

SERVANT LEADERSHIP AS A PREDICTOR OF PSYCHOLOGICAL EMPOWERMENT AMONG OUTSOURCED EMPLOYEES

M. Yusril Ecatama Putra¹, Umi Anugerah Izzati²

^{1,2}State University of Surabaya

myusril.22289@mhs.unesa.ac.id, umianugerah@unesa.ac.id

Corresponding email: umianugerah@unesa.ac.id

How to cite: Putra, M. Yusril Ecatama., Izzati, Umi Anugerah. (2026). Servant Leadership As A Predictor Of Psychological Empowerment Among Outsourced Employees. *Jurnal Ilmiah Akuntansi, Manajemen Dan Ekonomi Islam (JAM-EKIS)*, 9(2), 895-910. <https://doi.org/10.36085/jam-ekis.v9i2.10498>

INFORMASI ARTIKEL

Article History:

Accepted : 15 May, 2026

Revised : 30 May, 2026

Approved : 10, June, 2026

Keywords:

Servant Leadership,
Psychological Empowerment,
Employees

Pages: 895-910

This is an open access article under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license



ABSTRACT

Outsourced employees often experience job insecurity and limited organizational support, making psychological empowerment an essential factor in improving their work experience. However, studies examining the influence of servant leadership on psychological empowerment among outsourced employees remain limited, despite their structurally vulnerable position compared to permanent employees. This study aims to analyze the effect of servant leadership on the psychological empowerment of outsourced employees. An explanatory quantitative approach was employed, with data collected through questionnaires from 89 outsourced employees selected using purposive sampling. The research instruments were developed based on the dimensions of servant leadership by Liden et al. and psychological empowerment by Spreitzer. Data were analyzed using validity, reliability, and simple linear regression tests at a significance level of 0.05. The findings reveal that servant leadership has a positive and significant effect on psychological empowerment, as indicated by a regression coefficient of 0.451 and a significance value of 0.000. These results emphasize the importance of supportive and empowering leadership in strengthening employees sense of meaning, competence, and autonomy. This study also provides practical implications for organizations to adopt more humanistic leadership approaches in enhancing the psychological empowerment of outsourced employees.

INTRODUCTION

Over the past few decades, outsourcing practices have increased as a business strategy to enhance productivity and operational flexibility in an increasingly competitive global labor market. According to the World Employment and Social Outlook report, contract-based and outsourcing work arrangements play a crucial role in supporting organizational adaptability, particularly in industrial sectors that require rapid responses to dynamic business environments (ILO, 2023). In Indonesia, the use of outsourced labor has continued to increase alongside industrial growth and labor efficiency policies, as reported by Badan Pusat Statistik (BPS, 2024). Furthermore, data from the Asosiasi Bisnis Alih Daya Indonesia (ABADI) indicate that approximately 2.2 million individuals in Indonesia were employed under outsourcing arrangements in 2025 through around 68,000 labor provider companies (Sandy, 2025). This increase not only reflects a shift in organizational strategies but also gives rise to implications for the psychological aspects and work behavior of outsourced employees, who constitute an integral part of the employment system.

In line with the shift from a macro-level context to individual work experiences, the growth of outsourcing practices is not always accompanied by improvements in the quality of employees' work experiences. Various studies indicate that outsourced employees tend to face less favorable working conditions, such as high levels of job insecurity, limited access to training and development opportunities, and low organizational support from client companies. These conditions contribute to an increased risk of work-related stress, decreased organizational commitment, and weakened work engagement (Oktavian et al., 2022). From the perspective of precarious work, which refers to employment conditions characterized by instability, limited protection, and low levels of job security and well-being, this situation reflects structural vulnerabilities that place outsourced workers in a less stable position both economically and psychologically. (Seubert et al., 2025). However, there remains a limited body of comprehensive research explaining how such working conditions affect the psychological aspects and work behavior of outsourced employees within the context of Indonesian organizations.

Human resource management theory, psychological empowerment has become a key concept in explaining how individuals perceive a sense of empowerment in their work. Spreitzer (1995) defines psychological empowerment as a psychological state comprising four primary dimensions: meaning, competence, self-determination, and impact. These dimensions reflect the extent to which individuals perceive their work as meaningful, believe in their capability to perform tasks, experience autonomy in decision-making, and are able to make a tangible contribution to the organization. Contemporary literature indicates that psychological empowerment plays a significant role in enhancing performance, creativity, work engagement, and employee well-being (Llorente-Alonso et al., 2024). Moreover, psychological empowerment also functions as a mediating mechanism in the relationship between leadership practices and various organizational outcomes, including innovative behavior and organizational citizenship behavior (OCB). (Juyumaya, 2022). Conceptually, these findings indicate that psychological empowerment functions not only as a direct predictor of performance but also as an underlying psychological mechanism. In the context of outsourced employees, who tend to face limitations in autonomy, organizational support, and job security, such conditions

may weaken the dimensions of psychological empowerment, thereby making it a crucial factor that warrants further investigation in explaining their work behavior and well-being.

