

The Impact of Servant Leadership on Financial Performance and Green Performance: The Mediating Role of Organizational Commitment

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ABSTRACT

Despite the increasing interest in servant leadership studies and their relationship with green performance, limited research has examined the role of an organization's strategic management aspect. The research applied servant leadership theory to examine how servant leadership influences green and financial performance in Indonesia's manufacturing sector. The research uniquely emphasized organizational commitment as a mediating variable and provided empirical evidence to strengthen the theoretical linkage among these constructs, particularly in the manufacturing sector of Indonesia. The research method involved distributing an online questionnaire through Populix, with a total sample of 300 respondents consisting of employees at various levels who had been working for more than five years in manufacturing companies in Indonesia. Data analysis was conducted Using Partial Least Squares-based Structural Equation Modeling (PLS-SEM) with the assistance of WarpPLS software to test each research hypothesis. The results indicate that servant leadership has a positive and significant influence on both green and financial performance. Additionally, organizational commitment partially mediates the relationship between servant leadership and two variables, strengthening the impact of servant leadership on green performance and financial performance in manufacturing companies in Indonesia. Manufacturing companies in Indonesia can adopt servant leadership to boost green performance through ethical decision-making and environmental responsibility. It enhances efficiency and innovation and reduces costs by empowering employees. The research contributes to the limited existing research that examines the relationship between servant leadership, financial performance, and green performance by exploring the mediating role of organizational commitment within the context of Indonesia's manufacturing sector.

Keywords: servant leadership, financial performance, green performance, organizational commitment

INTRODUCTION

Employee-first leadership styles, such as servant leadership, are becoming increasingly important as they focus on team members' well-being, empathy, respect, and collaboration (Legood et al., 2021). Servant leadership encourages employee involvement in decision-making and increases employee participation and growth, thereby strengthening organizational commitment (Lee et al., 2020). Through the active involvement and support of committed employees,

companies can achieve a balance between financial and environmental goals, creating a culture that supports sustainability and long-term success (Meyer & Allen, 1991).

In Indonesia, many companies have stagnated due to leadership styles that focus on authority and short-term profits (Putra et al., 2020). A key challenge for the manufacturing sector is balancing profitability with sustainable practices, which are often hampered by a traditional focus on short-term profits and neglect of long-term environmental goals. The research

focuses on understanding how servant leadership, with organizational commitment as a mediator, can drive financial and green performance in the Indonesian manufacturing sector. According to Khan et al. (2021), companies practicing servant leadership exhibit higher levels of employee commitment to participation, innovation, and long-term growth. In Indonesia, this leadership style is increasingly seen in companies that focus on sustainable practices.

Current studies mostly focus on how servant leadership affects pro-environmental behavior (Luu, 2019) or corporate social responsibility (Zieba, 2020), where green performance is not yet a clear and measurable outcome. Previous research by Siddiquei et al. (2021) and Asfahani (2023) has concentrated on the impact of Environmentally Specific Servant Leadership (ESSL) on green performance. This more focused leadership style investigates how executives focusing on environmental stewardship influence green performance outcomes.

The previous research on servant leadership style implication on financial and green performance is growing, especially for green performance. However, previous research lacks an exploration of the organizational strategic management aspects and their impact on this relationship. While there is some research linking servant leadership with beneficial organizational outcomes (Purnomo et al., 2020), it is still unclear how exactly it affects financial performance, especially when organizational commitment plays a mediating role. Therefore, the research contributes to the current literature by extending its examination of organizational commitment as a mediating variable in the relationship between servant leadership and financial and green performance. Moreover, as most of the research in this area is conducted in developed countries (Yu et al., 2024), Indonesian manufacturing companies may not be able to fully adapt research results from other countries due to variations in culture and markets. The research contributes empirical evidence from a developing country perspective, particularly in the Indonesian manufacturing industry context.

There are several variables studied. The servant leadership approach, popularized by Robert K. Greenleaf in 1970, places the interests of employees above the leader (Greenleaf, 1970). It focuses on meeting employees' basic psychological needs, such as autonomy, ability, and relationships, by creating a harmonious and collaborative work environment, which in turn increases employee loyalty and performance (Jiang & Wei, 2024). Then, organizational commitment, as identified by Meyer and Allen (1991), consists of three main components: affective commitment, continuance commitment, and normative commitment. Affective commitment refers to employees' emotional attachment to the organization. Continuance commitment relates to employees' awareness of the costs that must be incurred if they leave the organization. Normative commitment is employees' feelings of obligation

to remain in the organization. Meanwhile, green performance is an organizational effort to integrate environmental considerations into business operations. It not only fulfills legal obligations but also supports sustainable business development by increasing the effectiveness and efficiency of the company's environmental activities (Abbas & Khan, 2023). Last, financial performance is usually measured using various metrics such as net income, Return on Assets (ROA), Return on Equity (ROE), and profit margins, which reflect the effectiveness and efficiency of the organization in managing assets and generating profits from operational activities (Tudose et al., 2022).

