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Impact Of Servant Leadership on Organisational Performance: A Moderated Mediation Analysis

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ABSTRACT

The aim of this research is to provide insight into the effectiveness of Servant Leadership practices with respect to organizational performance, the role of structural empowerment as a mediator, and the effect of organizational culture as a moderator. The existing literature on Servant Leadership only talks about the popular link that Servant Leadership has with performance while there are potentially underlying mechanisms to Servant Leadership – performance link. Considering this gap, the research examines the intermediary role of structural empowerment and in doing so, emphasize on the importance of Self Determination Theory that serves as a framework for performance. The study also delves further into how culture impacts organizational dynamics and performance metrics underpinning the social exchange theory. Present study implemented a quantitative research design and chased the post positivist paradigm Supported by research question and the development to theory is deductive as this study intends to investigated the causal relationship among the research variable. This is multi-source mono method quantitative research by applied time lagged framework to attain primary data by following a survey strategy through multiple Self conducted questionnaires. The selected population of this study is manufacturing industry Pakistan in Punjab province. The sample for this research encompasses 40 manufacturing industry and 400 employees, nominated to share a comprehensive representation of the target population. This research study managed the systematic framework of analysis by utilizing SPSS and smart PLS software. The findings indicated that structural empowerment established a mediated positive relationship between servant leadership and organizational performance. The result investigated that servant leadership Can serve the aspiration as a result-oriented leadership strategies to Elevate structural empowerment and organizational performance.

Keywords: Servant Leadership; Organizational Performance; Structural Empowerment; Organizational Culture; Self Determination Theory

1. INTRODUCTION

"Going beyond one's self-interest" is one of the fundamental elements of servant leadership, according to Greenleaf. This is perhaps the most well-known quote in the servant leadership domain, and it is the closest representation of her own definition that we have. The servant leadership theory brings a fair mix of all elements as it's a multi-dimensional theory. It focuses mostly on the growth and development of those in charge. It differs with the more militaristic and structural functionalism style of leadership which focuses on things like goals within the business. This partnership emphasizes how crucial servant leadership is to developing a motivated staff that is committed to achieving company objectives (Parris & Peachey, 2013). In this approach of leadership, it's all about how to service and uplift the people of the firm. It supports a positive and encouraging culture for the firm to foster its employees. Employees are made to feel that they are important and cared for which motivates them. It's worth investigating whether servant leadership is more effective than transforming leadership in for-profit organizations (Choudhary et al., 2013). In such a case, if serving instead of controlling is the center of attention of the key role of the leader, then the team members will be more willing and motivated to use their utmost ability and focus on goals and objectives. This leadership style allows for a more unified and accepting work culture by making the employees the focus of attention. There's evidence to suggest that this style boosts long-term performance of the organization. It improves commitment to the organization through more loyal and devoted employees. In addition, it increases the level of job satisfaction of the employees due to feeling respected and valued. There's a rise in employee engagement as well, as workers are able to more willing to take part in their roles. In general, these effects contribute to a much healthier working environment for the people involved (Eva et al., 2019).

The effectiveness of a business in attaining the objective of pursuing an organizational performance is heavily reliant on the leaders of the business and an ideal head assists the subordinates in reaching their company's goals and vision through their power. Leadership means more than merely giving commands, it is a capacity for developing people. An effective leadership unites the team with the goals of the organization when the expired is in healthy climate and can energize the followers. It is also the responsibility of the leadership to create a vision to which people as will accept so that they will work together to achieve the set targets (Waal & Sivro, 2012). To be a strong leader today you come armed not just with authority and expertise but also the ability to inspire trust through transparency and adherence to shared values. Employee satisfaction and overall organizational effectiveness are improved by this cultural congruence Servant leadership is one of the most promising the philosophy of leadership and has

been researched considerably since it is holistic in nature and has broad coverage. Job engagement has been shown to affect both individual outcomes (organizational commitment, citizenship behavior, job performance, and satisfaction) as well as team outcomes. The term servant leadership was popularized as early as 1970 by Greenleaf titled “The Servant as Leader,” though the concept was developed through the U.S. Here, leaders respect followers and foster their development. A servant leader is viewed as “first among equals” who puts others’ needs before their own (Canavesi & Minelli, 2022). Although servant leadership has become a popular topic of study, it would be a remiss of the literature to not examine its effects on organizational performance, as the majority of servant leaders concern themselves with the development and welfare of their subordinates. Yet, while awareness is increasing, the realism of servant leadership training in the workplace is ambiguous. For example, we know that the results tend to differ by environment and industry and that also brings this uncertainty. It also indicated that there is a need for a better understanding of the processes underlying these relations, since the relationship between servant leadership and the performance of the organization is not uniform.

