How Does Servant Leadership Affect Turnover Intention a Company?

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ARTICLE INFO

Keyword:
Servant leadership
Affective organizational commitment
Turnover intention

ABSTRACT

The food and beverage industry continues to experience positive and substantial development from year to year. Nonetheless, attrition rates range between 60% and 300%. This study investigates the relationship between servant leadership, affective organizational commitment, and turnover intention. In addition, this study seeks to examine the role of affective organizational commitment as a mediator between servant leadership and turnover intention. This study's sample consisted of 78 restaurant employees. The technique used for data analysis was Structural Equation Modeling Partial Least Square (SEM PLS). According to the findings of the study, servant leadership and affective organizational commitment had a significant negative impact on turnover intention. Lastly, affective organizational commitment can substantially and negatively moderate the effect of servant leadership on turnover intention.

SARI PATI

Bisnis yang bergerak dibidang makanan dan minuman dari tahun ke tahun terus mengalami pertumbuhan yang positif dan signifikan. Namun, tingkat perputaran berkisar antara 60%–300%. Penelitian ini bertujuan untuk mengekplorasi pengaruh servant leadership dan affective organizational commitment terhadap turnover intention. Selain itu, dalam penelitian ini juga bertujuan untuk menguji peran mediasi affective organizational commitment pada pengaruh servant leadership terhadap turnover intention. Sampel penelitian ini adalah karyawan restoran sebanyak 78. Teknik analisis data menggunakan Structural Equation Modelling Partial Least Square (SEM PLS). Hasil penelitian mengungkapkan bahwa servant leadership dan affective organizational commitment berpengaruh negatif signifikan terhadap turnover intention. Terakhir, affective organizational commitment mampu memediasi secara negatif dan signifikan pada pengaruh servant leadership terhadap turnover intention.
INTRODUCTION
The food and beverage industry continues to experience positive and substantial development year after year. According to data from the Central Statistics Agency (BPS) released by Databok (2021), the Indonesian economy grew by 7.07 percent annually in the second quarter of 2021 (year on year /yoy). One of the increases was prompted by the 16.79% expansion of restaurants and accommodations. This report indicates that restaurant growth and performance are significantly higher than the previous quarter (Databok, 2021). In line with this, the Director General of Agro-Industry of the Ministry of Industry, Putu Juli Ardika, also confirmed this growth, stating that it continued to increase until the following year, namely 2022, with an increase of 3.68 percent compared to 2021’s 2.95 percent (Junida, 2022). This significant growth rate indicates that enterprises in the food and beverage industry, such as restaurants, are relatively productive in the present and the future. Nevertheless, whether we are aware of it or not, this success has been established by several essential divisions, including employees who interact directly with customers almost every day.

According to a recent study by Jang and Kandampully (2018), titled «Reducing Employee Turnover Intention Through Servant Leadership in the Restaurant Context: A Mediation Study of Affective Organisational Commitment,» employee turnover rates are a major concern for the majority of businesses, particularly those in the restaurant industry, where turnover rates range from 60% to 300 percent. According to Jang and Kandampully (2018), this issue has long been recognised as a significant problem. Consequently, nearly all businesses, including those outside of the food and beverage industry, must pay close attention to these issues, as employee turnover can have fatal consequences for an organisation, resulting in higher costs and decreased productivity (Hakro et al., 2022; Rahman, 2020).

Understanding the factors that can reduce employee turnover is crucial for these companies/organizations to maintain their competitive advantage over other companies (Jang & Kandampully, 2018; Kim et al., 2019). Retaining and motivating restaurant employees to provide the best service is crucial to achieving success in the restaurant industry. Haynie et al. (2022); Ibrahim et al. (2019); and Jung et al. (2020) found that supportive leadership was a significant factor in employees’ desire to remain with their organisation. Al-Mahdy & Alazmi, 2023; Fila et al., 2023; Pahlevan Sharif et al., 2023) have found that supportive leaders are more likely to increase the intrinsic motivation and job satisfaction of their employees, thereby reducing migration intent. In the context of this study, servant leadership was chosen because servant leaders tend to value more, develop people, build communities, practise authenticity (as it is), provide leadership for the well-led, and share power and status for the common good of each individual, the entire organisation, and those served by the organisation.