The relationship between servant leadership and organizational commitment can be understood through several mechanisms. First, servant leadership increases employee engagement by creating emotional attachment and identification with the organization. Second, servant leadership also helps build a positive organizational culture, where values such as empathy, fairness, and individual development are valued and promoted. Servant leadership can increase employees' affective commitment, which is a strong desire to remain part of the organization due to a strong emotional connection with the values and goals of the organization (Aboramadan et al., 2021). Other studies have found that servant leadership has a positive correlation with organizational commitment (Ngah et al., 2023; Khan et al., 2020; Nanjundeswaraswamy, 2023). Employees who feel emotionally cared for by their leaders show higher levels of commitment, which in turn improves the organization's financial performance. Based on this statement, the first hypothesis can be described as follows:

H1: Servant leadership has a positive effect on organizational commitment.

Servant leadership emphasizes a philosophy of ethics and social responsibility that aligns with green performance goals for environmental sustainability, encourages employees to participate in green innovations and initiatives actively, and creates a corporate culture that cares about the environment (Faraz et al., 2021; Zafar et al., 2025). Servant leadership, focusing on the well-being of employees and communities, increases attention to the environment. Then, it contributes to general well-being (Eva et al., 2019). Previous research has shown that ESSL and green Human Resource Management (HRM) practices have a positive influence on green performance and competitive advantage, particularly in the education sector in Saudi Arabia (Asfahani, 2023) and China (Siddiquei et al., 2021). ESSL increases motivation, better-working relationships, and identification with the organization and encourages increased Organizational Citizenship Behavior (OCB) that contributes to creativity and collaboration for green performance (Luu, 2019). Based on this statement, the second hypothesis can be described as follows:

H2: Servant leadership has a positive effect on green performance.

In the business context, leadership has been shown to have a significant influence on various aspects of organizational performance, including financial performance (Kwistianus et al., 2023). Specifically, servant leadership tends to build stronger and more positive relationships with their employees, which in turn increases their productivity, motivation, and loyalty (Eva et al., 2019). Engaged and motivated employees are also likely to provide better service to customers, increasing customer satisfaction (Van Dierendonck, 2020). Ultimately, it can increase the company's revenue and profit. In addition, servant leadership encourages innovation and ethical decision-making, which can improve operational efficiency and reduce risks associated with violating business ethics or laws. It supports long-term stability and improves the financial performance of the business (Giolito et al., 2021). Based on this statement, the third hypothesis can be described as follows:

H3: Servant leadership has a positive effect on financial performance.

Employees who have strong emotional ties with the organization tend to be more dedicated and proactive in supporting environmental initiatives and participating in environmentally friendly practices when the organization sets clear policies and provides adequate incentives (Sharma et al., 2021). Other previous studies have also shown the influence of management commitment on green performance (Ahmed et al., 2023). A high level of commitment to the organization creates a sense of moral responsibility to support environmental policies, which contributes to improving the company's green performance (Ly, 2023). In addition, management support and commitment to green initiatives can inspire employees to engage more actively in sustainability efforts, thereby further improving organizational environmental performance (Rajabpour & Ardakani, 2021). Based on this statement, the fourth hypothesis can be described as follows:

H4: Organizational commitment has a positive effect on green performance.

Financial performance is influenced by organizational commitment through increased productivity, work efficiency, and employee loyalty (Aboramadan et al., 2020). Highly committed employees tend to work harder and more efficiently and have low absenteeism, all of which contribute to overall company performance (Bowers, 2022). In addition, organizational commitment reduces turnover, thereby reducing training and recruitment costs and retaining employee knowledge (Pepple et al., 2023). Employees who have high organizational commitment are more motivated and productive, which has a

positive impact on company profitability, efficiency, and liquidity and shows a positive relationship with financial performance (Sintaasih et al., 2019). Based on this statement, the fifth hypothesis can be described as follows:

H5: Organizational commitment has a positive effect on financial performance.

