

CHAPTER 1

INTRODUCTION

1.1 Background to the Problem

Human Resource is an important corporate asset and performance of organizations depends upon the way it is put in use through human resource management, which aims at ensuring that organizations achieve success through people (Mwaniki & Gathenya, 2015).

The main goal of any organization is to enhance the job performance of its employees so that it could survive in this highly competitive environment. Performance is a multidimensional construct and an extremely vital criterion that determines organizational successes or failures (Hassan Abshirow Mohamed, Evelyn Datche, 2018).

Effective leaders are the leaders who are capable of solving conflicts, attracting employee participation in properly and timely decision-making and facing with challenges, having sharp-sightedness and intelligence in updating science and modern services and thought-provoking solving issues under their own leadership (Managheb, Razmjooei, Jahromi, Hosseini, & Amirianzadeh, 2018).

Managheb et al., (2018) said that universities need leaders who are sophisticated, intelligent and advanced increasingly. University employees wish to be the university's complement. They want to learn new ideas, new skills and new approaches of solving old problems constantly.

Parris; Linda; Peachey; Welty (2012) revealed that servant leadership is viable and valuable at an individual and organizational level and that it improves the overall effectiveness of individuals and teams.

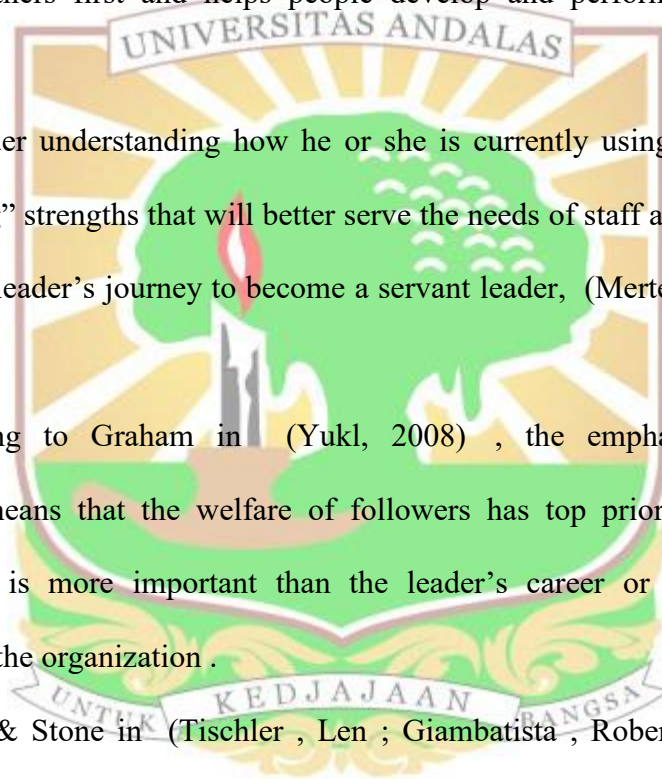
Tomigolung (2015), Servant leadership is philosophy and set of practices that enriches the lives of individuals, builds better organizations and ultimately creates a more just and caring world. The dimensions of servant leadership are love, empowerment, trust, humility, and vision. Servant leader shares powers, puts the needs of others first and helps people develop and perform as highly as possible.

The leader understanding how he or she is currently using strengths and how “borrowing” strengths that will better serve the needs of staff and others is the first step in the leader’s journey to become a servant leader, (Mertel , Tina ; Brill, Carol ;, 2015)

According to Graham in (Yukl, 2008) , the emphasis on social responsibility means that the welfare of followers has top priority for servant leaders, and it is more important than the leader’s career or the short-term performance of the organization .

Russell & Stone in (Tischler , Len ; Giambatista , Robert ; McKeage , Robert ; McCormick , David ;, 2016), servant leaders tend to emphasize vision, integrity, honesty, trust, service, modeling, pioneering, appreciation of others, and empowerment.

Yukl (2018) suggests that the potential benefits of servant leadership behaviors are likely to be related with areas such as improved employee trust, loyalty, and satisfaction with supervisors.



