The Effect of Employees' Perception of a Supervisor's Servant Leadership on Employees' Perceived Organization's Support: The Mediating Effect of Employees' Perceived Supervisor's Supports*

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Abstract

Purpose - Leadership style is an important factor in determining the attitude and behavior of employees and their satisfaction with an organization. Contributing the efficiency of an organization, Especially, servant leadership focusing on meeting employees' hopes and desires positively affect success of the organization and performance of employees. In the airline service industry it is necessary to conduct studies for an internal marketing on servant leadership that emphasizes the trust in the dignity of humans and spirit of service to subordinates as a factor affecting the job satisfaction.

Research design, data, and methodology –Therefore, in this research, it is empirically analyzed that employees' perception of a supervisor's support plays mediating role in the relationship between employees' perception of servant leadership and perception of an organization's support using multiple and hierarchal regression analysis targeting 243 employees working in D Airline.

Result - As a result, Employees' employees' perceived supervisor's support mediates the relationship between employees' perceived servant leadership of a supervisor and employees' perceived organizational support.

Conclusions - This study suggests that the servant leadership of a supervisor perceived by employees constitutes an important preceding variable in enhancing the employees' perception on organizational support.

Keywords: Servant Leadership, Employees' Perceived Organization's Support, Employees' Perceived Supervisor's Supports, Mediation Analysis.

JEL Classifications: M12, M30.

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1. Introduction

Historically numerous marketing papers have focused on the satisfaction of customers outside of organization. When employees, (who are) internal customers, are satisfied with organization and their jobs, they are motivated to do their jobs well and this has positive influence on outer customers(Piercy, 1995). If employees fail in service delivering process, the service quality of the organization deteriorates and expectation and satisfaction of customers toward service decrease(Barnes et al., 2004).

The importance of leadership'was counted as a factor of successful internal marketing for the employees(Barnes et al., 2004). Leadership is a process of influencing other members to achieve goals of an organization and maintain morale(Ha & Choi, 2002). A leader who explains individual roles of employees in detail and is considerate of employees exerts huge influence on the devotion of employees toward the organization(Bateman & Strasser, 1984). This study aims to verify the effect of servant leadership which Greanleaf(1977) proposed as a leadership for the successful internal marketing. A servant leader encourages the development of employees by delegating rights and enables them to grow and organization to form a community by respecting them and providing them with opportunities to exercise creativity and potential(Sims, 1997). Like this, servant leadership that puts human first has positive effect on employees' immersion in organization and job satisfaction(Barbuto & Wheeler, 2006). Jaramillo et al.(2009) insisted that servant leadership also has influence on performance on individual level(such as positive behaviors), and specifically it lowers job turnover and enhances the development and ethical behavior of employees. And yet although numerous studies have been conducted on the effect that servant leadership has on satisfaction with a leader, trust on leader, trust on organization, job satisfaction and job immersion, necessity for the

study on through what course servant leadership exert influence on these variables(Kim & Jung, 2006). Recently Walumbwa, Hartnell & Oke(2010) claimed that servant leadership has influence on the organizational citizenship behavior and self-efficacy, and procedural fairness mediates the relationship between the two. Kouzes & Posner(1995) suggested trust between superiors and subordinates as an important variable that mediates relationship among them in servant leadership and diverse variables(leader effect, leader satisfaction, the trust on leadership).

As an extension of effect that servant leadership has on employees, this study looks into the positive effect that employees' perception of a supervisor's servant leadership has on perception of an organization's support, and besides, aims to prove that employee's perception of superior's support mediates the positive effect that employees'perception on servant leadership of a leader has on the perception of supervisor's support.

2. Theoretical Framework

2.1. Servant Leadership

Greenleaf(1977) mentioned that servant leadership starts as natural desire to serve others and from that comes a desire to lead others and that a servant leader provides resources and support unconditionally. Spears(1997) proposed that a servant leader devotes himself / herself to others, that is, customers, employees and community based on service and attendance and puts their requirements first. And focusing on worthiness and respect, a servant leadership leads an organization to form a true community by encouraging employees to exercise creativity and helping them to grow(Sims, 1997). Besides, a servant leadership pays attention to the demands of subordinates, helping them to develop themselves and delegates authorities(Greenleaf, 1977; Russell & stone, 2002). That is, while previous leaders work with authority and control, a servant leader listens to the opinions of employees and considers them first.

Russell & Stone(2002) proposed that trust, listening to others and empowerment is the constituting factors of a servant leader. A servant leaderraises the community consciousness and sense of ownership by helping members to be creative and autonomous, resulting in the forming of an organization that improves the work environment. Employees with delegated authority improve customer satisfaction and enhance the quality of service(Bowen & Lawler, 1995).

2.2. Perceived Organizational Support

Perceived organizational support means the level of perception of organizational members on whether the organization looks upon employees as important and valuable asset, recognize and treat them in fair manner(Eisenberger et al., 1986).

