

Leadership Effectiveness toward Service Productivity

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Abstract

Service Productivity is a attitude of mind to find out the way to improve what already exist in a sustainable manner by considering the effectiveness and efficiency of the use of source in the organization in order to help and satisfy others. Leadership effectiveness is the process of influencing and organizing members of the organization to do the task in obtaining the objective of the organization. This research aims to analyze the influence of leadership effectiveness toward service productivity. The method used in this research is survey; the technique for data collection is questionnaire. The respondents are 91 employee consisting of group/rank III and IV in SKPDs that implement licensing services. The result shows that there is positive direct influence of leadership effectiveness toward service productivity. It is suggested to improve leadership effectiveness in order to increase service productivity. Leaders in the licensing should increase coordination among leaders, supervise and encourage the staff to increase service productivity.

Keywords: Service Productivity; Leadership Effectiveness; efficiency

1. Introduction

In the competitive era, the need for excellent service is needed by whole society. Public service is an activity in order to meet service in accordance with the laws for all citizens and residents on goods, services or administrative services provided by public service providers [1]. Public service by decree of Ministry for State Apparatus Reform No.63/KEP/M.PAN/7/2003 on the general guidelines of public service that can be seen from the product services, public service can be divided into 3 kinds: first, administrative services group, that is the service produces various kind of official documents required such as citizenship status, certificate of competency, ownership or authorization of an item etc. These documents are regulated among other Identity Card, marriage certificate, birth certificate, death certificate, motor vehicle owner books, building permits, passport, and certificate of ownership/control of land and so on. Second, group services are the services that produce various types used by public, such as telephone networks, electricity supply, clean water and so forth. Third, group services are services that generate various forms of services required by the public, such as education, health care, management of transportation, postal, and so on. The realization of public service is one of the characteristics of good governance as the objective of state apparatus.

One of measurements for the success of the individual performance, teams or organizations lies in productivity. Conceptually, productivity is the relationship between the output and result of input required by the organization with necessary input. Blecher in Wibowo points out that productivity can be quantified by dividing the output and input. Increasing the productivity can be done by improving the productivity ratio, with producing more output or better output with a certain level of resource input [2].

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Excellent service given to the society cannot be separated from the leadership role to encourage, guide, and effective communication to the civil servants in the city of Manado as the location of this research.

1.1. Service Productivity

The Japan Productivity Centre (JPC) and the European Productivity Agency (EPA) define productivity as an attitude of mind that seeks to continually improve what already exist. Furthermore, Singapore National Productivity Board (NPB) defines productivity as an attitude of mind that strives for and achieves the habit for improvements, as well as the systems and the set of practices that translate that attitude into action [3]. Robbins and Judge state that an organization is considered productive if the organization meet the objective through input transformation to outputs with low cost. So productivity is related to effectiveness and efficiency [4]. Effectiveness is related to the achievement of objectives, while efficiency is the ratio of effective output to input required [5].

Kopelman states that productivity is the relationship between physical output and one or more of the associated physical inputs used in the production process. Kopelman saw of productivity is output and an input. Productivity is influenced by many factors such as productivity as the amount and technical sophistication of capital equipment, the quality and availability of raw materials, the scale of operations, the skills, motivation and attitude of employees, organizational work flow, and managerial competence.

Furthermore, Kopelman relates productivity with effectiveness and efficiency [6]. In line with *Cascio*, he stated that productivity is a measure of output in connection with the input of labor, capital, and equipment [7].

About the concept of service productivity, it can be explained some opinion from the experts.. Griffiths defines customer service is every interaction with a customer [8]. All forms of relationships have the same powerful effect on customer perceptions about a business and the overall level of satisfaction they experience in doing business. Furthermore, it is said that provide excellent service to customers, among others, the customer should always be treated with respect. Valarie A. Zeithaml said services are deed, processes, and performances provided or coproduced by one entity or person for another entity or person. [9].

