

THE EFFECTIVE LEADERSHIP STYLE IN NGOs: Impact of Servant leadership Style on Employees' work Performance and mediation effect of work motivation.

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ABSTRACT

The main purpose of this research was to determine the associations between servant leadership style and employees' work performance which is mediating by the employees' motivation in Non governmental organizations, Islamabad, Pakistan. 7 non governmental organizations in Islamabad selected at randomly for survey and collected data through structured and close ended questionnaire. 200 questionnaires were distributed among the employees who were working in these organizations and 158 employees responded out of 200 employees. The results show, the employees' work motivation played full mediation role between servant leadership and employees' work performance in NGOs. So servant leaders can increase the employees' work performance mediating by employees' motivation and all study's hypothesized were significantly confirmed. The managers and leaders of the non governmental organizations should adopt this servant leadership style for increasing the motivation level and performance of the employees. The servant leadership style refers to the leaders who are working as servant of the employees as well as they highly concerned with the satisfaction and other needs interests of the subordinates and employees. We are sure; it would be first research which conducted in Pakistani NGOs that servant leaders can affect on employees' motivation and employees' work performance.

Keywords: *Servant Leadership, Employees' Motivation, Employees' Work Performance, and Non-Governmental organizations, Pakistan.*

1. INTRODUCTION

In this study try to determine the impact of servant leadership style on work performance of the employees in Pakistani NGOs and the employees work performance drastically affects the overall organization's performance and productivity. The supportive leadership styles specifically servant leadership style which introduced by Greenleaf in 1977 that affects the employees' work performance by increasing the employees' motivation level. It is very obvious that the much motivated employees in any organization doing perform very well which make the general reason for the organization's success. There have done numerous studies to manage the human resources in the organization for achieving the goals and objectives of the organization and very important about to improve the employees' behavior. The leadership and management by which to improve the human behavior in the organization by motivating, empowering, increasing satisfaction, training & developing, increasing commitment, rewarding, performance appraising, giving regular positive feed back, set the adequate environment, managing the work force diversity, and increasing knowledge & innovation capabilities of employees. Previous studies have conducted on very famous leadership style like transformational leadership style (Eden et al., 2002) now recently used servant leadership style being successful and effective leadership in the organizations (Whetsone, 2002 & Ehrhart, 2004), they have found the positive association between employees' performance and servant leadership in well reputed organizations. Arrowsmith and Alastria (2004)

concluded the effective and successful transmit of traditional school of thoughts and management might establish extremely successful in service sector organizations, volunteer, charities and other non profit as well as non government organizations. Based on the literature review of leadership according to the spears (1998) described the servant leadership style was effective and better predictable in non profit organizational members' by increasing the employees' satisfaction, commitment, and decrease the turnover intention in the service sector and other organizations. Additionally, the variable empowerment was assumed or hypothesized as mediator between transformational and servant leadership styles positively associated with the employees' outcomes and performance in different types of organizations (Avolio et al., 2004). These studies didn't much emphasize on the employees' motivation as mediator between servant leadership and work performance where as (Whetstone, 2002 & Ehrhart, 2004) founded the servant leadership directly and positively associated with employees' performance in every type of the organizations.

Schneider and George (2010) very recently concluded that the empowerment play mediation role between leadership styles and employees' outcomes in volunteer clubs in West Florida, Pensacola. In this study we want to hypothesize that the employees' motivation plays a mediation role between servant leadership style and employees' work performance In NGOs Pakistan, Islamabad. The NGOs in Pakistan are trying to find the efficient way to manage and lead the employees for performing well inside and outside the organization (in community/society) because these organizations are doing works for human's welfare in the different society. The leader should have these abilities and characteristics emotional healings, ethical behavior, empowering, inspirational motivating, helping and motivating the subordinates, conceptual skills, establish the value for the society and community, to grow and develop the career successfully. The leader will be more motivated himself being a servant leaders and he create spiritual motivation in their subordinates for increasing their performance. The employees should be more motivate by supportive leadership style and the leadership style is the main pillar for increasing the employees' performance. This will be helpful for the HR managers and leaders in the non profit organizations the leaders will be improve themselves by becoming a spiritual leaders.

2. LITERATURE REVIEW

2.1. Servant leadership

The servant leadership theory firstly defined and explained by the Robert K. Greenleaf in 1977 he described that servant leader reveal a well judgment of ethical and social responsibility and admiration for the employees or followers like that the create spirit and highly motivate the followers to handle the future job's challenges and to develop their career (Greenleaf, 1977) and this leadership theory is using in the current developed and developing organizations for effectively and efficiently management of employees and their performance. The servant leader's desires to motivate spiritually and lead effectively the followers or employees, create hope & love, and offer more helpful experience in the course of set up the honorable associations (Spears & Greenleaf, 2002). The main responsibility of the servant leaders is doing work for the provision of basic necessities and desires to the employees by taking the personal interests (Whetstone, 2002).

