

The Influence of Servant Leader Leadership Style and Culture Value with the Intervening Variable of Work Motivation on the Performance of the Head of the Work Unit at PNM Magelang Branch

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ABSTRACT

The purpose of the study is to analyze the effect of servant leader leadership style on motivation, culture value on motivation, servant leader leadership style on performance, culture value on performance, motivation on performance, servant leader leadership style to performance through motivation, culture value through to performance through motivation of the head of PNM Magelang Branch. Using quantitative research with population and samples, saturated sampling are PNM employees who serve as heads units at the Magelang Branch, 64 employees. Using SEM, Smart PIs version 4 servant leader have no significant effect on motivation. Culture value have a significant effect on motivation. Servant leadership have no significant effect on performance, Culture value have a significant effect on performance, Culture value have a significant effect on performance through motivation as intervening variable, Servant leader have no significant effect on performance through motivation as intervening variable. work unit PNM Magelang Branch

INTRODUCTION

Human resources are the most essential factor in determining the success of a company. Although sophisticated technology has been owned by the company, the role of humans remains irreplaceable. This is due to the active and dominant role of humans in every aspect of organizational activities, both as planners, actors, and determinants of achieving organizational goals. In realizing this, every company is required to be able to manage human resources properly in order to reach the goals.

Considering the significance of the role and position of human resources as employees in the company's operations, efforts are needed to improve the performance of all team members, especially leaders who will guide the direction of employee development under them. Employee performance is reflected in their ability to carry out tasks that are the responsibility of individuals and groups, and this can be improved through fostering productive and collaborative behavior (Kompas, 2018).

Leadership style, motivation are also important factors that support the improvement of company performance. In addition, there are other factors that can affect employee performance, including leadership style. This is due to the need for every company, whether small, medium or large scale, to have leaders who can provide direction and control the course of the company towards achieving predetermined goals.

Leadership style is the power or ability in a person to influence others in carrying out tasks, with the aim of achieving organizational goals (Mongot, H. Y., et al., 2019). Employees will be more productive if they are highly motivated by their leaders, therefore, it is important to maintain good interaction between leaders and employees to create a comfortable working environment (Mongot, H. Y., et al., 2019). The application of the right leadership style can improve overall employee performance (Erri, Dirgahayu., et al., 2021). Syahputra, Mhd. Edi, et al. (2020), emphasize the importance of a leader's authority to be respected subordinates and provide a good example in the workplace. This finding is also supported by another study by Batubara, Soulthan.S., et al. (2020), which highlights the need for a unique leadership style so that leaders can make a positive impression on their subordinates and guide them in achieving company targets. Research related to leadership style was also conducted by Erri, Dirgahayu, et al. (2021), Firmansyah, Nazhar Amin & Vera Maria (2022), Absari Masduki, et al. (2019), and Semet, Stevani, et al. (2022). A strong culture value has a positive impact on coordination and control within the organization, strengthens the alignment between organizational and individual goals, and improves employee performance (Chammas, 2019). Motivation is the impetus that drives individuals to act in accordance with their needs and desires (Armstrong, 1990). The purpose of motivation is to achieve common goals by ensuring that the needs and aspirations of the organization are in line with those of its members (Armstrong, 1990). The strength of culture value can be seen how far employees understand and apply the dominant values and basic assumptions of the company (Aboramadan, Mohammed, 2019). Nisawati, Inna, et al. (2021)

and (Mongot, H. Y., et al., 2019) argue that employees who have a dedication to professional work tend not to be affected by leadership styles.

PT Permodalan Nasional Madani, better known as PNM, is a company that operates in the financial services sector. The company was established by the Indonesian government on June 1, 1999 and is currently a State-Owned Enterprise (SOE). In its journey, especially after the economic crisis in 1997, there has been an awareness of the importance of the micro, small, medium and cooperative business sector and its potential for the future of the Indonesian economy. In line with this strategy, the government initiated the establishment of PNM to support and strengthen the sector. Optimal performance from PNM employees is expected by the company. The more employees who are able to achieve optimal performance, the company's overall productivity will increase, in accordance with the company's vision to become a leading financing institution that contributes to increasing added value for micro, small, medium and cooperative enterprises (MSMEs) by upholding the principles of Good Corporate Governance (GCG) (www.pnm.co.id accessed on May 8, 2023).

In annual planning, PNM routinely sets targets for the Company's Work Plan and Budget (RKAP) which are then translated into Individual Performance Targets for each employee, as part of the effort to achieve the set targets.

