

Servant Leadership Of Corporate Competitiveness Mediated By Business Transformation And Service Culture

Christine Hutabarat, Suharyono, Hamidah Nayati Utami, Arik Prasetya

Abstract: This research examined the effect of Servant Leadership on Corporate Competitiveness, mediated by Business Transformation and Service Culture. This research was analytical research with a quantitative approach. The location of the research is the Vessel PT. ASDP Indonesia Ferry (Persero) which is spread across all crossings of PT ASDP Indonesia Ferry (Persero). This research is survey research, using a questionnaire given to 150 respondents. The population in this study were all ship leaders in all crossings of PT ASDP Indonesia Ferry (Persero). There is a significant and positive influence between Servant Leadership on Business Transformation. There is a significant and positive influence between Servant Leadership on Service Culture. There is a significant influence between Servant Leadership on Corporate Competitiveness. There is a significant and positive influence between Business Transformation on Corporate Competitiveness. There is a significant and positive influence between Service Culture on Corporate Competitiveness. The originality is this study analyzes the management of the resources owned by PT ASDP in order to have a high level of company sustainability, namely by identifying the factors that affect Corporate Competitiveness.

Index Terms: Servant Leadership, Corporate Competitiveness, Business Transformation, Service Culture

1 INTRODUCTION

Indonesia, as the most notable maritime country in the world, was awarded a vast and resource-rich sea area. History proves that the sea has become a part of life for the Indonesian people. Not only a source of livelihood for people around the coastline, but the sea also dividing the islands in the archipelago. This is where the vital role of the crossing industry is for people who need inter-island transportation. The crossing industry in Indonesia is expected to proliferate with various advantages being able to answer and help the community's problems in the field of water/sea transportation. However, Indonesia still has homework in improving the maritime industry in general and the crossing industry in particular. In order to accelerate the realization of a reliable crossing industry and become an option/choice of the community, it is necessary to review the regulation. There are several crossing issues in Indonesia until 2018, including frequent over dimensions and overloads (ODOL) on dock and shiploads. Besides, the number of water transportation accidents in Indonesia arises because of the lack of government supervision, such as lack of inspection of ship conditions that are already unfit and excessive shiploads, considered to be the base of the problem. Based on the case of KM Sinar Bangun and KM Lestari Maju who suffered a sea accident in mid-2018, it is an essential reminder for the government regarding overloading factors and weather factors that cause ships to sink. The crossing service provider, supported by the government, needs to transform so that problems related to crossings in Indonesia can be handled. Based on the results of the investigation by the individual team, one of the factors that caused many victims in a ship accident was the lack of close supervision and the lack of ship facilities. This is in line with the causes of the KM Lestari Maju accident. Safety and comfort of passengers is the responsibility of all ship crew on duty, so it is demanded to always innovate in terms of service (service innovation) on the ship. The problem in the shipping industry which is very detrimental over time is the limited ability to build new ships because the purchase of new vessels is estimated to take approximately four years (two years of indentation and two years of construction period). The low capacity has hampered

repair and shipbuilding services, as well as low support from other financial institutions in providing investment funding to the shipping industry. This will undoubtedly affect all ship operators to become uncompetitive with unreliable production equipment. Reliable and competent leaders are needed to compete and compete in the face of competitors in the market. A leader determines the progress of the company and will be followed by his employees; then servant leadership can be developed in responding to challenges in this industry. Competitive pressure from competitors makes the organization needs to increase Corporate Competitiveness in order to increase selling points. At present, competition considers one thing, namely strategy warfare, which depends on anticipation and quickly responds to market needs [1]. Competitiveness brings out creativity from the ability of superiors, were to create customers must respect and benefit, which results in market share and profitability performance [3],[4],[5]. According in [6], Corporate Competitiveness must be able to detect changes in the internal and external environment and react immediately to other companies by offering more competitive goods and services. With the rising competition among similar companies, a business strategy in the form of Service Culture is needed within the company [7],[8],[9],[10]. In order to improve the quality and performance of the company, it is necessary to do a Business Transformation. Business transformation can influence the high level of Corporate Competitiveness [12],[13]. Business transformation is one of the critical aspects of management strategy, especially in developing the company's competitive advantage. Leaders have an important role in creating Corporate Competitiveness Competitiveness, Business Transformation, and Service Culture in an organization or company. Based on this, the company should transform into Servant Leadership. The most prominent role of a leader in sea transportation lies with a skipper. The captain is tasked with managing and ensuring the operation of the ship by implementing optimal service standards with the application of the Quality and Safety Management System so that consumers cross safely, safely and comfortably. With the dynamics as explained above, researchers will assess PT

