# Impact of Servant Leadership and Organizational Culture on Work Engagement: An Empirical Analysis

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**Contents**:

**Abstract:** *The study's goal is to see how servant leadership and corporate culture affect work engagement. While leadership has been proven to have an impact, the effect and procedure underlying work engagement has attracted scant attention. Despite the fact that servant leadership followers are more inclined to be involved, this is especially relevant of servant leadership. We investigate the role organizational culture plays like a potential mediator in the study below, seeking to discover whether servant leadership builds organizational culture that, as a result, enhances work engagement. Overall, we find strong evidence suggesting servant leadership can forecast organizational culture along with the other extensions related to job engagement which include dedication, absorption and vigor, while organizational culture, undermines the effect of servant leadership style. Lastly, all three components of work engagement are positively related to an organization's culture.*

**Key Words:** Organizational Culture, Servant Leadership, Employee Performance

## Introduction

Researchers have observed for decades that the culture of an organization contributes to a considerable competitive advantage in the marketplace. The current study looks at servant leadership from the perspective of three measurements related to job engagement. We also look into the role of organizational culture as a possible mediator, to determine if servant leader fosters organizational culture, which results in increasing of work engagement.

The focus of leadership study has recently shifted away from exceptional leaders, such as transformational leaders, and toward a deeper recognition of the value of dynamic, collaborative, and significant interactions between followers and leaders. To a large part, this engagement follows the logic of servant leadership, wherein the leader's purpose is to build relationships with followers so that they can become the best they can be. Work engagement is an optimistic and rewarding job-related state of mind which boosts staff's

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organizational productivity. While servant leadership is defined as a leader style which shares authority, prioritizes the needs of others, supports others in optimizing and improving performance, is keen to acquire through others, and foregoes personal progress and rewards in order to serve others. Servant leadership (Parris and Peachey, 2013) is a feasible leadership idea that benefits organizations and increases the well-being of followers. Servant leadership and corporate culture have a good impact on employee engagement. Improved perception of servant leadership and business culture have an impact on employee work engagement. In organizational studies, organizational culture (OC) is gaining traction like an explanatory and predictive construct (Shuibo, Liu and Meiyung, 2006), and it's been linked to job satisfaction and organizational commitment. Workplace engagement has been connected to a variety of company success outcomes, including dedication, contentment, creativity, innovation, or engagement, and also positive job objectives in general (Rich, 2010). It's also shown to be strongly connected to a variety of business success results, such as dedication, gratification, productivity, innovation, and loyalty.

## Servant Leadership

In the 1970s, Robert Greenleaf built the foundation for servant leadership. While others tried comparing it with authentic, Leader Member Exchange (LMX) or transformational leadership but there are still many differences. Servant leadership is not just a leadership theory it is a philosophy in which leaders concern themselves with development and fulfillment of their followers and not with position and power (Melchar & Bosco, 2010). Servant leadership basically depends on a cooperative relationship between leaders and followers, rather than a directive or dictatorial style.

Greenleaf (1977) defined the Servant leadership style as "it focuses on developing employees to their fullest potential in the areas of task effectiveness, community stewardship, self-motivation, and future leadership capabilities" Liden (2014) says that servant focuses on improving employees by utilizing servant leadership behaviors to help. So,

leadership is a sort of positive organizational behavior "followers fulfil their full potential" (Luthans, 2002).

Liden (2014) looked into how servant leaders help their followers by providing emotional and material support, and how this helps them reach their full potential A Hallmark of servant leader is that their followers believe their leader is acting in the way he or she wishes. logically resulting, the servant leader serves as role models for his or her subordinates. The philosophical strategy underlying servant leadership, as according Panaccio, Wayne, Liden, Cao and Henderson (2015), believes that a leader's behaviour that prioritises the interests of others over self-interest gives rise to supporters growing rapidly and eventually becoming servant leaders themselves.

## Consequences of Servant Leadership

Employee trust, justice views, as well as employee loyalty have all been connected to the servant leadership style (Van Dierendonck). As a result, servant leadership's impact upon more fundamentally important employee outcomes like work loyalty and engagement is likely to be reduced. According to experimental evidence, a leader's servant leadership style is totally and positively correlated with business success, employee performance, employee creativity, as well as customer support behaviors, and is negatively associated with turnover purposes (Liden et al). According to Barbuto and Wheeler Servant leadership, is associated with additional effort, efficiency, and satisfaction.

