

The Mediating Role of Job Satisfaction in the Effect of Servant Leadership on Employee Performance: A Research on Saving Finance Sector*

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ARTICLE INFO

Keywords:

Employee Performance
Job Satisfaction
Leadership
Servant Leadership

Received 24 April 2024

Revised 5 September 2024

Accepted 10 September 2024

Article Classification:

Research Article

ABSTRACT

Purpose – The purpose of this article is to analyze the mediating role of job satisfaction in the effect of servant leadership on employee performance.

Design/Methodology/Approach – The population of the research consists of 7000 employees who work in savings finance sector and live in Istanbul. The sample of the study which has a correlational quantitative design was selected by the "simple random" method. A 5-point and 7-point Likert-type survey was applied to the employees. The survey consists of a demographic part and three scales: Servant leadership scale, Job satisfaction scale, Employee performance scale. Data collected from 502 employees were analyzed through SPSS 26, AMOS 26, and PROCESS MACRO statistical programs. In the study, confirmatory factor analysis, reliability and validity methods and mediator variable analysis were used to analyze the data.

Findings – Servant leadership was found to have a direct significant effect on employee performance. The results of the analysis supports that servant leadership has a positive effect on job satisfaction and job satisfaction plays a mediating role in increasing employee performance.

Discussion – It was concluded that the characteristics of servant leaders such as focusing on team members, trying to understand their needs, and providing support will positively affect the performance of employees by increasing their job satisfaction.

1. Introduction

The concept and development of leadership has gained great importance in recent years, especially in the field of business and management. Successful leaders in businesses guide their employees and enable them to reveal their potentials. It is seen that the behavior style of the leader directly affects the future of the organization.

According to Gökşen (2019: 4) various crises and changing economic and social situations are among the facts that negatively effect of employees in the business and their managers. In this context, leaders and managers have a lot of work to do to regain lost trust and ensure employee job satisfaction. It is important for leaders and managers to be reliable, care about their employees, ensure their well-being, contribute to their development, and attach to moral values. This need has brought about servant leadership (Budak et al., 2023: 1028).

Servant leadership is an approach that emphasizes dedication of leaders for serving their employees. Research shows that servant leadership behaviors have positive effects on job satisfaction and therefore performance.

Another point in the servant leadership approach is that employees' individual needs, interests and goals are prioritized according to themselves, and each employee is unique and has different needs, interests, desires and experiences. The servant leader is interested in understanding each employee's background, core values, beliefs, assumptions and unique behaviors, and therefore the line between professional and personal life blurs. This focus point appears to be compatible with the concept of management, as servant leaders act as the person who takes responsibility for serving and treat their employees as individuals entrusted to them to achieve

* This study is based on the PHD thesis of the first author.

Önerilen Atıf/Suggested Citation

Akbal, Ö. F., Karabulut, A. T. (2024). The Mediating Role of Job Satisfaction in the Effect of Servant Leadership on Employee Performance: A Research on Saving Finance Sector, *Journal of Business Research-Turk*, 16 (3), 1552-1566.

their better selves. Considering these intentions, employees think that they are reliable as leaders and prepare the environment for the emergence of positive emotions in business life.

The purpose of this article is to examine the mediating role of job satisfaction in the effect of servant leadership on employee performance. Mediating variable is examined to criticize the relationship between two variables in detail. Although there are legal and financial studies on consumer trends in the savings finance sector in the literature, the number of studies examining employee performance and the factors affecting this performance within the sector is limited. Original research is being conducted in the literature within the framework of the sector in which it is applied. Thanks to its importance and popularity in organizations, controlling the effects of servant leadership between job satisfaction and employee performance increases the importance of the contribution of the research questions and answers to the literature.

The relationships and effects between job satisfaction, servant leadership, and employee performance are explained using appropriate analysis and methods using SPSS AMOS 26 and PROCESS Macro Model 4 statistical programs. Quantitative method was preferred and detailed literature about the survey used was presented. A correlational research model was used to investigate whether there is a relationship between variables. It is commented in detail in the Method section. The findings support that the servant leadership approach has a positive effect on job satisfaction and job satisfaction plays a mediating role in increasing employee performance.

2. Servant Leadership

The concept of leadership has developed in many ways throughout history. Early leadership theories suggested that leaders have innate abilities and lead a group by using these abilities. However, in the following years, the idea that leadership behaviors can be learned and developed has emerged. This is because the behavior has a complex character.

This leadership style, proposed by Greenleaf in 1970 (Greenleaf, 1977, 1996, 2002, 2015), approaches leadership from an ethical perspective. Servant leadership is a style focusing on serving others, meeting the needs of others, and their development. Servant leaders are process and performance oriented and care about character and values (Yıldız, 2016: 502). Leadership, as a fundamental element of the business world and organizations plays a decisive role in the success of the organization. It appears to be a subject that is constantly evolving and changing over the years. The characteristics, approaches and leadership styles of leaders can have profound effects on employee performance and job satisfaction. It is difficult to manage businesses operating in an intensely competitive environment and changing economic conditions.