Duah, Prempeh; Danso, Ahwoi;(2017) said that at each level of organisational existence, employee relations is critical to adequately prepare them to meet the goals of the organization. And this is also supported by Gupta, Bostrom, & Huber in (Duah et al , 2017) employee relations is one of the most pervasive techniques for improving employees' performance enhancing organisation performance in the work place.

Managing employee relationship is imperative and precious to the organizational success and achieving spirited benefit. It is required to have a sturdy relationship between employees and employers that leads to productivity, motivation, and better performance (Rahman & Taniya, 2017)

Bacong, Ivy M; Encio, Hadge A;, (2017) said, employee relation refers to the relationship between an employer and its employee, supervisors, subordinates, and co-workers. Employee relations is one of the key fundamental elements of organizational performance, prosperity and sustainability. Good employee relations results in a highly committed, motivated and loyal employees in the organizations (Samwel, 2018).

In this study, researchers will examine the Rector Employees Bung Hatta University Padang, Bung Hatta University Padang is one of the largest university located in Ulak Karang area of Padang, West Sumatra.

The following is a table of total employees at the Bung Hatta University Rector :

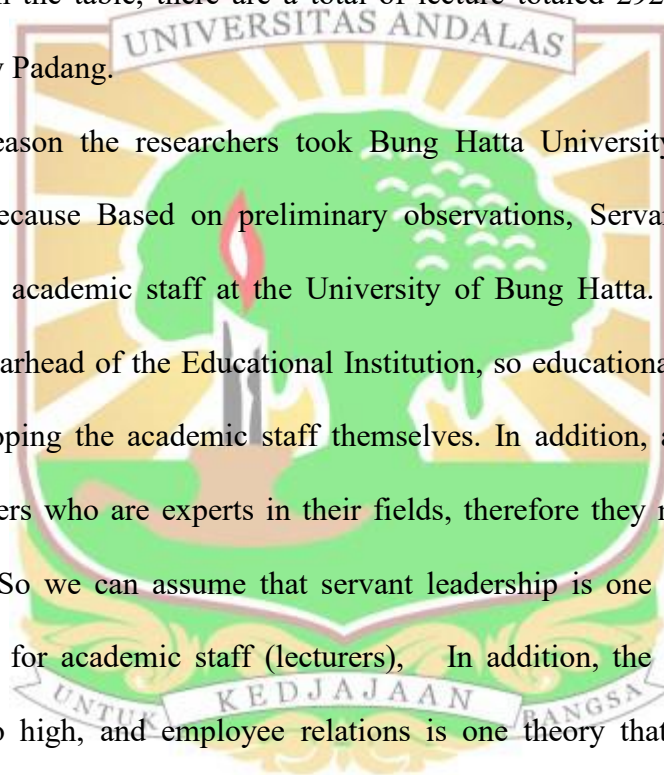
Table 1.1 Data of Bung Hatta University's Academic Staff

Permanent Lecture	Civil Servant Assisted Lecture (PNSD)	Contract Lecture	TOTAL
174	65	53	292

Source: bunghatta.ac.id

Based on the table, there are a total of lecture totaled 292 at the Bung Hatta University Padang.

The reason the researchers took Bung Hatta University as an object of research was because Based on preliminary observations, Servant Leadership has been applied to academic staff at the University of Bung Hatta. because academic staff are the spearhead of the Educational Institution, so educational institutions must focus on developing the academic staff themselves. In addition, academic staff are groups of workers who are experts in their fields, therefore they need more support than guidance. So we can assume that servant leadership is one of the appropriate leadership style for academic staff (lecturers), In addition, the level of employee relations is also high, and employee relations is one theory that can improve the performance of employees, because in the application of employee relations the company is more focused on how to establish relationships with employees through communication. The intended communication is how the company communicates all matters relating to the implementation of work. Like the socialization related to new policies, new decisions relating directly to employees, to career management. In addition, employee relations is also one theory that has the same goal as servant leadership, which is to improve performance, and researchers want to find out how



the effect of the application of servant leadership and employee relations to the performance of academic staff at the University of Bung Hatta Padang