ASDP Indonesia Ferry (Persero) or abbreviated as PT ASDP. As state-owned enterprises that operate ships and ports and is always demanded to uphold the mandate of the Act, PT ASDP must be able to adjust any changes that have been regulated by the government. This requires PT ASDP to undertake various transformations to support the company's competitiveness and sustainability. To achieve high and sustainable company performance, corporations always carry out various methods and strategies. Previous research on the concept of comprehensive Corporate Competitiveness, by involving variables Servant Leadership, Service Culture, and Business Transformation in an integrated and simultaneous manner has not yet been found. This is the research gap, so the novelty in this research is the development of concepts or models of Corporate Competitiveness Theory by involving the variables of Servant Leadership, Business Transformation, and Service Culture. Also, this study is analyzing the management of the resources owned by PT ASDP in order to have a high level of company sustainability, namely by identifying the factors that affect Corporate Competitiveness.

2 THEORETICAL REVIEW AND CONCEPTUAL FRAMEWORK

This study uses the Grand Theory, namely Strategic Management and Resource-Based View (RBV) with supporting theories including Servant Leadership Theory, Business Transformation Theory, Service Culture Theory, and Corporate Competitiveness. Strategic management is a series of managerial decisions and actions that determine the company's long-term performance [14]. According to [15], strategic management is the art and knowledge of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. As argued in [16] that strategic management is a process that is systematically designed by management to formulate strategies, execute strategies and evaluate strategies in order to provide the best values for all customers to realize the vision and mission of the organization. In an organization, the leader becomes a central role in realizing the vision and mission of the organization. The servant Leadership style is considered very suitable for organizations that prioritize service. Servant Leadership is a leadership that prioritizes service, starting with the natural feelings of someone who wants to serve and to prioritize service, then consciously this choice brings aspirations and encouragement in leading others [17]. According to [18], servant Leadership is a leader who is very concerned about the growth and dynamics of the lives of followers, himself and his community, so he prioritizes it than the attainment of personal ambition (personal ambitious) and his favourite. It is essential to realize that according to [19], servant leadership is "primus inter pares" (the first of equal), who does not use his power to get things done but who tries to persuade and convince his subordinates. In [20], developed a conceptual framework for measuring the concept of Servant Leadership, which is Character Orientation, Community Orientation, Task Orientation, and Process Orientation. In this current economic situation, it is necessary to find innovative ways to restructure the competitiveness of companies by carrying out the business transformation. Business Transformation is a program to change the way companies work to achieve goals quickly, sustainably and radically in improving company performance. According to [21], the factors that must be considered in

Business Transformation are the first existence of leaders as inspirators and drivers, if leaders do not support Business Transformation, it will be difficult, because the top leaders are the company's main assets in the Business Transformation process. Second, is the support of employees to participate in supporting the program leader in Business Transformation. Third, the contextual aspect, namely the environment that can be varied, can be a crisis, competition, and so forth. Fourth, it is a system that can make Business Transformation sustainable. Based on the research in [22], Business Transformation is formed through four important transformation components, namely Management Transformation, Strategy Transformation, Structural Transformation, and Cultural Transformation. Based statement in [21], Transformation in organizations will run well, if supported by the capabilities of organizational components such as Service Culture. Service Culture is a culture that supports customer service through policies, procedures, reward systems, and actions. These social services can be implemented through employee communication, company policies, and individual actions. As stated in [23] that Service Culture is a service mindset in organizations that focus on products and services which then defines how the organization learns and develops it from the perspective of employees and customers. From this concept, it can be understood that Service Culture is related to mindset, service focus, and employee and customer perspectives. In [23] developed a conceptual model of service culture that consists of various interrelated dimensions, namely Service values, Service encounters, Service orientation, Service climate, Service training, Service rewards, Service co-creation, and Service transformation. Companies that are already good in developing Service Culture are believed to be able to compete with similar companies or have a high level of Corporate Competitiveness. Study in [24] have a concise interpretation; corporate competitiveness is the contribution of companies in a competitive market. According to [25], there are five strengths of business strategy which are the framework of industry analysis and business strategy development, namely threat of new entrants, bargaining power of suppliers, the threat of substitute products, bargaining power of buyers, and rivalry among competing firms. In the study in [26] describe five dimensions for Corporate Competitiveness, namely Competitive pricing/cost, Value-to-customer quality, Delivery Dependability, Product innovation, and Time to market.

