Examining the Impact of Servant Leadership on Team Effectiveness:
Findings and Implications for those at the Crossroads of Leadership Scholarship and Practice

Justin A. Irving, M.Div., Ph.D.
Bethel University
3949 Bethel University
St. Paul, MN 55112
j-irving@bethel.edu / 651-635-8706 (w)

Gail J. Longbotham, Ph.D.
Regent University
895 Snoqualm Place
North Bend, WA 98045
gailon@regent.edu / 425-945-0034

Abstract

As evidenced by LaFasto and Larson’s (2001) work with over 6,000 team members and leaders, interest in teams continues to capture the attention of both leadership scholars and practitioners. Because of this, research into what leadership behaviors contribute to team effectiveness becomes relevant for those at the crossroads of theory and practice. While there have been explorations into what characterizes effective teams, little has been done to demonstrate what leadership behaviors are best able to explain effectiveness at the team level. In response to this void in the literature, the authors of this paper present the findings from combining two studies, a combined total of over 900 participants. These participants—drawn from multiple sectors (nonprofit, business, and church)—completed two instruments: (a) the Organizational Leadership Assessment (OLA), an instrument measuring both servant leadership behaviors at the organizational level and job satisfaction at the individual participant level, and (b) the Team Effectiveness Questionnaire (TEQ), an instrument measuring team effectiveness at the team level.

The study was designed to examine whether servant leadership and job satisfaction are able to explain team effectiveness. This paper presents a multiple regression model that is able to explain 33.4% of the variance in the effectiveness of teams and has a significance level of .000. In analyzing the combined measures of servant leadership and job satisfaction, both are found to be significant predictors of team effectiveness.

In addition to presenting an overall model for understanding the predictive effect of servant leadership on team effectiveness, the authors present findings specifically related to the organization sectors in the study. Analyses of variance were conducted for each of the scales—(a) servant leadership at the organizational level, (b) job satisfaction at the individual level, and
(c) team effectiveness at the team level. Statistically significant findings are reported for each of these categories.

Results from this study are reported in light of the current scholarly literature surrounding servant leadership and team effectiveness. Additionally, special attention is given to providing recommendations for both future research and for those engaged in the practice of leadership. As such, this work focuses on providing meaningful insights for those interested in the crossroads of leadership research and practice.
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Interest in the theory and practice of teams has grown dramatically in recent years as evidenced by LaFasto and Larson’s (2001) research with over 6,000 team members and leaders. This emergence of teams may be traced, in part, back to societal shifts that occurred in the 1960’s and 1970’s. One student of the impact of these shifts on organizational life was Robert K. Greenleaf. Writing in the 1970’s, Greenleaf (1977) noted that in light of the revolution of expectation among young people, one who presides over a successful business “will need to evolve from being the chief into the builder of the team” (p. 85). It is arguable that such societal and organizational observations are even more relevant today as leaders seek to engage the question of how to lead organizations in the increasingly decentralized and team-based structures that are a growing mark of systems in the 21st century.

Some have argued that these shifts toward team-based structures are consistent with the shifts from Newtonian to Quantum paradigms. Addressing this point, Margaret Wheatley (1999) argues that “relationship is the key determiner of everything” (p. 11), and roots this argument in physical realities at the subatomic level. For instance, Wheatley notes that “subatomic particles come into form and are observed only as they are in relationship to something else. They do not exist as independent ‘things’” (p. 11). From this, Wheatley argues that relationships, and not lone individuals, are the basic organizing unit of life. Therefore, participation and cooperation are essential for survival in this world of interconnected and networked organizations. These shifts toward the quantum world of thinking and organizing not only place an emphasis on relationships as the basic organizing unit, but also emphasize (a) the whole over the part, (b) dynamic processes over static processes, (c) organizational networks over organizational
hierarchies, and (d) systemic interconnectedness over linear progression and thought. The holistic focus on interconnectedness, relationship, and dynamic process in networked organizations naturally lends itself to the use of relational type organizational structures such as teams.

Organizations reflect these macro shifts in our societies and lead to a critical leadership question for those at the crossroads of leadership research and practice: “What form of leadership will be most effective in our emerging world of team-based and networked systems?” This question provided the impetus for this study. The study was designed primarily to examine the effect of servant leadership and job satisfaction on team effectiveness. Therefore, the authors present a multiple regression model that explores this effect. Additionally, because the study included findings from multiple sectors, the results of analyses of variance are reported for servant leadership, job satisfaction, and team effectiveness. Toward these ends, the authors now review the essential literature surrounding servant leadership and teams, and present an overview of the methods and results, and then discuss the findings of this study.