Table 1. KPI Performance of Magelang Branch 2023

Sasaran Kerja Individu	Key Performance Indicator	Jan sd Jun 2023				Jul sd Des 2023			
		Target	Satuan	Realisasi	Pencapaian	Target	Satuan	Realisasi	Pencapaian
LENDING ULAMM	PENCAPAIAN NET LENDING SESUAI RKAP	22	Milyard	12	55%	42	Milyard	35	83%
LENDING SYARIAH ULAMM	PENCAPAIAN NET LENDING SYARIAH SESUAI RKAP	70	Persentasi	40	57%	70	Persentasi	65	93%
OUTSTANDING ULAMM	PENCAPAIAN OUTSTANDING SESUAI	135	Milyard	126	93%	135	Milyard	133	99%
LAR ULAMM	PENCAPAIAN LAR ULAMM	45	Milyard	79	57%	45	Milyard	55	82%
NPL	PENCAPAIAN NPL	3	Persentasi	4,56	66%	3	Persentasi	2,8	107%
REVENUE	PENCAPAIAN REVENUE	11	Milyard	5,5	50%	11	Milyard	9,99	91%
BOPO	PENCAPAIAN BOPO < 87%	87	Persentasi	91	96%	87	Persentasi	86	101%
TUNU DAN TUNM	PENCAPAIAN KEGIATAN TUNU DAN TUNM	153	Persentasi	110	72%	153	Persentasi	160	105%
JUMLAH NASABAH PNM MEKAAR	PENCAPAIAN JUMLAH NASABAH PNM MEKAAR	147	Milyard	123	84%	147	Milyard	145	99%
JUMLAH NASABAH PNM MEKAAR	PENCAPAIAN JUMLAH NASABAH PNM MEKAAR	100	Persentasi	65	65%	100	Persentasi	101	101%
LITERASI KEUANGAN	PENCAPAIAN PEMBUKAAN REK SIMPEDES UMI,	100	Persentasi	10	10%	100	Persentasi	80	80%
DIGITALISASI (MEKDI & SENYUM)	NASABAH AKTIF 85% MENGGUNAKAN MEKDI &	85	Persentasi	25	29%	85	Persentasi	100	118%
PEMENUHAN SDM MEKAAR	PENCAPAIAN PEMENUHAN SDM MEKAAR MINIMUM	95	Persentasi	55,3	58%	95	Persentasi	97,1	102%

From the data, it can be seen that PNM has targets that must be achieved every semester. These targets are set in a six-month period and will be implemented to each work unit in PNM Magelang Branch. Therefore, as the head of the work unit, it is important to be able to communicate and be responsible for achieving the planned targets. Leadership style and work discipline will play a role in the process of achieving this target, but it is still necessary to maintain and follow the values of PNM's corporate culture, namely Padi Science. Research on

corporate culture was conducted by Semet, Stevani, et al (2022) and Billygraham, Rio Victor, et al (2022), which showed that corporate culture affects company performance. This is because a corporate culture that is firm in implementing clear values makes it easier for employees to comply, and corporate culture is used as a control for one's behavior.

Purpose of this research are:

1. Analyze effect of servant leader leadership style on the motivation of the head unit of PT PNM Magelang Branch
2. Analyze effect of culture value on the motivation of the head unit PT PNM Magelang Branch.
3. Analyze effect of servant leader leadership style on the performance of the head unit of PNM Magelang Branch
4. Analyze effect of culture value on the performance of the head unit PNM Magelang Branch
5. Analyze effect of motivation on the performance of the head unit PNM Magelang Branch
6. Analyze influence of servant leader leadership style through motivation on performance of the head unit of PNM Magelang Branch
7. Analyze influence of culture value through motivation on the performance of head unit of PNM Magelang Branch

LITERATURE REVIEW

Definition of Performance

Performance reflects the achievements of individuals in carrying out tasks and being responsible for company programs or policies, with the aim of achieving predetermined targets. It is also the result of employee work that is reflected in the skills, experience, dedication, and time they invest (Hasibuan, 2011). Meanwhile, the indicators used to assess employee performance, according to (Kasmir, 2018), include:

1. Quality: The degree of perfection in the process or outcome of an activity.
2. Quantity (amount): The volume of production produced in terms of money, units, or cycles of activity.
3. Time (timeframe): The time required to complete activities or achieve production results.
4. Cost suppression: Cost control to ensure employee activities are within budget
5. Supervision: Monitoring employees' activities to ensure they are in line with set plans or targets.

Definition of Servant Leader Leadership

Servant leadership starts from a genuine urge to serve, by putting the needs of followers as a priority, working together with others, and helping to achieve common goals. This concept was introduced by Robert K. Greenleaf in 1970 through his book "The Servant as Leader." Grenleaf, then Vice President of American Telephone and Telegraph Company (AT&T), emphasized that a servant leader is someone who chooses to be a servant first before leading, starting from a natural urge to serve, which is then followed by a conscious choice to lead.

Definition of Organizational Culture

Organizational culture is values that are agreed upon and distinguish the organization. Influence the way they act and distinguish the organization from other organizations, Robbins (2016).

Definition of Motivation

The inner drive that propels someone to take action or accomplish a particular objective is known as motivation (Robbins & Judge, 2023). (Hartatik, 2018) defines work motivation as an element that shapes and unites human behavior in order to improve productivity and achieve optimal outcomes. This object is a sign of mental processes, including attachment (feeling) and cognitive mental processes (reason). In particular, motivation is a part of the mental process or signs of soul konasi, which refers to an individual's will or willingness. Therefore, the mental process of someone who is willing or has the will to do something can also be described as motivation. (Fahmi, 2022) defines motivation as an action taken to fulfill desired needs.