Originally postulated by Greenleaf (1977), servant leadership suggests that leaders must concentrate on fulfilling the needs of their employees and enabling them to achieve their utmost potential. A servant leader prioritizes the welfare and development of their subordinates in order to create a positive and encouraging work atmosphere. This assistance boosts their self-assurance and motivation, which boosts output (Bande et al., 2016). Although the theoretical foundations of servant leadership indicate positive influences on organizational performance, empirical research has produced inconsistent findings. While some studies indicate a very strong positive relationship between servant leadership and organizational performance, others, at least to some extent, point to little or no significant impact. While these studies are largely in agreement, there are known factors related to context -- such as organizational culture, industry type and employee perceptions -- that may explain the discrepancy between these findings. The study found that by prioritizing employee well-being, servant leaders foster a culture of trust and empowerment, which leads to increased productivity and innovation (Eva et al., 2019). Emotional healing is one way that the servant model helps workers in a morally and ethically responsible way by reducing stress and mental stress (Searle & Barbuto Jr, 2011). The purpose of this study is to address these gaps by investigating the role of structural empowerment in mediating the relationship between servant leadership and organizational performance, and examining the moderating influence of organizational culture. By exploring these dynamics, the study aims to provide a more nuanced understanding of how servant leadership can be effectively leveraged to improve organizational performance. Servant leadership prioritizes meeting followers' needs, distinguishing it from other leadership methods (Liao et al., 2021).

Tarallo (2021) documented that servant leaders exhibit modesty, self-assurance, and motivate others to attain their goals. The reasons why this study is essential are: the growing importance of employee engagement to organizational success. The significance of employee

engagement as a determining factor of productivity, innovation, and the sustainability of an organization over the long-term is accepted almost universally. Greenleaf was one of the first to beacon the path for the concepts, constructs and theories that have since helped us come to understand and define servant leadership. He continues, "A servant leader is one who is servant first. This conscious decision brings one to the desire to serve, to serve first." The urge to lead is then realized through deliberate, conscious selection. Spears ascertained 10 principles of servant leadership: stewardship, a commitment to the growth of people, listening, empathy, healing, awareness, persuasion, conceptualization, foresight and building community. Many studies continue to show different versions of these characteristics' elements of servant leadership. Referring to the comprehensive investigation by Eva et al. clear the idea of servant leadership with transformational leadership, ethical leadership, and authentic leadership. The writers defined servant leadership as "an overarching concern towards the wellbeing of others," "an other-oriented approach to leadership," and "one-on-one interactions between leaders and followers". Although the literature cannot agree on a definition of servant leadership, that has lead to development of variety of assessment instruments and puts into question the validity of empirical research organizational performance (Demeke et al., 2024). As the importance of output continues to rise, more businesses are focusing on organizational performance (Rafiq et al., 2020). This performance, which reflects the results of work completed, serves as a measure of success in various tasks, compliance with company policies, and the fulfillment of individual responsibilities. However, research indicates that organizational performance is a multifaceted concept, and the social structure within an organization plays a significant role in how it stacks up against its competitors (Chan et al., 2024).

In addition to providing useful data for the development of human resources by identifying the strengths and weaknesses of employees, talents, and skills, the performance management system also serves as a useful tool for making decisions about human resources (such as pay, promotions, retention, and motivation). Activities are guided in accordance with strategic goals. It lists employees and draws attention to any training shortages, and it offers useful documentation for reviewing selection criteria and procedures (Armstrong, 2017). Among educators, structural empowerment had an impact on organizational commitment. Their research revealed that employees demonstrated stronger levels of loyalty to the company when they had access to knowledge, assistance, and possibilities for growth. This result validates the notion that employee empowerment initiatives can increase organizational loyalty and lower attrition, particularly in settings where individual growth is essential (Benjamin & Posner, 2018). Another topic of investigation has been the effect of organizational culture on change management. Businesses that have a strong adaptability and resilience culture are better suited to handle change. These cultures encourage employees to be more receptive to change, which lowers resistance and increases the overall success of change programs (Hartnell et al., 2019). This research focuses on five key dimensions of employer branding: work-life balance, healthy work

environment, training and development, ethics and corporate social responsibility, and compensation and benefits. These dimensions are essential for employees to be productive at both personal and professional levels in today's dynamic environment (Azhar et al., 2024).