However most prior studies have focused on permanent employees and the formal sector, while research on empowerment among outsourced employees remains relatively limited. In fact, the inherently uncertain nature of outsourcing work makes the need for psychological empowerment increasingly critical. This is partly due to the difficulty in accessing data on outsourced employees, as they are employed through third-party providers. In addition, their working conditions are highly dynamic in terms of roles, contract duration, and work locations, which often change and complicate longitudinal research or consistent measurement. Accordingly, a conceptual gap emerges, indicating that the dynamics of psychological empowerment among outsourced employees have not been extensively explored, particularly within the context of unstable employment relationships. Furthermore, limited data access to outsourced employees working through third-party arrangements constitutes a methodological constraint that helps explain the scarcity of research in this area.

Enhance psychological empowerment effort, servant leadership is viewed as a relevant and effective leadership approach. Servant leadership emphasizes serving employees, individual development, and the creation of a supportive work environment oriented toward humanistic values. Compared to other approaches such as transformational leadership, which focuses more on vision and organizational change, servant leadership more specifically places individual needs and development as the primary priority, thus it is considered more contextual in addressing the psychological needs of employees in unstable working conditions. Liden et al. (2008) identify seven characteristics of servant leadership, including emotional healing, creating community value, conceptual skills, empowerment, and ethical behavior. Empirical findings indicate that servant leadership is able to enhance employees' sense of work meaning, competence, autonomy, and perceived impact on the organization (Zorlu et al., 2021). Servant leadership has also been shown to create a supportive, fair, and human-oriented work environment, conditions that tend to be particularly needed by outsourced employees who often experience structural marginalization (Kamil et al., 2025).

Across sectors, the influence of servant leadership on psychological empowerment demonstrates consistency, albeit with varying levels of intensity. In the energy sector, servant leadership has been shown to enhance psychological empowerment and autonomous motivation, which in turn affects sustainable work behavior (Harina & Rachmawati, 2024). In the education sector, servant leadership plays a role in building organizational commitment and a sense of empowerment among educators facing high administrative pressures (Hoven et al., 2021). In the public sector, servant leadership practices also facilitate employee engagement and loyalty through increased psychological empowerment (Dhiman & Roberts, 2023). Overall, these cross-sector findings indicate that servant leadership exhibits a relatively consistent pattern of influence in strengthening psychological empowerment, thereby reinforcing its relevance as an adaptive leadership approach across diverse work environments, including unstable contexts such as outsourcing.

Nevertheless, research that specifically examines the mechanism through which

servant leadership influences psychological empowerment among outsourced employees remains very limited. In fact, understanding this mechanism is important to explain how the values of service, empathy, and ethics embedded in servant leadership can function as psychological resources in coping with job uncertainty. Previous studies have shown that psychological empowerment serves as an important mediator in the relationship between servant leadership and various work outcomes, such as innovative behavior and job satisfaction (Mahendri et al., 2022). These findings indicate that servant leadership has the potential to strengthen psychological empowerment as an underlying psychological mechanism in the formation of positive work behavior. However, empirical evidence specifically testing this relationship in the context of outsourced employees remains scarce. Therefore, this study seeks to address this gap by examining the effect of servant leadership on psychological empowerment among outsourced employees.

This research gap becomes increasingly relevant considering that most prior studies have focused on public organizations, the education sector, or specific industries, whereas the characteristics of outsourcing employment relationships exhibit fundamentally different psychological and structural dynamics. Therefore, this study aims to analyze the influence of servant leadership on psychological empowerment among outsourced employees. Specifically, this study seeks to answer whether servant leadership is able to enhance psychological empowerment among employees with non-permanent employment status. To achieve this objective, this study employs an explanatory quantitative approach to empirically test the causal relationship between the variables under investigation.

This study is expected to contribute theoretically by expanding the examination of servant leadership within flexible and non-permanent work contexts, particularly by positioning outsourced employees as a population that has been relatively underexplored in prior literature, as well as to provide practical contributions for organizations in designing leadership strategies capable of enhancing the motivation, engagement, and productivity of outsourced employees. The novelty of this study lies in positioning servant leadership as the main predictor variable in explaining variations in psychological empowerment within the context of outsourcing employment relationships characterized by uncertainty and structural limitations. Thus, the findings of this study are not only relevant for the development of academic literature but also for the practice of human resource management that is more adaptive and sustainable.

LITERATURE REVIEW

Psychological Empowerment in the Context of Outsourcing Work

Psychological empowerment is an intrinsic motivational construct that reflects the extent to which individuals find meaning in their work and perceive a sense of control and influence over their work environment. This concept was first comprehensively formulated by Spreitzer (1995) as a psychological state consisting of four main dimensions, namely meaning, competence, self-determination, and impact, which reflect work value alignment, belief in one's capabilities, autonomy in performing tasks, and the perception of an individual's contribution within the organization. These four dimensions shape employees' subjective experiences of empowerment, which in turn serve as key

drivers of proactive and adaptive work behavior. In the development of contemporary literature, psychological empowerment is no longer viewed merely as an individual variable, but as a strategic psychological mechanism that bridges managerial practices with various organizational outcomes, particularly in dynamic and uncertain work contexts.