According to *Stanton* as quoted by Alma, Service is a separately identifiable, did not materialize and offered to meet the requirements, so it can be concluded that the service is a benefit given by one party to another and usually intangible. [10] Meaning as service activities that benefit the organization implicitly; service as activity offered by organizations or individuals in the business to customer that is intangible and cannot be held.

The concept of “service productivity” has been introduced in order to highlight the specific characteristics of services in the context of productivity considerations. The service literature extends the traditional examination of productivity by stressing factors such as the quality of service [11], utilization of service providing capacity and the role of customers in service provision. Several service productivity models can be found in the literature. For example, Grönroos and Ojasalo define service productivity as a function of internal efficiency (i.e. the service provider’s productivity), external efficiency (i.e. the productivity from the customer’s perspective: perceived value per sacrifice) and capacity efficiency (i.e. the utilization of service capacity) [12]. According to Aki Jaaskelainen quoted by Boyne, and Midwinter, in service productivity there are 3 E model: economy, efficiency and effectiveness and 100: input, outputs and outcomes.

Based on the above opinions on productivity and service, it can be synthesized that service productivity is an attitude of mind which is looking for ways to improve what already exist in a sustainable manner with due regard to the effectiveness and efficiency of use of available resources, to help and satisfy others.

There are some models of service productivities pointed out by Grönroos and Ojasalo, et al. in Antti Lönnqvist, HarriLaihonen, those are quality of service, utilization of service capacity and the role of customers in service production. Furthermore they state that in public service, the productivity is very much related to cost-efficiency and quality of services. The productivity of public services can be

improved either by producing more outputs of better quality at the same cost or by producing the same number of outputs of the same quality at less cost [13].

Aki Jaaskelainen concludes the characteristics of manufacturing, private service and public service operation to illustrate the difference in the definitions of productivity and measurements. He differentiates the output from manufacturing operation which is concrete and easily counted and the characteristic quality can be evaluated from its objectives, whereas in the service the output is intangible in nature, and the quantity is hard to be counted. Filippo in Aki Jaaskelainen identifies two extremes on the goods/services continuum: the "pure product" presents the least intangible content, while the "pure service" has intangible content as its maximum [14]. According to Filippo, the tangible elements of services include the premises used in service provision (location, maintenance, interior, functionality, cleanliness, etc.), the physical appearance of staff providing service and physical products linked with service. By contrast, intangible factors of services include: (1) service image affected by the profession's social status and the type of relations the profession has with its clients; (2) contact personnel image related to the impact of the personnel in contact with clients; (3) atmosphere of service provision related to the experience of a client; (4) the nature and level of customer satisfaction that can affect the general images through a feedback effect but will also affect the atmosphere of service provision; and; (5) the customer's perceived need and pre-assessment of a given service offer based on both tangible and intangible components of a service. Bo Edvardson et al describe Service dominant mindset: (1) Service(s); (2) Intangible; (3) Operant resources; (4) Symmetric information; (5) Conversation; (6) Value proposition; (7) Relational; (8) Financial feedback.

The above opinion explains that one of the factors of service productivity is the quality of service. Some researchers identify when evaluating the service quality, Gronroos classified these dimensions into two categories: (1) "functional quality" (the process of service delivery); and (2) "technical quality" (what consumers actually receive from the service). Parasuraman et al. identified five dimensions in their SERVQUAL model: (1) tangible elements; (2) reliability; (3) responsiveness; (4) assurance; and (5) empathy. Mei et al. examined the dimensions of service quality in the Australian hotel industry and developed a new scale of service quality in the hotel industry (called "HOLSERV") with three dimensions: ((1) employees; (2) tangibles; and; (3) reliability [15].

Based on the above theory, it can be concluded that the indicators of service productivity is effectiveness, efficiency, service quality and utility.

1.2 Leadership Effectiveness

Effectiveness is often associated with a sense of efficiency, despite the fact that there are differences between them. Effectiveness in essence refers to the ability to achieve the goals of the organization.

