Chapter 10
Servant Leadership as a Conduit Towards Mission-Centric Sustainability in Emerging Market Social Enterprises: The Case of South Africa

Vasilios Stouraitis
https://orcid.org/0000-0001-5825-2604
Glasgow Caledonian University, UK

Daniella Teles Amaral
University of Johannesburg, South Africa

Konstantinos Tsanis
Hult International Business School, Greece

Markos Kyritsis
Henley Business School, UK

ABSTRACT

With a focus on South Africa, the chapter presents an examination of servant leadership as a trigger for mission-centric social entrepreneurship in emerging markets. The chapter provides a behavioural tool and handbook towards focusing on mission-centric social entrepreneurship avoiding socially and long-term unsustainable excessive commercialization. Several recurring variables and associations from the literature on servant leadership are explored and discussed in relation to South African social enterprises to validate the argument presented. Using a random sample of 348 local social enterprises, it is seen that gender, “title,” and “options” present an association with servant leadership traits. In addition, it is shown that servant leadership traits presented are associated to the choice of type of social enterprise strategy. The chapter finally presents recommendations for managers and potential social entrepreneurs in emerging markets to achieve sustainability and avoid a mission drift. In addition, further academic research avenues are presented.

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INTRODUCTION

As Blackburn and Schaper (2016) show, the role of social entrepreneurship is nowadays defined as being vital for economic growth and development strategies in emerging markets, including poverty alleviation. The social sector, however, is seeing an upsurge of commercialisation among non-profits, tending toward what governments call a “mission-drift” or a change in the fundamental values leading to a reduction in sustainability, social value and potentially profits (Fowler, 2000; Weisbrod, 2004). This dangerous tendency is partly a reaction to a fall in government grants and contracts besides the fall in tax-deductible donations to charity internationally, i.e. the traditional sources of backing for social enterprises, leading to a less sustainable enterprise as explained below. Focusing on potential leadership styles, this chapter aims to examine, through exploratory analysis, the practical role of servant leadership as a leadership style that can aid in promoting mission-centric social entrepreneurship in emerging markets and avoid the so-called mission-drift.

This chapter intends to provide executives, researchers and practitioners with evidence of how adopting or promoting servant leadership can influence and drive mission-centric social entrepreneurship. In particular, by examining the incidental findings of the exploratory analysis in South Africa (see also Covey, 2006); i.e. the antecedents of servant leadership, the case focuses on how servant leadership can be enhanced and, as a result, can promote better corporate performance through sustainable mission-centric social entrepreneurship. Through this analysis, the chapter aims to provide a behavioural tool and toolkit to inspire other emerging market social enterprises to adopt or promote servant leadership—a style of leadership that can appeal to funders and allow for a more mission-centric approach to social enterprising. Researching the association between context, antecedents and leadership is important because the contextual environment defines, creates and limits entrepreneurial aspirations, intentions and opportunities, and thus affects the speed and scope of entrepreneurial entry rates (Shane et al., 2003). Therefore, based on the principal literature on servant leadership (Dennis & Bocarnea, 2005; Patterson, 2003; Van Dierendonck, 2010), the case performs an exploratory analysis on a South African sample where the four antecedent associations mentioned below have shown an incidental impact in the research. The associations focus on instigating leadership per se and specifically servant leadership along with facilitating mission-centric social entrepreneurship.

PROBLEM STATEMENT

As will be examined below, the main concern that governance in the area of social entrepreneurship or third sector is intended to alleviate is the incidence of “mission drift”, or a drop in corporate performance and social value while increasing the risk. This can be defined as when the social enterprise loses its vision of satisfying both ends and is eventually too commercialised, or vice versa (Fowler, 2000; Weisbrod, 2004). This is the case when the enterprise drifts away from satisfying both targets and results in it becoming too commercialised, or vice-versa (Fowler, 2000; Ramus & Vaccaro, 2017; Weisbrod, 2004). Based on the suggested associations affecting and within servant leadership presented in the literature (see also Eva et al., 2019; Sendjaya, 2002; Sendjaya et al., 2019), the chapter conducts an exploratory study on a sample of South African social enterprises. The aim is to examine the triggers of the concept of “mission-drift” in social enterprises and explore whether servant leadership can become a solution or conduit for more mission-centric strategies. As mentioned above, stemming from the principal litera-
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ture on servant leadership (see also Dennis & Bocarnea, 2005; Weisbrod, 2004), four associations are examined through statistical analysis and a review of the literature that backs up these associations. In essence, the aim of the chapter is to present a solution to the common “mission-drift” scenario that can stem from the manager internally rather than externally necessarily (i.e. through funding or grants). This solution can be also found within the enterprise and may also not be as costly as one imagines which would benefit emerging market social enterprises and of course, new market entrants. Understanding the characteristics that lead to a stronger vested interest in mission-centric entrepreneurship is vital in environments where this type of entrepreneurship is the most viable option, or a growing space in the market. To explore this, education, “options”, gender and “title” are examined (Dennis & Bocarnea, 2005). The main associations are explained below.