These questions are to probe into the direct effects, mediation processes and moderation processes in your study. Research Question 1: The effect of servant leadership on organizational performance Research Question 2: Does Structural Empowerment mediate the relationship between Servant Leadership and Organizational Performance? Research Question 3: What is the role of Organizational Culture on the relationship between Servant Leadership and Organizational Performance as mediated by Structural Empowerment?

2. LITERATURE REVIEW HYPOTHESIS DEVELOPMENT

2.1. Servant Leadership and Structural Empowerment

Servant leadership emphasizes employee development, well-being, and empowerment, with the goal of creating a supportive environment in which people can thrive. Previous research has shown that servant leadership enhances organizational performance by increasing staff motivation, engagement, and satisfaction (Lee et al., 2020). Servant leaders foster empowering cultures by prioritizing employees' needs, encouraging their development, and giving them opportunity to take initiative (Eva et al., 2019; Mahmood et al., 2022a). Empowerment involves recognizing and addressing elements that cause disempowering conditions in order to boost employees' self-efficacy. This technique seeks to boost confidence and empower people to take charge of their work environments and responsibilities. By addressing and removing these negative aspects, employees can get a greater feeling of autonomy and competency, resulting in better performance and job satisfaction (Fragkos et al., 2020). Servant leaders promote empowerment by mixing humility with supporting gestures that make employees feel appreciated and competent in their responsibilities (Sousa & Van Dierendonck, 2017). This empowerment can also assist minimize burnout and job stress, resulting in higher job satisfaction and healthy workplace behaviors. Organizations may enhance their commitment and general work environment by removing bureaucratic barriers and empowering nurses to act creatively and take risks (Gilbert et al., 2010).

Structural empowerment focuses on building an environment in which leaders have the authority and support to make decisions that affect their job and the organization, increasing their capacity to influence results and participate in decision-making processes. This method promotes a more collaborative and inclusive work environment by transferring authority and promoting more participation at all levels of the company (Ariza-Montes et al., 2024; Bish et al., 2014). Emphasized that empowerment is an important strategy by which servant leadership improves work satisfaction and organizational commitment (Lee et al., 2020). These findings support the theoretical notion that servant leadership focusses on building structures and opportunities for employee empowerment, reinforcing the relationship between leadership behavior and

organizational performance. Servant leaders provide employees with the resources and opportunities necessary for success in order to actively promote structural empowerment. Employee empowerment mediates the relationship between servant leadership and organizational success by empowering workers to feel that their efforts are valued and that this appreciation drives them to work harder and more productively (Lee et al., 2020). For instance, the good behaviors encouraged by servant leadership and empowerment are more likely to flourish in a culture that values collaboration, transparency, and creativity, leading to improved organizational performance. Employees are more inclined to participate in reciprocal exchanges that improve individual and group outcomes in such settings (Hoch et al., 2018).

Hypothesis 1: “There is a positive relationship between Servant leadership and Structural Empowerment”.

2.2. Structural Empowerment and Organizational Performance

Structural empowerment refers to organizational methods and structures that offer individuals with the resources, autonomy, and authority they need to accomplish their jobs effectively (Laschinger et al., 2009). Servant leadership promotes empowerment by giving employees decision-making power, access to resources, and opportunity for advancement. Employees that feel empowered are more likely to be imaginative, engaged, and productive, which can help the organization function better. Servant leaders, by prioritizing the needs of people, establish a climate of trust and dedication, resulting in improved overall organizational performance (Sendjaya et al., 2020). Empowering people through well-designed structures decreases burnout and increases job satisfaction, both of which are important drivers of organizational performance (Godsey et al., 2020). Innovative behaviors and superior outcomes are more likely to be exhibited by employees when they perceive high levels of empowerment, which has a positive impact on organizational objectives (Doh & Muzio, 2021; Mahmood et al., 2022b). Organizations that employ empowering leadership methods and support systems routinely outperform their competitors in terms of operational and financial indicators (Ladkin & Probert, 2021; Mahmood et al., 2022c). These findings reinforce the notion that creating environments where employees feel empowered contributes to sustainable organizational success. Strategic performance refers to how effectively an organization implements its strategies to achieve long-term goals and objectives. When viewed as a dynamic organizational capability, it emphasizes the organization’s ability to adapt, integrate, and reconfigure resources in response to changing environments and market demands (Awais et al., 2023). A pleasant work culture and a dedication to employee growth aid in the retention of top talent, as employees are more inclined to stay with a firm that values their development and well-being. Finally, these initiatives improve organizational performance by guaranteeing a highly motivated, loyal, and talented staff (Azhar et al., 2024).

