

# The Role of Organizational Citizenship Behavior as An Intervening Variable in the Influence of Servant Leadership and Employee Engagement on Performance

*Bambang Suko Priyono, Endang Tjahjaningsih, Kis Indriyaningrum, Aditya Binathara Putra*  
(Stikubank University, Semarang, Indonesia)

**Abstract:** This study is aimed to reveal organizational citizenship behavior as an intervening variable in relation to the influence of servant leadership and employee engagement on employee performance. The study was conducted by testing and analyzing the data to if servant leadership and employee engagement indirectly influenced employee performance. Based on the primary data of 118 civil servants that was tested and analyzed, it has been proven that (1) servant leadership and employee engagement directly influence organizational citizenship behavior, (2) servant leadership, employee engagement and organizational citizenship behavior directly influence employee performance and that (3) organizational citizenship behavior becomes an intervening variable in relation to the influence of servant leadership and employee engagement on employee performance.

**Key words:** servant leadership; employee engagement; organizational citizenship behavior; employee performance

**JEL codes:** M540

## 1. Introduction

Human resources are the most important component in the development of an organization, especially in government institutions where human resources are strongly needed to provide the needs of the public. This study is conducted on a regional government institution in Indonesia.

The success of an institution is made up of the accumulation of good employee performance. Individual performance is deeply influenced by leadership style. Considering that the main task of an institution is providing a service to the public, servant leadership is expected to drive the achievement of employee in making good performance. Beside leadership style, an employee must be involved in every task so then his contribution to the organization is real.

Organizational Citizenship Behavior (OCB) is a pivotal variable for a government institution providing a service to public since the competition among employees is not obviously seen. Therefore, OCB becomes an anchor with the role of intervening variable in the influence of servant leadership and employee engagement on performance.

In a government institution, servant leadership is expected to build and stimulate the motivation of the employees in terms of growing, providing a service and helping their co-workers. Servant leadership is a role model for employees who are providing a service to the public as the main task of being civil servants. Based on this statement, it can be concluded that servant leadership positively influences OCB. It is supported by Mira & Margaretha (2012) that Servant Leadership positively and significantly influences OCB. Harwiki W. (2013) and Prabowo & Setiawan (2013) stated that servant leadership does not influence OCB. This research gap has strongly motivated this study to test the influence of servant leadership on OCB.

Beside servant leadership, the most important variable influencing OCB is employee engagement. It is needed as an organization needs employees with the relevant skills, responsibilities and a sense of loyalty to the organization. Kartika and Muchsinati (2015) and Saradha and Patrick (2011) have proven that employee engagement positively and significantly influences OCB. Based on the previous studies mentioned, it can be concluded that better Servant Leadership and Employee Engagement are able to drive OCB in an organization.

Good performance requires the good OCB of the employees as expected by the organization. The behavior is not only in-role but also extra-role as well. In-role refers to the behavior related to the obligations of the employee. Extra-role refers to the behavior related to the availability of the employee concerning assisting their co-workers. Organizational performance is formed of individual and group performance supported by good OCB. It can also be concluded that, logically, OCB can be anchor in the influence of servant leadership and employee engagement on employee performance.

## **2. Literature Review**

### **2.1 Relation between Servant Leadership and OCB**

Mira and Margaretha (2012) and Cem and Suat (2012) mentioned that servant leadership positively significantly influences OCB. It has also been stated by Sandra and Suwandana (2018) that servant leadership positively significantly influences OCB partially. Servant leadership is an ethical leadership concept that was introduced by Greenleaf (2002) mentioning that servant leadership is a kind of leadership style appearing from the sincerity to serve as shown by being a leader. Servant leadership appears in the behavior of leader as the result of their passion in terms of providing a service. According to Greenleaf (2002), servant leadership is characterized as being humble and available to listen, empower and serve.

Organ (1990) defined OCB as voluntary discretionary individual behavior supporting the effectiveness of the organization's functions. He mentioned the five dimensions of OCB as being 1) Altruism (the behavior of being available to help), 2) Conscientiousness (an in-role behavior of being willing to achieve the standard performance required), 3) Civic virtue (the voluntary involvement of working professionally) 4) Sportmanship (calm behavior and not complaining) and 5) Courtesy (good manners and respect).

Leadership is the ability of influencing a group to achieve the goal that has been decided on (Robbins & Judge, 2011). Servant leadership is a leadership style that has been developed to overcome a leadership crisis in form of the followers' decline of trust in the leader. The behavior reflected from servant leadership is able to affect the employees. Thus, good servant leadership is able to drive good OCB. Based on this explanation, Hypothesis 1 has been decided: *Servant Leadership positively influences OCB.*

### **2.2 Relation between Employee Engagement and OCB**

The term "employee engagement" was introduced by Khan (1990), who mentioned that employee

engagement is the effort conducted by an employee to engage themselves in the organization by getting involved more deeply in the job. In this stage, an employee is capable of involving and expressing themselves psychologically, emotionally and physically. Psychologically, employee engagement stimulates the employee to pay more attention to the organization. Emotionally, the employee has a strong positive feeling toward both the organization and to its leader. Physically, employee engagement is able to energize the employee to complete their role in the organization. The dimensions of employee engagement used in this study are the feeling of being worthy, fair compensation and pride in the organization.