MAIN ASSOCIATIONS DEFINED

The Impact of “Job Title” on Servant Leadership

By Job Title (JT) we mean the position of the member of staff considering to adopt servant leadership or presenting traits of servant leadership. JT has been linked to the possibility of displaying servant leader characteristics along with being risk-prone and stemming from education. In general, work titles aid firms in managing their human capital and have broad consequences for the employees’ individuality. JT are a foundation of modern firms. As a known shorthand for labelling a set of duties held by an employee, a JT describes and presents the knowledge, skills, abilities, and other features that employees who hold the specific job are expected to have. Work or JTs permit firms to relate and compare diverse kinds of contributions to the firm and are connected to most human resource roles, including selection, performance appraisals and reimbursement. Research has shown that JT are also significant for management in teams since they can ease the growth of trust (e.g. Bechky, 2006; Klein et al., 2006) and also since they offer a way to cope with the diversity of abilities among team members (Hollenbeck et al., 2012).

The Impact of Servant Leadership on “Options Mission Centric”

Options Mission Centric (OMC), hereafter, means mission-centric or profit-oriented social enterprise. Regarding OMC as Weisbrod (2004) presents, although the precise equilibrium while producing suitable revenues and commercialising can be an issue for discussion, it is a subject of concern for taxpayers and public policymakers. As a result of the numerous legal and reputational hazards associated, social enterprises have been recommended to skip commercial actions—whether joint ventures with non-profit companies, unconnected businesses that promote the social enterprise’s core activities or other revenue-maximising actions—that divert them from being in a position to deliver public goods at non-profit rates. We thus examine whether servant leadership can be linked to the ability and interest in creating a social enterprise beyond the commercial.

The Impact of “Education Level” on Servant Leadership

Education level in South Africa means undergraduate, diploma, grade 12 (matriculation) or lower, or postgraduate. Education does certainly have a strong association with entrepreneurship, meaning that
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entrepreneurs, self-employed, tend to have a higher level of education than persons in the wage and salaried sector. More advanced levels of education increase the chance of one being self-employed and the attainment in that area in terms of income. Knowledge is comparable to education in its association with self-employment. It is consequently suggested that one acquire an education and then focus on experience. We, therefore, examine whether education levels impact social leadership levels.

The Impact of Gender on Servant Leadership

There are specific gender variances in both the probability of one deciding to be self-employed and actual earnings. Many of the variances can be explained by situational issues, such as education, experience, the length of time working, both hours worked per week and weeks worked per month, and specific tasks required within the family setting. It is often a misreported conviction that there is a greater number of women entrepreneurs than male entrepreneurs or that more women are starting businesses compared to men. We therefore examine whether there is a link between gender and servant leadership levels.

The above associations represent a recurring theme among the 348 South African social enterprises surveyed. Servant leadership is linked to the choice of OMC, JT and education level are linked to servant leadership characteristics. We examine these relationships empirically in the next sections. To support the practical application of servant leadership theory for the modern economy, leveraging a multi-regional context and looking beyond the West are vital. This chapter seeks to examine how and why servant leaders might mitigate existing organisational conditions and influence performance to promote mission-based empowerment through servant-like interactions. Practical implications involve recommendations to adopt the most relevant leadership mind set and behaviours to generate optimally motivating conditions in individuals and teams to achieve organisational performance through mission-based entrepreneurship.

LITERATURE REVIEW

Social entrepreneurship, SE, is seen as an emergent field of study (Nicolas, Rubio, and Fernandez-Laviada, 2018) that has enticed vast interest. Meanwhile, the precursors of servant leadership have not yet been uniformly established, especially in emerging markets and social enterprises (see also Lythreatis et al., 2021); among the overabundance of leadership hypotheses that have been verified in organisational or corporate behaviour, servant leadership is one of the few leadership constructs that is still to be tested for its gender roles and differences between precursors (Chatbury et al., 2011; Eva et al., 2019; Lythreatis et al., 2021). In addition, academics have called for novel research testing views of gender role behaviours of servant leaders (Barbuto et al., 2007). Therefore, there may never have been a more significant time to focus on the wide-ranging debate on optimal leadership types by examining the precursors of servant leadership. The list of possible reasons for such an interest is numerous. Firstly, however, one must examine the definition of servant leadership itself. One does not need more than a momentary scan of daily news headlines to know that the world is in a leadership predicament. Leadership has become progressively more problematic and multi-faceted for social enterprises of all kinds worldwide, with more and more new queries and tests concerning the “top” characteristics of a leader, which paradoxically has done no more than veil the predominant conversation on leadership (Gandolfi & Stone, 2016). In addition, despite the amount of literature on leadership, it remains one of the most misinterpreted business phenomena to date (Gandolfi & Stone, 2016). If the objective is to comprehend
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the costs of leadership, especially servant leadership, it is important first to explain what leadership is and why it is an essential notion. Servant leadership style has attracted much consideration in leadership studies in the last decade due to its emphasis primarily on helping others. The existing literature appeals for an enhanced comprehension of the fundamental triggers of servant leadership to confidently impact performance or strategy inside a business. Servant leadership has been accepted as a leadership attitude tackling the problems of ethics (Carter & Baghurst, 2014).

