The Effect of Servant Leadership and Compensation on Turnover Intention Through Organizational Commitment

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Employees take the most important role in the progress of the community health care center (Puskesmas) organization. Once they get a good work environment, it is more likely to commit to the organization. Its impact is in line with the number for the turnover intention that is lower. This research aimed to determine the effect of servant leadership and compensation on turnover intention through organizational commitment. In this research, we employed the purposive sampling method for data collection techniques with several criteria on the questionnaire. Based on those criteria, it was obtained 200 Puskesmas non-civil servants in West Jakarta, both medical, paramedical, and administrative staff. The data analysis used in this research was the Structural Equation Model (SEM). The results of this research indicated that servant leadership, organizational commitment, and compensation had a direct effect on turnover intention. Servant leadership on one hand affected organizational commitment. On the other hand, compensation explained the indirect effect given to organizational.

Keywords: Servant leadership, Compensation, Organizational commitment, Turnover intention, Employee.

1. INTRODUCTION
Human resources play an important element in moving the organization at the organization wheel. In managing them it is necessary to have a managerial tool called human resource management [1]. Human resource management directs human talent effectively and efficiently in achieving the goals of the organization [2]. Its effectiveness in managing human resources and organizations requires leadership with a positive impact on their organization's goals. Good leadership determined the leadership style. It describes how leaders persuade their team to implement their vision [3]. There are several types of leadership styles, one of which is servant leadership. This leadership style prioritizes a leader in handling the problem by listening first, this guides a transformation to gain the strength of their team [4]. Servant leadership describes how a leader aspires to have engaged employees, to measure and improve them to be more independent, wise, and have a positive effect as well [5]. Thus, they are unlikely to affect the high level of employee turnover intention in the organization. The concerning employees working in Indian organizations in concerning the store research with the object of US retail organizations is in line with the effect of servant -

leadership on turnover intention [6, 7]. Further research was also done to concerning the business-to-business salespeople, and the results were that servant leadership had negative effect on employees' turnover intention [8]. Here, employees' turnover intention leads to the success of a business organization according to their needs for the compensation they get. Following the statement of concerning the turnover intention on elementary and middle school teachers in Tigray indicated that compensation affects turnover intention since the teacher get what they need and vice versa [9]. A similar study was carried to concerning the compensation and the turnover intention [10]. Here, an employee get the right compensation, it will increase trust management to maintain their loyalty, and make them commit to the organization [11]. The mismatch compensation requires a lower organizational commitment, it’s affected the high level of turnover intention [12, 13]. In different sectors explained a good commitment was required in stabilizing employees and supporting aspects so that they are committed by compensation [14]. On the contrary, compensation did not affect turnover intention for compensation in the hotel industry in India had negative effect on turnover intention [15, 16]. Based on previous finding studies in the health service sector both in

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hospitals and in community health care center (Puskesmas) in different countries stated that there was no relationship between servant leadership, compensation, organizational commitment, and turnover intention [17, 18, 19]. Furthermore, these studies did not value Puskesmas non-civil servants in West Jakarta, thus, this research aimed to determine the effect of servant leadership and compensation on turnover intention through organizational commitment especially for Puskesmas non-civil servants in West Jakarta. Finally, from the objectives background of previous research, we were to determine the effect of servant leadership on organizational commitment such as (1) to determine the effect of servant leadership on turnover intention, (2) to determine the effect of compensation on organizational commitment, (3) to determine the effect of compensation on turnover intention, and (4) to determine the effect of organizational commitment on turnover intention over Puskesmas.

2. METHODOLOGY

A. Servant Leadership

A servant leadership is the first service leader who has a natural feeling of wanting to serve first [20]. A definition of servant leadership is assumed that servant leadership leads a leader to encourage his team to serve, be creative, self-regulating, and grow up to be smart [21]. Furthermore, a servant leadership is a humble and harmonious leader with expected to solve problems well, hence he values a positive effect on others [22]. In this framework, servant leadership measures five dimensions, namely altruistic calling, emotional healing, wisdom, persuasive mapping, and organizational stewardship [23]. Altruistic calling is a leader's desire to sacrifice their interests above others. Emotional healing refers to the leader's empathy for strengthening and restoring the spirit under certain circumstances. Wisdom is the ability of a leader to read between the lines to infer their work environment. Persuasive mapping is the leader's ability to map problems and conceptualize its priority’ list. Organizational stewardship is leader readiness to accommodate their team and organization during the organizational socialization process.