The first feature of servant leadership the frameworks is *Services to others* "the servant leaders perceive as a servant and to do work for the employees' growth and wellness rather than establish the power distance between them". It is the key of the greatness of the servant leader to serve for the other (Greenleaf 1970). Second feature is *Holistic approach to work* "to give more personal and integrity value to the person as employee to do perform willingly in the organization and keep work life balance also" The work survive for the individual as to a great extent as the individual survive for the work" (Greenleaf, 1996). Third is *promoting a sense of community* "establishing this logic of community amongst employees may for the successful accomplishment of the organization's objectives and goals and the theory pursuits that this logic of community can take place only from the dealings of individual servant leaders (Greenleaf, 1970). Finally is *sharing of power in decision making* "the supporting, participatory, empowering environments and encouraging the skills, knowledge and abilities of employees, the servant leader establishes more effective, motivated employees and eventually a additional successful organization. The Leaders facilitate the employees to perform not by using the authority which they have but the supporting the employees (Russell, 2001). This framework introduced by the Greenleaf who is the father of servant leadership theory.

The characteristics or elements of the servant leadership firstly developed by Greenleaf (1977) he described some necessary and important attributes for servant leadership style like Persuasion, Listening, Awareness, Stewardship, Empathy, Commitment to the people for growing, Conceptualization, Healing, Foresight, and Community building. Stone and Russell (2002) establish more items or attributes for servant leadership, actually he divided these attributes into main characteristics Functional characteristics (Honesty, Pioneering, Vision,

Trust, Modeling, Empowerment, Services, Integrity, and Appreciation) these characteristics defined as intrinsic attributes of servant leadership style while and Accompanying characteristics (Credibility, Stewardship, Communication, Delegation, Competence, Visibility, Persuasion, Encouragement, Influence, Teaching, and Listening) complement and enhance the functional characteristics. More recently Ehrhart (2004) anticipated the two main elements or attributes of servant leadership are Ethical Behavior, and Concern for subordinates. Liden, Wayne, Zahra, and Henderson's (2005) described the seven dimensions for the servant leadership are Conceptual skills, Emotional Healings, Empowering, Behaving Ethically, Valuing the Community, Helping the subordinates growing toward succeed, and Concern for subordinates first. In this studied I used two dimensions (Behaving ethically and Concern for subordinates) for the servant leadership which used Ehrhart in 2004 because these dimensions contributing the precisely detail about the attributes of servant leadership. Ehrhart did explain very precisely about some important characteristics of this leadership because he emphasized on behaving ethically and concern for subordinates which are much important features for explain the servant leadership comprehensively whereas other authors did use some element again and again which may appear overlapping of elements in the scale for the measurement of servant leadership. The positive prediction about the servant leadership in which that style would be much effective and appropriate than the other styles like transformational and transactional leadership style in non profit and other volunteer organizations and the motivated leaders require much effort to keep the motivate their unpaid followers or employees because it is difficult to motivate the employees without compensating the any tangible reward for getting traditional outcomes in the organization from employees (Spears, 1998) .

The motivated employees emphasized on intrinsic motivation which is about the positive feelings and perception of doing job well for the humanity rather than extrinsic motivation like get more money and other compensation (Alatrasta and Arrowsmith, 2004) and the willing employees desire to seek new knowledge, information and improve skills and learning from their servant leaders are valued (Wisner et al., 2005). The servant leaders giving more concentration on individual desires and needs of the motivated and loyal employees so the leaders take interest in the personal matters of these employees due to employees' loyalty for performing job well (Spear, 1998).

2.2. Employees' Motivation as Mediator

Porter and Lawler (1968) firstly defined the two categories of motivation "intrinsic motivation and extrinsic motivation" Intrinsic motivation defined as the motivators to do perform work its willingly while extrinsic motivation define as to do perform work due to tangible reward or monetary compensation etc. Subordinates may be satisfied with the both categories of motivation for improving their performance and the challenging and difficult tasks would create and increase the intrinsic motivation for the achievement of these tasks and objectives serves like optimistic feedback that increases the intrinsic motivation (Deci, 1975). The affect of spiritual values and emotions of the servant leaders on employees motivation and employees' well being (Y. Chen, V. Chen, & Li, 2011) they have founded intrinsic motivation of the employees plays mediation role and positively associated with servant leadership style and well being of the employees. There is significant association between clinical symptoms and functioning and intrinsic motivation plays mediation role between their relationship (Yamada, Lee, Dinh, Barrio, and Brekke, 2010) they have concluded there is negative relationship between symptoms and functioning when intrinsic motivation plays fully mediation role between their relationship.

There is association between instructor learning and student and intrinsic motivation does act as a mediator between their relationship (Richmond, 1990) he investigated the positive relationship between the instructor behavior and motivation level of the student for learning more and effectively.

The characteristics for the motivation is self determination theory and work motivation in which elaborate the basic needs, desires and general necessities for education, nourishment and attaining knowledge which are essential for human development and reality (Sheldon, Deci, Ryan & Kasser, 1996). There are important and fundamental psychological needs (competence, autonomy, and relatedness) which influence the intrinsic motivation of the employees and work climate which support satisfaction of the three fundamental psychological needs will increase the motivation level of the employees intrinsically and it support internalization completely of the extrinsic motivation of the employees and ultimately it effect the employees' work outcomes, changing behavior positively, effective performance, job satisfaction, organizational citizenship behavior, and positive attitude, well being and psychological adjustment of the employees (Gagne & Deci, 2005).