A number of empirical studies have confirmed the significant role of psychological empowerment in improving work quality. Seibert et al. (2011), through a meta-analysis, showed that psychological empowerment is positively associated with individual performance, job satisfaction, and organizational commitment. This finding is reinforced by Llorente-Alonso et al. (2024), who emphasize that psychological empowerment contributes to enhanced employee well-being, particularly through mechanisms that increase perceived control over one's work. In other words, when individuals feel they have autonomy and influence in their work, they tend to exhibit higher levels of psychological well-being, which in turn leads to improved overall work outcomes. In synthesis, these findings indicate that psychological empowerment functions as a key determinant that integrates motivational and cognitive aspects of individuals in driving various positive work outcomes. However, in the context of outsourcing characterized by job uncertainty, limited control, and indirect employment relationships with user organizations, the dynamics of psychological empowerment may differ conceptually from conventional work settings.

In non-permanent work contexts such as outsourcing, the urgency of psychological empowerment becomes increasingly prominent. The characteristics of outsourcing work, which are marked by job insecurity, limited access to organizational resources, and low participation in decision-making, place employees in a structurally disadvantaged position. This condition has implications for a low sense of control and psychological attachment to work. Research by Wen et al. (2023) shows that work environments with low levels of control significantly reduce psychological empowerment and employee engagement. This indicates that without appropriate organizational intervention, outsourced employees may experience a decline in intrinsic motivation that affects their performance and well-being. Therefore, the role of leadership that is able to compensate for these structural limitations becomes relevant, making servant leadership appropriate to be examined as a predictor that has the potential to strengthen psychological empowerment among outsourced employees.

Based on the above description, it can be concluded that psychological empowerment not only plays an important role as a determinant in improving work quality, but also as a protective mechanism in dealing with the structural vulnerabilities experienced by outsourced employees. Therefore, organizational factors are needed, particularly leadership practices that are able to create a supportive work environment and provide space for employees to experience autonomy, competence, and meaning in their work. Thus, psychological empowerment can function as a main foundation in building a more adaptive, productive, and sustainable work experience amid the dynamics of modern employment relationships. In this context, servant leadership is seen as a relevant leadership approach because it places the needs and development of individuals as the main priority in building employee empowerment.

Servant Leadership as a Leadership Approach that Promotes Empowerment

Servant leadership is a leadership approach oriented toward serving employees, developing individual capacities, and creating a supportive work environment focused on well-being. Unlike traditional leadership paradigms that emphasize control and authority, servant leadership places employees' needs as the primary priority in the leadership process. Conceptually, this approach was systematically developed by Liden et al. (2008) through a multidimensional measurement encompassing listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to the growth, and building community. These dimensions represent a shift in the leader's role from merely directing to facilitating the development of individuals' capacities and potential within the organization. In the context of variable relationships, servant leadership is positioned as a direct predictor influencing psychological empowerment, under the assumption that empowerment-oriented leadership behaviors are capable of enhancing employees' perceptions of control, meaning, and work autonomy.

In the development of contemporary literature, servant leadership is no longer understood solely as a normative leadership style, but as a strategic mechanism capable of shaping the quality of work relationships and enhancing employee well-being in a sustainable manner. Recent studies indicate that servant leadership plays a role in creating trust-based relationships and strong psychological support between leaders and employees, which in turn enhances work engagement and organizational commitment (Kamil et al., 2025). This perspective aligns with the framework of social exchange theory, which explains that supportive treatment from leaders will encourage positive reciprocation from employees in the form of increased motivation and performance (Eva et al., 2019). Psychologically, when employees receive support, empathy, and trust from leaders, they internalize these experiences as forms of recognition and self-worth, which subsequently enhances their sense of control, competence, and work meaning as core elements of psychological empowerment.

A number of empirical studies provide strong evidence regarding the effectiveness of servant leadership in improving various work outcomes. Harina & Rachmawati (2024) found that servant leadership has a significant influence on psychological empowerment and work well-being, particularly through increasing autonomous motivation and perceived organizational support. This finding is reinforced by the study of Ghalavi & Nastiezaie (2020), which shows that servant leadership improves the quality of leader-employee relationships, which subsequently enhances intrinsic motivation and positive work behavior. In addition, a systematic review by Eva et al. (2019) also confirms that servant leadership is consistently associated with improvements in performance, job satisfaction, and organizational citizenship behavior across various organizational contexts. In synthesis, these findings indicate that servant leadership exhibits a consistent pattern of influence in strengthening employees' psychological mechanisms, particularly psychological empowerment, thereby reinforcing its position as a key predictor variable in this research model.