B. Compensation

Compensation provides in retaining employees in the organization to gain a competitive advantage [24]. Thus, employees are expected to be able to contribute optimally to the organization. Generally, the compensation includes wages or salaries is compensation refers to bonuses and commissions as well [25, 26]. The compensation is consisting of two kinds namely direct compensation and (2) indirect compensation. Here, the direct compensation can be divided as a level of wages or salaries, level of payment and structure which is the difference in the level of payment with different types of work. Then indirect compensation consists of benefits (insurance, pensions, and others).

C. Organizational Commitment

Organizational commitment is the employee attachment to their organization to get a job, work accepted, comfortable work environment, and standard compensation. Thus, it was raises of individuals relative strength to involve, identify, and commit to an organization [27]. Once individuals are satisfied with their work and organization, they will always be committed to their organization [28]. Here, the three dimensions namely (1) affective commitment i.e. psychological factors (employee motivation to make a meaningful contribution), (2) normative commitment i.e. employee loyalty and (3) continuance commitment i.e. the economic value of an organization that is higher than leaving the organization.

D. Turnover Intention

The turnover intention is an employee’s intention to leave the organization to find a new and better job [29]. The normal situation in a workplace that there is unpredictable and unplanned role dispute [30]. Turnover intention also describes as an indication that employees will leave their positions shortly [31]. The dimensions of turnover intention is consist of three kinds namely (1) thinking of quitting, (2) intention to search for alternatives, and (3) intention to quit [32]. The main reason for quitting to find a better job depends on what one desires from their work and what they earn. The more they get, the more their commitment to the organization.

E. Hypotheses Development

Servant leadership one of the most widely used styles in many research sectors. Thus, in leadership research objects are in the health, education, banking, and other industries sectors. The workplace with the servant leadership style leads his team to increases their loyalty to the organization. A leader with this style prefers to make others’ interest as the priority, hence it can approach the most obvious signs of employee commitment [33]. Furthermore, servant leadership provides the team to develop themselves, provide support, and participate actively in solving problems and in making decisions. The signs of employee commitment begin with how the leader creates a comfortable working environment. Once they made a good situation in it, a good leader leads their team to retain in the organization [34, 35]. Thus, servant leadership creates a positive emotional attachment to their leader and the organization. A servant leadership affects organizational commitment. According to these reviews, the hypothesis proposed is

H1: Servant leadership leads to an increase in the organizational commitment of non-civil servants.

Furthermore, a servant leadership requires empathy and willingness to listen, thus it attracts their followers [36, 37]. The high level of employee turnover intention is related to the leaders who do not pay attention to their
subordinates [38, 39]. Once a leader decides with no consideration of their workplace, this then leads to the inconvenience of their employee in the workplace. The situation arises a lot of hostility, decreased levels of creativity, or even tends to provide oppositional actions, thus, it affects a high turnover intention. Servant leadership in the workplace did another thing. It allows the employee to remain creative and help them in making decisions. Thus, a work-life harmony created and the turnover intention might not happen. Based on the review, the hypothesis proposed is

\[ H_2: \text{Servant leadership leads to a decrease in the high level of turnover intention for non-civil servants.} \]

Here, the compensation measures how employees can commit to their organization. Its compensation can change employee behavior towards organizational commitment [40]. A good compensation has a good effect on employee commitment as well as playing a role in the sustainability of the organization's network [41]. Employees need themselves to achieve their life goals in an organization. Their needs are related to the compensation, both financial and non-financial, employees' development depends on their compensation. The more they get what they desire, the higher the dynamism of organizational development. It will affect the contribution of their employees in the workplace as well. A compensation had a significant effect on organizational commitment. Based on the review, the hypothesis proposed is:

\[ H_3: \text{Compensation leads to an increase in the organizational commitment of non-civil servants.} \]

Furthermore, the compensation helps employees considering a decision making whether they are staying in the organization or leaving [42]. The high level of turnover intention often occurs in many industrial sectors when an employee gets the standard compensation based on agreement. The most employees with high turnover rates are often given additional workloads besides their duties and functions in exchange for inappropriate compensation. A situation signs organization in maintaining their stability. Thus, an organization needs to fit good compensation in reducing the high level of turnover intention. With the level of turnover intention which is low tends employees to retain in the organization. The results defined the compensation had a significant effect on turnover intention. According to the review, the hypothesis proposed is:

\[ H_4: \text{The compensation leads to a decrease in the turnover intention of non-civil servants.} \]