As a growing research topic, servant leadership creates a link between leadership and ethics, virtues, and morality (Lanctot & Irving, 2010; Parris & Peachey, 2013). Servant leadership has captivated research attention in the area of organisational studies in the previous decades with its distinct consideration of the leader’s character as a servant, putting the needs of others first to produce positive organisational consequences (Lapointe & Van den Bergh, 2018; Newman et al., 2017). This emphasis on serving others intensely shifts the focus of leadership studies from just leading to reconciling the paradox of leading and serving at the same time. While captivating and transformational leaders could generate unexpected outcomes, e.g. Mohandas Gandhi, Rev. Martin Luther King, the outcomes might also be tragic with a lack of ethical precautions, e.g. Adolph Hitler, Jim Jones. Servant leadership is not only inspiring but also includes ethical safeguards (Graham, 1991).

A prominent study that explored servant leadership was conducted by Patterson (2003, pp.1) and outlines servant leaders as “those who serve with a focus on the followers, whereby the followers are the primary concern, and the organizational concerns are peripheral. The servant leader constructs are virtues, which are defined as the good moral quality in a person, or the general quality of goodness, or moral excellence.” A notable finding by Patterson (2003) utilized in this chapter are thus the constructs that a servant leader uses to lead. Patterson (2003) identified seven constructs in the model of servant leadership, which included agapao love, humility, altruism, vision for the followers, trust, serving and empowering its supporters. Another definition provided by Baron (2010, pp.1–87) indicates that “servant leadership is a humane effort that is people focused instead of profit-driven. The central theme of servant leadership is working to improve others.” This indicates that servant leaders in organisations are more focused on ensuring that their employees are treated with humility and respect, rather than the organisation making a profit. This ties in closely with the concept of a social enterprise, which aims to tackle any social ills in a particular society and then ensure that social change occurs and that individuals in that society are treated with the necessary love and care (Best, 2018).

In addition, servant leadership has also been seen to directly affect an organisation’s strategy. Through the concept of servant leadership, the development of individuals in the organisation along with their values and beliefs is ensured, to enhance their best qualities and further pursue the mission of the organisation (Daft & Marcic, 2011). Additionally, servant leadership has been explored in terms of organisational performance and evidence has been found that proves that servant leadership can create high-performing organisations (Blanchard, 2010). It is therefore evident that servant leadership is associated with corporate performance and warrants further research on its effect on social enterprises in emerging markets.

SERVANT LEADERSHIP AND EMERGING MARKETS

Most leadership theories started in the West (Kriek et al., 2009), and there are limited models of leadership that have been empirically tested beyond the United States or in South Africa, creating the need for a more holistic view (Beaty et al., 2006). Covey (2006) proposed that the servant leadership method
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might be suitable for South Africa since this model is characterised by moral authority, humility, service and sacrifice to nurture trust and respect, the critical fundamentals of teamwork. Kriek et al. (2009) also proposed that the African notion of Ubuntu, based on hospitality, caring about others, and the belief that a person is a person through other persons, is also in line with the servant leadership method. In addition, Alter (2007) highlighted the search for a social mission as a fundamental aspect of social enterprises that should not be neglected. Three main cases are identified: “mission-centric”, “mission-related” and “mission-unrelated”, based on how the social mission is rooted in the business model of social enterprises.

As Bidet et al. (2018) stated, the social enterprise sensation must not be restricted to its articulated contents or an unreasonably severe legal or economic classification. In its place, we highlight that the social enterprise sensation ought also to be linked to the reasons and morals that played a part in shaping it and will also drive it. Therefore, the classifications and notions of social enterprise can vary across diverse social, economic and political settings. A model of leadership that hypothetically could be mostly suitable for constructing trust relations at the Bottom of the Pyramid (BOP) is the servant leadership model (Frick, 2004). To test leadership effectiveness, Greenleaf (2004, pp. 387) suggested the following questions: “Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, and are they more likely themselves to become servants? And what is the effect upon the least privileged in society; will they benefit or at least not be further deprived?” While the idea of servant leadership has been in being from the 1970s, it is only fairly recently that researchers have investigated this specific model of leadership empirically (Humphreys, 2005). As an example, Joseph and Winston (2005) determined in their research that servant leadership is equally a product and a precursor of leader and organisational trust. They stated that servant leaders gain trust because they empathise with and fully accept supporters, are reliable because of their far-sightedness and perception, and lead by example. In addition, because servant leaders are aware of their supporters’ welfare and put it ahead of their own, they are able to gain their supporters’ trust.

