



Cite this article as: Abdusalami, E.A & Mwita, K.M. The Impact of Servant Leadership on Organisational Performance and Turnover Intention in Tanzania: The Mediating Effect of Leader-member Exchange. *Journal of Co-operative and Business Studies*, 8(2), 21-37

## The Impact of Servant Leadership on Organisational Performance and Turnover Intention in Tanzania: The Mediating Effect of Leader-member Exchange

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### Abstract

*This study examined the impact of servant leadership on organizational performance and turnover intention. Further, the study sought to examine the mediating effect of leader-member exchange on the relationship between servant leadership and organizational performance as well as servant leadership and turnover intention. The study was underpinned by servant leadership theory and leader-member exchange theory. The study used a quantitative approach and a case study design. One of Tanzania Local Government Authorities was used from which data were collected using a questionnaire from a sample size of 111 respondents randomly sampled. Descriptive and inferential statistics were used to analyse collected data. The study found that servant leadership has a significant positive effect on organizational performance and significant negative effect on turnover intention. Further, leader-member exchange was found to be a significant mediator in the relationship between servant leadership and organizational performance. Moreover, leader-member exchange was found to be a significant mediator in the relationship between servant leadership and turnover intention. The study insists on the need for practicing servant leadership to promote positive outcomes in organisations.*

**Keywords:** Servant leadership, organisational performance, employee turnover intention, leader-member exchange

### 1.0. Introduction

Stakeholders in various organisations are concerned with how their organisations perform. The reason is obvious; organisations are established to achieve certain objectives therefore failing to meet them is an issue of a serious concern (Labanauskis & Ginevičius, 2017; Oppong et al., 2017). Organizational performance is a function of several variables. This ranges from available resources, knowledge and skills of employees, their level of motivation and commitment and other different management practices including leadership (Hanaysha & Majid, 2018; Jyoti & Rani, 2017; Nielsen et al., 2017). Arguably, these performance predictors are pivotal, but



leadership is among the factors that carries more weight as it can affect the rest of the determinants of performance before it affects organizational performance.

Tanzania public service is facing criticisms from various stakeholders for not being able to meet their expectations on provision of public service (CAG, 2024). While organizational performance is not satisfactory, these organisations face another challenge of employees leaving to find other jobs (Muhoho, 2018). Empirical studies point out that public organisations tend to have issues with leadership. People entrusted with positions have been finger-pointed for lack of leadership skills and therefore people decide to leave to find jobs in organisations where the leadership atmosphere is welcoming (Ali, 2017; John & Gerold Mkulu, 2020; Mwita & Mrema, 2023). To verify these findings, various empirical researchers have attempted to examine the role of leadership on organizational performance and employee turnover (Muhoho, 2014; Mwakasangula & Mwita, 2022; Samu, 2022).

While the findings of these studies are important and they offer significant insights into how leadership can affect organizational performance and employee turnover intentions, yet they have not sufficiently captured servant leadership. Servant leadership is considered one of the best alternative leadership styles when others in place do not work effectively (Mittal & Dorfman, 2012). Servant leadership involves influencing others (followers) to achieve their individual and organizational goals through empowering them by offering them service (Liden et al., 2014). Other leadership style shares several characteristics in common one of them being one person (a leader) is in charge of directing and controlling others (followers). Conversely, servant leadership theory postulates that a servant leader is an individual who is submissive to his followers, who is willing to listen and help them to achieve more (Taylor et al., 2007). This brings a leader closer to his people.

While numerous empirical studies show a positive link between servant leadership and organizational performance and turnover intentions in the lens of leader-member exchange, little attention has been given on organizations in Tanzania. This study focused on the impact of servant leadership on organizational performance and turnover intention in Tanzania using Biharamulo District Council as a case study.