In non-permanent work contexts such as outsourcing, the relevance of servant leadership becomes increasingly significant. Outsourced employees generally face limitations in access to organizational resources, low participation in decision-making, and high levels of job uncertainty. These conditions create a structural gap between

employees and the organization, which has the potential to reduce engagement and psychological well-being. In such situations, servant leadership functions as a compensatory mechanism capable of mitigating the negative impact of these structural vulnerabilities. The outsourcing context in this case acts as a boundary condition that strengthens the relevance of the relationship between servant leadership and psychological empowerment, as the need for support, recognition, and empowerment becomes more critical compared to permanently employed workers. Through an approach that emphasizes empathy, support, and empowerment, leaders can strengthen employees' sense of appreciation and trust, thereby increasing intrinsic motivation and work engagement. Thus, servant leadership not only serves as an alternative leadership style but also as an adaptive strategy relevant for managing the dynamics of modern employment relationships that are increasingly flexible and uncertain.

The Influence of Servant Leadership on Psychological Empowerment

The relationship between servant leadership and psychological empowerment has received extensive empirical support in the organizational behavior literature. Conceptually, servant leadership fosters psychological empowerment through mechanisms of providing emotional support, building trust, and creating participative spaces for employees in decision-making processes. This leadership approach enables employees to experience a higher level of autonomy, strengthens their belief in their own competence, and enhances their perception of the meaning and impact of their work. Within the framework of social exchange theory, supportive and service-oriented leader behaviors are reciprocated by employees through increased engagement and intrinsic motivation as a form of positive reciprocity for the treatment they receive (Eva et al., 2019).

A number of empirical studies indicate that servant leadership has a significant influence on psychological empowerment. Research by Yurika & Rosita, (2021) found that servant leadership positively contributes to increasing employees' levels of psychological empowerment, which in turn improves the quality of work behavior. This finding is reinforced by Kamil et al. (2025), who assert that psychological empowerment plays a central mediating role in explaining the relationship between servant leadership and various organizational outcomes, such as innovative behavior and organizational citizenship behavior. Thus, psychological empowerment functions not only as an outcome variable but also as a psychological mechanism that bridges the influence of leadership on employees' performance and work behavior.

In unstable work contexts such as outsourcing, the role of servant leadership in promoting psychological empowerment becomes increasingly crucial. The characteristics of outsourcing work, marked by job insecurity, limited access to organizational resources, and low control over work, place employees in a psychologically vulnerable condition. In such situations, the presence of leaders who apply servant leadership principles can function as a primary source of support capable of mitigating the negative effects of job uncertainty. Research by Indriyani et al. (2025) shows that servant leadership plays a key role in creating a supportive and service-oriented work environment, thereby strengthening the positive influence of psychological empowerment on employees' motivation and performance.

Furthermore, servant leadership also contributes to the development of psychological safety, enabling employees to express ideas, take initiative, and participate actively without fear of negative consequences. This condition is particularly important in the outsourcing context, where limitations in employment status often hinder employees' active participation within the organization. Thus, servant leadership not only directly strengthens psychological empowerment but also creates a conducive psychological environment for the development of intrinsic motivation and work engagement.

Relevance in the Context of Outsourced Employees

Outsourced employees, as part of the non-permanent workforce, face various structural challenges that directly affect their work experiences. The characteristics of flexible and contractual employment relationships are often accompanied by high levels of job insecurity, limited access to organizational resources, and low involvement in decision-making processes (Jiang & Lavaysse, 2018). These conditions not only affect the instrumental aspects of work but also have implications for employees' psychological dimensions, particularly in reducing levels of psychological empowerment, which is reflected in low perceptions of control, autonomy, and work meaning (Llorente-Alonso et al., 2024).

Furthermore, the literature shows that non-permanent workers tend to experience structural marginalization that limits access to organizational resources, including training, career development, and participation in strategic decision-making (Allan et al., 2019). These limitations lead to low perceived organizational support, which in turn weakens work engagement and employees' psychological well-being (Wen et al., 2023). Within the framework of job demands-resources (JD-R) theory, this condition reflects an imbalance between high job demands and limited resources, where psychological empowerment can be positioned as a personal resource that plays a role in maintaining employees' intrinsic motivation and performance (Schaufeli, 2021). Therefore, organizational factors are needed to provide and strengthen such psychological resources, particularly through supportive leadership practices.

In addition, empirical research indicates that the low level of work control experienced by outsourced employees contributes to a reduced sense of agency and work engagement, which are important components in the formation of psychological empowerment (Wood et al., 2019). This confirms that without adequate organizational support, outsourced employees tend to experience a decline in their psychological capacity to perform their roles optimally. Thus, servant leadership becomes relevant as an independent variable expected to address these limitations by strengthening psychological empowerment as a key psychological resource for outsourced employees.

RESEARCH METHOD

This study employs a quantitative approach with an explanatory design aimed at examining the effect of servant leadership as the independent variable and psychological empowerment as the dependent variable among outsourced employees. The explanatory design was chosen because this study focuses on testing and explaining the relationships between variables based on the theoretical framework that has been previously developed.

