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**MEDIATING ROLE OF JOB WORK ENVIRONMENT BETWEEN  
THE RELATIONSHIP OF SERVANT LEADERSHIP AND FACULTY RETENTION IN  
HIGHER EDUCATION**

*Aneela Sheikh*<sup>\*1</sup>

*Abdul Jalil Ali*<sup>2</sup>

*Muhammad Akram Soomro*<sup>3</sup>

**Abstract:** *Current study aims to explore the mediating role of job work environment between the relationship of servant leadership and faculty retention. The population of this study consists of all fulltime faculty members of four private higher education institutes of Lahore, Pakistan. The total number of population consists of 2,230 full time faculty members. A sample of 330 faculty members was drawn through cluster random sampling technique. The data collected was analyzed using SPSS version 23. Theoretically, this study has been conducted under the domain of social exchange theory (SET). The mediation of job work environment was checked through Baron and Kenny path analysis procedure, the results revealed that servant leadership has a positive significant impact on faculty retention and job work environment, and job work environment partially mediates the relationship between servant leadership and faculty retention. Such type of study should also be conducted for public universities and other higher education institutes.*

**Keywords:** Servant Leadership, Job Work Environment, Faculty Retention, Higher Education

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<sup>1</sup>\*Corresponding Author is PhD Scholar in School of Education at Universiti Sains Malaysia, 11800 Penang. Malaysia, E. Mail: [aneelasheikh15@gmail.com](mailto:aneelasheikh15@gmail.com)

<sup>2</sup> Author is Assistant Professor in School of Education at Universiti Sains Malaysia, 11800 Penang. Malaysia.

<sup>3</sup>Author is Assistant Professor in Department of Mass Communication at The University of Punjab, Lahore, Pakistan.

### **Introduction:**

From the past few decades retention of the faculty members in many higher education institutes has become a crucial problem, which needs an immediate attention. When competent faculty leaves, they depart with a critical knowledge, expertise and experience that is essential for sustaining the competitive advantage. Particularly in the recent century, the question of employee turnover has gained a greater attention. Further, with the changing world economic conditions recruitment has become highly competitive from a sharing skilled candidates form a limited pool, which has fastens the employee recruitment and retention process. Higher education leaders recognize the importance of developing and maintaining positive productive relationships with faculty members. Barbuto & Hayden (2011) have reported that positive leader-follower relationship is a solid predictor of an organizational outcome. An ethical leadership practice promotes a positive leader-follower relationship, which is now considered as the best choice for faculty job satisfaction and organizational commitment.

In recent years faculty retention has become a challenging issue in higher education institutes (HEIs) of Pakistan, because of the increasing turnover rate. As a negative consequence of the high turnover phenomena, research and academic activities in higher education institutes are increasingly affected. Hence it is important to address the factors associated with the increased faculty turnover and the importance to identify and address these factors (Fakhar, 2010). Educational leaders play a critical role in upbringing a satisfactory working environment for their employees to remain committed with the institute. The approach of this study is inspired by the complex and multifaceted dimensions of faculty retention in the education system of Pakistan, this study is done particularly with the evolving perception of servant leadership practices in the educational settings that can

lead to more satisfied, empowered and committed faculty members.

### **Literature review**

#### **Servant leadership**

Servant leaders practices an ethical and caring behavior, empower employees in decision making, and enhances the growth of employees while caring and improving the quality of organizational wellbeing (Spears, 2010). Servant leaders employ a combination of characteristics, one of these characteristics is that they put employee as their priority. The pioneer in defining servant leadership Style was Greenleaf (1977). He believes that a leader that practices servant leadership styles will place serving others' needs as their top priority. Franklin (2010) describes servant leadership as a leadership style which focuses primarily on followers needs and keeps the organizational matters as a secondary concern. In other words, servant leadership pays a great attention to the well-being of their followers and employees (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Servant leaders exhibits a combination of characteristics, out of which employee well-being as their first priority and believes that a leader that practices servant leadership styles places serving others' needs as their top priority. Ebener and O'Connell (2010) pointed out that servant leaders create a culture of service in organizations and have an impact on the beliefs, behaviors assumptions, values, and of the employees. Further, Wong and Davey (2007) explained that servant leaders train their employees to become future leaders. In order to train employees into future leaders, servant leaders empower their employees and inculcate the culture of empowerment (Van Dierendonck & Nuijten, 2011, Ebener & O'Connell, 2010). Empowering employees is one of a major component of servant leadership, it allows employees to make their own decisions regarding learning new things and improving intercommunication skills, to enhance organizational performance, to make