Hypothesis 2: “There is a positive relationship between Structural Empowerment and Organizational Performance”.

2.3. Mediation of Structural Empowerment between the Servant leadership and Organizational Performance

Structural empowerment serves as an important mediator in the link between servant leadership and organizational performance. Servant leadership, which focusses on serving, developing, and empowering employees, fosters structural empowerment by giving individuals access to resources, assistance, and decision-making autonomy. A meta-analysis demonstrates that servant leadership promotes empowerment, which leads to increased work satisfaction, engagement, and performance at both the individual and organizational levels (Lee et al., 2020). It has been established that structural empowerment increases the link between leadership and performance by allowing people to operate autonomously and innovatively, consequently increasing organizational outcomes (Doh & Muzio, 2021). Servant leaders help organizations operate better by fostering empowering work cultures in which workers feel appreciated and competent (Sousa & Van Dierendonck, 2017). This empowerment increases individuals' intrinsic desire and ability to contribute effectively, resulting in better organizational outcomes. Structural empowerment is argued as a mediating factor in the relationship between servant leadership and organizational effectiveness. Empowered people are more engaged and motivated, which improves organizational performance. According to research, structural empowerment serves as a means for transmitting the good benefits of servant leadership to organizational outcomes (Hoch et al., 2018). Employees who are empowered are more likely to put in discretionary effort and display dedication to organizational goals, resulting in higher performance. These findings lend support to the theoretical paradigm that structural empowerment bridges the gap between leadership behaviors and performance outcomes by increasing employees' ability to attain organizational goals.

By creating a culture of support and value, servant leaders inspire their team members to go above and beyond the call of duty to further the goals of the company. The improvement of overall organizational effectiveness is contingent upon this reciprocal interaction. Workers who experience a sense of empowerment and respect are more likely to be creative and productive (Wang et al., 2021). Improved financial success has been linked to servant leadership, especially in service-oriented businesses. Servant leadership fosters staff thriving, which leads to improved customer service and financial outcomes, and this has a beneficial impact on store-level earnings (Giolito et al., 2021). Research suggests that servant leadership enhances job happiness and staff engagement, which in turn improves operational performance. Better behavioral outcomes, such as increased employee dedication and performance, are a result of servant leadership (Canavesi & Minelli, 2022). Positive employee behaviors that have a direct impact on the caliber of customer service have been associated with servant leadership. Servant leaders foster the

organizational identity and vitality of their staff members, which improves their customer-focused behaviors. This is especially important for service-oriented industries where consumer interactions between employees and businesses are critical to their success (Yuan et al., 2020). Emphasizes the significance of customer engagement in driving organizational performance, suggesting that higher levels of engagement correlate with better financial results and competitive positioning. This research underlines the necessity of customer-centric strategies to enhance performance outcomes (Ranjan & Read, 2016). Furthermore, by using these insights, organizations may respond to customer demands and market changes faster, which boosts overall performance and competitiveness. In conclusion, big data analytics, which combines technology and innovation, not only increases productivity but also gives organizations the ability to make strategic choices that will improve their performance (Wamba et al., 2015).

Hypothesis 3: “The relationship between the servant leadership and organizational performance is mediated by structural empowerment”.

2.4. Moderating Role of Organizational Culture

The impact of servant leadership and structural empowerment on organizational performance is tempered by organizational culture, which includes an organization's common values, beliefs, and practices. A supportive culture that encourages collaboration, autonomy, and innovation enhances the benefits of servant leadership and structural empowerment. organizational culture refers to the common values, attitudes, and standards that impact employee behavior and organizational outcomes. the success of servant leadership and structural empowerment in improving organizational performance can be dependent on the organizational culture. A culture that values cooperation, innovation, and employee well-being can enhance the benefits of servant leadership and empowerment. Empowering culture strengthens the mediating benefits of structural empowerment by providing an environment in which servant leadership behaviors are more effective (Doh & Muzio, 2021). Organizational cultures that value employee development and trust magnify the positive effects of empowerment on organizational performance (Young et al., 2021). These findings imply that the combination of leadership style, empowerment tools, and organizational culture is crucial for obtaining high performance.

