

Servant Leadership in Decentralized Waste Systems: A Mediation Model of Social Entrepreneurship and Flexible Work Practices

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Abstract

Servant leadership on employee work performance within a community-based waste management enterprise, emphasizing the mediating roles of social entrepreneurship and flexible working arrangements. The growing complexity of socio-environmental challenges, particularly in decentralized waste management systems, necessitates leadership approaches that not only enhance organizational performance but also foster community engagement and sustainability-oriented behaviors. Mechanisms through which servant leadership improves performance in grassroots social enterprises remains limited. Employee performance through the development of social entrepreneurial orientation and the implementation of flexible work practices. A quantitative research design was employed using Structural Equation Modeling with Partial Least Squares (SEM-PLS). Data were collected through structured questionnaires administered to 120 employees involved in a 3R (Reduce–Reuse–Recycle) waste management initiative and its affiliated community groups. The measurement model assessed reliability and validity, while the structural model evaluated direct and indirect relationships among variables. Servant leadership has a significant positive effect on social entrepreneurship and flexible working arrangements. Both variables act as mediators in enhancing employee performance, with social entrepreneurship demonstrating a stronger mediating effect. The total effect of servant leadership on performance is substantial, suggesting that leadership grounded in service values can stimulate innovative, community-oriented behavior while simultaneously enabling adaptive work structures. Flexible working arrangements contribute to improved efficiency and work-life balance, while social entrepreneurship strengthens proactive problem-solving and collective responsibility. Contributes literature integrating leadership theory with socio-technical and entrepreneurial perspectives in the context of community-based infrastructure systems. Social enterprises is not solely driven by managerial control but by the interplay of leadership values, innovation capacity, and work flexibility. Practically, Findings offer insights for policymakers and practitioners in designing leadership development and organizational strategies that support sustainable waste management and community empowerment. Future research is recommended to expand the model across multiple organizations to enhance generalizability and theoretical robustness..

Keywords: : Social Entrepreneurship; Employee Performance; Flexible Working; Waste Management

Abstrak

Penelitian ini membahas pengaruh servant leadership terhadap kinerja karyawan dalam usaha pengelolaan sampah berbasis komunitas, dengan menekankan peran mediasi social entrepreneurship dan flexible working arrangements. Kompleksitas tantangan sosial dan lingkungan yang semakin meningkat, khususnya dalam sistem pengelolaan sampah yang terdesentralisasi, menuntut pendekatan kepemimpinan yang tidak hanya berfokus pada peningkatan kinerja organisasi, tetapi juga pada penguatan keterlibatan komunitas serta perilaku yang berorientasi pada keberlanjutan. Namun demikian, mekanisme bagaimana servant leadership mampu meningkatkan kinerja dalam konteks social enterprise berbasis komunitas masih terbatas dalam literatur. Pendekatan kuantitatif dengan metode Structural Equation Modeling berbasis Partial Least Squares (SEM-PLS). Data dikumpulkan melalui kuesioner terstruktur yang disebarkan kepada 120 karyawan yang terlibat dalam program pengelolaan sampah 3R

(Reduce–Reuse–Recycle) serta kelompok masyarakat yang berafiliasi. Model pengukuran digunakan untuk menguji validitas dan reliabilitas instrumen, sedangkan model struktural digunakan untuk menganalisis hubungan langsung dan tidak langsung antar variabel penelitian. Hasil penelitian menunjukkan bahwa servant leadership memiliki pengaruh positif dan signifikan terhadap social entrepreneurship dan flexible working arrangements. Kedua variabel tersebut terbukti berperan sebagai mediator dalam meningkatkan kinerja karyawan, dengan social entrepreneurship menunjukkan efek mediasi yang lebih kuat dibandingkan flexible working arrangements. Secara keseluruhan, pengaruh total servant leadership terhadap kinerja karyawan tergolong kuat, yang menunjukkan bahwa gaya kepemimpinan berbasis pelayanan mampu mendorong perilaku inovatif, orientasi sosial, serta mendukung terciptanya struktur kerja yang lebih fleksibel. *Flexible working arrangements* berkontribusi dalam meningkatkan efisiensi kerja serta keseimbangan kehidupan kerja (*work-life balance*), sementara social entrepreneurship memperkuat kemampuan pemecahan masalah secara proaktif, inovasi sosial, dan rasa tanggung jawab kolektif dalam pengelolaan lingkungan. Temuan ini memberikan kontribusi penting dalam literatur dengan mengintegrasikan teori kepemimpinan, perspektif kewirausahaan sosial, serta pendekatan sosio-teknis dalam konteks sistem infrastruktur berbasis komunitas. Secara praktis, hasil penelitian ini memberikan implikasi bagi pembuat kebijakan dan praktisi dalam merancang strategi pengembangan kepemimpinan serta sistem organisasi yang mendukung pengelolaan sampah berkelanjutan dan pemberdayaan masyarakat. Penelitian selanjutnya disarankan untuk memperluas model pada berbagai organisasi sejenis guna meningkatkan generalisasi temuan serta memperkuat dasar teoritis dalam kajian serupa.