## Work Engagement

Over the previous decade, the concept of work engagement has been greatly scrutinized in the literature. Employee engagement is the outcome of individual leader's activities in the workplace that boost loyalty, trust, productivity, job satisfaction, and flexible effort. Measures of work engagement have just lately emerged as an important attitudinal metric in academics and the marketplace.

Schaufeli et al defined Work engagement as a more permanent and pervasive affective and

cognitive state that is not focused on any single object, event, individual, or behavior, it is labelled as "a optimistic, satisfying, work-related frame of mind." It's also worth noting that the discipline of work engagement which takes a more scholarly approach than employee engagement being practitioner focused and has a strong theoretical foundation.

Employee engagement is defined as a condition in which a person is entirely devoted to his or her job, the company for which he or she works, and its shareholders (Kahn, 1990, 1992). Employees must experience feelings of ownership even over the employment responsibilities and demonstrate proactive excitement for their jobs for this condition to exist. Workers are more productive and show more attention to their duties when they feel that their efforts and thus are aware of the responsibilities. Since Kahn in 1990 initially introduced the idea of job engagement, it has been receiving a lot of attention, especially in recent years. Leaders today try to boost their employees' physical and mental engagement because they recognize that fully dedicated and active employees operate like entrepreneurs for the company.

## Benefits Related to Work Engagement

There are a number of advantages to being engaged at work. Enhanced organizational commitment reduced turnover expectations (Bakker and Schaufeli 2004), satisfied customers and a positive and organizational climate (Ahola, Schaufeli, and Hakanen,). Saks (2006) discovered that organizational citizenship, organizational commitment, and work satisfaction behaviors were all constructively connected to engagement, while turnover intentions were negatively related.

## Organizational Culture

According to Edgar H. Schein, organizational culture consists of a couple character traits, along with a shared common "generalized perception or assumption" that members of the group have developed over the years as they learn to deal successfully with internally and externally organization-related problems. (Purnama (2013) mentions Mas'ud.) Organizational culture is a set of

beliefs, values and meanings which are acknowledged within a company and serve as a guide to behavior and distinguish one company from the other. Hofstede (2008) defines organizational culture as "a community coding of the mind that differentiates between the members of organizations"

## Research Objective

Below are the objective of the study:

RO 1: To find the Impact of servant leadership on work engagement under the light of organizational culture.

RO 2: To find the role work engagement plays in this research

## Problem Statement

The major concern discussed here is the lack of work engagement in our organizational environment which might be effected by servant leadership and the organizational culture.

## Research Questions

RQ 1: What is the role of servant leadership concerning work engagement?

RQ 2: What is the connection between servant leadership and organizational culture?

RQ 3: How organizational culture Influences servant leadership and work engagement?

## Literature Review

Globally, nations are interacting more quickly as a result of the current economic context. As a result, the issues of operating across cultures affect not just multinational firms, and also local businesses, as several domestic corporations appear to be constantly selling or purchasing items in international marketplaces. A large majority of staff and executives from different cultures work for some domestic companies. Servant leadership and business culture have an impact on employee engagement and effectiveness.

## Impact of work Engagement

Employees that are engaged work harder than their peers, are enthusiastic about their jobs, and go above

and beyond for the organization. People's attitudes toward their jobs are thought to be influenced by corporate culture. If the corporation's culture is strong, workers would then understand what is required of them now and what are they striving for. The employees who are dedicated to their careers and motivated seem to be more interested in their work. In general, a productive employee is one who is engaged. The people who make up your company are decided to commit to their professional development, connected to the organization's purpose, motivated to achieve their goals, assertive in learning a new skill and implementing future programs, optimistic in their mindset toward job, productive in problem-solving, and dedicated to their professional development. As a result, we can observe that engaged employees give a slew of benefits to our company. I-e to name a few benefits, increased productivity, enhanced customer relationships, and lower attrition are only the beginning.

## Link between Work Engagement and Servant Leadership

Servant leaders, as per Liden et al. (2014), are modest and concentrate on their followers rather than themselves, allowing them to cultivate good relationships with followers. According to research, servant leaders allocate themselves in order to provide new opportunities for their followers for gaining skills and knowledge, as well as encourages them to attain creative goals by utilizing unique intellectual capabilities (Walumbwa, 2010). Employees with all these perks are much more likely to be engaged in constructive activities. (Hakanen et al.). Furthermore, employees who are engaged in work go all out to save and maximize the use of existing resources, necessitating very little effort to create value from resources. People working for servant leaders are shown to be quite engaged in their jobs as a result. Likewise, Giallonardo et al. (2010) discovered correlation to be positive between work engagement and leadership effectiveness, implying that leadership and engagement are linked. A servant leader is supposed to be able to inspire his people by serving them first then directing others (Chen, Chen, & Li, 2013; Greenleaf, 1977). Servant leadership, according to Chen et al. (2013), fosters employee well-being, spiritual growth, and job success by making people more engaged, persistent, open-minded, and thoughtful at work. As a result, a significant conduit for enhancing workplace engagement has been created.