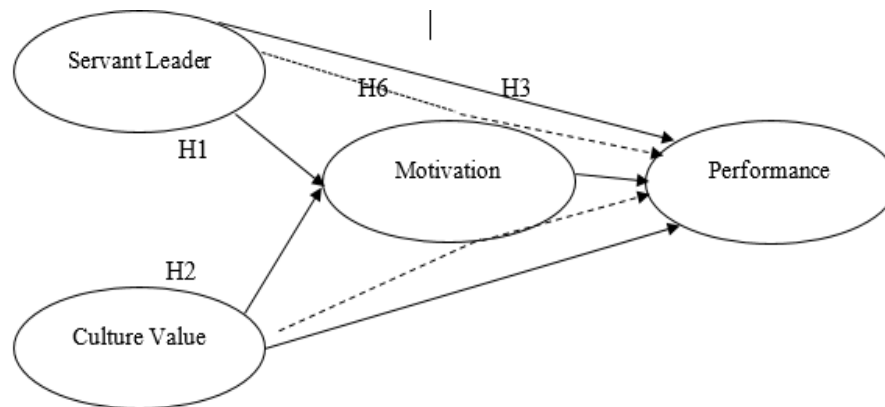


Figure 1. Conceptual Framework

Hypothesis

The Influence of Servant Leader Leadership Style on Motivation

In a company, although employees have diverse characteristics, but because they are in the same environment under the auspices of the company, they have uniform goals. Therefore, the presence of a leader with a leadership style that is able to guide and direct employees towards achieving common goals is very important, without ignoring the prevailing corporate culture. For example, at PT PNM, there is an organizational culture known as PADI SCIENCE (Integrity, Loyalty, Mandiri, Unggul, Professional, Amanah, Discipline, Ikhlas), which must be reminded and used as an example by leaders to their subordinates. Leadership style, according to Badeni, involves abilities, arts, and processes that refer to activities carried out by a person to influence the behavior of others. The art here includes ways, methods, or strategies in obtaining followers who obey the existing rules (Mufidah, Sri Zahrotul., et al., 2018). Leadership behavior is reflected in the leadership style when leading subordinates. Research on the relationship between leadership style and work motivation has been conducted by Mufidah, Sri Zahrotul, et al. (2018), which shows that leadership style affects work motivation because it is able to

encourage the team below. This finding is also supported by Agus Yudiawan (2020), who stated that leadership style has an impact on the direction and level of employee work motivation.

H1: Servant Leader Leadership Style has a Significant Effect on Motivation of the Head Unit of PT PNM Magelang Branch.

The Influence of Culture Value on Motivation

Work motivation is an individual's attitude towards work which aims to achieve satisfaction in the performance. According to Herzberg (in Siagian, 2010: 181), to motivate subordinates, it is important for leaders to emphasize factors that bring satisfaction, such as success, recognition, the work itself, responsibility, and development, which are intrinsic motivational factors. The dominant influence of teamwork on employee work motivation shows that employees need a work environment that respects each other, helps each other, and trusts each other in carrying out their duties. A conducive social environment in the workplace has a significant impact on employee morale and motivation in an organization. When employees fit into the company's organizational culture, this can increase their work motivation (Robbins, 2008: 75). Another opinion expressed by Putranto (2012: 53) is that a strong organizational or corporate culture will influence the behavior of each employee. A corporate culture that is not conducive can result in low employee motivation and performance. The results showed that an increase in corporate culture contributed to an increase in work motivation.

H2: Culture Value have a significant effect on the Work Motivation of the Head Unit of PT PNM Magelang Branch.

The Influence of Servant Leader Leadership Style on the Performance

The leadership style applied in a company has a significant effect on the performance and development of the company. A leader has an important role in directing the company towards achieving predetermined targets or even exceeding management expectations. In addition, leadership style also affects employee motivation and performance within the company. The success of a leadership style can be judged by its ability to motivate subordinates and be well received by all members of the organization. This principle is in line with the path-goal theory, which states that a leader can choose a leadership style that suits the company's culture and goals. Choosing the right leadership style will facilitate the achievement of company goals effectively. Several studies have examined the relationship between leadership style and employee performance. Research by Batubara, Soulthan, et al (2020), Erri, Dirgahayu, et al (2021), Firmansyah, Nazhar Amin Firmansyah, and Vera Maria (2022) shows that leadership style have a positive influence on employee performance. However, research conducted by Nisawati, Inna, et al (2021) and Mongot, Happy Y., et al (2019) concluded that leadership style have no significant effect on employee performance.

H3: Servant Leader leadership style have a significant effect on the performance of the head unit of PNM Magelang Branch.

The Influence of Culture Value on Performance

A strong organizational culture will provide strong support for the progress of employee performance and generate motivation in achieving common goals. Gradually, the culture will shape employee behavior patterns in accordance with the direction desired by the organization. The type of organizational culture adopted will determine its impact on employee performance and the overall company. Therefore, it is important for companies to create an organizational culture that fits the context of the company's environment in order to increase employee productivity and benefit the company as a whole. This opinion is reinforced by the findings in research conducted by Ichsan, Reza Nurul, et al., (2020), Syahril, et.,al (2022), Prayogi, Muhammad Andi, et al., (2019), Rastana, I Made Sandi, et al., (2021).

H4: Culture value have a significant effect on the performance of the head unit of PNM Magelang Branch.

The Influence of Motivation on Performance

Motivation is a driver that encourages individuals to act or behave according to their needs and desires (Armstrong, 1990). Employee performance and motivation levels are influenced by internal factors of human resources themselves. When motivation is applied well, it can result in enthusiasm to contribute and loyalty to the company. Conversely, a lack of motivation can have a negative impact on employee performance. With adequate motivation, employees will remain motivated to improve their performance, thus helping the company in achieving the set goals. Motivation aims to direct individuals towards achieving common goals, by ensuring alignment between the needs and goals of the organization and its members (Armstrong, 1990). Previous research has revealed the relationship among work motivation and performance, such as research conducted by Mahardika et al., (2013), Wulandari and Bagia (2020), Mardiana et al., (2020), Masriah et al., (2022).