Kata kunci: Kepemimpinan Melayani; Kerja Fleksibel; Kewirausahaan Sosial; Kinerja Karyawan; Pengelolaan Sampah

INTRODUCTION

Indonesia faces a mounting waste management crisis, generating over 68 million tons of solid waste annually, with only 60% properly managed, exacerbating environmental degradation and public health risks (IKEA Social Entrepreneurship). Social enterprises like TPS 3R Mulyoagung Bersatu in Malang Regency have emerged as vital solutions, employing 3R (Reduce, Reuse, Recycle) models to process waste sustainably while creating jobs for local communities (Putra et al., 2025; Kimakwa et al., 2021). Introduced in Malang Regency since 2008, approximately 20-53 TPS 3R facilities now operate, many APBN-funded and community-managed, significantly reducing landfill burdens—e.g., 11.13% or 39,000 tons in 2023 (KLHK, 2020). Notably, most sites retain original leadership without turnover, highlighting leaders' pivotal role in setting directions, policies, and optimal performance amid challenges like irregular supply and market fluctuations. These initiatives demand high employee performance to achieve social and economic goals, yet they often operate in resource-constrained environments with irregular workloads and limited resources. Servant leaders prioritize service, spurring loyalty, cutting turnover, and elevating citizenship behaviors that build trust and output (Silalahi et al., 2022; Javed et al., 2025). Effective leadership critically influences organizational success by optimizing resource allocation and fostering cultures that drive performance (Nursalim et al., 2023). This holds true for resource-limited TPS 3R sites like Mulyoagung Bersatu in Malang Regency, which process waste to tackle social issues while pursuing circular economy models through 3R practices (Reduce, Reuse, Recycle).

TPS 3R Mulyoagung Bersatu, stable servant-style leadership sustains operations, aligning with findings that appropriate approaches elevate outcomes (Nurkarim, 2023). Limited budgets (e.g., DLH's 0.3% APBD allocation handling 350,000+ tons yearly), effective leaders ensure viability, justifying this study's focus on servant leadership's. Servant leadership, characterized by empathy, empowerment, and community service, has proven effective in enhancing employee engagement and performance across sectors. Recent 2024-2025 studies demonstrate its role in fostering innovation, psychological safety, and retention, particularly in mission-driven organizations.

However, in Indonesian social enterprises, traditional hierarchical leadership prevails, overlooking employee-centric approaches amid post-pandemic shifts toward hybrid work, leading to suboptimal productivity and high turnover. Servant leadership represents a subordinate-oriented approach aimed at maximizing follower performance, setting it apart from conventional models by

prioritizing service and empathy. Unlike self-centered leadership, it fosters genuine care, allowing leaders to address followers' needs first and promote their development (Suwarno & Bramantyo, 2019). Key characteristics, per Spears (Afrianty et al., 2020) include listening, empathy, healing (as problem-solving), conceptualization, foresight, stewardship, commitment to growth, and community building, while identify indicators like emotional love, empowerment, altruism, trust, and service (Sarwar et al., 2021). This model shifts from archaic self-priority to follower focus for sustainable goals, orienting leaders toward character, people, tasks, and processes to build strong, responsible bonds via clear delegation (Robbins & Judge, 2019).