THEORETICAL FRAMEWORK

The chapter adopts Patterson’s theory (2003) as in Heidari (2019) and Clark (2018); the reason for this choice is that it has been established in the literature as a theory of servant leadership that generates a platform for additional detailed research by outlining the morals on which servant leadership is based—i.e. antecedent values called the component “constructs” of servant leadership. This examination is based on these antecedent constructs (or precursors). Based on the above, our questionnaire was developed to assess which variables showed a correlation. The questionnaire is based on the variables presented in the work of Hoch et al. (2018), Van Dierendonck (2010), Dennis and Bocarnea (2005) and Patterson (2003). The main construct of servant leadership follows the work of Dennis and Bocarnea (2005). Consequently, the chapter presents an expanded conceptual framework based on the constructs of Patterson’s theory of servant leadership and including our four precursors under examination. As presented in Figure 1, education, gender and JT are the precursors for creating a facilitator, Servant Leadership, and hence for more options in terms of strategy. The methodology adopted is explained below.
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Method and Instrument

Quantitative methods were used to assess the aims. A piloted questionnaire was created based on the work of Dennis and Bocarnea (2005), which was made up of both categorical and Likert-scaled close-ended questions. This resulted in a large data set with some redundancy, highly correlated Likert-scaled questions, hence, dimension reduction was used to extract the latent variables, constructs, that capture most of the variance in the data set. Some of the categorical questions were used as independent, grouping, variables for further statistical analysis. A frequentist paradigm was used to generalise our findings using tests to evaluate difference in means, e.g., ANOVA. Significance threshold for this analysis was set at 5%, i.e., the null hypothesis —no difference in means— was rejected if the probability of an effect occurring under the null was under 5%. The questionnaire used was sent randomly and with no elements of bias to 1,764 South African social enterprises, of which 348 responded. The sample was from local South African databases, such as Enactus, the UJ Centre for Entrepreneurship, RainbowNation.com, CharitySA.co.za and Code South Africa Data Portal. The region and area was confined to the borders of South Africa as we were only concerned with social enterprises in the specific country. Out of 348 firms analysed, 202 were clearly mission-centric social enterprises, while the rest were labelled as “Commercialisation of social services enterprise—the organisation uses economic value to fund social programmes” (120) and “Social enterprise unrelated to mission—using social purpose to make a profit” (27). Of the respondents, 117 were employees while 37 were external partners and 194 were owners. This is what we classify as JT.
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Results

Component scores were extracted from the results of the Principle Component Analysis and treated as dependent variables in a multivariate analysis. The components follow the work of Dennis and Bocarnea (2005). Component scores are (supposed to be) normalised with a mean of zero, and a standard deviation of one (i.e. they are standard normal). The independent variables are summarised in Table 1. According to the literature (Dennis and Bocarnea, 2005), the components match the literature. We focused on RC2 (servant leadership) and RC1 (risk) as components (Dennis and Bocarnea, 2005) to present our discussion.

Table 1. Independent variables used in study

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Type</th>
<th>Abbreviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>Are you South African?</td>
<td>SA?</td>
<td></td>
</tr>
<tr>
<td>Where is your social enterprise based?</td>
<td>Location</td>
<td></td>
</tr>
<tr>
<td>Which option best suits your enterprise</td>
<td>Options</td>
<td></td>
</tr>
<tr>
<td>What title do you currently hold in the enterprise?</td>
<td>Title</td>
<td></td>
</tr>
</tbody>
</table>

Note. Abbreviations will be used in the main document, for the sake of efficiency.

MANOVA was used with the component scores as DVs and the independent variables shown in Table x as IVs. The results of the omnibus indicated an overall significant effect of Gender [$F(4,302) = 3.78$, $V = 0.05$, $p < 0.01$], Ethnicity [$F(12,912) = 2.07$, $V = 0.08$, $p < 0.05$], Education [$F(16,1220) = 2.11$, $V = 0.11$, $p < 0.01$], OMC [$F(8,606) = 3.42$, $V = 0.09$, $p < 0.001$], and JT [$F(8,606) = 5.43$, $V = 0.13$, $p < 0.001$]. The unequal group sizes of our independent variables meant that particular attention had to be paid to the parametric assumptions of ANOVA, which is otherwise a robust statistical test. Normality assumptions were checked visually using QQ-plots, which indicated a fairly linear relationship between the sample and theoretical quantiles of the normal distribution. ANOVAs were built following the MANOVA for each component score (i.e. the DVs) and the significant IVs. Each fitted ANOVA was checked for equality of variances using Levene’s test. There was no evidence of any of the fitted models violating the homogeneity of variance assumption (all $p$-values for Levene’s were $> 0.05$). The results of our PCA analysis are shown in Table 2 and are in line with the results of Dennis and Bocarnea (2005) on what variables constitute servant leadership in the literature. The component RC2, which made up Servant Leadership, is highlighted.
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Table 2. Components