H5: Work Motivation have significant effect on the performance of the head unit of PNM Magelang Branch.

The Influence of Servant Leader Leadership Style on Performance through Work Motivation as an Intervening Variable

Leadership is a process that involves directing, influencing, and controlling work- related activities, including motivating employees to achieve specific organizational goals (Bass, 2008). Leadership models such as Servant Leader have a significant impact on improving employee performance in completing their tasks. Servant Leader plays an important role in encouraging performance improvement, because as an example followed by employees below in every step of work activities (Wulida, Tri, et al., 2020; Kurniawan, Thomas, et al., 2019).

H6: Servant leader leadership style have significant effect on the performance of the head unit of PNM Magelang Branch through work motivation as an intervening variable.

The Influence of Culture Value on Performance through Work Motivation of the Head Unit PNM Magelang Branch through motivation as an Intervening Variable

Organizational culture based on a set of norms, values, and rules created by a group of individuals and approved by stakeholders, which must be followed by all members of the organization, including employees and staff, to achieve organizational goals. Organizational culture also serves as an indicator of employee performance in carrying out their tasks. This culture becomes a guideline for each employee in carrying out their work effectively. Various studies, such as those conducted by Asbari, Masduki, et al (2019), Semet, Stevani, et al (2022), Victor, Rio, et al (2022), have supported the importance of organizational culture in improving performance. In PT Permodalan Nasional Madani (PNM), there are norms that employees must follow, such as integrity (honesty), loyalty (obedience), mandiri (independence), unggul (excellence), profesional (professionalism), amanah (trust), disiplin (obedience), and ikhlas (sincerity). This culture, known as PADI SCIENCE, emphasizes the importance of personal development and adherence to organizational values. In this study, we explore how the combination of these cultural values, with work motivation as an intermediary variable, affects employees' work unit performance.

H7: Culture Value have significant effect on performance of the head unit of PNM Magelang Branch through motivation as an intervening variable.

METHODOLOGY

The sampling technique in this study used Purposive sampling. Purposive sampling is a sampling technique based on the researcher's consideration of which samples are most suitable, useful and considered to represent a population (representative). The sample is taken / selected because the sample is in the right place and time. The data collection technique carried out using questionnaire method which collect the data by giving or distributing a list of questions to respondents. The requirements used in this study are PNM employees who serve as heads of work units at PNM Magelang Branch. Population in this study are 64 PNM employees who serve as heads units at PNM Magelang Branch. The object of research is explained by demographic aspects such as gender, position and age.

Table 2. Demographic Description of Research Objects

	Category	Number of Respondent	Percentage
Gender	Male	23	36%
	Female	41	64%
	Total	64	100%
Position	KUU	13	20%
	KUM	51	80%
	Total	64	100%
Age	< 25 Years	33	51,56%
	26-35 Years	22	33,38%
	36-45 Years	8	12,5%
	> 45 Years	1	1,56%
	Total	64	100%

Source: Research Results (2024)

The Head Unit of PT PNM Magelang Branch are 23 people or 36% male and 41 people or 64% female. KUU as many as 13 people or 20% and KUM as many as 51 people or 80%. under 25 years are 33 people or 51.56%, age between 26 - 35 years are 22 people or 33.38%, age 36 - 45 years are 8 people or 12.5% and age over 45 years are 1 person or 1.56%.

RESULT

Measurement Model or Outer Model

It is possible to say that the outer model can specify the relationship between the latent variable and its indicators, or that each indicator and its corresponding latent variable are defined by this model. Confirmatory Factor Analysis (CFA) is the method used in the test conducted on the outer model. Convergent Validity, Discriminant Validity, and Composite Reliability are the three criteria in SmartPLS 4 that determine whether to use data analytic techniques to evaluate the outer model. Referring on the ties between item point and component computed using SmartPLS 4, the outer model's convergent validity is evaluated.

Convergent Validity

By Using SmartPLS 4, one can observe convergent validity by examining the ties between indicator and construct values. If a reflexive measure's correlation value with the construct greater than 0.70, it is considered high or dependable.