Here, employee commitment has the potential to provide a positive relationship to retain in the organization [43]. It means employees' commitment is given once they get good compensation based on what they desire. There are several factors of employee's commitment such as capacity at the workplace, their performance, their loyalty, developing to remain creative and innovative, the relationship to their leader, colleagues, and organizations, put themselves on the line, and hard work [44]. Once employees meet the commitment according to these factors it allows them to achieve its engagement. Creating employee commitment is not that easy by far. Various ways are used by organizations to make employees commitment, one of which is by developing compensation. A good employee commitment leads to a decrease in the level of turnover intention. An organization with a high level of turnover intention caused significant losses since they have to do the recruiting more employees, providing training for them, hence the achievement against a defined time scale. Based on the review, the hypothesis proposed is:

\[ H_5: \text{Organizational commitment leads to a decrease in the turnover intention of non-civil servants.} \]

From the description above, the research model can be described in Figure 1.

![Figure 1. Research Model](image-url)

3. RESULT AND DISCUSSION

The variable in this research is divided by (1) exogenous variables, i.e., servant leadership, compensation, organizational commitment, and (2) endogenous variable, i.e., turnover intention. To examine servant leadership is used the measurement dimensions namely Altruistic calling, emotional healing, wisdom, persuasive mapping, and organizational stewardship. The compensation are kinds of dimensions namely direct compensation and indirect compensation. The measurement dimensions of affective commitment, normative commitment, and continuance commitment will measure organizational commitment. Furthermore, I include the measurement
dimensions namely thinking of quitting, intention to search alternatives, and intention to quit to examine turnover intention. The measurement model used in this research is the Likert scale contained the items with a specific point scale as follow: strongly agree (SS) with the scale of five, agree (S) with the scale of four, neutral assessments (N) with the scale of three, disagree (TS) with the scale of two, and strongly disagrees (STS) with the scale of one. This research was conducted in February - March 2020 at local hospital (Puskesmas) in West Jakarta by distributing questionnaires to the population. This research population is Puskesmas non-civil servants in West Jakarta. This is a deductive and causal research type. In this research, the researcher employed the Structural Equation Modeling (SEM) to determine the level of significance and the relationship between variables and SPPS. Thus, the research contained operationalized questionnaires observed which was 40, hence the sample was 200 respondents (40 x 5). The data analysis used in this research was Confirmatory factor analysis by performing a validity test according to Kaiser-Meyer-Olkin Measure of Sampling (KMO) dan Measures of Sampling Adequacy (MSA). A rule of thumb for interpreting KMO values that is in the range between 0.5 to 0.9 indicates the sampling is adequate. If the KMO values less than 0.500, indicating the sampling is not adequate, hence the factor analysis is not accepted. Cronbach’s alpha tests were used to measure reliability. A score of more than 0.5 (>0.5) means that the items in the test are. Based on the confirmatory factor analysis, the items of servant leadership, compensation, and turnover intention were valid, with the value of KMO higher than 0.500 (KMO > 0.500) and MSA values were 1 component matrix. The organizational commitment on one hand was not adequate for item KO4 with the value of 0.358 while the MSA values less than 0.500. On the other hand, the reliability test for the items of servant leadership, compensation, organizational commitment, and turnover intention was adequate with the alpha Cronbach values of higher than 0.5 (typically >0.5).

A validity construct that measured the factor loading for each servant leadership, compensation, organizational commitment, and turnover intention was in a good match with the value of higher than 0.50 (typically >0.50). It means all variables were accepted. Based on the data, the t-value was higher than the t-table with a value of 1.96 (the level of significance is 5%). The results of the construct reliability test showed the CR values of servant leadership was 0.96 while compensation was 0.93 and organizational commitment was 0.94, and turnover intention was 0.96. Furthermore, the VE value of servant leadership was 0.69 while compensation was 0.87 also the organizational commitment was 0.84 and turnover intention was 0.83 of VE value. Based on the results, a reliable value since the CR values higher than 0.60 while the VE values higher than 0.50 from CR value. The value of R² was measured by the structural test analysis. The R² for each equation shows the dependent variable that can be explained by the independent. The first analysis results were defined SL (servant leadership) and KOM (compensation) as affected KO (organizational commitment) with the R2 value of 0.44. This reveals that 44% of KO (organizational commitment) can be explained by SL (servant leadership) and KOM (compensation). While the r-squared value of 56% can be explained by other variables out of research objectives. Furthermore, the analysis results showed KO (organizational commitment), SL (servant leadership), and KOM (compensation) affected TI (turnover intention) with the R2 value of 0.92. It means 92% of TI (turnover intention) can be explained by KOR (organizational commitment), SL (servant leadership), and KOM (compensation). The r-squared value of 8% can be explained by other variables out of research objectives.