With servant leadership, employees feel valued and supported by leaders, which increases their motivation to build a strong commitment to the organization (Dahleez et al., 2021). According to Wang et al. (2022), employees motivated by this commitment tend to support and engage in organizational goals, including sustainable practices, which contribute to improving the company's green performance. Then, based on Ngah et al. (2023), affective commitment mediates the relationship between servant leadership and organizational citizenship behavior through increased motivation, organizational identification, and the quality of work relationships. In addition, previous research by Gu and Liu (2022) shows that ESSL can increase employee commitment and engagement with the environment, which in turn improves the organization's green performance. Based on this statement, the sixth hypothesis can be described as follows:

H6: Servant leadership has a positive and significant effect on green performance, with organizational commitment as a mediating variable.

Previous research by Qiu and Dooley (2022) has revealed that servant leadership increases OCB through enhanced leader-member exchange and empowerment, which in turn contributes to better financial performance. Research by Eva et al. (2019) has confirmed that servant leadership contributes to organizational financial results by improving employee attitudes and commitment. Committed employees tend to be more motivated and aligned with organizational goals, which leads to increased productivity, innovation, and customer satisfaction, ultimately improving financial results. These results suggest that organizations that implement servant leadership are likely to see improvements in financial performance through increased organizational commitment. There are previous studies that attempt to examine commitment as a mediator. It analyzes the relationship of adaptation of green culture, innovation, and green performance by exploring employee commitment as a mediator (Sharma et al., 2021). It is conducted in India. Thus, it is from the perspective of a developing country. However, the commitment discussed is explicitly related to personal environmental commitment and not measuring commitment toward the organization. Research by Sumlin et al. (2021) has examined organizational commitment as a mediator in the relationship between the ethical environment

and organizational performance in the United States context and found that organizational commitment cannot serve as a mediator. Based on those previous studies, the seventh hypothesis can be described as follows:

H7: Servant leadership has a positive and significant effect on financial performance, with organizational commitment as a mediating variable.

METHODS

The research uses a causality quantitative approach to analyze the causal relationship between variables tested on the research sample. It examines the relationship between servant leadership, organizational commitment, green performance, and financial performance. The population is manufacturing companies because this sector plays an important role in economic performance and has more environmental implications compared to the service sector. Manufacturing companies often face challenges in managing financial performance while ensuring environmental sustainability. Thus, it is relevant to examine the effect of servant leadership on both financial performance and green performance. In addition, the manufacturing sector tends to have complex organizational structures and intensive operational processes, which makes it an ideal environment to study the mediating role of organizational commitment in strengthening the relationship between servant leadership and such performance outcomes.

The research involves 300 employee respondents as samples, which are selected using non-probability sampling techniques. The researchers use a purposive sampling method to determine the sample. The researchers select subjects who meet the criteria. The sample criteria consist of employees who work in the manufacturing sector and have at least five years

of work experience. In the research, data are collected through a survey by distributing questionnaires through Populix. The questionnaire is created and modified from several previous research journals that have been used to examine the hypotheses. Furthermore, the data are measured using an interval scale that reflects categories and ratings from one to five. The determination of values is done through answer choices calculated based on the Likert scale.

The research adopts a hypothesis-testing design with a causal approach, using a cross-sectional time dimension with data from employees across various organizations. The research examines how servant leadership impacts financial and green performance, mediated by organizational commitment. Using a quantitative method, data are collected through questionnaires, and Partial Least Squares-based Structural Equation Modeling (PLS-SEM) is employed to analyze complex, unobserved relationships among latent variables, utilizing Warp PLS software. Descriptive analysis, which involves calculating the mean and standard deviation, provides an empirical overview of the data. The research framework design can be seen in Figure 1.

At the outer model evaluation stage, validity and reliability tests are carried out. Convergent validity is measured through factor loadings (ideal value > 0.7 , with 0.5–0.6 as acceptable) and Average Variance Extracted (AVE) values exceeding 0.5. Discriminant validity is also tested by ensuring that each construct's AVE exceeds the squared correlation with other constructs. Reliability is measured using Cronbach's alpha, with an expected minimum of 0.7, ideally between 0.8 and 0.9, and composite reliability above 0.7 (Hair et al., 2009).

In the inner model, evaluations include the coefficient of determination (R^2) and predictive relevance (Q^2). R^2 values range from 0 to 1 and are interpreted as substantial (0.75), moderate (0.50), or weak (0.25), while predictive relevance is considered good when Q^2 exceeds zero. Additional model fit