<table>
<thead>
<tr>
<th>QUESTIONS</th>
<th>RC1</th>
<th>RC2</th>
<th>RC3</th>
<th>RC4</th>
</tr>
</thead>
<tbody>
<tr>
<td>The top managers of the organisation have a high tendency for low-risk</td>
<td></td>
<td></td>
<td>0.73</td>
<td></td>
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<tr>
<td>projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>The top managers believe it is better to explore situations with caution</td>
<td></td>
<td></td>
<td>0.82</td>
<td></td>
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<tr>
<td>When decision-making involves uncertainty, my organisation proceeds with</td>
<td></td>
<td></td>
<td></td>
<td>0.68</td>
</tr>
<tr>
<td>caution so costly mistakes are not made</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A person that takes risk is seen as beneficial in my organisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>People in our organisation are encouraged to take risks with new ideas</td>
<td>0.48</td>
<td></td>
<td></td>
<td>0.45</td>
</tr>
<tr>
<td>Exploring and experimenting opportunities are allowed in my organisation</td>
<td>0.52</td>
<td></td>
<td></td>
<td>0.50</td>
</tr>
<tr>
<td>The top managers market products which are seen to be successful among</td>
<td>0.46</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation has advertised no new lines of products</td>
<td></td>
<td>0.45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation has slightly changed some product lines</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>My organisation constantly introduces new innovation into the business</td>
<td>0.75</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>The organisation is creative in the way it does things</td>
<td>0.77</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation is always finding new ways of doing things</td>
<td>0.82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organisation always takes advantage in every situation</td>
<td>0.72</td>
<td></td>
<td></td>
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<tr>
<td>The organisation is the best at identifying opportunities</td>
<td>0.76</td>
<td></td>
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<tr>
<td>My organisation will always ensure they are first to communicate, which</td>
<td></td>
<td>0.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>competitors will then respond to</td>
<td></td>
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<tr>
<td>My organisation always responds to a competitor's actions</td>
<td></td>
<td>0.55</td>
<td></td>
<td></td>
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<tr>
<td>My organisation is the first to introduce new products or services to</td>
<td></td>
<td>0.54</td>
<td></td>
<td></td>
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<tr>
<td>the market</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>My organisation enjoys competitive clashes with competitors</td>
<td></td>
<td>0.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My business is highly competitive</td>
<td></td>
<td>0.73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation is aggressive against other competitors</td>
<td></td>
<td>0.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation ensures that competitors never know what is going on in</td>
<td></td>
<td>0.66</td>
<td></td>
<td></td>
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<tr>
<td>our business</td>
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<td></td>
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<tr>
<td>My organisation knows when it is being too aggressive towards competitors</td>
<td></td>
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<tr>
<td>My organisation is usually aggressive when there is a situation that</td>
<td></td>
<td></td>
<td></td>
<td>0.65</td>
</tr>
<tr>
<td>could threaten the survival of the business</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees need to act and think without being distracted</td>
<td></td>
<td></td>
<td>0.70</td>
<td></td>
</tr>
<tr>
<td>Employees do jobs that helps them with their work tasks</td>
<td></td>
<td></td>
<td>0.67</td>
<td></td>
</tr>
<tr>
<td>Employees are allowed to choose how they would like to do their jobs</td>
<td></td>
<td></td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td>Employees are able to communicate without other interfering</td>
<td></td>
<td></td>
<td>0.76</td>
<td></td>
</tr>
<tr>
<td>Employees are able to decide on a situation alone, if it is going to</td>
<td></td>
<td></td>
<td>0.72</td>
<td></td>
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<tr>
<td>benefit the organisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees are able to access important information</td>
<td></td>
<td></td>
<td>0.70</td>
<td></td>
</tr>
</tbody>
</table>

The distribution of gender can be seen in Table 3.
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Table 3. Gender

![Gender Pie Chart]

Table 4. Proportion of age groups

Proportion of Age Groups

The distribution in age groups was not equal and is shown in Table 4, with 50+ being the most represented group of individuals ($\chi^2(3) = 60.58, p < 0.001$).
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The proportion of groups representing the different ethnicities in South Africa taking the survey was not equal and is shown in Table 5, with participants declaring a white ethnic background being overrepresented ($\chi^2(3) = 215.59, p < 0.001$).

**Table 5. Proportion of ethnicity groups**

![Bar chart showing the proportion of ethnicity groups with African, Coloured, White, and Other categories.](Image)

Note. Error bars are 95% CI.

**Education Level**

The education level of participants was not equal and can be seen in Table 6, with participants holding a postgraduate diploma being overrepresented ($\chi^2(4) = 173.29, p < 0.001$).