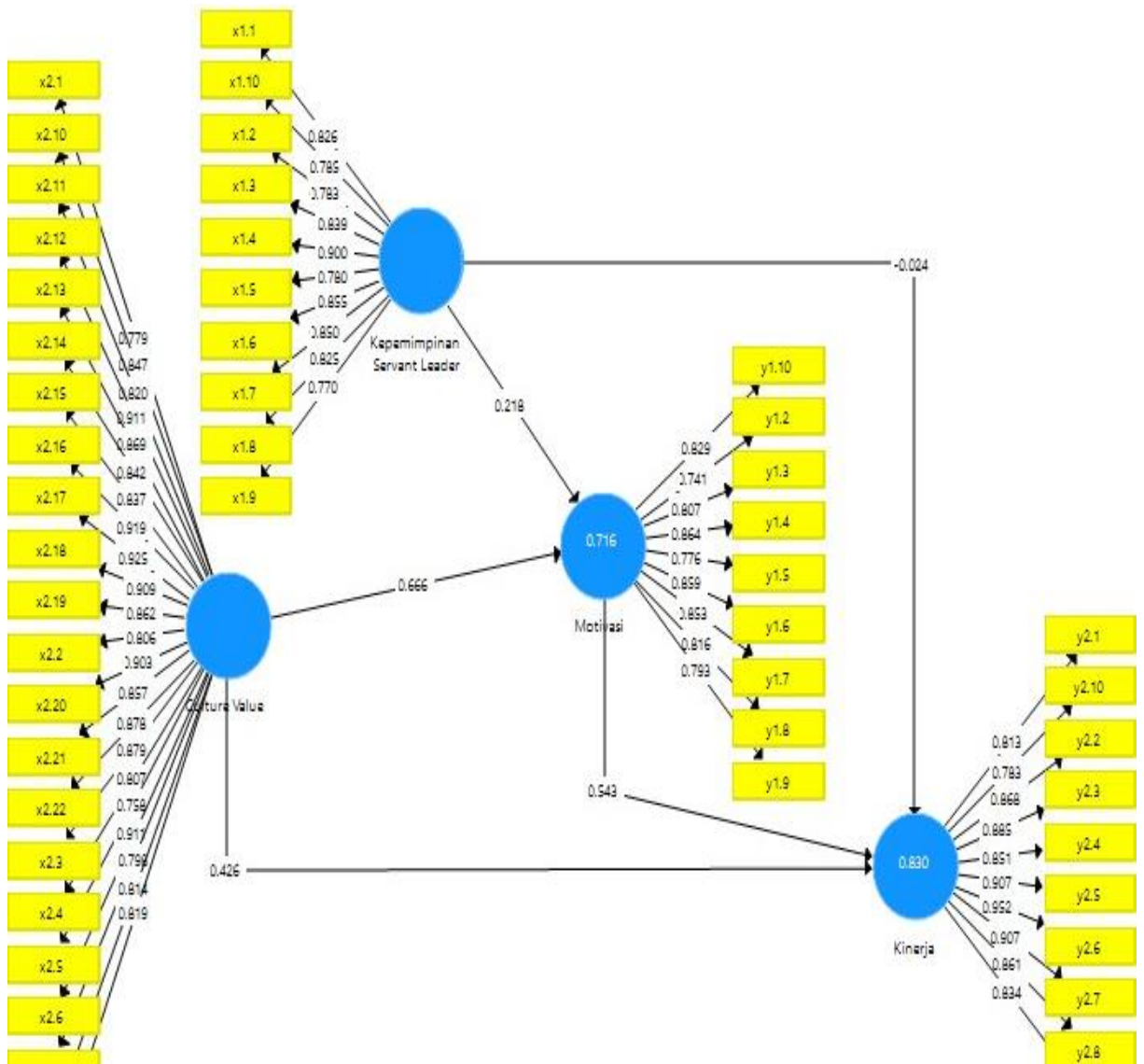


Figure 2. Outer Loading
Source: SmartPLS 4 Calculation Results (2024)

Table 3. Loading Factor

	Culture Value	Servant Leader Leadership Style	Performance	Motivation
x1.1		0,826		
x1.10		0,785		
x1.2		0,783		
x1.3		0,839		
x1.4		0,900		
x1.5		0,780		
x1.6		0,855		
x1.7		0,850		
x1.8		0,825		
x1.9		0,770		
x2.1	0,779			
x2.10	0,847			
x2.11	0,820			
x2.12	0,911			
x2.13	0,869			
x2.14	0,842			
x2.15	0,837			
x2.16	0,919			
x2.17	0,925			
x2.18	0,909			
x2.19	0,862			
x2.2	0,806			
x2.20	0,903			
x2.21	0,857			
x2.22	0,878			
x2.3	0,879			
x2.4	0,807			
x2.5	0,758			
x2.6	0,911			
x2.7	0,798			
x2.8	0,814			
x2.9	0,819			
y1.10				0,829
y1.2				0,741
y1.3				0,807
y1.4				0,864
y1.5				0,776
y1.6				0,859
y1.7				0,853
y1.8				0,816
y1.9				0,793
y2.1			0,813	
y2.10			0,783	
y2.2			0,868	
y2.3			0,885	
y2.4			0,851	
y2.5			0,907	
y2.6			0,952	
y2.7			0,907	
y2.8			0,861	
y2.9			0,834	

Source: SmartPLS 4 Calculation Results (2023)

Discriminant Validity

When the outcome of the construct correlation with the measured items are higher than the size of the other constructs, the latent construct will be shown to estimate the block size more accurately than the other constructs. This test is according to cross loading value and AVE value. The cross loadings value for each variable should be > 0.70 .