The STD recommended that autonomous motivation consists on intrinsic motivation, integration of regulation, extrinsic internalized motivation, identification of regulation, and motivation which is controlled motivation, regulated of external behavior, interjected of regulation (Deci & Gagne, 2005). Although all dimensions of the STD and work motivation theory are important but we want to specifically investigate the intrinsic motivation of the employees that the servant leaders effect the intrinsic motivation of the employees for improving the employees' work performance in this study and the dimensions which we used in this scale have used by the Kuvaas in 2006 and 2007 before.

2.3. Employees' Work Performance

Work performance means the outcomes of the employees about their work and objectives align with the organization's goals and objectives that are achieved by the employees to work effectively, efficiently and motivation and work performance of the employees measuring using different techniques of performance appraisal system. Currently the most of studied are conducting to measure the performance by reactions of user to performance appraisal (Jawahar, 2007). The reactions are approximately always appropriate and adverse reactions can to difficult the largest part carefully constructed the system of appraisal (Murphy and Cleveland, 1995).

The previous studies described the positive association between servant leadership style and commitment of the organizations, outcomes and performance of the employees (Avolio et al., 2004). Schneider and George (2010) founded the positive association between servant leadership effective style and outcomes of the employees when employees' empowerment plays mediation role between theses relationship in volunteer service organizations. The very few studies assumed the expression of performance appraisal and its effect on employees' commitment and work performance instead of testing the employees performance critically (Williams & Levy, 2004) the described the most of the studies conducted to examine the relationships between reaction of performance appraisal, attitude and behavior of the employees.

The determinations of individual person differences which can effect the association between reactions of the performance appraisal and employees' work performance of the individual may discover the situations in which performance appraisal is much or less effective that study such as to capitulate results of relatively in practical (Fletcher, 2001). The fundamental activities of performance appraisal are Goal setting and feedback that are broadly assumed the impact of performance positively by increasing specific information, knowledge, and motivation which are important for increasing the performance of employees (Fletcher, 2001).

Kuvaas (2006a) concluded the positive association between reactions of performance appraisal and commitment of the organization and intrinsic motivation plays moderate role between their relationships. The positive association founded between reactions of the performance appraisal and employees' work performance in which autonomy orientation acts as moderate between their relationships (Kuvaas, 2007).

Kuvaas (2011) found the increasing and positive interaction between reactions of the employees and employees work performance in which feedback plays moderate role between their relationships. In this study we used the 6 dimensions (acceptability, hard working, extra effort, better perform, engagement of job, and quality of work) of Kuvaas for measurement and identify the work performance of the employees because Kuvaas constructed the advance dimensions of work performance.

2.4. Theory and Hypothesis

The servant leadership explains the principles and guidelines for effective leaders. The principles and guidelines are fundamental motivators for an effective leadership and servant leaders effectively do effort for fulfilling the needs and achievements of their employees by performing their responsibilities willingly for serving their employees (Yukl, 2002).

The employees' motivation is main tool to achieve their task through support of their servant leaders because the core purpose of leaders to improve their employees' performance for their own growth, development, and establish their personal goals aligns with the organization's goals (Ehrhart, 2004).

The Patterson' Servant leadership model explained that impact of leadership services on love, commitment, self efficacy, and intrinsic motivation of employees or subordinates that may change the employees' attitude and as well as change the leaders' attitude, the Agapao (love) of leaders with the employees that may establish a positive circle (Winston, 2003). The servant leadership theory (Greenleaf, 1977) and path goal theory of

motivation (Robert, 1971) to support that positive relationship between servant leadership and motivation level of employees.

H1: *The servant leadership style does positively affects on Employees' motivation.*

Now days, the management style is changing rapidly in all over the world (Robbins, 2000). In the changing environment of world most of the organization's leaders are managing the human resources through increasing the motivation and innovation capability of their followers or employees because the employees' motivation is organizations' life blood (Sharma, 2006).

Effective and efficient organizations can increase the motivation level of employees for gaining these competitive advantages like decrease turnover intention and absenteeism; increase the productivity, work life satisfaction and revenue; and improve the work performance (Lin, 2007). So it is main responsibility for the organization's leaders establish the assumptions to keep motivate their employees (Birkin, 2006) and these assumptions can lead the leaders to make mistakes when they are trying to keep motivate their followers/employees (Simon & Enz, 2006). Persona social life and work, Management style, structure and culture as well as environment of the organization affect the motivation level of employees (Lin, 2007).