It is essential to find leaders who care about people, support employees, and are open to change and developments. For this reason, servant leadership has begun to gain importance in businesses due to its people-oriented approach (Akdol & Arikboğa, 2017: 525-526).

There are theories regarding servant leadership. Path goal theory, which draws from research on what satisfies and inspires employees, appeared in the leadership literature in the 1970s with the study of Evans (1970). House's (1971) theory supports servant leadership. According to this theory, leadership is not seen as a position of power or authority. Rather, leaders have a role that provides support and guidance to their subordinates. Servant leaders serve others to enable them to achieve success, develop, and find fulfillment. House's (1996) path-goal theory suggests that a leader's effectiveness depends on the employees and the environmental conditions (Guillaume et al., 2013: 446). Each of the theories on leadership is presented with different approaches than the previous one. Therefore, it can be said that servant leadership has developed in the same direction or is a continuation of some theories. Proposed theories and models derived from the literature explain the following dimensions of servant leadership:

Empowerment: Conger (2000) defined it as a motivational point that focuses on activating people and strengthening personal development (Van Dierendonck & Nuijten, 2011: 251).

Standing Back: It is about how much a leader prioritizes the interests of others and to what extent he gives them the necessary support and credit (Van Dierendonck & Nuijten, 2011: 252).

Stewardship: According to Block (1993), it is related to the desire to take on great responsibilities in the institution, control more, and serve instead of personal gain (Van Dierendonck & Nuijten, 2011: 252).

Accountability: Froiland et al. (1993) believes that it allows people to know what is expected from them and provides control by holding them accountable which is beneficial for both employees and the organization (Van Dierendonck & Nuijten, 2011: 251).

Forgiveness: According to Autry (2004), leaders who can forgive are more open and supportive of their employees. This dimension is simply accepting another person (Van Dierendonck & Nuijten, 2011: 265).

Courage: Greenleaf (1991) states that courage is a key characteristic that distinguishes servant leaders from other leaders. These leaders tend to take risks and find innovative solutions to old problems. In an organizational context, this involves challenging traditional models of business behavior (Van Dierendonck & Nuijten, 2011: 252).

Humility: For Patterson (2003), the ability to reveal one's own achievements and talents are handled with humility (Van Dierendonck & Nuijten, 2011: 252).

According to Ehrhart (2004), servant leaders are empowering, relational, moral, inclusive, balanced, focus on the success and growth of others, and pay attention to the organization and society. Neubert, Hunter, and Tolentino (2016) identified other characteristics of servant leadership such as emotional relief, humility, integrity, and spirituality. What distinguishes servant leadership from other leadership styles is its focus on other-centered service (not self-centered) (Küçük & Yavuz, 2018: 83).

Other classification regarding servant leadership belongs to Patterson (2005). He (2005) defined this leadership approach as a leadership focusing first on the followers and then on the organization. In Patterson's servant leadership model, behaviors such as acting modestly, proving social and moral love, having a vision, self-sacrifice, giving trust, empowerment and service are priorities for leaders (Sanı et al., 2013: 65).

Liden et al.'s (2008) study provided a new perspective on the concept of servant leadership. Liden identified nine main dimensions of servant leadership: providing emotional support, contributing to society, thinking strategically and providing guidance, empowering employees, supporting individuals' personal development and success, prioritizing employees' needs, displaying an ethical attitude, establishing strong relationships, and seeing leadership as a service. It is observed that the servant leadership classification made by Liden, and his friends is to evaluate and strengthen the individual both morally and in terms of his abilities (Karacaoğlu & Satır, 2019: 94).

According to Hale and Fields (2007), the characteristics of servant leadership are defined as an understanding including leader behaviors such as ensuring the well-being of employees and focusing on the development of employees. They believe that servant leadership focuses on establishing strong and long-term relationships between employees and leaders. Additionally, Chiniara and Bentein (2017) add that servant leaders serve employees to reveal their full potential by focusing on their development and needs. They prioritize the development and welfare of their employees. In this context, servant leaders facilitating the success and development of stakeholders are distinguished from other types of leaders. When evaluated from this perspective, it has been stated by several researchers that servant leadership affects attitudes and behaviors in the workplace (Koç & Özyılmaz, 2020: 13).

As a result, servant leadership has behavioral characteristics that can positively contribute to businesses in terms of providing competitive advantage, motivating employees, encouraging innovation, adopting sustainability values, and achieving long-term success. Businesses take the servant leadership model into consideration when evaluating their leadership approaches and encourage their leaders to adopt this understanding.

3. Job Satisfaction

It is a great importance that the job satisfaction levels of employees are sufficient for businesses to continue their activities and achieve sustainable competitive advantage. Employee job satisfaction is milestone for the success of the business. Therefore, it is among the most researched topics regarding attitude in the field of social sciences. The way for organizations to realize their goals and achieve their goals depends on the employee's job satisfaction. An individual with job satisfaction is happy both in his business life and social life.

Brief (1998) suggested that job satisfaction is the expression of feelings and thoughts about the job, emotionally or cognitively, through experiences to some extent (Munir & Rahman, 2016: 490).