Table 4. Cross Loading Value

	Culture Value	Servant Leader Leadership	Performance	Motivation
x1.1	0,738	0,826	0,590	0,547
x1.10	0,671	0,785	0,662	0,649
x1.2	0,606	0,783	0,503	0,476
x1.3	0,715	0,839	0,566	0,642
x1.4	0,620	0,900	0,553	0,601
x1.5	0,570	0,780	0,570	0,571
x1.6	0,574	0,855	0,516	0,552
x1.7	0,684	0,850	0,597	0,653
x1.8	0,523	0,825	0,588	0,652
x1.9	0,604	0,770	0,585	0,619
x2.1	0,779	0,571	0,607	0,648
x2.10	0,847	0,665	0,832	0,765
x2.11	0,820	0,625	0,804	0,668
x2.12	0,911	0,707	0,723	0,764
x2.13	0,869	0,601	0,675	0,684
x2.14	0,842	0,648	0,801	0,757
x2.15	0,837	0,617	0,764	0,723
x2.16	0,919	0,668	0,742	0,746
x2.17	0,925	0,632	0,739	0,737
x2.18	0,909	0,656	0,731	0,688
x2.19	0,862	0,645	0,728	0,736
x2.2	0,806	0,616	0,673	0,667
x2.20	0,903	0,638	0,780	0,776
x2.21	0,857	0,557	0,743	0,669
x2.22	0,878	0,629	0,740	0,699
x2.3	0,879	0,680	0,792	0,719
x2.4	0,807	0,713	0,679	0,690
x2.5	0,758	0,700	0,690	0,623
x2.6	0,911	0,700	0,766	0,725
x2.7	0,798	0,679	0,713	0,768
x2.8	0,814	0,722	0,735	0,735
x2.9	0,819	0,770	0,661	0,637

y1.10	0,695	0,556	0,772	0,829
y1.2	0,623	0,544	0,687	0,741
y1.3	0,798	0,567	0,698	0,807
y1.4	0,735	0,576	0,769	0,864
y1.5	0,596	0,542	0,630	0,776
y1.6	0,697	0,677	0,812	0,859
y1.7	0,665	0,621	0,731	0,853
y1.8	0,627	0,613	0,682	0,816
y1.9	0,672	0,669	0,677	0,793
y2.1	0,687	0,537	0,813	0,702
y2.10	0,697	0,620	0,783	0,771
y2.2	0,687	0,576	0,868	0,720
y2.3	0,717	0,556	0,885	0,721
y2.4	0,764	0,681	0,851	0,818
y2.5	0,775	0,661	0,907	0,787
y2.6	0,864	0,689	0,952	0,817
y2.7	0,805	0,598	0,907	0,821
y2.8	0,702	0,512	0,861	0,744
y2.9	0,746	0,631	0,834	0,728

Source: SmartPls 4 Calculation Results (2023)

The cross loadings of all variables in Table 4 are greater than 0.70, indicating that the ties between the constructs and each indicators is stronger than the size of the other constructs. For instance, the performance variable's indicator Y2.1 has a value of 0.813, which is higher than the values of the culture value variable, servant leader leadership, and motivation, which are 0.687, 0.537, and 0.702, respectively. This suggests that the latent construct outperforms alternative block sizes in its estimation of the block's size. In order to do additional testing of discriminant validity, the AVE value should be examined. For the convergent validity test on AVE parameter to be deemed valid, the values of all variables must be higher than 0.50.

Table 5. Average Variance Extracted (AVE)

Variables	AVE	Rule ofThumb	Result
Culture Value	0,729	>0.50	Valid
Servant Leader Leadership	0,676	>0.50	Valid
Performance	0,752	>0.50	Valid
Motivation	0,666	>0.50	Valid

Source: SmartPls 4 Calculation Results (2023)

The AVE value for all research variables are > 0.5, so that discriminant validity testing can be continued and the Discriminant Validity test and Convergent Validity test have been fulfilled / the research model is valid.

Reliability Test

When a respondent's response to a questionnaire remains constant or stable throughout time, it's considered dependable (Ghazali, 2014). The Cronbach's Alpha and Composite reliability values are the two metrics utilized in the reliability test. If the values of each Cronbach's alpha and composite reliability are more than 0.70, the variables are considered reliable.

Table 6. Reliability Test

Variables	Cronbach's Alpha	Composite Reliability
Culture Value	0,982	0,983
Servant Leader Leadership	0,946	0,954
Performance	0,963	0,968
Motivation	0,937	0,947

Source: SmartPls 4 Calculation Results (2023)

All variables in this study satisfy the reliability test requirements, as indicated by the reliability test results, which show that all of the variables have values in the Cronbach's alpha and composite reliability > 0.70.

Structural Model Testing (Inner Model)

A description of the link between latent variables is called an inner model, sometimes known as an inner relation. This test examines the kind and degree of the independent latent variable's influence on dependent latent variable. This test comprises of a goodness-of-fit model test called the R-Square (R²) Determinant Coefficient test. The dependent construct's R-square, the t-test, and significance of the structural path parameter coefficients are used to assess the structural model.

