The influence of Servant Leadership and Service Climate on Customer Oriented-Organizational Citizenship Behavior (CO-OCB)

(Study on first-first-line manager of Tourism Industries in West Java Indonesia)

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Abstract— In service sector with more competitive and challenging issue on society welfare, psychological perspective of service nature becomes more vital. Considering Indonesian tourism has major potential as source of Indonesian welfare, this research aimed to discover service commitment model on first-first-line manager of tourism industries as an indicator for superior service quality which has impact on organizational performance. This service commitment model was developed from Organizational Citizenship Behavior (OCB) concept that focused on customer, called as Customer Oriented-OCB (CO-OCB). In this research, the effect of Servant Leadership and Service Climate was simultaneously and partially examined on CO-OCB of first-first-line manager.

This research used explanatory survey method with descriptive and verificative analysis. Based on random sampling techniques, the research was conducted for 119 first-first-line managers of Tourism Service Companies in West Java. The examination of research hypothesis used Structural Equation Modeling (SEM) with component / variance based, that is Partial Least Square (PLS) technique with Smart PLS program.

The research showed that Servant Leadership and organizational Service Climate have influences on CO-OCB. Both Servant Leadership & Service Climate have direct significant influences toward CO-OCB. On the other hand, Servant Leadership has a strong significant influence on Service Climate. Therefore, through Service Climate, Servant Leadership has stronger influence toward CO-OCB than directly on CO-OCB. Thus, the Service Climate is a very important aspect, because through this variable, the Servant Leadership could give stronger effect on CO-OCB.

Keywords— Servant Leadership, Service Climate, CO-OCB, Tourism Service Industries

1. Introduction

In life, people are always faced with various types of services from other parties related either directly or indirectly. Outstanding service quality often reviewed in terms of consumers’ understanding or external customers to the service providers in meeting their requirements (needs) and desires (wants). In the context of organization or company services, services providers are the ones who play important roles in seeking quality services that satisfy customers. Organization’s service quality to external customers can be seen from how the organization serves its employees (Schneider, 2004). Excellent service quality and external customer satisfaction can be ensured if the human resources of the service organization, managers in particular, emphasized the quality of service so as to create a good service climate within the organization. However, the standard service behaviors of the managers are often not sufficient to ensure excellent service. The concept of extra role behavior (Organ, 2004), especially in the context of a customer-focused service called Customer Oriented-Organizational Citizenship Behavior (CO-OCB) tried to explain the commitment of service to individuals so as to ensure quality of service to external customers. Therefore, the study of organizational members’ commitment to demonstrate the extra role behavior focused/oriented to customers (Customer Oriented-Organizational Citizenship Behavior) is important as organization’s service quality indicator that can guarantee customer satisfaction and loyalty.

Based on theoretical studies and some initial empirical study conducted by researcher about the service qualities in several organizations and service companies, researcher assume that there are at least three psychological factors that play role in an individual’s commitment in providing services, namely (1) the individual service orientation associated with their personal value, (2) the organizational service orientation which is conceptually a service climate, and (3) the ability to influence others or leadership skills which is service-oriented that is oriented to develop and improve the life of others. Incorporated in servant leadership behaviors are the service-oriented personal values. This study tried to examine individual service commitments in the form of customer-oriented extra role behavior as an organizational citizenship (Customer Oriented-Organizational Citizenship Behavior = CO-OCB) with the role of Servant Leadership and Climate Services.