the working process more operative and effective (Fernandez & Moldogaziev, 2013). Through listening, a servant leader will be able to identify the needs of their employees and learn through the employees ideas (Spears, 2010; Boone & Makhani, 2013). Another characteristic of servant leadership is forgiving. Servant leaders also have empathy and sympathy, towards their employees. With free decision making, employees become more creative into solve organizational problems, this will help the organization to have the best employees (Van Dierendonck & Nuijten, 2011). Servant leaders have less self focus and know how to respect the worth of their employees (Hirschy, 2011). Den Hartog and De Hoogh (2009) also found that in return employees trust their leaders and remain committed to the organization if the leaders behave ethically.

#### **Servant Leadership in Higher Education**

Albach & Engberg (2015) stated that, from a faculty's perspective servant leadership is a new approach in higher education institutes. Higher education institutions are complex with scarce resources and compete for their prestige and rankings. With all these factors, it is not matter of surprise that an ineffective leadership may exists. Leading an organization is enormously challenging because leaders have to face tough decisions related to budgets cutting, managing salary raises, adding and eliminating courses and programs. In accordance with this Wheeler (2011) supporters points out a shift in of sharing the power and consultation the needs of employees. And this is also leaving a legacy within the scope of academic leadership. Wheeler pursues to provoke leaders in academia to consider the servant leadership approach over the traditional leadership styles. Higher education does not produce industrial products, rather it is a "service". Graduating students are not a finish product, instead they are skilled future expertise.

#### **Faculty retention**

Academic staff retention is an organizational management skill, to not only hire qualified and skilled and staff, but also to retain the competent staff by providing a work-life balance, motivated work climate, best place for job and being an employees' choice, by executing best human resource practices to retain the talent within the organization. This depends upon the dedicated execution of best human resource practices and talent management skills of the organization (Bushe, 2012). Reported by, Harris, et. al. (2016) ethical behavior of leaders have an impact on the faculty's turnover rate, his research also elaborates that even if the faculty faces job stress the faculty's turnover rate decreases due to the support and ethical behavior of the leader. The high turnover rate of faculty is a matter of serious concern in higher education institutes (HEI's) and challenges the institute for its stability and quality. According to Powell (2010), high faculty turnover rate poses detrimental effects on the students, research and other academic staff members, who have all the way provided a quality service to the academic institution. The academic institution faces the consequences with regard to the academia, when inexperienced faculty filled the vacated position of the experienced faculty.

Now a day's organizations realize that balance of power has shifted from employers to employees. Excessive turnover can lead to brutal consequences within the organizations and hence it is extremely important for organizations to work on retaining the best talent (Sohail, et. al., 2011). In addition, and job working conditions and other factors such as sector of employees' working institutions (Public & private) and demographic variables of participants who are working in higher education institutes also affect the faculty turn over and commitment.

### **Job working conditions**

Work environment is one of the factors that affect employees' decision to stay with the organization (Zeytinoglu & Denton, 2005). According to the historical backdrop, Tolman (1926) reported, that people try to understand their work environment. Work environment is a vibrant factor that influences employee retention (Zeytinoglu et al, 2005). Work environment tends to have positive or negative effect on certain job outcomes like involvement, commitment and intention to stay in an organization (Ollukkaran et al, 2012). According to Mangi, et. al. (2011), good working environment, attractive and clean environment encourages the employees to do their work effectively and have a positive influence on employees' retention and commitment. Prior to conducting this study, previous researches have examined the moderating role of work environment on the relationship between entrepreneurial orientation and firm performance (Aaraki & Kimbugw, 2015), western expatriates' commitment and retention in international assignments (Nguyen, et al., 2013) and motivation to learn and perceived trainings (Kim-Soon, Ahmad & Ahmad, 2014).