Cardona (1996) also defined job satisfaction in terms of the concepts which are associated with (Nerison, 1999: 43-44):

Intrinsic satisfaction; describes how positively employees feel about their job performance. Intrinsic satisfaction is related to internal factors such as opportunities for recognition, advancement, and achievement.

Extrinsic satisfaction; relates to external factors such as pay, supervision, interpersonal relationships, policies, working conditions, and safety. External satisfaction relates to external factors and perceptions of these factors.

According to Aziri (2011), job satisfaction represents a feeling that arises due to the perception that the job provides psychological and material benefits (Loan, 2020: 3308).

According to Rivaldo et al. (2020), job satisfaction is both negative and positive negative emotions of employees towards their jobs. Oktavianti (2020) suggests that it is the feeling of liking the work and the nature of liking the job (Andreas, 2022: 31).

Thousands of articles and studies have been written about job satisfaction all over the world, and many studies have found that job satisfaction has an unusually large impact on employee motivation and performance. The level of motivation has an impact on productivity and therefore the performance of business organizations. Many studies have shown that employees' perceptions of motivation, job quality, and overall job satisfaction have a significant impact on performance.

4. Employee Performance

As a result of the emergence of different definitions of performance by various researchers, this concept has been examined from various perspectives. In today's business world, where responsibility and expectations increase, performance measurement is no longer one-dimensional. The definition of performance includes many job activities and behaviors.

Job performance is defined as the actual success of the employee. The definition of performance (job success) is the result of the quantitative and qualitative work of the employee in the process of performing job duties in accordance with his responsibilities (Andreas, 2022: 31).

According to Colquitt et al. (2019), employee performance is the sum of the behaviors that employees display at work, and these behaviors play an important role in the process of achieving organizational goals. Wirawan (2009) defines employee performance as the output produced by functions or performance indicators performed by an employee within a certain period. Hidayat et al. (2022) also states the view of Mangkunegara (2000); According to Mangkunegara, these definitions indicate that employee performance can be evaluated in terms of both individual behaviors and job results (Rosady et al., 2023: 475-476).

According to the literature high job performance and organizational commitment of employees, factors such as job satisfaction, effective leadership, positive organizational culture, effective communication, teamwork, career opportunities, fair evaluation and feedback are important. Research results in the literature show that improving these factors will increase the job performance of employees and strengthen their organizational commitment. However, the relationships are based on the unique characteristics and dynamics of each organization. In this research, the findings of the savings finance employee sample showed that organizational commitment positively affects employee performance.

5. Method

5.1. Aim and Importance of Research

The purpose of this article is to analyze the mediating role of job satisfaction in the effect of servant leadership on employee performance. It focuses on determining the effect of the servant leadership characteristics of savings finance sector managers on the job satisfaction levels of their employees and therefore their job performance. These concepts were measured the quantitative method by applying survey. The servant leadership characteristics of managers in businesses affect the job satisfaction and performance of employees. Organizations and managers have duties and responsibilities to improve the job performance of employees.

In this context, suggestions will be obtained to increase the employee performance of savings finance sector. This research is unique in the literature within the framework of the sector in which it is applied. In addition, it is thought that it will make a unique contribution to the literature as it is the first research to examine the mediating role of job satisfaction in the effect of servant leadership characteristics on employee performance.

5.2. Developed Hypothesis and Model of the Research

5.2.1. Servant Leadership and Employee Performance

Employees perform well to increase the performance of the organization. It is important for leaders to delegate goals and responsibilities to employees in an appropriate manner to increase their performance. Cinnioğlu (2019: 2902-2904) found out that perceived servant leadership has a significant and positive effect on employee performance. Based on these insights, it is hypothesized that:

H1: Servant leadership affects employee performance.

5.2.2. Servant Leadership and Job Satisfaction

Servant leadership refers to a leadership style which the leader focuses on serving team members, meeting their needs, and supporting their development. Thus, servant leader contributes to employees to be more satisfied with their jobs. Mayer et al. (2012) found that managers are role models for employees, positive leader attitudes lead to positive employee behaviors, and servant leadership directly affects job satisfaction and indirectly increases performance (Budak et al., 2023: 1030).

Al-Asadi et al. (2019) examined the extent to which managers' perceived servant leadership affects followers' intrinsic and extrinsic job satisfaction. The data was collected from 205 employees working in service sector organizations. The results show that the second-order factor of servant leadership positively affects both types of job satisfaction (Al-Asadi et al., 2019: 472-475). Based on these insights, we hypothesized that:

H2: Servant leadership affects job satisfaction.

5.2.3. Job Satisfaction and Employee Performance

Ensuring employee job satisfaction is one of the most important duties of organizations. Employees who are well motivated and have job satisfaction have higher morale and contribute more to their organizations (Schoderbek et al., 1991). Dugguh and Dennis (2014) examined the relationship between job satisfaction and employee performance in their article. They researched the relevant literature on job satisfaction theories such as affective events, two factors, equity, and job characteristics. They explained the findings obtained from these theories. Although the concept of job satisfaction is complex, research has concluded that using appropriate mechanisms and variables can go a long way to enhance employee performance (Dugguh & Dennis, 2014: 11-12). Based on these insights, we hypothesized that:

H3: Job satisfaction affects employee performance.