There are many theories Maslow's (needs hierarchy theory), McClelland's (personality approach), Victor Vroom's (Expectancy theory) that support this hypothesis that when employees' motivation will increase their work performance also increase. Beside it Vroom's VIE theory, Locke and latham's goal theory, Bangharas' self efficacy theory, Weiner's attribution theory, Hertzberg's (job design theory), Adim's (Equity theory), these theories help to develop and improve the behavior of the employees and provide positive thinking to leaders and employees that increase their & other motivation level for doing work effectively and willingly (Drake & Kossen, 2002).

H2: *When the intrinsic motivation level of employees increases the work Performance of employees will also increases.*

The numerous studies about leadership have determined relationships between traits and behaviors of leaders with the behaviors of employees, whereas ignoring the mediation role of employees' motivation (Lord & Brown, 2004). The very few empirical researches have been conducted and published to examine the relationship between servant leadership and employees' outcomes or performance.

Hence the positive affect of servant leadership is supporting this style for improvement of organizations' and employees' performance, Firstly it introduced by Green leaf in 1977 and theoretical explained (Avolio & Gardner, 2005) servant leadership's philosophy proposed (Greenleaf, 1970) and explained the servant leadership theory (Greenleaf, 1991).

Explicitly, the empirical results have supported the positive association between servant leadership style and performance of the employees (Henderson, Liden, Zaho, & Wayne, 2008), association between servant leadership and satisfaction of the employees' job (Wheeler & Barbuto, 2006), as well as relationship between servant leadership and social behavior (Hartnell, Oke, & walumbwa, 2010).

The servant leadership theory (Greenleaf, 1977) to supports this hypothesis that servant leadership style directly and indirectly impacts on the employees' or subordinates' behavior, job satisfaction, motivation, performance, outcomes, and commitment positively and turnover intention, and absenteeism negatively as well as also impact on organization's productivity, development, and performance positively.

H3: *Employees' Perceptions servant leadership style indirectly impact on the Employees' work performance that mediating by Employees' Motivation*

3. RESEARCH DESIGN AND METHODOLOGY

3.1. Design

This study is explanatory in which try to draw a conclusion about the non governmental organizations in Pakistan that impact servant leaders on the employees performance by increasing the employees' intrinsic motivation level. This is very advance leadership style which is much suitable for non profit or volunteer organizations because non profit organization's providing services for the human development and poverty

alleviation. The investigation of this study to check the cause and effect of the variables on each other also it is co relational study. The cause and effect relationship between servant leadership style and employees' work performance is positive, and it style increasing the employees' motivation for doing work effectively and efficiently inside and outside the organizations. This study actually conducted in the field in which was surveyed in the different non governmental organizations and collect the data from non governmental organization's population in Islamabad, Pakistan. So the environment of this study is non-contrived because have no control the allocation of treatments from the experimental unit and this was cross sectional study because it was conducted first time in that mean only one unit of time data were collected form different non government's organizations.

3.2. Method

The population is including some of the non governmental organizations in Islamabad, Pakistan. Selected seven non governmental organizations randomly so number of samples was 7 and sample size were 200 employees. Data were collected from the employees of Aurat Foundation (AF), Rozan Organization (RO), Sungi Development Foundation (SUF), Orangi Pilot Project (OPP), Read Foundation (RF), Volunteer Services Overseas (VSO), and Islamic Relief organizations (IR) in Islamabad. Convenience non probability sampling technique is used for collecting the data from the non governmental organizations' employees in Islamabad. 200 questionnaires distributed among the employees of different non governmental organizations 158 employees responded which are 79% responded from the employees. There were short sample size for this research due to shortage of time and most of the employees do not respond properly and it was very difficult to collect data in Pakistan about any research purpose due to un-willingly response from the Pakistani people.

3.3. Measures

The data was collected by using some valid and reliable instruments for measuring the Servant leadership style, 14 items scale which developed by Ehrhart in 2004 and he reported the Cronbach's alpha reliability for this scale was 0.90 and in this study was 0.85. For measuring the Work Performance used 6 items scale which developed by Kuvaas in 2011 and he reported the Cronbach's alpha reliability coefficient for this scale was 0.74 and in this study is 0.75. And for measuring the intrinsic motivation of the employees, 6 items scale was used by Kuvaas in 2006 and 2007 who resulted a Cronbach's alpha coefficient reliability was 0.85 and 0.86 and in this study was 0.85. The items as sample include "My job is so interesting that it is a motivation in itself" and "My job is meaningful". The composite reliability of all constructs exceeded the benchmark of 0.7 suggested by Nuanny and Brenstein in 1994. The all question arranged by using the 5 points strongly disagree to strongly agree Likert scales in which assigned 1 for strongly disagree, 2 for disagree, 3 for neutral, 4 for agree and 5 for strongly agree.

Table I (Respondents' percentage rate on the basis of gender, age, education, experience, working area and management level). The respondents percentage of gender (male 72% & female 28%), education level of respondents (graduate persons 10% & Master 90%), experience level of respondents (below 5 years 6%, 6-10 years 63%, 11-15 years 68% & above 16%), working area in which these respondents were doing job (finance 10%, human resource management 49%, general management 10% & others 31%) and management level of respondents (middle level 58% & lower level 42%).