## **2.0 Literature Review**

### **2.1 Conceptual review**

#### **2.1.1 Organisational Performance**

Organisational performance is one of the most researched dependent variables in social and management sciences. It entails how the organization is progressing towards achieving the set objectives. It is one of the indicators of organizational success which can be categorized into financial and non-financial performance (Sethibe & Steyn, 2016). Organizational performance has been commonly expressed using financial indicators such as profit and other financial ratios which include but not limited to sales, return on investment, market share, etc. Recently, intangible factors such as corporate image and employee satisfaction are increasingly considered as the result of broadening the definition of what performance is (De Vries et al., 2008). In this regard, organizational performance can be viewed in terms of input, process and output produced. By considering management theory, the quality of inputs which include human resources is important. The process of transforming inputs to outputs should also consider good human relations. Moreover, the end results which are output should be those that are desired by

the customers and are able to satisfy their needs. This study defines organizational performance as the ability of an organisation to achieve its pre-determined goals by using optimal number of resources.

### **Turnover Intention**

Organisations prefer to keep all their resources that are beneficial to them. Unlike other resources, retaining human resources is not an easy task as they are rational and mobile as well (Bharadwaj & Yameen, 2021; Ghani et al., 2022). When they feel the need to leave an organization, they do so for varied reasons. In most cases, before an employee leaves an organization it starts with an intention to do so. This is what is referred to as turnover intention. Kerdpitak and Jemsittiparsert (2020) define turnover intention as thoughts that an employee has on the probability that he or she will change his/her job within a certain period. Arguably, turnover intentions tend to predict actual turnover (Ki et al., 2020; Richter et al., 2020; Wubetie et al., 2020). This entails that turnover is not an accident, but a planned event after an employee has experienced an unpleasant work environment or spotted a better place to work. This implies that turnover intention is determined by both push and pull factors. One of the major factors that push employee to leave their current organisations is leadership (Hattab et al., 2022). Failure to have an appropriate leadership style in place could make a working environment intolerable and therefore influence employees to leave their organisations. Other factors include but not limited to compensation, organisational injustice, image of an organization, job stress and workload (Mulang, 2022; Ramlawati et al., 2021). In Tanzania, particularly, in the public service, employee turnover rates have been high which raises concerns on what are the reasons and ways to deal with the problem (Payowela & Mrema, 2023).

### **Leader-member-exchange**

Leader-member-exchange (LMX) is popular framework that is used to examine the quality of leadership by focusing on the quality of leadership existing between a leader and his/her follower (Martin et al., 2018). It has emerged as one of the most influential models in predicting organizational outcomes (Gooty & Yammarino, 2016). As per the theory, attitudes and behaviours that are demonstrated by employees are the results of various exchanges existing between them and their leaders. This implies, if one needs to change the attitudes and behaviours, understanding the nature and quality of relationship is unavoidable (Kim & Yi, 2019).

## **2.2. Servant leadership theory**

Servant leadership is considered one of impactful leadership styles in organisations yet it has not been given sufficient spotlight in the literature like other popular and common leadership styles (Mcquade et al., 2021). Perhaps, little attention has been given to this style because when comparing it to other leadership styles, putting it into practice is not easy as it involves self-sacrificing; a leader is required to put the needs of others before his own. While other leadership styles are about what a leader does, servant leadership is about special character and commitment of a leader to serving others (Vuong, 2023). The origin of the concept of servant leadership emerged in the United States of America from the work of Robert Greenleaf in 1970 in his essay *the servant as leader*. Primarily, the idea was proposed as a way of life and not management philosophy or technique (Liu, 2019).

The theory has gained popularity recently with more researchers examining how servant leadership can affect other variables in organisations. Barbuto and Wheeler (2006a) identified

five antecedents of servant leadership which are altruistic calling, emotional healing, emotional, persuasive mapping, and organizational mapping. *Altruistic calling* is an internal desire of a leader to have an impact on his follower's life. This makes him/her forego some of his needs for those of his followers. This characteristic demonstrates a selfless life of a leader.