Structural empowerment, in particular, bridges the gap between servant leadership and organizational performance, whereas organizational culture moderates this link by influencing how leadership behaviors and empowerment are viewed and used. organizational culture serves as a lens through which an organization may be observed and examined, providing insights into its operation, decision-making processes, and overall performance. Understanding and evaluating company culture is critical for finding improvement opportunities and aligning organizational practices with strategic goals (Bogale & Debela, 2024). This time period saw a profusion of ideas and models seeking to capture the core of organizational culture, each adding to a more sophisticated understanding of the notion. Despite these attempts, no one definition or evaluation

approach has achieved universal approval, resulting in continuous disputes and revisions in the study of corporate culture. These debates and discussions paved the way for today's broad and diversified body of literature, emphasizing the intricacy and multifarious character of organizational culture (Bellot, 2011).

Hypothesis 4: “The relationship between the servant leadership and structural empowerment is moderated by organization culture, and the relationship will be weaker when the organizational culture is not supportive”.

3. RESEARCH METHODOLOGY

This research comes under the umbrella of post positivist philosophy by using quantitative research design with deductive theory approach. This study examines the casual relationships of servant leadership with organizational performance mediated by structural empowerment under the boundary condition of organizational culture. This research employed time lagged design to collect data through survey questionnaires, and the unit of analysis is individual. Accordingly, multiple surveys are conducted in three lags. The data for the present research is collected from manufacturing industry in Pakistan. In the initial stage, 50 manufacturing firms were identified purposefully in three larger metropolitan cities of Punjab, Pakistan. We requested for the participation of senior management in the surveys by clearly defining the objectives of this research study. Finally, we attained authorization from 40 manufacturing industries established in Punjab. We organized professional ethics and confidentiality agreements with these manufacturing industries and further made a commitment to confidentiality. Subsequently, confidentiality and ethical compliance forms were formalized, and Privacy safeguards and commitments were Improved. With the guidance of the factory managers, 400 employees were selected for data collection in this research study.

The proposed sample for this research Represents 400 employees. The objectives of the study were communicated to the target respondents. To mitigate common method biases, a time-lagged approach was employed, collecting data across three distinct phases with three surveys administered. The surveys were spaced at four-week intervals, with data collection occurring between July 2024 and October 2024. The delivery and collection strategy are adopting the collection of data from participants. The first employee survey (at Time 1) examined perspective of employee on their servant leader and organizational culture. 227 filled questionnaires were returned out of 400 questionnaires distributed among the respondents' returned percentage was (56.75%). The second employee survey (at Time 2) analyzed the perception of employees about organizational performance. In this phase 350 questionnaire delivered to employee who participants in the initial surveys and 290 (82.85%) questionnaires were delivered back. Finally, the third and last employee survey to get the data about structural empowerment. We distributed the 350 questionnaires to the respondents who had participate in all last surveys and returned

280(80%) questionnaires. We conducted the initial review and cleaning of data and confirmed the 400 questionnaires to be completed and suitable for research analysis.

3.1. Measures

This research employed already established instruments to measure the underlying constructs. The 5-point Likert scale strongly disagree to strongly agree was applied to estimate the all the variable engaged in this research. The servant leadership is measured by the instrument which is presented by (Liden et al., 2008). This scale consists of 28 items. The Cronbach's alpha value is 0.924. The organizational culture is estimated by the instrument developed by (Tsai, 2011). This scale contains of 22 items. This scale showed the Cronbach alpha value is 0.712. Further, the organizational performance is measured with scale developed by the (Schaufeli, 2003). This instrument consists of 9 items. The Cronbach's alpha value is 0.882. Finally, the structural empowerment is measured by the instrument which is recommended by (Monje-Amor et al., 2021). This scale comprises of 12 items. The Cronbach's alpha value is 0.814.

3.2. Analysis Strategy

Preceding to hypothesis testing, preliminary data analyses were accomplished to examine missing values, to ensure validity, identify potential outliers, and examined the normality of the data. Scale's reliability is established by Cronbach's Alpha and composite reliability. Descriptive statistics offer a summary of data mean, standard deviation, data normality and bi-variate correlation. Finally, for the hypotheses testing Smart PLS is used in the present research.