5.2.4. Job Satisfaction as a Mediator

While the servant leadership style generally focuses on the long-term development of employees, since focusing on short-term goals and measuring performance are important factors that directly affect organizational performance, job satisfaction was taken as a mediator and the H4 hypothesis was developed to explain the model.

In another study, it was found that there was a significant positive relationship between healthcare professionals' servant leadership perceptions, job performance levels and job satisfaction levels. It was determined that job satisfaction levels had a partial mediating role in the effect of employees' servant leadership perceptions on their job performance levels (Celepli Sütbaş & Atilla, 2020). Based on these insights, we hypothesized that:

H4: Job satisfaction has a mediating role in the effect of servant leadership on employee performance.

In the research model, servant leadership is included as the independent variable, employee performance as the dependent variable, and job satisfaction as mediator variable. Model is as shown in Figure 1.

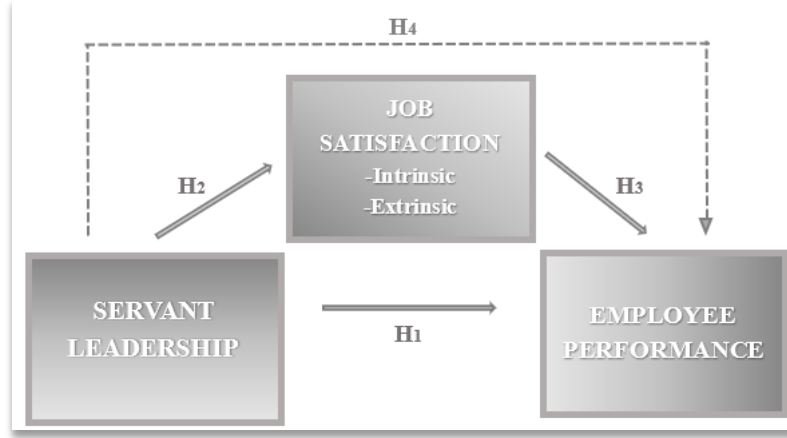


Figure 1. Research Model

5.3. Data Collection Tool and Sample

Servant Leadership Scale: The adaptation of Duyan and Van Dierendonck (2014) for servant leadership scale of Van Dierendonck and Nuijten's (2011) was used in this article. There were 8 dimensions in Van Dierendonck and Nuijten's (2011) scale whereas there are 7 dimensions in Duyan and Van Dierendonck's (2014) adaptation. Authenticity dimension was not applicable to Turkey. Thus, Authenticity dimension is not included to this research. The use of this version of the scale consisting of 7 dimensions and 26 items was found statistically acceptable in Turkey.

Job Satisfaction Scale: Minnesota Job Satisfaction Scale (Weiss et al., 1967) was used with the adaptation of Sönmez (2022) in this study. Martins and Proença's (2012) article were examined in details. The study results of Martins and Proença (2012) are as follows: The reliability of the scale estimated by Cronbach's alpha gave good results: global scale $\alpha = 0.91$; extrinsic satisfaction $\alpha = 0.88$ and intrinsic satisfaction $\alpha = 0.86$. The scale consists of 20 items and includes two subscales. There are 12 statements in the intrinsic job satisfaction dimension and 8 statements in the external job satisfaction dimension.

Employee Performance Scale: The employee performance scale was used from Şehitoğlu's (2010: 217) research. Three items of this scale were taken from the adaptation of Göktaş (2004) from Fuentes et al. (2004) and Rahman and Bullock (2005) and four items of this scale was taken from the adaptation of Çöl (2008) from Kirkman and Rosen (1999). Şehitoğlu (2010) conducted the validity and reliability studies of this 7-point Likert type scale.

The population of this research consists of employees who work in the savings finance sector in Istanbul. Before the application and analysis phase of the study, data was collected by the survey which received approval from the Istanbul Ticaret University Ethics Committee dated 30.04.2024 and decision number No: 04-05. The ethics committee report was published on 02.05.2024 (Number: E-65836846-044318032). Data collection was completed in the first week of May 2024. 7000 employees work in this sector. The survey link was presented to savings finance sector employees via Google Forms, and each survey was followed up immediately to receive quick feedback. The data collection phase was completed with 517 survey forms, and 15 survey forms were eliminated due to missing data and disrupting normal distribution. Analyzes were carried out on 502 surveys. The selection was made by simple random sampling method. Certain saving finance units or branches that were accessible and therefore suitable for collecting information were contacted, and a simple random selection was made among these companies, considering the various characteristics of the universe.