Another antecedent is *emotional healing*. This entails the ability of a leader to help his followers when they face hardships or difficult moments by helping them recover spiritually. This is an empathetic characteristic of a leader who is ready to provide a listening ear to his followers with the intention of helping them mentally. The third antecedent is *wisdom* which entails possession of knowledge with the ability to foresee the future. A servant leader is expected to have an awareness of various matters and use that awareness to inform his followers on what they should expect in the future. Another antecedent is *persuasive mapping*. This has to do with the ability of a leader to convince and influence his/her followers on various issues including visualizing organizational goals in a bigger picture. This goes hand in hand with the ability to motivate and inspire them to exert efforts to achieve the goals.

The last antecedent is *organizational stewardship*. This has to do with how a leader empowers his/her people and the organization at large to engage in supporting the community around. The leader instills an atmosphere of community within an organization. Ultimately, this influences the organization to engage in various philanthropic activities to help the community members. Organizational stewardship extends to helping individual employees who are in need. Through stewardship a leader offers material and moral support to employees to empower them to perform their duties efficiently and effectively.

The theory provides essential role in linking leadership with turnover intention and organizational performance (Omanwar & Agrawal, 2022). This is due to the fact that when leaders position themselves as servant to their followers it significantly affects how they (employees) feel and decisions they take including whether to stay or leave their respective organisations. Additionally, servant leadership is said to create conducive and supportive environment to employees which is key to improved organisational performance (Lamprinou et al., 2021).

### **2.3. Leader-Member Exchange Theory**

Leader-member exchange theory is the theory that focuses on the relationship between leaders and their employees who are referred as members (Gottfredson et al., 2020). The central tenet of LMX theory is that, through engaging in different types of social exchanges, leaders differentiate in the way they treat their followers leading to different quality relationships between the leader and each follower (Martin et al., 2018). The theory explains how the quality of relationship between a leader and his/her followers can affect different variables such as commitment, job satisfaction, turnover intentions, employee performance and others (Mumtaz & Rowley, 2020). As the theory predicts, poor or low quality of relationships can be a reason for employees not to perform well, experiencing low commitment, low job satisfaction and having thoughts of leaving the organization.

Conversely, employees are expected to be satisfied when leaders create a positive and supportive environment for their people (Chen et al., 2018; Robert & Vandenberghe, 2021). The theory is capable of explaining the mediating effect of leader-member exchange in the relationship between servant leadership and other organizational outcomes including job satisfaction and turnover intention (Dami et al., 2022; Mustamil & Najam, 2020).

## **2.4. Hypotheses Development**

### **2.4.1. Servant Leadership and Organisational Performance**

By considering several leadership styles that managers can use in the workplace the link between servant leadership and organisational performance is blurred. There are very few studies focusing on this specific area which makes it insufficient to draw an overall generality on the link. The study of Muller et al (2018) which was done in South Africa examined the relationship between servant leadership and four indicators of organisational performance as per the Balance Score Card. These indicators are financial performance, customer performance, internal process performance and learning and innovation performance. The study found that servant leadership positively and significantly influences organisational performance. Similar findings were obtained by Quddus et al. (2020) who conducted a study aimed at examining whether servant leadership is capable of influencing performance of Universities in Indonesia. The study found a positive relationship between servant leadership and organisational performance of universities.

*H1: Servant leadership has a positive influence on organizational performance*

### **2.4.2. Servant leadership and turnover intention**

The study of Kashyap and Rangnekar (2016) which was done in Indian firms among 253 employees found a negative relationship between servant leadership and employee turnover intentions. As per the study, the need for servant leadership is pivotal in the business environment that needs high level degree of ethics since employees consider that in making decision of whether to stay or leaving an organisation. Similarly, a study by Huning et al (2020) found a negative relationship between servant leadership and turnover intention. Although the relationship was not significant, the study insists the need for managers to use servant leadership by increasing self-sacrifices in the workplaces. The study of Prakasch and Ghayas (2019) examined how the five dimensions of servant leadership (organizational stewardship, persuasive mapping, emotional healing, altruistic calling and wisdom) affect turnover intentions. The study found that all the dimensions have a significant negative relationship with turnover intentions.