Literature Review

Servant Leadership

Through his initial work on servant leadership, Greenleaf (1977) provided a foundation for the contemporary study and emerging discipline of servant leadership. The key to Greenleaf’s conceptualization of servant leadership is his understanding of what characterizes the servant leader. In response to the question, “Who is the servant-leader?” Greenleaf (1977) provided his now frequently quoted response:

The servant-leader is servant first…. It begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead. That person is
sharply different from one who is leader first.… The difference manifests itself in the care taken by the servant-first to make sure that other people’s highest priority needs are being served. The best test, and difficult to administer, is this: Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And, what is the effect on the least privileged in society; will they benefit, or, at least, not be further deprived (p. 27)?

While persons in the “leader-first” model may utilize service at times for the purpose of realizing the visions and goals of the leader and/or the organization, the “servant-first” model is focused on making “sure that other people’s highest priority needs are being served” (p. 27), and as such is a follower-oriented theory of leadership.

Building on this servant-first notion of leadership, Laub (1999), Stone, Russell, and Patterson (2004), and Matteson and Irving (2005, 2006) all argue that the focus of the servant leader is on that which is best for their followers. On this point, Laub (2005) writes, “servant leadership is an understanding and practice of leadership that places the good of those led over the self-interest of the leader” (p. 160). Stone, Russell, and Patterson identify this point as a key to understanding what differentiates servant leadership from transformational leadership. They argue that while transformational leadership tends to be focused on an organizational vision—what is best for the organization—servant leadership is focused foremost on that which is best for the followers. Matteson and Irving (2005) take this a step further by contrasting the focus, motivation, context, and outcomes of transformational, servant, and self-sacrificial approaches to leadership.

From the early 1990s through 2003 the work surrounding servant leadership focused on identifying themes to help to operationalize the concept of servant leadership. Graham (1991)
stressed the inspirational and moral dimensions. Buchen (1998) argued that self-identity, capacity for reciprocity, relationship building, and preoccupation with the future were essential themes. Spears (1998) emphasized the dimensions of listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment, and community building. Farling et al. (1999) argued for the importance of vision, influence credibility, trust, and service. Laub (1999) put forward valuing people, developing people, building community, displaying authenticity, providing leadership, and sharing leadership. Russell (2001) argued for vision, credibility, trust, service, modeling, pioneering, appreciating others, and empowerment. Patterson (2003) presented the dimensions of agapão love, humility, altruism, vision, trust, empowerment, and service as the essential dimensions of servant leadership. This study focuses on Laub’s servant leadership themes.

While these operational themes have been helpful for the study of servant leadership, recent developments of empirical measures for servant leadership have provided a platform for quantitative studies of servant leadership. Of the instruments that have been developed to date—measures such as Laub (1999), Sendjaya (2003), Page and Wong (2000), Dennis (2004)—Laub’s (1999) Organizational Leadership Assessment (OLA) has been the predominate instrument for measuring servant leadership at the organizational level. This is evidenced by works such as Drury (2004), Hebert (2004), Irving (2004, 2005), Laub (1999, 2003), and Ledbetter (2003). The OLA is the instrument used to measure servant leadership in this study.

**Team Effectiveness**

Team effectiveness has been in evidence since the construction of the planet’s oldest monoliths in Malta c. 4000 B.C. Unfortunately, factors contributing to team effectiveness were not documented until the beginning of the 20th century when Elton Mayo first ‘uncovered the
importance of teams’ (Parker, 1990, p. 16). Mayo noted the importance of leadership and the fostering of conditions in the organization conducive to developing effective teams. In the 1930’s, Kurt Lewin’s work narrowed this perspective and focused on group dynamics as the means of developing effective teams. McGregor (1960) in his *The Human Side of Enterprise* further narrowed the focus to that of individual employees, seeing them as more than just “cog[s] in the system.” It was the work of Blake and Mouton (1964), though, that first linked team effectiveness to leadership style.