The population in this study consists of all outsourced employees working at PT X, with a total population of 143 individuals, and a sample size of 89 respondents. The sampling technique used is purposive sampling with specific criteria, namely employees who have been actively working for at least six months and are involved in operational structures with direct interaction with supervisors. This technique was chosen because it allows the researcher to obtain respondents with characteristics relevant to the research objectives, and is considered more appropriate than probability techniques in the context of limited population access.

Data collection was carried out through the distribution of questionnaires directly with the assistance of the Human Resource Development (HRD) manager as the distribution facilitator. The use of HRD as an intermediary aims to increase the response rate and ensure that the questionnaire is delivered to respondents who meet the research criteria. However, to minimize potential authority bias or response bias, respondents were guaranteed anonymity without including personal identities and completed the questionnaire independently without intervention from management. All respondents were also provided with an explanation of the research objectives and data confidentiality assurances to reduce social desirability bias.

The research instrument was developed based on scales that have been validated in previous literature. The servant leadership variable was measured using the instrument developed by Liden et al. (2008), while the psychological empowerment variable was measured based on the concept of Spreitzer (1995), which consists of four main dimensions. All items were measured using a 7-point Likert scale, ranging from 1 (strongly disagree) to 7 (strongly agree), which was selected to enhance measurement sensitivity and capture variations in respondents' perceptions more optimally.

Prior to the main analysis, the research instrument was tested for validity and reliability. Validity testing was conducted using corrected item-total correlation with a minimum acceptable coefficient of $r > 0.30$. Reliability testing was conducted using Cronbach's Alpha, with a value of ≥ 0.70 indicating that the instrument has good internal consistency. All tests were conducted using SPSS version 25 software.

The analysis was carried out using simple linear regression to examine the direct effect of servant leadership on psychological empowerment. Prior to regression analysis, classical assumption tests were conducted, including tests for normality, heteroscedasticity, and multicollinearity, to ensure that the data met the basic assumptions of the regression model. The significance level used in this study is 0.05. This analysis aims to determine the direction, strength, and significance of the effect of servant leadership on psychological empowerment among outsourced employees.

RESEARCH RESULTS AND DISCUSSION

Results

The characteristics of the respondents in this study are presented in Table 1, with a total of 89 individuals. All respondents were male employees, in line with the company's policy requiring outsourced workers to be of this gender. In terms of age, the majority of respondents fall within the productive age group, particularly in the 26–35 years range (51.69%), followed by the 36–45 years group (42.70%). Meanwhile, respondents aged

≤25 years (2.25%) and ≥46 years (3.37%) were only found in limited numbers, so their contribution to the overall sample is relatively small. Based on length of employment, most respondents have relatively long work experience, as reflected in the dominance of the group with more than 6 years of tenure (76%). The groups with 3–6 years (18%) and 1–3 years (6%) of tenure account for smaller proportions, and no respondents were found with less than one year of employment. Overall, the respondent profile is dominated by employees in the productive age group with relatively long tenure.

Table 1. Research Data Categorization

Category	Description	Total	Percentage
Gender	Male	89	100%
	Female	0	0%
Age	≤ 25 years	2	2.25%
	26-35 years	46	51.69%
	36-45 years	38	42.70%
	≥46 years	3	3.37%
Length of Employment	<1 years	0	0%
	1-3 years	5	6%
	3-6 years	16	18%
	>6 years	68	76%

Source: Processed data, 2025

Validity and reliability testing of the instrument was conducted through a pilot test involving 35 respondents selected using purposive sampling. The validity test results indicate that all items in the servant leadership variable (26 items) have $r_{\text{calculated}}$ values ranging from 0.436 to 0.859, while the psychological empowerment variable (17 items) ranges from 0.566 to 0.824. All of these values exceed the r_{table} value of 0.334 ($N=35$; $\alpha=0.05$), indicating that each item is valid and suitable for use. Furthermore, the reliability test shows Cronbach’s Alpha values of 0.958 for servant leadership and 0.947 for psychological empowerment. These values are above the minimum threshold of 0.70, indicating that the instruments have a very high level of internal consistency and are reliable for measuring the research constructs.

The results of the classical assumption tests show that the data meet the requirements for regression analysis. The Kolmogorov–Smirnov normality test yields a significance value of 0.200 (>0.05), indicating that the data are normally distributed. The heteroscedasticity test shows a significance value of 0.758 (>0.05), indicating no signs of heteroscedasticity. In addition, the multicollinearity test produces a tolerance value of 1.000 (>0.100) and a VIF value of 1.000 (<10.00), indicating no high correlation among independent variables. Overall, these results confirm that the regression model satisfies the necessary basic assumptions.

Simple linear regression analysis shows that servant leadership has a positive and significant effect on psychological empowerment among outsourced employees. The regression coefficient value of 0.451 with a significance level of 0.000 indicates that each one-unit increase in servant leadership is followed by an increase in psychological empowerment of 0.451 units. The t -value of 7.671, which far exceeds the significance

threshold, further strengthens the contribution of this variable to changes in the dependent variable. Meanwhile, the constant value of 30.618 represents the baseline level of psychological empowerment when servant leadership is at zero, which is conceptual in the regression model. The relatively small standard error value indicates that the model has a good level of stability. Overall, these findings indicate that a service-oriented leadership style is able to enhance psychological empowerment among outsourced employees.