**Table 6. Proportion of education level**

![Bar chart showing the proportion of education level with Undergraduate, Postgraduate, Post Matric Certificate/Diploma, Standard 10/Grade 12 (Matric), and Standard 9/Grade 11 or lower categories.](Image)
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Regarding the effect of servant leadership on fostering social entrepreneurship, there were small but significant main effects of Gender \( F(1,281) = 9.85, p < 0.01, \eta^2 = 0.03 \), Education \( F(4,281) = 2.74, p < 0.05, \eta^2 = 0.03 \) and OMC \( F(2, 281) = 7.99, p < 0.001, \eta^2 = 0.04 \) on RC2 scores. Tukey HSD indicated that there was a significant difference in RC2 scores of Males compared to Females \( \text{Mdiff} = 0.33, 95\% \text{ Confidence Interval} = (0.12, 0.55), p < 0.01 \), Post-Matric Certificate/Diploma compared to Postgraduate Degree \( \text{Mdiff} = 0.39, 95\% \text{ Confidence Interval} = (0.02, 0.75), p < 0.05 \), Social Enterprise compared to Mission-Centric Organisation \( \text{Mdiff} = 0.73, 95\% \text{ Confidence Interval} = (0.27, 1.19), p < 0.001 \), and finally, Social Enterprise compared to Commercialisation of Social Services Enterprise \( \text{Mdiff} = 0.49, 95\% \text{ Confidence Interval} = (0.01, 0.96), p < 0.05 \). The results are summarised in Figures 2, 3 and 4.

Figure 2. Main effect of gender on RC2

Figure 3. Main effect of education on RC2
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Regarding OMC and JT, we found a small but significant main effect of JT on RC3 \[ F(2,339) = 17.30, \ p < 0.001, \ \eta^2 = 0.09, \] and an interaction between OMC and JT \[ F(4,339) = 2.97, \ p < 0.05, \ \eta^2 = 0.03. \] Post hoc analysis using Tukey HSD on the main effects showed a significant difference in RC3 scores between External Partner and Employee [Mdiff = 0.16, 95% Confidence Interval = (-0.27, 0.58), \( p < 0.001 \)], Owner and Employee [Mdiff = 0.66, 95% Confidence Interval = (0.39, 0.92), \( p < 0.001 \)], and Owner and External Partner [Mdiff = 0.50, 95% Confidence Interval = (0.10, 0.90), \( p < 0.001 \)]. The results have been summarised as an interaction plot (see Figure 2). There has not been much research on these three topics in the literature, which has focused more on the behavioural characteristics of a servant leader (e.g. Dennis and Bocarnea, 2005). Hence, we focused on our data to arrive at inductive conclusions.

Figure 4. Effect of “options” on RC2

![Figure 4](image.png)

Figure 5. Impact of “title” on RC1 (risk)

![Figure 5](image.png)
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Our analysis showed that there was a small but significant main effect of JT on RC1 \( [F(2,334) = 6.75, p < 0.001, \eta^2 = 0.04] \) and a small but significant interaction between Education and JT \( [F(7, 334) = 2.67, p < 0.01, \eta^2 = 0.05] \). Tukey HSD was used as a post hoc test on the main effects and showed that Owners scored higher on RC1 than both Employees [Mdiff = 0.39, 95% Confidence Interval = (0.122, 0.66), \( p < 0.01 \)] and External Partners [Mdiff = 0.51, 95% Confidence Interval = (0.10, 0.93), \( p < 0.05 \)]. The results are summarised as an interaction plot in Figure 5.

Discussion

The Impact of JT on Risk

Although we did not find an association between JT and servant leadership per se, we incidentally found an association between JT and being risk-prone, a vital entrepreneurial characteristic. JT's are very significant because they define duties and who is responsible for what, thus speeding up procedures and an understanding of the levels of risk-aversion. JT's are defined as socially secure symbols that are grounded on collaboration. Lately, conspicuous JT's have been appearing more often in the office. As an example, customer service engineer, account executive, and sandwich artist have been replaced by the more conformist JT's of customer service agent, salesperson, and food preparer, respectively. Work roles too have been allocated advanced tiered titles despite the fact that this is not justified. An example could be allocating the JT of director of operations to a person even if the staff consists of just one person.

These are examples of JT inflation, which is the exercise of disrespecting cooperative principle axioms to use the emblematic importance of a JT. Suitable JT's offer significant information but are not always representative of the task undertaken. As an example, people trust JT's to establish anticipations around work roles and to make designations about the persons who have these specific roles. On a more individual level, people may adopt JT's and make them an essential part of their self-identity. Due to their significance, it is important to query what drives JT's, how and why some JT's are overstated, and finally, what are the organisational costs of JT inflation.

Though there are no monetary costs or benefits related to inflating a JT, it has been contended that JT inflation can result in positive and/or negative results for firms. Organisations engage in JT inflation since they implicitly comprehend that bloating JT will have consequences, of which the positive frequently compensate for the negative. Some examples of positive organisational consequences include better productivity, increased sales and improved organisational standings. Nevertheless, there is also potentially a dangerous side to JT inflation, which might result in negative consequences.