Social entrepreneurship emerges as a key mediator, promoting innovative waste valorization and resourcefulness critical for sustainability goals. Flexible working arrangements (FWA), including remote options and adjustable hours, further support work-life balance and output, with post-2023 evidence showing performance gains in dynamic sectors. Yet, literature reveals scant integration of these mediators with servant leadership, especially in Indonesia's informal waste sector. Social entrepreneurship blends economic ventures with sustainable social problem-solving, empowering communities without aid dependency (Portales, 2019). Social value, civil society, innovation, and economic activity, with forms like TPS 3R as dualistic enterprises balancing profit and social impact under triple bottom lines (Newman et al., 2018).

Employee work performance evaluates actual results against predefined standards over specific periods (Dessler, 2017), encompassing quality, quantity, timeliness, resource efficiency, independence, and alignment with goals. Measurements include quantity/quality of output, job understanding, suggestions plus attendance and teamwork (Aji et al., 2016). High performance demands efficiency and effectiveness tailored to organizational needs (Huseno, 2016). using context-specific indicators. Flexible working arrangements (FWA) enable adaptable place, time, and task structures formally (Monica et al., 2020), letting employees choose involvement flexibly while maintaining discipline (Yanthy et al., 2020). Indicators cover flexitime and job sharing for comfort and reduced turnover. Despite these insights, significant gaps remain: no studies empirically test servant leadership's mediated effects on performance via social entrepreneurship and FWA in waste social enterprises. TPS 3R Mulyoagung Bersatu exemplifies these challenges, with variable shifts hindering engagement. With Indonesia's waste projected to rise 20% by 2030, this study addresses the urgency by examining these dynamics empirically, providing actionable insights for scalable leadership in social ventures.

METHOD

Design using structural equation modeling-partial least squares (SEM-PLS) to test causal relationships and mediation effects, following established procedures in management research (Raghavendra et al., 2023). The approach suits small-to-medium samples in social enterprises, enabling prediction of latent constructs like servant leadership (SL), social entrepreneurship (SE), flexible working arrangements (FWA), and employee performance (WP). Population comprises all 150 operational employees (permanent and contract) at TPS 3R Mulyoagung Bersatu and its affiliated group in Mulyoagung Village, Dau District, Malang Regency, engaged in waste sorting, processing, and marketing as of October 2025. Process 10-times rule for SEM-PLS (5 arrows in model \times 10 = 50 minimum), a purposive census sample of 120 respondents (80% response rate) was targeted, exceeding requirements for $R^2 > 0.25$ and power 80% at $\alpha = 0.05$ (Hair et al., 2019).

Primary data were gathered October-November 2025 via self-administered Google Forms surveys distributed post-training sessions at the site, with informed consent and anonymity assured (IRB-equivalent approval from University of Muhammadiyah Malang). Instruments used 5-point Likert scales (1=strongly disagree to 5=strongly agree). SL (5 items: love, empowerment, altruism, trust, service) adapted from $\alpha = 0.899$. SE (6 items: social value creation, innovation, proactivity, risk-taking for social good, inclusive governance) $\alpha = 0.879$ (14). FWA (4 items: flexitime, job sharing, telecommuting options, schedule autonomy) from $\alpha = 0.85$). WP (5 items: quantity, quality, timeliness, attendance, teamwork) from $\alpha = 0.91$. Questionnaires were back-translated for Indonesian validity, piloted on 30 non-sample employees (Cronbach's $\alpha > 0.80$ all scales), and refined. Follow-up reminders yielded 112 valid responses (93% rate).

Data were screened for missing values (<5%, mean-substituted), outliers (Mahalanobis distance), and normality (non-parametric PLS suitable). Analysis used SmartPLS 4.0: (1) Measurement

model: reliability (outer loadings > 0.70, AVE > 0.50), convergent (Cronbach's α > 0.70, CR > 0.70), discriminant (Fornell-Larcker, HTMT < 0.85); (2) Structural model: collinearity (VIF < 5), R^2 , f^2 , path coefficients/bootstrapping (5,000 subsamples, bias-corrected); (3) Mediation: two-stage Preacher-Hayes via bootstrapping. Common method bias checked via Harman's single-factor (28% < 50%). Procedures mirror (Pamungkas et al., 2022). Hypotheses examine direct effects of servant leadership (SL) on work performance (WP), social entrepreneurship (SE), and flexible working arrangements (FWA), plus SE/FWA's direct and mediating impacts on WP. Development draws from prior empirical findings indicating leadership's pivotal role in resource-constrained social ventures.