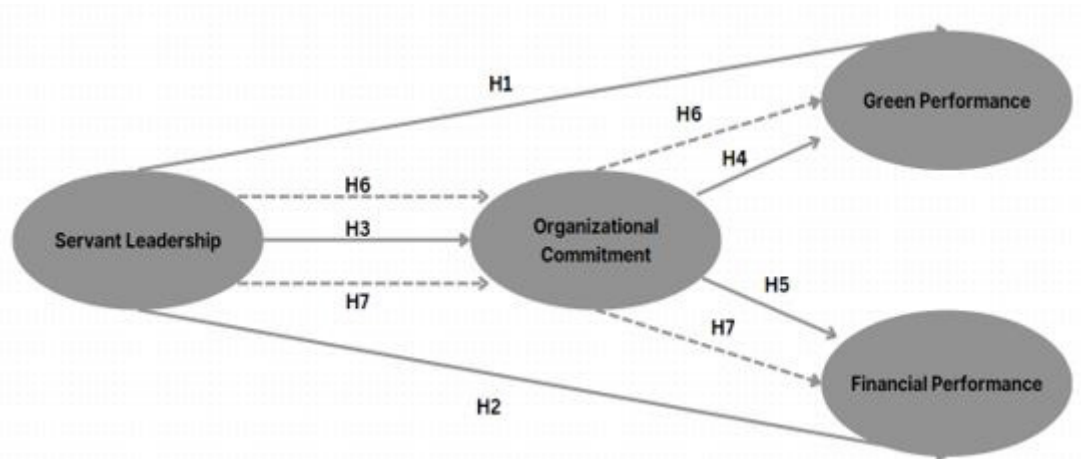


Figure 1 Research Framework

criteria include significant Average Path Coefficient (APC) and Average R-Squared (ARS) values ($p < 0.05$). Then, the acceptable Average Block Variance Inflation Factor (AVIF) and Average Full Collinearity VIF (AFVIF) are below or equal to 3.3. Moreover, there are also Tenenhaus' Goodness of Fit (GoF) values over 0.36, along with standardized values for Simpson's paradox ratio (SPR), R-Squared Contribution Ratio (RSCR), and Nonlinear Bivariate Causality Direction Ratio (NLBCDR), each of which is expected to reach a certain standardized value. Lastly, hypothesis testing is conducted using a t-test through a bootstrapping procedure, considering hypotheses significant if the t-statistic exceeds 1.96 and the p-value is below 0.05. Otherwise, the hypothesis is rejected (Jogiyanto & Abdillah, 2009).

RESULTS AND DISCUSSION

Table 1 (see Appendices) shows that the 31–35-year age group is the largest group, with 80 respondents (27.3%). Then, there is an almost balanced gender distribution. The result is dominated by males, with 53.67%. The result reflects a good representation of both genders. Then, the majority of respondents come from the staff level, with 46.33% of the total respondents. Furthermore, the distribution of respondents' domicile is dominated by Java Island, especially from DKI Jakarta Province, followed by West Java. Additionally, most respondents work in the Information Technology (IT) division. Meanwhile, most respondents (51.33%) are from medium-sized businesses, with a total number of employees ranging from 251 to 1000.

Table 2 (see Appendices) outlines the measurement items used. The indicators for servant leadership are based on Barbuto and Wheeler (2006), while those for organizational commitment are drawn from Meyer et al. (1993). The green performance measures are sourced from Chen et al. (2006). Additionally, the balanced scorecard is employed to assess financial performance, using indicators from Mehralian et al. (2018).

Next, the researchers assess convergent validity using Cronbach's alpha, Composite Reliability (CR), and AVE. The results in Table 3 (see Appendices) show that all Cronbach's alpha values are above 0.7, AVE exceeds 0.50, and CR is above 0.70, in accordance with the recommended limits. The indicator of SL11 on servant leadership has the highest factor loading and mean, indicating that respondents highly value leaders' moral commitment to society and consider organizational stewardship as an important element in servant leadership. There is a gap between statistical results and respondents on organizational commitment. Although affective commitment has the highest mean value, the highest factor loading is found in normative commitment. This result suggests that in addition to emotional attachment, employees are also influenced by feelings of moral obligation to remain

loyal. Therefore, it is important for organizations to align employees' moral values with the corporate culture and strengthen commitment through effective communication regarding the organization's mission, vision, and values.

The GP2 indicator on green performance has the highest factor loading and mean, indicating that respondents agree that their company implements environmentally friendly products, especially regarding packaging innovation. This result reflects the importance of innovation and communication regarding green packaging in strengthening environmental performance. Meanwhile, on financial performance, the FP4 indicator related to revenue growth has the highest value, indicating that revenue growth is considered the most significant factor in assessing the company's financial performance.

The results in Table 4 (see Appendices) indicate that servant leadership explains 66% of the variation in organizational commitment, 62% in green performance, and 59% in financial performance, with each R^2 value falling within the moderate category. In addition, the Q^2 values for all three variables indicate the strong predictive ability of the model. In conclusion, servant leadership, mediated by organizational commitment, has a positive influence on both green performance and financial performance.