### **Problem statement**

The higher educational industry, especially universities of Pakistan are facing the problem of high turnover as more choices have become available to a limited pool of faculty. Public sector universities are losing charm for teachers having strong academic and research backgrounds as private sector universities are providing more incentives and better financial packages for them to join their faculty. In Pakistan, the voluntary move out of the faculty from their institutes is mainly related to; opportunities of learning and growth (Mubarik, 2012), compensation and poor work environment (Palwasha, 2017) assertive behavior of immediate boss (Shakeel, 2015), unclear guidelines and poor rewards and

recognition (Akhtar, 2015), poor job satisfaction (Malik, 2010).

### **Research Design**

A cross-sectional quantitative research approach was employed to explore the mediating effect of Job Work environment between the relationship of Servant Leadership and Faculty retention, in the four private universities of Lahore. Thus, in this study a descriptive and correlational research designs has been followed. The descriptive research helped to describe the situation with the support of measures of an event by using descriptive statistics such as, measure of central tendency and measure of dispersion (Hair, et al., 2016).

### **Sampling procedures**

A "cluster random sampling" technique is used to ensure an appropriate sample is withdrawn from each university and is generalizable for the population. Sekaran (2006) stated rule of thumb about the minimum sample size, which was number of all items multiply by 5. Hence, according to five times rule is  $5 \times 66 = 330$ , represented the minimum sample size of the study. A total of 500 questionnaires were distributed among the four private universities of Lahore, city. Further as a rule of thumb about sample size is recommended any number above 200 provides enough statistical power for data analysis (Hoe, 2008).

### **Measurement and Research Instrument**

The 66 items scale used in the this study was drawn and modified from previous studies. A point seven Likert scale was used to measure all the items, where 1 represents (strongly disagree) and 7 represents (strongly agree). To measure servant leadership 28 item were adapted from (Liden, R. C., et. al. 2008), and to measure employees' retention, 11 items were adapted from Kyndt et al., 2009). To measure job work environment 10 items were adapted from Edgar and Geare (2005). The adapted items were than tested for their reliability scores through pilot testing the instrument.

**Table 1: Reliability scores of the variables from pilot testing**

|                      |     |
|----------------------|-----|
| Servant leadership   | .93 |
| Faculty retention    | .87 |
| Job work Environment | .88 |

**Hypotheses**

**H1:** There is a statistically significant relationship between servant leadership and faculty retention.

**H2:** There is a statistically significant relationship between servant leadership and Job work environment.

**H3:** There is a statistically significant relationship between Job work environment

and faculty retention.

**H4:** Job work environment mediates between the relationship of servant leadership and faculty retention.

**Underpinning theory**

The conceptual base of this study is grounded in Social Exchange Theory (SET) theory.

**Results and discussion**

**Table 2: Mean, Standard deviation and Correlation values.**

| Variables            | Mean | Standard deviation | Servant leadership | Faculty retention | Job work environment |
|----------------------|------|--------------------|--------------------|-------------------|----------------------|
| Servant leadership   | 5.1  | .74                | 1                  |                   |                      |
| Faculty retention    | 4.6  | .70                | .58                | 1                 |                      |
| Job work environment | 5.3  | .97                | .58                | .70               | 1                    |

\*\*  $p < 0.05$  level (2-tailed)

Table 2 shows the values of mean and standard deviation values of the variables for this study, and correlation among these variables, Servant leadership and Faculty retention is correlated with the value of  $r = .58$  and with Job work environment with the correlation value of  $r = .58$ , Faculty retention is correlated with Job

work environment with the correlation value of  $r = .70$ .