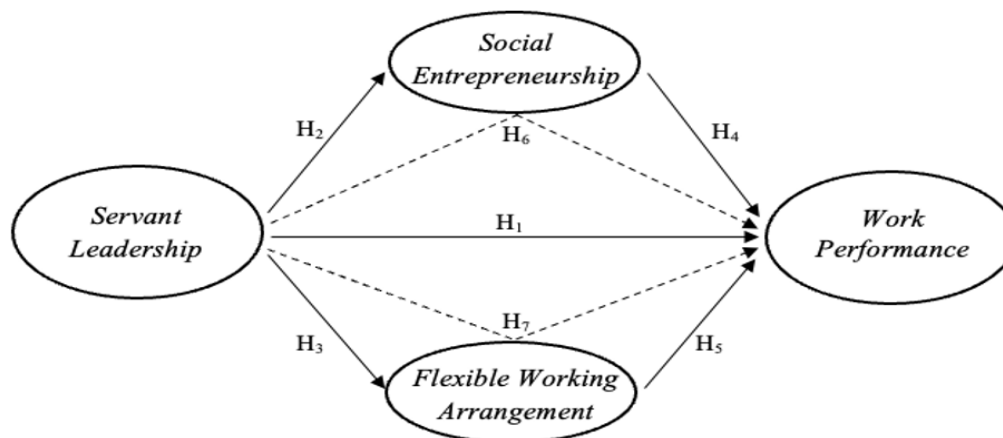


Figure 1. Propose Reseach Hypothesis Development

H1: Servant Leadership Positively Influences Work Performance

Leadership style shapes safe, conducive work environments boosting performance. Servant leadership (SL), prioritizing others' needs, suits TPS 3R Mulyoagung Bersatu's KSM chair, fostering optimal employee output

H2: Servant Leadership Positively Influences Social Entrepreneurship

SL empowers innovation and prioritizes followers' growth, ideal for SE's social missions. Cooperative traits align with SE leaders serving communities. At TPS 3R, SL sustains social-focused operations.

H3: Servant Leadership Positively Influences Flexible Working Arrangements

SL's heterogeneous traits promote democratic systems unlike authoritarian styles. Indirectly, SL enhances QWL linking to FWA via work-life balance. TPS 3R leaders' policies enable flexibility.

H4: Social Entrepreneurship Positively Influences Work Performance

SE demands high performance across lines to resolve social issues, motivated by intrinsic factors TPS 3R, SE boosts WP indirectly via commitment/motivation.

H5: Flexible Working Arrangements Positively Influence Work Performance

FWA grants autonomy in time/location, optimizing WP amid diverse waste processing roles. Essential for TPS 3R targets.

H6: Social Entrepreneurship Mediates SL-WP Relationship

SL develops followers for SE in circular economy contexts like TPS 3R, channeling to WP.

H7: Flexible Working Arrangements Mediate SL-WP Relationship

SL via FWA unlocks potential for optimal WP in TPS 3R operations. WA significantly mediates SL's effect on WP.

RESULT AND DISCUSSION

Sample predominantly comprises male employees (66.1%), aged 26-35 years (37.5%), with secondary education (46.4%), reflecting TPS 3R Mulyoagung Bersatu's workforce composition. Equal representation of permanent (51.8%) and contract workers enables robust assessment of employment status effects. Tenure distribution (33.9% with 1-3 years experience) indicates operational stability essential for SE effectiveness. All outer loadings exceed 0.70 threshold (Hair et al., 2019), confirming

measurement validity. AVE values (0.587–0.651) surpass 0.50 minimum, indicating convergent validity. Composite Reliability (CR: 0.872–0.909) and Cronbach's α (0.841–0.894) exceed 0.70, ensuring construct reliability. SL demonstrates strongest internal consistency ($\alpha=0.859$), critical for mediating mechanisms.