The result of hypothesis testing in Table 5 (see Appendices) shows that servant leadership has a very strong influence on organizational commitment, with a t-statistics of 15.96 and a p-value of 0.001. The original sample value is 0.81. This result proves that servant leadership has a positive effect on organizational commitment. So, H1 is accepted.

Servant leadership, with its dimensions of altruistic calling, emotional healing, and wisdom, supports the three main components of organizational commitment: affective commitment, continuance commitment, and normative commitment. Employees who feel emotionally cared for by their leaders tend to show higher levels of commitment to the organization, reinforcing the conclusion that servant leadership not only improves individual performance but also strengthens the bond between employees and the organization (Ngha et al., 2023; Khan et al., 2020; Nanjundeswaraswamy, 2023). The company supports social responsibility, and servant leadership can reduce work pressure and emotional exhaustion. According to Dahleez et al. (2021), servant leadership can increase employees' affective commitment through mediation, such as person-organization fit and psychological ownership. It is because servant leadership can increase employees' commitment to the organization by giving them a strong sense of belonging. Overall, the results of this hypothesis test provide strong empirical support to the existing literature, confirming that servant leadership contributes significantly to increased organizational commitment.

The following result indicates that servant leadership has a significant influence on green performance, as evidenced by the high t-statistics of

8.20 and a p-value of 0.001. The original sample value is 0.76. This result proves that servant leadership has a positive effect on green performance. Thus, H2 is accepted.

Based on the previous literature review, H2 is in line with the philosophy of ethics and social responsibility emphasized in servant leadership using a proactive approach (Qiu & Dooley, 2022), which supports green performance goals for environmental sustainability and addresses environmental risk (Hou et al., 2023; Siddiquei et al., 2021; Zafar et al., 2025). Companies with servant leadership are able to build solid and trusting relationships between leaders and employees by fulfilling their three basic psychological needs: autonomy, capability, and relationship (Jiang & Wei, 2024). It will create a work culture that supports practical efforts to preserve the environment and encourages employees to innovate in their daily tasks, making the environment more sustainable (Eva et al., 2019). Overall, the results of this hypothesis provide strong empirical support for the existing literature, confirming that servant leadership significantly contributes to improving an organization's green performance.

Next, servant leadership has a significant effect on financial performance, with a t-statistics of 7.81 and a p-value of 0.001. The original sample value is 0.74. This result proves that servant leadership has a positive effect on financial performance. So, H3 is accepted.

Servant leadership uses a proactive approach to find and address possible risks, so companies led by servant leaders have better risk management and trust (Qiu & Dooley, 2022). According to Van Dierendonck (2020), engaged and motivated employees also tend to provide better service to customers, increasing customer satisfaction. In turn, it can increase the company's revenue and profit. However, there are potential indirect negative impacts when OCB becomes excessive (Hartnell et al., 2020). Therefore, it is important to maintain a balance in the application of servant leadership to ensure that service orientation does not come at the expense of the organization's main objectives. Overall, the results of this hypothesis provide strong empirical support for the existing literature, reinforcing the argument that servant leadership not only strengthens interpersonal relationships within organizations but also creates a solid foundation for achieving long-term financial goals while maintaining operational balance.

The hypothesis test also reveals a significant relationship between organizational commitment and green performance, as indicated by a t-statistic of 7.11 and a p-value of 0.001. The original sample value is 0.38. It proves that organizational commitment has a positive effect on green performance. Thus, H4 is accepted. This finding is in line with previous research, as revealed by Sharma et al. (2021). Employees with high affective commitment due to emotional ties to the organization tend to be more dedicated and proactive in supporting environmental initiatives. It is due

to their emotional involvement with organizations that care about the environment, which encourages them to participate in environmentally friendly practices. Companies can show that investment in environmentally friendly human resource development creates a positive spiral that increases green performance as a result of organizational commitment (Zhang et al., 2023). Overall, the results of this hypothesis provide strong empirical support to the existing literature, confirming that organizational commitment is an important component in improving green performance. Employees who are highly dedicated to the organization are likely to support and engage in sustainable practices. In turn, sustainable practices improve the company's green performance.