**Mediation analysis**

The mediation analysis is conducted in accordance with Baron and Kenny (1986) path analysis, using regression method.

$$c = c' + ab$$

**Table 3 Path coefficients and Regression analysis**

| Path      | Predictor Variable              | Dependent Variable   | $\beta$     | S.E  | F       | R <sup>2</sup> | Sig    |
|-----------|---------------------------------|----------------------|-------------|------|---------|----------------|--------|
| Path (c)  | Servant leadership              | Faculty retention    | <b>.539</b> | .043 | 160.467 | .321           | .000** |
| Path (a)  | Servant leadership              | Job work environment | .873        | .065 | 180.438 | .347           | .000** |
| Path (b)  | Job work environment            | Faculty retention    | .449        | .025 | 325.824 | .490           | .000** |
| Path (c') | Servant Leadership + (Mediator) | Faculty Retention    | <b>.225</b> | .044 |         |                | .000** |
|           | Job work environment            | Faculty Retention    | <b>.360</b> | .030 |         |                | .000** |

\*\*  $p < 0.01$  level (2-tailed)

Table No 3 provides the values of regression analysis. For the relationship of Servant leadership and Faculty retention (path c) the regression values are,  $F$  is 160.467,  $R^2=0.321$ ,  $\beta = -0.539$  and significance is 0.000. The regression analysis for the relationship between Servant leadership and Job work environment (path a) the values are,  $F = 180.438$ ,  $R^2= 0.347$ ,  $\beta = -0.873$  and the significance is .000. For the relationship of Job working conditions and Faculty retention (path b) the regression analysis values are,  $F = 325.824$ ,  $R^2= 0.490$ ,  $\beta = 0.449$  and significance is .000. In (path c'), with the addition of Job work environment as a second predictor variable along with Servant leadership the value of " $\beta$ " has reduced from 0.539 to 0.225, indicating that Job work environment, partially mediates between the relationship of Servant leadership and Faculty retention.

### **Discussion and Conclusions**

The current study examined the influence of servant leadership and Job work environment on employees' retention among the academic faculty members in four private higher education institutions in Lahore, Pakistan. The findings of this study revealed a significant positive relationship between servant leadership and faculty retention. This finding is consistent with the results of previous research (Nawab & Bhatti, 2011; Saeed et al., 2013). This suggests that when organizations provide proper package and care to the employees, it makes the employees to stay for longer periods of time and enhances their retention (Williams & Dreher, 1992). The findings also supported social exchange theory (SET) which implies that when employees are being cared for their organization, and their immediate supervisors empower them, listen to them and involve them in organizational decisions makings, they feel more satisfied and obligated and reciprocate the organization

with their loyalty, devotion and commitment (Mossholder, et al., 2005). Moreover, the finding of this study also indicated a positive significant relationship between job work environment and employees' retention. The finding of this study is also in line with results of previous researches (Kwenin et al., 2013; Luthans, 2005). It relates, that if employees are provided with sufficient opportunities of promotion, they remain stay for longer periods in that particular organization (Miller and Wheeler, 1992).

The possible reasons for such results might be that the faculty members working in heis' of Pakistan are more career conscious and give priority to career development over money. Additionally, the result also revealed that work environment buffer the relationship between the servant leadership and academic faculty retention. Additionally, the studies of Sutherland (2004), and Sjoberg and Sverke (2000) also suggested that organizations should focus on creating supportive work environment to keep talented employees intact with the organization for longer period of time. Thus, it means that work environment plays key role in motivating and retaining employees and indicates that when academic staff receives competitive salary as well as support from organization by providing conducive work environment in the organization, it helps to enhance the commitment level of the academic staff particularly in the private sector universities.

### **Implications**

The current study was limitations and delimitations to be discussed. First, data was collected from academic faculty members from Lahore city of Pakistan only because of time limitations and financial constraints. Hence, future research can be extended to the public and private universities in other areas of Pakistan. Second, only the academic faculty members were considered as the respondents

Doi: <https://doi.org/10.54692/ajss.2020.441394>

in the current study. Thus, the findings may be generalized by selecting non-academic staff members as respondents in future research. Other sectors such as services and manufacturing sectors are also suggested to be investigated in future research.

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