3 METHODOLOGY

This research was analytical research with a quantitative approach. This study is categories as empirical research with primary data perception and unit of analysis is Ship PT. ASDP Indonesia Ferry (Persero). The location of the research is the Vessel PT. ASDP Indonesia Ferry (Persero) which is spread across all crossings of PT ASDP Indonesia Ferry (Persero). This research is survey research, using a questionnaire given to 150 respondents. Respondents in this study were all PT ASDP Indonesia Ferry (Persero) NG's operating in all trajectories and ports. The population in this study were all ship leaders in all crossings of PT ASDP Indonesia Ferry (Persero), which consisted of 150 Commander or Chief Commander (Mualim I). Because the population is relatively small and deserves to be studied by all, then the entire population of the population is sampled as research. So the sampling technique used in this study is the Saturated Sampling method, which is saturated sampling, where

all members of the population are taken as samples. Therefore the sample in this study was 150 head or deputy's head. The selection of PT ASDP Captain as a subject in this study with consideration of, namely the Captain as the highest leader on the ship and dealing directly with consumers on board, the Captain is reporting ship operational activities to the General Manager (Branch Manager), the Captain is responsible for managing and ensuring the implementation of operations ships by implementing optimal service standards as well as the implementation of Quality and Safety Management Systems, the Captain conducts guidance to the crew by providing Coaching and Counselling (direction and consultation) to motivate the crew and the creation of a conducive working environment, and the Chief is tasked with managing the ship and guarantee the operational readiness of the ship (seaworthy). Research questionnaire that uses a Likert Scale 5 variations of answers from Strongly Disagree to Agree Strongly. Before data from the results of the questionnaire collection can be used for the subsequent analysis, it is necessary to check the validity and reliability of the instrument. Checking the validity of the Pearson correlation, the instrument is declared valid if the correlation value is > 0.3 . The stage after validity testing is instrument reliability testing. The research instrument was declared reliable if the Cronbach Alpha value > 0.6 . The statistical analysis used is the WarpPLS statistical method using the help of a computer program package or WarpPLS 6.0 Software to test the research hypothesis. The purpose of WarpPLS is mainly to estimate endogenous construct variants and their manifest variables, termed reflective indicators, with other specificities being construct indicators can also be formed informative form, termed formative indicators. In this study, there are one exogenous variable, namely Servant Leadership (X), and three endogenous variables namely, Business Transformation (Y1), Service Culture (Y2), and Corporate Competitiveness (Y3). The conceptual framework of this study connects the relationship between variables, where Servant Leadership influences Business Transformation and Service Culture. While the Business Transformation and Service Culture variables influence Corporate Sustainability. So that Business Transformation and Service Culture as a mediator. The conceptual framework of this study is presented as follows:

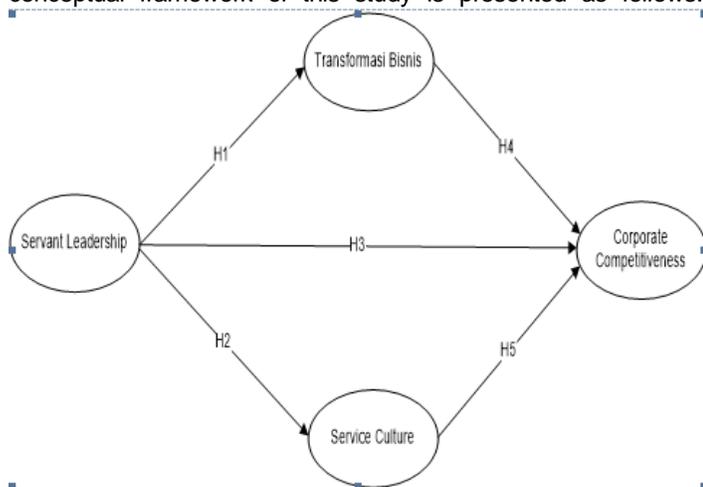


Fig. 1 Conceptual Framework

The research relationship is formulated based on theoretical logic as described in the previous chapter and previous research as follows.

(H1) Servant Leadership has a significant effect on Business Transformation. As defined in [27] that strategic management as management, systems, which connect strategic planning and decision making with business operations management daily. Based on the opinion in [27] with the management strategy required a role for leaders to be able to do strategic planning and business decision making so it is very interesting to raise the leadership variable, especially Servant Leadership. This is supported by the concept in [28], [29] that Servant Leadership compared to other leadership styles is much better, where the main goal is organizational well-being, truly caring by serving followers. As stated in [30] that there is a relationship between leadership and organizational transformation mediated by management innovation. In line with previous research, as stated in [31] that transformational leadership does not have a significant direct effect on the commitment to change. However, there is an indirect effect that is, leadership has a significant influence on the readiness for change, and readiness for change has a significant effect on the commitment to change. So in [31], readiness for change as a mediating variable between leadership and organizational commitment to change. Based on the research in [32], good leadership is prescriptive, competency-based leadership, which is based on an organizational problem-solving approach and developing subordinate capacity through business transformation.