3.5. CONFIRMATORY FACTOR ANALYSIS (CFA) OF THE STUDY VARIABLES SCALES

3.5.1. CFA of Servant Leadership Scale

3.5.1.1. CFA of behaving ethically Scale (first element of servant leadership)

The using AMOS software CFA which result's showed construct is fit with chi-square value 34.985, degree of freedom is 14, and the ratio of chi-square and df is 2.50 at p value is 0.001 so it excellent because the ratio was less than 3.00 and the values of GFI, AGFI, CFI, and TLI were 0.9444, 0.888, 0.947, and 0.920 as excellent fit and RMSEA 0.098. The regression values of SLBE1, SLBE2, SLBE3, SLBE4, SLBE5, SLBE6 and SLBE7 were 0.05, 0.53, 0.61, 0.47, 0.43, 0.59, and 0.46 respectively these values shows the percentage of variation. The standardized coefficient estimates of SLBE1, SLBE2, SLBE3, SLBE4, SLBE5, SLBE6 and SLBE7 were 0.22, 0.73, 0.78, 0.69, 0.66, 0.77, and 0.68 respectively and these all item's values are more than 0.30 except one item's (SLBE1) which shows the convergent validity of the construct (Concern for subordinates) is not satisfactory for 7 items if skip SLBE1 item the result would be better and the convergent validity of the

construct (Behaving ethically) will be satisfactory for 6 items. Therefore these 6 items can measure the construct “behaving ethically”.

3.5.1.2. CFA of concern for subordinates scale (Second element of servant leadership)

The next construct is Consideration for subordinates which CFA result's showed construct is fit with chi-square value 71.639, degree of freedom is 14, and the ratio of chi-square and df is 5.11 at p value was 0.000 so it is good but not excellent because its ratio was more than 3.00 and the values of GFI, AGFI, CFI, and TLI were 0.875, 0.749, 0.722, and 0.582 as good fit but not excellent and RMSEA value is 0.162. The regression values of SLCS1, SLCS2, SLCS3, SLCS4, SLCS5, SLCS6 and SLCS7 were 0.59, 0.49, 0.31, 0.29, 0.02, 0.12 and 0.06 respectively these values shows the percentage of variation. The standardized coefficient estimates of SLCS1, SLCS2, SLCS3, SLCS4, SLCS5, SLCS6 and SLCS7 were 0.77, 0.70, 0.56, 0.54, 0.15, 0.34, and 0.25 respectively and these all item's values are more than 0.30 except two item's (SLCS5 and SLCS 7) which shows the convergent validity of the construct (Concern for subordinates) is not satisfactory for 7 items if skip these two items (SLCS5 and SLCS 7) result would be better and the convergent validity of the construct (Concern for subordinates) will be satisfactory for 5 items. Therefore these 5 items can measure the construct “concern for subordinates”.

3.5.2. CFA of Employees Motivation Scale

The next construct is Employees' Motivation which CFA result's showed construct is fit with chi-square value 83.917, degree of freedom is 9, and the ratio of chi-square and df is 9.32 at p value is 0.000 so it is good fit but not excellent because the ratio was more than 3.00 and the values of GFI, AGFI, CFI, and TLI were 0.847, 0.644, 0.834, and 0.723 as good fit and RMSEA value is 0.230. The regression values of EM1, EM2, EM3, EM4, EM5, and EM6 were 0.77, 0.48, 0.41, 0.71, 0.49 and 0.26 respectively these values shows the percentage of variation. The standardized coefficient estimates of EM1, EM2, EM3, EM4, EM5, and EM6 were 0.84, 0.69, 0.64, 0.84, 0.70, and 0.51 respectively and these all values are more than 0.30 which shows the convergent validity of the construct (Employees' Motivation) is satisfactory. Therefore these 6 items can measure the construct “employees' motivation”.

3.5.3. CFA of Employees work Performance Scale

The next construct is Employees' work performance which CFA result's showed construct is fit with chi-square value 20.253, degree of freedom is 9, and the ratio of chi-square and df is 2.25 at p value is 0.016 so it is excellent fit because the ratio was not more than 3.00 and the values of GFI, AGFI, CFI, and TLI were 0.961, 0.908, 0.938, and 0.897 as excellent fit and RMSEA value is 0.089. The regression values of EWP1, EWP2, EWP3, EWP4, EWP5, and EWP6 were 0.26, 0.45, 0.45, 0.29, 0.29 and 0.34 respectively these values shows the percentage of variation. The standardized coefficient estimates of EWP1, EWP2, EWP3, EWP4, EWP5, and were 0.51, 0.67, 0.67, 0.54, 0.54, and 0.58 respectively and these all values are more than 0.30 which shows the convergent validity of the construct (Employees' work performance) is satisfactory. Therefore these 6 items can measure the construct “employees' work performance”.

4. RESULTS AND DISCUSSION

The results of this study were analyzed by using the SPSS 15.0 software and examined the strength of relationship among the variables (correlation), variation between independent and dependent variables (regression), accepting and rejecting region of hypothesis (t values), how much affected the dependent variable when increase one unit of independent variable (Beta) and significance level of the results (p value) for interpretation of study's hypothesis rejection and acceptance.