Peter Drucker [16] states that "effectiveness is to do the right things while efficiency is to do the things right". "Effectiveness means how far we achieve the goal and efficiency means how do we mix various resources properly. Stephen P. Robbins also defines effectiveness is "Successfully meets the needs". Stoner, Freeman and Gilbert state, effectiveness in essence is doing something right [17].

Furthermore, Cascio and Awad state that effectiveness as result of the level of accuracy that is based on a predefined plan [18]. Supported by the opinion by Gibson that effectiveness is the achievement of the objectives that have been agreed through cooperation [19].

Based on the above definition, it can be said that effectiveness is the completion of the work precisely in accordance with what has been set out to achieve the objective.

Issues surrounding leadership have often discussed, studied by many scientists and practitioners from both. But there is still controversy regarding the leadership, as expressed by Warren Bennis Luthans opinion about "the end of the article the leadership", effective leadership cannot be achieved without full inclusion, initiatives, and cooperation of employers [20]. Further explanation that a person cannot be a great leader without followers. Gallup survey indicates that most employees believe that the leader is not a company that directs culture and create a situation that can create and manage employee courant. All organization will inevitably arise leader. The importance of effective leadership in order to achieve the

performance of individuals, groups, organizations are very large. Some people believe that effective leadership depends on the nature and specific behaviors while others have suggested that leadership style will determine the success of a dreamer.

McShane/Glinov say that leadership is about how to influence, motivate, and enable others to contribute toward the effectiveness and making the organization successful where they became members.[21]. Good leadership enabled the organization to be effective and to achieve the goals. Achua/Lussier suggests leadership is influence the process of leaders and followers to achieve organizational objectives through change [22]. Of these definitions contains five key elements, namely: 1) Leaders-Followers; 2) Influence; 3) Organizational Objectives; 4) Change; 5) People.

Robbins and Judge further found leadership as the ability to influence a group to achieve a vision or objectives [23]. The Source of influence in the formal definition as provided by managerial levels within the organization. But not all leaders are managers and all managers are leaders. Organizations need strong leadership and management to optimized the effectiveness. They argue that organizations need to challenge the status quo, creating a vision of the future, and inspire members of the organizations to achieve its vision. Organization also require managers to formulate a plan, construct an efficient organizational structure and oversee daily operations. Similar opinion was also expressed by Dubrin, Leadership as the ability to inspire confidence and support among people who are need to achieve organizational goals. He emphasizes leadership as a partnership of a leader and member of the group that relate to each other balanced. Besides leadership as a relationship. He explains that the leadership emphasis on the relationship between the leader and the lead. As Ken Blanchard's Theory quoted by Dubrin says that Leadership isn't something you do to people. It's something you do with them"[24]. Dubrin distinguishes between a leader and a manager. According to him studying a leadership is important to distinguish between leadership and management. Standard management functions: Planning, Organizing, Directing, and Controlling. To lead is one aspect of manager's job, besides planning, organizing, and controlling. Thus leadership is the internal aspects of leadership to handle the job manager, where the planning, organizing, and controlling handles administrative aspects. Leadership handles the matters related to the changes, inspirations, motivations. Newstrom defines Leadership is the process influencing and supporting others to work enthusiastically toward achieving objectives. It is the critical factor that helps an individual or a group identify its goals, and then motivates and assist in he stated goals[25]. There are three important elements those are the influence, voluntary efforts, and goal achievements. To achieve the goals of the organizations there are processes to influence the staff and to provide encouragement to them to voluntarily willing to work. Without leadership, an organization will be confused and handle the machine, is like an orchestra without a leader there are only musicians and crockery.

Based on some theoretical clarity and can be synthesized that leadership is a process of influence and motivate behavior of the members of the organizations to carry out the tasks of the work in achieving organizational goals. The effectiveness of leadership seen as patterns of behavior in relation to the ability of a leader affects the followers is crucial in the achievement of organization goals. Patterns of leadership behavior can be seen as a leadership style that is owned and implemented by the leader. On the theory of leadership and previous research can be classified as behavioral and situational approach. In leadership theories and research studies can be classified as behavior approaches, behavioral and situational.