(H2) Servant Leadership has a significant effect on Service Culture. The Leader-Participation Model Theory, as written in [33], suggests that satisfaction and achievement are caused by subordinate behavior which in turn is influenced by the behavior of superiors, subordinate characteristics, and environmental factors. In addition, Leader Exchange Member Theory in [34] holds that leaders can create groups that can perform high and gain satisfaction with their superiors. According to [35] there are several reasons that make Service Culture an important factor in organizations. First, a strong culture of service will drive employee behavior consistently in serving customers. Second, Service Culture is a prerequisite for success in building a customer-oriented organization. Third, management is unable to supervise all employees so Service Culture is expected to be able to influence and ensure the accuracy of employee behavior in service. Research in [36] states that Servant Leadership significantly and positively influences service performance. The mediation role of other's approval of self-esteem has a significant effect in linking servant leadership to service performance. In [37] provide the results that servant leadership influences company culture and employee performance. Research in [38] explained that Servant Leadership by operational managers had a significant and positive effect on serving culture, as well as being able to improve organizational performance. The research was supported by Hua & Tao in 2015, which stated that Servant Leadership had a significant and positive effect on Team Culture, Market Culture, and Innovation Culture.

(H3) Servant Leadership has a significant effect on Corporate Competitiveness. At present, competition considers one thing, namely strategy warfare which depends on anticipation and quickly responds to market needs [1]. Competitiveness brings out creativity from the ability of superiors, where to create customers must be respectful and profitable, which results in

market share and profitability performance. As argued in [2] that competitiveness raises creativity from the ability of superiors to create profits that contribute to the market and profitability performance. Therefore, research is needed regarding the relationship between leadership and the company's competitiveness. Research in [39] explains the results that Top Management Teams' Entrepreneurial Leadership has a direct positive effect on a company's international human capital management, while also having an indirect positive effect on a company's global competitiveness. Furthermore, the findings in [40] suggest that the competition model is developed through the work practices of the organization.

(H4) Business Transformation has a significant effect on Corporate Competitiveness. Ketchen in 2009 defines strategic management analysis, are decisions and actions by companies to create and maintain competitive advantage. This is due to comprehensive planning on how the organization will achieve its mission and objectives [14], strategy as a tool to achieve long-term goals [15]. Based on this, it is very important to develop research on the relationship between Business Transformation and Corporate Competitiveness in companies that focus on customer service. Research in [12] states that leadership characteristics have a positive effect on company performance; new product innovations have a positive effect on employee performance and sustainable competitive advantage. Whereas statement in [13] that corporate social community can utilize and change relationships and support operational goals, to bring fundamental changes to the trust and behaviour of people other than social media can take advantage of business performance to become a company that has high competitiveness.

(H5) Service Culture has a significant effect on Corporate Competitiveness. The study in [7] states the results that corporate culture is a strategic asset, which if managed properly, can be a significant differentiating factor in a successful business model. Meanwhile, research results in [1] show that there is a relationship between organizational culture and techniques for cultural transformation. A clear understanding of company culture can help managers make decisions about and progress towards cultural change. Through this research urges companies to shape corporate culture for the benefit of the organization in enhancing employee experience at work and increasing probability. Based on the RBV assumption that companies compete based on resources and capabilities [42], [43]. In addition, as argued in [6] that companies must be able to detect changes in the internal and external environment, and react immediately to other companies by offering more competitive goods and services, so that optimal company service is needed for consumers. This is supported by the concept in [23] stating that the service mindset in organizations focuses on products and services developed by the organization from the perspective of employees and customers. Referring to the existing theory that the ability of an organization's competitiveness is built one of them from the attitudes and behavior of employees in treating customers, then this study will examine the relationship between Service Culture and Corporate Competitiveness.

4 RESULT AND DISCUSSION

4.1 Respondent Analysis

Respondents in this study were active Ship Captain of PT ASDP or Deputy Captain of The Ship (Mualim I). Deputy Captain of The Ship (Mualim I) is an alternative respondent if when taking research data, the Ship Captain is not in place (the ship) so that his role will be replaced by Deputy Captain of The Ship who is equally understanding of the duties as ship leader of PT ASDP. PT ASDP will conduct the questionnaire relating to the measurement of the variables of Servant Leadership, Business Transformation, Service Culture, Service Innovation, Corporate Competitiveness, and Corporate Sustainability. Respondents in this study were 150 people with the details of 78 respondents from the Commercial Track Ship Master, 67 respondents from the Army Pilot Boat, 1 respondent from the Livestock Shipbuilder, 2 respondents from the Container Shipbuilder, and 2 respondents from the Longboat Shipbuilder. The results of the descriptive analysis of respondents (Ship Captain) are presented in Table 1.