The Impact of Servant Leadership on Options

This section is a very novel one, as most of the literature has not delved into the effect of servant leadership, or any leadership style, on this specific distinction between mission-centric strategies and commercial strategies (c.f. Ramus and Vaccaro, 2017). The chapter finds an association between the amount of servant leadership displayed, if any, and the choice of type of social enterprise, also known as OMC in our case. Specifically, the level of servant leadership displayed impacts the ability to select and interest in selecting a type of social enterprise beyond the fundamental and riskier commercial type; this warrants its promotion as a leadership style. Governance in the social enterprise area aims to deliver a specific warning signal; warranting that the enterprise delivers its double promise to social and commercial
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results, and at the same time efficiently handles the requirements of numerous stakeholders (Ebrahim et al. 2014). The main concern that governance in this area is intended to alleviate is the incidence of mission-drift, or a fall in corporate performance while increasing the risk, which is the case when the enterprise drifts away from satisfying both targets and results in it becoming too commercialised, or vice-versa (Fowler, 2000; Weisbrod, 2004).

The Impact of Education on Servant Leadership

The results found an association between the level of education, undergraduate or postgraduate, and the level of servant leadership displayed. This goes against a lot of the urban myths on the link between education and entrepreneurial intentions. For example, the legend of the under-educated entrepreneur started with the Horatio Alger tales and other circumstantial data. Empirical backing was first presented in a study of “light manufacturers of hard goods” in post-WWII Michigan (1945–1958) (Collins & Moore, 1964, p. 29). As it was the first large study of its kind, despite the quite limited sample, the legend was reinforced and preserved. However, since its publication, several studies have tackled the subject of education and entrepreneurship with inconsistent results (e.g. Foner, 1976; Ramayah and Fei, 2012; Thomson et al., 1986). The subject of social entrepreneurs’ education level has also become a growing theme (Martinez et al., 2019). Foner (1976) tackled the legend in a study that determined that, whereas entrepreneurs may have been inconsistently educated in the past, this is not the situation anymore. Douglas cited research by Mayer and Goldstein (1961) and Collins and Moore (1964) to prove a strong tendency that “the formal educational level of entrepreneurs has been rising over the past fifteen years,” and though the amount of persons in the US population with college degrees increased from 7.5% to 10.7% from 1960 to 1970, college-educated entrepreneurs increased from 9% to 37% from 1961 to 1975. The above results and their deductions were sustained by Thompson et al. (1986) in the Canadian share of an international study. The Canadian entrepreneur had an average of 13 years of official education with about 20% of the sample showing 10 or fewer years of education and over 33% showing above 15 years of education. Cooper and Dunkelberg (1987) also presented a US sample of entrepreneurs with considerably advanced levels of education compared to the general population. Therefore, education does certainly present a strong association with entrepreneurship, meaning that entrepreneurs, or the self-employed, tend to be associated with a higher level of education compared to persons in the wage and salaried sector (Robinson and Sexton, 1994).

The Impact of Gender on Servant Leadership

The results show a link between being male and servant leadership. Ely (1995) postulated that socially made interpretations of female conduct were not consistent with leadership roles. Erroneous social visions have led to negative connotations of female leadership, and women have had to attempt to reconcile conduct thought to be more masculine, such as being authoritative, self-assured and motivated, with socially fabricated feminine conduct, such as being caring, empathetic and compassionate (Eagly et al., 1992). Other studies have identified little to no gender difference (Barbuto, Fritz, & Plummer, 2003). Barbuto et al. (2007) stated that gender variances occur only when moderated by education and age.

Barbuto and Gifford (2010) discovered that males and females are equally as skilled at utilising servant leadership. The absence of difference is in contrast to previous efforts that established variances for transformational leadership (Eagly et al., 2003). The difference in results shows the need to distinguish
between the ever-popular transformational leadership from servant leadership in research (Barbuto & Wheeler, 2006). For example, gender variances were earlier presented in transformational leadership but were not established in servant leadership. This opposes many earlier outcomes on leadership and gender roles, which stated that men tend to exhibit more agentic, i.e. individual, leadership behaviour and women tend to exhibit more communal, i.e. group, leadership behaviour (Eagly et al., 2003).

However, as Ertac and Gurdal (2010) found, women tend to be more risk-averse than men, both in the individual setting and in the group setting. Nevertheless, the risk approaches of women have no effect on whether they prefer to resolve for their group or not; hence, their interest beyond individual gains is evident. Therefore, women who are more risk-prone at the individual level are just as likely to volunteer to be leaders as those who are less risk-prone (Krueger, 2000). Furthermore, leader and non-leader women both act similarly when placed in the situation of determining for the group. However, men who favour being the decision-maker for their group are considerably more likely to take risks than men who do not. Consequently, if servant leadership is an endogenous and internal choice in real life, it is expected that one will observe fewer female-led groups in areas relating to risk above monetary payoffs and that these groups will act more carefully than male-led groups. Men who can be defined as leaders are observed to accept considerably more risk than non-leader men for their group, while there does not seem to be a variance in group choices between women who prefer to lead and women who would rather not. Leader and non-leader women do not appear to vary in their individual risk attitudes (Krueger, 2000). This suggests that other inclinations rather than increased monetary payoffs may be the reason for women’s potential interest in servant leadership, which warrants further research to understand the association between women and servant leadership. This is vital in emerging markets where women are a rising but underutilized workforce.