4.1. Pearson's Correlations and Descriptive Statistic of study's variables

Table II shows the relationship between independent, mediation and dependent variables and this relationship call *Pearson's correlation* of the variables it means to measure the strength of relationship between two variables. There were positive and significant relationships among independent variable (servant leadership style, behaving ethically and concern for the subordinates); mediation variable (employees' motivation) and dependent variable (employees work performance) of this study (table II). The behaving ethically (dimension of servant leadership style) was significantly positive correlated ($r = 0.64$, $p < 0.01$) with the concern for the subordinates (another dimension of servant leadership style), and significantly positive correlated ($r = 0.37$, $p < 0.01$) with the employees' motivation, and also significantly positive correlated ($r = 0.29$, $p < 0.01$) with the

employees' work performance (table II). The Concern for subordinates (dimension of servant leadership style) was significantly positive correlated ($r = 0.32$, $p < 0.01$) with the employees' motivation, and also significantly positive correlated ($r = 0.35$, $p < 0.01$) with the employees' work performance and the last variable employees' motivation was significantly positive correlated ($r = 0.64$, $p < 0.01$) with the employees' work performance (table II).

The mean score of respondents on behaving ethically scale was 2.89, standard deviation in the score was 0.60 and standard error in the mean score was 0.04, mean score on concern for subordinates scale was 2.79, standard deviation in the score was 0.50 and standard error in the mean score was 0.04, mean score of employees' motivation scale was 3.75, standard deviation was 0.38 and standard error in the mean score was 0.03, and mean of employees' work performance was 3.75, standard deviation was 0.32 and standard error in the mean score was 0.02. According to the Kenny's and Barron (1986) there should be significant correlation among all the variables for mediation analysis. Hence this study did meet this requirement for mediation analyses of employees' motivation because there were positive and significant relationships between all variables (servant leadership, employees' motivation and employees' work performance) all variables (table II). Table III shown the regression analysis of servant leadership, employees' motivation and employees work performance.

4.3. Regression Analysis

4.3.1. Servant leadership and employees' motivation

Model1 shows in table III the regression analysis of two (servant leadership and employees' motivation) variables in which Beta value (Beta = 0.39, $p < 0.001$) of these two variables interpreted, if one unit increase in servant leadership then 0.39 unit increase the motivation of employees and this was highly significant value (table III). Adjusted R square (0.15) explained the significant variation between servant leadership and employees' motivation was 15% and t value ($t = 5.27$, $p < 0.001$) which shows significant true relationship between these two variables in model 1, because t value (5.27) was greater than t tabular standard value (± 1.96) (table III). According to the Sobel, (1982) this t value (5.27) is normally distributed, that for large samples it will lead to accept the study hypothesis at $p < 0.05$ because it exceeds ± 1.96 which is standard normal distribution for small samples. So this study first hypothesis (H1) is significantly confirmed that was "*The servant leadership style does positively affects on Employees' motivation*".

Previous studies described that the employees' motivation is a main tool to achieve their task through support of their servant leaders because the core purpose of leaders to improve their employees' performance for their own growth, development, and establish their personal goals aligns with the organization's goals (Ehrhart, 2004).

The Patterson' Servant leadership model explained that impact of leadership services on love, commitment, self efficacy, and intrinsic motivation of employees or subordinates that may change the employees' attitude and as well as change the leaders' attitude, the Agapao (love) of leaders with the employees that may establish a positive circle (Winston, 2003).

4.3.2. Employees' motivation and employees' work performance

Model2 shown the regression analysis of two (employees' motivation and employees' work performance) variables in which Beta value was (Beta = 0.64, $p < 0.001$) of these two variables interpreted, if one unit increase in employees' motivation then 0.64 unit increase the work performance of employees and it was highly significant value of Beta (table III). Adjusted R square (0.41) explained the significant variation between employees' motivation and employees' work performance was 41% and t value ($t = 10.55$, $p < 0.001$) which shows significant true relationship between these two variables in model 2, because t value (10.55) was greater than t tabular standard value (± 1.96) (table III). According to the Sobel, (1982) this t value (10.55) is normally distributed, that for large samples it will lead to accept the study hypothesis at $p < 0.05$ because it exceeds ± 1.96 which is standard normal distribution for small samples. So this study second hypothesis (H2) was also significantly confirmed that was "*When the intrinsic motivation level of employees increases the work Performance of employees will also increase.*"

Previous studies effective and efficient organizations can increase the motivation level of employees for gaining these competitive advantages like decrease turnover intention and absenteeism; increase the productivity, work life satisfaction and revenue; and improve the work performance (Lin, 2007).