*H2: Servant leadership has a positive influence on turnover intention*

### **2.4.3. The mediating role of Leader-member-exchange**

The relationship between leaders and their followers in organisations plays an important role on how the followers feel and behave. LMX has been used in a significant number of studies that link leadership and other organisational outcomes. The study by Akdol and Arikboga (2017) which was done among Turkish ICT companies found that LMX has a mediating effect on the relationship between servant leadership and job satisfaction. Moreover, the study of Jyoti and Bhau (2015) which was done in India found that LMX is a significant and positive mediator of the relationship between servant leadership and turnover intentions. Similarly, the study of Flickinger et al (2016) which was done in German found that LMX has a significant link between job satisfaction and turnover intention.

*H3: LMX mediates the relationship between servant leadership and organizational performance*

*H4: LMX mediates the relationship between servant leadership and turnover intention*

### **3.0. Methodology**

The study used quantitative approach and a case study design. One of the Tanzania Local Government Authorities namely Biharamulo District Council was used a case study. The organization had a total of 155 employees. The sample size of 112 employees regardless of their positions was determined by the Yamane's formula. To increase reliability and deal with expected non-response the sample size was increased by 10% which led to a sample size of 125 respondents (Masue et al., 2013).

Standard questionnaires were distributed to 125 respondents and questionnaires that were correctly filled and returned were 111 (88.8%). A questionnaire included a five-point Likert scale ranging from 1=strongly disagree to 5=strongly agree. Four sets (scales) of questionnaires adopted from different researchers were used to collect research data. Servant leadership scale was adopted from Barbuto and Wheeler (2006b), organizational performance scale was adopted from Ironson et al (1989) and LMX scale was adopted from Bernerth et al (2007). On the other hand, turnover intention scale was adopted from Camman et al (1979). Data analysis was done by using descriptive and inferential statistics for describing variables and testing relationships respectively. Descriptive statistics involved mean and standard deviation while inferential statistics involved correlation and regression analysis.

### **4.0. Results**

#### **4.1. Demographic data**

The study had a total of 111 respondents from which 68(61.3%) were males and 43(38.7%) were females. Married respondents were 78(70.3%) while those who were not married were 33(29.7%). The respondents were of different age groups, 9(8.1%) respondents were of age ranging from 18-22 years, 46 (41.4%) were of age ranging from 23 to 33 years, 46 (41.4%) of the age ranging from 34 to 44, 16 (14.5%) were of the age ranging from 45-55 while 2 respondents (1.8%) were of the age above 55 years.

The respondents had different levels of education, 40 (36%) held diploma, 58 (52.3%) held bachelor's degree, 12 (10.8%) held master's degree and one respondent (0.9%) had PhD qualification. Moreover, 41 respondents (36.9%) had working experience ranging from 0 to 3 years, 44(39.6%) had working experience ranging from 4 to 7, 20 (18%) had working experience ranging from 8 to 11 years and 6 (5.5%) had working experience of above 11 years.

**Table 1: Demographic characteristics of respondents**

<i>Demographic characteristic</i>	<i>Category</i>	<i>Frequency</i>	<i>Percentage</i>
Gender	Male	68	61.3%
	Female	43	38.7%
Marital status	Married	78	70.3%
	Not married	33	29.7%
Age	18-22	9	8.1%
	23-33	46	41.4%
	34-44	38	34.2%
	45-55	16	14.5%
	Above 55	2	1.8%
Education	Diploma	40	36.0%
	Bachelor degree	58	52.3%
	Master's degree	12	10.8%
	PhD	1	.9%
Working experience	0-3years	41	36.9%
	4-7years	44	39.6%
	8-11years	20	18.0%
	Above 11	6	5.5%

## 4.2. Reliability

The scales adopted in a questionnaire were tested to check their levels of reliability. Cronbach alpha was used to test reliability of each scale. It was found that servant leadership had coefficient of 0.936, perceived organizational performance had 0.937, turnover intention had 0.911 and leader-member exchange had 0.923. Based on the rule thumb that values of 0.7 and above signify reliability (Taber, 2018), this implies that all the four scales were reliable which makes the instrument for data collection reliable as well.