This study was conducted to fulfil the call of previous research that suggested the relationship between servant leadership and intention to leave was also tested in different restaurant contexts in other countries to determine the consistency of this relationship (Jang & Kandampully, 2018). Previous empirical research indicates that servant leadership is associated with numerous positive constructs, such as affective organisational commitment,
employee engagement, self-efficacy, and performance (Aboramadan et al., 2022; Jang & Kandampully, 2018; Westbrook & Peterson, 2022). Consequently, this study examines the relationship between servant leadership and intention to leave through employee engagement as a mediator. These findings are anticipated to provide both practical and theoretical contributions, which will be thoroughly examined in the subsequent chapters.

LITERATURE REVIEW

Turnover intention

Turnover intention is the propensity or intent of employees to quit their jobs (Wang et al., 2020). According to Guzeller and Celiker (2020), turnover intention is an attitude or the likelihood that an employee will quit the organisation or voluntarily resign. Rawashdeh and Tamimi (2020) elaborated that the urge to move can be used as an early indicator of employee turnover within an organisation. Exit intention (turnover intention) can also be understood as the departure of employees from the organisation. Members of an organisation can leave by resigning or leaving the organisation, being fired, or dying. According to Robbins (2008), turnover can be voluntary (voluntary turnover) or involuntary (involuntary turnover). Voluntary turnover or resigning is an employee’s decision to leave the organisation voluntarily due to the attractiveness of the current position and the availability of other options. In contrast, involuntary turnover or dismissal refers to the employer’s decision to end the employment relationship and is out of the employees’ control. The act of withdrawal consists of multiple components that appear simultaneously in individuals, including thoughts of leaving, a desire to find another job opening, an evaluation of the likelihood of finding a suitable job elsewhere, and a desire to leave the organisation (Chan & Ao, 2019).

In this era of globalisation, the majority of businesses require assistance to retain their employees over the long term (Oyemomi et al., 2018). Thus, the potential loss of talent and expertise can present additional challenges for human resource decision-makers. Therefore, decision-makers in a company must carefully contemplate workers with exceptional talent (Chan & Ao, 2019). In addition, according to Rawashdeh and Tamimi (2020), the intention to relocate has an impact on organisational efficiency due to the loss of talented employees, difficulty completing work, and prospective costs. Possible costs include replacement, training, separation, and vacancy (Rawashdeh & Tamimi, 2020). Before committing to and deciding to cast off employees, a company must therefore exercise caution. It is necessary to give attention to issues pertaining to the enjoyment of work by employees. Thus, the likelihood of employee attrition is diminished. (Jang & Kandampully, 2018) indicate that organisations employ a servant leadership style to decrease employee intention to leave.

Servant leadership

Generally speaking, servant leadership is founded on the premise that leaders subordinate their interests and potentially organisational interests to the interests of their followers (Mustamil & Najam, 2020). According to servant leadership as presented by Westbrook and Peterson (2022), a leader must aspire to serve before making a deliberate decision to lead. What is certain is that, according to Huning et al. (2020), the understanding of servant leadership is that;

“The servant leader is servant first... it begins with the natural feeling that
It implies that leaders who serve are also the first to act. It begins with one's natural desire to assist others. Then, a deliberate decision gives rise to leadership ambitions. The best and most difficult measure is whether or not those served develop as individuals. Are they healthier, wiser, more accessible, more independent, and more likely to be servants when performed? And what effect does it have on societies that are the most disadvantaged? Will they benefit, or at the very least suffer no additional harm?

According to Achen et al. (2019), servant leadership emphasises the motivation to serve others and the renunciation of self-interest. Leaders who acknowledge their responsibilities to the organization's broader stakeholders and encourage subordinates to adopt moral reasoning (Omanwar & Agrawal, 2022). In addition, the ethical aspect of servant leadership emphasises serving the needs of followers as an end rather than a means; consequently, servant leaders pursue power in order to serve others (Zia et al., 2022).

