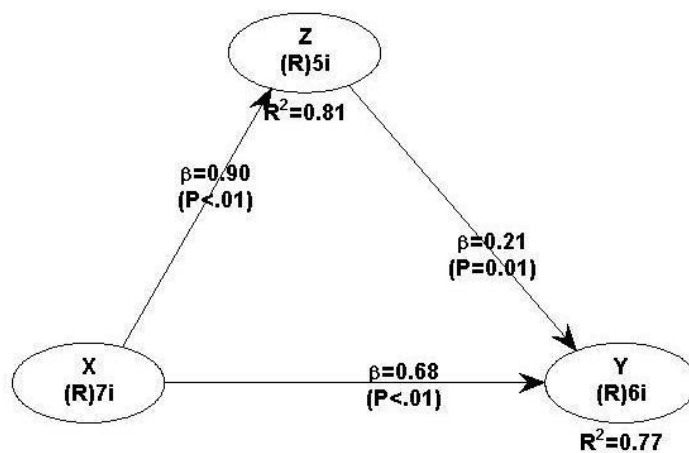


Figure 1. SEM-PLS Model Test Results.

Direct Influence Test Results

The test results obtained a fit model, then each path coefficient that represents the direct influence can be interpreted. The detailed direct influence test is presented in the following Table 3.

Table 3. Direct effect test results.

Effect		Estimate	SE	P	Results
Servant leadership style	Core values of competent	0.897	0.076	<0.001	H1 accepted
Servant leadership style	Organizational Performance	0.678	0.080	<0.001	H2 accepted

Core values of competent	Organizational Performance	0.212	0.091	0.011	H3 accepted
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Source: Data processed

The results of the direct influence test show that Servant leadership style has a significant effect on the core value of competent. Servant leadership style has a significant effect on organizational performance. And, the core value of competent has a significant effect on organizational performance.

Indirect Effect Test Results

An indirect relationship occurs between the exogenous latent variable servant leadership style (X) to the bound endogenous latent variable organization performance (Y) with the intervening endogenous variable core value of competent (Z). A summary of the indirect influence of these variables can be seen in the following Table 4.

Table 4. Indirect effect test results.

Effect	Estimate	SE	P	Results
Servant leadership style, Core values of Competent, Organizational Performance	0.190	0.064	0.002	H4 accepted

Source: Data processed

The results of the indirect influence test show that the core value of competent acts as an intervening variable in the relationship between servant leadership style and organizational performance. Thus, servant leadership style has a significant effect on organizational performance through the core value of competent.

Analysis of Determination Coefficient (R²)

Testing at this stage is by looking at the R-square value. In this case, the R-square value describes the variability of changes in exogenous variables that can be explained by endogenous variables. The test results related to the R-square value can be seen in the following Table 5.

Table 5. R-square value.

Variables	Variable Name	R-square
Z	Core values of competent	0.805
Y	Organization performance	0.771

Source: Data processed

Based on Table 5, the R-square value of the core value of competent construct is 0.805 and the R-square value of the organization performance construct is 0.771. The R-square of 0.805 can be interpreted that 80.5% of the variability of changes in the core value of competent can be explained by the servant leadership style variable. The R-square of 0.771 can be interpreted that 77.1% of the variability of changes in organization

performance can be explained by the servant leadership style and core value of competent variables.

Summary of Research Hypothesis Testing Results

After conducting data analysis using SEM-PLS, the following is a summary of the results of the research hypothesis testing. The results of the hypothesis testing as explained in the previous sub-chapter relate to the direct influence of exogenous variables on endogenous variables and the indirect influence of exogenous variables on endogenous variables by involving intervening or mediating variables.

Table 6. Summary of hypothesis testing results.