In the 1980’s and 1990’s the number of teams exploded as teams became an integral part of organizational life in the United States, taking many forms: high-performance teams, functional or cross-functional teams, permanent teams, and ad hoc teams. This explosion was due in part to the work of W. E. Deming (1986) whose book, *Out of the Crisis*, recognized the importance of leadership in the effectiveness of teams, process improvement teams in particular. This view was reiterated by Scholtes (1988) who viewed leadership’s importance so strongly that he attributed any team failure to indifferent or uninvolved leadership. The literature identifies many factors that may contribute to team effectiveness. As key as some of these factors may be to team effectiveness, it is the:

role of the leader [that] is the toughest, most-important role for the team’s eventual success or failure . . . . It has been said that the role of the leader is “like giving a brain to the scarecrow, a heart to the tin man, and courage to the cowardly lion.” Teams with good leaders can accomplish results even when it appears that the deck is stacked against them. (Furman, 1995, p. 25)

“The team craze has subsided” (Kelleher, Myers, Reynard & Snee, 1998, p. 43) as organizations realize “that teams take a lot of hard work from the team and those leading the
team” (Longbotham, 2000, p. 17). In spite of the contention from Deming, Scholtes, and Furman that leadership of teams is important, not all teams have not been as effective as hoped. According to Hacker (1999), most of the team literature focuses on team-building, team dynamics, conflict resolution, decision-making, and other team technologies” (p. 61) as the means of producing effective teams rather than focusing on leadership. Harrington claimed as early as 1991 that the focus was on “the wrong part of the business” (p. x).

Many ideas have been bandied about with respect to team effectiveness. A recent Amazon.com search of popular press materials yielded 128 books on team effectiveness indicating that the use of teams is alive and well and there continues to be interest in an easy “how to” have an effective team. A search for team effectiveness in academic literature, however, yielded few empirical studies. Most of the articles were proposing conceptual models or had a very narrow focus. In recent years there has been an increasing focus on research with respect to teams. Natalie, Sora & Kayalipurapu (2004) identified mission, vision, and leadership as common themes in a qualitative study of 60 leaders of teams. Brenegan (2003) contended that knowing one’s team was a crucial factor in effective team leadership. Kuo (2004) studied transactional, transformational, and paternalistic leadership and found all three to be highly correlated with team effectiveness. This investigation of servant leadership and team effectiveness confirms and augments the findings linking leadership and team effectiveness.

Statement of the Problem and Associated Research Questions

Impact of Servant Leadership on Team Effectiveness

As noted in the introduction, the use of team approaches by leaders in the organizational context continues to grow substantially. While it may be assumed that leadership that works well in one organizational level will likewise be effective in teams, it is vital that those at the
crossroads of leadership scholarship and practice address the important questions facing leaders of team-based organizations. While the question may be framed broadly as, “What form of leadership will be most effective in our emerging world of team-based and networked systems?” it has been the interest of the authors to examine in particular the effect of servant leadership on team effectiveness. In light of this, the primary research question driving this study is, “To what degree do servant leadership and job satisfaction impact team effectiveness?” Based upon this question and the associated results, the authors propose a model for understanding predictors of team effectiveness.

*Analysis of Sectors*

In addition to investigating the degree to which servant leadership and job satisfaction impact team effectiveness, the authors also desired to examine for each variable in the study whether there are differences between organizational sectors. For this the following research question was utilized: “Is there a significant difference between the three organizational sectors in the study in reference to (a) servant leadership at the organizational level, (b) job satisfaction at the individual participant level, and (c) team effectiveness at the team level?” The authors present statistically significant findings for each of these categories when analyzed by organizational sector.

*Method*

*Sample Characteristics*

The research sample for this study is drawn from two studies which both utilized the OLA and the TEQ, yielding a combined number of sample participants of 931. While these participants were drawn from 18 organizations (11 churches, 5 nonprofits, and 2 businesses), the majority of participants were from the nonprofit sector (n = 751; 80.66%). The remaining
participants were from the church sector (n = 165; 17.72%) and the business sector (n = 15; 1.62%). The participants in this study participated on a team within their organizational context.

For the purpose of this study, the operational definition of “team” was adopted from Larson and LaFaso’s (1989) work. In distinguishing teams from groups, Larson and LaFasto note that a team has (a) two or more people, (b) a specific performance objective or recognizable goal to be attained, and (c) a coordination of activity among the members of the team that is requisite for the attainment of the team goal or objective. While some groups may share the first two characteristics of this definition, it is the coordination of activity that is a distinguishing mark of teams. In this study, team leaders and team participants share all three.

Instrumentation

Participants in this study completed two instruments: The OLA, which is a measure of servant leadership at the organizational level and provides a scale for the measurement of job satisfaction (OLA-JS) at the individual level, and the TEQ, which provides a collective measure of team effectiveness. In this study the alpha coefficients for each of these scales are: (a) .9744 for the OLA, (b) .8381 for the OLA-JS, and (c) .8224 for the TEQ.