**Table 2: Cronbach alpha values for the variables**

<i>Variable</i>	<i>Cronbach's Alpha</i>	<i>No. of items</i>
Servant leadership (SL)	.936	22
Perceived Organization Performance (POP)	.937	7
Turnover intention (TI)	.911	3
Leader-member-exchange (LMX)	.928	8

## 4.3. Descriptive results

Descriptive analysis involved calculation of mean and standard deviation of each construct of each sub-variable. Further weighted mean and standard deviation of each variable were calculated. Descriptive results are presented below;

### 4.3.1. Servant leadership

Servant leadership had a mean of 3.69 and standard deviation of 0.865. The mean implies that servant leadership was considerably satisfactory as it was the above the midpoint. Further, the standard deviation shows that the scores from the respondents relatively dispersed from the mean score.

**Table 3: Descriptive results for servant leadership**

<i>Construct code</i>	<i>Statement</i>	<i>Mean</i>	<i>S. D</i>
AC1	My supervisor puts my best interests ahead of his/her own	3.48	.893
AC2	My supervisor does everything he/she can to serve me	3.57	.880
AC3	My supervisor sacrifices his/her own interests to meet my needs	3.50	.796
AC4	My supervisor goes above and beyond the call of duty to meet my needs	3.46	1.043
EH1	My supervisor is one I would turn to if I had a personal trauma	3.50	.830
EH2	My supervisor is good at helping me with my emotional issues	3.64	.840
EH3	My supervisor is talented at helping me to heal emotionally	3.59	.928
W1	My supervisor seems alert to what's happening	3.67	.888
W2	My supervisor provides is good at anticipating the consequences of decisions	3.80	.761
W3	My supervisor has great awareness of what is going on	3.70	.804
W4	My supervisor seems in touch with what's happening	3.64	.818
W5	My supervisor seems to know what is going to happen	3.63	.894
PS1	My supervisor offers compelling reasons to get me to do things	3.65	.901
PS2	My supervisor encourages me to dream "big dreams" about the organization	3.75	.909
PS3	My supervisor is very persuasive	3.68	.863
PS4	My supervisor is good at convincing me to do things	3.68	.809
PS5	My supervisor is gifted when it comes to persuading me	3.84	.930
OS1	My supervisor believes that the organization needs to play a moral role in society	3.79	.843
OS2	My supervisor believes that our organization needs to function as a community	3.95	.824
OS3	My supervisor sees the organization for its potential to contribute to society	3.91	.815
OS4	My supervisor encourages me to have a community spirit in the workplace	3.91	.781
OS5	My supervisor is preparing the organization to make a positive difference in the future	3.84	.987
<b>Weighted Mean and Standard Deviation</b>		<b>3.69</b>	<b>.865</b>

#### 4.3.2. Leader-member exchange

For leader-member exchange the weighted mean score was 3.93 and standard deviation was 0.918. Based on these results the respondents rated leader-member exchange was positive (3.93). Further, the standard deviation shows a relative variability in responses as some respondents ranked higher and some lower from the weighted mean score.