1.2 Formulation of the problem

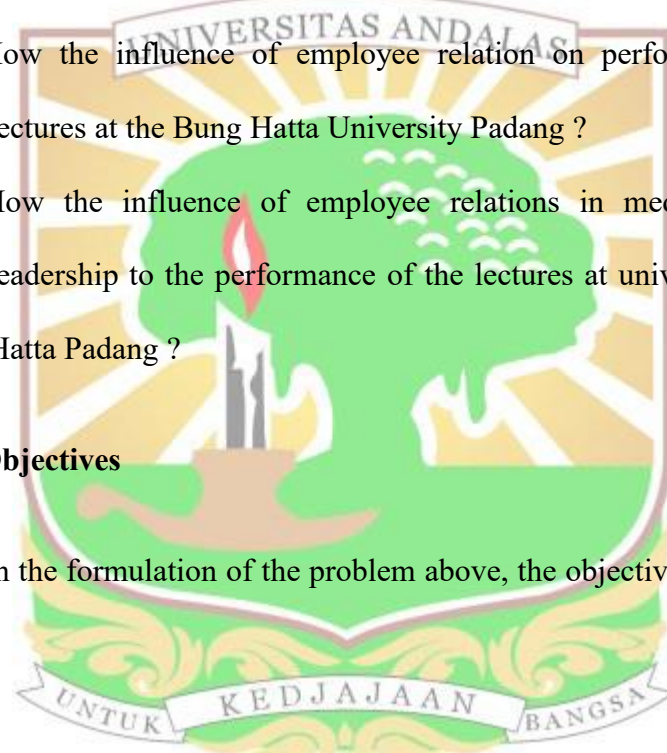
Based on the background above, the following problems can be formulated:

1. What is the influence of servant leadership on performance of the lectures at the Bung Hatta University of Padang ?
2. How the influence of employee relation on performance of the lectures at the Bung Hatta University Padang ?
3. How the influence of employee relations in mediating servant leadership to the performance of the lectures at university of Bung Hatta Padang ?

1.3 Research Objectives

Based on the formulation of the problem above, the objectives of this study are:

1. To find out and analyze the influence of *servant leadership* on employee performance at the Bung Hatta University Rector of Padang
2. To find out and analyze the influence of employee relationship as a mediating servant leadership and the performance of lectures at the Bung Hatta University Rector of Padang



1.4 Benefits of Research

The benefits of this study are as follows:

1. Benefits of theory

The results of this study are expected to provide benefits in the form of a theoretical framework of leadership styles in human resource management, especially *servant leadership*, and can be a *literature* and guidelines for subsequent research that wants to make research similar to indicators of *servant leadership*, *employee relations* and performance employee.

2. Practical benefits

a) For the Government and Related Agencies

The results of this study can be used by the government or related institutions which in this case are specifically for leaders as a reference for *servant leadership*. And also as a reference for the organization to analysis the effect of employee relations. And also for how the employees perform in the organization.

b) For universities

This research is expected to provide and add insight into the analysis of the influence of *servant leadership* on performance: *employee relations* as mediation. And it is expected to help provide references to the next researcher with the same topic.

1.5 The scope of research

In this study, researchers have limited the relevant problem so that the problem to be examined is more focused attention. The location of the study was only conducted at Bung Hatta University, Padang. Information from this study is the performance of lectures of the Bung Hatta University Rector of Padang

1.6 Outline of Research

In order to make it easier and make moderate the forwarding of context for this research, it divided into five chapter, they are:

Chapter I Introduction. Containing the background of the problem, the formulation of the problem, the aim of the research, the benefits of research, the scope of research and systemic writing.

Chapter II Literature Review. Containing the theoretical foundation of the basic concept of store atmosphere, location and buying interest consumers, earlier research comes with the hypothesis.

Chapter III Research Methodology. Containing about the population and sample research, the technique of data collection, research variables and operational definitions, testing data and data analysis techniques.

Chapter IV Data Analysis and Discussion. Explaining about surveys result that consist of respondent characteristics, frequency of distribution of each variable, validity test, reliability test, and discussion about analysis the effect

of workplace spirituality and organizational commitment on non-academic staff performance in University of Andalas.

Chapter V Conclusion, Limitation, and Recommendation. On this chapter, researcher will explain about conclusion of research, suggestion of research, limitation of the research and recommendation for further research.