The previous studies by Saradha & Patrick (2011), Anusha & Thiruvendakam (2014), Kartika & Muchsinati (2015), Srimulyani et al. (2016) and Cendani & Tjahjaningsih (2015) stated that employee engagement positively and significantly influences OCB. It means that better employee engagement drives higher OCB. Based on the explanation and previous studies, Hypothesis 2 is: *Employee Engagement positively influences OCB.*

### **2.3 Relation between Servant Leadership and Employee Performance**

Miner (1988) defined employee performance as the level of individual need for work achievement expectations. There are four dimensions of employee performance: 1) Quality of work (work completion according to quality standards, the clarity of the work, carefulness and seriousness), 2) Quantity of work (equalized work load and work completion according to the quantity targets), 3) Punctuation (punctual work completion, punctual attendance and punctual break and leave) and 4) Cooperation among the employees (good cooperation ability, good communication skill and good guidance skills).

The success of an individual, group and organizational performance depends on the leader that is involved. According to Robins (2008), a leader is a dominant figure in building employee performance related to his capacity, role, behavior and character. As the conclusion, it can be said that employee performance is deeply influenced by leadership style. The previous studies conducted by Tajammal & Wajid (2012) and Harwiki (2013) mentioned that servant leadership positively significantly influences performance. When well done, servant leadership is able to improve employee performance. Based on the explanation, Hypothesis 3 is: *Servant Leadership positively influences Employee Performance.*

### **2.4 Relation between Employee Engagement and Employee Performance**

Employee performance is also determined by employee engagement. Employee engagement is able to create strong loyalty, responsibility, commitment and dedication to the organization. Good employee engagement sustains good employee performance related to the job description. Azmi & Aurik (2015) mentioned that employee engagement positively significantly influences employee performance. It means that better employee engagement drives higher employee performance.

Gallup (2004) stated that the engaged employee works with strong spirit-making innovations for the success of the organization. Employees who have high engagement have the potential to working beyond their expectations. This kind of behavior is able to improve individual performance and influence organizational performance. Based on the previous studies, Hypothesis 4 is: *Employee Engagement positively influences Employee Performance.*

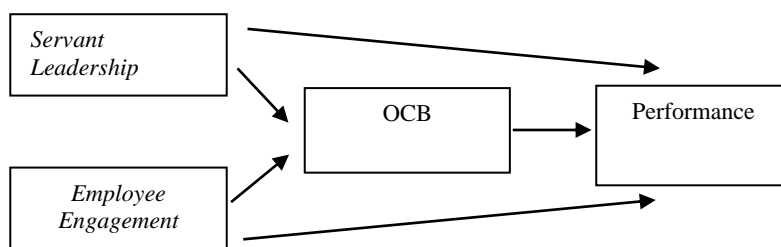
### **2.5 Relation between OCB and Employee Performance**

Beside employee engagement and leadership, another factor influencing employee performance is OCB. According to Fuad (2004), performance is the result of the work being measured using particular indicators. OCB is the behavior of the employee that has not been demanded by the job description but by their own intentions. The extra role behavior of employee contributes a positive effect to organizational performance. The statement is

supported by the studies of Lelei et al. (2015), Harwiki (2013), Fitriastuti (2013), Ticoalu (2013), and Cendani & Tjahjaningsih (2015), thus allowing us to make the conclusion that OCB positively significantly influences employee performance. This indicates that high OCB increases performance. It means that an employee with higher OCB who shows their obedience, loyalty and participation has a better level of performance. This conclusion is different from the one by Sarmawa et al. (2015), who mentioned that OCB does not influence employee performance. Based on this explanation, Hypothesis 5 is: *OCB positively influences Employee Performance*.

### 3. Methods

Based on the theoretical review above, the relation among variables in this study can be placed within the research framework and multiple linear regression equation as follows:



**Figure 1 Research Framework**

Multiple Linear Regression Model:

$$Y_1 = a_1 + \beta_1.X_1 + \beta_2.X_2 + e_1$$

$$Y_2 = a_2 + \beta_3.X_1 + \beta_4.X_2 + \beta_5.Y_1 + e_2$$

Note:  $X_1$  = Servant Leadership;  $X_2$  = Employee Engagement;  $Y_1$  = OCB;  $Y_2$  = Employee Engagement;  $\beta$  = Regression Coefficient

This study chose the civil servants working for a regency in Central Java, Indonesia, to be the population. It took 118 respondents as the sample using the census method because all of the population had the potential to be used as respondents. Instrument tests, model tests and hypothesis tests were conducted based on the primary data.