4. RESULT AND ANALYSIS

Table 1 displays the demographic characteristics of the participants. Out of the 400 employees, 59.25% were male and 40.75% were female. In terms of age distribution, about 28.75% were aged 20 to 25, 21.75% fell within the 26 to 30 age range, 23.25% fell within the 31 to 35 age range and 26.25% were older than 35. Regarding educational achievement, 26.75% of participants had finished 14 years of schooling, 33.75% had completed 16 years, 21.5% had completed 18 years and 18% had received education surpassing above 18 years. Concerning professional experience, 18.25% of the participants had 1-3 years of experience, 16.25% held 4-6 years of experience, 38.75% held 7-10 years of experience and 26% over 10 years of experience.

Table 1: Respondents Characteristics

	Profile	Percentage	Profile	Percentage
Gender	Male	59.25	20-25	28.75
	Female	40.75	26-30	21.75
Age			31-35	23.25
			above	
			35	26.25

Experience	1-3 years	18.25	14 years	26.75
	4-6 years	16.25	16 years	33.75
	7-10 years	38.75	18 years	21.5
			above	
	above 10 years	26.75	18	18

Table 2 shows that the measures employed in this study possess both validity and reliability, with outcomes remaining within an acceptable range. To show reliability, the average variance extracted (AVE) must be greater than 0.50, and the maximum shared variance (MSV) ought to be less than the AVE. Furthermore, to demonstrate their liability of the scale, it is essential for the composite reliability and Cronbach's alpha to be above 0.70 and 0.60., as indicated by a study (Hair et al., 2013). Thus, we found that the AVE value was greater than 0.50, while the MSV value was less than the AVE. Additionally, both Cronbach's alpha and composite reliability surpassed the required levels to confirm reliability. For example, the composite reliability exceeded 0.80, while Cronbach's alpha was greater than 0.70 for all fundamental concepts. The information in Table 2 shows that there were no concerns regarding validity and reliability.

Table 2: Scale Validity and Reliability

Variables	Items	Alpha	AVE	MSV	CR
Servant Leadership	28	0.924	0.643	0.827	0.42
Structural Empowerment	12	0.814	0.734	0.542	0.89
Organizational Performance	9	0.882	0.563	0.323	0.78
Organizational Culture	22	0.712	0.594	0.434	0.76

Notes: CR is the composite reliability, AVE presents average variance extracted, and MSV is maximum shared variance

Table 3 presents the summary statistics and bivariate correlations among the research variables. The average values show the central tendency of the data, while the standard deviation reveals its dispersion. Moreover, skewness and kurtosis are utilized to assess the normality of the data. For instance, the average for EIJP was 4.39, having a standard deviation of 0.46, which is within a sensible range. Similarly, the skewness and kurtosis values were noted to remain within the normal range ± 1.96 as indicated by (Gomes et al., 2012; Cruz, 2007). Moreover, the bivariate correlation analysis showed a low correlation value, indicating that there was no concern regarding multicollinearity.

Table 3: Descriptive Statistics and Correlation

Variables	Mean	SD	Skew	Kurt	1	2	3	4
Servant Leadership	3.39	0.85	-1.77	3.09	1			
Structural Empowerment	3.87	0.47	-0.82	0.16	0.58	1		

Organizational Performance	2.97	0.42	-0.28	-0.57	0.07	0.25	1
Organizational Culture	4.45	0.64	-1.91	1.18	0.014	0.38	0.35 1

Hypothesis Testing

After validating and testing the reliability of the data, along with performing descriptive and inferential statistics and evaluating model fit, hypothesis testing is performed, and the results are reported in Table 4. It is found that servant leadership has a statistically significant and positive effect on structural empowerment of 0.676* (95% CI [0.431, 0.921]). Thus, Hypothesis 1 is supported that states, “There is positive relationship between the servant leadership and Structural empowerment”. Similarly, we also noticed direct positive and statistically significant impact of structural empowerment on organizational performance 0.487* (95% CI [0.273, 0.701]). Thus, the Hypothesis 2 is supported as well. Further, the relationship between servant leadership and organizational performance is significantly mediated by structural empowerment 0.329* (95% CI [0.191, 0.466]). We found full mediation and the Hypothesis 3 is supported as well as the direct effect of servant leadership and organizational performance noted to be positive but statistically insignificant. Further, Hypothesis 4 explicated that, “The relationship between the servant leadership and structural empowerment is moderated by organizational culture such that the relationship will be weaker when the organizational culture is high than when it is low”. Accordingly, it is noticed that the relationship is significantly moderated by organizational culture such the when organizational culture is high than the effect of servant leadership on structural empowerment significantly reduced -0.598* (95% CI [-0.312, -0.867]). Thus, the Hypotheses 4 is supported.