The hypothesis test also reveals a significant relationship between organizational commitment and financial performance, with a t-statistic of 7.17 and a p-value of 0.001. The original sample value is 0.39. The result proves that organizational commitment has a positive effect on financial performance. Thus, H5 is accepted. The result is in accordance with previous research, as revealed by Aboramadan et al. (2020) that financial performance can be influenced by organizational commitment through increased productivity, work efficiency, organizational performance, and employee loyalty. Highly committed employees tend to work harder and more efficiently and have lower absenteeism rates, which ultimately contribute to improving overall company performance, including financial performance (Bowers et al., 2022; Ng & Feldman., 2011). In addition, organizational commitment can reduce employee turnover, reduce training and recruitment costs, and retain employee knowledge and skills (Pepple et al., 2023). Overall, the results strengthen the evidence for the argument that organizational commitment is an important factor in achieving optimal financial performance.

The result of the next hypothesis shows a significant mediating effect of organizational commitment in the relationship between servant leadership and green performance. It has a t-statistics of 6.48 and a p-value of 0.001, and the original sample value is 0.31. The results demonstrate that servant leadership has a positive and significant impact on green performance, with organizational commitment serving as a mediating variable. Thus, H6 is accepted. The result is consistent with research by Ngah et al. (2023). Affective commitment or organizational commitment mediates the relationship between servant leadership and organizational citizenship behavior through increased motivation, identification with the organization, and quality of work relationships. High commitment forms good organizational citizenship behavior and contributes to improving the company's green performance through better product and service quality, cost reduction, and increased operational efficiency. This result is also reinforced by Dahleez et al. (2021) and Dickson (2023). Organizational commitment, especially affective commitment, a sense of psychological ownership of work and organization,

and a culture of equality and collectivism, play a significant mediating role in the relationship between servant leadership and green performance. The results of hypothesis testing and this literature review provide strong evidence that organizational commitment is a key mediator in strengthening the positive impact of servant leadership on green performance.

The result of the last hypothesis test indicates a significant mediating effect of organizational commitment in the relationship between servant leadership and financial performance, with a t-statistic of 6.53 and a p-value of 0.001. The original sample value is 0.32. This result proves that servant leadership has a positive and significant effect on financial performance, with organizational commitment as a mediating variable. So, H7 is accepted. The result is consistent with previous research, which shows how servant leadership creates a supportive and collaborative work environment (culture) by emphasizing meeting employees' needs, encouraging their development, and ensuring their well-being (Dickson et al., 2023). As explained by Qiu and Dooley (2022), servant leadership increases OCB through increased leader-member exchange and empowerment. It contributes to increased productivity, innovation, and customer satisfaction, resulting in better financial performance (Eva et al., 2019). Overall, the result provides strong empirical evidence that servant leadership improves financial performance through increased organizational commitment. Servant leadership not only increases employee satisfaction and engagement but also drives better financial results for the organization.

CONCLUSIONS

The research results provide empirical evidence that a service-oriented leadership style not only strengthens the financial performance of the company but also improves green performance through the implementation of sustainable practices. Organizational commitment plays an important role in mediating the relationship, where leaders who apply servant leadership can foster higher commitment from employees to the long-term goals of the company. Moreover, the research is one of the few studies that investigate the role of organizational commitment as a mediator in the relationship between servant leadership and green and financial performance, particularly in the manufacturing sector.

From a managerial point of view, the research suggests three practical implications for the Indonesian manufacturing industry and its specific adaptation to sustainability policies. First, organizational leaders can consider servant leadership as a key strategy to improve green performance. Servant leadership not only focuses on employee welfare but also encourages organizations to implement sustainable practices. The wisdom and organizational stewardship dimensions of servant leadership reflect a leader's ability to make wise and environmentally responsible decisions

through proactive actions to encourage green practices in production and supply chains. Servant leadership also enables the embedding of environmental values into business strategies that enhance the company's core values and reputation. Second, servant leadership gives employees the freedom and responsibility to make decisions and innovate in their work. By increasing employee autonomy, the production process can run more efficiently, reduce downtime, lower operational costs, and increase the company's profit margin. Third, servant leaders emphasize ethics, integrity, and responsibility towards their employees. These values become the foundation of normative commitment, where they will be more willing to implement environmentally friendly practices because they feel that their actions are in line with the company's moral values and are intended for the common good, not just profit. Employees who engage in green practices help companies to reduce energy, waste, and material costs and ultimately increase profitability. In addition, companies with good green performance can attract more investors, customers, and business partners who care about environmental issues.

The research has several limitations, including potential data inaccuracies due to the questionnaire method and the lack of a solid system for measuring green performance in Indonesia. Concepts, such as servant leadership and organizational commitment, are often subjective and influenced by individual perceptions, with differences in organizational culture and survey terminology that may affect the understanding of these concepts, especially in developing countries. In addition, macroeconomic impacts can be more significant to financial performance than internal factors such as servant leadership. Previous research related to servant leadership and green performance in developing countries is limited, so researchers have to refer to studies in developed countries, which may be less relevant.