The suitability test analysis result evaluated the fit of Chi-square, Fit Index, ECVI, AIC, and CAIC which was good. RMSEA values showed the close fit results and Critical N and Goodness of Fit revealed marginal fit. Based on the results, it can be concluded that all specified models of good fit since it meets the requirements. The result of the research is shown in the T-Value path diagram in Figure 2.

![Figure 2. T-Value Path Diagram](image)

Based on Figure 2, it could be seen that the hypothesis testing of the research model in Table I.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Hypothesis statement</th>
<th>T-Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₁</td>
<td>Servant leadership leads to an increase in organizational commitment.</td>
<td>3.80</td>
<td>Data support hypothesis</td>
</tr>
<tr>
<td>H₂</td>
<td>Servant leadership leads to a decrease in the level of turnover intention.</td>
<td>4.88</td>
<td>Data support hypothesis</td>
</tr>
<tr>
<td>H₃</td>
<td>Compensation leads to an increase in organizational commitment.</td>
<td>1.06</td>
<td>Data disprove the hypothesis</td>
</tr>
<tr>
<td>H₄</td>
<td>Compensation leads to a decrease in the level of turnover intention.</td>
<td>7.69</td>
<td>Data support hypothesis</td>
</tr>
<tr>
<td>H₅</td>
<td>Organizational commitment leads to a decrease in the level of turnover intention.</td>
<td>2.02</td>
<td>Data support hypothesis</td>
</tr>
</tbody>
</table>
A mediating variables analysis is measured by two approaches, namely, analyzing zero-order relationships among the variables that exist and applying the procedures. The first analysis defined servant leadership as directly affected organizational commitment, with the t-value of 3.80 (typically >1.96). Besides, servant leadership had a direct effect on turnover intention as well, with the t-value of 4.88 (typically >1.96), and organizational commitment directly affected turnover intention, with the t-value of 2.02 (typically >1.96). Based on the results, it could be seen that organizational commitment mediated the relationship between servant leadership and turnover intention for non-civil servants. Servant leadership both directly affected turnover intentions and had an indirect effect on turnover intention through organizational commitment. Thus, the situation leads to a partial mediation analysis since it both directly and indirectly affected the variables.

According to the second analysis result, it can be concluded that compensation directly affected turnover intention, with the t-value of 7.69 (typically >1.96). Besides, organizational commitment directly affected turnover intention, with a t-value of 2.02 (typically >1.96). Compensation had no direct effect on organizational commitment, with a t-value of 1.06 (typically <1.96). Based on the results, it could be seen that organizational commitment did not mediate the relationship between compensation and turnover intention. Furthermore, a test results define the higher the intensity of servant leadership in the organization, the higher the organizational commitment of Puskesmas non-civil servants in West Jakarta. It indicates prioritizing team by the leaders engaged a good relationship in the workplace. The situation fits for both civil servants and non-civil servants. A good attitude of their leaders provides their employees’ respect and create togetherness to always sharing in solving the problems. Furthermore, employees’ involvement in the workplace makes them fully engaged, especially for non-civil servants. They are involved to play a role in their workplace to take a part in the organization’s problem-solving. The attitude reveals organizational commitment. As the support of their commitment, a leader can do the ethical principles strictly and stay to be committed to the organization, thus their employees follow his commitment. The situation provides employees to remain committed as long as their leaders direct and guide them once they face some problems in the workplace. Based on the further testing results, the higher the intensity of servant leadership in the organization, the more comfortable for non-civil servants in their workplace. Thus, it retains them in the organization to create a level of turnover intention that is lower, especially in Puskesmas of West Jakarta. Servant leadership is important for the following reasons. This introduces a good achievement to direct the positive effect to apply so that it can build an assessment and positive effects of non-civil servants on their leaders. A leader who trusts their employees to act in the best interest leads to a feeling of pleasure and comfort in the organization. Leaders who serve, appreciate people, develop people, build community, open, and give a share in their leadership reveals a positive affection of non-civil servants, hence it creates a strong emotional bond. The situation comfort employees to retain in the organization and give their best performance for the organization. Furthermore, the level of compensation did not affect the organizational commitment of Puskesmas non-civil servants in West Jakarta. On the contrary, compensation affected organizational commitment. A compensation had a significant positive effect on employee organizational commitment. It requires the employees’ right to work they have done in the organization. They expect what they desire as their reward or bonuses beyond salary. Employees have expectations beyond their basic salary for the rewards or bonuses they receive. Hence, a leader is needed to know what reward he should give to them. Besides, a reward leads to employees’ satisfaction to remain their performance. The higher reward is given, the more of their satisfaction, thus, it keeps them productive, even when they have to do overtime. Compensation suitability leads employees to retain in the organization and increase their organizational commitment.