At the individual level, servant leadership has a positive impact on employees' psychological well-being, affective commitment, and psychological capital, according to research (Clarence et al., 2021). At the level of team analysis, servant leadership has positively impacted team performance and practical team initiatives (Kiker et al., 2019; Bilal et al., 2020). In addition to extant leadership theories, previous research has contributed to the development of the servant leadership theory (Zia et al., 2022).

**Affective organizational commitment**

According to Meyer and Allen (1987), organisational commitment consists of three components: affective, normative, and continuous. The three facets of organisational commitment are motivated by distinct factors. Affective commitment is based on individuals’ emotional involvement and intrinsic attachment to the organisation. Individual accountability to the organisation underlies normative commitment. While commitment to continuity is founded on a consideration of the losses that will result from the departure of individuals from the organisation. Of these three components, affective commitment is deemed the most significant because it is the foundation of organisational commitment (Mercurio, 2015), which is viewed as describing greater dedication and loyalty to the organisation (Jang & Kandampully, 2018). Consequently, affective organisational commitment is the variable under investigation.

Affective organisational commitment is a sense of belonging and identification (being a part of oneself) that increases individual participation in corporate activities, motivation to achieve organisational objectives, and the desire to remain within the organisation (Meyer & Allen, 1987). Similarly, DiPietro et al. (2020) define affective commitment as a person’s desire to work for an organisation because they approve of the work and want to do it. Moreover, according to Odoardi et al. (2019), affective commitment is a person’s
desire to maintain their membership in the organisation because they feel emotionally attached, identify themselves, and feel involved with the organisation, resulting in a strong belief and a strong desire to adhere to all organisational values. Employees with a strong affective commitment work for the organisation because they want to and are intrinsically motivated to do their best. Affective commitment can be strengthened by servant leadership, psychological ownership, and person-organization fit (Dahleez et al., 2021).

METHODS
By disseminating questionnaires, this study took a quantitative approach. Restaurant X, where the research was conducted, sells a variety of seafood dishes typical of Singapore, Malaysia, and Indonesia. The total number of personnel at Restaurant X is 78. In this investigation, all of these numbers were sampled (saturated samples). The variables used are servant leadership, organisational commitment, and intention to leave.

The definition of servant leadership is leaders who value and strive to develop their employees, demonstrate authenticity, and provide leadership for the benefit of those led. The fourteen statement items used to assess servant leadership were adapted from research conducted by Jang and Kandampully (2018). Examples include "My immediate supervisor fosters a sense of community among employees" and "My immediate supervisor seeks employee consensus on crucial decisions."

Affective organisational commitment is a sense of belonging and identification (being a part of oneself) that can enhance an individual’s participation in corporate activities, motivation to achieve organisational objectives, and desire to remain in the organisation. The five statement items used to measure affective organisational commitment were adopted from Dahleez et al. (2021). Examples include, "I feel a strong sense of belonging to this restaurant" and "I feel like a member of this restaurant's family.”

Turnover intention is the propensity or degree of an employee to quit the organisation or resign voluntarily. Utilising three statement items adapted from Jang and Kandampully (2018), the measurement consists of three statement items. Examples of turnover intention statements are "I will quit my job next year" and "I will leave this job next year." This study utilised a five-point Likert scale to evaluate each measurement, ranging from 1 (strongly disagree) to 5 (strongly concur). Researchers collected data through the online distribution of questionnaires (Google forms) that had been produced in advance. SEM PLS was used to analyse the collected data. SEM PLS is utilised because it is effective and applicable to all data dimensions, does not require a large number of assumptions, and sample size is not required to be substantial.

RESULTS AND DISCUSSION
To ensure convergent validity, researchers seek items with a weight greater than 0.5 on their respective constructs. In the meantime, to guarantee the validity of discrimination, researchers do not cross-load variables across significant studies (Hair et al., 2014). After evaluating the value of convention validity, the majority of items measuring each variable are valid. Several invalid servant leadership construct items, including SL12, SL9, SL8, and SL7, have values below 0.5. Consequently, some of these items must be removed (Hair et al., 2014). Figure 1 depicts the convergent validity test result after the indicator decline.
The next test is the validity description. The discriminant validity test examines whether each indicator of a latent variable has a superior loading value than other indicators of latent variables. This is performed to determine whether the test accurately distinguishes between distinct latent variables. Abdillah and Hartono (2016) state that the parameter utilised in the discriminant validity test to compare the AVE root of a construct must be greater than the correlation between the latent variables or the crossloading value. This comparison is performed to ascertain the validity of the discriminant validity test. The cross-loading table demonstrates that each indicator on a single construct will be distinct when compared to indicators on other variables that are also collected in the construct under investigation. Table 1 provides values for each indicator's cross-loading.