**Table 4: Descriptive for leader-member exchange**

<i>Construct code</i>	<i>Statement</i>	<i>Mean</i>	<i>S.D</i>
LMX1	My supervisor and I have a two-way exchange relationship	3.77	1.05
LMX2	I do not have to specify the exact conditions to know my manager will return a favor	3.92	.926
LMX3	If I do something for my supervisor, he or she will eventually repay me	3.88	.912
LMX4	I have a balance of inputs and outputs with my manager	3.97	.879
LMX5	My efforts are reciprocated by my supervisor	3.92	.854
LMX6	My relationship with my supervisor is composed of comparable exchanges of giving and taking	3.92	.886
LMX7	When I give effort at work, my supervisor will return it	4.14	.913
<b>Weighted mean and St. Deviation</b>		<b>3.93</b>	<b>.918</b>



#### 4.3.4. Perceived organizational performance

The mean for perceived organizational performance was 3.67 and standard deviation was 0.926. In the five-point scale which this study used the mean of 3.67 implies that the score lined positive towards agreement. The standard deviation shows that there is a small variability of score around the mean score.

**Table 5: descriptive results for perceived organizational performance**

Construct code	Statement	Mean	S. D
POP1	My organisation has better quality of products and services as compared to others	3.38	.982
POP2	My organisation develops new products/services	3.37	.904
POP3	My organisation is able to attract essential employees	3.37	.894
POP4	My organisation is able to retain essential employees	3.54	.922
POP5	In my organisation, the customers/clients are satisfied with the organisation products/services	3.50	.819
POP6	In my organisation, there is a good relationship between management and employees	3.46	.818
POP7	In my organisation, there is good relationship among employees in general	3.55	1.007
POP8	My organisation is preferred by cutomers as compared to others	3.67	1.065
<b>Weighted mean and St. Deviation</b>		3.48	0.926

#### 4.3.5. Turnover intention

Mean for turnover intention was 2.16 and standard deviation of 1.153. The mean score shows that turnover intention is relatively low. The standard deviation of 1.153 shows that the scores were dispersed near the mean therefore there were no significant differences on the responses provided.

**Table 6: Descriptive results for turnover intention**

Construct code	Statement	Mean	S. D
TI1	I often think of leaving this organisation	2.12	1.085
TI2	It is very possible that I will look for a new job next year	2.14	1.094
T23	If I may choose again, I will choose to work for another organisation	2.23	1.279
<b>Weighted mean and St. Deviation</b>		2.16	1.153

#### 4.4. Correlations

Inferential statistics involved determination of correlations to test the strength of linear relationships among the variables. The relationship between servant leadership and organizational performance was significantly positive and moderate ( $r=.537$ ), between servant leadership and turnover intention was significantly negative and moderate ( $r=-.506$ ). On the other hand, the relationship between leader-member exchange and perceived organizational performance was significantly positive and moderately strong ( $r=.611$ ). The relationship between leader-member exchange and turnover intention was significantly negative and moderately weak ( $r=-.311$ ).

**Table 7: Correlation matrix**

Indicator		Servant leadership	Leader-member exchange	Perceived organisational performance	Turnover intention
Servant leadership	Pearson Correlation Sig. (2-tailed)	1			
Leader-member exchange	Pearson Correlation Sig. (2-tailed)	.582**	1		
Perceived organisational performance	Pearson Correlation Sig. (2-tailed)	.000	.611**	1	
Turnover intention	Pearson Correlation Sig. (2-tailed)	-.506**	-.375**	-.311**	1
		.000	.000	.000	

\*\* Correlation is significant at the 0.01 level (2-tailed)

#### 4.5. Hypotheses testing

ANOVA was used to test four hypotheses of this study. The results for the test are presented below.

##### 4.5.1 Servant Leadership and Organizational Performance: Mediation of Leader-member exchange

The results show that  $R^2$  for the effect of servant leadership on organizational performance was 0.288 which implies that for a unit change of servant leadership there will be 28.8% increase in organizational performance. Moreover, the results show servant leadership has a significant positive influence on organizational performance ( $\beta=.730$ ,  $P\text{-value}=.000$ ), hence the hypothesis that servant leadership positively influences organizational performance was accepted.

On the other hand, leader-member exchange was found to significantly and positively mediate the relationship between servant leadership and organizational performance ( $\beta=.467$ ,  $P\text{-value}=.000$ ). Before moderation  $R^2$  was 0.288 (28.8%), after moderation it was 0.423 (42.3%) which means after moderation there was an increase of 13.5%.