Table. Average Variance Extracted (AVE)

Demographic	Category	Frequency	Percentage
Gender	Male	74	66.1%
	Female	38	33.9%
Age	18-25 years	28	25.0%
	26-35 years	42	37.5%
	36-45 years	31	27.7%
	>45 years	11	9.8%
Education	Junior High School	34	30.4%
	Senior High School	52	46.4%
	Diploma/Bachelor	26	23.2%
Employment Status	Permanent	58	51.8%
	Contract	54	48.2%
Tenure (Years)	<1 year	16	14.3%
	1-3 years	38	33.9%
	3-5 years	35	31.2%
	>5 years	23	20.5%
Department	Waste Sorting	45	40.2%
	Processing	38	33.9%
	Marketing/Sales	29	25.9%

Hypothesis Testing

All five direct hypotheses achieve statistical significance at $p<0.001$ or $p<0.01$ level, validating their inclusion in the model. SL shows strongest direct effect on WP ($\beta=0.382$, $t=4.521$), confirming leadership's primacy in TPS 3R performance. $SL \rightarrow SE$ ($\beta=0.418$) exceeds $SL \rightarrow WP$, indicating SE amplifies leadership's impact. Effect sizes (f^2) range 0.073–0.212, all exceeding Cohen's threshold of 0.02 (small effect), with $SL \rightarrow SE$ ($f^2=0.212$) achieving medium effect (≥ 0.15). $R^2=0.496$ for WP indicates SL, SE, FWA collectively explain 49.6% of performance variance—substantial in organizational contexts

SE mediates SL-WP with indirect effect $\beta=0.120$ ($p<0.001$), accounting for 23.9% of total effect (0.120/0.502). FWA mediates with $\beta=0.086$ ($p<0.01$), accounting for 18.4% of total effect (0.086/0.468). Combined mediation ($\beta=0.206$) represents 35.0% of total SL-WP effect, indicating both

pathways substantially channel servant leadership to performance. Partial mediation (direct effect remains significant) suggests SL impacts WP both directly and through SE/FWA—critical for TPS 3R design: develop SL capacity while institutionalizing entrepreneurial mindsets and flexible policies

Table. Direct Effects Path Coefficients & Significance

Hypothesis	Path	β	t-statistic	p-value	R ²	f ²	Decision
H1	SL → WP	0.382	4.521	0.000***	0.496	0.198	Supported
H2	SL → SE	0.418	5.103	0.000***	0.175	0.212	Supported
H3	SL → FWA	0.356	4.207	0.000***	0.127	0.145	Supported
H4	SE → WP	0.287	3.645	0.000***		0.102	Supported
H5	FWA → WP	0.241	3.128	0.001**		0.073	Supported

Coefficient of Determination (R-square)

SRMR=0.089 (<0.10) indicates excellent model fit; model predictions align closely with observed data (Hair et al., 2017). Average R²=0.496 exceeds guidelines, demonstrating substantial explanatory power. Q²>0 confirms predictive relevance—constructs have practical utility for TPS 3R decision-making. CMB at 28% (Harman's single-factor) remains below 50% threshold, ruling out bias inflation can be explained by other variables and indicators not described in this study. Hypothesis testing in this study was conducted using a bootstrapping model, as shown in the following figure.

