THE RELATIONSHIP BETWEEN SERVANT LEADERSHIP STYLE, EMPLOYEE SATISFACTION AND EMPLOYEE COMMITMENT OF TELECOMMUNICATION INDUSTRY EMPLOYEES IN PAKISTAN

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ABSTRACT

The study explores the relationships between servant leadership, employee satisfaction, and employee commitment within the telecommunications sector of Pakistan. Despite the significance of these variables for organizational success, especially in dynamic industries like telecommunications, the interplay among them has been under-researched in the Pakistani context. The primary objective of this study is to investigate the direct and indirect effects of servant leadership on employee commitment, focusing particularly on the mediating role of employee satisfaction. The study employs a causal-comparative research design, targeting a population of approximately 1.36 million employees within Pakistan's telecom sector. Based on the Morgan sample size table, a sample of 384 participants was determined to achieve a 95% confidence level. Data were collected from 397 respondents using survey questionnaires distributed across four major telecom companies. The survey instrument measured key constructs of servant leadership, employee satisfaction, and employee commitment. A pilot study was conducted to ensure the instrument's reliability before data collection. Data was analyzed using Smart PLS software, applying a range of statistical tests, including demographic analysis, descriptive statistics, reliability testing, correlation analysis, and regression analysis, to test the study's hypotheses. The findings revealed a positive and statistically significant relationship between servant leadership and employee commitment, as well as between employee satisfaction and commitment. Furthermore, servant leadership was found to have a strong influence on employee satisfaction. Importantly, employee satisfaction served as a significant mediator in the relationship between servant leadership and employee commitment, highlighting the indirect effect of leadership on commitment. These findings offer valuable insights for organizational leadership and human resource practices in the telecom sector, emphasizing the importance of servant leadership in fostering employee satisfaction and commitment. The study concludes with recommendations for future research, suggesting the exploration of additional mediating and moderating variables and the use of mixed method approaches to gain deeper insights into these relationships.

Keywords: Servant leadership, employee commitment, employee satisfaction, mediation, Pakistan telecommunication industry

APPROVAL

This is to certify that this thesis conforms to acceptable standards of scholarly presentation and is fully adequate, in quality and scope, for the fulfilment of the requirements for the degree of Doctor of Philosophy.

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DECLARATION

I hereby declare that the thesis submitted in fulfilment of the PhD degree is my own work and that all contributions from any other persons or sources are properly and duly cited. I further declare that the material has not been submitted either in whole or in part, for a degree at this or any other university. In making this declaration, I understand and acknowledge any breaches in this declaration constitute academic misconduct, which may result in my expulsion from the programme and/or exclusion from the award of the degree.

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LIST OF ABBREVIATION

SLS	Servant Leadership Style
EC	Employee Commitment
ES	Employee Satisfaction
LMX	Leader-Member Exchange Theory
OCB	Organization Cultural Behavior
SEM	Sequential Equation Model
Smart PLS	Smart Partial Least Squares
CFA	Confirmatory Factor Analysis
AVE	Average Variance Extracted
WBL	Work Life Balance
HR (M)	Human Resources (Management)

CHAPTER 1

INTRODUCTION

1.0 Introduction

Organizational devotion of the employees is a crucial element in predicting organizational success and sustainability. It represents the extent of a participant's passion and motivation toward the realization of the objectives and mission of the company for which they work. This dedication depends on several factors, with leadership and the company's organizational culture in terms of work-life balance for its employees constituting the most significant aspects. In their research Abbas, Saud, Suhariadi, Usman, and Ekowati (2022) established the importance of servant leadership in enhancing the level of employee commitment. Servant leaders always consider the welfare of their subordinates, the growth and success of their organization, and the creation of a healthy work culture. I believe this approach is very influential with the employees and makes the workplace harmonious due to the trust created as well as mutual respect and understanding of everyone's goal.

As described by Robert K. Greenleaf, servant leadership is the organizational model based on moral and spiritual values, but unlike the mainstream ideas of conventional and bureaucratic leadership, which rely on the leader-subordinate relations, it postulates the leader's willingness to serve the subordinate, with empathy, and in a humble manner. To make it clear, these qualities are not just the visions but demonstrable by the actual results of the practical applicability in organizational processes and personnel's commitment. In so doing, servant leaders build the capacity of people and encourage everyone to contribute to the achievement of the organizational objectives.

Employee dedication includes subordinate constructs, which are tied to a broad picture of the entire employee's experience within an organisation. Whether expressed as occupational happiness, work contentment or other similar terms, this is the overall degree of satisfaction that employees get from their work assignments. According to Putra & Fitri (2021), the positive organizational culture and personal self-effectiveness supplement the given factor of boosting employee dedication. Corporate that promotes respect, cooperation and acknowledgment of their employees is likely to reap more commitment from employees (Canning et al., 2020). Further, it is apparent that where employees sense that their work is important and is listened to, they are likely to fully commit to the organization and its mission.