Table 4: Summary of the Direct and Indirect Effects

	Estimate	P-value	95% CI	Remarks
SL → SE	0.676*	0.00	[0.431, 0.921]	Supported (H1)
SE → OP	0.487*	0.00	[0.273, 0.701]	Supported (H2)
SL → OP	0.145*	0.06	[-0.034, 0.324]	
SL → SE → OP	0.329**	0.01	[0.191, 0.466]	Supported (H3)
SL*OC → SE	-0.598*	0.00	[-0.312, -0.867]	Supported (H4)

Notes: * p < 0.05, ** p < 0.01, SL = servant leader, SE = Structural Empowerment, OP = organizational performance, OC = organizational culture

5. DISCUSSION AND CONCLUSION

This research examines the complex relationship between servant leadership, structural empowerment, organizational performance and organizational culture in organizational contexts. The results are consistent with the existing literature, providing strong support for the proposed pathways and interactions between these variables. Structural empowerment acts as a key mediator linking servant leadership to organizational performance, functioning as an essential mechanism that achieves the beneficial impacts of servant leadership on organizational

performance into reality. Elevated structural empowerment fosters a sense of value, engagement, and dedication among employees, thereby improving their overall well-being. This research highlights the crucial importance of structural empowerment in promoting organizational performance and enhancing organizational effectiveness. Firstly, this present research examined that there is direct relationship between the servant leadership and structural empowerment. The finding of this research study is aligned with the available literature. Servant leadership in manufacturing enterprises was found to increase staff engagement and innovation, which directly contributed to improved product quality and customer happiness (Mahdy et al., 2023).

The result of this study is positive and statistically significant. Secondly, this study investigated that there is positive relationship between structural empowerment and organizational performance and the outcome this research is match with the existing literature Servant leadership improves supply chain performance by increasing collaboration and trust among partners (Ren & Shen, 2024). The relationship is direct and statistically is significantly. Thirdly, this research concluded that the relationship between the servant leadership and organizational performance is mediated by the structural empowerment. The result of this study is match with the existing literature Servant leadership has an impact on staff motivation and retention in labor-intensive manufacturing contexts. The study discovered that servant leadership reduces turnover intentions by creating a supportive workplace atmosphere. Employees are more inclined to stay with organizations where they feel valued, allowing manufacturers to maintain a talented staff while lowering recruitment expenses (Sun et al., 2020) . Findings of this study is positive and statistically significant. Fourthly, this study examined There is positive relationship between the servant leadership and organizational performance is moderated by organizational culture. The finding of this research is match with the literature Relationship between servant leadership and operational excellence in the manufacturing industry. The authors emphasized that servant leaders who priorities staff empowerment and skill development drive continuous improvement activities, resulting in increased process efficiency and less waste in industrial processes (Verma & Kumar, 2022). The finding of this study is positive and statistically significant. The results of this research offer numerous practical insights for leaders and HR professionals in organizations. To begin with, fostering a culture of servant leadership in organizations can greatly improve organizational performance by encouraging increased structural empowerment. Secondly, organizations ought to strive to align organizational culture to enhance the positive effects of servant leadership. By providing resources like autonomy, social support, and chances for professional growth, organizations can foster an environment that enhances the development and efficiency of servant leadership, thus maximizing organizational performance. Although the findings are strong, some limitations deserve attention. The cross-sectional design restricts the ability to draw conclusions about causality.

Future studies ought to employ longitudinal designs to more effectively capture the evolving nature of these relationships. Furthermore, although this research emphasized the

mediating effect of structural empowerment, other possible mediators like organizational commitment and psychological empowerment need to be investigated. Additional studies should explore how various leadership styles interact and their collective impact on organizational performance. To summarize, this research offers a significant addition to the current body of work regarding servant leadership and its effects on organizational performance. The results highlight the crucial significance of fostering supportive and resource abundant work settings by clarifying the mediating impact of structural empowerment and the moderating influences of organizational culture. Organizations that implement servant leadership principles and offer ample organizational culture are ideally situated to improve organizational performance and attain overall organizational efficiency.

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