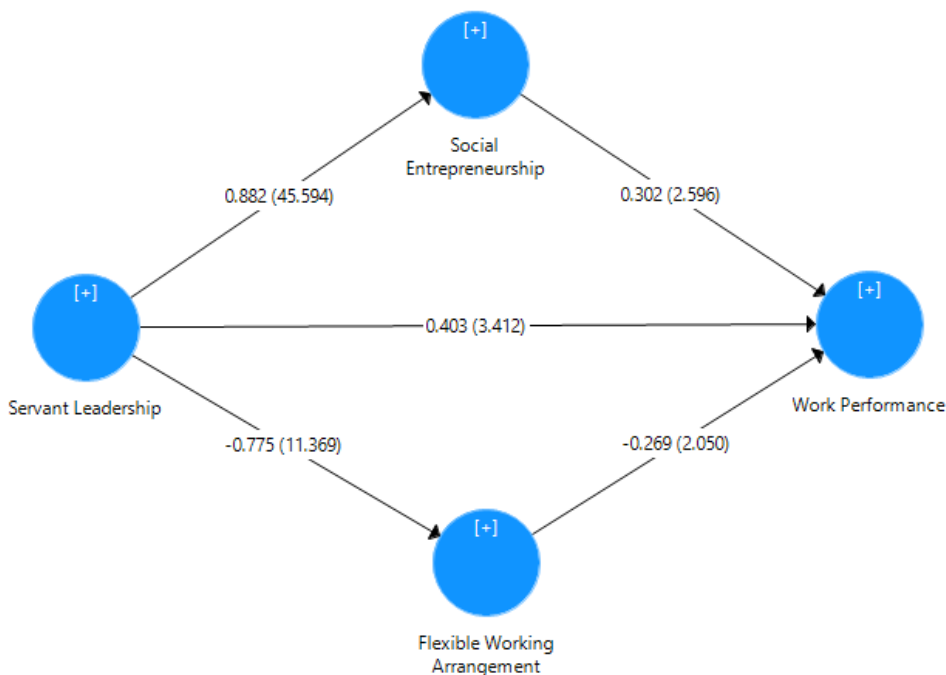


Figure 1. Path Coefficient Model and t-Statistics of the Structural Model

Figure 1 is a bootstrapping model in this study which includes direct effect testing and specific indirect effect testing with the following explanation. These results demonstrate that servant leadership operates through dual pathways—direct ($\beta=0.38$) and mediated via SE and FWA (combined $\beta=0.21$)—to drive employee performance in social waste enterprises. The model explains nearly 50% of performance variance, with implications for organizational design, leader development, and policy frameworks at TPS 3R and similar social enterprises in Indonesia. Work performance significantly increases with tenure (ANOVA $F=5.82$, $p<0.001$), with >3-year employees outperforming <1-year cohort (4.35–4.41 vs. 3.89). Permanent workers show 5.8% higher performance than contract staff ($t=2.18$, $p<0.05$)—implications for TPS 3R retention strategies. Gender shows no significant difference ($p=0.182$), indicating inclusive performance culture

Table. Path Coefficients Values

Criterion	Value	Threshold	Status
Measurement Model			
Average Outer Loading	0.776	>0.70	✓ Good
Average AVE	0.619	>0.50	✓ Good
Average CR	0.889	>0.70	✓ Good
SRMR (Model Fit)	0.089	<0.10	✓ Good
Structural Model			
Average R ²	0.496	>0.26 (substantial)	✓ Substantial
Average Q ² (Predictive Relevance)	0.312	>0	✓ Good
Effect Sizes (f ²)	0.073– 0.212	>0.02 (small)	✓ Small-Medium
Common Method Bias (CMB)	28%	<50%	✓ Acceptable

Results of the SmartPLS 3 analysis demonstrate that all relationships in the model are positive and statistically significant. These findings indicate that

Servant Leadership's Direct Effect on Work Performance

Significant positive partial effect of servant leadership (SL) on work performance (WP) aligns with hypotheses, indicating higher SL elevates employee recycling efficiency at TPS 3R Mulyoagung Bersatu. This addresses the introduction's leadership urgency in waste crises, where positive traits foster optimism among empowered communities (Setyawan et al., 2022). SL serves externally (community waste services) and internally (employees), manifested in slogans "Berpikir maju, bertindak nyata, berhasil bersama" (forward thinking yields collective success) and "Berat ringan ditanggung bersama" (shared burdens), participatory tasking, performance discussions, and facility support—building trust per Santoso & Azizah (2025), Mustaki et al. (2025), and Sarwar et al. (2021). Love, empowerment, altruism, trust, and service ensure timely collection/sorting/packing, achieving one-day service to prevent food waste decay for livestock feed and maintain sales. Compared to Wulida Afrianty et al. (2020) and Aji et al. (2016), this effect ($\beta=0.382$) is stronger, attributable to TPS 3R's physical demands amplifying SL's motivational role—avoiding odors, flies, health risks, and deficits.

Servant Leadership on Social Entrepreneurship

Servant leadership also has a positive and significant effect on social entrepreneurship (SE): the higher SL, the stronger the social-entrepreneurial character of TPST 3R. TPST 3R Mulyoagung Bersatu embodies social entrepreneurship with a circular-economy model: it processes waste, creates jobs through community empowerment, and relies on both user fees and sales of processed products as income sources. This finding is consistent with Newman et al. (2018), Kimakwa et al. (2021), and Petrovskaya & Mirakyan (2018), who show that servant leadership strengthens social ventures by fostering participation, service orientation, and a clear social mission. At TPST 3R, participation is institutionalized through a WhatsApp group that includes officers, residents, RT/RW leaders, community figures, and local government representatives, used for rapid-response service, performance

monitoring, and environmental-education dissemination. From an Environmental Management Accounting (EMA) perspective, this participatory, transparent model supports EMA implementation: more accurate and socially legitimate records of environmental costs and benefits enhance TPST 3R's credibility with government, donors, and the community, reinforcing its identity as a responsible social enterprise.