Table 1. Description of Respondent

Characteristics		Frequency	Percentage
Gender	Male	150	100.0 %
	Female	0	0.0 %
Age	< 30 Year	2	1 %
	30 - 34 Year	5	3 %
	35 - 39 Year	12	8 %
	40 - 44 Year	34	23 %
	45 - 49 Year	54	36 %
	> 49 Year	43	29 %
Time Effective Work	< 10 Year	18	12.0 %
	10 - 14 Year	14	9.3 %
	15 - 19 Year	37	24.7 %
	20 - 24 Year	56	37.3 %
	25 - 29 Year	21	14.0 %
	> 29 Year	4	2.7 %

4.2 Result Analysis

The research data obtained from the questionnaire were tested for validity and reliability. Validity testing is needed to ensure that the research data used is correct, while reliability is used to ensure that the instruments used are correct in measuring variables.

Table 2. Test Validity and Reliability

Variable	Alpha-Cronbach	Conclusion
Servant Leadership (X)	0.801	Reliable
Business Transformation (Y1)	0.713	Reliable
Service Culture (Y2)	0.773	Reliable
Corporate competitiveness (Y3)	0.670	Reliable

SOURCE: RESEARCH DATA (2019)

Table 2 shows that the Cronbach Alpha value of four research variables is worth more than 0.6. From these results, it can be concluded that the variables Servant Leadership (X1), Business Transformation (Y1), Service Culture (Y2), and Corporate competitiveness (Y3) are valid and reliable, so that the data taken through this questionnaire can be used for data analysis at a later stage. The first stage in WarpPLS research is the measurement of the outer model. There are two measurements outside of WarpPLS, namely reflective and formative models. Based on Table 3, it can be seen about the measurement model, the measurement weighting value, and the p-value of each indicator on each variable.

Table 3. Evaluation of Measurement Models

Variable	Indicator	Measurement Model	Weight	p-value
Servant Leadership (X)	Character-oriented leader (X1)	Reflective	0.828	<0.001
	Community-oriented leader (X2)	Reflective	0.753	<0.001
	Task-oriented leader (X3)	Reflective	0.788	<0.001
	Process-oriented leader (X4)	Reflective	0.793	<0.001
Business Transformation (Y1)	Management Transformation (Y11)	Formative	0.317	<0.001
	Strategy Transformation (Y12)	Formative	0.319	<0.001
	Structural Transformation (Y13)	Formative	0.308	<0.001
	Culture Transformation (Y14)	Formative	0.319	<0.001
Service Culture (Y2)	Service Value (Y21)	Formative	0.190	0.008
	Service Encounters (Y22)	Formative	0.192	0.008
	Service Orientation (Y23)	Formative	0.196	0.007
	Service Climate (Y24)	Formative	0.194	0.007
	Service Training (Y25)	Formative	0.191	0.008
	Service Co-Creation (Y27)	Formative	0.194	0.007
	Service Transformation (Y28)	Formative	0.193	0.007
	Corporate competitiveness (Y3)	Competitive pricing (Y31)	Reflective	0.733
Corporate competitiveness (Y3)	Value-to-customer quality (Y32)	Reflective	0.748	<0.001
	Delivery Dependability (Y33)	Reflective	0.750	<0.001
	Product innovation (Y34)	Reflective	0.793	<0.001
	Time to market (Y35)	Reflective	0.743	<0.001

Source: Research Data (2019).

Based on table 3, it can be concluded that all latent variables have excellent and decent indicators. In full, in order to find out the most dominant indicators in contributing to latent constructs. The best indicator informing the Servant leadership variable (X) is the character-oriented leader (X1) that has the most significant loading factor, 0.828. The most reliable

indicators that form Business Transformation (Y1) are Strategy Transformation (Y12) and Cultural Transformation (Y14) with the highest factor loading of 0.319. Then the best indicator informing the Service Culture (Y2) variable is Service Reward (Y26) which has the highest loading factor 0.197. The indicator that best forms the Corporate competitiveness (Y3) variable are Product innovation (Y34) which has the highest factor loading value of 0.793. The second stage in the WarpPLS research is measuring the inner model or also called the structural model. A structural model presents the relationship between research variables. The structural model coefficient states the magnitude of the relationship between one variable to another variable. There is a significant influence between one variable on other variables if the P-value <0.05. In WarpPLS, two influences are known, namely the direct effect and the indirect effect. Table 4. Present test results for direct influence. Table 4. Present test results for indirect effects.