6. Analysis and Findings

At the beginning of the research, frequency distributions of socio-demographic and work-related factors were included. This step provides a comprehensive overview of the composition of the sample group. Then, information about the confirmatory factor model, loadings and descriptive statistics of the scales were included. Fit values regarding the structural validity and reliability of the measurement model were included in the analyses. These analyzes show that the construct validity and factor structure of the scales were confirmed. In addition, regression equation was conducted for the mediator variable, which is the focus of the

research. This analysis provides valuable information to determine the existence and strength of the mediation effect. This step aims to validate the model for the main hypotheses of the study and reveal the meaning of mediating effects and relationships between variables. The results obtained were interpreted based on the assumption that statistical significance was evaluated at the 0.05 level. These analyzes and methods were used meticulously and with scientific reliability to achieve the aim of the research.

6.1. Frequency Analysis Results Regarding Sociodemographic and Job Characteristics of Participants

In this section, the sociodemographic characteristics of the study's participant group regarding their demographic and work characteristics will be examined in Table 1.

Table 1. Sociodemographic Characteristics of Employees

Demographic Variables		N	%
Gender	Female	206	41.0
	Male	296	59.0
	Total	502	100.0
Age	21 – 30	246	49.0
	31 – 40	213	42.4
	41 – 50	40	8.0
	51 and above	3	0.6
	Total	502	100.0
Marital status	Single	231	46.0
	Married	271	54.0
	Total	502	100.0
Education	High S.	93	18.5
	Associate D.	133	26.5
	Bachelor's D.	248	49.4
	Master's D.	28	5.6
	Total	502	100.0

6.2. Working Characteristics of Saving Finance Sector Employees

Table 2 reflects the work characteristics of the group in the study.

Table 2. Working Characteristics of Employees

Work Characteristics		n	%
Total Work Experience (year)	0 - 10	279	55.6
	11 - 20	181	36.1
	21 and above	42	8.4
	Total	502	100.0
Work Experience in the Company (year)	0 - 10	499	99.4
	11 - 20	3	0.6
	Total	502	100.0
Position in the Company	Employee	386	76.9
	Middle Level Managers	106	21.1
	Senior Managers	10	2.9
	Total	502	100.0
Gender of Manager	Female	77	15.3
	Male	425	84.7
	Total	502	100.0

6.3. Confirmatory Factor Analysis

Confirmatory factor analysis steps were taken to check the validity of the structure created according to the factor analysis results of the scales in the literature. At this stage, SEM techniques were used. The created model is shown in Figure 2. Maximum Likelihood method was used in CFA analyses. By examining the modification indices, the fit indices of the model were examined by correlating the theoretically appropriate error terms with each other to obtain higher fit values. It was determined that the model in Figure 2 was significant at the 95% confidence level and all scale items contributed significantly to the relevant sub-dimensions.

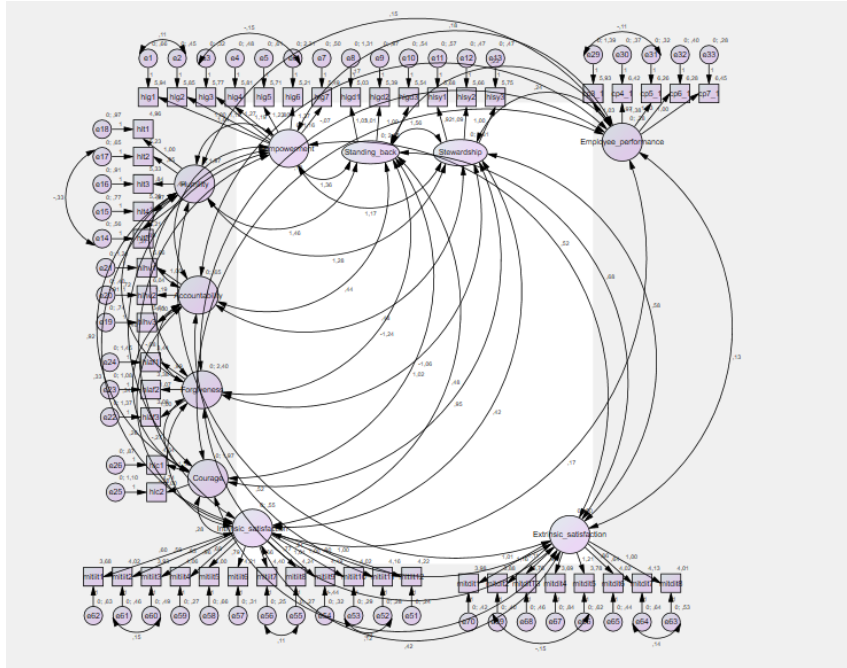


Figure 2. CFA Measurement Model

Table 3 contains the confirmatory factor analysis results. Factor loadings of the scale items under each factor are presented in this table. Factor loadings indicate how well factors relate to each scale. When the results are examined, it is seen that the factor loadings are generally above 0.50 and this ensures the convergent validity of the scales.