<table>
<thead>
<tr>
<th></th>
<th>Affective commitment</th>
<th>Servant leadership</th>
<th>Turnover intention</th>
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<tbody>
<tr>
<td>AOC1</td>
<td>0.837</td>
<td>0.629</td>
<td>-0.182</td>
</tr>
<tr>
<td>AOC2</td>
<td>0.715</td>
<td>0.584</td>
<td>-0.100</td>
</tr>
<tr>
<td>AOC3</td>
<td>0.873</td>
<td>0.811</td>
<td>-0.061</td>
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<tr>
<td>AOC4</td>
<td>0.907</td>
<td>0.702</td>
<td>-0.287</td>
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<tr>
<td>AOC5</td>
<td>0.893</td>
<td>0.738</td>
<td>-0.183</td>
</tr>
<tr>
<td>SL10</td>
<td>0.514</td>
<td>0.554</td>
<td>-0.224</td>
</tr>
<tr>
<td>SL11</td>
<td>0.387</td>
<td>0.545</td>
<td>-0.155</td>
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<td>SL13</td>
<td>0.515</td>
<td>0.641</td>
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<tr>
<td>SL14</td>
<td>0.530</td>
<td>0.713</td>
<td>0.070</td>
</tr>
<tr>
<td>SL2</td>
<td>0.747</td>
<td>0.813</td>
<td>-0.145</td>
</tr>
<tr>
<td>SL3</td>
<td>0.645</td>
<td>0.818</td>
<td>-0.036</td>
</tr>
<tr>
<td>SL4</td>
<td>0.653</td>
<td>0.790</td>
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<tr>
<td>SL5</td>
<td>0.628</td>
<td>0.799</td>
<td>0.019</td>
</tr>
<tr>
<td>SL6</td>
<td>0.662</td>
<td>0.837</td>
<td>0.045</td>
</tr>
<tr>
<td>SL1</td>
<td>0.607</td>
<td>0.688</td>
<td>-0.029</td>
</tr>
<tr>
<td>TI1</td>
<td>-0.219</td>
<td>-0.100</td>
<td>0.932</td>
</tr>
<tr>
<td>TI2</td>
<td>-0.036</td>
<td>0.000</td>
<td>0.610</td>
</tr>
<tr>
<td>TI3</td>
<td>-0.059</td>
<td>0.002</td>
<td>0.600</td>
</tr>
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Based on the findings, the value of each indicator on one construct is significantly greater than on another, and only one construct accumulates this value. Based on this study, it has a high level of discriminant validity.

Then, testing for reliability is conducted by examining Cronbach's alpha and Composite reliability values (Abdillah & Hartono, 2016). A construct is deemed reliable if its Cronbach's alpha value exceeds 0.6 and its composite reliability value exceeds 0.7. The results of reliability tests as a whole are shown in Table 2.

As shown in Table 2, given that all constructs in this study have Cronbach's alpha values greater than 0.6 and Composite reliability values greater than 0.7, it can be concluded that all constructs are reliable.

Finally, the testing of hypotheses. By calculating the path coefficient, which can then be analysed using T-statistical values, the hypothesis can be tested. In conjunction with the outcomes of bootstrapping techniques, route efficiency estimation provides a value representing the relationship between the latent variables. Assume that the T-statistic score or value is greater than 1.96 and that the p-value is less than 0.05 at a significance threshold of 0.05. In this instance, the variable relationship is deemed statistically significant. In addition, the parameter coefficient reflects the degree of influence of the independent variable on the dependent variable and the direction of effect by examining the original sample from a positive or negative perspective (Ghozali & Fuad, 2008). Figure 2 and Table 3 depict the results of evaluating the path coefficient. The overall value of the coefficient of determination for this study's hypothesis testing was 0.678% (affective commitment) and 0.588 (turnover intention).