Table 4. Estimated Results and Testing of Direct Effects

Direct Effect			Coefficient	P-value	Conclusion
Independent t	→	Dependent			
Servant Leadership (X)	→H1	Business Transformation (Y1)	0,326	<0,001	Significant
Servant Leadership (X)	→H2	Service Culture (Y2)	0,336	<0,001	Significant
Servant Leadership (X)	→H3	Corporate competitiveness (Y3)	0,211	0,004	Significant
Service Culture (Y2)	→H4	Corporate competitiveness (Y3)	0,302	<0,001	Significant
Business Transformation (Y1)	→H5	Corporate competitiveness (Y3)	0,315	<0,001	Significant

Based on Table 4, the results show that, first, the Servant Leadership (X) variable has a significant positive effect on the Business Transformation variable (Y1). That is, the higher the Servant Leadership (X), the higher the Business Transformation variable (Y1), where the coefficient obtained is 0.326 with a p-value of <0.001. Second, the Servant Leadership (X) variable has a significant positive effect on the Service Culture variable (Y2). That is, the higher the Servant Leadership (X), the higher the Service Culture (Y2) variable, where the Path coefficient obtained is 0.336 with a p-value of <0.001. Third, the Servant Leadership (X) variable has a significant positive effect on the Corporate competitiveness (Y3) variable. That is, the higher the Servant Leadership (X), the higher the variable Corporate Competitiveness (Y3), where the path coefficient obtained is 0.211 with a p-value of 0.004. Fourth, the Service Culture (Y2) variable has a significant positive effect on the Corporate competitiveness (Y3) variable. Thus that the higher the Service Culture (Y2), the higher the variable Corporate Competitiveness (Y3), where the Path coefficient obtained is 0.302 with a p-value of <0.001. Fifth, the Business Transformation variable (Y1) has a significant positive effect on the Corporate competitiveness variable (Y3). Thus, the higher the Business Transformation (Y1), the higher the variable Corporate Competitiveness (Y3), where the Path coefficient obtained is 0.315 with a p-value of <0.001.

Table 5. Estimated Results and Testing of Indirect Effects

Indirect Effect			Coefficient	P-value	Conclusion
Independent t	→	Dependent			
Servant Leadership (X)	→ H1	Corporate competitiveness (Y3)	0,204	0,005	Significant

Indirect Variable Effect of Servant Leadership on Corporate Competitiveness. Based on Table 4, the Servant Leadership (X) variable has a significant positive effect on the Corporate Competitiveness (Y3) variable mediated by Business Transformation (Y1) and Service Culture (Y2). That is, the Business Transformation variable (Y1) and the Service Culture variable (Y2) can mediate the Servant Leadership (X) and Corporate competitiveness (Y3) variables of 0.204 with a p-value of 0.005. The model feasibility test or Goodness of Fit is used to test the suitability of the model with the research data held. Based on Table 5 the results of the model feasibility test (Goodness of Fit), it can be concluded that all analysis models produced in this study on the ten criteria of the fit and quality indices model have met the feasibility of the measurement model. Thus it can be said the size of the relationship between latent variables in this study is right or as expected, so the model can be used in predictions in subsequent analyzes.

Table 6. Quality Index of Research Models

Quality Index	Criteria	Statistics Value	Conclusion
Average path coefficient (APC)	Significant if $p < 0.05$	0.280 ($P < 0.001$)	Significant
Average R-squared (ARS)	Significant if $p < 0.05$	0.182 ($P = 0.005$)	Significant
Average adjusted R-squared (AARS)	Significant if $p < 0.05$	0.172 ($P = 0.007$)	Significant
Average block VIF (AVIF)	Accept if ≤ 5 Ideal if ≤ 3.3	1.165	Ideal
Average full collinearity VIF (AFVIF)	Accept if ≤ 5 Ideal if ≤ 3.3	1.374	Ideal
Tenenhaus GoF (GoF)	Small ≥ 0.1 Medium ≥ 0.25 Large ≥ 0.36	0.329	Medium
Sympson's paradox ratio (SPR)	Accept if ≥ 0.7 Ideal if = 1	1.000	Ideal
R-squared contribution ratio (RSCR)	Accept if ≥ 0.9 Ideal if = 1	1.000	Ideal
Statistical suppression ratio (SSR)	Accept if ≥ 0.7	1.000	Accept
Nonlinear bivariate causality direction ratio (NLBCDR)	Accept if ≥ 0.7	1.000	Accept

4.3 Discussion

The Effect of Servant Leadership on Business Transformation. Referring to Table 4, the results show that changes in Servant Leadership will have an impact on changes in Business