Table 3. CFA Results

Variable	Item	Factor Loading
Servant Leadership Scale		
Empowerment	hlg1	0.799
	hlg2	0.885
	hlg3	0.925
	hlg4	0.879
	hlg5	0.861
	hlg6	0.503
	hlg7	0.901
Humility	hlt5	0.882
	hlt4	0.842
	hlt3	0.778
	hlt2	0.856
	hlt1	0.82
Accountability	hlhv3	0.682
	hlhv2	0.836
	hlhv1	0.584
Forgiveness	hlaf3	0.798
	hlaf2	0.847

	h1af1	0.787
Courage	h1c2	0.801
	h1c1	0.855
Stewardship	h1sy3	0.88
	h1sy2	0.897
	h1sy1	0.840
Standing Back	h1gd3	0.890
	h1gd2	0.826
	h1gd1	0.791
Job Satisfaction Scale		
Intrinsic Job Satisfaction	mitiit12	0.833
	mitiit11	0.783
	mitiit10	0.811
	mitiit9	0.799
	mitiit8	0.740
	mitiit7	0.704
	mitiit6	0.720
	mitiit5	0.528
	mitiit4	0.806
	mitiit3	0.660
	mitiit2	0.541
	mitiit1	0.490
Extrinsic Job Satisfaction	mitdit8	0.697
	mitdit7	0.494
	mitdit6	0.678
	mitdit5	0.735
	mitdit4	0.571
	mitditT3	0.757
	mitdit2	0.791
	mitdit1	0.741
Employee Performance Scale		
Employee Performance	cp3_1	0.419
	cp4_1	0.644
	cp5_1	0.791
	cp6_1	0.744
	cp7_1	0.709
	CFA Model Fit Statistics	
X ² /df = 2,221, TLI = 0.912, CFI = 0.919, RMSEA = 0.049		

The validity of the model regarding the scale and its sub-dimensions was evaluated in more detail and the suitability values were examined.

Hu and Bentler (1999) believe that χ^2/df (Chi-Square Values and Degrees of Freedom) measures the difference between the observed data and the model. Lower χ^2/df values mean better fit. However, this index alone is not sufficient because values may vary depending on the sample size and model complexity (Hu & Bentler, 1999). Bryne (2011) adds that RMSEA (Root Mean Square Error App.) is used to determine how well the model fits the data. Lower RMSEA values indicate better fit. It usually takes a value between 0 and 1 (Yaşlıoğlu, 2017). Bentler and Bonnet (1980) highlight that CFI (Comparative Fit Index) measures the goodness of the model's fit to the data compared to the observed data. Values close to 1 indicate good fit (Yaşlıoğlu, 2017).

Hu and Bentler (1999) and Bryne (2011) explain that to eliminate the effect of sample size, there is the TLI (non-normed fit index) statistic, which tends to decrease as the model becomes more complex. They (1999, 2011) add that in addition to threshold values such as TLI>0.80, high threshold values such as TLI>0.95 are also encountered (Yaşlıoğlu, 2017).

For fit values of the measurement model; it was found that X²/df = 2.221, TLI = 0.912, CFI = 0.919, RMSEA = 0.049. RMSEA is at low limits and indicates a good fit. The TLI value is at the border; the fit values are at an acceptable level.

6.4. Reliability and Validity Analysis

In this section, the reliability and validity analysis results of the scales are given. Construct Reliability (CR) values which measure the intrinsic consistency of the structure, and (Average Variance Extracted) AVE values which explain the total variance of the measurement items were used. Accordingly, the following reference values were used for the scales to be considered as reliable.

- CR measures the consistency of measurements in structural equation analysis. A CR value above 0.70 is a sign of acceptable consistency (Ahmad et al., 2016).
- AVE evaluates the validity of scales by explaining the total variance of measurement items. An AVE value above 0.50 is an indicator of acceptable validity (Ahmad et al., 2016).

Cronbach Alpha, CR (Construct Reliability) and AVE analyzes were performed to evaluate the reliability of the items in the scales.

Table 3. Reliability and Validity Results

Variables	CR	AVE	1	2	3	4	5	6	7	8	9	10
Empowerment	0,939	0,694	0,833									
Humility	0,921	0,699	0,688***	0,836								
Accountability	0,747	0,502	0,480***	0,326***	0,709							
Forgiveness	0,852	0,658	-0,534***	-0,417***	-0,068	0,811						
Courage	0,814	0,686	0,477***	0,465***	0,303***	-0,126*	0,828					
Stewardship	0,905	0,761	0,859***	0,716***	0,468***	-0,539***	0,534***	0,872				
Standing Back	0,875	0,701	0,885***	0,726***	0,384***	-0,557***	0,508***	0,857***	0,837			
Intrinsic Job Satisfaction	0,877	0,475	0,507***	0,321***	0,442***	-0,172***	0,274***	0,448***	0,451***	0,711		
Extrinsic Job Satisfaction	0,905	0,761	0,677***	0,527***	0,361***	-0,399***	0,337***	0,643***	0,669***	0,808***	0,689	
Employee Performance	0,799	0,454	0,322***	0,203***	0,410***	-0,082	0,174**	0,354***	0,299***	0,435***	0,341***	0,674

Note: *** p<0.001. Data on diagonal column is the square root of AVE.