The instrument of this study was made based on the operational variables definition. The definition of servant leadership in this study was developed based on the concept of Greenleaf (2002) using six dimensions such as listening, having vision, empowering the employee, having humility, building a community and providing a service. The operational definition of employee engagement was developed based on the concept of Khan (1990) consisting of the feeling of being useful, balanced compensation and pride in the institution. OCB has been defined into five dimensions such as altruism, conscientiousness, civic virtue, sportmanship and courtesy (Organ, 1998). Employee performance has been defined as having four dimensions such as the quality of the work, the quantity of the work, punctuality and cooperation (Miner, 1988). The dimensions of each of the variables has been developed into the indicators of the instrument.

The instrument test consisted of the validity test and reliability test. The validity test was done to find out the ability of the questionnaire to measure if the variables were valid or not. By using factor analysis, the KMO and loading factor value were gained. If the KMO value is over 0.5, then the sample is adequate and if the loading factor value of each indicator is over 0.4, then the instrument is valid. The reliability test provided information

about Cronbach's Alpha. If the alpha value of each variable is over 0.7, then the instrument is reliable.

After the completion of the instrument test, the model test and hypothesis test were conducted using multiple linear regression equation.

#### 4. Results and Discussion

Based on the instrument test, the KMO value of all variables was over 0.5 with the result that the sample in this study is adequate. The loading factor value of all indicators for each variable was over 0.4 showing that the instrument is valid. Besides this, the reliability test showed that the Cronbach's Alpha value of each variable was over 0.7 indicating that all of the instruments are reliable. After the instrument test, multiple linear regression analysis was conducted with the results as in Table 1.

**Table 1 Result of the Multiple Linear Regression Analysis**

Equation Model	Adjusted R square	F Test Sig	T test		Remark
			$\beta$	Sig	
Model 1: The influence of Servant Leadership and Employee Engagement on OCB	0.560	0.000	0.422	0.000	H1 Accepted
			0.405	0.000	H2 Accepted
Model 2: The influence of Servant Leadership, Employee Engagement, and OCB on Employee Performance	0.623	0.000	0.349	0.000	H3 Accepted
			0.342	0.000	H4 Accepted
			0.224	0.011	H5 Accepted

(References: processed primary data)

Based on Model I in Table 1, it was found that the regression coefficient of servant leadership (X1) and employee engagement (X2) is positive. This indicates that better servant leadership and employee engagement creates higher OCB. Servant leadership has a stronger influence compared to employee engagement as its beta value is greater.

Model 2 in Table 1 shows that the regression coefficient of servant leadership, employee engagement and OCB is positive. This shows that all three predictor variables positively significantly influence employee performance. In other words, better servant leadership, better employee engagement and higher OCB stimulate better employee performance. Servant leadership contributed the greatest influence among all of the three predictor variables on employee performance.

##### 4.1 Model Test

To test the model of this study, the determination coefficient was computed to find out the ability of the independent variables in explaining the dependent variable. Model 1 shows that the determination coefficient value of 0.560 indicates the ability of servant leadership and employee engagement to explain OCB by 56%. Model fit I was also shown through the F test (Goodness of Fit). Table 1 shows that the significance value of the F test was 0.00 below 5%. This means that servant leadership and employee engagement simultaneously significantly influence OCB (Ghozali, 2011).

Model II shows that the ability of servant leadership, employee engagement and OCB in explaining employee performance is 62.3%. It is thus shown that the significance value of model II (Goodness of Fit) is 0.00 below 5%. It indicates that servant leadership, employee engagement and OCB simultaneously significantly influence employee performance. The rest, 37.7%, is explained by the other variables.

#### **4.2 Hypothesis Test**

The hypotheses in this study were tested using a t test. The test was used to show the partial influence ability of the independent variable on the dependent variable. If the significance value was below 5%, then the hypothesis was accepted (Ghozali, 2011).

In Table 1, it is shown that the beta value of servant leadership is 0.422 with a significance value 0.00 below 5%. This means that servant leadership positively significantly influences OCB. As the result, Hypothesis 1 is accepted.

The test on Hypothesis 2 shows that the beta value of employee engagement is 0.405 with a significance value of 0.00, which is below 5%. This means that employee engagement positively significantly influences OCB. As the result, Hypothesis 2 is accepted.

The test on Hypothesis 3 shows that the beta value of servant leadership is 0.349 with a significance value 0.00 below 5%. This means that servant leadership positively significantly influences employee performance. As the result, Hypothesis 3 is accepted.