Transformation, namely the increasing Servant Leadership will affect the higher Business Transformation at PT ASDP Indonesia Ferry (Persero). PT ASDP Indonesia Ferry (Persero) as a crossing service provider supported by the Government to do the business transformation to deal with issues relating to crossings in Indonesia to be better, such as KM SinarBangun and KM Lestari Maju who suffered a sea accident in mid-2018. In conducting Business Transformation, also needs to focus on HR readiness. The human resources owned by PT ASDP must be managed well by the company, regulated explicitly by a leader. According to [21], the factors that must be considered in Business Transformation are the existence of leaders as inspiratory and drivers, if leaders do not support Business Transformation, it will be difficult, because top leaders are the company's main assets in the Business Transformation process. As one perspective, according to [21], the factors that must be considered in Business Transformation are those that are first considered as inspirational leaders and drivers, if leaders do not support Business Transformation it will be difficult, because the top leaders are the company's main assets in the Business Transformation process. The leader needed by PT. ASDP in realizing Business Transformation is a leader who is oriented towards character, society, tasks and processes, namely Servant Leadership. According to [18], Servant Leadership is a leader who is very concerned about the growth and dynamics of the lives of followers, himself and his community; therefore, leaders take precedence over the achievement of personal ambitions and personal preferences. To achieve the company's goals, the leader of PT ASDP must be able to make decisions quickly and effectively. Besides, it also takes the character of a leader who in his daily life can go to the field, solve problems faced by the company and find a way out with its employees. The Effect of Servant Leadership on Service Culture. Referring to Table 3, the results show that changes in Servant Leadership will have an impact on changes in Service Culture, namely the increasing Servant Leadership will affect the higher Service Culture at PT ASDP Indonesia Ferry (Persero). PT ASDP, as a customer service-oriented SOE company continues to create Service Culture within the company. Davis and Gautam (2011) state that service culture (Service Culture) is a service mindset in organizations that focus on products and services which then defines how the organization learns and develops it from the perspective of employees and customers. Also, PT ASDP's leaders train people in the company, especially PT ASDP's crew to be able to serve one another (internal service) and teach about how to provide excellent services to customers (external service). Leaders have an important role in creating Service Culture in an organization or company. According to [43], the Servant Leadership style compared to other leadership styles where the main goal is organizational well-being, genuinely caring by serving followers. This person-oriented attitude paves the way for safe and healthy relationships in the organization. Increasing the focus requires a strong commitment from all elements of PT ASDP, especially ship and port management who are directly in contact with service users. Furthermore, as said in [28], stewards who are chosen to be leaders are highly supported by their employees because they are committed and reliable. In this way, an atmosphere is created which encourages followers to be the best they can be. The Effect of Servant Leadership on Corporate Competitiveness. Referring to Table 4, the results

show that changes in Servant Leadership will have an impact on changes in Corporate Competitiveness, namely that the increase in Servant Leadership will affect the higher Corporate Competitiveness at PT ASDP Indonesia Ferry (Persero). PT ASDP is believed to have reliable and competent leaders to compete and compete in the face of competitors in the market. The strategy that developed in the era of globalization is a technology-based competition strategy, so PT ASDP leaders should be open to changing trends in the industry. A leader determines the progress of the company and will be followed by his employees, then servant leadership at PT ASDP can be developed in responding to this challenge. Competitive pressure from competitors makes PT ASDP need to increase Corporate Competitiveness in order to increase selling value. At present, competition considers one thing, namely strategy warfare which depends on anticipation and quickly responds to market needs [1]. Competitiveness brings out creativity from the ability of superiors, where to create customers must be respectful and profitable, which results in market share and profitability performance. Servant leadership is believed to be suitable in increasing the level of corporate competition, because the characteristics of Servant Leadership are having the ability to listen to what is delivered by followers, having the ability to provide solutions to followers' problems, having conceptual thinking, being able to look far ahead, having a commitment to the development of subordinates and able to build community [44]. Leaders who can look far ahead and think highly of marketing strategies can undoubtedly bring superior organizations compared to other similar companies. Buckley in 1988 points to that competitiveness is strong because of its ability to produce and sell goods and services with superior quality and lower costs than domestic and international competitors. The Effect of Business Transformation on Corporate Competitiveness. Referring to Table 4, the results show that changes in Business Transformation will have an impact on changes in Corporate Competitiveness, namely that the increase in Business Transformation will affect the higher Corporate Competitiveness at PT ASDP Indonesia Ferry (Persero). PT ASDP requires an excellent transformation process to maintain a competitive advantage. Business transformation is used to instil competitive business structures that work effectively and efficiently. As explained in [21] that in general the success of Business Transformation was assessed through revenue, profit, turnover (company revenue), etc. which showed the company in a better direction, where this was obtained from the company's superiority compared to other companies (competitive advantage). In this increasingly consumptive era, it is no wonder many customers prefer to set aside a little more money to get more service. Therefore, crossing needs to improve in improving quality. In order to improve the quality and performance of the company, it is necessary to do a Business Transformation. Business transformation can influence the high level of Corporate Competitiveness [12],[13]. Business transformation is one of the crucial aspects of management strategy, especially in developing the company's competitive advantage. Excellence in corporate competitiveness is the ability obtained through the characteristics and resources of a company to have higher performance than other companies in the same industry or market. Effect of Service Culture on Corporate Competitiveness. Referring to Table 4, the results show that changes in Service Culture will have an impact on changes in