Convergent validity indicates that measures of a construct are highly correlated with other measures used to measure the same construct. Its calculated CR values are expected to be higher than the AVE (Average Variance Extracted) values and the AVE value is expected to be higher than 0.5. However, to ensure reliability, CR>0.70 is expected, for the conformity validity condition, CR>AVE condition is expected (Yaşlıoğlu, 2017). At the same time, AVE value up to 0.40 is acceptable. According to Fornell and Larcker (1981) and Shrestha (2021), if the AVE is less than 0.50 and the CR is greater than 0.60, convergent validity will be ensured (Karaman, 2023: 56). The AVE>0.50 requirement was not met in the Internal Job Satisfaction and Employee Performance dimensions. However, the Convergent validity requirement (CR>AVE) was fully met. This calculation shows that convergent validity was provided.

6.5. Mediation Variable Analysis

Mediating variable analysis is a method that helps us understand how the effect of an independent variable is transmitted through a mediating variable (Hayes, 2017). This method of analysis supports researchers in understanding and explaining the complexity of the relationship between the effect of the independent and dependent variable.

In the exploration of the relationship between servant leadership (X), job satisfaction (M), and employee performance (Y) within a sample of 502 employees, the analysis adhered to a mediation model framework.

Table 4. Effect of Servant Leadership on Job Satisfaction

	coeff	SE	t	P	LLCI	ULCI	Hypothesis
Constant	1.9716	.1432	13.7718	.0000	1.6904	2.2529	
Servant Leadership	.3927	.0271	14.5087	.3395	.3395	.4459	H2 supported

The analysis revealed a statistically significant effect of servant leadership on job satisfaction, $\beta = .3927$, $SE = .0271$, $t(500) = 14.51$, $p < .0001$. This model accounted for 29.63% of the variance in job satisfaction, as indicated by an R-squared (R^2) value of .2963. These findings underscore the significant positive influence of servant leadership behaviors on job satisfaction levels among employees.

Table 5. Impact of Servant Leadership and Job Satisfaction on Employee Performance

	coeff	SE	t	P	LLCI	ULCI	Hypothesis
Constant	4.0612	.1883	21.5664	.0000	3.6912	4.4312	
Servant Leadership	.1313	.0361	3.6324	.0003	.0603	.2022	H1 supported
Job Satisfaction	.3787	.0501	7.5600	.0000	.2803	.4771	H3 supported

In assessing the combined effect of servant leadership and job satisfaction on employee performance, the model elucidated 22.21% of the variance in employee performance, denoted by an R^2 of .2221, $F(2, 499) = 71.22$, $p < .0001$. Servant leadership was found to exert a direct significant effect on employee performance ($\beta = .1313$, $SE = .0361$, $t(499) = 3.63$, $p = .0003$), while job satisfaction emerged as a significant mediator, positively influencing employee performance ($\beta = .3787$, $SE = .0501$, $t(499) = 7.56$, $p < .0001$).

Table 6. Total, Direct, and Indirect Effects

	β	SE	T	p	LLCI	ULCI
Total effect of X on Y	.2799	.0320	8.7568	.0000	.2171	.3428
Direct effect of X on Y	.1313	.0361	3.6324	.0003	.0603	.2022
	β	BootSE			BootLLCI	BootULCI
Indirect effect(s) of X on Y	.1487	.0290			.0900	.2047
Partially standardized indirect effect(s) of X on Y	.2194	.0484			.1234	.3149
Completely standardized indirect effect(s) of X on Y	.1937	.0432			.1085	.2784

The total effect of servant leadership on employee performance is significant ($\beta = .2799$, $SE = .0320$, $t(500) = 8.76$, $p < .0001$). The direct effect of servant leadership on employee performance also reached statistical significance ($\beta = .1313$, $SE = .0361$, $t(499) = 3.63$, $p = .0003$). The indirect effect, facilitated through job satisfaction, was substantiated by a bootstrap standard error (BootSE) of .0290, with a 95% bootstrap confidence interval ranging from .0900 to .2047. The partially standardized indirect effect was .2194 (95% CI [.1234, .3149]), and the completely standardized indirect effect was .1937 (95% CI [.1085, .2784]). These findings provide robust support for the mediating role of job satisfaction in the relationship between servant leadership and employee performance. The analysis confirms that the influence of servant leadership on employee performance is partially mediated by job satisfaction.

7. Conclusion and Discussion

Leadership is an important subject that has attracted the attention of individuals, organizations, and societies from past to present. It is essential to find leaders who care about people, support their employees, and are open to change and improvements. For this reason, servant leadership has begun to gain importance in businesses due to its people-oriented approach. Leadership, as a fundamental element of the business world and organizations, plays a decisive role in the success of the organization. It appears to be a subject that is constantly evolving and changing over the years. The characteristics, approaches and leadership styles of leaders can have profound effects on employee performance and job satisfaction. The subject of servant leadership which is among the leadership types that evolves based on changing and developing conditions has been studied more recently. It was discussed as the element of the study that affects job satisfaction and employee performance. Other elements as important as the leader for the continuity of an organization are employees and their performance.

The main hypothesis of this research is as follows: job satisfaction has a mediating role in the effect of servant leadership on employee performance.