For future research, it is recommended to conduct cross-country studies, adapt instruments contextually, consider external factors such as policies and economics, and use a combined qualitative and quantitative approach. In addition, it is important to expand the scope of research to various industry sectors other than manufacturing, such as services, technology, and energy, to provide a more holistic picture of the impact of servant leadership in various organizational contexts. Future researchers can also utilize big data for more in-depth analysis of green and financial performance and collaborate with governments, companies, or other researchers in developed countries to expand the relevance and network of research.

AUTHOR CONTRIBUTIONS

Conceived and designed the analysis, H. K.; Collected the data, H. K.; Contributed data or analysis tools, H. K., L. G., and G. C.; Performed the analysis,

L. G. and G. C.; Wrote the paper, H. K., L. G., and G. C.; and Provided research idea and construct, H. K.

DATA AVAILABILITY

The data that support the findings of the research are openly available in Figshare at <https://doi.org/10.6084/m9.figshare.29289080.v1>

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APPENDICES

Table 1 Profile of the Respondents

No	Indicator	Number of Respondent	%
Age			
1	18–24	41	13.00
2	25–30	73	24.30
3	31–35	80	27.30
4	36–40	57	18.70
5	41–45	35	11.70
6	46–50	14	5.00
Gender			
1	Male	161	53.67
2	Female	139	46.33
Position			
1	Staff	139	46.33
2	Supervisor	69	23.00
3	Manager	60	20.00
4	Manager Senior	29	9.67
5	CEO/CFO/COO*	2	0.67
6	Owner	1	0.33
Domicile			
1	Bali	5	1.67
2	Banten	20	6.67
3	Bengkulu	2	0.67
3	DI Yogyakarta	4	1.33
4	DKI Jakarta	88	29.34
5	Jawa Barat	81	27.00
6	Jawa Tengah	23	7.67
7	Jawa Timur	36	12.00
8	Kalimantan Barat	1	0.33
9	Kalimantan Selatan	1	0.33
10	Kalimantan Tengah	1	0.33
11	Kalimantan Timur	3	1.00
12	Nanggroe Aceh Darussalam	1	0.33
13	Nusa Tenggara Barat	1	0.33
14	Nusa Tenggara Timur	1	0.33
15	Riau	5	1.67
16	Sulawesi Selatan	4	1.33
17	Sulawesi Tenggara	1	0.33
18	Sumatera Selatan	3	1.00
19	Sumatera Utara	19	6.34

Table 1 Profile of the Respondents
(continued)

No	Indicator	Number of Respondent	%
Division			
1	Corporate Communication	1	0.33
2	Costing	1	0.33
3	Engineering	1	0.33
4	Environmental Management	6	2.00
5	Finance and Accounting	55	18.34
6	Human Resources (HR)	21	7.00
7	Information Technology (IT)	56	18.67
8	Internal audit	1	0.33
9	Maintenance	1	0.33
10	Procurement/Purchasing	7	2.33
11	Production	53	17.67
12	Production Planner and Inventory Control	1	0.33
13	Quality Control/Quality Assurance	50	16.67
14	Research and Development	16	5.34
15	Receptionist	1	0.33
16	Sales and Marketing	19	6.34
17	Supply Chain/Logistics	10	3.33
Company Size			
1	1–50 Employees (Micro Enterprise)	32	10.67
2	51–250 Employees (Small Enterprise)	55	18.33
3	251–1,000 Employees (Medium Enterprise)	154	51.33
4	1,000–10,000 Employees (Large Enterprise)	51	17.00
5	> 10,000 Employees (Very Large Enterprise)	8	2.67