Results

Impact of Servant Leadership and Job Satisfaction on Team Effectiveness

A designed experiment would be the ideal way to evaluate the effect of organizational level servant leadership on team effectiveness by controlling other factors (Box & Draper, 1987, p. 15). Obtaining access for experimentation in multiple organizational contexts is unlikely. The next best thing is to bring empirical tools to bear on team effectiveness data from multiple organizational contexts.

The goal in the data analysis was to see the degree to which job satisfaction and servant leadership at the organizational level impacted team effectiveness. This relationship was evaluated with a stepwise regression model. The model presented in Table 1 explains 33.4% of the variance in team
effectiveness. OLA entered the model first explaining 30% of the variance with OLA-JS entering second explaining an additional 3.4% of the variance. Each entered with a significance of .000.

Table 1

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.547(a)</td>
<td>.300</td>
<td>.299</td>
<td>.3769</td>
<td>.300</td>
<td>395.417</td>
<td>1</td>
<td>924</td>
<td>.000</td>
</tr>
<tr>
<td>2</td>
<td>.579(b)</td>
<td>.335</td>
<td>.334</td>
<td>.3673</td>
<td>.036</td>
<td>49.687</td>
<td>1</td>
<td>923</td>
<td>.000</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), OLA_MN  
b Predictors: (Constant), OLA_MN, OLA-JS_MN

The analysis of variance for the model is presented in Table 2. It illustrates the strength of the model as a whole and provides the probability (p = .000) that the relationship evidenced by the sample occurred “by chance” if there were no relationship between team effectiveness and the two independent variables, servant leadership at the organizational level and job satisfaction.

Table 2

Analysis of Variance for Stepwise Multiple Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>62.87</td>
<td>2</td>
<td>31.43</td>
<td>232.97</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>124.54</td>
<td>923</td>
<td>.135</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>187.414925</td>
<td>925</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Analysis of Sectors

Because this study was an exploration of servant leadership in organizations from three sectors, it seemed prudent to investigate whether or not there was a difference in the variables across those sectors (church, nonprofit, business) using analysis of variance (ANOVA). The first step was investigating whether or not the data met the assumptions of ANOVA. The variables, servant leadership at the organization level and team effectiveness, met the assumptions and were analyzed using traditional analysis of variance. These results are presented in Table 3.

Table 3

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>OLA</td>
<td>Between Groups</td>
<td>18.81</td>
<td>2</td>
<td>9.41</td>
<td>36.201</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>243.48</td>
<td>937</td>
<td>.26</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>262.30</td>
<td>939</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TEQ</td>
<td>Between Groups</td>
<td>4.82</td>
<td>2</td>
<td>2.409</td>
<td>12.17</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>183.17</td>
<td>925</td>
<td>.198</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>187.99</td>
<td>927</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Job satisfaction failed to meet the assumption of homoscedasticity (Levene test, $p = .031$, Box’s M, $p = .001$) and was analyzed using a nonparametric equivalent, Kruskal-Wallace, resulting in a $\chi^2$ of 76.48 ($p = .000$).
Discussion

Limitations of the Study

One of the limitations of this study is that the business sector comprised only 1.62% of the total sample. This limitation is the basis for one of the recommendations for future research. It should also be restated that the ideal way to study the impact of servant leadership on team effectiveness would have been a designed experiment that controlled everything except the servant leadership behaviors being tested (Box & Draper, 1987, p. 15). The reality of the organizational world is that gaining permission to experiment with teams would be unlikely.

Implications

Priority of Servant Leadership. While the priority and benefits of servant leadership have been argued on spiritual and ethical grounds, the present research provides an additional basis for the priority of servant leadership—that of effectiveness. Because servant leadership is a significant predictor of team effectiveness, engaging in the practice of (a) valuing people, (b) developing people, (c) building community, (d) displaying authenticity, (e) providing leadership, and (f) sharing leadership (Laub, 1999) becomes not only an ethical approach to leading teams, but also a highly effective approach to leading in the team-based environment.

Laub’s (2005) A-P-S Model of leadership provides a helpful paradigm for implementing servant leadership practices in organizations. The A-P-S Model of leadership—which represents the three primary categories measured by the OLA: (a) Autocratic Leadership, (b) Paternalistic Leadership, and (c) Servant Leadership—suggests a continuum of leadership from autocratic forms to servant forms. On this continuum of leadership, leaders move from treating followers as servants (autocratic leadership), to treating followers as children (paternalistic leadership), to treating followers as partners (servant leadership). Leaders who choose to implement the six 
servant leadership practices identified by Laub (1999) have theoretical and research support for anticipating higher levels of effectiveness in the teams of their organization.