**Table 8: Hypothesis testing results for servant leadership and organizational performance**

Analysis	Hypothesis	R	R <sup>2</sup>	$\beta$	p-value	Decision
Before mediation	Servant leadership has a positive influence on organizational performance	.537	.288	.730	.000	accept
After mediation	LMX mediates the relationship between servant leadership and organizational performance	.651	.423	.467	.000	accept

##### 4.5.2. Mediating effect of LMX on the relationship between servant leadership and organizational performance

The mediation effect of LMX was also confirmed by the process macro-analysis. From a simple mediation analysis conducted using ordinary least squares path analysis it was found that LMX has a mediating effect on the relationship between servant leadership and organizational performance. As shown in table 9 servant leadership was positively associated with LMX ( $a=.197$ ) and LMX positively associated with organizational performance ( $b=.467$ ). Servant leadership was positively associated with organizational performance ( $c=.373$ ). Further, A bootstrap confidence interval for indirect effect ( $ab = 0.357$ ) based on 5,000 bootstrap resamples was entirely above zero (.182 to .563) which suggests that LMX mediates the relationship between servant leadership and organizational performance.

**Table 9: Process macro-analysis**

Antecedent		M(LMX)					Y (OP)			
		B	SE	P	$\beta$		<b>B</b>	SE	p	$\beta$
SL	a	.765	.102	.000	.582	c	.373	.122	.003	.274
LMX						b	.467	.093	.000	.452
		R <sup>2</sup> = .339					R <sup>2</sup> = .423			
		F (1, 109) = 55.848, P<.001					F (2, 108) =39.644, p<.001			

#### 4.5.3 Servant Leadership and Turnover Intention: Mediation of Leader-member exchange

The results in table 9 show that the influence of servant leadership on turnover intention is defined by R<sup>2</sup> of 0.256 which means an increase in one unit of servant leadership will lead to a decrease of 25.6% in turnover intention. The results show that servant leadership negatively influences turnover intention ( $\beta = -.934$ ,  $P\text{-value} = .000$ ) and therefore the hypothesis that servant leadership positively influence turnover intention was rejected.

On the other hand, leader-member exchange was found to have significant negative mediating effect on the relationship between servant leadership and turnover intention ( $\beta = -.172$ ,  $P\text{-value} = .231$ ). Before mediation R<sup>2</sup> was 0.256 (25.6%) after mediation it increased to 0.266 (26.6%) which is a slight increase of 1%. Based on these results we can conclude that LMX significantly mediates the relationship between servant leadership and turnover intention.

**Table 10: Hypothesis testing for servant leadership and turnover intention**

<i>Analysis</i>	<i>Hypothesis</i>	<i>R</i>	<i>R<sup>2</sup></i>	<i><math>\beta</math></i>	<i>p-value</i>	<i>Decision</i>
Before mediation	Servant leadership has a positive influence on turnover intention	.506	.256	.934	.000	reject
After mediation	LMX mediates the relationship between servant leadership and turnover intention	.515	.266	.172	.000	accept

#### 4.5.4 Mediation effect of LMX in the relationship between servant leadership and turnover intention

The mediation effect of LMX can also be confirmed by the process macro-analysis. From a simple mediation analysis conducted using ordinary least squares path analysis it was found that LMX has a mediating effect on the relationship between servant leadership and turnover intention. As shown in table 11, servant leadership was positively associated with LMX ( $a = .765$ ) and LMX negatively associated with turnover intention ( $b = -.172$ ). Servant leadership was negatively associated with turnover intention ( $c = .803$ ). Further, A bootstrap confidence interval for indirect effect ( $ab = -.131$ ) based on 5,000 bootstrap resamples was entirely below zero ( $-.354$  to  $-.074$ ) which suggests that LMX mediates the relationship between servant leadership and turnover intention.