Table 2. Regression Coefficient Test

Variable	B (Unstandardized)	Std. Error	Beta (Standardized)	T	Sig.
Constant	30.618	9.036	–	3.388	0.001
<i>Servant leadership</i>	0.451	0.059	0.635	7.671	0.000

Source: Processed data, 2025

The ANOVA test results presented in Table 3 indicate that the regression model used is statistically significant. The F value of 58.848 with a significance level of 0.000 ($p < 0.05$) indicates that servant leadership has a significant effect on psychological empowerment. This shows that servant leadership is a significant predictor in explaining the variation in psychological empowerment.

Table 3. ANOVA Test

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2,111.075	1	2,111.075	58.848	0.000
Residual	3,120.970	87	35.873		
Total	5,232.045	88			

Source: Processed data, 2025

Next, the results of the coefficient of determination test in Table 4 show an R Square value of 0.403. This means that 40.3% of the variation in psychological empowerment among outsourced employees can be explained by servant leadership, while the remainder is influenced by other variables outside the research model.

Table 4. Coefficient of Determination Test

Model	Predictor	R	R ²	Adjusted R ²	Std. Error of Estimate
1	<i>Servant leadership</i>	0.635	0.403	0.397	5.989

Source: Processed data, 2025

Discussion

The results of this study confirm that servant leadership is a significant predictor capable of enhancing psychological empowerment among outsourced employees. These findings not only confirm the positive relationship between the variables but also reinforce the position of servant leadership as an effective leadership mechanism in fostering psychological empowerment in non-permanent work contexts. Theoretically,

these results are consistent with the views of Liden et al. (2008) and Spears (2010), who emphasize that servant leadership is oriented toward emotional support, empowerment, and individual development. However, these findings also indicate that the effectiveness of servant leadership is not merely normative but contextual, particularly in work conditions characterized by structural limitations. This extends the concept proposed by Spreitzer (1995), where psychological empowerment is not only formed by job characteristics but also by the quality of leadership interactions experienced by employees.

These findings also strengthen previous research by Zorlu et al. (2021) and Hoven et al. (2021), which show that servant leadership plays a role in enhancing meaning in work and self-confidence through supportive interpersonal relationships. However, the unique contribution of this study lies in the context of outsourced employees, where unstable employment relationships make the role of leadership more critical compared to permanent employees. In this context, servant leadership does not only function as a supporting factor but also as a primary resource that compensates for limited access to organizational resources. Thus, this study expands the literature by showing that the effectiveness of servant leadership becomes more pronounced when applied to work groups with high structural vulnerability.

Furthermore, this study reinforces the findings of Harina & Rachmawati (2024) and Mahendri et al. (2022), which indicate that servant leadership contributes to the formation of positive work behaviors through increased psychological empowerment. In synthesis, these cross-study findings suggest that servant leadership exhibits a consistent pattern of influence in strengthening employees' psychological mechanisms, even across different organizational contexts. However, this study focuses specifically on the outsourcing context, thereby providing a more detailed understanding of how these dynamics operate within an unstable work environment.

On the other hand, the results of this study differ from those of Ghalavi & Nastiezaie (2020), which found that servant leadership did not have a significant effect on empowerment in organizational cultures that tend to be hierarchical. This difference can be understood through the Indonesian work culture context, which is more collectivistic, where personal attention and empathy from leaders are more readily accepted as forms of support rather than as threats to power structures. This is in line with the findings of Hikmah et al. (2024), which emphasize that values of care, trust, and collaboration in servant leadership can strengthen team trust and reduce social distance between superiors and subordinates. Therefore, socio-cultural factors are an important aspect in explaining the strength or weakness of the relationship between servant leadership and psychological empowerment.

From a practical perspective, this study implies that organizations providing outsourced labor need to develop leadership styles that emphasize service, empathy, and open communication. Concrete implementation can be carried out through human-centered leadership training programs, such as coaching leadership training, regular dialogue forums between supervisors and subordinates, and two-way feedback systems that allow employees to safely express their aspirations. The relevance of Cyfert et al. (2022) in this context lies in the assertion that a supportive work environment can reduce work pressure and improve the quality of work interactions, which is also a primary need

in outsourcing systems. Thus, enhancing psychological empowerment through servant leadership has the potential to contribute to increased engagement and employee performance quality, although these variables were not directly tested in this study.

CONCLUSION

This study aims to analyze the effect of servant leadership on psychological empowerment among outsourced employees, and the results indicate that servant leadership has a positive and significant effect on psychological empowerment. These findings confirm that leaders who apply values of service and empathy are able to enhance employees' sense of meaning, competence, autonomy, and confidence in their contributions to work, thereby playing an important role in creating a more empowering work experience for contract-based employees. From a practical perspective, organizations providing outsourced labor are encouraged to develop humanistic leadership by providing clear and adaptive work guidance, offering training and mentoring, and building open two-way communication. Theoretically, this study expands the literature on servant leadership and psychological empowerment in non-permanent work contexts.