4.3.3 Mediation Analysis for Hypothesis test

Kenny and Barron (1986) stated when three conditions are fulfilled then it is supported the full or partially mediation. In first condition, the mediator (employees' motivation) variable must be significantly {according to Sobel, (1982) t value, $p < 0.05$ } related to the independent variable (servant leadership style) then first condition would be satisfactory meet. In second condition, Barron and Kenny (1986) described that there also must be significant relationship {according to Sobel, (1982) t value, $p < 0.05$ } between independent variable (servant leadership) and dependent variable (employees' work performance) directly in step 1 of hierarchical regression analysis. In third and last condition, Barron and Kenny (1986) explained when added the mediator (employees' motivation) variable in step 2 of hierarchical regression analysis between the relationship of independent (servant leadership) and dependent (employees' work performance) variables, the Beta value of mediator (employees' motivation) variable should be significant and Beta value of independent (servant leadership) variable should be decrease by the step 1 in step 2 but be statistically significant [(R square change) and t value, $p < 0.05$ {Sobel, (1982)}], it means there would be partial significant mediation. According to the Kenny and Barron (1986) if the Beta value of independent (servant leadership) variable decrease in the presence of mediation (employees' motivation) variable but it will not longer significant [(R square change) and t value, $p < 0.05$ {Sobel, (1982)}], it means there would be full significant mediation of mediator (employees' motivation) between independent variable (servant leadership) and dependent variable (employees' work performance).

4.3.3.1. Servant leadership and employees' work performance

Model3 shown the mediation analysis in hierarchical regression analysis of three variables (servant leadership, employees' motivation and employees work performance) and in hierarchical regression analysis divided into two steps. Step 1 analyzed the hierarchical regression analysis of two (servant leadership and employees' work performance) variables directly in which Beta value was (Beta = 0.32, $p < 0.001$) of these two variables interpreted, if one unit increase in servant leadership then 0.32 unit increase the work performance of employees and it was highly significant value of Beta (table III). Adjusted R square (0.12) explained the significant variation between servant leadership and employees' work performance was 12% and t value ($t = 4.55$, $p < 0.001$) which shows significant (for large samples) true relationship between these two variables in step 1 of model 3 (table III), because t value (4.55) was greater than t normally distributed standard value (± 1.96) for small samples (Sobel, 1982). So according to Barron and Kenny (1986) first condition (servant leadership positively affect the employees' motivation) was met (see first hypothesis's results) and second condition (servant leadership directly significant related to the employees' work performance) was also met. In step 2 of model 3, when added the employees' motivation as mediator, it was played significant and full mediation role between servant leadership and employees' work performance because when employees motivation was added in step 2 then there was highly significant value of Beta (Beta = 0.60, $p < 0.001$) and the change in R square was 30 percent from step 1 to step 2 which was also significant. Where as Beta value (Beta = 0.32, $p < 0.001$) and t value (4.55, $p < 0.001$) in step 1 of servant leadership was significant but in step 2 the value of Beta (Beta = 0.12), value of t ($t = 1.843$) according to the Sobel (1982), if t value ($t = 1.843$) was less than the standard normally distributed value (± 1.96) then servant leadership was not normally distributed and not significant at $p < 0.05$ and p value ($p = 0.07$) which was greater than ($p < 0.05$). So servant leadership was no longer significant when employees' motivation added in step 2 of model 3 (table III). According to Kenny and Barron (1986) third condition (So servant leadership was no longer significant when employees' motivation added in step 2) for mediation analysis was also fulfilled and it was proved that employees' motivation plays mediation role between servant leadership and employees' work performance in non governmental organizations of Pakistan. Hence third hypothesis was also supported that "*Employees' Perceptions servant leadership style indirectly impact on the Employees' work performance that mediating by Employees' Motivation*". The previous studies described the positive association between servant leadership style and commitment of the organizations, outcomes and performance of the employees (Avolio et al., 2004). Schneider and George (2010) founded the positive association between servant leadership effective style and outcomes of the employees when employees' empowerment plays mediation role between theses relationship in volunteer service organizations.

5. CONCLUSION AND LIMITATION OF THE STUDY

The strength and advantage of this study was to determine the employees' perceptions about the impact servant leadership on employees work performance in non governmental organizations. The researchers have investigated the desire for the effective and efficiently management of the non profit organizations and volunteer workers (McMiullin and Martinez, 2004) and also many empirical researches are needed for servant leadership. Our research should be useful for examine the reactions of non governmental organizations' employees on servant leadership style because they work and provide services for the welfare of human beings in different

society. As this study try to examine the relationships among servant leaders, employees' motivation and employees' work performance, the results of this study showed the positive and significance relationships between servant leaders and employees' motivation and ultimately employees' work performance. The study's results supported the all three hypothesis which assumed by the researcher the main hypothesis was the servant leaders increase the employees motivation, and when employees' motivation increases the employees work performance will ultimately also increases. Employees' motivation plays full mediated role between the relationship of servant leadership and employees work performance. So the servant leadership style is more appropriate for NGOs in Pakistan and other nations all over the world for increasing motivation and performance of the employees. Employees' motivation level is playing very important role for increasing the employees' work performance, satisfaction, outcome, commitment and well being.