<table>
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<th>Table 2. Composite Reliability</th>
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<tr>
<td><strong>Cronbach's Alpha</strong></td>
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<tr>
<td>Affective Organizational commitment</td>
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<tr>
<td>Servant leadership</td>
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<tr>
<td>Turnover intention</td>
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This study found that servant leadership and affective organisational commitment have a significant negative impact on turnover intention, with coefficient values of -0.255 and -0.402 and significance values of 0.004 and 0.007 less than 0.05. With a coefficient of -0.331 and a significance level of 0.002, indirect affective organisational commitment could substantially mediate the influence of servant leadership on turnover intention.

Discussion

This study found that servant leadership has a significant negative effect on intention to leave the organisation. The concept of servant leadership refers to a style of management in which the leader focuses predominantly on serving his team members and assisting them in forming and achieving common goals. The term “turnover intention” refers to the urge to leave one’s current position. According to this study’s findings, servant leadership has a significant negative effect on the intention to migrate. These findings suggest that servant leadership is negatively correlated with team members’ likelihood of seeking new employment opportunities. This suggests that the greater the servant leadership, the lower the intention of team members to seek employment elsewhere. The results demonstrated that this finding is consistent with previous research, including that of (Achen et al., 2019; Mustamil & Najam, 2020; Omanwar & Agrawal, 2022).

The conclusion is that affective organisational commitment has a negative impact on turnover intention. When a person has an emotional connection to a company or group, they may have the feeling of belonging to a larger family or community, according to the study. These feelings motivate individuals to continue contributing to the organization’s growth. Moreover, individuals with a strong emotional connection to their organization may have a strong intrinsic motivation to work towards attaining business objectives (Dahleez et al., 2021). This may enhance an individual’s motivation to continue working and contribute to his overall success. Several previous studies (Ampofo & Karatepe, 2022; Guzeller & Celiker, 2020) have found that effective organisational commitment has a significant negative effect on intention to leave the organisation.

Bilal et al. (2020) concludes that servant leadership focuses on serving team members, helping them develop, and supporting their needs. This strategy fosters a culture in which team members feel valued, heard, and supported by their leaders. Team members’ affective commitment to the organisation can be increased through servant leadership (Clarence et al., 2021; Dahleez et al., 2021). By providing attention, support, and appreciation, servant leadership can inspire positive emotions and an emotive bond with the organisation. Employees or members of

<table>
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<th>Original Sample</th>
<th>T Statistics</th>
<th>P Values</th>
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<tr>
<td>Servant leadership → Turnover intention</td>
<td>-0.255</td>
<td>10.909</td>
<td>0.004</td>
</tr>
<tr>
<td>Affective commitment → Turnover intention</td>
<td>-0.402</td>
<td>10.351</td>
<td>0.007</td>
</tr>
<tr>
<td>Servant leadership → Affective commitment→Turnover intention</td>
<td>-0.331</td>
<td>1.307</td>
<td>0.002</td>
</tr>
</tbody>
</table>
a team believe the organisation cares about them and are emotionally attached. Strong affective commitment can ultimately reduce turnover intention (Mustamil & Najam, 2020; To & Billy, 2023; Wong & Wong, 2017; Mustamil & Najam, 2020; To & Billy, 2023; Wong & Wong, 2017). When team members feel emotionally connected to the organisation, they are less likely to seek employment elsewhere. They may feel responsible for the organisation and committed to continuing to contribute.

CONCLUSION

This study examined the relationship between servant leadership, affective organisational commitment, and intention to quit a current job within the context of a restaurant. According to the findings of this study, participants required leadership that served as an incentive to flourish within the current organisational structure. Specifically, the findings of the study indicate that servant leadership and affective organisational commitment can reduce the likelihood of employees abandoning a restaurant for other employment opportunities. In addition, increased servant leadership can increase organisational commitment, thereby reducing the desire to quit the organisation.

REFERENCES