*Chief Executive Officer/Chief Financial Officer/Chief Operational Officer

Table 2 Measurement Items Used in the Research

Indicator	Questions	
SL1	My leader puts my interests before their own (Altruistic Calling)	
SL2	My leader is good at helping me to deal with emotional problems (Emotional Healing)	
SL3	My leader has a high awareness of what is happening (Wisdom)	
SL4	My leader seems to be up to date with what is happening (Wisdom)	
SL5	My leader seems to know what is going to happen (Wisdom)	
SL6	My leader gives me strong reasons to do things (Persuasive Mapping)	Barbuto and Wheeler (2006)
SL7	My leader is good at convincing me to do things (Persuasive Mapping)	
SL8	My leader believes that the organization should play a moral role in society (Organizational Stewardship)	
SL9	My leader believes that our organization should function as a community (Organizational Stewardship)	
SL10	My leader sees the organization as having the potential to contribute to society (Organizational Stewardship)	
OC1	I am happy to continue working for this organization (Affective Commitment)	
OC2	I feel a personal attachment to this organization (Affective Commitment)	
OC3	I believe that leaving my current organization will result in significant personal costs for me (Continuance Commitment)	Meyer et al. (1993)
OC4	I will experience too much upheaval in my life if I choose to leave my current organization (Continuance Commitment)	
OC5	I think that even if other job opportunities arise, I will not want to leave this organization (Normative Commitment)	
GP1	The products produced by the company do not use polluting or toxic materials, or employees can reduce the use of polluting or toxic materials (Green Product Innovation)	
GP2	The products produced by the company use environmentally friendly packaging (Green Product Innovation)	
GP3	When designing products, the company considers recycling and disposal at the end of their useful life (Green Product Innovation)	Chen et al. (2006)
GP4	The production process in the company recycles, reuses, and remanufactured materials or components (Green Process Innovation)	
GP5	The production process in the company uses cleaner or renewable technologies to save resources (such as energy, water, and waste) (Green Process Innovation)	
GP6	The company redesigns and improves the products or services to meet more environmentally friendly criteria or regulations (Green Process Innovation)	
FP1	The company has higher profitability compared to its competitors	Mehralian et al. (2018)
FP2	The company has higher efficiency compared to its competitors	
FP3	The company's overall financial performance has improved over the past 12 months	
FP4	The company's profitability has increased over the past 12 months	

Table 3 The Results of Factor Loading, Descriptive Statistics, and Reliabilities

Variable	Indicator	Factor Loading	Dimensions Loading	Mean	Standard Deviation	
Servant Leadership						
Altruistic Calling	SL1	0.69	0.75	3.85	1.13	Cronbach's alpha @ 0.94 Composite reliability of 0.95 AVE of 0.66
Emotional Healing	SL4	0.85	0.88	3.95	1.16	
Wisdom	SL5	0.85	0.93	4.23	0.90	
	SL6	0.83		4.29	0.86	
	SL7	0.79		4.03	1.02	
Persuasive Mapping	SL8	0.79	0.88	4.30	0.81	
	SL9	0.84		4.31	0.82	
Organizational Stewardship	SL11	0.85	0.88	4.34	0.88	
	SL12	0.81		4.31	0.86	
	SL13	0.83		4.35	0.84	
Organizational Commitment						
Affective Commitment	OC1	0.82	0.88	4.36	0.83	Cronbach's alpha @ 0.88 Composite reliability of 0.92 AVE of 0.68
	OC2	0.82		4.25	0.84	
Continuance Commitment	OC3	0.79	0.85	4.02	1.05	
	OC4	0.83		4.11	0.99	
Normative Commitment	OC6	0.86	0.90	4.06	1.06	
Green Performance						
Green Product Innovation	GP1	0.79	0.95	4.37	0.89	Cronbach's alpha @ 0.92 Composite reliability of 0.93 AVE of 0.70
	GP2	0.88		4.39	0.87	
	GP3	0.84		4.38	0.79	
Green Process Innovation	GP4	0.83	0.95	4.26	0.80	
	GP5	0.83		4.41	0.76	
	GP6	0.86		4.39	0.75	
Financial Performance						
Financial Performance	FP1	0.87	1.00	4.25	0.85	Cronbach's alpha @ 0.9 Composite reliability of 0.93 AVE of 0.77
	FP2	0.89		4.34	0.77	
	FP3	0.85		4.35	0.81	
	FP4	0.89		4.35	0.79	

Note: Average Variance Extracted (AVE).

Table 4 The Results of Coefficient of Determination (R^2) and Predictive Relevance (Q^2)

	R^2	Q^2
Organizational Commitment	0.66	0.66
Green Performance	0.62	0.62
Financial Performance	0.59	0.60

Table 5 The Results of the Hypotheses Test

Hypotheses	Original Sample	T-Statistics	P-Values	Empirical Evidence
H1: Servant Leadership → Organizational Commitment	0.81	15.96	0.001***	Supported
H2: Servant Leadership → Green Performance	0.76	8.20	0.001***	Supported
H3: Servant Leadership → Financial Performance	0.74	7.81	0.001***	Supported
H4: Organizational Commitment → Green Performance	0.38	7.11	0.001***	Supported
H5: Organizational Commitment → Financial Performance	0.39	7.17	0.001***	Supported
H6: Servant Leadership → Organizational Commitment → Green Performance	0.31	6.48	0.001***	Supported
H7: Servant Leadership → Organizational Commitment → Financial Performance	0.32	6.53	0.001***	Supported

***statistically significant result at the ($p < 0.001$)