Based on the above descriptions, it can be synthesized that effective leadership is a process of influence and drive the behavior of followers / members of the organization with the right to perform the duties of the job in achieving organizational objectives with indicators (1) assertiveness to make decisions , (2) create a working procedure , (3) provide encouragement to subordinates , (4) guide , (5) communication .

Based on the previous definition that leadership is the process of influencing the behavior and move the followers / members of the organization to carry out work tasks in achieving organizational goals . The effectiveness of leadership is the leader's ability to influence and encourage others in the desired direction to achieve organizational goals . The ability of a leader to influence or encourage subordinates , directs and gives instructions to carry out tasks , to achieve productivity . The employees attitude in performing work duties vary greatly and therefore required direction and motivation of a leader to improve productivity services . Thus it can be presumed that the effectiveness of leadership directly affect the productivity of service, leadership means getting the right run at the right time , the employee can improve the service productivity.

2. Methods

This research is intended to find empirical data and tangible information about effectiveness leadership toward employee service productivity. The method used is a survey method to obtain real data about the relationship between the variables of leadership effectiveness toward the services productivity. Data were collected by using questionnaire as instrument for assessing service productivity, leadership effectiveness. The research instrument using a Likert scale with five answer options consist of positive and negative statements. Before the instrument used as a means of gathering research data, first trialed validity and reliability. Variable Productivity Services : a) the conceptual definition of service Productivity is an attitude of mind that is looking for ways to improve what is already achieved or already sustainability, effective and efficient by the use of its resources in the organizations to help and satisfy others. b) Operational Definition : Productivity employee perceptions of service is service area licensing Manado City against the attitude of mind that is looking for ways to improve what is already obtained sustainable, effective and efficient by the use of its resources to helping others and satisfying, with indicators of effectiveness, efficiency of service quality, and utility. Scores on each item using a Likert scale of 1 to 5. The scoring numbers have meanings : 1 (strongly disagree), 2 (disagree), 3 (Less Agree), 4 (Agree) 5 (Strongly Agree) for positive statements and vice versa for negative statements. Leadership Effectiveness variables : a) Effectiveness Conceptual Definition of leadership influence and drive the process behavior followers / members of the organization with the right to perform the duties of the job in achieving organizational goals. b) . Operational Definition of Leadership Effectiveness is an employee appraisal licensing services Manado City on the behavior of the leader to be able to steer, influence, and encourage others to achieve the desired goals of the organization, which is outlined in the indicators : (1) assertiveness to make decisions, (2) make work procedures, (3) provide encouragement to subordinates, (4) guide, (5) communication.

By using a model of measurement Likert scale : 1 (strongly disagree), 2 (disagree), 3 (Less Agree), 4 (Agree) 5 (Strongly Agree) for positive statements and vice versa for negative statements.

The target population in this study is the unit of work (on education) that implement the unified licensing administrative services BP2T, City Planning Office, Department of Industry and Trade, the Department of Public Works, and Section affordable Economic. Where as population is all employees are diversified III and IV. The sample size n is determined by determining $\alpha = 0.05$ $\beta = 0.95$, $r = 0.25$ the obtained sample size $n = 168$ respondents [26]. So the estimated sample size n is 168. The number of members of a population of 194 people. To obtain a sample size that is actually used following formula: $n = \frac{n_0}{1 + \frac{n_0}{N}}$ [27].

$$n = \frac{168}{1 + 168/194} = 90,032 = 91.$$

Based on these analysis, it can be $n = 91$. The number of respondents were 91 employees. The sampling technique using proportional random sampling. The sample size n is obtained $i = \frac{N_i}{N \times n}$