Implications for Practice

This chapter intended to provide executives, researchers and practitioners with evidence of how servant leadership and behaviours from leaders influence the choice of enterprise type and the potential sustainability (see also Sendjaya, 2002). The implications of this study for managers and policy are two-fold. Firstly, we present a clear association between several characteristics in managers and a number of servant leadership traits. Secondly, by linking servant leadership traits and OMC we set out the path to pinpoint the type of traits a social enterprise manager should present to enhance the possibility of sustaining a social mission. This is also valuable for the promotion of sustainable social entrepreneurship by government through educational policies and training schemes for potential new entrepreneurs. Social entrepreneurship must be sustainable and led with passion rather than for unscrupulous short-term gains or misguided intentions which do not align with the market. This will then lead to employee motivation and sustainability. It is under these circumstances that managers can really profit from being innovative and proactive, thus gaining validity and growing their respective business’ stockholder pool. Furthermore, the results display a link between JT and being risk-prone, between gender, i.e. males, and servant leadership, between servant leadership and OMC, and between education and servant leadership. Focussing on promoting these specific links can result in emerging market social enterprises satisfying their “double promise” and reducing risk, providing maximum social benefit and enhancing sustainability in the long run.

Servant leadership characteristics often occur naturally in people and, like many natural tendencies, they can be improved through learning and practice (Sendjaya et al., 2002). Servant leadership offers
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great hope for the future to create improved, more considerate, institutions. This also applies to the world of education in emerging markets. Policy can be directed to create a localised and contextual type of further education, creating the leaders of tomorrow and incorporating servant leadership from a young age. The link between higher education, social enterprises and value chains can be strengthened and create space for social enterprises not only to meet unfilled needs in society but also to participate in large value chains more sustainably. This is very important for poverty alleviation in emerging markets as young entrepreneurs find themselves not only without the right soft skills to address these issues and become sustainable but also without access to larger markets and larger value chains. Focusing on the power and particularities of JT and gender for corporate performance in an social enterprise can present an opportunity for education to avoid a “one size fits all” delivery and adapt to a specific context-related delivery.

FUTURE RESEARCH DIRECTIONS

Context is vital in servant leadership research and, as presented by Liu (2019), race, gender, sexuality, age, and class of leader and assistants can upset the dynamics of servant leadership and subordinate behaviour model. Future research must consider these factors while modelling servant leaders’ and subordinates’ behaviours. Any further studies in different social cultural contexts might improve the generalisability of the above framework. Research may also compare gender differences and performance in the sample. This type of research would help us understand more about the similarities and differences between commercial firms and social enterprises. It would also help us understand gender differences that would aid policymakers in creating an improved ecosystem for nurturing servant leaders and both types of enterprises. Larger studies with longitudinal statistical evidence would be helpful in this specific field since these issues need to be resolved to obtain a more accurate assessment of servant leadership in social enterprises. Servant leadership research requires more specific definitions. Additional research on servant leadership must foster more extensive understanding and acceptance of its sustainability in contemporary organisations. Future research may also test multiple leadership constructs together in the same research design to account for likely alterations between constructs, their antecedents, and influences. Avolio et al. (2009) showed that research should continue to distinguish servant leadership from other leadership constructs.

CONCLUSION

Much work has been presented so far on the impact of servant leadership on corporate performance (see also Saleem et al., 2020) but not on social enterprises, choice of mission, or emerging markets. The chapter has shown through its analysis that several variables from the literature, gender, JT, education, are associated with being a servant leader in a South African social enterprise. In addition, it was shown that servant leadership as a trait is linked to the final selection of type of social enterprise, i.e. OMC, and particularly the avoidance of commercialisation. The chapter has shown that servant leaders are most likely to start a social enterprise which is less commercialised in an emerging market when affected by the variables gender, JT, and education. In addition, they can overcome adverse corporate conditions, creating value and influencing employees positively by promoting their empowerment, flexibility and
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influencing their performance. It is therefore fundamental to understand the role of these variables in shaping servant leadership to conduct a mission-centric social enterprise. The study has also shown that OMC and the choice of type of social enterprise are linked to a servant leader. This can help understand why some social enterprises are more mission-centric and generally are clear on their purpose rather than being started superficially and eventually drifting into complete and unsustainable commercialisation.

CONTRIBUTIONS

Authors Contributions The study was designed by the first author who was also responsible for most of the editing and writing. The second author collected and provided the sample on the field along with theoretical backup. The third author provided theoretical backup, editing and parts of the practical implications. The fourth author provided the data analysis and description of results.

Conflicts of Interest The authors declare no conflict of interest.

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