## Organizational Culture and work Engagement

Alarcon, Greenidge, and Shuck et al. all discovered a strong connection between OC and job satisfaction. Employees that are engaged outperformed their disinterested counterparts on a range of organizational measures, according to multiple lines of research (Shuck et al., 2011). As work engagement is connected to positive organizational outcomes, research findings of this study show that it makes sense for businesses to cultivate a positive culture and ensure that employees are engaged in work in order to keep employees for way too long than those who are not (Alarcon et al., 2010).

## Theoretical Framework

This diagram shows the effect of servant leadership on work engagement and organizational culture being the mediating variable.



Figure 1

## Hypotheses

On the basis of the diagram following are hypothesized.

**H₁:** *There is a positive of Servant leadership on work engagement*

**H₂:** *There is a positive and significant impact of Servant leadership and association on Organizational culture on Work engagement*

Based on the above diagram it can be observed that organizational culture and work engagement are positively impacted by servant leadership style. More Servant leadership style leads to a better and collaborative organizational culture and increased work engagement.

## Research Methodology

The research design is cross-sectional. According to this research organizational culture, servant leadership and work engagement are being studied at the same time. It is positivistic in nature as we can see the positive relation between the variables. The study is quantitative, which means the data will be in numeric form, and the numeric data will be utilized to uncover patterns and averages in order to come to a conclusion on the hypothesis. The numeric data will be evaluated with SPSS Software to determine if the hypothesis is true or untrue.

Quantitative research data is more efficient since it may be utilized to verify the validity of a hypothesis and determine the relationships between variables. Furthermore, the Likert Scale is being employed, which will aid in the tracing of authentic data as well as providing helpful information and answers to the study questions.

We employed the method and applied it to corporate sector, as we have seen that servant leadership has great significance in the corporate sector. Employees under the effect of servant leadership are committed to their work and also collaborate better in teams to increase work engagement achieve organizational goals.

## Data Collection

The information was gathered from different employees from different organizations. Supervisors and middle-level managers are included in the sample data. Employees of both genders are included in the sample. The sample size is between 400 and 450 employees. The primary data was gathered by sending 450 surveys directly to the respondents via email and Google Forms. The questionnaires' questions were well-crafted and explained. According to research, the sample method utilized is basic random sampling.

We waited one month for the research results to come in. For follow-up, supervisors and middle level managers from various banks in Islamabad were called on a regular basis. we received 200 responses within two weeks. After 25 days, we had received a total of 380 responses. 8 of the 380 responses were incomplete and were therefore excluded. For data analysis, the top 372 responses were chosen. The data will next be evaluated with SPSS SOFTWARE to determine whether the hypothesis is valid or not.

## Data Analysis

SPSS was used to analyses 372 responses. The population's demographic analysis was completed, and the results were acquired. For casual inference and prediction, regression analysis is utilized. It displays how one variable correlates with another in regression. The association between variables was predicted using data regression analysis. The final hypothesis was tested by reliability testing. The "Pearson Correlation Coefficient" is used for determining the strength of a link between multiple variables.

## Reliability Test Analysis

The study's data was gathered from a variety of organizations. Cronbach's Alpha, or the reliability test, is the most widely used method for determining the data's internal reliability or dependability. This test is most commonly used when a survey has multiple Likert scale items that create a scale, and the goal is to determine the scale's reliability. The test results performed upon that provided data are listed below:

**Table 1.** Reliability Statistics

| Reliability Statistics | |
|---|---|
| Cronbach's Alpha | No of Items |
| .570 | 3 |

All variables are reliable for my research on which questionnaire were made that are organizational culture, servant leadership and work engagement

## Descriptive Statistics

Descriptive statistics are used to characterize the basic characteristics of data in any investigation. This gives short summaries of the information gathered and the sample obtained. Descriptive statistics is a type of statistics that is used to depict quantitative data in a digestible form**.**

**Table 2.** Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Age | 15 | 1.00 | 3.00 | 1.5333 | .74322 |
| Gender | 15 | 1.00 | 2.00 | 1.4000 | .50709 |
| Education | 15 | 1.00 | 3.00 | 1.5333 | .74322 |
| Experience | 15 | 1.00 | 2.00 | 1.4000 | .50709 |
| Valid N (list wise) | 15 | | | | |

The mean, median, mode, standard deviation, and variance calculated for gender, age, education, and experience of the employees who were requested to fill out the questionnaire are displayed in the table.