Direct effects between the variables included in the research model were tested and the expected results were achieved. Before moving on to mediation analysis which is the focus of the research confirmatory factor

analysis was applied to the used scales. The structural validity and reliability of the measurement model were examined. Fit values of the measurement model are at an acceptable level. According to the mediation analysis in the testing phase of the hypotheses, the effects between concepts were in the expected direction. These findings provide robust support for the mediating role in the effect of servant leadership on employee performance.

The analysis confirms that the effect of servant leadership on employee performance is partially mediated by job satisfaction. This underscores the important role of job satisfaction in facilitating the positive impact of servant leadership behaviors on employees' performance outcomes. The results confirm the hypothesis that job satisfaction serves as an effective mediator between servant leadership and employee performance and highlight the potential of servant leadership to indirectly increase employee performance through improvements in job satisfaction levels.

Servant leadership, as an alternative to traditional leadership models, brings a more humane and service-oriented approach to the literature. This increases the diversity of leadership theories, emphasizes the importance of ethical leadership practices and allows for the examination of different leadership styles. It allows for more research on ethical and moral dimensions in leadership literature. Findings on how servant leaders increase employee performance provide important data for performance management strategies. This is one of the issues that will encourage the creation of strategic plans for making performance evaluation systems more effective.

Servant leadership introduces a more humane and service-oriented approach to the literature as an alternative to traditional leadership models. This increases the diversity of leadership theories, emphasizes the importance of ethical leadership practices, and allows the examination of different leadership styles. It allows further exploration of ethical and moral dimensions in leadership literature. Findings on how servant leaders increase employee performance provide important data for performance management and development strategies. This is one of the issues that will encourage the creation of strategic plans to make performance evaluation systems more effective. Since the focus of servant leaders is on behaviors aimed at satisfying employees, they provide benefits to job satisfaction. As explained in this study in the light of the literature, servant leaders pay attention to issues such as a supportive environment, meeting needs, empathy, communication, motivation and encouragement. This leadership style is effective in increasing job satisfaction because it is designed to meet the emotional and professional needs of employees. Walumbwa et al. (2011) found that servant leadership style positively affects employees' job satisfaction and that this effect is related to leaders' behaviors of supporting, motivating and encouraging their employees (Dinçer & Öksüz 2011). This will contribute to the diversification and enrichment of research methodologies. Successful examples of servant leadership practices lead to the observation that they increase overall organizational performance by inspiring the development of new strategies and methods in management and leadership practices, creating more satisfied and committed employees in the workplace. It shows how broad and deep the positive effects of servant leadership on job satisfaction and organizational commitment can have in the literature. It is thought that these aspects of servant leadership will help organizations understand how they can be more successful with more productive, satisfied and committed employees. From a political perspective, when servant leaders increase job satisfaction and the performance of their employees, they also increase business performance. The increase in performance in the savings finance sector contributes to the development of the sector and leads the sector to a stronger and more competitive position. Developing and investing sector creates more taxes to the city. This leads the development of the country.

Recommendations are designed to encourage researchers to conduct more comprehensive and effective research on servant leadership, job satisfaction, and employee performance. Expanding this research to include the socio-demographic and personal characteristics of employees working in savings finance institutions in Istanbul could add important dimensions to the research. The generalizability of the findings can be increased by repeating the research in other cities and taking into account the different characteristics of the employees. In addition, performance can be affected by numerous and difficult to determine dynamics such as psychological, physical, organizational, social, biological and motivational. Conducting in-depth interviews with employees to investigate different criteria affecting employee performance can provide richer insights and further strengthen the model relationships in the research. Conducting a research based on difference analysis by studying different leadership approaches can also enrich the literature. In addition, it is

thought that it would be beneficial to increase the number of research samples in this context to increase the generalizability of the research findings and results.

Some suggestions that can be given to practitioners have been identified, with the result that increase the positive effect of job satisfaction in the effect of servant leaders on employee performance positively affects the performance of the organization in the long term. It would be useful to organize training programs for leaders to adopt and develop servant leadership characteristics. Leaders' open, transparent and effective communication with their employees, creating feedback processes and listening to employees' opinions and suggestions are among the issues that need to be ensured in terms of problem solutions. Recognizing employees' achievements and efforts will increase their motivation. Leaders should regularly celebrate and reward their employees' achievements. Providing training and development programs that will contribute to the personal and professional development of employees will increase employees' job satisfaction and organizational commitment. Regular performance evaluations should be conducted, and constructive feedback should be given to employees. This can help employees improve themselves and feel more committed to their work. Participation in social responsibility projects within and outside the organization should be encouraged. Such activities can increase employees' commitment to the organization. It would be beneficial to organize training programs for leaders to adopt and develop servant leadership characteristics. It is necessary for leaders to establish open, friendly, transparent and effective communication with their employees, to listen to employees' opinions and suggestions by creating feedback processes, and to provide solutions to problems. Recognizing employees' successes and efforts will increase their motivation. Leaders should regularly celebrate and reward successes of their employees.

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