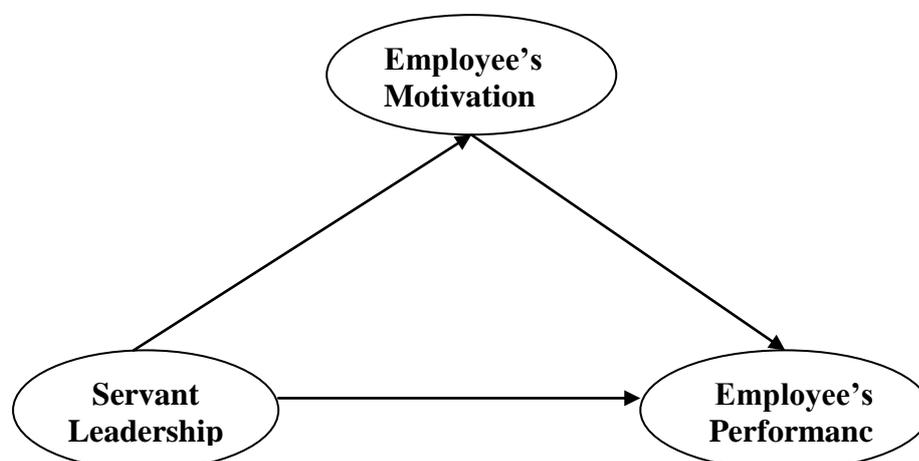
The direct affect of servant leadership was significant on employees' work performance but it not longer significant when employees' motivation is in regression equation in step 2 of modal 3 (table III) it is very strong evidence for proving the mediation impact of employees' motivation.

Although Greenleaf in 1977 introduced the servant leadership but recently very few intention of researchers were elaborated the servant leadership style and have no availability of empirical literature. The five new scale have been developed on servant leadership style construct from last five years to till now (Sendjaya et al., 2008) and now empirical researches has started for differentiating between the transformational and servant leadership styles (Parolini et al., 2009). The researches are more necessary to determine the discriminating between servant leadership and transformational leadership for the non profit and profit organizations in the perspective of long term. The first limitation is the study's sample size was small which were only 158 in Islamabad, second is the study is conducted only Non Governmental Organizations not include other private national and multinational organizations and public sector organizations, and third is the study was cross sectional which is conducted first time in Pakistan. There should be longitudinal study next for further proved these hypotheses on other cities and countries as well as increase the scope by selecting more employees of non governmental organizations as large sample for future study. The study examine the impact of servant leaders on employees motivation and employees' work performance there could be also included some other variables like organizational citizenship behavior, organizational commitment, employees' satisfaction, employees' absenteeism, turnover intentions, and organizational outcomes/performance.

6. RESEARCH'S IMPLICATIONS FOR LEADERS

This research has elaborated that servant leadership can be outstandingly appropriate for the effective management and development on non profit organizations. The study shown the employees (who were working under kind leading of servant leader) were much motivated for performing tasks effectively in the non governmental organizations. This study investigated that employees motivation as a device or tool that leader might be capable for effectively manage and guide the workforce of non governmental organizations. According to the result of this study, servant leaders might locate it practical to increase motivation level of employees for effectively and willingly perform each activity of non profit organizations.

2.4. Fig.1. Theoretical framework of the studies variables.



3.4 Respondents' demographic information

Respondents' demographic information	Respondents' percentage
Gender	
Male	72%
Female	28%
Age	
25-40 years	46%
Above 40 years	54%
Education	
Graduation	10%
Master	90%
Experience	
0-5 years	6%
6-10 years	63%
11-15 years	18%
Above 16 years	12%
Working Area	
Finance	10%
HRM	49%
General management	10%
Others	31%
Management Level	
Middle level	58%
Lower levee	42%

4.1. Table II Pearson's Correlations and Descriptive Statistic of study's variables

Measure	BE	CFS	EM	EWP
Servant Leadership				
<i>Behaving Ethically</i>	1			
<i>Concern for the subordinates</i>	0.65**	1		
Employees' motivation	0.37**	0.32**	1	
Employees work performance	0.29**	0.35**	0.64**	1
No. of Observations	158	158	158	158
Mean	2.89	2.79	3.75	3.75
Standard Deviation	0.60	0.50	0.38	0.32
Standard Error	0.04	0.04	0.03	0.02

Note: **p < 0.01 level (2-tailed) n=158 and *servant leadership, employees' motivation and employees' work performance rating by using the 5 point likert scale 1 to 5*

4.2. Table III Regression Analysis

Variables	Beta	Adjusted R square	Change in R square	t value	Significance p value	F
Model 1						
Servant leadership and Employees' motivation	0.39***	0.15	-	5.27	0.000	27.77***
Model 2						
Employees motivation and Employees' work performance	0.64***	0.41	-	10.55	0.000	111.31***
Model 3						
Mediation Analysis						
Step 1						
Servant leadership and Employees' Performance	0.32***	0.12	-	4.70	0.000	22.08***
Step 2						
Servant leadership	0.12		-	1.810	0.070	
Employee's motivation and Employees' performance	0.60***	0.42	0.30	9.09	0.000	58.10***
<i>Note: *p < 0.05, **p < 0.01, ***p < 0.001</i>						

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