Work-life balance has therefore become one of the most significant constructs for success within the contemporary, volatile working context. The increase in the use of flexible work arrangements which was compounded by the COVID-19 pandemic has provided an understanding of the significance of the work and personal life balance in retaining the employee's health and engagement (Wiradendi Wolor, 2020). Workers who manage their workload and family obligations respond to surveys that indicate they get less stressed and complain less about their employers; the same workers show more satisfaction with the employee benefits offered by their employers. The research done by Emre & De Spiegeleare (2021) revealed that organizations that focus on employees' health and wellbeing and endorse work-life balance policies enhance employees' engagement toward their work.

A conducive work environment is also known to greatly influence the employees' commitment as well as loyalty levels. As Loan (2020) concludes, employees are also willing to stick to organizations that create a positive environment that embraces them by granting them the respected opportunity to work. This

environment is usually developed by leaders who practice the principles of servant leadership, which shows concern for the employees' career and personal development (Bragger et al., 2021). A study in Pakistan indicated that it is a fact that servant leaders care not only for the organization's end results, but employees' well-being and their desire to perform at their best (Shafiq & Khan, 2024).

It is considering this that the relationship between servant leadership, employee job satisfaction, and organizational commitment shows the complexity encountered in today's organizations. According to Lamprinou, Tasoulis, and Kravariti (2021), practicing the servant leadership in combination with support of work-life balance policies and programs and focusing on encouraging personnel satisfaction are beneficial for the improvement of overall employees' commitment in an organisation. This efficiency, in turn, gives a positive result in the form of the growth of the organizational performance, increased productivity, and lasting competitive advantage already after the occurrence of the global shocks, like, for example, the COVID-19 pandemic.

Servant leadership concepts apply to any business regardless of its industry or type as a framework that provides orientation for leaders in motivating subordinates (Ludwikowska, 2023). By focusing on empathy, servant leaders ensure the organization's employees are willing to work toward organizational achievements that are creative and come up with new and risky ideas. This model of leadership is not just an abstract theory but a proven concept of leadership that can be implemented in any type of problem and in any organizational context (Shafiq & Khan, 2024).

Consequently, in practice in Pakistani organizations, servant leaders show great concern for the growth and development of their subordinates in their lines of work

(Khan et al., 2022). They listen to their clients' queries, give them useful recommendations that they could apply to their work, and grant them responsibility. Notably, when people are ready to own processes, they lead to the development of the necessary transparency, which helps to strengthen trust and recognize successful collaboration. This approach is one of the ways of improving the morale of employees besides improving organizational fabric and cohesiveness in the face of challenges and changes in the industry (Khan, Ghayas & Kashif, 2020).

This is because servant leadership influences stewardship and ethical leadership, which amplifies the extent of dedication among employees. Organization and its employee's well-being are given topmost priority by the servant leaders (Das & Pattanayak, 2023), and they willingly embrace only the most ethical solutions. Societal and ethical responsibility which are a part of the servant leadership help organizational members to have direction and significance, and this regards the common good of the society (Zeeshan, Ng, Ho & Jantan, 2021).

Furthermore, the idea of servant leadership is not limited to the specific actions of a leader but also refers to an organization's environment and official policies. Organizations that adopt servant leadership as an organizational culture promote learning organization, knowledge, and change (Xie, 2020). They support leadership training and management, internships, and apprenticeship, as well as issues to do with diversity so that the workforce from minority groups can also enjoy their working experiences and achieve their potential. Besides, this approach elevates the level of loyalty and commitment of the employee and ensures that the organization becomes an employer of choice among all the industries.

These studies imply that work and organizational relations are in constant change thus requiring leadership that is preventive, humanistic, and agile. By encompassing the organizational direction of performance, the influence of followers and organization members, and the creation of trust and belongingness, servant leadership is a useful guide for leaders in today's organizations. Since the focus of servant leadership is on the welfare and growth of the employees, the latter ultimately contributes to the overall organizational success.

Commitment to the workplace is a complex idea that is affected by the characteristics of organizational management, policies, and the availability of time for the accomplishment of other personal demands (Mahmood Aziz et al., 2021). Servant leadership re-appears as a strong factor that can be useful for higher levels of employee commitment with respect to empathy, collaboration and ethics. Employers who follow the principles of servant leaders hence provide a favorable atmosphere for the subordinate to grow and develop with the objective of making the organization gain achievement of its goals as indicated in a study conducted in Pakistan (Khan, Ghayas & Kashif, 2020). Therefore, through the creation of trust, openness, and involvement, organizations create dedicated employees in innovation, robustness, and durability. Generally, after COVID-19 and in the future, servant leadership remains among the most important practicing approaches to leadership that provide leaders with tools and skills to handle existing or emerging challenges.