Sagie & Koslowsky(1994)observed that under uncertain circumstances of an organization, employees require precise and frequent responses that they are needed in the organization and that they want to perceive that they are needed as internal asset or the organization. Employees' perception on organizational support becomes a core of social exchange in employee relationships. If Employees' perception on organizational support remains high, attitudes and behaviors of employees shows positivity and this benefits an organization. Perception on organizational support improves positive results like job satisfaction and positive mood and reduces withdrawal, job turnover and tardiness(Allen, Shore, & Griffeth, 2003).

2.3. Perceived Supervisor's Support

A supervisor as an agent of an organization has the responsibility to instruct subordinates and evaluate their performance and employees think of a supevisor's attitudinal favor toward them as an indication of organizational support(Eisenberger et al., 1986 2002). Employees develop their value according to the degree to which the superior places value on subjective sense of well-being of employees. This is called perceived supervisor support, or pss(Kottke & Sharafinski, 1988). Employees' perception on supervisor's support means the level of perception of organizational members as to how much interest a supercisor has on their task performance procedure and whether he/she extends needed help when necessary(Greenhaus, Parasuraman & Wormley, 1990).

3. Proposition Development

3.1. Conceptual Research Model

Conceptual Research Modelis as follows.
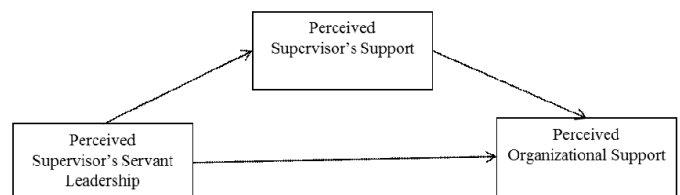
<Figure 1> Conceptual Research Model

3.2. Hypotheses

3.2.1. Relationship between Employees' Perception on Supervisor's Servant Leadership and Employees' Perception on Organizational Supports

Leadership has big influence on the satisfaction of employees(Madlock, 2008). Barnes et al.(2004)said that leadership management is important as a success factor. Moreover, in boosting the job satisfaction of employees, spirit of ownership and empowerment of employees are important. A servant leader who guarantees respect for others'desires more than anything

else to the maximum degree is supposed to have positive effect on the satisfaction of employees. Employees with delegated authority develop and are inspired to settle problems in creative ways(Amy & Andrew, 2011).

A servant leader helps employees to achieve common vision through the development of their potential by delegating his/her authority to employees. Aleader puts others (employees, customers and community) as a priority and helps them exert their creativity in earnest in the community by doing his best to satisfy their desires(Greenleaf, 1977). Walumbwa, Hartnell, & Oke(2010) confirmed that servant leadership has influence on the attitude of employees and organizational citizenship behavior. Schneider & George(2011)maintained that in a service organization, servant leadership has more positive impact on immersion of employees and job satisfaction than transformational leadership.

Employees' perception on organizational support means that an organization considers employees as valuable asset for the organization and how much it cares about the well-being of employees Eisenberger et al., 1986). Therefore, through researches on previous studies and theoretical discussions, this research established the following hypothesis.

[H1] There is a positive relationship between employees' perception on servant leadership and on perception on organizational support.

3.2.2. Mediating Effect of Perceived Supervisor's Support between Employees' Perception on Supervisor's Servant Leadership and Employees' Perception on Organizational Supports

Malatesta(1995) said that employees' perception on supervisor's support, by reciprocity norm, has positive effect on employees' responsibility for supervisor and the organization. Furthermore, if employees' perception on supervisor's support is low, employees become reluctant to contact with supevisor and try to change supervisor into a new one. Perceived supervisor's support(PSS) means the employees' perception on how much value their supervisor places on their contribution and how much interest the supervisor has in their well-being(Kottke & Sharafinsk, 1988). In Eisenberg et al.(2002), perception on supervisor's support means the level of supervisor's gratitude on the contribution of employees and the support and care he/she puts in the well-being of employees. Many studies show that supervisors who are empathetic and responsive to the needs of employees is successful in managing the emotional response of employees(Humphrey, 2002; Pescosolido, 2002).

Rhoades et al.(2001) exhibited through meta-analysis that employees' high perception on supervisor's support elicit positive emotions of employees. It means that favorable treatment from a supervisor increases the perception on organizational support, which in turn increases the sense of responsibility of employees to help the organization and emotional immersion in organization, which in turn reduces job turnover(Rhoades et al.,

2001). Employees infer perception on organizational support from the behavior of supervisor because a supervisor represents the organization. Moreover, when employees receive favorable treatment from a supervisor, they perceive that the organization think favorably of them and protect them(Eisenberg et al., 2002). Existing studies regards that perceived supervisor's support(PSS) is a more important factor that affects the performance of employees than perceived organizational support(POS)(Becker & Kernan, 2003).

Based on the previous studies and hypotheses, this study proposes <Figure 1> as study model to analyze the relationships among a supervisor's servant leadership that employees of airline service industry perceive, perception on supervisor's support and perception on organizational support, and to verify mediating effects.

[H2] Employees' perception on supervisor's support mediates relationship between employees' perception on supervisor's servant leadership and employees' perception on organizational support.