However, this study has limitations related to the use of a cross-sectional design and a homogeneous sample. In addition, the coefficient of determination (R^2) value of 0.403 indicates that psychological empowerment is also influenced by other variables outside the research model. Therefore, future research is recommended to adopt longitudinal or qualitative approaches and to explore additional variables that may better explain psychological empowerment among outsourced employees. These variables may include other leadership styles such as transformational leadership and empowering leadership, as well as organizational factors such as perceived organizational support, leader-member exchange (LMX), and organizational culture. In addition, contextual factors specific to outsourcing arrangements, such as job insecurity, employment status, and trust in client organizations, are also important to be examined. By incorporating these variables, future studies are expected to provide a more comprehensive understanding of the psychological mechanisms underlying employee empowerment in flexible and non-permanent work environments.

REFERENCES

- (BPS), B. P. S. (2024). *Keadaan Angkatan Kerja Di Indonesia Agustus 2024*. Badan Pusat Statistik. <https://www.bps.go.id/id/publication/2024/12/09/6f1fd1036968c8a28e4cfe26/keadaan-angkatan-kerja-di-indonesia-agustus-2024.html>
- (ILO), I. L. O. (2023). *World Employment and Social Outlook Trends 2023*. ILO Publications. <https://www.ilo.org/publications/flagship-reports/world-employment-and-social-outlook-trends-2023>
- Allan, B. A., Batz-Barbarich, C., Sterling, H. M., & Tay, L. (2019). Outcomes of Meaningful Work: A Meta-Analysis. *Journal of Management Studies*, 56(3), 500–528. <https://doi.org/10.1111/joms.12406>

- Cyfert, S., Szumowski, W., Dyduch, W., Zastempowski, M., & Chudziński, P. (2022). The power of moving fast: responsible leadership, psychological empowerment and workforce agility in energy sector firms. *Heliyon*, 8(10). <https://doi.org/10.1016/j.heliyon.2022.e11188>
- Dhiman, S. K., & Roberts, G. E. (2023). The Palgrave Handbook of *Servant leadership*. In *Palgrave Macmillan* (Vol. 2). https://doi.org/10.1007/978-3-031-01323-2_83
- Eva, N., Robin, M., Sendjaya, S., van Dierendonck, D., & Liden, R. C. (2019). *Servant leadership: A systematic review and call for future research*. *Leadership Quarterly*, 30(1), 111–132. <https://doi.org/10.1016/j.leaqua.2018.07.004>
- Ghalavi, Z., & Nastiezaie, N. (2020). Relationship of *servant leadership* and organizational citizenship behavior with mediation of psychological empowerment. *Eurasian Journal of Educational Research*, 2020(89), 241–264. <https://doi.org/10.14689/ejer.2020.89.11>
- Harina, R. N., & Rachmawati, R. (2024). *Servant leadership's Impact on Green Behavior: Exploring Psychological Empowerment and Autonomous Motivation for the Environment in the Energy Sector*. *Jurnal Manajemen Teori Dan Terapan | Journal of Theory and Applied Management*, 17(2), 163–184. <https://doi.org/10.20473/jmtt.v17i2.53442>
- Hikmah, K., Subyantoro, A., Puspitaningrum, D. A., & Nasrulloh, R. S. (2024). Participative Leadership VS *Servant leadership* on Innovative Work Behavior: Role of Psychological Empowerment as Mediator. *Journal of Ecohumanism*, 3(7), 3748–3760. <https://doi.org/10.62754/joe.v3i7.4497>
- Hoven, A. G. Van Der, Mahembe, B., & Hamman-Fisher, D. (2021). The influence of *servant leadership* on psychological empowerment and organisational citizenship on a sample of teachers. *SA Journal of Human Resource Management*, 19, 1–12. <https://doi.org/10.4102/sajhrm.v19i0.1395>
- Indriyani, S., Jimad, H., & Mardiana, N. (2025). The Influence of *Servant leadership* and Motivation on Employee Performance with Organizational Culture as a Mediating Variable. *Journal of Economics, Finance And Management Studies*, 08(03), 1600–1609. <https://doi.org/10.47191/jefms/v8-i3-41>
- Jiang, L., & Lavaysse, L. M. (2018). Cognitive and Affective Job Insecurity: A Meta-Analysis and a Primary Study. *Journal of Management*, 44(6), 2307–2342. <https://doi.org/10.1177/0149206318773853>
- Juyumaya, J. (2022). How psychological empowerment impacts task performance: The mediation role of work engagement and moderating role of age. *Frontiers in Psychology*, 13(September), 1–9. <https://doi.org/10.3389/fpsyg.2022.889936>
- Kamil, N. L. M., Abukhalifa, A. M. S., Eliyana, A., & Pratama, A. S. (2025). Unlocking organisational citizenship and innovation: a *servant leadership* approach