_Leadership in Diverse Sectors._ The findings from the ANOVAs are both interesting and important for leadership practitioners. Specifically, while it may have been previously argued that servant leadership should be limited to religious sectors such as the church, the findings of this study demonstrate that servant leadership is a significant predictor of team effectiveness across sectors. These findings are consistent with the success that prominent companies such as Southwest Airlines and TD Industries have experienced from utilizing servant leadership practices. This study provides empirical evidence supporting the practice of servant leadership in multiple sectors.

Having noted this, it is important to discuss the implications of the findings from the statistically significant OLA, the OLA-JS, and the TEQ ANOVAs. These results demonstrate that the church sector possesses a higher perception of servant leadership, job satisfaction, and team effectiveness. It could be argued that a religious sector such as the church would have a higher proclivity toward servant leadership modeled after the institution’s central model—Jesus Christ. Biblical examples such as Jesus’ washing of the disciples feet (John 13) or Jesus’ sacrifice on behalf of his followers (Philippians 2:1-11) place servant leadership not as a peripheral accessory in the church, but as an essential feature for how Christ followers practice their faith. While Jesus’ model provides one perspective for interpreting the findings of this study, it is also important to consider the effect this sector’s organizational culture may play on perceived servant leadership. Is there, for instance, an embedded cultural ethos that contributes to higher scores in the church where an institutional social desirability effect may be present?
Recommendations for the Crossroads of Scholarship and Practice

At the crossroads of scholarship and practice is empirical research. Designed studies in a single organization can provide objective evidence for which practices are most effective in satisfying organizational objectives while designed studies across multiple organizations can inform practice in a more general way.

Recommendations for Leadership Researchers. While the present study contributes to the study of leadership predictors of team effectiveness, additional work is need to advance this line of inquiry. First, because the sample contained a low proportion from the business sector, further research is needed to validate the findings in this study. Second, the research should be extended to other sectors such as education, military, and government. Third, since servant leadership, transformational leadership, and transactional leadership have all been linked to team effectiveness, these constructs, in addition to servant leadership, should be measured concurrently to explore which leadership approach has the strongest impact on team effectiveness.

Fourth, leadership predictors of team effectiveness should be measured utilizing complementary instrumentation. While the OLA provided a measure of servant leadership at the organizational level, the inclusion of other servant leadership measures designed to measure the construct at other levels would be helpful. Future studies should use additional measures of team effectiveness in order to evaluate leadership predictors of this dependent variable from alternative or complementary perspectives. Finally, while this study provides a model for the effect of servant leadership on team effectiveness, it did not explore the qualitatively-oriented question of why this effect exists. Such qualitatively-oriented research could better address the dynamics that make a servant leadership approach within organizations especially effective in team-based contexts. While not exhaustive, these recommendations provide a basis future research in servant leadership studies.

Recommendations for Leadership Practice. While there are many opportunities for future research, the present research provides the basis for informed recommendations at the level of

leadership practice. Because servant leadership and job satisfaction are significant predictors of team effectiveness in each of the sectors included in this study, it therefore becomes vital for organizations to incorporate these factors into leadership for team contexts. Interestingly, while the study found that those in the church sector tended to rate their perception of servant leadership higher than those in the nonprofit and business sectors, the data supports an even higher correlation of servant leadership and team effectiveness in the business sector ($r = .758$).

For those seeking to lead at the crossroads of contemporary research and practice, these findings reinforce the vital importance of servant leadership in organizations that are structured around decentralized and team-based communities. While more autocratic or paternalistic forms of leadership may have their place in hierarchically governed organizations, the present research emphasizes the priority of servant leadership in the emerging networked communities commonplace in today’s organizations.

Summary

In light of the emerging trends toward decentralized and networked structures, the theory and practice of teams continues to be an important issue for those at the crossroads of scholarship and practice. This study provides significant data for researchers and practitioners alike. Because servant leadership and job satisfaction have been identified in this study as significant predictors of team effectiveness, those who use team structures in organizations are advised to better understand servant leadership for the sake of increasing their effectiveness. The multiple regression model of team effectiveness explains 33.4% of its variance. The .000 significance level confirms that it is a model in which students and practitioners of servant leadership and team effectiveness across multiple sectors can have a high level of confidence. We trust that these findings will encourage increased exploration into the positive effects of servant leadership.
and job satisfaction on team effectiveness, as well as a robust application of servant leadership in contemporary organizational settings.
References