The test on Hypothesis 4 shows that the beta value of employee engagement is 0.342 with a significance value 0.00 below 5%. This means that employee engagement positively significantly influences employee performance. As the result, Hypothesis 4 is accepted.

The test on Hypothesis 5 shows that the beta value of OCB is 0.224 with a significance value 0.00 below 5%. This means that OCB positively significantly influences employee performance. As the result, Hypothesis 5 is accepted.

#### **4.3 Mediation Test**

The mediation test was used to find out if there was an indirect influence from the independent variable on the dependent variable with the third variable as the intervening variable. The Sobel Test was used to measure the significance and coefficient value of the indirect influence of servant leadership and employee engagement on performance.

Based on the Sobel test, it has been proven that the significance value of the indirect effect of servant leadership on employee performance with OCB as the intervening variable was 0.0001 below 0.05 (5%). This indicates that OCB significantly mediates the influence of servant leadership on employee performance. It was also proven that OCB significantly mediates the influence of employee engagement on employee performance with a significance value 0.0000 below 0.05 (5%). As for the conclusion, it has been proven that OCB is able to be an anchor or intervening variable in relation to the influence of servant leadership and employee engagement on employee performance.

#### **4.4 Discussion**

The regression analysis results showed that servant leadership positively significantly influences OCB. The result supports the previous studies by Cem & Suat (2012), Mira & Marghareta (2012), Sandra & Suwandana (2018), the theory of Greenleaf (2002) and Organ (1990), in that better servant leadership stimulates higher OCB in the employees. Therefore, servant leadership is strongly needed to improve OCB. In this case, a leader is needed to support the employees in having a sense of togetherness.

The hypothesis test has also proven that employee engagement contributes a positive significant influence on OCB. This finding supports the previous studies by Anusha & Thiruvankadam (2014), Kartika & Muchsinati (2015), Srimulyani et al. (2016) and Cendani & Tjahjaningsih (2015) mentioning that employee engagement positively significantly influences OCB. This means that better employee engagement creates a higher OCB in the

employee. Well-empowered employees are able to have a high OCB. The key to success in building good employee engagement is trust among the leaders, employees and co-workers when it comes to reaching their goal.

The test on Hypothesis 3 has proven that servant leadership positively significantly influences employee performance. This finding supports the previous studies conducted by Tajammal & Wajid (2012) and Harwiki (2013). This means that well done servant leadership is able to improve employee performance. Well done servant leadership refers to the guidance given to the employee when there is difficulty. This stage allows the employee to realize his responsibility to achieve good performance.

Hypothesis 4 has proven that employee engagement positively significantly influences employee performance with a beta value of 0.324 and a significance value 0.000 below 0.05. This result supports the previous studies as stated by Azmi & Aurik (2015). This means that better employee engagement is able to drive better employee performance. Strong trust between the leader and their co-workers reflects good employee engagement, resulting in better employee performance.

The test on Hypothesis 5 has proven that OCB positively significantly influences employee performance with a beta coefficient of 0.224 and a significance value 0.011 below 5%. This finding supports the previous studies as stated by Lelei et al. (2015), Harwiki (2013), Fitriastuti (2013), Ticoalu (2013) and Cendani & Tjahjaningsih (2015). This means that a high OCB builds good performance. High OCB is reflected through obedience, loyalty, participation, a sense of togetherness and responsibility when working. This condition is able to improve employee performance.

Based on the results of the Sobel test on the mediation effect, it can be concluded that OCB is able to be an intervening variable in relation to the influence of servant leadership and employee engagement on employee performance. It has been proven that the significance value of the indirect influence of servant leadership on employee performance and employee engagement on employee performance is below 5%. In other words, OCB is able to be an anchor or intervening variable in relation to the influence of servant leadership and employee engagement on employee performance.

## **5. Conclusion**

This study has proven that servant leadership, employee engagement and OCB partially and simultaneously positively influence employee performance. By comparing the coefficient beta value of the three predictor variables, it is known that servant leadership contributes the greatest influence on employee performance. This means that in order to drive employee performance, servant leadership is the most important factor. Leaders, especially in government institutions, are demanded to improve their servant leadership style so as to be able to support the employees to forge a sense of togetherness.

OCB has been proven to be an intervening variable. It can be an anchor before the predictor variables influence employee performance. The mediation test shows that the indirect influence of servant leadership and employee engagement is effective through OCB as the intervening variable. OCB can be improved as the leader has an understanding of the responsibilities of the employee in terms of good cooperation and completing the work.

Based on the adjusted R square value, employee performance is not only influenced by servant leadership, employee engagement and OCB. There are several other independent variables that are able to maximize employee performance. For instance competence, organizational commitment, work satisfaction and social capital.

The future study may develop the model using more predictor variables.

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