- for psychological empowerment. *Leadership and Organization Development Journal*, 46(1), 23–40. <https://doi.org/10.1108/LODJ-08-2023-0433>
- Liden, R. C., Wayne, S. J., Zhao, H., & Henderson, D. (2008). *Servant leadership: Development of a multidimensional measure and multi-level assessment. Leadership Quarterly*, 19(2), 161–177. <https://doi.org/10.1016/j.leaqua.2008.01.006>
- Llorente-Alonso, M., García-Ael, C., & Topa, G. (2024). A meta-analysis of psychological empowerment: Antecedents, organizational outcomes, and moderating variables. In *Current Psychology* (Vol. 43, Issue 2, pp. 1759–1784). <https://doi.org/10.1007/s12144-023-04369-8>
- Mahendri, M. R., Susita, D., & Yohana, C. (2022). The Effect of *Servant leadership* on Innovative Work Behavior with Psychological Empowerment and Job Crafting as Intervening Variables. *The International Journal of Social Sciences Worl*, 4(2), 197–214. <https://www.growingscholar.org/journal/index.php/>
- Oktavian, R. F., Satriawan, B., & Johan, A. (2022). Pengaruh kepemimpinan transformasional dan kepemimpinan diri terhadap kinerja adaptif selama krisis: Peran mediasi pemberdayaan psikologi. *Fair Value: Jurnal Ilmiah ...*, 4(8), 3402–3412. <http://journal.ikopin.ac.id/index.php/fairvalue/article/download/1396/1202>
- Sandy, F. (2025). *Outsourcing Mau Dihapus Prabowo, Jumlah Karyawannya di RI Sebanyak Ini. CNBC Indonesia.* <https://www.cnbcindonesia.com/news/20250525130355-4-635987/outsourcing-mau-dihapus-prabowo-jumlah-karyawannya-di-ri-sebanyak-ini>
- Sari, S. (2024). Pengaruh *Servant leadership*, Perceived Organizational Support, Leader Member Exchange, Dan Psychological Empowerment Pada Organizational Citizenship Behavior. *JPEK (Jurnal Pendidikan Ekonomi Dan Kewirausahaan)*, 8(1), 90–99. <https://doi.org/10.29408/jpek.v8i1.24154>
- Schaufeli, W. (2021). Engaging Leadership: How to Promote Work Engagement? *Frontiers in Psychology*, 12(October), 1–10. <https://doi.org/10.3389/fpsyg.2021.754556>
- Seibert, S. E., Wang, G., & Courtright, S. H. (2011). Antecedents and Consequences of Psychological and Team Empowerment in Organizations: A Meta-Analytic Review. *Journal of Applied Psychology*, 96(5), 981–1003. <https://doi.org/10.1037/a0022676>
- Seubert, L., McWha-Hermann, I., Seubert, C., & Searle, R. (2025). Precarious employment and work: understanding the underlying psychological and social processes and advancing research from work and organisational psychology. *European Journal of Work and Organizational Psychology*, 34(6), 621–627. <https://doi.org/10.1080/1359432X.2025.2565932>

- Spears, L. C. (2010). Character and *Servant leadership*: Ten Characteristics of Effective, Caring Leaders. *The Journal of Virtues & Leadership*, 1(1), 25–30.
- Spreitzer, G. M. (1995). Psychological Empowerment In The Workplace: Dimensions, Measurement, and Validation. In *Academy of management journal* (Vol. 38, Issue 5, pp. 1442–1465).
- Wen, J., Huang, S. (Sam), & Teo, S. (2023). Effect of empowering leadership on work engagement via psychological empowerment: Moderation of cultural orientation. *Journal of Hospitality and Tourism Management*, 54(September 2022), 88–97. <https://doi.org/10.1016/j.jhtm.2022.12.012>
- Wood, A. J., Graham, M., Lehdonvirta, V., & Hjorth, I. (2019). Good Gig, Bad Gig: Autonomy and Algorithmic Control in the Global Gig Economy. *Work, Employment and Society*, 33(1), 56–75. <https://doi.org/10.1177/0950017018785616>
- Yurika, E., & Rosita, S. (2022). Pengaruh *Servant Leadership* Terhadap Perilaku Inovatif Dengan *Psychological Empowerment* Sebagai Variabel Intervening Pada Dinas Energi Dan Sumber Daya Mineral Provinsi Jambi. *Jurnal Manajemen Terapan Dan Keuangan (Mankeu)*, 11(03), 616–629. https://repository.unja.ac.id/23283/%0Ahttps://repository.unja.ac.id/23283/5/daftar_pustaka.pdf
- Zorlu, O., Baytok, A., Avan, A., & Inci, E. (2021). How servant leaders psychologically empower their followers: The case of five star hotels. *Tourism*, 69(4), 505–526. <https://doi.org/10.37741/t.69.4.3>