The study was carried out on the first-line managers, given the position of first-line managers in the service organization is well positioned to external customers through its frontline employees as well as to internal customers. Commitment to the service of first-line managers are expected to be an indicator for the superior service quality provided by organizations that have impact on customer satisfactions and loyalty as well as excellent organizational performance (Organ, Podsakoff, 2006; Lytle, 2008; Schneider, 2004). The leader’s role in this case, the first-line manager actively shaping service to promote service oriented values to employees, clarify the needed behavior of the employees to achieve their valued objectives or results (employee self-development) and enables subordinates to display service quality (Lytle et al, 1998). Positive service climate generate job satisfaction, while job satisfaction is one of the antecedent factors for committing to customer oriented extra role behavior (CO-OCB) (Opinion of: Gonzales & Garazo, 2006; Organ & Ryan, 1995; Judge, Thoresen, Bono & Patton, 2001)
This research was conducted in the tourism sector, associated with various other services which involve the welfare of people (the general public) is service tourism. In the worldwide scope, the tourism industry is in the third order of business after the crude oil/petroleum and motor (vehicles, parts/ accessories), whereas in Indonesia it is second only to oil-industry gas (oil) which generate foreign exchange earnings for the country. Indonesia also has abundant tourism potential, but in the index issued by Global Tourism Forum (GTF) in 2011 which was held in Andorra, Indonesia was still in the "suffocating" position in the global level even in the Asia Pacific region. The new position of Indonesia is rank 70 of 139 countries.

Given that Indonesia's tourism industry to be the second favorite for foreign exchange Indonesia, which has the potential to improve the welfare of society, while a destination or Tourist Destination Areas (TDA) is the fundamental unit of analysis in the field of tourism (WTO, 2002) where TDA can rise and fall in popularity (Plog, 2004), depending on how the management of TDA, then study of the extra role behavior of service commitment to the first-line managers' role within the organization tourism sectors becomes very important. In the context of tourism sector service organization, standard service behavior in accordance with the job description alone is not sufficient to produce a quality of service that is able to consistently satisfy customers. Organizations providing services in the field of tourism which plays an important role in the TDA is the Ministry of Tourism & Culture (now called Ministry of Tourism & Creative Economics) and Tourism Services industry, therefore this research focused on Tourism Services’ first-line managers. This study was conducted in West Java considering: 1) the geographical location of the province of West Java is the closest state capital compared to other provinces; 2) West Java province is rich in natural and cultural attractions, but have not optimally managed; 3) Increased 33.97% of foreign tourists in the last 3 years is quite high but in general West Java tourism is still under the province of Bali and Yogyakarta; 4) Economic growth of the tourism sector in West Java in 2010 is still around 0.11% (Source of data: Governance of Tourism in West Java).

This study intends to analyze and explain the influence of leadership in the context of servant leadership, organization’s service climate in relation to extra role in customer-oriented service which is CO - OCB as an indicator organization’s service quality. The final goal of this research is to obtain a model of first-line manager Service Commitment as an indicator for the excellence service quality in the tourism industry, by proven influence fit models between Servant Leadership and organizations Service Climate and service commitments in the form of customer-oriented extra role behavior (CO - OCB) on the first-line manager. This study aims to get a formula that can predict the quality of tourism management of an area based on CO-OCB. Further findings, Service Commitment Model on the first-line managers and the specific features of each of its constituent variables are able to answer the fundamental problem of service quality of tourism industry in order to promote the tourism industry in West Java.

The overall results of this study will be useful for the concept development and Service Psychology theories which are relatively limited, so it can support the development of Consumer Psychology science in particular and Industrial & Organizational Psychology science in general.

II. Methods

This study is an Explanatory Survey Research. Based on the type of investigation, the character of this study is Causal Relationship. Measurements on all the variables are ex post facto, which means that researcher do not give specific treatment to the subjects of the study, only measured the psychological aspects that already exist on the subject of self through self - administrative questionnaires : 1) Servant Leadership Questionnaire that measures first-line manager’s perception about servant leadership on their selves consisting of 10 behavioral characteristics of Listening (List) , Empathy (Emp), Healing (Heal), Awareness (Awr), Persuasion (Pers), Conceptualization (Conc), Foresight(Fore), Stewardship (Stew), Commitment to the Growth of people/Other (CGO), and Building Community(BCom); 2) Service Climate Questionnaire consisting of 5 aspects of the Internal Service (IS), Work Facilitation (WF), Customer Orientation (CO), Managerial Practices (MP), and Customer Feedback (CF); 3) CO - OCB Questionnaire that measures the extra - role behavior of first-line managers in carrying out work oriented in customer service, consisting of 7 behavior aspects that form the Customer Oriented-Organization Citizenship Behavior (CO-OCB), namely : Helping Behavior (HB), Sportsmanship (SP), Organizational Loyalty (OL), Organizational Compliance (OC), Civic Virtue (CV), Individual Initiative (II), and Self Development (SD).