Tabel 1. Number of respondents

NO	Institution	Population	Total n
1	BP2T	27	$27/194 \times 91 = 13$
2	Department of City Planning	53	$53/194 \times 91 = 25$
3	Department of Industry and Trade	35	$35/194 \times 91 = 16$
4	Economic Section	18	$18/194 \times 91 = 8$
5	Department of Public Works	61	$61/194 \times 91 = 29$
	Total	194	91

3. Results and Discussion

Referring to the results of a simple regression analysis of the leadership effectiveness influence service productivity obtained constants (a) of 7.735 and a regression coefficient (b) 0.477. Of the value of the constant and the regression coefficient, the regression equation can be written influence the effectiveness of leadership on the productivity of the service, $Y = 7.735 + 0.447 X_1$. The results of test calculation and linearity over the significance of the regression equations are presented in the table of analysis of variance (ANOVA) as shown in the following table:

Tabel2. Analysis of Variance for Significance and Linearity Regression the effectiveness of leadership on the productivity of service $\hat{Y} = 7,735 + 0,447X_1$

Source Variation	Dk	JK	RJK	F _{hitung}	F _{tab} ($\alpha = 0,05$)	F _{tab} ($\alpha = 0,01$)
Total	91	173,991.00				
Coefficient(a)	1	168,947.70				
Regression(b/a)	1	1,590.11	1,590.11	40.982**	3.948	6.928
Remaining	89	3,453.19	38.80			
Suitable tuna	34	1,629.70	47.93	1.446ns	1.641	
Error	55	1,823.49	33.15			

Note: ** = very significant ; ns = not significant

The results of hypothesis testing provide empirical confirmation of the importance of leadership effectiveness in influencing productivity services. Logically it is understandable that the effectiveness of leadership has a significant effect on service productivity. Variable service productivity can be explained by variations in the effectiveness of the leadership exercised by every leader in licensing services in Manado City Government. Decreased productivity of employee services is partly due to the lack of supportive leadership effectiveness. It is understood that the effectiveness of leadership is an important factor that affects the level of productivity of employees in the field service employee or subordinate. Each requires firmness of leadership in implementing any decisions that have been established. In addition to the encouragement and guidance of communication and leadership will affect the productivity of the employee services. High productivity services marked with employees effectively and efficiently in carrying out the work, also in providing a quality service to the community. Quality service with attention to every public complaints that have not been satisfied with the service of an employee in the process of obtaining permits.

Influence the effectiveness of leadership on the productivity of the correlation is 0.562 Findings services in Manado city government, especially in the licensing service is still there selfishness of the leaders in BP2T, City Planning Office, Department of Industry and Trade, and Economic Affairs to promote their respective sections. This means that should the licensing services should be integrated but the reality is not one hundred percent integrated. According to the procedure for example obtaining a building permit registration carried on in BP2T and technical to see the field and monitoring functions are in the file the next City Planning forwarded to the economy to be calculated how much it costs to be paid by the applicant and then in the process of returning to BP2T to permit the completion of the signed by the head BP2T. The process is no deviation is only applicant to register at the BP2T and then had to deal with the City Planning until the permit is completed, the applicant took it in City Planning. Researchers get going negotiations among existing employees in City Planning with the applicant until at how much it costs to be paid. This indicates that there has not been an effective leadership, so as not to increase the productivity of service.

4. Conclusion and Recommendation

The result of the research shows that there is a direct positive influence of leadership effectiveness toward service productivity. It indicates that the improvement of leadership effectiveness, in Manado City, especially licensing services increase service productivity.

The implication of this study is that it is necessary to improve leadership effectiveness in order to improve licensing service productivity in Manado City, because if the leadership is less effective then consequently decreased service productivity. But if leadership is effective, service productivity will increase. In leadership effectiveness, it is important to consider the ability to make decisions and implement. If there is promotion, competence as leader should be considered.

It is suggested that in order to improve service productivity, the leaders in each unit should be more effective in coordinating, guiding and encouraging employees to increase service productivity. A leader must have a motto serve and not to be served.

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