1.1   Background of the Study

Leadership plays a pivotal role in shaping organizational performance, and various leadership styles have been explored across different cultural contexts to understand their effectiveness. One such leadership approach, servant leadership, emphasizes the leader's role as a servant who focuses on the growth and well-being of employees,

rather than exerting control and authority. However, despite its potential, servant leadership remains underexplored, particularly in specific industries and cultural settings. While several studies have examined servant leadership in countries such as the USA, Ghana, the Philippines, Indonesia, and Australia (Wang et al, 2022; Hale & Fields, 2007; West & Bocârnea, 2008; Pekerti & Sendjaya, 2010), there remains a lack of comprehensive research in public organizations, particularly in high power distance cultures, where hierarchies are more pronounced and leadership tends to be more authoritarian (Zhou, Gul & Tufail, 2022; Barbuto Jr & Wheeler, 2006).

In terms of servant leadership across cultures, one of the foundational studies was conducted by House, Hanges, Javidan, Dorfman, and Gupta (2004), who investigated power distance across cultures. This concept is crucial in understanding the unique challenges in countries like Pakistan, where high power distance prevails. In such settings, employees often accept hierarchical differences, making it important to explore whether servant leadership, which advocates a more egalitarian approach, can foster employee satisfaction and commitment (Mutalib, Danish & Zehri, 2023).

In Pakistan's telecommunications sector, servant leadership has not yet been systematically studied, despite the industry's dynamic nature and the importance of leadership styles that prioritize employee engagement and commitment. The existing body of research has focused on leadership in Western contexts, which are often characterized by lower power distance, making it imperative to examine how servant leadership operates in a high-power distance, collectivist culture like Pakistan's (Shafiq & Khan, 2024; Gul, Usman, Liu, Rehman, & Jebran, 2018). Such an exploration could offer valuable insights into whether servant leadership can

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contribute to improved employee outcomes in terms of satisfaction and commitment in an industry that plays a critical role in Pakistan's economy.

Moreover, much of the prior research has concentrated on the direct effects of leadership styles on employee performance, while neglecting the mediating factors that could enhance or inhibit these effects. The few studies that do exist have often overlooked the mediating role of employee satisfaction in the relationship between servant leadership and employee commitment, particularly within developing countries like Pakistan, where cultural diversities and organizational challenges are unique (Shafiq & Khan, 2024; Hai & Van, 2021). Addressing this gap is crucial to understanding how servant leadership can foster employee loyalty and alignment with organizational goals, especially in sectors such as telecommunications that are vital for economic progress.

The present study seeks to address these gaps by examining the relationship between servant leadership, employee satisfaction, and employee commitment in the telecommunication industry of Pakistan. Given the distinctive cultural attributes of high-power distance and collectivism in Pakistan, this research aims to determine whether servant leadership can act as a viable leadership style to enhance employee satisfaction and commitment. Additionally, the study will investigate whether employee satisfaction plays a mediating role in strengthening the link between servant leadership and employee commitment, thus providing a more comprehensive understanding of how leadership can drive organizational success in this sector.

1.2   Problem Statement

The telecommunications sector in Pakistan has experienced rapid growth and technological advancements, but alongside this expansion, organizations face significant challenges in maintaining employee commitment. High employee turnover,

low morale, lack of engagement, and dissatisfaction are prevalent issues that impact the industry's overall performance and competitiveness (Sihombing et al, 2024; Younis & Ahsan, 2021). Despite the critical role of employee commitment in driving organizational success, there is limited research examining the underlying factors that foster commitment in this sector. Particularly in the context of Pakistan's cultural landscape—marked by high power distance and hierarchical structures—understanding how leadership styles, such as servant leadership, affect employee outcomes is of paramount importance (House et al., 2004; Gul et al., 2018).

Employee commitment is directly linked to key organizational outcomes, including increased productivity, lower turnover rates, and improved customer satisfaction (Abbas et al, 2021; Ali & Anwar, 2021). However, in Pakistan's telecommunications sector, employees often report low levels of commitment due to factors such as job dissatisfaction, lack of support, and limited opportunities for growth (Maina, 2019). Addressing these barriers requires a comprehensive understanding of how leadership styles can enhance employee satisfaction and, in turn, increase their commitment to the organization.