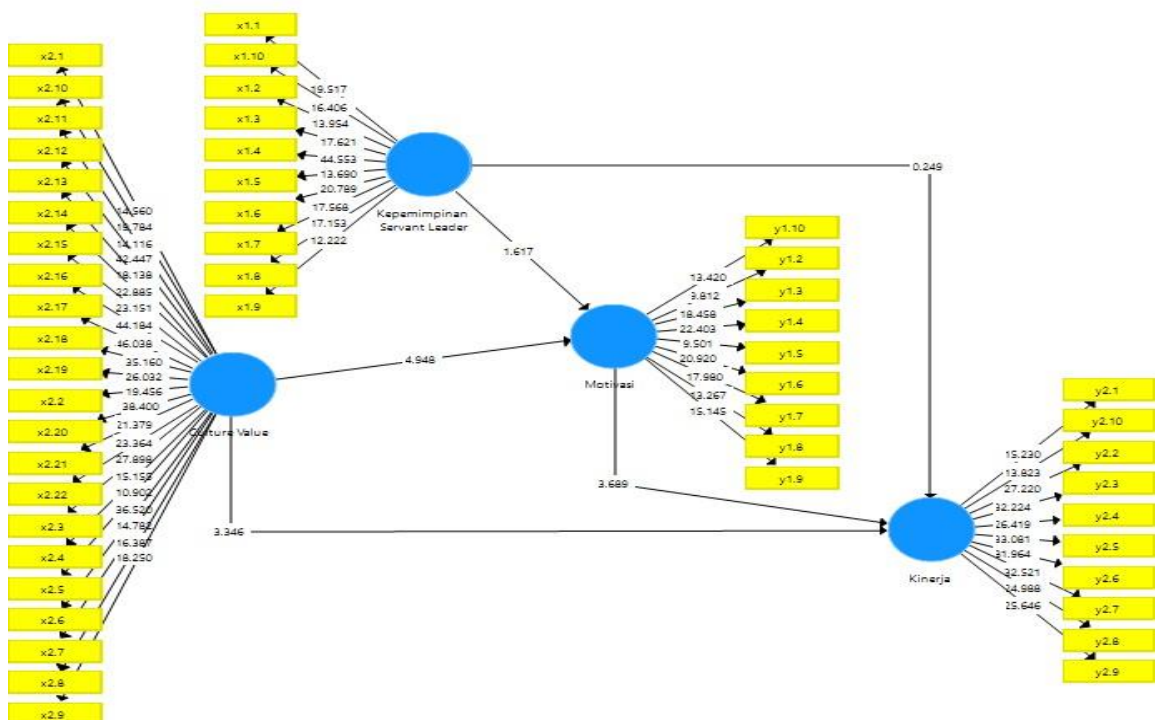


Figure 4. Inner Model

Source: SmartPls 4 Results (2023)

In SmartPLS 4, first is examine the R-square for every independent latent variable in the model. The degree of variation in alteration of independent variable on dependent variable is determined by calculating the R-Square value. “Whether a specific independent latent variable have an effect on the dependent latent variable can be determined by examining changes in the R-square value” (Ghazali, 2015). A strong model has a R Square of 0.75, a moderate model is 0.50, and a weak model is 0.25 (Sarstedt et al., 2017). Conversely, the R-Square value that has been adjusted in light of the standard error value is known as the Adjusted R-Square.

Table 7. R-Square Value

R Square		
	R Square	R Square Adjusted
Performance	0,830	0,821
Motivation	0,716	0,706

Source: SmartPls 4 Calculation Results (2023)

The performance R-square value is 0.830. This shows that the influence of the servant leader leadership variable and culture value on performance produce an R-Square value of 0.830 or 83% included in strong category. So performance variable is effected by the servant leader leadership variable and culture value by 83 percent, another 17% is effected by other variables outside this research. R-square value for motivation variable is 0.716 or 71.6% in Moderate category, means 71.6 percent of motivation effected by the servant leader leadership and culture value variables, while other 29.4% is effected by other variables outside of this research.

Hypothesis Test

Every independent variable's impact on the dependent variable is ascertained through hypothesis testing. P-value and t-statistic values indicate the results of hypothesis testing. See the T-statistics output to determine if the effect is positive or negative, then consult the p-value section to determine the degree of significance.

Table 8. Direct Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Culture Value -> Performance	0,426	0,424	0,127	3,346	0,001
Culture Value -> Motivation	0,666	0,672	0,135	4,948	0,000
Servant Leader Leadership-> Performance	-0,024	-0,033	0,095	0,249	0,804
Servant Leader Leadership -> Motivation	0,218	0,212	0,135	1,617	0,111
Motivation -> Performance	0,543	0,557	0,147	3,689	0,000

Source: SmartPls 4 Calculation Results (2023)

From table above, the variables that have a direct influence for the culture value variable on performance have a T-Statistic of $3.346 > 1.671$, so it has a strong direct effect with a P-Value score $0.001 < 0.05$ means a significant effect, for the culture value variable on motivation has a T-Statistic of $4.948 > 1.671$, then it has a strong direct effect with a P-Value score $0.000 < 0.05$ means a significant effect, for the servant leader leadership variable on performance have a T-Statistic of $0.249 < 1.671$, then it has a weak direct effect with a P-Value of $0.804 > 0.05$ means no significant effect, for the servant leader leadership variable on motivation has a T-Statistic of $1.617 < 1.671$, then it has a weak direct effect with a P-Value score $0.111 > 0.05$ means no significant effect, for the motivation variable on performance has a T-Statistic of $3.689 > 1.671$, then it has a strong direct effect with a P-Value score $0.000 < 0.05$ means a significant effect.

Table 9. Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Culture Value – Motivation - Performance	0,362	0,374	0,126	2,878	0,005
Servant Leader Leadership – Motivation - Performance	0,119	0,116	0,083	1,427	0,158

Source: SmartPLS 4 Calculation Results (2023)

From table, the variables that have an indirect effect for the culture value variable on performance through motivation have a T-Statistic $2.878 > 1.671$, so it has a strong influence with a P-Value score $0.005 < 0.05$ makes a significant effect, for the servant leader leadership variable on performance through motivation scoring T-Statistic $1.427 < 1.671$, so it has a weak influence with a P-Value $0.158 > 0.05$ meaning no significant effect.