The sample size of this research was 119 first-line managers of tourism service industries, consisted of major tourism services organization, that is accommodation (hotels / lodging, resort), consumption (restaurant, big cafe) and tourist attractions (natural, cultural attractions, museums, local specialties industry) in cities/districts in West Java which taken using cluster random sampling technique. The analytical method used consisted of descriptive analysis and verification (hypothesis testing). Research hypotheses: 1) Servant Leadership influence towards CO - OCB; 2) Service Climate influence towards CO - OCB; 3) Servant Leadership and Service Climate influence to CO-OCB. Verification analysis using Partial Least Square (PLS) as one of the alternative method of Structural Equation Modeling (SEM) which based on component or variance-based SEM (Imam Ghozali, 2011). According to Hair, Black, et al (2006) PLS as an alternative estimation approach of traditional SEM. PLS is often referred as soft modeling, and is a powerful method of analysis because it is not based on many assumptions, data does not have to distribute normal multivariate and the sample does not have to be big (Wold, 1985 in Imam Ghozali, 2011). PLS Technique is optimal for prediction accuracy, intended as causal-predictive analysis.
III. Results & Discussion

Major Hypothesis Testing: Effects of Servant-Leadership on Service Climate-SC and CO-OCB of West Java Tourism Services’ first-line managers

Model of the effect of Servant Leadership (SL) towards Service Climate (SC) generate R-square value of 0.370 can be interpreted that the variability constructs Service Climate (SC) can be explained by the variability construct Servant Leadership (SL) of 37.0%, while 63.0% is explained by other variables besides Servant Leadership (SL). While the model of the Service Climate (SC) influence and Servant Leadership (SL) towards CO-OCB generate R-square value of 0.417 which can be interpreted that the variability construct CO-OCB can be explained by the variability constructs Service Climate (SC) and Servant Leadership (SL) amounted to 41.7%, while 58.3% is explained by other variables besides the Climate Service (SC) and Servant Leadership (SL).

a) Testing Subhypothesis 1: Effects of Servant Leadership on the CO-OCB West Java Tourism Service Industries’ first-line managers. Effect of Servant Leadership (SL) towards CO-OCB model generates R-square value of 0.304 which can be interpreted that the construct variability CO-OCB can be explained by the construct variability Servant Leadership (SL) of 30.4%, while 69.6% is explained by other variables in addition to Servant Leadership (SL).

b) Testing Subhypothesis 2: Effect of Services Climate (SC) towards CO-OCB of West Java Tourism Services’ first-line managers. Service Climate (SC) influences model towards CO-OCB generates R-square value of 0.365 which can be interpreted that the construct variability CO-OCB can be explained by the constructs variability Service Climate (SC) of 36.5%, while 63.5% is explained by other variables besides the Climate Service (SC).

c) Testing Subhypothesis 3: Effects of Servant Leadership towards Service Climate

Servant Leadership (SL) influence model towards Service Climate (SC) generates the value of R-square of 0.374 which can be interpreted that the constructs variability Service Climate (SC) can be explained by the construct variability Servant Leadership (SL) of 37.4%, while 62.6% is explained by the variable other than Servant Leadership (SL).