4. Methods

This study conducted a questionnaire survey on employees of service industry. Subjects of each group responded to the questions by within subject design. They were the employees of D airline and total number of respondents was 251, out of which 243 responses were used for analysis with the exception of 8 responses which were either insincere ones or ones of those who did not understand the questions correctly. Gender-wise, 167 were females and 76 male. Age ranges evenly over from 20es to 60es.

For the measurement of servant leadership, 5-point Likert scale was used on 9 questions based on the characteristics of servant leadership proposed by Spears(1997). The measurement includes listening, empathy, healing, persuasion, awareness, foresight, conceptualization, stewardship, and commitment to grow. Cronbah $\alpha\alpha$ value is over 0.9.

Employees' perception on supervisor's support means employees' recognition how much supervisors care anout employees' subjective well. This study made reference to Greenhaus, Parasuraman & Wormley(1990), Kottke and Sharafinski(1988), Rhoades et al.(2001), Eisenberger et al.(1986). The measurements are as follows: "My supervisor provides a useful feedback about my performance.", "My supervisor provides the opportunity for me to develop and enhance a new technology." Indicator of internal consistency was Cronbach α value of 0.90. The measurement about employees' perception on organizational support included 6 questionnaires based on Shanock & Eisenberger (2006). Examples of survey questions are as follows: "Our organization should carefully consider the goals and values of employees," "Our organization shows employees a lot of attention' and so on. Indicator of internal consistency is cronbah α value,

85.

5. Analyzed Results

In this study, multiple and hierarchal regression analysis were executed for the verification of hypotheses proposed in the study design, and non-standardized co-efficient and standard errors shown in 3 stages of regression analyses were used in the analysis on mediating effect of perception on supervisor's support which is the 2nd hypothesis set up in this study. This study conducted Sobel verification on the basis of mediating variable measurement procedure of Baron and Kenny(1986).

First, confirmation was made whether the servant leadership of a supervisor perceived by employees significantly predicted the perception on superior's support. Second, confirmation was made whether the servant leadership of a leader perceived by employees significantly predicted the perception on organizational support. Lastly, although both the servant leadership of a supervisor perceived by employees and the employees' perception on supervisor's support predict employees' perception on organizational support, confirmation was made on the employees' perception on supervisor's support when the effect of employees' perception on supervisor's support is controlled.

As a result, the servant leadership of a supervisor perceived by employees, which is an independent variable, significantly predicted the perception on supervisor's support which was proposed as a mediating variable(β=.92, p-value<.001). The servant leadership of a supervisor perceived by employees significantly predicted the emplooees' perception on organizational support(β=.41, p-value<.001). Employees' perception on superivor's support, which is at once an independent and mediating variable significantly predicted the perception on organizational support(β=.29, p-value<.01), and when the effect of employees' perception on supervisor's support on perception on organizational support is controlled, the servant leadership of a supervisor perceived by employees did not significantly predict the perception on organizational support(z value=1.99, p-value<.05). When calculated in the way proposed by Sobel(1982), the hypothesis was significantly supported that employees' supervisor's support mediates the relationship between the servant leadership of a supervisor perceived by employees and emplooees' perception on organizational support.

6. Conclusion

The results of analyses are as follows; First, as set up in hypothesis 1, the servant leadership of supervisor perceived by employees exerts positive (+) effect on employees' perception on supervisor's support.

Second, this study verified the hypothesis 2 which assumed mediating effect with the method of Baron & Kenny(1986). As a result of analysis, direct effect that the servant leadership of su-

pervisor perceived by employees has on the employees' perception on organizational support was statistically significant. In addition, indirect effect that the servant leadership of supervisor perceived by employees has on the employees' perception on organizational support through employees' perception on supervisor's support was also statistically significant. Therefore, the mediating role that employees' perception on supervisor's support has on the relationship between the servant leadership of supervisor perceived by employees and the employees'perception on organizational support as set up in hypothesis 2 was a complete and full one.

Theoretical and practical implications of this study are as follows; First, although there have been many previous studies which displayed that a supervisor's leadership has positive influence on the job satisfaction of employees, there has been no study that looks into the effect that a supervisor's leadership has on the employees' perception on organizational support through empirical analysis on employees of airline service industry. Second, there have not been many previous studies that explored mediating variable which connects servant leadership of a supervisor and employees' perception on organizational support. This study confirmed that employees' perception on supervisor's support plays an important mediating role in the relationship between the servant leadership of a supervisor and perception on organizational support among employees of airline service industry.

This study verified that servant leadership which is one of leadership styles is an important factor in service industry. It then follows that a leader or supervisor should focus on the relationship with employees and put their satisfaction ahead of that of customers in terms of marketing in service industry. The reason for this is that employees who are the contact points with customers have direct influence on the satisfaction of customers. This implies that leadership training for the leaders should be prioritized before the training of employees contrary to the previous internal marketing where focus was on the training of employees as internal customers by introducing marketing programs.

The business environment of 21st century is changing fast and to stay competitive, companies cannot focus only on profits. Other than profit-making, leaders should have to enable employees to gain what they want by providing maximum support for the employees to participate more actively in the organizational activities. Ultimately enhancing the motivation of employees will have positive influence on the profit of companies.

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