For some employees consider the work as their obligation to the organization, even their compensation fit what he desires. They think the high compensation and suitability of workload does not require their satisfaction. Job significance, a wide range of career opportunities, and the opportunity to try new things, ease employees to find a more interesting workplace other than their previous job. Opportunity allows them to commit to themselves, hence it leads them to find their best career path. For many workers, job satisfaction is often attributed to a source of meaning that goes beyond their happiness and pride. Once they get a meaningful job, they will feel more comfortable in the workplace even the compensation is low. Finding a meaningful job related to the career path since the employees enjoy doing that. Their commitment to their job as the best career path expects some reasons. It requires career success, pride in themselves, and fulfill their higher target income. Standard compensation for non-civil servants in Jakarta is obtained according to legal protection. The income mechanism for salaries and allowances of Puskesmas non-civil servants in Jakarta based on Governor Regulation No. 221/2016 concerning income guidelines for non-civil servants in regional health units. Suggestion to the level of compensation for the Puskesmas non-civil servants in West Jakarta does not affect organizational commitment. However, organizational commitment is affected by other variables. The test results show the higher the compensation received by non-civil servants, the lower their turnover intention. Compensation suitability for non-civil servants helps finance and fulfill their satisfaction. Thus, the welfare of non-civil servants is fully granted, hence it can
decrease the level of turnover intention. Once the welfare of non-civil servants does not fulfill with working loads and the compensation is low, it leads them to find a better job with higher compensation. The mismatch compensation is related to the achievement of the goals in the organization. The more mismatch compensation they meet, the higher level of turnover intention. Furthermore, the higher the organizational commitment of non-servants leads to a decrease in their turnover intention. Thus, it is way more important for a leader to consider welfare in the workplace. Besides, a leader who serves the security, open and fair retain the non-civil servants in the organization. These then reveal their organizational commitment. Committed employees need support from their organization, one of which creating warmth and comfort in the workplace. Good communication between leaders and their subordinates, a healthy workplace environment, company policies on career path opportunities, remain the non-civil servants to work for the organization as well. The situation creates a view of non-civil servants to get a better advantage in organizations other than the organization they work for. It can be said as a continuance commitment.

4. CONCLUSION
The result that can be concluded in this study is that there is an influence between servant leadership on employee organizational commitment. Furthermore, the variables servant leadership, compensation and organizational commitment each have an influence on employee turnover intention. Meanwhile, compensation has no effect on employee organizational commitment. Research limitations refer to several weaknesses in this study. Some of the limitations contained in this study are that this study only discusses the servant leadership, compensation, organizational commitment and turnover intention variables. In addition, the area coverage in this study only examined non-civil servant employees in Puskesmas in West Jakarta and it was possible that the respondents filled out a questionnaire based on the ideal conditions expected and not the actual conditions that were happening. In further research, it is suggested to add other variables that can affect organizational commitment and employee turnover intention as other variables can be suggested, namely organizational culture variables. Further research can be carried out not only on non-PNS employees but also on PNS employees and it is necessary to expand the scope of research not only in West Jakarta but throughout Jakarta.

This study has several managerial implications in order to increase organizational commitment and turnover intention. One of the objectives in this study is to determine the relationship between servant leadership and turnover intention through employee organizational commitment. The managerial implications that can be proposed can be seen from the dimensions of servant leadership, namely altruistic calling, emotional healing, wisdom, persuasive mapping, organizational stewardship.

References


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