Based on descriptive data the average value of Service Climate in Tourism Industry is quite big (4.7 from 5 scale), Service Climate in in the tourism service industry organizations is quite positive or favorable (56.3% favorable & 27.7% very favorable), especially on Customer Orientation (4.7) and Customer Feedback (4.7) dimension so with the contribution of both dimensions, first-line managers can demonstrate a quite strong CO-OCB (together with SL, R-Square SC toward CO-OCB is 0.417)

Based on the data from the integrative model, the most powerful aspect of Servant Leadership is owned by Tourism Service Industries’ first-line managers are Foresight, Conceptualization and Empathy. Unfortunately Building Community aspects are relatively low, which shows that future concept from first-line manager’s in producing ideas for members of organization and customers has not been followed by action in order to build a more prosperous community.

Based on the overall results of this study can be explained that the service commitment model, in this case CO - OCB which assumed as an indicator of the organization’s service quality, customer satisfaction and customer loyalty is influenced by the Servant Leadership as individual factors (person) and by Service Climate as a representation of the environmental factors (organization). In other words to form CO - OCB in the Tourism Industries first-line managers is to select and establish, train first-line managers who have Servant Leadership so as to create a positive or favorable Service Climate in the organization to encourage the formation of CO - OCB.

Associated with Service Climate, it is interesting to study further whether positive service climate created by the top management can encourage first-line managers to behave servant leadership that will encourage the appearance of CO - OCB. In according with the results of the descriptive analysis, when talking about Service Climate, it is absolute for first-line managers and the higher management creates Customer Orientation and Customer Feedback aspects followed by more positive and favorable Managerial Practices aspects in the Tourism Service Industries’ Service Climate. Which appear that there are needs for improvement intensively are the Internal Service and Work Facilitation as the foundation for Service Climate. CO-OCB aspects as part of the prominent first-line managers service commitment that at the level of Strong and Very Strong is Organizational Compliance, which is one form of compliance characteristics. In general, aspects with Compliance dimension is more outstanding than Altruism.
iv. Conclusion
Here are some of the conclusions from the research:

1. The CO-OCB of Tourism Service Industries’ first-line managers can be explained by one individual factor, that is Servant Leadership and one organizational factor that is Service Climate.

2. Both Servant Leadership and Service Climate contribute partially towards CO - OCB, however Service Climate have a bigger role than the Servant Leadership. On the other hand Servant Leadership have a strong influence on forming the Service Climate, so that through the influence of Servant Leadership towards the Service Climate will encourage the formation of a strong CO-OCB.

3. Servant Leadership is always influential in the establishment of the Service Climate Services and vice versa, while Service Climate always influence CO-OCB, so as to be CO-OCB managers need to be in a positive Service Climate.

4. Establishment of positive/favorable Services Climate, have to prioritize positive Customer Orientation, Customer Feedback, and Managerial Practices.

5. CO-OCB of first line manager of Tourism Service Industry classified as strong, with Compliance dimension is greater than the Altruism dimension.

v. Suggestion

a. Advanced Studies Suggestions
1) For the development of Industrial and Organizational Psychology science more widely, further research involving other relevant variables that are individual and group or organizational (e.g. first-line manager personality type, leisure motives, service culture on organization) are needed.
2) Research on other type of organizations/companies and on other level of other positions (e.g. middle managers, top managers) that will enrich the study of Personnel Psychology and Organizational Psychology.

b. Practical Suggestions
1) Strategic policy in terms of: (a) management and development of first-line managers in particularly the tourism industries’ first-line managers; (b) determining regulations that require that the tourism industry have qualified first-line managers in service commitments include having orientation or service value that build the competency of Servant Leadership.
2) Basic thought for early and continuous education in all groups / communities on Servant Leadership behaviors that support service commitment to others, in an effort to improve the welfare of the social environment. Early and continuous education can be started from family organizations and schools (elementary school to university) to the organization of work, thus forming a good society.
3) Results of this study can be assessed further for the base of Indonesian human development policy in the establishment of the help and serve others quality (sense of service), as the core of the teamwork and leadership competencies through tourism activity in all groups of society, thus supporting the quality of education and health aspects as an indicator of HDI.

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References


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