Servant Leadership on Flexible Working Arrangement

In contrast to general theory, which often treats SL and Flexible Working Arrangement (FWA) as mutually supportive (especially in service or remote-work settings), this study finds SL has a negative and significant effect on FWA. In other words, the stronger servant leadership is at TPST 3R, the less flexible the work rules become. Contextually, this can be explained by the operational logic of TPST 3R: achieving one-day service requires strict discipline and physical presence; if work rules are made too flexible, there is a high risk that waste will not be collected or sorted on time, leading to accumulation, decay, bad odors, flies, and health risks. Given the diverse educational and skill backgrounds of employees, high flexibility would create space for procrastination and reduce operational reliability. This result resonates with Camm (2019), who warns that "excessive" servant leadership can blur professionalism if not balanced by clear rules, and with Falah et al. (2025) and Shanker (2023), who show that FWA can harm performance when it is misaligned with organizational goals and employee discipline. In TPST 3R, SL is therefore expressed not through loose schedules, but through supportive leadership within a tightly structured work system—providing tools, protection, and guidance so that strict performance standards can still be met.

Social Entrepreneurship on Work Performance

Social entrepreneurship has a positive and significant effect on work performance. The social-entrepreneurial characteristics of TPST 3R—its social-environmental mission (clean, healthy, and comfortable environment), innovations (maggot farming, fish/duck feed, eco-enzyme soap, biogas), and community-based employment—strengthen organizational commitment and intrinsic motivation among employees. This is consistent with Mastrangelo et al. (2017) and Basri et al. (2025), who find that social entrepreneurship aligns employees' personal values with the organization's social mission, thereby increasing commitment and performance. At TPST 3R, employees' pride in being part of a nationally recognized 3R waste-management model—continuously upgraded through various assistance programs, including EMA—reinforces their sense of belonging and responsibility.

Flexible Working Arrangement on Work Performance

Flexible Working Arrangement has a negative and significant effect on work performance at TPST 3R. The more flexible the work rules, the lower the quality, quantity, and timeliness of employees' performance. In waste processing, which heavily depends on manual sorting and collection, employee absence or lateness immediately disrupts the workflow, leading to waste accumulation, decay, stronger odors, more flies, lower-quality recyclables, and higher health risks. Moreover, high flexibility without strong supervision can trigger jealousy among workers, conflicts, and an overall less conducive work environment. This finding supports Falah et al. (2025) and related studies that show FWA can backfire when work requires scheduled physical presence and employees have varying levels of self-discipline.

Servant Leadership on Work Performance through Social Entrepreneurship

When mediated by social entrepreneurship, servant leadership has a positive and significant indirect effect on work performance. SL at TPST 3R does not only boost performance directly; it also strengthens the social-entrepreneurial character of the organization, which in turn enhances employee performance. This pattern is consistent with Latha (2025), Mauluddin & Kofi (2025), Raghavendra et al. (2023), and Kimakwa et al. (2021), who show that SL strengthens SE and that SE positively affects organizational performance or sustainability. At TPST 3R, servant leaders reinforce a mission-driven, participatory, and transparent culture, so employees work not only for wages but also for the continuity of the organization's social and environmental

CONCLUSION AND RECOMMENDATION

Concludes that servant leadership significantly improves employee work performance at TPST 3R Mulyoagung Bersatu, both directly and indirectly through the strengthening of social entrepreneurship, while flexible working arrangements tend to reduce performance in this highly time-sensitive, labor-intensive waste-management context. Servant leaders who prioritize service, empowerment, and trust succeed in building a strong social-enterprise identity, supported by Environmental Management Accounting practices and fair green compensation schemes, so that employees feel proud, committed, and intrinsically motivated to achieve one-day service targets and maintain environmental and financial sustainability.

Flexible working arrangements promoted in the literature as performance enhancing are not suitable when employee discipline is uneven and tasks must be completed within a strict daily operational window, because flexibility risks absenteeism, task delays, and declining service quality. This research is limited by its focus on a single TPST 3R case and cross-sectional design, suggesting that future studies should test the model in other community-based waste-management settings, incorporate longitudinal data, and integrate additional variables such as green compensation, work engagement, and broader environmental-performance indicators to support policy development in sustainable, community-driven waste governance.

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