No	Research Hypothesis	Information
1	Servant leadership style has a significant influence on the core value of competent	H ₁ accepted
2	Servant leadership style has a significant influence on organizational performance	H ₂ accepted
3	Core value of competent has a significant influence on organizational performance	H ₃ accepted
4	Servant leadership style has a positive and significant influence on organizational performance through the core value of competent	H ₄ accepted

Source: Data processed

Discussion

The influence of servant leadership style on the core value of competent

The results of the study show that servant leadership style has a significant influence on the core value of competent. This means that if the servant leadership style is better, it will increase the core value of competent of Jember Regency Regional Agency staff. Servant leadership has an important role in developing ASN competence. Leaders who empower employees encourage them to continue learning, improving their abilities, and facing challenges with innovative solutions. By providing clear direction, supporting individual development, and appreciating the contribution of each employee, a leader can instill strong competency values. In the context of regional apparatus organizations, this leadership style is the key to building professional and competent ASN.

The Influence of Servant Leadership Style on Organizational Performance

The results of the study show that servant leadership style has a significant influence on organizational performance. This means that servant leadership style is considered effective in improving organizational performance. Servant leadership is a leadership style that focuses on service, empathy, and employee empowerment. Leaders with this approach prioritize team needs, encourage employee involvement, and create a work environment that supports collaboration. In regional apparatus organizations, this leadership style can increase work motivation, trust between employees, and

productivity. With leaders who practice servant leadership, employees feel supported to contribute optimally, so that overall organizational performance improves.

The Influence of Core Values of Competent on Organizational Performance

The results of the study show that the core value of competent has a significant influence on organizational performance. This means that if the core value of competent staff of the Jember Regency Regional Agency is higher, it will lead to better organizational performance. Competent ASN is the main asset in achieving optimal regional apparatus organizational performance. ASN competencies include technical skills, adaptability, and commitment to public service. ASN who have high competence are able to carry out tasks effectively, provide solutions to complex problems, and create innovations in service. Thus, the core value of competent ASN contributes directly to the success of the organization's work program and the satisfaction of the community as service recipients.

The Influence of Servant Leadership Style on Organizational Performance with the Mediation of Core Value of Competent

The results of the study showed that servant leadership style did not have a significant effect on organizational performance with the mediation of core value of competent. Referring to these results, it can be stated that core value of competent acts as an intervening variable in the relationship between servant leadership style and organizational performance. This means that the better the servant leadership style, the better the core value of competent will be and ultimately will increase organizational performance.

Leaders with servant leadership style actively support the development of employee competency through empowerment, training, and coaching. By building healthy working relationships and encouraging employees to learn, leaders create more competent ASN. This built competency then has an impact on improving organizational performance. Therefore, the core value of competent ASN plays an important mediating role between servant leadership style and regional apparatus organizational performance.

CONCLUSION

Fundamental Finding : Based on the descriptions that have been expressed in the discussion, several conclusions can be drawn as findings of this study, namely servant leadership style has a positive and significant effect on the core value of competent. Servant leadership style has a positive and significant effect on organizational performance. Core value of competent has a positive and significant effect on organizational performance. Servant leadership style has a positive and significant effect on organizational performance through the core value of competent. **Implication :** The results of this study provide practical implications for organizational leaders, especially within public institutions, to adopt a servant leadership style as a strategic approach to improve employee competence and enhance overall organizational performance. The significant relationship between servant leadership and the core value of competent highlights the importance of nurturing leadership behaviors that prioritize employee

development, empowerment, and service-oriented values. Furthermore, the mediating role of the core value of competent suggests that organizations should integrate competence-building initiatives within their leadership development programs. By doing so, they not only strengthen internal capabilities but also foster a high-performing organizational culture. **Limitation** : The object of the study was limited to the staff of the Jember Regency Regional Agency, so that the generalization of the results has not been achieved. The next limitation is related to this study only examining the influence of servant leadership style on the core value of competent and organizational performance. **Future Research** : Further research can be conducted with broader objects (regional or national). Therefore, future research should formulate and develop a model related to the factors that influence the core value of competent and organizational performance. Future research can test other variables and use different approaches so that better findings are obtained.

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