DISCUSSION

Analyzing the research findings in light of the compiled hypothesis based on the computations that were performed.

The Effect of Servant Leader Leadership on Motivation

Servant leader leadership has no effect on motivation, according to the p-value 0.111 above the significance level 0.05 and the t statistics value 1.617 being smaller than the t table value = 1.671 (H_a is rejected). With a coefficient value of 0.218 , servant leader leadership has a 21.8% impact on motivation. Consequently, the hypothesis (H_1) is disproved. This indicates that motivation is not significantly impacted by servant leader leadership.

The Effect of Culture Value on Motivation

The t statistics value $4.948 > t$ table value = 1.671 , and the P-value of 0.000 is below the significance level 0.05 , indicating that culture value influences motivation (H_a is accepted). With a coefficient value 0.666 , motivation is impacted by culture value by 66.6% . As a result, the hypothesis (H_2) is approved. This indicates that motivation is significantly impacted by cultural values.

The Effect of Servant Leader Leadership on Performance

Servant leader leadership have no effect on performance, as indicated by the P-value 0.804 higher than significance level 0.05 and the t statistics value 0.249 lower than t table value = 1.671 (H_a is rejected). The coefficient value of -0.024

demonstrates a negative correlation among servant leader leadership and performance, indicating a -2.4% effect. As a result, hypothesis (H3) is disproved. This indicates that performance is not much impacted by servant value leadership.

The Effect of Culture Value on Performance

The t statistics value of 3.346 is more than t table value = 1.671, and the P-value 0.001 is below the significance limit 0.05, indicating that culture value influences performance (Ha is accepted). With a coefficient value of 0.426, performance is impacted by cultural value by 42.6%. As a result, hypothesis (H4) is approved. This indicates that performance is significantly impacted by cultural values.

The Effect of Motivation on Performance

Motivation influences performance, as evidenced by the P-value of 0.000 being under the significance level 0.05. T statistics value 3.689 larger than the t table value = 1.671 (Ha is accepted). With a coefficient value of 0.543, performance is impacted by motivation by 54.3%. As a result, hypothesis (H5) is approved. This indicates that performance is significantly impacted by motivation.

The Effect of Culture Value on Performance through Motivation as an Intervening Variable

The t statistics value of 2.878 is more than the t table value = 1.671, and the P-value of 0.005 is below the significance limit of 0.05, indicating that cultural value influences performance through motivation as an intervening variable (Ha accepted). With motivation act as intervening variable, culture value influences performance by 36.2%, according to the coefficient value of 0.362. As a result, hypothesis (H6) is approved. This suggests that, as an intervening variable, motivation has a major impact on culture values and performance.

The Effect of Servant Leader Leadership on Performance through Motivation as an Intervening Variable

Since the t statistics value is 1.427 is less than t table value is 1.671 and the P-value of 0.158 is higher than significance level 0.05, it may be summarized that servant leader leadership have no influence on performance when motivation is used as an intervening variable (Ha is rejected). With motivation acting as an intervening variable, the coefficient value 0.119 shows that the leadership of a servant leader influences performance by 11.9%. Consequently, the hypothesis (H7) is disproved. This indicates that motivation, an intervening variable, has no discernible impact on performance under servant leader leadership.

CONCLUSION AND RECOMENDATION

Conclusion

The following conclusions can be made about this study's findings based on the analysis and discussion of the impact of the Servant Leader Leadership Style and Culture Value with Motivation Intervening Variables on the Performance of the Head of Unit of PT PNM Magelang Branch:

1. Servant leader leadership have no significant effect on motivation, the hypothesis (H1) is rejected
2. Culture value have significant effect on motivation, the hypothesis (H2) is accepted
3. Servant value leadership have no significant effect on performance, the hypothesis (H3) is rejected
4. Culture value have significant effect on performance, the hypothesis (H4) is accepted
5. Motivation have significant effect on performance, the hypothesis (H5) is accepted
6. Culture value have significant effect on performance through motivation intervening variable, hypothesis (H6) is accepted
7. Servant leader leadership have no significant effect on performance through motivations as intervening variable, hypothesis (H7) is rejected.

Recomendation

In the servant leader leadership variable, the lowest score is in indicator x1.8 with a score of 4.05 regarding "I emphasize openness in building trust". It is worth considering again whether there are other alternatives to building trust besides emphasizing openness. If there is no better alternative than openness, then leaders should be more open about certain things for the smooth running of the company.

In the culture value variable, the lowest score is in indicator x2.14 with a score 4.08 regarding "I always have ideas and ideas when needed by the company and have competence in myself". To increase competence, training or seminars related to increasing competence can be carried out and can also be encouraged by providing compensation and incentives.

In the motivation variable, the lowest score is in indicator y1.2 with a score of 4.13 regarding "I am able to use my potential and work independently". To explore self-potential, training or seminars related to increasing self-potential can be conducted and can also be encouraged by providing rewards and punishments.

In the performance variable, the lowest score is in indicator y2.2 with a score of 3.86 regarding "I am always relied on by the leadership in every job". To improve this can be done by showing consistent and stable performance and dedication in work, being adaptive and able to adjust to changing situations.

FURTHER STUDY

This research still has limitations so further research needs to be carried out regarding the topic The Influence of Servant Leader Leadership Style and Culture Value with the Intervening Variable of Work Motivation on the Performance of the Head of the Work Unit in order to perfect this research and increase insight for readers.

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