## Demographic Analysis

Demographic analysis is a method for estimating the gender, age, and racial composition of a population, and also how it has evolved throughout time as a result of demographical events such as birth, death, and migration.

The tables and pie charts that are attached below summaries the data acquired during the demographics analysis and show that the maximum level of respondents had less than 3 years of experience in the company. Males make up the majority of the respondents. The majority of respondents had a bachelor's degree, and the majority of respondents are under 30 years old.

## Age

Data in table is showing that maximum of sample group belongs to age group of below 30 years

**Table 3.**

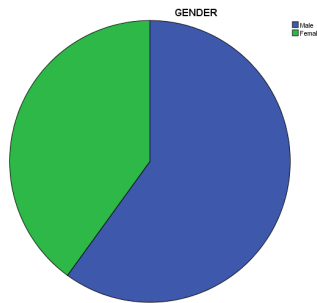| AGE | | | | | |
|---|---|---|---|---|---|
| | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Below 30 | 9 | 56.3 | 60.0 | 60.0 |
| | 31–40 | 4 | 25.0 | 26.7 | 86.7 |
| | 41–50 | 2 | 12.5 | 13.3 | 100.0 |
| | Total | 15 | 93.8 | 100.0 | |
| Missing | System | 1 | 6.3 | | |
| Total | | 16 | 100.0 | | |
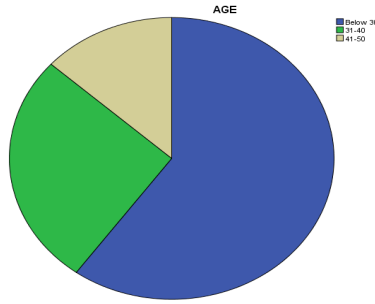
Graph 1.

## Gender

The data shows maximum male participation.

Table 4.

| Gender | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| | Male | 9 | 56.3 | 60.0 | 60.0 |
| Valid | Female | 6 | 37.5 | 40.0 | 100.0 |
| | Total | 15 | 93.8 | 100.0 | |
| Missing | System | 1 | 6.3 | | |
| Total | | 16 | 100.0 | | |



Graph 2.
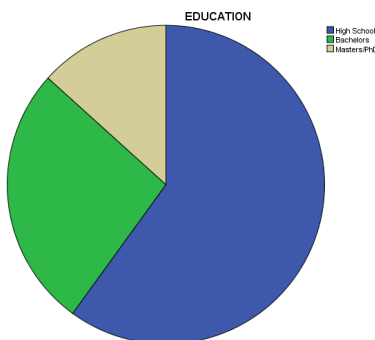
## Education

Almost half of the sampling is done from the people doing bachelor.

Table 5.

| Education | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| | High School | 9 | 56.3 | 60.0 | 60.0 |
| Valid | Bachelors | 4 | 25.0 | 26.7 | 86.7 |
| | Masters/PhD | 2 | 12.5 | 13.3 | 100.0 |
| | Total | 15 | 93.8 | 100.0 | |
| Missing | System | 1 | 6.3 | | |

| Total | 16 | 100.0 |
|-------|----|-------|

EDUCATION

High School
Bachelors
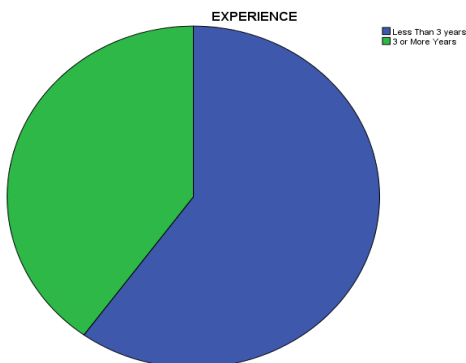Masters/PhD

**Graph 3.**

## Experience

Maximum Participation are from the people who have working experience of less than 3 years.

**Table 6.**

### Experience

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|-----------|---------|---------------|--------------------|
| | Less Than 3 years | 9 | 56.3 | 60.0 | 60.0 |
| Valid | 3 or More Years | 6 | 37.5 | 40.0 | 100.0 |
| | Total | 15 | 93.8 | 100.0 | |
| Missing | System | 1 | 6.3 | | |
| Total | | 16 | 100.0 | | |

EXPERIENCE

Less Than 3 years
3 or More Years

**Graph 4.**

According to the table and the Pie chart higher number of respondents have more than 3 years of experience.