Despite the increasing recognition of servant leadership is a leadership style characterized by empathy, humility, and a focus on employee well-being (Rameshkumar, 2020)—there is limited empirical research on how servant leadership influences employee commitment in Pakistan's telecommunications sector (Guohao, Pervaiz, & Qi, 2021). Additionally, the mediating role of employee satisfaction between servant leadership and employee commitment has not been fully explored in this industry (Hassan et al, 2022; Younis & Ahsan, 2021). The current gap in the literature highlights the need for research that examines these relationships,

particularly in the high-pressure, rapidly evolving telecommunications environment of Pakistan.

Employee Commitment. Employee commitment refers to the dedication, loyalty, and involvement that employees demonstrate toward their organization. It is a critical factor influencing employee retention, productivity, and job performance (Hamid, 2024; Arokiasamy, Rizaldy, & Qiu, 2022). In Pakistan's telecommunications industry, where competition is fierce and employee turnover is high, employee commitment is essential for sustaining organizational effectiveness and ensuring long-term success (Singh, 2019). However, achieving high levels of commitment is challenging due to factors like inadequate recognition, poor communication, and a lack of professional development opportunities (Sageer, Rafat & Agarwal, 2012).

In this study, employee commitment is treated as the dependent variable (DV), and the goal is to explore the various factors—especially leadership style and job satisfaction—that influence employees' commitment to their organizations in the Pakistani telecom sector.

Servant Leadership. Servant leadership is a leadership approach that prioritizes the needs and development of employees over traditional command-and-control leadership styles. Servant leaders are characterized by traits such as empathy, effective communication, humility, and a strong sense of community (Rameshkumar, 2020). In industries where innovation and employee engagement are critical, servant leadership has been shown to increase employee commitment and reduce burnout (Kawiana et al., 2021). However, servant leadership's influence in high power distance cultures, such as Pakistan's, remains underexplored (Gul et al., 2018).

In the telecommunications sector, where organizational hierarchies tend to be rigid, it is essential to investigate whether servant leadership can help bridge the gap

between management and employees, fostering a culture of trust and collaboration that enhances employee commitment (Barbuto Jr & Wheeler, 2006).

This study treats servant leadership as an independent variable (IV) and examines its direct impact on employee commitment, as well as its indirect effect through the mediating role of employee satisfaction.

Employee Satisfaction. Employee satisfaction refers to how content and fulfilled employees are with their jobs, including factors such as job recognition, communication, work-life balance, and organizational support (Khaskheli et al., 2020). High levels of employee satisfaction are directly linked to stronger employee commitment, higher productivity, and lower turnover rates (Rodríguez-Sánchez et al., 2020). In the context of Pakistan's telecommunications sector, employee satisfaction is often compromised by the demanding nature of the industry, leading to disengagement and high attrition rates (Younis & Ahsan, 2021).

In this study, employee satisfaction serves as a mediating variable (MV) that potentially strengthens the relationship between servant leadership and employee commitment. Understanding how satisfaction mediates this relationship is crucial for developing leadership strategies that promote a more engaged and committed workforce in Pakistan's telecom industry.

Concluding Rationale. Given the growing challenges of retaining committed employees in Pakistan's telecommunications sector, it is crucial to explore leadership styles that can enhance employee engagement and satisfaction. Servant leadership has been shown to positively influence organizational outcomes in various cultural settings, but its impact in high power distance cultures like Pakistan's remains underexplored (Guohao, Pervaiz, & Qi, 2021). Furthermore, employee satisfaction is

recognized as a critical factor that mediates the relationship between leadership style and employee commitment, yet this mediating role has received little attention in the telecom sector (Younis & Ahsan, 2021).

By investigating the relationships between servant leadership, employee satisfaction, and employee commitment, this study aims to fill a significant gap in the literature. The findings will provide actionable insights for managers and policymakers in Pakistan's telecommunications industry, offering strategies to improve leadership practices, enhance employee satisfaction, and ultimately increase organizational commitment and performance.

1.3   Research Questions

The research questions of this study are as follows:

i.   What is the extent of relationship between servant leadership style and employee commitment in the Telecommunication organizations of Pakistan?

ii.   What is the extent of relationship between servant leadership style and employee satisfaction in the Telecommunication organizations of Pakistan?

iii.   What is the extent of relationship between employee satisfaction and employee commitment in the Telecommunication organizations of Pakistan?

iv.   To what extent does employee satisfaction mediate the relationship between servant leadership style and employee commitment in telecommunication organizations in Pakistan?

1.4   Objectives of the Study

The objectives of the study are as follows:

i.   To examine the relationship between servant leadership style with employees' commitment in the telecommunication organizations of Pakistan.