**Table 11: process macro-analysis**

Antecedent		M(LMX)					Y(TI)			
		B	SE	P	$\beta$		<b>B</b>	SE	p	$\beta$
SL	a	.765	.102	.000	.582	c	-.803	.187	.000	-.435
LMX						b	-.172	.142	.231	-.122
		R <sup>2</sup> =.339					R <sup>2</sup> =.266			
		F (1, 109) = 55.848, P<.001					F (2, 108) =19.534, p<.001			

## 5.0. Discussion

The findings show that servant leadership has a positive and significant influence on organizational performance. This makes servant leadership one of the important leadership styles that a leader can adopt to enhance the performance of an organization. The finding is consistent with those of Muller et al (2018) and Quddus et al (2020). While the use of servant leadership to enhance organizational performance and discourage turnover intention is highly encouraged by this study and other preceding literature, it is important to understand that unlike other leadership styles that a person chooses to adopt, servant leadership is unique. It is more than just a leadership style rather a life style that involves sacrifice that a leader needs to demonstrate to his/her followers (Huning et al., 2020). This confirms the fact that very few leaders choose to use it. Further, we need to acknowledge the fact that choosing a particular leadership style requires one to consider several factors. This is to say leadership is situational. Despite that fact, servant leadership may fit in varied situations because regardless of someone's knowledge, skills, competence, status, level of motivation, etc. having a servant leader is desirable. The level of attachment that a servant leader has to his/followers says it all why this study and others found a negative link with turnover intention. Employees wish to be around a leader who prioritizes their interests over his/her own. Having a servant leader takes care of a number of issues that are also a focus of other individual leadership styles.

Considering Tanzania public service context, performance of public organizations has been considered unsatisfactory in general and the turnover intentions are worrying (CAG, 2024; Mwakasangula & Mwita, 2022; Mwita & Andrea, 2020; Payowela & Mrema, 2023). This has been linked with other factors such as compensation, working conditions, limited career opportunities, etc. The presence of servant leadership in a situation like this would probably help in solving these problems collaboratively and improving situations. Having a servant leader does not mean having everything that employees need, rather experiencing a supportive working environment. This means public organisations that have servant leadership are more likely to excel in so many ways including increasing organizational performance and reducing turnover intention through making organizations better places to work in.

While servant leadership has been confirmed to be an important determinant of organizational performance and turnover intention, the mediating effect of leader-member exchange has been found to be important in the relationships among the variables. This finding supports available literature (Akdol & Arikboga, 2017; Flickinger et al., 2016; Jyoti & Bhau, 2015). Leader-member exchange shows the need for leaders to consider that their relationship with their followers is based on give and take. Whatever leaders say or do to their employees may have an impact on how they behave, act and decisions they take that may affect their organisations in one way or

the other. These findings support the leader-member exchange theory that predicts organisational outcomes such as turnover intention and organizational performance as the result of quality of relationships between leaders and their followers i.e., employees.

## 6.0. Conclusion and Recommendations

This study confirms that servant leadership is capable of enhancing organizational performance as well as discouraging turnover intention. Further, leader-member exchange mediates the relationship between servant leadership and organizational performance as well as servant leadership and turnover intention. Organisations that have servant leaders are more likely to have a competitive advantage over other organisations. Through servant leadership organisations may experience superior performance and retaining their best talents. Organisations in Tanzania and in the rest of the world can benefit from servant leadership if they carefully put in managerial positions people who consider leadership as service to their people and not opportunities to benefit themselves before their people and their organisations. It is recommended that organisations in Tanzania should start practicing servant leadership to promote positive outcomes.

## 7.0. Limitation and areas for future studies

This study involved collecting data from one organization. This limits the generalizability of the obtained findings. Future studies may consider collecting data from multiple organisations to increase coverage and sample size. Moreover, the study involved quantitative approach, more insights could have been obtained if qualitative approach could be included and made use of a mixed approach.

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