## Correlation

The correlation test is used to detect the relationship between two or more variables. The independent variable, organizational commitment, the moderating variable, psychological contract, and the dependent variable, employee performance, are the variables being compared in this case.

**Table 7.** Correlation Analysis

|  |  | Servant Leadership | Organizational Culture | Work Engagement |
|---|---|---|---|---|
| Servant Leadership | Pearson Correlation | 1 |  |  |
|  | Sig. (2-tailed) |  |  |  |
|  | N | 15 |  |  |
| Organizational Culture | Pearson Correlation | .455 | 1 |  |
|  | Sig. (2-tailed) | .088 |  |  |
|  | N | 15 | 15 |  |
| Work engagement | Pearson Correlation | .466 | .160 | 1 |
|  | Sig. (2-tailed) | .080 | .569 |  |
|  | N | 15 | 15 | 15 |

Correlation is significant at 0.01 level (2- tailed). Therefore, there is significant relationship between two variables thus hypotheses are accepted.

## Regression Analysis

Regression tells the multiple relations between multiple variables that are mentioned in the research rather than the dependent ones and independent ones only. In my research servant leadership is independent variable, work engagement is the dependent variable whereas organizational culture is the moderating variable.

**Table 8.**

| Model Summary | | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .469ª | .220 | .090 | .37263 |

Predictors: (Constant), Organizational culture, Servant leadership

**Table 9.** Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
|  |  | B | Std. Error | Beta |  |  |
| 1 | (Constant) | 1.049 | 1.880 |  | .558 | .587 |
|  | Servant leadership | .833 | .481 | .496 | 1.731 | .109 |
|  | Organizational culture | −.072 | .314 | −.066 | −.229 | .823 |

a. Dependent Variable: Work engagement

**Table 10.** Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | . 185ª | .320 | .120 | .42719 |

a.    Predictors: (Constant), Moderating variable, Organizational culture, Servant leadership

**Table 11.** Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
|  |  | B | Std. Error | Beta |  |  |
| 1 | (Constant) | .644 | .963 |  | .558 | .567 |
|  | Servant leadership | .893 | .481 | .496 | .998 | .948 |
|  | Organizational culture | −.783 | .894 | −.084 | −.485 | .341 |

| | | | | | |
|---|---|---|---|---|---|
| Moderating variable | .383 | .465 | .554 | .845 | .345 |

a. Dependent Variable: Work engagement

So the above table shows the values of Unstandardized and Standardized coefficients i.e. beta values and Standard Error etc. for all the three variables.

**Table 12.** Hypotheses Testing

| S. No | Hypotheses | Accepted/ Rejected |
|---|---|---|
| 1 | There is a positive of Servant leadership on work engagement | Accepted |
| 2 | There is a positive and significant impact of Servant leadership and association on Organizational culture on Work engagement | Accepted |

## Conclusion

Workplace engagement and organizational behavior are linked to servant leadership, which leads to customer happiness. According to the research, servant leadership creates a greater self-efficiency, which boosts staff engagement. The directly and indirectly connection seen between leadership style and worker engagement, on the other hand, has received little attention. Servant leadership and corporate culture have a good impact on employee engagement. As a result, increasing employees' thoughts of servant leadership and corporate culture improves employee work engagement. It is often assumed that a leader's behavior geared toward employed or followers, as well as respecting concepts like empowerment, modesty, and compassion, will encourage other people to be interested and committed to the brand, leads to a positive organizational culture. Employees that are engaged work harder than their peers, are enthusiastic about their jobs, and go well above and beyond the organization. People's attitudes toward their jobs are thought to be influenced by organizational cultures.

## Recommendations

Due to a lack of time and resources, the study was unable to include certain unknown elements that influence work engagement in the study. In certain ways, every research done with a limited amount of resources and facilities will have a margin of error. This study was completed in a short amount of time, and some employees did not submit accurate and sufficient responses. As our study is limited to a few private sector businesses, we are unable to draw any conclusions from our findings. As a result, after performing significant research, data collection and analysis, and careful deliberation, here are a few recommendations.

1. Future researchers could work on my study using any other similar variable.
2. As I've worked in the service industry, my research may be generalized and applied to the government or education sectors.
3. I used a sample size of 420 persons, but future studies could use a larger sample size to get better results.
4. Different sectors can be compared, for example, the government sector can be compared to the commercial sector, and a university can be compared to a school or college level.
5. I've done this research in the eastern culture, the future researchers could replicate the study in the western culture, American culture, or Chinese culture

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