Corporate Competitiveness, namely that the increase in Service Culture will affect the higher Corporate Competitiveness at PT ASDP Indonesia Ferry (Persero). According to [6], Corporate Competitiveness companies must be able to detect changes in the internal and external environment and react immediately to other companies by offering more competitive goods and services, so that optimal company service is needed for consumers. In this increasingly consumptive era, it is no wonder many consumers prefer to set aside a little more money to get more service. Therefore, PT ASDP made improvements and developments in quality improvement. PT ASDP Indonesia Ferry (Persero) as a crossing service provider must be able to create Service Culture within the company. As stated in [23] that Service Culture is a service mindset in organizations that focus on products and services which then defines how the organization learns and develops it from the perspective of employees and customers. With the achievement of Service Culture within the PT ASDP ship environment, it will increase Corporate Competitiveness compared to other crossing vessels. Excellence in Corporate Competitiveness is the ability obtained through the characteristics and resources of a company to have a higher performance than other companies in the same industry or market. Indirect Effect of Servant Leadership on Corporate Competitiveness. Referring to Table 5, it is known that Servant Leadership can have a significant indirect effect on Corporate Competitiveness mediated by Business Transformation and Service Culture. That is, the better Servant Leadership, which is followed by improvements to Business Transformation and Service Culture, the better the Corporate Competitiveness. PT ASDP Indonesia Ferry (Persero), in dealing with competitors and knowing who the competitors are, indirectly determines how the company faces it. PT ASDP leaders must have a way to compete and compete in the face of competitors in the market. The technology-based business competition strategy must be aligned with the business carried on by a company, for that the leader of PT ASDP must have openness to changing trends in the industry to be competitive. Furthermore, PT ASDP continues to actively reform in various fields in order to spur the growth of innovation and maintain consistency in presenting the best quality of service in order to be able to compete to increase competition. Today, it is vital to study market developments and consumer behavior (customer-oriented). One indicator used by PT ASDP in measuring the success of its company compared to its competitors is market share. Understanding of market share or market share is part of the market dominated by a company and all selling potential, generally expressed as a percentage. Thus, PT ASDP Indonesia Ferry (Persero) through its servant leader to improve Corporate Competitiveness needs to pay attention to Business Transformation and Service Culture.

4.4 Implication

Based on the results of this study can provide benefits for the development of concepts and theories related to leadership and strategic management studies.

1. Develop and strengthen the Servant Leadership theory which was originally developed by Gibson et al. in 2000, [19], [28], [20], [18], [45]. In this research, it is said that the leadership developed by PT ASDP Indonesia Ferry (Persero) focuses on increasing character-oriented leaders, which is one aspect of

Servant Leadership according by [20].

2. Develop and strengthen the theory of Business Transformation which has been developed previously by [46], [47], [48], [49], [50]. These theories were developed with the results of research that is, PT ASDP as an organization engaged in services is very concerned about Strategy Transformation and Cultural Transformation in improving company performance.
3. Develop and strengthen the Service Innovation theory that has been developed by the theory of West and Far in 2012,[51], [52], [53]. In this study the theories were developed based on the results of the study, namely, PT ASDP Indonesia Ferry changed behavior, specifically increasing interaction with consumers as a form of innovation in corporate services.
4. Develop and strengthen the Service Culture theory developed by [23], [54], [35], [38]. PT ASDP Indonesia Ferry increases the rewards or bonuses for employees who have succeeded in their performance will foster a company culture that is run between the company and employees to be very good.
5. Develop and strengthen the theory of Corporate Competitiveness which has been developed by the theories Buckley in 1988, [25], [55], [56], [24]. PT ASDP pays attention to service product innovations, especially service innovations carried out by the captain and crew in order to win market competition.
6. Develop and strengthen the theory of Corporate Sustainability which has been developed by the theories in [57], [58], [59], [61], [62], [63], [64], [65]. It was developed in this study that PT ASDP in improving and achieving sustainability focuses on corporate governance, motivation, incentives, security and health, human resource development, human rights and ethical behavior in the corporate environment
7. The results of this study can be a source of information for designing company strategies and policies in order to encourage business growth and the realization of company goals at PT ASDP Indonesia Ferry (Persero). The results of this study are also presented for the government to see the conditions that apply at the level of hybrid organizations such as state-owned enterprises for decision making and business policy formulation in the sector.

5 CONCLUSION

The conclusion that can be draw for PT ASDP Indonesia Ferry (Persero) is that there is a significant and positive influence between Servant Leadership on Business Transformation. There is a significant and positive influence between Servant Leadership on Service Culture. There is a significant influence between Servant Leadership on Corporate Competitiveness. There is a significant and positive influence between Business Transformation on Corporate Competitiveness. There is a significant and positive influence between Service Culture on Corporate Competitiveness.

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